ABTERRA LTD.
(Registration No. 199903007C)

MATERIAL DIFFERENCE BETWEEN UNAUDITED FINANCIAL STATEMENTS AND AUDITED FINANCIAL STATEMENTS

The Board of Directors (the "**Board**") of Abterra Ltd. (the "**Company**") refers to the announcement released by the Company on 26 February 2015 with regards to the unaudited financial statements for the financial year ended 31 December 2014 ("FY2014").

The Board wishes to announce that pursuant to Rule 704(6) of the Listing Manual of the SGX-ST, the following material adjustments and reclassifications had been made following the finalisation of the audit.

A. Group's consolidated statement of profit or loss and other comprehensive income

	Unaudited S$'000	Audited S$'000	Difference S$'000	Please refer to Note
Revenue	49,005	49,005	-	
Cost of sales	(45,318)	(45,318)	-	
Gross profit	3,687	3,687	-	
Other operating income	7,678	7,678	-	
Administrative expenses	(5,314)	(5,314)	-	
Other operating expenses	(6,265)	(42,806)	(36,541)	1
Finance cost	(1,200)	(1,200)	-	
Share of profit/(loss) of associates	1,194	(22,833)	(24,027)	2
Loss before income tax	(220)	(60,788)	(60,568)	
Income tax expense	(2)	(2)	-	
Loss for the financial year	(222)	(60,790)	(60,568)	
Other comprehensive income				
Items that may be reclassified subsequently to profit and loss				
Currency translation differences arising from consolidation	1,188	181	(1,007)	3
Total comprehensive income/(loss)	966	(60,609)	(61,575)	
Loss attributable to:				
- Equity holders of the Company	1,088	(50,170)	(51,258)	
- Non-controlling interests	(1,310)	(10,620)	(9,310)	6
	(222)	(60,790)	(60,568)	
Toal comprehensive income/(loss)				
- Equity holders of the Company	1,402	(50,472)	(51,874)	
- Non-controlling interests	(436)	(10,137)	(9,701)	6
	966	(60,609)	(61,575)	

B. Group's consolidated statement of financial position

	Unaudited S$'000	Audited S$'000	Difference S$'000	Please refer to Note
ASSETS				
Non-current assets				
Property, plant and equipment	12,304	12,304	-	
Subsidiaries	-	-	-	
Associates	82,568	57,534	(25,034)	2
Available-for-sale financial assets	12,345	12,345	-	
Derivative financial asset	-	-	-	
Intangibles assets	3,985	3,985		
Investment properties	26,000	26,000	-	
Other receivables	-	-	-	
Total non-current assets	**137,202**	**112,168**	(25,034)	
Current assets			-	
Inventories	-	-	-	
Trade receivables	20,492	112	(20,380)	4
Other receivables, deposits and prepayments	97,463	61,956	(35,507)	5
Tax recovable	-	-	-	
Financial assets at fair value through profit or loss	-	-	-	
Cash and cash equivalents	1,655	1,655	-	
Total current assets	**119,610**	**63,723**	(55,887)	
			-	
TOTAL ASSETS	**256,812**	**175,891**	(80,921)	
EQUITY				
Capital and reserves and non-controlling interests				
Share capital	250,805	250,805	-	
Share option reserve	1,683	1,683	-	
Foreign currency translation reserve	3,046	2,430	(616)	3
Accumulated losses	(74,677)	(125,935)	(51,258)	
	180,857	128,983	51,874	
Non-controlling interests	24,957	15,256	(9,701)	6
Total equity	**205,814**	**144,239**	(61,575)	
			-	
LIABILITIES			-	
Current liabilities				
Trade payables	19,394	-	(19,394)	4
Other payables and accruals	15,115	15,163	48	4,5
Income tax payable	51	51	-	
Term loans	15,620	15,620	-	
Total current liabilities	**50,180**	**30,834**	(19,346)	
Non-current liabilities			-	
Employee benefit obligation	27	27		
Deferred tax liabilities	791	791	-	
Total non-current liabilities	**818**	**818**	-	
Total liabilities	**50,998**	**31,652**	(19,346)	
TOTAL EQUITY AND LIABILITIES	**256,812**	**175,891**	(80,921)	

Notes:

1) The increase in other operating expenses was mainly attributable to the provision of non-trade receivable amounted to S$36,541,000 in respect of the deposit previously paid for the acquisition of 54.42% interest in Zuoquan Xinrui Metallurgy Mine Limited. The provision arose from the shortfall of the fair value of the pledged assets for such deposit as the valuation report of this security was only available and finalised after the date of the full year result announcement on 26 February 2015. The Company is currently exploring options to address the shortfall in the value of the security (including but not limited to requiring Shenzhen Manfu Industrial Co. Ltd. to provide additional security pursuant to the terms of the deed of termination dated 31 December 2013. Details regarding the deed of termination are set out in the announcements made by the Company on 31 December 2013 and 9 May 2014), and will provide further updates in due course.

2) The increase in the share of loss of associate was due to the recognition of impairment loss on non-current assets by the associate, Shanxi Fenxi Ruitai Zhengzhong Coal Limited. The impairment loss was recognized based on the valuation report which was only available and finalised after the date of the full year result announcement on 26 February 2015.

3) Currency translation difference decreased by S$1,007,000 was mainly due to the decrease in interest in associate which is denominated in foreign currency.

4) Trade receivable and trade payable decreased by S$20,380,000 and S$19,394,000 respectively was due to the reclassification of balances to amount due to the immediate holding company which was included in other payable. The reclassification was resulted from the settlement of debts by receivables and to payables by the holding company which only notified the Company after the full year result announcement of 26 February 2015.

5) The decrease in other receivables of S$35,507,000 was due to the provision for non-trade receivable amounting to S$36,541,000 as explained in Note 1 above. The decrease was partially offset with the reclassification of debt to other payables amounting to S$1,034,000.

6) The decrease in the non-controlling interest of S$9,701,000 was due to the decrease in the net asset of the partially owned subsidiary, Sunny Energy Limited and its subsidiaries. The decrease in the subsidiary's net asset was attributable to the increase in the share of associate loss as explained in Note 2 above.

BY ORDER OF THE BOARD

Lau Yu
Director and Chief Executive Officer
10 April 2015