



**TRITECH GROUP LIMITED**

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

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

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**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2017**

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

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

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

**1(a) An income statement and statement of comprehensive income or a statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year**

	3 months ended 30 June		
	2017	2016 <sup>(1)</sup>	Change
	(Unaudited)	(Re-presented)	
	\$'000	\$'000	%
<b><u>Continuing operations</u></b>			
Revenue	17,067	15,992	6.7
Cost of sales	(13,756)	(12,530)	9.8
Gross profit	3,311	3,462	(4.4)
Other income	210	163	28.8
Distribution expenses	(241)	(283)	(14.8)
Administrative expenses	(3,866)	(3,481)	11.1
Other expenses	(5,027)	(1,024)	390.9
Finance costs	(1,840)	(949)	93.9
Share of results of associates	(3)	-	n.m.
Loss before taxation	(7,456)	(2,112)	253.0
Income tax refund	6	29	(79.3)
Loss from continuing operations, net of income tax	(7,450)	(2,083)	257.7
<b><u>Discontinued operation</u> <sup>(2)</sup></b>			
Gain on disposal of 52.24% economic interest in a subsidiary	11,134	-	n.m.
Loss from discontinued operation, net of income tax	(1,761)	(915)	92.5
Profit/(loss) for the financial period	1,923	(2,998)	(164.1)
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	(219)	(681)	(67.8)
Total comprehensive income for the financial period	1,347	(3,679)	(136.6)
Profit/(loss) attributable to:			
Owners of the parent			
Loss from continuing operations	(7,447)	(2,079)	258.2
Profit/(loss) from discontinued operation	10,184	(545)	n.m.
Profit/(loss) for the financial period attributable to owners of the Company	2,737	(2,624)	(204.3)
Non-controlling interest			
Loss from continuing operations	(3)	(4)	(25.0)
Loss from discontinued operation	(811)	(370)	119.2
Loss for the financial period attributable to non-controlling interests	(814)	(374)	117.6
Profit/(loss) for the financial period	1,923	(2,998)	(164.1)
Total comprehensive income attributable to:			
Owners of the parent	2,465	(3,188)	(177.3)
Non-controlling interest	(1,118)	(491)	127.7
Total comprehensive income for the financial period	1,347	(3,679)	(136.6)
n.m. not meaningful			

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

<sup>(2)</sup> Discontinued operations relate to Terratech Group Limited.

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

	3 months ended 30 June		
	2017	2016	Change
	(Unaudited) \$'000	(Unaudited) \$'000	%
<b>Other income</b>			
<u>Continuing operations</u>			
Gain on disposal of property, plant and equipment	-	22	n.m.
Interest income	5	6	(16.7)
Rental income	56	73	(23.3)
Sundry income	149	62	140.3
<u>Discontinued operation</u>			
Gain recognised on loss of control of subsidiaries	10,777	-	n.m.
Exchange differences realised on loss of control in subsidiaries transferred from translation reserve	357	-	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	26	2	n.m.
<b>Cost of sales, distribution, administrative and other expenses</b>			
<u>Continuing operations</u>			
Depreciation of property, plant and equipment	(1,175)	(1,228)	(4.3)
Amortisation of land use right	(14)	(15)	(6.7)
Amortisation of intangible assets	(42)	(22)	90.9
Fair value loss on investment securities	(3,169)	-	n.m.
Loss on disposal for investment securities	(855)	-	n.m.
<u>Discontinued operation</u>			
Depreciation of property, plant and equipment	(54)	(167)	(67.7)
Amortisation of mining rights	(15)	(76)	(80.3)
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 30/06/2017 (Unaudited) \$'000	As at 31/03/2017 (Audited) \$'000	As at 30/06/2017 (Unaudited) \$'000	As at 31/03/2017 (Audited) \$'000
<b>Non-current assets</b>				
Property, plant and equipment	54,780	55,668	1,592	1,601
Investments in subsidiaries	-	-	69,307	57,486
Investments in associates	887	-	-	-
Land use right	2,527	2,536	-	-
Intangible assets	1,651	1,683	-	-
	<u>59,845</u>	<u>59,887</u>	<u>70,899</u>	<u>59,087</u>
<b>Current assets</b>				
Inventories	3,496	3,675	-	-
Trade and other receivables	12,472	9,936	20,925	19,891
Amounts due from contract customers	54,826	53,275	-	-
Tax recoverable	27	25	-	-
Prepayments	1,430	1,852	27	38
Investment securities	4,853	-	4,853	-
Cash and bank balances	7,952	9,055	3,339	2,532
	<u>85,056</u>	<u>77,818</u>	<u>29,144</u>	<u>22,461</u>
Assets of disposal group classified as held for sale	-	29,932	-	19,425
	<u>85,056</u>	<u>107,750</u>	<u>29,144</u>	<u>41,886</u>
<b>Total assets</b>	<u>144,901</u>	<u>167,637</u>	<u>100,043</u>	<u>100,973</u>
Less:				
<b>Current liabilities</b>				
Trade and other payables	37,606	36,952	3,377	5,003
Amounts due to contract customers	3,137	3,826	-	-
Bank borrowings	20,392	19,698	4,699	4,706
Finance lease payables	2,789	3,063	-	-
Derivative components of convertible loans	14	14	14	14
Liability component of convertible loan	2,427	9,034	2,427	9,034
Loan from shareholders	4,443	4,549	2,820	3,020
Current income tax payable	697	599	171	171
	<u>71,505</u>	<u>77,735</u>	<u>13,508</u>	<u>21,948</u>
Liabilities directly associated with disposal group classified as held for sale	-	12,509	-	-
	<u>71,505</u>	<u>90,244</u>	<u>13,508</u>	<u>21,948</u>
<b>Net current assets</b>	<u>13,551</u>	<u>17,506</u>	<u>15,636</u>	<u>19,938</u>
<b>Non-current liabilities</b>				
Bank borrowings	985	1,315	927	1,232
Finance lease payables	2,049	2,236	-	-
Deferred tax liabilities	2,483	2,554	403	403
	<u>5,517</u>	<u>6,105</u>	<u>1,330</u>	<u>1,635</u>
<b>Total liabilities</b>	<u>77,022</u>	<u>96,349</u>	<u>14,838</u>	<u>23,583</u>
<b>Net assets</b>	<u>67,879</u>	<u>71,288</u>	<u>85,205</u>	<u>77,390</u>
<b>Equity</b>				
Share capital	77,653	75,637	77,653	75,637
Reserves	(10,096)	32,274	7,552	1,753
Reserves of disposal group classified as held for sale	-	(44,835)	-	-
<b>Total equity attributable to owners of the parent</b>	<u>67,557</u>	<u>63,076</u>	<u>85,205</u>	<u>77,390</u>
Non-controlling interests	322	331	-	-
Non-controlling interests of disposal group classified as held for sale	-	7,881	-	-
<b>Total equity</b>	<u>67,879</u>	<u>71,288</u>	<u>85,205</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 30 June 2017		As at 31 March 2017	
	Secured	Unsecured	Secured	Unsecured
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
	\$'000	\$'000	\$'000	\$'000
Amount repayable within one year	25,110	4,941	31,149	5,195
Amount repayable after one year	3,034	-	3,551	-
	28,144	4,941	34,700	5,195

The borrowings of the Group comprised bank guarantees facilities, finance lease obligations, term loans, 10% interest bearing shareholder loan (of \$2.8 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 guarantee from the Company. The finance lease obligations are secured by the lessors' title to the leased assets and corporate guarantee from the Company.

The term loans are secured by:-

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

#### Convertible Loans

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

On 31 March 2017, the Company had written to the Lenders to offer each of the Lenders an early settlement of the relevant loans held by them. The proposed settlement amount in relation to each Lender shall be the principal amount of the relevant loan plus the agreed interest amount and shall be settled by shares of Terratech Group Limited (now known as Capital World Limited)("Terratech") held by the Company, including the Terratech shares to be sold under the compliance placement to be carried out in conjunction with the reverse takeover of Terratech ("Terratech Compliance Placement").

On 26 April 2017, the Company announced that certain Lenders had accepted the early settlement ("Early Settlement"), with the aggregate settlement sum amounting to \$8,250,000, and the proposed disposal of 41,250,000 consolidated shares of Terratech in settlement and satisfaction of such settlement amount (the "Proposed Disposal"). As at the date of this announcement, there is an outstanding aggregate principal amount of \$2,500,000 to be repaid on or prior to the relevant maturity date, 28 October 2017.

1(c)	A statement of cash flow (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.	3 months ended	
		30/06/2017	30/06/2016
		(Unaudited)	(Unaudited)
		\$'000	\$'000
<b>Cash flows from operating activities</b>			
Loss before tax from continuing operations	(7,456)	(2,112)	
Profit/(loss) before tax from discontinued operation	9,415	(852)	
Profit/(loss) before taxation, total	1,959	(2,964)	
Adjustments for:			
Amortisation of intangible assets	42	22	
Amortisation of mining rights	15	76	
Amortisation of land use rights	14	15	
Depreciation of property, plant and equipment	1,229	1,395	
Exchange differences realised on loss of control in subsidiaries transferred from translation reserve	(357)	-	
Fair value loss on investment securities	3,169	-	
Gain on disposal of plant and equipment	-	(22)	
Gain recognised on loss of control of subsidiaries	(10,777)	-	
Interest income	(5)	(6)	
Interest expense	471	392	
Interest expense - convertible loan	1,373	560	
Loss on disposal for investment securities	855	-	
Write-off of plant and equipment	37	-	
Reversal of impairment loss on other receivables	-	(61)	
Share of results of associates	3	-	
<b>Operating cash flow before working capital changes</b>	<b>(1,972)</b>	<b>(593)</b>	
Working capital changes:			
Inventories	86	(376)	
Trade and other receivables	(3,555)	(3,601)	
Prepayments	254	671	
Trade and other payables	1,296	503	
<b>Cash used in operations</b>	<b>(3,891)</b>	<b>(3,396)</b>	
Income taxes refund/(paid)	1	(26)	
Interest received	5	6	
<b>Net cash used in operating activities</b>	<b>(3,885)</b>	<b>(3,416)</b>	
<b>Cash flows from investing activities</b>			
Loss of control in subsidiaries (net of cash disposed of)	(1,397)	-	
Purchase of plant and equipment	(521)	(1,634)	
Proceeds from disposal of investment securities	2,195	-	
Proceeds from disposal of plant and equipment	17	40	
<b>Net cash generated from/ (used in) investing activities</b>	<b>294</b>	<b>(1,594)</b>	
<b>Cash flows from financing activities</b>			
Acquisition of associates	(203)	-	
Decrease in fixed deposit	905	21	
Proceeds from bank borrowings	938	1,522	
Loan from shareholders	484	-	
Repayments of bank borrowings	(551)	(1,313)	
Repayments of convertible loan interests	(125)	(500)	
Repayments of finance lease obligations	(461)	(615)	
Repayments of shareholder loan	(590)	(150)	
Proceeds from issuance of placement shares	2,016	-	
Proceeds from issuance of subsidiary's placement shares	-	2,774	
Interest paid	(471)	(392)	
<b>Net cash generated from financing activities</b>	<b>1,942</b>	<b>1,347</b>	

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

	3 months ended	
	30/06/2017	30/06/2016
	(Unaudited)	(Unaudited)
	\$'000	\$'000
Net change in cash and cash equivalents	(1,649)	(3,663)
Cash and cash equivalents at beginning of financial period	3,945	5,261
Currency translation differences	137	918
Cash and cash equivalents at end of financial period	<u>2,433</u>	<u>2,516</u>

Cash and cash equivalents comprise:

	Group	
	3 months ended	
	30/06/2017	30/06/2016
	(Unaudited)	(Unaudited)
Fixed deposits	3,331	4,897
Cash and bank balances	4,621	4,928
Cash and cash equivalents	<u>7,952</u>	<u>9,825</u>
Bank overdraft	(2,411)	(2,428)
Fixed deposit pledged	(3,108)	(4,881)
Cash and cash equivalents in the consolidated cash flow statement	<u><u>2,433</u></u>	<u><u>2,516</u></u>

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 bonds	Gain on disposals to non-controlling interests	Asset revaluation reserve	Foreign currency translation reserve	Accumulated profits/ (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 April 2017	75,637	2,108	34,951	9,269	410	(14,464)	(44,835)	63,076	331	7,881	71,288
<b>Profit/(Loss) for the financial period</b>	-	-	-	-	-	(7,447)	10,184	2,737	(3)	(811)	1,923
<u>Other comprehensive income</u>											
Exchange differences realised on loss of control in subsidiaries reclassified to profit or loss	-	-	-	-	(357)	-	-	(357)	-	-	(357)
Exchange differences arising from translation of foreign operations	-	-	-	-	85	-	-	85	(6)	(298)	(219)
<b>Total comprehensive income for the financial period</b>	-	-	-	-	(272)	(7,447)	10,184	2,465	(9)	(1,109)	1,347
<u>Contributions by and distributions to owners</u>											
Issuance of new shares	2,016	-	-	-	-	-	-	2,016	-	-	2,016
<b>Total contributions by and distributions to owners</b>	2,016	-	-	-	-	-	-	2,016	-	-	2,016
<u>Changes in ownership interests in subsidiaries</u>											
Disposal of 52.24% economic interest in a subsidiary	-	-	-	-	-	(34,651)	34,651	-	-	(6,772)	(6,772)
<b>Total changes in ownership interests in subsidiaries</b>	-	-	-	-	-	(34,651)	34,651	-	-	(6,772)	(6,772)
At 30 June 2017	77,653	2,108	34,951	9,269	138	(56,562)	-	67,557	322	-	67,879



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 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 April 2016	69,866	2,108	34,951	11,111	399	(43,829)	-	74,606	8,349	-	82,955
<b>Loss for the financial period</b>	-	-	-	-	-	(2,624)	-	(2,624)	(374)	-	(2,998)
<u>Other comprehensive income</u>											
Exchange differences arising from translation of foreign operations	-	-	-	-	(564)	-	-	(564)	(117)	-	(681)
<b>Total comprehensive income for the financial period</b>	-	-	-	-	(564)	(2,624)	-	(3,188)	(491)	-	(3,679)
<u>Contributions by and distributions to owners</u>											
Issuance of placement shares to non-controlling interests	-	-	-	-	-	-	-	-	2,774	-	2,774
Reserve and non-controlling interest attributable to disposal group classified as held for sale	-	-	-	-	61	42,945	(43,006)	-	(10,355)	10,355	-
<b>Total contributions by and distributions to owners</b>	-	-	-	-	61	42,945	(43,006)	-	(7,581)	10,355	2,774
At 30 June 2016	69,866	2,108	34,951	11,111	(104)	(3,508)	(43,006)	71,418	277	10,355	82,050

(d)(i) A statement (for the Issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (continued).

	Share capital	Equity component of convertible loans	Asset revaluation reserve	Accumulated profits/(losses)	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Company (Unaudited)</b>					
<b>At 1 April 2017</b>	75,637	2,108	952	(1,307)	77,390
Profit for the financial period	-	-	-	5,799	5,799
<b>Total comprehensive income for the financial period</b>	-	-	-	5,799	5,799
<b>Contributions and distributions to owners</b>					
Issuance of shares	2,016	-	-	-	2,016
<b>Total contributions by and distributions to owners</b>	<b>2,016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,016</b>
<b>At 30 June 2017</b>	<b>77,653</b>	<b>2,108</b>	<b>952</b>	<b>4,492</b>	<b>85,205</b>
<b>At 1 April 2016</b>	69,866	2,108	925	2,375	75,274
Loss for the financial period	-	-	-	(747)	(747)
<b>Total comprehensive income for the financial period</b>	-	-	-	(747)	(747)
<b>Total contributions by and distributions to owners</b>	-	-	-	-	-
<b>At 30 June 2016</b>	<b>69,866</b>	<b>2,108</b>	<b>925</b>	<b>1,628</b>	<b>74,527</b>

1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State 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 financial year ended 31 March 2017 ("FY2017") to the three months ended 30 June 2017 ("1Q2018") were as follows:-

Ordinary shares

	Number of shares	\$
Issued and fully paid ordinary shares as at 31 March 2017	879,168,182	75,637,158
Allotment and issue of new ordinary shares	28,803,000	2,016,210
Issued and fully paid ordinary shares as at 30 June 2017	907,971,182	77,653,368

Warrants

As at 30 June 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 30 June 2016, there were 386,574,593 warrants.

Performance Share Plan

The Company did not issue any Share Awards as at 30 June 2017 and 30 June 2016.

Treasury shares and subsidiary holdings

The Company did not have any outstanding treasury shares and subsidiary holdings as at 30 June 2017 and 30 June 2016.

Convertible Loans

Pursuant to the CLA, the Company had 13,041,126 and 47,619,048 outstanding loan conversion shares and interest conversion shares as at 30 June 2017 and 30 June 2016 respectively.

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

	As at 30.06.2017	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 was 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 financial statements for the current reporting year 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.

	1Q2018 (Unaudited)	1Q2017 (Unaudited)
<b>Profit/(loss) per share from continuing operations</b>		
(a) Basic profit/(loss) per share (SGD cents)	(0.84)	(0.21)
(b) Diluted profit/(loss) per share (SGD cents)	(0.84)	(0.21)
<b>Profit/(loss) per share from continuing and discontinued operations</b>		
(a) Basic profit/(loss) per share (SGD cents)	0.31	(0.33)
(b) Diluted profit/(loss) per share (SGD cents)	0.31	(0.33)

- (a) Basic profit per share of the Group in the three months ended 30 June 2017 (“1Q2018”) is calculated based on the weighted average number of ordinary shares in issue of 880,434,248.

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

- (b) Diluted profit/(loss) per share of the Group in 1Q2018 and 1Q2017 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 due to the conversion price or exercise price being higher than the prevailing market price at the relevant date.

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	
	1Q2018 (Unaudited)	FY2017 (Audited)	1Q2018 (Unaudited)	FY2017 (Audited)
Net asset value per ordinary share based on issued share capital (SGD cents)	7.44	7.17	9.38	8.80

The net asset value per ordinary share of the Group and the Company as at 30 June 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 for a reasonable the extent necessary understanding of the Group's business. It must include a discussion of the following:-
- a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
  - b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

#### REVIEW OF INCOME STATEMENT OF THE GROUP

##### A. Continuing operations 1Q2018 compared with 1Q2017

The Group's revenue increased by \$1.1 million from \$16.0 million in 1Q2017 to \$17.1 million in 1Q2018 mainly due to the increase in revenue in the engineering business of \$1.6 million, which was partially offset with the decrease in water-related and environmental business of \$0.5 million.

The Group's gross profit decreased by \$0.1 million from \$3.4 million to \$3.3 million in 1Q2018 mainly due to increase in direct costs of new engineering projects.

The Group's other income increased by \$0.05 million mainly due to the increase in rental income from the engineering business.

The Group's administrative expenses increased by \$0.4 million from \$3.5 million in 1Q2017 to \$3.9 million in 1Q2018 mainly due to the research fee of \$0.2 million in water-related and environmental business in PRC and the professional fee of \$0.2 million incurred for the Proposed Disposal.

The Group's other expenses increased by \$4.0 million from \$1.0 million in 1Q2017 to \$5.0 million in 1Q2018 mainly due to the fair value loss on investment securities of \$3.2 million and loss on disposal of investment securities of \$0.8 million.

Finance costs increased by \$0.9 million from \$0.9 million in 1Q2017 to \$1.8 million in 1Q2018 mainly due to early settlement of convertible loan interest accrued up to maturity date in October 2017.

As a result of the above, the Group recorded a loss after tax of \$7.5 million in 1Q2018 as compared to a loss after tax of \$2.1 million in 1Q2017.

##### B. Discontinued operations - marble resources business

On 4 May 2017, the Company announced the completion of the Proposed Disposal and accordingly Terratech has ceased to be a subsidiary of the Company.

In accordance with FRS 105, the results of Terratech have been presented separately on the consolidation income statement as Discontinued Operations and gain on disposal of \$11.1 million was recognised on the disposal of 52.24% economic interest of Terratech.

Terratech recorded an attributable loss of \$1.8 million and \$0.9 million from discontinued operation in 1Q2018 and 1Q2017 respectively.

Overall, the Group recorded a profit after tax of \$1.9 million in 1Q2018 as compared to a loss after tax of \$3.0 million in 1Q2017.

## REVIEW OF FINANCIAL POSITION OF THE GROUP

Non-current assets of the Group amounted to \$59.8 million as at 30 June 2017. An increase of \$0.9 million arising from investment in associates in PRC and addition of new plant and equipment of \$0.5 million offset against amortisation and depreciation charges of \$1.2 million and foreign exchange translation loss of \$0.2 million.

Current assets were \$85.0 million as at 30 June 2017. This represents an increase of \$7.2 million from \$77.8 million as at 31 March 2017. Excluding the assets held for sale from the discontinued operations of \$29.9 million, the increase of \$7.2 million was mainly due to the increase in trade and other receivables of \$2.6 million arising from increased revenue from the water-related and environmental business and amount due from contract customers of \$1.6 million from engineering business and water-related and environmental business in PRC. The investment securities of \$4.8 million arising from the loss of control on marble resources business. The increase was offset by the decrease in inventories of \$0.2 million, decrease in prepayments of \$0.5 million and the decrease of cash and bank balances of \$1.1 million.

Current liabilities were \$71.5 million as at 30 June 2017, a decrease of \$6.2 million from \$77.7 million as at 31 March 2017. Excluding the liabilities held for sale of \$12.5 million, the decrease of \$6.2 million was mainly due to settlement of convertible loans of \$6.6 million through disposal of placement shares of Terratech and decrease of \$0.3 million due to repayments of finance lease. The decrease was partially offset by the increase in bank borrowings of \$0.7 million which was mainly for working capital purposes.

Non-current liabilities were \$5.5 million as at 30 June 2017, a decrease of \$0.6 million from \$6.1 million as at 31 March 2017. The decrease was due to partial repayment of finance lease payables and bank borrowings totalling \$0.5 million and the decrease in deferred tax liabilities of \$0.1 million.

The Group had a positive working capital of \$13.6 million as at 30 June 2017 as compared to \$17.5 million as at 31 March 2017.

## REVIEW OF CASH FLOW STATEMENT OF THE GROUP

The Group had a net cash used in operating activities amounting to \$3.9 million in 1Q2018. The net cash used in operating activities in 1Q2018 was mainly due to an operating cash outflow of \$2.0 million before working capital changes and working capital outflow of \$1.9 million mainly due to increase in trade and other receivables offset by an increase in trade and other payables.

Net cash of \$0.3 million was generated from investing activities in 1Q2018, mainly due to proceeds from disposal of investment securities offset with the net cash disposed of for marble resources businesses.

Net cash of \$1.9 million was generated from financing activities in 1Q2018, mainly due to cash inflow from bank borrowings of \$0.9 million, proceeds from shareholders' loan of \$0.5 million, decrease in fixed deposit of \$0.9 million and proceeds from placement shares of \$2.0 million. This was partially offset by the cash outflow of \$2.4 million for the acquisitions of associates in water-related and environmental business, repayment of bank borrowings and shareholders' loan, payment of finance lease, term loan and convertible loan interest.

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

The current results are in line with the Company's discussion presented in Note 10 of the unaudited results announcement dated 29 May 2017.

**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 remains profitable despite a competitive business environment as continuous efforts are put in place to seek new business opportunities with reasonable profit margin. Our current order book for engineering business stood at \$137 million as at 31 July 2017, which is expected to be completed in the coming few years.

As at 31 July 2017, our current order book in the water-related and environmental business stood at S\$18.2 million.

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

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

Nil

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

**(Optional) Rate (%)**

Nil

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

**(Optional) Rate (%)**

Nil

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

Not applicable

**(d) The date the dividend is payable.**

Not applicable



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

Not applicable

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

No dividends has been declared or recommended for the financial period ended 30 June 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, save for an interest free shareholder loan of \$0.1 million which has no fixed term of repayment.

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

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

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

The Board of Directors of the Company hereby confirms that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements for the three months ended 30 June 2017 to be false or misleading in any material aspect.

#### BY ORDER OF THE BOARD

Dr Wang Xiaoning

Managing Director

11 August 2017