TIH LIMITED

(Formerly known as Transpac Industrial Holdings Limited)

(Registration Number: 199400941K)

First Quarter Financial Statement and Dividend Announcement for the period ended 31 March 2014

THESE FIGURES HAVE NOT BEEN AUDITED.

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the Group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

1(a)(i) Consolidated Income Statement
For the first quarter ended 31 March 2014

	Group		
	3 mths to 31 Mar 2014 S$'000	3 mths to 31 Mar 2013 S$'000 (Restated)	Increase / (Decrease) %
Dividends/distributions from unquoted equity investments (Note 1)	**179**	-	nm
Net gain on disposal of investments	-	48,715	(100)
Net change in fair value of financial instruments (Note 2)	**263**	11,008	(98)
Net gains from investments	**442**	59,723	(99)
Interest income (Note 3)	**568**	561	1
Total investment income	**1,010**	60,284	(98)
Operating expenses	**(555)**	(14,463)	(96)
Profit before tax	**455**	45,821	(99)
Tax expense	-	(4,768)	(100)
Profit for the financial period attributable to owners of the Company	**455**	41,053	(99)

nm : Not meaningful

Operating expenses include the following:

	Group		
	3 mths to 31 Mar 2014 S$'000	3 mths to 31 Mar 2013 S$'000	Increase / (Decrease) %
Investment management fees (Note 4)	**359**	284	26
Performance incentive fees (Note 5)	-	14,510	(100)
Performance incentive refund	-	(500)	100
Audit fees paid/payable to:			
- Auditors of the Company for statutory audit of the Company and the Group	**32**	32	-
Non-audit fees paid/payable to:			
- Auditors of the Company	**3**	12	(75)
Directors' remuneration	**82**	79	4
Currency exchange loss - net	-	2	(100)
Others	**79**	44	80
	555	14,463	(96)

nm : Not meaningful

Notes:

(1) Total dividends/distributions from unquoted equity investments of S$0.18 million arose from dividend received from Little Rock Group Limited ("Little Rock"). Little Rock is a wholly owned subsidiary of the Company for the purpose of investment holding.

(2) The net favourable change in fair value of financial instruments of S$0.26 million was mainly due to change in fair value of Little Rock. Due to the change in the Group's accounting policies pursuant to the amended FRS 110 *Consolidated Financial Statements - Investment Entities* (as explained in Section 4 and 5 on page 9), Little Rock will no longer be consolidated but instead being reclassified as investments at fair value through profit or loss. Any change in the fair value of Little Rock will now be taken to the income statement. The favourable change in fair value of S$0.26 million was mainly due to the final settlement of interest free loan granted to Little Rock by the Company of S$0.59 million which was in substance the Company's cost of net investment in Little Rock. This was partially offset by dividend distribution to the Company of S$0.18 million (as mentioned in Note 1 above) and decrease in fair value of other Transpac Funds of S$0.15 million held through Little Rock.

(3) Interest income of S$0.57 million included accrual of interest of S$0.54 million on a loan granted to a portfolio company.

(4) On 30 December 2013, the Company announced, amongst other things, its Proposed Internalisation Exercise comprising (i) the Termination of the Manager of the Company's Investment Manager; and (ii) the continuation of the Management Business and the takeover of the personnel in connection with the Management Business. In connection with this, the Company had entered into a Deed of Termination with the Manager on 30 December 2013 whereby the Management Agreement will be terminated in its entirety on Completion Date. Upon termination of the Management Agreement, the Manager will cease to receive any management fees thereafter. The management fees of S$0.36 million is the fees due to the Manager for the period ended 31 March 2014. The Proposed Internalisation Exercise, together with other resolutions tabled in the extraordinary general meeting held on 29 April 2014, had been approved by the shareholders during the meeting.

(5) Pursuant to the Deed of Termination as explained above, the Company has agreed to pay the Manager S$13.75 million as consideration for the termination of the Management Agreement on Completion Date. Consequently, the Manager will cease to be entitled to any performance incentive fees with effect from financial year ended 31 December 2013.

1(a)(ii) Consolidated Statement of Comprehensive Income
For the first quarter ended 31 March 2014

	Group		
	3 mths to 31 Mar 2014 S$'000	3 mths to 31 Mar 2013 S$'000	Increase / (Decrease) %
Profit for the financial period	**455**	41,053	(99)
Other comprehensive (deficit)/income:			
Items that may be reclassified subsequently to profit or loss			
Fair value (loss)/gains on available-for-sale investments (Note 1)	**(5,570)**	16,834	(133)
Tax expense	**-**	-	-
Other comprehensive (deficit)/income for the financial period, net of tax	**(5,570)**	16,834	(133)
Total comprehensive (deficit)/income for the financial period attributable to owners of the Company	**(5,115)**	57,887	(109)

Note:

(1) The fair value loss on available-for-sale investments of S$5.57 million was mainly attributed to the decrease in fair value of Fortune Code Limited ("Fortune Code") of S$5.52 million.

1(b)(i) A statement of financial position for the Group and the Company, together with a comparative statement as at the end of the immediately preceding financial year.

Statements of financial position as at 31 March 2014

	Group		Company	
	31 Mar 2014	31 Dec 2013	**31 Mar 2014**	31 Dec 2013
	S$'000	S$'000 (Restated)	**S$'000**	S$'000 (Restated)
Assets				
Current assets				
Cash and cash equivalents (Note 1)	**61,364**	60,659	**60,447**	60,659
Other receivables (Note 2)	**16,020**	16,041	**15,946**	16,041
	77,384	76,700	**76,393**	76,700
Non-current assets				
Investments				
- At fair value through profit or loss (Note 3)	**6,389**	6,717	**7,389**	6,717
- Available-for-sale (Note 4)	**31,542**	37,112	**31,542**	37,112
	37,931	43,829	**38,931**	43,829
Loan receivable (Note 5)	**26,256**	25,720	**26,256**	25,720
	64,187	69,549	**65,187**	69,549
Total assets	**141,571**	146,249	**141,580**	146,249
Liabilities				
Current liabilities				
Other payables (Note 6)	**30,609**	30,177	**30,609**	30,177
Provisions	**492**	487	**492**	487
Total liabilities	**31,101**	30,664	**31,101**	30,664
Non-current liability				
Deferred income tax liabilities (Note 9)	**-**	-	**-**	-
	-	-	-	-
Total liabilities	**31,101**	30,664	**31,101**	30,664
Net assets	**110,470**	115,585	**110,479**	115,585
Equity attributable to owners of the Company				
Share capital	**47,496**	47,496	**47,496**	47,496
Retained earnings	**44,782**	44,327	**44,791**	44,327
Capital reserve	**306**	306	**306**	306
Fair value reserve for available-for-sale investments (Note 7)	**17,886**	23,456	**17,886**	23,456
Total equity	**110,470**	115,585	**110,479**	115,585

Notes:

(1) Cash and cash equivalents increased by S$0.7 million from S$60.66 million as at 31 December 2013 to S$61.36 million as at 31 March 2014 mainly attributed to dividend and loan repayment from Little Rock as explained in Notes 1 and 2 on page 2.

(2) Included in other receivables of S$16.02 million as at 31 March 2014 was S$15.81 million retained by the Investment Manager for tax and expenses relating to certain divestments (see Note 6(i) below).

(3) Investments at fair value through profit or loss of S$6.39 million represents the fair value of Little Rock, which was not consolidated pursuant to the amended FRS 110 *Consolidated Financial Statements - Investment Entities* with effect from 1 January 2014 as explained in Note 2 on page 2 and Section 4 and 5 on page 9.

(4) Available-for-sale investments decreased by S$5.57 million from S$37.11 million as at 31 December 2013 to S$31.54 million as at 31 March 2014 mainly due to decrease in fair value of Fortune Code of S$5.52 million.

(5) Loan receivable increased by S$0.54 million from S$25.72 million as at 31 December 2013 to S$26.26 million as at 31 March 2014 due to accrual of interest receivable for the period ended 31 March 2014.

(6) Other payables of S$30.61 million as at 31 March 2014 included (i) provision of S$15.81 million for tax and expenses relating to the divestments of certain portfolio companies. The amount was set aside from the sale proceeds and retained by the Investment Manager; and (ii) provision of termination compensation of S$13.75 million (see Note 5 on page 2).

(7) Decrease in fair value reserve for available-for-sale investments of S$5.57 million was mainly due to the decrease in fair value of Fortune Code of S$5.52 million (see Note 4 above).

1(b)(ii) Aggregate amount of Group's borrowing and debt securities.

Amount payable in one year or less, or on demand

As at 31/03/2014	**As at 31/03/2014**	As at 31/12/2013	As at 31/12/2013
Secured (S$'000)	**Unsecured (S$'000)**	Secured (S$'000)	Unsecured (S$'000)
-	**-**	-	-

Amount payable after one year

As at 31/03/2014	**As at 31/03/2014**	As at 31/12/2013	As at 31/12/2013
Secured (S$'000)	**Unsecured (S$'000)**	Secured (S$'000)	Unsecured (S$'000)
-	**-**	-	-

Details of collateral

Not applicable.

1(c) A statement of cash flows for the Group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows
For the first quarter ended 31 March 2014

	Group	
	3 mths to 31 Mar 2014 S$'000	3 mths to 31 Mar 2013 S$'000 (Restated)
Cash flows from operating activities		
Profit for the financial period	**455**	41,053
Adjustments for:		
Tax expense	**-**	4,768
Interest income	**(568)**	(561)
Performance incentive fees	**-**	14,510
Performance incentive fee refund	**-**	(500)
Net change in fair value of financial instruments	**(263)**	(11,008)
	(376)	48,262
Changes in operating assets and liabilities		
Investments	**591**	-
Other receivables	**(11)**	144
Other payables	**468**	370
Cash generated from operations	**672**	48,776
Net interest received	**33**	28
Tax paid	**-**	(4,768)
Net cash from operating activities	**705**	44,036
Cash flows used in financing activities		
Dividends paid	**-**	(22,494)
Net cash used in financing activities	**-**	(22,494)
Net increase in cash and cash equivalents	**705**	21,542
Cash and cash equivalents at beginning of financial period	**60,659**	34,759
Cash and cash equivalents at end of financial period	**61,364**	56,301

1(d)(i) A statement for the Group and the Company showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statements of Changes in Equity
For the first quarter ended 31 March 2014

Group	Share capital S$'000	Capital reserve S$'000	Fair value reserve S$'000	Retained earnings S$'000	Total S$'000
2014					
At beginning of financial period as previously reported	**47,496**	**306**	**23,925**	**44,450**	**116,177**
Effect of amendments to FRS110	**-**	**-**	**(469)**	**(123)**	**(592)**
At beginning of financial period as restated	**47,496**	**306**	**23,456**	**44,327**	**115,585**
Total comprehensive (deficit)/income for the financial period					
Profit for the financial period	**-**	**-**	**-**	**455**	**455**
Other comprehensive deficit					
Fair value loss on available-for-sale investments	**-**	**-**	**(5,570)**	**-**	**(5,570)**
Tax expense	**-**	**-**	**-**	**-**	**-**
Total other comprehensive deficit, net of tax	**-**	**-**	**(5,570)**	**-**	**(5,570)**
Total comprehensive (deficit)/income for the financial period	**-**	**-**	**(5,570)**	**455**	**(5,115)**
Transactions with owners, recorded directly in equity					
Distributions to owners of the Company					
Dividends paid	**-**	**-**	**-**	**-**	**-**
Total distributions to owners of the Company	**-**	**-**	**-**	**-**	**-**
At end of financial period	**47,496**	**306**	**17,886**	**44,782**	**110,470**
2013					
At beginning of financial period as previously reported	47,496	306	19,271	24,200	91,273
Effect of amendments to FRS110	-	-	(496)	466	(30)
At beginning of financial period as restated	47,496	306	18,775	24,666	91,243
Total comprehensive income for the financial period					
Profit for the financial period (Restated)	-	-	-	41,053	41,053
Other comprehensive income					
Fair value gains on available-for-sale investments (Restated)	-	-	16,834	-	16,834
Tax expense	-	-	-	-	-
Total other comprehensive income, net of tax	-	-	16,834	-	16,834
Total comprehensive income for the financial period	-	-	16,834	41,053	57,887
Transactions with owners, recorded directly in equity					
Distributions to owners of the Company					
Dividends paid	-	-	-	(22,494)	(22,494)
Total distributions to owners of the Company	-	-	-	(22,494)	(22,494)
At end of financial period	47,496	306	35,609	43,225	126,636

Company	Share capital S$'000	Capital reserve S$'000	Fair value reserve S$'000	Retained earnings S$'000	Total S$'000
2014					
At beginning of financial period as previously reported	**47,496**	**306**	**29,581**	**38,202**	**115,585**
Effect of amendments to FRS110	**-**	**-**	**(6,125)**	**6,125**	**-**
At beginning of financial period as restated	**47,496**	**306**	**23,456**	**44,327**	**115,585**
Total comprehensive (deficit)/income for the financial period					
Profit for the financial period	**-**	**-**	**-**	**464**	**464**
Other comprehensive deficit					
Fair value loss on available-for-sale investments	**-**	**-**	**(5,570)**	**-**	**(5,570)**
Tax expense	**-**	**-**	**-**	**-**	**-**
Total other comprehensive deficit, net of tax	**-**	**-**	**(5,570)**	**-**	**(5,570)**
Total comprehensive (deficit)/income for the financial period	**-**	**-**	**(5,570)**	**464**	**(5,106)**
Transactions with owners, recorded directly in equity					
Distributions to owners of the Company					
Dividends paid	**-**	**-**	**-**	**-**	**-**
Total distributions to owners of the Company	**-**	**-**	**-**	**-**	**-**
At end of financial period	**47,496**	**306**	**17,886**	**44,791**	**110,479**
2013					
At beginning of financial period as previously reported	47,496	306	21,002	22,439	91,243
Effect of amendments to FRS110	-	-	(2,227)	2,227	-
At beginning of financial period as restated	47,496	306	18,775	24,666	91,243
Total comprehensive income for the financial period					
Profit for the financial period (Restated)	-	-	-	41,053	41,053
Other comprehensive income					
Fair value gains on available-for-sale investments (Restated)	-	-	16,834	-	16,834
Tax expense	-	-	-	-	-
Total other comprehensive income, net of tax (Restated)	-	-	16,834	-	16,834
Total comprehensive income for the financial period	-	-	16,834	41,053	57,887
Transactions with owners, recorded directly in equity					
Distributions to owners of the Company					
Dividends paid	-	-	-	(22,494)	(22,494)
Total distributions to owners of the Company	-	-	-	(22,494)	(22,494)
At end of financial period	47,496	306	35,609	43,225	126,636

1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no changes in the Company's issued share capital since the end of the previous period reported on.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at end of the current financial period and as at the end of the immediately preceding year.

The Company did not have any treasury shares as at end of the current financial period reported on and as at the end of the immediately preceding financial year.

	31 Mar 2014	31 Dec 2013
Total number of issued shares	**234,314,106**	234,314,106

1(d)(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by our auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The significant accounting policies are consistent with those of the audited financial statement for the year ended 31 December 2013 except for the adoption of the amended FRS 110 *Consolidated Financial Statements - Investment Entities* effective for financial period commencing 1 January 2014.

Prior to year 2014, the Group consolidated its wholly owned subsidiary, Little Rock Group Limited, in accordance with FRS 27 *Consolidated and Separate Financial Statements.*

The amended FRS 110 introduced an exception to the principle that all subsidiaries shall be consolidated. The amendments define an investment entity and require a parent that is an investment entity to measure its investments in particular subsidiaries at fair value through profit or loss in accordance with FRS 39 *Financial Instruments: Recognition and Measurement* instead of consolidating those subsidiaries in its consolidated and separate financial statements. In accordance with the amendments, the Group has assessed that it meets the qualifying criteria of an investment entity. Accordingly, the Group has applied the exception from consolidation by accounting for its subsidiary, Little Rock Group Limited, at fair value through profit or loss.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The adoption of FRS 110 is applied retrospectively and the changes are accounted for by restating the opening balances in the balance sheet as at 1 January 2014. This adoption of FRS 110 has resulted in a decrease of S$0.59 million in the Group's Net Asset Value as at 31 December 2013.

The impact of the restatement is as follows:

Impact on Consolidated Income Statement and Consolidated Statement of Comprehensive Income	3 mths to 31 Mar 2013 S$'000
Decrease in dividends/distributions from unquoted equity investments	(2,531)
Decrease in net gain on disposal of investments	(4,744)
Increase in net change in fair value of financial instruments	6,059
Decrease in impairment losses	203
Decrease in interest income	(1)
Decrease in operating expenses	1
Decrease in profit before tax	(1,013)
Decrease in tax expense	462
Net impact on profit for the period	(551)
Decrease in fair value gains on available-for-sale investments	(10)
Net impact on total comprehensive income for the financial period attributable to owners of the Company	(561)

Impact on Earnings Per Share	3 mths to 31 Mar 2013
Earnings per ordinary share of the Group after deducting any provisions for preference dividends:	
(a) Based on the weighted average number of ordinary shares on issue; and	(0.24) cts
(b) On a fully diluted basis	(0.24) cts

Impact on Statements of Financial Position	As at 31 Dec 2013 S$'000
Cash and cash equivalents (current)	(960)
Other current assets (current)	(3,358)
Investments - At fair value through profit or loss (non-current)	655
Investments - Available-for-sale (non-current)	(355)
Other payables (current)	3,349
Provision (current)	77
Net impact on equity	(592)

6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Earnings per ordinary share
For the first quarter ended 31 March 2014

	Group	
	3 mths to 31 Mar 2014	3 mths to 31 Mar 2013 (Restated)
Earnings per ordinary share of the Group after deducting any provisions for preference dividends:		
(a) Based on the weighted average number of ordinary shares on issue; and	**0.19 cts**	17.52 cts
(b) On a fully diluted basis	**0.19 cts**	17.52 cts

	Group	
	3 mths to 31 Mar 2014	3 mths to 31 Mar 2013
Earnings per ordinary share has been computed on the following weighted average number of shares:		
(a) Basic	**234,314,106**	234,314,106
(b) Diluted	**234,314,106**	234,314,106

7. Net asset value for the Group and the Company per ordinary share based on total number of issued shares excluding treasury shares of the issuer at the end of the:-

(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31 Mar 2014 S$	31 Dec 2013 S$ (Restated)	**31 Mar 2014 S$**	31 Dec 2013 S$ (Restated)
Net asset value per ordinary share based on issued share capital	**0.47**	0.49	**0.47**	0.49

Net asset value per ordinary share has been computed based on the number of shares in issue as at 31 March 2014 of 234,314,106 (31 December 2013: 234,314,106).

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:

(a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

The Group's income is primarily derived from the realization and/or revaluation of its investments.

1Q 2014

For the three months ended 31 March 2014, the Group reported total comprehensive deficit of S$5.12 million. The deficit was largely due to decrease in fair value of Fortune Code of S$5.52 million which was offset partially by interest income of S$0.54 million from loan granted to a portfolio company.

Net Asset Value ("NAV")

The Group's NAV as at 31 March 2014 was S$110.47 million (representing a NAV of S$0.47 per share), a decrease of S$5.12 million from the NAV of S$115.59 million (restated) (representing a NAV of S$0.49 per share) as at 31 December 2013.

The decline in NAV of S$5.12 million was mainly attributed to the total comprehensive deficit of S$5.15 million as explained above.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement has been previously made.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

On 29th April 2014, the Company completed its Extraordinary General Meeting and shareholders approved the following:-

1. Internalization of the investment function of the Company.
2. A dividend package of (a) an interim tax-exempt one tier ordinary dividend of S$0.05 per share for the financial year ended 31 December 2013; and (b) a renounceable bonus warrants issue of up to 702,942,318 bonus warrants on the basis of 3 bonus warrants for every one existing share held by entitled shareholders as at the books closure date.
3. An issuance of up to S$18,900,000 in aggregate principal amount of zero coupon convertible bonds to Cosmic Ventures Limited.
4. The whitewash resolution for the ASM group to waive the obligation to make a mandatory general offer due to effects of the bonus warrants and bonds issuance.
5. The change of the Company's name to "TIH Limited".

The changes will enable the Company to streamline its operations and increase the size of funding available for its investment activities.

11. Dividend

(a) Current financial period reported on

Any dividend declared for the current financial period reported on? No.

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes, interim dividend has been paid on 19 March 2013.

Name of dividend	Interim
Dividend Type	Cash
Dividend Amount per ordinary share	S$0.096
Tax rate	One-tier tax exempt
Date paid	19 March 2013

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

13. Interested person transactions.

The Group does not have a shareholders' mandate for interested person transactions. The following transactions took place between the Group and interested persons during the first quarter ended 31 March 2014:

Name of interested person	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)	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$100,000)
	S$'000	S$'000
Transpac Capital Pte Ltd, the Investment Manager of the Company - Investment management fees*	359	–

* The fees are for services rendered by the Investment Manager pursuant to the Management Agreement dated 12 March 1994 (as renewed and amended pursuant to the terms thereof) entered into by the Company. The Management Agreement was disclosed in the Company's prospectus dated 12 March 1994.

Pursuant to the Deed of Termination entered into between the Company and the Investment Manager on 30 December 2013 as explained in Notes 4 and 5 on page 2, the Management Agreement will be terminated in its entirety on Completion Date.

14 Confirmation pursuant to Rule 705(5) in the Listing Manual of SGX-ST.

The Board has confirmed that to the best of its knowledge, nothing has come to its attention, which may render the unaudited financial results of the Group for the first quarter ended 31 March 2014 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Tham Shook Han
Company Secretary
7 May 2014