



tTech Limited
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Report to Shareholders For the 3 months ended March 31st 2018

The Board of Directors of tTech Limited is pleased to submit the unaudited results for the quarter ended March 31st 2018.

Financial Performance

For the period tTech recorded revenues of \$69.8 million, an increase of 23.3% above the corresponding period in 2017 (\$56.6 million). Expenses for the period were \$63.7 million, an increase of 19.7% over the same period in 2017 (\$53.2 million). This was mainly due to support and maintenance cost of our new professional services automation (PSA) tools and additional subcontractors to help us execute the new consulting contracts.

Net Profit (Total Comprehensive Income) for the period was \$6.7 million an increase of 52.2% over 2017 (\$4.4 Million).

Highlights

tTech has begun to reap the benefits of the marketing seeds that were sown throughout 2017, as all services and products saw increased uptake during the first quarter. The company also increased the size of its sales team to better manage the opportunities in the growing pipeline.

Our consulting team closed on a major Portfolio and Project Management services contract and closed strategic IT planning services contracts with new customers. In addition to the new clients, we extended existing contracts with customers. The increase in activity required us to add additional consultants to support the new business.

Our Managed IT Services also grew in Q1 as two financial services firms and a global nonprofit organization outsourced the management of their internal IT infrastructure to us.

With the continuing increase in cybersecurity threats, the tTech IT Security team delivered vulnerability testing services, IT systems penetration tests, and provided guidance on IT security to several new financial services clients.

Cloud Services also contributed positively to our results, as some existing clients chose not to buy new server equipment and asked tTech to provide Cloud based alternatives instead. We also migrated clients away from on-premises email environments to the Microsoft cloud based Office 365 environment.

We also had activity in our PBX business, which is the only physical product that we sell, closing one PBX sale which was deployed in the Eastern Caribbean, and assisting existing customers to expand their systems by adding other PBX components.

Summary

We have had a good first quarter and with the expanded and reenergized sales team aggressively working through the strong pipeline of opportunities, we expect continued growth and performance in 2018.

On behalf of the board and management, I would like to thank our team of dedicated IT Professionals, and our valued customers who are becoming more like business partners by showing continued confidence in tTech and our services.

A handwritten signature in black ink, appearing to read 'G. Christopher Reckord', enclosed within a large, hand-drawn oval.

G. Christopher Reckord
Chief Executive Officer

tTech Limited

Financial Statements

For the three months ended 31 March 2018

(Unaudited)

tTech Limited

FINANCIAL STATEMENTS

THREE MONTHS ENDED 31 MARCH 2018

(Unaudited)

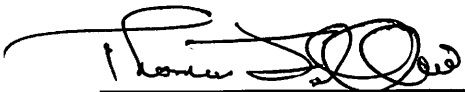
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tTech Limited


STATEMENT OF FINANCIAL POSITION
 THREE MONTHS ENDED 31 MARCH 2018
 (Unaudited)

Expressed in \$'000	Notes	As at 31-Mar-18	As at 31-Mar-17	Audited 31-Dec-17
Current assets				
Cash and cash equivalents	2c	46,646	34,157	30,579
Securities purchased		95,298	97,109	94,910
Accounts receivable		33,449	39,592	29,801
Other receivables		18,562	13,474	15,325
		<u>193,955</u>	<u>184,332</u>	<u>170,615</u>
Current liabilities				
Accounts payable		46,974	30,884	30,389
		<u>46,974</u>	<u>30,884</u>	<u>30,389</u>
Net current assets		<u>146,981</u>	<u>153,448</u>	<u>140,226</u>
Non-current assets				
Investments		26,361	2,299	26,001
Property, plant and equipment		11,761	12,719	12,151
		<u>38,122</u>	<u>15,018</u>	<u>38,152</u>
		<u>185,103</u>	<u>168,466</u>	<u>178,378</u>
Financed by:				
Shareholders' equity:				
Share capital		51,727	51,727	51,727
Unappropriated profit		133,376	116,739	126,651
		<u>185,103</u>	<u>168,466</u>	<u>178,378</u>

Approved and authorised by the Board of Directors on May 8, 2018 and signed on its behalf by:



 Director



 Director

tTech Limited

STATEMENT OF COMPREHENSIVE INCOME
 THREE MONTHS ENDED 31 MARCH 2018
 (Unaudited)

Expressed in \$'000	Notes	Qtr Ended 31-Mar-18	Qtr Ended 31-Mar-17	Audited Y/E 31-Dec-17
Revenue		69,816	56,585	217,247
Cost of Sales		(17,423)	(9,297)	(28,081)
Gross Profit		52,393	47,288	189,166
Other income, gains and losses		573	538	(439)
Administrative expenses		(39,979)	(37,061)	(149,874)
Other operating expenses		(6,261)	(6,268)	(20,204)
Profit before taxation		6,725	4,497	18,649
Net profit being				
total comprehensive income		6,725	4,497	18,649
Net profit attributable to owners		6,725	4,497	18,649
Earnings per share	2d	\$0.06	\$0.04	\$0.18

tTech Limited
**STATEMENT OF CHANGES IN EQUITY
 THREE MONTHS ENDED 31 MARCH 2018
 (Unaudited)**

Expressed in \$'000	<u>Share Capital</u>	<u>Unappropriated Profit</u>	<u>Total</u>
Balance at 31 December 2016	51,727	112,242	163,969
Net profit being total comprehensive income		4,497	4,497
Balance at 31 March 2017	51,727	116,739	168,466
Balance at 31 December 2017	51,727	126,651	178,378
Net profit being total comprehensive income		6,725	6,725
Balance at 31 March 2018	51,727	133,376	185,103

tTech Limited
COMPANY STATEMENT OF CASH FLOWS
THREE MONTHS ENDED 31 MARCH 2018
(Unaudited)

Expressed in \$'000	YTD Ended 31-Mar-18	YTD Ended 31-Mar-17	Audited 31-Dec-17
SOURCES/(USES) OF CASH			
Cash Flows From operating activities			
Net profit being total comprehensive income	6,725	4,497	18,649
Adjustments for:			
Bad debts provision	-	-	(48)
Depreciation	850	997	4,027
Loss on disposal of equipment	-	-	60
Interest income	(605)	-	(2,192)
Dividend income	(19)	-	(84)
Foreign exchange loss/(gain)	247	-	4,348
Appreciation in fair value of equity investments	(50)	(430)	(1,133)
Operating cash flows before movements in working capital	7,148	5,064	23,627
Accounts receivable	(3,648)	6,975	17,398
Other receivables	(3,554)	1,720	(11)
Accounts payable	16,890	(1,195)	(1,723)
Cash provided by operating activities	16,837	12,564	39,291
Cash flows from investing activities			
Additions to property, plant and equipment	(346)	(97)	(2,623)
Securities purchased	(451)	(15)	(12,378)
Investments	(310)	289	(22,841)
Dividend received	19	18	84
Interest received	575	263	2,072
Cash provided/(used in) by investing activities	(513)	458	(35,686)
Cash flows from financing activities			
Dividends paid	-	-	(4,207)
Net cash provided by financing activities	-	-	(4,207)
Increase in cash and cash equivalents	16,324	13,022	(602)
Effect of exchange rate on cash and cash equivalents	(247)	168	(4,348)
Cash and cash equivalents at beginning of the year	99,507	104,457	104,457
Net cash and cash equivalents at end of the period	115,584	117,647	99,507
Comprised of:			
Cash and bank balances	46,646	34,157	30,579
Short term investments classified as cash and cash equivalents	68,938	83,490	68,928
Net cash and cash equivalents at end of the period	115,584	117,647	99,507

(1)

tTech Limited

NOTES TO THE FINANCIAL STATEMENTS
THREE MONTHS ENDED 31 MARCH 2018
(Unaudited)

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.

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 31 March 2018, 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 2017.

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 2017, which have been prepared in accordance with International Financial Reporting Standards (IFRS) and comply with the provisions of the Jamaican Companies Act.

(b) Tax Status

The Company was listed on the Junior Market of the Jamaica Stock Exchange on 7 January 2016 and under the Income Tax Act (Jamaica Stock Exchange Junior Market) Remission Notice, 2010, 100% of income taxes will be remitted by the Minister of Finance during the first five years of listing on Junior Market (Phase one) of the Jamaica Stock Exchange and 50% of income taxes will be remitted by the Minister of Finance during the second five years of listing on the Junior Market (Phase two) of the Jamaica Stock Exchange.

(c) Net Cash & Cash Equivalents

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

	YTD Ended 31-Mar-18	YTD Ended 31-Mar-17
Reverse repurchase agreements - classified as cash and cash equivalents	68,938	83,490
Reverse repurchase agreements - other	26,360	13,619
Securities purchased	95,298	97,109

(d) 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 (2017 - 106,000,000).

tTech Limited**NOTES TO THE FINANCIAL STATEMENTS (Cont'n)****THREE MONTHS ENDED 31 MARCH 2018****(Unaudited)****3. SHAREHOLDERS' INFORMATION AT MARCH 31, 2018****(a) Top 10 Shareholders**

Edward Charles Alexander/Charmaine Dawn Alexander	41,567,834
Auctus Holdings Inc.	15,549,250
Enqueue Inc.	15,391,566
Hugh O'Brian Allen	8,806,028
Mayberry West Indies Limited	3,481,661
Marcelle Smart	2,026,105
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	41,567,834
Gordon Christopher Reckord (Auctus Holdings Inc.)	15,549,250
Norman Abraham Chen (Enqueue Inc.)	15,391,566
Hugh O'Brian Allen	8,806,028
Uriah Philip Alexander	267,965
Thomas J. Chin	100,000
Joan-Marie Powell	32,000

(c) Shareholding of Senior Managers and Connected Parties

Edward Charles Alexander/Charmaine Dawn Alexander	41,567,834
Gordon Christopher Reckord (Auctus Holdings Inc.)	15,549,250
Norman Abraham Chen (Enqueue Inc.)	15,391,566
Hugh O'Brian Allen	8,806,028
Marcelle Smart	2,026,105
Hortense Althea Gregory-Nelson (Janelle Nelson)	734,523
John Samuel Gibson	722,727
Eldin Reynolds	260,000
Omar St. Elmor Bell	240,909
Gillian Thorpe-Murray	240,909