



**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 YEAR ENDED 31 MARCH 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 Catalist. 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**

	12 months ended 31 March		
	2017	2016 <sup>(1)</sup>	Change
	(Unaudited)	(Re-presented)	
	\$'000	\$'000	%
<b>Continuing operations</b>			
Revenue	60,963	69,161	(11.9)
Cost of sales	(48,097)	(58,845)	(18.3)
Gross profit	12,866	10,316	24.7
Other items of income			
Other income	1,006	1,309	(23.1)
Other items of expenses			
Distribution expenses	(1,235)	(1,151)	7.3
Administrative expenses	(14,314)	(14,198)	0.8
Other expenses	(6,471)	(7,552)	(14.3)
Finance costs	(3,912)	(3,544)	10.4
Loss before income tax	(12,060)	(14,820)	(18.6)
Income tax refund	346	653	(47.0)
Loss from continuing operations, after income tax	(11,714)	(14,167)	(17.3)
<b>Discontinued operations <sup>(2)</sup></b>			
Loss from discontinued operations	(6,428)	(3,927)	63.7
Loss for the year	(18,142)	(18,094)	0.3
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Net deficit on revaluation of leasehold properties	(1,842)	-	n.m.
Exchange differences on translating foreign operations, net of tax	(1,440)	(2,984)	(51.7)
Total comprehensive income for the year	(21,424)	(21,078)	1.6
Loss attributable to:			
Owners of the parent			
Loss from continuing operations	(9,179)	(12,855)	(28.6)
Loss from discontinued operations	(6,291)	(3,853)	63.3
Loss for the year attributable to owners of the Company	(15,470)	(16,708)	(7.4)
Non-controlling interest			
Loss from continuing operations	23	14	64.3
Loss from discontinued operations	(2,695)	(1,400)	92.5
Loss for the year attributable to non-controlling interests	(2,672)	(1,386)	92.8
Loss for the year	(18,142)	(18,094)	0.3
Total comprehensive income attributable to:			
Owners of the parent	(18,484)	(19,526)	(5.3)
Non-controlling interest	(2,940)	(1,552)	89.4
Total comprehensive income for the year	(21,424)	(21,078)	1.6
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 Ltd

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

	12 months ended 31 March		
	2017	2016	Change
	(Unaudited) \$'000	(Re-presented) \$'000	%
<b>Other income</b>			
<b><u>Continuing operations</u></b>			
Fair value gain on derivative components of convertible loans	90	709	(87.3)
Gain on disposal of property, plant and equipment	-	81	n.m.
Interest income	21	39	(46.2)
Rental income	156	118	32.2
Sundry income	739	362	104.1
<b><u>Discontinued operations</u></b>			
Interest income	-	1	n.m.
Rental income	-	55	n.m.
Reversal of write down of inventories	-	304	n.m.
Reversal of impairment loss on other receivables	60	176	(65.9)
Sundry income	18	415	(95.7)
<b>Cost of sales, distribution, administrative and other expenses</b>			
<b><u>Continuing operations</u></b>			
Depreciation of property, plant and equipment	(4,943)	(5,124)	(3.5)
Amortisation of land use right	(57)	(61)	(6.6)
Amortisation of intangible assets	(245)	(308)	(20.5)
Write-off of intangible assets	-	(695)	n.m.
Write-off of plant and equipment	(2)	(153)	(98.7)
Impairment loss on inventories	(1,389)	-	n.m.
Impairment loss on intangible assets	(179)	(326)	(45.1)
Impairment loss on plant and equipment	(374)	-	n.m.
Impairment loss on trade receivables	(250)	(166)	50.6
Loss on disposal of plant and equipment	(605)	-	n.m.
<b><u>Discontinued operations</u></b>			
Depreciation of property, plant and equipment	(663)	(663)	-
Amortisation of mining rights	(184)	(306)	(39.9)
Write-down of inventories	-	(46)	n.m.
Write-off of plant and equipment	(55)	(10)	450.0
Impairment loss on trade receivables	(69)	(216)	(68.1)
Impairment loss on inventories	(691)	-	n.m.

n.m. not meaningful

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

	Group		Company	
	As at 31/03/2017 (Unaudited) \$'000	As at 31/03/2016 (Audited) \$'000	As at 31/03/2017 (Unaudited) \$'000	As at 31/03/2016 (Audited) \$'000
<b>Non-current assets</b>				
Property, plant and equipment	54,648	64,496	1,601	1,613
Investments in subsidiaries	-	-	57,486	76,891
Land use right	2,536	2,672	-	-
Mining rights	-	14,200	-	-
Intangible assets	1,712	3,363	-	-
Deferred tax assets	-	132	-	-
	<b>58,896</b>	<b>84,863</b>	<b>59,087</b>	<b>78,504</b>
<b>Current assets</b>				
Inventories	3,675	6,871	-	-
Trade and other receivables	9,936	13,734	19,891	21,094
Amounts due from contract customers	53,275	45,760	-	-
Tax recoverable	25	35	-	-
Prepayments	1,823	2,815	38	47
Cash and bank balances	9,055	12,307	2,532	2,490
	<b>77,789</b>	<b>81,522</b>	<b>22,461</b>	<b>23,631</b>
Assets of disposal group classified as held for sale	29,932	-	19,425	-
	<b>107,721</b>	<b>81,522</b>	<b>41,886</b>	<b>23,631</b>
<b>Total assets</b>	<b>166,617</b>	<b>166,385</b>	<b>100,973</b>	<b>102,135</b>
Less:				
<b>Current liabilities</b>				
Trade and other payables	36,952	33,873	5,003	4,825
Amounts due to contract customers	3,826	3,113	-	-
Bank borrowings	19,698	15,600	4,706	4,701
Finance lease payables	3,063	2,634	-	-
Derivative component of convertible loans	14	104	14	104
Liability component of convertible loans	9,034	-	9,034	-
Loans from shareholders	4,549	6,739	3,020	6,291
Current income tax payable	599	759	171	171
	<b>77,735</b>	<b>62,822</b>	<b>21,948</b>	<b>16,092</b>
Liabilities of disposal group classified as held for sale	12,509	-	-	-
	<b>90,244</b>	<b>62,822</b>	<b>21,948</b>	<b>16,092</b>
<b>Net current assets</b>	<b>17,477</b>	<b>18,700</b>	<b>19,938</b>	<b>7,539</b>
<b>Non-current liabilities</b>				
Bank borrowings	1,315	2,523	1,232	2,452
Finance lease payables	2,236	3,872	-	-
Liability component of convertible loans	-	7,680	-	7,680
Deferred tax liabilities	2,717	6,533	403	637
	<b>6,268</b>	<b>20,608</b>	<b>1,635</b>	<b>10,769</b>
<b>Total liabilities</b>	<b>96,512</b>	<b>83,430</b>	<b>23,583</b>	<b>26,861</b>
<b>Net assets</b>	<b>70,105</b>	<b>82,955</b>	<b>77,390</b>	<b>75,274</b>
<b>Equity</b>				
Share capital	75,637	69,866	75,637	69,866
Reserves	(23,628)	4,740	1,753	5,408
Reserves of disposal group classified as held for sale	9,884	-	-	-
Total equity attributable to owners of the parent	61,893	74,606	77,390	75,274
Non-controlling interests	331	8,349	-	-
Non-controlling interests of disposal group classified as held for sale	7,881	-	-	-
<b>Total equity</b>	<b>70,105</b>	<b>82,955</b>	<b>77,390</b>	<b>75,274</b>

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 March 2017		As at 31 March 2016	
	Secured (Unaudited) \$'000	Unsecured (Unaudited) \$'000	Secured (Audited) \$'000	Unsecured (Audited) \$'000
Amount repayable within one year	31,049	5,295	18,074	6,899
Amount repayable after one year	3,551	-	14,075	-
	<u>34,600</u>	<u>5,295</u>	<u>32,149</u>	<u>6,899</u>

The borrowings of the Group comprised bank guarantees facilities, finance lease obligations, term loans, 10% interest bearing shareholder loan (of \$2.8 million) and a non-interest bearing shareholder loan (of \$1.7 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.

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.

	12 months ended	
	31/03/2017	31/03/2016
	(Unaudited)	(Audited)
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Loss before tax from continuing operations	(12,060)	(14,838)
Loss before tax from discontinued operations	(6,219)	(3,577)
Loss before tax, total	(18,279)	(18,415)
Adjustments for:		
Amortisation of intangible assets	245	308
Amortisation of mining rights	184	306
Amortisation of land use rights	57	61
Write down of inventories	-	46
Written-off of intangible assets	-	695
Impairment loss on inventories	2,080	-
Impairment loss on intangible assets	179	326
Impairment loss on plant and equipment	374	199
Impairment loss on trade receivables	319	382
Depreciation of property, plant and equipment	5,606	5,787
Fair value gain on derivative component of convertible loans	(90)	(709)
Loss/(gain) on disposal of plant and equipment	605	(81)
Interest income	(20)	(40)
Interest expense	1,577	1,533
Interest expense - convertible loan	2,351	2,033
Write-off of plant and equipment	57	163
Reversal of write down of inventories	-	(304)
Reversal of impairment loss on other receivables	(60)	(176)
<b>Operating cash flow before working capital changes</b>	<b>(4,815)</b>	<b>(7,886)</b>
Working capital changes:		
Inventories	(2,233)	815
Trade and other receivables	(7,520)	1,149
Prepayments	858	1,680
Trade and other payables	13,874	7,987
<b>Cash generated from operations</b>	<b>164</b>	<b>3,745</b>
Income taxes refund/(paid)	135	(125)
Interest received	21	40
<b>Net cash generated from operating activities</b>	<b>320</b>	<b>3,660</b>
<b>Cash flows from investing activities</b>		
Purchase of plant and equipment	(5,180)	(5,378)
Net cash inflow on acquisition of subsidiaries	-	57
Additions to intangible assets	-	(3)
Proceeds from disposal of plant and equipment	450	210
<b>Net cash used in investing activities</b>	<b>(4,730)</b>	<b>(5,114)</b>
<b>Cash flows from financing activities</b>		
Decrease/(increase) in fixed deposit pledged	889	(155)
Proceeds from bank borrowings	6,265	8,680
Loans from shareholders	3,001	6,739
Repayments of bank borrowings	(3,266)	(15,146)
Repayments of convertible loan interests	(1,000)	-
Repayments of finance lease obligations	(3,211)	(2,926)
Repayments of shareholder loans	(150)	-
Proceeds from issuance of subsidiary's placement shares	2,774	-
Interest paid	(1,577)	(1,533)
<b>Net cash generated from / (used in) financing activities</b>	<b>3,725</b>	<b>(4,341)</b>
<b>Net change in cash and cash equivalents</b>	<b>(685)</b>	<b>(5,795)</b>
Cash and cash equivalents at beginning of financial year	5,261	11,525
Currency translation differences	(631)	(469)
<b>Cash and cash equivalents at end of financial year</b>	<b>3,945</b>	<b>5,261</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.

Cash and cash equivalents comprise:

	Group 12 months ended	
	31/03/2017 (Unaudited)	31/03/2016 (Audited)
<u>Continuing operation</u>		
Fixed deposits	4,229	6,600
Cash and bank balances	4,826	5,707
Cash and cash equivalents	9,055	12,307
<u>Discontinued operation</u>		
Cash and bank balances	1,338	
	10,393	12,307
Bank overdraft	(2,435)	(2,144)
Fixed deposit pledged	(4,013)	(4,902)
Cash and cash equivalents in the consolidated cash flow statement	3,945	5,261

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
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group (Unaudited)											
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 year</b>	-	-	-	-	-	(15,470)	-	(15,470)	(2,672)	-	(18,142)
<u>Other comprehensive income</u>											
Net deficit on revaluation of leasehold properties	-	-	-	(1,842)	-	-	-	(1,842)	-	-	(1,842)
Exchange differences arising from translation of foreign operations	-	-	-	-	(1,172)	-	-	(1,172)	(268)	-	(1,440)
<b>Total comprehensive income for the year</b>	-	-	-	(1,842)	(1,172)	(15,470)	-	(18,484)	(2,940)	-	(21,424)
<u>Contributions by and distributions to owners</u>											
Acquisitions of non-controlling interests	-	-	-	-	-	-	-	-	29	-	29
Issuance of placement shares to non-controlling interests	-	-	-	-	-	-	-	-	2,774	-	2,774
Issuance of new shares through loan capitalisation	5,771	-	-	-	-	-	-	5,771	-	-	5,771
Reserve and non-controlling interest attributable to disposal group classified as held for sale	-	-	(34,951)	-	30	44,805	(9,884)	-	(7,881)	7,881	-
<b>Total contributions by and distributions to owners</b>	5,771	-	(34,951)	-	30	44,805	(9,884)	5,771	(5,078)	7,881	8,574
At 31 March 2017	75,637	2,108	-	9,269	(743)	(14,494)	(9,884)	61,893	331	7,881	70,105



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

	Attributable to owners of the Company									
	Share capital	Equity component of convertible loans	Gain on disposals to non-controlling interests	Employee share award reserve	Asset revaluation reserve	Foreign currency translation reserve	Accumulated losses	Equity attributable to the owners of the Company	Non-controlling interests	Total equity
Group (Audited)	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 April 2015	68,173	2,108	34,951	708	11,111	3,216	(27,135)	93,132	9,637	102,769
<b>Loss for the year</b>	-	-	-	-	-	-	(16,708)	(16,708)	(1,386)	(18,094)
<u>Other comprehensive income</u>										
Exchange differences arising from translation of foreign operations	-	-	-	-	-	(2,817)	-	(2,817)	(167)	(2,984)
<b>Total comprehensive income for the financial period</b>	-	-	-	-	-	(2,817)	(16,708)	(19,525)	(1,553)	(21,078)
<u>Contributions by and distributions to owners</u>										
Acquisition of non-controlling interest	-	-	-	-	-	-	-	-	265	265
Issuance of shares to convertible loan holders	999	-	-	-	-	-	-	999	-	999
Conversion of share awards	694	-	-	(694)	-	-	-	-	-	-
Cancellation of share awards	-	-	-	(14)	-	-	14	-	-	-
<b>Total contributions by and distributions to owners</b>	1,693	-	-	(708)	-	-	14	999	265	1,264
At 31 March 2016	69,866	2,108	34,951	-	11,111	399	(43,829)	74,606	8,349	82,955

(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	Employee share option reserve	Equity component of convertible loans	Asset revaluation reserve	Accumulated profits	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Company (Unaudited)</b>						
At 1 April 2016	69,866	-	2,108	925	2,375	75,274
Loss for the year	-	-	-	-	(3,682)	(3,682)
	-	-	-	-	(3,682)	(3,682)
<b>Other comprehensive income</b>						
Revaluation gain on leasehold properties	-	-	-	27	-	27
<b>Total comprehensive income for the year</b>	-	-	-	27	-	27
<b>Contributions and distributions to owners</b>						
Issuance of shares through loan capitalisation	5,771	-	-	-	-	5,771
<b>Total contributions by and distributions to owners</b>	<b>5,771</b>	-	-	-	-	<b>5,771</b>
<b>At 31 March 2017</b>	<b>75,637</b>	-	<b>2,108</b>	<b>952</b>	<b>(1,307)</b>	<b>77,390</b>
<b>Company (audited)</b>						
At 1 April 2015	68,173	708	2,108	925	490	72,404
Profit for the year	-	-	-	-	1,872	1,872
<b>Total comprehensive income for the year</b>	-	-	-	-	1,872	1,872
<b>Contributions and distributions to owners</b>						
Issuance of shares to convertible loan holders	998	-	-	-	-	998
Conversion of share awards	695	(695)	-	-	-	-
Cancellation of share awards	-	(13)	-	-	13	-
<b>Total contributions by and distributions to owners</b>	<b>1,693</b>	<b>(708)</b>	-	-	<b>13</b>	<b>998</b>
<b>At 31 March 2016</b>	<b>69,866</b>	-	<b>2,108</b>	<b>925</b>	<b>2,375</b>	<b>75,274</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 from 31 December 2016 to 31 March 2017 were as follows:-

Ordinary shares

	Number of shares	\$
Issued and fully paid ordinary shares as at 31 December 2016	879,168,182	75,637,158
Issued and fully paid ordinary shares as at 31 March 2017	879,168,182	75,637,158

Warrants

As at 31 March 2017, there were 386,574,593 bonus warrants allotted and issued, each warrant carrying the right to subscribe for one new share of the Company at an exercise price of \$0.20 for each new share. As at 31 March 2016, there were 386,574,593 warrants.

Performance Share Plan

The Company did not issue any Share Awards as at 31 March 2017 and 31 March 2016.

Treasury shares and subsidiary holdings

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

Convertible Loans

Pursuant to the CLA, the Company had 47,619,048 and 51,493,861 outstanding loan conversion shares and interest conversion shares as at 31 March 2017 and 31 March 2016 respectively. Subsequent to 31 March 2017, there was an early settlement of the relevant loans held by certain Lenders pursuant to the Early Settlement.

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 31.03.2017	As at 31.03.2016
Total number of issued shares excluding treasury shares	879,168,182	791,865,686

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 year 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 year 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 2016.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

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

	FY2017 (Unaudited)	FY2016 (Audited)
<b>Loss per share from continuing operations</b>		
(a) Basic loss per share (SGD cents)	(1.10)	(1.63)
(b) Diluted loss per share (SGD cents)	(1.10)	(1.63)
<b>Loss per share from continuing and discontinued operations</b>		
(a) Basic loss per share (SGD cents)	(1.86)	(2.12)
(b) Diluted loss per share (SGD cents)	(1.86)	(2.12)

- (a) Basic loss per share of the Group for the financial year ended 31 March 2017 (“FY2017”) is calculated based on the weighted average number of ordinary shares in issue of 833,005,492.

Basic loss per share for the Group for the financial year ended 31 March 2016 (“FY2016”) is calculated based on the weighted average number of ordinary shares in issue of 787,527,951.

- (b) Diluted loss per share of the Group in FY2017 and FY2016 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	
	31/3/2017 (Unaudited)	31/3/2016 (Audited)	31/3/2017 (Unaudited)	31/3/2016 (Audited)
Net asset value per ordinary share based on issued share capital (SGD cents)	7.04	9.42	8.80	9.51

The net asset value per ordinary share of the Group and the Company as at 31 March 2017 were calculated based on the total issued number of ordinary shares (excluding treasury shares) of 879,168,182 (31 March 2016: 791,865,686).

8. A review of the performance of the Group, to for a reasonable the extent necessary understanding of the Group's business. It must include a discussion of the following:-
- a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
  - b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

#### REVIEW OF INCOME STATEMENT OF THE GROUP

##### A. Continuing operations FY2017 compared with FY2016

The Group's revenue decreased by \$8.2 million from \$69.2 million in FY2016 to \$61.0 million in FY2017 mainly due to the decrease in revenue in the engineering business of \$1.8 million and water-related and environmental business of \$6.4 million.

The Group's gross profit increased by \$2.6 million from \$10.3 million in FY2016 to \$12.9 million in FY2017, mainly due to higher profit margin achieved from the new projects undertaken by engineering business.

The Group's other income decreased by \$0.3 million mainly due to decrease in fair value gain on derivative components of convertible loans partially offset by the increase in government grants.

The Group's administrative expenses increased by \$0.1 million from \$14.2 million in FY2016 to \$14.3 million in FY2017 mainly due to the increase in manpower cost in engineering business.

The Group's other expenses decreased by \$1.1 million from \$7.6 million in FY2016 to \$6.5 million in FY2017 mainly due to the decrease in employee related expenses in engineering business and water-related and environmental business.

Finance costs increased by \$0.4 million from \$3.5 million in FY2016 to \$3.9 million in FY2017 mainly due to higher fair value interest attributable to the convertible loans during the financial year under review.

As a result of the above, the Group recorded a loss after tax of \$11.7 million in FY2017 as compared to a loss after tax of \$14.2 million in FY2016.

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

On 29 March 2017, the Company announced its intention to offer shares of Terratech for sale under the Terratech Compliance Placement.

On 26 April 2017, the Company announced the Proposed Disposal.

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, Non-Current Assets Held for Sale and Discontinued Operations, the results of Terratech have been presented separately on the consolidation income statement as Discontinued Operations.

Terratech recorded attributable loss of \$6.4 million and \$3.9 million from discontinued operations in FY2017 and FY2016 respectively.

For a full commentary on the Group's marble resource business, please refer to the financial results announcement of Terratech in respect of the financial period year 31 March 2017 which is released separately.

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## REVIEW OF FINANCIAL POSITION OF THE GROUP

Non-current assets of the Group amounted to \$58.9 million as at 31 March 2017, a decrease of \$26.0 million from \$84.9 million as at 31 March 2016. The decrease was mainly due to transfer of resources business into assets held for sale amounting to \$20.3 million, amortisation and depreciation charges of \$5.2 million, impairment loss on intangible assets of \$0.2 million, impairment loss on plant and equipment of \$0.4 million, revaluation deficit on leasehold properties of \$3.6 million arising mainly from China leasehold properties, disposal of plant and equipment of \$1.0 million and foreign exchange translation loss of \$2.5 million offset against addition of new plant and equipment of \$7.2 million.

Current assets were \$107.7 million as at 31 March 2017. This represents an increase of \$26.2 million from \$81.5 million as at 31 March 2016. After deducting the assets held for sale from the discontinued operations of \$29.9 million, the decrease of \$3.7 million was mainly due to the decrease in inventories of \$3.2 million, the decrease in trade and other receivables of \$3.8 million, the decrease in prepayment of \$1.0 million and the decrease of cash and bank balances of \$3.2 million. The decrease was partially offset by the increase in amount due from contract customers of \$7.5 million mainly due to the commencement of certain new projects from the engineering business.

Current liabilities were \$90.2 million as at 31 March 2017, an increase of \$27.4 million from \$62.8 million as at 31 March 2016. After deducting the liabilities held for sale amounting of \$12.5 million, the remaining increase was mainly due to increase in trade and other payables of \$3.0 million in relation to additional purchases for current work-in-progress projects for the engineering business. Amount due to contract customer increased by \$0.7 million. Bank borrowings increased by \$4.0 million which was mainly for working capital purposes. Finance lease payables increased by \$0.4 million mainly due to additional leasing for newly acquired machinery and equipment. The liability component of convertible loans amounting to \$9.0 million arose from reclassification from non-current liabilities to current liabilities as the convertible loans are due to mature on 28 October 2017 (subsequent to 31 March 2017, S\$7.5 million of the convertible loans were deemed settled and satisfied under the Early Settlement). The increases above was partially offset by the decrease in loan from shareholders of \$2.2 million due to capitalisation of shareholder loan on 11 October 2016.

Non-current liabilities were \$6.3 million as at 31 March 2017, a decrease of \$14.3 million from \$20.6 million as at 31 March 2016. This was mainly due to reclassification of the liability component of convertible loans to current liabilities. The decrease was also due to partial repayment of finance lease payables and bank borrowings totalling \$2.9 million and decrease in deferred tax liabilities of \$3.8 million.

The Group had a positive working capital of \$17.5 million as at 31 March 2017 as compared to \$18.7 million as at 31 March 2016.

## REVIEW OF CASH FLOW STATEMENT OF THE GROUP

The Group had a net cash generated from operating activities amounting to \$0.3 million in FY2017. The net cash generated from operating activities in FY2017 was mainly due to an operating cash outflow of \$4.8 million before working capital changes and working capital inflow of \$5.1 million mainly due to increase in trade and other payables offset by an increase in trade and other receivables.

Net cash of \$4.7 million was used in investing activities in FY2017, mainly for purchase of new plant and machinery for the engineering, marble resources and water-related and environmental businesses.

Net cash of \$3.7 million was generated from financing activities in FY2017, mainly due to cash inflow from bank borrowings of \$6.2 million, proceeds from shareholders' loan of \$3.0 million, decrease in fixed deposit pledged of \$0.9 million and proceeds from placement shares of \$2.7 million from its marble resource business. This was partially offset by the cash outflow of \$9.1 million for the repayment of bank borrowing, payment of finance lease, term loan interest 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 13 February 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 \$140 million as at 30 April 2017, which is expected to be completed in the coming few years.

As at 30 April 2017, our current order book in the water-related and environmental business stood at S\$16 million, with a further \$15 million of potential order book in the pipeline that is in final stage of discussions.

**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 year ended 31 March 2017.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

13. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

**Business Segments**

For FY2017, the Group was primarily engaged in three business segments, namely:

- a) Engineering business which comprises Specialist Engineering Services & Ground and Structural Engineering Services
- b) Water-related and environmental business which comprises water treatment consultancy, manufacture of water treatment membranes and water quality monitoring.
- c) Marble resource business which comprises quarrying, extraction and production of dimension stones and other marble-related products (discontinued operations)

13. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year (continued)

2017	Engineering business	Water-related and environmental business	Marble resources (discontinued operation)	Corporate	Other	Adjustments	Per consolidated financial statements
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue:</b>							
Sales to external customers	51,531	9,432	8,960	-	-	-	69,923
Inter-segment sales	301	307	1,609	1,080	77	(3,374) *	-
<b>Total revenue</b>	<b>51,832</b>	<b>9,739</b>	<b>10,569</b>	<b>1,080</b>	<b>77</b>	<b>(3,374)</b>	<b>69,923</b>
<b>Results:</b>							
Segment results	3,663	(8,893)	(6,203)	(2,924)	(14)	-	(14,371)
Finance cost	(362)	(665)	(16)	(2,885)	-	-	(3,928)
Interest income	7	6	-	7	-	-	20
<b>Profit/(Loss) before taxation</b>	<b>3,308</b>	<b>(9,552)</b>	<b>(6,219)</b>	<b>(5,802)</b>	<b>(14)</b>	<b>-</b>	<b>(18,279)</b>
Income tax credit							137
<b>Loss for the year</b>							<b>(18,142)</b>
<b>Capital expenditure:</b>							
Property, plant and equipment	3,812	2,809	588	1	2	-	7,212
Intangible assets	-	-	-	-	77	-	77
<b>Significant non-cash items:</b>							
Depreciation and amortisation expenses	3,111	1,987	847	28	120	-	6,093
Fair value gain on derivatives component of convertible loans	-	-	-	(90)	-	-	(90)
Impairment of plant and equipment	-	374	-	-	-	-	374
Impairment of intangible assets	-	256	-	-	-	-	256
Impairment of inventories	-	1,389	691	-	-	-	2,080
Impairment losses on trade receivables	-	250	69	-	-	-	319
<b>Asset and liabilities:</b>							
<b>Assets</b>	<b>79,089</b>	<b>43,960</b>	<b>29,932</b>	<b>12,427</b>	<b>1,209</b>	<b>-</b>	<b>166,617</b>
<b>Liabilities</b>	<b>25,839</b>	<b>37,902</b>	<b>12,509</b>	<b>19,983</b>	<b>279</b>	<b>-</b>	<b>96,512</b>

\* Inter-segment revenues are eliminated on consolidation

13. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year (continued)

2016	Engineering business	Water-related and environmental business	Marble resources business	Corporate	Other	Adjustments	Per consolidated financial statements
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue:</b>							
Sales to external customers	53,346	15,789	10,041	-	26	-	79,202
Inter-segment sales	193	278	-	1,999	13	(2,483)	-
<b>Total revenue</b>	<b>53,539</b>	<b>16,067</b>	<b>10,041</b>	<b>1,999</b>	<b>39</b>	<b>(2,483)</b>	<b>79,202</b>
<b>Results:</b>							
Segment results	(977)	(8,289)	(3,576)	(2,074)	26	-	(14,890)
Finance cost	(419)	(668)	(22)	(2,457)	-	-	(3,566)
Interest income	9	22	1	8	-	-	40
Loss before taxation	(1,387)	(8,935)	(3,597)	(4,523)	26	-	(18,416)
Income tax credit							322
Loss for the year							(18,094)
<b>Capital expenditure:</b>							
Property, plant and equipment	6,474	2,158	701	-	-	-	9,333
Intangible assets	-	3	-	-	-	-	3
<b>Significant non-cash items:</b>							
Depreciation and amortisation expenses	2,988	2,468	969	37	-	-	6,462
Fair value gain on derivatives component of convertible loans	-	-	-	(709)	-	-	(709)
Impairment of plant and equipment	-	199	-	-	-	-	199
Impairment of intangible assets	-	326	-	-	-	-	326
Write-off of intangible assets	-	695	-	-	-	-	695
Write down of inventories	-	-	46	-	-	-	46
Impairment loss on trade receivables	72	94	216	-	-	-	382
Reversal of write down of inventories	-	-	(303)	-	-	-	(303)
<b>Asset and liabilities:</b>							
<b>Assets</b>	<b>72,756</b>	<b>59,833</b>	<b>20,095</b>	<b>12,404</b>	<b>1,297</b>	<b>-</b>	<b>166,385</b>
<b>Liabilities</b>	<b>21,457</b>	<b>31,797</b>	<b>6,123</b>	<b>23,794</b>	<b>259</b>	<b>-</b>	<b>83,430</b>

\* Inter-segment revenues are eliminated on consolidation

13. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year (continued)

Geographical location of non-current assets

	Singapore	PRC	Malaysia	Discontinued operation	Group
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>31/03/2017</b>					
Non-current assets	41,406	34,608	3,114	(20,231)	58,896
<b>31/03/2016</b>					
Non-current assets	43,866	38,691	2,306	-	84,863

Non-current assets consist of property, plant and equipment, land use right, mining rights, goodwill, intangible assets as presented in the statement of financial position of the Group.

14. 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 \$1.7 million which has no fixed term of repayment.

15. A breakdown of sales as follows:

	Group		
	FY2017	FY2016	Change
	(Unaudited) \$'000	(Re-presented) \$'000	%
<u>Continuing operation</u>			
Sales reported for first half-year	31,357	41,439	(24.3)
Loss for first half-year	(3,668)	(3,083)	19.0
Sales reported for second half-year	29,606	27,722	6.8
Loss for second half-year	(8,046)	(11,084)	(27.4)

15. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

No dividend was declared or paid for FY2017 and FY2016 respectively.

16. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director or chief executive officer or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Bi Xiling	53	Spouse of the Company's Executive Director, Cai Jungang	Technical Director of Tritech Consultants Pte Ltd, a wholly-owned subsidiary of the Company, since 2006.  Ms Bi is responsible for the technical aspects of the specialist engineering works carried out by Tritech Consultants Pte. Ltd.	Nil

17. 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).

**BY ORDER OF THE BOARD**

Dr. Wang Xiaoning

Managing Director

29 May 2017