ABTERRA LTD.

(Company Registration No: 199903007C)

Unaudited Financial Statements and Dividend Announcement for the year ended 31 December 2019

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) A statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	THE GROUP					
	2019	2018		2018		
	(Unaudited)	(Unaudited and adjusted)*	Changes #	(Unaudited - Announcement dated 30 June 2019)	Variances for 2018	
	S$'000	S$'000	%	S$'000	S$'000	Note
Revenue	**78,478**	**272,769**	-71%	**270,844**	1,925	1
Cost of sales	(76,228)	(279,651)	-73%	(277,726)	(1,925)	1
Gross profit	**2,250**	**(6,882)**	NM	**(6,882)**		
Other operating income	1,117	3,790	-71%	450	3,340	2
Selling expenses	(842)	(2,253)	-63%	(2,253)		
Administrative expenses	(1,897)	(1,602)	18%	(1,584)	(18)	3
Other operating expenses	(359)	(1,855)	-81%	(3,775)	1,920	4
Finance costs	(68)	(113)	-40%	(113)		
Profit / (Loss) before taxation	**201**	**(8,915)**	**NM**	**(14,157)**		
Income tax	91	(94)	-197%	(94)		
Profit / (Loss) for the financial period	**292**	**(9,009)**	**NM**	**(14,251)**		
Other comprehensive income:						
Components of other comprehensive income that will be reclassified to profit or loss, net of taxation						
Exchange differences on translating foreign opera	136	1,648	-92%	1,581	67	5
Total comprehensive profit/(loss) for the financial period	**428**	**(7,361)**	**NM**	**(12,670)**		
Profit/(loss) attributable to:						
Owners of the Company	**(139)**	**(4,632)**	**NM**	**(9,700)**	5,068	6
Non-controlling interests	431	(4,377)	NM	(4,551)	174	6
	292	**(9,009)**	**NM**	**(14,251)**		
Total comprehensive income/(loss) attribtable to:						
Owners of the Company	**405**	**(2,788)**	**NM**	**(7,923)**	5,135	6
Non-controlling interests	23	(4,573)	NM	(4,747)	174	6
	428	**(7,361)**	**NM**	**(12,670)**		

NM – not meaningful

* Note: Refer to Paragraph 2 for explanation

Note: Refer to Paragraph 8(b)(i) to 8(b)(vi) for explanation

1(a)(ii) Notes to the statement of comprehensive income.

Variances for 2018

Note 1
One subsidiary in China, BLX, recognised revenue based on the issuance of tax invoice rather than when risks and rewards of ownership have been transferred in accordance with FRS 18.
The sales and purchase are back to back, the revenue and cost of sales of $1,925,390 (RMB 9,466,029) has been adjusted accordingly to comply with FRS 18.

Note 2
Being partial reversal by $3,340,326 of previously impaired amount, which was recovered from GNR HK.

Note 3
Additional administrative expenses $18,456 (RMB 90,739) in subsidiary taken up for FY 2018.

Note 4
Recognition of unrealised foreign exchange gain of $1,919,843 arising from translation of impairment loss of goodwill, trade and other receivables as at 31 December 2018.

Note 5
Exchange differences on translation of foreign operation for Lead China Group $66,734.

Note 6
Being recalculation due to changes in loss and other comprehensive income for the year.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	THE GROUP					THE COMPANY				
	31 Dec 2019 (Unaudited) S$'000	31 Dec 2018 (Unaudited and adjusted)* S$'000	31 Dec 2018 (Unaudited - Announcement dated 30 June 2019) S$'000	Variances for 2018 S$'000	Note	31 Dec 2019 (Unaudited) S$'000	31 Dec 2018 (Unaudited and adjusted)* S$'000	31 Dec 2018 (Unaudited - Announcement dated 30 June 2019) S$'000	Variances for 2018 S$'000	Note
ASSETS										
Non-current assets										
Property, plant and equipment	3,553	3,648	3,648			3,553	3,647	3,646		
Investments in subsidiaries	-	-	-			15,052	15,052	15,051		
Intangibles assets	-	-	5,572	(5,572)	7	-	-	-		
Investment properties	6,953	6,953	7,170	(217)	8	6,953	6,953	7,170	(217)	8
Other receivables	213	-	-			-	-	-		
Total non-current assets	**10,719**	**10,601**	**16,390**			**25,558**	**25,652**	**25,867**		
Current assets										
Trade receivables	9,644	24,167	36,644	(12,477)	9	292	-	-		
Other receivables, deposits and prepayments	2,656	3,131	46,851	(43,720)	10	65,830	66,498	106,084	(39,586)	13
Cash and cash equivalents	780	425	425			484	178	178		
Total current assets	**13,080**	**27,723**	**83,920**			**66,606**	**66,676**	**106,262**		
TOTAL ASSETS	**23,799**	**38,324**	**100,310**			**92,164**	**92,328**	**132,129**		
EQUITY										
Capital and reserves attribuable to owners of the Company										
Share capital	265,856	265,856	265,856			265,856	265,856	265,856		
Reserves	(261,171)	(261,118)	(205,609)	(55,509)		(244,132)	(243,803)	(203,824)	(39,979)	
	4,685	4,738	60,247			21,724	22,053	62,032		
Non-controlling interests	(2,878)	(2,901)	3,769	(6,670)		-	-	-		
Total equity	**1,807**	**1,837**	**64,016**			**21,724**	**22,053**	**62,032**		
LIABILITIES										
Current liabilities										
Trade payables	9,239	24,808	24,808			22	-	-		
Other payables and accruals	11,407	10,985	10,792	193	11	69,073	69,595	69,417	178	14
Other borrowing	1,346	680	-	680	12	1,345	680	-	680	12
Income tax liabilities	-	-	680	(680)	12	-	-	680	(680)	12
Total current liabilities	**21,992**	**36,473**	**36,280**			**70,440**	**70,275**	**70,097**		
Non-current liabilities										
Employee benefit obligation	-	14	14			-	-	-		
Total non-current liabilities	**-**	**14**	**14**			**-**	**-**	**-**		
Total liabilities	**21,992**	**36,487**	**36,294**			**70,440**	**70,275**	**70,097**		
TOTAL EQUITY AND LIABILITIES	**23,799**	**38,324**	**100,310**			**92,164**	**92,328**	**132,129**		

* Note: Refer to Paragraph 2 for explanation

1(b)(ii) Notes to the statement of financial position.

Variances for 2018

Note 7
Full impairment on supplier contract and goodwill on acquisition of subsidiaries.

Note 8
Being adjustment on fair value of investment property in FY 2017.

Note 9
Decrease in trade receivables of $1,876,168 (RMB 9,466,029) due to adjustment in BLX's revenue (refer Note 1).
Impairment of BLX's trade receivables of $10,601,425 as per FY 2017 audit adjustment.

Note 10
Being impairment loss of $4,132,783 for other receivables from GNR HK and $39,600,458 for deposit and interest receivables from Manfu (refer Note 13).

Note 11
Increase in other payables of $17,985 (RMB 90,739) due to additional administrative expenses in subsidiary taken up (refer to Note 3).
Additional accrual for audit fees for FY 2017 of $176,000 (refer to Note 14).

Note 12
Reclassification of income tax liabilities to other borrowing which was previously wrongly stated.

Note 13
Being impairment loss of $39,600,458 for deposit and interest receivables from Manfu.

Note 14
Additional accrual for audit fees for FY 31 December 2017 of $176,000.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	THE GROUP	
	2019	2018
	(Unaudited)	(Unaudited and adjusted)
	S$'000	S$'000
Cash flows from operating activities:		
Profit/(Loss) before taxation	201	(8,915)
Adjustments for:		
Depreciation of property, plant and equipment	181	282
Interest income	(2)	-
Interest expense	-	20
Unrealised exchange loss	(305)	(1,974)
Operating profit/(loss) before working capital changes	75	(10,587)
Changes in working capital:		
Trade receivables	14,523	25,583
Other receivables, deposits and prepayments	253	56
Trade payables	(15,569)	(2,146)
Other payables and accruals	449	(13,617)
Total changes in working capital	(269)	(711)
Interest received	2	(20)
Interest paid	-	-
Income tax (paid)/refunded	(46)	(405)
Net cash used in operating activities	**(313)**	**(1,136)**
Cash flows from investing activities:		
Proceeds from disposal of property, plant and equipment	2	-
Net cash inflow from acquisition of subsidiaries	-	-
Proceeds from disposal of investment properties held for sale	-	-
Net cash generated from investing activities	**2**	**-**
Cash flows from financing activities:		
Advance from immediate holding company	-	3
Proceeds from new loans	666	680
(Repayment to)/Advance from the immediate holding company	-	-
Net cash generated from financing activities	**666**	**683**
Net increase in cash and cash equivalents	**355**	**(453)**
Cash and cash equivalents at beginning of period	425	878
Cash and cash equivalents at end of period	**780**	**425**

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to owners of the Company							
THE GROUP	**Share capital S$'000**	**Asset revaluation reserve S$'000**	**Other reserve S$'000**	**Foreign currency translation reserve S$'000**	**Accumulated losses S$'000**	**Total S$'000**	**Non-controlling interests S$'000**	**Total equity S$'000**
Balance as at 1 January 2018 (Unaudited and adjusted)	**265,856**	**478**	**-**	**5,262**	**(264,070)**	**7,526**	**1,672**	**9,198**
Total comprehensive income/(loss) for the period	-	-	(12)	1,856	(4,632)	(2,788)	(4,573)	(7,361)
Reserve transfer due to the strike-off subsidiary	-	-	-	-	-	-	-	-
Balance as at 31 December 2018	**265,856**	**478**	**(12)**	**7,118**	**(268,702)**	**4,738**	**(2,901)**	**1,837**
Total comprehensive income/(loss) for the period	-	-	-	544	(139)	405	23	428
Reserve transfer due to the strike-off subsidiary	-	-		(4,677)	4,219	(458)	-	(458)
Balance as at 31 December 2019	**265,856**	**478**	**(12)**	**2,985**	**(264,622)**	**4,685**	**(2,878)**	**1,807**

THE COMPANY	**Share capital S$'000**	**Asset revaluation reserve S$'000**	**Accumulated losses S$'000**	**Total equity S$'000**
Balance as at 1 January 2018 *	**265,856**	**478**	**(242,362)**	**23,972**
Total comprehensive loss for the period	-	-	(1,919)	(1,919)
Balance as at 31 December 2018	**265,856**	**478**	**(244,281)**	**22,053**
Total comprehensive income for the period	-	-	(329)	(329)
Balance as at 31 December 2019	**265,856**	**478**	**(244,610)**	**21,724**

* Note: Refer to Paragraph 2 for explanation

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares that held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

- There were no changes in the Company's share capital during the period.
- There were no shares that may be issued on conversion or held as treasury shares.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at end of the immediately preceding year:

Number of issued & fully paid ordinary shares as at 31 December 2019 remain unchanged at 292,828,099 compared with 31 December 2018.

1(d)(vi) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at end of the current financial period reported on.

There were no sales, transfer, disposal, cancellation and/or use of treasury shares as at 31 December 2019.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have neither been reviewed nor audited.

The Company had worked very closely with its auditors, Messrs Foo Kon Tan LLP ("FKT") to audit the Company's financial figures for the financial year ended December 31, 2017. Accordingly, the data of this announcement is adjusted based on the audit report for the financial year ended December 2017 ("FY2017") which was released on 16 December 2019 and adopted by shareholders of the Company at the annual general meeting convened on 31 December 2019.

For the purposes of the audited financial statements for FY2017, FKT and the current Board of Directors of the Company had proposed audit adjustments and material impairment adjustments for FY2017 (collectively, the "Adjustments"), which would result in a variance between the audited and unaudited financial statement for FY2017. In this regard, please see the Company's announcement dated 14 November 2019 for more information pertaining to the Adjustments.

In light of the Adjustments, the opening retained earnings for the financial year ended 31 December 2018 ("FY2018") and the financial year ending 31 December 2019 ("FY2019") have been restated accordingly.

The tables below set out changes to the opening balances of accumulated losses, non-controlling interests, and foreign currency translation reserves for FY2018 and FY2019 as a result of the Adjustments.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice. (continued)

Financial year	Past announced opening balance for retained earnings (in S$'000)	Restated opening balance for retained earnings (in S$'000)	Reason for restatement
FY2018	(205,077)	(264,070)	Note A
FY2019	(214,777)	(268,702)	Note B

Note A: The variance of the retained earnings was mainly due to FY2017 proposed audit adjustment on impairment. The impairment of carrying amount of the supplier contract for iron ore fines or lumps of $325,556 undertaken by the subsidiary, Sunny Energy Limited was made as the management does not foresee that the intangible benefit of such supplier contract could be realized and there was a lack of recoverability of the carrying amount.

Full impairment of $5,901,566 goodwill on consolidation of the subsidiary, Tianjin Belong Faith Energy Minerals Co., Ltd was made as the Company was loss making for 2018.

Impairment of trade receivables and other receivables of $10,975,844 was proposed on the basis that there was lack of recoverability from customers and debtors. The management has determined that one of the Company's debtor, Shenzhen Manfu Industrial Co., Ltd has insufficient assets and lost its capability to make further repayment of the deposit made by the Company, therefore impairment of $7,473,109 was made.

Inventory of $21,350,000 from the subsidiary BLX was fully reversed to cost of sales to meet the financial reporting standards of Singapore, as BLX operates on a back-to-back sales model.

Note B: The restatement of amount was mainly due to adjustment of items in FY2017 and FY2018 Statement of comprehensive income as explained under 1(a)(ii).

Financial year	Past announced opening balance for non-controlling interests (in S$'000)	Restated opening balance for non-controlling interests (in S$'000)	Reason for restatement
FY2018	8,516	1,672	Note C
FY2019	3,769	(2,901)	Note D

Note C: The variance of the non-controlling interests was mainly due to FY2017 audit adjustment on the recognition of subsidiary's fair value of identifiable net assets after taken up adjustment under Note A.

Note D: The restatement of amount was due to recalculation on recognition of subsidiary's fair value of identifiable net assets after adjustment of FY2017 and FY2018 taken up as explained under 1(a)(ii) & 1(b)(ii).

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice. (continued)

Financial year	Past announced opening balance for foreign currency translation reserve (in S$'000)	Restated opening balance for foreign currency translation reserve (in S$'000)	Reason for restatement
FY2018	5,230	5,262	Note E
FY2019	7,007	7,118	Note F

Note E: The variance of the foreign currency translation reserve was mainly due to translation difference arising from FY2017 audit adjustment in share of net assets by NCI.

Note F: The variance of the foreign currency translation reserve was mainly due to FY2017 and FY2018 adjustment as explained under 1(a)(ii) & 1(b)(ii).

Due to the above, the Board wishes to highlight that there will be variances between (a) the Group's unaudited financial statements for the first quarter ended 31 March 2018 as announced on 13 May 2019, the Group's unaudited financial statements for the half year ended 30 June 2018 as announced on 13 August 2018, unaudited financial statements for the nine months ended 30 September 2018 as announced on 13 November 2018, unaudited financial statements for the year ended 31 December 2018 as announced on 30 June 2019, unaudited financial statements for the first quarter ended 31 March 2019 as announced on 17 July 2019, unaudited financial statements for the half year ended 30 June 2019 as announced on 14 August 2019, the Group's unaudited financial statements for the first nine months ended 30 September 2019 as announced on 14 November 2019 and/or this financial statements for the year ended 31 December 2019, and (b) the audit report(s) to be issued.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group and the Company has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared to the audited financial statements as at 31 December 2017 except for the adoption of certain revised Financial Reporting Standards ("FRS") which are effective for the financial period commencing 1 January 2019. The adoption of these FRS has no material impact on the Group's and the Company's financial statements.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Please refer to paragraph 4.

6. Earnings/(Loss) per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Earnings/(Loss) per ordinary share is calculated from dividing the Group's net profit/(loss) attributable to owners of the Company for the period by the weighted average number of ordinary shares in issue during the financial period.

	THE GROUP	
	Year ended 31 December	
	2019	2018
	(Unaudited)	(Unaudited and adjusted)
	S cents	S cents
Earnings/(Loss) per ordinary share for the period		
(i) Based on weighted average number of ordinary shares in issue	(0.05)	(1.58)
- Weighted average number of shares	292,828,099	292,828,099
(ii) On a fully diluted basis	(0.05)	(1.58)
- Weighted average number of shares	292,828,099	292,828,099

Earnings/(Loss) per ordinary share is calculated from dividing the Group's net profit/(loss) attributable to owners of the Company for the year by the weighted average number of ordinary shares in issue during the financial year.

7. Net asset value (for the issuer and group) per ordinary share based on total number of shares excluding treasury shares of the issuer at the end of the

(a) current financial period reported on; and

(b) immediately preceding financial year.

	THE GROUP		THE COMPANY	
	31 Dec 2019	31 Dec 2018	31 Dec 2019	31 Dec 2018
	(Unaudited)	(Unaudited and adjusted)	(Unaudited)	(Unaudited and adjusted)
	S cents	S cents	S cents	S cents
Net asset value per ordinary share based on total number of shares excluding treasury shares at the end of the reporting period	0.62	0.63	7.42	7.53

Net asset value per ordinary share is calculated based on the issued and paid-up share capital as at 31 December 2019 of 292,828,099 ordinary shares (31 December 2018: 292,828,099 ordinary shares).

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Consolidated Statement of Profit or Loss and Other Comprehensive Income

（i）Revenue and Cost of sales

During the period under review, revenue was generated mainly from the sales of coke and coal by the subsidiary Tianjin Belong Faith Energy Minerals Co., Ltd (天津博朗信国际贸易有限公司) ("BLX"). The other source of revenue was derived from ship chartering services business by the subsidiary Abterra Resources Pte Ltd, which represents approximately 17% of total revenue generated.

Revenue decreased 71% from S$272.7 million in the year ended 31 December 2018 to S$78.4 million in the year ended 31 December 2019. Accordingly, the cost of sales decreased 73% from S$279.6 million to S$76.2 million. The decrease is mainly due to the decrease of unit price of coke and coal which is affected by the macro and economic environment in which the business operates.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. (continued)

In financial year ended 31 December 2017, inventory was fully reversed to meet the financial reporting standards of Singapore because Company conducts its trading activities of coke and coal on back-to-back sales, as a result cost of sales has to be adjusted accordingly. The adjustment of cost of sales arising from audit adjustments for the financial year ended 31 December 2017 is as follows:

Financial year	Cost of sales before audit adjustment (in S$'000)	Cost of sales after audit adjustment (in S$'000)	Variance due to audit adjustment (in S$'000)
FY2017	(103,345)	(118,836)	(15,491)

（ii）Selling expenses

Selling expenses mainly represents staff cost, entertainment, and agency expenses in relation to the sales of coke and coal during the year. Selling expenses are kept to a minimum, causing a decrease of 63% from S$2.3 million in the year ended 31 December 2018 to S$0.8 million in the year ended 31 December 2019.

（iii）Administrative expenses

Administrative expenses are kept to a minimum to maintain normal operation activities.

（iv）Other operating income

Other operating income mainly represents the rental income, bank interest and unrealized foreign exchange gain. The decrease in other operating income from S$3.79 million as at 31 December 2018 to S$1.1 million as at 31 December 2019 was mainly due to reversal of impairment which recovered in 2018 from GNR HK and the increase in unrealized foreign exchange gain.

Further information on other operating income are as follows:

	THE GROUP Year ended 31 December	
	2019 (Unaudited)	2018 (Unaudited and adjusted)
	S$'000	S$'000
Other operating income		
Rental and service income	302	219
Reversal of impairment	-	3,340
Unrealized foreign exchange gain	547	-
Others	268	231

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. (continued)

（v）Other operating expenses

Other operating expenses, which are mainly composed of unrealised exchange losses and depreciation charges, decreased to S$0.3 million in the year ended 31 December 2019. This was mainly due to the decrease in unrealised foreign exchange loss.

	THE GROUP Year ended 31 December	
	2019 (Unaudited)	2018 (Unaudited and adjusted)
	S$'000	S$'000
Other operating expenses		
Unrealized foreign exchange loss	178	1,605
Depreciation	181	282
Others	-	(32)

（vi）Profit for the financial period

In view of the above, the Group recorded profit after tax of S$0.2 million for the year ended 31 December 2019, as compared to loss after tax of S$9 million for the corresponding period in 2018.

Review of Consolidated Statement of Financial Position

Property, plant and equipment and Investment properties

Property, plant and equipment of the Group was decreased by approximately S$0.1 million.

Mining rights of Australian mine belonging to the Company's subsidiary, Abterra Australia Pty Limited ("Abterra Australia") was suspended by the Australian government on 7 March 2018. Further, Abterra Australia has been placed under liquidation since 4 March 2019. Abterra Australia has not been involved in any financial changes until now. So far it has not had a significant impact on the Group's finances.

Inventories

Inventories is recorded as NIL because the trading activities of coke and coke being on a back-to-back basis meant that no inventories would be retained.

Trade receivables

Trade receivables decreased from S$24.1 million as at 31 December 2018 to S$9.6 million as at 31 December 2019. The decrease in trade receivables was resulted from the drop in revenue as afore-explained.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. (continued)

Other receivables, deposits and prepayments

Other receivables, deposits and prepayments decreased from S$3.1 million as at 31 December 2018 to S$2.6 million as at 31 December 2019. The decrease was mainly due to arose as BLX had decreased prepayment in trade close to the end of financial period and had collected on other receivables prior to the end of financial period.

Further information on the nature, breakdown and details of other receivables is as follows:

	THE GROUP	
	Dec 2019 (Unaudited)	**Dec 2018 (Unaudited and adjusted)**
	S$'000	**S$'000**
Amount due from related parties	388	398
Deposits	388	376
Receivables and prepayments	55	53
Other	1,825	2,304
	2,656	3,131

Cash and cash equivalents

Cash and cash equivalents of the Group increased from S$0.42 million at as 31 December 2018 to S$0.78 million as at 31 December 2019.

Trade payables

Trade payables decreased from S$24.8 million as at 31 December 2018 to S$9.2 million as at 31 December 2019. The decrease in trade payables was mainly due to decreased in cost of sales and the Group's settlement of accounts close to end of financial period compared to last year as at 31 December 2018.

Other payables and accruals and income tax liabilities

Other payables and accruals increased from S$11 million as at 31 December 2018 to S$11.4 million as at 31 December 2019. The decrease was mainly due to the Group's settlement of other payables outstanding from last year as at 31 December 2018.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. (continued)

Other borrowings

Further information on the borrowings and debt securities (for the group) are as follows:

	2019 (Unaudited) S$'000	2018 (Unaudited and adjusted) S$'000
Secured loan		
Loan 1	673	680
Loan 2	673	-
	1,346	680

Loan 1 and 2 are dominated in United State dollar, secured by first all monies legal mortgage on 7 Temasek Boulevard #11-01 Suntec Tower One Singapore 038987 and bears fixed interest rates of 13% and 13.5% per annum respectively. The loans are repaid by way of instalment payments and will be fully repaid in year 2020.

Review of Consolidated Statement of Cash Flows

Net cash used in operating activities for the financial year ended 31 December 2019 was S$0.3 million compared to S$1.1 million cash used for the corresponding period in 2018. The decreased in net cash outflow was due to the Group is profitable during the period under review.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The COVID-19 pandemic is creating great uncertainties on global trading businesses. The Group's main trading key subsidiary, BLX has not been operating normally in Tianjin, China due to the epidemic situation. Its office has been closed since January 2020 and this will greatly affect the Group's operating income.

Most of the countries have imposed travel and trade restrictions against China or other affected region and therefore relatively caused huge impact on international trading business. The Group also expects the decrease in the global demand of coke, coal and iron ores.

After the stabilisation of global COVID-19 conditions, the Company's businesses may take up to a further 6 months to fully resume operations and to run normally.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared or recommended by the Board of Directors in view of the Group's current cashflow position.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for Interested Person Transactions ("IPTs").

14. Negative assurance confirmation by the Board pursuant to Rule 705(5) of the Listing Manual.

Not required for announcement on full year results.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Group has procured undertakings from all its directors and executive officers under Rule 720(1).

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

16. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

	Trading - Iron Ore	Trading - Coke and Coal	Total
	S$'000	S$'000	S$'000
For the year ended 31 December 2019 (Unaudited)			
Revenue	-	78,478	78,478
Segment results	-	2,250	2,250
Other operating income			1,117
Unallocated costs			(3,098)
Finance costs			(68)
Share of results of equity-accounted for associates			-
Loss before tax			201
Income tax			91
Non-controlling interests			431
Loss attributable to owners of the Company			292
Non-cash items:			
Depreciation of property, plant and equipment			181
Unrealised exchange loss			178
At 31 December 2019 (Unaudited)			
Segment assets	-	11,470	11,470
Unallocated assets			12,329
Consolidated total assets			**23,799**
Segment liabilities	-	9,336	9,336
Unallocated liabilities			12,656
Consolidated total liabilities			**21,992**

16. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year. (continued)

	Trading - Iron Ore	Trading - Coke and Coal	Total
	S$'000	S$'000	S$'000
For the year ended 31 December 2018 (unaudited and adjusted)			
Revenue	-	272,769	272,769
Segment results	-	(6,882)	(6,882)
Other operating income			1,436
Unallocated costs			(3,356)
Finance costs			(113)
Share of results of equity-accounted for associates			-
Loss before tax			(8,915)
Income tax			(94)
Non-controlling interests			(4,377)
Loss attributable to owners of the Company			(9,009)
Non-cash items:			
Depreciation of property, plant and equipment			282
Unrealised exchange loss			1,605
At 31 December 2018 (Unaudited)			
Segment assets	-	26,486	26,486
Unallocated assets			11,838
Consolidated total assets			**38,324**
Segment liabilities	-	24,907	24,907
Unallocated liabilities			11,566
Consolidated total liabilities			**36,473**

17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

On 18 August 2017, the Group completed the acquisition of a 51% equity interest in Tianjin Belong Faith Energy Minerals Co., Ltd (天津博朗信国际贸易有限公司) ("BLX") for a consideration of RMB74.2 million (equivalent to approximately S$15.1 million) wholly satisfied by the issuance of 48,553,949 Consideration Shares at the Issue Price of S$0.31 per Consideration Share to the Vendors. BLX is a trading company primarily engaged in the import and export of coal with customers in the PRC.

18. A breakdown of sales.

	THE GROUP		
	Latest Financial Year S$'000	**Previous Financial Year** S$'000	**Changes** %
(a) Sales reported for first half year	33,928	52,323	-35%
(b) Operating profit/(loss) after tax before deducting non-controlling interest reported for first half year	1,152	(5,729)	-120%
(c) Sales reported for second half year	44,550	220,446	-80%
(d) Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	(951)	(3,186)	-70%

19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable.

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Clause 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, Abterra Ltd. wishes to advise that none of the persons occupying managerial positions in the Company or any of its principal subsidiaries are related to a director, chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Cai Suirong

Executive Director and Chief Executive Officer

27 July 2020