ABTERRA LTD.

(Company Registration No: 199903007C)

Unaudited Financial Statements and Dividend Announcement for the yearended 31 December 2018

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.

	Note	THE GROUP 2018 (Unaudited) S$'000	2017 (Unaudited) S$'000	Changes %
Revenue		**270,844**	**122,561**	121%
Cost of sales		(277,726)	(118,835)	134%
Gross profit		**(6,882)**	**3,726**	-285%
Other operating income		450	164	174%
Selling expenses		(2,253)	(541)	316%
Administrative expenses		(1,584)	(1,846)	-14%
Other operating expenses		(3,775)	(4,317)	-13%
Finance costs		(113)	(100)	13%
Loss before tax		**(14,157)** #	**(2,914)**	386%
Income tax		(94)	(209)	-55%
Loss after tax	1	**(14,251)**	**(3,123)**	356%
Other comprehensive income/(loss):				
Components of other comprehensive income that will not be reclassified to profit or loss, net of taxation				
Gain on revaluation of property		-	-	NM
Components of other comprehensive income that will be reclassified to profit or loss, net of taxation				
Exchange differences on translating foreign operations		1,581	1,651	-4%
Total comprehensive loss for the year		**(12,670)**	**(1,472)**	**761%**
Loss for the year attributable to:				
Owners of the Company		**(9,700)**	**(4,999)**	**94%**
Non-controlling interests		(4,551)	1,876	-343%
		(14,251)	**(3,123)**	**356%**
Total comprehensive loss for the year attributable to:				
Owners of the Company		**(7,923)**	**(3,429)**	**131%**
Non-controlling interests		(4,747)	1,957	-343%
		(12,670) #	**(1,472)**	**761%**

NM – not meaningful

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

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

	THE GROUP	
	2018	**2017**
	(Unaudited)	**(Unaudited)**
	S$'000	**S$'000**
Depreciation of property, plant and equipment	144	224
Fair value loss/(gain) on investment properties	-	-
Fair value loss/(gain) on investment properties held for sale		
Provision for doubtful debts - non-trade	-	2,736
(Gain)/Loss on disposal of property, plant andequipment	-	-
Loss on disposal of investment properties	-	-
Impairment ofintangible asset	-	-
Interest expense	20	92
Foreign currency exchangeloss	4,517	2,373

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 2018 (Unaudited) S$'000	31 Dec 2017 (Unaudited) S$'000	31 Dec 2018 (Unaudited) S$'000	31 Dec 2017 (Unaudited) S$'000
ASSETS				
Non-current assets				
Property, plant and equipment	3,648	6,183	3,646	6,181
Investments in subsidiaries	-	-	15,051	15,055
Intangibles assets	5,572	5,719	-	-
Investment properties	7,170	4,828	7,170	4,828
Total non-current assets	**16,390**	**16,730**	**25,867**	**26,064**
Current assets				
Inventories	-	-	-	-
Investment properties held for sale	-	-	-	-
Trade receivables	36,644	62,695	-	1,458
Other receivables, deposits and prepayments	46,851	52,362	106,084	118,129
Cash and cash equivalents	425	461	178	28
Total current assets	**83,920**	**115,518**	**106,262**	**119,615**
TOTAL ASSETS	**100,310**	**132,248**	**132,129**	**145,679**
EQUITY				
Capital and reserves and non-controlling interests				
Share capital	265,856	265,856	265,856	265,856
Reserves	(205,609)	(197,686)	(203,824)	(200,506)
Non-controlling interests	3,769	8,516	-	-
Total equity	**64,016**	**76,686**	**62,032**	**65,350**
LIABILITIES				
Current liabilities				
Trade payables	24,808	27,372	-	952
Other payables and accruals	10,792	21,557	69,417	79,377
Income tax liabilities	680	6,618	680	-
Borrowings	-	-	-	-
Total current liabilities	**36,280**	**55,547**	**70,097**	**80,329**
Non-current liabilities				
Employee benefit obligation	14	15	-	-
Total non-current liabilities	**14**	**15**	-	-
Total liabilities	**36,294**	**55,562**	**70,097**	**80,329**
TOTAL EQUITY AND LIABILITIES	**100,310**	**132,248**	**132,129**	**145,679**

1(b)(ii) Aggregate amount of the group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31 December 2018 (Unaudited)		As at 31 December 2017 (Unaudited)	
Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000
-	680	–	–

Amount repayable after one year

As at 31 December 2018 (Unaudited)		As at 31 December 2017 (Unaudited)	
Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000
-	680	-	-

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	
	2018 (Unaudited) S$'000	2017 (Unaudited) S$'000
Loss before tax	**(14,157)**	**(2,914)**
Adjustments for:		
Depreciation of property, plant and equipment	144	224
Fair value loss on investment properties	-	-
Fair value loss on investment properties held for sale	-	-
Provision for doubful debts - non-trade	-	2,736
Loss on disposal of investment properties	-	-
Impairment of available-for-sale financial asset	-	-
Interest income	-	(5)
Interest expense	20	92
Unrealised exchange loss	4,517	2,373
Operating cash flows before movements in working capital	**(9,476)**	**2,506**
Changes in working capital:		
Inventories	-	
Trade receivables	17,573	(22,508)
Other receivables, deposits and prepayments	1,454	32,967
Trade payables	(2,564)	(7,754)
Other payables and accruals	(7,281)	(9,102)
Cash used in operations	**(294)**	**(3,891)**
Interest received	-	5
Interest paid	(20)	(92)
Income tax (paid)/refunded	(405)	33
Net cash used in operating activities	**(719)**	**(3,945)**
Cash flows from investing activities:		
Net cash inflow from acquisition of subsidiaries	-	1,111
Purchases of property, plant and equipment	-	(60)
Proceeds from disposal of investment properties held for sale	-	11,367
Proceeds from disposal of investment properties	-	-
Deposits received for disposal of investment properties	-	(1,137)
Net cash generated from investing activities	**-**	**11,281**
Cash flows from financing activities:		
Advance from immediate holding company	3	(2)
Proceeds from new loans	680	-
Repayment of borrowings	-	(7,533)
Net cash (used in)/generated from financing activities	**683**	**(7,535)**
Net increase/(decrease) in cash and cash equivalents	**(36)**	**(199)**
Cash and cash equivalents at beginning of year	461	660
Cash and cash equivalents at end of year	**425**	**461**

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 the equity holders of the Company							
THE GROUP	Share capital S$'000	Asset revaluation reserve S$'000	Share options 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 2017 (Unaudited)	**250,805**	**478**	**1,683**	**3,660**	**(200,078)**	**56,548**	**(4,125)**	**52,423**
Issuarance of shares for acquisiton of subsidiaries	15,051	-	-	-	-	**15,051**	10,684	**25,735**
Total comprehensive income/(loss) for the year	-	-	-	1,570	(4,999)	**(3,429)**	1,957	**(1,472)**
Balance as at 31 December 2017 (Unaudited)	**265,856**	**478**	**1,683**	**5,230**	**(205,077)**	**68,170**	**8,516**	**76,686**
Issuarance of shares for acquisiton of subsidiaries	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the year	-	-	-	1,777	(9,700)	**(7,923)**	(4,747)	**(12,670)**
Balance as at 31 December 2018 (Unaudited)	265,856	478	1,683	7,007	(214,777)	60,247	3,769	64,016

THE COMPANY	Share capital S$'000	Asset revaluation reserve S$'000	Share options reserve S$'000	Accumulated losses S$'000	Total equity S$'000
Balance as at 1 January 2017 (Unaudited)	**250,805**	**478**	**1,683**	**(199,598)**	**53,368**
Issurance of shares for acquisition of subsidiaries	15,051	-	.	.	15,051
Total comprehensive income/(loss) for the year	-	-	-	(3,069)	**(3,069)**
Balance as at 31 December 2017 Unaudited)	**265,856**	**478**	**1,683**	**(202,667)**	**65,350**
Issurance of shares for acquisition of subsidiaries	-	-	.	.	-
Total comprehensive income/(loss) for the year	-	-	-	(3,317)	**(3,317)**
Balance as at 31 December 2018 (Unaudited)	265,856	478	1,683	(205,984)	62,033

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 2018	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 December 2018 (31 December 2017: Nil; 31 December 2018: Nil).

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 has been working very closely with its new auditors, Messrs Foo Kon Tan LLP ("FKT") since FKT's appointment on 30 January 2019 , the audit for financial year ended as 31 December 2017 is ongoing currently. The audit adjustments for year ended as 31 December 2017 proposed by auditor on 28 June 2019 had been updated up to date. Accordingly the result for finance year ended as 31 December 2017 announced on 28 February 2018 had been restated, for the more detail on the restatement will be announced later when audit for year ended as 31 December 2017 has been completed.

Due to the above, the Board wishes to highlight that there may be variances between (A) the Group's unaudited financial statements for the first half year ended 30 June 2018 as announced on 13 Aug 2018, the Group's unaudited financial statements for the first nine months ended 30 September 2018 as announced on 13 Nov 2018 and/or this financial statements for the year ended 31 December 2018, 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 anual financial statements have been applied.

The Group and the Companyhas 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 2017 except for the adoption of certain revised Financial Reporting Standards ("FRS") which are effective for the financial period commencing 1 January 2018. 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.

	THE GROUP	
	2018	**2017**
	(Unaudited)	**(Unaudited)**
	S cents	**S cents**
Earnings/(Loss) per ordinary share for the year		
(i) Based on weighted average number of ordinary shares in issue	(3.31)	(1.91)
- Weighted average number of shares	292,828,099	262,365,484
(ii) On a fully diluted basis	(3.31)	(1.91)
- Weighted average number of shares	292,828,099	262,365,484

Note: (9,699,781/292,828,099)

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 2018 (Unaudited) S cents	31 Dec 2017 (Unaudited) S cents	31 Dec 2018 (Unaudited) S cents	31 Dec 2017 (Unaudited) S cents
Net asset value per ordinary share based on total number of shares excluding treasury shares at the end of the reporting period	21.86	26.19	21.18	22.32

Net asset value per ordinary share is calculated based on the issued and paid-up share capital as at 31 December 2018 of 292,828,099 ordinary shares (31 December 2017: 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

Revenue were generated from the sales of coke and coal during the period under review. The increase was mainly due to the increased contribution by subsidiary Tianjin Belong Faith Energy Minerals Co., Ltd(天津博朗信国际贸易有限公司) ("BLX") which has increased its sale effort and also engaged sale agents.

As announced earlier, most of the sales and purchase contracted signed during 2Q 2018, the cost of sales had been projected based on the exchanged rate for USD to RMB at 6.4. The RMB had been depreciated by 6% within the 3Q. Therefore, the cost of sales increased by 6% for all the good imported. As the sales price reminds unchanged as the sales contract dominated in RMB, it resulted a gross loss of S$4.7 million for 3Q**.**

The management has reviewed the operations of BLX and to mitigate the high risk on the fluctuation on the exchange rate, the hedge of exchange rate risk has been made for 4Q purchasing. As a result of hedging effort, BLX's 4Q losses were contained to only S$0.2 million.

Selling expenses

Selling expenses increased significantly mainly due to the BLX increasing in the agency expense, as the sales from agency played an important part for sales. The staff cost, entertainment and travelling expenses attributable to the sales of coke and coal increased during the period, which in line with the increasing in revenue.

Other operating income

Other operating income increased from S$0.2 million in 2017 to S$0.5 million in 2018. This was mainly due to the increase in rental income.

Administrative expenses

Administrative expenses decreased from S$1.9 million in 2017 to S$1.6 million in 2018. This was mainly due to the downsizing of overseas representative offices and tighter costs control on general administrative expenses.

Other operating expenses

Other operating expenses decreased from S$4.3 million in the corresponding period to S$3.8 million in the financial year ended as 31 December 2018. This was mainly due to the decrease in unrealised foreign exchange loss.

Finance cost

No much variance for the finance cost compared to the corresponding period.

Loss for the year

In view of the above, the Group recorded loss after tax of S$14.3 million in 2018, as compared to loss after tax of S$3.1 million in 2017.

Review of Consolidated Statement of Financial Position

Cash and cash equivalents

Cash and cash equivalents of the Group decreased from S$0.5 million at as 31 December 2017 to S$0.4 million as at 31 December 2018. See the Review of Consolidated Statement of Cash Flows for details.

Trade receivables

The amount represents the receivables due from various coal business customers as at year end. The increase in trade receivables from S$62.7 million as at 31 December 2017 to S$36.6 million as at 31 December 2018. The decrease in trade receivables mainly due to group implement a better control on the debt collection.

Other receivables, deposits and prepayments

Other receivables, deposits and prepayments decreased from S$52.4 million as at 31 December 2017 to S$46.8 million as at 31 December 2018. The decrease was mainly due to BLX decreased prepayment in trade close to the end of financial period and had collected on other receivable prior to the end of financial period.

Trade payable

Trade payables decreased from S$27.4 million as at 31 December 2017 to S$24.8 million as at 31 December 2018. The decrease in trade payables was mainly due to Group settlement of accounts close to end of financial period compare to last year as at 31 December 2017.

Other payables and accruals

Other payables and accruals decreased from S$21.5 million as at 31 December 2017 to S$10.8 million as at 31 December 2018. The decrease was mainly due to Group settlement of other payables outstanding from last year as at 31 December 2017.

Review of Consolidated Statement of Cash Flows

Net cash used in operating activities for the year ended as 2018 was S$0.7 million compared to S$3.9 million cash used for the corresponding period in 2017. The net cash outflow was mainly due to sales from of coke and coal during the period under review.

Net cash generated from investing activities was Nil in 2018 since there was no investing, acquisition or disposal activities which took place in year 2018 as compared to S$11.3 million in 2017.

Net cash generated in financing activities was S$0.7 millionin 2018 compared to S$7.5 million in 2017. The change was mainly due to repayment of borrowings for year 2017.

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 Group will continue to capitalise on the expertise and network of traders and customers under its 51%-owned Tianjin Belong Faith Energy Minerals Co., Ltd ("BLX") to capture opportunities, increase revenue streams and propel growth.

The Company will continue to provide further updates and details in subsequent announcements to update shareholders on Abterra's corporate developments as 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/recommended, a statement to that effect.

No dividend has been declared or recommended by the Board of Directors.

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 2018 (Unaudited)			
Revenue	-	270,844	270,844
Segment results	-	(6,882)	(6,882)
Other operating income			450
Unallocated costs			(7,612)
Finance costs			(113)
Share of results of equity-accounted for associates			-
Loss before tax			(14,157)
Income tax			(94)
Non-controlling interests			4,551
Loss attributable to owners of the Company			(14,251)
Non-cash items:			
Depreciation of property, plant and equipment			144
Unrealised exchange loss			4,517
At 31 December 2018 (Unaudited)			
Segment assets	-	38,958	38,958
Investments in associates			61,352
Unallocated assets			
Consolidated total assets			100,310
Segment liabilities	-	24,867	24,867
Unallocated liabilities			11,427
Consolidated total liabilities			36,294

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 2017 (Unaudited)			
Revenue	-	122,561	122,561
Segment results	-	3,726	3,726
Other operating income			164
Unallocated costs			(6,704)
Finance costs			(100)
Share of results of equity-accounted for associates			-
Loss before tax			(2,914)
Income tax			(209)
Non-controlling interests			1,876
Loss attributable to owners of the Company			(4,999)
Non-cash items:			
Depreciation of property, plant and equipment			224
Unrealised exchange loss			113
At 31 December 2017 (Unaudited)			
Segment assets	-	64,484	64,484
Investments in associates			-
Unallocated assets			67,248
Consolidated total assets			132,248
Segment liabilities	-	40,290	40,290
Unallocated liabilities			15,272
Consolidated total liabilities			55,562

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	52,323	3,203	1534%
(b) Operating loss after tax before deducting non-controlling interests reported for first half year	(5,729)	(3,353)	71%
(c) Sales reported for second half year	218,521	119,358	83%
(d) Operating loss after tax before deducting non-controlling interests reported for second half year	(8,428)	230	-3764%

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

30 June 2019