

# ANNUAL REPORT 2021

**TIH LIMITED**

(Unique Entity No.: 199400941K)



# Contents

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## Corporate Information

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### Board of Directors

Kin Chan (Chairman, Deemed Executive Director)  
 Wang Ya Lun Allen (Deemed Executive Director)  
 Vince Feng (Independent Director)  
 Liong Tong Kap (Independent Director)  
 Thanathip Vidhayasirinun (Independent Director)  
 Alex Shiu Leung Au (Non-Executive Director)  
 Sin Boon Ann (Lead Independent Director)  
 Abram Melkyzedeck Suhardiman (Alternate  
 Director to Alex Shiu Leung Au)  
 Li Yick Yee Angie (Alternate Director to Kin  
 Chan) (Appointed on 22 April 2021)

### Company Secretary

Lee Hock Heng, ACIS

### Investment Manager

TIH Investment Management Pte. Ltd.  
 137 Telok Ayer Street #03-07  
 Singapore 068602

### Audit Committee

Liong Tong Kap (Chairman)  
 Thanathip Vidhayasirinun  
 Alex Shiu Leung Au

### Nominating and Remuneration Committee

Thanathip Vidhayasirinun (Chairman)  
 Sin Boon Ann  
 Alex Shiu Leung Au

### Risk Governance Committee

Sin Boon Ann (Chairman)  
 Vince Feng  
 Kin Chan

### Board Investment Committee

Vince Feng  
 Kin Chan  
 Alex Shiu Leung Au  
 Wang Ya Lun Allen (CEO of Investment Manager)

### Lead Independent Director

Sin Boon Ann

### Registrars and Share Transfer Office

Boardroom Corporate & Advisory Services Pte Ltd  
 1 Harbourfront Avenue  
 #14-07 Keppel Bay Tower  
 Singapore 098632

### Bankers

DBS Bank Ltd  
 DBS Bank (Hong Kong) Limited  
 United Overseas Bank Limited

### Auditors

KPMG LLP  
 Public Accountants and Chartered Accountants  
 16 Raffles Quay #22-00  
 Hong Leong Building  
 Singapore 048581

Partner in charge of audit:  
 Amit Sadana  
 (appointed from the financial year ended  
 31 December 2017)

### Unique Entity No.

199400941K

### Registered Office

137 Telok Ayer Street  
 #03-07  
 Singapore 068602  
 Tel : 65 - 6224 1211  
 Fax : 65 - 6225 5538  
 Website: [www.tih.com.sg](http://www.tih.com.sg)

## *Corporate Profile*

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TIH Limited (“TIH”) is an SGX-listed closed-end fund set up in 1994, and is managed by one of the most established private equity investment teams in Asia.

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 currently has two business segments – Investment Business and Fund Management. Under the former, TIH is involved in special situation investments in both public and private companies, acquisitions of secondary portfolio and non-core assets, private credit, and long term strategic private equity. Under the Fund Management segment, TIH Investment Management Pte. Ltd. (“TIHIM”), a wholly-owned subsidiary of TIH, which holds a Capital Markets Services License issued by the Monetary Authority of Singapore, aims to procure recurring fee-based income from managing third party investment funds.

A strategic partner of TIH, Argyle Street Management group (“ASM”) is a Hong Kong-based investment firm and holds a significant equity stake in TIH. Through close collaboration between TIH and ASM, the two companies have co-invested in a broad spectrum of investment opportunities with a predominantly Asian coverage. TIH and ASM also leverage on their complementary capabilities and resources including sourcing networks, and structuring and execution expertise.

### **Milestones**

#### **1994**

- TIH was listed on the Singapore Stock Exchange.

#### **2014**

- TIH completed the internalisation of investment management functions. TIHIM was incorporated and appointed as the fund manager of the Company. The re-organisation allowed for TIH to expand its business scope to manage third-party funds and to establish a new recurring income stream.

#### **2016**

- TIHIM received the Capital Markets Services License issued by Monetary Authority of Singapore.
- Wholly-owned subsidiary Killian Court Pte. Ltd. (“Killian Court”) entered into a joint venture with ASM in respect of ASM Connaught House General Partner II Limited to serve as the general partner to ASM Connaught House Fund II LP (“CHF II Fund”). CHF II Fund was formed as an exempted limited partnership, to focus on special situation opportunities. Killian Court contributed US\$15.9 million into the fund through the general partner.

#### **2018**

- Killian Court contributed US\$2.5 million to ASM Connaught House Fund III, which investment objective is to invest in predominantly illiquid special situations investments in Asia with a focus on high yielding structured lending opportunities with good downside protection.

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## 2020

- Launched Vasanta Fund 1 SP in a joint investment with two partners to focus on undervalued listed companies in Asia Pacific and unlock value through active engagement with management and stakeholders. Killian Court committed US\$15 million to the fund.

## 2021

- Killian Court committed US\$6.5 million to ASM Connaught House Fund V (“CHF V”), which investment objective is to invest in predominantly illiquid special situations investments in Asia with a focus on high yielding structured lending opportunities with good downside protection.

## Growth Strategies of TIH

TIH seeks to expand its Fund Management business segment through TIHIM by growing the assets under management under the existing strategies (such as Private Credit through CHF Funds and Public Equity through Vasanta Fund). These third-party funds managed or advised by TIHIM provides recurring fee income. The Group has seen growing contribution from fee income since TIHIM was incorporated in 2014, in line with the growth of TIHIM’s assets under management, and aims to further increase the fee income going forward.

Under the Fund Management business, TIH will also focus on raising third-party capital to invest in other alternative investment asset classes including but not limited to venture capital, real estate, growth and private equity leveraging on its and ASM’s extensive network and sourcing capabilities.

TIH will contribute capital into the funds it manages and/or advises, as well as co-invest along-side the funds as well. TIH works closely with the management of investee companies to create value through strategic, operational and corporate finance inputs. Our goal is to achieve long-term growth and provide a steady stream of dividends to shareholders through income generated from our Investment and Fund Management business segments.

The four main strategies to support long-term growth plans in both Investment and Fund Management business are:

- Building on TIH’s reputation and track record to seek out opportunities for long-term value strategic investments;
- Expanding investment coverage to include special situation investment opportunities with listed and private companies;
- Acquiring non-core secondary assets whose existing owners are not able to undertake active management of such assets; and
- Broadening and deepen strategic relationships with significant market players in the Greater China and SEA region.

## *Chairman's Statement*

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On behalf of the Board of TIH Limited (“TIH” or the “Company”), I would like to present to you our annual report for the financial year ended 31 December 2021 (“FY2021”).

FY2021 proved to be another year of unprecedented challenge. After years of loose monetary policy pursued by all major central banks in the world, excesses are everywhere. The actions of the Fed and its global peers have led to, intentionally or not, stratospheric valuations of financial and real estate assets. For years, inflation had been under control but the ugly head of inflation has reared in recent months which does not bode well for asset valuation. The bursting of financial bubbles oftentimes leads to socio-political instability. Adding fuel to the combustible environment are widening inter-generational rifts, historically high wealth disparity and fracturing civil societies. The near future could be one of the most tumultuous times in history.

After its first appearance two years ago, COVID, having infected more than 350 million people and killed almost six million, is still very much with us though the pandemic is moving closer to be an endemic. The arrival of efficacious vaccines is a triumph of science but the management capabilities of governments the world over left much to be desired. Singapore clearly has distinguished itself in this department.

The US-China relationship has worsened despite the change of president in the White House. Geopolitical risks are at elevated levels not seen since the Soviet-American Cold War. Ukraine and Taiwan are two flashpoints that could lead to horrifying endgame.

It is possible that Chinese capital will have to beat a retreat from Australia and Japan, and Western capital may need to do the same in Greater China. A lot of financial investors may not have holding power in times of great dislocation and may become motivated sellers. We will monitor these dislocations closely and seize the opportunities as they arise.

During these unprecedented times, TIH reported a comprehensive income and net profit attributable to shareholders of S\$10.99 million, predominantly due to fair value gain from underlying investments and contributions from other operating income.

TIH's Net Asset Value (“NAV”) as at 31 December 2021 was S\$125.91 million (representing a NAV of S\$0.52 per share), S\$8.57 million higher as compared to the NAV of S\$117.34 million (S\$0.49 per share) as at 31 December 2020.

TIH continues to seek long term returns for shareholders through:

- (i) appreciation of our investments and the income such investments generate;
- (ii) asset management fees on funds/discretionary accounts that we manage and advise; and
- (iii) consultancy income based on services provided with ASM for our strategic partners.

As an appreciation to shareholders who have supported TIH over the years, the Board of Directors has proposed to distribute a final dividend of 1.0 Singapore cent for FY2021. The proposed dividend is subject to shareholders' approval at the upcoming Annual General Meeting of the Company.

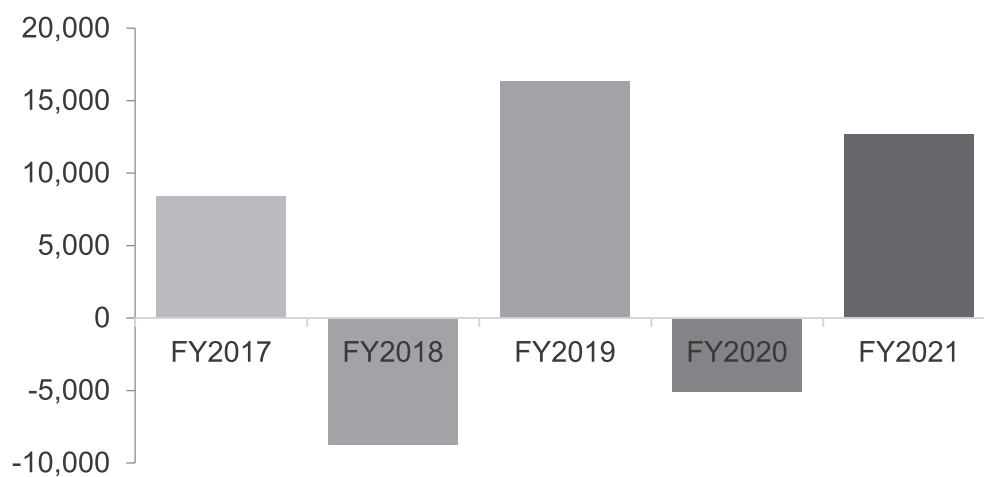
We thank you for your continued support as we progress on this journey. Your support is key to our success.

Kin Chan  
Chairman  
15 March 2022

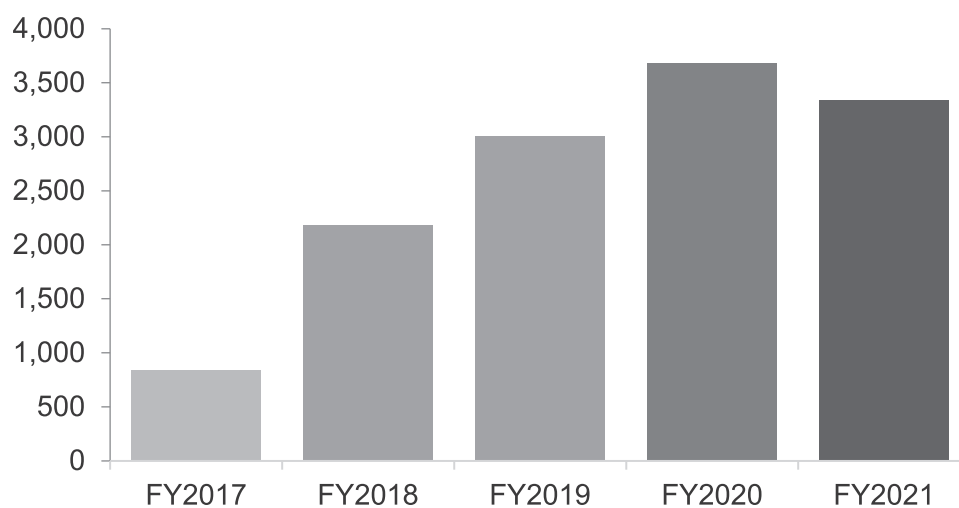
## Financial Highlights

### Financial Highlights (FY2017 – FY2021)

#### Net Gains/(Loss) from Investments (S\$'000)



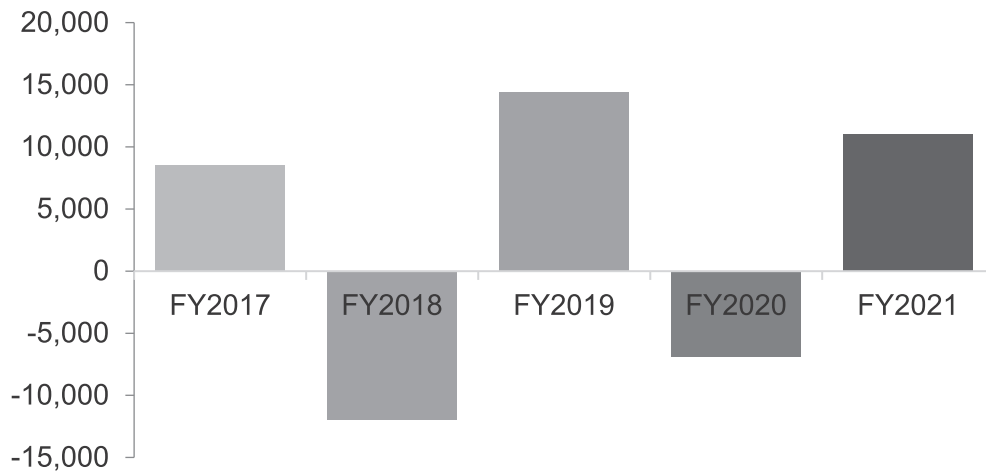
#### Other Operating Income (S\$'000)



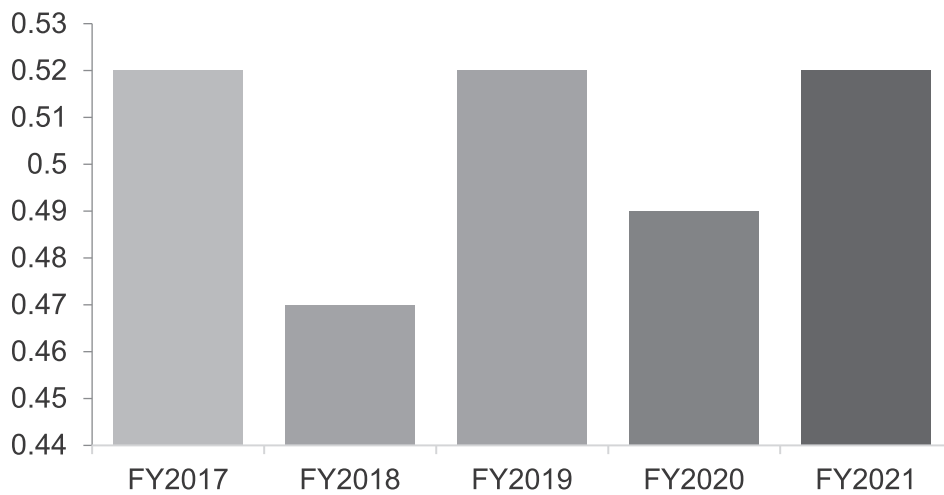


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### Total Comprehensive Income (S\$'000)



### Net Asset Value per share (S\$)



## *Operating and Financial Review by the Investment Manager*

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The Company is a private equity fund which primarily invests in companies with capital appreciation potential and the Group's income is primarily derived from the realisation and/or the revaluation of its portfolio investments at fair value in accordance with financial reporting standards.

The Company's wholly owned subsidiary, TIH Investment Management Pte. Ltd., which holds a Capital Markets Services License, provides advisory and fund management services.

During 2021, the Group made net investments of S\$2.57 million.

For the financial year ended 31 December 2021 ("FY2021"), the Group reported a total comprehensive income and net profit attributable to shareholders of S\$10.99 million. This was mainly attributed to fair value gain on equity investments at fair value through profit or loss ("FVTPL") (after adjusting for dividends from subsidiary of S\$0.04 million) of S\$11.87 million, other operating income of S\$3.33 million and fair value gain on debt investment at FVTPL of S\$0.83 million arising from accrual of interest on a shareholder loan. This was partially offset by operating expenses of S\$4.93 million, which includes staff costs of S\$2.21 million, legal and professional fees of S\$0.8 million and consultancy and advisory fee expense of S\$0.27 million.

The net gain in equity investments at FVTPL of S\$11.87 million was mainly attributed to the following portfolio investments:

- (i) increase in fair value of Fortune Crane Limited of S\$5.31 million;
- (ii) increase in fair value of ASM Connaught House General Partner II Limited of S\$4.85 million;
- (iii) increase in fair value of ASM Connaught House General Partner III Limited of S\$1.17 million;
- (iv) increase in fair value of TIHT Investment Holdings Pte Ltd of S\$0.85 million;
- (v) increase in fair value of ASM Connaught House Fund III of S\$0.63 million; and
- (vi) increase in fair value of Vasanta Sub-Fund 1 of S\$0.28 million.

The gains were partially offset by:

- (vii) decrease in fair value of K2 Venture Capital Company Limited of S\$1.71 million.

Other operating income of S\$3.33 million were derived mainly from advisory and management fees income.

The Group's net asset value ("NAV") increased from S\$117.34 million (or S\$0.49 per share) as at 31 December 2020 to S\$125.91 million (or S\$0.52 per share) as at 31 December 2021, an increase of S\$8.57 million.

The global economy entered into 2022 in a weaker position than previously expected, with the new Omicron variant spreading, higher inflation rates, as well as slower-than-expected recovery of private consumption. The International Monetary Fund has revised its forecast for global growth to 4.4 per cent in 2022, half a percentage point lower than in its previous October World Economic Outlook. Inflation is expected to gradually decrease as supply-demand imbalances wane in 2022 and monetary policy in major economies responds. Markets with stronger fiscal positions and clearer policy frameworks will be better placed to manage tighter global financial conditions. Private equity deal making and fundraising have made a comeback in 2021 compared to the previous year, representing a recovery from a lull that started in 2018, even before the pandemic. Private equity investors are deepening their footprint in Southeast Asia, tapping the digitalisation theme across sectors, and seizing the tech investment opportunities emerging. Recent activity shows that this momentum is likely to continue, with large amounts of dry powder for deployment, high levels of monetary and fiscal stimulus deployed to reflate economies, as well as strong investor demand. The Company remains on the active lookout for valuable opportunities in special situations, corporates deleveraging and non-core secondary assets against the competitive operating environment.

Yours sincerely

TIH Investment Management Pte. Ltd.

Allen Wang

Chief Executive Officer

15 March 2022

## Top Ten Investments

### 10 Largest Investments as at 31 December 2021 <sup>+</sup>

Group	Sector	Cost S\$'000	Carrying Amount As At 31 December 2021 S\$'000	% of Shareholding	Share of Underlying Earnings # S\$'000	Net Assets (at book value) Attributable To Investments # S\$'000	Gross Dividends/ Distributions S\$'000
<b><u>Investments at fair value through profit or loss</u></b>							
Fortune Crane Limited	Property and Development	56,830 <sup>^</sup>	47,556 <sup>^</sup>	7.95	(824)	11,938	–
ASM Connaught House General Partner II Limited	Fund Investment - Private Credit	22,054	32,294	30.00	4,260	32,294	–
Vasanta Sub-Fund I	Fund Investment - Public Equity	20,055	20,334	33.33	303	20,334	–
Sungei Road Limited	Financial Services	6,665	7,092	8.33	(6)	7,092	–
TIHT Investment Holdings Pte. Ltd.	Financial Services/ Electronic Components	173	4,954	55.00	848	4,954	–
ASM Connaught House Fund III	Fund Investment - Private Credit	3,388	4,788	1.19	540	4,788 <sup>~</sup>	–
Batavia Enterprise Limited	Property and Development	2,562	2,771	44.00	(23)	2,771	–
ASM Connaught House General Partner III Limited	Fund Investment - Private Credit	4	2,469	30.00	1,139	2,469	–
Capas Road Limited	Financial Services	2,076	2,056	16.80	(1)	2,056	–
Lop Buri Limited	Financial Services	1,795	1,752	32.00	(1)	1,752	–
Total		<u>115,602</u>	<u>126,066</u>				

<sup>+</sup>: As at 31 December 2021, the Group's investments comprised 20 portfolio companies which includes investments held via the Company and its wholly owned subsidiaries, Little Rock Group Limited and Killian Court Pte. Ltd.. The above top 10 investments represent approximately 96.94% of the carrying amount of the Group's total investments at fair value through profit or loss ("FVTPL") and debt investment at FVTPL as at 31 December 2021. There were no extraordinary items related to these investments.

<sup>^</sup>: Includes interest bearing debt investment at fair value through profit or loss.

<sup>#</sup>: Based on management accounts for the year ended 31 December 2021.

<sup>~</sup>: Based on limited partner's statement as at 31 December 2021.

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Notes:

The Group classifies its investments into two categories: equity investments at fair value through profit or loss (“FVTPL”) and debt investment at FVTPL (See Note 3.3 of the Financial Statements for further details).

Realised and unrealised gains and losses arising from changes in the fair value of equity investments at FVTPL category are included in the profit or loss statement in the period in which they arise. As at 31 December 2021, the Group has one equity portfolio investment which was held directly through the parent company, TIH Limited, and two controlled subsidiary investments, Little Rock Group Limited and Killian Court Pte. Ltd., which do not provide investment-related services. These equity portfolio investment and subsidiaries were measured at equity investments at FVTPL in accordance with SFRS(I) 9 *Financial Instruments*.

Net change in fair value of debt investment at FVTPL was recognised in the profit or loss statement.

**(1) Equity investments at FVTPL**

*During the financial year ended 31 December 2021, the Group recorded net fair value gain of S\$11.87 million on equity investments at FVTPL (after adjusting for dividends from subsidiary of S\$0.04 million) which include the following portfolio investments held directly/indirectly through the Company and its subsidiaries:*

(a) *unrealised gains from unquoted investments of S\$13.77 million mainly due to:*

- *fair value gain from Fortune Crane Limited of S\$5.31 million;*
- *fair value gain from ASM Connaught House General Partner II Limited of S\$4.85 million;*
- *fair value gain from ASM Connaught House General Partner III Limited of S\$1.17 million;*
- *fair value gain from TIHT Investment Holdings Pte Ltd of S\$0.85 million;*
- *fair value gain from ASM Connaught House Fund III of S\$0.63 million; and*
- *fair value gain from Vasanta Sub-Fund 1 of S\$0.28 million.*

(b) *unrealised losses from unquoted investments of S\$1.90 million mainly due to:*

- *fair value loss from K2 Venture Capital Company Limited of S\$1.71 million.*

(c) *realised gains from dividend distributions from unquoted portfolio investment of S\$0.04 million.*

**(2) Debt investment at FVTPL**

*During the financial year ended 31 December 2021, the Group recorded net fair value gain of S\$0.83 million on debt investment at FVTPL arising from accrual of interest on a shareholder loan.*

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## **Description on Top 10 Investments**

### **Fortune Crane Limited**

Fortune Crane Limited (formerly known as Fortune Code Limited) invests indirectly in OUE Limited, a diversified real estate owner, developer and operator listed on the SGX-ST with a real estate portfolio located in prime locations in Asia.

### **ASM Connaught House General Partner II Limited, ASM Connaught House General Partner III Limited, and ASM Connaught House Fund III (collectively “CHF Funds”)**

CHF Funds are investment funds that target event driven opportunities, particularly investments in companies that offer attractive valuations as the result of adverse effects from withdrawal of liquidity in the region, financial market volatility and/or currency shocks. TIHIM is the non-discretionary investment advisor to CHF Funds.

### **Vasanta Sub-Fund 1**

Focus on undervalued listed companies in Asia Pacific and unlock value through active engagement with management and stakeholders. TIHIM is the investment manager to the fund.

### **Sungei Road Limited**

Sungei Road Limited is an investment into an Indonesian financial service business.

### **TIHT Investment Holdings Pte. Ltd.**

A subsidiary of TIH, TIHT Investment Holdings Pte. Ltd. is indirectly 55% owned by TIH and 45% by Republic Technologies Pte Ltd. The company is undergoing liquidation and the remaining assets will be distributed to shareholders upon completion of the liquidation process.

### **Batavia Enterprise Limited**

Batavia Enterprise Limited is a company focused on property development projects in Taiwan.

### **Capas Road Limited**

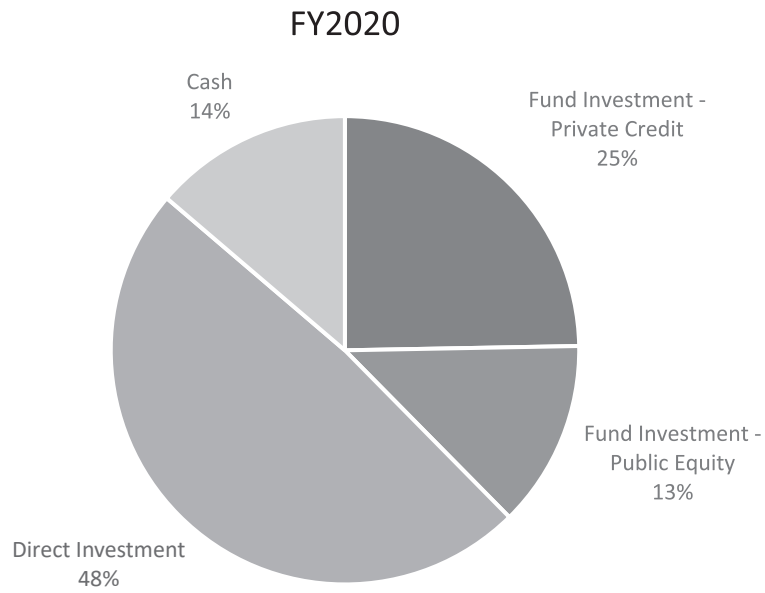
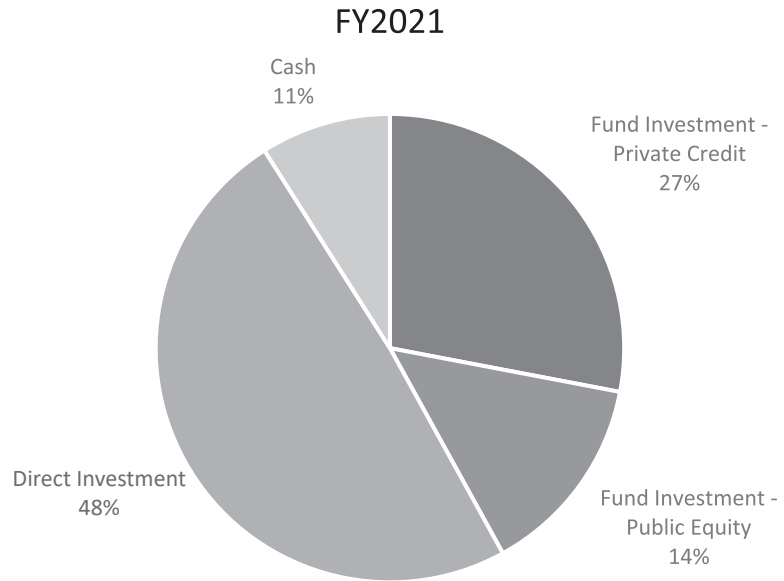
Capas Road Limited is an investment into an Indonesian financial service business.

### **Lop Buri Limited**

Lop Buri Limited operates a litigation funding business which seeks to invest in suitable litigation funding related investment opportunities in the Asian region.

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## Cash and Investments



## ***Directors' Statement***

*Year ended 31 December 2021*

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We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 December 2021.

In our opinion:

- (a) the financial statements set out on pages 22 to 65 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

### **Directors**

The Directors of the Company in office at the date of this statement are as follows:

Kin Chan	(Chairman, Deemed Executive Director)
Wang Ya Lun Allen	(Deemed Executive Director)
Vince Feng	(Independent Director)
Liong Tong Kap	(Independent Director)
Thanathip Vidhayasirinun	(Independent Director)
Alex Shiu Leung Au	(Non-Executive Director)
Sin Boon Ann	(Lead Independent Director)
Abram Melkyzedek Suhardiman	(Alternate Director to Alex Shiu Leung Au)
Li Yick Yee Angie	(Alternate Director to Kin Chan)

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## Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 (the Act), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

Name of Directors	Directors' interests in shares			
	Holdings registered in name of Director		Holdings in which Director is deemed to have an interest	
	At beginning of the year	At end of the year	At beginning of the year	At end of the year
Kin Chan	–	–	51,473,500	51,473,500
Li Yick Yee Angie	–	–	51,473,500	51,473,500
Wang Ya Lun Allen	1,329,900	1,329,900	–	–

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

There were no changes in any of the above mentioned interests in the Company between the end of the financial year and 21 January 2022.

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since 30 January 2015, the Company has a Strategic Support Services Agreement which was amended by an Amendment Agreement dated 30 May 2016 and a Second Amendment Agreement dated 5 June 2017, with ASM Administration Limited, pursuant to which, ASM Administration Limited renders services of sourcing of potential investment opportunities for TIH Limited.

Mr Kin Chan and Ms Angie Li have indirect interest in ASM Administration Limited.



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## Share options

On 18 May 2020, the Company entered into separate option agreements (each, an “**Option Agreement**” and together the “**Option Agreements**”) with each of Eden Capital Pte. Ltd. (“**Eden**”), PT Mahanusa Capital (“**PT Capital**”) and PT Mahanusa Aneka Usaha (“**PT Usaha**”) (each, an “**Option Holder**” and together the “**Option Holders**”). Pursuant to each Option Agreement, the Company has granted individual single use non-listed and non-transferable options (“**Options**”) which confer on each Option Holder the right to require the Company to allot and issue to such Option Holder a maximum number of ordinary shares in TIH Limited, as set out below (each, an “**Option Share**” and together the “**Option Shares**”) on the terms and subject to the conditions set out in the corresponding Option Agreement.

<b>Option Holders</b>	<b>Maximum Number of Option Shares</b>
Eden	24,047,721 Shares
PT Capital	16,030,211 Shares
PT Usaha	8,017,510 Shares

These options are valid for a period of 36 calendar months beginning from the date of the Option Agreements.

The exercise price (“**Exercise Price**”) in respect of each Option Share shall be the higher of: (a) the net asset value of an ordinary Share as at the date of the exercise of the Option, as determined by the Company; or (b) \$0.60, which in any event shall not be more than a 10% discount to the last dealt price of a Share immediately preceding the date of the exercise of the Option (“**Last Closing Price**”). Where the Exercise Price calculated in accordance with (a) and (b) represents more than a 10% discount to the Last Closing Price, the Exercise Price shall be fixed at a price representing a 10% discount to the Last Closing Price. The Exercise Price shall be subject to the permitted adjustments as defined in the Option Agreements. The consideration payable by the Option Holder for the allotment and issue of the number of the Exercised Option Shares (“**Consideration**”) shall be equal to the number of Exercised Option Shares to be allotted and issued to the Option Holder multiplied by the Exercise Price and shall be fully satisfied by any combination (as may be determined by the Option Holder) of:

- (a) a US Dollar cash payment to such bank account notified by the Company to the Option Holder in writing; and/or
- (b) in the event that the Option Holder becomes a registered holder of class A participating shares issued by and attributable to Vasanta Sub-Fund 1, a sub-fund of Vasanta Fund VCC (as amended by an agreement dated 30 December 2021 supplemental to each Option Agreement dated 18 May 2020) (“**Class A Shares**”), the transfer of such Class A Shares (valued at the close of business on the first Business Day of each of January, April, July, October, or as otherwise determined by the Company) from the Option Holder to the Company (or to any wholly-owned subsidiary of the Company as the Company may notify to the Option Holder in writing) (such Class A Shares being the “**Consideration Shares**”).

During the year, there were no shares issued by virtue of any exercise of option to take up unissued shares of the Company or its subsidiaries.

As at the end of the financial year, there were no unissued shares of the Company or its subsidiaries under option.

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## Audit Committee

The members of the Audit Committee (“AC”) during the year and at the date of this statement are:

- Liong Tong Kap (Chairman), independent director
- Thanathip Vidhayasirinun, independent director
- Alex Shiu Leung Au, non-executive director

The AC performs the functions specified in Section 201B of the Act, the SGX Listing Manual and the Code of Corporate Governance.

The AC has held two meetings since the last directors’ statement. In performing its functions, the Audit Committee met with the Company’s external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company’s internal accounting control system. The AC also met with the Company’s external and internal auditors, in each case without the presence of the Company’s management.

The AC also reviewed the following:

- (a) significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company’s financial performance;
- (b) the audit plan of the Company’s auditors;
- (c) the scope and results of external audit procedures and the response by the Investment Manager<sup>1</sup>;
- (d) the guidelines for corporate governance as set forth by the Singapore Code of Corporate Governance 2018 issued on 6 August 2018;
- (e) the assistance provided by the Investment Manager to the auditors;
- (f) the half-yearly financial information and annual financial statements of the Group and of the Company prior to their submission to the Board of Directors and the auditor’s report on those financial statements;
- (g) the level of audit fees, cost effectiveness, terms of engagement and the nature and extent of non-audit services provided by the external auditors;
- (h) the policy and arrangements for concerns about possible improprieties in matters of financial reporting or other matters within its terms of reference;
- (i) the scope and results of the internal audit procedures as audited by the internal auditors, on the adequacy and effectiveness of the internal controls and risk management systems of the Investment Manager and the Company;
- (j) legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;

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<sup>1</sup> Via an Investment Management Agreement dated 1 September 2014, entered into between the Company and TIH Investment Management Pte. Ltd. (the “Investment Manager”), the management of the Company has been vested in the Investment Manager.

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**Audit Committee (continued)**

- (k) interested person transactions (as defined in Chapter 9 of the SGX Listing Manual); and
- (l) the assurance from the CEO and CFO of the Investment Manager on the financial records and financial statements.

The AC has full access to the staff and senior management of the Investment Manager and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any Director or the Investment Manager to attend its meetings. The AC also recommends the appointment of external auditors and reviews the level of audit and non-audit fees.

The AC is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

In appointing our auditors for the Company, subsidiaries and significant associated companies, we have complied with Rules 712 and 715 of the SGX Listing Manual.

**Auditors**

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

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**Kin Chan**  
*Chairman*

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**Wang Ya Lun Allen**  
*Director*

15 March 2022

# *Independent Auditors' Report*

*To the Members of TIH Limited*

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## **Report on the audit of the financial statements**

### *Opinion*

We have audited the financial statements of TIH Limited ('the Company') and its subsidiaries ('the Group'), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 22 to 65.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ('the Act') and Singapore Financial Reporting Standards (International) ('SFRS(I)s') so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the year ended on that date.

### *Basis for opinion*

We conducted our audit in accordance with Singapore Standards on Auditing ('SSAs'). Our responsibilities under those standards are further described in the *Auditors' responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ('ACRA Code') together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Key audit matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<b>Valuation of investments amounting to \$130,042,000 (Refer to Note 6 and 7 to the financial statements)</b>	
<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>The Group holds interests in its portfolio investments via various types of financial instruments, comprising quoted and unquoted equity securities, unquoted debt securities, unquoted funds and convertible instruments.</p> <p>The unquoted financial instruments were valued based on the following valuation approaches:</p> <ul style="list-style-type: none"> <li>● Unquoted equities were valued based on the adjusted net asset value method;</li> <li>● Unquoted debt securities were valued based on the loan amortisation approach;</li> <li>● Unquoted funds were valued based on the net asset value of the Group’s interest in the funds as at 31 December 2021, as reported by the external fund managers or administrators; and</li> <li>● Convertible instruments were valued at lower of outstanding principal of the instruments or collaterals.</li> </ul> <p>The key audit matter relates to the valuation of unquoted investments as the valuation is generally based on methodologies that apply significant unobservable inputs which entail a significant degree of estimation uncertainty and management judgement.</p>	<p>Our approach to review the valuation of investments included the following:</p> <ul style="list-style-type: none"> <li>● Assessed the reasonableness of key judgements and estimates, including selection and application of methods, assumptions and data;</li> <li>● Assessed the relevance and reliability of data;</li> <li>● Tested the mathematical accuracy of models applied;</li> <li>● Involved our valuation specialists in the review of investment to assess if the Group’s valuation was within a reasonable range; and</li> <li>● Assessed the adequacy of disclosures.</li> </ul> <p>Additional procedures were performed for each investment selected based on the applicable valuation methodology, as follows:</p> <ul style="list-style-type: none"> <li>● Unquoted equities</li> </ul> <p>The investment holding companies hold mainly investments and cash at bank; and are valued based on the net asset value. We assessed if the underlying investments were carried at fair value.</p> <p>We noted that for an investment which the Group had minority interest in the investment holding company which held interests in underlying quoted equities, a discount for lack of marketability (“DLOM”) was applied to the investment holding company.</p> <ul style="list-style-type: none"> <li>● Unquoted debt securities</li> </ul> <p>The value of underlying debt securities held by the portfolio companies were estimated by applying the discounted cash flow approach.</p>

<b>Valuation of investments amounting to \$130,042,000 (continued)</b> <b>(Refer to Note 6 and 7 to the financial statements)</b>	
<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
	<ul style="list-style-type: none"> <li>● Unquoted funds  The Group has direct and indirect interests (held through investment holding companies) in unquoted funds. Fair value of the interests in unquoted funds are measured based on the share of unaudited net asset value of the funds reported by external fund managers or administrators as at 31 December 2021. In assessing the reliability of using unaudited financial information provided by the external fund manager or administrator, we performed retrospective review by comparing the unaudited financial information provided during the previous year to the audited financial information.</li> <li>● Convertible instruments  Our valuation specialists reviewed the assumptions and inputs applied in the Group's valuations and independently estimated a range of fair values for the convertible instruments.</li> </ul> <p>We noted that the valuation estimates determined by the Group are within a reasonable range of outcomes. We also noted that the Group's disclosures were appropriate.</p>

#### *Other information*

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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### *Responsibilities of management and directors for the financial statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on other legal and regulatory requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Amit Sadana.

**KPMG LLP**  
*Public Accountants and  
Chartered Accountants*

**Singapore**  
15 March 2022



## Statements of Financial Position

As at 31 December 2021

	Note	Group		Company	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<b>Assets</b>					
<b>Current Assets</b>					
Cash and cash equivalents	4	16,513	18,310	13,212	13,244
Other receivables	5	1,985	3,389	792	792
Amounts due from related parties	22	465	348	357	348
Debt investment at FVTPL	6	40,902	40,075	40,902	40,075
		<b>59,865</b>	<b>62,122</b>	<b>55,263</b>	<b>54,459</b>
<b>Non-current assets</b>					
Investments					
- Equity investments at FVTPL	7	89,140	74,734	89,140	74,734
- Subsidiary	8	–	–	7,000	7,000
		<b>89,140</b>	<b>74,734</b>	<b>96,140</b>	<b>81,734</b>
Property, plant and equipment	9	14	36	–	–
Right-of-use assets	10	217	72	–	–
		<b>89,371</b>	<b>74,842</b>	<b>96,140</b>	<b>81,734</b>
<b>Total assets</b>		<b>149,236</b>	<b>136,964</b>	<b>151,403</b>	<b>136,193</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Other payables	11	22,872	19,531	26,958	18,869
Lease liabilities		153	56	–	–
Income tax payable		203	–	–	–
		<b>23,228</b>	<b>19,587</b>	<b>26,958</b>	<b>18,869</b>
<b>Non-current liabilities</b>					
Other payables	11	22	20	–	–
Lease liabilities		73	17	–	–
		<b>95</b>	<b>37</b>	<b>–</b>	<b>–</b>
<b>Total liabilities</b>		<b>23,323</b>	<b>19,624</b>	<b>26,958</b>	<b>18,869</b>
<b>Net assets</b>		<b>125,913</b>	<b>117,340</b>	<b>124,445</b>	<b>117,324</b>
<b>Equity attributable to owners of the Company</b>					
Share capital	12	56,650	56,650	56,650	56,650
Retained earnings		68,707	60,134	67,239	60,118
Capital reserve	13	556	556	556	556
<b>Total equity</b>		<b>125,913</b>	<b>117,340</b>	<b>124,445</b>	<b>117,324</b>

The accompanying notes form an integral part of these financial statements.

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year ended 31 December 2021

		<b>Group</b>	
	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>\$'000</b>	<b>\$'000</b>
Dividends from subsidiary		35	17,066
Net change in fair value of equity investments at FVTPL		11,837	(22,999)
Net change in fair value of debt investment at FVTPL		827	830
<b>Net gains/(loss) from investments</b>		<b>12,699</b>	<b>(5,103)</b>
Other operating income	17	3,334	3,681
<b>Total investment income/(loss)</b>		<b>16,033</b>	<b>(1,422)</b>
Finance income		115	32
Finance costs		(8)	(251)
<b>Net finance income/(costs)</b>	18	<b>107</b>	<b>(219)</b>
Operating expenses		(4,934)	(5,213)
<b>Profit/(loss) before tax</b>		<b>11,206</b>	<b>(6,854)</b>
Income tax	19	(216)	–
<b>Profit/(loss) for the year/Total comprehensive income/(deficit) for the year attributable to owners of the Company</b>	20	<b>10,990</b>	<b>(6,854)</b>
<b>Earnings per share</b>			
Basic earnings per share (cents)	21(a)	4.55	(2.84)
Diluted earnings per share (cents)	21(b)	4.55	(2.84)

The accompanying notes form an integral part of these financial statements.

## Consolidated Statement of Changes in Equity

Year ended 31 December 2021

	Note	Share capital \$'000	Capital reserve (Note 13) \$'000	Retained earnings \$'000	Total \$'000
<b>Group</b>					
<b>2021</b>					
At 1 January 2021		56,650	556	60,134	117,340
<b>Total comprehensive income for the year</b>					
Profit for the year		–	–	10,990	10,990
<b>Total comprehensive income for the year</b>		–	–	10,990	10,990
<b>Transactions with owners, recognised directly in equity</b>					
<i>Distributions to owners of the Company</i>					
Dividends paid	14	–	–	(2,417)	(2,417)
<b>At 31 December 2021</b>		<b>56,650</b>	<b>556</b>	<b>68,707</b>	<b>125,913</b>
<b>2020</b>					
At 1 January 2020		56,650	556	69,405	126,611
<b>Total comprehensive deficit for the year</b>					
Loss for the year		–	–	(6,854)	(6,854)
<b>Total comprehensive deficit for the year</b>		–	–	(6,854)	(6,854)
<b>Transactions with owners, recognised directly in equity</b>					
<i>Distributions to owners of the Company</i>					
Dividends paid	14	–	–	(2,417)	(2,417)
<b>At 31 December 2020</b>		<b>56,650</b>	<b>556</b>	<b>60,134</b>	<b>117,340</b>

The accompanying notes form an integral part of these financial statements.

## Statement of Changes in Equity

Year ended 31 December 2021

	Note	Share capital \$'000	Capital reserve (Note 13) \$'000	Retained earnings \$'000	Total \$'000
<b>Company</b>					
<b>2021</b>					
At 1 January 2021		56,650	556	60,118	117,324
<b>Total comprehensive income for the year</b>					
Profit for the year		–	–	9,538	9,538
<b>Total comprehensive income for the year</b>		–	–	9,538	9,538
<b>Transactions with owners, recognised directly in equity</b>					
<i>Distributions to owners of the Company</i>					
Dividends paid	14	–	–	(2,417)	(2,417)
<b>At 31 December 2021</b>		<b>56,650</b>	<b>556</b>	<b>67,239</b>	<b>124,445</b>
<b>2020</b>					
At 1 January 2020		56,650	556	71,172	128,378
<b>Total comprehensive deficit for the year</b>					
Loss for the year		–	–	(8,637)	(8,637)
<b>Total comprehensive deficit for the year</b>		–	–	(8,637)	(8,637)
<b>Transactions with owners, recognised directly in equity</b>					
<i>Distributions to owners of the Company</i>					
Dividends paid	14	–	–	(2,417)	(2,417)
<b>At 31 December 2020</b>		<b>56,650</b>	<b>556</b>	<b>60,118</b>	<b>117,324</b>

The accompanying notes form an integral part of these financial statements.

## Consolidated Statement of Cash Flows

Year ended 31 December 2021

	Note	2021 \$'000	2020 \$'000
<b>Cash flows from operating activities</b>			
Profit/(loss) before tax for the year		11,206	(6,854)
Adjustments for:			
Interest income from deposits	18	(2)	(32)
Interest expense on lease liabilities	10	8	6
Interest expense on other financial liability	18	–	1
Dividends from subsidiary		(35)	(17,066)
Depreciation on property, plant and equipment	9	22	29
Depreciation on right-of-use assets	10	172	172
Gain on disposal of property, plant and equipment		–	(2)
Net change in fair value of equity investments at FVTPL		(11,837)	22,999
Net change in fair value of debt investment at FVTPL		(827)	(830)
Unrealised exchange loss		99	160
		<b>(1,194)</b>	<b>(1,417)</b>
Changes in operating assets and liabilities			
Equity investments at FVTPL		(2,569)	(7,479)
Other receivables		1,404	(1,054)
Amounts due from related parties		(117)	119
Other payables		3,228	(271)
Cash generated from/(used in) operations		<b>752</b>	<b>(10,102)</b>
Dividends from subsidiary		35	17,066
Net interest (paid)/received		(6)	28
Income tax paid		(13)	–
<b>Net cash generated from operating activities</b>		<b>768</b>	<b>6,992</b>
<b>Cash flows from investing activity</b>			
Purchase of property, plant and equipment, net	9	–	(43)
<b>Net cash used in investing activity</b>		<b>–</b>	<b>(43)</b>
<b>Cash flows from financing activities</b>			
Payment of lease liabilities	10	(164)	(163)
Dividends paid	14	(2,417)	(2,417)
<b>Net cash used in financing activities</b>		<b>(2,581)</b>	<b>(2,580)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(1,813)</b>	<b>4,369</b>
Cash and cash equivalents at 1 January		18,310	14,201
Effect of exchange rate fluctuations on cash held		16	(260)
<b>Cash and cash equivalents at 31 December</b>	4	<b>16,513</b>	<b>18,310</b>

The accompanying notes form an integral part of these financial statements.

# Notes to the Financial Statements

Year ended 31 December 2021

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These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 15 March 2022.

## 1 Domicile and activities

TIH Limited (the “Company”) is incorporated and domiciled in Singapore and its shares are publicly traded on the Singapore Exchange Securities Trading Limited (“SGX-ST”). The address of its registered office is at 137 Telok Ayer Street, #03-07, Singapore 068602.

The Company is a private equity investment company which invests primarily in companies located in Asia.

The investments that are accounted for as subsidiaries are further explained in Note 3.1.

The consolidated financial statements relate to the Company and its subsidiaries (referred to as the “Group”).

## 2 Basis of preparation

### 2.1 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I”).

### 2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

### 2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Company’s functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

### 2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period prospectively.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in Note 3.1(i) – determining whether the Company meets the definition of an investment entity.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in Note 16 – fair value determination of investments.

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## 2 Basis of preparation (continued)

### 2.4 Use of estimates and judgements (continued)

#### Measurement of fair values

The Group has an established control framework with respect to the measurement of fair values. This framework includes a valuation team that has overall responsibility for all significant fair value measurements, including Level 3 fair values, and reports to the Board of Directors.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair value, then the valuation team assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of SFRS(I), including the level in the fair value hierarchy in which such valuations should be classified. Significant valuation issues are reported to the Board of Directors.

Fair values of financial assets that are traded in active markets are based on quoted prices. For unquoted investments, the valuation team determines fair values using valuation approaches such as multiples and recent comparable transactions. The objective is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length. Derivative financial instruments are based on dealer price quotations.

The valuation of the unquoted investments involves estimates, assumptions and judgement based upon available information and does not necessarily represent amounts which might ultimately be realised, since such amounts depend on future events. Due to the inherent uncertainty of valuation, the estimated fair values for the unquoted investments may differ significantly from the amounts that might ultimately be realised.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 16 – financial instruments.

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### 3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The accounting policies have been applied consistently by Group entities.

#### 3.1 Investment entity and basis of consolidation

##### (i) Investment entity

In determining whether the Company meets the definition of an investment entity, management considered the business purpose and structure of the Group as a whole. The Company has been deemed to meet the definition of an investment entity as the Company obtains funds for the purpose of providing investors with professional investment management services, and manages the investment portfolio on a fair value basis as the Group seeks to invest for capital appreciation and investment income. Consequently, the Company measures its controlled subsidiary investments which do not provide investment-related services, at fair value through profit or loss (“FVTPL”).

##### (ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Company holds controlled subsidiary investments which include special purpose entities (“SPEs”) and a wholly owned subsidiary which provides investment-related services. The SPEs have no operations and are incorporated for the purpose of holding underlying investments (the ‘portfolio companies’) on behalf of the Company. Consequently, these subsidiary investments are measured at FVTPL. The investment in the subsidiary which provides investment-related services is consolidated from the date the control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interest (“NCI”) in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

##### (iii) Associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

Investments in associates which are held as part of the Group’s investment portfolio are designated upon initial recognition as investments at FVTPL as their performance is evaluated on a fair value basis. This treatment is permitted by SFRS(I) 1-28 *Investments in Associates and Joint Ventures* which allows investments held by Investment Entities to be recognised and measured at FVTPL and accounted for in accordance with SFRS(I) 9 *Financial Instrument*, with changes in fair value recognised in the profit or loss in the period of change. In accordance with SFRS(I) 9, investments in associates are accounted for in the same way in the Company’s financial statements.



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### **3 Significant accounting policies (continued)**

#### **3.1 Investment entity and basis of consolidation (continued)**

##### **(iv) Subsidiary in the separate financial statements**

Investment in subsidiary that provides investment-related services are stated in the Company's statement of financial position at cost less accumulated impairment losses.

#### **3.2 Foreign currency**

##### **Foreign currency transactions**

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in profit or loss.

#### **3.3 Financial instruments**

##### **(i) Recognition and initial measurement**

###### *Non-derivative financial assets and financial liabilities*

The Group initially recognises contract asset on the date they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

##### **(ii) Classification and subsequent measurement**

###### *Non-derivative financial assets*

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("FVOCI") – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

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### 3 Significant accounting policies (continued)

#### 3.3 Financial instruments (continued)

##### (ii) Classification and subsequent measurement (continued)

###### *Non-derivative financial assets (continued)*

###### *Financial assets at amortised cost*

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### *Debt investments at FVOCI*

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### *Equity investments at FVOCI*

On initial recognition of an equity investment that is not held-for-trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

###### *Financial assets at FVTPL*

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

###### ***Financial assets: Business model assessment***

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

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### 3 Significant accounting policies (continued)

#### 3.3 Financial instruments (continued)

##### (ii) Classification and subsequent measurement (continued)

###### *Financial assets: Business model assessment (continued)*

- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

###### *Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest*

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

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### 3 Significant accounting policies (continued)

#### 3.3 Financial instruments (continued)

##### (ii) Classification and subsequent measurement (continued)

###### *Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (continued)*

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

###### *Non-derivative financial assets: Subsequent measurement and gains and losses*

###### *Financial assets at FVTPL*

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

###### *Financial assets at amortised cost*

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

###### *Debt investments at FVOCI*

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

###### *Equity investments at FVOCI*

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

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### 3 Significant accounting policies (continued)

#### 3.3 Financial instruments (continued)

##### (ii) Classification and subsequent measurement (continued)

###### *Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses*

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transactions costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

##### (iii) Derecognition

###### *Financial assets*

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

###### *Financial liabilities*

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

##### (iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

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### 3 Significant accounting policies (continued)

#### 3.3 Financial instruments (continued)

##### (v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

##### (vi) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with SFRS(I) 1-12.

#### 3.4 Property, plant and equipment

##### (i) Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

The gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

##### (ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

##### (iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of the property, plant and equipment.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use.

The estimated useful lives are as follows:

Leasehold improvements	3 years or remaining lease period, whichever is shorter
Computer software/equipment	1 to 3 years

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

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### 3 Significant accounting policies (continued)

#### 3.5 Lease

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### As a lessee

At commencement or on modification of a contract that contains a lease component, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. Generally, the Group uses the lessee's incremental borrowing rate as the discount rate.

The Group determines the lessee's incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

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### 3 Significant accounting policies (continued)

#### 3.5 Lease (continued)

##### As a lessee (continued)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### 3.6 Impairment

##### (i) Non-derivative financial assets and contract asset

The Group recognises loss allowances for ECLs on financial assets measured at amortised costs and contract asset (as defined in SFRS(I) 15).

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

##### *Simplified approach*

The Group applies the simplified approach to provide for ECLs for contract asset. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

##### *General approach*

The Group applies the general approach to provide for ECLs on all financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.



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### 3 Significant accounting policies (continued)

#### 3.6 Impairment (continued)

##### (i) Non-derivative financial assets and contract asset (continued)

###### *General approach (continued)*

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Group considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

###### *Measurement of ECLs*

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

###### *Credit-impaired financial assets*

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt investments at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

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### 3 Significant accounting policies (continued)

#### 3.6 Impairment (continued)

##### (i) Non-derivative financial assets and contract asset (continued)

###### *Presentation of allowance for ECLs in the statement of financial position*

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

###### *Write-off*

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

##### (ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than contract asset, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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### **3 Significant accounting policies (continued)**

#### **3.7 Employee benefits**

##### **(i) Defined contribution plans**

A defined contribution plan is an employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts when an employee ceases to be employed. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

##### **(ii) Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

#### **3.8 Provisions**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

#### **3.9 Investment income**

Investment income comprises dividend income, interest income, gains from realisation of investments and changes in fair value of investments.

##### **(i) Dividend income**

Dividend income is recognised when the right to receive payment is established.

##### **(ii) Interest income**

Interest income on debt instruments is recognised on an accrual basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues amortising the discount as interest income on the recoverable amount.

#### **3.10 Other operating income**

##### **Fee income**

Fee income is recognised over time as the services are provided.

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### 3 Significant accounting policies (continued)

#### 3.11 Finance income and finance cost

Finance income comprises interest income on cash and cash equivalents. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance cost comprises interest expense on borrowings and amortisation of financial liabilities that are recognised in profit or loss.

Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

#### 3.12 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, measured using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and temporary differences related to investments in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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### **3 Significant accounting policies (continued)**

#### **3.12 Tax (continued)**

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

#### **3.13 Dividends**

Interim dividends are recorded in the year in which they are declared payable. Final dividends are recorded during the year in which the dividends are approved by the shareholders at the annual general meeting.

#### **3.14 Earnings per share**

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprises convertible bonds, bonus warrants and share options.

#### **3.15 Segment reporting**

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's CEO to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

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### 3 Significant accounting policies (continued)

#### 3.16 Government grants

Government grants related to assets are initially recognised as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. These grants are then recognised in profit or loss as 'other operating income' on a systematic basis over the useful life of the asset. Grants that compensate the Group for expenses incurred are recognised in profit or loss as 'other operating income' on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

#### 3.17 New standards and interpretations not adopted

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these financial statements.

The following amendments to SFRS(I)s are not expected to have a significant impact on the Group's consolidated financial statements and the Company's statement of financial position.

- *Reference to the Conceptual Framework* (Amendments to SFRS(I) 3)
- *Classification of Liabilities as Current or Non-current* (Amendments to SFRS(I) 1-1)
- *Annual Improvements to SFRS(I)s 2018-2020*
- *Disclosure of Accounting Policies* (Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2)
- *Definition of Accounting Estimates* (Amendments to SFRS(I) 1-8)
- *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* (Amendments to SFRS(I) 1-12)

### 4 Cash and cash equivalents

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Cash and bank balances	14,202	8,200	11,601	6,696
Short-term fixed deposits with banks	2,311	10,110	1,611	6,548
	<b>16,513</b>	<b>18,310</b>	<b>13,212</b>	<b>13,244</b>

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## 5 Other receivables

	Group		Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Contract asset	–	1,826	–	–
Deposits	43	43	–	–
Prepayments	85	81	12	12
Others	1,857	1,439	780	780
	<b>1,985</b>	<b>3,389</b>	<b>792</b>	<b>792</b>

At the reporting date, the carrying amounts of other receivables (excluding prepayments) represent the maximum exposure to credit risk at the reporting date. There is no loss allowance from these outstanding balances as the ECL is not material.

The contract asset relates to the Group's rights to advisory fee income for services rendered but not billed at the reporting date. The contract asset are transferred to other receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

## 6 Debt investment at FVTPL

At the reporting date, the loan receivable from a portfolio investment at FVTPL is unsecured, bears interest of 2.25% (2020: 2.25%) per annum and is repayable on demand. The loan is measured using the expected cash flow approach.

## 7 Equity investments at FVTPL

	Group and Company	
	2021	2020
	\$'000	\$'000
Subsidiaries, mandatorily at FVTPL	82,485	73,393
Equity investments, mandatorily at FVTPL	6,655	1,341
	<b>89,140</b>	<b>74,734</b>

Included in the carrying amounts of the subsidiaries for the Group and the Company were unsecured, interest-free loans with no fixed repayment terms of \$63,975,000 (2020: \$60,485,000) which were in substance the Company's net investment in the subsidiaries.

These subsidiaries are measured at FVTPL as the Company meets the qualifying criteria of an investment entity.

Fair values of the subsidiaries are derived based on their net asset values. Management believes that net asset value reasonably approximates fair value as the subsidiaries are investment holding companies which hold portfolio investments of the Group and are measured at fair value.

## 7 Equity investments at FVTPL (continued)

Subsidiaries held by the Group as at 31 December are as follows:

Name of company	Principal activity	Country of incorporation	Effective equity interest	
			2021 %	2020 %
<b>Direct subsidiaries of TIH Limited</b>				
Killian Court Pte. Ltd. <sup>1</sup>	Investment holding	Singapore	100	100
Little Rock Group Limited <sup>3</sup>	Investment holding	British Virgin Islands	100	100
<b>Direct subsidiaries of Killian Court Pte. Ltd.</b>				
Alpha Fountain Limited <sup>3</sup>	Investment holding	British Virgin Islands	100	100
Ascend Ventures Limited <sup>3</sup>	Investment holding	British Virgin Islands	100	100
Centrex Link Limited <sup>3</sup>	Investment holding	British Virgin Islands	100	100
K2 Venture Capital Company Limited <sup>2</sup>	Investment holding	Thailand	50	50
Lilydale International Limited <sup>3</sup>	Investment holding	British Virgin Islands	100	100
Maclay Group Limited <sup>3</sup>	Investment holding	British Virgin Islands	100	100
Ridge Oak Limited <sup>3</sup>	Investment holding	British Virgin Islands	100	100
Asian New Century Limited (fka Seasonal Winds Limited) <sup>3</sup>	Investment holding	British Virgin Islands	100	100
TIHT Investment Holdings Pte. Ltd. <sup>4</sup>	Investment holding	Singapore	55	55
TIHT Investment Holdings II Pte. Ltd. <sup>1</sup>	Investment holding	Singapore	55	55
Twin Fountain Investments Limited <sup>3</sup>	Investment holding	British Virgin Islands	100	100



## 7 Equity investments at FVTPL (continued)

Name of company	Principal activity	Country of incorporation	Effective equity interest	
			2021 %	2020 %
<b>Direct subsidiary of Little Rock Group Limited</b>				
Water Bay Developments Limited <sup>3</sup>	Investment holding	British Virgin Islands	100	100
<b>Direct subsidiaries of Alpha Fountain Limited</b>				
Xinyi Road Limited <sup>3</sup>	Investment holding	British Virgin Islands	100	100
Songren Road Limited <sup>3</sup>	Investment holding	Cayman Islands	100	–

<sup>1</sup> Audited by KPMG LLP, Singapore.

<sup>2</sup> Audited by other member firm of KPMG International.

<sup>3</sup> Not required to be audited under the legislation of the country of incorporation.

<sup>4</sup> The entity is under liquidation processing since 25 July 2021.

K2 Venture Capital Company Limited (“K2”) is classified as a direct subsidiary of Killian Court Pte. Ltd. (“KC”) as KC is exposed to variable returns from its involvement with K2 and has the ability to affect those returns through its power over K2.

The Company receives dividend income from its subsidiaries, and there are no significant restrictions on the transfer of funds from these subsidiaries to the Company.

The Company provides ongoing support to its subsidiaries for the purchase of investments. The Company has undertaken to provide such financial support to its subsidiaries as is required from time to time to enable these subsidiaries to meet their obligations as and when they fall due.

At the reporting date, all the assets of a certain indirect subsidiary of the Company were charged in favour of the non-controlling interest for the deferred payment of consideration for certain portfolio investments acquired (“deferred payment”). Under the terms of the charge agreement, all the shares in the investment held by its immediate holding company were held as security for the deferred payment.

At the reporting date, there were outstanding capital commitment obligations of \$11,418,000 (2020: \$5,436,000) with respect to specific portfolio investments.

## 8 Investments – Subsidiary

	Company	
	2021 \$'000	2020 \$'000
Unquoted equity shares, at cost	7,000	7,000

As the subsidiary provides investment management and related services to the Group, the subsidiary is measured at cost less impairment by the Company and consolidated by the Group.

Details of the subsidiary are as follows:

Name of company	Principal activity	Country of incorporation and place of business	Effective equity interest	
			2021 %	2020 %
TIH Investment Management Pte. Ltd. <sup>1</sup>	Investment management	Singapore	100	100

<sup>1</sup> Audited by KPMG LLP, Singapore.

## 9 Property, plant and equipment

Group	Leasehold improvements \$'000	Computer software/ equipment \$'000	Total \$'000
<b>Cost</b>			
At 1 January 2020	21	169	190
Additions	–	50	50
Disposals	–	(46)	(46)
At 31 December 2020	21	173	194
Additions	–	–	–
At 31 December 2021	21	173	194
<b>Accumulated depreciation</b>			
At 1 January 2020	21	149	170
Depreciation	–	29	29
Disposals	–	(41)	(41)
At 31 December 2020	21	137	158
Depreciation	–	22	22
At 31 December 2021	21	159	180
<b>Carrying amounts</b>			
At 1 January 2020	–	20	20
At 31 December 2020	–	36	36
At 31 December 2021	–	14	14

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## 10 Leases

The Group leases office premises and equipment. The office premises lease run for a period of 2 years, with an option to renew the lease after that date. Information about leases for which the Group is a lessee is presented below.

### Right-of-use assets

<b>Group</b>	<b>Office premises \$'000</b>	<b>Office equipment \$'000</b>	<b>Total \$'000</b>
Balance at 1 January 2020	217	–	217
Additions	–	27	27
Depreciation	(163)	(9)	(172)
Balance at 31 December 2020	54	18	72
Additions	317	–	317
Depreciation	(163)	(9)	(172)
Balance at 31 December 2021	<b>208</b>	<b>9</b>	<b>217</b>

### Amounts recognised in profit or loss

	<b>Group</b>	
	<b>2021 \$'000</b>	<b>2020 \$'000</b>
Interest expense on lease liabilities	<b>8</b>	<b>6</b>

### Amounts recognised in statement of cash flows

	<b>Group</b>	
	<b>2021 \$'000</b>	<b>2020 \$'000</b>
Payment of lease liabilities	<b>164</b>	<b>163</b>

### Extension option

The office premises lease will expire in April 2023. The Group has the option to extend the lease for a further term of two years. The Group has estimated that the potential future lease payments, should it exercise the extension option and assuming no change in rental rate, would result in an increase in lease liability of approximately \$317,000.

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## 11 Other payables

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<b>Current</b>				
Amount due to related parties	4,880	1,880	9,880	1,880
Contract liability	42	41	–	–
Directors' fees payable	378	413	378	413
Others	17,572	17,197	16,700	16,576
	<b>22,872</b>	<b>19,531</b>	<b>26,958</b>	<b>18,869</b>
<b>Non-current</b>				
Others	22	20	–	–
	<b>22,894</b>	<b>19,551</b>	<b>26,958</b>	<b>18,869</b>

Amount due to related parties are unsecured, interest-free and repayable on demand.

Included in others is an amount of \$16,177,000 (2020: \$16,062,000) for the Group and the Company for foreign tax and expenses relating to certain divestments made in prior years.

The contract liability relates to advance billing to customer for fund management services.

## 12 Share capital

	2021	2020
	Number of shares '000	'000
<b>Company</b>		
At 1 January and 31 December	<b>241,686</b>	241,686

All issued shares are fully paid, with no par value.

### *Ordinary shares*

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

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## 12 Share capital (continued)

### *Share options*

On 18 May 2020, the Company entered into separate option agreements (each, an “**Option Agreement**” and together the “**Option Agreements**”) with each of Eden Capital Pte. Ltd. (“**Eden**”), PT Mahanusa Capital (“**PT Capital**”) and PT Mahanusa Aneka Usaha (“**PT Usaha**”) (each, an “**Option Holder**” and together the “**Option Holders**”). Pursuant to each Option Agreement, the Company has granted individual single use non-listed and non-transferable options (“**Options**”) which confer on each Option Holder the right to require the Company to allot and issue to such Option Holder a maximum number of ordinary shares in TIH Limited, as set out below (each, an “**Option Share**” and together the “**Option Shares**”) on the terms and subject to the conditions set out in the corresponding Option Agreement.

<b>Option Holders</b>	<b>Maximum Number of Option Shares</b>
Eden	24,047,721 Shares
PT Capital	16,030,211 Shares
PT Usaha	8,017,510 Shares

These options are valid for a period of 36 calendar months beginning from the date of the Option Agreements.

The exercise price (“**Exercise Price**”) in respect of each Option Share shall be the higher of: (a) the net asset value of an ordinary Share as at the date of the exercise of the Option, as determined by the Company; or (b) \$0.60, which in any event shall not be more than a 10% discount to the last dealt price of a Share immediately preceding the date of the exercise of the Option (“**Last Closing Price**”). Where the Exercise Price calculated in accordance with (a) and (b) represents more than a 10% discount to the Last Closing Price, the Exercise Price shall be fixed at a price representing a 10% discount to the Last Closing Price. The Exercise Price shall be subject to the permitted adjustments as defined in the Option Agreements.

Assuming all the Options are fully exercised and the Consideration is fully satisfied in cash at the Exercise Price of \$0.60, the allotment and issuance of the Option Shares will allow the Company to raise gross proceeds of approximately \$28,857,000, subject to any permitted adjustments that may affect the Exercise Price.

## 13 Reserves

The reserves are not distributable by way of cash dividends.

### *Capital reserve*

The capital reserve arose mainly from the Company’s capital reduction exercise in 1999.

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## 14 Dividends

The following exempt (one-tier) dividends were paid by the Company:

### Year ended 31 December

	Company	
	2021	2020
	\$'000	\$'000
<b>Paid by the Company to owners of the Company</b>		
\$0.01 per ordinary share in respect of financial year ended 31 December 2020 (2020: \$0.01 per ordinary share in respect of financial year ended 31 December 2020)	<u>2,417</u>	<u>2,417</u>

At the reporting date, the Company has distributed cumulative dividends of \$421.91 million (2020: \$419.49 million) out of retained earnings.

After the reporting date, the Board of Directors has proposed a final one-tier tax exempt dividend of 1.0 cent per share ("Proposed Final Dividend") for the financial year ended 31 December 2021, amounting to a total of \$2,416,856. The Proposed Final Dividend has not been provided for and is subject to shareholders' approval at the forthcoming Annual General Meeting of the Company.

## 15 Agreements

On 30 January 2015, the Company entered into a Strategic Support Services Agreement which was amended by an Amendment Agreement dated 30 May 2016 and a Second Amendment Agreement dated 5 June 2017, with ASM Administration Limited ("ASMAL"), a deemed controlling shareholder of the Company, to provide support services such as deal-sourcing to the Company, based on a fixed-fee structure. At the reporting date, the fees were US\$515,000 per annum (2020: US\$515,000 per annum) and the Singapore dollars equivalent fee for the year was \$692,000 (2020: \$711,000).

## 16 Financial instruments

### Financial risk management

#### Overview

The Group has exposures to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

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## 16 Financial instruments (continued)

### *Risk management framework*

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Risk Governance Committee ("RGC"), which is responsible for developing and monitoring the Group's risk management policies. The members of the RGC comprise the entire Board of Directors.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its internal control policies, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The RGC oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The RGC is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the RGC.

### **Credit risk**

Credit risk is the risk of financial loss to the Group if counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's debt investment at FVTPL and other receivables.

The carrying amounts of financial assets in the statements of financial position represent the Group and the Company's maximum exposures to credit risk, before taking into account any collateral held. The Group and the Company do not hold any collateral in respect of their financial assets.

The Group and the Company ensure that cash are placed with financial institutions of recognised credit standing. Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents was negligible.

The maximum exposure to credit risk at the reporting date was:

	Group		Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	16,513	18,310	13,212	13,244
Debt investment at FVTPL	40,902	40,075	40,902	40,075
Other receivables (excludes prepayments)	1,900	3,308	780	780
Amounts due from related parties	465	348	357	348
	<b>59,780</b>	<b>62,041</b>	<b>55,251</b>	<b>54,447</b>

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## 16 Financial instruments (continued)

### Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount	Contractual cash flows	Cash flows	
	\$'000	\$'000	Within 1 year	Between 1 – 5 years
			\$'000	\$'000
<b>Group</b>				
<b>31 December 2021</b>				
<b>Non-derivative financial liabilities</b>				
Other payables (excludes contract liability)	22,852	(22,852)	(22,830)	(22)
Lease liabilities	226	(231)	(180)	(51)
	<b>23,078</b>	<b>(23,083)</b>	<b>(23,010)</b>	<b>(73)</b>
<b>31 December 2020</b>				
<b>Non-derivative financial liabilities</b>				
Other payables (excludes contract liability)	19,510	(19,510)	(19,490)	(20)
Lease liabilities	73	(75)	(57)	(18)
	<b>19,583</b>	<b>(19,585)</b>	<b>(19,547)</b>	<b>(38)</b>
<b>Company</b>				
<b>31 December 2021</b>				
<b>Non-derivative financial liabilities</b>				
Other payables (excludes contract liability)	<b>26,958</b>	<b>(26,958)</b>	<b>(26,958)</b>	–
<b>31 December 2020</b>				
<b>Non-derivative financial liabilities</b>				
Other payables (excludes contract liability)	<b>18,869</b>	<b>(18,869)</b>	<b>(18,869)</b>	–

### Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group is exposed to market risk primarily in changes in foreign exchange rates in relation to its investment portfolio and to a lesser extent, interest rates on the deposits placed with banks and financial institutions.



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## 16 Financial instruments (continued)

### Market risk (continued)

#### *Currency risk*

The Group invests in financial instruments and enters into transactions that are denominated in currencies other than its functional currency, primarily in United States dollars. Consequently, the Group is exposed to risk that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the fair value or future cash flows of that portion of the Group's financial assets or financial liabilities that is denominated in currencies other than Singapore dollars.

The Group does not use any derivative financial instruments to hedge these exposures. However, to mitigate the foreign currency exposure arising from the Group's short term assets and liabilities and expected sales proceeds from investments in the short term, the Group may enter into forward currency contracts to hedge against such foreign currency exposures. The Group does not adopt hedge accounting in this respect.

At the reporting date, the Group's and the Company's exposures to foreign currencies are as follows based on notional amounts:

	USD \$'000
<hr/>	
<b>Group</b>	
<b>31 December 2021</b>	
Cash and cash equivalents	13,239
Other receivables	1,555
Amounts due from related parties	23
Other payables	(5,754)
<b>Net exposure</b>	<u>9,063</u>
<b>31 December 2020</b>	
Cash and cash equivalents	13,085
Other receivables	2,973
Amounts due from related parties	14
Other payables	(5,405)
<b>Net exposure</b>	<u>10,667</u>

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## 16 Financial instruments (continued)

### Market risk (continued)

#### Currency risk (continued)

	USD \$'000
<b>Company</b>	
<b>31 December 2021</b>	
Cash and cash equivalents	12,381
Other receivables	502
Amounts due from related parties	23
Other payables	(5,754)
<b>Net exposure</b>	<b>7,152</b>
<b>31 December 2020</b>	
Cash and cash equivalents	11,381
Other receivables	491
Amounts due from related parties	14
Other payables	(5,405)
<b>Net exposure</b>	<b>6,481</b>

#### Sensitivity analysis

A 10% strengthening of the Singapore dollars against the following currencies at the reporting date would increase/(decrease) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for year ended 31 December 2020.

	Effect on profit or loss	
	2021	2020
	\$'000	\$'000
<b>Group</b>		
United States dollars	(906)	(1,067)
<b>Company</b>		
United States dollars	(715)	(648)

#### Interest rate risk

The Group and the Company's income and operating cash flows are substantially independent of changes in market interest rates. Other than short-term fixed deposits of \$2,311,000 (2020: \$10,110,000) (Note 4) and debt investment at FVTPL of \$40,902,000 (2020: \$40,075,000) (Note 6), the Group and the Company have no significant interest-bearing assets. The Group's policy is to maintain significant percentage of its borrowings, if any, in floating rate instruments. As at 31 December 2021, the Group and the Company have no significant interest-bearing liabilities. A 100 basis point increase/(decrease) in the interest rate at the reporting date would have a net effect of increasing/(decreasing) profit or loss by \$432,000 (2020: \$502,000).

This analysis assumes that all other variables remain constant.

## 16 Financial instruments (continued)

### Capital management

The primary objective of the Group's capital management is to ensure that it maintains a healthy capital base to support its business and maximise shareholder value. Capital consists of total equity. The Group has determined that it is in a sound capital position given the availability of capital and resources. The Board of Directors monitors the capital requirements to ensure that it is able to support its existing business as well as new investment opportunities that may arise.

There were no changes in the Group's approach to capital management during the year. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

### Financial assets and liabilities

#### *Accounting classification and fair values*

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Note	Carrying amount				Fair value			
		Mandatorily at FVTPL – others \$'000	Amortised cost \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Group</b>									
<b>31 December 2021</b>									
<b>Financial assets measured at fair value</b>									
Debt investment at FVTPL	6	40,902	–	–	40,902	–	40,902	–	40,902
Equity investments at FVTPL	7	89,140	–	–	89,140	–	–	89,140	89,140
		<b>130,042</b>	<b>–</b>	<b>–</b>	<b>130,042</b>				
<b>Financial assets not measured at fair value</b>									
Cash and cash equivalents	4	–	16,513	–	16,513				
Other receivables (excludes prepayments)	5	–	1,900	–	1,900				
Amounts due from related parties	22	–	465	–	465				
		<b>–</b>	<b>18,878</b>	<b>–</b>	<b>18,878</b>				
<b>Financial liabilities not measured at fair value</b>									
Other payables (excludes contract liability)	11	–	–	(22,852)	(22,852)				

## 16 Financial instruments (continued)

### Financial assets and liabilities (continued)

#### Accounting classification and fair values (continued)

Group	Note	Carrying amount			Fair value				
		Mandatorily at FVTPL – others \$'000	Amortised cost \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>31 December 2020</b>									
<b>Financial assets measured at fair value</b>									
Debt investment at FVTPL	6	40,075	–	–	40,075	–	40,075	–	40,075
Equity investments at FVTPL	7	74,734	–	–	74,734	–	–	74,734	74,734
		<u>114,809</u>	<u>–</u>	<u>–</u>	<u>114,809</u>				
<b>Financial assets not measured at fair value</b>									
Cash and cash equivalents	4	–	18,310	–	18,310				
Other receivables (excludes prepayments)	5	–	3,308	–	3,308				
Amounts due from related parties	22	–	348	–	348				
		<u>–</u>	<u>21,966</u>	<u>–</u>	<u>21,966</u>				
<b>Financial liabilities not measured at fair value</b>									
Other payables (excludes contract liability)	11	–	–	(19,510)	(19,510)				

## 16 Financial instruments (continued)

### Financial assets and liabilities (continued)

#### Accounting classification and fair values (continued)

Company	Note	Carrying amount			Fair value				
		Mandatorily at FVTPL – others \$'000	Amortised cost \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>31 December 2021</b>									
<b>Financial assets measured at fair value</b>									
Debt investment at FVTPL	6	40,902	–	–	40,902	–	40,902	–	40,902
Equity investments at FVTPL	7	89,140	–	–	89,140	–	–	89,140	89,140
		<b>130,042</b>	<b>–</b>	<b>–</b>	<b>130,042</b>				
<b>Financial assets not measured at fair value</b>									
Cash and cash equivalents	4	–	13,212	–	13,212				
Other receivables (excludes prepayments)	5	–	780	–	780				
Amounts due from related parties	22	–	357	–	357				
		<b>–</b>	<b>14,349</b>	<b>–</b>	<b>14,349</b>				
<b>Financial liabilities not measured at fair value</b>									
Other payables (excludes contract liability)	11	–	–	(26,958)	(26,958)				

## 16 Financial instruments (continued)

### Financial assets and liabilities (continued)

#### Accounting classification and fair values (continued)

Company	Note	Carrying amount				Fair value			
		Mandatorily at FVTPL – others \$'000	Amortised cost \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>31 December 2020</b>									
<b>Financial assets measured at fair value</b>									
Debt investment at FVTPL	6	40,075	–	–	40,075	–	40,075	–	40,075
Equity investments at FVTPL	7	74,734	–	–	74,734	–	–	74,734	74,734
		<u>114,809</u>	<u>–</u>	<u>–</u>	<u>114,809</u>				
<b>Financial assets not measured at fair value</b>									
Cash and cash equivalents	4	–	13,244	–	13,244				
Other receivables (excludes prepayments)	5	–	780	–	780				
Amounts due from related parties	22	–	348	–	348				
		<u>–</u>	<u>14,372</u>	<u>–</u>	<u>14,372</u>				
<b>Financial liabilities not measured at fair value</b>									
Other payables (excludes contract liability)	11	–	–	(18,869)	(18,869)				

#### Measurement of fair values

##### (i) Valuation techniques and significant unobservable inputs

The following table shows the valuation technique used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

##### Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Sensitivity to changes in significant unobservable inputs
<b>Group and Company</b>			
Subsidiaries, mandatorily at FVTPL	Adjusted net asset value	Not applicable.	Not applicable.
Equity investments, mandatorily at FVTPL	Adjusted net asset value	Liquidity discount (2021: 30%; 2020: 30%)	The estimated fair value would increase if the liquidity discount was lower.

## 16 Financial instruments (continued)

### Measurement of fair values (continued)

#### (i) Valuation techniques and significant unobservable inputs (continued)

##### *Sensitivity analysis*

For the fair values of equity investments, mandatorily at FVTPL, a 5% increase/(decrease) in the liquidity discount at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have a net effect of (decreasing)/increasing equity by \$475,000 (2020: \$96,000).

#### (ii) Level 3 fair values

The following table shows a reconciliation from the opening balance to the ending balance for Level 3 fair values:

	Group and Company	
	2021	2020
	\$'000	\$'000
At 1 January	74,734	90,254
Investments	2,881	18,734
Repayment of loan	(312)	(11,255)
Total unrealised gains and losses recognised in profit or loss:		
- net change in fair value of equity investments at FVTPL	11,837	(22,999)
At 31 December	<u>89,140</u>	<u>74,734</u>

There were no transfers between Level 1, 2 and 3 during the year ended 31 December 2021 and 31 December 2020 for the Group and the Company.

### Offsetting financial assets and financial liabilities

There are no offsetting of financial instruments such as receivables and payables in the statements of financial position as at 31 December 2021 and 31 December 2020.

## 17 Other operating income

	Group	
	2021	2020
	\$'000	\$'000
Advisory and management fees income	2,436	1,901
Other fee income	735	1,443
Grant income	163	229
Other income	–	108
	<u>3,334</u>	<u>3,681</u>

Included in grant income are amount of \$41,000 (2020: \$208,000) and \$120,000 (2020: \$nil), relating to wage subsidy from the Singapore government as part of the Jobs Support Scheme and MAS Financial Sector Technology and Innovation Digital Acceleration Grant Scheme respectively.

## 18 Net finance income/(costs)

	Group	
	2021 \$'000	2020 \$'000
<u>Finance income</u>		
Interest income on fixed deposits	2	32
Net foreign exchange gains	113	–
<u>Finance costs</u>		
Net foreign exchange loss	–	(244)
Interest expense on lease liabilities	(8)	(6)
Interest expense on other financial liability	–	(1)
Net finance income/(costs) recognised in profit or loss	<u>107</u>	<u>(219)</u>
The above finance income and finance costs include the following interest income and expense in respect of assets (liabilities) not at FVTPL:		
- Total interest income on financial assets	<u>2</u>	<u>32</u>
- Total interest expense on financial liabilities	<u>–</u>	<u>(1)</u>

## 19 Income tax

	Group	
	2021 \$'000	2020 \$'000
<i>Tax recognised in profit or loss</i>		
<b>Current tax expense</b>		
Current year	203	–
Changes in estimates related to prior year	13	–
	<u>216</u>	<u>–</u>
<i>Reconciliation of effective tax rate</i>		
Profit/(loss) before tax for the year	<u>11,206</u>	<u>(6,854)</u>
Tax using the Singapore tax rate of 17% (2020: 17%)	1,905	(1,165)
Non-deductible expenses	17	28
Tax exempt income	(55)	(36)
Changes in estimates related to prior year	13	–
Tax incentives	(1,664)	1,378
Recognition of tax effect of previously unrecognised tax losses	–	(205)
	<u>216</u>	<u>–</u>

The Company was granted the Enhanced-Tier Fund Tax Incentive Scheme under Section 13X of the Singapore Income Tax Act (Chapter 134) with effect from 9 December 2016. Under this scheme, the Company has been granted tax exemption for the life of the Company on specified income in respect of any designated investment, subject to compliance with stipulated conditions. All other income of the Company shall be subject to Singapore income tax.

Deferred tax asset has not been recognised in respect of tax losses of the Group amounting to \$1,603,000 (2020: \$1,603,000) because it is not probable that future taxable profits will be available against which the Group can utilise the benefits.



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## 20 Profit/(loss) for the year

The following items have been included in arriving at profit/(loss) for the year:

	Group	
	2021	2020
	\$'000	\$'000
Operating expenses include the following:		
Audit fees paid/payable to:		
- Auditor of the Company for statutory audit of the Company and the Group	188	175
Non-audit fees paid/payable to:		
- Auditor of the Company	20	55
Depreciation on property, plant and equipment	22	29
Depreciation on right-of-use assets	172	172
Directors' remuneration	378	413
Staff costs, excluding contributions to defined contribution plans	2,038	1,964
Contributions to defined contribution plans	174	171
Consultancy and advisory fees	274	701
Legal and professional fees	801	825

## 21 Basic and diluted earnings per share

(a) Basic earnings per share

For the year ended 31 December 2021, basic earnings per share is calculated by dividing the consolidated net profit attributable to owners of the Company of \$10,990,000 (2020: net loss of \$6,854,000) by the weighted average number of ordinary shares outstanding of 241,685,638 (2020: 241,685,638).

Weighted average number of ordinary shares

	Group	
	2021	2020
	'000	'000
Weighted average number of ordinary shares at end of year	241,686	241,686

(b) Diluted earnings per share

As at the reporting date, diluted earnings per share is the same as basic earnings per share. Outstanding Option Shares (Note 12) have not been included in the calculation of diluted earnings per share for the period presented because they are anti-dilutive.

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## 22 Related parties

Amounts due from related parties are non-trade, unsecured and repayable on demand.

In addition to the related party information shown elsewhere in the financial statements, the following significant transactions took place between the Group and related parties during the year:

### *Transactions with key management personnel*

#### *Key management personnel compensation*

Key management personnel compensation comprised:

	Group	
	2021	2020
	\$'000	\$'000
Directors' remuneration	378	413
Salaries and other short-term employee benefits	535	426

#### *Other related party transactions*

	Group	
	2021	2020
	\$'000	\$'000
<b>Service fees</b>		
ASM Administration Limited, an associate of Argyle Street Management Holdings Limited, a controlling shareholder of the Company	692	711

## 23 Segment information

The Group determines the operating segments based on the reports reviewed by the Group's chief decision makers that are used to make strategic decisions. The Group classifies its operating segments into two segments:

- Investment Business – relates to private equity segment which is to invest, for capital appreciation in growing private companies primarily located in Asia.
- Fund Management – relates to the Group's fund management activities conducted by its wholly owned subsidiary, TIH Investment Management Pte. Ltd., which provides fund management, consultancy, advisory and related services. Intra-group revenues are eliminated at consolidated level.

## 23 Segment information (continued)

	Investment Business \$'000	Fund Management \$'000	Elimination \$'000	Total \$'000
<b>2021</b>				
Net gains from investments	12,699	–	–	12,699
Other operating income	–	4,972	(1,638)	3,334
Total investment income	12,699	4,972	(1,638)	16,033
Net finance (costs)/income	(50)	157	–	107
Operating expenses	(3,111)	(3,461)	1,638	(4,934)
Profit before tax	9,538	1,668	–	11,206
Income tax	–	(216)	–	(216)
Profit for the year/Total comprehensive income for the year attributable to owners of the Company	9,538	1,452	–	10,990
<b>2020</b>				
Net loss from investments	(5,103)	–	–	(5,103)
Other operating income	5	5,492	(1,816)	3,681
Total investment (loss)/income	(5,098)	5,492	(1,816)	(1,422)
Net finance costs	(176)	(43)	–	(219)
Operating expenses	(3,363)	(3,666)	1,816	(5,213)
Loss/(profit) before tax	(8,637)	1,783	–	(6,854)
Income tax	–	–	–	–
Loss/(profit) for the year/Total comprehensive (deficit)/income for the year attributable to owners of the Company	(8,637)	1,783	–	(6,854)

### Geographical information

	Total Investment Income		Non-current Assets		Current Assets	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<b>Group</b>						
China/Hong Kong SAR	553	(2,325)	8,112	6,797	–	–
Singapore	10,663	(4,284)	15,205	8,885	40,902	40,075
Taiwan	1,139	(394)	8,530	3,616	–	–
Thailand	(1,445)	(1,774)	2,517	3,962	–	–
Japan	(156)	473	10,068	4,864	–	–
Indonesia	(1,263)	5,285	18,078	19,646	–	–
Malaysia	178	659	1,395	1,218	–	–
India	(8)	(207)	159	156	–	–
Australia	3,171	(445)	8,579	5,408	–	–
Philippines	–	(219)	321	321	–	–
Others	3,201	1,809	16,176	19,861	–	–
	16,033	(1,422)	89,140	74,734	40,902	40,075

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## 23 Segment information (continued)

### *Geographical information (continued)*

Total investment income comprises income derived from the investment business segment which includes dividend income, net change in fair value of debt and equity investments, and fees income from the fund management segment.

Non-current assets and current assets presented in each country arise from the investment business segment but exclude the assets from the fund management segment.

## Supplementary Information

(SGX-ST Listing Manual disclosure requirements)

### Interested person transactions

Transactions with the Group's interested persons (as defined in the listing manual of SGX-ST) are subject to review by the Audit Committee.

The following transactions took place between the Group and interested persons during the financial year ended 31 December 2021:

Name of interested person(s)	Nature of relationship	Description of interested person transactions	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 in the listing manual of SGX-ST) \$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 in the listing manual of SGX-ST (excluding transactions less than S\$100,000) \$'000
ASM Administration Limited ("ASMAL")	ASMAL is an associate of Argyle Street Management Holdings Limited ("ASMHL") <sup>1</sup>	Strategic Support Services fee paid by the Company to ASMAL, for services of sourcing of potential investment opportunities for the Company	692	–
ASM Connaught House Fund II ("CHF II")	CHF II is an associate of, and managed by, Argyle Street Management Limited ("ASML") <sup>2</sup>	Advisory fee paid by CHF II to TIH Investment Management Pte. Ltd. ("TIHIM") <sup>3</sup> , the non-discretionary investment advisor to CHF II	292	–
ASM Connaught House Fund V ("CHF V")	CHF V is an associate of, and managed by, ASML	Capital commitment by Killian Court Pte. Ltd., a wholly owned subsidiary of the Company, to CHF V	–	8,791
ASM Connaught House Fund III ("CHF III")	CHF III is an associate of, and managed by, ASML	Advisory fee paid by CHF III to TIHIM, the non-discretionary investment advisor to CHF III	–	1,300

Name of interested person(s)	Nature of relationship	Description of interested person transactions	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 in the listing manual of SGX-ST) \$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 in the listing manual of SGX-ST (excluding transactions less than S\$100,000) \$'000
Vasanta Fund 1 SP	Vasanta Fund 1 SP is a segregated portfolio of Vasanta Fund SPC ("VF SPC"), an associate of ASMHL	Management fee paid to TIHIM for investment management services provided by TIHIM to Vasanta Master Fund Pte. Ltd.	–	599
Two Cooper Road Limited ("Cooper")	Cooper is an associate of ASMHL	Commission compensation paid to Cooper for its role as the cornerstone investor in seeding and building the overall business of the Vasanta Fund	–	120

*Note:*

- <sup>1</sup> ASMHL is a deemed controlling shareholder of the Company.
- <sup>2</sup> ASML is a deemed controlling shareholder of the Company.
- <sup>3</sup> TIHIM is a wholly owned subsidiary of the Company.

## Corporate Governance Report

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The Board and Investment Manager of TIH Limited (the “**Company**” or “**TIH**”) are committed to maintaining a high standard of corporate governance and believe that commitment to good corporate governance is essential to the Company’s business and performance.

The following describes the Company’s corporate governance practices that were in place during the financial year ended 31 December 2021 (“**FY2021**”) with specific references to the principles set out in the Code of Corporate Governance 2018 (the “**Code**”). TIH is listed on the Singapore Exchange Securities Trading Limited and the Board of Directors is pleased to confirm that the Company has generally adhered to the principles and guidelines of the Code as well as the Listing Manual of the SGX-ST, where appropriate and applicable.

### Board Matters

#### Board’s Conduct of Affairs

***Principle 1: The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company***

***Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decision in the best interests of the Company***

***Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making***

The Company recognises that in order to achieve a balance of power and authority for independent decision making, there should be a clear division of responsibilities between the working of the Board and the Investment Manager’s responsibility of the Company’s business.

As TIH is a fund, the Board is responsible for strategy planning and company policies such as dividend policy and performance objectives. The TIH Board is not involved in the day to day operations of the Company as the management of TIH has been seconded to TIH Investment Management Pte. Ltd. (“**TIHIM**”), its wholly owned subsidiary.

The Chairman of the Board, Mr Kin Chan, had been a non-executive Director of the Company since his appointment to the Board on 1 October 2004. On 1 July 2016, TIHIM, the Investment Manager of the Company, obtained its Capital Markets Services licence (“**CMS Licence**”) from The Monetary Authority of Singapore (“**MAS**”). Due to Mr Chan’s role as a Board Investment Committee (“**BIC**”) member, Mr Chan is a licenced representative of the Investment Manager. Following his appointment as a licenced representative of the Investment Manager on 26 August 2016, Mr Chan is deemed an Executive Director of the Company. However, other than being a BIC member, he does not have any executive role in the day to day operations of the Company. His duties and responsibilities in TIH remain the same as before obtaining the CMS Licence which include, amongst others, leading the Board to ensure its effectiveness on all aspects of its role, ensuring that regulations and procedures relating to Board meetings are complied with, promoting a culture of openness and debate at the Board, encouraging constructive relations within the Board and between the Board and the Investment Manager, ensuring effective communication with shareholders and ensuring high standards of corporate governance. The Chairman also engages with TIH’s strategic partners, key associates such as prominent Asian families and sovereign wealth funds. He travels extensively in the region and beyond to foster strong relationship with the Company’s partners and gathers feedback for follow-up.

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The management and operations of the Company had been delegated to the Investment Manager. The Investment Manager's primary role is to identify and evaluate opportunities for investment of the Company's funds in accordance with the investment policies as provided for in the Company's Prospectus (as amended and approved by the Board from time to time) and to provide related services in connection with the Company's investments and other advisory services. Following the receipt of the CMS Licence, the Investment Manager is in a position to manage third party funds. TIHIM has been appointed the Investment Adviser of ASM Connaught House Fund II LP and ASM Connaught House Fund III LP, both funds managed by Argyle Street Management Limited (together with its associates, "**ASM Group**"). The ASM Group is a substantial shareholder in TIH holding approximately 21.30% of TIH as at 31 December 2021.

Each Director is required to promptly disclose any conflict or potentially conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction with TIH Group as soon as is practicable after the relevant facts have come to his/her knowledge. Where a Director has a conflict or potentially conflict of interest in relation to any matter, he/she should immediately declare his/her interest when the conflict-related matter is discussed, unless the Board is of the opinion that his/her presence and participation is necessary to enhance the efficacy of such discussion. Nonetheless, he/she shall abstain from voting in relation to the conflict related matters.

Accordingly, the leadership of the Board and the Investment Manager who manages the Company's business are separate parties with a clear division of responsibilities. There is no immediate family relationship between the Chairman of the Board and the employees of the Investment Manager.

The Board's role is to review and approve business strategies, corporate policies and guidelines, audit plans, financial reporting, declaration of dividends and to monitor the performance of the Company. In addition, the Board oversees the risk assessment and governance and ensure effective controls to safeguard shareholders' interests and the Company's assets.

TIHIM is responsible for the management of TIH according to the investment management agreement between the Company and TIHIM. Mr Kin Chan, the Chairman of the Board, is also serving on the board of TIHIM and as a member of BIC, which has the veto right to all investments made by TIH, to provide high level strategic support and safeguard the interests of the Company. Mr Chan serves on the board of TIHIM and BIC in his capacity of representative from TIH and is not involved in the daily operation and management of TIHIM's affairs.

The BIC has been set up to assist the Board in assessing all investments proposed by the Investment Manager. The members of the BIC are Mr Kin Chan, Mr Vince Feng and Mr Alex Shiu Leung Au representing the TIH Board, and Mr Wang Ya Lun Allen representing the Investment Manager. The Investment Manager has also formed a Manager Investment Committee ("**MIC**") to assess investment and divestment decisions under the TIH Group. The MIC consists of senior investment personnel whom are Mr Allen Wang and Mr Stanley Wang. Upon approval by the MIC, investment proposals will be recommended to the BIC for review and oversight. The BIC has the ability to veto any proposal presented by the MIC. In the event (for whatever reason) the MIC is reduced to a single member, the decisions of the sole member of the MIC shall prevail.

Generally, investment/divestment transactions will be duly analysed by TIHIM's investment professionals and tabled to the MIC for consideration as proposed transactions ("**Proposals**"). The MIC will subject such Proposals to a thorough review process, including discussions with the relevant investment professionals on the basis for their Proposals, prior to taking a vote. The criteria considered by the MIC in making a decision on such Proposals includes, *inter alia*, the potential growth of the proposed business model, the experience of the management team, and the relevant risk-reward profiles. Upon unanimous approval by the MIC, the Proposals will be recommended to the BIC for review. If the BIC does not veto the Proposal, the investment will proceed. In fulfilment of the CMS Licence requirements, TIHIM has given an undertaking that where Mr Kin Chan as a BIC member vetoes an investment opportunity ("**Rejected Investment Opportunity**"), it shall ensure that none of Mr Kin Chan's business interests enters into, or engages, participates or invests in, the Rejected Investment Opportunity for a period of at least 6 months from the date on which the investment decision of the BIC is effected. (Please refer to page 66 of this Annual Report for information on the Interested Person Transactions.)



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In addition, the Board has established Audit Committee (“AC”), Nominating and Remuneration Committee (“NRC”), and Risk Governance Committee (“RGC”) to assist the Board in the execution of its duties. Each of these committees discharges its duties under its respective terms of reference as approved by the Board and recommends relevant issues to the Board for action. The functions and terms of reference of each committee are set out in the later parts of this Corporate Governance Statement.

The Company has clear guidelines on matters to be approved by the Board. Below is a list of material transactions which require Board approval:

1. Appointment of directors;
2. Recommendation for appointment/reappointment of external auditors and approval of audit fees;
3. Appointment of internal auditors;
4. Appointment of professional services for corporate action matters including but not limited to capital reduction, bonus issue, rights and warrants issuance;
5. Approval of corporate announcements for matters including but not limited to half-yearly financial reporting, circulars, annual report etc;
6. Approval of establishment/termination of bank accounts, banking facilities, loans and credit facilities as well as appointment of signing mandates;
7. Approval of any amendments to the Management Agreement, Strategic Support Services Agreement and investment policies;
8. Approval of related party transactions;
9. Approval of interim dividend payments and recommendation of final dividend payments;
10. Veto rights of investment proposals via the BIC.

Independent Directors make up a majority of the Board as Mr Kin Chan, the Chairman, is not independent. Non-executive Directors (5 out of 7) make up a majority of the Board. Mr Kin Chan and Mr Allen Wang are both deemed Executive Directors of TIH.

In view that the Chairman is not an independent director, the Board has appointed a Lead Independent Director to address any shareholders’ concerns that cannot be resolved or is inappropriate through the normal channels of the Board Chairman or the Investment Manager. With effect from 1 January 2021, Mr Sin Boon Ann has been appointed as the Lead Independent Director in place of Mr Liang Tong Kap (Lead Independent Director from 1 February 2013 to 31 December 2020). The Lead Independent Director also acts as a representative in providing the independent Directors’ feedback to the Board Chairman.

The Board and Board Committee meetings are scheduled well in advance in consultation with the Directors. Attendance at Board or Board Committee meetings via telephone/web conferences do take place and is permitted under TIH’s Constitution. The Investment Manager aims to provide complete, adequate and timely information to the Board prior to meetings and on an on-going basis. The notice and agenda for meetings and board papers including, amongst others, minutes of meetings, half-yearly and full year financial statements, budgets, financial plans, audit plans, investments/divestments update, legislative/regulatory/governance changes, Director’s interest disclosures, proposals and reports are provided to the Board well in advance of the scheduled meetings to prepare the Directors for the meetings.

There are at least four scheduled Board meetings held each year. In addition, ad hoc non-scheduled Board meetings are convened when necessary to deliberate on urgent substantial matters. The Board and Board Committees also relied on circular resolutions and discussions conducted via telephonic conferences and other forms of communication to discharge their duties. In addition, Board members meet outside of scheduled meetings without management executives for discussions and updates.

There were four (4) Board meetings, two (2) AC meetings, one (1) NRC meeting, and one (1) RGC meeting held in FY2021. Attendance of such meetings by the Directors are tabulated below.

#### 2021 Board and Committee Meetings Attendance

(Please refer to page 73 of this Annual Report for the Directors' memberships in the respective committees.)

<b>Name of Director</b>	<b>Number of Board Meetings Attended</b>	<b>Number of AC Meetings Attended</b>	<b>Number of NRC Meeting Attended</b>	<b>Number of RGC Meeting *</b>
<b>Kin Chan</b> (and/or his alternate <b>Li Yick Yee Angie</b> )	4 of 4 (Chairman)	2 of 2 (Observer)	1 of 1 (Observer)	1 of 1 (Member)
<b>Wang Ya Lun Allen</b>	4 of 4	2 of 2 (Observer)	1 of 1 (Observer)	1 of 1 (Observer)
<b>Vince Feng</b>	4 of 4	2 of 2 (Observer)	0 of 1 (Observer)	1 of 1 (Member)
<b>Liong Tong Kap</b>	4 of 4	2 of 2 (Chairman)	1 of 1 (Observer)	1 of 1 (Observer)
<b>Thanathip Vidhayasirinun</b>	4 of 4	2 of 2 (Member)	1 of 1 (Chairman)	1 of 1 (Observer)
<b>Alex Shiu Leung Au</b> (and/or his alternate <b>Abram Melkyzedeck Suhardiman</b> )	4 of 4	2 of 2 (Member)	1 of 1 (Member)	1 of 1 (Observer)
<b>Sin Boon Ann</b>	4 of 4	2 of 2 (Observer)	1 of 1 (Member)	1 of 1 (Chairman)

\* The RGC meeting for FY2021 was held in 2022.

As a standing practice, Board members are invited by the AC Chairman to attend the AC meetings as observers. Similarly, all Directors are also invited to be observers at meetings of other Board committees, which are held on an annual basis.

To facilitate an effective and efficient discharge of duties and responsibilities, the Directors are provided with extensive information on the Company's activities relating to investments and divestments with regular and timely updates whenever there are any new developments.

To ensure that Directors keep pace with regulatory changes that will have an important bearing on the Company's or directors' disclosure obligations, the Directors are briefed during Board meetings and specially prepared materials on the relevant matters are provided in the Board Book which is distributed to the Directors at least one week before the meeting. In addition, the Company allows each Director to claim professional training fees on a per annum basis as approved by the Board from time to time. All Board members are encouraged to keep abreast of current legislation and Directors can attend relevant and suitable courses as part of their director training. During the year, Directors attended training courses/seminars relating to compliance, regulatory matters and economic outlook. Courses include:

- Southeast Asia Private Markets Outlook 2021
- ALB Asia Debt & Debt Restructuring Forum 2021
- 4th China Economic Outlook Webinar on "Leaning Forward: Business and Investment Opportunities in China Beyond COVID-19"
- Webinar on "Japan Deal Momentum" organized

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- Webinar on Sharing of Fraud Cases
  - Global Macro Conference – Asia Pacific 2021
  - Anti Financial Crime / Conducting Customer Due Diligence / Information Securities Awareness -Singapore Regulatory Requirements / Anti Bribery Corruption
  - Annual Compliance Training
  - Libor Reform on Asset Managers
  - Update on Monetary Authority of Singapore's Technology Risk Management Guidelines
  - How Your Business Deal with Potential Tax Controversy Issues in the Digital Economy
  - SGX Regulatory Symposium 2021
  - Conversations in Global Finance
  - Singapore Governance and Transparency Forum 2021
  - Product Liability Panel Discussion by MDD Forensic Accountants
  - Building Locks for Success Wellbeing at the Heart of Your Practice by the Law Society
  - Directors' Responsibilities and Climate Change under Singapore by the Law Society
  - Business Valuation by MDD Forensic Accountants
  - HKEX update on key issues, Risk post Covid, Competition/Regulatory update, COP26, ESG overview
  - Latest SFC's Climate-related risks requirements
  - IT Security Awareness Training

Newly appointed Directors are briefed by the Investment Manager on the Company's business activities, policies, regulatory and governance environment as well as statutory and other duties and responsibilities of Directors. Where required, the Company provides appropriate training and briefing programme for new Directors.

The Board with the aid of the NRC had reviewed the composition of the Board and is satisfied that there is a strong and independent element on the Board which consists of 7 members, of whom 4 are independent, 2 are affiliated with substantial shareholders and 1 is affiliated with the Investment Manager.

During the year, Ms Li Yick Yee Angie has been appointed as alternate director to Mr Kin Chan on 22 April 2021.

The Board is of the view that gender plays an important aspect of diversity. Presently, Ms Li Yick Yee Angie serves as an alternate director to Mr Kin Chan and since her appointment, Ms Li has attended all meetings with Mr Kin Chan and actively participated in board discussions.

All Independent Directors namely Mr Liong Tong Kap, Mr Vince Feng, Mr Thanathip Vidhayasirinun and Mr Sin Boon Ann have in-depth knowledge and experience in investment/fund management industry. Educational background and work experience of these 4 Independent Directors are disclosed on pages 88 to 89 of this Annual Report.

The Board had considered the NRC's recommendation and assessment of Mr Vince Feng who has been a director of certain ASM companies since November 2010 and is satisfied that these appointments had not impaired Mr Feng's independent status in TIH.

The strong and independent element on the Board allows the Board to take a broader view of the Company's activities and bring independent judgement to bear on issues for the Board's consideration. All members of the Board are non-executive except for Mr Kin Chan and Mr Wang Ya Lun Allen who are deemed executives on the TIH Board.

The AC meets with the external auditor, KPMG LLP and internal auditor, BDO LLP at least once every year without the presence of the management.

The nature of the Directors' appointments on the Board and details of their membership on Board Committees as at the date of this Annual Report are set out below:

Director	Board Membership	Committee Membership			
		Audit	Nominating & Remuneration	Risk Governance	Board Investment
Kin Chan	Chairman, Deemed Executive	–	–	Member	Member
Wang Ya Lun Allen	Deemed Executive	–	–	–	Member
Vince Feng	Independent	–	–	Member	Member
Liong Tong Kap	Independent	<b>Chairman</b>	–	–	–
Thanathip Vidhayasirinun	Independent	Member	<b>Chairman</b>	–	–
Alex Shiu Leung Au	Non-Executive	Member	Member	–	Member
Sin Boon Ann	Independent	–	Member	<b>Chairman</b>	–

The Code also recommends that the independence of any director who has served on the Board beyond nine years from the date of his first appointment should be subject to a particularly rigorous review. As Mr Liong Tong Kap and Mr Vince Feng have served on the Board for more than 9 years, pursuant to SGX Listing Rules, their continued appointment as Independent Directors had been approved by (A) all shareholders; and (B) all shareholders, excluding shareholders who also serve as the directors or the CEO of the company, and associates of such directors and CEO, at the Company's annual general meeting ("AGM") held on 22 April 2021 ("Shareholders' Resolutions"). The said Shareholders' Resolutions shall remain in force until the earlier of the following: (i) Mr Liong's and/or Mr Feng's retirement or resignation; or (ii) the conclusion of the third AGM following the passing of the Shareholders Resolutions. During the year, the Board, with the assistance of the NRC, had thoroughly reviewed their independence. Mr Liong, the former Chief Investment Officer of NTUC Income Insurance Co-Operative Limited (NTUC Income), first joined the TIH Board in April 2001 as a non-independent Director representing the interests of NTUC Income. In July 2009, NTUC Income informed TIH that Mr Liong can be deemed to become an independent director of TIH due to his impending cessation of employment with NTUC Income. The Board confirmed Mr Liong's independence in September 2009. The Board had observed that over the tenure, from 2001 until present, Mr Liong has a good track record of board service without any blemish and has met all the definitions of an independent director as defined under the Code. In addition, Mr Liong has shown independence in character and judgement in his discharge of his duties as a director. With Mr Liong's experience in the investment industry and length of service, he had accumulated much knowledge of the business of TIH and contributed actively to the Board activities. Therefore, after reviewing the aforesaid factors, the Board is of the opinion that Mr Liong's independence is affirmed and he will be able to continue to act in the best interests of TIH and its shareholders. Mr Feng has been on the TIH Board for about 13 years and has many years of experience in the fund and investment industries and has managed many large fund companies. The Board noted that there are not many individuals with long and knowledgeable experience in the fund industry it is not easy to persuade such experienced individuals to join the TIH Board. Hence, despite Mr Feng's long term of service, he remains very much independent in his views which are valued by his fellow board members.

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In FY2021, the Board with the aid of the NRC had performed the necessary annual reviews and had determined that:

- taking into account the nature and scope of the Company's activities, its Board size is appropriate for effective debate and decision-making;
- the Board has the right mix of expertise, experiences and skills and comprises persons who as a group are representative of the principal shareholders of the Company and provide the competencies required for the Board to be effective and to meet the Company's objectives.

TIH's constitution states that one-third of the Directors must retire for the time being or if their number is not a multiple of three, the number nearest to but not less than one-third with a minimum of one shall retire from office and a retiring Director at an AGM shall retain office until the close of the AGM. In addition, any Director appointed to fill a casual vacancy or as an additional Directors shall hold office only until the next AGM but shall not be taken into account in determining the number of Directors who retire by rotation at such AGM.

A retiring Director is eligible for re-election by shareholders at the AGM. The Directors to retire in every year shall be those who being subject to retirement by rotation have been longest in office since their last election or appointment or have been in office for the three years since their last election. However, as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

Five of the Directors have extensive experience in jurisdictions outside Singapore, namely, Mr Kin Chan, Chairman and non-executive Directors, Mr Vince Feng, Mr Thanathip Vidhayasirinun, Mr Allen Wang and Mr Alex Au. None of the Directors with the exception of Mr Allen Wang is a former or current employee of TIH or its subsidiaries.

The Board also has separate and independent access to the senior management of the Investment Manager and Company Secretary at all times. Under the direction of the Investment Manager, the Company Secretary, who attends all Board and committees' meetings, ensures good communication between the Company and its Directors as well as to facilitate orientation and professional development as required. The Company Secretary also ensures board procedures are followed and applicable laws and regulations are complied with. The appointment and removal of the Company Secretary are subject to the approval of the Board as a whole.

The Board is responsible for providing a balanced and understandable assessment of the Company's performance, position and prospects. The Investment Manager provides periodic reports on the Company's performance and prospects to the Board. Additionally, the Investment Manager reports the performance of the investments to the Board each quarter and the performance of the investments is reviewed semi-annually by the external auditors for compliance with investment guidelines and valuation principles. The Board is then provided with the Company's financial results together with the investment valuations by the Investment Manager on changes (if any) on the valuation of the Company's investment portfolios.

Where appropriate, written policies such as the securities trading policy, currency management policy and whistle-blowing policy are established and approved by the Board to ensure compliance with legislative and regulatory requirements.

To facilitate the Directors' discharge of their duties, when independent professional advice is required, it is proposed to the Board with relevant quotations of fees of such advice for the Board's approval. Upon the Board's approval, such expense is borne by the Company.

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## Board Membership and Board Performance

*Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board*

*Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board committees and individual directors*

### Nominating and Remuneration Committee

The NRC, meets annually and consists of the following members:

Thanathip **Vidhayasirinun** - Chairman (independent and non-executive)

**Sin** Boon Ann (independent and non-executive)

Alex Shiu Leung **Au** (non-executive)

In FY2021, the NRC had reviewed Board succession plans for directors, in particular, the Board Chairman. The Company does not have a CEO nor any employee and thus there is no such review. The NRC and the Board have the consensus that as the Board Chairman represents one of the major shareholders, there is no requirement for Board Chairman succession plan. In the unlikely event that there is no Chairman or CEO, the quality and ability of the Board members are such that they can step in as the interim Chairman/ CEO while the search is on for the replacement Chairman/CEO. As part of the progressive refreshing of the Board, the Company is constantly sourcing for suitable candidates as independent directors.

The terms of reference of the nominating function of the NRC are as follows:

- Review the succession plans of Directors, in particular the appointment and/or replacement of the Chairman;
- Recommend the appointment and re-appointment of the Directors (including alternate directors, if any);
- Determine annually, and as and when circumstances require, if a Director is independent, having regard to the circumstances set forth in Provision 2.1 of the Code of Corporate Governance 2018, and ensure that the independent Directors comprise a majority of the Board as the Board Chairman is non-independent;
- Make recommendations to the Board on the process and criteria for evaluation of the performance of the Board, its committees and Directors;
- Recommend for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each board committee separately, as well as the contribution by the Chairman and each individual director to the Board;
- Review training and professional development programmes for the Board and the Directors;
- Report to the Board with regard to these terms of reference;
- Review the results of the Board's annual self-assessment and suggest to the Board any recommendations/actions in respect of the self-assessment results; and
- Ensure that new members of the Board are aware of their duties and obligations.

The Directors who are due for retiring and re-election at the forthcoming AGM in accordance with Article 107 of the Constitution of the Company are Mr Kin Chan, Mr Alex Shiu Leung Au and Mr Sin Boon Ann.

With each retiring Director abstaining from voting his own nomination for re-appointment, the NRC has, after considering board diversity and each retiring Director's contributions and performances (e.g. attendance, preparedness, participation and candour) including, if applicable, the independence as an independent director, recommended that each retiring Director be nominated for re-appointment at the forthcoming AGM. The Board, with each of the retiring Directors abstaining from deliberating on their own nominations, has accepted the recommendation and the retiring Directors would be offering themselves for Shareholders' re-election at the forthcoming Annual General Meeting.

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The NRC had performed the necessary annual review during FY2021 and had determined that taking into consideration the Code's definition of who constitutes an independent director, the Board is satisfied with the independence of the independent Directors, namely Mr Vince Feng, Mr Liong Tong Kap, Mr Thanathip Vidhayasirinun and Mr Sin Boon Ann. In particular, the NRC had paid particular attention in assessing the independence of Mr Liong Tong Kap and Mr Vince Feng who have served on the Board beyond the nine year period.

In discharging their directorship responsibilities, both Mr Liong and Mr Feng have demonstrated independence of mind, character and judgement and as such the Board is satisfied that they will continue to exercise such independent judgement and continue to act in the best interests of the Company and Shareholders. Both Mr Liong's and Mr Feng's continued appointment as an Independent Director has been approved at the 2021 AGM by (i) all Shareholders; and (ii) Shareholders (excluding the Directors and Chief Executive Officer of the Company, and associates of such Directors and Chief Executive Officer) pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST, and such Resolution shall remain in force until the earlier of the following: (i) Mr Liong's and/or Mr Feng's retirement or resignation; or (ii) the conclusion of the third AGM following the passing of such Resolution.

The NRC has used its best efforts to ensure that the Board comprises members who represent strategic shareholders as well as independent members who will enhance governance in the interests of all shareholders.

A board diversity policy has been adopted in February 2022. All appointments to the Board will be assessed by the NRC for the required academics, skills, experiences, capabilities and strengths. Other relevant criteria such as independence and the ability to fulfill time commitments will also be taken into consideration. The NRC is mindful of the needs to consider diversity on the Board with regards to gender, age, educational qualification and industry experience when filling up vacancy on the Board.

The procedure for the selection of new Board members is as follows:

- When a board vacancy arises, Board members source and recommend appropriate personnel to the NRC. The curriculum vitae of the potential director is circulated to all Board members;
- NRC members arrange for informal meeting(s) with the short-listed candidate(s) and appraise the candidates to ensure that the candidate possess the relevant expertise, experience and skills for the Company;
- If found suitable, Board members discuss with the NRC the final choice and the chosen candidate is offered the directorship position.

When a Director has multiple board representations, such a Director is expected to ensure that sufficient time and attention is given to the affairs of the Company. The NRC shall review with Board members in an open session the effectiveness of the Board and the contribution of each of the Directors to determine whether the Board and each of its members are able to and have been adequately carrying out his/her respective duties as Directors of the Company. As the number of board representations should not be the only measure of a Director's commitment and ability to contribute effectively, the NRC takes the view that approval from the Board should be obtained if a Director wishes to hold more board representations than the maximum number of board representations on listed companies as determined by the Board. In assessing a Director's contribution, the NRC takes a holistic approach. Focusing solely on Directors' attendance at Board and Board Committee meetings per se may not be an adequate evaluation of the contribution of the Directors. Instead, their abilities to provide valuable insights and strategic networking to enhance the businesses of the Group, availability for guidance and advice outside the scope of formal Board and Board Committee Meetings and contributions in specialised areas are also factors relevant in assessing the contributions of the Directors. Mr Sin Boon Ann has 7 other listed companies' appointments as at 1 March 2022. In view that Mr Sin's knowledge and experience have been most

useful in Board discussions on various matters and that he is able to manage his time and contribute to the Board, the NRC had approved Mr Sin's number of board representations on 26 June 2020. During the annual review in November 2021, the NRC has assessed that Mr Sin has adequately discharged his duties as a Director of TIH. The Board is also satisfied that the number of listed company board representations held by other Board members does not exceed the number set by the Board and the Company respects that each director's judgement on their own time commitment for their directorships.

The year of initial appointment and last re-election/scheduled re-election of Directors are set out below.

<b>Director</b>	<b>Age#</b>	<b>Position</b>	<b>Date of Initial Appointment</b>	<b>No. of Years as Director</b>	<b>Appointment Period under Current Chairman (At 31 Dec 2021)</b>	<b>Date of Last/Scheduled Re-election</b>
<b>Kin Chan</b>	55	Chairman	1 October 2004 <sup>+</sup>	17 years	16 years	24 April 2019 (Next: 21 Apr 2022)
<b>Wang Ya Lun Allen</b>	45	Member	26 February 2015	7 years	7 years	12 June 2020
<b>Vince Feng</b>	49	Member	1 March 2008	13 years	13 years	22 April 2021
<b>Liong Tong Kap</b>	67	Member	12 April 2001 <sup>^</sup>	20 years	16 years	12 June 2020
<b>Thanathip Vidhayasirinun</b>	55	Member	4 August 2016	5 years	5 years	12 June 2020
<b>Alex Shiu Leung Au</b>	57	Member	1 June 2018	3 years	3 years	24 April 2019 (Next: 21 Apr 2022)
<b>Sin Boon Ann</b>	64	Member	1 June 2018	3 years	3 years	24 April 2019 (Next: 21 Apr 2022)

# As at date of this Annual Report

+ Appointed Chairman of Board on 1 May 2005

<sup>^</sup> Deemed as an independent Director from 1 September 2009

Once a year, the Board does a self-assessment on its performance. Subject matters evaluated in the questionnaires cover the following key areas: (A) Board Composition and structure, including independent elements and right mix of expertise, skills and experience on the Board; (B) conduct of Board meetings including Board culture, full discussion and Directors' feedback, access to company officers; (C) Board accountability – long term future and strategy, line of commentaries, risk management and internal controls; (D) Corporate Strategy and Planning including sustainability issues and board succession; (E) Communication with shareholders including allowing shareholders to have the opportunity to participate effectively at AGMs. The Board includes its net asset value and dividend payment as part of its performance criteria.

The Board is of the opinion that the self-assessment evaluation is more than sufficient for TIH's needs. It is more important for the Board to deliver shareholders' values, protection and minority interest.

Key information regarding Directors are disclosed on pages 87 to 90 of this Annual Report.



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***Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration***

***Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company***

***Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation***

The NRC terms of reference for FY2021 are to review and recommend to the Board the framework for remuneration of the Directors taking into consideration industry practices, level of contribution/responsibility of the Directors and corporate performance. Save and except for Directors' fees which are paid in arrears after approval by shareholders at the AGM, no other forms of remuneration are paid to the Directors. As the Company has no direct staff or employees and is managed by the Investment Manager via a Management Agreement, the NRC reviews only the fees of the Board Members.

The Board recommends the following schedule of Directors' fees payable for FY2021 to be approved by Shareholders at the forthcoming AGM.

	<b>Proposed Fees</b>
Basic fee for all Directors	\$23,000
Allowance for Chairman of the Board	\$27,000
Allowance for Chairman of the AC	\$27,000
Allowance for AC Members	\$16,000
Allowance for Chairman of the NRC	\$12,000
Allowance for NRC Members	\$6,000
Allowance for Chairman of the RGC	\$15,000
Allowance for RGC Members	\$8,000
Allowance for BIC Members	\$25,000
Fee for Lead Independent Director	\$10,000

No additional fee is payable for meeting attendance. The management and operation of the Company are vested in the Investment Manager. Mr Allen Wang, a Deemed Executive Director of the Company and a representative of the Investment Manager on the TIH Board, does not receive any fee from the Company.

No Director decides on his own fees.

The remuneration of each of the Directors for FY2021, which is subject to approval at the forthcoming AGM, falls below \$90,000 per director and is solely derived from Directors' fees. A breakdown of the Directors' Fees to be paid to each Director for FY2021 upon approval by the Shareholders at the forthcoming AGM is as follows:

<b>Director</b>	<b>Basic Fee (Inc Board Chair)</b>	<b>AC Chair/ Member</b>	<b>NRC Chair/ Member</b>	<b>RGC Chair/ Member</b>	<b>BIC Member</b>	<b>Lead Independent Director</b>	<b>Total Directors' Fees</b>
<b>Kin Chan</b>	\$50,000	–	–	\$8,000	\$25,000	–	\$83,000
<b>Allen Wang</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Vince Feng</b>	\$23,000	–	–	\$8,000	\$25,000	–	\$56,000
<b>Liong Tong Kap</b>	\$23,000	\$27,000	–	–	–	–	\$50,000
<b>Angie Li</b>	*\$7,058	–	–	–	–	–	*\$7,058
<b>Thanathip Vidhayasirinun</b>	\$23,000	\$16,000	\$12,000	–	–	–	\$51,000
<b>Alex Shiu Leung Au</b>	\$23,000	\$16,000	\$6,000	–	\$25,000	–	\$70,000
<b>Sin Boon Ann</b>	\$23,000	–	\$6,000	\$15,000	–	\$10,000	\$54,000
<b>Tan Chade Phang (Roger)</b>	*\$7,058	–	–	–	–	–	*\$7,058

\* Pro-rated

The Company has no employees and there are no employees of the Company's subsidiaries who are immediate family members of the Directors and there are also no employees of the Company or its subsidiaries who are related to any Substantial Shareholder for FY2021.

The management of the Company is vested in the Investment Manager, TIHIM, a wholly owned subsidiary of TIH. The Company does not have any employees, thus there is no long term incentive schemes such as an employee share option scheme. All staff are engaged by TIHIM.

For FY2021, none of the remuneration paid to the employees of TIHIM is above \$540,000. Other than payment in lieu of notice in the event of termination, no other termination, retirement and post employment benefits were included in the employment contracts of TIHIM employees.

As the Company has no employee, the Board is of the view that disclosure of remuneration information of the senior management personnel of TIHIM is not in the best interests of TIH due to the sensitivity and confidential nature of such information in a competitive talent market. The Board is of the opinion that such disclosure may affect the retention or recruitment of competent personnel in a highly competitive business environment the Company operates in as well as the competitive pressures in the talent market due to limited talent pool. The Company needs to maintain stability and business continuity and any attrition in the key management personnel team would not benefit the Company. Accordingly, due to confidentiality and sensitivity issues attached to remuneration matters, especially in the case where the TIHIM has only 13 employees, of which 3 (including CEO) are key management personnel in FY2021, it would not be in the best interests of the Company to disclose the names, amounts and breakdown of the key management personnel (who are not directors or the CEO) in remuneration bands of S\$250,000 as well as the total remuneration paid to these key management personnel as recommended by the Code.

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## Accountability and Audit Risk Management and Internal Controls

*Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders*

The RGC, meets annually and consists of the following members in FY2021:

**Sin Boon Ann** – Chairman (independent and non-executive)  
**Vince Feng** (independent and non-executive)  
**Kin Chan** (deemed executive)

The Board has engaged BDO LLP to assist in the review of the risk governance matters. BDO LLP shall conduct annual review of the Company’s business risks and control policies and processes and report any key findings and measures to the Board and assist the Board in reviewing and updating the risk register based on an Enterprise Risk Management (“**ERM**”) workshop conducted for the Company during the year. Key risks identified are updated in the risk register and countermeasures in place to address these risks. This register is meant to be an ongoing record of the major risks affecting the Company. This register shall be updated whenever the ERM exercise is extended to additional clusters.

The ERM defines the risk management policies and procedures that TIH needs to be complied with. It provides a systematic and continuous approach to identifying and prioritising risks that can affect the organisation and also the corresponding countermeasures to the risks, where available and ultimately, reporting the assessment of risks and countermeasures in place to the highest authority in the organisation to enable monitoring and relevant decisions to be undertaken.

The RGC performs its duties according to the following Terms of References:

- Determine the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation.
- Determine and review the Company’s overall risk tolerance and strategy.
- Determine and review the current risk exposures and future risk strategy of the Company.
- In relation to risk assessment:
  - (a) keep under review the Company’s overall risk assessment processes;
  - (b) review regularly and approve the parameters used in these measures and the methodology adopted; and
  - (c) set a process for the accurate and timely monitoring of large exposures and certain risk types of critical importance.
- Determine and review the Company’s capability to identify and manage new risk types.
- Review proposed strategic transactions, focusing in particular on risk aspects and implications for the risk tolerance of the Company, and taking independent external advice where appropriate and available.
- Review any material breaches of risk limits and the adequacy of proposed action.
- Keep under review the effectiveness of the Company’s internal controls and risk management systems and review and approve the statements to be included in the annual report concerning the effectiveness of the Company’s internal control and risk management systems.
- Determine and review the Company’s procedures for detecting fraud, including the whistleblowing policy (if any). The RGC shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.
- Monitor the independence of risk management functions throughout the organization.
- Review promptly all relevant risk reports on the Company.
- Review and monitor the Investment Management’s responsiveness to the findings.

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The operations of the Company have been delegated and assigned to the Investment Manager which is expected to exercise discipline in discharging its fiduciary responsibilities. The Investment Manager has adopted the Internal Control and Compliance Manual (“ICCM”) that are well documented and regularly updated. Every Director and staff of the Investment Manager is required to adhere to the ICCM as a condition of his/her employment. The ICCM includes, among other things, financial control, management of funds, management of information systems, procedures for investments and divestments, management of portfolio companies and compliance with financial, administration and legal controls.

In addition, the Investment Manager operates under a set of guidelines stipulated in the TIH Prospectus and any changes to these guidelines are subject to the approval of the Board. Compliance with these guidelines are verified half-yearly by the Company’s external auditors.

The CEO and CFO of TIHIM, have provided written assurances of the adequacy and effectiveness of TIH’s operational risk, compliance, information technology, financial and internal control system. In addition, an external information technology consultant checks on the Investment Manager’s “health” status three times a year to ensure that the information technology system and servers are in satisfactory condition.

The Company has outsourced its internal audit function to an independent auditing firm, BDO LLP, which is an established international auditing firm. The internal audits are performed in line with their firm’s Global Internal Audit Methodology which is consistent with the International Standards for the Professional Practice of Internal Auditing recommended by the Institute of Internal Auditors. The Internal Audit was conducted with the objectives of highlighting missing controls of the current processes, ascertain that processes were conducted in accordance with established policies and procedures and to identify areas of improvement where controls can be strengthened. Internal control weaknesses noted during the audit and the respective auditors’ recommendations are reported to the AC and follow-ups and implementations are handled by the Investment Manager where applicable.

The AC has reviewed with the internal auditors their risk-based internal audit plan and their evaluation of the system of internal controls, their audit findings and the management’s responses to address the findings; the adequacy and the effectiveness of material internal controls, including financial, operational, compliance and information technology controls and overall risk management system of the Company and the Group for FY2021. The outsourced internal audit team is headed by a partner who has more than 20 years of experience in audit and advisory services, and is a Chartered Accountant of the Institute of Singapore Chartered Accountants and Certified Internal Auditor of the Institute of Internal Auditors (“IIA”). The AC is satisfied that the outsourced internal audit function is independent, effective and adequately resourced.

The Board had received assurance from the CEO and CFO of the Investment Manager that (i) the financial records of the Company have been properly maintained and the financial statements give a true and fair view of the Company’s operations and financial position; and (ii) the risk management and internal control systems have been put in place.

Based on the internal controls established and maintained by the Investment Manager, and the works performed by the Internal and External Auditors during the financial year, the Board with the concurrence of the Audit Committee, is satisfied that the system of internal controls is adequate in addressing the financial, operational, compliance and information technology control risks of the Group as it provides:

- Reasonable assurance against material financial misstatements;
- Maintenance of proper accounting records;
- Compliance with appropriate legislations, regulations and best practices; and
- Identification and containment of business risks.

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The Board notes, however, that no system of internal controls can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

The Company has established good corporate governance through the implementation and management of policies and procedures that are relevant to the Company's business. Such policies and procedures govern financial, operational, information technology and regulatory compliance matters are updated and revised regularly.

The Company has also established a process for evaluating investment and divestment proposals and procedures. The investment portfolio is constantly monitored to ensure that performance is on track to meet the investment objectives. Financial discipline is exercised with funds allocated to the right projects.

Based on the Group's framework of management controls in place, the internal control policies and procedures established and maintained by the Group, as well as the reviews performed by the external and internal auditors, the Board, with the concurrence of the AC, is of the opinion that the risk management and internal control systems of the Group, addressing the financial, operational, compliance and information technology risks are adequate and effective as at 31 December 2021 to address the risks that the Group considers relevant and material to its operations.

### ***Financial Risk Management***

#### ***Operation Risk***

The investments made by the Group (including investments held by the Company, Little Rock Group Limited and Killian Court Pte. Ltd., both wholly owned subsidiaries of the Company) are primarily in private companies, which are generally illiquid in nature. In addition to general business risks in any investment, such investments can be adversely affected by political instability as well as exchange controls, changes in taxation laws, foreign investment policies and other restrictions and controls which may be imposed by the relevant authorities of the countries in which investments are made.

#### ***Currency Risk***

The Group makes long-term investments and treats foreign exchange risks as part of the overall risks to be considered in its investments decisions. The Group does not use any derivative financial instruments to hedge these exposures. However, to cover other currency exposures denominated in non-functional currency arising from the Group's short-term assets and liabilities and expected sales proceeds from investments with definitive certainty, the Group may enter into forward currency contracts to hedge against these foreign currency exposures.

#### ***Credit Risk***

Credit risk is the Group's exposure to potential losses if the counterparty fails to fulfil its contractual obligations. The Group's credit risk exposure arises mainly from its loan extended to a portfolio company in conjunction with the Group's investment in the portfolio company. The loan is regularly reviewed in line with the Group's valuation and monitoring process.

#### ***Liquidity Risk***

The Group maintains sufficient cash to meet its operating needs.

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***Principal 10: The Board has an Audit Committee which discharges its duties objectively***

**Audit Committee**

The AC consists of the following members in FY2021:

**Liong Tong Kap** - Chairman (independent and non-executive)  
**Thanathip Vidhayasirinun** (independent and non-executive)  
**Alex Shiu Leung Au** (non-independent and non-executive)

None of the AC members had been a former partner or director of KPMG LLP (“KPMG”), the Company’s external auditors. All members of the AC are appropriately qualified to discharge their responsibilities and all AC members have relevant accounting and related financial management experience. Key information of the AC members’ academic and professional qualifications and experiences is set out on pages 88 to 89 of the Annual Report.

The AC performs the following main functions with these terms of reference during FY2021:

- Review the audit plans and scope of work of the external auditors;
- Review and recommend the full-year, half-yearly announcements and the financial statements of the Company and Group as well as the auditors’ report thereon before submission to the Board for approval;
- Review the findings, if any, of the external auditors and internal auditors and the responses of the Investment Manager;
- Review the nature and extent of non-audit services provided by the external auditors;
- Nominate the external auditors for appointment or re-appointment and reviews the level of audit fees, cost effectiveness of the audit and the independence and objectivity of the external auditors;
- Investigate any matter reported to the AC regarding improprieties in matters of financial reporting or other matters within its terms of reference;
- Review with the Investment Manager and their auditors the internal controls in respect of the Investment Manager and the Company;
- Review legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;
- Review interested person transactions (“IPTs”) in accordance with the requirements of the listing rules of the SGX-ST;
- Review and resolve any potential conflicts of interest between the Investment Manager and the Company; and
- Review the report on the IPTs.

The AC has full discretion to (i) invite any Director and any staff member of the Investment Manager to attend its meetings; (ii) require any such Director and any staff member of the Investment Manager in attendance to leave the meetings to facilitate open discussion on any matter that may arise; and (iii) investigate any matter within its terms of reference with full access to and co-operation by the Investment Manager. Matters discussed at the AC meetings include half-yearly and annual financial results and announcements, audit plans and reports as well as the Investment Manager’s response to the audit findings. Relevant matters were then reported or recommended to the Board for action or approval.

During the year, the AC met with the external auditors, KPMG to discuss the audit plan for TIH Group which includes the audit process, scope, focus and materiality of the audit. In addition, key changes to reporting standards and regulatory requirements which are applicable to the Company are also reported to the AC so that AC members are updated with these changes. The AC also met with the internal auditors, BDO LLP, an independent audit firm engaged to review the effectiveness of the internal controls of the Company.

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The Board is responsible for the initial appointment of the external auditors. Shareholders subsequently approve the appointment/re-appointment of auditors at the AGM every year. The external auditors hold office until its removal or reappointment. The AC assesses the external auditors based on factors such as performance and quality of audit and recommends its appointment to the Board.

The AC has reviewed and confirmed that the aggregate amount of fees paid/payable to KPMG, the external auditors, for FY2021 is \$373,590, comprising \$270,740 audit fees and \$102,850 non-audit fees (28% of total fees).

The AC reviewed all non-audit services provided by KPMG and noted that the fees paid to the external auditors for non-audit services during the financial year does not exceed 50% of the total amount of fees paid to the auditors. Having considered that the non-audit fees arose primarily from tax advisory services which were not prohibited services and do not pose a threat to the external auditors' independence, the AC is satisfied that the nature and extent of such services and the corresponding fees would not affect the independence and objectivity of KPMG, and is pleased to recommend their re-appointment.

The AC noted that Mr Amit Sadana, a partner in KPMG who is in charge of the audit of TIH's group of companies, has been appointed with effect from FY2017. The AC also noted that the Company is in compliance with Rule 712, 715 and 716 in relation to its auditing firm.

The AC also reviews the IPTs conducted under shareholders' mandate adopted at the extraordinary general meeting of the Company held on 11 September 2018, whereby shareholders approved the Interested Persons Transactions Mandate with Argyle Street Management Holdings Limited and its associates subject to the review procedures as stated in the Circular dated 27 August 2018. The review procedures are established to ensure that the Mandated IPTs are undertaken on an arm's length basis and on normal commercial terms. The Company has put in place a register recording (i) all mandated IPTs; (ii) the amount of monies at risk for the entity at risk group in connection with each Mandated IPTs; (iii) the basis for determining the transaction amounts / prices (as the cases may be) and (iv) supporting evidence obtained to support the aforementioned basis. The AC reviews the report of all recorded IPTs entered into by the EAR Group to ascertain the guidelines and procedures established has been adhered with. In the event that a member of the Board, a member of the AC, a member of the MIC, a member of the BIC or an authorised reviewing officer (where applicable) has a conflict of interests in relation to any Mandated IPT, he will abstain from reviewing that particular transaction.

The Company has adopted a whistle-blowing policy which has been endorsed by the AC. The whistle-blowing policy is for staff of the Investment Manager acting in good faith and confidence to raise observations and any concerns which they have on any corporate improprieties to the AC or NRC Chairs. Staff may wish to report to his/her immediate supervisor or if the matters relates to his/her immediate supervisor, then reporting it to the CEO or if the proceeding procedures is not appropriate in view of the circumstance or nature of the incident, the matter can be reported to the AC Chair or NRC Chair. It is up to the staff member to check the most appropriate channel for reporting incidents which they wish to disclose. However, if a matter is reported to an authority that is not competent to deal with it, it is up to the authority to transmit in strictest confidence, the relevant information and documents to the competent authority and to inform the member of the staff accordingly.

The protection of a person reporting any irregularity shall be given. First of all by the fact that his/her identity will be treated in confidence. This means that his/her name will not be revealed, unless the whistle blower personally authorises the disclosure of his/her identity or it is a statutory requirement, particularly if it is essential to ensure that the right of the person implicated be given a fair hearing is upheld.

The AC recognizes the increased responsibilities as laid out in the Code and has taken steps to ensure that these responsibilities are duly carried out.

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KPMG, the external auditors periodically updates the AC and the Board on changes or amendments to accounting standards to enable members of the AC and the Board to keep abreast of such changes and the corresponding impact of the financial statements, if any. Directors are also invited to attend seminars, talks and updates on changes to accounting standards and current issues by accounting firms and the SGX.

## **Shareholder Rights and Engagement Shareholder Rights and Conduct of General Meetings**

***Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects***

***Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company***

***Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served***

In addition to complying with the requirements to make announcements under the SGX-ST Listing Manual, the Company adopts the practice of providing Shareholders regularly with information on major developments in its business through SGXNET announcements. The announcements of the results and material developments are released in a timely and non-discriminatory manner to ensure fair disclosure of information. The Board reports to shareholders, amongst other things, a clear assessment of the Company's performance and financial position on a half-yearly basis.

The Company ensures that all shareholders receive a copy of the Company's Annual Report, circular(s), notice(s) and agenda of general meetings which is sent out at least 14 days before the meetings. Notices and agendas of general meetings are also advertised in a major local newspaper and announced on SGXNET for greater awareness. Such notices, agendas and circulars are also accessible at the Company's website which is located at <http://www.tih.com.sg>. Press Releases are issued as and when the Company wish to draw shareholders' attention to certain developments. The Board is aware that there should be separate resolutions at general meetings on each substantially separate issue and avoids "bundling" resolutions without valid reasons.

To encourage Shareholders' participation, general meetings are usually held at convenient locations where public transport is easily accessible. For shareholders who are not able to attend the meetings in person, the Constitution of the Company allows shareholders to appoint up to 2 proxies to attend and vote at general meetings on their behalf. Where a member of the Company is a relevant intermediary as defined in Section 181 of the Companies Act, the member is entitled to appoint more than two proxies to attend and vote at general meetings. The Company always include a question and answer session at all general meetings to allow questions, feedback and participation from its shareholders at such meetings. Questions relating to the NRC will be answered by the members of each respective committee. To ensure fair treatment to shareholders who are not present at the meeting, the Board are specifically reminded not to divulge any information that has not been publicly announced. For Shareholders to participate effectively and vote at general meetings of shareholders, whenever poll-voting is called for, the Company will ensure that the scrutineers explain the poll voting procedures to the shareholders/proxies/corporate representatives present at the meeting before the poll voting commence.

This above section describes our usual practice for the conduct of general meetings prior to the onset of the Covid-19 pandemic in early 2020. Due to prevailing Covid-19 restrictions, shareholders will not be able to attend our 2022 AGM in person. Instead, TIH will be holding the 2022 AGM by electronic means on 21 April 2022 and shareholders are invited to participate in the AGM proceedings by accessing a live webcast or live audio feed.



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The Investment Manager has retained the services of a public relations firm which assists the Investor Relations function of the Company.

The Company's corporate website at <http://www.tih.com.sg> was launched in October 2014 to provide timely updates on the Company's news and developments. The website contains an online enquiry form where all stakeholders can direct their queries to. The website contains the last 3 announcements made by TIH and the basic corporate data of TIH.

The Company prepares minutes of general meetings that include substantial and relevant comments and queries from shareholders relating to the agenda of the meeting, and responses from the Board and the Investment Manager and such minutes are available to shareholders upon request.

The Company shall as far as possible put all resolutions to vote by poll and make announcements of the detailed results showing the number of votes cast for and against each resolution and the respective percentages after each general meeting.

### **Securities Transactions**

The Company has in place policies on (i) dealings in securities of the Company and its subsidiaries; and (ii) dealings in securities of other listed entities in which the Company has investments ("**Portfolio Companies**"). These policies set out the requirements under the Securities and Futures Act, Singapore Companies Act and the Listing Manual.

The policy on dealings in securities of the Company and its subsidiaries applies to Directors and officers of the Company and Directors and employees of its subsidiaries. There is also a policy on dealings in securities of Portfolio Companies, which applies to Directors and officers of the Company.

The Company Secretary sends out half-yearly reminders on these requirements to all Directors and employees. The Directors and employees are required to inform the Company Secretary of trades within 2 business days.

Similar policies have been adopted by the Investment Manager in respect of the trading of securities of the Company and its Portfolio Companies by the Directors and officers of the Investment Manager.

Under the policies, any trade conducted by the respective personnel should be reported to the Company Secretary within 2 trading days of the trade being undertaken. In line with the policies, the Company issues regular circulars informing the respective personnel that they cannot deal in securities of the Company/Portfolio Companies a) during the period commencing two weeks before the announcement of the Company's/Portfolio Companies' financial statements for each of the first three quarters of the respective company's financial year and one month before the announcement of the respective Company's full year financial statements and ending after the date of announcement of the relevant financial statements and b) if they are in possession of price sensitive information. Additionally, the respective personnel cannot deal in the Company's listed securities on short-term considerations.

### **Interested Person Transactions**

Transactions with the Company's interested persons (as the term is defined in the Listing Manual) are subject to review and approval by the AC and are delineated in "Supplementary Information: Interested Person Transactions" on pages 66 to 67 of the Annual Report.

Some of the Board members own shares in the Company or are affiliated with companies that own shares in the Company. Details are disclosed in the Directors' Report that is included in the Annual Report.

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With effect from 1 July 2014, via a strategic support services agreement (“**Strategic Support Services Agreement**”), the Company has appointed ASM Administration Limited, affiliated to the ASM Group, a substantial shareholder of the Company, to provide the services of sourcing of potential investment opportunities for the Company at a fee of US\$515,000 per annum. This support arrangement formalizes the strategic alliance between the Company and ASM Group and allows the Company to tap into the sourcing network of ASM Group for potential investment opportunities. The services provided under the Strategic Support Services Agreement include but not limited to the following:

- To provide on-site due diligence services in target countries
- To provide on-the-ground local research activities in target countries, which include conducting meetings with and obtaining introduction to, local business partners and advisors in target countries

The AC and the Board, having reviewed the terms of the support arrangement and a benchmarking study performed by an independent consulting firm (for the fees and services provided), are of the view that the support arrangement is entered into on an arm’s length basis on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

During FY2021, no employee of the Investment Manager drew any director’s fees or received any remuneration from any of the Company’s portfolio of investment companies.

## **Key Information on Board Members**

### **Mr Kin Chan** **Chairman, Deemed Executive Director**

Mr Kin Chan, our Chairman, has been on the Board since 1 October 2004 and assumed chairmanship of the Company on 1 May 2005. He has been appointed a member of the Risk Governance Committee of the Company since 1 January 2021.

Mr Chan is a director of Argyle Street Management Limited. Mr Chan is also a non-executive director of OUE Limited (listed on the SGX-ST) since 17 March 2010, non-executive director of CITIC Resources Holdings Limited (listed on Hong Kong Stock Exchange) since 10 March 2017 and commissioner of PT Lippo Karawaci Tbk (listed on Indonesia Stock Exchange) since 18 April 2019.

He was a non-executive director of Mount Gibson Iron Limited (listed on Australian Stock Exchange) for the period from 22 September 2016 to 5 January 2018 and a non-executive director of The ONE Group Hospitality, Inc.(listed on NASDAQ Stock Market) from 17 November 2017 to 29 January 2019. He was formerly with Lazard Asia Limited and Goldman, Sachs & Co.

Mr Chan holds a Master of Business Administration (MBA) degree from the Wharton School of the University of Pennsylvania and Artium Baccalaureus (AB) degree from the Woodrow Wilson School of Public and International Affairs of Princeton University.

### **Mr Wang Ya Lun Allen** **Deemed Executive Director** **Chief Executive Officer of the Investment Manager**

Mr Wang has been the Chief Executive Officer of TIH Investment Management Pte. Ltd. since June 2014. Prior to that, Mr Wang held management positions in Argyle Street Management Limited and Credit Asia Capital for seven years, and was responsible for deal origination, structuring and the execution of special situations investments in Southeast Asia and China covering a variety of industries. Mr Wang began his career in Analyst and Associate positions with The Transportation Group, Seabury Group and D. B. Zwirn Asia Partners.

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He was an alternate director to Mr Gan Chee Yan in CEI Contract Manufacturing Limited, which is listed on SGX-ST, from 17 April 2015 to 7 July 2021.

Mr Wang received his bachelor's degree in Accounting from the British Columbia Institute of Technology in Canada, and holds a Master of Arts in Statistics from the Columbia University in New York. Mr Wang is also a CFA charterholder.

**Mr Vince Feng**  
**Independent Director**

Mr Feng has been an independent, non-executive Director on the Board since 1 March 2008. He is a member of the Risk Governance Committee as well as the Board Investment Committee of the Company.

Mr Feng has been working in the financial services industry since 1994. He has been appointed as an independent non-executive director of Pacific Century Premium Developments Limited, which is listed on Hong Kong Stock Exchange, since 16 March 2018. He co-founded and built Ocean Arete Limited in his capacity as CEO and CRO into a US\$1 billion macro strategy hedge fund based in Hong Kong. He previously served as a managing director of General Atlantic LLC, a US\$30 billion global growth private equity firm focused on technology enabled sectors. In 2000, he established the Hong Kong office of General Atlantic, leading the firm's investments in Greater China over the course of his tenure as managing director, including Lenovo's acquisition of IBM's PC division. Prior to that, Mr Feng was a financial analyst with Goldman Sachs (Asia) LLC in Hong Kong.

Mr Feng holds a Doctor of Philosophy (PhD) degree in Economic Sociology from Harvard University, a Master of Business Administration (MBA) degree from Stanford University and a Bachelor of Arts (BA) degree (magna cum laude with high honors) in Social Studies from Harvard University.

**Mr Liong Tong Kap**  
**Independent Director**

Mr Liong has been appointed as the Chairman of the Audit Committee of the Company since 1 February 2013.

Mr Liong was formerly the Chief Investment Officer with NTUC Income Insurance Cooperative Ltd (“**NTUC Income**”). He was head of NTUC Income's investment management unit for close to 18 years from 1992 to mid 2009. Prior to that, he was head of NTUC Income's actuarial department for one and a half years. Before joining NTUC Income, he spent over ten years in Monetary Authority of Singapore and oversaw actuarial matters and supervision of life insurance.

Mr Liong holds a Bachelor of Science (BSc) degree in Actuarial Science and a Master of Science (MSc) in Applied Finance.

**Ms Li Yick Yee Angie**  
**Alternate Director to Mr Kin Chan**

Ms Li has been appointed as an alternate director to Mr Kin Chan on 22 April 2021. She was a non-executive director of TIH Limited from 11 August 2006 to 22 April 2021.

Ms Li is a director of Argyle Street Management Limited (“**Argyle**”). Prior to joining Argyle, Ms Li worked with Lazard & Co in San Francisco and Hong Kong.

Ms Li holds Bachelor of Arts (BA) and Bachelor of Science (BS) degrees from the University of California at Berkeley and a Master of Arts (MA) degree in Economics from the Graduate School of Arts and Sciences (GSAS) of Columbia University.

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**Mr Thanathip Vidhayasirinun**  
**Independent Director**

Mr Vidhayasirinun has been appointed to the Board with effect from 4 August 2016. He serves as the Chairman of the Nominating and Remuneration Committee and a member of the Audit Committee of the Company. He is a co-founder and chief executive officer of Sage Capital Limited, a private limited company incorporated in Thailand that specialise in financial advisory services. He has extensive experience in all aspects of investment banking including M&A, distressed assets & restructuring, corporate finance and capital markets.

Mr Vidhayasirinun is an independent director of Sino-Thai Engineering & Construction Public Company Limited, a company listed on the Stock Exchange of Thailand.

Thanathip graduated from Carnegie-Mellon University with a Bachelor of Science (BS) degree majoring in electrical engineering, computer engineering, and industrial management. He received his Master of Business Administration (MBA) degree in finance and Master of Engineering (MEng) degree in electrical engineering from Cornell University.

**Mr Alex Shiu Leung Au**  
**Non-Executive Director**

Mr Au was appointed to the Board on 1 June 2018. He is a member of the Audit Committee, Nominating and Remuneration Committee as well as the Board Investment Committee of the Company.

Since July 2011, Mr Au is the Chief Financial Officer of Lippo Limited, Lippo China Resources Limited and Hongkong Chinese Limited, all public listed companies in Hong Kong. Prior to that, Mr Au was an Executive Director and Company Secretary of Asia Commercial Holdings Limited, a public listed company in Hong Kong.

Mr Au holds a Bachelor of Commerce (Accounting) degree with honours from the University of Birmingham. In addition, he is a Fellow member of Institute of Chartered Accountants in England and Wales as well as a Fellow member of Hong Kong Institute of Certified Public Accountants.

**Mr Sin Boon Ann**  
**Lead Independent Director**

Mr Sin was appointed to the Board on 1 June 2018. He is the Lead Independent Director as well as the Chairman of the Risk Governance Committee and a member of the Nominating and Remuneration Committee of the Company.

Mr Sin is currently a Consultant with Drew & Napier LLC. Prior to that, he was the Deputy Managing Director of the Corporate & Finance Department and the Co-head of the Capital Markets Practice in Drew & Napier LLC before he retired in March 2018. Mr Sin is recognized in industry publications as an industry leader and for his expertise in capital markets. He also specializes in corporate finance and mergers and acquisitions. Mr Sin was a Member of Parliament for Tampines GRC from 1996 to 2011. He was conferred the Singapore National Day Award – “The Public Service Star (Bintang Bakti Masyarakat)” in 2018 and “The Public Service Medal (Pingat Bakti Masyarakat)” in 2013 by the President of Singapore and received the NTUC May Day Award – “Distinguished Service Award” in 2018, “Meritorious Service Award” in 2013 and “Friends of Labour Award” in 2003.

Mr Sin is also an independent director of several SGX-ST listed companies namely OUE Limited since 25 May 2009, Rex International Holding Limited since 26 June 2013, HRnetGroup Limited since 16 May 2017, CSE Global Limited since 13 May 2002, Healthway Medical Corporation Limited since 26 April 2019, Sarine Technologies Ltd since 25 June 2020 and The Trendlines Group Ltd since 17 June 2020.

Mr Sin received his Bachelor of Arts and Bachelor of Laws (Honours) degrees from the National University of Singapore and a Master of Laws from the University of London.

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**Mr Abram Melkyzedeck Suhardiman**  
**Alternate Director to Mr Alex Shiu Leung Au**

Mr Abram Suhardiman was appointed as an Alternate Director to Mr Au Shiu Leung Alex on 18 September 2020. He is currently the Executive Director and Deputy CEO of Healthway Medical Corporation Limited (“**Healthway**”) and responsible for overseeing the Healthway group’s business development, operations and corporate support functions.

Prior to joining Healthway, Mr Abram served as Vice President at Nuvest Capital. He has also worked at The Abraaj Group and Citibank where he was part of the investment team in southeast Asia. Mr Abram holds a Bachelor’s degree from university of Southern California and Masters in Finance from Hult Business School.

## *Additional Information on Directors Seeking Re-election*

The information required under Rule 720(6) and Appendix 7.4.1 of the SGX-ST Listing Manual in respect of Directors seeking re-election at the Annual General Meeting on 21 April 2022 is set out below:

<b>Name of Person</b>	<b>Kin Chan</b>	<b>Alex Shiu Leung Au</b>	<b>Sin Boon Ann</b>
Date of appointment	1 May 2005	1 June 2018	1 June 2018
Date of last re-appointment	24 April 2019	24 April 2019	24 April 2019
Age	55	57	64
Country of principal residence	Hong Kong	Hong Kong	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	With Mr Kin Chan abstaining, the Board has considered the Nominating and Remuneration Committee's ("NRC") recommendation and assessment of Mr Kin Chan's qualifications and experience and is satisfied that he is competent, committed and contributes sufficiently to the Board and board matters. He has been adequately carrying out his duty as Chairman of the Board, Risk Governance Committee ("RGC") Member and Board Investment Committee ("BIC") Member.	With Mr Alex Au abstaining (for both the Board and NRC), the Board has considered the NRC's recommendation and assessment of Mr Alex Au's qualifications and experience and is satisfied that he is competent, committed and contributes sufficiently to the Board and board matters. He has been adequately carrying out his duty as a TIH Board member, Audit Committee ("AC") Member, NRC Member and BIC Member.	With Mr Sin Boon Ann abstaining (for both the Board and the NRC), the Board has considered the NRC's recommendation and assessment of Mr Sin Boon Ann's qualifications and experience and is satisfied that he is competent, committed and contributes sufficiently to the Board and board matters. He has been adequately carrying out his duty as a TIH Board member, Lead Independent Director, RGC Chairman and NRC Member.  The NRC also reviewed and concluded that Mr. Sin remains independent on the TIH board.
Whether appointment is executive, and if so, area of responsibility	Deemed Executive  Due to Mr Chan's role as a BIC member, Mr Chan is a licenced representative of the Investment Manager. Following his appointment as a licenced representative of the Investment Manager on 26 August 2016, Mr Chan is deemed an Executive Director of the Company.	Non-Executive	Non-Executive

<b>Name of Person</b>	<b>Kin Chan</b>	<b>Alex Shiu Leung Au</b>	<b>Sin Boon Ann</b>
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Deemed Executive Director, Chairman of the Board, RGC Member and BIC Member	Non-executive Director, AC Member, NRC Member and BIC Member	Lead Independent Director, RGC Chairman and NRC Member
Professional Qualifications	<ul style="list-style-type: none"> <li>● MBA from Wharton School of University of Pennsylvania</li> <li>● AB from Princeton University</li> </ul>	<ul style="list-style-type: none"> <li>● Bachelor of Commerce (Accounting) degree with honours from the University of Birmingham</li> <li>● Fellow member of Institute of Chartered Accountants in England and Wales</li> <li>● Fellow member of Hong Kong Institute of Certified Public Accountants</li> </ul>	<ul style="list-style-type: none"> <li>● BA, National University of Singapore (1982)</li> <li>● LL.B. (Hons), National University of Singapore (1986)</li> <li>● LL.M., University of London (1988)</li> <li>● Admitted to Singapore Bar (1987)</li> </ul>
Working experience and occupation(s) during the past 10 years	<p>2001 to present</p> <p>Argyle Street Management Limited / Managing Director / Fund Management / Partner</p>	<p>July 2011 to present</p> <p>Chief financial officer of Lippo Limited, Lippo China Resources Limited and Hongkong Chinese Limited, all are public listed companies in Hong Kong</p>	<p>Mar 2018 to present</p> <p>Consultant, Drew &amp; Napier LLC</p> <p>2016 – 2020</p> <p>Deputy Chairman, Tampines Central Branch Second Advisor, Tampines Central GROs</p> <p>2001 – Mar 2018</p> <p>Director, Drew &amp; Napier LLC</p>
Shareholding interest in TIH Limited and its subsidiaries	Yes	No	No
If yes, Shareholding Details:	Deemed interested in 53,415,266 shares in TIH Limited through bodies corporate which (i) he has controlling interests in/or (ii) which is accustomed to act in accordance with his directions.	N.A.	N.A.

Name of Person	Kin Chan	Alex Shiu Leung Au	Sin Boon Ann
Any relationship (including immediate family relationships) with any existing director, existing executive officer, TIH Limited and/or substantial shareholder of TIH Limited or of any of its principal subsidiaries	Mr. Chan is a deemed substantial shareholder of TIH.	No	Yes  Lippo China Resources Limited (“ <b>LCR</b> ”), a deemed substantial shareholders of TIH, through its wholly owned subsidiary, Powerful Arch Limited (“ <b>PAL</b> ”) has made a massive venture capital investment into Esseplore Pte. Ltd. (“ <b>Esseplore</b> ”), a start-up company in Singapore where Mr Sin is a shareholder, executive chairman and founder. LCR and PAL is a minority shareholder of Esseplore and is not involved in any day-to-day activities of Esseplore. LCR’s investment into Esseplore did not include any special rights other than the shareholder rights customary of a minority shareholder in a start-up company in Singapore with no controlling rights.
Conflict of interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to TIH Limited	Yes	Yes	Yes
<b>Other Principal Commitments including Directorships</b> Past (for the last 5 years)	Nil	Nil	Director of the following companies: <ul style="list-style-type: none"> <li>● SE Hub Ltd</li> <li>● Datapulse Technology Limited</li> <li>● At-Sunrise GlobalChef Academy Pte. Ltd.</li> <li>● DrewCorp Services Pte Ltd</li> <li>● Drew &amp; Napier LLC</li> <li>● OSIM International Pte. Ltd.</li> </ul>



Name of Person	Kin Chan	Alex Shiu Leung Au	Sin Boon Ann
Present	Mr. Chan has been the Chief Investment Officer of Argyle Street Management Limited since 2002.	Chief financial officer of the following companies, all listed on HKEX: <ul style="list-style-type: none"> <li>● Lippo Limited</li> <li>● Lippo China Resources Limited</li> <li>● Hongkong Chinese Limited</li> </ul>	Director of the following companies: <ul style="list-style-type: none"> <li>● Sarine Technoloiges Ltd*</li> <li>● The Trendlines Group Ltd*</li> <li>● Balkan Holdings Pte Ltd</li> <li>● Healthway Medical Corporation Limited*</li> <li>● The Farrer Park Company Pte Ltd</li> <li>● W Capital Markets Pte Ltd</li> <li>● At-Sunrice (Holdings) Pte. Ltd.</li> <li>● Esseplere Pte. Ltd.</li> <li>● HRnetGroup Limited*</li> <li>● Singapore Centre for Social Enterprise Ltd. (raiSE)</li> <li>● Rex International Holding Limited*</li> <li>● OUE Limited*</li> <li>● Tampines Central Community Foundation Limited</li> <li>● CSE Global Limited*</li> </ul> <p>* Listed Company</p> <p>Principal Commitment: Drew &amp; Napier LLC</p>

Name of Person	Kin Chan	Alex Shiu Leung Au	Sin Boon Ann
<p>Any prior experience as a director of a listed company?</p> <p>If yes, please provide details of prior experience.</p> <p>If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.</p>	<p>Yes. See below for present and past directorships in the last five years in:-</p> <p>OUE Limited since 17 March 2010</p> <p>CITIC Resources Holdings Limited since 10 March 2017</p> <p>The ONE Group Hospitality, Inc. from 17 November 2017 to 29 January 2019</p> <p>Mount Gibson Iron Limited from 22 September 2016 to 5 January 2018</p>	<p>Yes</p> <p>As an executive director of Asia Commercial Holdings Limited from January 2007 to July 2011, a public listed company in Hong Kong.</p>	<p>Yes. See below for present directorships in:-</p> <p>Sarine Technologies Ltd since 25 June 2020</p> <p>The Trendlines Group Ltd since 17 June 2020</p> <p>Healthway Medical Corporation Limited since 26 April 2019</p> <p>HRnetGroup Limited since 16 May 2017</p> <p>Rex International Holding Limited since 26 June 2013</p> <p>OUE Limited since 25 May 2009</p> <p>CSE Global Limited since 13 May 2002</p>
<p>Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).</p>	<p>Not applicable</p>	<p>Not applicable</p>	<p>Not applicable</p>

Disclose the following matters concerning an appointment of director. If the answer to any question is “yes”, full details must be given

		<b>Kin Chan</b>	<b>Alex Shiu Leung Au</b>	<b>Sin Boon Ann</b>
(a)	Did you at any time during the last 10 years, have an application or petition under any bankruptcy law of any jurisdiction filed against you or against a partnership of which you were a partner at the time when you were a partner or at any time within two years from the date you ceased to be a partner?	No	No	No
(b)	Did you at any time during the last 10 years, have an application or a petition under any law of any jurisdiction filed against an entity (not being a partnership) of which you were a director or an equivalent person or a key executive at the time when you were a director or an equivalent person or a key executive of that entity or at any time within two years from the date you ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c)	Are there any unsatisfied judgments outstanding against you?	No	No	No

		<b>Kin Chan</b>	<b>Alex Shiu Leung Au</b>	<b>Sin Boon Ann</b>
(d)	Have you ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings which you are aware of) for such purpose?	No	No	No
(e)	Have you at any time ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or been the subject of any criminal proceedings (including any pending criminal proceedings which you are aware of) for such breach?	No	No	No
(f)	Have you, at any time during the last 10 years, received judgment against you in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on your part, or been the subject of any civil proceedings (including any pending civil proceedings which you are aware of) involving an allegation of fraud, misrepresentation or dishonesty on your part?	No	No	No

		<b>Kin Chan</b>	<b>Alex Shiu Leung Au</b>	<b>Sin Boon Ann</b>
(g)	Have you ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
(h)	Have you ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(i)	Have you ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body permanently or temporarily enjoining you from engaging in any type of business practice or activity?	No	No	No

		<b>Kin Chan</b>	<b>Alex Shiu Leung Au</b>	<b>Sin Boon Ann</b>
(j)	<p>Have you ever, to your knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:</p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere;</p>	<p>No</p> <p>None which is known which can be lawfully disclosed.</p>	<p>No</p>	<p>Yes</p> <p>Mr Sin Boon Ann has been the Independent Chairman of Healthway Medical Corporation (“HMC”) since 26 April 2019. HMC had received enquiries and communicated with the Singapore Exchange Regulation Pte Ltd in relation to its obligations under Catalist Listing Rule 703(4)(a) read with paragraph 27(a) of the Corporate Disclosure Policy. This arose from certain inaccurate disclosures in HMC’s annual report for the financial year ended 31 December 2019 (“AR 2019”) pertaining to the re-election of Mr Sin and the appointment of Ms Poh Mui Hoon, which were corrected in HMC’s subsequent corrigendum after the inadvertent errors first discovered. The AR 2019 had been announced by HMC on SGXNET on 15 April 2020 and the aforesaid disclosures were subsequently revised and corrected by way of a corrigendum to the AR 2019 announced by HMC on SGXNET on 22 June 2020.</p>

		<b>Kin Chan</b>	<b>Alex Shiu Leung Au</b>	<b>Sin Boon Ann</b>
	(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirements governing such entities in Singapore or elsewhere;	No  None which is known which can be lawfully disclosed.	No	No
	(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No  None which is known which can be lawfully disclosed.	No	No
	(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,  in connection with any matter occurring or arising during that period when you were so concerned with the entity or business trust?	No  None which is known which can be lawfully disclosed.	No	No

		<b>Kin Chan</b>	<b>Alex Shiu Leung Au</b>	<b>Sin Boon Ann</b>
(k)	Have you been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	<p>Yes</p> <p>The Monetary Authority of Singapore (MAS) issued a supervisory warning letter to Chan Kin on 15 March 2016 in relation to a contravention of Section 83 of the Companies Act 1967 and Section 137 of the Securities and Futures Act 2001 due to a failure to notify a listed company and SGX-ST within the legally stipulated time frame of change in his interest in the voting shares of the listed company. The MAS and the ACRA did not take further regulatory action in respect of the breach.</p>	No	No



## *Sustainability Report*

TIH Limited (“**TIH**”) is pleased to present to you with its sustainability report for FY2021 (this “**Sustainability Report**”). As TIH does not have any employees as the management of TIH is contracted out to TIH Investment Management Pte. Ltd. (the “**Investment Manager**”), this Sustainability Report will also cover the Investment Manager’s operations because of the significant role it plays in TIH’s business. As part of TIH’s phased implementation approach to sustainability reporting, this Sustainability Report will develop on the sustainability report for FY2020 (the “**FY2020 Sustainability Report**”).

### **Board Statement**

The Board of Directors of TIH (“**Board**”), being responsible for the strategic direction of TIH, continues to remain aware of the importance in the integration of environmental, social and governance (“**ESG**”) considerations in TIH’s strategic planning. The Board continues to consider sustainability issues as part of its strategic formulation, determine the material ESG factors and oversee the management and monitoring of the material ESG factors as set out in the FY2020 Sustainability Report and this Sustainability Report.

### **Stakeholders’ Engagement**

The Board and the Investment manager view stakeholders’ engagement as key to better understand their needs, interests, updates on developments in the business. This will help the Board and the Investment Manager in its planning process and to implement measures to address stakeholders needs and interest or to have the opportunity to clear any grievances, doubts or concerns they may have. In view of the Company’s business, it has been identified that key stakeholders include Shareholders of TIH, strategic partners, investee companies and Government/Regulators such as The Monetary Authority of Singapore (“**MAS**”), Singapore Exchange Securities Trading Limited (“**SGX-ST**”), Singapore Exchange Regulation Pte. Ltd. (“**SGX RegCo**”) and Inland Revenue Authority of Singapore (“**IRAS**”).

<b>Stakeholders</b>	<b>Engagement</b>
TIH Shareholders	<ul style="list-style-type: none"> <li>● Regular SGXnet announcements, annual reports, circulars, TIH’s website to update Shareholders on the Company’s development</li> <li>● Dedicated “Contact Us” page on TIH’s website for Shareholders to send any queries to the Company</li> <li>● Question and answer session during general meetings</li> </ul>
Strategic Partners	<ul style="list-style-type: none"> <li>● Regular meetings in person (this has been prohibited during the Covid-19 pandemic period and meeting by electronic means has been in place), teleconferences and email correspondences</li> <li>● Explore collaboration opportunities</li> </ul>
Investees Companies	<ul style="list-style-type: none"> <li>● Various checks are in place including due diligence/know your client (KYC)/ anti-money laundering and terrorism (AML)</li> <li>● Access to the financial/annual reports for updates on performance of the investees Companies</li> <li>● Conduct regular reviews</li> <li>● A board seat in the investee companies may be requested where necessary to facilitate monitoring activities.</li> <li>● Site visits (this has been prohibited during the Covid-19 pandemic period)</li> <li>● Regular meetings, teleconferences and email correspondences</li> </ul>
Government/Regulators i.e. MAS, SGX-ST, SGX RegCo and IRAS	<ul style="list-style-type: none"> <li>● Adherence to regulators’ requirements</li> <li>● Regular correspondences via mail, email or teleconference</li> <li>● Regular filings</li> <li>● Prompt responses to their queries</li> </ul>

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## **Sustainability Reporting Framework**

In line with the FY2020 Sustainability Report, this Sustainability Report has been prepared with reference to selected Global Reporting Initiative Standards (“GRI Standards”). This Sustainability Report also continues to reference (1) Disclosures 103-1 and 103-2 from GRI 103: Management Approach; (2) Disclosures 401-1 and 401-3 from GRI 401 Employment; and (3) Disclosure 418-1 from GRI 418: Customer Privacy.

In addition, this Sustainability Report also reference (1) Disclosures 201-1, 201-2 and 201-4 from GRI 201: Economic Performance; (2) Disclosure 207-1 to 207-3 from GRI 207: Tax;

Please note that this Sustainability Report has not been externally assured.

TIH has again selected the GRI Standards as the framework enables reporting on specific economic, environmental and social issues that are most relevant to its business and continues to be a globally-recognised framework for sustainability reporting.

## **Material ESG Factors**

To determine the material ESG factors, TIH has again applied the step-by-step guidance (Identify – Rate – Prioritise – Validate) suggested in the SGX’s practice note on sustainability reporting.

### **Identification**

The process began by identifying the entire spectrum of material ESG factors that are important to TIH. The following 8 material ESG factors were identified in the FY2020 Sustainability Report and have again been identified for this Sustainability Report: (1) Anti-Money Laundering and Counter-Financing of Terrorism, (2) Customer Privacy, (3) Diversity and Equal Opportunity, (4) Employment, (5) Environmental Compliance, (6) Labour Management Relations, (7) Training and Education and (8) Water. The additional material ESG factor identified for this Sustainability Report is (1) Economic Performance.

### **Rating and Prioritisation**

Bearing in mind that TIH’s principal activity is to invest, for capital appreciation in companies located in Asia, the material ESG factors were then rated and prioritised, and narrowed down to the following 4 in this Sustainability Report: (1) Economic Performance, (2) Anti-Money Laundering and Counter-Financing of Terrorism, (3) Customer Privacy and (4) Employment.

### **Validation**

After rating and prioritising the material ESG factors, a final review meeting involving the Board and the senior management of the Investment Manager was conducted. The Board and the senior management of the Investment Manager then signed off on the 4 material ESG factors. The Board and the senior management of the Investment Manager continue to view the abovementioned factors as material and have not identified any additional material factors.

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## **Policies, Practices and Performance**

### **(1) Economic Performance**

#### **GRI 201-1 – Direct Economic Value generated and distributed**

TIH and the Investment Manager seeks to work closely with the management of investee companies to create value for Shareholders through strategic, operational and corporate finance inputs. The main goal is to achieve long-term growth and provide a steady stream of dividends to Shareholders through income generated from portfolios in private equity and special situation investments. The Board and the Investment Manager believe that incorporating ESG factors in the investment process helps to achieve this.

TIH is an investment holding company primarily providing venture capital to companies with capital appreciation potential and TIH's income is primarily derived from dividends and the potential appreciation in the value of its investments. During FY2020, TIH successfully divested part of its investment in a structured loan extended to an Indonesian chain of retail convenience stores and received a total distribution of US\$16 million and achieved an IRR of 23% from this deal. During FY2021, TIH reported a comprehensive income and net profit attributable to shareholders of S\$10.99 million, predominantly due to fair value gain from underlying investments and contributions from other operating income. TIH's Net Asset Value ("NAV") as at 31 December 2021 was S\$125.91 million (representing a NAV of S\$0.52 per share), S\$8.57 million higher as compared to the NAV of S\$117.34 million (S\$0.49 per share) as at 31 December 2020.

The principal activities of TIH's Investment Manager, TIH Investment Management Pte. Ltd. are to provide fund management, investment advisory, consultancy and related services. With the grant of the Capital Market Services Licence in 2016 by The Monetary Authority of Singapore to the Investment Manager, a wholly owned subsidiary of the Company, the Investment Manager has since grown into an income generating source providing third party fund management, consultancy, advisory and related services. The Investment Manager has since generated fee income of S\$3.3 million in FY2020 and S\$3.2 million in FY2021.

The Board is committed to distributing dividends to Shareholders from income generated primarily from the realisation of its portfolio investments after taking into account of the Company's cash position, retained earnings available for distribution, working capital requirements, capital commitments, future investment pipeline and any other factors which may be deemed necessary by the Board. TIH has consistently distributed a dividend of S\$0.01 per share to Shareholders for each of the financial year end from FY2018 to FY2020. For FY2021, the Board of Directors has proposed to distribute a final dividend of S\$0.01 per share. The proposed dividend is subject to Shareholders' approval at the upcoming Annual General Meeting of the Company.

#### **GRI 201-2 – Financial implications and other risks and opportunities due to climate change**

The Investment Manager has put in place various risk management and internal control systems such as the internal control and compliance manual ("ICCM"), the Enterprise Risk Management ("ERM") framework and the maintaining of a Risk Register. The ICCM is regularly updated and sent to all employees of the Investment Manager for them to adhere to. The Investment Manager reports to the Board on risk assurance on a quarterly basis. The Company also engages external professionals to conduct risk assessment (ERM) on an annual basis. The annual ERM assessment is reported to the Board annually and counter measures are put in place to address the key risk reported. Follow-up review will also be conducted by the external professional to ascertain that the counter measures put in place the previous years have been implemented. Key risk identified in FY2021 are Financial, Compliance, Operations and Information Technology ("IT"). Counter measures have been implemented and monitored.

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## Financial Risk

### 1. Valuation risk of investment

TIH's income is largely derived from the realisation and/or revaluation of its investments. Investment valuation policy has been established for daily operation.

Significant declines on investment valuations are closely monitored by the Investment Manager and discussed through weekly meetings to identify if any further actions are necessary. The Investment Manager maintains constant communication with the people managing the investee companies. In addition, half yearly valuation performed is reviewed by the Board and the external auditors.

### 2. Unfavourable exchange rate movements

TIH invests in financial instruments and enters into transactions that are denominated in US dollars. Thus, TIH is exposed to risk that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the fair value or future cash flows of that portion of the TIH's financial assets and liabilities that is denominated in currencies other than Singapore dollars.

Currency Management policy has been established. In addition, foreign exchange risk will be hedged when the receipts of foreign currency is ascertained.

### 3. Credit risk due to unexpected loan defaults

TIH's credit risk exposure arises mainly from its loan extended to a portfolio company in conjunction with the Group's investment in the portfolio company.

All loan investments are required to be secured with collaterals. Loan collectability is monitored closely by both the CFO and investment team.

## Compliance Risk

During FY2021, the main compliance risk that TIH faced is the non-compliance to the Guidelines on Risk Management Practices – Technology Risk issued by the Monetary Authority of Singapore on 18 January 2021. The CFO of the Investment Manager and the Company Secretary have been closely monitoring compliance with all MAS Guidelines. Together with the IT administrator, they ensure that information on cyber awareness is shared with all employees. IT also perform phishing tests quarterly. To monitor IT security more closely, a third-party IT vendor had been engaged to conduct regular health checks on the Company's IT systems and infrastructure.

## Operation Risk

### a) Timeliness of reporting

If key information is not provided by investees timely, TIH might lead to non-compliance with SGX disclosure requirements.

TIH's investment team is required to have thorough understanding of the business as well as the founder and the management of investee companies prior to investing. All investment proposals which include regulatory and tax considerations, key terms, rationale, risks and due diligence of the investees, are required to be prepared for new deals by the Investment Team. These are also required to be approved by the Investment Committee.

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In addition, a board seat in the investee companies may be requested where necessary. There are regular contact and monitoring activities as well as status updates are discussed during the weekly deal meetings.

b) Mismanagement of investees by the internal management

The investments made by the Group are primarily in private companies. Operational risk might arise from a lack of internal controls within the company, technological failures, mismanagement, human error or lack of employee training.

TIH's investments are required to be assessed and approved by the Manager Investment Committee and vetted by the Board. Board seat in the investee companies will be requested, where necessary, to be kept informed of the operation and activities of the investee companies. In addition, investee performance is monitored and quarterly reports are required to be presented to the Board for information. TIH's investment staff are subject to a periodic Fit and Proper Declaration as per MAS requirement.

c) Anti Money Laundering ("AML") / Know Your Customer ("KYC")

One of the business segments in TIH is Fund Management. Under Fund Management, TIH's aim is to procure recurring fee-based income from managing third party investment funds. One of the major risks is the risk that AML/KYC checks do not detect prohibited investor.

Policies and procedures on Anti-Money Laundering & Counter-Financing of Terrorism are in place. During investment and divestment phases, the staff are required to complete the AML assessment form with respect to the external parties that the company is dealing with.

d) Rules and regulations and political instability in location of investee

Investments can be adversely affected by political instability as well as exchange controls, changes in taxation, foreign investment policies and other restrictions and controls which may be imposed by the relevant authorities of the countries in which investments are made.

TIH's Investment Team keeps abreast of the latest development or changes in tax regulation of the countries in which investment are made.

e) Investment failure

One of the business segments in TIH is Investment Business. Under Investment Business, TIH is seeking capital appreciation and investment income from special situation investments in both public and private companies, acquisitions of secondary portfolio and non-core assets, private credit, and long term strategic private equity. Any investment failure might lead to unexpected financial losses.

Policies and procedures have been established to give guidelines on investments, such as due diligence process, approval and monitoring processes etc. Investment Proposal which includes regulatory and tax considerations, key terms, rationale, risks and due diligence of the investees is required to be prepared for new deals by the Investment Team and approved by the Investment Committee.

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## Information Technology Risk

Cybersecurity risks have increased due to the shift to employees working from home as a result of the COVID-19 pandemic. Employees might need to access sensitive data remotely, increasing the risk of information leakage or other IT related risks.

To monitor IT security more closely, a third-party IT vendor had been engaged to conduct regular health checks on the Company's IT systems and infrastructure. Cyber Awareness information has been sent to TIH staff and phishing tests were conducted quarterly. In addition, migration of emails to Cloud based server which provides better protection, is completed.

## Opportunities

It is possible that Chinese capital will have to beat a retreat from Australia and Japan, and Western capital may need to do the same in Greater China. A lot of financial investors may not have holding power in times of great dislocation and may become motivated sellers. TIH will monitor these dislocations closely and seize the opportunities as they arise.

## **GRI 201-3 – Financial assistance received from government**

### Enhanced Tax incentive scheme

The Company was granted the Enhanced-Tier Fund Tax Incentive Scheme under Section 13U (formerly known as Section 13X) of the Singapore Income Tax Act 1947 with effect from 9 December 2016. Under this scheme, the Company has been granted tax exemption for the life of the Company on specified income in respect of any designated investment, subject to compliance with stipulated conditions. All other income of the Company shall be subject to Singapore income tax.

## **(2) Anti- Money Laundering and Counter-Financing of Terrorism**

TIH and the Investment Manager have again identified anti-money laundering and counter-financing of terrorism as a material ESG factor because of the potential impacts to the global community if their responsibilities are neglected. Money laundering and terrorism have severe direct and indirect consequences such as the loss of human life. Whether it is the initial screening and review process before an official business relationship is established with the client, during the investment phase or the divestment phase, the Investment Manager will ensure compliance with the relevant anti-money laundering and counter-financing of terrorism laws and regulations. As addressed in the Corporate Governance Report and the Sustainability Report, the Investment Manager has adopted an ICCM which all employees of the Investment Manager are required to adhere to. The ICCM includes anti-money laundering assessment forms which must be satisfactorily completed before any client or moneys are on boarded or before any investment or divestment is made. The ICCM is continually updated to keep up with regulatory changes. The Investment Manager continues to conduct internal trainings on the ICCM for all employees. Where relevant, the Investment Manager will engage external service providers to conduct such trainings.

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### **(3) Customer Privacy**

TIH and the Investment Manager have again identified customer privacy as a material ESG factor because they view their responsibility in ensuring the privacy and confidentiality of their customers' information as a key aspect of good corporate governance. TIH and the Investment Manager conform to Singapore's Personal Data Protection Act which protects customers' personal data and privacy. In addition, the Investment Manager sets out its internal policies and procedures on data protection in the ICCM. All employees are guided by the ICCM and the Investment Manager will administer strict disciplinary action for any breach of customer confidentiality. TIH and the Investment Manager also do not divulge or sell personal information to third parties for marketing or promotional purposes. For FY2019, FY2020 and FY2021, TIH and the Investment Manager have had no substantiated complaints regarding breaches of customer privacy and loss of customer data.

### **(4) Employment**

TIH and the Investment Manager have again identified employment as a material ESG factor because they recognise the crucial role that the employees of the Investment Manager play in the success of TIH. In the identification, management and divestment of any investments, the employees in the investment management team play a key role. Similarly, the administration and finance teams play an important role in ensuring that the day-to-day operations of the Investment Manager run smoothly. Likewise, the corporate secretarial and compliance teams ensure that the Investment Manager is always in compliance with all relevant laws and regulations.

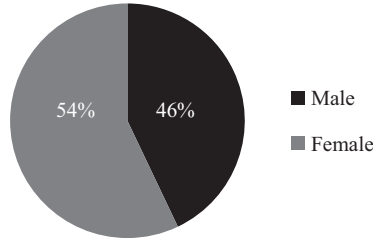
Accordingly, talent attraction and employee retention are priorities for the Investment Manager. The Investment Manager is always on the look-out for new talent and also looks to keep employees happy and motivated. Senior management of the Investment Manager conducts regular performance and career development reviews and has in place an "open-door" policy for all its employees.

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Workforce

As at FY2021, the Investment Manager has 13 employees (6 male, 7 female).

*Employee distribution by gender*



Total number and rate of new employee hires:



**0 (0%)  
Female**

Under 30 years old



**0 (0%)  
Male**

Under 30 years old



**0 (0%)  
Female**

Over 30 years old



**1 (8%)  
Male**

Over 30 years old

There was 1 new employee hired in FY2021.

Total number and rate of employee turnover:



**0 (0%)  
Female**

Under 30 years old



**1 (8%)  
Male**

Under 30 years old



**0 (0%)  
Female**

Over 30 years old



**0 (0%)  
Male**

Over 30 years old

1 employee left the Investment Manager in FY2021.

1 employee took parental leave in FY2021.



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## **Targets**

### **(1) Economic Performance**

TIH and the Investment Manager aim to continue to seek long term returns for Shareholders through appreciation and current income earned on capital; asset management fee from funds/discretionary accounts that it manages and advises; and consultancy income.

### **(2) Anti-Money Laundering and Counter-Financing of Terrorism**

Training sessions on the ICCM and in particular anti-money laundering and the counter-financing of terrorism were conducted in FY2019, FY2020 and FY2021. In both the near term and long term, TIH and the Investment Manager aim to continue to conduct yearly refresher training sessions on the ICCM for all employees.

### **(3) Customer Privacy**

For FY2019, FY2020 and FY2021, TIH and the Investment Manager had no substantiated complaints regarding breaches of customer privacy and loss of customer data. In both the near term and long term, TIH and the Investment Manager aim to continue to have no substantiated complaints regarding breaches of customer privacy and loss of customer data.

### **(4) Employment**

Annual performance and career development reviews were conducted for all employees during FY2019, FY2020 and FY2021. In both the near term and long term, TIH and the Investment Manager aim to continue to conduct annual performance and career development reviews for all employees.

## Shareholding Statistics

### STATISTICS OF SHAREHOLDINGS AS AT 7 MARCH 2022

Class of Shares	:	Ordinary Shares
Number of Shares Issued	:	241,685,638
Issued and Fully Paid-up Capital	:	\$56,650,307.76
Voting Rights	:	On a poll – One vote for each ordinary share
Number of Treasury Shares	:	Nil

### DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	144	3.27	5,428	0.00
100 - 1,000	153	3.47	102,401	0.04
1,001 - 10,000	3,178	72.13	10,214,279	4.23
10,001 - 1,000,000	923	20.95	40,564,293	16.78
1,000,001 AND ABOVE	8	0.18	190,799,237	78.95
<b>TOTAL</b>	<b>4,406</b>	<b>100.00</b>	<b>241,685,638</b>	<b>100.00</b>

### TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	CITIBANK NOMINEES SINGAPORE PTE LTD	98,646,362	40.82
2	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	51,639,814	21.37
3	TRANSPAC INVESTMENTS LIMITED	24,576,126	10.17
4	DBS NOMINEES (PRIVATE) LIMITED	7,749,088	3.21
5	PHILLIP SECURITIES PTE LTD	4,504,816	1.86
6	LIM KIM PHANG	1,285,000	0.53
7	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	1,279,411	0.53
8	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	1,118,620	0.46
9	LEONG KA CHEONG CHRISTOPHER	970,869	0.40
10	UOB KAY HIAN PRIVATE LIMITED	953,333	0.39
11	LEE MEE ING	765,300	0.32
12	RAFFLES NOMINEES (PTE.) LIMITED	747,935	0.31
13	SCS TRUST PTE LTD	737,000	0.30
14	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	639,344	0.26
15	SZE SEE YEE OR ANG SEOK MOEY	600,000	0.25
16	TAN MUI HUANG	590,000	0.24
17	PEH KOK WAH @ PEH WAH CHYE	556,400	0.23
18	PRIMA INVESTMENT HOLDINGS (SINGAPORE) PTE LTD	546,666	0.23
19	NG CHEE KIONG	539,400	0.22
20	TAN MEE YIA @ TAN MIEN ANN	400,000	0.17
	<b>TOTAL</b>	<b>198,845,484</b>	<b>82.27</b>

**SUBSTANTIAL SHAREHOLDERS AS AT 7 MARCH 2022**  
(as shown in the Company's Register of Substantial Shareholders)

Name of Substantial Shareholders	No. of Shares Held			
	Direct Interest	Percentage (%) of Shareholding <sup>1</sup>	Deemed Interest	Percentage (%) of Shareholding <sup>1</sup>
Kaiser Union Limited <sup>2</sup>	–	–	96,473,203	39.92
Premier Asia Limited <sup>3</sup>	–	–	96,473,203	39.92
Tamsett Holdings Limited <sup>4</sup>	–	–	96,473,203	39.92
Rickon Holdings Limited <sup>5</sup>	–	–	96,473,203	39.92
Lippo China Resources Limited <sup>6</sup>	–	–	96,473,203	39.92
Skyscraper Realty Limited <sup>7</sup>	–	–	96,473,203	39.92
First Tower Corporation <sup>8</sup>	–	–	96,473,203	39.92
Lippo Limited <sup>9</sup>	–	–	96,473,203	39.92
Lippo Capital Limited <sup>10</sup>	–	–	96,473,203	39.92
Lippo Capital Holdings Company Limited <sup>11</sup>	–	–	96,473,203	39.92
Lippo Capital Group Limited <sup>12</sup>	–	–	96,473,203	39.92
Dr Stephen Riady <sup>13</sup>	–	–	96,473,203	39.92
PT Trijaya Utama Mandiri <sup>14</sup>	–	–	96,473,203	39.92
James Tjahaja Riady <sup>15</sup>	–	–	96,473,203	39.92
Alexandra Road Limited <sup>16</sup>	53,415,266	22.10	–	–
Argyle Street Management Limited <sup>17</sup>	–	–	53,415,266	22.10
Argyle Street Management Holdings Limited <sup>18</sup>	–	–	53,415,266	22.10
Kin Chan <sup>19</sup>	–	–	53,415,266	22.10
V-Nee Yeh <sup>19</sup>	–	–	53,415,266	22.10
Li Yick Yee Angie <sup>19</sup>	–	–	53,415,266	22.10
Transpac Investments Limited	24,576,126	10.17	–	–
Clege & Co Limited <sup>20</sup>	–	–	24,576,126	10.17
Leong Ho Gong Cliff <sup>21</sup>	–	–	24,576,126	10.17

**Notes:**

- Percentage computed is based on 241,685,638 shares in issue as at 7 March 2022. As at 31 December 2021, the number of shares in issue was also 241,685,638.
- Kaiser Union Limited (“KUL”) holds 96,473,203 TIH shares registered in the name of its custodian, Citibank Nominees Singapore Private Limited.
- Premier Asia Limited (“PAL”) is the direct holding company of KUL.
- Tamsett Holdings Limited (“THL”) is the direct holding company of PAL and an indirect holding company of KUL.
- Rickon Holdings Limited (“RHL”) is the direct holding company of THL and an indirect holding company of KUL.
- Lippo China Resources Limited (“LCR”) is the direct holding company of RHL and an indirect holding company of KUL.
- Skyscraper Realty Limited (“SRL”) is the direct holding company of LCR and an indirect holding company of KUL.
- First Tower Corporation (“FTC”) is the direct holding company of SRL and an indirect holding company of KUL.
- Lippo Limited (“LL”) is the direct holding company of FTC and an indirect holding company of KUL.
- Lippo Capital Limited (“LCL”) is the direct holding company of LL and an indirect holding company of KUL.

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- 11 Lippo Capital Holdings Company Limited (“LCHCL”) is the direct holding company of LCL and an indirect holding company of KUL.
- 12 Lippo Capital Group Limited (“LCGL”) is the direct holding company of LCHCL and an indirect holding company of KUL.
- 13 Dr Stephen Riady holds all the shares in LCGL, which is an indirect holding company of KUL.
- 14 PT Trijaya Utama Mandiri (“PTTUM”) holds not less than 20% of the shares in LCL, which is an indirect holding company of KUL.
- 15 Mr James Tjahaja Riady, through PTTUM, holds not less than 20% of the shares in LCL, which is an indirect holding company of KUL.
- 16 Alexandra Road Limited (“ARL”) holds 51,473,500 TIH shares in the name of its nominee, CGS-CIMB Securities (Singapore) Pte. Ltd. and 1,941,766 TIH shares in the name of its nominee, Phillip Securities Pte Ltd.
- 17 Argyle Street Management Limited (“ASML”) is deemed interested in all the TIH shares held by ARL as it has the ability to exercise or control the exercise of rights attached to all the TIH shares held by ARL.
- 18 Argyle Street Management Holdings Limited is deemed interested in all the TIH shares owned by ARL as it is the holding company of ASML.
- 19 Messrs Kin Chan, V-Nee Yeh and Angie Li are deemed substantial shareholders through bodies corporate which (i) they have controlling interests in/or (ii) which are accustomed to act in accordance with their directions.
- 20 Clege & Co Limited (“C&C”) is deemed interested in the 24,576,126 TIH shares held by Transpac Investments Limited (“TIL”) as it owns 100% of TIL.
- 21 Mr Leong Ho Gong Cliff is deemed interested in the 24,576,126 TIH shares held by TIL as he owns 100% of C&C and C&C in turn owns 100% of TIL.

## PERCENTAGE OF SHAREHOLDING HELD IN THE HANDS OF PUBLIC

Base on the information available to the Company as at 7 March 2022, approximately 27.26% of the issued ordinary shares of the Company are held by the public and therefore, Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Trading Limited is complied with.

## DIRECTORS’ SHAREHOLDINGS AS AT 21 JANUARY 2022

(as shown in the Company’s Register of Directors’ Shareholdings)

Name of Director	Description of Shares	No. of Shares Registered		Shareholdings in which Director is deemed to have an interest
		in Name of Director or Nominee		
Kin Chan	Ordinary Shares	–		51,473,500
Li Yick Yee Angie	Ordinary Shares	–		51,473,500
Wang Ya Lun Allen	Ordinary Shares	1,329,900		–

### Note:

- 1 Mr Kin Chan and Ms Angie Li are deemed interested through bodies corporate which (i) they have controlling interests in/or (ii) which are accustomed to act in accordance with their directions.

## *Notice of Twenty-Eighth Annual General Meeting*

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**NOTICE IS HEREBY GIVEN** that the Twenty-Eighth Annual General Meeting of TIH Limited (the “**Company**”) will be held by way of electronic means on the 21<sup>st</sup> day of April 2022 at 10.00 a.m. for the following businesses:

### **ORDINARY BUSINESS**

1. To receive and adopt the Directors’ Statement and the Audited Accounts for the financial year ended 31 December 2021, together with the Auditors’ Report thereon. **(Resolution 1)**
2. To declare a final tax-exempt one-tier ordinary dividend of S\$0.01 per share for the financial year ended 31 December 2021. **(Resolution 2)**
3. To re-elect Mr Kin Chan, who is retiring by rotation pursuant to Article 107 of the Company’s Constitution and who, being eligible, offer himself for re-election. **(Resolution 3)**  
*[See Explanatory Notes]*
4. To re-elect Mr Alex Shiu Leung Au, who is retiring by rotation pursuant to Article 107 of the Company’s Constitution and who, being eligible, offer himself for re-election. **(Resolution 4)**  
*[See Explanatory Notes]*
5. To re-elect Mr Sin Boon Ann, who is retiring by rotation pursuant to Article 107 of the Company’s Constitution and who, being eligible, offer himself for re-election. **(Resolution 5)**  
*[See Explanatory Notes]*
6. To approve the sum of S\$378,116 as Directors’ fees for the financial year ended 31 December 2021. **(Resolution 6)**
7. To re-appoint Messrs KPMG LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**

### **SPECIAL BUSINESS**

To consider and if thought fit, to pass, with or without any modifications, the following resolutions as Ordinary Resolutions:

8. Authority to allot and issue Shares under the TIH Limited Scrip Dividend Scheme **(Resolution 8)**

“That, pursuant to Section 161 of the Companies Act 1967 (“**Companies Act**”), authority be and is hereby given to the Directors of the Company (“**Directors**”) to allot and issue from time to time such number of shares in the capital of the Company (“**Shares**”) as may be required to be allotted and issued pursuant to the TIH Limited Scrip Dividend Scheme.”

*[See Explanatory Notes]*

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9. Authority to allot and issue Shares

**(Resolution 9)**

“That, pursuant to Section 161 of the Companies Act and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “SGX-ST”), authority be and is hereby given to the Directors to:

- (a) (i) issue Shares in the capital of the Company whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and
- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force,

provided that :

- (1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50 per cent of the total number of issued Shares excluding treasury shares and subsidiary holdings (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20 per cent of the total number of issued Shares excluding treasury shares and subsidiary holdings (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares excluding treasury shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed after adjusting for:
  - (i) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
  - (ii) any subsequent bonus issue, consolidation or subdivision of Shares,and, in sub-paragraph (1) above and this sub-paragraph (2), “subsidiary holdings” has the meaning given to it in the Listing Manual of the SGX-ST;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

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- (4) (unless revoked or varied by the Company in a general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.”

*[See Explanatory Notes]*

10. The Proposed Renewal of the Interested Person Transactions Mandate

**(Resolution 10)**

“That:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual (“**Chapter 9**”), for the Company, its subsidiaries and its associated companies which are entities at risk as defined under Chapter 9, to enter into any of the transactions falling within the types of interested person transactions described in the Appendix to the Company’s letter to shareholders dated 31 March 2022 (the “**Appendix**”), with any person who falls within the classes of interested persons described in the Appendix, provided that such transactions are made on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders and are in accordance with the review procedures for interested person transactions as set out in the Appendix (the “**IPT Mandate**”);
- (b) the IPT Mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company;
- (c) the Audit Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of such procedures and/or to modify or implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 which may be prescribed by the SGX-ST from time to time; and
- (d) the Independent Directors for the purpose of the IPT Mandate be and are authorised to complete and do all such acts and things (including, without limitation, executing all such documents as may be required) as they may consider expedient or necessary in the interests of the Company to give effect to the IPT Mandate and/or this Resolution.”

*[See Explanatory Notes]*

11. To transact any other business that may be transacted at an annual general meeting.

**BY ORDER OF THE BOARD**

**Lee Hock Heng**

Company Secretary

31 March 2022

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## Explanatory Notes:

- (Resolutions 3 to 5) Key information on the Directors can be found on pages 87 to 90 of the Annual Report 2021.
- (Resolution 3) Mr Kin Chan, will upon re-election as a Director of the Company, remain as a deemed executive Director of the Company, the Chairman of the Board as well as a member of the Risk Governance Committee. He will also remain as a member of the Board Investment Committee.
- Mr Chan is a director of Argyle Street Management Limited, a substantial shareholder of TIH. He is also a non-executive director of OUE Limited (listed on the SGX-ST) since 17 March 2010 and CITIC Resources Holdings Limited (listed on Hong Kong Stock Exchange) since 10 March 2017. Save as disclosed above, Mr Chan does not have any relationships including family relationships with any of the Directors of the Company or the Company.
- (Resolution 4) Mr Alex Shiu Leung Au, will upon re-election as a Director of the Company, remain as a non-executive Director of the Company and he will also continue to be a member of the Audit Committee, Nominating and Remuneration Committee as well as the Board Investment Committee.
- Since July 2011, Mr Au is the Chief Financial Officer of Lippo Limited, Lippo China Resources Limited and Hongkong Chinese Limited, all public listed companies in Hong Kong. Lippo Limited and Lippo China Resources Limited are deemed substantial shareholders of TIH. Mr Au does not have any directorships in other listed companies. Save as disclosed above, Mr Au does not have any relationships including family relationships with any of the Directors of the Company or the Company.
- (Resolution 5) Mr Sin Boon Ann, will upon re-election as a Director of the Company, remain as the Lead Independent Director of the Company, the Chairman of the Risk Governance Committee as well as a member of the Nominating and Remuneration Committee.
- Lippo China Resources Limited (“LCR”), a deemed substantial shareholder of TIH, through its wholly owned subsidiary, Powerful Arch Limited (“PAL”) has made a massive venture capital investment into Esseplere Pte. Ltd. (“Esseplere”), a start-up company in Singapore where Mr Sin is a shareholder, executive chairman and founder. LCR and PAL is a minority shareholder of Esseplere and is not involved in any day-to-day activities of Esseplere. LCR’s investment into Esseplere did not include any special rights other than the shareholder rights customary of a minority shareholder in a start-up company in Singapore with no controlling rights. Mr Sin is an independent director of several SGX-ST listed companies namely CSE Global Limited since 13 May 2002, OUE Limited since 25 May 2009, Rex International Holding Limited since 26 June 2013, HRnetGroup Limited since 16 May 2017, Healthway Medical Corporation Limited since 26 April 2019, The Trendlines Group Ltd since 17 June 2020 and Sarine Technologies Ltd since 25 June 2020. Save as disclosed above, Mr Sin does not have any relationships including family relationships with any of the Directors of the Company or the Company.
- (Resolution 8) The TIH Limited Scrip Dividend Scheme (“**Scrip Dividend Scheme**”) was approved by shareholders of the Company (“**Shareholders**”) at the extraordinary general meeting of the Company held on 26 April 2007. The proposed Resolution 8, if passed, will empower the Directors to allot and issue Shares in the Company pursuant to the Scrip Dividend Scheme to eligible Shareholders who, in respect of a qualifying dividend, have elected to receive scrip in lieu of the cash amount of that qualifying dividend.
- (Resolution 9) The Ordinary Resolution 9, if passed, will empower the Directors from the date of this Meeting until the date of the next Annual General Meeting, or the date by which the next Annual General Meeting is required by law to be held or when varied or revoked by the Company in general meeting, whichever is the earlier, to allot and issue Shares and convertible securities in the Company. The number of Shares and convertible securities that the Directors may allot and issue under this Resolution would not exceed fifty per centum (50%) of the issued Shares in the Company at the time of the passing of this Resolution. For issue of Shares and convertible securities other than on a pro rata basis to all shareholders, the aggregate number of Shares and convertible securities to be issued shall not exceed twenty per centum (20%) of the issued Shares in the Company at the time of the passing of this Resolution.
- For the purpose of this Resolution, the percentage of issued Shares is based on the Company’s issued Shares at the time this proposed Ordinary Resolution is passed after adjusting for new Shares arising from the conversion or exercise of convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this proposed Ordinary Resolution is passed and any subsequent bonus issue or consolidation or subdivision of Shares
- (Resolution 10) The Ordinary Resolution 10, if passed, will renew the IPT Mandate to enable the Company, its subsidiaries and associated companies which are entities at risk as defined under Chapter 9, or any of them, to enter into any of the transactions falling within the types of interested person transactions described in the Appendix to the Company’s letter to shareholders dated 31 March 2022. The authority under the renewed IPT Mandate will, unless revoked or varied by the Company in general meeting, expire at the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting is required by law to be held, whichever is the earlier.



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### Participation in the AGM via live webcast or live audio feed

1. The AGM will be held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this Notice will not be sent to Shareholders. The Company will publish this Notice on SGXnet as well as the Company website at [www.tih.com.sg](http://www.tih.com.sg). Shareholders or their corporate representatives will **NOT** be able to attend the AGM in person. All Shareholders or their corporate representatives (in the case of Shareholders which are legal entities) will be able to participate in the AGM proceedings by accessing a live webcast or live audio feed. To do so, Shareholders or their corporate representatives are required to pre-register their participation in the AGM at the following website <https://complete-corp.com/tih-agm/> by **10.00 a.m. on 18 April 2022** (“**Registration Deadline**”) for verification of their status as Shareholders (or the corporate representatives of such Shareholders).
2. Upon successful verification, each such Shareholder or its corporate representative will receive an email by **3p.m. on 20 April 2022**. The email will contain instructions to access the live webcast or live audio feed of the AGM proceedings. Shareholders or their corporate representatives must **NOT** forward the email to other persons who are not Shareholders and who are not entitled to participate in the AGM proceedings. Shareholders or their corporate representatives who have pre-registered by the Registration Deadline in accordance with paragraph 1 above but do not receive an email by **3.00 p. m. on 20 April 2022** may contact the Company by email [tih-agm@complete-corp.com](mailto:tih-agm@complete-corp.com).
3. Persons who hold shares through relevant intermediaries, including CPF and SRS investors, who wish to participate in the AGM via webcast should contact their relevant intermediaries (which would include, in the case of CPF and SRS investors, their respective CPF Agent Banks and SRS Operators) through which they hold such shares as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.

### Voting by proxy

4. Shareholders or their corporate representatives may only exercise their voting rights at the AGM via proxy voting.
5. Shareholders or their corporate representatives who wish to vote on any or all of the resolutions at the AGM must appoint the Chairman of the Meeting as their proxy to do so on their behalf.
6. The duly executed proxy form must be sent by email to [tih-agm@complete-corp.com](mailto:tih-agm@complete-corp.com) or deposited at 137 Telok Ayer Street #03-07 Singapore 068602 **not less than 72 hours** before the time appointed for the holding of the AGM. In light of the current COVID-19 measures, which may make it difficult for Shareholders or their corporate representatives to submit completed proxy forms by post, Shareholders or their corporate representatives are strongly encouraged to submit completed proxy forms electronically via email.
7. The voting results for each of the resolution tabled at the AGM will be shown live during the webcast.

### Submission of questions prior to the AGM

8. Shareholders or their corporate representatives may submit questions related to the resolutions to be tabled at the AGM via the following AGM pre-registration website <https://complete-corp.com/tih-agm/> by **5p.m. on 11 April 2022** so that they may be publicly addressed at least 48 hours prior to the closing date and time for the lodgment of the proxy forms.
9. The Company shall only address relevant and substantial questions (as may be determined by the Company in its sole discretion) received. The Company will publish the minutes of the AGM on SGXnet and the Company’s website within one month after the date of AGM.

### Important reminder

10. Due to the constantly evolving COVID-19 situation, the Company may be required to change its AGM arrangements at short notice. Shareholders or their corporate representatives are advised to regularly check the Company’s website or announcements released on SGXnet for updates on the AGM.

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**Notes:**

1. Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, Members will not be able to attend the meeting in person. A Member (whether individual or corporate) or a relevant intermediary as defined in Section 181 of the Companies Act must appoint the Chairman of the Meeting as his/her/its proxy to attend and vote on his/her/its behalf at the meeting if such Member wishes to exercise his/her/its voting rights at the meeting. The proxy form has been made available on SGXnet and the Company's website. A printed copy of the proxy form will **NOT** be sent to members.
2. The instrument of proxy shall be under the hand of the Member, or by its attorney duly authorized in writing, or if the Member is a corporation, under seal or under the hand of its attorney duly authorized in writing. The power of attorney or other authority, if any, under which the instrument of proxy is signed on behalf of the Member or duly certified copy of that power of attorney or other authority (failing previous registration with the Company), shall be attached to the instrument of proxy.
3. A body corporate which is a member may also appoint by resolution of its directors or other governing body, such person as it thinks fit to act as its authorized representative in accordance with its constitution and Section 179 of the Companies Act.
4. The instrument appointing a proxy or proxies, (together with the power of attorney (if any) under which it is signed or a certified copy thereof), must be sent by email to [tih-agm@complete-corp.com](mailto:tih-agm@complete-corp.com) or deposited at the registered office of the Company at 137 Telok Ayer Street #03-07 Singapore 068602 **not less than 72 hours** before the time appointed for holding the meeting. Email submission is strongly encouraged.

**PERSONAL DATA PRIVACY**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or its service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or its service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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# TIH LIMITED

(Incorporated in the Republic of Singapore)  
(Unique Entity Number: 199400941K)

## IMPORTANT

1. For investors who have used their CPF/SRS money to buy shares in the capital of TIH Limited, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
2. CPF/SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven working days before the AGM.
3. Relevant intermediaries as defined in Section 181 of the Companies Act 1967 may only appoint the Chairman of the Meeting to attend, speak and vote at the Annual General Meeting.
4. By submitting an instrument appointing a proxy(ies) and or representative(s), a member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting.
5. Please read the important notes overleaf for instructions on the appointment of proxy to attend the Annual General Meeting.

## PROXY FORM

\*I/We \_\_\_\_\_ NRIC/Passport/Unique Entity No. \_\_\_\_\_ of

(Address)

being a member/members of **TIH Limited** (the “Company”) hereby appoint(s):

Name	Proportion of Shareholding (%)
Chairman of the Meeting	

as my/our proxy to vote for me/us on my/our behalf at the Twenty-Eighth Annual General Meeting of the Company to be held by way of electronic means on the 21<sup>st</sup> day of April 2022 at 10.00 a.m. and at any adjournment thereof.

(Please indicate with an “X” in the spaces provided whether you wish your vote(s) to be cast for or against or abstain from voting the resolutions as set out in the Notice of Twenty-Eighth Annual General Meeting. In the absence of specific directions, the proxy will vote or abstain as he/she may in his/her discretion think(s) fit, on any matter arising at the Twenty-Eighth Annual General Meeting.)

No.	Resolutions	For	Against	Abstain
1.	To receive and adopt the Directors' Statement and the Audited Accounts for the financial year ended 31 December 2021, together with the Auditors' Report thereon.			
2.	To declare a final tax-exempt one-tier ordinary dividend of S\$0.01 per share for the financial year ended 31 December 2021.			
3.	To re-elect Mr Kin Chan as Director under Article 107.			
4.	To re-elect Mr Alex Shiu Leung Au as Director under Article 107.			
5.	To re-elect Mr Sin Boon Ann as Director under Article 107.			
6.	To approve Directors' fees of S\$378,116.			
7.	To re-appoint Messrs KPMG LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.			
8.	To authorise Directors to allot and issue Shares under the TIH Limited Scrip Dividend Scheme.			
9.	To authorise Directors to allot and issue Shares pursuant to Section 161 of the Companies Act 1967.			
10.	To approve the proposed renewal of the Interested Person Transactions Mandate.			

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2022.

Total Number of Shares Held

\_\_\_\_\_  
Signature(s) of member(s)/Common Seal  
of Corporate Shareholder

\* Delete Accordingly



Notes :-

**IMPORTANT**

1. Due to the Government's prevailing regulations to prevent the spread of Covid-19, Members will not be able to attend the meeting in person. A Member (whether individual or corporate) or a relevant intermediary as defined in Section 181 of the Companies Act 1967 must appoint the Chairman of the Meeting as his/her/its proxy to attend and vote on his/her/its behalf at the meeting if such Member wishes to exercise his/her/its voting rights at the meeting. This proxy form has been made available on SGXnet and the Company's website. A printed copy of this proxy form will **NOT** be despatched to members.
2. The instrument of proxy shall be under the hand of the Member, or by its attorney duly authorized in writing, or if the Member is a corporation, under seal or under the hand of its attorney duly authorized in writing. The power of attorney or other authority, if any, under which the instrument of proxy is signed on behalf of the Member or duly certified copy of that power of attorney or other authority (failing previous registration with the Company) shall be attached to the instrument of proxy.
3. This instrument appointing a proxy or proxies, together with the power of attorney (if any) under which it is signed or a certified copy thereof, must be sent by email to [tih-agm@complete-corp.com](mailto:tih-agm@complete-corp.com) or deposited at the registered office of the Company at 137 Telok Ayer Street, #03-07, Singapore 068602, **not less than 72 hours** before the time fixed for holding the Annual General Meeting.

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**Please affix postage stamp**

Affix  
Postage  
Stamp

**TIH LIMITED**  
**137 Telok Ayer Street #03-07**  
**Singapore 068602**

*Second fold*

4. Please insert the total number of Shares held by you. If you have Shares entered against your name on the Depository Register (as defined in the Securities and Futures Act 2001 of Singapore), you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this instrument of proxy will be deemed to relate to all the Shares held by you.
5. The Company shall be entitled to reject this instrument of proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this instrument of proxy. In addition, in the case of members whose Shares are deposited with The Central Depository (Pte) Limited ("CDP"), the Company may reject any instrument of proxy lodged if such member is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for the holding of the Annual General Meeting as certified by CDP to the Company.

**PERSONAL DATA PRIVACY**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or its service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or its service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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