

**Quarterly report**

Quarterly report on results for the fourth quarter ended 31 August 2013

The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	AS AT END OF CURRENT QUARTER <u>31/08/2013</u> RM'000	AS AT PRECEDING FINANCIAL YEAR END <u>31/08/2012 (Audited)</u> RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	1,577	2,499
Prepaid land lease payment	475	480
Intangible Assets	0	-
	<b>2,052</b>	<b>2,979</b>
<b>Current Assets</b>		
Trade Receivables	84	177
Other Receivables, Deposits and Prepayments	3	7
Tax recoverable	4	15
Short term investment	-	-
Cash and Bank Balances	27	105
	<b>118</b>	<b>304</b>
<b>TOTAL ASSETS</b>	<b>2,170</b>	<b>3,283</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital		
Ordinary shares of RM0.10 each	80,969	81,311
Reserves		
Share Premium	-	268
Warrant Reserve	13,276	13,276
Translation Reserve	(740)	(739)
ESOS Reserve	704	1,332
Capital Redemption Reserve	342	-
Retained Profits	(99,518)	(92,597)
Less: 3,423,300 treasury shares at cost	-	(669)
	(4,967)	2,182
<b>Minority Interest</b>	-	-
<b>Total Equity</b>	<b>(4,967)</b>	<b>2,182</b>
<b>Non Current Liabilities</b>		
Hire Purchase Liabilities	-	-
Deferred Taxation	-	-
	-	-
<b>Current Liabilities</b>		
Trade Payables	-	21
Other Payables and Accruals	7,137	1,080
Bank overdraft	-	-
Share Application Money	-	-
Hire Purchase Liabilities	-	-
Tax Payable	-	-
	<b>7,137</b>	<b>1,101</b>
<b>Total Liabilities</b>	<b>7,137</b>	<b>1,101</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,170</b>	<b>3,283</b>
<b>Net assets per share (RM)</b>	<b>(0.0061)</b>	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>31/08/2013</u> RM '000	Preceding Yr Corresponding Quarter <u>31/08/2012</u> RM '000	Current Year To Date <u>31/08/2013</u> RM '000	Preceding Yr Corresponding Yr To Date <u>31/08/2012</u> RM '000
<b>Revenue</b>	<b>113</b>	162	<b>392</b>	N/A
Cost of services	(75)	(67)	(184)	N/A
<b>Gross profit/(loss)</b>	<b>38</b>	95	<b>208</b>	-
Other income	6	-	135	N/A
Administration expenses	(1,079)	(12,841)	(6,229)	N/A
Depreciation and amortisation	(158)	(6,069)	(633)	N/A
Finance costs	-	(1)	-	N/A
<b>Profit/(Loss) before tax</b>	<b>(1,192)</b>	(18,816)	<b>(6,520)</b>	N/A
<u>Income Tax expense</u>				
Current Tax	-	-	-	N/A
Deferred tax	-	-	-	N/A
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>(1,192)</b>	(18,816)	<b>(6,520)</b>	N/A
<b><u>Other Comprehensive Income/(Loss) :</u></b>				
Exchange differences on translating foreign operations	(1)	(5)	(1)	N/A
Income tax relating to components of other comprehensive income	-	-	-	-
<b>Other comprehensive income/(loss) for the period, net of tax</b>	<b>(1)</b>	<b>(5)</b>	<b>(1)</b>	<b>N/A</b>
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD</b>	<b>(1,193)</b>	<b>(18,821)</b>	<b>(6,521)</b>	<b>N/A</b>
<b><u>Profit/(Loss) attributable to :</u></b>				
Owners of the parent	(1,192)	(18,816)	(6,520)	N/A
Minority Interest	-	-	-	-
	<b>(1,192)</b>	<b>(18,816)</b>	<b>(6,520)</b>	-
<b><u>Total comprehensive income/(loss) attributable to :</u></b>				
Owners of the parent	(1,193)	(18,821)	(6,521)	N/A
Minority Interest	-	-	-	-
	<b>(1,193)</b>	<b>(18,821)</b>	<b>(6,521)</b>	<b>N/A</b>
<b><u>Earnings/(Loss) per share attributable to Owners of the Parent (sen)</u></b>				
- basic	<b>(0.15)</b>	(2.35)	<b>(0.81)</b>	N/A
- diluted	<b>(0.15)</b>	(2.33)	<b>(0.81)</b>	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 31 AUGUST 2013**

Group	Share capital RM'000	Share premium RM'000	Warrant reserve RM'000	Retained profits RM'000	Translation reserve RM'000	ESOS reserve RM'000	Capital redemption reserve RM'000	Treasury shares RM'000	Total equity RM'000
<b>12 months ended 31 August 2013</b>									
As at 1 September 2012	81,311	268	13,276	(92,597)	(739)	1,332	-	(669)	2,182
Issue of ordinary shares	(0)	(0)	-	-	-	(0)	-	-	(0)
Cancellation of Treasury Shares	(342)	(268)	-	(401)	-	-	342	669	-
Expiry of Warrant A	-	-	-	-	-	-	-	-	-
ESOS Expenses	-	-	-	-	-	(628)	-	-	(628)
Total comprehensive income for the period	-	-	-	(6,520)	(1)	-	-	-	(6,521)
As at 31 August 2013	80,969	-	13,276	(99,518)	(740)	704	342	-	(4,967)
<b>12 months ended 31 August 2012</b>									
As at 1 September 2011	N/A	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	N/A
Cancellation of Treasury Shares	N/A	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	N/A
ESOS Expenses	N/A	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	N/A
As at 31 August 2012	N/A	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 31 AUGUST 2013**

	<b>01/09/2012 to</b>	<b>01/03/2011 to</b>
	<b><u>31/08/2013</u></b>	<b><u>31/08/2012</u></b>
	RM '000	RM '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	(6,520)	(47,245)
<u>Adjustments for non cash item</u>		
Amortisation and Impairment of development costs	-	305
Amortisation of Intellectual Property	-	1,693
Amortisation of prepaid land lease payments	5	8
Depreciation	633	7,667
Interest income	-	(6)
Reversal of impairment losses on trade receivables	-	(40)
Disposal loss/(gain) on property, plant and equipment	(126)	-
Share based payment under ESOS	-	1,600
Impairment loss on property, plant and equipment	15	9,649
Impairment loss on intangible assets	-	17,378
ESOS Expenses	(628)	-
Property, plant and equipment written off	-	536
Deposit written off	-	72
Allowance for impairment - Trade receivables & deposit	-	2,232
	<u>(101)</u>	<u>41,094</u>
Operating profit before working capital changes	(6,620)	(6,151)
Changes in working capital:		
Trade and other receivables	97	(1,975)
Trade and other payables	6,035	611
Cash generated from/(used in) operations	(488)	(7,515)
Development cost paid	-	(273)
Tax Refund/(Tax paid)	11	(2)
Net cash generated from/(used in) operating activities	<u>(477)</u>	<u>(7,790)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	-	6
Proceeds from disposal of property, plant and equipment	400	-
Purchase of property, plant and equipment	-	(561)
Net cash generated from/(used in) investing activities	<u>400</u>	<u>(555)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares	-	6,700
Proceeds from exercise of employee share options	-	1,200
Share Premium	-	-
Drawdown of short term borrowing	-	-
Repayment of bank overdraft	-	-
Repayment of hire purchase liabilities	-	-
Payment for share buy back	-	-
Net cash generated from/(used in) financing activities	<u>-</u>	<u>7,900</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	(77)	(445)
<b>Effect on Exchange Rate Changes on Opening Cash</b>	(1)	1
<b>Cash and cash equivalents at beginning of financial period</b>	<u>105</u>	<u>549</u>
<b>Cash and cash equivalents at end of financial period</b>	<u><u>27</u></u>	<u><u>105</u></u>
<b>Cash and cash equivalents comprise</b>		
Short term investment	-	-
Cash and bank balances	27	-
Bank overdraft	-	105
	<u><u>27</u></u>	<u><u>105</u></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 31 August 2013, save for the following :

The Company had on 29 March 2013, cancelled 28,000,000 units of ESOS as a result from termination of the service contracts of certain contractors who were granted ESOS options.

On 16 May 2013, the entire 3,423,300 treasury shares of RM0.10 each were cancelled in accordance with Section 67A of the Companies Act, 1965.

**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**

During the current quarter ended 31 August 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**

<b>For the year ended 31/08/2013</b>	<b>Malaysia</b>	<b>Hong Kong</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue from external customers	392	-	392
Segment assets	2,165	1	2,166
Segment liabilities	7,133	4	7,137
Capital Expenditure	-	-	-
Depreciation	633	-	633
Amortisation and Impairment	15	-	15
Interest Income	0	-	0
Interest Expenses	-	-	-
Profit/(loss) before taxation	(6,515)	(5)	(6,520)
Taxation	-	-	-
Profit/(loss) after taxation	(6,515)	(5)	(6,520)

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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 are no contingent liabilities or contingent assets other than those disclosed here and in Note B8 (i) and (ii) below.

Save as disclosed below, as at the 31 August 2013, the Board of asiaEP is not aware of any contingent liabilities, incurred or known to be incurred, which upon becoming enforceable, may have a substantial impact on the ability of the Group to meet its obligations as and when they fall due:-

(i) Contractual benefits for Dr. Tan Boon Nunt and Lee Suet Hong:-

Contingent liabilities	As at 31 August (RM'000)
Contractual benefits for Dr. Tan Boon	
(i) Retrenchment benefit; and	3,780
(ii) Long Service.	3,780
<b>Subtotal</b>	<b>7,560</b>
Contractual benefits for Lee Suet Hong:-	
(i) Retrenchment benefit;	3,780
(ii) Long Service; and	3,780
(iii) Retirement benefit <sup>(1)</sup> .	274
<b>Subtotal</b>	<b>7,834</b>
<b>Total<sup>(2)</sup></b>	<b>15,394</b>

Notes:-

(1) The amount of the retirement benefit of Lee Suet Hong which is expected to accrue from the month of September 2013 up to the month of November 2013.

(2) Pursuant to the Conditional Agreement dated 30 April 2013, Dr. Tan Boon Nunt and Lee Suet Hong have agreed to waive all of their contractual benefits upon completion of the Proposed Regularisation Plan, save for RM500,000, which is due and payable to Dr. Tan Boon Nunt as part of his retirement benefit.

(ii) Damages claimable by GFM Services in the event of default on the Conditional Agreement:-

Contingent liabilities	As at 31 August (RM'000)
Damages claimable:-	
(i) To defray the actual costs and expenses incurred; and	500
(ii) Liquidated damages (only if Dr. Tan Boon Nunt, Lee Suet Hong and Topclass Access Sdn Bhd are unable to procure the approvals of the Board of asiaEP and the shareholders of asiaEP for the implementation of the Proposed Regularisation Plan).	1,000
<b>Total</b>	<b>1,500</b>

**A13. CAPITAL COMMITMENTS**

During the current quarter ended 31 August 2013, there is no capital commitments.

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**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS**

**B1. REVIEW OF RESULTS FOR THE QUARTER ENDED 31 AUGUST 2013:**

The Group recorded a consolidated loss after taxation of approximately RM1.192 million with revenue of approximately RM0.113 million for the current quarter ended 31 August 2013, as compared with the corresponding period of the preceding year ended 31 August 2012 when the Group achieved a consolidated loss after taxation of approximately RM18.816 million and revenue of approximately RM0.162 million. The consolidated revenue for the current quarter ended 31 August 2013 decreased by approximately 30.01% 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 RM0.113 million for the current quarter ended 31 August 2013, representing improvement by approximately 59.68% from the consolidated revenue as recorded in the immediate preceding quarter ended 31 May 2013 of approximately RM0.071 million.

The Group registered loss before tax of approximately RM1.19 million as compared to the profit before tax recorded in the previous quarter ended 31 May 2013 of approximately RM0.039 million.

**B3. COMING YEAR PROSPECTS**

The financial performance of the Group towards the financial year ending 31 August 2014 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.

**Proposed Regularisation Plan**

On 30 April 2013, KAF Investment Bank Berhad ("KAF Investment") had on behalf of asiaEP Resources Berhad ("the Company") announced that the Company proposed to undertake the Proposed Regularisation Plan to regularise its financial position. Please refer to the announcement dated 30 April 2013 for details of Proposed Regularisation Plan and the Conditional Agreement entered into by the Company.

On 13 May 2013, the Company was granted an extension of time of two (2) months up to 16 July 2013 by Bursa Malaysia Securities Berhad ("Bursa Securities") to submit a regularisation plan to Bursa Securities.

On 2 July 2013, KAF Investment had announced on behalf of the Company, the variations to the Proposed Regularisation Plan pursuant to a Supplemental Agreement. Please refer to the announcement dated 2 July 2013 for details of the Supplemental Agreement and variations to the Proposed Regularisation Plan.

On 11 July 2013, KAF Investment had announced on behalf of the Company, that the applications in relation to the Proposed Regularisation Plan had been submitted to the relevant regulatory authorities.

**B7. BORROWING AND DEBT SECURITIES**

AsiaEP Resources does not have any borrowings and debt securities as at 31 August 2013.

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**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 <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.



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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 was fixed for trial on 24 July to 26 July 2013.

Pursuant to the 3 days' trial for the suit, the court has on 26th July 2013 given further Directions as follows:

- (a) Written Submissions to be filed in court by parties simultaneously on 26 August 2013. Oral Submissions will be done before the Court on the same day as well.
- (b) Skeletal Submissions to be filed in court by parties simultaneously by 23 August 2013.

Subsequent to the 3 days' trial for the suit, decision/clarification was fixed on 27 September 2013.

On 27 September 2013, it was further fixed on 23 October 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 31/08/2013	Preceding Yr Corresponding Quarter 31/08/2012	Current Year To Date 31/08/2013	Preceding Yr Corresponding Yr To Date 31/08/2012
(a) <b>Basic earnings/(loss) per share</b>					
Profit / (Loss) attributable to the owners of the parent	(RM'000)	(1,192)	(18,816)	(6,520)	N/A
<b>Weighted average number of ordinary shares for the purpose of basic loss per share computation ('000)</b>		<b>797,689</b>	799,314	<b>797,689</b>	N/A
New shares issue pursuant to warrants					N/A
New shares issue pursuant to share options		12,000	-	12,000	N/A
Share buy back		-	-	-	-
		<b>809,689</b>	<b>799,314</b>	<b>809,689</b>	-
Basic earnings/(loss) per share	(sen)	<b>(0.15)</b>	<b>(2.35)</b>	<b>(0.81)</b>	N/A

**Quarterly report**

Quarterly report on results for the fourth quarter ended 31 August 2013  
 The figures have not been audited.

(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 31/08/2013	Preceding Yr Corresponding Quarter 31/08/2012	Current Year To Date 31/08/2013	Preceding Yr Corresponding Yr To Date 31/08/2012
Profit / (Loss) attributable to the owners of the parent	(RM'000)	(1,192)	(18,816)	(6,520)	N/A
<b>Weighted average number of ordinary shares for the purpose of basic earnings per share computation ('000)</b>		<b>809,689</b>	799,314	<b>809,689</b>	N/A
<i>Add:</i> Adjustment for share options	('000)	-	9,100	-	N/A
Adjustment for warrants		-	-	-	N/A
Weighted average number of ordinary shares for the purpose of diluted loss per share	('000)	<b>809,689</b>	808,414	<b>809,689</b>	-
Diluted earnings/(loss) per share	(sen)	<b>(0.15)</b>	(2.33)	<b>(0.81)</b>	N/A

**B10. DISCLOSURE OF REALISED AND UNREALISED PROFITS AND LOSSES**

The breakdown of the retained earnings / (accumulated losses) of the Group as at 31 August 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 31/08/2013 (RM'000)	As at end of preceding quarter 31/05/2013 (RM'000)
<b>Total Retained Earnings / (Accumulated Losses) of the Group</b>		
- Realised	(165,405)	(164,252)
- Unrealised	-	-
	(165,405)	(164,252)
Consolidated Adjustments :	65,887	65,926
Total Group Retained Earnings / (Accumulated Losses) as per consolidated accounts	(99,518)	(98,325)

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

Lee Suet Hong (Ms)  
 Director  
 Selangor