

tTech Limited

Financial Statements

For the three months ended 31 March 2020

(Unaudited)

tTech Limited

FINANCIAL STATEMENTS

THREE MONTHS ENDED 31 MARCH 2020

(Unaudited)


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tTech Limited


STATEMENT OF FINANCIAL POSITION
 THREE MONTHS ENDED 31 MARCH 2020
 (Unaudited)

Expressed in \$'000	Notes	As at 31-Mar-20	As at 31-Mar-19	Audited 31-Dec-19
Current assets				
Cash and cash equivalents	2c	27,888	22,510	40,636
Government securities purchased under resale agreements		93,086	102,471	81,843
Accounts receivable		63,688	66,668	43,136
Other receivables		42,617	14,343	38,546
Inventory		15,392	7,284	16,156
		<u>242,670</u>	<u>213,276</u>	<u>220,317</u>
Current liabilities				
Accounts payable		49,989	37,482	41,725
Contract liabilities		11,829	15,603	3,670
Lease liability (current portion)	2d	1,250	-	1,163
		<u>63,068</u>	<u>53,085</u>	<u>46,558</u>
Net current assets		<u>179,603</u>	<u>160,191</u>	<u>173,759</u>
Non-current assets				
Investments		29,640	27,761	29,995
Right-of-use asset		27,621	-	28,369
Property and equipment		12,273	10,687	13,102
Intangibles		870	1,309	954
		<u>70,404</u>	<u>39,757</u>	<u>72,420</u>
Non-current liabilities				
Long-term lease liability		29,114	-	29,436
Net non-current assets		<u>41,290</u>	<u>39,757</u>	<u>42,984</u>
Total net assets		<u>220,893</u>	<u>199,948</u>	<u>216,743</u>
Financed by:				
Shareholders' equity:				
Share capital		51,727	51,727	51,727
Unappropriated profit		169,166	148,221	165,016
		<u>220,893</u>	<u>199,948</u>	<u>216,743</u>

Approved and authorised by the Board of Directors on May 12, 2020 and signed on its behalf by:



 Director



 Norman Chen (May 13, 2020)
 Director

tTech Limited

STATEMENT OF COMPREHENSIVE INCOME
THREE MONTHS ENDED 31 MARCH 2020
(Unaudited)

Expressed in \$'000	Notes	Qtr Ended 31-Mar-20	Qtr Ended 31-Mar-19	Audited Y/E 31-Dec-19
Revenue		87,551	66,468	340,365
Cost of Sales		(26,973)	(11,831)	(95,171)
Gross Profit		60,579	54,637	245,194
Other income, gains and losses		3,096	(2,369)	6,294
Administrative expenses		(51,643)	(44,047)	(184,882)
Other operating expenses		(7,841)	(7,785)	(40,931)
Operating profit		4,191	436	25,675
Finance income		566	322	1,554
Finance cost		(607)	-	(2,471)
Net profit		4,150	758	24,758
Net profit being				
total comprehensive income		4,150	758	24,758
Net profit attributable to owners		4,150	758	24,758
Earnings per share	2e	\$0.04	\$0.01	\$0.23

tTech LimitedSTATEMENT OF CHANGES IN EQUITY
THREE MONTHS ENDED 31 MARCH 2020
(Unaudited)

Expressed in \$'000	Share Capital	Unappropriated Profit	Total
Balance at 31 December 2018	51,727	147,463	199,190
Net profit being total comprehensive income		758	758
Balance at 31 March 2019	51,727	148,221	199,948
Balance at 31 December 2019	51,727	165,016	216,743
Net profit being total comprehensive income		4,150	4,150
Balance at 31 March 2020	51,727	169,166	220,893

tTech Limited

COMPANY STATEMENT OF CASH FLOWS
THREE MONTHS ENDED 31 MARCH 2020
(Unaudited)

Expressed in \$'000	YTD Ended 31-Mar-20	YTD Ended 31-Mar-19	Audited 31-Dec-19
SOURCES/(USES) OF CASH			
Cash Flows From operating activities			
Net profit being total comprehensive income	4,150	758	24,758
Adjustments for:			
Allowance for expected credit losses	-	-	205
Depreciation - Right-of-use asset	748	-	3,067
Depreciation	1,122	-	4,271
Amortization	84	-	403
Loss on disposal of equipment	-	-	113
Dividend income	(6)	(21)	(158)
Foreign exchange gain	(4,055)	2,258	(4,971)
Depreciation in fair value of equity investments	1,026	157	(778)
Interest Income	(566)	(322)	(1,554)
Interest expense	607	-	2,471
Operating cash flows before movements in working capital	3,110	2,830	27,827
Accounts receivable	(20,552)	(15,279)	8,192
Other receivables	(4,071)	(112)	(24,315)
Inventories	764	173	(8,699)
Accounts payable	8,264	871	5,114
Contract liabilities	8,159	831	(11,102)
	(4,326)	(10,686)	(2,983)
Dividend received	6	21	158
Interest received	408	322	1,554
Interest paid - lease liability	(607)	-	(2,471)
Net cash flows used by operating activities	(4,519)	(10,343)	(3,742)
Cash flows from investing activities			
Additions to property and equipment	(293)	(2,298)	(7,153)
Additions to intangibles	-	-	(1,042)
Securities purchased	(11,243)	395	21,046
Investments	(9,444)	(179)	(1,443)
Cash (used in)/provided by investing activities	(20,980)	(2,082)	11,408
Cash flows from financing activities			
Payment of lease liability - principal portion	(322)	-	(837)
Dividends paid	-	-	(6,855)
Cash used in/(provided by) financing activities	(322)	-	(7,692)
Decrease in cash and cash equivalents	(25,821)	(12,425)	(26)
Effect of exchange rate on cash and cash equivalents	1,189	(2,258)	4,567
Cash and cash equivalents at beginning of the year	115,194	110,653	110,653
Net cash and cash equivalents at end of the period	90,562	95,970	115,194

Comprised of:

Cash and bank balances	27,888	22,510	40,636
Short term investments	62,674	74,411	74,558
Net cash and cash equivalents at end of the period	<u>90,562</u>	<u>96,920</u>	<u>115,194</u>

tTech Limited

NOTES TO THE FINANCIAL STATEMENTS THREE MONTHS ENDED 31 MARCH 2020 (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 2020, 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 2019.

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 2019, 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-20	YTD Ended 31-Mar-19
Reverse repurchase agreements - classified as cash and cash equivalents	62,674	74,411
Reverse repurchase agreements - other	30,412	28,060
Securities purchased	93,086	102,471

(d) Contract liabilities

Contract liabilities include short-term customer advances received to deliver equipment and to render services. This amount was reclassified from other payables in the prior year audit as a result of the adoption of IFRS 15.

tTech Limited

NOTES TO THE FINANCIAL STATEMENTS (Cont'n)

THREE MONTHS ENDED 31 MARCH 2020

(Unaudited)

(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 (2019 - 106,000,000).

3. SHAREHOLDERS' INFORMATION AT MARCH 31, 2020

(a) Top 10 Shareholders

Edward Charles Alexander/Charmaine Dawn Alexander	41,592,834
Auctus Holdings Inc.	15,628,500
Enqueue Inc.	15,391,566
Hugh O'Brian Allen	8,417,479
Mayberry Jamaican Equities Limited	5,200,995
GraceKennedy (2009) Pension Plan	1,604,893
Marcelle Smart	1,001,105
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	41,592,834
Gordon Christopher Reckord (Auctus Holdings Inc.)	15,628,500
Norman Abraham Chen (Enqueue Inc.)	15,391,566
Hugh O'Brian Allen	8,417,479
Uriah Philip Alexander	267,965
Thomas J. Chin	100,000
Joan-Marie Powell	32,000
Tracy-Ann Spence	-

(c) Shareholding of Senior Managers and Connected Parties

Edward Charles Alexander/Charmaine Dawn Alexander	41,592,834
Gordon Christopher Reckord (Auctus Holdings Inc.)	15,628,500
Norman Abraham Chen (Enqueue Inc.)	15,391,566
Hugh O'Brian Allen	8,417,479
Hortense Althea Gregory-Nelson (Janelle Nelson)	734,523
Omar St. Elmor Bell	240,909
Gillian Thorpe-Murray	240,909
Lesley Cousins (Wade Brown)	50,000
Nardia Puran	-