



TRITECH GROUP LIMITED

(Company Registration No: 200809330R)

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

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

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.

The contact person for the Sponsor is Mr Joseph Au, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).

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		
	2018	2017	Change
	(Unaudited)	(Audited)	
	\$'000	\$'000	%
<u>Continuing operations</u>			
Revenue	64,332	60,963	5.5
Cost of sales	(56,809)	(48,097)	18.1
Gross profit	7,523	12,866	(41.5)
Other items of income			
Other income	1,039	1,006	3.3
Other items of expenses			
Distribution expenses	(1,044)	(1,235)	(15.5)
Administrative expenses	(13,341)	(14,314)	(6.8)
Other expenses	(11,332)	(6,471)	75.1
Finance costs	(3,907)	(3,912)	(0.1)
Loss before taxation	(21,062)	(12,060)	74.6
Income tax credit	230	346	(33.5)
Loss from continuing operations, net of income tax	(20,832)	(11,714)	77.8
<u>Discontinued operation ⁽¹⁾</u>			
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)	(6,428)	(72.6)
Loss for the year	(11,459)	(18,142)	(36.8)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Net deficit on revaluation of leasehold properties	(871)	(1,842)	(52.7)
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	34	(258)	(113.2)
Total comprehensive income for the year	(12,653)	(20,242)	(37.5)
Loss attributable to:			
Owners of the parent			
Loss from continuing operations	(20,884)	(9,179)	127.5
Loss from discontinued operation	10,184	(6,291)	(261.9)
Loss for the year attributable to owners of the Company	(10,700)	(15,470)	(30.8)
Non-controlling interest			
Profit from continuing operations	52	23	126.1
Loss from discontinued operation	(811)	(2,695)	(69.9)
Loss for the year attributable to non-controlling interests	(759)	(2,672)	(71.6)
Loss for the year	(11,459)	(18,142)	(36.8)
Total comprehensive income attributable to:			
Owners of the parent	(11,591)	(17,302)	(33.0)
Non-controlling interest	(1,062)	(2,940)	(63.9)
Total comprehensive income for the year	(12,653)	(20,242)	(37.5)
n.m. not meaningful			

⁽¹⁾ Discontinued operation relates to Terratech Group Limited.

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

	12 months ended 31 March		
	2018	2017	Change
	(Unaudited) \$'000	(Audited) \$'000	%
Other income			
<u>Continuing operations</u>			
Fair value gain on derivative component of convertible loans	-	90	n.m.
Gain on disposal of plant and equipment	94	241	(61.0)
Interest income	22	20	10.0
Rental income	146	156	(6.4)
Waiver of payable	127	-	n.m.
Sundry income	650	499	30.3
<u>Discontinued operation</u>			
Gain on loss of control of a subsidiary	11,134	-	n.m.
Liquidation of Marble Resources business in China (tax and net assets)	742	-	n.m.
Reversal of impairment loss on other receivables	-	61	n.m.
Sundry income	26	18	44.4
Cost of sales, distribution, administrative and other expenses			
<u>Continuing operations</u>			
Depreciation of property, plant and equipment	(4,533)	(4,943)	(8.3)
Amortisation of land use right	(57)	(57)	-
Amortisation of intangible assets	(168)	(245)	(31.4)
Fair value loss on investment securities	(5,910)	-	n.m.
Write down of inventories	(1,652)	(1,389)	18.9
Write-off of plant and equipment	-	(9)	n.m.
Impairment loss on intangible assets	-	(179)	n.m.
Impairment loss on plant and equipment	-	(374)	n.m.
Impairment loss on trade receivables	(186)	(250)	(25.6)
Loss on disposal of plant and equipment	(1)	(15)	(93.3)
<u>Discontinued operation</u>			
Depreciation of property, plant and equipment	-	(663)	n.m.
Amortisation of mining rights	-	(184)	n.m.
Write down of inventories	-	(691)	n.m.
Write-off of plant and equipment	(37)	(55)	(32.7)
Impairment loss on trade receivables	-	(69)	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	As at	As at	As at
	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Property, plant and equipment	51,461	55,668	1,601	1,601
Investments in subsidiaries	-	-	70,257	57,486
Investments in associate	625	-	-	-
Land use right	2,552	2,536	-	-
Intangible assets	1,517	1,683	-	-
	<u>56,155</u>	<u>59,887</u>	<u>71,858</u>	<u>59,087</u>
Current assets				
Inventories	1,907	3,675	-	-
Trade and other receivables	12,085	9,936	23,585	19,891
Amounts due from contract customers	44,407	53,275	-	-
Tax recoverable	3	25	-	-
Prepayments	1,966	1,852	155	38
Investment securities	1,810	-	1,810	-
Cash and bank balances	8,150	9,055	1,936	2,532
	<u>70,328</u>	<u>77,818</u>	<u>27,486</u>	<u>22,461</u>
Assets of disposal group classified as held for sale	-	29,932	-	19,425
	<u>70,328</u>	<u>107,750</u>	<u>27,486</u>	<u>41,886</u>
Total assets	<u>126,483</u>	<u>167,637</u>	<u>99,344</u>	<u>100,973</u>
Less:				
Current liabilities				
Trade and other payables	32,510	36,952	5,523	5,003
Amounts due to contract customers	4,624	3,826	-	-
Bank borrowings	21,949	19,698	4,144	4,706
Finance lease payables	1,559	3,063	-	-
Derivative component of convertible loan	-	14	-	14
Liability component of convertible loan	-	9,034	-	9,034
Loan from shareholders	3,930	4,549	2,320	3,020
Current income tax payable	615	599	171	171
	<u>65,187</u>	<u>77,735</u>	<u>12,158</u>	<u>21,948</u>
Liabilities directly associated with disposal group classified as held for sale	-	12,509	-	-
	<u>65,187</u>	<u>90,244</u>	<u>12,158</u>	<u>21,948</u>
Net current assets	<u>5,141</u>	<u>17,506</u>	<u>15,328</u>	<u>19,938</u>
Non-current liabilities				
Bank borrowings	370	1,315	311	1,232
Finance lease payables	956	2,236	-	-
Liability component of convertible loan	3,326	-	3,326	-
Deferred tax liabilities	2,101	2,554	347	403
	<u>6,753</u>	<u>6,105</u>	<u>3,984</u>	<u>1,635</u>
Total liabilities	<u>71,940</u>	<u>96,349</u>	<u>16,142</u>	<u>23,583</u>
Net assets	<u>54,543</u>	<u>71,288</u>	<u>83,202</u>	<u>77,390</u>
Equity				
Share capital	77,653	75,637	77,653	75,637
Reserves	(23,488)	32,274	5,549	1,753
Reserves of disposal group classified as held for sale	-	(44,835)	-	-
Total equity attributable to owners of the parent	<u>54,165</u>	<u>63,076</u>	<u>83,202</u>	<u>77,390</u>
Non-controlling interests	378	331	-	-
Non-controlling interests of disposal group classified as held for sale	-	7,881	-	-
Total equity	<u>54,543</u>	<u>71,288</u>	<u>83,202</u>	<u>77,390</u>

1(b)(ii) In relation to the aggregate amount of the Group's borrowings and debt securities, specify the following at the end of the financial period reported on with comparative figures at the end of the immediately preceding financial year.

	As at 31 March 2018		As at 31 March 2017	
	Secured	Unsecured	Secured	Unsecured
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
	\$'000	\$'000	\$'000	\$'000
Amount repayable within one year	21,710	5,728	31,149	5,195
Amount repayable after one year	4,652	-	3,551	-
	<u>26,362</u>	<u>5,728</u>	<u>34,700</u>	<u>5,195</u>

The borrowings of the Group comprised of finance lease obligations, term loans, 10% interest bearing shareholder loan (of \$2.3 million) and a non-interest bearing shareholder loan (of \$1.6 million). The bank guarantees are secured by fixed deposits placed with the financial institutions and corporate guarantees from the Company. The finance lease obligations are secured by the lessors' title to the leased assets and corporate guarantee from the Company.

The term loans are secured by:-

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

Convertible Loan

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

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

	12 months ended	
	31/03/2018	31/03/2017
	(Unaudited)	(Audited)
	\$'000	\$'000
Cash flows from operating activities		
Loss before tax from continuing operations	(21,062)	(12,060)
Profit/(loss) before tax from discontinued operation	9,415	(6,219)
Loss before taxation, total	(11,647)	(18,279)
Adjustments for:		
Amortisation of intangible assets	168	245
Amortisation of mining rights	15	184
Amortisation of land use rights	57	57
Depreciation of property, plant and equipment	4,587	5,606
Fair value gain on derivative component of convertible loans	-	(90)
Fair value loss on investment securities	5,910	-
Gain on disposal of plant and equipment	(93)	(226)
Gain on loss of control of a subsidiary	(11,134)	-
Impairment loss on intangible assets	-	179
Impairment loss on plant and equipment	-	374
Impairment loss on trade receivables	186	319
Interest income	(22)	(20)
Interest expense	2,044	1,577
Interest expense - convertible loan	1,868	2,351
Waiver of payable	(127)	-
Write down of inventories	1,652	2,080
Write-off of plant and equipment	37	64
Reversal of impairment loss on other receivables	-	(60)
Operating cash flow before working capital changes	(6,499)	(5,639)
Working capital changes:		
Inventories	22	(2,252)
Trade and other receivables	(1,988)	(1,021)
Amount due from contract customers	9,027	(7,834)
Prepayments	(75)	858
Trade and other payables	(3,032)	12,273
Amount due to contract customers	803	799
Cash generated used in operations	(1,742)	(2,816)
Income taxes (paid) /refund	(120)	136
Interest received	22	20
Net cash generated used in operating activities	(1,840)	(2,660)
Cash flows from investing activities		
Loss of control in subsidiaries (net of cash disposed of)	(1,397)	-
Purchase of plant and equipment	(652)	(4,350)
Proceeds from disposal of investment securities	3,410	-
Proceeds from disposal of plant and equipment	158	450
Net cash generated from/ (used in) investing activities	1,519	(3,900)
Cash flows from financing activities		
Decrease in fixed deposit	1,103	889
Proceeds from bank borrowings	15,963	13,455
Proceeds from issuance of convertible loan	3,760	-
Loan from shareholders	591	3,801
Repayments of bank borrowings	(14,350)	(10,455)
Repayments of convertible loans	(2,500)	-
Repayments of convertible loan interests	(330)	(1,000)
Repayments of finance lease obligations	(2,785)	(3,211)
Repayments of shareholder loan	(1,210)	(150)
Proceeds from issuance of placement shares	2,016	2,774
Interest paid	(2,044)	(1,577)
Net cash generated from financing activities	214	4,526

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

	12 months ended	
	31/03/2018	31/03/2017
	(Unaudited)	(Audited)
	\$'000	\$'000
Net change in cash and cash equivalents	(107)	(2,034)
Cash and cash equivalents at beginning of financial year	3,945	5,262
Currency translation differences	(326)	718
Cash and cash equivalents at end of financial year	3,512	3,946
Cash and cash equivalents comprise:	Group	
	12 months ended	
	31/03/2018	31/03/2017
	(Unaudited)	(Audited)
Cash and short-term deposits:		
Continuing operations	8,150	9,055
Discontinued operations	-	1,338
Cash and cash equivalents	8,150	10,393
Bank overdraft	(1,728)	(2,434)
Fixed deposit pledged	(2,910)	(4,013)
Cash and cash equivalents in the consolidated cash flow statement	3,512	3,946

	Attributable to owners of the Company										
	Share capital	Equity component of convertible loans	Gains on disposals to non-controlling interests	Asset revaluation reserve	Foreign currency translation reserve	Accumulated losses	Accumulated losses 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
2018 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	439	(14,493)	(44,835)	63,076	331	7,881	71,288
Loss for the year	-	-	-	-	-	(20,884)	10,184	(10,700)	52	(811)	(11,459)
<u>Other comprehensive income</u>											
Net deficit on revaluation of leasehold properties	-	-	-	(871)	-	-	-	(871)	-	-	(871)
Exchange difference realised on loss of control in a subsidiary reclassified to profit or loss	-	-	-	-	(357)	-	-	(357)	-	-	(357)
Exchange differences arising from translation of foreign operations	-	-	-	-	337	-	-	337	(5)	(298)	34
Total comprehensive income for the year	-	-	-	(871)	(20)	(20,884)	10,184	(11,591)	47	(1,109)	(12,653)
<u>Contributions by and distributions to owners</u>											
Disposals of 52.24% economic interest in a subsidiary	-	-	-	-	-	(34,651)	34,651	-	-	(6,772)	(6,772)
Issuance of convertible loan	-	664	-	-	-	-	-	664	-	-	664
Issuance of new shares	2,016	-	-	-	-	-	-	2,016	-	-	2,016
Total contributions by and distributions to owners	2,016	664	-	-	-	(34,651)	34,651	2,680	-	(6,772)	(4,092)
At 31 March 2018	77,653	2,772	34,951	8,398	419	(70,028)	-	54,165	378	-	54,543

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

	Attributable to owners of the Company										
	Share capital	Equity component of convertible loans	Gains on disposals to non-controlling interests	Asset revaluation reserve	Foreign currency translation reserve	Accumulated losses	Accumulated losses 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
2017 Group (Audited)											
At 1 April 2016	69,866	2,108	34,951	11,111	399	(43,828)	-	74,607	8,378	-	82,985
Loss for the year	-	-	-	-	-	(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	-	-	-	-	10	-	-	10	(268)	-	(258)
Total comprehensive income for the year	-	-	-	(1,842)	10	(15,470)	-	(17,302)	(2,940)	-	(20,242)
<u>Contributions by and distributions to owners</u>											
Issuance of placement shares to non-controlling interests	-	-	-	-	-	-	-	-	2,774	-	2,774
Issuance of new shares	5,771	-	-	-	-	-	-	5,771	-	-	5,771
Reserve and non-controlling interest attributable to disposal group classified as held for sale	-	-	-	-	30	44,805	(44,835)	-	(7,881)	7,881	-
Total contributions by and distributions to owners	5,771	-	-	-	30	44,805	(44,835)	5,771	(5,107)	7,881	8,545
At 31 March 2017	75,637	2,108	34,951	9,269	439	(14,493)	(44,835)	63,076	331	7,881	71,288

(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
Company (Unaudited)					
At 1 April 2017	75,637	2,108	952	(1,307)	77,390
Profit for the year	-	-	-	3,088	3,088
<u>Other comprehensive income</u>					
Net gain on revaluation of leasehold properties	-	-	44	-	44
Total comprehensive income for the year	-	-	44	3,088	3,132
<u>Contributions by and distributions to owners</u>					
Issuance of ordinary shares	2,016	-	-	-	2,016
Issuance of convertible loan	-	664	-	-	664
Total contributions by and distributions to owners	2,016	664	-	-	2,680
At 31 March 2018	77,653	2,772	996	1,781	83,202
Company (Audited)					
At 1 April 2016	69,866	2,108	925	2,375	75,274
Loss for the year	-	-	-	(3,682)	(3,682)
Total comprehensive income for the financial year	-	-	-	(3,682)	(3,682)
<u>Contributions and distributions to owners</u>					
Net gain on revaluation of leasehold properties	-	-	27	-	27
Issuance of new shares through loan capitalisation	5,771	-	-	-	5,771
Total contributions by and distributions to owners	5,771	-	27	-	5,798
At 31 March 2017	75,637	2,108	952	(1,307)	77,390

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 2017 to 31 March 2018 were as follows:-

Ordinary shares

	Number of shares	\$
Issued and fully paid ordinary shares as at 31 December 2017	907,971,182	77,653,368
Issued and fully paid ordinary shares as at 31 March 2018	907,971,182	77,653,368

Warrants

As at 31 March 2018, 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 2017, there were 386,574,593 warrants, convertible into 386,574,593 ordinary shares.

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

The Company did not have any outstanding share awards as at 31 March 2018 and 31 March 2017.

Treasury shares and subsidiary holdings

The Company did not have any outstanding treasury shares or subsidiary holdings as at 31 March 2018 and 31 March 2017.

Convertible Loan

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

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

	As at 31.03.2018	As at 31.03.2017
Total number of issued shares excluding treasury shares	907,971,182	879,168,182

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

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

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 auditor.

4. Whether the same accounting policies and methods of computation as in the Issuer's most recently audited annual financial statements have been applied.

Save as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of financial statements for the current reporting 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 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 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 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.

	FY2018 (Unaudited)	FY2017 (Audited)
Loss per share from continuing operations		
(a) Basic loss per share (SGD cents)	(2.31)	(1.10)
(b) Diluted loss per share (SGD cents)	(2.31)	(1.10)
Loss per share from continuing and discontinued operations		
(a) Basic loss per share (SGD cents)	(1.19)	(1.86)
(b) Diluted loss per share (SGD cents)	(1.19)	(1.86)

- (a) Basic loss per share of the Group for the financial year ended 31 March 2018 (“FY2018”) is calculated based on the weighted average number of ordinary shares in issue of 901,105,809.

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.

- (b) Diluted loss per share of the Group in FY2018 and FY2017 are the same as the basic loss per share assuming that no potential ordinary shares are to be issued under CLA and the bonus warrants as the conversion price or exercise price respectively were higher than the prevailing market price at the relevant 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	
	FY2018 (Unaudited)	FY2017 (Audited)	FY2018 (Unaudited)	FY2017 (Audited)
Net asset value per ordinary share based on issued share capital (SGD cents)	5.96	7.17	9.16	8.80

The net asset value per ordinary share of the Group and the Company as at 31 March 2018 were calculated based on the total issued number of ordinary shares (excluding treasury shares) of 907,971,182 (31 March 2017: 879,168,182).

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

REVIEW OF INCOME STATEMENT OF THE GROUP

A. Continuing operations FY2018 compared with FY2017

The Group's revenue increased by \$3.3 million from \$61.0 million in FY2017 to \$64.3 million in FY2018 mainly due to the increase in revenue in the water-related and environmental business of \$5.0 million, which was partially offset with the decrease in engineering business of \$1.7 million.

The Group's gross profit decreased by \$5.4 million from \$12.9 million in FY2017 to \$7.5 million in FY2018 mainly due to increase in direct costs of engineering projects and water-related and environmental business.

The Group's administrative expenses decreased by \$1.0 million from \$14.3 million in FY2017 to \$13.3 million in FY2018 mainly due to lower staff related costs.

The Group's other expenses increased by \$4.8 million from \$6.5 million in FY2017 to \$11.3 million in FY2018 mainly due to \$5.9 million fair value loss on investment securities, which refers to the reclassification of the Terratech shares held by the Company as investment securities following the completion of the reverse takeover of Terratech.

As a result of the above, the Group recorded a loss after tax of \$20.8 million in FY2018 as compared to a loss after tax of \$11.7 million in FY2017.

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 \$6.4 million from discontinued operation in FY2018 and FY2017 respectively.

Overall, the Group recorded a loss after tax of \$11.5 million in FY2018 as compared to a loss after tax of \$18.1 million in FY2017.

REVIEW OF FINANCIAL POSITION OF THE GROUP

Non-current assets of the Group amounted to \$56.2 million as at 31 March 2018, a decrease of \$3.7 million from \$59.9 million as at 31 March 2017. The decrease was due to amortisation and depreciation charges of \$4.8 million and revaluation deficit on leasehold properties of \$1.2 million arising mainly from leasehold properties in China. The decrease was partially offset by the increase in new plant and equipment of \$0.6 million, investment in associates of \$0.6 million and foreign currency translation gains of \$1.1 million.

Current assets were \$70.3 million as at 31 March 2018. Excluding the assets held for sale as at 31 March 2017 from the discontinued operations of \$29.9 million, the decrease of \$7.5 million from \$77.8 million as at 31 March 2017 was mainly due to the decrease in inventories of \$1.8 million due to written down and utilisation of inventories, decrease in amount due from contract customers of \$8.9 million upon completion of certain projects from the engineering and water-related and environment business in Singapore and a decrease of \$0.9 million in cash and bank balances. The decrease was partially offset by the increase in trade and other receivables of \$2.2 million arising from increased revenue from the water-related and environmental business and prepayments of \$0.1 million. In addition, investment securities of \$1.8 million arose from the loss of control on marble resources business following the completion of the reverse takeover of Terratech.

Current liabilities were \$65.2 million as at 31 March 2018. Excluding the liabilities associated with the disposal group amounting to \$12.5 million as at 31 March 2017, the decrease of \$12.5 million from \$77.7 million as at 31 March 2017 was mainly due to decrease in trade and other payables of \$4.4 million due to settlement of liabilities, settlement of convertible loans of \$9.0 million, decrease in shareholders' loan of \$0.6 million and decrease of \$1.5 million due to repayments of finance lease. The decrease was partially offset by the increase in amount due to contract customers and bank borrowings totalling of \$3.0 million.

Non-current liabilities were \$6.8 million as at 31 March 2018, an increase of \$0.7 million from \$6.1 million as at 31 March 2017. This was mainly due to the liabilities component of convertible loan of \$3.3 million offset by the partial repayment of finance lease payables and bank borrowings totalling \$2.2 million and a decrease in deferred tax liabilities of \$0.4 million.

The Group had a positive working capital of \$5.1 million as at 31 March 2018 as compared to \$17.5 million as at 31 March 2017.

REVIEW OF CASH FLOW STATEMENT OF THE GROUP

The Group recorded net cash used in operating activities amounting to \$1.8 million in FY2018. The net cash used in operating activities in FY2018 was mainly due to an operating cash outflow of \$6.5 million before working capital changes and working capital inflow of \$4.7 million mainly due to decrease in amount due from contract customers offset with the increase in prepayments, decrease in trade and other payables and the payment of \$0.1 million income tax.

Net cash of \$1.5 million was generated from investing activities in FY2018, mainly due to proceeds from disposal of investment securities and plant and equipment.

Net cash of \$0.2 million was generated from financing activities in FY2018, mainly due to cash inflow of \$19.7 million from bank borrowings and convertible loan, proceeds from shareholders' loan of \$0.6 million, decrease in fixed deposit of \$1.1 million and proceeds from placement shares of \$2.0 million. This was partially offset with the cash outflow of \$23.2 million for the repayment of bank borrowings, convertible loan, shareholders' loan, finance lease and interest payment.

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

No forecast or prospect statement has been previously issued.

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

To mitigate the challenge in rising cost environment for our Engineering Business, efforts have been continually put in place to review and optimise overall operational cost. Substantial cost cutting through various measures have been implemented to strengthen its cash flow position and improve our competitiveness within the industry.

The construction industry in Singapore in which our Engineering Group derives substantial revenue shows sign of increasing activities. We had recently secured several new engineering projects and is following up on new potential project pipelines and is cautiously optimistic on the engineering business outlook. In addition, we will constantly position ourselves to secure projects with higher profit margin by leveraging on our technology know-how to focus on high technology-oriented projects, consultancy and design services on large-scale projects.

Although our Water-related and Environmental Business is facing similar competitive landscape in the markets where we operate in, we are endeavouring to mitigate the challenges by cutting operation cost and securing large scale projects with reasonable margin.

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

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

Nil

**(b)(i) Amount per share (cents)
(Optional) Rate (%)**

Nil

**(b)(ii) Previous corresponding period (cents)
(Optional) Rate (%)**

Nil

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

Not applicable

- (d) The date the dividend is payable.
Not applicable
- (e) The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.
Not applicable

12. If no dividend has been declared (recommended), a statement to that effect.
No dividend has been declared or recommended for the financial year ended 31 March 2018.

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 FY2018, 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 operation).

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)

2018	Engineering business	Water-related and environmental business	Marble Resources (discontinued operation)	Corporate	Other	Adjustments	Per consolidated financial statements
	\$S	\$S	\$S	\$S	\$S	\$S	\$S
Revenue:							
Sales to external customers	49,867	14,439	883	-	25	-	65,214
Inter-segment sales	911	1,008	109	1,080	79	(3,187) *	-
Total revenue	50,778	15,447	992	1,080	104	(3,187)	65,214
Results:							
Segment results	(1,910)	(6,456)	(1,715)	2,227	97	-	(7,757)
Finance cost	(416)	(1,005)	(4)	(2,487)	-	-	(3,912)
Interest income	8	2	-	12	-	-	22
Profit/(loss) before taxation	(2,318)	(7,459)	(1,719)	(248)	97	-	(11,647)
Income tax credit							188
Loss for the year							(11,459)
Capital expenditure:							
Plant and equipment	106	544	-	-	2	-	652
Significant non-cash items:							
Depreciation and amortisation expenses	2,858	1,743	69	37	120	-	4,827
Fair value loss on investment securities	-	-	-	5,910	-	-	5,910
Gain on loss of control of a subsidiary	-	-	11,134	-	-	-	11,134
Impairment loss on trade receivables	-	186	-	-	-	-	186
Write down of inventories	-	1,652	-	-	-	-	1,652
Asset and liabilities:							
Assets	45,121	50,370	-	29,925	1,067	-	126,483
Liabilities	21,702	38,498	-	11,580	160	-	71,940

* 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)

2017	Engineering business	Water-related and environmental business	Marble Resources (discontinued operation)	Corporate	Other	Adjustments	Per consolidated financial statements
	S\$	S\$	S\$	S\$	S\$	S\$	S\$
Revenue:							
Sales to external customers	51,531	9,432	8,960	-	-	-	69,923
Inter-segment sales	301	307	1,609	1,080	77	(3,374) *	-
Total revenue	51,832	9,739	10,569	1,080	77	(3,374)	69,923
Results:							
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
Profit/(loss) before taxation	3,308	(9,552)	(6,219)	(5,802)	(14)	-	(18,279)
Income tax credit							137
Loss for the year							(18,142)
Capital expenditure:							
Plant and equipment	3,812	1,978	588	1	2	-	6,381
Significant non-cash items:							
Depreciation and amortisation expenses	3,111	1,986	847	28	120	-	6,092
Fair value gain on derivatives component of convertible loans	-	-	-	(90)	-	-	(90)
Impairment of plant and equipment	-	374	-	-	-	-	374
Impairment of intangible assets	-	179	-	-	-	-	179
Impairment losses on trade receivables	-	250	69	-	-	-	319
Write down of inventories	-	1,389	691	-	-	-	2,080
Asset and liabilities:							
Assets	79,089	44,980	29,932	12,427	1,209	-	167,637
Liabilities	25,839	37,739	12,509	19,983	279	-	96,349

* 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
31/03/2018					
Non-current assets	22,005	34,150	-	-	56,155
31/03/2017					
Non-current assets	41,405	35,628	3,114	(20,260)	59,887

Non-current assets consist of property, plant and equipment, land use right, 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 year reported on.

15. A breakdown of sales as follows:

	Group		
	FY2018	FY2017	Change
	(Unaudited) \$'000	(Audited) \$'000	%
<u>Continuing operation</u>			
Sales reported for first half-year	35,584	31,357	13.5
Loss for first half-year	(12,010)	(3,616)	232.1
Sales reported for second half-year	28,748	29,606	(2.9)
Loss for second half-year	(8,822)	(8,098)	8.9

16. 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 FY2018 and FY2017 respectively.

17. 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	54	Spouse of the Company's Executive Director, Cai Jungang	Technical Director of Trittech 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 Trittech Consultants Pte. Ltd.	Nil

18. **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

28 May 2018