
For Immediate Release**IFS Capital announces strategic joint venture with THES to provide Tower Crane Financing Solutions in the PRC**

- IFS Capital expands its geographical footprint into the People's Republic of China through a strategic joint venture partnership with THES
- With China positioned to be the world's largest economy by 2030, the joint venture will allow IFS Capital to establish a beachhead in China to offer its suite of financing solutions, and participate in the growth of the economy.

Singapore, 6 December 2021 – IFS Capital Limited (“IFS Capital”) is pleased to announce that it has entered into a non-binding Memorandum of Understanding with Hong-Kong listed Tat Hong Equipment Service Co., Ltd. (“THES”), to provide leasing solutions with a focus on tower crane financing in the People's Republic of China (“PRC”), by combining IFS Capital's credit decisioning expertise and portfolio monitoring know-how with Tat Hong's extensive experience in China and the tower crane service industry.

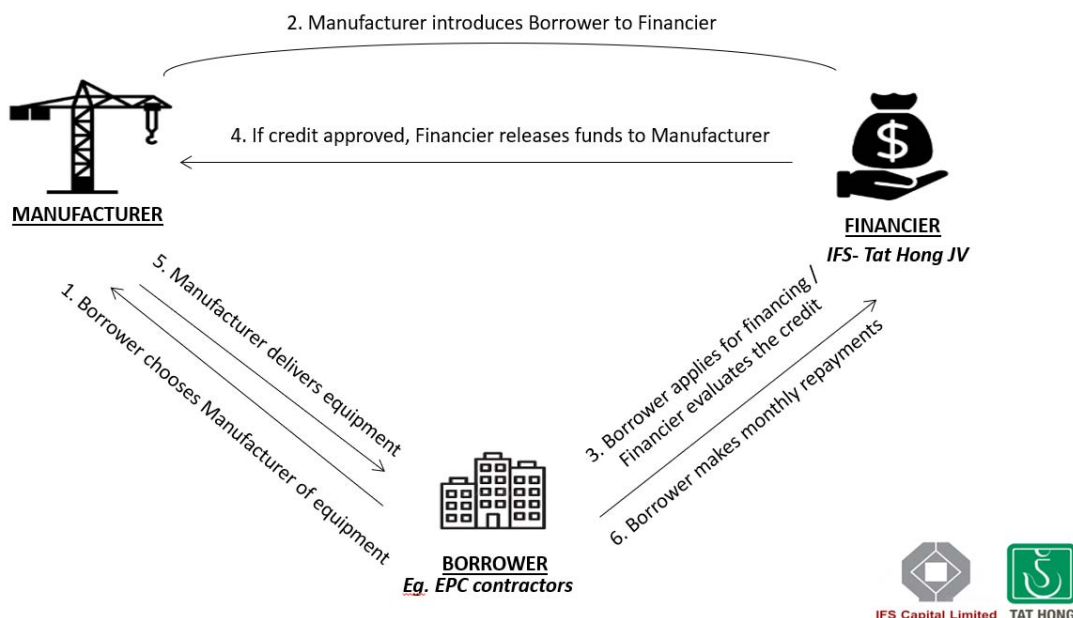
Tat Hong is the first foreign-owned tower crane service provider in the PRC. It offers consultancy, technical design, commissioning, construction, and after-sale services to construction contractors in infrastructure, energy, commercial, and residential sectors. It also engages in installing, maintaining, and leasing of construction machinery and equipment. The company, with a fleet of over 1,000 tower cranes, is the second largest provider of tower crane services in China.

Economies around the world have adopted an infrastructure-led economic recovery as they reel from the impacts of Covid-19. China has led this trend and positioned itself to be the world's largest economy by 2030. The construction industry in China grew at a CAGR of 8.2% from 2015-2019 and is expected to grow at a CAGR of 8% to RMB35.1 trillion in 2024¹ as per Frost & Sullivan, driven by extensive infrastructure investments by the Government. Furthermore, the tower crane service market has grown at a CAGR of 9.7% from 2015-2019 and is expected to grow at a CAGR of 7.9% to RMB148.8 billion in 2024 as per Frost & Sullivan².

The tremendous growth potential of the PRC and its infrastructure-led economic strategy will need to be complemented with access to financing solutions. Therefore, the establishment of this joint venture is timely and strategic to support the fast-growing economy.

¹ As mentioned on page 149 in the draft: http://corpsv.etnet.com.hk/data/documents/ipo/20201230/HKEX-EPS_20201230_9562185_0.PDF

² As mentioned on page 125 in the draft: http://corpsv.etnet.com.hk/data/documents/ipo/20201230/HKEX-EPS_20201230_9562185_0.PDF



Picture 1: Leasing Financing Structure

"We are extremely glad to partner with a veteran industry player like Tat Hong which will not only allow us to grow our suite of SME financing solutions but also extend our geographical footprint into China. We aim to support local SMEs with responsible financing as they ride the tremendous long term growth potential of the Chinese economy. This leasing JV marks the starting point for us to explore new growth opportunities throughout China," said Randy Sim, IFS Capital's Group Chief Executive Officer. "THES's deep industry know-how and strong relationships coupled with our SME credit and supply chain expertise and technology will allow us to better serve the Chinese SMEs as they grow, domestically and internationally."

"THES is excited to be partnering with IFS Capital in bringing tower crane financing solutions to the highly fragmented Chinese market. We believe this partnership has strong strategic value for us as we would be able to leverage IFS Capital's lending expertise to provide new solutions to our existing business partners. Building on our well-founded relationships in the industry, we will be able to quickly lay the groundwork required for us to move forward in firm strides on this new journey," said Sean Yau, Tat Hong's Chief Executive Officer

This partnership between two industry leaders will provide the platform for the development of a compelling set of financing solutions to address the needs of the Chinese SME market. IFS Capital will hold 60% of the new joint venture company whereas Tat Hong will be a 40% shareholder.

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About IFS Capital Limited

IFS Capital is a leading financial institution specializing in providing customized financing solutions in Southeast Asia. The Group was incorporated in Singapore in 1987 and has been listed on the Singapore Exchange since July 1993. The Group is part of the Phillip Capital network of companies, with a global presence that serves established factoring, leasing and lending services covering individuals, family offices, and corporate and institutional clients across Singapore, Thailand, Malaysia and Indonesia markets. ECICS Limited, a wholly-owned subsidiary of IFS Capital, also provides bonds and guarantees and general insurance services in its core markets.

For more information, please visit: <https://www.ifscapital.com.sg>

About Tat Hong Equipment Service Co., Ltd.

Tat Hong Equipment Service Co., Ltd. is the first foreign-owned tower crane service provider in the PRC. Since 2007, the Group has provided one-stop tower crane solution services from consultation, technical design, commissioning, construction to after-sales services primarily to Chinese Special-tier and Tier-1 EPC contractors. THES principally engages in engineering, procurement and construction projects in the infrastructure, energy, commercial and residential sectors. As one of the indirect subsidiaries of Tat Hong Holdings Ltd, a company incorporated under the laws of Singapore, THES has been listed on the Hong Kong Exchange since 13 January 2021. Under the guidance of core values "Virtue, Safety and Excellence", THES has successfully established a leading market position and maintained stable customer relationships and built a strong reputation in awareness to workers' safety, service quality and technical strength.

For more information, please visit: <http://www.tathongchina.com>

Issued for and on behalf of IFS Capital Limited by Financial PR

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