

**TIH LIMITED**

*(Registration Number: 199400941K)*

***First Quarter Financial Statement and Dividend Announcement  
for the period ended 31 March 2016***

**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 first quarter ended 31 March 2016**

|   | <b>Group</b>                                     |  |                               |
|---|--|--|-------------------------------|
|   | <b>3 mths to<br/>31 Mar<br/>2016<br/>S\$'000</b> | 3 mths to<br>31 Mar<br>2015<br>S\$'000 | Increase /<br>(Decrease)<br>% |
| Net change in fair value of investments at fair value through profit or loss (Note 1) | <b>3,130</b>                                     | 1,435                                  | 118                           |
| Net change in fair value of derivative financial instruments (Note 2)                 | <b>128</b>                                       | (357)                                  | nm                            |
| Interest income from unquoted equity investments (Note 3)                             | <b>611</b>                                       | 583                                    | 5                             |
| <b>Net gains from investments</b>   | <b>3,869</b>                                     | 1,661                                  | 133                           |
| Other operating income (Note 4)   | <b>204</b>                                       | 11                                     | 1,755                         |
| <b>Total investment income</b>  | <b>4,073</b>                                     | 1,672                                  | 144                           |
| Net finance income/(expense)  | <b>82</b>  | (11)                                   | nm                            |
| Operating expenses (Note 5)   | <b>(958)</b>                                     | (884)                                  | 8                             |
| <b>Profit before tax</b>  | <b>3,197</b>                                     | 777                                    | 311                           |
| Income tax  | -  | -                                      | -                             |
| <b>Profit for the financial period attributable to owners of the Company</b>          | <b>3,197</b>                                     | 777                                    | 311                           |

nm: Not meaningful

**Operating expenses include the following:**

|   | <b>Group</b>                                     |  |                               |
|---|--|--|-------------------------------|
|   | <b>3 mths to<br/>31 Mar<br/>2016<br/>S\$'000</b> | 3 mths to<br>31 Mar<br>2015<br>S\$'000 | Increase /<br>(Decrease)<br>% |
| Depreciation on property, plant and equipment                             | <b>12</b>  | 10                                     | 20                            |
| Audit fees paid/payable to:   |  |  |                               |
| - Auditor of the Company for statutory audit of the Company and the Group | <b>37</b>  | 37                                     | -                             |
| Non-audit fees paid/payable to:   |  |  |                               |
| - Auditor of the Company  | <b>5</b>   | 11                                     | (55)                          |
| Directors' remuneration   | <b>107</b>                                       | 107                                    | -                             |
| Staff costs   | <b>449</b>                                       | 364                                    | 23                            |
| Legal and professional fees   | <b>184</b>                                       | 182                                    | 1                             |
| Others  | <b>164</b>                                       | 173                                    | (5)                           |
|   | <b>958</b>                                       | 884                                    | 8                             |

Notes:

- (1) The net gains in investments at fair value through profit or loss of S\$3.13 million for period ended 31 March 2016 (“1Q2016”) was mainly attributed to investments held through Killian Court Pte Ltd (“Killian Court”) which included (i) TIHT Investment Holdings Pte Ltd (“TIHT”) of S\$2.68 million arising from fair value gains in underlying investments in CEI Contract Manufacturing Limited (“CEI”) of S\$0.82 million and gain on divestment of Mitsui Life Insurance Company Limited (“Mitsui Life”) of S\$1.86 million<sup>1</sup>; (ii) Chang Chun Road Limited of S\$0.26 million; and (iii) Garden Road Holding Limited of S\$0.18 million.

<sup>1</sup> TIHT is a joint venture between Killian Court Pte Ltd (55%) (“Killian Court”) (a wholly owned subsidiary of the Company) and Republic Technologies Pte Ltd (45%). TIHT’s portfolio investments comprise CEI, which is listed on SGX-ST, and Mitsui Life. As explained in 4Q2015 results announcement, Nippon Life Insurance Company (“Nippon Life”) made a tender offer (at JPY560 per share) for Mitsui Life’s shares in November 2015 and successfully acquired approximately 96% of the shares (92.16% voting rights) in December 2015. As a result, Nippon Life was able to forcibly acquire the remaining Mitsui Life’s shares (including TIHT’s minority stake in Mitsui Life) through a minority squeeze out procedure which was completed in March 2016. In 4Q2015, Killian Court recognized a fair value gain of S\$6.8 million based on the tender offer price. A further S\$1.86 million was recognised in 1Q2016 mainly due to currency gain from the sales proceeds received in March 2016.

- (2) The net favourable change in fair value of derivative financial instruments of S\$0.13 million in 1Q2016 was due to the fair value gain on forward currency contract to hedge against foreign currency exposure arising from foreign currency investments.
- (3) Interest income from unquoted equity investments of S\$0.61 million in 1Q2016 relates to the accrual of interest on a loan granted to a portfolio company.
- (4) Other operating income of S\$0.2 million in 1Q2016 was mainly derived from consultancy services provided by a subsidiary.
- (5) Operating expenses for 1Q2016 was S\$0.96 million, an increase of S\$0.07 million from the corresponding period last year mainly due to higher staff costs.

**1(a)(ii) Consolidated statement of comprehensive income**  
**For the first quarter ended 31 March 2016**

|  | <b>Group</b>                                     |  |                               |
|--|--|--|-------------------------------|
|  | <b>3 mths to<br/>31 Mar<br/>2016<br/>S\$'000</b> | 3 mths to<br>31 Mar<br>2015<br>S\$'000 | Increase /<br>(Decrease)<br>% |
| <b>Profit for the financial period</b>   | <b>3,197</b>                                     | 777                                    | 311                           |
| <b>Other comprehensive income</b>  |  |  |                               |
| <u>Items that are or may be reclassified subsequently to profit or loss:</u>                         |  |  |                               |
| Net change in fair value of available-for-sale investments<br>(Note 1)                               | <b>5,278</b>                                     | 3,604                                  | 46                            |
| Tax on items that are or may be reclassified subsequently to<br>profit or loss                       | -  | -                                      | -                             |
| <b>Other comprehensive income for the financial<br/>period, net of tax</b>                           | <b>5,278</b>                                     | 3,604                                  | 46                            |
| <b>Total comprehensive income for the financial<br/>period attributable to owners of the Company</b> | <b>8,475</b>                                     | 4,381                                  | 93                            |

Note:

- (1) The fair value gain in available-for-sale investments of S\$5.28 million was attributed to the increase 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 31 March 2016**

|   | Group                  |                        | Company                |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | 31 Mar 2016<br>S\$'000 | 31 Dec 2015<br>S\$'000 | 31 Mar 2016<br>S\$'000 | 31 Dec 2015<br>S\$'000 |
| <b>Assets</b>                                       |                        |                        |                        |                        |
| <b>Current assets</b>                               |                        |                        |                        |                        |
| Cash and cash equivalents (Note 1)                  | 20,955                 | 18,722                 | 17,785                 | 15,010                 |
| Other receivables (Note 2)                          | 1,054                  | 4,544                  | 867                    | 4,338                  |
| Derivatives (Note 3)                                | 95                     | -                      | 95                     | -                      |
|   | <b>22,104</b>          | 23,266                 | <b>18,747</b>          | 19,348                 |
| <b>Non-current assets</b>                           |                        |                        |                        |                        |
| Investments   |                        |                        |                        |                        |
| - At fair value through profit or loss (Note 4)     | 62,985                 | 59,855                 | 62,985                 | 59,855                 |
| - Available-for-sale (Note 5)                       | 15,999                 | 10,721                 | 15,999                 | 10,721                 |
| - Subsidiary  | -                      | -                      | 5,000                  | 5,000                  |
|   | 78,984                 | 70,576                 | 83,984                 | 75,576                 |
| Loan receivable (Note 6)                            | 29,575                 | 28,964                 | 29,575                 | 28,964                 |
| Property, plant and equipment                       | 53                     | 63                     | -                      | -                      |
|   | <b>108,612</b>         | 99,603                 | <b>113,559</b>         | 104,540                |
| <b>Total assets</b>                                 | <b>130,716</b>         | 122,869                | <b>132,306</b>         | 123,888                |
| <b>Liabilities</b>                                  |                        |                        |                        |                        |
| <b>Current liabilities</b>                          |                        |                        |                        |                        |
| Other payables (Note 7)                             | 17,665                 | 18,290                 | 17,218                 | 17,439                 |
| Derivatives   | -                      | 33                     | -                      | 33                     |
|   | <b>17,665</b>          | 18,323                 | <b>17,218</b>          | 17,472                 |
| <b>Non-current liabilities</b>                      |                        |                        |                        |                        |
| Convertible bonds (Note 8)                          | 4,062                  | 4,032                  | 4,062                  | 4,032                  |
|   | <b>4,062</b>           | 4,032                  | <b>4,062</b>           | 4,032                  |
| <b>Total liabilities</b>                            | <b>21,727</b>          | 22,355                 | <b>21,280</b>          | 21,504                 |
| <b>Net assets</b>                                   | <b>108,989</b>         | 100,514                | <b>111,026</b>         | 102,384                |
| <b>Equity attributable to owners of the Company</b> |                        |                        |                        |                        |
| Share capital                                       | 56,650                 | 56,650                 | 56,650                 | 56,650                 |
| Retained earnings                                   | 46,505                 | 43,308                 | 48,542                 | 45,178                 |
| Capital reserve                                     | 556                    | 556                    | 556                    | 556                    |
| Fair value reserve (Note 9)                         | 5,278                  | -                      | 5,278                  | -                      |
| <b>Total equity</b>                                 | <b>108,989</b>         | 100,514                | <b>111,026</b>         | 102,384                |

Notes:

- (1) Cash and cash equivalents increased by S\$2.24 million from S\$18.72 million as at 31 December 2015 to S\$20.96 million as at 31 March 2016 mainly due to receipt of dividends of S\$3.5 million from Little Rock Group Limited (“Little Rock”), which was recorded under other receivables as at 31 December 2015. This was partially offset by payment for operating expenses of S\$0.96 million.
- (2) Decrease in other receivables of S\$3.49 million from S\$4.54 million as at 31 December 2015 to S\$1.05 million as at 31 March 2016 was mainly due to the receipt of S\$3.5 million dividends from Little Rock (see Note 1 above).
- (3) Derivative assets of S\$0.10 million pertain to the fair value gain on forward currency contract to hedge against foreign currency exposure on foreign currency investments.
- (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\$3.13 million from S\$59.86 million as at 31 December 2015 to S\$62.99 million as at 31 March 2016 was due to fair value gains from the underlying portfolio investments (See Note 1 on page 2).
- (5) Increase in available-for-sale investments of S\$5.28 million from S\$10.72 million as at 31 December 2015 to S\$16 million as at 31 March 2016 was due to fair value gain in Fortune Code (see Note 1 on page 3).
- (6) Loan receivable increased by S\$0.61 million from S\$28.96 million as at 31 December 2015 to S\$29.57 million as at 31 March 2016 due to accrual of interest receivable for the period ended 31 March 2016 (See Note 3 on page 2).
- (7) Other payables of S\$17.67 million as at 31 March 2016 comprise mainly provision of S\$16.16 million for tax and expenses relating to the divestments of certain portfolio company.
- (8) Convertible bonds of S\$4.06 million represent the Bonds Series B and C issued to Cosmic Ventures Limited on 20 May 2014 and will mature in May 2017. The bonds were measured at amortised cost using the effective interest method.
- (9) Fair value reserve of S\$5.28 million was due to fair value gain in Fortune Code (see Note 5 above).

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

**Amount payable in one year or less, or on demand**

| <b>As at 31/03/2016</b>      | <b>As at 31/03/2016</b>        | <b>As at 31/12/2015</b>      | <b>As at 31/12/2015</b>        |
|------------------------------|--------------------------------|------------------------------|--------------------------------|
| <b>Secured<br/>(S\$'000)</b> | <b>Unsecured<br/>(S\$'000)</b> | <b>Secured<br/>(S\$'000)</b> | <b>Unsecured<br/>(S\$'000)</b> |
| -                            | -                              | -                            | -                              |

**Amount payable after one year**

| <b>As at 31/03/2016</b>      | <b>As at 31/03/2016</b>        | <b>As at 31/12/2015</b>      | <b>As at 31/12/2015</b>        |
|------------------------------|--------------------------------|------------------------------|--------------------------------|
| <b>Secured<br/>(S\$'000)</b> | <b>Unsecured<br/>(S\$'000)</b> | <b>Secured<br/>(S\$'000)</b> | <b>Unsecured<br/>(S\$'000)</b> |
| -                            | <b>4,062 *</b>                 | -                            | 4,032 *                        |

\* The unsecured debt of S\$4.06 million (31 December 2015: S\$4.03 million) relates to the Series B and Series C of the Basic Subscription Tranche of zero coupon Convertible Bonds.

**Details of collateral**

Not applicable.

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

**Consolidated statement of cash flows  
For the first quarter ended 31 March 2016**

|  | <b>Group</b>                                     |  |
|--|--|--|
|  | <b>3 mths to<br/>31 Mar<br/>2016<br/>S\$'000</b> | <b>3 mths to<br/>31 Mar<br/>2015<br/>S\$'000</b> |
| <b>Cash flows from operating activities</b>                                  |  |  |
| Profit for the year  | 3,197  | 777  |
| Adjustments for:   |  |  |
| Interest income from deposits  | (29)   | (27)   |
| Interest income from unquoted equity investments                             | (611)  | (583)  |
| Depreciation on property, plant and equipment                                | 12   | 10   |
| Interest expense on financial liabilities measured at amortised cost         | 30   | 28   |
| Net change in fair value of investments at fair value through profit or loss | (3,130)  | (1,435)  |
| Net change in fair value of derivative financial instruments                 | (128)  | 357  |
|  | <u>(659)</u>                                     | <u>(873)</u>                                     |
| Changes in operating assets and liabilities                                  |  |  |
| Investments  | -  | (43)   |
| Other receivables  | (8)  | 20   |
| Other payables   | 22   | (506)  |
| Cash used in operations  | <u>(645)</u>                                     | <u>(1,402)</u>                                   |
| Dividends/distributions from subsidiaries                                    | 3,499  | -  |
| Net interest received  | <u>28</u>  | <u>23</u>  |
| <b>Net cash from/(used in) operating activities</b>                          | <u><b>2,882</b></u>                              | <u><b>(1,379)</b></u>                            |
| <b>Cash flows from investing activities</b>                                  |  |  |
| Purchase of property, plant and equipment                                    | <u>(2)</u>                                       | <u>-</u>   |
| <b>Net cash used in investing activities</b>                                 | <u><b>(2)</b></u>                                | <u><b>-</b></u>                                  |
| <b>Net increase/(decrease) in cash and cash equivalents</b>                  | <b>2,880</b>                                     | <b>(1,379)</b>                                   |
| Cash and cash equivalents at 1 January                                       | <b>18,722</b>                                    | <b>31,774</b>                                    |
| Effect of exchange rate fluctuations on cash held                            | <u>(647)</u>                                     | <u>228</u>                                       |
| <b>Cash and cash equivalents at 31 March</b>                                 | <u><b>20,955</b></u>                             | <u><b>30,623</b></u>                             |



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 first quarter ended 31 March 2016**

| <b>Group</b>   | <b>Share<br/>capital<br/>S\$'000</b> | <b>Capital<br/>reserve<br/>S\$'000</b> | <b>Fair value<br/>reserve<br/>S\$'000</b> | <b>Retained<br/>earnings<br/>S\$'000</b> | <b>Total<br/>S\$'000</b> |
|--|--------------------------------------|--|---|--|--------------------------|
| <b>2016</b>  |                                      |  |   |  |                          |
| <b>At 1 January 2016</b>                                     | <b>56,650</b>                        | <b>556</b>                             | <b>-</b>                                  | <b>43,308</b>                            | <b>100,514</b>           |
| <b>Total comprehensive income for the period</b>             |                                      |  |   |  |                          |
| Profit for the period  | -                                    | -                                      | -   | 3,197                                    | 3,197                    |
| <u>Other comprehensive income</u>                            |                                      |  |   |  |                          |
| Net change in fair value of available-for-sale investments   | -                                    | -                                      | 5,278                                     | -  | 5,278                    |
| Tax on other comprehensive income                            | -                                    | -                                      | -   | -  | -                        |
| Total other comprehensive income, net of tax                 | -                                    | -                                      | 5,278                                     | -  | 5,278                    |
| <b>Total comprehensive income for the period</b>             | <b>-</b>                             | <b>-</b>                               | <b>5,278</b>                              | <b>3,197</b>                             | <b>8,475</b>             |
| <b>Transactions with owners, recorded directly in equity</b> |                                      |  |   |  |                          |
| Dividends declared   | -                                    | -                                      | -   | -  | -                        |
| <b>At 31 March 2016</b>                                      | <b>56,650</b>                        | <b>556</b>                             | <b>5,278</b>                              | <b>46,505</b>                            | <b>108,989</b>           |
| <b>Group</b>   | <b>Share<br/>capital<br/>S\$'000</b> | <b>Capital<br/>reserve<br/>S\$'000</b> | <b>Fair value<br/>reserve<br/>S\$'000</b> | <b>Retained<br/>earnings<br/>S\$'000</b> | <b>Total<br/>S\$'000</b> |
| <b>2015</b>  |                                      |  |   |  |                          |
| <b>At 1 January 2015</b>                                     | <b>56,650</b>                        | <b>556</b>                             | <b>8,120</b>                              | <b>33,794</b>                            | <b>99,120</b>            |
| <b>Total comprehensive income for the period</b>             |                                      |  |   |  |                          |
| Profit for the period  | -                                    | -                                      | -   | 777                                      | 777                      |
| <u>Other comprehensive income</u>                            |                                      |  |   |  |                          |
| Net change in fair value of available-for-sale investments   | -                                    | -                                      | 3,604                                     | -  | 3,604                    |
| Tax on other comprehensive income                            | -                                    | -                                      | -   | -  | -                        |
| Total other comprehensive income, net of tax                 | -                                    | -                                      | 3,604                                     | -  | 3,604                    |
| <b>Total comprehensive income for the period</b>             | <b>-</b>                             | <b>-</b>                               | <b>3,604</b>                              | <b>777</b>                               | <b>4,381</b>             |
| <b>Transactions with owners, recorded directly in equity</b> |                                      |  |   |  |                          |
| Dividends declared   | -                                    | -                                      | -   | -  | -                        |
| <b>At 31 March 2015</b>                                      | <b>56,650</b>                        | <b>556</b>                             | <b>11,724</b>                             | <b>34,571</b>                            | <b>103,501</b>           |

| Company  | Share capital<br>S\$'000 | Capital reserve<br>S\$'000 | Fair value reserve<br>S\$'000 | Retained earnings<br>S\$'000 | Total<br>S\$'000 |
|--|--------------------------|----------------------------|-------------------------------|------------------------------|------------------|
| <b>2016</b>  |                          |                            |                               |                              |                  |
| <b>At 1 January 2016</b>                                     | <b>56,650</b>            | <b>556</b>                 | <b>-</b>                      | <b>45,178</b>                | <b>102,384</b>   |
| <b>Total comprehensive income for the period</b>             |                          |                            |                               |                              |                  |
| Profit for the period  | -                        | -                          | -                             | 3,364                        | 3,364            |
| <u>Other comprehensive income</u>                            |                          |                            |                               |                              |                  |
| Net change in fair value of available-for-sale investments   | -                        | -                          | 5,278                         | -                            | 5,278            |
| Tax on other comprehensive income                            | -                        | -                          | -                             | -                            | -                |
| Total other comprehensive income, net of tax                 | -                        | -                          | 5,278                         | -                            | 5,278            |
| <b>Total comprehensive income for the period</b>             | <b>-</b>                 | <b>-</b>                   | <b>5,278</b>                  | <b>3,364</b>                 | <b>8,642</b>     |
| <b>Transactions with owners, recorded directly in equity</b> |                          |                            |                               |                              |                  |
| Dividends declared   | -                        | -                          | -                             | -                            | -                |
| <b>At 31 March 2016</b>                                      | <b>56,650</b>            | <b>556</b>                 | <b>5,278</b>                  | <b>48,542</b>                | <b>111,026</b>   |
|  |                          |                            |                               |                              |                  |
| Company  | Share capital<br>S\$'000 | Capital reserve<br>S\$'000 | Fair value reserve<br>S\$'000 | Retained earnings<br>S\$'000 | Total<br>S\$'000 |
| <b>2015</b>  |                          |                            |                               |                              |                  |
| <b>At 1 January 2015</b>                                     | <b>56,650</b>            | <b>556</b>                 | <b>8,120</b>                  | <b>34,824</b>                | <b>100,150</b>   |
| <b>Total comprehensive income for the period</b>             |                          |                            |                               |                              |                  |
| Profit for the period  | -                        | -                          | -                             | 987                          | 987              |
| <u>Other comprehensive income</u>                            |                          |                            |                               |                              |                  |
| Net change in fair value of available-for-sale investments   | -                        | -                          | 3,604                         | -                            | 3,604            |
| Tax on other comprehensive income                            | -                        | -                          | -                             | -                            | -                |
| Total other comprehensive income, net of tax                 | -                        | -                          | 3,604                         | -                            | 3,604            |
| <b>Total comprehensive income for the period</b>             | <b>-</b>                 | <b>-</b>                   | <b>3,604</b>                  | <b>987</b>                   | <b>4,591</b>     |
| <b>Transactions with owners, recorded directly in equity</b> |                          |                            |                               |                              |                  |
| Dividends declared   | -                        | -                          | -                             | -                            | -                |
| <b>At 31 March 2015</b>                                      | <b>56,650</b>            | <b>556</b>                 | <b>11,724</b>                 | <b>35,811</b>                | <b>104,741</b>   |

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

(a) Changes in the Company’s share capital

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

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

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

|                             | <b>Number of Bonus Warrants outstanding</b> |                    |
|-----------------------------|---|--------------------|
|                             | <b>Expiring<br/>19 May 2017</b>             | <b>Total</b>       |
| <b>At 1 January 2016</b>    | <b>697,430,839</b>                          | <b>697,430,839</b> |
| <b>Exercise of warrants</b> | -   | -                  |
| <b>At 31 March 2016</b>     | <b>697,430,839</b>                          | <b>697,430,839</b> |
| At 1 January 2015           | 697,430,839                                 | 697,430,839        |
| Exercise of warrants        | -   | -                  |
| At 31 March 2015            | 697,430,839                                 | 697,430,839        |

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

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

|                            | <b>Number of Convertible Bonds outstanding</b> |                  |                  |
|----------------------------|--|------------------|------------------|
|                            | <b>Series B</b>                                | <b>Series C</b>  | <b>Total</b>     |
| <b>At 1 January 2016</b>   | <b>1,580,968</b>                               | <b>1,374,795</b> | <b>2,955,763</b> |
| <b>Conversion of bonds</b> | -  | -                | -                |
| <b>At 31 March 2016</b>    | <b>1,580,968</b>                               | <b>1,374,795</b> | <b>2,955,763</b> |
| At 1 January 2015          | 1,580,968                                      | 1,374,795        | 2,955,763        |
| Conversion of bonds        | -  | -                | -                |
| At 31 March 2015           | 1,580,968                                      | 1,374,795        | 2,955,763        |

**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.

|                               | <b>31 Mar 2016</b>        | 31 Dec 2015        |
|-------------------------------|---------------------------|--------------------|
| Total number of issued shares | <u><b>241,685,638</b></u> | <u>241,685,638</u> |

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

Not applicable.

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

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

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

Not applicable.

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

The Group had consistently applied the accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as compared with the audited financial statements for the year ended 31 December 2015.

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

Not applicable.

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

Earnings per ordinary share  
For the first quarter ended 31 March 2016

|   | <b>Group</b>                         |                             |
|---|--------------------------------------|-----------------------------|
|   | <b>3 mths to<br/>31 Mar<br/>2016</b> | 3 mths to<br>31 Mar<br>2015 |
| 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                         | <b>1.32 cts</b>                      | 0.32 cts                    |
| (b) On a fully diluted basis *  | <b>1.32 cts</b>                      | 0.32 cts                    |

|   | <b>Group</b>                         |                             |
|---|--------------------------------------|-----------------------------|
|   | <b>3 mths to<br/>31 Mar<br/>2016</b> | 3 mths to<br>31 Mar<br>2015 |
| Earnings per ordinary share has been computed on the following weighted average number of shares: |                                      |                             |
| (a) Basic   | <b>241,685,638</b>                   | 241,685,638                 |
| (b) Diluted *   | <b>241,685,638</b>                   | 241,685,638                 |

\* Diluted earnings per share for the current quarter ended 31 March 2016 is the same as basic earnings per share as it has not included the outstanding Bonus Warrants and Convertible Bonds because (i) the Second Exercise Period of the Bonus Warrants will be from 19 May 2016 to 19 May 2017; and (ii) the Convertible Bonds is anti-dilutive as its stipulated automatic conversion price is higher than the average market price as at reporting date.

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

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

|  | <b>Group</b>                   |                       | <b>Company</b>                 |                       |
|--|--------------------------------|-----------------------|--------------------------------|-----------------------|
|  | <b>31 Mar<br/>2016<br/>S\$</b> | 31 Dec<br>2015<br>S\$ | <b>31 Mar<br/>2016<br/>S\$</b> | 31 Dec<br>2015<br>S\$ |
| Net asset value per ordinary share based on issued share capital | <b>0.45</b>                    | 0.42                  | <b>0.46</b>                    | 0.42                  |

Net asset value per ordinary share has been computed based on the number of shares in issue as at 31 March 2016 of 241,685,638 (31 December 2015: 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.

**1Q 2016**

During the financial period ended 31 March 2016, the Group reported profit attributable to shareholders of S\$3.2 million and total comprehensive income of S\$8.48 million mainly attributed to:

- (i) Fair value gains in investments at fair value through profit or loss of S\$3.13 million (see details in Note 1 on page 2).
- (ii) Fair value gain in derivative financial instruments of S\$0.13 million.
- (iii) Interest income of S\$0.61 million arising from the loan granted to a portfolio company.
- (iv) Fair value gain in available-for-sale investments of S\$5.28 million due to Fortune Code.

The gains were offset partially by:

- (v) Operating expenses of S\$0.96 million including mainly staff costs and other operating expenses.

**Net Asset Value (“NAV”)**

The Group’s NAV as at 31 March 2016 was S\$108.99 million (representing a NAV of S\$0.45 per share), an increase of S\$8.48 million from the NAV of S\$100.51 million (S\$0.42 per share) as at 31 December 2015.

The increase in the Group’s NAV of S\$8.48 million was mainly due to fair value gain in Fortune Code of S\$5.28 million and investments at fair value through profit or loss of S\$3.13 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.**

Notwithstanding macroeconomic challenges and volatile markets, the private equity scene in Asia enjoyed a record year in 2015 with US\$125 billion in deal value. Exit activity was robust globally with exits in the Asia Pacific region totalling US\$85 billion. However, private equity returns are expected to be softer in 2016 on the back of expectations of sluggish global economic growth in the year ahead, impacted by falling commodity prices, China’s slowdown, and potential interest rates hikes by the US Federal Reserve.

Going forward, TIH will continue to identify investment opportunities with attractive risk-adjusted returns, and tap opportunities that arise from the increasingly volatile capital markets and corporates looking to deleverage, which will allow the Group to acquire investment portfolios at attractive valuations.

**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 31 March 2016.

**13. Interested person transactions.**

The Group does not have a shareholders' mandate for interested person transactions. The following transactions took place between the Group and interested persons during the first quarter ended 31 March 2016:

| Name of interested person  | Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 in the listing manual of SGX-ST) | Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 in the listing manual of SGX-ST (excluding transactions less than S\$100,000) |
|--|--|--|
| Argyle Street Management Limited group ("ASML group"), a deemed controlling shareholder of the Company | Strategic Support Services fee of S\$175,000   | –  |

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

No new proceeds have been raised in the first quarter ended 31 March 2016.

**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 first quarter ended 31 March 2016 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.  
10 May 2016