



**TRITECH GROUP LIMITED**

**(Company Registration No: 200809330R)**

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

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## Unaudited Condensed Interim Financial Statements for the six months ended 30 September 2022

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This announcement has been prepared by Trittech Group Limited (the "Company") and its contents have been reviewed by the Company's Sponsor, UOB Kay Hian Private Limited (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst.

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 accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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(A) Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	Six months ended 30 September		
		2022	2021	Change
		(Unaudited) \$'000	(Unaudited) \$'000	%
Revenue	4	11,936	14,646	(18.5)
Cost of sales		(8,308)	(8,912)	(6.8)
Gross profit		3,628	5,734	(36.7)
Other income		518	1,118	(53.7)
Distribution expenses		(298)	(171)	74.3
Administrative expenses		(4,037)	(2,512)	60.7
Other expenses		(2,252)	(2,013)	11.9
Finance costs		(319)	(387)	(17.6)
Share of results of associate		404	(1,494)	n.m
(Loss)/Profit before taxation	6	(2,356)	275	n.m
Income tax credit	7	10	10	-
(Loss)/Profit for the financial period		(2,346)	285	n.m
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences from translation of associate		(379)	81	n.m
Total comprehensive income for the financial period		(2,725)	366	n.m
(Loss)/Profit attributable to:				
Owners of the Company		(2,338)	293	n.m
Non-controlling interest		(8)	(8)	-
Total (loss)/profit for the financial period		(2,346)	285	n.m
Total comprehensive income attributable to:				
Owners of the Company		(2,717)	374	n.m
Non-controlling interest		(8)	(8)	-
Total comprehensive income for the financial period		(2,725)	366	n.m
(Loss)/Profit per share attributable to owners of the Company (SGD cents)				
Basic		(0.21)	0.03	
Diluted		(0.21)	0.03	

n.m not meaningful

## (B) Condensed interim statements of financial position

		Group		Company	
		As at	As at	As at	As at
		30/09/2022	31/3/2022	30/09/2022	31/3/2022
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
Note		\$'000	\$'000	\$'000	\$'000
<b>Non-current assets</b>					
Property, plant and equipment	10	2,699	2,645	6	2
Investment property	11	1,396	1,415	1,396	1,415
Investments in subsidiaries		-	-	19,182	19,182
Investments in associate	12	6,655	6,630	7,148	7,148
Right-of-use asset		4,178	229	-	-
Intangible assets	13	4,215	4,437	-	-
Other receivables		9,261	9,463	9,261	9,463
		28,404	24,819	36,993	37,210
<b>Current assets</b>					
Inventories		86	45	-	-
Trade and other receivables		4,617	4,590	2,915	6,164
Contract assets		799	4,825	-	-
Tax recoverable		3	3	-	-
Prepayments		456	317	18	6
Investment securities		126	126	126	126
Cash and short-term deposits		6,633	12,877	1,984	5,094
		12,720	22,783	5,043	11,390
Total assets		41,124	47,602	42,036	48,600
Less:					
<b>Current liabilities</b>					
Trade and other payables		7,157	13,001	3,891	7,776
Contract liabilities		1,020	6,928	-	-
Bank borrowings	14	2,148	2,156	1,544	1,559
Lease liabilities	14	655	369	-	-
Provision of taxation		442	445	448	448
		11,422	22,899	5,883	9,783
<b>Net current assets/(liabilities)</b>		1,298	(116)	(840)	1,607
<b>Non-current liabilities</b>					
Other payable		5,924	5,924	5,924	22,609
Bank borrowings	14	1,605	2,025	554	670
Loan from shareholder	14	4,440	4,820	4,440	4,820
Lease liabilities	14	3,640	93	-	-
Deferred tax liabilities		215	225	190	190
		15,824	13,087	11,108	28,289
Total liabilities		27,246	35,986	16,991	38,072
<b>Net assets</b>		13,878	11,616	25,045	10,528
<b>Equity attributable to owners of the Company</b>					
Share capital	15	85,270	80,283	85,270	80,283
Reserves		(71,478)	(68,761)	(60,225)	(69,755)
		13,792	11,522	25,045	10,528
Non-controlling interests		86	94	-	-
<b>Total equity</b>		13,878	11,616	25,045	10,528

(C) Condensed interim statements of changes in equity

	Attributable to owners of the Company						Total equity
	Share capital	Gains on disposals to non-controlling interests	Foreign currency translation reserve	Accumulated losses	Equity attributable to the owners of the Company	Non-controlling interests	
Group (Unaudited)	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 April 2022	80,283	34,945	99	(103,805)	11,522	94	11,616
<b>Profit for the financial period</b>	-	-	-	(2,338)	(2,338)	(8)	(2,346)
<b>Other comprehensive income</b>							
Exchange differences from translation of associate	-	-	(379)	-	(379)	-	(379)
<b>Total comprehensive income for the financial period</b>	-	-	(379)	(2,338)	(2,717)	(8)	(2,725)
<b>Contributions by and distributions to owners</b>							
Conversion of share awards to share capital	5,000	-	-	-	5,000	-	5,000
Share issue expenses	(13)	-	-	-	(13)	-	(13)
<b>Total contributions by and distributions to owners</b>	4,987	-	-	-	4,987	-	4,987
At 30 September 2022	85,270	34,945	(280)	(106,143)	13,792	86	13,878

(C) Condensed interim statements of changes in equity (cont'd)

	Attributable to owners of the Company								
	Share capital	Employee share award reserve	Equity component of convertible loans	Gains on disposals to non-controlling interests	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 April 2021	79,198	580	2,772	34,945	161	(105,568)	12,088	114	12,202
Loss for the financial period	-	-	-	-	-	293	293	(8)	285
Other comprehensive income									
Exchange differences from translation of associate	-	-	-	-	81	-	81	-	81
Total comprehensive income for the financial period	-	-	-	-	81	293	374	(8)	366
Contributions by and distributions to owners									
Conversion of share awards to share capital	580	(580)	-	-	-	-	-	-	-
Grant of equity-settled share awards to employees	(5)	-	-	-	-	-	(5)	-	(5)
Total contributions by and distributions to owners	575	(580)	-	-	-	-	(5)	-	(5)
At 30 September 2021	79,773	-	2,772	34,945	242	(105,275)	12,457	106	12,563

## (C) Condensed interim statements of changes in equity (cont'd)

	Share capital	Employee share award reserve	Equity component of convertible loans	Accumulated losses	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Company (Unaudited)</b>					
<b>At 1 April 2022</b>	80,283	-	-	(69,755)	10,528
Loss for the financial period	-	-	-	9,530	9,530
<b>Total comprehensive income for the financial period</b>	-	-	-	9,530	9,530
<u>Contributions by and distributions to owners</u>					
Conversion of share awards to share capital	5,000	-	-	-	5,000
Share issue expenses	(13)	-	-	-	(13)
<b>Total contributions by and distributions to owners</b>	4,987	-	-	-	4,987
<b>At 30 September 2022</b>	85,270	-	-	(60,225)	25,045
<b>At 1 April 2021</b>	79,198	580	2,772	(63,059)	19,491
Loss for the financial period	-	-	-	(2,832)	(2,832)
<b>Total comprehensive income for the financial period</b>	-	-	-	(2,832)	(2,832)
<u>Contributions by and distributions to owners</u>					
Conversion of share awards to share capital	580	(580)	-	-	-
Share issue expenses	(5)	-	-	-	(5)
<b>Total contributions by and distributions to owners</b>	575	(580)	-	-	(5)
<b>At 30 September 2021</b>	79,773	-	2,772	(65,891)	16,654

## (D) Condensed interim consolidated statement of cash flows

	Six months ended	
	30/9/2022	30/9/2021
	(Unaudited)	(Unaudited)
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
(Loss)/profit before tax	(2,356)	275
Adjustments for:		
Amortisation of intangible assets	290	212
Depreciation of property, plant and equipment	420	457
Depreciation of investment property	19	19
Depreciation of right-of-use asset	358	343
Unrealised foreign exchange gain	(364)	(205)
Net (gain)/loss on disposal of plant and equipment	(1)	(10)
Property, plant and equipment written off	-	1
Intangible asset written off	-	19
Interest income	(191)	(184)
Interest on lease liability	41	44
Interest expense	276	343
Writeback of impairment loss on trade receivable	-	(13)
Share of results of associates	(404)	1,494
<b>Operating cash flow before working capital changes</b>	<b>(1,912)</b>	<b>2,795</b>
Working capital changes:		
Inventories	(40)	(15)
Trade and other receivables	(27)	(116)
Contract assets	4,026	3,045
Prepayments	(139)	81
Trade and other payables	(540)	(1,035)
Contract liabilities	(5,907)	(1,727)
<b>Cash (used in)/generated from operations</b>	<b>(4,539)</b>	<b>3,028</b>
Income taxes (paid)/refunded	(4)	(1)
Interest received	13	4
<b>Net cash (used in)/from operating activities</b>	<b>(4,530)</b>	<b>3,031</b>
<b>Cash flows from investing activities</b>		
Purchase of plant and equipment	(475)	(171)
Addition of intangible assets	(68)	(541)
Proceeds from disposal of plant and equipment	1	10
<b>Net cash used in investing activities</b>	<b>(542)</b>	<b>(702)</b>
<b>Cash flows from financing activities</b>		
Decrease in fixed deposit pledged	78	-
Proceeds from bank borrowings	-	500
Repayments of bank borrowings	(407)	(395)
Repayment of lease liability	(475)	(459)
Interest paid	(270)	(346)
<b>Net cash used in financing activities</b>	<b>(1,074)</b>	<b>(700)</b>
<b>Net change in cash and cash equivalents</b>	<b>(6,146)</b>	<b>1,629</b>
Cash and cash equivalents at beginning of financial period	9,907	2,039
<b>Cash and cash equivalents at end of financial period</b>	<b>3,761</b>	<b>3,668</b>
<b>Cash and cash equivalents comprise:</b>		
Fixed deposit	1,645	1,646
Cash and bank balances	4,988	4,890
Cash and cash equivalents	6,633	6,536
Bank overdraft	(1,315)	(1,234)
Fixed deposit pledged	(1,557)	(1,634)
<b>Cash and cash equivalents in the consolidated cash flow</b>	<b>3,761</b>	<b>3,668</b>



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## (E) Notes to the condensed interim consolidated financial statements

### 1. Corporate information

TriTech Group Limited (the “**Company**”) is a limited liability company, which is incorporated and domiciled in Singapore and is listed on the Catalist Board of Singapore Exchange Securities Trading Limited (“**SGX-ST**”). These condensed interim consolidated financial statements as at and for the six months ended 30 September 2022 comprise the Company and its subsidiaries (collectively, the Group).

The principal activities of the Group are:

- (a) One-stop integrated service provider for smart urban development, covering urban planning, site investigation, design and consultancy, engineering survey, instrumentation and monitoring, project management, construction supervision, data collection, big data analytics, artificial intelligence and cloud computing digital platform;
- (b) One-stop product-technology-design-build-operation service provider for water treatment & environmental protection projects, covering membrane products, smart technologies, engineering solutions, design and consultancy, construction, operation and maintenance;
- (c) Producing Vavie Alkaline drinking water, Vavie Alkaline water dispenser, Vavie CWS (Clean, Wash, Sanitize; and
- (d) Investment holding company.

### 2. Basis of preparation

The condensed interim financial statements for the six months ended 30 September 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 March 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency.

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## (E) Notes to the condensed interim consolidated financial statements (cont'd)

### 2. Basis of preparation (cont'd)

#### 2.1 New and amended standards adopted by the Group

There has been no change in the accounting policies and methods of computation adopted by the Group for the current reporting period compared with the audited financial statements for the year ended 31 March 2022, except for the adoption of new or revised SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for the financial year beginning on or after 1 January 2022. The adoption of these SFRS(I) and INT SFRS(I) has no significant impact on the Group.

#### 2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same of those that applied to the consolidated financial statements as at and for the year ended 31 March 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following note:

- Note 4 - Accounting for construction revenue

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 9 - Determination of fair value of the contingent consideration.
- Note 13 - Impairment test of intangibles assets and goodwill: key assumptions underlying recoverable amounts

(E) Notes to the condensed interim consolidated financial statements (cont'd)

**3. Seasonal operations**

The Group's business are not affected significantly by seasonal or cyclical factors during the financial period.

**4. Segment and revenue information**

The Group is organised into the following main business segments

- i) Smart Urban Development segment, which comprises one-stop integrated service provider for smart urban development, covering urban planning, site investigation, design and consultancy, engineering survey, instrumentation and monitoring, project management, construction supervision, data collection, big data analytics, artificial intelligence and cloud computing digital platform;
- ii) Water and Environment segment, which comprises one-stop product-technology-design-build-operation service provider for water treatment & environmental protection projects, covering membrane products, smart technologies, engineering solutions, design and consultancy, construction, operation and maintenance; and
- iii) Corporate business, which comprises Group-level corporate services and treasury functions.

These operating segments are reported in a manner consistent with internal reporting provided to the management who are responsible for allocating resources and assessing performance of the operating segments.

## (E) Notes to the condensed interim consolidated financial statements (cont'd)

### 4. Segment and revenue information (cont'd)

#### 4.1 Reportable segments

HY 2023	Smart urban development business	Water and environment business	Corporate	Adjustments	Per consolidated financial statements
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue:</b>					
Sales to external customers	11,897	39	-	-	11,936
Inter-segment sales*	142	39	420	(601)	-
Total revenue	12,039	78	420	(601)	11,936
<b>Results:</b>					
Segment results	384	(1,408)	(1,608)	-	(2,632)
Finance cost	(76)	-	(243)	-	(319)
Interest income	2	1	188	-	191
Share of results of associates	-	-	404	-	404
Profit/(Loss) before taxation	310	(1,407)	(1,259)	-	(2,356)
Income tax credit					10
Profit for the period					(2,346)
<b>Significant non-cash items:</b>					
Depreciation and amortisation expenses	1,040	28	19	-	1,087
Foreign exchange gain	-	-	364	-	364
<b>As at 30 September 2022</b>					
<b>Capital expenditure:</b>					
Plant and equipment	456	14	5	-	475
Intangible assets	68	-	-	-	68
<b>Asset and liabilities:</b>					
<b>Assets</b>	17,594	1,628	21,902	-	41,124
<b>Liabilities</b>	10,476	912	15,858	-	27,246

\* Inter-segment revenues are eliminated on consolidation

## (E) Notes to the condensed interim consolidated financial statements (cont'd)

### 4. Segment and revenue information (cont'd)

#### 4.1 Reportable segments (cont'd)

HY2022	Smart urban development business \$'000	Water and environment business \$'000	Corporate \$'000	Adjustments \$'000	Per consolidated financial statements \$'000
<b>Revenue:</b>					
Sales to external customers	14,508	138	-	-	14,646
Inter-segment sales *	225	6	420	(651)	-
Total revenue	14,733	144	420	(651)	14,646
<b>Results:</b>					
Segment results	3,033	(456)	(605)	-	1,972
Finance cost	(89)	-	(298)	-	(387)
Interest income	3	1	180	-	184
Share of results of associates	-	-	(1,494)	-	(1,494)
Profit/(Loss) before taxation	2,947	(455)	(2,217)	-	275
Income tax credit					10
Loss for the period					285
<b>Significant non-cash items:</b>					
Depreciation and amortisation expenses	983	29	19	-	1,031
Gain on disposal of plant and equipment	(10)	-	-	-	(10)
Property, plant and equipment written off	1	-	-	-	1
Intangible assets written off	-	19	-	-	19
Writeback of impairment loss on trade receivable	(13)	-	-	-	(13)
<b>As at 31 March 2022</b>					
<b>Capital expenditure:</b>					
Plant and equipment	321	15	1	-	337
Intangible assets	1,078	185	-	-	1,263
<b>Asset and liabilities:</b>					
<b>Assets</b>	23,123	1,488	22,991	-	47,602
<b>Liabilities</b>	13,308	1,298	21,380	-	35,986

## (E) Notes to the condensed interim consolidated financial statements (cont'd)

### 4. Segment and revenue information (cont'd)

#### 4.2 Disaggregation of revenue

	Sale of goods		Services rendered		Total revenue	
	Six months ended 30 September		Six months ended 30 September		Six months ended 30 September	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Primary geographical market</b>						
Singapore	48	151	11,888	14,495	11,936	14,646
<b>Major product or service line</b>						
Smart urban development business	9	13	11,888	14,495	11,897	14,508
Water and environment business	39	10	-	128	39	138
	48	23	11,888	14,623	11,936	14,646
<b>Timing of transfer of goods or services</b>						
At a point in time	48	23	-	-	48	23
Over time	-	-	11,888	14,623	11,888	14,623
	48	23	11,888	14,623	11,936	14,646

### 5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company as at 30 September 2022 and 31 March 2022:

	The Group		The Company	
	As at	As at	As at	As at
	30/9/2022	31/3/2022	30/9/2022	31/3/2022
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets</b>				
Financial assets at amortised cost	20,412	26,865	14,155	20,721
Financial assets at fair value through profit or loss	126	126	126	126
	20,538	26,991	14,281	20,847
<b>Financial Liabilities</b>				
Financial liabilities at amortised cost	19,385	21,949	10,429	31,506
Financial liabilities at fair value through profit or loss	5,924	5,924	5,924	5,924
	25,309	27,873	16,353	37,430

## (E) Notes to the condensed interim consolidated financial statements (cont'd)

### 6. (Loss)/Profit before taxation

#### 6.1 Significant items

	Six months ended 30 September	
	2022	2021
	(Unaudited)	(Unaudited)
	\$'000	\$'000
<b>Other income</b>		
Gain on disposal of plant and equipment	1	10
Interest income	191	184
Rental income	60	59
Writeback of impairment loss on trade receivable	-	13
Government grant	178	555
Foreign exchange gain	364	233
<b>Expenses</b>		
Amortisation of intangible assets	(290)	(212)
Depreciation of property, plant and equipment	(420)	(457)
Depreciation of investment property	(19)	(19)
Depreciation of right-of-use asset	(358)	(343)
Foreign exchange loss	(26)	-
Intangible assets written off	-	(19)
Property, plant and equipment written off	-	(1)

## (E) Notes to the condensed interim consolidated financial statements (cont'd)

### 6. (Loss)/Profit before taxation (cont'd)

#### 6.2 Related party transactions

##### (a) Sales and purchase of services

In addition to the related party information disclosed elsewhere in the interim condensed financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial period:

	The Group		The Company	
	Six months ended 30 September		Six months ended 30 September	
	2022	2021	2022	2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	\$'000	\$'000	\$'000	\$'000
<b>With shareholders</b>				
Consultancy fees charged by a shareholder	215	215	215	215
<b>With directors</b>				
Consultancy fees charged by a director of the Company	-	186	-	-
<b>With associate</b>				
Interest income charged to an associate	178	180	178	180



## (E) Notes to the condensed interim consolidated financial statements (cont'd)

### 6. (Loss)/Profit before taxation (cont'd)

#### 6.2 Related party transactions (cont'd)

##### (b) Compensation of key management personnel

	The Group		The Company	
	Six months ended 30 September		Six months ended 30 September	
	2022	2021	2022	2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	\$'000	\$'000	\$'000	\$'000
Directors' fees	100	95	100	95
Short-term benefits	857	740	330	240
Contributions to the defined contribution plans	56	46	10	5
Total compensation paid to key management personnel	1,013	881	440	340
Comprise amount paid to :				
- Directors of the Company	440	351	440	340
- Directors of subsidiaries	499	403	-	-
- Other key management personnel	74	127	-	-
	1,013	881	440	340

### 7. Taxation

The Group calculates the period income tax expenses using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Six months ended 30 September	
	2022	2021
	(Unaudited)	(Unaudited)
	\$'000	\$'000
Deferred income tax expense relating to origination and reversal of temporary differences	10	10

(E) Notes to the condensed interim consolidated financial statements (cont'd)

**8. Net asset value**

	Group		Company	
	30.09.2022 (Unaudited)	31.03.2022 (Audited)	30.09.2022 (Unaudited)	31.03.2022 (Audited)
Net asset value per ordinary share based on issued share capital (SGD cents)	1.17	1.14	2.12	1.04

The net asset value per ordinary share of the Group and the Company as at 30 September 2022 were calculated based on the total issued number of ordinary shares (excluding treasury shares) of 1,181,534,398 (31 March 2022: 1,014,867,731).

**9. Fair value of financial assets and financial liabilities**

**9.1 Fair value hierarchy**

The Group categorises fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 - Unobservable inputs for the asset or liability.

## (E) Notes to the condensed interim consolidated financial statements (cont'd)

### 9. Fair value of financial assets and financial liabilities (cont'd)

#### 9.2 Assets and liabilities measured at fair value

	Fair value measurements using			
	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
<b>Group and Company</b>				
<b>30 September 2022</b>				
<b>Assets</b>				
Financial assets at FVTPL				
Investment securities	126	-	-	126
<b>Liabilities</b>				
Financial liabilities at FVTPL				
Contingent consideration	-	-	5,924	5,924
<b>Group and Company</b>				
<b>31 March 2022</b>				
<b>Assets</b>				
Financial assets at FVTPL				
Investment securities	126	-	-	126
<b>Liabilities</b>				
Financial liabilities at FVTPL				
Contingent consideration	-	-	5,924	5,924

### 10. Property, plant and equipment

During the six months ended 30 September 2022, the Group acquired assets amounting to \$475,000 (30 September 2021: \$171,000), disposed and written off of assets with net book value of \$Nil and \$Nil (30 September 2021: \$Nil and \$1,000) respectively.

## (E) Notes to the condensed interim consolidated financial statements (cont'd)

### 11. Investment property

The Group's investment property consists of factory building held for long-term rental yields and is leased to a third party under operating lease.

	Group and Company	
	As at 30 September 2022 \$'000	As at 31 March 2022 \$'000
<b>Cost</b>		
At beginning and end of financial period/year	1,600	1,600
<b>Accumulated depreciation</b>		
At beginning of financial period/year	185	148
Charge for the period/year	19	37
At end of financial period/year	204	185
<b>Net carrying amount</b>	1,396	1,415
<b>Fair value</b>	1,900	1,900

The fair value of investment property as at 31 March 2022 is based on independent external valuation using sales comparison method. As at 30 September 2022, management conducted an assessment of the valuation of the investment property, taking into consideration any significant changes in operating performance of the property during the period and assessed whether movement in market data such as discount rates and capitalisation rates have any significant impact to the valuation of investment property. Based on the assessment, management is of the view that the fair value of the investment property has not materially change from 31 March 2022.

### 12. Investment in associate

The Group's investment in associate is summarised as below:

	Group		Company	
	As at 30 September 2022 \$'000	As at 31 March 2022 \$'000	As at 30 September 2022 \$'000	As at 31 March 2022 \$'000
At 1 April	6,630	3,386	7,148	5,529
Capitalisation of intangible assets transferred and amount due from associate	-	4,049	-	4,049
Share of associate's results	404	(743)	-	-
Impairment loss	-	-	-	(2,430)
Foreign currency differences	(379)	(62)	-	-
At 30 September/31 March	6,655	6,630	7,148	7,148

## (E) Notes to the condensed interim consolidated financial statements (cont'd)

### 12. Investment in associate (cont'd)

		30 September 2022	31 March 2022
		%	%
<i>Held by the Company:</i>			
Tritech Environmental Group Co., Ltd	PRC	Production and sale of membranes for use in waste treatment systems and water treatment systems	46.86
			46.86

### 13. Intangible assets

Group	Goodwill \$'000	Transferable club membership \$'000	Intellectual property right \$'000	Development expenditures \$'000	Software \$'000	Total \$'000
<b>At 31 March 2022</b>						
Cost	454	31	199	4,741	823	6,248
Accumulated amortisation and impairment loss	-	-	(125)	(981)	(705)	(1,811)
Net carrying amount	454	31	74	3,760	118	4,437
<b>6 months ended 30 September 2022</b>						
Opening net carrying amount	454	31	74	3,760	118	4,437
Addition	-	-	-	68	-	68
Written off	-	-	-	-	-	-
Amortisation charge	-	-	(5)	(226)	(59)	(290)
Closing net carrying amount	454	31	69	3,602	59	4,215
<b>At 30 September 2022</b>						
Cost	454	31	199	4,809	823	6,316
Accumulated amortisation and impairment loss	-	-	(130)	(1,207)	(764)	(2,101)
Net carrying amount	454	31	69	3,602	59	4,215

The carrying amount of intangible assets are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired. The recoverable amount of the cash generating unit ("CGU") which goodwill have been allocated to are determined based on value-in-use calculations, using cash flow projections from financial budgets approved by management covering a five-year period. The recoverable amount is most sensitive to the weighted average cost of capital and terminal value used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

## (E) Notes to the condensed interim consolidated financial statements (cont'd)

For the purpose of this condensed interim financial statements for half year ended 30 September 2022, management has reviewed and considered the cash flows projections for the CGU. As there were no impairment indicators as at 30 September 2022, no impairment testing was performed.

### 14. Borrowings and loans

	As at 30 September 2022		As at 31 March 2022	
	Secured	Unsecured	Secured	Unsecured
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
	\$'000	\$'000	\$'000	\$'000
Amount repayable within one year	1,372	807	1,394	795
Amount repayable after one year	282	5,840	311	6,627
	1,654	6,647	1,705	7,422

The borrowings of the Group comprised finance lease obligations (included in lease liabilities), term loans and 5.32% to 10% (31 March 2022: 5.32% to 10%) interest bearing independent shareholder loan of \$4.4 million (31 March 2022: \$4.8 million). The finance lease obligations are secured by the lessors' title to the leased assets and corporate guarantee from the Company.

The overdraft and 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) corporate guarantees from the Company.

### 15. Share capital

	Group and Company			
	As at 30 September 2022		As at 31 March 2022	
	Number of shares '000	\$'000	Number of shares '000	\$'000
<b>Issued and fully paid ordinary shares</b>				
At beginning of financial period/year	1,014,868	80,283	964,868	79,198
Placement shares	166,667	5,000	-	-
Transfer from employee share award reserve upon conversion of employee share award	-	-	50,000	1,090
Share issue expenses	-	(13)	-	(5)
At end of financial period/year	1,181,535	85,270	1,014,868	80,283

On 7 June 2022, the Company has allotted and issued 166,666,667 ordinary shares at \$0.03 each to the placees pursuant to the placement agreement dated 22 March 2022.

## (E) Notes to the condensed interim consolidated financial statements (cont'd)

### Treasury shares and subsidiary holdings

The Company did not have any convertibles, treasury shares or subsidiary holdings as at 30 September 2022, 31 March 2022 and 30 September 2021.

### **16. Subsequent events**

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

On 17 October 2022, the Company received a ruling from the Council ("**SIC Ruling**") that (i.) the Placees are parties acting in concert with respect to the Company, and (ii.) the Placees will not be required to make a general offer for the Company pursuant to Rule 14.1 of the Code in the event the Placees acquire 30% or more of the voting rights of the Company, based on the Company's enlarged issued capital as a result of the acquisition of the Option Shares by the Placees, subject to the conditions of the SIC Ruling.

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## (F) Other information required by Appendix 7C of the Catalist Rules

### 1. Review

The condensed consolidated statement of financial position of Trittech Group Limited and its subsidiaries as at 30 September 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed by the Company's auditors.

### 2. Review of performance of the Group

#### Review of condensed interim consolidated statement of profit or loss of the Group

##### 1H2023 compared with 1H2022

The Group's revenue decreased by \$2.7 million from \$14.6 million in 1H2022 to \$11.9 million in 1H2023. The decrease was due to lower revenue generated from the smart urban development business as the new projects were at preparation stage.

Cost of sales decreased by \$0.6 million from \$8.9 million in 1H2022 to \$8.3 million in 1H2023 due to the decrease in revenue.

As a result of the above reasons, the Group's gross profit was \$3.6 million in 1H2023 compared to gross profit of \$5.7 million in 1H2022 and gross profit margin decreased by 8.8 percentage point to 30.4% in 1H2023 mainly from the smart urban development business.

Other income decreased by \$0.6 million from \$1.1 million in 1H2022 to \$0.5 million in 1H2023 mainly due to lower COVID-19 related grants received from the Singapore government.

Distribution expenses increased by \$0.1 million from \$0.2 million in 1H2022 to \$0.3 million in 1H2023 mainly due to increase in headcount for water and environmental business.

Administrative expenses increased by \$1.5 million from \$2.5 million in 1H2022 to \$4.0 million in 1H2023 mainly due to increase in professional fee. The increase in professional fee arose from placement exercise and legal fees for water and environmental business.

Other expenses increased by \$0.2 million from \$2.0 million in 1H2022 to \$2.2 million in 1H2023 mainly due to increase in depreciation and amortisation, entertainment fee and staff related costs.

Finance costs decreased by \$0.1 million from \$0.4 million in 1H2022 to \$0.3 million in 1H2023 mainly due to settlement of loans and lease liabilities.

Share of profit of associate was \$0.4 million in 1H2023 compared to share of loss of associate of \$1.5 million in 1H2022 due to increase in profit of Trittech Environment Group.

As a result of the above, the Group recorded a loss after tax of \$2.3 million in 1H2023 as compared to a profit after tax of \$0.3 million in 1H2022.



(F) Other information required by Appendix 7C of the Catalist Rules (cont'd)

2. Review of performance of the Group (cont'd)

**Review of condensed interim statements of financial position of the Group**

Non-current assets of the Group amounted to \$28.4 million as at 30 September 2022, an increase of \$3.6 million from \$24.8 million as at 31 March 2022. The increase was mainly due to increase in right-of-use asset, purchase of new property, plant and equipment, intangibles assets and share of associates' profit of \$5.0 million, and partially offset by depreciation charges and amortisation of \$1.1 million, foreign currency translation reserve of \$0.3 million.

Current assets were \$12.7 million as at 30 September 2022. The decrease of \$10.1 million from \$22.8 million as at 31 March 2022 was mainly due to a decrease of \$4.0 million in contract assets, and decrease in cash and short-term deposits of \$6.3 million, partially offset by increase in inventories, trade and other receivables and prepayment of \$0.2 million.

Current liabilities were \$11.4 million as at 30 September 2022. The decrease of \$11.5 million from \$22.9 million as at 31 March 2022 was mainly due to decrease of \$11.7 million in trade and other payable, contract liabilities and bank borrowings, and partially offset by the increase of \$0.3 million in lease liabilities. The decrease in contract liabilities was due to timing of recognition of revenue.

Non-current liabilities were \$15.8 million as at 30 September 2022. The increase of \$2.7 million from \$13.1 million as at 31 March 2022 was mainly due to increase of lease liabilities, and partially offset by the decrease in bank borrowings.

The Group had a positive working capital of \$1.3 million as at 30 September 2022 as compared to a negative working capital of \$0.1 million as at 31 March 2022.

**Review of condensed interim consolidated statement of cash flows of the Group**

The Group recorded net cash used in operating activities amounting to \$4.5 million in 1H2023. The net cash used in operating activities was mainly due to operating cash outflow before working capital changes of \$1.9 million and net cash outflow of \$2.6 million from working capital changes.

Net cash of \$0.5 million used in investing activities in 1H2023, was mainly due to cash outflow used in purchase of plant and equipment and intangible assets.

Net cash of \$1.1 million used in financing activities in 1H2023, was mainly due to repayment of bank borrowings, lease liability and loan interest. This was partially offset by the cash inflow from decrease in fixed deposit pledged.

(F) Other information required by Appendix 7C of the Catalist Rules (cont'd)

3. 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.

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

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

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

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

- 5a. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

- (a) Updates on the efforts taken to resolve each outstanding audit issue.  
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable. The Group's latest financial statements for the financial year ended 31 March 2022 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

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

	Group	
	6 months ended	
	30 September 2022	30 September 2021
(Loss)/earnings attributable to the owners of the Group (\$\$)	(2,338,000)	293,000
Weighted average number of ordinary shares in issue	1,120,514,361	982,026,201
Basic and fully diluted (loss)/earnings per share (cents)	(0.21)	0.03

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(F) Other information required by Appendix 7C of the Catalist Rules (cont'd)

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

The continuing high inflation rate caused by the global disruption to the supply chain of materials has led to the increased in cost of construction materials. As a result, the business operation is expected to face challenges in the next 12 month.

Notwithstanding the above, our smart urban development business adopts our in-house digital automation technologies that reduces the need for manpower and manual operations. We will continue to market these in-house digital automation technologies in the construction industry as well as the recently developed AI-based Data Analytics System (“ADAS”) to make digital transformation both for our smart urban development and water and environment businesses. This effort of ours is in line with Building and Construction Authority (BCA)’s recent guideline of Built Environment Industry Transformation Map to Facilitate Integration and Collaborative Breakthrough Across the Entire Value Chain published on 06 September 2022.

Our water and environmental related products, including the new proprietary product VaVie™ Clean Wash Sanitize and wastewater treatment membranes are being actively marketed in Singapore, Southeast Asia and globally. These marketing efforts are expected to widen our market presence in the world.

8. 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 (%)  
Not applicable
- (b)(ii) Previous corresponding period (cents)  
(Optional) Rate (%)  
Not applicable
- (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

## (F) Other information required by Appendix 7C of the Catalist Rules (cont'd)

### 9. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended for the financial period ended 30 September 2022 in view of the Company's accumulated losses.

### 10. 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 has not obtained a general mandate from its shareholders for interested person transactions. The Company did not enter into any discloseable interested person transactions for the financial period ended 30 September 2022.

### 11. Update use of Placement Proceeds

On 7 June 2022, the Company raised net proceeds of S\$4,945,000 from the placement of 166,666,667 shares at \$0.03 per share. The intended use of the net proceeds from the placement is as follows:

Use of Proceeds	Amount allocated (\$'000)	Amount utilised as at date of announcement	Balance (\$'000)
Working Capital	4,945	3,780	1,165

Please see below the breakdown of the utilisation of proceeds for working capital.

Breakdown of proceeds	\$'000
Wages and staff related costs	650
Finance costs	214
Professional fees	1,379
Material and subcontractor fee	1,170
Other office expenses	367
Total	3,780

**12. 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).

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

On behalf of the Board of the Company, we, the undersigned, hereby confirms that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited condensed interim financial statements of the Company and the Group for the half year ended 30 September 2022 to be false or misleading in any material aspect.

**14. Disclosures on Incorporation, Acquisition and Realisation of Shares pursuant to Rule 706A of the Catalist Rules**

There were no acquisition or realisation of shares pursuant to Rule 706A during 1H2023.

**BY ORDER OF THE BOARD**

Dr Wang Xiaoning  
Managing Director  
14 November 2022

Mr. Zhou Xinping  
Executive Director