



During the preparation of the 2016 Annual Report errors were made in a few sections of the report. The errors were due to the statement of amounts in the reports which did not agree with the amounts in the audited financial statements, or for which the comparison with the prior year was incorrect.

Below is a summary of the corrections.

<b>Page &amp; Section</b>	<b>Description of Error</b>	<b>Amount</b>	<b>Comments</b>
<b>Page 2</b>	<b>Total Assets (2015)</b>		
<b>Highlights</b>	Amount in Annual Report Correct amount	93.93 Million 172.41 Million restated	See Page 37 of Annual Report
<b>Page 2</b>	<b>Raised in IPO</b>		
<b>Highlights</b>	Amount in Annual Report Correct amount	50.20 Million 43.14 Million	Gross amount raised in the IPO Net amount raised in the IPO. See Page 63, Note 12 of Annual Report
<b>Page 7</b>	<b>1st Paragraph, Revenue Increase</b>		
<b>Chairman's Message</b>	Amount in Annual Report Correct amount	46.188 Million 45.188 Million	See Page 38 of Annual Report
<b>Page 7</b>	<b>1st Paragraph, Comprehensive Income Attributable to Shareholders</b>		
<b>Chairman's Message</b>	Amount in Annual Report Correct amount	38.341 Million 39,341 Million	See Page 38 of Annual Report
<b>Page 8</b>	<b>Point #2, Revenue</b>		
<b>CEO's Report</b>	Amount in Annual Report Correct amount	223.7 Million 223.1 Million	See Page 38 of Annual Report
<b>Page 24</b>	<b>7th Paragraph, Amount Raised in IPO</b>		
<b>MD&amp;A</b>	Amount in Annual Report Correct amount	50.2 Million 43.14 Million	Gross amount raised in the IPO Net amount raised in the IPO. See Page 63, Note 12 of Annual Report
<b>Page 25</b>	<b>2nd Paragraph, % Increase in Shareholders Equity</b>		
<b>MD&amp;A</b>	Amount in Annual Report Correct amount	27.5% 26.4%	See Page 37 of Annual Report
<b>Page 25</b>	<b>2nd Paragraph, Increase in Shareholders Equity</b>		
<b>MD&amp;A</b>	Amount in Annual Report Correct amount	128.6 Million 129.7 Million	See Page 37 of Annual Report

The following Errata pages have been prepared and should be substituted for the original pages in the 2016 Annual Report.

Edward Alexander  
Chief Executive Officer  
June 19, 2017

## HIGHLIGHTS

\$196M

Total assets (2015: \$172.41M Restated)

tTech offers a wide range of related services including Service Desk, IT Security, Unified Communications, Infrastructure Management, Cloud Migration and Consulting Services.

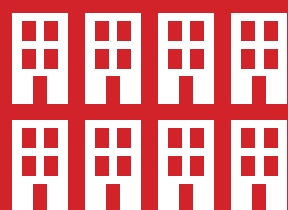
First Jamaican Information Technology company to list on the Junior Market of the Jamaica Stock Exchange on January 7, 2016.



\$39.3M

Net profit attributable to owners (2015: \$24.8M)

tTech currently has 37 highly capable and educated team members.



tTech now has 50 companies and more than 3,400 devices under management.

EARNINGS PER STOCK UNIT



\$163.9M

Stock holders' equity (2015: \$128.6M)

\$43.14M

Raised in IPO in Dec. 2015

**ERRATA:** The following is to be substituted for Page 7.



## Another good year of growth in all areas

2016, our first full year as a publicly traded company, was another good year for our young company. tTech continued to grow and our stock price closed at \$5.30 on December 31, 2016, a more than 100% increase over our listing price of \$2.50 on January 7, 2016, as the market continued to show confidence in the company.

In 2016, Revenues grew to \$223.164 million an increase of \$45.188 million or 25.39% over 2015. This resulted in Total Comprehensive Income attributable to shareholders of \$39.341 million, an increase of \$14.470 million or 58.18% over 2015. This resulted in an Earnings per Share of \$0.37 versus \$0.31 in 2015.

The growth resulted from increased revenues in all the products and services offered by the company as well as the addition of new customers. The company continued to provide its products and services with exceptional customer service from a team of knowledgeable and dedicated professionals. The focus on growing cloud based services, IT security services and IT consultancy services continued in 2016.

During 2017, we will continue to execute our Strategic Plan ensuring that we continue to grow and focus on providing an exceptional customer service to both new and existing customers. We continue to strengthen our ability to do so by ensuring that our people are well trained, and led by a highly-motivated management team.

During 2016, Ms. Joan-Marie Powell was appointed to the position of Chairperson of the Remuneration Committee. I would like to thank Mr. Thomas Chin for the work he continues to do as the Chairman of

## CHAIRMAN'S MESSAGE



the Audit Committee and for the work he did in support of the Management Team during the preparation of the 2016 Audited Accounts.

By June 1, 2017 we will appoint a Corporate Governance Committee which will focus on ensuring that any gaps that exist in our Governance are addressed. We will be using the Jamaica Stock Exchange Corporate Governance Index Manual and the PSJO Corporate Governance Code as our guide.

I would like to congratulate and thank the tTech team on the job they did in 2016 and the directors for their continued support. I would also like to thank the investing public for the confidence they have shown in the company during 2016 and look forward to continued success and growth in 2017 and the years to come.

– U. Philip Alexander  
Chairman



CEO, Edward 'Teddy' Alexander, delivering his welcome speech at the 10th Anniversary celebration.

## Committed to delivering an insanely good customer experience

2016 was a memorable year for tTech. The highlights for the year were:

1. On January 7, 2016 tTech became the first Jamaican Information Technology company to be listed on the Junior Market of the Jamaica Stock Exchange.
2. Strong demand for the company's services resulted in record revenues of \$223.1 million, an increase of 25.4% over 2015 (\$177.9 million).
3. Total Comprehensive Income for the year was \$39.3 million, an increase of 58.2% over 2015 (\$24.8 million).
4. The company's share price at the end of 2016 was \$5.30, an increase of 112% over the listing price of \$2.50.
5. On December 1, 2016 tTech celebrated

its 10th Anniversary representing a decade of innovation, commitment to customer service, teamwork and strong financial performance.

Since its inception in 2006, tTech has differentiated itself from other IT companies in Jamaica by focusing on the delivery of services rather than computer equipment or software licenses which become more commoditized every year. The services provided by tTech require deep technical knowledge that typically is not a requirement of most organizations for the delivery of their core products and services. As a result, it is more efficient for companies to outsource the management and support of their IT systems to tTech than to develop and maintain those skills in-house. Ultimately our goal is for our customers to



25.4%

INCREASE IN REVENUE OVER 2015

58.2%

INCREASE IN NET PROFIT OVER 2015



tTech's strategic partnership with Microsoft has resulted in it becoming a leading Microsoft partner for the delivery of their cloud-based services such as Exchange Online, Office 365 and Azure.

### Financial Performance

The Company benefited from increased core business and consulting activities during the financial year. These were aided by increased marketing activity and the additional exposure resulting from the Company's listing on the Jamaica Stock Exchange (JSE) at the start of the 2016 financial year.

This translated into annual revenues growing 25.4% to \$223.1 million from \$177.9 million a year earlier. Profit from operations totaled \$28 million, up \$3.4 million year on year. The rise in revenues allowed the Company to cushion a reduction in gross profit margins from 13.8% to 12.5%. During the year, expenses grew 27.2% to \$195.1 million due primarily to increased marketing activities and increased staffing needed to service the growth in business activity.

Despite the rise in core expenses, tTech also positioned its investment portfolio to gain \$7.4 million in investment income during the year which virtually doubled this income category from a year earlier. Overall, net profit due to owners grew 58.2% to \$39.3 million from \$24.8 million in the prior year, while earning per share increased to 37 cents up from 31 cents a year earlier.

### Focus

During the year there was a strong focus on acquiring new customers. One highlight of 2016 was the commissioning of tTech's largest system supply contract since inception. It involved supplying a leading

media company with a new PBX (voice) system. The Company also shepherded existing and new clients towards Microsoft cloud technologies for which tTech provides cloud migration and support services. tTech's strategic partnership with Microsoft has resulted in it becoming a leading Microsoft partner for the delivery of their cloud-based services such as Exchange Online, Office 365 and Azure.

The Consulting team also secured several new contracts with clients, for projects in Disaster Recovery & Business Continuity Planning, Virtual CIO Services, Project & Portfolio Management, and IT Service Management. The Consulting services provided by tTech are complementary to the core service offerings of the Company, and are expected to form an increasingly important part of tTech's portfolio of services as margins for the core outsourcing services inevitably decline.

Another important milestone in the Company's development in the year was its listing on the Junior Market of the JSE on January 7, 2016. The Initial Public Offer (IPO) which occurred in December 2015 raised \$43.14 million for the Company, in an offer that was three times oversubscribed. tTech became the first Jamaican Information Technology company listed on the JSE. tTech now in its 11th year, holds a portfolio of more than 3,400 devices under management.

### Cash flow

During the year, the Company's cash flow and equivalents position improved

## MANAGEMENT, DISCUSSION & ANALYSIS

# \$28M

PROFIT FROM OPERATIONS

# \$104.5M

CASH FLOW & EQUIVALENTS

### Summary Financial Performance 2016

INCOME STATEMENT					
J\$ '000	2012	2013	2014	Restated	
				2015	2016
Revenue	80,485	109,053	128,542	177,976	223,164
Other Income	2,919	4,173	3,946	6,083	10,165
"Operating Expense (excl. Investment Financing Cost)"	-64,801	-89,640	-110,165	-153,357	-195,108
Normalized Net profit before Tax	18,603	23,586	22,323	30,702	38,221
Investment Financing Cost	-	-	-1,817		
Net Profit before Tax	18,603	23,586	20,506	30,702	38,221
Taxation	-5,789	-5,857	-3,743	-5,831	1,120
Net Profit being Total Comprehensive Income	12,814	17,729	16,763	24,871	39,341

BALANCE SHEET					
Non-Current Assets	4,971	9,814	13,752	15,610	15,642
Current Assets	51,720	61,134	80,183	156,803	180,406
Total Assets	56,691	70,948	93,935	172,413	196,048
Current Liabilities	24,906	27,592	27,685	42,690	32,079
Non-Current Liabilities	-	-	-	-	-
Total Liabilities	24,906	27,592	27,685	42,690	32,079
Net Assets	31,785	43,356	66,250	129,723	163,969

OTHER INFORMATION					
Fixed Assets	3,450	3,568	12,443	14,037	13,615
Working capital	26,814	33,542	52,498	114,113	148,327
Accounts Receivables	9,191	10,980	16,964	26,436	47,151
Operating expenses (less Technical Fees & Investing Finance Cost)	58,498	74,916	94,829	125,523	161,486
Technical Fees	6,303	14,724	15,115	27,834	33,622

due to increased cash flows from operations which offset the cash used in investing and financing activities. Overall, the cash flow and equivalents position at the end of the year totaled \$104.5 million up from \$67.3 million a year ago.

### Long-term Debt

The Company operated with long-term debt at nil (\$1.1 million in 2015) at the close of the year. The low leverage reflects the Company's business model of providing services which obviate many costly fixed expenditures. The Company's balance sheet strengthened with total assets growing to \$196 million and shareholders' equity increasing 26.4% to \$163.9 million from \$129.7 million a year earlier.

The Company now in its 11th year, remains poised for future growth on the heels of completing its first year since its IPO. Growth is projected to continue in 2017 for all the Company's services as organizations become more comfortable with outsourcing the management of their IT systems to service providers like tTech. In addition, the investments made in new remote monitoring and management systems will significantly reduce the time to onboard new clients, improve our service delivery for the Company's core outsourcing services, and increase our operating efficiencies.