

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

***Full Year Financial Statement and Dividend Announcement
for the year ended 31 December 2014***

THESE FIGURES HAVE 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
Year ended 31 December 2014**

	Group		
	31 Dec 2014 S\$'000	31 Dec 2013 S\$'000 (Restated)	Increase / (Decrease) %
Dividends from subsidiaries	179	7,675	(98)
Dividends/distributions from unquoted equity investments	-	61	nm
Dividends from quoted equity investments	-	3	nm
Net gain on disposal of investments	-	48,735	nm
Net change in fair value of investments at fair value through profit or loss (Note 1)	2,679	4,460	(40)
Net change in fair value of derivative financial instruments (Note 2)	(373)	-	nm
Interest income from unquoted equity investments (Note 3)	2,245	2,152	4
Net gains from investments	4,730	63,086	(93)
Other operating income	128	-	nm
Total investment income	4,858	63,086	(92)
Net finance income (Note 4)	28	120	(77)
Operating expenses	(4,295)	(15,960)	(73)
Profit before tax	591	47,246	(99)
Income tax	-	(4,529)	nm
Profit for the year attributable to owners of the Company	591	42,717	(99)

nm: Not meaningful

Operating expenses include the following:

	Group		
	31 Dec 2014 S\$'000	31 Dec 2013 S\$'000 (Restated)	Increase / (Decrease) %
Depreciation on property, plant and equipment	23	-	nm
Investment management fees (Note 5)	590	1,331	(56)
Consideration for termination of the Management Agreement (Note 6)	-	13,750	nm
Audit fees paid/payable to:			
- Auditor of the Company for statutory audit of the Company and the Group	148	128	16
Non-audit fees paid/payable to:			
- Auditor of the Company	86	24	258
Directors' remuneration	387	325	19
Staff costs (Note 7)	1,332	-	nm
Consultancy fee (Note 7)	42	-	nm
Legal and professional fees (Note 8)	822	141	483
Others (Note 9)	865	261	231
	4,295	15,960	(73)

nm: Not meaningful

Notes:

- (1) The net favourable change in fair value of investments at fair value through profit or loss of S\$2.68 million was mainly attributed to (i) gain of S\$0.58 million from the divestment of quoted shares in Comtec Solar Systems Group Limited and increase in fair value of portfolio investments arising from (ii) TIHT Investment Holdings Pte Ltd of S\$1.73 million; (iii) Sanmin Road Limited of S\$0.7 million; (iv) Batavia Enterprise Limited of S\$0.35 million; and (v) Garden Road Holding Limited of S\$0.26 million. The increase was offset partially by (vi) decrease in fair value of Little Rock Group Limited (“Little Rock”) of S\$0.18 million due to payment of dividends; (vii) decrease in fair value of S\$0.21 million in ACE International (BVI) Limited (“ACE”); and (viii) decrease in fair value of S\$0.5 million in the Group’s share in the net asset value of Transpac Capital 1996 Investment Trust, Transpac Equity Investment Trust and Transpac Venture Partnership II (collectively, “Transpac Funds”) in which the Group holds interests. These investments are held directly or indirectly through Little Rock and Killian Court Pte Ltd (“Killian Court”), which are wholly owned subsidiaries of the Company for the purpose of investment holding¹.

¹*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 12 and 13), Little Rock and Killian Court are measured as investment in subsidiary at fair value through profit or loss. Any changes in the fair value of these two subsidiaries are taken to the income statement.*

- (2) The net unfavourable change in fair value of derivative financial instruments of S\$0.37 million was due to the fair value loss on forward currency contracts to hedge against foreign currency exposure arising from foreign currency investments.
- (3) Interest income from unquoted equity investments of S\$2.25 million relates to the accrual of interest on a loan granted to a portfolio company.
- (4) Net finance income of S\$0.03 million mainly consists of interest income of S\$0.11 million from bank deposits. This was partially offset by amortisation costs of S\$0.08 million 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 was 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).
- (5) On 30 December 2013, the Company entered into a Deed of Termination with the former Investment Manager, Transpac Capital Pte Ltd. On 29 May 2014 (the “Completion Date”), as all the conditions precedent to the deed were fulfilled, the Company terminated the appointment of the former Investment Manager and internalised the investment functions of the former Investment Manager including, among others, engaging the employees of the former Investment Manager (“Internalisation Exercise”). The management fees of S\$0.59 million was the apportioned fees paid to the former Investment Manager for 1 January 2014 up to the Completion Date.
- (6) In conjunction with the above, a sum of S\$13.75 million which was accrued in the preceding year was paid to the former Investment Manager as termination consideration on Completion Date.
- (7) Staff costs and consultancy fee of S\$1.33 million and S\$0.04 million respectively resulted from the internalisation of the investment management service with effect from 29 May 2014.
- (8) Legal and professional fees of S\$0.82 million comprise mainly legal fees relating to the internalisation exercise, issuance of convertible bonds and new investment projects of S\$0.44 million; and accrual of strategic support services fee of S\$0.33 million for period 1 July 2014 to 31 December 2014 (see Note 13 on page 17).
- (9) Other operating expenses of S\$0.87 million included expenses incurred for office rental and other operating expenses due to the internalisation of the investment management service.

1(a)(ii) Consolidated statement of comprehensive income
Year ended 31 December 2014

	Group		
	31 Dec 2014 S\$'000	31 Dec 2013 S\$'000 (Restated)	Increase / (Decrease) %
Profit for the year	591	42,717	(99)
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)	(15,336)	4,681	nm
Tax on items that are or may be reclassified subsequently to profit or loss	-	-	nm
Other comprehensive (deficit)/income for the year, net of tax	(15,336)	4,681	nm
Total comprehensive (deficit)/income for the year attributable to owners of the Company	(14,745)	47,398	nm

nm: Not meaningful

Note:

- (1) The fair value loss on available-for-sale investments of S\$15.34 million was mainly attributed to the decrease in fair value of Fortune Code Limited ("Fortune Code") of S\$14.01 million and ACE of S\$1.33 million.

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

**Statements of financial position
As at 31 December 2014**

	Group		Company	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
	S\$'000	S\$'000	S\$'000	S\$'000
		(Restated)		(Restated)
Assets				
Current assets				
Cash and cash equivalents (Note 1)	31,774	60,659	31,671	60,659
Other receivables (Note 2)	460	16,041	311	16,041
Loan receivable (Note 3)	27,965	-	27,965	-
	60,199	76,700	59,947	76,700
Non-current assets				
Investments				
- At fair value through profit or loss (Note 4)	39,037	7,309	39,037	6,717
- Available-for-sale (Note 5)	21,776	37,112	21,776	37,112
- Subsidiary	-	-	1,000	-
	60,813	44,421	61,813	43,829
Loan receivable (Note 3)	-	25,720	-	25,720
Property, plant and equipment	79	-	-	-
	60,892	70,141	61,813	69,549
Total assets	121,091	146,841	121,760	146,249
Liabilities				
Current liabilities				
Other payables (Note 6)	17,683	30,177	17,322	30,177
Provisions (Note 7)	-	487	-	487
Derivatives (Note 8)	373	-	373	-
	18,056	30,664	17,695	30,664
Non-current liabilities				
Convertible bonds (Note 9)	3,915	-	3,915	-
Total liabilities	21,971	30,664	21,610	30,664
Net assets	99,120	116,177	100,150	115,585
Equity attributable to owners of the Company				
Share capital (Note 10)	56,650	47,496	56,650	47,496
Retained earnings	33,794	44,919	34,824	44,327
Capital reserve	556	306	556	306
Fair value reserve (Note 11)	8,120	23,456	8,120	23,456
Total equity	99,120	116,177	100,150	115,585

Notes:

- (1) Cash and cash equivalents decreased by S\$28.89 million from S\$60.66 million as at 31 December 2013 to S\$31.77 million as at 31 December 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 Investment Manager (See Note 6 on page 2) and total new investments of S\$29.64 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\$7.05 million. In addition, the Group also received the sum of S\$15.8 million from the former Investment 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\$15.58 million from S\$16.04 million as at 31 December 2013 to S\$0.46 million as at 31 December 2014. This was mainly due to the receipt of S\$15.8 million previously retained by the former Investment Manager for tax and expenses relating to certain divestments as explained in Note 1 above.
- (3) Loan receivable granted to a portfolio company was reclassified from non-current receivable to current receivable as the loan will mature in October 2015. Loan receivable increased by S\$2.25 million from S\$25.72 million as at 31 December 2013 to S\$27.97 million as at 31 December 2014 due to accrual of interest receivable for the financial year.
- (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\$31.73 million from S\$7.31 million as at 31 December 2013 to S\$39.04 million as at 31 December 2014 was mainly due to new investments of S\$29.64 million and net favourable change in fair value of portfolio investments of S\$2.68 million held through the subsidiaries (See Note 1 on page 2). This was partially offset by the final settlement of an 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.
- (5) Decrease in available-for-sale investments of S\$15.34 million from S\$37.11 million as at 31 December 2013 to S\$21.77 million as at 31 December 2014 was due to fair value loss of S\$14.01 million and S\$1.33 million in Fortune Code and ACE respectively.
- (6) Other payables decreased by S\$12.49 million from S\$30.17 million as at 31 December 2013 to S\$17.68 million as at 31 December 2014 mainly due to payment of S\$13.75 million for Termination Consideration to the former Investment Manager upon completion of the Internalisation Exercise on 29 May 2014. Included in other payables is a provision of S\$16.04 million for tax and expenses relating to the divestments of certain portfolio companies.
- (7) Provisions of S\$0.49 million as at 31 December 2013 was related to a legal claim on interest on a deposit amounting to S\$0.27 million received from the sale of a Malaysian investment. The final claim, amounting to S\$0.59 million, was fully settled on 12 August 2014.
- (8) Derivatives of S\$0.37 million pertain to the fair value loss on forward currency contracts to hedge against foreign currency exposure on foreign currency investments.
- (9) Convertible bonds of S\$3.92 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 4 on page 2). The bonds will mature in May 2017.
- (10) Share capital increased by S\$9.15 million from S\$47.5 million as at 31 December 2013 to S\$56.65 million as at 31 December 2014. The increase was due to the issuance of 5,511,479 new shares from the exercise of Bonus Warrants amounting to S\$7.05 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 decreased by S\$15.34 million from S\$23.46 million as at 31 December 2013 to S\$8.12 million as at 31 December 2014 due to fair value loss of S\$14.01 million and S\$1.33 million in Fortune Code and ACE respectively (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 31/12/2014	As at 31/12/2014	As at 31/12/2013	As at 31/12/2013
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
-	-	-	-

Amount payable after one year

As at 31/12/2014	As at 31/12/2014	As at 31/12/2013	As at 31/12/2013
Secured (S\$'000)	Unsecured (S\$'000)	Secured (S\$'000)	Unsecured (S\$'000)
-	3,915 *	-	-

* The unsecured debt of 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
Year ended 31 December 2014**

	Group	
	31 Dec 2014 S\$'000	31 Dec 2013 S\$'000 (Restated)
Cash flows from operating activities		
Profit for the year	591	42,717
Adjustments for:		
Income tax expense	-	4,529
Interest income from deposits	(111)	(106)
Interest income from unquoted equity investments	(2,245)	(2,152)
Dividends/distributions from subsidiaries	(179)	(7,675)
Dividends/distributions from equity investments	-	(64)
Depreciation on property, plant and equipment	23	-
Interest expense on financial liabilities measured at amortised cost	81	-
Consideration for termination of the Management Agreement	-	13,750
Net change in fair value of investments at fair value through profit or loss	(2,679)	(4,460)
Net change in fair value of derivative financial instruments	373	-
	(4,146)	46,539
Changes in operating assets and liabilities		
Investments	(29,049)	73
Loan receivable	-	1,338
Other receivables	15,521	(49)
Other payables	(12,758)	169
Provisions	(487)	-
Cash (used in)/from operations	(30,919)	48,070
Dividends/distributions from subsidiaries	179	7,675
Dividends/distributions received from equity investments	61	70
Net interest received	110	787
Performance incentive fees paid	-	(4,925)
Performance incentive fees refunded	-	1,440
Income tax paid	-	(4,723)
Net cash (used in)/from operating activities (Note 1)	(30,569)	48,394
Cash flows from investing activities		
Purchase of property, plant and equipment	(102)	-
Net cash used in investing activities	(102)	-
Cash flows from financing activities		
Proceeds from bonus warrants exercised	7,054	-
Proceeds from issue of convertible bonds	6,300	-
Bonus warrants issue expenses	(110)	-
Convertible bonds issue expenses	(6)	-
Dividends paid	(11,716)	(22,494)
Net cash from/(used in) financing activities (Note 2)	1,522	(22,494)
Net (decrease)/increase in cash and cash equivalents	(29,149)	25,900
Cash and cash equivalents at 1 January	60,659	34,759
Effect of exchange rate fluctuations on cash held	264	-
Cash and cash equivalents at 31 December	31,774	60,659

Notes:

- (1) Cash used in operating activities for the financial year ended 31 December 2014 of S\$30.57 million was mainly due to new investments of S\$29.64 million and payment of Termination Consideration of S\$13.75 million to the former Investment Manager. This was partially offset by receipt of S\$15.8 million from the former Investment Manager for tax and expenses relating to certain divestments.
- (2) Cash from financing activities for the financial year ended 31 December 2014 of S\$1.52 million was mainly due to proceeds from the issuance of Convertible Bonds of S\$6.3 million and the Bonus Warrants exercised of S\$7.05 million which were offset partially by the payment of interim dividend for FY2013 of S\$11.72 million.

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
Year ended 31 December 2014**

Group	Share capital S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000
2014					
At 1 January 2014 (Restated)	47,496	306	23,456	44,919	116,177
Total comprehensive deficit for the year					
Profit for the year	-	-	-	591	591
<u>Other comprehensive deficit</u>					
Net change in fair value of available-for-sale investments	-	-	(15,336)	-	(15,336)
Tax on other comprehensive deficit	-	-	-	-	-
Total other comprehensive deficit, net of tax	-	-	(15,336)	-	(15,336)
Total comprehensive deficit for the year	-	-	(15,336)	591	(14,745)
Transactions with owners, recorded directly in equity					
Proceeds from Bonus Warrants exercised	7,054	-	-	-	7,054
Bonus Warrants issue expenses	-	(110)	-	-	(110)
Issuance of Convertible Bonds	-	535	-	-	535
Convertible Bonds issue expenses	-	(6)	-	-	(6)
Conversion of Convertible Bonds	2,100	(169)	-	-	1,931
<i>Distributions to owners of the Company</i>					
Dividends paid	-	-	-	(11,716)	(11,716)
At 31 December 2014	56,650	556	8,120	33,794	99,120
Group	Share capital S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000
2013					
At 1 January 2013, as previously stated	47,496	306	19,271	24,200	91,273
Impact of change in accounting policy	-	-	(496)	496	-
At 1 January 2013, as restated	47,496	306	18,775	24,696	91,273
Total comprehensive income for the year					
Profit for the year	-	-	-	42,717	42,717
<u>Other comprehensive income</u>					
Net change in fair value of available-for-sale investments	-	-	4,681	-	4,681
Tax on other comprehensive income	-	-	-	-	-
Total other comprehensive income, net of tax	-	-	4,681	-	4,681
Total comprehensive income for the year	-	-	4,681	42,717	47,398
Transactions with owners, recorded directly in equity					
<i>Distributions to owners of the Company</i>					
Dividends paid	-	-	-	(22,494)	(22,494)
At 31 December 2013, as restated	47,496	306	23,456	44,919	116,177

Company	Share capital S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000
2014					
At 1 January 2014 (Restated)	47,496	306	23,456	44,327	115,585
Total comprehensive deficit for the year					
Profit for the year	-	-	-	2,213	2,213
<u>Other comprehensive deficit</u>					
Net change in fair value of available-for-sale investments	-	-	(15,336)	-	(15,336)
Tax on other comprehensive deficit	-	-	-	-	-
Total other comprehensive deficit, net of tax	-	-	(15,336)	-	(15,336)
Total comprehensive deficit for the year	-	-	(15,336)	2,213	(13,123)
Transactions with owners, recorded directly in equity					
Proceeds from Bonus Warrants exercised	7,054	-	-	-	7,054
Bonus Warrants issue expenses	-	(110)	-	-	(110)
Issuance of Convertible Bonds	-	535	-	-	535
Convertible Bonds issue expenses	-	(6)	-	-	(6)
Conversion of Convertible Bonds	2,100	(169)	-	-	1,931
<i>Distributions to owners of the Company</i>					
Dividends paid	-	-	-	(11,716)	(11,716)
At 31 December 2014	56,650	556	8,120	34,824	100,150
Company	Share capital S\$'000	Capital reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000
2013					
At 1 January 2013, as previously stated	47,496	306	21,002	22,439	91,243
Impact of change in accounting policy	-	-	(2,227)	2,227	-
At 1 January 2013, as restated	47,496	306	18,775	24,666	91,243
Total comprehensive income for the year					
Profit for the year	-	-	-	42,155	42,155
<u>Other comprehensive income</u>					
Net change in fair value of available-for-sale investments	-	-	4,681	-	4,681
Tax on other comprehensive income	-	-	-	-	-
Total other comprehensive income, net of tax	-	-	4,681	-	4,681
Total comprehensive income for the year	-	-	4,681	42,155	46,836
Transactions with owners, recorded directly in equity					
<i>Distributions to owners of the Company</i>					
Dividends paid	-	-	-	(22,494)	(22,494)
At 31 December 2013, as restated	47,496	306	23,456	44,327	115,585

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
- Exercise of Bonus Warrants in the fourth quarter ended 31 December 2014	2,100,683	2,689
At 31 December 2014	241,685,638	56,650

On 30 December 2013, the Company announced a proposed Dividend Package comprising (i) Cash Dividend; and (ii) the Bonus Warrants Issue. The Dividend Package was 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 ("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").

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.

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.

On 19 November 2014, the First Exercise Period of the Bonus Warrants had expired. 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.

(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)
- Total number of Bonus Warrants exercised during the fourth quarter ended 31 December 2014	(2,100,683)
At 31 December 2014	697,430,839

(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 31 December 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.

	31 Dec 2014	31 Dec 2013
Total number of issued shares	241,685,638	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 been audited in accordance with Singapore Standards on Auditing.

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

The auditors' report is appended at the end of the Announcement.

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 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 statement of financial position as at 1 January 2014. The adoption of FRS 110 has resulted in no adjustment to the net assets of the Group and Company although certain line items in the statement of the financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and consolidated statement of cash flows are restated.

The impact of the restatement is as follows:

(i)	<u>Impact on statements of financial position</u>	As at 31 Dec 2013	
		Group	Company
		\$'000	\$'000
	Cash and cash equivalents (current)	(960)	-
	Other receivables (current)	(3,358)	-
	Investments - Available-for-sale (non-current)	(355)	(6,717)
	Investments - At fair value through profit or loss (non-current)	1,247	6,717
	Other payables (current)	3,349	-
	Provisions (current)	77	-
	Net impact on equity	-	-
(ii)	<u>Impact on consolidated statement of profit or loss</u>	12 mths to 31 Dec 2013 S\$'000	
	Group		
	Dividends/distributions from subsidiary	7,675	
	Dividends/distributions from unquoted equity investments	(3,303)	
	Net gain on disposal of investments	(5,140)	
	Net change in fair value of financial instruments	263	
	Impairment losses	23	
	Net finance income	(8)	
	Operating expenses	8	
	Profit before tax	(482)	
	Income tax	455	
	Profit for the year	(27)	
(iii)	<u>Impact on consolidated statement of comprehensive income</u>	12 mths to 31 Dec 2013 S\$'000	
	Group		
	Profit for the year	(27)	
	Net change in fair value of available-for-sale investments	27	
	Total comprehensive income for the financial year	-	
(iv)	<u>Impact on earnings per share</u>	12 mths to 31 Dec 2013	
	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	(0.01) cts	
	(b) On a fully diluted basis	(0.01) cts	

(v) Impact on consolidated statement of cash flows

As at
31 Dec 2013
\$'000

Group**Cash flows from operating activities**

Profit for the financial year	(27)
Adjustments for:	
Tax expense/(credit)	(455)
Interest income from deposits	5
Dividends/distributions from subsidiaries	(7,675)
Dividends/distributions from equity investments	3,303
Net change in fair value of financial instruments	(263)
Impairment losses of available-for-sale investments	(23)
	<u>(5,135)</u>

Changes in operating assets and liabilities

Investments	(549)
Other receivables	(76)
Other payables	75

Cash generated from operations	<u>(5,685)</u>
--------------------------------	----------------

Dividends/distributions from subsidiaries	7,675
---	-------

Dividends/distributions received from equity investments	(3,304)
--	---------

Net interest received	(5)
-----------------------	-----

Tax paid	455
----------	-----

Net cash from operating activities	<u>(864)</u>
---	---------------------

Cash flows from financing activities

Dividends paid	-
----------------	---

Net cash used in financing activities	<u>-</u>
--	-----------------

Net increase in cash and cash equivalents	(864)
--	--------------

Cash and cash equivalents at beginning of financial year	<u>(96)</u>
--	-------------

Cash and cash equivalents at end of financial year	<u>(960)</u>
---	---------------------

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 financial year ended 31 December 2014

	Group	
	31 Dec 2014	31 Dec 2013 (Restated)
Earnings per ordinary share of the Group after deducting any provisions for preference dividends:		
(a) Based on the weighted average number of ordinary shares on issue; and	0.25 cts	18.23 cts
(b) On a fully diluted basis*	0.25 cts	18.23 cts

	Group	
	31 Dec 2014	31 Dec 2013
Earnings per ordinary share has been computed on the following weighted average number of shares:		
(a) Basic	237,462,344	234,314,106
(b) Diluted*	237,462,344	234,314,106

* Diluted earnings per share is the same as basic earnings per share. Outstanding warrants and convertible bonds have not been included in the calculation of diluted earnings per share because they were anti-dilutive, as the exercise price of the warrants and the stipulated automatic conversion price of the convertible bonds are 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	
	31 Dec	31 Dec	31 Dec	31 Dec
	2014	2013	2014	2013
	S\$	S\$	S\$	S\$
Net asset value per ordinary share based on issued share capital	0.41	0.50	0.41	0.49

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

FY 2014

During the financial year ended 31 December 2014, the Group reported total comprehensive deficit of S\$14.75 million which included dividends from its subsidiary and change in fair value of the Group's investments.

Total comprehensive deficit of S\$14.75 million was mainly attributed to the following:

- (i) Fair value loss on available-for-sale investments of S\$15.34 million mainly attributed to decrease in fair value of Fortune Code of S\$14.01 million and ACE of S\$1.33 million.
 (ii) Operating expenses of S\$4.3 million which included staff costs of S\$1.33 million, legal and professional fees of S\$0.82 million and other office expenses of S\$0.87 million due mainly to the internalisation of the investment management service.

The losses were offset partially by:

- (iii) Interest income of S\$2.25 million arising from the loan granted to a portfolio company.
 (iv) Net change in fair value of investments at fair value through profit or loss of S\$2.68 million mainly due to the increase in fair value of portfolio investments (see Note 1 on page 2).

FY 2013

During the financial year ended 31 December 2013, the Group reported total comprehensive income of S\$47.4 million.

Total comprehensive income of S\$47.4 million was mainly attributed to the following:

- (i) S\$52.59 million from final settlement of Foodstar's earn-out payment (net of tax) and partial refund of EAP. In addition, the Group also divested its entire interests in mainly Pharmstar, Ethypharm and Subtron which contributed net gains of S\$4.45 million to the total comprehensive income.
 (ii) Interest income of S\$2.15 million from loan granted to a portfolio company.
 (iii) Fair value gains on available-for-sale investments of S\$4.68 million mainly attributed to increase in fair value of Fortune Code.

The gains were offset partially by operating expenses of S\$15.96 million which included management fee of S\$1.33 million and consideration for the termination of the Management Agreement of S\$13.75 million payable to the former Investment Manager.

Net Asset Value (“NAV”)

The Group’s NAV as at 31 December 2014 was S\$99.12 million (representing a NAV of S\$0.41 per share), a decrease of S\$17.06 million from the NAV of S\$116.18 million (S\$0.50 per share) as at 31 December 2013.

The decrease in NAV of S\$17.06 million was mainly due to the 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\$15.34 million attributed to Fortune Code and ACE. The decrease was partially offset by proceeds of S\$7.05 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 general investment climate in Asia has been adjusting to the falling oil prices and rising US dollar. Export oriented Asian companies have been cautiously improving their order books especially from the steadily improving US demand. The anaemic Eurozone economic growth, recent sharp Swiss currency movement and Greek election aftermath continue to exacerbate the difficult market conditions in the Eurozone. China has continued to register a relatively orderly slower economic growth. Demand for investment funding continues to be active not only for measured capacity expansion needs but also for strategic restructuring.

11. Dividend

(a) Current financial period reported on

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

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

On 30 December 2013, the Company announced its Proposed Internalisation Exercise and Dividend Package, which includes, among others, a proposed interim tax-exempt one-tier ordinary dividend of S\$0.05 per share to entitled shareholders for the financial year ended 31 December 2013. The Dividend Package was approved by shareholders at the extraordinary general meeting of the Company held on 29 April 2014 and the dividend, amounting to S\$11.72 million, was paid on 22 May 2014.

(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 year ended 31 December 2014.

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 financial year ended 31 December 2014:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 in the listing manual of SGX-ST)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 in the listing manual of SGX-ST (excluding transactions less than S\$100,000)
Transpac Capital Pte Ltd, the former Investment Manager of the Company - Investment management fees*	S\$590,000	—
Argyle Street Management Limited group ("ASML group"), a deemed controlling shareholder of the Company	<p>(1) During the financial year, the Group and ASML group separately entered into a series of agreements to participate in the following investments:-</p> <p>(a) Placement and subscription of quoted shares in Comtec Solar Systems Group Limited. The Group's portion of the investment is S\$3,827,000.</p> <p>(b) Co-investment in Batavia Enterprise Limited ("Batavia"). The Group's portion of the investment of S\$2,207,000 is in the proportion of its equity holdings in Batavia.</p> <p>(c) Co-investment in Sanmin Road Limited ("SRL"). The Group's portion of the investment of S\$6,364,880 is in the proportion of its equity holdings in SRL.</p> <p>(d) Co-investment in Garden Road Holding Limited ("GRHL"). The Group's portion of the investment of S\$3,819,000 is in the proportion of its equity holdings in GRHL.</p> <p>(e) Co-investment in Lop Buri Limited ("LBL"). The Group's portion of the initial commitment of S\$2,107,200 is in proportion to its equity holdings in LBL.</p>	—

	(2) 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. 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 subjected to annual review and automatic renewal for successive consecutive one year periods unless terminated by either party in accordance with the agreement.	
--	--	--

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

On 30 December 2013, the Company entered into a Deed of Termination with the former Investment Manager to terminate the Management Agreement in its entirety on Completion Date. On 29 May 2014, the Company announced that all conditions precedent to the Deed of Termination had been fulfilled and accordingly, the Management Agreement was terminated on 29 May 2014 (the “Completion Date”). The investment management fees of S\$590,000 was the fees paid to the former Investment Manager for 1 January 2014 up to the Completion Date.

14 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year.

The Group has only one business segment which is to invest, for capital appreciation in growing private companies located in Asia including, principally, China/Hong Kong SAR, Taiwan, Singapore, Malaysia, Thailand, Indonesia and Japan.

Geographical information

	Total investment income		Non-current assets		Current assets	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
		(Restated)		(Restated)		(Restated)
China/Hong Kong SAR	670	48,780	4,787	1,936	-	-
Singapore	2,331	2,152	22,196	60,896	27,965	-
Taiwan	229	19	2,560	-	-	-
Thailand	453	-	7,066	-	-	-
Japan	1,679	-	18,474	-	-	-
Others	(504)	12,135	5,730	7,309	-	-
	4,858	63,086	60,813	70,141	27,965	-

In the above table, the other segment includes investments in other funds that are incorporated in British Virgin Islands which hold numerous investments in various countries.

The non-current assets and current assets presented in each country consist of investments only. Corresponding revenues represent investment income, which comprise proceeds from disposal of investments (less cost of investments), net change in fair value of financial instruments, impairment losses, dividend income and interest income.

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

The Company is a venture capital investment company based in Singapore. Income is derived from the sale or revaluation of investments (rather than recurring profits) located in various countries. Accordingly, revenue by geographical segment varies from one reporting period to another.

16. A breakdown of revenue

	Group		
	31 Dec 2014 S\$'000	31 Dec 2013 S\$'000 (Restated)	Increase / (Decrease) %
(a) Revenue reported for first half year	980	61,564	(98)
(b) Net (loss)/profit after tax reported for first half year	(620)	43,569	nm
(c) Revenue reported for second half year	3,878	1,522	155
(d) Net profit/(loss) after tax reported for second half year	1,211	(852)	nm

nm: Not meaningful

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Total annual dividend

	Latest full year 2014 S\$'000	Previous full year 2013 S\$'000
Ordinary - Interim	-	34,210 *

* Including interim tax-exempt one-tier ordinary dividend of S\$11.72 million for the financial year ended 31 December 2013 paid on 22 May 2014 (see Item 11(b) on page 16).

18. 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
Proceeds received for the fourth quarter ended 31 December 2014	2,689
Balance of proceeds as at 31 December 2014	7,054

All proceeds have been utilised by the Company for new investments during the financial year ended 31 December 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 been utilised for new investments during the financial year ended 31 December 2014.

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13).

There was no person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer for the financial year ended 31 December 2014.

BY ORDER OF THE BOARD

For and on behalf of TIH Limited

Allen Wang

CEO

TIH Investment Management Pte. Ltd.

25 February 2015