



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 FINANCIAL PERIOD ENDED 31 DECEMBER 2017

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

	Third quarter ended 31 December			Nine months ended 31 December		
	2017	2016 ⁽¹⁾	Change	2017	2016 ⁽¹⁾	Change
	(Unaudited)	(Re-presented)		(Unaudited)	(Re-presented)	
	\$'000	\$'000	%	\$'000	\$'000	%
Continuing operations						
Revenue	18,282	15,859	15.3	53,866	47,216	14.1
Cost of sales	(15,051)	(13,116)	14.8	(45,294)	(37,280)	21.5
Gross profit	3,231	2,743	17.8	8,572	9,936	(13.7)
Other items of income						
Other income	442	355	24.5	866	671	29.1
Other items of expenses						
Distribution expenses	(256)	(295)	(13.2)	(796)	(881)	(9.6)
Administrative expenses	(3,378)	(3,393)	(0.4)	(10,921)	(10,054)	8.6
Other expenses	(1,496)	(857)	74.6	(8,586)	(2,954)	190.7
Finance costs	(590)	(1,037)	(43.1)	(3,167)	(2,940)	7.7
Share of results of associates	31	-	n.m.	-	-	n.m.
Loss before taxation	(2,016)	(2,484)	(18.8)	(14,032)	(6,222)	125.5
Income tax (expense)/credit	(118)	136	(186.8)	(112)	258	(143.4)
Loss from continuing operations, net of income tax	(2,134)	(2,348)	(9.1)	(14,144)	(5,964)	137.2
Discontinued operation ⁽²⁾						
Gain on disposal of 52.24% economic interest in a subsidiary	-	-	-	11,134	-	n.m.
Loss from discontinued operation, net of income tax	-	(1,175)	n.m.	(1,761)	(3,281)	(46.3)
Loss for the financial period	(2,134)	(3,523)	(39.4)	(4,771)	(9,245)	(48.4)
Other comprehensive income:						
Items that may be reclassified subsequently to profit or loss:						
Exchange differences realised on loss of control in subsidiaries reclassified to profit or loss	-	-	-	(357)	-	n.m.
Exchange differences on translating foreign operations, net of tax	69	191	(63.9)	(112)	(428)	(73.8)
Total comprehensive income for the financial period	(2,065)	(3,332)	(38.0)	(5,240)	(9,673)	(45.8)
Profit/(loss) attributable to:						
Owners of the parent						
Loss from continuing operations	(2,130)	(2,346)	(9.2)	(14,202)	(5,958)	138.4
(Loss)/profit from discontinued operation	-	(667)	n.m.	10,184	(1,883)	n.m.
Loss for the financial period attributable to owners of the Company	(2,130)	(3,013)	(29.3)	(4,018)	(7,841)	(48.8)
Non-controlling interest						
(Loss)/profit from continuing operations	(4)	(2)	n.m.	58	(6)	n.m.
Loss from discontinued operation	-	(508)	n.m.	(811)	(1,398)	(42.0)
(Loss)/profit for the financial period attributable to non-controlling interests	(4)	(510)	(99.2)	(753)	(1,404)	(46.4)
Loss for the financial period	(2,134)	(3,523)	(39.4)	(4,771)	(9,245)	(48.4)
Total comprehensive income attributable to:						
Owners of the parent	(2,061)	(2,821)	(26.9)	(4,183)	(8,132)	(48.6)
Non-controlling interest	(4)	(511)	(99.2)	(1,057)	(1,541)	(31.4)
Total comprehensive income for the financial period	(2,065)	(3,332)	(38.0)	(5,240)	(9,673)	(45.8)

n.m. = not meaningful

⁽¹⁾ The comparative figures have been re-presented to report separately profit and loss items for continuing or discontinued operations.

⁽²⁾ Discontinued operations relate to Terratech Group Limited.

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

	Third quarter ended 31 December			Nine months ended 31 December		
	2017	2016	Change	2017	2016	Change
	(Unaudited) \$'000	(Re-presented) \$'000	%	(Unaudited) \$'000	(Re-presented) \$'000	%
Other income						
<u>Continuing operations</u>						
Gain on disposal of property, plant and equipment	33	55	(40.0)	40	141	(71.6)
Interest income	8	6	33.3	18	12	50.0
Rental income	23	20	15.0	127	160	(20.6)
Waiver of payable	-	-	-	127	-	n.m.
Sundry income	378	274	38.0	554	358	54.7
<u>Discontinued operation</u>						
Gain on loss of control of a subsidiary	-	-	-	11,134	-	n.m.
Liquidation of Marble Resources business in China (tax and net assets)	-	-	-	742	-	n.m.
Reversal of impairment loss on other receivables	-	-	-	-	61	n.m.
Sundry income	-	51	n.m.	26	64	(59.4)
Cost of sales, distribution, administrative and other expenses						
<u>Continuing operations</u>						
Depreciation of property, plant and equipment	(1,178)	(1,269)	(7.2)	(3,479)	(3,660)	(4.9)
Amortisation of land use right	(15)	(14)	7.1	(43)	(43)	-
Amortisation of intangible assets	(42)	(21)	100.0	(126)	(65)	93.8
Fair value loss on investment securities	(507)	-	n.m.	(5,658)	-	n.m.
Write-off of plant and equipment	-	-	-	-	(3)	n.m.
<u>Discontinued operation</u>						
Depreciation of property, plant and equipment	-	(170)	n.m.	(54)	(505)	(89.3)
Amortisation of mining rights	-	(77)	n.m.	(15)	(230)	(93.5)
Write-off of plant and equipment	-	-	-	(37)	-	n.m.

n.m. = not meaningful

1(b)(i) 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 31/12/2017 (Unaudited) \$'000	As at 31/03/2017 (Audited) \$'000	As at 31/12/2017 (Unaudited) \$'000	As at 31/03/2017 (Audited) \$'000
Non-current assets				
Property, plant and equipment	53,071	55,668	1,574	1,601
Investments in subsidiaries	-	-	69,307	57,486
Investments in associates	687	-	-	-
Land use right	2,524	2,536	-	-
Mining rights	-	-	-	-
Intangible assets	1,559	1,683	-	-
	<u>57,841</u>	<u>59,887</u>	<u>70,881</u>	<u>59,087</u>
Current assets				
Inventories	4,407	3,675	-	-
Trade and other receivables	13,610	9,936	23,723	19,891
Amounts due from contract customers	54,528	53,275	-	-
Tax recoverable	3	25	-	-
Prepayments	1,036	1,852	203	38
Investment securities	2,062	-	2,062	-
Derivative component of convertible loan	500	-	500	-
Cash and bank balances	5,237	9,055	1,842	2,532
	<u>81,383</u>	<u>77,818</u>	<u>28,330</u>	<u>22,461</u>
Assets of disposal group classified as held for sale	-	29,932	-	19,425
	<u>81,383</u>	<u>107,750</u>	<u>28,330</u>	<u>41,886</u>
Total assets	<u>139,224</u>	<u>167,637</u>	<u>99,211</u>	<u>100,973</u>
Less:				
Current liabilities				
Trade and other payables	36,406	36,952	4,516	5,003
Amounts due to contract customers	4,717	3,826	-	-
Bank borrowings	21,465	19,698	4,634	4,706
Finance lease payables	1,923	3,063	-	-
Derivative component of convertible loan	-	14	-	14
Liability component of convertible loan	-	9,034	-	9,034
Loan from shareholders	3,927	4,549	2,320	3,020
Current income tax payable	699	599	171	171
	<u>69,137</u>	<u>77,735</u>	<u>11,641</u>	<u>21,948</u>
Liabilities directly associated with disposal group classified as held for sale	-	12,509	-	-
	<u>69,137</u>	<u>90,244</u>	<u>11,641</u>	<u>21,948</u>
Net current assets	<u>12,246</u>	<u>17,506</u>	<u>16,689</u>	<u>19,938</u>
Non-current liabilities				
Bank borrowings	470	1,315	316	1,232
Finance lease payables	1,316	2,236	-	-
Liability component of convertible loan	3,700	-	3,700	-
Deferred tax liabilities	2,509	2,554	403	403
	<u>7,995</u>	<u>6,105</u>	<u>4,419</u>	<u>1,635</u>
Total liabilities	<u>77,132</u>	<u>96,349</u>	<u>16,060</u>	<u>23,583</u>
Net assets	<u>62,092</u>	<u>71,288</u>	<u>83,151</u>	<u>77,390</u>
Equity				
Share capital	77,653	75,637	77,653	75,637
Reserves	(15,944)	32,274	5,498	1,753
Reserves of disposal group classified as held for sale	-	(44,835)	-	-
Total equity attributable to owners of the parent	<u>61,709</u>	<u>63,076</u>	<u>83,151</u>	<u>77,390</u>
Non-controlling interests	383	331	-	-
Non-controlling interests of disposal group classified as held for sale	-	7,881	-	-
Total equity	<u>62,092</u>	<u>71,288</u>	<u>83,151</u>	<u>77,390</u>

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 31 December 2017		As at 31 March 2017	
	Secured	Unsecured	Secured	Unsecured
	(Unaudited) \$'000	(Unaudited) \$'000	(Audited) \$'000	(Audited) \$'000
Amount repayable within one year	21,961	5,354	31,149	5,195
Amount repayable after one year	5,486	-	3,551	-
	<u>27,447</u>	<u>5,354</u>	<u>34,700</u>	<u>5,195</u>

As at 31 December 2017, the borrowings of the Group comprised of finance lease obligations, term loans, 10% interest bearing shareholder loan (of \$2.3 million) and a non-interest bearing shareholder loan (of \$1.6 million). The bank guarantees are secured by fixed deposits placed with the financial institutions and corporate guarantees 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 guarantees from the Company;
- (v) personal guarantees given by the directors of a subsidiary; and
- (vi) the land use right of the Company's subsidiary and leasehold property of the Group in the People's Republic of China ("PRC").

Convertible Loans

On 27 October 2017, the Company had entered into convertible loan agreement ("CLA") with a private company (the "Lender"), pursuant to which the Lender has agreed to grant an interest-bearing convertible loan of \$4,000,000 principal amount to the company. The company had drawn down \$4,000,000 of the convertible loans at the same day of entering into the agreement.

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.

	Third quarter ended		Nine months ended	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities				
Loss before tax from continuing operations	(2,016)	(2,484)	(14,032)	(6,222)
(Loss)/profit before tax from discontinued operation	-	(1,151)	9,415	(3,206)
Loss before taxation, total	(2,016)	(3,635)	(4,617)	(9,428)
Adjustments for:				
Amortisation of intangible assets	42	21	126	65
Amortisation of mining rights	-	77	15	230
Amortisation of land use rights	15	14	43	43
Depreciation of property, plant and equipment	1,178	1,439	3,533	4,165
Fair value loss on investment securities	507	-	5,658	-
Gain on disposal of plant and equipment	(33)	(55)	(40)	(141)
Gain on loss of control of a subsidiary	-	-	(11,134)	-
Interest income	(8)	(6)	(18)	(12)
Interest expense	483	439	1,446	1,219
Interest expense - convertible loan	107	604	1,725	1,730
Waiver of payable	-	-	(127)	-
Write-off of plant and equipment	-	-	37	3
Reversal of impairment loss on other receivables	-	-	-	(61)
Share of results of associates	(31)	-	-	-
Operating cash flow before working capital changes	244	(1,102)	(3,353)	(2,187)
Working capital changes:				
Inventories	(402)	(464)	(825)	(1,885)
Trade and other receivables	(2,299)	326	(4,421)	(7,368)
Prepayments	686	153	769	1,062
Trade and other payables	201	1,498	1,721	8,388
Cash (used in)/generated from operations	(1,570)	411	(6,109)	(1,990)
Income taxes refund/(paid)	(117)	137	(120)	135
Interest received	8	6	18	12
Net cash (used in)/generated from operating activities	(1,679)	554	(6,211)	(1,843)
Cash flows from investing activities				
Loss of control in subsidiaries (net of cash disposed of)	-	-	(1,397)	-
Purchase of plant and equipment	109	(697)	(625)	(2,709)
Proceeds from disposal of investment securities	1,189	-	3,410	-
Proceeds from disposal of plant and equipment	35	185	113	308
Net cash generated from/(used in) investing activities	1,333	(512)	1,501	(2,401)
Cash flows from financing activities				
Addition of associate	203	-	-	-
Decrease in fixed deposit	100	434	1,103	1,812
Proceeds from bank borrowings	1,976	3,643	2,914	5,165
Proceeds from issuance of convertible loan	3,760	-	3,760	-
Loan from shareholders	-	110	548	191
Repayments of bank borrowings	(587)	(819)	(1,678)	(2,470)
Repayments of convertible loans	(2,500)	-	(2,500)	-
Repayments of convertible loan interests	(125)	(500)	(250)	(1,000)
Repayments of finance lease obligations	(793)	(863)	(2,060)	(2,334)
Repayments of shareholder loan	(580)	-	(1,170)	(150)
Proceeds from issuance of placement shares	-	-	2,016	-
Proceeds from issuance of subsidiary's placement shares	-	-	-	2,774
Interest paid	(481)	(439)	(1,444)	(1,219)
Net cash generated from financing activities	973	1,566	1,239	2,769

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 (continued).

	Third quarter ended		Nine months ended	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	\$'000	\$'000	\$'000	\$'000
Net change in cash and cash equivalents	627	1,608	(3,471)	(1,475)
Cash and cash equivalents at beginning of financial period	35	2,824	3,945	5,261
Currency translation differences	(292)	(297)	(104)	349
Cash and cash equivalents at end of financial period	370	4,135	370	4,135

Cash and cash equivalents comprise:

	Group	
	Nine months ended	
	31/12/2017	31/12/2016
	(Unaudited)	(Unaudited)
Fixed deposits	3,233	3,317
Cash and bank balances	2,004	6,301
Cash and cash equivalents	5,237	9,618
Bank overdraft	(1,957)	(2,394)
Fixed deposits pledged	(2,910)	(3,089)
Cash and cash equivalents in the consolidated cash flow statement	370	4,135

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	Asset revaluation reserve	Foreign currency translation reserve	Accumulated losses	Equity attributable to the owners of the Company	Non-controlling interests	Total equity
Group (Unaudited)	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 October 2017	77,653	2,108	34,951	9,269	176	(61,187)	62,970	387	63,357
Profit/(Loss) for the financial period	-	-	-	-	-	(2,130)	(2,130)	(4)	(2,134)
<u>Other comprehensive income</u>									
Exchange differences arising from translation of foreign operations	-	-	-	-	69	-	69	-	69
Total comprehensive income for the financial period	-	-	-	-	69	(2,130)	(2,061)	(4)	(2,065)
<u>Contributions by and distributions to owners</u>									
Issuance of convertible loan	-	800	-	-	-	-	800	-	800
Total contributions by and distributions to owners	-	800	-	-	-	-	800	-	800
At 31 December 2017	77,653	2,908	34,951	9,269	245	(63,317)	61,709	383	62,092

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).

	Attributable to owners of the Company										
	Share capital	Equity component of convertible bonds	Gain on disposals to non-controlling interests	Asset revaluation reserve	Foreign currency translation reserve	Accumulated losses	Reserve of disposal group classified as held for sale	Equity attributable to the owners of the Company	Non-controlling interests	Non-controlling interests of disposal group classified as held for sale	Total equity
Group (Unaudited)	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 October 2016	69,866	2,108	34,951	11,111	58	(5,523)	(43,276)	69,295	276	9,817	79,388
Loss for the financial period	-	-	-	-	-	(3,013)	-	(3,013)	(510)	-	(3,523)
<u>Other comprehensive income</u>											
Exchange differences arising from translation of foreign operations	-	-	-	-	192	-	-	192	(1)	-	191
Total comprehensive income for the financial period	-	-	-	-	192	(3,013)	-	(2,821)	(511)	-	(3,332)
<u>Contributions by and distributions to owners</u>											
Issuance of new shares through loan capitalisation	5,771	-	-	-	-	-	-	5,771	-	-	5,771
Reserve and non-controlling interest attributable to disposal group classified as held for sale	-	-	-	-	144	660	(804)	-	508	(508)	-
Total contributions by and distributions to owners	5,771	-	-	-	144	660	(804)	5,771	508	(508)	5,771
At 31 December 2016	75,637	2,108	34,951	11,111	394	(7,876)	(44,080)	72,245	273	9,309	81,827

(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).

	Share capital	Equity component of convertible loans	Asset revaluation reserve	Accumulated profits	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Company (Unaudited)					
At 1 October 2017	77,653	2,108	952	2,543	83,256
Loss for the financial period	-	-	-	(905)	(905)
Total comprehensive income for the financial period	-	-	-	(905)	(905)
Contributions and distributions to owners					
Issuance of convertible loan	-	800	-	-	800
Total contributions by and distributions to owners	-	800	-	-	800
At 31 December 2017	77,653	2,908	952	1,638	83,151
At 1 October 2016	69,866	2,108	925	866	73,765
Loss for the financial period	-	-	-	(1,453)	(1,453)
Total comprehensive income for the financial period	-	-	-	(1,453)	(1,453)
Contributions and distributions to owners					
Issuance of new shares through loan capitalisation	5,771	-	-	-	5,771
Total contributions by and distributions to owners	5,771	-	-	-	5,771
At 31 December 2016	75,637	2,108	925	(587)	78,083

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 the number of shares that may be issued on conversion of all the outstanding convertibles if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 end of the previous quarter ended 30 September 2017 ("2Q2018") to the three months ended 31 December 2017 ("3Q2018") were as follows:-

Ordinary shares

	Number of shares	\$
Issued and fully paid ordinary shares as at 30 September 2017	907,971,182	77,653,368
Issued and fully paid ordinary shares as at 31 December 2017	907,971,182	77,653,368

Warrants

As at 31 December 2017, 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 31 December 2016, there were 386,574,593 warrants, convertible into 386,574,593 ordinary shares.

Tritech Group Performance Share Plan and Tritech Group Employee Share Option Scheme

The Company did not have any outstanding share awards as at 31 December 2017 and 31 December 2016.

Treasury shares and subsidiary holdings

The Company did not have any outstanding treasury shares or subsidiary holdings as at 31 December 2017 and 31 December 2016.

Convertible Loans

On 27 October 2017, the Company had entered into convertible loan agreement ("CLA") with a private company (the "Lender"), pursuant to which the Lender has agreed to grant an interest-bearing convertible loan of \$4,000,000 principal amount to the company. The company had drawn down \$4,000,000 of the convertible loans at the same day of entering into the agreement. The convertible loan is convertible into 50,000,000 ordinary shares, at a conversion price of \$0.08 per share subject to adjustments in accordance with the provisions of the CLA.

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 31.12.2017	As at 31.03.2017
Total number of issued shares excluding treasury shares	907,971,182	879,168,182

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

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

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. There were no subsidiary holdings 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 preparation of 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 2017.

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 2017. 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.

	3Q2018 (Unaudited)	3Q2017 (Unaudited)	9M2018 (Unaudited)	9M2017 (Unaudited)
Loss per share from continuing operations				
(a) Basic loss per share (SGD cents)	(0.23)	(0.27)	(1.58)	(0.73)
(b) Diluted loss per share (SGD cents)	(0.23)	(0.27)	(1.58)	(0.73)
Loss per share from continuing and discontinued operations				
(a) Basic loss per share (SGD cents)	(0.23)	(0.35)	(0.45)	(0.96)
(b) Diluted loss per share (SGD cents)	(0.23)	(0.35)	(0.45)	(0.96)

- (a) Basic loss per share of the Group for the three months financial period ended 31 December 2017 ("3Q2018") is calculated based on the weighted average number of ordinary shares in issue of 907,971,182.

Basic loss per share for the Group for the nine months financial period ended 31 December 2017 ("9M2018") is calculated based on the weighted average number of ordinary shares in issue of 898,858,960.

Basic per loss per share of the Group for the three months financial period ended 31 December 2016 ("3Q2017") is calculated based on the weighted average number of ordinary shares in issue of 869,678,780.

Basic loss per share of the Group for the nine months financial period ended 31 December 2016 ("9M2017") is calculated based on the weighted average number of ordinary shares in issue of 817,897,703.

- (b) Diluted loss per share of the Group in 3Q2018, 9M2018, 3Q2017 and 9M2017 are the same as the basic loss per share assuming that no potential ordinary shares are to be issued under CLA and the bonus warrants as the conversion price or exercise price respectively were higher than the prevailing market price at the relevant dates.

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	
	9M2018 (Unaudited)	FY2017 (Audited)	9M2018 (Unaudited)	FY2017 (Audited)
Net asset value per ordinary share based on issued share capital (SGD cents)	6.80	7.17	9.16	8.80

The net asset value per ordinary share of the Group and the Company as at 31 December 2017 were calculated based on the total issued number of ordinary shares (excluding treasury shares) of 907,971,182 (31 March 2017: 879,168,182).

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.

REVIEW OF INCOME STATEMENT OF THE GROUP

Continuing operations 3Q2018 compared with 3Q2017

The Group's revenue increased by \$2.4 million to \$18.3 million in 3Q2018 mainly due to the increase in revenue in the engineering business of \$0.4 million and water-related and environmental business of \$2.0 million.

In line with the increase in revenue, the Group's gross profit increased by \$0.5 million to \$3.2 million in 3Q2018 mainly due to new projects undertaken by the water-related and environmental business.

The Group's other expenses increased by \$0.6 million to \$1.5 million in 3Q2018 mainly due to fair value loss on investment securities, which refers to the reclassification of the Terratech shares held by the Company as investment securities following the completion of the reverse takeover of Terratech.

Finance costs decreased by \$0.4 million from \$1.0 million in 3Q2017 to \$0.6 million in 3Q2018 mainly due to the settlement of convertible loan amounting to \$2.5 million.

As a result of the above, the Group recorded a loss after tax of \$2.1 million in 3Q2018 as compared to a loss after tax of \$2.3 million in 3Q2017.

REVIEW OF FINANCIAL POSITION OF THE GROUP

Non-current assets of the Group amounted to \$57.8 million as at 31 December 2017, a decrease of \$2.1 million from \$59.9 million as at 31 March 2017. The decrease was due to amortisation and depreciation charges of \$3.6 million, offset by the increase in new plant and equipment of \$0.6 million, investment in associates of \$0.7 million and foreign currency translation gains of \$0.2 million.

Current assets were \$81.4 million as at 31 December 2017. Excluding the assets held for sale as at 31 March 2017 from the discontinued operations of \$29.9 million, the increase of \$3.6 million from \$77.8 million as at 31 March 2017 was mainly due to the increase in inventories of \$0.7 million from the water-related and environmental business in PRC, increase in trade and other receivables of \$3.7 million arising from increased revenue from the water-related and environmental business and amount due from contract customers of \$1.2 million from engineering, water-related and environmental business in PRC. In addition, investment securities of \$2.1 million arose from the loss of control on marble resources business following the completion of the reverse takeover of Terratech. Derivative assets of \$0.5 million recognised from the fair value of convertible loan. The increase was offset by the decrease in prepayments of \$0.8 million due to utilisation of prepayment upon receipt of goods from suppliers and the decrease of cash and bank balances of \$3.8 million.

Current liabilities were \$69.1 million as at 31 December 2017. Excluding the liabilities associated with the disposal group amounting to \$12.5 million as at 31 March 2017, the decrease of \$8.6 million from \$77.7 million as at 31 March 2017 was mainly due to decrease in trade and other payables of \$0.6 million due to settlement of liabilities, settlement of convertible loans of \$9.0 million, repayments of shareholders' loan of \$0.6 million and decrease of \$1.2 million due to repayments of finance lease. The decrease was partially offset by the increase in amount due to contract customers, increase in bank borrowings and current income tax payables totalling of \$2.8 million.

Non-current liabilities were \$8.0 million as at 31 December 2017, an increase of \$1.9 million from \$6.1 million as at 31 March 2017. This was mainly due to the liabilities component of convertible loan of \$3.7 million offset by the partial repayment of finance lease payables and bank borrowings totalling \$1.8 million.

The Group had a positive working capital of \$12.2 million as at 31 December 2017 as compared to \$17.5 million as at 31 March 2017.

REVIEW OF CASH FLOW STATEMENT OF THE GROUP

The Group recorded net cash used in operating activities amounting to \$1.7 million in 3Q2018. The net cash used in operating activities in 3Q2018 was mainly due to an operating cash inflow of \$0.2 million before working capital changes and working capital outflow of \$1.8 million mainly due to increase in trade and other receivables, increase in inventories offset by a decrease in prepayments and increase in trade and other payables, and payment of \$0.1 million income tax.

Net cash of \$1.3 million was generated from investing activities in 3Q2018, mainly due to proceeds from disposal of investment securities and plant and equipment.

Net cash of \$1.0 million was generated from financing activities in 3Q2018, mainly due to cash inflow of \$6.0 million from bank borrowings and convertible loan. This was partially offset with the cash outflow of \$5.0 million for the repayment of bank borrowings, convertible loan, shareholders' loan, finance lease and interest payment.

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 issued.

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.

Our engineering business is expected to remain challenging for the remaining quarter of FY2018 on the back of a competitive and rising cost environment. Efforts have been put in place to consolidate our engineering business and take cost cutting measures to address such challenges whilst constantly positioning ourselves to secure potential projects with reasonable profit margin. Our water-related and environmental business is also facing similar competitive landscape in the markets where we operate in although we will endeavour to mitigate such challenges by leveraging on our operating experience to diversify either via new product or market reach.

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

(a) Whether an interim (final) ordinary 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 received 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 31 December 2017.

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. Update on use of convertible loan proceeds.

As at the date of this announcement, the net proceeds raised from the issuance of the convertible loan had been utilised by the Group according to the intended uses (as announced on 27 October 2017) as follows:

	Allocated \$'000	Utilised \$'000	Balance \$'000
Expenses for the issuance of the loan	36	36	-
Working capital	3,964	3,964	-

15. 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).

16. 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 and nine months ended 31 December 2017 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Dr Wang Xiaoning

Managing Director

7 February 2018