



ABTERRA LTD.

(Registration No. 199903007C)

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF SGX-ST LISTING MANUAL

Abterra Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) had been placed on the watch-list of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) with effect from 5 June 2018, pursuant to Rule 1311(1) and 1311(2) of the Listing Manual of the SGX-ST (the “**Listing Manual**”). In accordance with Rule 1313(2) of the Listing Manual, the Board of Directors (the “**Board**”) of the Company would like to provide the following quarterly update in respect of the three months ended 30 June 2021 (“**2Q2021**”).

Update on Unaudited Financial Performance and Financial Situation

The Group has today released its unaudited financial statements for 2Q2021 (the “**2Q2021 Announcement**”)

The Group’s revenue decreased from S\$5.6 million in the half year ended 30 June 2020 to S\$0.3 million in the half year ended 30 June 2021. In 2Q2021, no revenue and cost were generated. Additionally, the cost of sales decreased from S\$5.6 million in the half year ended 30 June 2020 to S\$0.3 million in the half year ended 30 June 2021, which is in-line with the reduction in business sales activity.

The Group’s net assets decreased from S\$1.84 million as at 31 December 2020 to S\$0.90 million as at 30 June 2021. Cash and cash equivalents decreased from S\$0.27 million as at 31 December 2020 to S\$0.15 million as at 30 June 2021. The Group used S\$0.95 million in its operating activities in 2Q2021.

Shareholders should refer to the 2Q2021 Announcement for further details.

Update on Abterra Australia Pty Limited

Further to the updates on the Company’s subsidiary, Abterra Australia Pty Limited (In Liquidation) (“**Abterra Australia**”) disclosed in the Company’s quarterly update announcement dated 12 March 2021, the Company wishes to provide the following further updates:

- (a) Mr Ahmad Zeidan (“**Mr Zeidan**”), the liquidator of Abterra Australia, had issued a Report to Creditors dated 12 April 2021, through which approval for several proposals relating to his remuneration and disbursements (both past and future) were sought from creditors of Abterra Australia (the “**Proposals**”).
- (b) The Company and its subsidiary, Abterra Macao Commercial Offshore Limited (“**Abterra Macao**”), are creditors of Abterra Australia. The Company and Abterra Macao had, on 16 April 2021, submitted their respective objections to the Proposals in the prescribed form.
- (c) Mr Zeidan had subsequently applied to the Supreme Court of New South Wales to determine his remuneration as liquidator of Abterra Australia for the period from 4 March 2010 to 21 June 2021 (the “**Application**”).
- (d) The Company had, on 4 August 2021, submitted a notice of objection in respect of the Application within the stipulated timeline.

- (e) The Company is also in the midst of engaging and seeking legal advice from legal counsel in Australia in connection with matters relating to Abterra Australia, including but not limited to, the merits of the Application.

The Company will make further announcements to update shareholders as and when there are material developments in relation to the Application and Abterra Australia.

Update on Future Direction

China's coking coal market is not expected to recover in the near future and the Company will continue to monitoring the situation closely.

As disclosed in the 2Q2021 Announcement, the Company had reached an agreement for Foo Kon Tan LLP ("**FKT**") to continue as its auditors. The Company will work together with FKT to resolve the outstanding audit issues which had been noted in the Company's last audit report for the financial year 31 December 2017. FKT has started conducting audit fieldwork for the financial year ended 31 December 2018.

The Company will continue to make efforts and consider various options, including the exploration of new business activities and opportunities to increase the revenue streams to the Company, so that it would be able to meet the requirements of Rule 1314 of the Listing Manual pursuant to the financial exit criteria.

The Company will make further announcements to update shareholders of the Company as and when there are any material developments in this matter.

BY ORDER OF THE BOARD

Cai Suirong
Executive Director and Chief Executive Officer
13 August 2021