

CIRCULAR DATED 30 AUGUST 2023

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other independent professional adviser immediately.

If you have sold or transferred all your shares in the capital of Abterra Ltd. (the “**Company**”), you should immediately forward this Circular, the notice of Extraordinary General Meeting and the attached proxy form to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) takes no responsibility for the accuracy of any statements, reports or opinions contained in this Circular.



ABTERRA LTD.

(Incorporated in Republic of Singapore)
(Company Registration Number: 199903007C)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED DELISTING OF ABTERRA LTD.
WITHOUT AN EXIT OFFER**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form :	12 September 2023 at 8.30 a.m.
Date and time of EGM :	14 September 2023 at 8.30 a.m.
Place of EGM :	Raffles Marina, 10 Tuas West Drive Chartroom Level 2 Singapore 638404

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DEFINITIONS

In this Circular, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

“Board” or “Board of Directors”	:	The board of directors of the Company for the time being
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 30 August 2023
“Companies Act”	:	The Companies Act 1967 of Singapore, as amended or modified from time to time
“Company”	:	Abterra Ltd.
“CPF”	:	The Central Provident Fund
“CPF Agent Bank”	:	Any bank appointed by the CPF to be an agent bank under the Central Provident Fund (Investment Schemes) Regulations
“CPF Investors”	:	Shareholders holding Shares under the Central Provident Fund Investment Scheme
“Director”	:	A director of the Company for the time being
“EGM”	:	The extraordinary general meeting of the Company, notice of which is set out on page 15 of this Circular
“FY2017”	:	The financial year ended 31 December 2017
“FY2018”	:	The financial year ended 31 December 2018
“FY2019”	:	The financial year ended 31 December 2019
“FY2020”	:	The financial year ended 31 December 2020
“Group”	:	The Company and its subsidiaries, collectively, for the time being
“Latest Practicable Date”	:	23 August 2023, being the latest practicable date prior to the release of this Circular
“Listing Manual”	:	The Listing Manual of the SGX-ST as may be amended, supplemented or modified from time to time
“Memorandum and Articles of Association”	:	The memorandum and articles of association of the Company, as amended from time to time
“Notice of EGM”	:	The notice of the EGM which is set out on page 15 of this Circular
“Official List”	:	The list of issuers maintained by the SGX-ST in relation to the Main Board or Catalist
“Register of Members”	:	Register of members of the Company

DEFINITIONS

“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“SGXNET”	:	A system network used by listed companies to send information and announcements to the SGX-ST or any other system network(s) as may be prescribed by the SGX-ST
“Shareholders”	:	Persons (other than CDP) who are for the time being registered as holders of the Shares in the Register of Members of the Company and Depositors who have Shares entered against their names in the Depository Register
“Shares”	:	Ordinary shares in the capital of the Company
“SRS Investors”	:	Shareholders holding Shares through the Supplementary Retirement Scheme
“SRS Operators”	:	Any company approved by the Ministry of Finance for the purposes of the Supplementary Retirement Scheme
“Substantial Shareholder”	:	A person who has an interest or interests in one or more voting Shares in the Company and the total votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares in the Company
“S\$” and “cents”	:	Singapore dollar and cents respectively
“%” or “per cent.”	:	Per centum or percentage

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act 2001 of Singapore. The term **“treasury shares”** shall have the meaning ascribed to it in Section 4 of the Companies Act. The term **“subsidiary”** and **“related corporations”** shall have the meanings ascribed to them in the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Any reference to a time of day and date in this Circular shall be a reference to Singapore time, unless otherwise stated.

Any reference in this Circular to **“Rule”** or **“Chapter”** is a reference to the relevant rule or chapter in the Listing Manual for the time being, unless otherwise stated. Any word defined under the Companies Act, the Listing Manual or any modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the Companies Act, the Listing Manual or modification as the case may be, unless otherwise provided. Any discrepancies in the tables included herein between the amounts in the columns of the tables and the totals thereof and relevant percentages (if any) are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Aquinas Law Alliance LLP has been appointed as the legal adviser to the Company in relation to the Proposed Delisting.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Circular are or may be forward looking statements. Forward-looking statements include but are not limited to, those using words such as “expect”, “seek”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information as at the Latest Practicable Date. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and the Company does not undertake any obligation to update publicly or revise any forward-looking statements for any reasons, even if new information becomes available or other events occur in the future, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

LETTER TO SHAREHOLDERS



ABTERRA LTD.

(Incorporated in Republic of Singapore)
(Company Registration Number: 199903007C)

Directors:

Ms Cai Suirong (Executive Chairman & Chief Executive Officer)
Mr Liu Zhiyang (Executive Director)
Mr Wong Shiu Wah Williamson (Independent Director)
Mr Chan Chun Tat Ray (Independent Director)
Mr Wang Dongzhi (Independent Director)
Mr Liu Ying (Independent Director)

Registered Office:

7 Temasek Boulevard,
#11-06 Suntec Tower 1,
Singapore 038987

30 August 2023

To: The Shareholders of Abterra Ltd.

Dear Sir/Madam

THE PROPOSED DELISTING OF ABTERRA LTD. WITHOUT AN EXIT OFFER

1. INTRODUCTION

- 1.1 The Directors are convening an EGM of the Company to be held on 14 September 2023 at 8.30 a.m. to seek Shareholders' approval in relation to the proposed delisting without an exit offer (the "**Proposed Delisting**").
- 1.2 The purpose of this Circular is to provide Shareholders with information relating to Proposed Delisting, and to seek Shareholders' approval in respect of the same at the EGM to be held on 14 September 2023 at 8.30 a.m. at Raffles Marina, 10 Tuas West Drive Chartroom Level 2 Singapore 638404, the notice of which is set out on page 15 of this Circular.
- 1.3 The SGX-ST takes no responsibility for the accuracy of any statements, reports or opinions contained in this Circular.

2. THE PROPOSED DELISTING

Shareholders' approval is being sought at the EGM for the Proposed Delisting by way of an ordinary resolution.

2.1 Background

On 5 June 2018, the Company was placed on the watch-list of the SGX-ST pursuant to Rule 1311. Under Rule 1315, the Company was required to meet the relevant requirements set out in Rule 1314 within 36 months (i.e., by 4 June 2021), failing which the Exchange may remove the Company from the Official List of the SGX-ST.

On 16 July 2018, trading in the Company's securities was suspended pursuant to Rules 1303(4) and 1303(5) because, *inter alia*, the Company failed to comply with Rule 707(1) and the shares of the Company can no longer be traded on a fair, orderly and transparent basis (the "**Trading Suspension**").

LETTER TO SHAREHOLDERS

The Company held its annual general meeting in respect of FY2017 on 31 December 2019 and has yet to hold its annual general meetings for the subsequent financial years due to among others, the outbreak of COVID-19 and the Company's cashflow position.

The Company had, on 5 July 2021, applied to the SGX-ST for waivers and extensions of time for the annual general meetings, annual reports and sustainability reports of the Company in respect of FY2018, FY2019 and FY2020. Thereafter, the Company was issued the Notification of Delisting (defined below) and had concerned themselves with handling matters relating to the Exit Offer. The Company subsequently withdrew the aforementioned application on 28 December 2022.

On 27 August 2021, the Company received a notification of delisting from the Official List of the SGX-ST (the "**Notification of Delisting**"). In the Notification of Delisting, the SGX-ST noted the following:

- (a) the Company was placed on the watch-list of the SGX-ST on 5 June 2018 pursuant to Rule 1311. Under Rule 1315, the Company is required to meet the relevant requirements set out in Rule 1314 within 36 months (i.e., by 4 June 2021) (the "**Financial Watchlist Deadline**"), failing which the SGX-ST may remove the Company from the Official List;
- (b) on 16 July 2018, trading in the Company's securities was suspended pursuant to Rules 1303(4) and (5) because, inter alia, the Company failed to comply with Rule 707(1) and the shares of the Company can no longer be traded on a fair, orderly and transparent basis.
- (c) the Company has not demonstrated that it has met any of the requirements under Rule 1314 by 4 June 2021 (i.e. the Financial Watchlist Deadline). In this regard, the Company:
 - (1) recorded a consolidated pre-tax loss of \$68.9 million in its latest consolidated audited financial statements for FY2017;
 - (2) did not have an average daily market capitalisation of S\$40 million or more over the last six (6) months; and
 - (3) generated a negative cash flow from its operating activities amounting to \$8.59 million for FY2017.

The SGX-ST had further noted that:

- (a) the Company has been given time to but has thus far failed to issue its audited financial statements for FY2018, FY2019 and FY2020.
- (b) the Company's auditors have issued a disclaimer of opinion in the Company's latest audited consolidated full year financial statements for FY2017 due to, inter alia, insufficient appropriate evidence to establish whether the opening balances of the Group and the Company have been correctly brought forward to FY2017;
- (c) the Company failed to submit an application for an extension of time to exit the Watch-List before 4 June 2021. In any event, the Company does not satisfy any of the requirements for an extension as set out in Paragraph 4.2 of Practice Note 13.2 of the Mainboard Rules of the Listing Manual; and
- (d) notwithstanding numerous reminders, the Company has to date yet to submit a trading resumption proposal pursuant to Rule 1304.

In light of the above, the SGX-ST proceeded to delist the Company pursuant to Rule 1315. For more details on the Notification of Delisting, Shareholders may refer to the Company's announcement dated 27 August 2021.

LETTER TO SHAREHOLDERS

The Company had, thereafter, submitted an application to the SGX-ST for the grant of a waiver from compliance with the requirement under Rule 1309 and approval for the Company to delist without an exit offer made pursuant to Rule 1309(1) of the Listing Manual (an “Exit Offer”) and continue to operate as an unlisted public company (the “Application”).

In the Application, the Company disclosed, *inter alia*, that the Company was not able to provide an Exit Offer as:

- (a) the Company does not have sufficient financial resources to make an Exit Offer; and
- (b) none of the Shareholders have expressed any intention to make an Exit Offer.

The aforementioned representations remain accurate as at the Latest Practicable Date.

On 9 January 2023, the SGX-ST had advised, based on the Company’s representations and submissions in the Application and subsequent correspondences, that:

- (a) the Company would need to obtain Shareholders’ approval for its delisting without an Exit Offer made to the Company’s Shareholders and holders of any other classes of listed securities to be delisted pursuant to Rule 1309; and
- (b) if Shareholders’ approval is not obtained in accordance with the sub-paragraph above, the Company would need to obtain Shareholders’ approval for any alternative delisting proposal which would satisfy Chapter 13 of the Listing Manual (e.g. voluntary liquidation).

2.2 Requirements under Rules 1306 and 1309 of the Listing Manual

Rule 1306 provides that if the SGX-ST exercises its power to remove an issuer from the Official List, the issuer or its controlling shareholder(s) must, subject to Rule 1308, comply with the requirements of Rule 1309.

Rule 1309 further provides that an issuer is seeking to delist from the SGX-ST must make an exit offer to its shareholders and holders of any other classes of listed securities to be delisted, and the exit offer must be fair and reasonable, and include a cash alternative as the default alternative. The issuer must also appoint an independent financial adviser to advise on the exit offer and the independent financial adviser must opine that the exit offer is fair and reasonable.

2.3 Exit Options Considered and Assessed by the Board

In making the Application, the Board had considered the following exit options:

- (a) Provision of an exit offer by shareholders (including controlling shareholders)

At the instructions of the Board, the Company’s management had consulted its holding company, General Nice Resources (Hong Kong) Limited (“GNR”) on the possibility of providing an Exit Offer. GNR has informed the Company that it is unable to provide an Exit Offer due to its ongoing liquidation process under the High Court of Hong Kong. GNR has been put under liquidation since 7 December 2016 and the liquidation process remains ongoing to date. As at the date of this Circular, GNR holds a shareholding of approximately 27.93% in the Company.

The Company’s management had also reached out to another major shareholders to gauge interest in an Exit Offer. To date, no Shareholder has expressed any intention or interest in providing an Exit Offer.

In light of the abovesaid, no Shareholder (including controlling shareholders) will make an Exit Offer.

LETTER TO SHAREHOLDERS

(b) Provision of an exit offer by the Company

An exit offer by the Company has to comply with the Companies Act. Based on its current cash position, the Company does not have sufficient financial resources to make an Exit Offer through a selective share buy-back (even if allowed by the court) or otherwise allowed under the Companies Act. Furthermore, the Companies Act does not allow a Company to acquire all 100% of its capital, and the Company's management is not aware of any Shareholder who have or will agree to remain in the Company after the exit offer to be able to comply with the Companies Act.

The cashflow position of the Company and the Group had been weak. In the last announced unaudited financial statements for the second quarter of the financial year ended 30 June 2021, which was released on 13 August 2021, the Company disclosed that the Group had has approximately S\$149,000 in cash and cash equivalents as at 30 June 2021. The cashflow position has not improved since.

Furthermore, the Group requires cash to pay for, among others, is daily operating expenses and existing current liabilities. As an illustration, the operating costs for FY2018 was S3.5 million, and the operating costs for FY2019 to FY2021 were in the region of S\$2.2 million to S\$2.5 million. The Company's operating costs are made up of finance costs, administrative expenses and other operating expenses¹. The Company expects the operating costs may be further reduced should the Proposed Delisting occur. As at 30 June 2021, the current liabilities of the Group was approximately S\$10 million and between the period from 1 July 2021 to 31 December 2022, the current liabilities of the Company has increased by approximately S\$3.3 million², reaching approximately S\$13.3 million.

Currently, the Company has no revenue income and no profit, and its liabilities are accumulating with each passing year. Following the Proposed Delisting, the Company intends to restart its business from mainland China and Hong Kong and redevelop its business in Australia. Please refer to Paragraph 2.5 below for more information on the Company's post-delisting plans.

Save for a unit at Suntec City designated as non-current assets held for sale (the "Suntec City Unit"), the Company does not have significant assets. The aforementioned Suntec City Unit was last valued in the during the Company's previous audit process and for potential sales. Based on a valuation report issued on or around July 2019, the market value of the Suntec City Unit then was S\$9.7 million. Proceeds from a sale of the Suntec City Unit would need to be utilised for the purposes of repaying the Company's liabilities and accounts payable.

The Board has considered that to prepare for the making of an Exit Offer, significant expenses would be incurred, including but not limited to professional fees payable to legal counsel and an independent financial advisor.

In light of the abovesaid, the Board is of the view that the Company does not have the cash to make an Exit Offer in compliance with Rule 1309 of the Listing Manual.

(c) Liquidation of the Company

Another option considered by the Board was for the Company to undergo the process of liquidation. A liquidation would allow the Company to dispose of all of its existing assets and businesses. Arising from the liquidation exercise, remaining proceeds (after deducting for the cost of the liquidation process) can be distributed to the Shareholders after paying off all of the Company's existing debts and liabilities.

¹ Other operating expenses includes, but is not limited to, property taxes of approximately S\$43,138, impairment trade receivable and other receivable of approximately -S\$8,367, depreciation of motor vehicle/computers of approximately S\$15,000, realised exchange loss of approximately S\$425, unrealised exchange losses of approximately S\$15,757 and other operating expenses of approximately S\$2,530.

² The current liabilities of the Company include trade payables of approximately S\$49,683, other payables and accruals of approximately S\$386,078, current tax payables of approximately S\$26,734 and borrowings of approximately S\$2,807,067.

LETTER TO SHAREHOLDERS

In this regard, the Company had consulted its independent auditors on the process of liquidation and noted that liquidation may become a protracted and costly exercise considering:

- (1) the size of the Group;
- (2) the complexity of the Group's corporate structure, where there are multiple overseas subsidiaries; and
- (3) that the liquidation process may involve the review of the Group's operational and financial processes in prior years, which may then result in a liquidation process which is longer than expected and also cause the Company to incur additional costs and expenses.

The Company had reached out to liquidation practitioners and understand, on an indicative basis and assuming that there are no complexities, that the fees incurred for a liquidation exercise may be in the region of S\$360,000 (exclusive of taxes and disbursements), and the liquidation exercise would likely take at least a year. In the event that more work and time is required for the liquidation exercise, there would be a corresponding increase in the fees payable and costs incurred.

By way of an illustrative example, the Company's subsidiary, Abterra Australia Pty Ltd had been undergoing voluntary administration and liquidation process since 22 August 2018. The process remains ongoing.

In view of the foregoing, there is a possibility that the liquidation process may take up a significant period of time, and expenses arising from the liquidation process will continually be incurred during such period. Even if the liquidation process were to be completed, the time and cost involved would have significantly decreased the proceeds left for distribution (if any) which could be made to Shareholders. This is particularly the case as the Company estimates that the Group has a net asset value of approximately negative S\$2.075 million as at 31 December 2022.

Furthermore, based on the Company's management's assessment, the Company's unutilised tax losses as at 30 June 2021 was approximately S\$3,235,000. The Company's unutilised tax losses is available for offset against future taxable profit, subject to agreement of the Inland Revenue Authority of Singapore and compliance with certain provisions of the Income Tax Act. If the Company opts to proceed with liquidation, the Company will lose such tax benefits (i.e. the aforementioned unutilised tax losses). Shareholders should take note such tax benefits are not guaranteed and can only materialise if the Company turns profitable.

In consideration of the reasons set out above, the Board does not consider liquidation to be a reasonable option in the best interest of the Company and the Shareholders.

(d) Continuing operations as an unlisted public company

The last option considered by the Board was for the Company to proceed with the Proposed Delisting (i.e. for the Company to delist without an exit offer). Such a course of action will result the Company continuing operating as an unlisted public company.

The Company is currently incurring ongoing and recurring expenses as a listed company. If the Company is delisted at the earliest opportunity, it will reduce the Company's ongoing and recurring expenses, and at the same time allow more flexibilities for the Company to raise funds for both working capital and other turnaround efforts. The Board is hopeful these would give the Company a chance to improve its current financial state.

LETTER TO SHAREHOLDERS

2.4 The Board's Assessment of the Exit Options

In assessing the various exit options available to the Company, the Board had considered the interests of the Company and its Shareholders, including the interests of the minority Shareholders. The Board had assessed that:

- (a) an Exit Offer would not be forthcoming from its Shareholders as no Shareholder has indicated any intention or interest to make an Exit Offer;
- (b) an Exit Offer would not be forthcoming from the Company as the Company does not have sufficient cash to make an Exit Offer in compliance with Rule 1309 of the Listing Manual; and
- (c) the time and costs involved in a liquidation of the Company would not result in liquidation being a reasonable option for the Company.

Taking into consideration the abovesaid, the Board is of the view that the option in the best interests of the Company and its Shareholders would be for the Proposed Delisting to proceed.

It would be in the interests of the Company and its Shareholders (including minority Shareholders) for the Company to improve its current financial state. As mentioned above, the Board is of the view that the Proposed Delisting would allow the Company to, among other things, have more flexibility to raise funds and increase revenue streams, so as to improve shareholder value for all Shareholders (including minority Shareholders).

2.5 Post-Delisting Plans

As the Group's main source of business has always been derived from mainland China and Hong Kong, the COVID-19 pandemic had, among other things, resulted in significant difficulties to the business operations of the Group, particularly in the past three (3) years.

With the reopening of mainland China and Hong Kong, as well as China's lifting of the remaining curbs on Australian coal imports, the Company is prepared and ready to restart its business from mainland China and Hong Kong, as well as to recommencing its business in Australia. The Company will source for suppliers in Australia to purchase coal from and will then sell such purchased coal to customers in China. It is intended that the Company will sell steam coal to electrical manufacturers and coking coal to steel manufacturers respectively. The Company has a ready pool of leads from GNR's contact list, as GNR was a major importer of coal in the past years. The Company has also received favourable responses from financial institutions in Hong Kong willing to finance the Group's operations in Australia. As at the Latest Practicable Date, GNR is still under liquidation. Based on the Company's understanding, GNR is a holding company and operates through investee companies. The Company does not have sufficient knowledge to comment on the status of the other investee companies of GNR.

The Company will also, in due course, recruit a trading team to prepare and take on the incoming business. The duties and responsibilities of the trading team to be recruited would include (but is not limited to): (i) overseeing the marketing strategy with a focus on supply, price risk and foreign exchange risk management; (ii) developing and implementing trading strategies for the Group; (iii) managing relationships with key customers and suppliers; and (iv) managing, training and mentoring other staff (as may be necessary).

The Company is hopeful that it will be able to improve shareholder value for all Shareholders (including minority Shareholders) after the Proposed Delisting.

LETTER TO SHAREHOLDERS

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders in the issued share capital of the Company as at the Latest Practicable Date, as recorded in the register of director's shareholdings and the register of substantial shareholders kept by the Company, were as follows:

Name of Director	Note	Direct Interest		Deemed Interest	
		No. of Shares	%	No. of Shares	%
-	-	-	-	-	-

Name of Substantial Shareholder	Note	Direct Interest		Deemed Interest	
		No. of Shares	%	No. of Shares	%
General Nice Resources (Hong Kong) Limited (under liquidation)		81,784,276	27.93	-	-
General Nice Development Limited	(1)	-	-	81,784,276	27.93
General Nice Investment (China) Limited	(2)	-	-	81,784,276	27.93
General Nice Group Holdings Limited	(3)	-	-	81,784,276	27.93
Cai Sui Xin	(4)	-	-	81,784,276	27.93
Tsoi Ming Chi	(5)	-	-	81,784,276	27.93
Xiang Yu Investments Limited		30,000,000	10.24	-	-
Li Ya Nan		43,698,554	14.92	-	-

Notes:

- (1) General Nice Development Limited ("GNDL") has a deemed interest in shares in the Company held by General Nice Resources (Hong Kong) Limited ("GNR") by virtue of Section 7 of the Companies Act as GNDL is the beneficial owner of more than 20% interest in GNR.
- (2) Nice Investment (China) Limited ("GNI") has a deemed interest in shares in the Company held by GNR by virtue of Section 7 of the Companies Act, as GNI is the beneficial owner of more than 20% interest in GNR.
- (3) General Nice Group Holdings Limited ("GNG", formerly known as Vantage Region International Limited) has a deemed interest in shares in the Company held by GNR by virtue of Section 7 of the Companies Act, as (i) GNG is the legal and beneficial owner of more than 20% interest in GNDL, and GNI respectively, and (ii) each of GNDL and GNI is the beneficial owner of more than 20% interest in GNR.
- (4) Cai Sui Xin ("Cai") has a deemed interest in shares in the Company held by GNR by virtue of Section 7 of the Companies Act, as (i) Cai is the legal and beneficial owner of the entire issued share capital of GNG; (ii) GNG is the legal and beneficial owner of more than 20% interest in GNDL and GNI respectively, and (iii) each of GNDL and GNI is the beneficial owner of more than 20% interest in GNR.
- (5) Tsoi Ming Chi ("Tsoi") has a deemed interest in shares in the Company held by GNR by virtue of Section 7 of the Companies Act, as (i) Tsoi is the legal and beneficial owner of more than 20% interest in GNDL and GNI respectively, and (ii) each of GNDL and GNI is the beneficial owner of more than 20% interest in the GNR.

Save as disclosed above, none of the Directors or Substantial Shareholders has any interest, direct or indirect, in the Proposed Delisting.

LETTER TO SHAREHOLDERS

4. BOARD'S OPINION AND DIRECTORS' RECOMMENDATIONS

After having considered, amongst other things, the rationale of the Proposed Delisting, the Directors are of the view that the Proposed Delisting is in the best interests of the Company and the Shareholders.

In arriving at its recommendation, the Board considered the following:

- (a) no shareholder (including controlling shareholders) will make an Exit Offer;
- (b) the Company does not have the cash to make an Exit Offer;
- (c) liquidation may become a protracted and costly exercise, and accordingly, the time and cost involved would have significantly decreased the proceeds left for distribution (if any) which could be made to Shareholders; and
- (d) the Proposed Delisting has the potential to provide the best return to Shareholders and to increase Shareholder value, as the Company would be able to continue operating, with reduced costs and expenses, and also have the avenue to raise funds through equity investments for working capital and other turnaround efforts.

It would therefore be in the best interests of the Company and its Shareholders for the Proposed Delisting to proceed.

Accordingly, the Directors recommend that Shareholders vote in favour of the Proposed Delisting at the EGM.

Shareholders are advised to read this Circular in its entirety, in particular the rationale for the Proposed Delisting and for those who require advice in the context of his specific investment, to consult his stockbroker, bank manager, solicitor, accountant or other professional adviser.

5. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out in this Circular, will be held at Raffles Marina, 10 Tuas West Drive Chartroom Level 2 Singapore 638404 on 14 September 2023 at 8.30 a.m. (Singapore Time) for the purpose of considering and, if thought fit, passing, with or without any modification, the ordinary resolution relating to the Proposed Delisting set out in the Notice of EGM.

6. ACTIONS TO BE TAKEN BY SHAREHOLDERS

6.1 Appointment of Proxies

Shareholders who are unable to attend the EGM and wish to appoint a proxy/proxies to attend and vote at the EGM on their behalf will find a Proxy Form attached to this Circular which they should complete, sign and return in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company at 7 Temasek Boulevard, #11-06 Suntec Tower 1, Singapore 038987 not later than 48 hours before the time fixed for the holding of the EGM. The completion and sending of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy/proxies if he finds that he is able to do so, although the appointment of the proxy/proxies shall be deemed to be revoked by such attendance.

6.2 Depositors

A Depositor will not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register as certified by CDP to the Company at least 72 hours before the EGM.

LETTER TO SHAREHOLDERS

7. ADMINISTRATIVE PROCEDURES OF DELISTING

Subject to approval from the Shareholders on the Proposed Delisting and the notification by the SGX-ST as to the date of desilting (the “**Delisting Date**”), shares held with the Central Depository (Pte) Limited (the “**CDP**”) as at the Delisting Date will be withdrawn from CDP. Physical share certificates representing the relevant shares will be despatched by ordinary mail to the shareholders based on their addresses reflected in CDP’s depository register.

The Company will make further announcements in due course on the dates by when the share certificates will be mailed out. Shareholders who have further enquiries after the Delisting Date may contact the Company at corporatemgmt@abterra.com.sg.

8. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Delisting, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the circular in its proper form and context.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Constitution of the Company is available for inspection at the registered office of the Company at 7 Temasek Boulevard, #11-06 Suntec Tower 1, Singapore 038987, during normal business hours from the date of this Circular up to and including the time and date of the EGM.

An announcement will be made by the Company should there be any changes to the registered office of the Company.

Shareholders who wish to inspect these documents at the registered office of the Company are required to send an email request to corporatemgmt@abterra.com.sg at least three (3) working days in advance to make a prior appointment to attend at the registered office of the Company to inspect the documents. Shareholders will need to identify themselves by submitting his/her/its full name as it appears on his/her/its CDP share records, contact number and NRIC/Passport/UEN number and state the manner in which he/she/it holds his/her/its Shares in the Company. Upon confirmation of the identity of the Shareholder, the Company will arrange a date when each Shareholder can come to the registered office to inspect accordingly. The inspection of documents will be arranged with each Shareholder to limit the number of people who are present at the registered office at any one point in time and such arrangements are subject to the prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be implemented by the relevant authorities from time to time.

Yours faithfully
For and on behalf of the Board of Directors of
ABTERRA LTD.

Cai Suirong
Director and Chief Executive Officer

NOTICE OF EXTRAORDINARY GENERAL MEETING



ABTERRA LTD.

(Incorporated in Republic of Singapore)
(Company Registration Number: 199903007C)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the “**EGM**”) of the Company will be held on 14 September 2023 at 8.30 a.m. at Raffles Marina, 10 Tuas West Drive Chartroom Level 2 Singapore 638404, for the purpose of considering and, if thought fit, passing (with or without modifications) the resolution set out below.

Please refer to the section titled ‘IMPORTANT INFORMATION’ below for details.

All capitalised terms in this Notice which are not defined herein shall have the same meanings as ascribed to them in the Company’s circular dated 30 August 2023.

ORDINARY RESOLUTION – THE PROPOSED DELISTING

IT IS RESOLVED that:

- (a) the proposed delisting of the Company without an exit offer (as required pursuant to Rule 1309 of the Listing Manual of the Singapore Exchange Securities Trading Limited) be and is hereby approved; and
- (b) the Directors or any of them be and is hereby authorised to do exercise such discretion to complete and do all such acts and things, including without limitation, to sign, seal, execute and deliver all such documents and deeds, and to approve any amendment, alteration or modification to any document, as they or he may consider necessary, desirable or expedient or in the interest of the Company to give effect to this resolution as they or he may think fit.

BY ORDER OF THE BOARD

CAI SUIRONG

Director and Chief Executive Officer

30 August 2023

NOTICE OF EXTRAORDINARY GENERAL MEETING

IMPORTANT INFORMATION

1. A member who:
 - (a) is not a relevant intermediary is entitled to appoint not more than two (2) proxies. Where such member's instrument appointing a proxy(ies) appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument; and
 - (b) a member who is a relevant intermediary is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

"Relevant intermediary" shall have the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.
2. A proxy need not be a member of the Company.
3. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged with the Company's registered office at 7 Temasek Boulevard #11-06 Suntec Tower 1 Singapore 038987; or
 - (b) if submitted electronically, be submitted by way of email to corporatemgmt@abterra.com.sg,in each case, by 8.30 a.m. on 12 September 2023 (not less than 48 hours before the time appointed for holding the EGM).
4. All members may, prior to the EGM, submit questions relating to the business of the EGM no later than 6.00 p.m. on 6 September 2023, being seven (7) calendar days after this notice is published via either of the following:
 - (a) if submitted by post, be lodged with the Company's registered office at 7 Temasek Boulevard #11-06 Suntec Tower 1 Singapore 038987; or
 - (b) if submitted electronically, be submitted by way of email to corporatemgmt@abterra.com.sg.
5. When submitting questions via post or via email, shareholders should provide the following details: (i) the shareholder's full name, (ii) shareholder's email address; and (iii) the manner in which the shareholder holds share in the Company, for verification purposes.
6. The Company will endeavour to address questions on SGXNET which are substantial and relevant on or before 8.30 a.m. on 10 September 2023 (being not less than 48 hours prior to the closing date and time for the lodgement of the proxy forms). For substantial and relevant questions received after the prescribed deadline, the Company will endeavour to address them together with questions raised at the EGM. Where substantially similar questions are received, they will be consolidated and not all questions may be individually addressed.

REMINDER

As the COVID-19 pandemic continues to evolve, further measures and/or changes to the EGM arrangements may be made on short notice in the ensuing days, even up to the day of the EGM. Members are advised to closely monitor announcements made on SGXNET for updates on the EGM.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and / or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the proxy(ies) and/or representative(s) as proxy for the EGM (including any adjournment thereof), the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and / or guidelines (the "Purposes"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty. The member's personal data and its proxy(ies)'s and/or representative(s)'s personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the Purposes, and retained for such period as may be necessary for the Company's verification and record purposes.

PROXY FORM

ABTERRA LTD.

(Incorporated in Republic of Singapore)
(Company Registration Number: 199903007C)

IMPORTANT

(i) A relevant intermediary may appoint more than two (2) proxies to attend the extraordinary general meeting (“EGM”).

(ii) For investors who have used their Central Provident Fund (“CPF”) monies (“CPF Investors”) and/or monies in the Supplementary Retirement Scheme (SRS) accounts (“SRS Investors”) to buy the Company’s shares, this circular and its enclosures are forwarded to you at the request of their CPF and/or SRS Approved Nominees (as the case may be) and is sent solely FOR INFORMATION ONLY.

(iii) This Proxy Form is not valid for use by CPF Investors or SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF Investors and SRS Investors:

(a) may vote at the EGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or

(b) may appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the EGM.

(iv) **Please read the notes overleaf which contain instructions on, inter alia, on the appointment of a prox(ies).**

I/We _____ (name) _____ (NRIC/Passport/Company Registration No.) of _____ (address) being a member / members* of Abterra Ltd. (the “Company”), hereby appoint:

Name	Address	Email Address	NRIC/ Passport Number	Proportion of Shareholding	
				No. of Shares	%
and/or (delete as appropriate)					

or the chairman of the EGM,

as my/our proxy/proxies to attend and vote for me/us on my/our behalf, at the EGM of the Company to be held at Raffles Marina, 10 Tuas West Drive Chartroom Level 2 Singapore 638404 on 14 September 2023 at 8.30 a.m. and at any adjournment thereof. If no specific direction as to voting is given in respect of the resolution, the proxy/proxies* will vote or abstain from voting at his/her discretion. Where the Chairman is appointed as proxy and in the absence of specific directions as to voting is given, the appointment of the Chairman as proxy will be treated as invalid.

No.	Resolution	For*	Against*	Abstain*
1.	The Proposed Delisting			

(* Voting will be conducted by poll. If you wish to exercise all your votes “For” or “Against” the resolution, please indicate (X) or (√) within the “For” or “Against” box provided. Alternatively, please indicate the number of votes “For” or “Against” in the “For” or “Against” box provided. If you wish for your proxy to abstain from voting on the resolution, please indicate (X) or (√) within the “Abstain” box provided. Alternatively, please indicate the number of votes that your proxy is directed to abstain from voting in the “Abstain” box provided in respect of that resolution.)

Dated this _____ day of _____ 2023

Signature(s) of Member(s)
or Common Seal of Corporate Member

Total number of Shares held:	
(a)	Depository Register
(b)	Register of Shareholders

*** IMPORTANT: PLEASE READ NOTES OVERLEAF**

PROXY FORM

Notes:

1. Please insert the total number of shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act 1967 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert the number of Shares. If you have Shares registered in your name in the Depository and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member who:
 - (a) is not a relevant intermediary is entitled to appoint not more than two (2) proxies. Where such member's instrument appointing a proxy(ies) appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument; and
 - (b) a member who is a relevant intermediary is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

"Relevant intermediary" shall have the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.
3. A proxy need not be a member of the Company.
4. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged with the Company's registered office at 7 Temasek Boulevard #11-06 Suntec Tower 1 Singapore 038987; or
 - (b) if submitted electronically, be submitted by way of email to corporatemgmt@abterra.com.sg,

in each case, by 8.30 a.m. on 14 September 2023 (not less than 48 hours before the time appointed for holding the EGM).
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
6. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act 1967 of Singapore.
8. In the case of joint holders of shares, any one of such persons may vote, but if more than one of such persons is present at the EGM, the person whose name stands first on the Register of Members or (as the case may be) in the Depository Register shall alone be entitled to vote.
9. Any alteration made to the instrument of proxy should be initialled by the person who signs it.
10. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time set for the EGM, as certified by The Central Depository (Pte) Limited to the Company.
11. The submission of an instrument or form appointing a proxy by a Shareholder of the Company does not preclude him from attending and voting in person at the EGM, if he is able to do so.
12. By submitting an instrument appointing a proxy(ies) and/or representative(s), the members accept and agrees to the personal data privacy terms set out in the Notice of EGM.

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