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 NINE MONTHS ENDED 31 DECEMBER 2013

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 relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

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

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

1(a) A consolidated statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Nine Months Ended 31 December		
	2013 (Unaudited) $'000	2012 (Unaudited) $'000	Change %
Revenue	40,028	38,770	3.2
Cost of sales	(33,163)	(27,918)	18.8
Gross profit	6,865	10,852	(36.7)
Other items of income			
Interest income	8	16	(50.0)
Other income	8,285	357	n.m
Other items of expenses			
Distribution expenses	(541)	(438)	23.5
Administrative expenses	(8,790)	(7,020)	25.2
Other expenses	(4,657)	(3,682)	26.5
Finance costs	(1,504)	(813)	85.0
Loss before income tax	(334)	(728)	(54.1)
Income tax credit	868	-	n.m
Profit/(Loss) after income tax	534	(728)	n.m
Other comprehensive income:			
Item that may be reclassified subsequently to profit or loss			
Exchange differences arising from translation of foreign operations	2,930	(743)	n.m
Income tax relating to components of other comprehensive income	-	-	-
Other comprehensive income/(loss) for the financial period, net of tax	2,930	(743)	n.m
Total comprehensive income/(loss) for the financial period	3,464	(1,471)	n.m
Profit/(Loss) attributable to owners of the parent	534	(728)	n.m
Total comprehensive income/(loss) attributable to owners of the parent	3,464	(1,471)	n.m

1(a) A consolidated statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year. (continued)

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

	Nine Months Ended 31 December		
	2013 (Unaudited) $'000	**2012 (Unaudited) $'000**	**Change %**
Other income			
Gain on bargain purchase	7,556	-	n.m
Interest income	8	16	(50.0)
Rental income	327	259	26.3
Sundry income	402	84	378.5
Gain on disposal of property, plant and equipment	-	14	n.m
Cost of sales, distribution, administrative and other expenses			
Depreciation of property, plant and equipment	(2,656)	(1,984)	33.9
Amortisation of intangible assets	(79)	(79)	-
Amortisation of mining rights	(369)	(369)	-
Amortisation of land use right	(43)	(42)	2.3
Operating lease expense	(612)	(647)	(5.4)
Interest expense	(1,433)	(678)	111.3
Property, plant and equipment written off	(161)	(179)	(10.1)
Loss on disposal of property, plant and equipment	(43)	-	n.m
Foreign exchange loss	(312)	(201)	55.2

n.m. - not meaningful

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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	
	31.12.13	**31.03.13**	**31.12.13**	**31.03.13**
	Unaudited	Audited	Unaudited	Audited
	$'000	$'000	$'000	$'000
Non-current assets				
Property, plant and equipment	41,379	37,785	563	571
Investments in subsidiaries	-	-	61,723	59,637
Land use right	2,674	2,586	-	-
Mining rights	14,864	15,233	-	-
Intangible assets	5,008	1,746	-	-
	63,925	57,350	62,286	60,208
Current assets				
Inventories	4,031	1,437	-	-
Trade and other receivables	8,557	7,849	12,855	10,795
Prepayments	3,155	729	238	62
Amounts due from contract customers	45,979	36,710	-	-
Cash and cash equivalents	25,071	20,560	14,288	2,860
	86,793	67,285	27,381	13,717
Less :				
Current liabilities				
Trade and other payables	15,844	15,700	1,929	5,180
Amounts due to contract customers	90	781	-	-
Bank borrowings	14,908	11,898	4,220	5,824
Derivative financial instruments	2,885	2,885	-	-
Finance lease payables	2,980	2,729	-	-
Loan from a shareholder	2,000	2,000	2,000	2,000
Current income tax payable	236	103	-	50
	38,943	36,096	8,149	13,054
Net current assets	47,850	31,189	19,232	663
Non-current liabilities				
Bank borrowings	(5,193)	(6,100)	(5,193)	(6,100)
Convertible bonds	(14,234)	(14,234)	-	-
Finance lease payables	(2,082)	(2,927)	-	-
Deferred tax liabilities	(2,966)	(2,966)	-	-
	(24,475)	(26,227)	(5,193)	(6,100)
Net assets	87,300	62,312	76,325	54,771
Capital and reserves				
Share capital	66,226	44,713	66,226	44,713
Reserve	21,074	17,599	10,099	10,058
Total equity attributable to owners of the parent	87,300	62,312	76,325	54,771

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 31.12.13		As at 31.03.13	
	Secured $'000	Unsecured $'000	Secured $'000	Unsecured $'000
Amount repayable within one year	19,807	2,967	6,694	12,818
Amount repayable after one year[(1)]	21,509	-	23,261	-
	41,316	2,967	29,955	12,818

[(1)] Included bank loans, finance leases and interest for the Convertible Bonds (as defined herein). On 16 November 2012, the Company entered into a convertible bond agreement with its wholly-owned subsidiary, Terratech Resources Pte. Ltd. ("**Terratech Resources**") and two other investors (the "**Investors**") in respect of the issuance by Terratech Resources and the subscription by the Investors of convertible bonds with an aggregate principal amount of up to $15 million ("**Convertible Bonds**"). These Convertible Bonds are convertible into shares of Terratech Resources (or the relevant holding company of Terratech Resources in connection with the proposed listing of the Group's resource business) upon Terratech Resources or such holding company obtaining the relevant approvals to be listed on a recognised stock exchange and has a maturity date of 3 years from the date of issue of the Convertible Bonds ("**Maturity Date**"). In the event of, *inter alia*, Terratech Resources remaining unlisted by the Maturity Date, the Investors are able to exchange their Convertible Bonds for new shares in the Company at an issue price computed based on the average volume weighted closing prices of the Company's shares as at the relevant time of such exchange. The Convertible Bonds are secured by a guarantee granted by the Company in favour of the Investors. The Convertible Bonds had been issued to the Investors on 23 November 2012.

Further information on the Convertible Bonds can be found in the Company's announcement released on SGXNET dated 19 November 2012 and 23 November 2012.

The banking facilities of the Group comprised bank guarantees, finance lease obligations and term loans. 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 institution;

(iii)all fresh monies guarantee by certain subsidiaries; .

(iv)corporate guarantee from the Company; and

(v) the land use right of a subsidiary in the People's Republic of China.

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.

	Group Nine Months Ended	
	31.12.13 **(Unaudited)** **$'000**	**31.12.12** **(Unaudited)** **$'000**
Operating activities:		
Loss before income tax	(334)	(728)
Adjustments for:		
Amortisation of intangible asset	79	79
Amortisation of mining rights	369	369
Amortisation of land use right	43	42
Share option expenses	66	245
Depreciation of property, plant and equipment	2,656	1,984
Gain on bargain purchase	(7,556)	-
Loss/(gain) on disposal of property, plant and equipment	43	(14)
Interest income	(8)	(16)
Interest expense	1,434	678
Property, plant and equipment written off	161	179
Operating cash flow before working capital changes	(3,047)	2,818
Working capital changes:		
Inventories	(2,594)	(315)
Trade and other receivables	(2,932)	(8,945)
Prepayments	372	(625)
Trade and other payables	(5,355)	4,569
Cash used in operations	(13,556)	(2,498)
Income taxes paid	(459)	(1,121)
Interest received	8	16
Net cash used in operating activities	(14,007)	(3,603)
Investing activities:		
Purchases of property, plant and equipment	(3,135)	(5,693)
Additions of intangible assets	(35)	(60)
Acquisition of subsidiary, net of cash acquired	341	-
Proceeds from disposal of property, plant and equipment	57	16
Net cash used in investing activities	(2,772)	(5,737)

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. (continued)

	Group Nine Months Ended	
	31.12.13	**31.12.12**
	$'000	**$'000**
Financing activities:		
Fixed deposit pledged	-	(81)
Repayments of bank borrowings	(752)	(1,749)
Repayments of finance lease obligations	(2,153)	(1,737)
Proceeds from issue of shares, net of expenses	21,457	1,030
Proceeds from bank borrowings	4,082	4,448
Proceeds from convertible bond	-	15,000
Interest paid	(1,433)	(678)
Dividends paid	-	(730)
Net cash from financing activities	21,201	15,503
Net change in cash and cash equivalents	4,422	6,162
Cash and cash equivalents at beginning of financial period	14,021	8,079
Currency translation differences	1,314	(305)
Cash and cash equivalents at end of financial period	19,757	13,936

Cash and cash equivalents comprise:

Fixed deposits with bank	4,452	4,363
Cash and bank balances	20,619	16,471
Cash and cash equivalents on consolidated statement of financial position	25,071	20,834
Bank overdraft	(968)	(1,982)
Fixed deposit pledged	(4,346)	(4,916)
Cash and cash equivalents on consolidated statement of cash flow	19,757	13,936

1(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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital	Other reserve	Employee share option reserve	Warrants reserve	Foreign currency translation account	Retained earnings	Total equity attributable to owners of the parent
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group (Unaudited)							
Balance at 1.4.2013	44,713	3,243	890	295	(261)	13,432	62,312
Profit for the financial period	-	-	-	-		534	534
Other comprehensive income for the financial period							
Foreign currency differences on translation of foreign operations	-	-	-	-	2,930	-	2,930
Total comprehensive income for the financial period	-	-	-	-	2,930	534	3,464
Contributions by and distributions to owners of the parent							
Issuance of shares	21,458	-	-	-	-	-	21,458
Transfer to share capital upon exercise of warrants	55	-	-	(55)	-	-	-
Grant of equity settled share options to employees	-	-	66	-	-	-	66
Total transactions with owners of the parent	21,513	-	66	(55)	-	-	21,524
Balance at 31.12.2013	66,226	3,243	956	240	2,669	13,966	87,300
Group (Unaudited)							
Balance at 1.4.2012	41,967	3,243	551	374	(171)	17,747	63,711
Loss for the financial period	-	-	-	-	-	(728)	(728)
Other comprehensive income for the financial period							
Foreign currency differences on translation of foreign operations	-	-	-	-	(743)	-	(743)
Total comprehensive income for the financial period	-	-	-	-	(743)	(728)	(1,471)
Contributions by and distributions to owners of the parent							
Issuance of shares pursuant to exercise of warrants	1,030	-	-	-	-	-	1,030
Transfer to share capital upon exercise of warrants	30	-	-	(30)	-	-	-
Grant of equity settled share options to employees	-	-	245	-	-	-	245
Dividends	-	-	-	-	-	(730)	(730)
Total transactions with owners of the parent	1,060	-	245	(30)	-	(730)	545
Balance at 31.12.2012	43,027	3,243	796	344	(914)	16,289	62,785

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1(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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (continued)

	Share capital	Other reserve	Employee share option reserve	Warrants reserve	Retained earnings	Total equity attributable to owners of the parent
	$'000	$'000	$'000	$'000	$'000	$'000
Company (Unaudited)						
Balance at 1.4.2013	44,713	3,243	890	295	5,630	54,771
Profit for the financial period	-	-	-	-	30	30
Total comprehensive income for the financial period	-	-	-	-	30	30
Contributions by and distributions to owners of the parent						
Issuance of shares	21,458	-	-	-	-	21,458
Transfer to share capital upon exercise of warrants	55	-	-	(55)	-	-
Grant of equity settled share options to employees	-	-	66	-	-	66
Total transactions with owners of the parent	21,513	-	66	(55)	-	21,524
Balance at 31.12.2013	66,226	3,243	956	240	5,660	76,325
Company (Unaudited)						
Balance at 1.4. 2012	41,967	3,243	551	374	6,884	53,019
Loss for the financial period	-	-	-	-	(322)	(322)
Total comprehensive income for the financial period	-	-	-	-	(322)	(322)
Contributions by and distributions to owners of the parent						
Issuance of shares pursuant to exercise of warrants	1,030	-	-	-	-	1,030
Transfer to share capital upon exercise of warrants	30	-	-	(30)	-	-
Grant of equity settled share options to employees	-	-	245	-	-	245
Dividends	-	-	-	-	(730)	(730)
Total transactions with owners of the parent	1,060	-	245	(30)	(730)	545
Balance at 31.12.2012	43,027	3,243	796	344	5,832	53,242

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, 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 from 30 September 2013 to 31 December 2013 are as follows:-

Ordinary shares

	Number of shares	$
Issued and fully paid ordinary shares as at 30 September 2013	386,254,593	66,142,334
Allotment and issue of new ordinary shares upon exercise of share option	320,000	83,400
Issued and fully paid ordinary shares as at 31 December 2013	386,574,593	66,225,734

Warrants

As at 31 December 2013, there were no outstanding warrants. All 32,521,255 outstanding warrants had lapsed and ceased to be valid on 8 April 2013. As at 31 December 2012, there were 46,601,755 outstanding warrants which were convertible into 46,601,755 shares of the Company.

Employee Share Options

The Company had granted 5,880,000 share options (the "**Share Options**") on 7 July 2011 to directors and employees to subscribe for unissued ordinary shares pursuant to the Tritech Group Employee Share Option Scheme of which 5,760,000 Shares Options were accepted.

All outstanding Share Options have been fully exercised on 4 October 2013.

There were no outstanding Share Options as at 31 December 2013 (31 December 2012: 5,760,000 which were exercisable into 5,760,000 shares of the Company).

Convertible Bonds

The Investors' right to exchange the Convertible Bonds into new shares of the Company is subject to certain conditions, including, *inter-alia*, whether or not the proposed listing of Terratech Resources or relevant holding company of Terratech Resources takes place, and the issue price of the new shares of the Company in the event of such exchange taking place shall be based on the average volume weighted closing prices of the Company's existing shares as at the relevant time of exchange. None of the specified conditions of the Convertible Bonds have occurred or are applicable and therefore it is not meaningful to illustrate the number of new shares of the Company that may be issued on exchange of the Convertible Bonds as at 31 December 2013.

Treasury shares

The Company did not have any treasury shares as at 31 December 2013 and 31 December 2012.

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 31.12.13	As at 31.03.13
Total number of issued shares excluding treasury shares	386, 574,593	298,748,093

The Company did not have any treasury shares as at 31 December 2013 and 31 March 2013.

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 were no treasury shares during and 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 accounting policies and methods of computation applied by the Group are consistent with those used in its most recently audited annual financial statements for the financial year ended 31 March 2013.

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.

During the current reporting period, the Group adopted all of the new 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 ending 31 March 2014. The adoption of these new or revised FRS and INT FRS where relevant has no material effect on the financial results for the current financial period 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.

	Nine Months Ended	
	31.12.13	**31.12.12**
(a) Basic earnings/(loss) per ordinary share (SGD cents)	0.16	(0.25)
(b) Diluted earnings/(loss) per ordinary share (SGD cents)	0.16	(0.25)

(a) Basic earning per share of the Group for the nine months ended 31 December 2013 is calculated based on the weighted average number of ordinary shares in issue of 340,890,72.

Basic loss per share of the Group for the nine months ended 31 December 2012 are calculated based on the weighted average number of ordinary shares in issue of 291,773,962.

(b) Diluted earnings per share of the Group for the nine months ended 31 December 2013 is the same as the basic earnings per share as there was no potentially dilutive securities as at 31 December 2013.

Diluted loss per share of the Group for the nine months ended 31 December 2012 is the same as the basic loss per share because the potential ordinary shares to be converted under the outstanding warrants and Share Options 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	
	31.12.13	**31.03.13**	**31.12.13**	**31.03.13**
Net asset value per ordinary share based on issued share capital (SGD cents)	22.58	20.86	19.74	18.33

The net asset value per ordinary share of the Group and the Company as at 31 December 2013 are calculated based on the total number of shares issued of 386,574,593 (31 March 2013: 298,748,093).

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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 STATEMENT OF COMPREHENSIVE INCOME OF THE GROUP

Nine months ended 31 December 2013 ("9M 2013") vs nine months ended 31 December2 ("9M 2012")

The Group's revenue for 9M 2013 was $40.0 million, an increase of $1.2 million as compared to $38.8 million achieved for 9M 2012. This was mainly due to an increase of $1.3 million in revenue from specialist engineering services and an increase of $3.6 million in revenue from water business. The increase in revenue from specialist engineering services was due to the increase in work carried out for the SP Power Assets project that was awarded to the Group during the nine month ended 31 December 2013 while the increase in revenue from water business was mainly due to revenue recognised from the newly acquired subsidiary, Anhui Clean Environment Biotechnology Co. Ltd ("Anhui"). The increase was partially offset by the decrease in revenue from ground and structural engineering services of $3.8 million, mainly due to the completion of certain projects, coupled with a lower percentage of revenue recognised for newly awarded projects

The Group's gross profit decreased by $4.0 million from $10.9 million for 9M 2012 to $6.9 million for 9M 2013. The gross profit margin decreased from 27.9% for 9M 2012 to 17.1% for 9M 2013. The decrease in gross profit margin was mainly due to the increase in direct wages for engineering services as a result of the recent changes in government policy relating to the employment of foreign workers and also the direct wages and subcontractor cost incurred for the Group's resources business which has yet to generate revenue during 9M 2013.

The Group's other income increased by $7.9 million mainly due to (1) a gain in bargain purchase of $7.6 million arising from the acquisition of Anhui in PRC, (2) an increase in sundry income of $0.3 million which included, amongst others, staff secondment and government grant.

The Group's administrative costs increased by $1.8 million from $7.0 million in 9M 2012 to $8.8 million in 9M 2013. The increase in administrative costs was mainly due to an increase in professional fee related to preparation work for the proposed spin-off listing, an increase in staff salary and bonus due to the increase in headcount for the Group's engineering, water and resources businesses.

The increase in depreciation charge of $0.7 million from $2.0 million in 9M 2012 to $2.7 million in 9M 2013 was due to the purchase of new machinery and equipment for the Group's engineering, water and resources businesses.

The Group's other expenses increased by $1.0 million from $3.7 million in 9M 2012 to $4.7 million in 9M 2013. The increase in other expenses was mainly due to an increase in salary, office rental, consultancy fee incurred for the water and resources businesses and foreign exchange loss.

The Group's finance costs increased by $0.7 million from $0.8 million in 9M 2012 to $1.5 million in 9M 2013, mainly due to the interest incurred on the Convertible Bonds.

As a result of the aforementioned, the Group recorded a loss before income tax of $0.3 million in 9M 2013 as compared to a loss before income tax of $0.7 million in 9M 2012. Due to the income tax credit of S$0.9 million in 9M 2013, the Group reported a net profit of $0.5 million in 9M 2013 as compared to a net loss of $0.7 million in 9M 2012.

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 STATEMENT OF FINANCIAL POSITION

Non-current assets were $63.9 million as at 31 December 2013, an increase of $6.5 million from $57.4 million as at 31 March 2013. The increase was mainly due to the increase in property, plant and equipment and intangible assets. The increase in property, plant and equipment was arising from the purchase of additional equipment for the water-related business and resource business and the recognition of fair value of $1.4 million for property, plant and equipment of Anhui. The increase in intangible assets was due to the recognition of fair value of $3.3 million for patents and licenses of Anhui.

Current assets which comprised inventories, trade and other receivables, prepayments, amounts due from contract customers, as well as cash and cash equivalents, were $86.8 million as at 31 December 2013, representing an increase of $19.5 million from $67.3 million as at 31 March 2013. The increase was mainly due to the increase in cash and cash equivalent, amount due from contract customers, prepayments, trade and other receivables and inventories. The increase in cash and cash equivalent was due to proceeds received from the placement of new shares, conversion of warrants and exercise of Share Options. The increase in amount due from contract customers was mainly due to the completion of certain projects in the current financial period, including projects in Anhui. Prepayment increased by $2.4 million mainly due to prepayment made to subcontractors and suppliers for the water business in PRC. The increase in trade and other receivables was due to increase in other receivables of Anhui. Inventories increased by $2.6 million mainly due to the increase in the inventory of marble slab of the resources business and also inventories held by the Group's water business in PRC.

Current liabilities which comprised trade and other payables, amount due to contract customers, bank borrowings, finance lease payables, derivative financial instruments, loan from shareholder and tax payable, were $38.9 million as at 31 December 2013, an increase of $2.8 million from $36.1 million as at 31 March 2013. The increase was mainly due to the increase in bank borrowing and finance lease payable which was offset by the decrease in amount due to contract customers. The increase in bank borrowings of $3.0 million was mainly due to the increase in utilization of borrowings as a result of the increase in working capital requirement for the Company's wholly-owned subsidiary, Tritech (Qingdao) Membrane Industry Co., Ltd, PRC. The amounts due to contract customers decreased by $0.7 million due to higher percentage of revenue recognised for certain projects during the financial period.

Non-current liabilities were $24.5 million as at 31 December 2013, a decrease of $1.7 million from $26.2 million as at 31 March 2013, mainly due to repayment of long-term bank borrowings and finance lease payable.

The Group had a positive working capital of $47.8 million as at 31 December 2013 as compared with $31.2 million as at 31 March 2013.

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REVIEW OF STATEMENT OF CASH FLOWS

Net cash used in operating activities amounted to $14.0 million in 9M 2013, compared with a net cash used in operating activities of $3.6 million in 9M 2012. The net cash used in operating activities in 9M 2013 was mainly due an operating cash outflow of $3.0 million before working capital changes and working capital outflow of $10.5 million. The working capital outflow was due to a decrease in trade and other payable as a result of payment to the Group's suppliers, an increase in trade and other receivables mainly due to increase in other receivables of Anhui and an increase in inventories mainly due to an increase in inventories held by resources business and water business in PRC.

Net cash of $2.8 million used in investing activities in 9M 2013 was mainly for the purchase of new property, plant and equipment for the water-related business and resources business.

Net cash of $21.2 million generated from financing activities in 9M 2013 was mainly due to proceeds from placement of new shares, exercise of warrants and exercise of Share Options and net proceeds from borrowings, partially offset by interest paid of $1.4 million.

As at 31 December 2013, the Group had cash and cash equivalents amounting to $19.8 million, an increase of $5.8 million from $13.9 million as at 31 December 2012.

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

Not applicable. No forecast or prospect statement in respect of nine month ended 31 December 2013 had been previously disclosed to shareholders.

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.

After years of continuous effort, we have made significant progress to transform the Group from a purely geotechnical engineering service provider into a group with three major business segments namely 1) Engineering Business, 2) Water-related and Environmental Business, and 3) Marble Resource Business.

Engineering Business has been the core business of Tritech from the beginning and has been growing continuously. While there is increased competition and an increase in direct costs for the engineering business in Singapore, which has led to downward pressure on the profit margins, the management is still confident and optimistic on the long-term performance of the Group in the Engineering Business which has continued to remain profitable. As at 12 February 2014, the Group has an order book of approximately $98.4 million, of which approximately 92.8%, i.e. S$91.4 million is secured by our Engineering Business sector. The balance of approximately S$7.0 million order book is secured by our Water-related and environmental Business.

In September 2013, we acquired Anhui, a water treatment company in China as our wholly-owned subsidiary. The acquisition will enable the Group to further its venture into the water and waste water business in the People's Republic of China (**"PRC")** by tapping on Anhui's existing licenses, management, track record and clientele. With the inclusion of this company, we have immediate access to the market of water treatment, waste water treatment, water reclamation and recycling in the PRC.

Currently, we have a total of 5 wholly-owned subsidiaries and 1 R&D institute involved in Water-related and Environmental Business. We have built our own unique core competitive edges in Water-related and Environmental Business, namely 1) complete membrane and membrane related products; 2) advanced and patented anaerobic technologies; and 3) real-time water quality and environmental monitoring technologies. The management is of the opinion that with these three core technologies, the Group will be in a better position to grasp the market potential and build towards being one of the leading water-related services providers in Singapore and the region. The management expects growth in the revenue contribution from the Water-related and Environmental Business in the next 12 months.

Our Marble Resource Business has also entered into a new phase with two of four hills at our marble site being in a production stage with the remaining two hills expected to commence production soon. The proposed spin-off listing of our Marble Resource business is in progress and the Company will make the necessary announcement on the proposed spin-off listing as and when there are further material developments. Meanwhile, the management will continue to work to improve the production and sale of marble products in the PRC and Southeast Asia.

Based on the above developments and barring any unforeseen circumstances, the Group's Engineering Business, Marble Resource Business and Water-related and Environmental Business are expected to achieve a new milestone of revenue growth in the coming 12 months.

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

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

None.

(b)(i) Amount per share (cents)

(Optional) Rate (%)

Not applicable.

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

(Optional) Rate (%)

None.

(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 dividend has been declared or recommended for nine months ended 31.12.2013.

13. If the Group has obtained a general mandate from shareholders for interested person transactions ("IPT") 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 Group does not have a general mandate from its shareholders for IPTs.

14. Update on use of proceeds from exercise of warrants

As at 14 February 2014, the total proceeds raised from the exercise of warrants have been utilised by the Group according to the intended uses as follows:

	Allocated $'000	Utilised $'000	Balance $'000
Expansion of the Group's water-related business in China	6,656	6,449	207

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15. Update on use of proceeds from the issuance of the Convertible Bonds

As at 14 February 2014, the proceeds raised from the issuance of the Convertible Bonds have been utilised by the Group according to the intended uses as follows:

	Allocated $'000	Utilised $'000	Balance $'000
Costs and expenses to be incurred in connection with the JORC (Joint Ore Reserves Committee) report on the Marble Mine	500	270	230
Professional costs and expenses to be incurred in connection with the proposed spin-off listing	4,000	1,865	2,135
Capital expenditure for the Marble Mine business	1,500	1,500	-
Working capital for the Marble Mine business[1]	9,000	8,254[1]	746
Total	**15,000**	**11,889**	**3,111**

Note:
[1] The amount allocated for the working capital for the Marble Mine business purposes has been utilised mainly for the payment of salary and wages, payment to suppliers and subcontractors and payment of success fee relating to issuance of convertible bonds.

16. Update on use of net proceeds from the placement of shares in August 2013 ("New Share Placement")

As at 14 February 2014, the proceeds raised from the New Share Placement have been utilised by the Group according to the intended uses as follows:

	Allocated $'000	Utilised $'000	Balance $'000
To fund potential acquisitions, investments and business expansion plans in connection with the Group's water-related business	9,073	2,041	7,032
Working capital for the Group's water-related business	9,073	4,205[1]	4,868
Total	**18,146**	**6,246**	**11,900**

Note:
[1] The amount allocated for the working capital for the water-related business purposes has been utilised mainly for the payment of salary and wages and purchase of raw materials for membrane and membrane related products.

17. Confirmation pursuant to Rule 705(5) of the 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 nine months ended 31 December 2013 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Dr Wang Xiaoning

Managing Director

14 February 2014