

Quarterly report

Quarterly report on results for the second quarter ended 28 February 2013

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | AS AT END OF CURRENT QUARTER <u>28/02/2013</u> RM'000 | AS AT PRECEDING FINANCIAL YEAR END <u>31/08/2012 (Audited)</u> RM'000 |
|--|--|--|
| ASSETS | | |
| Non-Current Assets | | |
| Property, Plant and Equipment | 1,907 | 2,499 |
| Prepaid land lease payment | 478 | 480 |
| Intangible Assets | 0 | - |
| | 2,385 | 2,979 |
| Current Assets | | |
| Trade Receivables | 148 | 177 |
| Other Receivables, Deposits and Prepayments | 3 | 7 |
| Tax recoverable | 8 | 15 |
| Short term investment | - | - |
| Cash and Bank Balances | 23 | 105 |
| | 182 | 304 |
| TOTAL ASSETS | 2,567 | 3,283 |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the parent | | |
| Share capital | | |
| Ordinary shares of RM0.10 each | 81,311 | 81,311 |
| Reserves | | |
| Share Premium | 268 | 268 |
| Warrant Reserve | 13,276 | 13,276 |
| Translation Reserve | (740) | (739) |
| ESOS Reserve | 1,332 | 1,332 |
| Retained Profits | (97,964) | (92,597) |
| Less: 3,423,300 treasury shares at cost | (669) | (669) |
| | (3,186) | 2,182 |
| Minority Interest | - | - |
| Total Equity | (3,186) | 2,182 |
| Non Current Liabilities | | |
| Hire Purchase Liabilities | - | - |
| Deferred Taxation | - | - |
| | - | - |
| Current Liabilities | | |
| Trade Payables | - | 21 |
| Other Payables and Accruals | 5,753 | 1,080 |
| Bank overdraft | - | - |
| Share Application Money | - | - |
| Hire Purchase Liabilities | - | - |
| Tax Payable | - | - |
| | 5,753 | 1,101 |
| Total Liabilities | 5,753 | 1,101 |
| TOTAL EQUITY AND LIABILITIES | 2,567 | 3,283 |
| Net assets per share (RM) | (0.0039) | 0.0027 |

The Condensed Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 August 2012 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>28/02/2013</u> RM '000 | Preceding Yr Corresponding Quarter <u>29/02/2012</u> RM '000 | Current Year To Date <u>28/02/2013</u> RM '000 | Preceding Yr Corresponding Yr To Date <u>29/02/2012</u> RM '000 |
| Revenue | 93 | 104 | 207 | N/A |
| Cost of services | (40) | (138) | (97) | N/A |
| Gross profit/(loss) | 53 | (34) | 110 | - |
| Other income | 126 | 2 | 126 | N/A |
| Administration expenses | (4,288) | (6,123) | (5,285) | N/A |
| Depreciation and amortisation | (159) | (3,015) | (318) | N/A |
| Finance costs | - | 0 | - | N/A |
| Profit/(Loss) before tax | (4,268) | (9,170) | (5,367) | N/A |
| <u>Income Tax expense</u> | | | | |
| Current Tax | - | - | - | N/A |
| Deferred tax | - | - | - | N/A |
| PROFIT/(LOSS) FOR THE PERIOD | (4,268) | (9,170) | (5,367) | N/A |
| <u>Other Comprehensive Income/(Loss) :</u> | | | | |
| Exchange differences on translating foreign operations | 0 | (9) | (1) | N/A |
| Income tax relating to components of other comprehensive income | - | - | - | - |
| Other comprehensive income/(loss) for the period, net of tax | 0 | (9) | (1) | N/A |
| TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD | (4,268) | (9,179) | (5,368) | N/A |
| <u>Profit/(Loss) attributable to :</u> | | | | |
| Owners of the parent | (4,268) | (9,170) | (5,367) | N/A |
| Minority Interest | - | - | - | - |
| | (4,268) | (9,170) | (5,367) | - |
| <u>Total comprehensive income/(loss) attributable to :</u> | | | | |
| Owners of the parent | (4,268) | (9,179) | (5,368) | N/A |
| Minority Interest | - | - | - | - |
| | (4,268) | (9,179) | (5,368) | N/A |
| <u>Earnings/(Loss) per share attributable to Owners of the Parent (sen)</u> | | | | |
| - basic | (0.53) | (1.20) | (0.66) | N/A |
| - diluted | (0.53) | (1.18) | (0.66) | N/A |

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 August 2012 and the accompanying explanatory notes attached to this report.

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 28 FEBRUARY 2013**

| 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 |
|---|--------------------------------|--------------------------------|----------------------------------|-----------------------------------|--------------------------------------|-------------------------------|----------------------------------|-------------------------------|
| <u>6 months ended</u> | | | | | | | | |
| <u>28 February 2013</u> | | | | | | | | |
| As at 1 September 2012 | 81,311 | 268 | 13,276 | (92,597) | (739) | 1,332 | (669) | 2,182 |
| Total comprehensive income for the period | - | - | - | (5,367) | (1) | - | - | (5,368) |
| As at 28 February 2013 | 81,311 | 268 | 13,276 | (97,964) | (740) | 1,332 | (669) | (3,186) |
| <u>6 months ended</u> | | | | | | | | |
| <u>29 February 2012</u> | | | | | | | | |
| As at 1 September 2011 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Issuance of ordinary shares | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Expiry of Warrant A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| ESOS Expenses | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Total comprehensive income for the period | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| As at 29 February 2012 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

The Condensed Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 August 2012 and the accompanying explanatory notes attached to this report.

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**CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE PERIOD FROM 01 SEPTEMBER 2012 TO 28 FEBRUARY 2013**

| | 01/09/2012 to 28/02/2013 | 01/03/2011 to 29/02/2012 |
|---|-------------------------------------|-------------------------------------|
| | RM '000 | RM '000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit/(Loss) before tax | (5,367) | (15,618) |
| <u>Adjustments for non cash item</u> | | |
| Amortisation and Impairment of development costs | - | 5,343 |
| Amortisation of Intellectual Property | - | 3,028 |
| Amortisation of prepaid land lease payments | 2 | 5 |
| Depreciation | 87 | 3,614 |
| Interest income | (0) | (5) |
| Disposal loss/(gain) on property, plant and equipment | (126) | 62 |
| Share based payment under ESOS | - | 565 |
| Allowance for doubtful debts | - | (67) |
| | <u>(37)</u> | <u>12,545</u> |
| Operating profit before working capital changes | (5,404) | (3,073) |
| Changes in working capital: | | |
| Trade and other receivables | 40 | (1,948) |
| Trade and other payables | 4,652 | (288) |
| Cash generated from/(used in) operations | (712) | (5,309) |
| Development cost paid | 231 | (262) |
| Tax paid | - | (2) |
| Net cash generated from/(used in) operating activities | <u>(481)</u> | <u>(5,573)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest received | 0 | 5 |
| Proceeds from disposal of property, plant and equipment | 400 | - |
| Purchase of property, plant and equipment | - | (343) |
| Net cash generated from/(used in) investing activities | <u>400</u> | <u>(338)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from private placement and/or ESOS exercises | - | 6,700 |
| Repayment of hire purchase liabilities | - | - |
| Payment for share buy back | - | - |
| Net cash generated from/(used in) financing activities | <u>-</u> | <u>6,700</u> |
| Net increase/(decrease) in cash and cash equivalents | (81) | 789 |
| Effect on Exchange Rate Changes on Opening Cash | (1) | (5) |
| Cash and cash equivalents at beginning of financial period | 105 | 549 |
| Cash and cash equivalents at end of financial period | <u>23</u> | <u>1,333</u> |
| Cash and cash equivalents comprise | | |
| Short term investment | - | - |
| Cash and bank balances | 23 | - |
| Bank overdraft | - | 1,333 |
| | <u>23</u> | <u>1,333</u> |

The Condensed Consolidated Statement of Cashflows should be read in conjunction with the audited financial statements for the financial year ended 31 August 2012 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") 31 August 2012.

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 31 August 2012.

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 31 August 2012.

A2. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the FYE 31 August 2012 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.

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 28 February 2013.

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-to-date consists of acquisition of property, plant and equipment, and capitalisation of research and development expenditures.

Business Segments

During the current quarter ended 28 February 2013, e-commerce remains as the main business activity of the AsiaEP Group subject to the submission of any Regularisation Plan to be approved by Bursa Securities, pursuant to the current Guidance Note 3 position of the Company.

Geographical Segments

| <u>For the year-to-date ended 28/02/2013</u> | Malaysia RM'000 | Hong Kong RM'000 | Total RM'000 |
|---|----------------------------|-----------------------------|-------------------------|
| Revenue from external customers | 207 | - | 207 |
| Segment assets | 2,557 | 0 | 2,558 |
| Segment liabilities | 5,753 | - | 5,753 |
| Capital Expenditure | - | - | - |
| Depreciation | 87 | - | 87 |
| Amortisation and Impairment | - | - | - |
| Interest Income | 0 | - | 0 |
| Interest Expenses | - | - | - |
| Profit/(loss) before taxation | (5,365) | (2) | (5,368) |
| Taxation | - | - | - |
| Profit/(loss) after taxation | (5,365) | (2) | (5,368) |

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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 B8. (i) and (ii) 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 or contingent assets other than those disclosed in Note B8. (i) and (ii) below.

A13. CAPITAL COMMITMENTS

During the current quarter ended 28 February 2013, there is no capital commitments.

ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1. REVIEW OF RESULTS FOR THE QUARTER ENDED 28 FEBRUARY 2013

The Group recorded a consolidated loss after taxation of approximately RM4.268 million with revenue of approximately RM0.093 million for the current quarter ended 28 February 2013, as compared with the corresponding period of the preceding year ended 29 February 2012 when the Group achieved a consolidated loss after taxation of approximately RM9.17 million and revenue of approximately RM0.104 million. The consolidated revenue for the current quarter ended 28 February 2013 decreased by approximately 10.91% as compared to the preceding year corresponding quarter.

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

The Group recorded a consolidated revenue of approximately RM0.093 million for the first quarter ended 28 February 2013, representing decrease of approximately 19.10% from the consolidated revenue as recorded in the immediate preceding quarter ended 30 November 2012 of approximately RM0.115 million.

The Group registered loss before tax of approximately RM4.27 million as compared to the loss before tax recorded in the previous quarter ended 30 November 2012 of approximately RM1.099 million.

B3. COMING YEAR PROSPECTS

The financial performance of the Group towards the financial year ending 31 August 2013 remains to be challenging.

B4. PROFIT FORECAST

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

B5. TAXATION

On 17 January 2007, Defined Search Sdn Bhd ("DSSB"), a wholly owned subsidiary of AsiaEP Resources was granted MSC Status. As such, DSSB was then granted Pioneer Status with effect from 16 January 2008. Therefore, DSSB would be able to enjoy tax free status that is renewable up to 15 January 2018.

B6. 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.

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.

In view of the above, the Corporate Proposal for the Proposed Subscription is deemed terminated. Please refer to Note B10 (i) as the chronological events relating to this case is now considered as a Material Litigation instead of a Corporate Proposal.

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B7. BORROWING AND DEBT SECURITIES

AsiaEP Resources does not have any borrowings and debt securities as at 28 February 2013.

B8. 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) **a) Kuala Lumpur High Court Suit No.: 24NCC-152-04/2012 (LPB vs AsiaEP Resources)**
b) Kuala Lumpur High Court Suit No.: 28NCC-387-05/2012 (AsiaEP Resources vs LPB)

With reference to Note B8 above, the subsequent chronological events relating to the post-termination of the Corporate Proposal on the Proposed Subscription are as follows :

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 Injunction Application came up for Case Management on 24 April 2012 and hearing was fixed on 8 May 2012, pending parties to file the necessary Affidavits and submissions.

The case eventually came up for hearing on 17 May 2012, during which, the Honourable Judge has dismissed with costs the Injunction Application by LPB.

Subsequently, AsiaEP Resources has filed a winding up petition against LPB and LPB filed a striking application against the winding up petition. This is fixed for hearing on 2 August 2012. In addition, LPB filed an appeal against the dismissal by the High Court of their injunction application for injunction against the winding up petition. This is fixed for hearing on 15 August 2012.

Following the filing of an appeal by LPB against the dismissal by the High Court of their injunction application against the winding up petition, the appeal was withdrawn during the hearing on 15 August 2012. Thus far, no further action pertaining to this matter.

Further, the winding up petition against LPB was granted on 21 September 2012 and the status of the winding up was recently gazetted and/or advertised on 22 October 2012.

- (ii) **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 (LPB) (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 nd Defendant) | 701105-01-6327 |
| Tian Ee Intertrade Sdn Bhd (3 rd Defendant) | 948498-W |
| Tan Keat Chye (4 th Defendant) | 650408-08-5525 |
| Li JunMin (5 th Defendant) | G21666385 |
| Du Fashui (6 th Defendant) | G42079465 |
| Mohamed Jawad Khan (7 th Defendant) | 481118-71-5221 |
| Prof Dr Chin Yew Sin (8 th Defendant) | 600402-08-5211 |

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

- damages to be assessed by the Honourable Court for the losses occasioned to AsiaEP Resources and its shareholders by the Defendants;
- 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;
- 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;
- any directions to be given by the Honourable Court pertaining to this suit;
- costs;
- 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.

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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.

On 17 May 2012, the Board of Directors of AsiaEP announced that at the Case Management dated 17 May 2012, the Kuala Lumpur High Court had fixed the matter for further Case Management on 15 June 2012 as the relevant parties would need to reply to the Affidavit in Reply.

On 20 July 2012, the Board of Directors of AsiaEP announced that the Kuala Lumpur High Court eventually had fixed the matter for further Case Management on 24 July 2012.

On 24 July 2012, the Board of Directors of AsiaEP announced that the Kuala Lumpur High Court had fixed as follows :

- a) The 2nd, 7th and 8th Defendants (namely, Dato' Dr. Clement Tan Wei Loon, Mohamed Jawad Khan and Prof. Dr. Chin Yew Sin respectively) had filed a striking out application and was fixed for hearing on 10 August 2012.
- b) The 1st Defendant (LPB) also filed a striking out application which was fixed for hearing on 7 September 2012.
- c) The entire case was fixed for further Case Management on 21 September 2012.

On 30 August 2012, the 2nd Defendant's application was dismissed with cost while the 7th and 8th Defendants' application were allowed. The Solicitors have files Notice of Appeal on 28 September 2012 and the Court has fixed the next case management date on 8 November 2012.

On 12 September 2012, the 1st Defendant's application was dismissed with cost.

A new case management date has been fixed by the Court for the entire suit on 23 November 2012.

The Appeal on the 7th and 8th Defendant's application for striking out is fixed for case management on January 2013. Subsequently on 1 April, 2013, the Appeals were dismissed with cost.

The entire suit is now fixed for Trial on 24 July to 26 July 2013.

(iii) 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.

B9. EARNINGS / (LOSS) PER SHARE

| | | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|--|----------|------------------------------------|--|------------------------------------|---|
| | | Current Year Quarter 28/02/2013 | Preceding Yr Corresponding Quarter 29/02/2012 | Current Year To Date 28/02/2013 | Preceding Yr Corresponding Yr To Date 29/02/2012 |
| (a) Basic earnings/(loss) per share | | | | | |
| Profit / (Loss) attributable to the owners of the parent | (RM'000) | (4,268) | (9,170) | (5,367) | N/A |
| Weighted average number of ordinary shares for the purpose of basic loss per share computation ('000) | | 797,689 | 764,148 | 797,689 | N/A |
| New shares issue pursuant to warrants | | | - | | N/A |
| New shares issue pursuant to share options | | 11,332 | - | 11,332 | N/A |
| Share buy back | | - | - | - | - |
| | | 809,020 | 764,148 | 809,020 | - |
| Basic earnings/(loss) per share | (sen) | (0.53) | (1.20) | (0.66) | N/A |

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(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 <u>28/02/2013</u> | Preceding Yr Corresponding Quarter <u>29/02/2012</u> | Current Year To Date <u>28/02/2013</u> | Preceding Yr Corresponding Yr To Date <u>29/02/2012</u> |
| Profit / (Loss) attributable to the owners of the parent | (RM'000) | (4,268) | (9,170) | (5,367) | N/A |
| Weighted average number of ordinary shares for the purpose of basic earnings per share computation ('000) | | 809,020 | 764,148 | 809,020 | N/A |
| Add: Adjustment for share options | ('000) | - | 10,300 | - | N/A |
| Adjustment for warrants | | - | - | - | N/A |
| Weighted average number of ordinary shares for the purpose of diluted loss per share | ('000) | 809,020 | 774,448 | 809,020 | - |
| Diluted earnings/(loss) per share | (sen) | (0.53) | (1.18) | (0.66) | N/A |

B10. DISCLOSURE OF REALISED AND UNREALISED PROFITS AND LOSSES

The breakdown of the retained earnings / (accumulated losses) of the Group as at 28 February 2013 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>28/02/2013</u> (RM'000) | As at end of preceding quarter <u>30/11/2012</u> (RM'000) |
|---|---|---|
| Total Retained Earnings / (Accumulated Losses) of the Group | | |
| - Realised | (163,892) | (159,624) |
| - Unrealised | - | - |
| | (163,892) | (159,624) |
| Consolidated Adjustments : | 65,927 | 65,927 |
| Total Group Retained Earnings / (Accumulated Losses) as per consolidated accounts | (97,965) | (93,697) |

BY ORDER OF THE BOARD OF DIRECTORS OF ASIAEP RESOURCES BHD

Lee Suet Hong (Ms)
Director
Selangor