

**Quarterly report**

Quarterly report on results for the period ended 29 February 2012  
The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	AS AT END OF CURRENT QUARTER <u>29/02/2012</u> RM'000	AS AT PRECEDING FINANCIAL YEAR END <u>28/02/2011 (Audited)</u> RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	16,294	28,432
Prepaid land lease payment	483	488
Intangible Assets	11,165	10,468
	<b>27,942</b>	<b>39,388</b>
<b>Current Assets</b>		
Trade Receivables	180	440
Other Receivables, Deposits and Prepayments	2,302	28
Tax recoverable	15	13
Short term investment	-	-
Cash and Bank Balances	1,332	549
	<b>3,829</b>	<b>1,030</b>
<b>TOTAL ASSETS</b>	<b>31,771</b>	<b>40,418</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital		
Ordinary shares of RM0.10 each	80,111	73,411
Reserves		
Share Premium		-
Warrant Reserve	13,275	13,594
Translation Reserve	(743)	(738)
ESOS Reserve	565	-
Retained Profits	(60,971)	(45,670)
Less: 3,423,300 treasury shares at cost	(669)	(669)
	<b>31,568</b>	<b>39,928</b>
<b>Minority Interest</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>	<b>31,568</b>	<b>39,928</b>
<b>Non Current Liabilities</b>		
Hire Purchase Liabilities	-	-
Deferred Taxation	-	-
	<b>-</b>	<b>-</b>
<b>Current Liabilities</b>		
Trade Payables	-	60
Other Payables and Accruals	203	430
Bank overdraft	-	-
Share Application Money	-	-
Hire Purchase Liabilities	-	-
Tax Payable	-	-
	<b>203</b>	<b>490</b>
<b>Total Liabilities</b>	<b>203</b>	<b>490</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>31,771</b>	<b>40,418</b>
<b>Net assets per share (RM)</b>	<b>0.0394</b>	<b>0.0544</b>

The Condensed Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 28 February 2011 and the accompanying explanatory notes attached to this report.

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter <u>29/02/2012</u> RM '000	Preceding Yr Corresponding Quarter <u>28/02/2011</u> RM '000	Current Year To Date <u>29/02/2012</u> RM '000	Preceding Yr Corresponding Yr To Date <u>28/02/2011</u> RM '000
<b>Revenue</b>	<b>104</b>	234	<b>784</b>	8,274
Cost of services	(138)	(886)	(1,207)	(4,311)
<b>Gross profit/(loss)</b>	<b>(34)</b>	(652)	<b>(423)</b>	3,963
Other income	2	0	5	18
Administration expenses	(6,123)	(28,867)	(8,535)	(31,394)
Depreciation and amortisation	(3,015)	(1,738)	(6,666)	(5,666)
Finance costs	-	0	(0)	0
<b>Profit/(Loss) before tax</b>	<b>(9,170)</b>	(31,256)	<b>(15,618)</b>	(33,078)
<u>Income Tax expense</u>				
Current Tax	-	-	-	-
Deferred tax	-	-	-	-
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>(9,170)</b>	(31,256)	<b>(15,618)</b>	(33,078)
<b><u>Other Comprehensive Income/(Loss) :</u></b>				
Exchange differences on translating foreign operations	(9)	(12)	(5)	(21)
Income tax relating to components of other comprehensive income	-	-	-	-
<b>Other comprehensive income/(loss) for the period, net of tax</b>	<b>(9)</b>	<b>(12)</b>	<b>(5)</b>	<b>(21)</b>
<b>TOTAL COMPREHENSIVE INCOME/ (LOSS) FOR THE PERIOD</b>	<b>(9,179)</b>	<b>(31,268)</b>	<b>(15,623)</b>	<b>(33,099)</b>
<b><u>Profit/(Loss) attributable to :</u></b>				
Owners of the parent	(9,170)	(31,256)	(15,618)	(33,078)
Minority Interest	-	-	-	-
	<b>(9,170)</b>	<b>(31,256)</b>	<b>(15,618)</b>	<b>(33,078)</b>
<b><u>Total comprehensive income/ (loss) attributable to :</u></b>				
Owners of the parent	(9,179)	(31,268)	(15,623)	(33,099)
Minority Interest	-	-	-	-
	<b>(9,179)</b>	<b>(31,268)</b>	<b>(15,623)</b>	<b>(33,099)</b>
<b><u>Earnings/(Loss) per share attributable to Owners of the Parent (sen)</u></b>				
- basic	<b>(1.20)</b>	(4.31)	<b>(2.04)</b>	(4.56)
- diluted	<b>(1.18)</b>	(4.31)	<b>(2.02)</b>	(4.56)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 28 February 2011 and the accompanying explanatory notes attached to this report.

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 29 FEBRUARY 2012**

Group	<u>Share capital</u> RM'000	<u>Share premium</u> RM'000	<u>Warrant reserve</u> RM'000	<u>Retained profits</u> RM'000	<u>Translation reserve</u> RM'000	<u>ESOS reserve</u> RM'000	<u>Treasury shares</u> RM'000	<u>Total equity</u> RM'000
<b><u>12 months ended</u></b>								
<b><u>29 February 2012</u></b>								
As at 1 March 2011	73,411	-	13,594	(45,670)	(738)	-	(669)	39,928
Issue of ordinary shares	6,700	-		-			-	6,700
Expiry of Warrant A			(319)	319				-
ESOS Expenses						565		565
Total comprehensive income for the period	-	-	-	(15,618)	(5)	-	-	(15,623)
As at 29 February 2012	<u>80,111</u>		<u>13,275</u>	<u>(60,971)</u>	<u>(743)</u>	<u>565</u>	<u>(669)</u>	<u>31,570</u>
<b><u>12 months ended</u></b>								
<b><u>28 February 2011</u></b>								
As at 1 March 2010	72,911	-	13,594	(12,592)	(717)	-	(669)	72,527
Issuance of ordinary shares	500	-	-	-	-	-	-	500
Total comprehensive income for the period	-	-	-	(33,078)	(21)	-	-	(33,099)
As at 28 February 2011	<u>73,411</u>		<u>13,594</u>	<u>(45,670)</u>	<u>(738)</u>	<u>-</u>	<u>(669)</u>	<u>39,928</u>

The Condensed Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 28 February 2011 and the accompanying explanatory notes attached to this report.

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**CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS  
FOR THE PERIOD FROM 01 MARCH 2011 TO 29 FEBRUARY 2012**

	01/03/2011 to <u>29/02/2012</u> RM '000	01/03/2010 to <u>28/02/2011</u> RM '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	(15,618)	(33,078)
<u>Adjustments for non cash item</u>		
Amortisation and Impairment of development costs	5,343	30,579
Amortisation of Intellectual Property	3,028	2,436
Amortisation of prepaid land lease payments	5	(19)
Depreciation	3,614	3,859
Interest expense	0	(0)
Interest income	(5)	(18)
Disposal loss/(gain) on property, plant and equipment	62	-
Allowance for doubtful debts no longer required	(67)	(76)
ESOS Expenses	565	-
	<u>12,545</u>	<u>36,760</u>
Operating profit before working capital changes	(3,073)	3,682
Changes in working capital:		
Trade and other receivables	(1,948)	356
Trade and other payables	(288)	173
Cash generated from operations	(5,309)	4,211
Development cost paid	(262)	(663)
Tax paid	(2)	(4)
Net cash generated from operating activities	<u>(5,573)</u>	<u>3,544</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	5	18
Purchase of property, plant and equipment	(343)	(7,740)
Net cash used in investing activities	<u>(338)</u>	<u>(7,722)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from private placement	6,700	500
Repayment of hire purchase liabilities	-	-
Net cash generated/(used in) from financing activities	<u>6,700</u>	<u>500</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	789	(3,678)
<b>Effect on Exchange Rate Changes on Opening Cash</b>	(5)	(16)
<b>Cash and cash equivalents at beginning of financial period</b>	549	4,243
<b>Cash and cash equivalents at end of financial period</b>	<u>1,332</u>	<u>549</u>
<b>Cash and cash equivalents comprise</b>		
Short term investment	-	-
Cash and bank balances	1,332	-
Bank overdraft	-	549
	<u>1,332</u>	<u>549</u>

The Condensed Consolidated Statement of Cashflows should be read in conjunction with the audited financial statements for the financial year ended 28 February 2011 and the accompanying explanatory notes attached to this report.

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**A1. BASIS OF PREPARATION**

The quarterly report is unaudited and has been prepared in compliance with Financial Reporting Standards ("FRS") No 134 – "Interim Financial Reporting" and paragraph 9.22 and Appendix 9B of Bursa Malaysia Securities Berhad ("Bursa Malaysia")'s Listing Requirements for the ACE Market. The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended ("FYE") 28 February 2011.

The explanatory note attached to the interim financial statements provide an explanation of events and transaction that are significant to an understanding of the changes in the financial position and performance of the Group since the FYE 28 February 2011.

The accounting policies and methods of computation adopted in these interim financial statements of the Company and its subsidiaries ("The Group") are consistent with those adopted for the annual audited financial statements for the FYE 28 February 2011.

**A2. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the financial statements for the FYE 28 February 2011 were not subject to any qualification.

**A3. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS**

AsiaEP Resources's future business operations would be affected by cyclical factors.

**A4. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS**

During the quarter under review, there were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence, save for the issuance of ordinary shares arising from the exercises of ESOS (the original scheme having been extended until 26 August 2014). Please refer to Note A6 for further details.

**A5. CHANGES IN ESTIMATES**

There were no changes in estimates that had a material effect in the current quarter results.

**A6. MOVEMENTS IN DEBT/ EQUITY SECURITIES**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter ended 29 February 2012, save for the following :

As at to-date, AsiaEP Resources has granted 103,000,000 units of ESOS with exercise price of RM0.10 each, of which the following numbers have been exercised and allotted :

<u>Date of Allotment</u>	<u>Number Alloted</u>	<u>Increase in Paid-up Capital (RM)</u>
12/03/2012	5,000,000	500,000.00
26/03/2012	5,000,000	500,000.00
02/04/2012	2,000,000	200,000.00

**A7. DIVIDENDS**

No dividends were paid and/or declared during the quarter under review.

**A8. SEGMENTAL REPORTING**

Segmental reporting is presented in respect of the Group's business and geographical segments. The primary format, geographical segments by location of customer, is based on the Group's management and internal reporting structure.

Segmental results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segmental capital expenditure during the year consists of acquisition of property, plant and equipment, and capitalisation of research and development expenditures.

**Business Segments**

Due to the termination of the Letter of Award as mentioned below, no business segmental reporting will be prepared.

**Sequence of events leading to the AsiaEP Resources' decision to terminate the Letter of Award by Lestari Pasifik Berhad ("LPB")**

On 5 October 2011, AsiaEP Resources was awarded the contract by LPB for the Engineering, Procurement, Construction and Commissioning Assistance of the construction of a bioethanol processing plant, including the facility as initially constructed and any modifications or expansions thereof ("the Processing Plant") situated at Lot 20820, Batu 5, Jalan Bukit Kemuning, Kampung Jawa, 40460 Shah Alam, Selangor, Malaysia ("the Work").

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On 24 February 2012, the Board of Directors of AsiaEP Resources ("the Board") informed that the Board has agreed to terminate the letter of award granted on 5 October 2011 in relation to the Work ("Letter of Award").

Pursuant to the terms and conditions of the Letter of Award, the commencement of the Work by AsiaEP Resources is subject to the formal agreement to be executed between the parties to the Letter of Award. However, as at 24 February 2012, this agreement is yet to be finalised as a result of the parties unable to reach a mutual understanding on the terms and conditions of the agreement.

Following to the termination of the Letter of Award, the obligations of the parties to the Letter of Award shall cease.

**Geographical Segments**

<b><u>For the financial period ended 29/02/2012</u></b>	<b>Malaysia</b> <b>RM'000</b>	<b>Hong Kong</b> <b>RM'000</b>	<b>Total</b> <b>RM'000</b>
Revenue from external customers	784	-	784
Segment assets	31,706	50	31,756
Segment liabilities	199	4	203
Capital Expenditure	10,161	214	10,375
Depreciation	3,614	0	3,614
Amortisation	8,371	-	8,371
Interest Income	5	-	5
Interest Expenses	(0)	-	(0)
Profit/(loss) before taxation	(15,317)	(301)	(15,618)
Taxation	-	-	-
Profit/(loss) after taxation	(15,317)	(301)	(15,618)

**A9. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT**

AsiaEP Resources did not carry out any valuation on its property, plant and equipment.

**A10. MATERIAL EVENTS SUBSEQUENT TO THE CURRENT QUARTER**

There were no material events subsequent to the end of the current quarter other than those disclosed in Note B11 (i) below.

**A11. CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group in the quarter under review.

**A12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There were no contingent liabilities other than those disclosed in Note B11 below.

**A13. CAPITAL COMMITMENTS**

During the current quarter ended 29 February 2012, there is no capital commitments.

However, during the previous quarter, on 13 October 2011, AsiaEP Resources had placed a deposit of RM2,000,000 with Lestari Pasifik Bhd for the Proposed Shares Subscription of 20 millions ordinary shares in Lestari Pasifik Bhd ("LPB"). Please refer to Note B8 (i) below for further details.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS**

**B1. REVIEW OF RESULTS FOR THE QUARTER ENDED 29 FEBRUARY 2012**

The Group recorded a consolidated revenue of approximately RM0.104 million and loss after taxation of approximately RM9.17 million for the current quarter ended 29 February 2012, as compared with the corresponding period of the preceding year ended 28 February 2011 when the Group attained a consolidated revenue of approximately RM0.234 million with loss after taxation of approximately RM31.256 million.

**B2. MATERIAL CHANGE IN PROFIT BEFORE TAX IN COMPARISON TO THE PREVIOUS QUARTER**

The Group recorded a consolidated revenue of approximately RM0.104 million for the fourth quarter ended 29 February 2012, compared to the consolidated revenue as recorded in the immediate preceding third quarter ended 30 November 2011 of approximately RM0.12 million. The Group registered loss before tax of approximately RM9.17 million as compared to the loss before tax recorded in the previous quarter ended 30 November 2011 of approximately RM2.062 million.

**B3. COMING YEAR PROSPECTS**

The financial performance of the Group towards the financial year ending 31 August 2012 (extended from 29 February 2012) remains to be challenging.

**B4. PROFIT FORECAST**

Not applicable as no profit forecast or profit guarantee was published.

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**B5. TAXATION**

On 18 January 2007, Defined Search Sdn Bhd ("DSSB"), a wholly owned subsidiary of AsiaEP Resources was granted MSC Status. Due to the above, DSSB would be able to enjoy tax free status that is renewable up to January 2017.

**B6. PROFITS OR LOSSES ON DISPOSAL OF UNQUOTED INVESTMENT/PROPERTIES**

There were no purchase or disposal of unquoted investment and or properties for the current quarter under review and current financial year-to-date.

**B7. PURCHASE OR DISPOSAL OF QUOTED SECURITIES**

There were no purchase / disposal of quoted securities during the current quarter under review and current financial year-to-date.

**B8. STATUS OF CORPORATE PROPOSALS ANNOUNCED**

Save as disclosed below, there are no corporate proposals announced but not completed as at the date of this report.

**(i) Proposed Shares Subscription of ordinary shares in Lestari Pasifik Bhd ("LPB")**

On 10 October 2011, AsiaEP Resources announced its proposed subscription of 20,000,000 ordinary share of RM1 each in LPB at an issue price of RM1.00 per Subscription Share representing 3.23% of the enlarged issued and paid-up share capital of LPB for a total cash consideration of RM20.0 million ("Proposed Subscription").

On 28 February 2012, AsiaEP Resources issued a letter to LPB for LPB to remedy a breach pursuant to Clause 7.6 of the Subscription Agreement dated 10 October 2011, failing which the proposed subscription shall be deemed terminated, fourteen (14) days herefrom.

However, as at 19 March 2012 upon fourteen (14) business days from 28 February 2012 with reference to the above, LPB still failed to remedy the breach. As such, AsiaEP Resources having no alternative but as on this date, issued another letter to LPB for demanding the refund of RM2,000,000/= (Ringgit Malaysia Two Million) deposit placed with LPB pursuant to the Clause 9.2(b) of the Subscription Agreement.

On 30 March 2012, i.e. after the expiration of fourteen (14) business days from 19 March 2012, a Statutory Notice pursuant to Section 218 of the Companies Act 1965 was issued on LPB ("the said Statutory Notice").

LPB has applied for an injunction to restrain AsiaEP Resources from presenting a winding-up petition based on the said S.218 Statutory Notice pursuant to the Companies Act, 1965.

The matter came up for case management on 24 April 2012 and hearing has been fixed for 8 May 2012, pending parties to file the necessary Affidavits and submissions.

As such, the Honourable Judge has granted LPB an ad interim injunction to restrain the presentation of a winding-up petition by AsiaEP Resources pending the hearing on 8 May 2012. The ad interim injunction will expire on 8 May 2012 at the hearing of Application.

**(ii) Proposed Private Placement**

On 11 October 2011, AsiaEP Resources announced its proposed private placement of 90,000,000 new ordinary shares of RM0.10 each in AsiaEP Resources representing approximately 11.28% of the issued and paid-up share capital of AsiaEP Resources (excluding treasury shares) ("Placement Shares") to investor(s) to be identified ("Proposed Private Placement").

On 11 November 2011, AsiaEP Resources announced its proposal to revise the Original Proposed Private Placement to as follow:

(i) "Proposed private placement of up to 90,000,000 new ordinary shares of RM0.10 each in AsiaEP Resources representing approximately up to 11.28% of the issued and paid-up share capital of AsiaEP Resources (excluding treasury shares) ("Placement Shares") to investor(s) to be identified ("Revised Proposed Private Placement)"; and

(ii) "The Revised Proposed Private Placement is expected to raise gross proceeds of up to RM9,000,000.

On 17 November 2011, AsiaEP Resources announced the furnishing of a further breakdown of the amount to be raised from the Proposed Private Placement as set out below :

<u>Proposed Utilisation</u>	<u>Estimated Timeframe for Utilisation</u>	<u>Up to (RM'000)</u>
Proposed construction of the bioethanol plant(s)	12 months	1,700
Payroll expenses	12 months	5,400
Professional fees	12 months	500
General working capital requirements of the Group	12 months	1,000
To defray expenses relating to the Proposed Private Placement	3 months	400
		<b>9,000</b>

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On 24 February 2012, AsiaEP Resources announced that the Board has after careful deliberation, decided to abort the Proposed Private Placement following the termination of the Letter of Award entered into between AsiaEP Resources and Lestari Pasifik Berhad on 5 October 2011 for the construction of bioethanol processing plant(s) ("Works") (which was duly announced by AsiaEP Resources on even date). In view that the proceeds to be raised from the Proposed Private Placement are mainly earmarked for the Works, the Board is of the opinion that the Proposed Private Placement no longer meet its purpose as a result of the termination of the Works.

**B9. BORROWING AND DEBT SECURITIES**

AsiaEP Resources does not have any borrowings and debt securities as at 29 February 2012.

**B10. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

There were no off balance sheet financial instruments as at the date of this report.

**B11. MATERIAL LITIGATION**

Save for the following, AsiaEP Resources is not engaged in any material litigation, claim or arbitration either as plaintiff or defendant, which may have a material effect on the financial position of AsiaEP Resources and the Directors do not have any knowledge of any proceedings, pending or threatened, against AsiaEP Resources or of any facts which is likely to give rise to any proceedings which may materially and adversely affect the financial position or business of AsiaEP Resources :

**(i) Kuala Lumpur High Court Suit No.: 22NCC-366-03-2012 between AsiaEP Resources and LPB and 7 Others**

On 16 March 2012, AsiaEP Resources filed Suit No. 22NCC-366-03/2012 (the "Suit") in the Kuala Lumpur High Court in respect of a legal suit instituted by AsiaEP Resources jointly with Dr Tan Boon Nunt, the Executive Chairman cum Managing Director of AsiaEP Resources, against Lestari Pasifik Berhad (Company No. 889489-A)(1st Defendant) and 7 other Defendants, all 8 collectively referred to as ("the Defendants"), as stated below :-

Name	NRIC/Passport/ Company No.
Dato' Dr Clement Tan Wei Loon (2 <sup>nd</sup> Defendant)	701105-01-6327
Tian Ee Intertrade Sdn Bhd (3 <sup>rd</sup> Defendant)	948498-W
Tan Keat Chye (4 <sup>th</sup> Defendant)	650408-08-5525
Li JunMin (5 <sup>th</sup> Defendant)	G21666385
Du Fashui (6 <sup>th</sup> Defendant)	G42079465
Mohamed Jawad Khan (7 <sup>th</sup> Defendant)	481118-71-5221
Prof Dr Chin Yew Sin (8 <sup>th</sup> Defendant)	600402-08-5211

The Suit seeks for the High Court to make Orders for the following claims:

- (a) damages to be assessed by the Honourable Court for the losses occasioned to AsiaEP Resources and its shareholders by the Defendants;
- \*\* (b) an injunction restraining the Defendants and/or their agents and/or nominees from carrying out and/or proceeding with the Requisition issued by the 2nd, 3rd and 6th Defendants on 9 February 2012 to remove the entire current Board of Directors of AsiaEP Resources, including Dr Tan Boon Nunt, and to replace them with a new Board of Directors consisting of namely the 2nd, 4th, 5th, 7th and the 8th Defendants;
- (c) a mandatory injunction compelling the 3rd Defendant to dispose off the total 51,000,000 ordinary shares of AsiaEP Resources, which were allotted to them via the 132D exercise on 12 September 2011 and 3 October 2011, in the open market and the proceeds of the sale of the said 51,000,000 ordinary shares to be paid to account for the damages awarded herein by the Honourable Court;
- (d) any directions to be given by the Honourable Court pertaining to this suit;
- (e) costs;
- (f) further and/or other reliefs that the Honourable Court deem fit and appropriate

At the present moment, AsiaEP Resources is unable to determine the financial and operational impact and the expected losses arising from the Suit.

On 28 March 2012, the Board of Directors announced that at the Case Management dated 28 March 2012, the Kuala Lumpur High Court had fixed the matter for further Case Management on 18 April 2012.

On 19 April 2012, the Board of Directors announced that at the Case Management dated 18 April 2012, the Kuala Lumpur High Court had fixed the matter for further Case Management on 17 May 2012 to enable the Plaintiffs to file their affidavits in reply and reply to defence on 17 May 2012.

**\*\* Note :**

*On 5 April 2012 via their letter dated 3 April 2012, the Requisitionists consisting of namely 2nd, 3rd and the 6th Defendants, withdrew the Requisition. However, due to the short notice, AsiaEP Resources informed the shareholders at the meeting scheduled on 6 April 2012 of the same.*



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(ii) **Kuala Lumpur High Court Suit No. D5-22-1910-00**  
**Parties: AsiaEP Sdn. Bhd. v A-Zone (M) Sdn. Bhd and Lee Keong Sek**

AsiaEP Resources has filed a suit against A-Zone Sdn Bhd and Lee Keong Sek (collectively referred to as the "Defendants") for infringement of copyright and passing off in relation to AsiaEP Resources's business. An interim injunction has been obtained by AsiaEP Resources restraining the Defendants from further infringement. The Defendants have filed their defense and countered claim.

The case is presently at the stage of proceeding to Pre-Trial Case Management. The solicitors representing AsiaEP Resources are of the view that the suit may take 2 to 5 years to reach trial.

**B12. EARNINGS / (LOSS) PER SHARE**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 29/02/2012	Preceding Yr Corresponding Quarter 28/02/2011	Current Year To Date 29/02/2012	Preceding Yr Corresponding Yr To Date 28/02/2011
(a) <b>Basic earnings/(loss) per share</b>					
Profit / (Loss) attributable to the owners of the parent	(RM'000)	(9,170)	(31,256)	(15,618)	(33,078)
<b>Weighted average number of ordinary shares for the purpose of basic loss per share computation ('000)</b>		<b>764,148</b>	725,932	<b>764,148</b>	725,932
New shares issue pursuant to warrants		-	-	-	-
New shares issue pursuant to share options		-	-	-	-
Share buy back		-	-	-	-
		<b>764,148</b>	<b>725,932</b>	<b>764,148</b>	<b>725,932</b>
Basic earnings/(loss) per share	(sen)	(1.20)	(4.31)	(2.04)	(4.56)

(b) **Diluted earnings/(loss) per share**

For the purpose of calculating diluted loss per share, the profit for the period attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the period have been adjusted for the dilutive effects of all potential ordinary share i.e. warrants and share options granted to employees.

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 29/02/2012	Preceding Yr Corresponding Quarter 28/02/2011	Current Year To Date 29/02/2012	Preceding Yr Corresponding Yr To Date 28/02/2011
Profit / (Loss) attributable to the owners of the parent	(RM'000)	(9,170)	(31,256)	(15,618)	(33,078)
<b>Weighted average number of ordinary shares for the purpose of basic earnings per share computation ('000)</b>		<b>764,148</b>	725,932	<b>764,148</b>	725,932
Add: Adjustment for share options	('000)	10,300	-	10,300	-
Adjustment for warrants		-	-	-	-
Weighted average number of ordinary shares for the purpose of diluted loss per share	('000)	<b>774,448</b>	725,932	<b>774,448</b>	725,932
Diluted earnings/(loss) per share	(sen)	(1.18)	(4.31)	(2.02)	(4.56)

**B13. UTILISATION OF PROCEEDS PURSUANT TO THE PROPOSED PRIVATE PLACEMENT OUT OF 72,568,496 SHARES AS APPROVED BY THE BURSA MALAYSIA SECURITIES BERHAD**

As at 30 April 2012, AsiaEP Resources has utilised approximately 94.00% of the proceeds raised from the above-mentioned private placement :

Purpose	Amount Allocated (RM'000)	Amount Utilised (RM'000)	Balance (RM'000)
Working Capital	7,130.0	6,705.2	424.8
Defrayment Cost of Private Placement	70.0	62.9	7.1
	<b>7,200.0</b>	<b>6,768.1</b>	<b>431.9</b>

(Incorporated in Malaysia)

**Quarterly report**

Quarterly report on results for the period ended 29 February 2012  
The figures have not been audited.

**B14. DISCLOSURE OF REALISED AND UNREALISED PROFITS AND LOSSES**

The breakdown of the retained earnings / (accumulated losses) of the Group as at 29 February 2012 into realised and unrealised profits/(losses) is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by Malaysian Institute of Accountants.

	As at end of current quarter <u>29/02/2012</u> (RM'000)	As at end of preceding quarter <u>30/11/2011</u> (RM'000)
<b>Total Retained Earnings / (Accumulated Losses) of the Group</b>		
- Realised	(124,160)	(105,100)
- Unrealised	-	-
	(124,160)	(105,100)
Consolidated Adjustments :	62,870	53,308
Total Group Retained Earnings / (Accumulated Losses) as per consolidated accounts	(60,971)	(51,792)

**BY ORDER OF THE BOARD OF DIRECTORS OF ASIAEP RESOURCES BHD**

Lee Suet Hong (Ms)  
Director  
Selangor  
Dated: 30-Apr-2012