TIH LIMITED

(Registration Number: 199400941K)

Second Quarter Financial Statement and Dividend Announcement for the period ended 30 June 2018

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 2018

	Group					
	3 mths to 30 Jun 2018 S$'000	3 mths to 30 Jun 2017 S$'000	Increase / (Decrease) %	**6 mths to 30 Jun 2018 S$'000**	6 mths to 30 Jun 2017 S$'000	Increase / (Decrease) %
Dividends from subsidiary (Note 1)	**501**	1,373	(64)	**1,110**	1,373	(19)
Net change in fair value of investments at fair value through profit or loss (equity) (Note 2)	**(4,830)**	719	nm	**(5,594)**	1,377	nm
Net change in fair value of derivative financial instruments	**-**	-	-	**-**	31	(100)
Interest income from fair value through profit or loss (debt) (Note 3)	**206**	206	-	**415**	1,048	(60)
Net (loss)/gains from investments	**(4,123)**	2,298	nm	**(4,069)**	3,829	nm
Other operating income (Note 4)	**499**	449	11	**971**	510	90
Total investment (loss)/income	**(3,624)**	2,747	nm	**(3,098)**	4,339	nm
Finance income	**(17)**	12	nm	**26**	24	8
Finance costs	**(82)**	(51)	61	**(82)**	(168)	(51)
Net finance costs	**(99)**	(39)	154	**(56)**	(144)	(61)
Operating expenses	**(1,179)**	(1,023)	15	**(2,512)**	(1,979)	27
(Loss)/profit before tax	**(4,902)**	1,685	nm	**(5,666)**	2,216	nm
Income tax	**-**	-	-	**-**	-	-
(Loss)/profit for the financial period attributable to owners of the Company	**(4,902)**	1,685	nm	**(5,666)**	2,216	nm

nm: Not meaningful

Operating expenses include the following:

	Group					
	3 mths to 30 Jun 2018 S$'000	3 mths to 30 Jun 2017 S$'000	Increase / (Decrease) %	**6 mths to 30 Jun 2018 S$'000**	6 mths to 30 Jun 2017 S$'000	Increase / (Decrease) %
Depreciation on property, plant and equipment	**5**	8	(38)	**9**	18	(50)
Audit fees paid/payable to:						
- Auditor of the Company for statutory audit of the Company and the Group	**43**	42	2	**85**	84	1
Non-audit fees paid/payable to:						
- Auditor of the Company	**8**	9	(11)	**13**	32	(59)
Directors' remuneration	**118**	107	10	**225**	214	5
Staff costs	**438**	412	6	**851**	792	7
Consultancy and advisory fee (Note 5)	**248**	36	589	**493**	65	658
Legal and professional fees	**187**	217	(14)	**553**	406	36
Others	**132**	192	(31)	**283**	368	(23)
	1,179	1,023	15	**2,512**	1,979	27

Notes:

(1) The Company has two wholly owned subsidiaries, Little Rock Group Limited ("Little Rock") and Killian Court Pte Ltd ("Killian Court"), for the purpose of investment holding. These subsidiaries were measured at fair value through profit or loss (equity). The subsidiaries will distribute dividends to the Company as and when there is sufficient cash and retained earnings for distribution. Consequently, there will be a corresponding decrease in fair value of these subsidiaries upon distribution of the dividends to the Company. During the three months ended 30 June 2018 ("2Q2018"), Killian Court distributed total dividends of S$0.5 million to the Company and recorded a corresponding decline in fair value of S$0.5 million.

(2) Net change in investments at fair value through profit or loss (equity) ("FVTPL (equity)") includes fair value change in Fortune Code Limited ("Fortune Code") and investments held through subsidiaries. Fortune Code was previously recognised as available-for-sale investment ("AFS"). On 1 January 2018, the Group adopted SFRS(I) 9 *Financial Instruments* and reclassified Fortune Code from AFS to FVTPL (equity) (please refer to Section 5 on page 13 for more details). Consequently, changes in fair value of Fortune Code was recognised in profit or loss instead of fair value through other comprehensive income ("FVOCI"). The net loss in FVTPL (equity) of S$4.83 million for 2Q2018 was mainly attributed to the decrease in fair value of Fortune Code of S$8.54 million and distribution of dividends of S$0.5 million from Killian Court to the Company. The decrease was partially offset by the increase in fair value of other portfolio investments held through subsidiaries of S$4.21 million.

(3) Interest income from fair value through profit or loss (debt) of S$0.21 million for 2Q2018 relates to the accrual of interest on a loan granted to a portfolio company.

(4) Other operating income of S$0.5 million for 2Q2018 was mainly derived from consultancy services and advisory fee income.

(5) Consultancy and advisory fee expense of S$0.25 million for 2Q2018 includes fees sharing with a consultant firm in relation to a joint consultancy agreement.

1(a)(ii) Consolidated statement of comprehensive income
For the second quarter ended 30 June 2018

	Group					
	3 mths to 30 Jun 2018 S$'000	3 mths to 30 Jun 2017 S$'000	Increase / (Decrease) %	**6 mths to 30 Jun 2018 S$'000**	6 mths to 30 Jun 2017 S$'000	Increase / (Decrease) %
(Loss)/profit for the financial period	**(4,902)**	1,685	nm	**(5,666)**	2,216	nm
Other comprehensive (deficit)/income						
Items that are or may be reclassified subsequently to profit or loss:						
Net change in fair value of available-for-sale investments (Note 1)	-	(6,542)	(100)	-	7,312	(100)
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	-	(6,542)	(100)	-	7,312	(100)
Total comprehensive (deficit)/income for the financial period attributable to owners of the Company	**(4,902)**	(4,857)	1	**(5,666)**	9,528	nm

nm: Not meaningful

Note:

(1) As explained in Note 2 on page 2, the Group has reclassified Fortune Code from AFS to FVTPL (equity) upon adoption of SFRS(I) 9 on 1 January 2018. Consequently, changes in fair value of Fortune Code was recognised in profit or loss instead of other comprehensive income.

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 2018

	Group		Company	
	30 Jun 2018	31 Dec 2017	**30 Jun 2018**	31 Dec 2017
	S$'000	S$'000	**S$'000**	S$'000
Assets				
Current assets				
Cash and cash equivalents (Note 1)	**7,066**	8,920	**3,252**	4,919
Other receivables	**2,516**	2,127	**1,752**	1,677
Loan receivable (Note 2)	**-**	38,785	**-**	38,785
At fair value through profit or loss (debt) (Note 2)	**38,001**	-	**38,001**	-
	47,583	49,832	**43,005**	45,381
Non-current assets				
Investments				
- At fair value through profit or loss (equity) (Note 3)	**92,891**	74,828	**92,891**	74,828
- Available-for-sale (Note 3)	**-**	21,728	**-**	21,728
- Subsidiary	**-**	-	**7,000**	7,000
	92,891	96,556	**99,891**	103,556
Property, plant and equipment	**24**	20	**-**	-
	92,915	96,576	**99,891**	103,556
Total assets	**140,498**	146,408	**142,896**	148,937
Liabilities				
Current liabilities				
Other payables (Note 4)	**19,532**	19,776	**18,908**	18,885
Total liabilities	**19,532**	19,776	**18,908**	18,885
Net assets	**120,966**	126,632	**123,988**	130,052
Equity attributable to owners of the Company				
Share capital	**56,650**	56,650	**56,650**	56,650
Retained earnings	**63,760**	58,419	**66,782**	61,839
Capital reserve	**556**	556	**556**	556
Fair value reserve (Note 5)	**-**	11,007	**-**	11,007
Total equity	**120,966**	126,632	**123,988**	130,052

Notes:

(1) Cash and cash equivalents decreased by S$1.85 million from S$8.92 million as at 31 December 2017 to S$7.07 million as at 30 June 2018. The decrease was mainly due to operating expenses of S$2.51 million and total investments of S$2.08 million. This was partially offset by partial repayment of loan receivable of S$1.2 million, dividend income from Killian Court of S$1.11 million, consultancy services fee income of S$0.82 million and loan repayment from Killian Court of S$0.15 million arising from proceeds received from the underlying portfolio investments.

(2) On 1 January 2018, upon the adoption of SFRS(I) 9, loan receivable of S$38.79 million was reclassified and designated as fair value through profit and loss (debt) ("FVTPL (debt)"). After accounting for the reclassification, FVTPL (debt) as at 30 June 2018 decreased by S$0.78 million mainly due to partial loan repayment of S$1.2 million which was offset partly by the accrual of interest receivable of S$0.42 million.

(3) Investments at FVTPL (equity) increased by S$18.06 million from S$74.83 million as at 31 December 2017 to S$92.89 million as at 30 June 2018 mainly due to the reclassification of Fortune Code of S$21.73 million as at 31 December 2017 from AFS to FVTPL (equity) following the adoption of SFRS(I) 9 on 1 January 2018. After accounting for the reclassification, FVTPL (equity) as at 30 June 2018 decreased by S$3.67 million mainly attributed to the decrease in fair value of Fortune Code of S$10.71 million, dividends of S$1.11 million and loan repayments of S$0.15 million from Killian Court to the Company. The decrease was partially offset by the increase in fair value of the underlying portfolio investments of S$6.22 million and total investments of S$2.08 million.

(4) Other payables of S$19.53 million as at 30 June 2018 comprise mainly provision for tax and expenses relating to the divestments of a portfolio company.

(5) Following the adoption of SFRS(I) 9 on 1 January 2018, the opening balance in fair value reserve of S$11.01 million has been reclassified to retained earnings.

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

Amount payable in one year or less, or on demand

As at 30/06/2018	**As at 30/06/2018**	As at 31/12/2017	As at 31/12/2017
Secured (S$'000)	**Unsecured (S$'000)**	Secured (S$'000)	Unsecured (S$'000)
-	-	-	-

Amount payable after one year

As at 30/06/2018	**As at 30/06/2018**	As at 31/12/2017	As at 31/12/2017
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 second quarter ended 30 June 2018

	Group			
	3 mths to 30 Jun 2018 S$'000	3 mths to 30 Jun 2017 S$'000	**6 mths to 30 Jun 2018 S$'000**	6 mths to 30 Jun 2017 S$'000
Cash flows from operating activities				
(Loss)/profit for the financial period	**(4,902)**	1,685	**(5,666)**	2,216
Adjustments for:				
Interest income from deposits	**(14)**	(13)	**(26)**	(24)
Interest income from fair value through profit or loss (debt)	**(206)**	(206)	**(415)**	(1,048)
Dividends from subsidiary	**(501)**	(1,373)	**(1,110)**	(1,373)
Depreciation on property, plant and equipment	**5**	8	**9**	18
Interest expense on financial liabilities measured at amortised cost	**-**	17	**-**	47
Net change in fair value of investments at fair value through profit or loss (equity)	**4,830**	(719)	**5,594**	(1,377)
Net change in fair value of derivative financial instruments	**-**	-	**-**	(31)
Unrealised exchange loss/(gain)	**185**	(212)	**102**	(209)
	(603)	(813)	**(1,512)**	(1,781)
Changes in operating assets and liabilities				
Investments at fair value through profit or loss (equity)	**(1,929)**	(3,605)	**(1,929)**	(3,296)
At fair value through profit or loss (debt)	**-**	-	**1,199**	(4,626)
Other receivables	**(461)**	(1,479)	**(389)**	(2,359)
Other payables	**(145)**	1,504	**(375)**	1,080
Cash used in operations	**(3,138)**	(4,393)	**(3,006)**	(10,982)
Dividends from subsidiary	**501**	1,373	**1,110**	1,373
Net interest received	**12**	15	**26**	23
Settlement of derivatives	**-**	-	**-**	29
Income tax paid	**-**	-	**-**	-
Net cash used in operating activities	**(2,625)**	(3,005)	**(1,870)**	(9,557)
Cash flows from investing activities				
Purchase of property, plant and equipment	**(13)**	(7)	**(13)**	(9)
Net cash used in investing activities	**(13)**	(7)	**(13)**	(9)
Cash flows from financing activities				
Redemption of convertible bonds	**-**	(4,200)	**-**	(4,200)
Dividends paid	**-**	(2,417)	**-**	(2,417)
Net cash used in financing activities	**-**	(6,617)	**-**	(6,617)
Net decrease in cash and cash equivalents	**(2,638)**	(9,629)	**(1,883)**	(16,183)
Cash and cash equivalents at beginning of the period	**9,659**	16,339	**8,920**	23,086
Effect of exchange rate fluctuations on cash held	**45**	135	**29**	(58)
Cash and cash equivalents at 30 June	**7,066**	6,845	**7,066**	6,845

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 2018

	For the 3 months ended 30 June					For the 6 months ended 30 June				
Group	**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**
2018										
At beginning of the financial period	**56,650**	**556**	**-**	**68,662**	**125,868**	**56,650**	**556**	**11,007**	**58,419**	**126,632**
Impact of change in accounting policy [1]	-	-	-	-	-	-	-	(11,007)	11,007	-
At beginning of the financial period, restated	**56,650**	**556**	**-**	**68,662**	**125,868**	**56,650**	**556**	**-**	**69,426**	**126,632**
Total comprehensive deficit for the financial period										
Loss for the financial period	-	-	-	**(4,902)**	**(4,902)**	-	-	-	**(5,666)**	**(5,666)**
Other comprehensive income										
Net change in fair value of available-for-sale investments	-	-	-	-	-	-	-	-	-	-
Tax on other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income, net of tax	-	-	-	-	-	-	-	-	-	-
Total comprehensive deficit for the financial period	**-**	**-**	**-**	**(4,902)**	**(4,902)**	**-**	**-**	**-**	**(5,666)**	**(5,666)**
Transactions with owners, recorded directly in equity										
Distributions to owners of the Company										
Dividends paid	-	-	-	-	-	-	-	-	-	-
At 30 June 2018	**56,650**	**556**	**-**	**63,760**	**120,966**	**56,650**	**556**	**-**	**63,760**	**120,966**

[1] The impact on adoption of SFRS(I) 9 resulted in the transfer of fair value reserve to retained earnings.

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
2017										
At beginning of the financial period	56,650	556	20,901	56,769	134,876	56,650	556	7,047	56,238	120,491
Total comprehensive (deficit)/income for the financial period										
Profit for the financial period	-	-	-	1,685	1,685	-	-	-	2,216	2,216
Other comprehensive (deficit)/income										
Net change in fair value of available-for-sale investments	-	-	(6,542)	-	(6,542)	-	-	7,312	-	7,312
Tax on other comprehensive (deficit)/income	-	-	-	-	-	-	-	-	-	-
Total other comprehensive (deficit)/income, net of tax	-	-	(6,542)	-	(6,542)	-	-	7,312	-	7,312
Total comprehensive (deficit)/income for the financial period	-	-	(6,542)	1,685	(4,857)	-	-	7,312	2,216	9,528
Transactions with owners, recorded directly in equity										
Distributions to owners of the Company										
Dividends paid	-	-	-	(2,417)	(2,417)	-	-	-	(2,417)	(2,417)
At 30 June 2017	56,650	556	14,359	56,037	127,602	56,650	556	14,359	56,037	127,602

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
2018										
At beginning of the financial period	**56,650**	**556**	**-**	**71,919**	**129,125**	**56,650**	**556**	**11,007**	**61,839**	**130,052**
Impact of change in accounting policy[1]	-	-	-	-	-	-	-	(11,007)	11,007	-
At beginning of the financial period, restated	**56,650**	**556**	**-**	**71,919**	**129,125**	**56,650**	**556**	**-**	**72,846**	**130,052**
Total comprehensive deficit for the financial period										
Loss for the financial period	-	-	-	**(5,137)**	**(5,137)**	-	-	-	**(6,064)**	**(6,064)**
Other comprehensive income										
Net change in fair value of available-for-sale investments	-	-	-	-	-	-	-	-	-	-
Tax on other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income, net of tax	-	-	-	-	-	-	-	-	-	-
Total comprehensive deficit for the financial period	-	-	-	**(5,137)**	**(5,137)**	-	-	-	**(6,064)**	**(6,064)**
Transactions with owners, recorded directly in equity										
Distributions to owners of the Company										
Dividends paid	-	-	-	-	-	-	-	-	-	-
At 30 June 2018	**56,650**	**556**	**-**	**66,782**	**123,988**	**56,650**	**556**	**-**	**66,782**	**123,988**

[1] The impact on adoption of SFRS(I) 9 resulted in the transfer of fair value reserve to retained earnings.

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
2017										
At beginning of the financial period	56,650	556	20,901	59,834	137,941	56,650	556	7,047	59,098	123,351
Total comprehensive (deficit)/income for the financial period										
Profit for the financial period	-	-	-	1,549	1,549	-	-	-	2,285	2,285
Other comprehensive (deficit)/income										
Net change in fair value of available-for-sale investments	-	-	(6,542)	-	(6,542)	-	-	7,312	-	7,312
Tax on other comprehensive (deficit)/income	-	-	-	-	-	-	-	-	-	-
Total other comprehensive (deficit)/income, net of tax	-	-	(6,542)	-	(6,542)	-	-	7,312	-	7,312
Total comprehensive (deficit)/income for the financial period	-	-	(6,542)	1,549	(4,993)	-	-	7,312	2,285	9,597
Transactions with owners, recorded directly in equity										
Distributions to owners of the Company										
Dividends paid	-	-	-	(2,417)	(2,417)	-	-	-	(2,417)	(2,417)
At 30 June 2017	56,650	556	14,359	58,966	130,531	56,650	556	14,359	58,966	130,531

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.

	30 Jun 2018	31 Dec 2017
Total number of issued shares	**241,685,638**	241,685,638

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 2017 except for the adoption of the Singapore Financial Reporting Standards (International) (SFRS(I)) that are relevant to the Group and mandatory for financial period commencing 1 January 2018.

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 SFRS(I) does not have a significant impact on the Group's financial statements, except for SFRS(I) 9 *Financial Instruments*. SFRS(I) 9 contains new requirements for classification and measurement of financial instruments, a new expected credit loss model for calculating impairment of financial assets, and new general hedge accounting requirements.

Effect on changes of accounting policies

The Group has applied the exemption in SFRS(I) 9 which allowed it not to restate comparative information in the 2018 SFRS(I) financial statements. Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of SFRS(I) 9 are recognised as an adjustment to the opening balance of retained earnings and reserves as at 1 January 2018.

Investments

For financial assets previously classified as available-for-sale, the Group has reclassified these assets as investments at fair value through profit or loss (equity) under SFRS(I) 9. For financial assets previously classified as fair value through profit or loss, the Group continues to measure these assets at fair value through profit or loss (equity) under SFRS(I) 9.

As at 1 January 2018, there is no change in fair values of these assets arising from reclassification as they continue to be measured at fair value. However, there is a decrease in available-for-sale financial assets and a corresponding increase in investments at fair value through profit or loss (equity) of S$21.73 million arising from the reclassification. Simultaneously, the fair value reserve of S$11.01 million has been reclassified to retained earnings.

Loan receivable

As at 1 January 2018, the Group reclassified the loan receivable of S$38.79 million as designated at fair value through profit or loss (debt) under SFRS(I) 9.

Impairment

SFRS(I) 9 replaces the 'incurred loss' model with a forward-looking expected credit loss (ECL) model. The new impairment model is applicable to financial assets measured at amortised cost or fair value through other comprehensive income, except for investments in equity instruments.

As a significant proportion of the Group's financial assets are measured at fair value through profit or loss, the Group does not expect the impact of impairment on its remaining financial assets that are measured at amortised cost to be significant.

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 2018

	Group		**Group**	
	3 mths to 30 Jun 2018	3 mths to 30 Jun 2017	**6 mths to 30 Jun 2018**	6 mths to 30 Jun 2017
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	**(2.03) cts**	0.70 cts	**(2.34) cts**	0.92 cts
(b) On a fully diluted basis	**(2.03) cts**	0.70 cts	**(2.34) cts**	0.92 cts

	Group		Group	
	3 mths to 30 Jun 2018	3 mths to 30 Jun 2017	**6 mths to 30 Jun 2018**	6 mths to 30 Jun 2017
Earnings per ordinary share has been computed on the following weighted average number of shares:				
(a) Basic	**241,685,638**	241,685,638	**241,685,638**	241,685,638
(b) Diluted	**241,685,638**	241,685,638	**241,685,638**	241,685,638

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 2018 S$	31 Dec 2017 S$	**30 Jun 2018 S$**	31 Dec 2017 S$
Net asset value per ordinary share based on issued share capital	**0.50**	0.52	**0.51**	0.54

Net asset value per ordinary share has been computed based on the number of shares in issue as at 30 June 2018 of 241,685,638 (31 December 2017: 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.

2Q2018

For the three months ended 30 June 2018, the Group reported losses and total comprehensive deficit attributable to shareholders of S$4.9 million mainly attributed to:

(i) Fair value losses on investments at fair value through profit or loss (equity) (after adjusting for dividends from subsidiary of S$0.5 million) of S$4.33 million (see explanatory Note 2 on page 2).
(ii) Operating expenses of S$1.18 million.

The losses were offset partially by:

(iii) Other operating income of S$0.5 million.
(iv) Interest income of S$0.21 million arising from the loan granted to a portfolio company.

Net Asset Value ("NAV")

The Group's NAV as at 30 June 2018 was S$120.97 million (representing a NAV of S$0.50 per share), a decrease of S$5.66 million from the NAV of S$126.63 million (S$0.52 per share) as at 31 December 2017.

The decrease in the Group's NAV of S$5.66 million was largely due to cumulative fair value losses on investments at fair value through profit or loss (equity) (after adjusting for dividends from subsidiary) of S$4.48 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.

In the July 2018 World Economic Outlook report published by International Monetary Fund ("IMF"), global economic growth is projected to reach 3.9% in 2018 and 2019 - unchanged from IMF's April forecasts. However, IMF warned of a plateauing and less synchronized global expansion, as the global economy face greater risks given escalating trade tensions and geopolitical concerns.

Asia's private equity market heralds a new era, propelled by investors' rising confidence in the region as the macroeconomic climate improved, mounting pressures to deploy record levels of dry powder, and company owners' increased overall acceptance of private equity funding.

With intensified competition in the investment environment and elevated asset valuations, TIH will continue to leverage its strategic shareholders – Argyle Street Management Limited and Lippo China Resources, as well as its industry network in the Greater China and Southeast Asian region to actively seek out attractive opportunities, with a focus on long-term strategic investments in quality companies, special situations, corporate deleveraging and venture capital investments at attractive valuations.

Backed by its in-house investment management capabilities, TIH's wholly owned subsidiary, TIH Investment Management Pte. Ltd. which holds a Capital Markets Services License in Singapore, will continue to source for third-party assets to manage or deploy to expand the Group's recurring income base.

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/recommended, a statement to that effect.

No dividend has been declared for the quarter ended 30 June 2018.

13. Interested person transactions.

The Group does not have a shareholders' mandate for interested person transactions.

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.

Not applicable.

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 2018 to be false or misleading in any material aspect.

16. Confirmation pursuant to Rule 720(1) of the Listing Manual.

The Board of Directors hereby confirms that it has procured the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

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

Allen Wang
CEO
TIH Investment Management Pte. Ltd.
7 August 2018