

## ULTRO TECHNOLOGIES LIMITED

(Incorporated in Singapore)

(Company Registration Number: 198700318G)

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### MATERIAL VARIANCES BETWEEN UNAUDITED FINANCIAL STATEMENTS AND AUDITED FINANCIAL STATEMENTS OF THE GROUP FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011

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The Board of Directors of Ultron Technologies Limited (the "**Company**") and together with its subsidiaries, collectively the "**Group**") refers to the unaudited full year financial statement and dividend announcement for the financial period ended 31 December 2011 ("**FP2011**") ("**Unaudited Results**"), announced by the Company on 28 February 2012.

Pursuant to Rule 1207(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board wishes to announce that a material adjustment has been made following the finalisation of the audit. The adjustment was due to the following reasons:

- 1 Additional provision was made for doubtful debts of \$2.6 million attributable to other receivable from PT Anugrah Setia Jaya ("**PT ASJ**") which was due on 16 March 2012 and has not been received as of the due date. This arose as a result of:
  - 1.1 An United States Dollar equivalent (ie. US\$ 2 Million) of the above amount has been paid to the former 49% shareholder of PT Anugrah Ultron Sejati ("**PT AUS**"), in which the Company had held 51% interest then. The Company had subsequently disposed of its interest in PT AUS as announced on 26 July 2011;
  - 1.2 The above amount has been paid as premium to enjoy the economic benefits of certain coal mines located in Indonesia as per Joint Venture Agreement ("**JVA**") dated 17 March 2010, as announced on 17 March 2010. Under the JVA, PT ASJ is required to transfer the economic benefits to PT AUS or to the Group in order to earn a cumulative profit equivalent to the above sum within the stipulated time frame and in the event PT ASJ failed to deliver, the full or shortfall amount will be refunded to the Company on or before 16 March 2012; and
  - 1.3 PT ASJ failed to deliver the targets per the provisions of the JVA due to various operational issues and they agreed to return the above sum which was recorded in further written agreements made between the parties. As PT ASJ had committed to settle the above outstanding amount on or before the due date, there was no reason for the Company to believe otherwise, hence there was no provision for the above sum as doubtful debts before the announcement of the Unaudited Results. Subsequently, PT ASJ did not settle the above outstanding amount on the due date. After repeated reminders from the Company, PT ASJ informed the Company that they needed more time to settle. Under the circumstances, the Board of Directors is of the view that it will be prudent to make provision of the above sum in full. Notwithstanding so, the Company will continue to follow up and take necessary action against PT ASJ to recover the outstanding sum, as appropriate.
- 2 Increase in director fees by S\$25,888, i.e. from \$45,000 to \$70,888.

A comparison of the Audited Results and the Unaudited Results is set out in the next page:

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**For the Financial Period ended 31 December 2011**

	<b>Audited Results</b>	<b>Unaudited Results</b>	<b>Variance</b>
	S\$'000	S\$'000	S\$'000
<b>Continuing Operations</b>			
Revenue	-	-	-
Cost of Sales	-	-	-
Gross Profit	-	-	-
Other operating income	7,262	7,262	
Administrative expenses	(11,052)	(8,450)	(2,602)
Other items	(1,316)	(1,316)	-
Finance expenses	(51)	(51)	-
Share of profit of Associates	0	-	-
<b>Loss before income-tax</b>	<b>(5,157)</b>	<b>(2,555)</b>	<b>(2,602)</b>
Income tax (expense)/benefit	(69)	(69)	-
<b>Loss from Continuing Operations</b>	<b>(5,226)</b>	<b>(2,624)</b>	<b>(2,602)</b>
<b>Discontinued Operations</b>			
Loss from discontinued operations, net of tax	(3,049)	(3,049)	-
<b>Total Loss for the financial period/year</b>	<b>(8,275)</b>	<b>(5,673)</b>	<b>(2,602)</b>
<b>Other Comprehensive Income</b>			
Currency translation differences arising from consolidation	(518)	(518)	-
Disposal	4,699	4,699	-
<b>Total Comprehensive Loss</b>	<b>(4,094)</b>	<b>(1,492)</b>	<b>(2,602)</b>

**STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2011**

	<b>Audited Results</b>	<b>Unaudited Results</b>	<b>Variance</b>
	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>			
<b>Non-current assets:</b>			
Investment properties	1,410	1,410	-
Property, plant and equipment	-	-	-
Investment in subsidiaries	-	-	-
Restricted cash	2,454	2,454	-
Deferred tax assets	-	-	-
	3,864	3,864	-
<b>Current assets:</b>			
Trade receivables	-	-	-
Other receivables and prepayments	437	3,013	(2,576)
Cash and bank balances	2,465	2,465	-
	2,902	5,478	(2,576)
Disposal group classified as assets held for sale	252	252	-
	3,154	5,730	(2,576)
<b>Total assets</b>	<b>7,018</b>	<b>9,594</b>	<b>(2,576)</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	1,297	1,271	(26)
Income tax payable	5	5	-
Deferred income	120	120	-
Total current liabilities	1,422	1,396	(26)
Liabilities directly associated with disposal group classified as held for sale	41	41	-
	1,463	1,437	(26)
<b>Non-current liabilities</b>			
Deferred tax liabilities	42	42	-
Deferred Income	100	100	-
Total non-current liabilities	142	142	-
<b>Total liabilities</b>	<b>1,605</b>	<b>1,579</b>	<b>(26)</b>
<b>Net assets</b>	<b>5,413</b>	<b>8,015</b>	<b>(2,602)</b>
<b>EQUITY</b>			
Share Capital	59,313	59,313	-
Accumulated losses	(54,037)	(51,435)	(2,602)
Translation reserves	137	137	-
	5,413	8,015	(2,602)
Non-Controlling Interest	-	-	-
<b>Total equity</b>	<b>5,413</b>	<b>8,015</b>	<b>(2,602)</b>

**BY ORDER OF THE BOARD**

Lim Ee Chuan  
Executive Director and Chief Executive Officer

2 April 2012