



ABTERRA LTD.

(Registration No. 199903007C)

APPLICATION FOR WAIVER TO COMPLY WITH RULES 707(1), 707(2) AND 711A OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE "SGX-ST") (THE "LISTING MANUAL") AND EXTENSION OF TIME

1. The Board of Directors (the "**Board**") of Abterra Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Group has today applied to the SGX-ST for the following waivers and extensions of time:
 - (i) an extension of time to hold the Company's annual general meeting ("**AGM**") in respect of its financial year ended 31 December 2018 ("**FY2018**") by 30 June 2020;
 - (ii) an extension of time to issue its annual report in respect of FY2018 to shareholders and SGX-ST by 15 June 2020;
 - (iii) an extension of time to issue its sustainability report in respect of FY2018 to its shareholders by 15 June 2020;
 - (iv) an extension of time to hold the Company's annual general meeting ("**AGM**") in respect of its financial year ended 31 December 2019 ("**FY2019**") by 31 July 2020;
 - (v) an extension of time to issue its annual report in respect of FY2019 to shareholders and SGX-ST by 16 July 2020; and
 - (vi) an extension of time to issue its sustainability report in respect of FY2019 to its shareholders by 16 July 2020,

(collectively, the "**Extension**").

2. The reasons for seeking the Extension are as follows:
 - (i) The Company had recently convened its AGM in respect of the financial year ended 31 December 2017 on 31 December 2019 and had been working towards convening its AGM in respect of FY2018 within the first quarter of 2020.
 - (ii) Due to the outbreak of the Coronavirus disease 2019 (the "**COVID-19**"), the Chinese government has imposed several restrictions on the resumption of operations for industries and enterprises.
 - (iii) In particular, the Tian Jin Municipal People's Government of China (the "**Tian Jin Government**") has released a notice dated 31 January 2020 (the "**Notice**") which stipulates that save for enterprises involved in ensuring the operation of urban and rural areas, the prevention and control of epidemic diseases, the livelihood of the public and other relevant enterprises related to the people's livelihood (the "**Exempted Enterprises**"), all other enterprises shall not resume operations until further notice.
 - (iv) Pursuant to the Notice, the Company's principal subsidiary, Tianjin Belong Faith Energy Minerals Co., Ltd ("**BLX**") has not resumed its operations and will not resume its operations until it receives further notice from the Tian Jin Government as BLX does not fall within any category of the Exempted Enterprises.

- (v) There is no indication when the restrictions set out in the Notice will be lifted for BLX to resume its operations. As at the date of this letter, the Notice remains in force and the Tian Jin Government has not released any subsequent notices and/or directives to cancel, vary or supersede the Notice.
 - (vi) The Notice, the Covid-19 situation and the conditions in Tian Jin have affected BLX and the Company in the following ways:
 - (a) BLX's employees, including those from the finance and accounting department, can only access financial records, documentation and programme(s) needed for the preparation of BLX's audits in respect of both FY2018 and FY2019 using the Company's terminals and they do not have remote access of the same using their personal computers. As such, employees from the finance and accounting department would need to physically be present in the office in order to prepare for BLX's audits in respect of both FY2018 and FY2019. The Company understands that some employees of BLX have attempted to go back to the office but were stopped by personnel of the local authorities from doing so; and
 - (b) The existing auditors of the Company, Foo Kon Tan LLP ("**FKT**"), had not been able to dispatch its staff to BLX for the conduct of necessary audit fieldwork and site visits in relation to the audit for FY2018 in view of the travel restrictions imposed by both the Chinese and Singapore government, as well as the risks associated with overseas travel during this period.
 - (vii) In this regard, the Company had also, on 18 February 2020, submitted an application to the SGX-ST for a waiver from the requirement to release the unaudited financial statement for the full financial year no later than sixty (60) days after the relevant financial period as set out under Rule 705(1) of the Listing Manual and accordingly to request for an extension of time of two (2) months, from 29 February 2020 to 30 April 2020, for the release of its unaudited full year financial statements for the twelve (12) months ended 31 December 2019.
 - (viii) Further, the Company had, on 1 April 2020, submitted a draft circular relating to a proposed change of auditors from FKT to Audit Alliance LLP (the "**Circular**") (the "**Proposed Change of Auditors**"). The detailed background and rationales for the Proposed Change of Auditors are set out in in paragraph 2 of the Circular. Further, Audit Alliance has indicated to the Company that they are willing to commence fieldwork in respect of the audit for FY2018 before their official appointment as the Company's new external auditors in order to expedite the audit for FY2018.
 - (ix) In light of the abovementioned circumstances, the Company foresees that it would require an extension of time to review its accounts, consult its auditors and convene its Board meetings to complete and present its audited financial statements.
3. The Company's estimated timelines leading up to the convening of the AGM for FY2018 and FY2019 respectively is set out below.
- (i) in respect of the Company's audit and AGM for FY2018:
 - (a) 20 April 2020 – the commencement of fieldwork in respect of the audit for FY2018 by Audit Alliance;
 - (b) 20 April to 30 April 2020 – the site visits in respect of the audit for FY2018 by Audit Alliance;

- (c) 15 May 2020 – the finalisation of the audited financial statements for FY2018 by Audit Alliance;
 - (d) 15 June 2020 – release of the annual report and sustainability report for FY2018 on the SGX-ST and to the shareholders of the Company;
 - (e) 30 June 2020 – the convening of the AGM for FY2018; and
- (ii) in respect of the Company's audit and AGM for FY2019:
- (a) 15 May 2020 – the commencement of fieldwork in respect of the audit for FY2019 by Audit Alliance;
 - (b) 15 May to 31 May 2020 – the site visits in respect of the audit for FY2019 by Audit Alliance;
 - (c) 30 June 2020 – the finalisation of the audited financial statements for FY2019 by Audit Alliance;
 - (d) 16 July 2020 – release of the annual report and sustainability report for FY2019 on the SGX-ST and to the shareholders of the Company; and
 - (e) 31 July 2020 – the convening of the AGM for FY2019.

The indicative milestone timelines set out above has been provided on the basis that BLX will be able to resume work by 10 April 2020 and that Audit Alliance will be able to commence their fieldwork in respect of the audit for FY2018 by 20 April 2020, and subject to the status of the development of the COVID-19 situation and/or whether the Chinese authorities (including local authorities) would extend the current measures put in place beyond what the Company anticipates. The above indicative milestone timelines set out above would also be subject to receiving the requisite approvals for the Proposed Change in Auditors.

4. The Company will also be submitting an application for an extension of time to hold its AGM and to file its annual return for FY2018 and FY2019 to the Accounting and Corporate Regulatory Authority under Section 175 and Section 197 of the Companies Act, subject to the SGX-ST's in-principal approval.
5. The Company will announce the outcome of the application for the Extension in due course.

BY ORDER OF THE BOARD

Cai Suirong
Director and Chief Executive Officer
3 April 2020