

**ABTERRA LTD.**

**(Company Registration No: 199903007C)**

**Unaudited Financial Statements and Dividend Announcement for the first quarter ended 31 March 2021**

*This announcement is prepared and made pursuant to the SGX-ST's requirements, as required under Listing Rule 705(2).*

**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.**

		<b>THE GROUP</b>		
		<b>Quarter ended 31 March</b>		
		<b>2021</b>	<b>2020</b>	<b>Changes</b>
		<b>(Unaudited)</b>	<b>(Unadjusted)</b>	
Note		<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
	<b>Revenue</b>	<b>298</b>	<b>5,627</b>	-95%
	Cost of sales	(297)	(5,601)	-95%
	<b>Gross profit</b>	<b>1</b>	<b>26</b>	-96%
	Other operating income	191	731	-74%
	Selling expenses	(18)	(66)	-73%
	Administrative expenses	(400)	(475)	-16%
	Other operating expenses	(26)	(2,228)	-99%
	Finance costs	(65)	(50)	30%
	<b>(Loss) / Profit before taxation</b>	<b>(317)</b>	<b>(2,062)</b>	-85%
	Income tax	-	-	NM
	<b>(Loss) / Profit for the financial period</b>	<b>(317)</b>	<b>(2,062)</b>	-85%
	<b>Other comprehensive income:</b>			
	<i>Components of other comprehensive income that will be reclassified to profit or loss, net of taxation</i>			
	Exchange differences on translating foreign operations	(191)	1,850	NM
	<b>Total comprehensive (loss) / profit for the financial period</b>	<b>(508)</b>	<b>(212)</b>	140%
	<b>(Loss) / Profit attributable to:</b>			
	Owners of the Company	(296)	(2,117)	-86%
	Non-controlling interests	(21)	55	NM
		<b>(317)</b>	<b>(2,062)</b>	-85%
	<b>Total comprehensive (loss) / income attributable to:</b>			
	Owners of the Company	(423)	11	NM
	Non-controlling interests	(85)	(223)	-62%
		<b>(508)</b>	<b>(212)</b>	140%

NM – not meaningful

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

Note 1 - Profit after tax is arrived at after charging/(crediting) the following items:

	<b>THE GROUP</b>	
	<b>Quarter ended 31 March</b>	
	<b>2021</b>	<b>2020</b>
	<b>(Unaudited)</b>	<b>(Unadjusted)</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Depreciation of property, plant and equipment	14	44
Foreign currency exchange loss (gain)	(123)	2,027

**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 Mar	31 Dec	31 Mar	31 Dec
	2021	2020	2021	2020
	(Unaudited)	(Unadjusted)	(Unaudited)	(Unadjusted)
	SS'000	SS'000	SS'000	SS'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	32	3,468	32	3,468
Investments in subsidiaries	-	-	15,052	15,052
Investment properties	1,108	6,953	1,108	6,953
Other receivables	85	111	-	-
<b>Total non-current assets</b>	<b>1,225</b>	<b>10,532</b>	<b>16,192</b>	<b>25,473</b>
<b>Current assets</b>				
Trade receivables	81	79	-	-
Other receivables, deposits and prepayments	196	190	8,891	8,761
Non-current assets held for sale	9,267	-	9,267	-
Cash and cash equivalents	243	269	137	89
<b>Total current assets</b>	<b>9,787</b>	<b>538</b>	<b>18,295</b>	<b>8,850</b>
<b>TOTAL ASSETS</b>	<b>11,012</b>	<b>11,070</b>	<b>34,487</b>	<b>34,323</b>
<b>EQUITY</b>				
<b>Capital and reserves and non-controlling interests</b>				
Share capital	265,856	265,856	265,856	265,856
Reserves	(260,020)	(259,597)	(236,776)	(236,607)
	5,836	6,529	29,080	29,249
Non-controlling interests	(4,505)	(4,420)	-	-
<b>Total equity</b>	<b>1,331</b>	<b>1,839</b>	<b>29,080</b>	<b>29,249</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade payables	732	721	12	11
Other payables and accruals	6,736	6,600	3,182	3,153
Other borrowing	2,213	1,910	2,213	1,910
Income tax liabilities	-	-	-	-
<b>Total current liabilities</b>	<b>9,681</b>	<b>9,231</b>	<b>5,407</b>	<b>5,074</b>
<b>Total liabilities</b>	<b>9,681</b>	<b>9,231</b>	<b>5,407</b>	<b>5,074</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>11,012</b>	<b>11,070</b>	<b>34,487</b>	<b>34,323</b>

**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.**

	<b><u>THE GROUP</u></b>	
	<b><u>Quarter ended 31 March</u></b>	
	<b>2021</b>	<b>2020</b>
	<b>(Unaudited)</b>	<b>(Unadjusted)</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash Flows from operating activities:</b>		
(Loss)/ profit before taxation	(317)	(2,062)
Adjustment for :-		
Depreciation of property, plant and equipment	14	44
Interest income	-	-
Interest expenses	63	48
Impairment gain on trade receivables and other receivables	(2)	-
Unrealised exchange loss/(gain)	(128)	1,975
Operating profit/ (loss) before working capital changes	(370)	5
Changes in working capital :		
Trade receivables	(1)	(791)
Inventories	-	-
Other receivables, deposit and prepayment	25	67
Trade payable	-	367
Other payables and accruals	81	(183)
Total changes in working capital	(265)	(535)
Interest received	-	-
Interest paid	(63)	(48)
Income tax refund	(1)	(5)
<b>Net Cash used in operating activities</b>	<b>(329)</b>	<b>(588)</b>
<b>Cash flows from investing activities</b>		
Proceed from disposal of property, plant and equipment	-	-
Net cash inflow from acquisition of subsidiaries	-	-
<b>Net cash flows from investing activities</b>	<b>-</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Advance from immediate holding company	-	(2)
Proceed from new loan	303	142
<b>Net cash flows from financing activities</b>	<b>303</b>	<b>140</b>
<b>Net decreased in cash and cash equivalents</b>	<b>(26)</b>	<b>(448)</b>
Cash and cash equivalents at beginning of period	269	780
Cash and cash equivalents at end of period	<b>243</b>	<b>332</b>

**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 owner of the Company

THE GROUP (unaudited)

	Share Capital	Assets revaluation reserve	Other reserve	Foreign currency translation reserve	Accumulated losses	Total	Non-controlling interest	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance as at 1 January 2020</b>	265,856	478	(12)	2,985	(264,622)	4,685	(2,878)	1,807
Total comprehensive income/ (loss) for the period	-	-	12	(1,598)	3,160	1,574	(1,542)	32
<b>Balance as at 31 December 2020</b>	265,856	478	-	1,387	(261,462)	6,259	(4,420)	1,839
Total comprehensive income/ (loss) for the period	-	-	-	(127)	(296)	(423)	(85)	(508)
<b>Balance as at 31 March 2021</b>	<b>265,856</b>	<b>478</b>	<b>-</b>	<b>1,260</b>	<b>(261,758)</b>	<b>5,836</b>	<b>(4,505)</b>	<b>1,331</b>

THE COMPANY (unaudited)

	Share Capital	Assets revaluation reserve	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance as at 1 January 2020</b>	265,856	478	(244,610)	21,724
Total comprehensive loss for the period	-	-	7,525	7,525
<b>Balance as at 31 December 2020</b>	265,856	478	(237,085)	29,249
Total comprehensive loss for the period	-	-	(169)	(169)
<b>Balance as at 31 March 2021</b>	<b>265,856</b>	<b>478</b>	<b>(237,254)</b>	<b>29,080</b>

**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:-**

No. of issued & fully paid ordinary shares

Balance as at 31 December 2020 and 31 March 2021      292,828,099

**1(d)(iv) 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 March 2021.

**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.

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

Not applicable.

**3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

**(a) Updates on the efforts taken to resolve each outstanding audit issue.**

**(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

**This is not required for any audit issue that is a material uncertainty relating to going concern.**

The Company wishes to update that it has 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. The Board confirms that the impact of all outstanding audit issues in the financial statements have been adequately disclosed.

**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 unaudited financial statements as at 31 December 2020 except for the adoption of certain revised Financial Reporting Standards (“FRS”) which are effective for the financial period commencing 1 January 2021. 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.**

	<b>THE GROUP</b>	
	<b>Quarter ended 31 March</b>	
	<b>2021</b>	<b>2020</b>
	<b>S cents</b>	<b>S cents</b>
<b>(Loss) / Earnings per ordinary share for the year</b>		
(i) Based on weighted average number of ordinary shares in issue	(0.10)	(0.72)
- Weighted average number of shares	292,828,099	292,828,099
(ii) On a fully diluted basis	(0.10)	(0.72)
- Weighted average number of shares	292,828,099	292,828,099

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

**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.**

	<b>THE GROUP</b>		<b>THE COMPANY</b>	
	<b>31 Mar 2021</b>	<b>31 Mar 2020</b>	<b>31 Mar 2021</b>	<b>31 Mar 2020</b>
	<b>S cents</b>	<b>S cents</b>	<b>S cents</b>	<b>S cents</b>
Net asset value per ordinary share based on total number of shares excluding treasury shares at the end of the reporting period	0.45	0.54	9.93	6.62

Net asset value per ordinary share is calculated based on the issued and paid-up share capital as at 31 March 2021 of 292,828,099 ordinary shares (31 March 2020 of 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**

**Revenue and Cost of sales**

During the period under review, revenue was generated wholly from the ship chartering introductory services business by Abterra Resources Pte Ltd, which were ancillary to and derived from the Group's coal trading business. Meanwhile, there was no revenue generated from the Group's primary trading business. The increase in international freight cost has drastically deduced the competitiveness of imported coking coal in the China market. As such, the Group was not able to conclude any sale of coking coal in the period under review.

Revenue decreased 95% from S\$5.6 million as at 1Q2020 to S\$0.3 million as at 1Q2021. Accordingly, the cost of sales decreased 95% from S\$5.6 million to S\$0.3 million. The decrease in cost of sales is consistent with the decrease in revenue.

**Selling expenses**

Selling expenses mainly represents staff cost and entertainment expenses in relation to the Company's primary trading activity during the period. Selling expense decreased 73% from approximately S\$66,000 for the period ended 31 March 2020 to approximately S\$18,000 for the period ended 31 March 2021. The decrease is resulted from the substantial reduction in variable staff cost and spending on the business sales activity.

**Administrative expenses**

Administrative expenses comprise mainly of expenses for general business support activity and are kept to a minimum to maintain normal operation activities.

**Other operating income**

The decrease in other operating income from S\$0.73 million for the period ended 31 March 2020 to approximately S\$0.19 million for the period ended 31 March 2021 was mainly due the lower foreign exchange gain in the period ended March 2020.

	<b>THE GROUP</b>	
	<b>Period ended</b>	
	<b>31 March</b>	
	<b>2021</b>	<b>2020</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Other operating income</b>		
Rental and service income	62	75
Government grant	6	-
Unrealized foreign exchange gain	120	656
Others	3	-



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

**Other operating expenses**

Other operating expenses, which are mainly composed of unrealised exchange losses and depreciation charges, decreased by 98% from S\$2.23 million for the period ended 31 March 2020 to S\$0.04 million for the period ended 31 March 2021.

	<b>THE GROUP</b>	
	<b>Period ended</b>	
	<b>31 March</b>	
	<b>2021</b>	<b>2020</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Other operating expenses</b>		
Unrealized foreign exchange loss	-	2,027
Depreciation	14	44
Others	21	157

**(Loss)/ profit for the financial period**

Due to the lower other operating expenses, the Group recorded a lower loss after tax of S\$0.32 million for the period ended 31 March 2021, as compared to loss after tax of S\$2 million for the corresponding period in 2020.

**Review of Consolidated Statement of Financial Position**

**Property, plant and equipment, Investment properties and Non-Current Assets Held for Sale**

The decrease in Property, plant and equipment and Investment Properties of the Group is mainly due to the reclassification of office units at Suntec Tower One which are previously hold for both own-occupied and investment purpose to Non-Current Assets Held for Sale after satisfying the recognition criteria of FRS 105. The Group intends to sell the office units and is currently actively looking for potential buyers.

**Trade receivables**

There was no significant change in trade receivables for the period ended 31 December 2020 from trade receivables for the period ended 31 March 2021.

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**

There was no significant change in other receivables for the period ended 31 December 2020 from other receivables for the period ended 31 March 2021.

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

	<b>THE GROUP</b>	
	<b>Mar 2021</b>	<b>Dec 2020</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Deposits	76	76
Receivables and prepayments	16	11
Other	104	103
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	196	190

**Cash and cash equivalents**

Cash and cash equivalents of the Group has decreased by S\$0.03 million from approximately S\$0.27 million as of 31 December 2020 to approximately S\$0.24 million as of 31 March 2021. The decrease is mainly due to the Group was unable to generate cash from its profit-generating activities. In addition, administrative expenses are necessary for the Group to maintain its normal operation activities which the Group has tried to keep the cost to a minimum.

**Trade payables**

There was no significant change in trade payables for the period ended 31 December 2020 from trade payables for the period ended 31 March 2021.

**Other payables and accruals and income tax liabilities**

There was no significant change in other payables for the period ended 31 December 2020 from other payables for the period ended 31 March 2021.

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:

	<b>THE GROUP</b>	
	<b>Mar 2021</b>	<b>Dec 2020</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Secured loan</b>		
Loan 1	673	661
Loan 2	733	720
Loan 3	538	529
Loan 4	269	-
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	2,213	1,910

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The Company has obtained additional Loan 4 with interest rate of 13% per annum during the period under review. All the loans obtained by the Company are dominated in United State dollar and bears a fixed interest rate of 13% per annum except the Loan 2 which bears a fixed interest rate of 13.5% per annum. The loans are repaid by instalment payments and will be fully repaid in year 2021 and 2022.

**Review of Consolidated Statement of Cash Flows**

Net cash used in operating activities for the financial period ended 31 March 2021 was approximately S\$329,000 compared to approximately S\$588,000 cash used for the corresponding period in 2020. The decrease in net cash outflow was due to substantial reduction in variable staff cost and spending on the business sales activity. The management tried to keep all expenses to a minimal level.

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 coking coal market continues to be weak in the Chinese market. Notwithstanding, the price of coking coal is expected to improve, the gain may not catch up with the increase in international freight cost. As such, imported coking coal has lost its price advantage in China and the trend may continue until the international freight cost levels out.

Chinese customers' demand for imported coking coal is not expected to recover in the near future, and the Company will be monitoring the situation closely.

The Board is also of the view that the indefinite suspension of all activities under the framework of the China-Australia Strategic Economic Dialogue as a result of the differences between the Australian Commonwealth Government and the National Development and Reform Commission of the China may have an impact the Group's businesses and financials.

The Company will continue to provide further updates and details in subsequent announcements to update shareholders on the Group's corporate developments as and when such announcements may be appropriate.

**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/recommendeded, 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.**

The Board of Directors hereby confirms that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial statements for the period ended 31 March 2021 to be false or misleading in any material aspect.

**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).

**BY ORDER OF THE BOARD**

**Cai Suirong**  
**Executive Director and Chief Executive Officer**  
**12 May 2021**