



TRITECH GROUP LIMITED

(Company Registration No: 200809330R)

(Incorporated in the Republic of Singapore on 13 May 2008)

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE THREE MONTHS ENDED 30 JUNE 2016

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**") for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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PART I INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

- 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

	3 months ended 30 June		
	2016	2015	Change
	(Unaudited)	(Unaudited)	
	\$'000	\$'000	%
Revenue	19,556	21,895	(10.7)
Cost of sales	(16,059)	(17,824)	(9.9)
Gross profit	3,497	4,071	(14.1)
Other items of income			
Other income	225	460	(51.1)
Other items of expenses			
Distribution expenses	(310)	(322)	(3.7)
Administrative expenses	(3,853)	(4,490)	(14.2)
Other expenses	(1,572)	(1,573)	(0.1)
Finance costs	(951)	(856)	11.1
Loss before income tax	(2,964)	(2,710)	9.4
Income tax expense	(34)	-	n.m.
Loss after income tax	(2,998)	(2,710)	10.6
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations, net of tax	(681)	(103)	561.2
Total comprehensive income for the financial period	(3,679)	(2,813)	30.8
Loss attributable to:			
Owners of the parent	(2,624)	(2,180)	20.4
Non-controlling interests	(374)	(530)	(29.4)
Total comprehensive income attributable to:	(2,998)	(2,710)	10.6
Owners of the parent	(3,189)	(2,373)	34.4
Non-controlling interests	(490)	(440)	11.4
	(3,679)	(2,813)	30.8

n.m. not meaningful

Loss before income tax of the Group is arrived at after (charging)/crediting:

	3 months ended 30 June		
	2016	2015	Change
	(Unaudited) \$'000	(Unaudited) \$'000	%
Other income			
Gain on disposal of property, plant and equipment	22	31	(29.0)
Interest income	6	5	20.0
Rental income	73	64	14.1
Sundry income	146	391	(62.7)
Reversal of allowance for impairment on other receivables	61	-	n.m.
Cost of sales, distribution, administrative and other expenses			
Depreciation of property, plant and equipment	(1,395)	(1,389)	0.4
Amortisation of land use right	(15)	(15)	-
Amortisation of intangible assets	(22)	(55)	(60.0)
Amortisation of mining rights	(76)	(59)	28.8

n.m. not meaningful

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

	Group		Company	
	As at 30/06/2016 (Unaudited) \$'000	As at 31/03/2016 (Audited) \$'000	As at 30/06/2016 (Unaudited) \$'000	As at 31/03/2016 (Audited) \$'000
Non-current assets				
Property, plant and equipment	64,857	64,496	1,606	1,613
Investments in subsidiaries	-	-	76,891	76,891
Land use right	2,580	2,672	-	-
Mining rights	14,123	14,200	-	-
Intangible assets	3,293	3,363	-	-
Deferred tax assets	132	132	-	-
	84,985	84,863	78,497	78,504
Current assets				
Inventories	7,247	6,871	-	-
Trade and other receivables	16,605	13,734	20,773	21,094
Amounts due from contract customers	46,551	45,760	-	-
Tax recoverable	28	35	-	-
Prepayments	2,144	2,815	29	47
Cash and bank balances	9,825	12,307	2,031	2,490
	82,400	81,522	22,833	23,631
Less:				
Current liabilities				
Trade and other payables	35,925	33,873	4,770	4,825
Amounts due to contract customers	1,314	3,113	-	-
Bank borrowings	16,469	15,600	4,694	4,701
Finance lease payables	3,287	2,634	-	-
Derivative component of convertible loans	104	104	104	104
Loan from shareholders	6,589	6,739	6,291	6,291
Current income tax payable	954	759	171	171
	64,642	62,822	16,030	16,092
Net current assets	17,758	18,700	6,803	7,539
Non-current liabilities				
Bank borrowings	2,147	2,523	2,147	2,452
Finance lease payables	4,085	3,872	-	-
Liability component of convertible loans	7,989	7,680	7,989	7,680
Deferred tax liabilities	6,472	6,533	637	637
	20,693	20,608	10,773	10,769
Net assets	82,050	82,955	74,527	75,274
Equity				
Share capital	69,866	69,866	69,866	69,866
Reserves	1,551	4,740	4,661	5,408
Total equity attributable to owners of the parent	71,417	74,606	74,527	75,274
Non-controlling interests	10,633	8,349	-	-
Total equity	82,050	82,955	74,527	75,274

1(b)(ii) In relation to the aggregate amount of the Group's borrowings and debt securities, specify the following at the end of the financial period reported on with comparative figures at the end of the immediately preceding financial year.

	As at 30 June 2016		As at 31 March 2016	
	Secured (Unaudited) \$'000	Unsecured (Unaudited) \$'000	Secured (Audited) \$'000	Unsecured (Audited) \$'000
Amount repayable within one year	19,512	6,833	18,074	6,899
Amount repayable after one year	14,221	-	14,075	-
	<u>33,733</u>	<u>6,833</u>	<u>32,149</u>	<u>6,899</u>

The borrowings of the Group comprised bank guarantees facilities, finance lease obligations, term loans, 10% interest bearing shareholder loan (of \$1.3 million) and a non-interest bearing shareholder loan (of \$5.3 million). The bank guarantees are secured by fixed deposits placed with the financial institutions and corporate guarantee from the Company. The finance lease obligations are secured by the lessors' title to the leased assets and corporate guarantee from the Company.

The term loans are secured by:-

- (i) 1st legal mortgage over leasehold property located at Food Xchange @ Admiralty and assignment of all rights and benefits over the rental income from the leasehold property;
- (ii) fixed deposits placed with the financial institutions;
- (iii) all monies guarantee by certain subsidiaries;
- (iv) corporate guarantee from the Company;
- (v) personal guarantees given by the directors of a subsidiary; and
- (vi) the land use right of the Company's subsidiary in the People's Republic of China ("PRC").

Convertible Loans

On 21 September 2014, the Company had entered into a convertible loans agreement ("CLA") with certain individuals (the "Lenders"), for the grant by the Lenders of interest-bearing convertible loans of up to \$20,000,000 in aggregate principal amount to the Company. A maximum of up to 149,783,546 new ordinary shares comprising loan conversion shares and interest conversion shares of the Company are to be issued based on the loan conversion price of \$0.21 and minimum interest conversion price of \$0.11 for each new share. On 28 October 2014, the Company had drawn down \$10,000,000 of the convertible loans.

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

	3 months ended	
	30/06/2016	30/06/2015
	(Unaudited)	(Unaudited)
	\$'000	\$'000
Cash flows from operating activities		
Loss before taxation	(2,964)	(2,710)
Adjustments for:		
Amortisation of intangible assets	22	55
Amortisation of mining rights	76	59
Amortisation of land use rights	15	15
Depreciation of property, plant and equipment	1,395	1,389
Gain on disposal of property, plant and equipment	(22)	(31)
Interest income	(6)	(5)
Interest expense	392	369
Interest expense - convertible loan	560	487
Reversal of allowance for other receivables	(61)	-
Operating cash flow before working capital changes	(593)	(372)
Working capital changes:		
Inventories	(376)	3,791
Trade and other receivables	(3,601)	(12,635)
Prepayments	671	1,934
Trade and other payables	503	5,936
Cash used in operations	(3,396)	(1,346)
Income taxes paid	(26)	(248)
Interest received	6	5
Net cash used in operating activities	(3,416)	(1,589)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,634)	(2,164)
Proceeds from disposal of property, plant and equipment	40	72
Net cash used in investing activities	(1,594)	(2,092)
Cash flows from financing activities		
Decrease in fixed deposit pledged	21	-
Proceeds from bank borrowings	1,522	-
Loan from shareholders	-	2,600
Repayments of bank borrowings	(1,313)	(953)
Repayments of convertible loan interests	(500)	-
Repayments of finance lease obligations	(615)	(776)
Repayments of shareholder loan	(150)	-
Proceeds from issuance of placement shares	2,774	-
Interest paid	(392)	(369)
Net cash generated from financing activities	1,347	502
Net change in cash and cash equivalents	(3,663)	(3,179)
Cash and cash equivalents at beginning of financial period	5,261	11,525
Currency translation differences	918	1,141
Cash and cash equivalents at end of financial period	2,516	9,487
Cash and cash equivalents comprise:		
	Group	
	3 months ended	
	(Unaudited)	(Unaudited)
Fixed deposits	4,897	4,752
Cash and bank balances	4,928	11,961
Cash and cash equivalents	9,825	16,713
Bank overdraft	(2,428)	(2,479)
Fixed deposit pledged	(4,881)	(4,747)
Cash and cash equivalents in the consolidated cash flow statement	2,516	9,487

d)(i) A statement (for the Issuer and Group) 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.

	Attributable to owners of the Company									
	Share capital	Equity component of convertible loans	Gain on disposals to non-controlling interests	Employee share award reserve	Asset revaluation reserve	Foreign currency translation reserve	Accumulated losses	Equity attributable to the owners of the Company	Non-controlling interests	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
FY2017 Group (Unaudited)										
At 1 April 2016	69,866	2,108	34,951	-	11,111	399	(43,829)	74,606	8,349	82,955
Loss for the financial period	-	-	-	-	-	-	(2,624)	(2,624)	(374)	(2,998)
<u>Other comprehensive income</u>										
Exchange differences arising from translation of foreign operations	-	-	-	-	-	(565)	-	(565)	(116)	(681)
Total comprehensive income for the financial period	-	-	-	-	-	(565)	(2,624)	(3,189)	(490)	(3,679)
<u>Contributions by and distributions to owners</u>										
Issuance of placement shares to non-controlling interests	-	-	-	-	-	-	-	-	2,774	2,774
Total contributions by and distributions to owners	-	-	-	-	-	-	-	-	2,774	2,774
At 30 June 2016	69,866	2,108	34,951	-	11,111	(166)	(46,453)	71,417	10,633	82,050

d)(i) A statement (for the Issuer and Group) 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.

Attributable to owners of the Company

	Share capital	Equity component of convertible loans	Gain on disposals to non-controlling interests	Employee share award reserve	Asset revaluation reserve	Foreign currency translation reserve	Accumulated losses	Equity attributable to the owners of the Company	Non-controlling interests	Total equity
FY2016 Group (Unaudited)	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 April 2015	68,174	2,108	34,951	708	11,111	3,216	(27,135)	93,133	9,636	102,769
Loss for the financial period	-	-	-	-	-	-	(2,180)	(2,180)	(530)	(2,710)
<u>Other comprehensive income</u>										
Exchange differences arising from translation of foreign operations	-	-	-	-	-	(193)	-	(193)	90	(103)
Total comprehensive income for the financial period	-	-	-	-	-	(193)	(2,180)	(2,373)	(440)	(2,813)
<u>Contributions by and distributions to owners</u>										
Issuance of shares to convertible loan holders	499	-	-	-	-	-	-	499	-	499
Total contributions by and distributions to owners	499	-	-	-	-	-	-	499	-	499
At 30 June 2015	68,673	2,108	34,951	708	11,111	3,023	(29,315)	91,259	9,196	100,455

(d)(i) A statement (for the Issuer and Group) 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 (continued).

Company (Unaudited)	Share capital	Employee share award reserve	Equity component of convertible loans	Asset revaluation reserve	Accumulated profits/(losses)	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 April 2016	69,866	-	2,108	925	2,375	75,274
Loss for the financial period	-	-	-	-	(747)	(747)
Total comprehensive income for the financial period	-	-	-	-	(747)	(747)
Total contributions by and distributions to owners	-	-	-	-	-	-
At 30 June 2016	69,866	-	2,108	925	1,628	74,527
At 1 April 2015	68,174	708	2,108	925	490	72,405
Loss for the financial period	-	-	-	-	(485)	(485)
Total comprehensive income for the financial period	-	-	-	-	(485)	(485)
Contributions and distributions to owners						
Issuance of shares to convertible loan holders	499	-	-	-	-	499
Total contributions by and distributions to owners	499	-	-	-	-	499
At 30 June 2015	68,673	708	2,108	925	5	72,419

(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, against the total number of issued shares excluding treasury shares of the issuer, 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.

Details of the changes in the issued and paid-up capital of the Company since the financial year ended 31 March 2016 ("FY2016) to the three months ended 30 June 2016 ("1Q2017) are as follows:-

Ordinary shares

	Number of shares	\$
Issued and fully paid ordinary shares as at 31 March 2016	791,865,686	69,866,463
Issued and fully paid ordinary shares as at 30 June 2016	791,865,686	69,866,463

Warrants

As at 30 June 2016, there were 386,574,593 bonus warrants allotted and issued, each warrant carrying the right to subscribe for one new share of the Company at an exercise price of \$0.20 for each new share. As at 30 June 2015, there were 386,574,593 warrants.

Performance Share Plan

The Company did not make any Share Awards as at 30 June 2016 and 30 June 2015.

Treasury shares

The Company did not have any outstanding treasury shares as at 30 June 2016 and 30 June 2015.

Convertible Loans

On 27 April 2015, the Company had allotted and issued 3,673,500 new ordinary shares at an issue price of \$0.1359 per share in settlement of an interest payment as set out in the CLA. On 28 October 2015, the Company had allotted and issued 4,380,000 new ordinary shares at an issue price of \$0.1141 per share in settlement of an interest payment as set out in the CLA.

Pursuant to the CLA, the Company had 47,619,048 and 49,155,791 outstanding loan conversion shares and interest conversion shares as at 30 June 2016 and 30 June 2015 respectively.

1(d)(iii) Total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 30.06.2016	As at 31.03.2016
Total number of issued shares excluding treasury shares	791,865,686	791,865,686

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

Not applicable. There was no treasury shares during or as at the end of the current financial period reported on.

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

The figures have not been audited or reviewed by the Company's auditors.

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

Not applicable. The figures have not been audited or reviewed by the Company's auditors.

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

Save as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those used in the most recently audited annual financial statements for the financial year ended 31 March 2016.

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.

In the current financial period, the Group adopted all of the new and/or revised Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") that are relevant to its operations and are effective for the financial year beginning 1 April 2016. The adoption of these new and/or revised FRS and INT FRS did not result in any substantial changes to the Group's and the Company's accounting policies or any significant impact on the financial statements for the current or prior financial periods reported on.

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.

	1Q2017 (Unaudited)	1Q2016 (Unaudited)
(a) Basic loss per share (SGD cents)	(0.33)	(0.28)
(b) Diluted loss per share (SGD cents)	(0.33)	(0.28)

- (a) Basic loss per share of the Group in the three months ended 30 June 2016 (“1Q2017”) is calculated based on the weighted average number of ordinary shares in issue of 791,865,686.

Basic loss per share for the Group in the three months ended 30 June 2015 (“1Q2016”) is calculated based on the weighted average number of ordinary shares in issue of 781,586,115.

- (a) Diluted loss per share of the Group in 1Q2017 and 1Q2016 are the same as the basic loss per share because the potential ordinary shares to be converted under any convertible securities are anti-dilutive.

7. Net asset value (for the Issuer and Group) per ordinary share based on the 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	
	1Q2017 (Unaudited)	FY2016 (Audited)	1Q2017 (Unaudited)	FY2016 (Audited)
Net asset value per ordinary share based on issued share capital (SGD cents)	9.02	9.42	9.41	9.51

The net asset value per ordinary share of the Group and the Company as at 30 June 2016 were calculated based on the total issued number of ordinary shares (excluding treasury shares) of 791,865,686 (31 March 2016: 791,865,686).

8. A review of the performance of the Group, to for a reasonable the extent necessary 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.

REVIEW OF INCOME STATEMENT OF THE GROUP

The Group's revenue decreased by \$2.3 million from \$21.9 million in 1Q2016 to \$19.6 million in 1Q2017 mainly due to the decreased revenue in the engineering business of \$3.4 million which was offset by the increase in revenue from the marble resource business of \$1.1 million.

The Group's gross profit decreased by \$0.6 million from \$4.1 million in 1Q2016 to \$3.5 million in 1Q2017 was mainly due to lower profit generated from the engineering business which was in line with the decrease in its revenue.

The Group's other income decreased by \$0.2 million from \$0.4 million in 1Q2016 to \$0.2 million in 1Q2017 mainly due to absence of one-off foreign exchange gain arising from accounts payable in 1Q2016 from the water-related and environmental business.

The Group's administrative expenses decreased by \$0.6 million from \$4.5 million in 1Q2016 to \$3.9 million in 1Q2017 mainly due to reclassification of intercompany unrealised foreign exchange loss to foreign currency translation reserves arising from the marble resource business.

Finance costs increased by \$0.1 million from \$0.9 million in 1Q2016 to \$1.0 million in 1Q2017 mainly due to higher cost attributable to the convertible loans during the financial period under review.

As a result of the above, the Group recorded a loss after tax of \$3.0 million in 1Q2017 as compared to a loss after tax of \$2.7 million in 1Q2016.

REVIEW OF FINANCIAL POSITION OF THE GROUP

Non-current assets of the Group amounted to \$85.0 million as at 30 June 2016, an increase of \$0.1 million from \$84.9 million as at 31 March 2016 mainly due to addition of property, plant and equipment of \$3.1 million offset against amortisation and depreciation charges of \$1.5 million and foreign exchange translation loss of \$1.3 million.

Current assets were \$82.4 million as at 30 June 2016. This represents an increase of \$0.9 million from \$81.5 million as at 31 March 2016. The increase was mainly due to the increase in inventories of \$0.4 million in relation to additional inventories from the marble resource business and the water-related and environmental business. Increase in trade and other receivables of \$2.9 million was mainly due to corresponding increase in revenue from the marble resource business of \$2.1 million, and the water-related and environmental business of \$0.8 million, and the increase in amount due from contract customers of \$0.8 million from the water-related and environmental business. This was partially offset by the decrease in prepayment of \$0.7 million due to reclassification of prepayment to cost of sales upon receipt of suppliers' invoices, and the decrease of cash and bank balances of \$2.5 million.

Current liabilities were \$64.6 million as at 30 June 2016, an increase of \$1.8 million from \$62.8 million as at 31 March 2016. The increase was mainly due to increase in trade and other payables of \$2.1 million in relation to additional purchases for current work-in-progress projects for the marble resource business in PRC, increase in finance lease payables of \$0.7 million and the increase of bank borrowings of \$0.9 million for working capital purposes. The increase was offset by the decrease in amount due to contract customers of \$1.8 million mainly due to timing recognition of revenue vis-à-vis progress billings, and the decrease of loan from shareholders of \$0.1 million due to repayment.

Non-current liabilities were \$20.7 million as at 30 June 2016, an increase of \$0.1 million from \$20.6 million as at 31 March 2016. This was mainly due to the increase in finance lease payables of \$0.2 million and the increase in liability component of convertible loans of \$0.3 million. The increase was offset by the decrease in bank borrowings of \$0.4 million due to repayment.

The Group had a positive working capital of \$17.8 million as at 30 June 2016 as compared to \$18.7 million as at 31 March 2016.

REVIEW OF CASH FLOW STATEMENT OF THE GROUP

The Group had a net cash used in operating activities amounting to \$3.4 million in 1Q2017. The net cash used in operating activities in 1Q2017 was mainly due to an operating cash outflow of \$0.6 million before working capital changes and working capital outflow of \$2.8 million mainly due to increase in trade and other receivables offset by the increase in trade and other payables.

Net cash of \$1.6 million was used in investing activities in 1Q2017, mainly for purchase of new plant and machinery for the engineering business and water-related and environmental business.

Net cash of \$1.3 million was generated from financing activities in 1Q2017, mainly due to additional bank borrowings of \$1.5 million, and proceeds from placement shares of \$2.8 million from its marble resource subsidiary. These were offset by cash outflow for repayment of bank borrowing, payment of finance lease, term loan interest, shareholder loan and convertible loan interest totalling of \$3.0 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and actual results.

The current results are in line with the Company's discussion presented in Note 10 of the unaudited results announcement dated 30 May 2016.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

In view of the increasing competition and rising business costs from the imposition of foreign workers levy in our engineering business, the management has taken steps to address these challenges by gradually moving from labour intensive projects to those that require greater technical competency and tendering for projects that have a reasonable profit margin. These efforts are reflected in our recent secured projects for pipe-jacking works contracted by PUB which were completed with lesser reliance on manpower and successful tenders for the provision of qualified person services from LTA, despite not being the lowest bidder.

As part of our efforts to enhance the productivity of engineering business, we continue to focus on seeking out business opportunities that require our technical expertise such as potential project works in in Sponge city, PRC and underground space utilization projects in Singapore. Our current order book for the engineering business had increased from \$110 million as at 30 April 2016 to \$141.3 million as at 31 July 2016.

We continue to make progress in our water-related and environmental business and is expecting to secure more water-related projects within China and neighbouring regions. As at 31 July 2016, our current order book in the water-related and environmental business stood at \$21 million.

For a full commentary on the Group's marble resource business, please refer to the financial results announcement of Terratech in respect of the financial period ended 30 June 2016 which is released separately.

11. If a decision regarding dividend has been made:-

(a) Whether an interim (final) dividend has been declared (recommended); and

Nil

**(b)(i) Amount per share (cents)
(Optional) Rate (%)**

Nil

(b)(ii) Previous corresponding period (cents)

(Optional) Rate (%)

Nil

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable

(d) The date the dividend is payable.

Not applicable

(e) The date on which Registrable Transfers receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable

12 If no dividend has been declared (recommended), a statement to that effect.

No dividends has been declared or recommended for the financial period ended 30 June 2016.

13 Interested Person Transactions

If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company does not have a general mandate from its shareholders for interested person transactions. There were no interested person transaction of \$100,000 and above during the financial period reported on.

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

The company has procured undertakings from all its directors and executive officer under Rule 720 (1).

15 Confirmation pursuant to Rule 705(5) of the Catalist Listing Manual.

The Board of Directors of the Company hereby confirms that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements for the three months ended 30 June 2016 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Dr Wang Xiaoning

Managing Director

11 August 2016