

TRITECH GROUP LIMITED

(Company Registration No. 200809330R)
(Incorporated in the Republic of Singapore on 13 May 2008)

Directors:

Professor Yong Kwet Yew (Non-Executive Chairman and Independent Director)
Dr Wang Xiaoning (Managing Director)
Dr Cai Jungang (Executive Director)
Mr Lim Yeok Hua (Independent Director)
Mr Aw Eng Hai (Independent Director)

Registered Office:

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16 July 2015

Dear Shareholders,

ADDENDUM RELATING TO THE PROPOSED RENEWAL OF THE SHARE BUY BACK MANDATE

1. INTRODUCTION

Tritech Group Limited (the “**Company**”) has on 16 July 2015, issued a notice convening the 7th Annual General Meeting (“**Notice of AGM**”) to the shareholders of the Company (the “**Shareholders**”) to be held on 31 July 2015 (the “**AGM**”). The proposed Resolution No. 7 in the Notice of the AGM relates to the renewal of a general mandate (the “**Share Buy Back Mandate**”) to authorise the directors of the Company (the “**Directors**”) to make purchases from time to time (whether by way of market purchases or off-market purchases on an equal access scheme) of up to a maximum of ten per cent. (10%) of the issued ordinary share capital (the “**Shares**”) of the Company as at the date of the last Annual General Meeting of the Company or at the date on which the resolution authorising the same is passed (whichever is the higher), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as defined in Section 3.2 below).

The purpose of this Addendum is to provide Shareholders with information relating to, and to seek their approval for, the proposed renewal of the Share Buy Back Mandate at the forthcoming AGM.

The Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Addendum. If a Shareholder is in any doubt as to the action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

2. THE PROPOSED RENEWAL OF SHARE BUY BACK MANDATE

2.1 Background

The Share Buy Back Mandate was first approved by Shareholders at the Extraordinary General Meeting of the Company held on 28 July 2010 for, *inter alia*, the adoption of the Share Buy Back Mandate. The Share Buy Back Mandate was renewed at the Annual General Meeting of the Company held on 29 July 2014 and will expire on the date of the forthcoming AGM.

If the proposed resolution for the renewal of the Share Buy Back Mandate is approved at the forthcoming AGM, the mandate shall, unless revoked or varied by the Company in a general meeting, take effect from the date of the forthcoming AGM (“**Approval Date**”) and continue in force until the date on which the next Annual General Meeting of the Company is held or is required by law to be held, whichever is the earlier (“**Relevant Period**”) (whereupon it will lapse, unless renewed at such meeting).

2.2 Rationale

The proposed renewal of the Share Buy Back Mandate will give the Company the flexibility to purchase or otherwise acquire its Shares if and when circumstances permit. The Directors believe that share buy-back would allow the Company and its Directors to better manage the Company’s share capital structure, dividend payout and cash reserves. In addition, it also provides the Directors a mechanism to facilitate the return of surplus cash over and above the Company’s ordinary capital requirements in an expedient and cost-efficient manner, and the opportunity to exercise control over the Company’s share capital structure with a view to enhancing its Earnings Per Share (“**EPS**”) and/or Net Asset Value (“**NAV**”) per Share. The Share Buy Back Mandate will also help the Company to minimise the dilution impact arising from employee share option schemes.

Pursuant to the Companies Act (Chapter 50) of Singapore (“**Companies Act**”), Shares purchased or otherwise acquired pursuant to the Share Buy Back Mandate may be held or dealt with as treasury shares.

The existing Shares purchased by the Company under the Share Buy Back Mandate, if held as treasury shares, may be used for the purpose of issuing Shares pursuant to the exercise of options and the vesting of awards, as the Company may deliver Shares pursuant to the exercise of options (“**Options**”) granted under the Trittech Group Employee Share Option Scheme (the “**Scheme**”) and/or awards (“**Awards**”) granted under the Trittech Group Performance Share Plan (the “**Plan**”) in the form of existing Shares held as treasury shares and/or an issue of new Shares.

Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buy Back Mandate will only be made when the Directors believe that such purchases or acquisitions would be made in circumstances which would not have a material adverse effect on the financial position of the Company and when the Directors believe that such purchases or acquisitions would benefit the Company and its Shareholders.

2.3 Terms of the Proposed Renewal of Share Buy Back Mandate

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the Share Buy Back Mandate are summarised below.

2.3.1 Maximum number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company.

The total number of Shares that may be purchased or acquired by the Company shall not exceed ten per cent. (10%) of the total number of issued Shares of the Company as at the Approval Date, unless the Company has, at any time during the Relevant Period, reduced its share capital by a special resolution under Section 78B or 78C of the Companies Act, or the court has, at any time during the Relevant Period, made an order under Section 78I of the Companies Act confirming the reduction of share capital of the Company, in which event the total number of

Shares shall be taken to be the total number of Shares as altered by the special resolution of the Company or the order of the court, as the case may be. For the purposes of calculating the percentage of Shares referred to above, any of the Shares which are held as treasury shares ("**Treasury Shares**") will be disregarded.

For illustrative purposes only, based on the existing issued and paid-up ordinary share capital of the Company as at 1 July 2015 being the latest practicable date prior to the printing of this Addendum (the "**Latest Practicable Date**") comprising 782,635,686 Shares, and assuming no further Shares are issued on or prior to the forthcoming AGM, no more than 78,263,568 Shares representing ten per cent. (10%) of the issued ordinary share capital (excluding Treasury Shares) of the Company as at that date of the AGM may be purchased or acquired by the Company pursuant to the Share Buy Back Mandate.

2.3.2 Duration of authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the Approval Date, up to the earliest of:

- (a) the conclusion of the next AGM or the date by which such AGM is required to be held;
- (b) the date on which the purchases or acquisitions of the Shares are carried out to the full extent mandated; or
- (c) the date on which the authority conferred in the Share Buy Back Mandate is varied or revoked by the Shareholders in a general meeting.

2.3.3 Manner of purchase of Shares

Purchases or acquisitions of Shares may be made by way of:

- (a) on-market purchases ("**Market Purchase**"), transacted on the SGX-ST through the ready market, and which may be transacted through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
- (b) off-market purchases ("**Off-Market Purchase**") (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s).

The Directors may impose such terms and conditions which are not inconsistent with the Share Buy Back Mandate, the Listing Manual Section B: Rules of Catalist of the SGX-ST ("**Catalist Rules**") and the Companies Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme(s). Pursuant to the Companies Act, an Off-Market Purchase must satisfy all of the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made to them; and

- (iii) the terms of all the offers shall be the same, except that there shall be disregarded:
 - (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;
 - (2) (if applicable) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and
 - (3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

In addition, the Catalist Rules provide that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders containing at least the following information:

- (aa) the terms and conditions of the offer;
- (bb) the period and procedures for acceptances;
- (cc) the reasons for the proposed Share buy-back;
- (dd) the consequences, if any, of Share buy-back by the Company that will arise under the Singapore Code on Take-overs and Mergers (the “**Take-over Code**”) or other applicable take-over rules;
- (ee) whether the Share buy-back, if made, would have any effect on the listing of the Shares on the SGX-ST;
- (ff) details of any Share buy-back made by the Company in the previous twelve (12) months (whether Off-Market Purchases in accordance with an equal access scheme or Market Purchases), setting out the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (gg) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

2.3.4 Maximum purchase price

The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. However, the purchase price to be paid for the Shares pursuant to the purchases or acquisitions of the Shares, excluding related expenses of the purchase or acquisition, must not exceed the Maximum Price (as defined hereinafter) which is:

- (a) in the case of a Market Purchase, five per cent. (5%) above the average of the closing market prices of the Shares over the five (5) Market Days (as defined hereinafter) on which transactions in the Shares were recorded before the day on which the Market Purchase was made by the Company and deemed to be adjusted for any corporate action that occurs after the relevant five (5)-day period; and

- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, fifteen per cent. (15%) above the average of the closing market prices of the Shares over the five (5) Market Days (as defined hereinafter) on which transactions in the Shares were recorded before the day on which the Company makes an announcement of an offer under the Off-Market Purchase scheme stating the purchase price (which shall not be more than the Maximum Price (as defined hereinafter) calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5)-day period,

“**Market Day**” means a day on which the SGX-ST is open for trading in securities;

(the “**Maximum Price**”) in either case, excluding related expenses of the purchase.

2.4 Status of Purchased Share

A Share purchased or otherwise acquired by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless such Share is held by the Company as a Treasury Share to the extent permitted under the Companies Act. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or otherwise acquired by the Company and which are not held as Treasury Shares. All Shares purchased or acquired by the Company (other than Treasury Shares held by the Company to the extent permitted under the Companies Act), will be automatically de-listed by the SGX-ST, and the certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase or acquisition.

At the time of each purchase of Shares by the Company, the Directors will decide whether the Shares purchased will be cancelled or kept as Treasury Shares, or partly cancelled and partly kept as Treasury Shares, depending on the needs of the Company at that time. The Company may hold Shares purchased pursuant to the Share Buy Back Mandate as Treasury Shares to be used in the issue of Shares pursuant to the exercise of Options under the Scheme and/or the grant of Awards under the Plan.

2.5 Treasury Shares

Under the Companies Act, Shares purchased or otherwise acquired by the Company may be held or dealt with as Treasury Shares. Some of the provisions on Treasury Shares under the Companies Act are summarised below.

2.5.1 Maximum holdings

The number of Shares held as Treasury Shares cannot at any time exceed ten per cent. (10%) of the total number of issued Shares. Any Shares in excess of this limit shall be disposed of or cancelled in accordance with Section 76K of the Companies Act within six (6) months or such further periods as Accounting & Corporate Regulatory Authority of Singapore (“**ACRA**”) may allow.

2.5.2 Voting and other rights

The Company cannot exercise any right in respect of Treasury Shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the Treasury Shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of Treasury Shares. However, the allotment of Shares as fully paid bonus shares in respect of Treasury Shares is allowed. Also, a subdivision of any Treasury Shares into Treasury Shares of a larger amount or a consolidation of any Treasury Shares into Treasury Shares of a smaller amount is allowed so long as the total value of the Treasury Shares after the subdivision or consolidation is the same as before.

2.5.3 Disposal and cancellation

Where Shares are held as Treasury Shares, the Company may at any time:

- (a) sell the Treasury Shares for cash;
- (b) transfer the Treasury Shares for the purposes of, or pursuant to, an employees' share scheme of the Company;
- (c) transfer the Treasury Shares as consideration for the acquisition of shares in, or assets of, another company or assets of a person;
- (d) cancel the Treasury Shares; or
- (e) sell, transfer or otherwise use the Treasury Shares for such other purposes as may be prescribed by the Minister for Finance.

Pursuant to Rule 704(31) of the Catalist Rules, the Company will immediately announce any sale, transfer, cancellation and/or use of treasury shares. Such announcement may include the following:

- (i) date of the sale, transfer, cancellation and/or use;
- (ii) purpose of such sale, transfer, cancellation and/or use;
- (iii) number of treasury shares sold, transferred, cancelled and/or used;
- (iv) the number of Shares before and after such sale, transfer, cancellation and/or use;
- (v) percentage of the number of treasury shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (vi) value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.6 Reporting Requirements

Within thirty (30) days of the passing of a Shareholders' resolution to approve any purchase or acquisition of Shares by the Company, the Company shall lodge a copy of such resolution with the ACRA.

The Company shall notify ACRA within thirty (30) days of a purchase or acquisition of Shares on the SGX-ST or otherwise. Such notification shall include details of the purchase, including the date of the purchase or acquisition, the total number of Shares purchased or otherwise acquired by the Company, the number of Shares cancelled, the number of Shares held as Treasury Shares, the Company's issued share capital before and after the purchase or acquisition of Shares, the amount of consideration paid by the Company for the purchase or acquisition, whether the Shares were purchased or acquired out of profits or the capital of the Company and such other particulars as may be required by ACRA.

Within thirty (30) days of the cancellation or disposal of Treasury Shares in accordance with the provisions of the Companies Act, the Directors shall lodge with ACRA the notice of cancellation or disposal of Treasury Shares in the prescribed form.

The Catalist Rules specifies that a listed company shall notify the SGX-ST of all purchases or acquisitions of its Shares no later than 9.00 a.m.:

- (a) in the case of a Market Purchase, on the Market Day following the day on which the Market Purchase was made; and
- (b) in the case of an Off-Market Purchase, on the second Market Day after the close of acceptance of the offer for the Off-Market Purchase.

The notification of such purchase or acquisition of Shares to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide to the Company in a timely fashion the necessary information which will enable the Company to make the necessary notifications to the SGX-ST.

2.7 Source of funds

In purchasing or acquiring Shares, the Company may only apply funds legally available for such purchase or acquisition in accordance with the Articles of Association of the Company (the "**Articles**") and the applicable laws of Singapore. The Company may not purchase its Shares for a consideration other than in cash or, in the case of a Market Purchase, for settlement otherwise than in accordance with the Catalist Rules. As stated in the Companies Act, the Share buy back may be made out of the Company's profits or capital so long as the Company is solvent.

Pursuant to Section 76F(4) of the Companies Act, a company is solvent if (a) it is able to pay its debts in full at the time of payment and will be able to pay its debts as they fall due in the normal course of business in the twelve (12) months following such date of payment; and (b) the value of its assets is not less than the value of its liabilities (including contingent liabilities) and such value of its assets will not, after any purchase of shares for purposes of any proposed acquisition or release of the company's obligations, become less than the value of its liabilities (including contingent liabilities). In determining whether the Company is solvent, the Directors must have regard to the most recently audited financial statements, other relevant circumstances, and may rely on valuations or estimation of assets or

liabilities. In determining the value of contingent liabilities, the Directors may take into account the likelihood of the contingency occurring, as well as any counter-claims by the Company.

The Company intends to use internal sources of funds, or a combination of internal sources and external borrowings to finance the Company's purchase or acquisition of Shares pursuant to the Share Buy Back Mandate. The Directors do not propose to exercise the Share Buy Back Mandate in a manner and to such extent that it would have a material adverse effect on the working capital requirements and/or the gearing of the Group.

2.8 Financial effects

Pursuant to the Companies Act, the purchase or acquisition of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding brokerage, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the profits of the Company and hence the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, such consideration (excluding brokerage, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the share capital of the Company but the amount available for the distribution of cash dividends by the Company will not be reduced. The Net Tangible Assets ("NTA") of the Company and of the Group will be reduced by the aggregate purchase price paid by the Company for the Shares.

As at the Latest Practicable Date, the issued and paid-up ordinary share capital of the Company (excluding Treasury Shares) comprises 782,635,686 Shares. The exercise in full of the Share Buy Back Mandate would result in the purchase of 78,263,568 Shares.

It is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions of Shares that may be made pursuant to the Share Buy Back Mandate on the Group's NTA and EPS as the resultant effect would depend on, *inter alia*, the aggregate number of Shares purchased or otherwise acquired, whether the purchase or acquisition is made out of capital or profits, the purchase prices paid for such Shares and the amount (if any) borrowed by the Company to fund the purchase or acquisition and whether the Shares purchased or otherwise acquired are cancelled or held as Treasury Shares.

For illustration purposes only, the financial effects of the renewed Share Buy Back Mandate on the Company and the Group, based on the audited financial statements of the Company and the Group for the financial year ended 31 March 2015 are based on the following assumptions:

- (a) based on 782,635,686 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued, purchased and kept as Treasury Shares on or prior to the forthcoming AGM, the purchase or acquisition by the Company of ten per cent. (10%) of its issued Shares will result in the purchase or acquisition of 78,263,568 Shares;
- (b) in the case of Market Purchases by the Company and assuming that the Company purchases or acquires 78,263,568 Shares, the maximum amount of funds required for the purchase (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) assuming a maximum price of S\$0.13 for one Share which is five per cent. (5%) above the average of the closing market prices of

the Shares for the five (5) consecutive Market Days on which the Shares were traded on Catalist immediately preceding the Latest Practicable Date, is approximately S\$10.17 million;

- (c) in the case of the Off-Market Purchases by the Company and assuming that the Company purchases or acquires 78,263,568 Shares, the maximum amount of funds required for the purchase (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) assuming a Maximum Price of S\$0.14 which is fifteen per cent. (15%) above the average closing market prices of the Shares for the last five (5) consecutive Market Days on which the Shares were traded on Catalist immediately preceding the Latest Practicable Date, is approximately S\$10.96 million;
- (d) cash of S\$5 million had been disbursed from the wholly-owned subsidiaries to the Company prior to the purchase or acquisition of Shares by the Company; and
- (e) loan of S\$5 million from financial institution to the company prior to the purchase or acquisition of Shares by the Company.

For illustrative purposes only and based on the assumptions set out in (a), (b) (c), (d) and (e) above, the financial effects of the:

- (i) purchase or acquisition of 78,263,568 Shares by the Company pursuant to the Share Buy Back Mandate by way of Market Purchases made entirely out of profit and/or capital and cancelled or held in treasury; and
- (ii) purchase or acquisition of 78,263,568 Shares by the Company pursuant to the Share Buy Back Mandate by way of Off-Market Purchases made entirely out of profits and/or capital and cancelled or held in treasury,

on the audited financial statements of the Company and the Group for the financial year ended 31 March 2015 are set out below.

Scenario 1A: Purchases made entirely out of capital and cancelled

	Group			Company		
	After Share Buy Back			After Share Buy Back		
	Before Share Buy Back	Market Purchase	Off-Market Purchase	Before Share Buy Back	Market Purchase	Off-Market Purchase
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>As at 31 March 2015</u>						
Share Capital	68,174	58,000	57,217	68,174	58,000	57,217
Reserves	24,959	24,959	24,959	4,231	4,231	4,231
Shareholders' Funds	93,133	82,959	82,176	72,405	62,231	61,448
Intangible Assets, Land Use Right & Mining Rights	20,896	20,896	20,896	–	–	–
Net Tangible Assets	72,237	62,063	61,280	72,405	62,231	61,448
NAV	93,133	82,959	82,176	72,405	62,231	61,448
Current Assets	90,767	80,593	79,810	30,453	20,279	19,496
Current Liabilities	54,124	54,124	54,124	11,428	11,428	11,428
Working Capital	36,643	26,469	25,686	19,025	8,851	8,068
Total Borrowings	42,535	42,535	42,535	22,179	22,179	22,179
Cash and Cash Equivalents	23,780	13,606	12,823	12,029	1,855	1,072
Total issued number of Shares ('000)	782,636	704,372	704,372	782,636	704,372	704,372
Weighted average number of Shares ('000)	775,267	697,004	697,004	775,267	697,004	697,004
Loss for the year	(31,739)	(31,739)	(31,739)	(8,392)	(8,392)	(8,392)
<u>Financial Ratios</u>						
Net Tangible Assets per Share (S\$)	0.09	0.09	0.09	0.09	0.09	0.09
Gearing (%)	45.67	51.27	51.76	30.63	35.64	36.09
NAV per Share (S\$)	0.12	0.12	0.12	0.09	0.09	0.09
Current Ratio (times)	1.68	1.49	1.47	2.66	1.77	1.71
EPS (cents)	(4.09)	(4.55)	(4.55)	(1.08)	(1.20)	(1.20)

Scenario 1B: Purchases made entirely out of profit and cancelled

	Group			Company		
	After Share Buy Back			After Share Buy Back		
	Before Share Buy Back	Market Purchase	Off-Market Purchase	Before Share Buy Back	Market Purchase	Off-Market Purchase
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 31 March 2015						
Share Capital	68,174	68,174	68,174	68,174	68,174	68,174
Reserves	24,959	14,785	14,002	4,231	(5,943)	(6,726)
Shareholders' Funds	93,133	82,959	82,176	72,405	62,231	61,448
Intangible Assets, Land Use Right & Mining Rights	20,896	20,896	20,896	–	–	–
Net Tangible Assets	72,237	62,063	61,280	72,405	62,231	61,448
NAV	93,133	82,959	82,176	72,405	62,231	61,448
Current Assets	90,767	80,593	79,810	30,453	20,279	19,496
Current Liabilities	54,124	54,124	54,124	11,428	11,428	11,428
Working Capital	36,643	26,469	25,686	19,025	8,851	8,068
Total Borrowings	42,535	42,535	42,535	22,179	22,179	22,179
Cash and Cash Equivalents	23,780	13,606	12,823	12,029	1,855	1,072
Total issued number of Shares ('000)	782,636	704,372	704,372	782,636	704,372	704,372
Weighted average number of Shares ('000)	775,267	697,004	697,004	775,267	697,004	697,004
Loss for the year	(31,739)	(31,739)	(31,739)	(8,392)	(8,392)	(8,392)
Financial Ratios						
Net Tangible Assets per Share (S\$)	0.09	0.09	0.09	0.09	0.09	0.09
Gearing (%)	45.67	51.27	51.76	30.63	35.64	36.09
NAV per Share (S\$)	0.12	0.12	0.12	0.09	0.09	0.09
Current Ratio (times)	1.68	1.49	1.47	2.66	1.77	1.71
EPS (cents)	(4.09)	(4.55)	(4.55)	(1.08)	(1.20)	(1.20)

Scenario 2A: Purchases made entirely out of capital and held as treasury shares

	Group			Company		
	After Share Buy Back			After Share Buy Back		
	Before Share Buy Back	Market Purchase	Off-Market Purchase	Before Share Buy Back	Market Purchase	Off-Market Purchase
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 31 March 2015						
Share Capital	68,174	68,174	68,174	68,174	68,174	68,174
Reserves	24,959	24,959	24,959	4,231	4,231	4,231
Shareholders' Funds	93,133	93,133	93,133	72,405	72,405	72,405
Treasury Shares	–	(10,174)	(10,957)	–	(10,174)	(10,957)
	93,133	82,959	82,176	72,405	62,231	61,448
Intangible Assets, Land Use Right & Mining Rights	20,896	20,896	20,896	–	–	–
Net Tangible Assets	72,237	62,063	61,280	72,405	62,231	61,448
NAV	93,133	82,959	82,176	72,405	62,231	61,448
Current Assets	90,767	80,593	79,810	30,453	20,279	19,496
Current Liabilities	54,124	54,124	54,124	11,428	11,428	11,428
Working Capital	36,643	26,469	25,686	19,025	8,851	8,068
Total Borrowings	42,535	42,535	42,535	22,179	22,179	22,179
Cash and Cash Equivalents	23,780	13,606	12,823	12,029	1,855	1,072
Total issued number of Shares ('000)	782,636	704,372	704,372	782,636	704,372	704,372
Weighted average number of Shares ('000)	775,267	697,004	697,004	775,267	697,004	697,004
Loss for the year	(31,739)	(31,739)	(31,739)	(8,392)	(8,392)	(8,392)
Financial Ratios						
Net Tangible Assets per Share (S\$)	0.09	0.09	0.09	0.09	0.09	0.09
Gearing (%)	45.67	51.27	51.76	30.63	35.64	36.09
NAV per Share (S\$)	0.12	0.12	0.12	0.09	0.09	0.09
Current Ratio (times)	1.68	1.49	1.47	2.66	1.77	1.71
EPS (cents)	(4.09)	(4.55)	(4.55)	(1.08)	(1.20)	(1.20)

Scenario 2B: Purchases made entirely out of profits and held as treasury shares

	Group			Company		
	After Share Buy Back			After Share Buy Back		
	Before Share Buy Back	Market Purchase	Off-Market Purchase	Before Share Buy Back	Market Purchase	Off-Market Purchase
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 31 March 2015						
Share Capital	68,174	68,174	68,174	68,174	68,174	68,174
Reserves	24,959	24,959	24,959	4,231	4,231	4,231
Shareholders' Funds	93,133	93,133	93,133	72,405	72,405	72,405
Treasury Shares		(10,174)	(10,957)	–	(10,174)	(10,957)
	93,133	82,959	82,176	72,405	62,231	61,448
Intangible Assets, Land Use Right & Mining Rights	20,896	20,896	20,896	–	–	–
Net Tangible Assets	72,237	62,063	61,280	72,405	62,231	61,448
NAV	93,133	82,959	82,176	72,405	62,231	61,448
Current Assets	90,767	80,593	79,810	30,453	20,279	19,496
Current Liabilities	54,124	54,124	54,124	11,428	11,428	11,428
Working Capital	36,643	26,469	25,686	19,025	8,851	8,068
Total Borrowings	42,535	42,535	42,535	22,179	22,179	22,179
Cash and Cash Equivalents	23,780	13,606	12,823	12,029	1,855	1,072
Total issued number of Shares ('000)	782,636	704,372	704,372	782,636	704,372	704,372
Weighted average number of Shares ('000)	775,267	697,004	697,004	775,267	697,004	697,004
Loss for the year	(31,739)	(31,739)	(31,739)	(8,392)	(8,392)	(8,392)
Financial Ratios						
Net Tangible Assets per Share (S\$)	0.09	0.09	0.09	0.09	0.09	0.09
Gearing (%)	45.67	51.27	51.76	30.63	35.64	36.09
NAV per Share (S\$)	0.12	0.12	0.12	0.09	0.09	0.09
Current Ratio (times)	1.68	1.49	1.47	2.66	1.77	1.71
EPS (cents)	(4.09)	(4.55)	(4.55)	(1.08)	(1.20)	(1.20)

The actual impact will depend on the number and price of the Shares bought back. As stated, the Directors do not propose to exercise the Share Buy Back Mandate to such an extent that it would have a material adverse effect on the working capital requirements and/or gearing of the Group. The purchase or acquisition of Shares will only be effected after assessing the relative impact of a share buy back taking into consideration both financial factors (such as cash surplus, debt position and working capital requirements) and non-financial factors (such as share market conditions and performance of the Shares).

Shareholders should note that the financial effects illustrated above, based on the respective aforesaid assumptions, are for illustration purposes only. In particular, it is important to note that the above analysis is based on the audited accounts of the Company and the Group for the financial year ended and as at 31 March 2015, and is not necessarily representative of the future financial performance of the Group.

It should be noted that although the Share Buy Back Mandate would authorise the Company to purchase or otherwise acquire up to ten per cent. (10%) of the issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or otherwise acquire the entire ten per cent. (10%) of the issued Shares. In addition, the Company may cancel, or hold as Treasury Shares, all or part of the Shares purchased or otherwise acquired. The Company will take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Shares) in assessing the relative impact of a share purchase before execution.

2.9 Take-over implications arising from share buy back

Appendix 2 of the Take-over Code contains the share buy back guidance note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

2.9.1 Obligation to make a take-over offer

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of the Take-over Code. If as a result of such increase, a Shareholder or group of Shareholders acting in concert with a Director obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert with a Director could become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code ("**Rule 14**").

2.9.2 Persons acting in concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of Shares in a company, to obtain or consolidate effective control of that company.

Unless the contrary is established, the following persons will, *inter alia*, be presumed to be acting in concert with each other under the Take-over Code:

- (a) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
- (b) a company with its parent, subsidiaries and fellow subsidiaries, and their associated companies, any company whose associated companies include any of the foregoing companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights, all with one another. For this purpose, ownership or control of at least twenty per cent. (20%) but not more than fifty per cent. (50%) of the voting rights of a company will be regarded as the test of associated company status; and

- (c) an individual with his close relatives, related trusts and person(s) who are accustomed to act in accordance with his instructions.

The circumstances under which Shareholders, including Directors and persons acting in concert with them respectively, will incur an obligation to make a take-over offer under Rule 14 after a purchase or acquisition of Shares by the Company are set out in Rule 14 and Appendix 2 of the Take-over Code.

2.9.3 Effect of Rule 14 and Appendix 2

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to thirty per cent. (30%) or more, or in the event that such Directors and their concert parties hold between thirty per cent. (30%) and fifty per cent. (50%) of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than one per cent. (1%) in any period of six (6) months. In calculating the percentages of voting rights of such Directors and their concert parties, Treasury Shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to thirty per cent. (30%) or more, or, if such Shareholder holds between thirty per cent. (30%) and fifty per cent. (50%) of the Company's voting rights, the voting rights of such Shareholder would increase by more than one per cent. (1%) in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the proposed resolution authorising the renewal of the Share Buy Back Mandate.

2.9.4 Advice to Shareholders

Shareholders are advised to consult their professional advisers and/or the SIC and/or other relevant authorities at the earliest opportunity as to whether an obligation to make a take-over offer would arise by reason of any Share purchases by the Company.

2.9.5 Interests of Directors and Substantial Shareholders

Save as disclosed, based on the information set out below and assuming that there is no change to the interest set out below since the Latest Practicable Date, none of the Directors and persons acting in concert with them are expected to incur an obligation to make a general offer to other Shareholders under the Take-over Code solely by reason of the proposed renewal of the Share Buy Back Mandate.

(i) Interests of Directors

Based on the Register of Directors' Shareholdings of the Company maintained pursuant to Section 164 of the Companies Act, as at the Latest Practicable Date, the shareholdings of the Directors before and after the purchase of Shares (assuming (i) the Company purchases or acquires 78,263,568 Shares, being the maximum number of ten per cent. (10%)

of the issued Shares of the Company as at the Latest Practicable Date, and (ii) there is no change in the number of Shares held or deemed to be held by the Directors) were/will be as follows:

Name of Director	Before Share Buy Back (Number of Shares)			Before Share Buy Back (%) ⁽²⁾	After Share Buy Back (%) ⁽³⁾
	Direct interest	Deemed interest	Total Interest		
Professor Yong Kwet Yew	800,000	–	800,000	0.10	0.11
Dr Wang Xiaoning ⁽¹⁾	–	310,081,554	310,081,554	39.62	44.02
Dr Cai Jungang	–	–	–	–	–
Lim Yeok Hua	–	–	–	–	–
Aw Eng Hai	765,000	–	765,000	0.10	0.11

Notes:

- (1) Dr Wang Xiaoning is deemed interested in the 310,081,554 Shares held by Trittech International Holdings Pte Ltd (“**Trittech International**”) by virtue of his 30.2% shareholding interest in Trittech International as at the Latest Practicable Date.
- (2) The percentages in the table are calculated based on 782,635,686 issued and paid-up Shares in the ordinary share capital of the Company as at the Latest Practicable Date.
- (3) The percentages in the table are calculated based on 704,372,118 issued and paid-up Shares in the ordinary share capital of the Company, assuming the Company purchases the maximum number of ten per cent. (10%) of the Shares in the ordinary share capital of the Company.

(ii) Interests of Substantial Shareholders

Based on the Register of Substantial Shareholders of the Company maintained pursuant to Section 88 of the Companies Act, as at the Latest Practicable Date, the shareholdings of the Substantial Shareholders of the Company before and after the purchase of Shares (assuming (i) the Company purchases 78,263,568 Shares, being the maximum number of ten per cent. (10%) of the issued Shares of the Company as at the Latest Practicable Date and (ii) there is no change in the number of Shares held or deemed to be held by the Substantial Shareholders) were/will be as follows:

Name	Before Share Buy Back (Number of Shares)			Before Share Buy Back (%) ⁽²⁾	After Share Buy Back (%) ⁽³⁾
	Direct interest	Deemed Interest	Total Interest		
Trittech International	310,081,554	–	310,081,554	39.62	44.02
Dr Wang Xiaoning ⁽¹⁾	–	310,081,554	310,081,554	39.62	44.02

Notes:

- (1) Dr Wang Xiaoning is deemed interested in the 310,081,554 Shares held by Trittech International by virtue of his 30.2% shareholding interest in Trittech International as at the Latest Practicable Date.
- (2) The percentages in the table are calculated based on 782,635,686 issued and paid-up Shares in the ordinary share capital of the Company as at the Latest Practicable Date.
- (3) The percentages in the table are calculated based 704,372,118 and paid-up Shares in the ordinary share capital of the Company, assuming the Company purchases the maximum number of ten per cent. (10%) of the Shares in the ordinary share capital of the Company.

Based on the information set out above, depending on the timing and the number of Shares which may be bought back by the Company under the Share Buy Back Mandate, there may be a possibility that the shareholding interest of Dr Wang Xiaoning and Trittech International, who currently have a deemed or direct shareholding interest of 39.62% of the total issued share capital of the Company, may increase by more than one per cent. (1%) in any period of six (6) months within the period that the Share Buy Back Mandate is in force, thereby incurring an obligation under Rule 14 of the Takeover Code to make a mandatory offer for all the Shares not already owned or controlled by them or parties acting in concert with them. In view of the foregoing, the Company will ensure that it will not purchase or acquire such number of Shares pursuant to the Share Buy Back Mandate that would thereby trigger an obligation on the part of Dr Wang Xiaoning and Trittech International and parties acting in concert with them to make a mandatory offer under the Code as aforesaid, unless all applicable laws, regulations and requirements including but not limited to the Code are complied with and/or the relevant waivers or approvals pursuant to such applicable laws, regulations and requirements are duly obtained.

(iii) Listing status of Shares on SGX-ST

The Company does not have any individual shareholding limit or foreign shareholding limit. However, the Company is required under Rule 723 of the Catalist Rules to ensure that at least ten per cent. (10%) of its Shares are in the hands of the public. The term “public”, as defined under the Catalist Rules, are persons other than the Directors, chief executive officer, Substantial Shareholders or controlling shareholders of the Company and its subsidiaries, as well as the associates of such persons.

As at the Latest Practicable Date, 470,989,132 Shares representing approximately 60.18% of the issued Shares are held by the public. For illustration purposes only, assuming that the Company purchases from the public the maximum number of ten per cent. (10%) of the issued Shares, being 78,263,568 Shares as at the Latest Practicable Date, and assuming that such shares are held in public hands, the resultant number of Shares held by the public after the purchase of such Shares would be 392,725,564 representing approximately 55.76% of the remaining issued Shares of the Company.

Before deciding to effect a purchase or acquisition of Shares, the Directors will consider whether, notwithstanding such purchase or acquisition, a sufficient float in the hands of the public will be maintained to provide for an orderly market for trading in the Shares.

The Directors will use their best efforts to ensure that the Company does not effect a purchase or acquisition of Shares if the purchase or acquisition of Shares would result in the number of Shares remaining in the hands of the public falling to such a level as to cause market illiquidity or adversely affect the listing status of the Company.

2.9.6 Shares purchased by the Company

The Company did not make any Share purchases or acquisitions in the last 12 months pursuant to the Share Buy Back Mandate preceding the date of this Addendum.

2.10 Timing of purchases

While the Catalyst Rules do not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Buy Back Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In particular, in observing the best practices recommended in the Catalyst Rules on securities dealings, the Company will not purchase or acquire any Shares through Market Purchases during the period of two (2) weeks immediately preceding the announcement of the Company’s financial results for each of the first three quarters of the financial year, and one (1) month immediately preceding the announcement of the Company’s full-year financial results, as the case may be, and ending on the date of announcement of the relevant results.

2.11 Tax implications

Shareholders who are in doubt as to their respective tax positions or the tax implications arising from the purchase or acquisition of Shares by the Company, or who may be subject to tax in a jurisdiction, should consult their own professional advisers.

2.12 Interested Persons

The Company is prohibited from knowingly buying Shares on Catalyst from an interested person, that is, a Director, the chief executive officer of the Company (or other executive officer of equivalent rank) or controlling Shareholder or any of their associates, and an interested person is prohibited from knowingly selling his Shares to the Company.

3. DIRECTORS’ RECOMMENDATION

Having considered, *inter alia*, the rationale set out in paragraph 2.2 of this Addendum, the Directors are of the opinion that the proposed renewal of the Share Buy Back Mandate is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of the Ordinary Resolution 7 relating to the renewal of the Share Buy Back Mandate to be proposed at the forthcoming AGM as set out in the Notice of AGM.

4. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Addendum and confirm that, having made all reasonable enquiries, to the best of their knowledge and belief, this Addendum constitutes full and true disclosure of all material facts about the proposed renewal of the Share Buy Back Mandate, the Company and its subsidiaries, and the Directors are not aware of any material facts the omission of which would make any statement herein misleading in any material aspect, and that the facts stated and opinions expressed in this Addendum are fair and accurate in all material aspects as at the Latest Practicable Date. Where information contained in this Addendum has been extracted from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted and reflected in this Addendum.

5. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Company at 2 Kaki Bukit Place, #07-00 Trittech Building, Singapore 416180 from the date of this Addendum up to and including the date of the AGM:

- (a) the Memorandum and Articles; and
- (b) the Annual Report of the Company for the financial year ended 31 March 2015.

Yours faithfully
For and on behalf of the Board of Directors of
TRITECH GROUP LIMITED

16 July 2015

