

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR FINANCIAL PERIOD ENDED 31 DECEMBER 2013
 (The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2013 RM	Preceding Year Corresponding Quarter 31.12.2012 RM	Current Year To Date 31.12.2013 RM	Preceding Year Corresponding Period 31.12.2012 RM
Revenue	1,261,102	1,182,999	3,616,627	4,917,345
Cost of sales	(779,393)	(530,881)	(1,923,258)	(2,445,222)
Gross profit	<u>481,709</u>	<u>652,118</u>	<u>1,693,369</u>	<u>2,472,123</u>
Other operating income	(6,821)	9,364	29,141	486,936
Administrative expenses	(820,154)	(1,130,331)	(2,685,378)	(3,635,309)
Other expenses	(221,401)	(223,916)	(654,862)	(683,186)
Operating loss	<u>(566,667)</u>	<u>(692,765)</u>	<u>(1,617,730)</u>	<u>(1,359,436)</u>
Finance income	224	128	2,530	1,196
Finance cost	(88,459)	(81,975)	(231,387)	(319,692)
Loss on disposal of associate	-	-	-	(13,939)
Share of loss of associates	(46,815)	(41,547)	(131,986)	(215,456)
Lost before taxation	<u>(701,717)</u>	<u>(816,159)</u>	<u>(1,978,573)</u>	<u>(1,907,327)</u>
Taxation	(303)	(396)	(7,739)	(396)
Loss for the period	<u>(702,020)</u>	<u>(816,555)</u>	<u>(1,986,312)</u>	<u>(1,907,723)</u>
Other comprehensive income:				
Exchange difference on translation of foreign operation	20,593	9,485	14,481	48,899
Total comprehensive loss for the period	<u>(681,427)</u>	<u>(807,070)</u>	<u>(1,971,831)</u>	<u>(1,858,824)</u>
Loss for the period attributable to:				
Equity holders of the Company	(724,328)	(804,125)	(1,987,631)	(1,850,807)
Non-controlling interests	22,308	(12,430)	1,319	(56,916)
Loss for the period	<u>(702,020)</u>	<u>(816,555)</u>	<u>(1,986,312)</u>	<u>(1,907,723)</u>
Total comprehensive loss attributable to:				
Equity holders of the Company	(682,304)	(807,096)	(1,970,980)	(1,853,120)
Non-controlling interests	877	26	(851)	(5,704)
Total comprehensive loss for the period	<u>(681,427)</u>	<u>(807,070)</u>	<u>(1,971,831)</u>	<u>(1,858,824)</u>
Basic EPS (sen)	(0.87)	(1.21)	(2.62)	(2.79)
Diluted EPS (sen)	N/A	N/A	N/A	N/A

Note:

The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read together with the audited consolidated financial statements for the financial year ended 31 March 2013 and the accompanying explanatory notes attached to this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

(The figures have not been audited)

	Unaudited As at 31.12.2013 RM	Audited As at 31.03.2013 RM
ASSETS		
Non-current assets		
Property, plant and equipment	14,998,509	15,492,042
Software development costs	21,528	29,601
Deferred tax assets	40,354	-
Goodwill on consolidation	33,000	33,000
Investments in associate	160,718	292,668
Other investment	46,929	46,929
	<u>15,301,038</u>	<u>15,894,240</u>
Current assets		
Inventories	355,604	267,363
Trade receivables	572,457	671,899
Other receivables, deposits and prepayments	5,670,916	549,909
Tax refundable	20,180	62,619
Short term deposits with licensed banks	7,132	14,951
Cash and bank balances	313,944	189,681
	<u>6,940,233</u>	<u>1,756,422</u>
	<u>22,241,271</u>	<u>17,650,662</u>
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	8,350,760	6,642,000
Share premium	12,193,796	7,202,176
Exchange fluctuation reserve	202,022	186,690
Capital reserves	16,401	15,429
Revaluation reserve	4,700,273	4,700,273
Accumulated losses	(11,499,405)	(9,511,774)
	<u>13,963,847</u>	<u>9,234,794</u>
Non-controlling interests	221,215	220,747
Total equity	<u>14,185,062</u>	<u>9,455,541</u>
Non-current liabilities		
Term loans	3,599,179	3,208,512
Hire purchase payables	136,825	142,350
Deferred tax liabilities	474,439	431,238
	<u>4,210,443</u>	<u>3,782,100</u>
Current liabilities		
Trade payables	173,989	240,783
Other payables and accruals	1,655,474	1,238,956
Amount owing to directors	1,313,454	1,683,929
Hire purchase payables	29,742	58,618
Short-term borrowings	516,300	1,030,221
Bank overdrafts	149,207	152,915
Provision for taxation	7,600	7,599
	<u>3,845,766</u>	<u>4,413,021</u>
	<u>22,241,271</u>	<u>17,650,662</u>
TOTAL EQUITY AND LIABILITIES		
Net assets per share attributable to ordinary equity holders of the parent company (sen)	16.72	13.90

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 March 2013 and the accompanying notes attached to this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2013
 (The figures have not been audited)

	<----- Attributable to equity holders of the parent ----->					Distributable Accumulated losses RM	Total RM	Non-controlling interest RM	Total Equity RM
	Share capital RM	Share premium RM	Foreign currency translation reserve RM	Capital reserve RM	Revaluation reserve RM				
9 months period ended 31 December 2013									
Balance as at 1 April 2013	6,642,000	7,202,176	186,690	15,429	4,700,273	(9,511,774)	9,234,794	220,747	9,455,541
Transaction with owners:									
- Placement issue, net of share issue costs	759,160	2,237,780	-	-	-	-	2,996,940	-	2,996,940
- Issuance of shares	949,600	2,753,840	-	-	-	-	3,703,440	-	3,703,440
- Arising from translation of foreign currency financial statements	-	-	-	972	-	-	972	-	972
Total transactions with owners	1,708,760	4,991,620	-	972	-	-	6,701,352	-	6,701,352
Arising from translation of foreign currency financial statements	-	-	15,332	-	-	-	15,332	(851)	14,481
Net loss for the period	-	-	-	-	-	(1,987,631)	(1,987,631)	1,319	(1,986,312)
Total comprehensive loss for the financial period	-	-	15,332	-	-	(1,987,631)	(1,972,299)	468	(1,971,831)
Balance as at 31 December 2013	8,350,760	12,193,796	202,022	16,401	4,700,273	(11,499,405)	13,963,847	221,215	14,185,062
9 months period ended 31 December 2012									
Balance as at 1 Apr 2012	6,642,000	7,202,176	151,882	15,429	-	(7,185,373)	6,826,114	355,433	7,181,547
Transaction with owners:									
- Arising from translation of foreign currency financial statements	-	-	-	395	-	-	395	-	395
Total transactions with owners	-	-	-	395	-	-	395	-	395
Arising from translation of foreign currency financial statements	-	-	54,603	-	-	-	54,603	(5,704)	48,899
Net loss for the period	-	-	-	-	-	(1,850,807)	(1,850,807)	(56,916)	(1,907,723)
Total comprehensive loss for the financial period	-	-	54,603	-	-	(1,850,807)	(1,796,204)	(62,620)	(1,858,824)
Balance as at 31 December 2012	6,642,000	7,202,176	206,485	15,824	-	(9,036,180)	5,030,305	292,813	5,323,118

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 March 2013 and the accompanying notes attached to this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR PERIOD ENDED 31 DECEMBER 2013
 (The figures have not been audited)

	9 MONTHS ENDED 31.12.2013 RM	9 MONTHS ENDED 31.12.2012 RM
Cash flow from operating activities		
Loss before taxation	(1,978,573)	(1,907,327)
Non cash adjustment		
Depreciation of property, plant and equipment	659,843	650,111
Amortisation of research & development costs	8,073	25,377
Share of Loss of associates	131,986	215,456
Loss on disposal of associates	-	13,939
Gain on disposal of property, plant and equipment	-	(415,543)
Written off of Property, plant and equipment	-	7,699
Finance income	(2,530)	(1,196)
Finance costs	231,387	319,692
Operating profit before working capital changes	<u>(949,814)</u>	<u>(1,091,792)</u>
Changes in working capital:		
(Increase)/Decrease in inventories	(77,777)	154,048
(Increase)/Decrease in receivables	(4,989,111)	1,329,997
Increase/(Decrease) in payables	310,053	(1,773,190)
Cash used in operations	<u>(5,706,649)</u>	<u>(1,380,937)</u>
Interest received	2,530	1,196
Income tax paid/(refund)	42,440	(9,766)
Net cash flows used in operating activities	<u>(5,661,679)</u>	<u>(1,389,507)</u>
Cash flows from investing activities		
Withdrawal of deposits with licensed bank	7,819	9,900
(Acquisition)/Disposal of associate	(36)	2,358,048
Repayment to Director	(417,155)	(1,208,380)
Purchase of property, plant and equipment	(47,082)	(1,012,133)
Proceed from disposal of property, plant and equipment	-	1,293,834
Net cash (used in)/from investing activities	<u>(456,454)</u>	<u>1,441,269</u>
Cash flows from financing activities		
Net proceed from warrant issue	3,703,440	-
Net proceed from placement issue	3,003,433	-
Drawdon from finance lease	-	117,641
Repayment of finance lease	-	(39,339)
Net proceed from trade finance	-	(320,937)
Repayment of hire purchase payable	(40,010)	-
Drawdown from of borrowings	263,717	582,576
Repayment of borrowings	(459,516)	(381,636)
Interest paid	(231,387)	(319,692)
Net cash generated from/(used in) financing activities	<u>6,239,677</u>	<u>(361,387)</u>
Net increase/(decrease) in cash and cash equivalents	121,544	(309,625)
Cash and cash equivalents at beginning of year	36,766	536,179
Exchange differences	6,427	(56,390)
Cash and cash equivalents at 31 December	<u>164,737</u>	<u>170,164</u>
Cash and cash equivalents as at 31 December comprises the following:		
Cash and bank balances	313,944	260,138
Bank overdraft	(149,207)	(89,973)
	<u>164,737</u>	<u>170,164</u>

The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 March 2013 and the accompanying notes attached to this interim financial report.

NOTES TO INTERIM FINANCIAL REPORT

PART A – Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”)

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standard (“MFRS”) 134 - Interim Financial Reporting and Chapter 9, Part K Rule 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market, and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 March 2013. The accounting policies and methods of computation adopted by the Group in the interim unaudited financial statements are consistent with those adopted for the year ended 31 March 2013.

2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 March 2013, as well as the new/revised/amendments standards mandatory for financial periods beginning on or after 1 April 2013.

3. Auditors’ Report

The auditors’ report on the financial statements for the financial year ended 31 March 2013 was not subject to any qualification.

4. Seasonal or Cyclical Factors

The operations of the Group were not affected by any seasonal/cyclical factors during the current quarter under review.

5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no items of unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows of the Group during the current quarter ended 31 December 2013.

6. Material Changes in Estimates

There were no materials changes in the nature and amount of estimates reported in prior interim periods of the current financial year or in prior financial years that will have a material effect in the current quarter under review.

7. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter under review.

8. Dividends Paid

There were no dividends paid and/or proposed during the current quarter under review.

9. Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Group did not carry out any revaluation on the property, plant and equipment during the current quarter under review.

10. Changes in the Composition of the Group

Save as disclosed below, there were no changes in the composition of the Group during the current quarter under review.

- (a) On 23 October 2013, the Board of Directors' of AB announce that Asdion Digital Instruments Pte Ltd ("ADI") (Registration No. 200600412M), an indirect dormant subsidiary company, has been struck off the Register of Companies in Singapore on 9 October 2013. Confirmation of the striking off was received from Accounting and Corporate Regulatory Authority on 23 October 2013.

11. Segmental Information

Business segment information has not been prepared as all the Group's revenue, operating profit, assets employed, liabilities, capital expenditure, depreciation and amortisation of development expenditure are mainly confined to one business segment. The Group's business segment is primarily within the information, communication and technology sector.

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the operating segments are presented under unallocated items, if any.

Transfer prices between operating segments are at arm's length basis in a manner similar to transactions with third parties.

For management purposes, the Group is organised into business units based on its geographical locations, notably Malaysia, Singapore, Brunei and China.

Period Ended	MALAYSIA RM	SINGAPORE RM	CHINA RM	BRUNEI RM	GROUP RM
31 December 2013					
Revenue					
External revenue	999,410	260,130	1,562	-	1,261,102
Inter-segment revenue	44,440	178,651	-	-	223,091
	<u>1,043,850</u>	<u>438,781</u>	<u>1,562</u>	<u>-</u>	<u>1,484,193</u>
Adjustments and eliminations					(223,091)
Consolidated revenue					<u>1,261,102</u>
Results					
Segment results	(227,548)	(81,221)	(29,248)	(24)	(338,041)
Interest income	208	-	16	-	224
Finance costs	(75,393)	(13,066)	-	-	(88,459)
Depreciation of property, plant and equipment	(186,331)	(31,399)	(981)	-	(218,711)
Amortisation of development costs	(2,691)	-	-	-	(2,691)
Other material income	-	2,306	(9,127)	-	(6,821)
Other non-cash and material items of expenses	-	-	(403)	-	(403)
	<u>(491,755)</u>	<u>(123,380)</u>	<u>(39,743)</u>	<u>(24)</u>	<u>(654,902)</u>
Share of loss in an associate					(46,815)
Income tax expense					(303)
Consolidated loss after taxation					<u>(702,020)</u>

11. Segmental Information (Cont'd)

Period Ended	MALAYSIA RM	SINGAPORE RM	CHINA RM	BRUNEI RM	GROUP RM
31 December 2012					
Revenue					
External revenue	685,438	358,878	138,683	-	1,182,999
Inter-segment revenue	135,101	154,424	-	-	289,525
	820,539	513,302	138,683	-	1,472,524
Adjustments and eliminations					(289,525)
Consolidated revenue					1,182,999
Results					
Segment results	(271,271)	(169,376)	(35,313)	(2,250)	(478,210)
Interest income	72	-	55	-	127
Finance costs	(71,136)	(10,922)	83	-	(81,976)
Depreciation of property, plant and equipment	(191,056)	(15,217)	(1,486)	-	(207,759)
Amortisation of development costs	(8,459)	-	-	-	(8,459)
Other material income	2,712	6,652	-	-	9,364
Other non-cash and material items of expenses		-	(7,699)	-	(7,699)
	(539,138)	(188,863)	(44,361)	(2,250)	(774,612)
Share of loss in an associate					(41,547)
Income tax expense					(396)
Consolidated loss after taxation					(816,555)

12. Material Events Subsequent to the End of the Interim Period

As disclosed in Notes 23 (a) of the Proposed Joint Venture exercise, on 13 February 2014, the Company and PDSB had, via an exchange of letter, mutually agreed to extend the Cut-Off Date for a period of approximately one (1) month from 28 February 2014 up to 31 March 2014 to enable the Parties to fulfill their respective obligations under the Conditions Precedent as set out in the JVA.

For further detail, kindly refer to Note 23 (a) for the information.

13. Contingent Assets or Liabilities

There were no material contingent assets or liabilities since the last annual balance sheet date up to the date of this report.

14. Capital Commitments

There were no material capital commitments during the current quarter under review.

15. Related Party Transaction

The Group has not entered into any related party transaction during the current quarter under review.

PART B - Explanatory Notes Pursuant to Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Securities for the ACE Market

16. Review of Performance for the Quarter ended 31 December 2013 and Year-to-date

For the third quarter, the Group generated RM1.26million in revenue, an increase of 6.60% as compared to the revenue achieved in the 2012 third quarter of approximately RM1.18million. The increase is a result from increase Segment Centric Penetration Approach (“SCPA”) segment. The Group recorded a loss before taxation (“LBT”) of RM0.7million for the current quarter compared to the LBT of RM0.82million registered in the preceding corresponding quarter. The decrease of the loss of current quarter was attributed by the decrease of the administration expenses.

17. Comparison between the Current Quarter and the Immediate Preceding Quarter

For the current quarter ended 31 December 2013, the Group recorded revenue of approximately RM1.26million, representing a decrease of approximately 1.89% as compared to the revenue of approximately RM1.29million achieved in the immediate preceding quarter ended 30 September 2013. The minor decrease is due to the decrease in sales in the Media segment as no significant new project had been secured.

The Group was registered a similar LBT of approximately RM0.7million for the current quarter as compared to the immediate preceding quarter of a LBT of RM0.7million as there is no significant new project or expenses on the company.

18. Prospects for the Current Financial Year

The Group is expected to face challenges in year 2014, and the Group will continue its efforts to improve and enhance its range of products, services and solution and continue its conservative approach to build the market locally and with regional expansion plans for the company products. The management will continue to focus on improving operational efficiencies and monitoring and controlling its operation expenses to achieve improved profitability and sustainable business growth.

The Group will also, with the Proposed Joint Venture (“PJV”) with PDSB, venture into the property investment and development sector. Barring any unforeseen circumstances, the PJV is reasonably expected to contribute 25% or more of the net profits of the Group.

19. Profit Forecast and Profit Guarantee

The Group did not issue any profit forecast or profit guarantee during the current financial period to-date.

20. Taxation

Taxation comprises:

	9 months ended	
	31.12.2013	31.12.2012
	RM	RM
Income Tax		
- Local	176	396
- Overseas	7,563	-
Deferred Tax	-	-
	<hr/>	<hr/>
	7,739	396

There tax incurred in the current quarter under review is the tax under provided for the previous fiscal year.

21. Profits/(Losses) on Sale of Unquoted Investments and/or Properties

There was no purchase or disposals of unquoted investment and /or properties during the current quarter under review and current period to-date.

22. Purchase or Disposal of Quoted Securities

There no purchases or disposals of quoted securities by the Group during the current quarter under review.

23. Status of Corporate Proposals and Utilisation of Proceeds

As at 28 February 2014, being the latest practicable date of this report, there were no other corporate proposals announced by the Company and completion except below.

- a. Corporate Proposal 1 – Proposed Joint Venture, Proposed Business Diversification and Proposed Buy-back Arrangement

On 2 September 2013, on behalf of the Board of Directors of Asdion (“Board”), KAF Investment Bank Berhad (“KAF”) announced that the Company proposed to undertake the following:

- i. Proposed joint venture between Asdion and Protasco Development Sdn Bhd (“PDSB”), a wholly-owned subsidiary of Protasco Berhad, in respect of the business undertakings of Sun Rock Development Sdn Bhd (“SRD”) (“Proposed Joint Venture”);
- ii. Proposed diversification of the business of Asdion and its subsidiaries into property investment and development; and

23. Status of Corporate Proposals and Utilisation of Proceeds (Cont'd)

a. Corporate Proposal 1 – Proposed Joint Venture, Proposed Business Diversification and Proposed Buy-back Arrangement (Cont'd)

- iii. Proposed buy-back arrangement between Asdion and PDSB for Asdion to acquire 64 ordinary shares of RM1.00 each in SRD, which represent 64% equity interest in SRD, from PDSB pursuant to the terms and conditions of the shareholders agreement in relation to the proposed joint venture (“Proposed Buy-Back Arrangement”).

On 1 November 2013, on behalf of the Board, KAF announced that Asdion has submitted an application to Bursa Malaysia Securities Berhad (“Bursa Securities”) to seek an extension of time up to 23 December 2013 for Asdion to submit the draft Circular to Bursa Securities pending finalisation of the valuation report.

On 6 November 2013, on behalf of the Board, KAF announced that Asdion has entered into a supplemental shareholders’ agreement with PDSB to vary certain term and condition of the JVA (“Supplement JVA”).

On 21 November 2013, 19 December 2013 and 12 February 2014, on behalf of the Board, KAF announced that Bursa Securities has granted Asdion an extension of time from 2 November 2013 until 23 December 2013, 24 December 2013 until 22 January 2014 and 23 January 2014 until 21 February 2014 respectively to issue the printed Circular.

On 9 December 2013, on behalf of the Board, KAF announced that Asdion has submitted an application to Bursa Securities to seek a further extension of time up to 22 January 2014 for Asdion to issue the Circular pending finalisation of a second supplemental shareholders agreement to be entered into between Asdion and PDSB to vary certain terms and conditions of the JVA.

On 12 December 2013, on behalf of the Board, KAF announced that Asdion has entered into a second supplemental shareholders’ agreement with PDSB to vary certain terms and conditions of the JVA (“Supplemental JVA 2”).

On 21 January 2014, on behalf of the Board, KAF announced that Asdion has submitted an application to Bursa Securities to seek for a further extension of time up to 21 February 2014 for Asdion to issue the Circular in view that Asdion requires more time to finalise the contents of the Circular.

Pursuant to the above corporate exercise proposal, on 18 February 2014, the Company has finalised and circulated the Circular to the shareholders to deliberation on the coming EGM on 7 March 2014.

b. Corporate Proposal 2 – Proposed Free Warrants Issue, Proposed Private Placement of Shares with Warrants, Proposed SIS, Proposed Increase in Authorised Share Capital and Proposed Amendment of Memorandum of Association

On 20 November 2013, on behalf of the Board, TA Securities Holdings Berhad (“TA Securities”) announced that the Company proposes to undertake the following:

- i. proposed issue of 8,350,760 free warrants (“Free Warrants”) on the basis of one (1) Free Warrant for every ten (10) existing ordinary shares of RM0.10 each in Asdion (“Asdion Shares” or “Shares”) held at an entitlement date to be determined later (“Entitlement Date”) (“Proposed Free Warrants Issue”);

23. Status of Corporate Proposals and Utilisation of Proceeds (Cont'd)

- b. Corporate Proposal 2 – Proposed Free Warrants Issue, Proposed Private Placement of Shares with Warrants, Proposed SIS, Proposed Increase in Authorised Share Capital and Proposed Amendment of Memorandum of Association (Cont'd)
- ii. proposed private placement of up to 29,227,000 new Asdion Shares (“Placement Shares”), representing approximately thirty-five percent (35%) of the issued and paid-up capital of Asdion together with up to 43,840,500 detachable warrants (“Placement Warrants”) on the basis of three (3) Placement Warrants for every two (2) Placement Shares subscribed (“Proposed Private Placement of Shares with Warrants”);
 - iii. proposed establishment of a share issuance scheme of up to thirty percent (30%) of the Company’s issued and paid-up share capital (excluding treasury shares, if any) at any one time during the duration of the scheme (“Proposed SIS”);
 - iv. proposed increase in the authorised share capital of Asdion from RM10,000,000 comprising 100,000,000 Asdion Shares to RM50,000,000 comprising 500,000,000 Asdion Shares (“Proposed Increase in Authorised Share Capital”); and
 - v. proposed amendment to the Company’s Memorandum of Association as a consequence of the Proposed Increase in the Authorised Share Capital (“Proposed Amendment”).

On 13 December 2013, on behalf of the Board, TA Securities announced that the application for the admission of the Free Warrants and listing of and quotation for the Free Warrants, Placement Shares and the new Asdion Shares to be issued pursuant to the exercise of the Free Warrants and proposed SIS has been submitted to Bursa Securities.

On 6 February 2014, on behalf of the Board, TA Securities announced that the Bursa Securities has approved of the application of the Free Warrants and listing of and quotation for the Free Warrants, Placement Shares and the new Asdion Shares to be issued pursuant to the exercise of the Free Warrants and proposed SIS.

Pursuant to the above corporate exercise proposal, on 12 February 2014, the Company has finalised and circulated the Circular to the shareholders to deliberation on the coming EGM on 7 March 2014.

23. Status of Corporate Proposals and Utilisation of Proceeds (Cont'd)

c. Utilisation of Proceeds

As at 31 December 2013, the gross proceeds of RM3,036,640 arising from the Private Placement have been fully utilised as follows:

Purpose of Proceeds	Proposed Utilisation RM'000	Actual Amount Utilised RM'000	Deviation	
			RM'000	%
(a) Investment in new business(es) or assets	2,777	2,777	-	-
(b) Working Capital	200	220	(20)	(10)
(c) Private Placement expenses	60	40	20	33
Total	3,037	3,037	-	

24. Borrowings

Details of the Group's borrowings at 31 December 2013 are as follows:

	Current RM'000 31.12.2013	Non-Current RM'000 31.12.2013	Total RM'000 31.12.2013
Secured			
- Bank overdraft	149	-	149
- Trade finance	402	-	402
- Term loans	114	3,599	3,713
- Hire purchase payables	30	137	167
Total	695	3,736	4,431

The total borrowings include borrowings denominated in foreign currency which is set out as follows:

	31.12.2013	
	SGD'000	RM'000
Singapore Dollars	732	1,899

25. Off Balance Sheet Financial Instruments

The Group has not entered into any off balance sheet financial instruments as at the date of this quarterly report.

26. Material Litigation

As at the date of issue this quarterly report, the Group is not engaged in any litigation and/or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Group, and the Board of Directors of the Company are not aware of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the financial position or business performance of the Group.

27. Dividend

No interim dividend has been declared or paid during the current quarter under review.

28. Earnings Per Share

The basic EPS for the current quarter and cumulative period to date are computed as follows:

a) Basic

Basic EPS is calculated by dividing the net loss attributable to the shareholders of the Group by the weighted average number of shares during the period.

	Individual Quarter		Cumulative Quarter	
	Current Quarter 31.12.2013	Preceding Year Corresponding Quarter 31.12.2012	Current Period To Date 31.12.2013	Preceding Year Corresponding Period 31.12.2012
Loss attributable to the ordinary equity holders of the parent company (RM)	(724,328)	(804,125)	(1,987,631)	(1,850,807)
Weighted average number of shares	83,507,600	66,420,000	75,823,759	66,420,000
Basic EPS (sen)	(0.87)	(1.21)	(2.62)	(2.79)

b) Diluted

Not applicable

29. Loss Before Taxation

Loss before taxation is arrived at after charging / (crediting):

	Quarter ended RM 31.12.2013	Year to date RM 31.12.2013
Amortisation of research & development cost	2,691	8,073
Depreciation of property, plant & equipment	218,711	659,843
Interest expense	88,459	231,387
Interest income	(224)	(2,530)
	<u> </u>	<u> </u>

30. Disclosure of Realised and Unrealised Profit or Losses

	As at Quarter Ended RM 31.12.2013	As at Quarter Ended RM 31.12.2012
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(12,951,247)	(11,240,878)
- Unrealised	-	-
	(12,951,247)	(11,240,878)
Total share of accumulated losses from the associate company:		
- Realised	<u>(339,318)</u>	<u>(244,632)</u>
	(13,290,565)	(11,485,510)
Less: Consolidation adjustments	<u>1,791,160</u>	<u>2,449,330</u>
Total Group accumulated losses	<u>(11,499,405)</u>	<u>(9,036,180)</u>