

TIH LIMITED
(Formerly known as Transpac Industrial Holdings Limited)
(Registration Number: 199400941K)

***Third Quarter Financial Statement and Dividend Announcement
for the period ended 30 September 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 third quarter ended 30 September 2014**

	Group					
	3 mths to 30 Sep 2014 S\$'000	3 mths to 30 Sep 2013 S\$'000 (Restated)	Increase / (Decrease) %	9 mths to 30 Sep 2014 S\$'000	9 mths to 30 Sep 2013 S\$'000 (Restated)	Increase / (Decrease) %
Dividends/distributions from subsidiary	-	-	-	179	2,946	(94)
Dividends from quoted equity investments	-	3	(100)	-	3	(100)
Net gains on disposal of investments	-	3	(100)	-	48,717	(100)
Net change in fair value of financial instruments (Note 1)	697	(13)	nm	352	8,750	(96)
Net gains/(loss) from investments	697	(7)	nm	531	60,416	(99)
Interest income (Note 2)	604	551	10	1,750	1,692	3
Other operating income	18	-	nm	18	-	nm
Total investment income	1,319	544	142	2,299	62,108	(96)
Finance costs (Note 3)	(31)	-	nm	(51)	-	nm
Operating expenses	(825)	(687)	20	(2,498)	(13,914)	(82)
Profit/(loss) before tax	463	(143)	nm	(250)	48,194	nm
Tax expense	(27)	(1)	2,600	66	(4,769)	nm
Profit/(loss) for the financial period attributable to owners of the Company	436	(144)	nm	(184)	43,425	nm

nm: Not meaningful

Operating expenses include the following:

	Group					
	3 mths to 30 Sep 2014 S\$'000	3 mths to 30 Sep 2013 S\$'000 (Restated)	Increase / (Decrease) %	9 mths to 30 Sep 2014 S\$'000	9 mths to 30 Sep 2013 S\$'000 (Restated)	Increase / (Decrease) %
Investment management fees	-	380	(100)	590	951	(38)
Performance incentive fees	-	149	(100)	-	12,880	(100)
Performance incentive refund	-	-	-	-	(510)	(100)
Audit fees paid/payable to:						
- Auditors of the Company for statutory audit of the Company and the Group	47	32	47	116	96	21
Non-audit fees paid/payable to:						
- Auditors of the Company	13	3	333	52	24	117
Directors' remuneration	176	82	115	372	243	53
Currency exchange loss/(gain) - net	3	(16)	nm	5	(15)	nm
Others (Note 4)	586	57	928	1,363	245	456
Total operating expenses	825	687	20	2,498	13,914	(82)

nm: Not meaningful

Notes:

- (1) The net favourable change in fair value of financial instruments of S\$0.7 million for the three months ended 30 September 2014 (3Q2014) was mainly attributed to (i) gain of S\$0.58 million from the divestment of shares in Comtec Solar Systems Group Limited (“Comtec”); and (ii) increase of S\$0.12 million in the fair value of Batavia Enterprise Limited (“Batavia”). These investments are held indirectly through Killian Court Pte Ltd (“Killian Court”), which is a wholly owned subsidiary of the Company for the purpose of investment holding. Due to the change in the Group’s accounting policies pursuant to the amended FRS 110 *Consolidated Financial Statements – Investment Entities* effective 1 January 2014 (as explained in Section 4 and 5 on pages 13 and 14), Killian Court and Little Rock Group Limited (“Little Rock”) (another wholly owned subsidiary of the Company) are measured as investment in subsidiary at fair value through profit or loss. Any changes in the fair value of these subsidiaries are taken to the income statement.
- (2) Interest income of S\$0.60 million for 3Q2014 included accrual of interest of S\$0.57 million on a loan granted to a portfolio company.
- (3) Finance costs of S\$0.03 million for 3Q2014 pertain to the amortisation costs on the Basic Subscription Tranche of zero coupon Convertible Bonds issued to Cosmic Ventures Limited at principal value of S\$6.3 million (comprising Bonds Series A, B and C at equal value of S\$2.1 million each) on 20 May 2014. Bonds Series A have been converted to ordinary shares on 18 July 2014 at the conversion price of S\$1.129 per share. Bonds Series B and C will mature in 36 months after the date of issue of the bonds (See Note 9 on page 5).
- (4) Other operating expenses of S\$0.59 million for 3Q2014 included office and staff expenses of S\$0.42 million arising from the internalisation of the fund management service with effect from 29 May 2014.

1(a)(ii) Consolidated Statement of Comprehensive Income
For the third quarter ended 30 September 2014

	Group					
	3 mths to	3 mths to		9 mths to	9 mths to	
	30 Sep	30 Sep	Increase /	30 Sep	30 Sep	Increase /
	2014	2013	(Decrease)	2014	2013	(Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
		(Restated)			(Restated)	
Profit/(loss) for the financial period	436	(144)	nm	(184)	43,425	nm
Other comprehensive (deficit)/income:						
<u>Items that may be reclassified subsequently to profit or loss</u>						
Fair value (losses)/gains on available-for-sale investments (Note 1)	(11,378)	731	nm	(10,847)	8,023	nm
Tax expense	-	-	-	-	-	-
Other comprehensive (deficit)/income for the financial period, net of tax	(11,378)	731	nm	(10,847)	8,023	nm
Total comprehensive (deficit)/income for the financial period attributable to owners of the Company	(10,942)	587	nm	(11,031)	51,448	nm

nm: Not meaningful

Note:

- (1) The fair value loss on available-for-sale investments of S\$11.38 million for 3Q2014 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 September 2014

	Group		Company	
	30 Sep 2014	31 Dec 2013	30 Sep 2014	31 Dec 2013
	S\$'000	S\$'000	S\$'000	S\$'000
		(Restated)		(Restated)
Assets				
Current assets				
Cash and cash equivalents (Note 1)	36,002	60,659	35,506	60,659
Other receivables (Note 2)	434	16,041	290	16,041
Due from subsidiaries	35	-	98	-
	36,471	76,700	35,894	76,700
Non-current assets				
Investments				
- At fair value through profit or loss (Note 3)	29,798	6,717	29,798	6,717
- Available-for-sale (Note 4)	26,265	37,112	26,265	37,112
- Subsidiary	-	-	1,000	-
	56,063	43,829	57,063	43,829
Loan receivable (Note 5)	27,381	25,720	27,381	25,720
Deferred tax assets	66	-	-	-
Property, plant and equipment	88	-	-	-
	83,598	69,549	84,444	69,549
Total assets	120,069	146,249	120,338	146,249
Liabilities				
Current liabilities				
Other payables (Note 6)	16,595	30,177	16,519	30,177
Derivative liability (Note 7)	36	-	36	-
Provisions (Note 8)	-	487	-	487
	16,631	30,664	16,555	30,664
Non-current liability				
Convertible bonds (Note 9)	3,885	-	3,885	-
	3,885	-	3,885	-
Total liabilities	20,516	30,664	20,440	30,664
Net assets	99,553	115,585	99,898	115,585
Equity attributable to owners of the Company				
Share capital (Note 10)	53,961	47,496	53,961	47,496
Retained earnings	32,427	44,327	32,772	44,327
Capital reserve	556	306	556	306
Fair value reserve for available-for-sale investments (Note 11)	12,609	23,456	12,609	23,456
Total equity	99,553	115,585	99,898	115,585

Notes:

- (1) Cash and cash equivalents decreased by S\$24.66 million from S\$60.66 million as at 31 December 2013 to S\$36 million as at 30 September 2014. The decrease was largely due to payment of interim dividend for FY2013 of S\$11.72 million on 22 May 2014, payment of Termination Consideration of S\$13.75 million due to the former Manager and total new investments of S\$23.28 million. The decrease was partially offset by proceeds from the issuance of Convertible Bonds of S\$6.3 million and the exercise of Bonus Warrants amounting to S\$4.36 million. In addition, the Group also received the sum of S\$15.8 million from the former Manager which was previously retained for tax and expenses relating to certain divestments (see Notes 2 and 6 below).
- (2) Other receivables decreased by S\$15.61 million from S\$16.04 million as at 31 December 2013 to S\$0.43 million as at 30 September 2014. This was mainly due to the receipt of S\$15.8 million previously retained by the former Manager for tax and expenses relating to certain divestments as explained in Note 1 above.
- (3) Investments at fair value through profit or loss pertain to investments in Little Rock and Killian Court, the company's wholly owned subsidiaries (See Note 1 on page 2). The increase of S\$23.08 million from S\$6.72 million as at 31 December 2013 to S\$29.8 million as at 30 September 2014 was mainly due to new investments of S\$23.28 million and net favourable change in fair value of portfolio investments of S\$0.39 million held through the subsidiaries. This was partially offset by 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.
- (4) Decrease in available-for-sale investments of S\$10.85 million from S\$37.11 million as at 31 December 2013 to S\$26.26 million as at 30 September 2014 was due to fair value loss of S\$9.49 million and S\$1.36 million in Fortune Code and ACE International (BVI) Limited ("ACE") respectively.
- (5) Loan receivable increased by S\$1.66 million from S\$25.72 million as at 31 December 2013 to S\$27.38 million as at 30 September 2014 due to accrual of interest receivable for the period ended 30 September 2014.
- (6) Other payables decreased by S\$13.58 million from S\$30.18 million as at 31 December 2013 to S\$16.6 million as at 30 September 2014 mainly due to payment of S\$13.75 million for Termination Consideration to the former Manager upon completion of the Internalisation Exercise on 29 May 2014. Included in other payables is a provision of S\$15.87 million for tax and expenses relating to the divestments of certain portfolio companies.
- (7) Derivative liability of S\$0.04 million pertains to the fair value loss on a forward currency contract to hedge against currency fluctuation on a foreign currency investment.
- (8) Provisions of S\$0.49 million as at 31 December 2013 was relating to legal claim on interest on a deposit amounting to S\$0.27 million received from the sale of a Malaysian investment. The legal claim was fully settled on 12 August 2014.
- (9) Convertible bonds of S\$3.89 million represent the Bonds Series B and C issued to Cosmic Ventures Limited on 20 May 2014. The bonds were measured at amortised cost using the effective interest method (See Note 3 on page 2).
- (10) Share capital increased by S\$6.46 million from S\$47.5 million as at 31 December 2013 to S\$53.96 million as at 30 September 2014. The increase was due to the issuance of 3,410,796 new shares from the exercise of Bonus Warrants amounting to S\$4.36 million and conversion of Convertible Bonds Series A to 1,860,053 ordinary shares at S\$1.129 each at principal value of S\$2.1 million.
- (11) Fair value reserve for available-for-sale investments decreased by S\$10.85 million from S\$23.46 million as at 31 December 2013 to S\$12.61 million as at 30 September 2014 due to fair value loss of S\$9.49 million and S\$1.36 million in Fortune Code and ACE respectively (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 30/09/2014	As at 30/09/2014	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 30/09/2014	As at 30/09/2014	As at 31/12/2013	As at 31/12/2013
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
-	3,885	-	-

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 third quarter ended 30 September 2014**

	Group			
	3 mths to 30 Sep 2014 S\$'000	3 mths to 30 Sep 2013 S\$'000 (Restated)	9 mths to 30 Sep 2014 S\$'000	9 mths to 30 Sep 2013 S\$'000 (Restated)
Cash flows from operating activities				
Profit/(loss) for the financial period	436	(144)	(184)	43,425
Adjustments for:				
Tax expense/(credit)	27	1	(66)	4,769
Interest income	(604)	(551)	(1,750)	(1,692)
Amortisation on convertible bonds	31	-	51	-
Depreciation expense	9	-	14	-
Performance incentive fees	-	149	-	12,880
Performance incentive fee refund	-	-	-	(510)
Net change in fair value of financial instruments	(697)	13	(352)	(8,750)
	(798)	(532)	(2,287)	50,122
Changes in operating assets and liabilities				
Investments	(17,250)	11	(22,693)	11
Loan receivable	-	-	-	1,338
Other receivables	(59)	308	15,606	129
Other payables	(213)	510	(14,099)	358
Performance incentive fees paid	-	-	-	(4,925)
Performance incentive fees received	-	-	-	1,440
Cash (used in)/generated from operations	(18,320)	297	(23,473)	48,473
Net interest received	37	25	85	758
Tax paid	-	(1)	-	(4,769)
Net cash (used in)/generated from operating activities (Note 1)	(18,283)	321	(23,388)	44,462
Cash flows used in investing activities				
Purchase of property, plant and equipment	-	-	(102)	-
Net cash used in investing activities	-	-	(102)	-
Cash flows generated from/(used in) financing activities				
Proceeds from convertible bonds issuance	-	-	6,300	-
Proceeds from warrants exercised	1,461	-	4,365	-
Convertible bonds issue expenses	(2)	-	(6)	-
Bonus warrants issue expenses	(12)	-	(110)	-
Dividends paid	-	-	(11,716)	(22,494)
Net cash generated from/(used in) financing activities (Note 2)	1,447	-	(1,167)	(22,494)
Net (decrease)/increase in cash and cash equivalents	(16,836)	321	(24,657)	21,968
Cash and cash equivalents at beginning of financial period	52,838	56,406	60,659	34,759
Cash and cash equivalents at end of financial period	36,002	56,727	36,002	56,727

Notes:

- Cash from operating activities for the three months ended 30 September 2014 decreased by S\$18.28 million mainly due to new investments of S\$17.25 million, settlement of legal claim pertaining to an investment of S\$0.49 million (see Note 8 on page 5) and operating expenses of S\$0.59 million (see Note 4 on page 2).
- Cash from financing activities for the three months ended 30 September 2014 increased by S\$1.45 million mainly due to proceeds from Bonus Warrants exercised.

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 third quarter ended 30 September 2014**

	For the 3 months ended 30 September					For the 9 months ended 30 September				
	Share capital	Capital reserve	Fair value reserve	Retained earnings	Total	Share capital	Capital reserve	Fair value reserve	Retained earnings	Total
Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2014										
At beginning of financial period as previously reported	50,400	739	23,987	31,991	107,117	47,496	306	23,925	44,450	116,177
Effect of amendments to FRS110	-	-	-	-	-	-	-	(469)	(123)	(592)
At beginning of financial period as restated	50,400	739	23,987	31,991	107,117	47,496	306	23,456	44,327	115,585
Total comprehensive deficit for the financial period										
Profit/(loss) for the financial period	-	-	-	436	436	-	-	-	(184)	(184)
<u>Other comprehensive deficit</u>										
Fair value losses on available-for-sale investments	-	-	(11,378)	-	(11,378)	-	-	(10,847)	-	(10,847)
Tax expense	-	-	-	-	-	-	-	-	-	-
Total other comprehensive deficit, net of tax	-	-	(11,378)	-	(11,378)	-	-	(10,847)	-	(10,847)
Total comprehensive deficit for the financial period	-	-	(11,378)	436	(10,942)	-	-	(10,847)	(184)	(11,031)
Transactions with owners, recorded directly in equity										
Proceeds from warrants exercised	1,461	-	-	-	1,461	4,365	-	-	-	4,365
Bonus Warrants issue expenses	-	(12)	-	-	(12)	-	(110)	-	-	(110)
Issuance of Convertible Bonds	-	-	-	-	-	-	535	-	-	535
Convertible Bonds issue expenses	-	(2)	-	-	(2)	-	(6)	-	-	(6)
Conversion of Convertible Bonds Series A	2,100	(169)	-	-	1,931	2,100	(169)	-	-	1,931
<i>Distributions to owners of the Company</i>										
Dividends paid	-	-	-	-	-	-	-	-	(11,716)	(11,716)
Total transactions with owners of the Company	3,561	(183)	-	-	3,378	6,465	250	-	(11,716)	(5,001)
At end of financial period	53,961	556	12,609	32,427	99,553	53,961	556	12,609	32,427	99,553

Group	For the 3 months ended 30 September					For the 9 months ended 30 September				
	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
2013										
At beginning of financial period as previously reported	47,496	306	27,092	45,307	120,201	47,496	306	19,271	24,200	91,273
Effect of amendments to FRS110	-	-	(1,025)	434	(591)	-	-	(496)	466	(30)
At beginning of financial period as restated	47,496	306	26,067	45,741	119,610	47,496	306	18,775	24,666	91,243
Total comprehensive income for the financial period										
(Loss)/profit for the financial period	-	-	-	(144)	(144)	-	-	-	43,425	43,425
<u>Other comprehensive income</u>										
Fair value gains on available-for-sale investments	-	-	731	-	731	-	-	8,023	-	8,023
Tax expense	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income, net of tax	-	-	731	-	731	-	-	8,023	-	8,023
Total comprehensive income for the financial period	-	-	731	(144)	587	-	-	8,023	43,425	51,448
Transactions with owners, recorded directly in equity										
<i>Distributions to owners of the Company</i>										
Dividends paid	-	-	-	-	-	-	-	-	(22,494)	(22,494)
Total transactions with owners of the Company	-	-	-	-	-	-	-	-	(22,494)	(22,494)
At end of financial period	47,496	306	26,798	45,597	120,197	47,496	306	26,798	45,597	120,197

Company	For the 3 months ended 30 September					For the 9 months ended 30 September				
	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 financial period as previously reported	50,400	739	23,987	32,112	107,238	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	50,400	739	23,987	32,112	107,238	47,496	306	23,456	44,327	115,585
Total comprehensive deficit for the financial period										
Profit for the financial period	-	-	-	660	660	-	-	-	161	161
Other comprehensive deficit										
Fair value losses on available-for-sale investments	-	-	(11,378)	-	(11,378)	-	-	(10,847)	-	(10,847)
Tax expense	-	-	-	-	-	-	-	-	-	-
Total other comprehensive deficit, net of tax	-	-	(11,378)	-	(11,378)	-	-	(10,847)	-	(10,847)
Total comprehensive deficit for the financial period	-	-	(11,378)	660	(10,718)	-	-	(10,847)	161	(10,686)
Transactions with owners, recorded directly in equity										
Proceeds from warrants exercised	1,461	-	-	-	1,461	4,365	-	-	-	4,365
Bonus Warrants issue expenses	-	(12)	-	-	(12)	-	(110)	-	-	(110)
Issuance of Convertible Bonds	-	-	-	-	-	-	535	-	-	535
Convertible Bonds issue expenses	-	(2)	-	-	(2)	-	(6)	-	-	(6)
Conversion of Convertible Bonds Series A	2,100	(169)	-	-	1,931	2,100	(169)	-	-	1,931
<i>Distributions to owners of the Company</i>										
Dividends paid	-	-	-	-	-	-	-	-	(11,716)	(11,716)
Total transactions with owners of the Company	3,561	(183)	-	-	3,378	6,465	250	-	(11,716)	(5,001)
At end of financial period	53,961	556	12,609	32,772	99,898	53,961	556	12,609	32,772	99,898

Company	For the 3 months ended 30 September					For the 9 months ended 30 September				
	Share capital	Capital reserve	Fair value reserve	Retained earnings	Total	Share capital	Capital reserve	Fair value reserve	Retained earnings	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2013										
At beginning of financial period as previously reported	47,496	306	37,057	34,751	119,610	47,496	306	21,002	22,439	91,243
Effect of amendments to FRS110	-	-	(10,990)	10,990	-	-	-	(2,227)	2,227	-
At beginning of financial period as restated	47,496	306	26,067	45,741	119,610	47,496	306	18,775	24,666	91,243
Total comprehensive income for the financial period										
(Loss)/profit for the financial period	-	-	-	(144)	(144)	-	-	-	43,425	43,425
<u>Other comprehensive income</u>										
Fair value gains on available-for-sale investments	-	-	731	-	731	-	-	8,023	-	8,023
Tax expense	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income, net of tax	-	-	731	-	731	-	-	8,023	-	8,023
Total comprehensive income for the financial period	-	-	731	(144)	587	-	-	8,023	43,425	51,448
Transactions with owners, recorded directly in equity										
<i>Distributions to owners of the Company</i>										
Dividends paid	-	-	-	-	-	-	-	-	(22,494)	(22,494)
Total transactions with owners of the Company	-	-	-	-	-	-	-	-	(22,494)	(22,494)
At end of financial period	47,496	306	26,798	45,597	120,197	47,496	306	26,798	45,597	120,197

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

	Number of shares	S\$'000
Ordinary shares issued and paid-up		
At 1 January 2014	234,314,106	47,496
Issuance of new shares		
- Exercise of Bonus Warrants in the second quarter ended 30 June 2014	2,269,343	2,904
- Exercise of Bonus Warrants in the third quarter ended 30 September 2014	1,141,453	1,461
- Conversion of Convertible Bonds Series A in the third quarter ended 30 September 2014	1,860,053	2,100
At 30 September 2014	239,584,955	53,961

On 30 December 2013, the Company announced a proposed Dividend Package comprising (i) Cash Dividend; and (ii) the Bonus Warrants Issue. The Dividend Package had been approved by shareholders at the extraordinary general meeting of the Company held on 29 April 2014.

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; and (b) at S\$2.28 during the 12 month period commencing on the second anniversary of the Bonus Warrants Issue Date.

On 20 May 2014, a Basic Subscription Tranche of zero coupon Convertible Bonds were issued to Cosmic Ventures Limited at 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.

On 18 July 2014, 1,860,053 ordinary shares were issued due to conversion of Bonds Series A of principal value of S\$2.1 million at the conversion price of S\$1.129 per share.

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

	Number of warrants outstanding
Total number of Bonus Warrants issued on 19 May 2014	702,942,318
- Total number of Bonus Warrants exercised during the second quarter ended 30 June 2014	(2,269,343)
- Total number of Bonus Warrants exercised during the third quarter ended 30 September 2014	(1,141,453)
At 30 September 2014	699,531,522

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

	Number of Convertible Bonds outstanding	S\$'000
Convertible Bonds issued on 20 May 2014		
- Bonds Series A	1,860,053	2,100
- Bonds Series B	1,580,968	2,100
- Bonds Series C	1,374,795	2,100
	4,815,816	6,300
- Total number of Convertible Bonds converted in the third quarter ended 30 September 2014	(1,860,053)	(2,100)
At 30 September 2014	2,955,763	4,200

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 Sep 2014	31 Dec 2013
Total number of issued shares	239,584,955	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.

During the financial year, a new wholly owned subsidiary, Killian Court Pte Ltd, was incorporated for investment holding purpose and accounted for 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:

	3 mths to 30 Sep 2013 S\$'000	9 mths to 30 Sep 2013 S\$'000
(i) <u>Impact on Consolidated Income Statement</u>		
Decrease in dividends/distributions from unquoted equity investments	-	(2,531)
Increase in dividends/distributions from subsidiary	-	2,946
Decrease in net gain on disposal of investments	-	(4,828)
(Decrease)/increase in net change in fair value of financial instruments	(2)	3,712
Decrease in impairment losses	-	203
Decrease in interest income	(1)	(4)
(Increase)/decrease in operating expenses	(2)	3
Impact on profit/(loss) before tax	(5)	(499)
Decrease in tax expense	-	462
Net impact on profit/(loss) for the financial period attributable to owners of the Company	(5)	(37)
(ii) <u>Impact on Consolidated Statement of Comprehensive Income</u>		
Net impact on profit/(loss) for the financial period	(5)	(37)
Increase/(decrease) in fair value gains on available-for-sale investments	5	(524)
Net impact on total comprehensive income for the financial period attributable to owners of the Company	-	(561)
(iii) <u>Impact on Earnings Per Share</u>		
Earnings/(loss) 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	- cts	(0.02) cts
(b) On a fully diluted basis	- cts	(0.02) cts
(iv) <u>Impact on Statements of Financial Position</u>		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/(loss) per ordinary share
For the third quarter ended 30 September 2014

	Group			
	3 mths to 30 Sep 2014	3 mths to 30 Sep 2013 (Restated)	9 mths to 30 Sep 2014	9 mths to 30 Sep 2013 (Restated)
Earnings/(loss) 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	0.18 cts	(0.06) cts	(0.08) cts	18.53 cts
(b) On a fully diluted basis	0.18 cts *	(0.06) cts	(0.08) cts *	18.53 cts

	Group			
	3 mths to 30 Sep 2014	3 mths to 30 Sep 2013	9 mths to 30 Sep 2014	9 mths to 30 Sep 2013
Earnings/(loss) per ordinary share has been computed on the following weighted average number of shares:				
(a) Basic	239,340,748	234,314,106	236,241,802	234,314,106
(b) Diluted	239,340,748 *	234,314,106	236,241,802 *	234,314,106

* The earnings per share and weighted average number of shares for both basic and diluted basis are the same and have not included the outstanding Bonus Warrants and Convertible Bonds due to the antidilutive effects.

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 Sep 2014 S\$	31 Dec 2013 S\$ (Restated)	30 Sep 2014 S\$	31 Dec 2013 S\$ (Restated)
Net asset value per ordinary share based on issued share capital	0.42	0.49	0.42	0.49

Net asset value per ordinary share has been computed based on the number of shares in issue as at 30 September 2014 of 239,584,955 (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 realisation and/or revaluation of its investments.

3Q 2014

For the three months ended 30 September 2014, the Group reported total comprehensive loss of S\$10.94 million. The loss was largely due to the decrease in fair value of Fortune Code of S\$11.38 million which was partially offset by gain of S\$0.58 million from the divestment of Comtec shares.

Net Asset Value ("NAV")

The Group's NAV as at 30 September 2014 was S\$99.55 million (representing a NAV of S\$0.42 per share), a decrease of S\$16.04 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\$16.04 million was mainly due to payment of interim dividend for FY2013 of S\$11.72 million on 22 May 2014 and fair value loss on available-for-sale investments of S\$10.85 million attributed mainly to Fortune Code. The decrease was partially offset by proceeds of S\$4.36 million from Bonus Warrants exercised and S\$2.1 million from conversion of Bonds Series A to new shares.

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 GDP growth of the major developed countries remains subdued in the near term. The China market continues to face difficult financing conditions and government spending cuts and thus moderating its GDP growth. The China property sector mortgage risk lingering in the backdrop will add further uncertainty in the Chinese market. The development of the Ebola contagion has been under close watch and may exert significant impact on the global business and investment milieu.

The first exercise period for the bonus warrants will end on 19 November 2014. The next exercise period for the outstanding bonus warrants will commence on 19 May 2016 and subsequently close on 19 May 2017. Amidst its fund raising exercise, TIH Limited continued its investment programme. The Company has expanded its investment activities to include investments in strategic and special situations. TIH Limited is collaborating and establishing strategic partnerships with well regarded institutional investors in the region to deliver more value-accretive business initiatives and strengthen the Company's financial performance.

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 third quarter ended 30 September 2014.

13. Interested person transactions.

There are no interested person transactions during the third quarter ended 30 September 2014.

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.

(a) Status of proceeds from the issuance of Bonus Warrants on 19 May 2014

Proceeds from the exercise of Bonus Warrants

S\$'000

At 1 January 2014

-

Proceeds received for the second quarter ended 30 June 2014

2,904

Proceeds received for the third quarter ended 30 September 2014

1,461

Balance of proceeds as at 30 September 2014

4,365

No proceeds have been utilised by the Company as at 30 September 2014.

(b) Status of proceeds from the issuance of Convertible Bonds on 20 May 2014

The proceeds from the issuance of zero coupon Convertible Bonds to Cosmic Ventures Limited at principal value of S\$6.3 million on 20 May 2014 have not been utilised as at 30 September 2014.

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 third quarter ended 30 September 2014 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Tham Shook Han
Company Secretary
6 November 2014