



Securities Investors Association (Singapore)

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GST Reg No: M90367530Y

Issuer: TIH Limited

Stock code: T55

Meeting details:

Date: 12 June 2020

Time: 10.00 a.m.

Due to the current COVID-19 pandemic, SIAS encourage shareholders to participate at AGMs via other means and not to attend any AGM physically. Where the AGM is webcast, they can stay on top of their investments by watching the webcast and submitting their question to the company in advance. Senior citizens should avoid attending AGMs altogether and stay home.

Q1. The internalisation of the investment management function was completed in 2014. As at 31 December 2014, the net asset value of the group was \$99.1 million or \$0.41 per share. For the financial year ended 31 December 2019, the group reported a total comprehensive income and net profit attributable to shareholders of \$14.4 million. Accordingly, net asset value increased to \$126.6 million or \$0.52 per share. The increase from \$99.1 million to \$126.6 million over a 5-year period is approximately 5% (compound annual growth rate).

Over the same period, the company has distributed \$0.02 per share or a total of \$4.8 million as dividends.

- (i) **Has the board, especially the independent directors, evaluated and benchmarked the performance of the investment manager since the internalisation?**

Q2. The company has shown the distribution of investments by country and industry on page 6 of the annual report (reproduced below).

Distribution of Investments by Country and Industry as at 31 December 2019

\$S '000	China / Hong Kong	India	Indonesia	Japan	Malaysia	Singapore	Taiwan	Thailand	Others	Total At Cost	Fair Value	Fair Value as % of Group NTA +
Consumer Products	—	—	489	—	—	—	—	—	—	489	—	—
Consumer Services	—	—	8,743	—	—*	—	—	—	—	8,743	19,973	15.77
Electronics Components	—	—	—	—	—	—	—	—	—	—	4,097	3.24
Financial Services	1,156	365	12,415	806	—	174	—	2,588	25,446	42,950	52,556	41.51
Property and Development	—	—	—	—	—	56,830 ^	2,316	—	—	59,146	52,873	41.76
At Cost	1,156	365	21,647	806	—	57,004	2,316	2,588	25,446	111,328	129,499	102.28
At Fair Value	1,542	362	33,095	1,187	—*	55,310 ^	2,573	2,472	32,958	—	129,499	102.28
Fair value as % of Group NTA +	1.21	0.28	26.13	0.94	—	43.69	2.03	1.96	26.04	—	102.28	—

(Source: Company's annual report)

In addition, the names and the sector of the 10 largest investments are shown on page 4. However, shareholders have no clarity on the underlying assets. For example, the single largest investment held by the company is "Fortune Crane Limited" with a carrying amount of \$50.3 million.

If a shareholder were to look at the company's website, there are details of the portfolio companies which include ASM Connaught House Fund II, Batavia Enterprise Ltd, CEI Limited, K2 Venture Capital Company Limited, Lop Buri Limited, OUE Limited and WhiteRock Medical Company Pte Ltd.

- (i) **Would the board consider how it could improve the quality of the annual report so that shareholders can understand the achievements made by the fund and of the portfolio companies and to get a better understanding of the fund, including the risks and opportunities?**

Q3. As noted in the Corporate governance report, directors are consulted “well in advance” to schedule board and board committee meetings (page 67). As seen in the table of “Board and committee meetings attendance” (page 65 and reproduced below), three directors were each absent for a board meeting and two of the directors also each missed an audit committee meeting (including the chairman of the audit committee).

2019 Board and Committee Meetings Attendance

(Please refer to pages 67 to 68 of this Annual Report for the Directors’ memberships in the respective committees.)

Name of Director	Number of Board Meetings Attended	Number of Audit Committee Meetings Attended	Number of Nominating Committee Meeting Attended	Number of Remuneration Committee Meeting Attended	Number of Risk Governance Committee Meeting * Attended
Kin Chan	4 of 4 (Chairman)	4 of 4 (Observer)	1 of 1 (Member)	1 of 1 (Observer)	1 of 1
Wang Ya Lun Allen (Attended as Representative of Investment Manager)	4 of 4	4 of 4	1 of 1	1 of 1	1 of 1
Vince Feng	3 of 4	3 of 4 (Member)	1 of 1 (Observer)	1 of 1 (Chairman)	1 of 1
Liong Tong Kap	3 of 4	3 of 4 (Chairman)	1 of 1 (Member)	1 of 1 (Observer)	1 of 1
Li Yick Yee Angie	4 of 4	4 of 4 (Observer)	1 of 1 (Observer)	1 of 1 (Member)	1 of 1
Thanathip Vidhayasirinun	4 of 4	4 of 4 (Member)	1 of 1 (Chairman)	1 of 1 (Observer)	1 of 1
Alex Shiu Leung Au	4 of 4	4 of 4 (Member)	1 of 1 (Observer)	1 of 1 (Observer)	1 of 1
Sin Boon Ann	3 of 4	3 of 4 (Observer)	1 of 1 (Observer)	1 of 1 (Member)	1 of 1 (Chairman)
Tan Chade Phang (Roger)	4 of 4	4 of 4 (Observer)	1 of 1 (Observer)	1 of 1 (Observer)	1 of 1

* The RGC meeting was held in 2020.

(Source: Company’s annual report)

- (i) **Were there extenuating circumstances that caused the directors to miss the board and audit committee meetings despite the meetings being scheduled well in advance?**
- (ii) **Given that the company's Constitution allows directors to "participate in a board meeting by means of a conference telephone, conference television or similar communication equipment", did the directors in question do so? If not, why not?**
- (iii) In particular, Mr Sin, currently a consultant with a large law firm in Singapore, is the lead independent director of three SGX-ST listed companies and the independent director and independent non-executive chairman of another two SGX-ST listed companies respectively. **How does Mr Sin ensure that he devote sufficient time, energy and attention to matters of the company?**
- (iv) **How can the company secretary and the directors better schedule the board and board committee meetings so that the attendance at meetings could be improved?**

^Amid the global COVID-19 outbreak, issuers who choose to proceed with the AGM before 30 April 2020 must provide opportunities for shareholders to ask questions. Shareholders are encouraged to read the annual report and submit any questions they might have to the companies in advance. Issuers would then publicly address the questions at the general meeting via the issuer's website, through "live" webcast and on SGXNet.

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

Can't attend the AGM or view the webcast? Check out the latest questions on the annual reports of listed companies on [SIAS website](http://www.sias.org.sg)

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^ Joint Statement by Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation dated 31 Mar 2020 (<https://www.sgx.com/media-centre/20200331-acra-mas-and-sgx-regco-update-guidance-general-meetings>)