

PRESS RELEASE1st June 2018

For immediate release

TA Investment Declares 0.8 sen Distribution for TA South East Asia Equity Fund

Kuala Lumpur, 1st June 2018 - TA Investment Management Berhad ("TAIM") has declared a gross income distribution of 0.8 sen per unit for TA South East Asia Equity Fund ("TASEA") to the registered unit holders of the Fund as at 31st May 2018.

Although volatility has generally picked up in the markets, ASEAN managed to rise 2.4% in MYR terms in April 2018. Leading the markets was Singapore, which was up 6.3% due to strong earnings from the banks. Thailand was up about 1.6% while Malaysia and Philippines were up around 1%. The weakest market was Indonesia which declined by 2.6%, continuing its underperformance from March 2018, mainly due to concerns on weakening rupiah.

We remain optimistic that the ASEAN economies will grow 5.3% in 2018 which we think will continue to be driven by fiscal spending and the spill over from export growth to domestic demand. We expect to see increased infrastructure and government spending while we think consumption should recover as the strength in last year's exports should translate into domestic demand as companies hire more employees or invest more in capacity to meet the higher demand. Further boost to consumption will also come from the various governments consumption and spending initiatives in the region.

We continue to like the Financials sector as we believe the banks are in a good position to benefit from both the increased government spending and higher consumption in the region through higher loans growth. The sector should also benefit from the bottoming of the credit cycle and higher interest rates in the region. The Fund is also overweight the Consumer Discretionary and Real Estate sectors on expectations of the pick-up in consumer demand.

Valuations are now less demanding after the recent market correction with ASEAN now trading at 4% discount to its historical average Price-to-Book while we continue to see positive earnings growth. The increased volatility may provide us with the opportunities to increase our positions in quality companies that have structural earnings growth. With higher cash flow generation and rising free cash flow yield, capital management initiatives including higher dividend payouts could be further catalyst. The key risks to our positive outlook are a) a peaking of global growth; b) China policy risks; c) faster than expected rise in inflation leading to higher interest rates; and d) escalation of trade wars.

TASEA aims to provide steady income and long-term capital growth by investing primarily in quoted or listed equities and equity related instruments (including real estate investment trusts) in South East Asia markets.

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NOTE TO THE EDITOR

Profile of Lion Global Investors Limited

Lion Global Investors Limited is a member of the Oversea-Chinese Banking Corporation Limited (OCBC) Group, with total assets under management of S\$49.9 billion (US\$38.0 billion) as at 31 March 2018.

Established as an Asian asset specialist since 1986, Lion Global Investors Limited's core competencies are in managing Asian equities and fixed income strategies and funds to both institutional and retail investors. Its large and experienced investment team of over 40 investment professionals averaging 17 years of financial industry experience is firmly dedicated to Asian and global equities and fixed income markets.

Lion Global Investors' network of regional offices outside of Singapore includes Malaysia and Brunei.

Lion Global Investors Limited is 70% owned by Great Eastern Holdings Limited and 30% owned by Orient Holdings

Private Limited, both subsidiaries of OCBC Bank. Lion Global Investors Limited has a 70% stake in Pacific Mutual Fund Berhad, a Malaysian fund Management Company.

Lion Global Investors Limited has been managing collective investment schemes and discretionary funds in Singapore since 1987 and investment-linked product funds since 1996.

For more information about Lion Global Investors Limited, please visit www.lionglobalinvestors.com

Profile of TA Investment Management Berhad

TA Investment Management Berhad (TAIM), a subsidiary of TA Securities Holdings Berhad (TASH) was incorporated on 17 April 1995 and commenced operations on 1 July 1996. As at 31st March 2018, TAIM has total assets of RM1.87 billion, being a combination of unit trust funds and direct mandate portfolios under its management.

TAIM has more than twenty-one (21) years of experience in managing unit trust funds with a total of twenty-four (24) funds currently under its management, of which eight (8) are Shariah-compliant funds and sixteen (16) are conventional funds. Its investment portfolio comprises a wide spectrum of funds ranging from low to high risk and caters to the different financial needs and objectives of investors.

TAIM funds are invested in both the local and international markets by an experienced investment team. These unit trust funds are distributed directly to customers as well as through appointed Institutional Unit Trust Advisers (IUTAs) and authorised consultants.

For more information, please call 1-800-38-7147 or visit our website at www.tainvest.com.my.

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