

TIH LIMITED

(Registration Number: 199400941K)

***Second Quarter Financial Statement and Dividend Announcement
for the period ended 30 June 2015***

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 statement of profit or loss
For the second quarter ended 30 June 2015**

	Group					
	3 mths to 30 Jun 2015 S\$'000	3 mths to 30 Jun 2014 S\$'000	Increase / (Decrease) %	6 mths to 30 Jun 2015 S\$'000	6 mths to 30 Jun 2014 S\$'000	Increase / (Decrease) %
Dividends/distributions from subsidiary	-	-	-	-	179	(100)
Net change in fair value of investments at fair value through profit or loss (Note 1)	64	(608)	nm	1,499	(345)	nm
Net change in fair value of derivative financial instruments (Note 2)	171	-	nm	(186)	-	nm
Interest income from unquoted equity investments (Note 3)	602	554	9	1,185	1,090	9
Net gains/(loss) from investments	837	(54)	nm	2,498	924	170
Other operating income	10	-	nm	21	-	nm
Total investment income/(loss)	847	(54)	nm	2,519	924	173
Net finance income/(expense)	4	2	100	(7)	34	nm
Operating expenses	(848)	(1,116)	(24)	(1,732)	(1,671)	4
Profit/(loss) before tax	3	(1,168)	nm	780	(713)	nm
Tax credit	-	93	(100)	-	93	(100)
Profit/(loss) for the financial period attributable to owners of the Company	3	(1,075)	nm	780	(620)	nm

nm: Not meaningful

Operating expenses include the following:

	Group					
	3 mths to 30 Jun 2015 S\$'000	3 mths to 30 Jun 2014 S\$'000	Increase / (Decrease) %	6 mths to 30 Jun 2015 S\$'000	6 mths to 30 Jun 2014 S\$'000	Increase / (Decrease) %
Depreciation on property, plant and equipment	10	5	100	20	5	300
Investment management fees (Note 4)	-	231	(100)	-	590	(100)
Audit fees paid/payable to:						
- Auditor of the Company for statutory audit of the Company and the Group	37	37	-	74	69	7
Non-audit fees paid/payable to:						
- Auditor of the Company	5	36	(86)	16	39	(59)
Directors' remuneration	107	114	(6)	214	196	9
Staff costs (Note 5)	334	123	172	698	123	467
Legal and professional fees (Note 6)	177	242	(27)	359	249	44
Others (Note 7)	178	328	(46)	351	400	(12)
	848	1,116	(24)	1,732	1,671	4

nm: Not meaningful

Notes:

- (1) The net favourable change in fair value of investments at fair value through profit or loss of S\$0.06 million for the three months ended 30 June 2015 (2Q2015) was mainly attributed to portfolio investments held through Little Rock Group Limited (“Little Rock”) and Killian Court Pte Ltd (“Killian Court”), which are wholly owned subsidiaries of the Company for the purpose of investment holding. The fair value gains include Chang Chun Road Limited of S\$0.11 million and Garden Road Holding Limited of S\$0.09 million, which were offset partially by fair value loss of S\$0.11 million from Sanmin Road Limited.
- (2) The net favourable change in fair value of derivative financial instruments of S\$0.17 million for 2Q2015 was due to the fair value gain on forward currency contracts to hedge against foreign currency exposure arising from foreign currency investments.
- (3) Interest income from unquoted equity investments of S\$0.6 million for 2Q2015 relates to the accrual of interest on a loan granted to a portfolio company.
- (4) The Company has terminated the appointment of the former Investment Manager, Transpac Capital Pte Ltd and internalised the investment management service on 29 May 2014 (the “Internalisation Exercise”). As a result, there is no corresponding fee for the current financial period.
- (5) Staff costs of S\$0.33 million for 2Q2015 was incurred due to the internalisation of the investment management service with effect from 29 May 2014.
- (6) Legal and professional fees of S\$0.18 million for 2Q2015 comprise mainly the Strategic Support Services fee of S\$0.17 million.
- (7) Other operating expenses of S\$0.18 million for 2Q2015 included office rental and other operating expenses due to the internalisation of the investment management service.

1(a)(ii) Consolidated statement of comprehensive income
For the second quarter ended 30 June 2015

	Group					
	3 mths to 30 Jun 2015 S\$'000	3 mths to 30 Jun 2014 S\$'000	Increase / (Decrease) %	6 mths to 30 Jun 2015 S\$'000	6 mths to 30 Jun 2014 S\$'000	Increase / (Decrease) %
Profit/(loss) for the financial period	3	(1,075)	nm	780	(620)	nm
Other comprehensive (deficit)/income						
<u>Items that are or may be reclassified subsequently to profit or loss:</u>						
Net change in fair value of available-for-sale investments (Note 1)	(7,320)	6,101	nm	(3,716)	531	nm
Tax on items that are or may be reclassified subsequently to profit or loss	-	-	-	-	-	-
Other comprehensive (deficit)/income for the financial period, net of tax	(7,320)	6,101	nm	(3,716)	531	nm
Total comprehensive (deficit)/income for the financial period attributable to owners of the Company	(7,317)	5,026	nm	(2,936)	(89)	nm

nm: Not meaningful

Note:

- (1) The fair value loss on available-for-sale investments of S\$7.32 million for 2Q2015 was mainly attributed to the decrease in fair value of Fortune Code Limited (“Fortune Code”).

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 30 June 2015**

	Group		Company	
	30 Jun 2015 S\$'000	31 Dec 2014 S\$'000	30 Jun 2015 S\$'000	31 Dec 2014 S\$'000
Assets				
Current assets				
Cash and cash equivalents (Note 1)	21,785	31,774	17,863	31,671
Other receivables	465	460	789	311
Derivative asset (Note 2)	6	-	6	-
Loan receivable (Note 3)	29,150	27,965	29,150	27,965
	51,406	60,199	47,808	59,947
Non-current assets				
Investments				
- At fair value through profit or loss (Note 4)	45,457	39,037	45,457	39,037
- Available-for-sale (Note 5)	20,207	21,776	20,207	21,776
- Subsidiary	-	-	5,000	1,000
	65,664	60,813	70,664	61,813
Property, plant and equipment	85	79	-	-
	65,749	60,892	70,664	61,813
Total assets	117,155	121,091	118,472	121,760
Liabilities				
Current liabilities				
Other payables (Note 6)	16,999	17,683	16,890	17,322
Derivative liability (Note 2)	-	373	-	373
	16,999	18,056	16,890	17,695
Non-current liabilities				
Convertible bonds (Note 7)	3,972	3,915	3,972	3,915
	3,972	3,915	3,972	3,915
Total liabilities	20,971	21,971	20,862	21,610
Net assets	96,184	99,120	97,610	100,150
Equity attributable to owners of the Company				
Share capital	56,650	56,650	56,650	56,650
Retained earnings	34,574	33,794	36,000	34,824
Capital reserve	556	556	556	556
Fair value reserve (Note 8)	4,404	8,120	4,404	8,120
Total equity	96,184	99,120	97,610	100,150

Notes:

- (1) Cash and cash equivalents decreased by S\$9.98 million from S\$31.77 million as at 31 December 2014 to S\$21.79 million as at 30 June 2015 mainly due to net increase in investments of S\$7.07 million, settlement of derivatives of S\$0.57 million and payment for operating expenses of S\$1.73 million and other payables of S\$0.82 million.
- (2) Derivative asset of S\$0.01 million as at 30 June 2015 pertain to fair value gains on forward currency contracts to hedge against foreign currency exposure on foreign currency investments. Derivative liability of S\$0.37 million as at 31 December 2014 has been fully settled in 2Q2015.
- (3) Loan receivable increased by S\$1.18 million from S\$27.97 million as at 31 December 2014 to S\$29.15 million as at 30 June 2015 due to accrual of interest receivable for the half year ended 30 June 2015.
- (4) Investments at fair value through profit or loss pertain to investments in Little Rock and Killian Court, the Company's wholly owned subsidiaries. The increase of S\$6.42 million from S\$39.04 million as at 31 December 2014 to S\$45.46 million as at 30 June 2015 was mainly due to net increase in investments of S\$4.92 million and net favourable change in fair value of portfolio investments of S\$1.5 million.
- (5) Decrease in available-for-sale investments of S\$1.57 million from S\$21.78 million as at 31 December 2014 to S\$20.21 million as at 30 June 2015 was mainly due to fair value loss of S\$3.75 million in Fortune Code which was partially offset by follow-on investment of S\$2.15 million.
- (6) Other payables of S\$17 million as at 30 June 2015 comprise mainly provision of S\$16.15 million for tax and expenses relating to the divestments of certain portfolio companies.
- (7) Convertible bonds of S\$3.97 million represent the Bonds Series B and C issued to Cosmic Ventures Limited on 20 May 2014 and will mature in May 2017. The bonds were measured at amortised cost using the effective interest method.
- (8) Fair value reserve decreased by S\$3.72 million from S\$8.12 million as at 31 December 2014 to S\$4.4 million as at 30 June 2015 mainly due to fair value loss of S\$3.75 million in Fortune Code (see Note 5 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 30/06/2015	As at 30/06/2015	As at 31/12/2014	As at 31/12/2014
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
-	-	-	-

Amount payable after one year

As at 30/06/2015	As at 30/06/2015	As at 31/12/2014	As at 31/12/2014
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
-	3,972 *	-	3,915

* The unsecured debt of S\$3.97 million (31 December 2014: S\$3.92 million) relates to the Series B and Series C of the Basic Subscription Tranche of zero coupon Convertible Bonds.

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 second quarter ended 30 June 2015**

	Group			
	3 mths to 30 Jun 2015 S\$'000	3 mths to 30 Jun 2014 S\$'000	6 mths to 30 Jun 2015 S\$'000	6 mths to 30 Jun 2014 S\$'000
Cash flows from operating activities				
Profit/(loss) for the year	3	(1,075)	780	(620)
Adjustments for:				
Tax credit	-	(93)	-	(93)
Interest income from deposits	(35)	(24)	(62)	(56)
Interest income from unquoted equity investments	(602)	(554)	(1,185)	(1,090)
Dividends/distributions from subsidiary	-	-	-	(179)
Depreciation on property, plant and equipment	10	5	20	5
Interest expense on financial liabilities measured at amortised cost	29	20	57	20
Net change in fair value of investments at fair value through profit or loss	(64)	608	(1,499)	345
Net change in fair value of derivative financial instruments	(171)	-	186	-
	(830)	(1,113)	(1,703)	(1,668)
Changes in operating assets and liabilities				
Investments	(7,025)	(6,034)	(7,068)	(5,443)
Other receivables	(24)	15,676	(4)	15,665
Other payables	(313)	(14,354)	(819)	(13,886)
Cash used in operations	(8,192)	(5,825)	(9,594)	(5,332)
Dividends/distributions from subsidiary	-	-	-	179
Settlement of derivatives	(565)	-	(565)	-
Net interest received	38	15	61	48
Net cash used in operating activities	(8,719)	(5,810)	(10,098)	(5,105)
Cash flows from investing activities				
Purchase of property, plant and equipment	-	(102)	-	(102)
Net cash used in investing activities	-	(102)	-	(102)
Cash flows from financing activities				
Proceeds from bonus warrants exercised	-	2,904	-	2,904
Proceeds from issue of convertible bonds	-	6,300	-	6,300
Bonus warrants issue expenses	-	(98)	-	(98)
Convertible bonds issue expenses	-	(4)	-	(4)
Dividends paid	-	(11,716)	-	(11,716)
Net cash used in financing activities	-	(2,614)	-	(2,614)
Net decrease in cash and cash equivalents	(8,719)	(8,526)	(10,098)	(7,821)
Cash and cash equivalents at beginning of the period	30,623	61,364	31,774	60,659
Effect of exchange rate fluctuations on cash held	(119)	-	109	-
Cash and cash equivalents at 30 June	21,785	52,838	21,785	52,838

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.

**Consolidated statements of changes in equity
For the second quarter ended 30 June 2015**

Group	For the 3 months ended 30 June					For the 6 months ended 30 June				
	Share capital S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000	Share capital S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000
2015										
At beginning of the financial period	56,650	556	11,724	34,571	103,501	56,650	556	8,120	33,794	99,120
Total comprehensive deficit for the financial period										
Profit for the financial period	-	-	-	3	3	-	-	-	780	780
<u>Other comprehensive deficit</u>										
Net change in fair value of available-for-sale investments	-	-	(7,320)	-	(7,320)	-	-	(3,716)	-	(3,716)
Tax on other comprehensive deficit	-	-	-	-	-	-	-	-	-	-
Total other comprehensive deficit, net of tax	-	-	(7,320)	-	(7,320)	-	-	(3,716)	-	(3,716)
Total comprehensive deficit for the financial period	-	-	(7,320)	3	(7,317)	-	-	(3,716)	780	(2,936)
Transactions with owners, recorded directly in equity										
<i>Distributions to owners of the Company</i>										
Dividends paid	-	-	-	-	-	-	-	-	-	-
At 30 June 2015	56,650	556	4,404	34,574	96,184	56,650	556	4,404	34,574	96,184

Group	For the 3 months ended 30 June					For the 6 months ended 30 June				
	Share capital S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000	Share capital S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000
2014										
At beginning of the financial period	47,496	306	17,886	44,782	110,470	47,496	306	23,456	44,327	115,585
Total comprehensive income/(deficit) for the financial period										
Loss for the financial period	-	-	-	(1,075)	(1,075)	-	-	-	(620)	(620)
<u>Other comprehensive income</u>										
Net change in fair value of available-for-sale investments	-	-	6,101	-	6,101	-	-	531	-	531
Tax on other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income, net of tax	-	-	6,101	-	6,101	-	-	531	-	531
Total comprehensive income/(deficit) for the financial period	-	-	6,101	(1,075)	5,026	-	-	531	(620)	(89)
Transactions with owners, recorded directly in equity										
Proceeds from warrants exercised	2,904	-	-	-	2,904	2,904	-	-	-	2,904
Bonus Warrants issue expenses	-	(98)	-	-	(98)	-	(98)	-	-	(98)
Issuance of Convertible Bonds	-	535	-	-	535	-	535	-	-	535
Convertible Bonds issue expenses	-	(4)	-	-	(4)	-	(4)	-	-	(4)
<i>Distributions to owners of the Company</i>										
Dividends paid	-	-	-	(11,716)	(11,716)	-	-	-	(11,716)	(11,716)
Total transactions with owners of the Company	2,904	433	-	(11,716)	(8,379)	2,904	433	-	(11,716)	(8,379)
At 30 June 2014	50,400	739	23,987	31,991	107,117	50,400	739	23,987	31,991	107,117

Company	For the 3 months ended 30 June					For the 6 months ended 30 June				
	Share capital S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000	Share capital S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000
2015										
At beginning of the financial period	56,650	556	11,724	35,811	104,741	56,650	556	8,120	34,824	100,150
Total comprehensive deficit for the financial period										
Profit for the financial period	-	-	-	189	189	-	-	-	1,176	1,176
<u>Other comprehensive deficit</u>										
Net change in fair value of available-for-sale investments	-	-	(7,320)	-	(7,320)	-	-	(3,716)	-	(3,716)
Tax on other comprehensive deficit	-	-	-	-	-	-	-	-	-	-
Total other comprehensive deficit, net of tax	-	-	(7,320)	-	(7,320)	-	-	(3,716)	-	(3,716)
Total comprehensive deficit for the financial period	-	-	(7,320)	189	(7,131)	-	-	(3,716)	1,176	(2,540)
Transactions with owners, recorded directly in equity										
<i>Distributions to owners of the Company</i>										
Dividends paid	-	-	-	-	-	-	-	-	-	-
At 30 June 2015	56,650	556	4,404	36,000	97,610	56,650	556	4,404	36,000	97,610

Company	For the 3 months ended 30 June					For the 6 months ended 30 June				
	Share capital S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000	Share capital S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000
2014										
At beginning of the financial period	47,496	306	17,886	44,791	110,479	47,496	306	23,456	44,327	115,585
Total comprehensive income for the financial period										
Loss for the financial period	-	-	-	(963)	(963)	-	-	-	(499)	(499)
<u>Other comprehensive income</u>										
Net change in fair value of available-for-sale investments	-	-	6,101	-	6,101	-	-	531	-	531
Tax on other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income, net of tax	-	-	6,101	-	6,101	-	-	531	-	531
Total comprehensive income for the financial period	-	-	6,101	(963)	5,138	-	-	531	(499)	32
Transactions with owners, recorded directly in equity										
Proceeds from warrants exercised	2,904	-	-	-	2,904	2,904	-	-	-	2,904
Bonus Warrants issue expenses	-	(98)	-	-	(98)	-	(98)	-	-	(98)
Issuance of Convertible Bonds	-	535	-	-	535	-	535	-	-	535
Convertible Bonds issue expenses	-	(4)	-	-	(4)	-	(4)	-	-	(4)
<i>Distributions to owners of the Company</i>										
Dividends paid	-	-	-	(11,716)	(11,716)	-	-	-	(11,716)	(11,716)
At 30 June 2014	50,400	739	23,987	32,112	107,238	50,400	739	23,987	32,112	107,238

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.

(a) Changes in the Company’s share capital

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

(b) Number of shares that may be issued on exercise of all the outstanding Bonus Warrants

On 19 May 2014 (“Bonus Warrants Issue Date”), a total of 702,942,318 Bonus Warrants were issued. Each Bonus Warrants entitles the holders to convert to one ordinary shares of the Company at two distinct exercise periods: (a) at S\$1.28 during the 6 month period commencing on the Bonus Warrants Issue Date (“First Exercise Period”); and (b) at S\$2.28 during the 12 month period commencing on the second anniversary of the Bonus Warrants Issue Date (“Second Exercise Period”). The First Exercise Period of the Bonus Warrants had expired on 19 November 2014. The Second Exercise Period will be from 19 May 2016 to 19 May 2017. Any Bonus Warrants remaining unexercised at the expiry of the Second Exercise Period shall lapse and cease to be valid for any purpose.

	Number of Bonus Warrants outstanding		
	Expired	Expiring	Total
	19 November 2014	19 May 2017	
At 1 January 2015	-	697,430,839	697,430,839
Warrants exercised	-	-	-
At 30 June 2015	-	697,430,839	697,430,839
At 19 May 2014	702,942,318	-	702,942,318
Warrants exercised	(2,269,343)	-	(2,269,343)
At 30 June 2014	700,672,975	-	700,672,975

(c) Number of shares that may be issued on conversion of all the outstanding Convertible Bonds

On 20 May 2014, a Basic Subscription Tranche of zero coupon Convertible Bonds were issued to Cosmic Ventures Limited at a principal value of S\$6.3 million. Determined by the volume weighted average price for trades done on the Singapore Exchange Securities Trading Limited for a period of thirty days (“VWAP”), the conversion price per share for the Convertible Bonds comprising Bonds Series A, Bonds Series B and Bonds Series C will be at 15% discount to the VWAP, VWAP and 15% premium over the VWAP, respectively. The Convertible Bonds will mature in 36 months after the date of issue of the bonds. Bonds Series A of principal value of S\$2.1 million at the conversion price of S\$1.129 per share were converted into 1,860,053 ordinary shares on 18 July 2014.

	Number of Convertible Bonds outstanding			
	Series A	Series B	Series C	Total
At 1 January 2015	-	1,580,968	1,374,795	2,955,763
Convertible bonds converted	-	-	-	-
At 30 June 2015	-	1,580,968	1,374,795	2,955,763
At 20 May 2014	1,860,053	1,580,968	1,374,795	4,815,816
Convertible bonds converted	-	-	-	-
At 30 June 2014	1,860,053	1,580,968	1,374,795	4,815,816

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.

	30 Jun 2015	31 Dec 2014
Total number of issued shares	<u>241,685,638</u>	<u>241,685,638</u>

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 Group had consistently applied the accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as compared with the audited financial statements for the year ended 31 December 2014.

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.

Not applicable.

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 second quarter ended 30 June 2015

	<u>Group</u>		<u>Group</u>	
	3 mths to	3 mths to	6 mths to	6 mths to
	30 Jun	30 Jun	30 Jun	30 Jun
	2015	2014	2015	2014
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	0.001 cts	(0.46) cts	0.32 cts	(0.26) cts
(b) On a fully diluted basis *	0.001 cts	(0.46) cts	0.32 cts	(0.26) cts

	Group		Group	
	3 mths to 30 Jun 2015	3 mths to 30 Jun 2014	6 mths to 30 Jun 2015	6 mths to 30 Jun 2014

Earnings per ordinary share has been computed on the following weighted average number of shares:

(a) Basic	241,685,638	235,070,554	241,685,638	234,692,330
(b) Diluted *	241,685,638	235,070,554	241,685,638	234,692,330

* Diluted earnings per share for the current quarter ended 30 June 2015 is the same as basic earnings per share as it has not included the outstanding Bonus Warrants and Convertible Bonds because (i) the Second Exercise Period of the Bonus Warrants will be from 19 May 2016 to 19 May 2017; and (ii) the Convertible Bonds is anti-dilutive as its stipulated automatic conversion price is higher than the average market price as at reporting date.

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	
	30 Jun 2015 S\$	31 Dec 2014 S\$	30 Jun 2015 S\$	31 Dec 2014 S\$
Net asset value per ordinary share based on issued share capital	0.40	0.41	0.40	0.41

Net asset value per ordinary share has been computed based on the number of shares in issue as at 30 June 2015 of 241,685,638 (31 December 2014: 241,685,638).

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 realisation and/or revaluation of its investments.

2Q 2015

For the three months ended 30 June 2015, the Group reported total comprehensive deficit of S\$7.32 million mainly due to:

- (i) Fair value loss on available-for-sale investments of S\$7.32 million mainly attributed to the decrease in fair value of Fortune Code.
 (ii) Operating expenses of S\$0.85 million including staff cost and other operating expenses arising from the internalisation of the investment management service.

The losses were offset partially by:

- (iii) Fair value gain in investments at fair value through profit or loss of S\$0.06 million (see details in Note 1 on page 2).
 (iv) Fair value gain in derivative financial instruments of S\$0.17 million.
 (v) Interest income of S\$0.6 million arising from the loan granted to a portfolio company.

Net Asset Value (“NAV”)

The Group’s NAV as at 30 June 2015 was S\$96.18 million (representing a NAV of S\$0.40 per share), a decrease of S\$2.94 million from the NAV of S\$99.12 million (S\$0.41 per share) as at 31 December 2014.

The decrease in the Group’s NAV of S\$2.94 million was mainly due to fair value loss on available-for-sale investments of S\$3.72 million which was partially offset by fair value gain in investments at fair value through profit or loss of S\$1.5 million.

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.

The International Monetary Fund downgraded its 2015 global economic outlook in June and highlighted the underlying fragility of the global economy. The gross domestic product (GDP) growth of major developed countries is expected to remain subdued in the near term. Uncertainty surrounding the Greek debt crisis is also likely to weigh down on the Eurozone’s economic recovery. China’s economy continues to face downward pressure as demand for exports contracts and the domestic demand remains sluggish.

In recent months, the Group has announced a strategic tie-up to tap risk management and asset recovery opportunities in Asia, as well as a number of investments in various deals in Southeast Asia.

Looking ahead, TIH will continue to identify investment opportunities with attractive rewards on a risk adjusted basis. The softening Chinese economy coupled with increasing pressure for corporates to deleverage could lead to opportunities for the Group to acquire portfolios and companies at attractive valuations.

The Group will also continue to tap on its strong network of well-regarded institutional investors and preeminent Asian corporations and explore strategic partnerships to source for investment opportunities in the region.

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? No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared for the second quarter ended 30 June 2015.

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 second quarter ended 30 June 2015:

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)
Argyle Street Management Limited group ("ASML group"), a deemed controlling shareholder of the Company.	(1) Strategic Support Services fee of S\$168,000.* (2) In 2Q2015, the Group and ASML group separately entered into a series of agreements to participate in various investments. The Group's portion of total investments amounting to S\$12,154,000 is in proportion to its equity holdings in the investments.	– –

* On 30 January 2015, the Company entered into a Strategic Support Services Agreement with ASM Administration Limited ("ASMAL") for a fixed fee of US\$500,000 per annum (US\$125,000 per quarter). Under the agreement, ASMAL will provide strategic support services including, amongst others, deal sourcing to the Company. The agreement was effective 1 July 2014. It is on an annual basis and subject to annual review and automatic renewal for successive consecutive one year periods unless terminated by either party in accordance with the agreement.

14. Please disclose the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use. Where the proceeds have been used for working capital purposes, a breakdown with specific details on how the proceeds have been applied must be disclosed.

No new proceeds have been raised in the second quarter ended 30 June 2015.

15. 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 second quarter ended 30 June 2015 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD
For and on behalf of TIH Limited

Allen Wang
CEO
TIH Investment Management Pte. Ltd.
6 August 2015