



tTech Limited  
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## **Report to Shareholders For the 9 months ended September 30, 2016**

The Board of Directors of tTech Limited is pleased to submit the unaudited results for the nine months ended September 30, 2016.

### **Financial Performance:**

For the period the Company recorded revenues of \$166.1 million, an increase of 34.3% over the corresponding period in 2015 (\$123.6 million). Revenue for the quarter was \$60.6 million, the highest achieved by the Company in any quarter since inception.

Expenses for the period were \$143.6 million, an increase of 40.4% over 2015 (\$102.3 million). This increase in expenses was due primarily to increases in our workforce to meet the growth in demand for our services. At September 30, 2016 the company had 33 full-time employees compared to 24 at the same date in 2015.

Total comprehensive income for the period was \$26.3 million, an increase of 43.2% over 2015 (\$18.4 million).

### **Highlights:**

During the quarter the Company saw growth across all of its services, both from new customers who signed long term contracts for tTech and from existing customers for additional services. The contracts signed during the quarter covered managed services, cloud services, IT security, service desk, PBX systems and professional services from the Consulting Division. Included amongst tTech's new customers are a major retailer of petroleum products with an island wide chain, a leading manufacturer of office furniture and a private equity firm.

tTech has also continued to play a leading role in educating the market on matters related to Cybersecurity by participating in seminars with several partners including the Jamaica Chamber of Commerce, the Jamaica Stock Exchange, and the Jamaica Institute of Engineers. Participating in these seminars increases awareness of the threats associated with Cybersecurity and steps which organizations can take to mitigate those threats.

### **Summary:**

To facilitate continued growth, we have accelerated our assessment and adoption of new technologies which will improve both our efficiency and quality of service. The benefits from the adoption of these new technologies will be seen in the future.

The decision by the government to reinstate the full benefits to companies that listed on the Junior Market of the Jamaica Stock Exchange is also welcome news and we look forward to the legislation being passed by the senate and gazetted.

On behalf of the board I would like to thank our team for their dedication and professionalism, and our valued customers who continue to show confidence in tTech and our services.

Edward Alexander  
Chief Executive Officer

# **tTech Limited**

Financial Statements

For the nine months ended 30 September 2016

(Unaudited)

# tTech Limited

FINANCIAL STATEMENTS

NINE MONTHS ENDED 30 SEPTEMBER 2016

(Unaudited)

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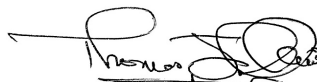
**tTech Limited**
**COMPANY STATEMENT OF FINANCIAL POSITION**  
**NINE MONTHS ENDED 30 SEPTEMBER 2016**  
**(Unaudited)**

Expressed in Jamaican Dollars	Notes	As at 30-Sep-16	As at 30-Sep-15	Audited 31-Dec-15
<b>Current assets</b>				
Cash and cash equivalents	2d	30,723,893	24,470,399	36,105,246
Accounts receivable		44,502,423	25,314,005	26,435,629
Other receivables		16,075,408	18,515,680	62,660,271
Short term investments		80,743,494	29,202,655	31,169,099
		<u>172,045,218</u>	<u>97,502,739</u>	<u>156,370,245</u>
<b>Current liabilities</b>				
Accounts payable		36,292,604	26,209,173	38,049,653
Taxation payable		-	4,489,084	4,672,341
Deferred taxation		1,119,900	-	1,119,900
		<u>37,412,504</u>	<u>30,698,257</u>	<u>43,841,894</u>
<b>Net current assets</b>		<u>134,632,714</u>	<u>66,804,482</u>	<u>112,528,351</u>
<b>Non-current assets</b>				
Property, plant and equipment		14,041,378	13,443,897	14,037,199
Investments		2,304,110	1,356,418	2,005,761
		<u>16,345,488</u>	<u>14,800,315</u>	<u>16,042,960</u>
		<b><u>150,978,202</u></b>	<b><u>81,604,797</u></b>	<b><u>128,571,311</u></b>
Financed by:				
<b>Shareholders' equity:</b>				
Share capital		51,727,063	8,584,407	51,727,063
Unappropriated profit		99,251,139	73,020,390	76,844,248
		<b><u>150,978,202</u></b>	<b><u>81,604,797</u></b>	<b><u>128,571,311</u></b>

Approved by the Board of Directors on November 8, 2016 and signed on its behalf by:



Director



Director

**tTech Limited**

## COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

NINE MONTHS ENDED 30 SEPTEMBER 2016

(Unaudited)

Expressed in Jamaican Dollars	Notes	Qtr Ended 30-Sep-16	Qtr Ended 30-Sep-15	30-Sep-16	30-Sep-15	Audited Y/E 31-Dec-15
Operating revenue		60,578,259	42,272,309	166,146,443	123,696,836	177,975,567
Operating expenses		53,045,574	35,850,132	143,685,461	102,312,523	152,131,548
<b>Profit before net finance costs, and taxation</b>		7,532,685	6,422,177	22,460,982	21,384,313	25,844,019
Other income		447,111	212,865	705,814	274,973	911,398
Net interest income		438,273	133,518	1,074,056	445,520	462,148
<b>Profit before taxation</b>		8,418,069	6,768,560	24,240,852	22,104,806	27,217,565
Taxation		-	(1,616,089)	-	(4,598,644)	5,830,686
<b>Net profit</b>		8,418,069	5,152,471	24,240,852	17,506,162	21,386,879
<b>Other comprehensive income</b>						
Unrealised gain/(loss) on investments		440,909	665,056	2,141,039	917,659	3,452,581
Total comprehensive income		8,858,978	5,817,527	26,381,891	18,423,821	24,839,460
Earnings per share	2e	\$0.08	\$0.06	\$0.23	\$0.22	\$0.27

**tTech Limited**STATEMENT OF CHANGES IN EQUITY  
NINE MONTHS ENDED 30 SEPTEMBER 2016  
(Unaudited)

Expressed in Jamaican Dollars	Share Capital	Dividends	Retained Earnings	Other Comp Income	Total
Balance at 1 January 2015	8,584,407	-	55,796,541	1,927,831	66,308,779
Net income			17,506,162		17,506,162
Dividends Paid	-	(3,127,803)	-	-	(3,127,803)
Other Comprehensive Income		-	-	917,659	917,659
<b>Balance at 30 September 2015</b>	<b>8,584,407</b>	<b>(3,127,803)</b>	<b>73,302,703</b>	<b>2,845,490</b>	<b>81,604,797</b>
Balance at 1 January 2016	51,727,063	-	73,391,667	3,452,581	128,571,311
Net income			24,240,852		24,240,852
Dividends Paid	-	(3,975,000)	-	-	(3,975,000)
Other Comprehensive Income	-	-	-	2,141,039	2,141,039
<b>Balance at 30 September 2016</b>	<b>51,727,063</b>	<b>(3,975,000)</b>	<b>97,632,519</b>	<b>5,593,620</b>	<b>150,978,202</b>

**tTech Limited**
**COMPANY STATEMENT OF CASH FLOWS**  
**NINE MONTHS ENDED 30 SEPTEMBER 2016**  
**(Unaudited)**

Expressed in Jamaican Dollars	<u>30-Sep-16</u>	<u>30-Sep-15</u>	<u>Audited 31-Dec-15</u>
<b>SOURCES/(USES) OF CASH</b>			
Cash Flows From Operating Activities			
Comprehensive income for the period	26,381,891	18,423,821	24,839,460
Adjustments for:			
Depreciation	2,589,761	2,119,312	2,874,377
	<u>28,731,846</u>	<u>19,878,076</u>	<u>27,713,837</u>
Changes in working capital components:			
Receivables	(18,066,794)	(8,350,300)	(9,471,924)
Other receivables	46,584,863	(6,596,834)	(50,741,426)
Directors Account	-	-	(3,251,316)
Accounts Payables	(1,757,049)	(5,458,576)	17,299,055
Tax payable	(4,672,341)	(806,362)	989,619
Deferred tax	-	-	1,119,900
	<u>50,820,525</u>	<u>(1,333,996)</u>	<u>(16,342,254)</u>
<b>Net cash (used in)/provided by operating activities</b>			
Cashflows Used For Investing Activities			
Investments	(67,127)	9,955,672	(695,854)
Additions to property, plant and equipment	(2,585,357)	(3,120,636)	(4,469,002)
	<u>(2,652,484)</u>	<u>6,835,036</u>	<u>(5,164,856)</u>
<b>Net cash used in investing activities</b>			
Cashflows From Financing Activities			
Share capital	-	-	43,142,657
Dividends paid	(3,975,000)	(3,127,803)	(5,661,019)
	<u>(3,975,000)</u>	<u>(3,127,803)</u>	<u>37,481,638</u>
<b>Net cash provided by financing activities</b>			
Increase in cash and cash equivalents	44,193,042	2,373,237	15,974,528
Cash and cash equivalents at beginning of the year	67,274,345	51,299,817	51,299,817
	<u>111,467,387</u>	<u>53,673,054</u>	<u>67,274,345</u>
<b>Cash and cash equivalents at end of the period</b>			
Comprised of:			
Cash and bank balances	30,723,893	24,470,399	36,105,246
Short term investments	80,743,494	29,202,655	31,169,099
	<u>111,467,387</u>	<u>53,673,054</u>	<u>67,274,345</u>
<b>Net cash and cash equivalents at end of the period</b>			

**tTech Limited****NOTES TO THE FINANCIAL STATEMENTS  
NINE MONTHS ENDED 30 SEPTEMBER 2016  
(Unaudited)**

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**1. GENERAL INFORMATION**

tTech Limited ("Company") is a limited liability company, which was incorporated under the Companies Act and is domiciled in Jamaica with registered office located at 69 1/2 Harbour Street, Kingston.

The principal activity of the Company is that of information technology service providers and consultants.

The Company increased the number of the authorized ordinary shares (Shares) from 1,000 to 106,000,000 on November 11th, 2015 and on that date the 274 Shares, then in issue, were split to 80,348,000 Shares. The Company made an Initial Public Offering (IPO) under which 25,652,000 additional Shares were issued on December 28, 2015. On January 7, 2016, the Company's ordinary shares were listed on the Junior Market of the Jamaica Stock Exchange.

**2. ACCOUNTING POLICIES****(a) Statements of Compliance**

These interim financial statements for the period ended 30 September 2016, have been prepared in accordance with IAS34, 'Interim Financial Reporting'. These interim financial statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015.

The accounting policies followed in these interim financial statements are consistent with those used in the audited financial statements for the year ended 31 December 2015, which have been prepared in accordance with International Financial Reporting Standards (IFRS) and comply with the provisions of the Jamaican Companies Act.

**(b) Reporting Currency**

These financial statements are presented in Jamaican dollars unless otherwise indicated.

**(c) Tax Status**

Under the Income Tax Act (Jamaica Stock Junior Market Remission Notice 2010), 100% of the Company's income tax liability is relieved for 5 years (2016 to 2020), provided the Company remains on the Stock Exchange for a total of 15 years.

**(d) Cash & Cash Equivalents**

Cash & cash equivalents includes investments with settlement dates of 90 days or less.

**(e) Earnings per Share**

Earnings per stock unit have been calculated by dividing the 'Net Profit' by the total number of weighted average stock units at the end of the respective period 106,000,000 (2015 - 80,348,000).



**tTech Limited**

NOTES TO THE FINANCIAL STATEMENTS (Cont'n)  
 NINE MONTHS ENDED 30 SEPTEMBER 2016  
 (Unaudited)

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## 3. SHAREHOLDERS' INFORMATION AT SEPTEMBER 30, 2016

## (a) Top 10 Shareholders

Edward Charles Alexander/Charmaine Dawn Alexander	41,284,834
Enqueue Inc.	15,391,566
Auctus Holdings Inc.	15,263,795
Hugh O'Brian Allen	8,806,028
Mayberry West Indies Limited	2,467,043
Marcelle Smart	2,370,399
NCB Capital Markets X Trading A/C	1,412,896
GraceKennedy (2009) Pension Plan	1,604,893
Douglas Orane	881,448
Ravers Limited	806,448
JA. Credit Union Pension Fund	806,448

## (b) Shareholding of Directors and Connected Parties

Edward Charles Alexander/Charmaine Dawn Alexander	41,284,834
Norman Abraham Chen (Enqueue Inc.)	15,391,566
Gordon Christopher Reckord (Auctus Holdings Inc.)	15,263,795
Hugh O'Brian Allen	8,806,028
Uriah Philip Alexander	267,965
Thomas J. Chin	100,000
Joan-Marie Powell	32,000
Gregory Craig Henry	NIL

## (c) Shareholding of Senior Managers and Connected Parties

Edward Charles Alexander/Charmaine Dawn Alexander	41,284,834
Norman Abraham Chen (Enqueue Inc.)	15,391,566
Gordon Christopher Reckord (Auctus Holdings Inc.)	15,263,795
Hugh O'Brian Allen	8,806,028
Marcelle Smart	2,370,399
Hortense Althea Gregory-Nelson (Janelle Nelson)	734,523