THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY. If you have sold or transferred all your ordinary shares in Asia Bioenergy Technologies Berhad (774628-U) ("ASIABIO" or "our Company"), you should at once hand this Abridged Prospectus together with the Notice of Provisional Allotment ("NPA") and Rights Subscription Form ("RSF") to the agent/broker through whom you effected the sale or transfer for onward transmission to the purchaser or transferee. All enquiries concerning the Rights Issue with Warrants (as defined herein), which is the subject of this Abridged Prospectus should be addressed to our Share Registrar, Tricor Investor Services Sdn Bhd, Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.

This Abridged Prospectus, together with the NPA and RSF are only despatched to our shareholders who have provided our Share Registrar with a registered address in Malaysia and whose names appear on our Record of Depositors not later than 5.00 p.m. on 28 March 2014. This Abridged Prospectus together with the NPA and RSF, are not intended to be issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue with Warrants complies with the laws of any countries or jurisdictions other than the laws of Malaysia. Entitled Shareholders (as defined herein) and their renouncee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers as to whether the acceptance or renunciation (as the case may be) of all or any part of their entitlements to the Rights Issue with Warrants would result in the contravention of any laws of such countries or jurisdictions. Neither we nor M&A Securities Sdn Bhd (15017-H) ("M&A Securities") shall accept any responsibility or liability in the event that any acceptance or renunciation made by the Entitled Shareholders or their renouncee(s) (if applicable) are or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions.

A copy of this Abridged Prospectus, together with the NPA and RSF, have been registered with the Securities Commission Malaysia ("SC"). The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue with Warrants or assumes responsibility for the correctness of any statement made or opinion or report expressed in the Abridged Prospectus. The SC has not, in any way, considered the merits of the securities being offered for investment. A copy of this Abridged Prospectus, together with the NPA and RSF, have also been lodged with the Companies Commission of Malaysia, who takes no responsibility for the contents of these documents.

Approval for the Rights Issue with Warrants has been obtained from our shareholders at the Extraordinary General Meeting held on 28 February 2014. Approval-in-principle has also been obtained from Bursa Malaysia Securities Berhad (635998-W) ("Bursa Securities") via its letter dated 28 January 2014 for the admission of the Warrants (as defined herein) to the Official List of Bursa Securities and the listing of the Rights Shares (as defined herein), Warrants and new ASIABIO Shares (as defined herein) to be issued upon exercise of the Warrants on the ACE Market of Bursa Securities. The listing of and quotation for the Rights Shares and Warrants will commence after, amongst others, receipt of confirmation from Bursa Malaysia Depository Sdn Bhd (165570-W) that all the Central Depository System accounts of the Entitled Shareholders have been duly credited and notices of allotment have been despatched to the Entitled Shareholders. Admission of the Warrants to the Official List of Bursa Securities and quotation of the Rights Shares, Warrants and new ASIABIO Shares to be issued upon exercise of the Warrants on the ACE Market of Bursa Securities are in no way reflective of the merits of the Rights Issue with Warrants.

All the documentation relating to this Rights Issue with Warrants including this Abridged Prospectus, together with the NPA and RSF, have been seen and approved by our Board of Directors and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable inquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statement in these documents false or misleading.

M&A Securities, being the Adviser for this Rights Issue with Warrants, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Abridged Prospectus constitutes a full and true disclosure of all material facts concerning the Rights Issue with Warrants.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH YOU SHOULD CONSIDER, SEE "RISK FACTORS" AS SET OUT IN SECTION 6 HEREIN.

ASIABIO
GROUP

ASIA BIOENERGY TECHNOLOGIES BERHAD

(Company No. 774628-U)
(Incorporated in Malaysia under the Companies Act, 1965)

RENOUNCEABLE RIGHTS ISSUE OF UP TO 420,200,000 NEW ORDINARY SHARES OF RM0.10 EACH IN ASIABIO ("RIGHTS SHARES") TOGETHER WITH UP TO 420,200,000 FREE DETACHABLE WARRANTS ("WARRANTS") ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) EXISTING ORDINARY SHARE OF RM0.10 IN ASIABIO TOGETHER WITH ONE (1) WARRANT FOR EVERY ONE (1) RIGHTS SHARE SUBSCRIBED AT 5.00 P.M. ON 28 MARCH 2014 AT AN ISSUE PRICE OF RM0.10 PER RIGHTS SHARE PAYABLE IN FULL UPON ACCEPTANCE

Adviser

M&A

M&A SECURITIES SDN BHD (15017-H)
(A Wholly-Owned Subsidiary of Insas Berhad)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT DATES AND TIME:

Entitlement Date	:	Friday, 28 March 2014, at 5.00 P.M.
Last date and time for sale of provisional allotment of rights	:	Friday, 4 April 2014, at 5.00 P.M.
Last date and time for transfer of provisional allotment of rights	:	Wednesday, 9 April 2014, at 4.00 P.M.
Last date and time for acceptance and payment	:	Monday, 14 April 2014, at 5.00 P.M.*
Last date and time for excess application and payment	:	Monday, 14 April 2014, at 5.00 P.M.*

* or such later date and time as our Directors may determine and announce not less than two (2) Market Days (as defined herein) before the stipulated date and time.

This Abridged Prospectus is dated 28 March 2014

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON OUR PART AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS ABRIDGED PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS ABRIDGED PROSPECTUS.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

INVESTORS ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE AND MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS ABRIDGED PROSPECTUS ARE DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CAPITAL MARKETS AND SERVICES ACT, 2007 ("CMSA").

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE WITH WARRANTS FOR WHICH ANY OF THE PERSON SET OUT IN SECTION 236 OF THE CMSA, E.G. DIRECTORS AND ADVISERS, ARE RESPONSIBLE.

DEFINITIONS

Except where the context otherwise requires, the following definitions and abbreviations shall apply throughout this Abridged Prospectus, NPA and RSF:

Abridged Prospectus	:	This Abridged Prospectus issued by ASIABIO dated 28 March 2014
ACE Market LR	:	ACE Market Listing Requirements of Bursa Securities, as amended from time to time and any re-enactment thereof
Act	:	The Companies Act, 1965, as amended from time to time and any re-enactment thereof
ASIABIO or Company	:	Asia Bioenergy Technologies Berhad
ASIABIO Group or Group	:	ASIABIO and its subsidiaries
ASIABIO Shares or Shares	:	Ordinary shares of RM0.10 each in ASIABIO
Board	:	Board of Directors of our Company
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
CDS	:	Central Depository System
CDS Account(s)	:	A securities account established by Bursa Depository for a depositor pursuant to the Securities Industry (Central Depositories) Act, 1991 and the rules of Bursa Depository for the recording of deposits or withdrawal of securities and dealings in such securities by the depositor
Code	:	Malaysian Code on Take-Overs and Mergers, 2010, as amended from time to time and any re-enactment thereof
CPE	:	CPE Growth Capital Limited, a substantial shareholder of ASIABIO
Deed Poll	:	The deed poll dated 17 March 2014 executed by our Company constituting the Warrants
EBITDA	:	Earnings before interest, taxation, depreciation and amortisation
EPS	:	Earnings per Share
Entitled Shareholder(s)	:	Our shareholder(s) whose names appear on the Record of Depositors on the Entitlement Date
Entitlement Date	:	At 5.00 p.m. on 28 March 2014, being the time and date which the Entitled Shareholder(s) must be registered in our Record of Depositors with Bursa Depository in order to be entitled to participate in the Rights Issue with Warrants
Exercise Price	:	Price at which one (1) Warrant is exercisable into one (1) ASIABIO Share, being RM0.10, subject to such adjustments as may be allowed under the Deed Poll
FYE	:	Financial year ended/ending, as the case may be
FPE	:	Financial period ended/ending, as the case may be
GBP	:	The pound sterling, the official currency of United Kingdom
GN	:	Graphene NanoChem Plc
GN Shares	:	Ordinary share(s) of GBP0.20 each in GN

DEFINITIONS (CONT'D)

Issue Price	:	The issue price pursuant to the Rights Issue with Warrants of RM0.10 per Rights Share
LAT	:	Loss after taxation
LBITDA	:	Loss before interest, taxation, depreciation and amortisation
LBT	:	Loss before taxation
LPD	:	14 March 2014, being the latest practicable date prior to the issuance of this Abridged Prospectus
Market Day(s)	:	A day on which Bursa Securities is open for trading in securities
MA	:	Memorandum and Articles of Association of ASIABIO
Maximum Scenario	:	Assuming all Entitled Shareholders fully subscribe for their respective entitlements under the Rights Issue with Warrants
Minimum Scenario	:	Assuming only CPE subscribed for 50,000,000 Rights Shares pursuant to the Undertaking
Minimum Subscription Level	:	The minimum subscription level of the Rights Issue with Warrants to raise the minimum gross proceeds of RM5.0 million
M&A Securities	:	M&A Securities Sdn Bhd
NA	:	Net assets
NPA	:	Notice of Provisional Allotment in relation to the Rights Issue with Warrants
PAT	:	Profit after taxation
PBT	:	Profit before taxation
PNSB	:	Platinum Nanochem Sdn Bhd
Proposals	:	Collectively, Rights Issue with Warrants and Ratification
Ratification	:	Shareholders' ratification for the disposal of 1,143,434 ordinary shares of RM1.00 each in PNSB (representing 1.56% of the equity interest in PNSB) by ASIABIO to GN for a total consideration of GBP1,471,310, satisfied by the issuance of 21,018,714 GN Shares to ASIABIO at the issue price of GBP0.07 per GN Share. The disposal was completed on 26 March 2013
Record of Depositors	:	A record of depositors established by Bursa Depository under the rules of depository, as amended from time to time
Rights Issue with Warrants	:	Renounceable rights issue of up to 420,200,000 Rights Shares together with up to 420,200,000 Warrants at an issue price of RM0.10 per Rights Share on the basis of one (1) Rights Share for every one (1) ASIABIO Share held together with one (1) Warrant for every one (1) Rights Share subscribed on the Entitlement Date
Rights Shares	:	Up to 420,200,000 new ASIABIO Shares to be issued pursuant to the Rights Issue with Warrants
RM and sen	:	Ringgit Malaysia and sen respectively
RSF	:	Rights Subscription Form in relation to the Rights Issue with Warrants
SC	:	Securities Commission Malaysia
Undertaking	:	Irrevocable undertaking by CPE to subscribe for its collective entitlement and excess applications of up to 50,000,000 Rights Shares

		to be issued together with up to 50,000,000 Warrants
US	:	United States of America
USD	:	United States Dollar, the official currency of the US
Warrant(s)	:	Up to 420,200,000 free detachable warrants to be issued pursuant to the Rights Issue with Warrants
5D-WAMP	:	5-day volume weighted average market price

References to "we", "us", "our" and "ourselves" are to our Company and save where the context otherwise requires, our subsidiaries. All references to "you" in this Abridged Prospectus are to our Entitled Shareholders.

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Abridged Prospectus to any statute is a reference to that statute as for the time being amended or re-enacted. Any reference to a time of day in this Abridged Prospectus shall be a reference to Malaysian time, unless otherwise specified.

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CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name (Designation)	Age	Address	Nationality	Occupation
YB Datuk Nur Jazlan Bin Tan Sri Mohamed *(Independent Non-Executive Chairman)*	48	No. 119, Jalan Setiabakti 9 Bukit Damansara 50490 Kuala Lumpur	Malaysian	Director
Tan Sik Eek *(Executive Director)*	38	Unit D16-15, 16th Floor Residency @ Park 51 Jalan 51A/241 Seksyen 51A 47000 Petaling Jaya Selangor	Malaysian	Director
Looi Kem Loong *(Executive Director)*	39	48, Jalan Hujan Bubuk 3 Overseas Union Garden Batu 5, Jalan Klang Lama 58200 Kuala Lumpur	Malaysian	Director
Lim Foo Seng *(Independent Non-Executive Director)*	44	No. 208, Jalan BK 4/2 Bandar Kinrara Puchong 47180 Puchong Selangor	Malaysian	Director
Hew Tze Kok *(Independent Non-Executive Director)*	37	A-03A-02 Casa Puteri Condominium Laman Puteri 1 Bandar Puteri 47100 Puchong Selangor	Malaysian	Director

AUDIT COMMITTEE

Name	Designation	Directorship
Lim Foo Seng	Chairman	Independent Non-Executive Director
YB Datuk Nur Jazlan Bin Tan Sri Mohamed	Member	Independent Non-Executive Chairman
Hew Tze Kok	Member	Independent Non-Executive Director

CORPORATE DIRECTORY (CONT'D)

COMPANY SECRETARIES	**Wong Wei Fong (MAICSA 7006751)** C-17-3A, Level 17, Megan Avenue II Jalan Yap Kwan Seng 50450 Kuala Lumpur Telephone number: 03-2166 9718 **Loh Woan Fen (MIA 18335)** 48, Jalan Hujan Bubuk 3 Overseas Union Garden Batu 5, Jalan Klang Lama 58200 Kuala Lumpur Telephone number: 03-7734 2299
REGISTERED OFFICE	B-11-10, Level 11, Megan Avenue II Jalan Yap Kwan Seng 50450 Kuala Lumpur Telephone number: 03-2166 9718
HEAD/MANAGEMENT OFFICE	A-3A09, Oasis Square No.2, Jalan PJU 1A/7A 47301 Petaling Jaya Selangor Telephone number: 03-7734 2222 Email address: mail@asiabio.com.my Website: http://www.asiabio.com.my
PRINCIPAL BANKER	**Malayan Banking Berhad** Ground Floor (East Wing) Block G, Oasis Square No.2, Jalan PJU 1A/7A Ara Damansara PJU 1A Ara Damansara 47301 Petaling Jaya Selangor Telephone number: 03-7842 4391
AUDITORS/ REPORTING ACCOUNTANTS	**Siew Boon Yeong & Associates (AF : 0660)** 9-C, Jalan Medan Tuanku Medan Tuanku 50300 Kuala Lumpur Telephone number: 03-2693 8837
SHARE REGISTRAR	**Tricor Investor Services Sdn Bhd** Level 17, The Gardens North Tower Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Telephone number: 03-2264 3883

CORPORATE DIRECTORY (CONT'D)

SOLICITORS FOR THE RIGHTS ISSUE WITH WARRANTS	**Wong Beh & Toh** Level 19, West Block Wisma Selangor Dredging 142-C Jalan Ampang 50450 Kuala Lumpur Telephone number: 03-2713 6050
ADVISER FOR THE RIGHTS ISSUE WITH WARRANTS	**M&A Securities Sdn Bhd** Level 11, No. 45 & 47, The Boulevard Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Telephone number: 03-2284 2911
INDEPENDENT MARKET RESEARCHER	**Protégé Associates Sdn Bhd** Suite C-06-06, Plaza Mont' Kiara 2, Jalan Kiara, Mont' Kiara 50480 Kuala Lumpur Telephone number: 03-6205 3930
STOCK EXCHANGE LISTING	ACE Market of Bursa Securities

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ASIA BIOENERGY TECHNOLOGIES BERHAD
(Company No. 774628-U)
(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office:

B-11-10 Level 11 Megan Avenue II
Jalan Yap Kwan Seng
50450 Kuala Lumpur

28 March 2014

Directors:
YB Datuk Nur Jazlan Bin Tan Sri Mohamed *(Independent Non-Executive Chairman)*
Tan Sik Eek *(Executive Director)*
Looi Kem Loong *(Executive Director)*
Lim Foo Seng *(Independent Non-Executive Director)*
Hew Tze Kok *(Independent Non-Executive Director)*

To: The Entitled Shareholders of ASIA BIOENERGY TECHNOLOGIES BERHAD

Dear Sir / Madam,

RENOUNCEABLE RIGHTS ISSUE OF UP TO 420,200,000 RIGHTS SHARES TOGETHER WITH UP TO 420,200,000 WARRANTS ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) ASIABIO SHARE HELD TOGETHER WITH ONE (1) WARRANT FOR EVERY ONE (1) RIGHTS SHARE SUBSCRIBED AT 5.00 P.M. ON 28 MARCH 2014 AT AN ISSUE PRICE OF RM0.10 PER RIGHTS SHARE PAYABLE IN FULL UPON ACCEPTANCE

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1. INTRODUCTION

On 23 September 2013, M&A Securities, on our behalf, announced the Proposals including the issue price for the Rights Shares which has been fixed at RM0.10 per Rights Share, and the exercise price of the Warrants which has been fixed at RM0.10 per Warrant.

On 28 February 2014, M&A Securities had, on behalf of our Board, announced that our shareholders had, at an EGM held on even date, approved the Proposals.

A certified true extract of the ordinary resolution pertaining to the Rights Issue with Warrants, which was passed at the said EGM, is set out in **Appendix I** of this Abridged Prospectus.

Bursa Securities had vide its letter dated 28 January 2014 approved the following:

(i) Admission to the Official List of Bursa Securities and the listing of and quotation for 420,200,000 new Warrants to be issued pursuant to the Rights Issue with Warrants;

(ii) Listing of and quotation for up to 420,200,000 new ASIABIO Shares to be issued pursuant to the Rights Issue with Warrants; and

(iii) Listing of and quotation for up to 420,200,000 new ASIABIO Shares to be issued arising from the exercise of the Warrants to be issued pursuant to the Rights Issue with Warrants.

The abovesaid Bursa Securities' approval-in-principle is subject to the following conditions:

	Conditions	**Status of Compliance**
(i)	ASIABIO and M&A Securities must fully comply with the relevant provisions under the ACE Market LR pertaining to the implementation of the Rights Issue with Warrants.	To be complied
(ii)	ASIABIO and M&A Securities to inform Bursa Securities upon the completion of the Rights Issue with Warrants.	To be complied
(iii)	ASIABIO to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Rights Issue with Warrants is completed.	To be complied
(iv)	ASIABIO to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of the new Warrants as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied

The official listing of and quotation for the Rights Shares and Warrants to be issued pursuant to the Rights Issue with Warrants will commence after, amongst others, receipt of confirmation from Bursa Depository that all the CDS Accounts of the Entitled Shareholders/renouncees are ready for crediting and notices of allotment have been despatched to them.

On 13 March 2014, M&A Securities, on our behalf, announced that the Entitlement Date has been fixed at 5.00 p.m. on 28 March 2014.

No person is authorised to give any information or make any representation not contained herein in connection with the Rights Issue with Warrants and if given or made, such information or representation must not be relied upon as having been authorised by M&A Securities or us.

If you are in any doubt as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

2. DETAILS OF THE RIGHTS ISSUE WITH WARRANTS

2.1 Details of the Rights Issue with Warrants

The Rights Issue with Warrants involves a renounceable rights issue of up to 420,200,000 Rights Shares together with up to 420,200,000 Warrants at an issue price of RM0.10 per Rights Share on the basis of one (1) Rights Share for every one (1) existing ASIABIO Share held together with one (1) Warrant for every one (1) Rights Share subscribed. The Rights Shares with Warrants will be offered to the Entitled Shareholders.

The Rights Issue with Warrants is renounceable in full or in part. Accordingly, Entitled Shareholders can subscribe for and/or renounce their entitlements to the Rights Shares in full or in part. The Rights Shares which are not taken up or validly taken up shall be made available for excess applications by the Entitled Shareholders and/or their renouncee(s). It is the intention of our Board to allocate the excess Rights Shares in a fair and equitable basis, further details of which are specified under Section 3.8 herein. Any fractional entitlements to the Rights Shares will be disregarded and shall be dealt with in such manner as the Board shall in their absolute discretion deems fit and in the best interest of the Company.

The shareholders of our Company who renounce their entitlements to the Rights Shares will not be entitled to the Warrants and shall be deemed to have also renounced their entitlements to the Warrants. The shareholders of ASIABIO who accept only part of the Rights Shares shall only be entitled to the Warrants in the proportion to their acceptance of the Rights Shares. The Warrants will be immediately detached from the Rights Shares upon issuance and will be separately traded on the ACE Market of Bursa Securities.

The Warrants shall only be issued to the Entitled Shareholders who subscribe for the Rights Shares pursuant to the Rights Issue with Warrants. The renunciation of the Rights Shares by the Entitled Shareholders will accordingly entail the renunciation of the Warrants to be issued together with the Rights Shares. Any Rights Shares with Warrants not taken up or allotted for any reasons, if any, will be made available for application under the excess Rights Shares with Warrants application.

As you are an Entitled Shareholder and the Rights Shares are prescribed securities, your CDS Account will be duly credited with the number of provisionally allotted Rights Shares with Warrants which you are entitled to subscribe for in full or in part under the terms of the Rights Issue with Warrants. You will find enclosed in this Abridged Prospectus, a NPA notifying you of the crediting of such securities into your CDS Account and a RSF to enable you to subscribe for the Rights Shares with Warrants provisionally allotted to you, as well as to apply for excess Rights Shares with Warrants if you so choose to.

Any dealing in our securities will be subject to, *inter-alia*, the provisions of the Securities Industry (Central Depositories) Act, 1991, the Securities Industry (Central Depositories) (Amendment) Act, 1998, the rules of Bursa Depository and any other relevant legislation. Accordingly, upon subscription, the Rights Shares with Warrants will be credited directly into the respective CDS Accounts of the successful applicants. No physical share or warrant certificates will be issued but notices will be despatched to the successful applicants.

2.2 Basis of determining the issue price of the Rights Shares and exercise price of the Warrants

(i) Rights Shares

Our Board had on 23 September 2013 fixed the issue price for the Rights Shares at RM0.10 per Rights Share after taking into consideration the following:

(a) our Group's accumulated losses of RM17.90 million and RM15.56 million based on its audited financial statements for the FYE 31 January 2013 and unaudited consolidated financial statements for the three (3) months FPE 30 April 2013, respectively;

(b) our Group's LAT of RM4.40 million based on its audited financial statements for the FYE 31 January 2013; and

(c) the par value of ASIABIO Shares of RM0.10 each.

The issue price of RM0.10 per Rights Share represents a discount of 5.66% from the theoretical ex-rights price of ASIABIO Shares upon completion of the Rights Issue with Warrants of RM0.106 per Share calculated based on the 5D-WAMP of ASIABIO Shares up to 20 September 2013 of RM0.12, being the market day immediately preceding price fixing date on 23 September 2013.

(ii) Warrants

Our Board had on 23 September 2013 fixed the exercise price for the Warrants at RM0.10 per Warrant after taking into consideration the following:

(a) the financial position of our Group as set out in Section 2.2(i)(a) and (b) above; and

(b) the par value of ASIABIO Shares of RM0.10 each.

The exercise price of the Warrants at RM0.10 per Warrant represents a discount of 16.67% and 5.66% to the 5D-WAMP of ASIABIO Shares up to 20 September 2013, being the market date immediately preceding price fixing date on 23 September 2013, of RM0.12 and theoretical ex-rights price of the ASIABIO Shares of RM0.106, respectively.

The Warrants are attached to the Rights Shares without any cost and will be issued only to shareholders of ASIABIO who subscribe for the Rights Shares.

2.3 Ranking of the Rights Shares and new ASIABIO Shares to be issued

The Rights Shares shall, upon allotment and issuance, rank *pari passu* among themselves.

The new ASIABIO Shares to be issued pursuant to the Rights Issue with Warrants and exercise of the Warrants, if any, shall, upon allotment and issuance, rank *pari passu* in all respects with the then existing issued and fully paid-up ASIABIO Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of the allotment of the new ASIABIO Shares.

2.4 Salient terms of the Warrants

Please refer to **Appendix II** of this Abridged Prospectus for the salient terms of the Warrants.

2.5 Undertaking by Shareholder

The Rights Issue with Warrants will be implemented on a minimum subscription basis. In determining the minimum amount of RM5.0 million to be raised from the Rights Issue with Warrants, our Board has taken into consideration factors which include among others, the funding requirements of our Company, including our Company's working capital requirements and the ability of our Company to raise financing. Our Board intends to raise minimum proceeds of RM5.0 million and the intended amount is earmarked for the level of funds required for technology incubator fund, working capital and the estimated expenses arising from the Proposals, as set out in Section 5 of this Abridged Prospectus.

In order to meet the Minimum Subscription Level, our Company had, on 23 September 2013, procured the irrevocable written Undertaking from CPE, our substantial shareholder, to subscribe in full for its entitlement of 50,000,000 Rights Shares to be issued together with up to 50,000,000 Warrants, as disclosed in the table below:

Name	No. of Shares directly held as at the LPD ('000)	^ %	No. of Rights Shares entitled under the Minimum Scenario ('000)	* %	No. of Rights Shares entitled under the Maximum Scenario ('000)	%	Total Shares to be subscribed pursuant to the Undertaking ('000)	%
CPE	50,000	11.90	50,000	100.0	50,000	11.90	50,000	100.00

Notes:

^ *% of issued and paid-up share capital as at the LPD.*
* *% of Rights Shares under Minimum Scenario.*

In view of the Undertaking, underwriting arrangement will not be required for remaining open portion of the 370,200,000 Rights Shares, representing 88% of the Rights Shares under the Maximum Scenario. Pursuant to the Undertaking, CPE had confirmed that it has sufficient financial resources to take up the aforementioned 50,000,000 Rights Shares and such confirmation has been verified by M&A Securities. Notwithstanding the above, in the event the Minimum Subscription Level is not achieved, the implementation of the Rights Issue with Warrants will be terminated and all consideration received for the Rights Shares will be immediately returned to all subscribers of the Rights Shares.

Pursuant to the Undertaking and under the Minimum Scenario, the shareholdings of CPE upon the completion of the Rights Issue with Warrants shall increase to 21.27% and 28.84% upon exercise of the Warrants. The Undertaking by CPE will not trigger any obligation under the Code and CPE confirms that it will observe and comply at all times with the provisions of the Code.

However, should the CPE exercises its Warrants, such that its respective resulting shareholdings in ASIABIO increases above 33% or increase by more than 2% in any six (6) months period, CPE will be obliged under the Code to undertake a mandatory offer for all the remaining ASIABIO Shares not already held by them respectively after the exercise of the Warrants. In such an event, the respective shareholders will seek the relevant exemptions under the Code should they not intend to undertake such mandatory offer.

2.6 Details of other corporate exercises

As at the LPD, save for the Rights Issue with Warrants, our Board confirms that there is no other outstanding corporate exercise which we intend to undertake, which have been announced but pending completion.

3. INSTRUCTIONS FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION

3.1 General

If you are an Entitled Shareholder, your CDS Account will be duly credited with the number of provisionally allotted Rights Shares with Warrants, which you are entitled to subscribe for in full or in part under the terms of the Rights Issue with Warrants. You will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such provisionally allotted Rights Shares with Warrants into your CDS Account and the RSF to enable you to subscribe for the Rights Shares with Warrants provisionally allotted to you, as well as to apply for excess Rights Shares with Warrants if you choose to do so.

3.2 NPA

The provisional allotted Rights Shares with Warrants are prescribed securities pursuant to Section 14(5) of the Securities Industry (Central Depositories) Act, 1991 and therefore, all dealings in the provisionally allotted Rights Shares with Warrants will be by book entries through CDS Accounts and will be governed by the Securities Industry (Central Depositories) Act, 1991, the Securities Industry (Central Depositories) (Amendment) Act, 1998 and the Rules of Bursa Depository. Entitled Shareholders and/or their renouncees (if applicable) are required to have valid and subsisting CDS Accounts when making their applications.

3.3 Last date and time of acceptance and payment

The last date and time for acceptance and payment for the Rights Shares with Warrants is on 14 April 2014 at 5.00 p.m., or such later date and time as may be determined and announced by our Board at their absolute discretion.

3.4 Procedure for full acceptance and payment

Acceptance and payment for the Rights Shares with Warrants provisionally allotted to you as an Entitled Shareholder or your renouncee(s) (if applicable) must be made on the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in the RSF. Acceptances which do not conform to the terms of this Abridged Prospectus, NPA or RSF or the notes and instructions contained in these documents or which are illegible may not be accepted at the absolute discretion of our Board.

FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES WITH WARRANTS PROVISIONALLY ALLOTTED TO YOU AND/OR YOUR RENOUNCEE(S) (IF APPLICABLE), EXCESS APPLICATION FOR THE RIGHTS ISSUE WITH WARRANTS AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU OR YOUR RENOUNCEE(S) (IF APPLICABLE) WISH TO SELL/TRANSFER ALL OR ANY PART OF YOUR/THEIR ENTITLEMENTS, ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF.

YOU AND/OR YOUR RENOUNCEE(S) (IF APPLICABLE) ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS, THE RSF AND THE NOTES AND INSTRUCTIONS THEREIN CAREFULLY.

You or your renouncee(s) (if applicable) accepting the provisionally allotted Rights Shares are required to complete Part I(a) and Part II of the RSF in accordance with the notes and instructions provided therein. Each completed RSF together with the relevant payment must be despatched by **ORDINARY POST** or **DELIVERED BY HAND** using the envelope provided (at your own risk) to our Share Registrar at the following address:

Tricor Investor Services Sdn Bhd
Level 17, The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

so as to arrive not later than 5.00 p.m. on 14 April 2014, being the last time and date for acceptance and payment, or such extended time and date as may be determined and announced by our Board.

One (1) RSF can only be used for acceptance of provisionally allotted Rights Shares with Warrants standing to the credit of one (1) CDS Account. Separate RSFs must be used for the acceptance of provisionally allotted Rights Shares with Warrants standing to the credit of more than one (1) CDS Account. If successful, Rights Shares with Warrants subscribed by you or your renouncee(s) (if applicable) will be credited into the respective CDS Accounts where the provisionally allotted Rights Shares with Warrants are standing to the credit.

A reply envelope is enclosed with this Abridged Prospectus. To facilitate the processing of the RSFs by our Share Registrar, you are advised to use one (1) reply envelope for each completed RSF.

You and/or your renouncee(s) (if applicable) should take note that a trading board lot for the Rights Shares with Warrants will comprise 100 Rights Shares and 100 Warrants each respectively. Successful applicants of the Rights Shares will be given free attached Warrants on the basis of one (1) Warrant for every one (1) Rights Share successfully subscribed for. The minimum number of securities that can be subscribed for or accepted is one (1) Rights Share which will be accompanied with one (1) Warrant. Fractions of a Rights Share and Warrant arising from the Rights Issue with Warrants will be dealt with by our Board as they may deem fit.

If acceptance and payment for the Rights Shares with Warrants provisionally allotted to you and/or your renouncee(s) (if applicable) is not received by the Share Registrar on 14 April 2014 by 5.00 p.m., being the last date and time for acceptance and payment, or such extended date and time as may be determined and announced by our Board at their discretion, you and/or your renouncee(s) (if applicable) will be deemed to have declined the provisional allotment made to you and/or your renouncee(s) (if applicable) and it will be cancelled.

Such Rights Shares with Warrants not taken up will be allotted to the applicants applying for excess Rights Shares with Warrants, if the Rights Shares with Warrants are not fully taken up by such applicants. Proof of time of postage shall not constitute proof of time of receipt by the Share Registrar. Our Board reserves the right not to accept or to accept in part only any application without providing any reasons.

You or your renouncee(s) (if applicable) who lose, misplace or for any other reasons require another copy of the RSF may obtain additional copies from your stockbrokers, Bursa Securities' website (http://www.bursamalaysia.com), our Share Registrar at the address stated above or our Registered Office.

EACH COMPLETED RSF MUST BE ACCOMPANIED BY REMITTANCE IN RM FOR THE FULL AMOUNT IN THE FORM OF BANKER'S DRAFT(S), CASHIER'S ORDER(S), MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "A/C PAYEE ONLY" AND MADE PAYABLE TO "ASIABIO RIGHTS ISSUE ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH THE NAME AND CDS ACCOUNT NUMBER OF THE APPLICANT IN BLOCK LETTERS TO BE RECEIVED BY OUR SHARE REGISTRAR.

APPLICATIONS ACCOMPANIED BY PAYMENT OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS ISSUE WITH WARRANTS. HOWEVER, SUCCESSFUL APPLICANTS WILL BE ALLOTTED THEIR RIGHTS SHARES WITH WARRANTS, AND NOTICES OF ALLOTMENT WILL BE ISSUED AND DESPATCHED BY ORDINARY POST TO THEM OR THEIR RENOUNCEES (IF APPLICABLE) AT THEIR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITARY WITHIN EIGHT (8) MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS ISSUE WITH WARRANTS.

APPLICANTS SHOULD NOTE THAT THE RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.

WHERE AN APPLICATION IS NOT ACCEPTED OR ACCEPTED ONLY IN PART, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST AND SHALL BE DESPATCHED TO THE APPLICANTS WITHIN FIFTEEN (15) MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS ISSUE WITH WARRANTS BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITARY AT THE APPLICANTS' OWN RISK.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT.

3.5 Procedure for part acceptance

You can accept part of your provisionally allotted Rights Shares with Warrants. The minimum number of securities that can be subscribed for or accepted is one (1) Rights Share which will be accompanied with one (1) Warrant.

You must complete both Part I(a) of the RSF by specifying the number of the Rights Shares with Warrants which you are accepting and Part II of the RSF and deliver the completed RSF together with the relevant payment to our Share Registrar in the manner set out in Section 3.4 of this Abridged Prospectus.

The portion of the provisionally allotted Rights Shares with Warrants that have not been accepted shall be allotted to the applicants applying for excess Rights Shares with Warrants.

3.6 Procedure for sale/transfer of provisional allotment of Rights Shares with Warrants

As the provisionally allotted Rights Shares with Warrants are prescribed securities, you and/or your renounce(s) (if applicable) may sell/transfer all or part of your entitlement to the Rights Shares with Warrants to one (1) or more person(s) through your stockbrokers without first having to request for a split of the provisional allotted Rights Shares with Warrants standing to the credit of your CDS Accounts. To sell/transfer of all or part of your entitlement to the Rights Shares with Warrants, you and/or your renounce(s) (if applicable) may sell such entitlement in the open market or transfer to such persons as may be allowed pursuant to the rules of Bursa Depository.

In selling/transferring all or part of your provisionally allotted Rights Shares with Warrants, you and/or your renouncee(s) (if applicable) need not deliver any document including the RSF, to the stockbroker. However, you and/or your renouncee(s) (if applicable) must ensure that there is sufficient provisionally allotted Rights Shares with Warrants standing to the credit of your CDS Accounts that are available for settlement of the sale or transfer.

Purchasers or transferees of the provisionally allotted Rights Shares with Warrants may obtain a copy of this Abridged Prospectus and the RSF from their stockbrokers or from our Share Registrar, or at our Registered Office. This Abridged Prospectus and RSF are also available on Bursa Securities' website (http://www.bursamalaysia.com).

3.7 Procedure for acceptance by renouncees

Renouncees who wish to accept the provisionally allotted Rights Shares with Warrants must obtain a copy of the RSF from their stockbrokers, our Share Registrar, or at our Registered Office or from the Bursa Securities' website (http://www.bursamalaysia.com) and complete the RSF, submit the same together with the remittance in accordance with the notes and instructions printed therein.

The procedure for acceptance and payment applicable to the Entitled Shareholders as set out in Section 3.4 of this Abridged Prospectus also applies to renouncees who wish to accept the provisionally allotted Rights Shares with Warrants.

RENOUNCEES ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENT OF THIS ABRIDGED PROSPECTUS AND ADHERE TO THE NOTES AND INSTRUCTIONS CONTAINED IN THIS ABRIDGED PROSPECTUS AND THE RSF CAREFULLY.

3.8 Procedure for excess application

As an Entitled Shareholder, you and/or your renouncee(s) (if applicable) may apply for excess Rights Shares with Warrants in addition to the Right Shares with Warrants provisionally allotted to you and/or your renouncee(s) (if applicable) by completing Part I(b) of the RSF (in addition to Parts I(a) and II) and forward it (together with a **separate remittance** for the full amount payable in respect of the excess Rights Shares with Warrants applied for) to our Share Registrar at the address set out above, so as to arrive not later than 5.00 p.m. on 14 April 2014, being the last time and date for acceptance and payment, or such extended time and date as may be determined by our Board.

Payment for the excess Rights Shares with Warrants applied for should be made in the same manner set out in Section 3.4 of this Abridged Prospectus, except that the Banker's Draft(s), Cashier's Order(s), Money Order(s) or Postal Order(s) drawn on a bank or post office in Malaysia crossed **"A/C PAYEE ONLY"** and made payable to **"ASIABIO EXCESS RIGHTS ISSUE ACCOUNT"** and endorsed on the reverse side with the name and CDS Account Number of the applicant in block letters to be received by our Share Registrar.

Our Board reserves the right to allot the excess Rights Shares with Warrants applied for under Part I(b) of this RSF, in a fair and equitable basis and in such manner as they in their absolute discretion deem fit and expedient in the best interest of our Company and that the intention of our Board as set out below are achieved. It is the intention of our Board to allot the excess Rights Shares with Warrants in the following priority:

(i) firstly, to minimise the incidence of odd lots;

(ii) secondly, for allocation to Entitled Shareholders who have applied for excess Rights Shares with Warrants on a pro-rata basis, calculated based on their respective shareholdings as at the Entitlement date;

(iii) thirdly, for allocation to Entitled Shareholders who have applied for excess Rights Shares with Warrants on a pro-rata basis based on the quantum of their respective excess Rights Shares with Warrants application; and

(iv) fourthly, for allocation to transferee(s) and/or renouncee(s) who have applied for excess Rights Shares with Warrants on a pro-rata basis based on the quantum of their respective excess Rights Shares with Warrants application.

Nevertheless, our Board reserves the right to allot any Excess Warrants applied for under Part 1(b) of the RSF in such manner as it deems fit and expedient and in the best interest of our Company subject always to such allocation being made on a fair and equitable basis, and that the intention of the Board set out in Section 3.8 (i)-(iv) of this Abridged Prospectus are achieved. Our Board also reserves the right not to accept or to accept any application for excess Rights Shares with Warrants, in full or in part, without assigning any reason.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE EXCESS RIGHTS SHARES WITH WARRANTS. HOWEVER, SUCCESSFUL APPLICANTS WILL BE ALLOTTED THEIR RIGHTS SHARES WITH WARRANTS, AND NOTICES OF ALLOTMENT WILL BE ISSUED AND DESPATCHED BY ORDINARY POST TO THE APPLICANTS AT THEIR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS WITHIN EIGHT (8) MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE EXCESS RIGHTS SHARES WITH WARRANTS.

YOU SHOULD NOTE THAT THE RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.

IN RESPECT OF UNSUCCESSFUL OR PARTIALLY SUCCESSFUL EXCESS RIGHTS SHARES WITH WARRANTS APPLICATIONS, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST TO THE APPLICANTS WITHIN FIFTEEN (15) MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE EXCESS RIGHTS SHARES WITH WARRANTS BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITARY AT THE APPLICANTS' OWN RISK.

3.9 Form of issuance

Bursa Securities has already prescribed our Shares listed on the ACE Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the Rights Shares with Warrants are prescribed securities and as such, the Securities Industry (Central Depositories) Act, 1991, Securities Industry (Central Depositories) (Amendment) Act, 1998 and the rules of Bursa Depository shall apply in respect of the dealings in the said securities.

Failure to comply with the specific instructions or inaccuracy in the CDS Account number may result in the application being rejected.

No physical share or warrant certificates will be issued to you under the Rights Issue with Warrants. Instead, the Rights Shares with Warrants will be credited directly into your CDS Accounts. The notices of allotment will be issued and forwarded to you by ordinary post at your own risk to the address shown in the Record of Depositors within eight (8) Market Days from the last date for acceptance and payment of the Rights Issue with Warrants.

Any person who intends to subscribe for the Rights Shares with Warrants as a renouncee by purchasing the provisional allotment of Rights Shares with Warrants from an Entitled Shareholder will have his Rights Shares with Warrants credited directly as prescribed securities into his CDS Account.

The excess Rights Shares with Warrants, if allotted to the successful applicant who applies for excess Rights Shares with Warrants, will be credited directly as prescribed securities into his CDS Account.

3.10 Laws of foreign jurisdictions

This Abridged Prospectus, the NPA and the RSF have not been (and will not be) made to comply with the laws of any foreign jurisdiction and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) of any foreign jurisdiction. The Rights Issue with Warrants will not be made or offered in any foreign jurisdiction.

Foreign Entitled Shareholders or their renouncees (if applicable) may only accept or renounce (as the case may be) all or any part of their entitlements and exercise any other rights in respect of the Rights Issue with Warrants only to the extent that it would be lawful to do so.

M&A Securities, our Company, our Board and officers and other experts would not, in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which that foreign Entitled Shareholders or their renouncees (if applicable) are or may be subject to. Foreign Entitled Shareholders or their renouncees (if applicable) shall solely be responsible to seek advice as to the laws of the jurisdictions to which they are or may be subject to. M&A Securities, our Company, our Board and officers and other experts shall not accept any responsibility or liability in the event that any acceptance or renunciation made by any foreign Entitled Shareholders or renouncees (if applicable), is or shall become unlawful, unenforceable, voidable or void in any such jurisdiction.

Accordingly, this Abridged Prospectus together with the accompanying documents will not be sent to the foreign Entitled Shareholders or their renouncees (if applicable) who do not have a registered address in Malaysia. However, such foreign Entitled Shareholders or their renouncees (if applicable) may collect the Abridged Prospectus including the accompanying documents from our Share Registrar, in which event our Share Registrar shall be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting the aforesaid documents.

The foreign Entitled Shareholders or their renouncees (if applicable) will be responsible for payment of any issue, transfer or any other taxes or other requisite payments due in such jurisdiction and we shall be entitled to be fully indemnified and held harmless by such foreign Entitled Shareholders or their renouncee(s) (if applicable) for any issue, transfer or other taxes or duties as such person may be required to pay. They will have no claims whatsoever against M&A Securities or us in respect of their rights and entitlements under the Rights Issue with Warrants. Such foreign Entitled Shareholders or their renouncee(s) (if applicable) should consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to accept the Rights Issue with Warrants.

By signing any of the forms accompanying this Abridged Prospectus, the NPA, and the RSF, the foreign Entitled Shareholders or their renouncees (if applicable) are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) M&A Securities, our Company and our Board and officers and other experts that:

(i) we would not, by acting on the acceptance or renunciation in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which that foreign Entitled Shareholders or renouncees (if applicable) are or may be subject to;

(ii) they have complied with the laws to which they are or may be subject to in connection with the acceptance or renunciation;

(iii) they are not a nominee or agent of a person in respect of whom we would, by acting on the acceptance or renunciation, be in breach of the laws of any jurisdiction to which that person is or may be subject to;

(iv) they are aware that the Rights Shares with Warrants can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;

(v) they have respectively received a copy of this Abridged Prospectus and have had access to such financial and other information and have been afforded the opportunity to pose such questions to the representatives of our Company and receive answers thereto as they deem necessary in connection with their decision to subscribe for or purchase the Rights Shares with Warrants; and

(vi) they have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Rights Shares with Warrants, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the Rights Shares with Warrants.

Persons receiving this Abridged Prospectus, NPA and RSF (including without limitation custodians, nominees and trustees) must not, in connection with the offer, distribute or send it into any jurisdiction, where to do so would or might contravene local securities, exchange control or relevant laws or regulations. If this Abridged Prospectus, NPA and RSF are received by any persons in such jurisdiction, or by the agent or nominee of such a person, he must not seek to accept the offer unless he has complied with and observed the laws of the relevant jurisdiction in connection herewith.

Any person who does forward this Abridged Prospectus, NPA and RSF to any such jurisdiction, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this section and we reserve the right to reject a purported acceptance of the Rights Shares with Warrants from any such application by foreign Entitled Shareholders or their renouncees (if applicable) in any jurisdiction other than Malaysia.

Our Company reserves the right, in its absolute discretion, to treat any acceptance of the Rights Shares with Warrants as invalid if it believes that such acceptance may violate any applicable legal or regulatory requirements in Malaysia.

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4. RATIONALE FOR THE RIGHTS ISSUE WITH WARRANTS

After the implementation of the Rights Issue with Warrants, the proceeds to be raised (RM4.00 million based on the Minimum Scenario and RM41.02 million based on the Maximum Scenario) from the Rights Issue with Warrants shall be utilised for our technology incubating activity, which is our core business.

Our Board wishes to highlight that as at the LPD, there is RM1.676 million of unutilised proceeds from a private placement exercise completed by ASIABIO on 19 June 2013 for our technology incubation fund. The total proceeds raised from the private placement exercise was RM3.82 million. Our Group has currently identified two (2) prospective incubatees based in Malaysia to invest in, both of which are involved in "green technologies".

As a technology incubator, our Group is focused on incubating and nurturing new business ideas. Our Group has the ability and know-how to generate business ideas as well as take a business model from a conceptual stage and build it up to an actual operating business equipped with the necessary networking, technology and financial know-how to support the incubatees' growth.

Our Group's focus, since inception has been on incubating companies particularly in or related to the "green" technologies. Our incubatee companies that are currently involved in the aforesaid industries are as follows:

Name of incubatee	**Principal activities**	**Equity interest (%)**
Eco-Sponge Sdn Bhd	Manufacturing and sale of absorbent chemical compound and other related services and sale of fertiliser related products. ***Incubation stage: Developed*** Commercialised its absorbent chemical compound product in 2009. Presently inactive, due to slow down in the biodiesel industry.	100.0
Hexa Bonanza Sdn Bhd	Contractor and technology provider for biomass pelletising and related equipment and oil palm trunk peeled lumber manufacturing. ***Incubation stage: Developed/Under development*** Since its inception, developed commercialised products such as biomass pelletising, handling and related equipment which have generated machinery and project sales of approximately RM3.01 million (developed). Presently expanding to the oil palm trunk peeled lumber manufacturing which is pending commercial operations after having installed and commissioned the machineries in March 2014 (under development).	50.0

Name of incubatee	Principal activities	Equity interest (%)
Nexfuel Limited	Nexfuel Limited holds technology rights to the biowaste conversion technologies, and provides oil engineering, procurement and technology provision services. ***Incubation stage: Developed/Under development*** Since its inception, Nexfuel Limited has generated sales of approximately USD0.69 million through its oil engineering, procurement and technology provision services (developed). Secured licensing rights to Cool Planet Energy Systems, Inc ("Cool Planet")'s technology in the development of fuel production plants in Malaysia which is further disclosed in Section 7.4 of this Abridged Prospectus (under development).	20.0
Nexfuel Sdn Bhd	Investment holding, engineering work and services, and supply of biomass composting and processing machineries. ***Incubation stage: Developed*** Commercialised since 2009. Presently servicing contracts secured.	19.9
GN	Investing company with a view to invest in or acquire projects of companies in energy or utility sectors and their infrastructures. ***Incubation stage: Developed*** Listed on AIM Market with commercialised products.	0.9

Details on our Group's investment methodology are as follows:

Investment stage	Details
(i) Conceptualisation and research	The overall framework is drawn and a team is formed to research and explore the technical aspects, applications and viability of the technology.
(ii) Modeling, testing and due-diligence	A financial model is built based on information obtained through research or experts engaged by our Group.
(iii) Investment and collaboration	Once the modeling, testing and due-diligence is completed, a detailed report will be given to our Group's technology advisor panel for review before a recommendation is made to the Board for further action to be taken. Where a technology partner is required, our Company will proceed to negotiate with the technology providers to enter into a technology collaboration or technology transfer agreement in order to secure the partner's technical expertise.

Investment stage	Details
(iv) Commercialisation and business development	The incubatees commercialise its products and services. Our Group participates by procuring financing, securing business and manufacturing licenses from authorities, applying for pioneer status, reviewing legal and technical documents. These allow the incubatees to concentrate on the development and commercialisation of their core business.
(v) Listing/exit	Our Group's investment objective is to realise returns through capital appreciation or via return from investment, ie, dividends. Our investments can also be realised when the incubatee companies are floated on a stock exchange or via disposals.

As such, in order to further raise funds for its technology incubator fund without incurring additional interest costs as compared to other means of financing such as debt financing, our Board is of the opinion that the Rights Issue with Warrants is currently the most appropriate means of raising funds.

The Rights Issue with Warrants will enable us to achieve the following:

(a) To enable our Company to raise the necessary funds required for further growth without incurring additional interest cost as compared to bank borrowings;

(b) The Rights Issue with Warrants provides an opportunity for the existing shareholders to further participate in the equity of our Company and the future prospects and growth of our Company. The Undertaking allow CPE, our substantial shareholder to extend its support for the Rights Issue with Warrants which will facilitate our Company to raise the necessary funds for the purpose as mentioned in Section 5 below;

(c) The Warrants attached to the Rights Shares are expected to enhance the attractiveness of the Rights Shares. It provides the shareholders with the option to further participate in the equity of our Company at a pre-determined price and enable them to benefit from the future growth of our Company and any potential capital appreciation arising thereof;

(d) The Rights Issue with Warrants will strengthen our Company's financial position with enhanced shareholders' funds. These factors are expected to facilitate the continuous business expansion plans of our Company;

(e) The Rights Issue with Warrants will involve the issuance of new ASIABIO Shares without diluting the existing shareholders' equity interest, assuming all Entitled Shareholders fully subscribe for their respective entitlements; and

(f) The Rights Issue with Warrants will also provide our Company with additional capital when the Warrants are exercised in the future. The exercise of the Warrants will allow our Company to raise fresh proceeds without incurring additional financing cost and minimise any potential cash outflow in respect of interest servicing.

The Warrants have been attached to the Rights Shares to provide the Entitled Shareholders added incentive to subscribe for the Rights Shares. The issuance of Warrants is expected to enhance the attractiveness of the Rights Issue with Warrants as well as to enable our Company to raise further proceeds as and when any of the Warrants are exercised in the future. In addition, the Warrants would also enable the Entitled Shareholders to benefit for the future growth of our Company.

5. UTILISATION OF PROCEEDS

Based on the issue price of RM0.10 per Rights Share, the Rights Issue with Warrants is expected to raise gross proceeds of RM5.0 million (under the Minimum Scenario) and RM42.02 million (under the Maximum Scenario).

The details of the utilisation of gross proceeds from the Rights Issue with Warrants are as follows:

Details	**Minimum Scenario RM ('000)**	**Maximum Scenario RM ('000)**	**Timeframe of utilisation** (from the listing of the Rights Shares)
Technology incubator fund (1)	4,000	41,020	Within 36 months
Working capital for the our Group (2)	500	500	Within 36 months
Expenses relating to the Rights Issue with Warrants (3)	500	500	Within 3 months
	5,000	**42,020**	

Notes:

(1) *To be utilised for ASIABIO's technology incubation fund. The fund provides for future investments, as well as activities relating to the nurturing and assisting incubatees and will include but not limited to providing financing (in accordance to the provision of financial assistance under Rule 8.25 of the ACE Market LR) value added services, such as accounting and administrative support, IT infrastructure and research facilities support and other support services..*

However, the breakdown of funds is not available as the investment plans has not been finalised as this juncture. Our Board is evaluating potential investments from various industries and has yet to finalise any concrete investment plans. The incubation fund will nevertheless be focused on high growth and high technology industry including but not limited to bioenergy and "green" technologies.

(2) *To be utilised to meet our Group's working capital requirements such as operating expenses, overhead expenses and other payables, which include but not limited to purchase of office supplies, payment for professional services, etc. The proceeds to be utilised for each component of working capital are subject to the operating requirements at the time of utilisation and therefore has not been determined at this juncture.*

(3) *In the event the actual expense is less than the allocated amount, the excess allocated amount shall be utilised as working capital for the ASIABIO Group. If the actual expenses incurred are higher than the allocated amount, the deficit will be funded out of the portion allocated for working capital.*

The proceeds to be utilised above is expected to contribute positively to our Group's future earnings. This is further described in Section 8.3 of this Abridged Prospectus.

The exact quantum of proceeds that may be raised by our Company from the exercise of the Warrants would depend on the actual number of the Warrants exercised. The proceeds from the exercise of the Warrants will be received on an "as and when basis" over the tenure of the Warrants.

Based on the Exercise Price and assuming full exercise of the Warrants, our Company will raise gross proceeds of RM5.0 million (under the Minimum Scenario) and RM42.02 million (under the Maximum Scenario) from the full exercise of the Warrants. Any proceeds arising from the exercise of the Warrants in the future shall be utilised as an additional working capital expenditure, investment opportunities and/or business expansion for our Group. Pending full utilisation, we intend to place the proceeds from the Rights Issue with Warrants (including accrued interest, if any) or the balance thereof in interest-bearing deposit accounts with licensed financial institution(s) or in short-term money market instruments, as our Board may deem fit.

The interest derived from the deposits with financial institutions or any gains arising from the short-term money market instruments will be used as additional working capital of our Group.

6. RISK FACTORS

In running our business activities, we face risks which may have potential impact to our Group's performance unless proper anticipation and mitigation measures are exercised.

In addition to other information contained in this Abridged Prospectus, you should carefully consider the following risk factors before subscribing for or investing in the Rights Issue with Warrants. You should take note that these risk factors are not exhaustive. There may be additional risk factors, which are not disclosed below, that are not presently known to us or that we currently deem to be less significant, which may materially and adversely affect our business, financial condition, results of operation and prospects.

6.1 Risks relating to the Rights Issue with Warrants

(i) No prior market for the Rights Shares and/or Warrants

There can be no assurance that there will be an active market for the Rights Shares and/or Warrants upon or subsequent to their listing on the ACE Market of Bursa Securities or, if developed, that such a market sustainable or adequately liquid during the tenure of the Rights Shares and/or Warrants.

The market price of the Rights Shares and Warrants, like all listed securities traded on Bursa Securities, is subject to fluctuations and will be influenced by, *inter-alia*, trades in substantial amount of the Rights Shares and Warrants on the ACE Market of Bursa Securities in the future, the market price and volatility of ASIABIO Shares, announcements relating to the business of our Group, the financial performance of our Group, and exercise period of the Warrants.

In addition to the fundamentals of ASIABIO, the future price performance of the Rights Shares and Warrants will also depend on various external factors such as the economic and political conditions of the country, sentiments and liquidity in the local stock market as well as the performance of regional and world bourses.

On the other hand, the market price of ASIABIO Shares will be influenced by, *inter-alia*, the prevailing market sentiments, volatility of the stock market of the country, operating results of our Group and prospects of the industries in which our Group operates.

As each Rights Share will be issued at RM0.10, there can be no assurance that the market price of the Rights Shares, upon or subsequent to their listing, will remain at or above the issue price.

In addition, there can be no assurance that the exercise price of the Warrants will be less than the prevailing market price of ASIABIO Shares during the tenure of the Rights Shares and Warrants respectively.

(ii) Delay in or abortion of the Rights Issue with Warrants

The Rights Issue with Warrants is exposed to the risk that it may be aborted or delayed on the occurrence of any one or more of the following events:

(a) *force majeure* events or events/circumstances, which are beyond the control of our Company and Adviser, arising prior to the implementation of the Rights Issue with Warrants; or
(b) our shareholder as set out in Section 2.5 above who has given the Undertaking to subscribe for the Rights Issue with Warrants may not fulfil or be able to fulfil its obligation.

In this respect, all monies raised in the Rights Issue with Warrants which are held in a trust account for our Company will be refunded free of interest within 14 days to the entitled shareholders in the event the Rights Issue with Warrants is aborted. Monies not repaid within 14 days will be returned with interest at the rate of 10% per annum or at such other rates as may be prescribed by the SC. Notwithstanding the above, our Company will exercise its best endeavour to ensure the successful implementation of the Rights Issue with Warrants. However, there can be no assurance that the abovementioned factors/events will not cause a delay in or abortion of the Rights Issue with Warrants.

(iii) Forward-looking statements

Certain statements in this Abridged Prospectus are based on historical information, which may not be reflective of the future results, and others are forward-looking in nature, which are subject to uncertainties and contingencies.

All forward-looking statements are based on forecasts and assumptions made by our Group and although believed to be reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in such forward-looking statements. Such factors include, *inter-alia*, the risk factors as set out in this section. In light of these and other uncertainties, the inclusion of forward-looking statements in this Abridged Prospectus should not be regarded as a representation or warranty by our Company that the plans and objectives of our Group will be achieved.

6.2 Risks relating to our Group

We are exposed to certain risks in the palm oil, renewable energy and biomass industries. These risks include, without limitation, the following:

(i) Dependence on performance of incubatee companies

Our performance is dependent upon the success of the origination and commercialization of business ideas including the operation performance of our incubatee companies. Investment in start-ups and companies in the early stages of development in new and rapidly evolving technologies or industries carries a high degree of risk. Companies involved in the rapidly evolving technologies or industries may encounter difficulties relating to the technology used or evolving standards and practices.

There can be no assurance that any of our incubatee companies will be financially successful, and if they do not succeed, the value of our assets and profitability will be adversely affected. Our Board also wishes to highlight that our Group had suffered LAT for FYE 31 January 2012, FYE 31 January 2013 and for the nine (9) months FPE 31 October 2013 as follows:

	<----------Audited--------- >		←---Unaudited-->
	FYE 31 January 2012 (RM'000)	**FYE 31 January 2013 (RM'000)**	**Nine (9) months FPE 31 October 2013 (RM'000)**
(LAT)	(18,443)*	(4,403)^	(977)#

Notes:

* *due to the impairment of its investment in its biodiesel industry incubates, where our Company had a write down in its investment in the biodiesel industry sector such as the investment in Grand Inizio Sdn Bhd, YPJ Plantations Sdn Bhd and PNSB.*

^ *due to the writing off for certain fixed assets and impairment of non-core multi level marketing related investment.*

\# *due to various administrative costs and impairment from marking to market ASIABIO's shares in GN.*

Additional information on our past performance is set out in Section 6, Appendix III of this Abridged Prospectus.

We believe our Directors and key management processes strong business contacts and knowledge in the industry. Coupled with the expertise of our technology advisory panel ("TAP"), we believe that we are able to identify and assist our incubatee companies in developing into successful companies.

(ii) Dependence on bioenergy and "green" technologies industries

At present, we are principally undertaking investments and incubating businesses in the Bioenergy and "green" technologies industries which are selective and specialised industries. Thus, we are heavily influenced by any changes within these particular industries, favourably and unfavourably. We believe that both the Bioenergy industry and "green" technology industry are promising industries. However, the industries are growing industries and are subject to rapid changes which include but are not limited to the introduction of new regulations by governments, introduction of competing renewable energy, and prices and availability of feedstock.

The ability of our incubatee companies to adapt to these changes will affect our profitability. However, this risk is mitigated as we are less reliant on the risk of a single industry. We may in the future further diversify our investments into other industries to reduce our dependency on both the industries.

(iii) Competition

We face competition from other capital providers, venture capital companies, large corporations and incubators. These competitors may limit our opportunity to acquire interests in potential companies and/or investments. If we are unable to acquire interests in attractive companies, our financial performance may be affected.

However, it should be noted that we seek to originate ideas rather than just merely investing in them. In view that we participate in our incubatee companies at an early stage, this could lead to lower initial investment which may result in higher potential gains upon the successful origination and commercialisation of such business ideas.

(iv) Dependence on skilled personnel

We depend to a significant extent upon the continued efforts, abilities and networking of our Directors, TAP and key management as well as joint efforts undertaking with our research partners. The loss of services and/or termination of agreement with any of these individuals/parties may have a material adverse effect on us. We constantly seek suitable and experienced personnel to enhance our existing management team.

We believe that by increasing our profile through our listing status in ACE Market of Bursa Securities, we are able to attract qualified personnel to play an active role in our growth. However, there can be no assurance that we will be successful in retaining or recruiting qualified personnel.

(v) Availability of sufficient financing

We invest in early stage development projects and sufficient funding is required from time to time to secure the successful implementation and running of these projects. If the projects are unable to secure required financing from us, or alternatively from financial institutions, or if such external financing are on terms unfavorable to the economics of the projects, the success of the project may be impeded.

The proceeds of the Rights Issue with Warrants will provide capital resources to us for the purpose of financing our future incubatee companies.

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7. INDUSTRY OVERVIEW AND FUTURE PROSPECTS

The overview and prospects of the global economy, the Malaysia economy as well as the industry in which our Group operates in, namely the palm oil, renewable energy and biomass industries is as follows:

7.1 Overview and prospects of the global economy

Global economic growth remained modest in the first half of 2013, averaging 2.5%. In the US, private demand, supported by a highly accommodative monetary policy contributed to growth, while the fiscal consolidation measures had a negative effect. Economic activity in Japan picked up in response to Abenomic's monetary easing and fiscal stimulus measures aimed at ending deflation and boosting growth. The euro area growth remained subdued, though on a quarter-on-quarter basis, gross domestic product ("GDP") was positive in the second quarter of 2013 after six (6) quarters of recession. The euro area continues to be affected by high unemployment as well as large public and private debts which restrain borrowing and affect growth.

Global economic activity is expected to strengthen moderately during the second half of 2013, with the whole year growth projected at 2.9%. Economic expansion will continue to be supported by growth in major emerging and developing economies, reinforced by strengthening in the advanced economies, particularly in the US where activity is expected to intensify as fiscal consolidation eases and monetary conditions stay supportive.

Global economic activity is forecast to strengthen moderately in 2014. The outlook for advanced economies is expected to improve with output expanding 2% (2013: 1.2%) supported by the easing of fiscal consolidation and a highly accommodative monetary policy in the US and Europe. The US' economy is expected to gain momentum, backed by continued recovery in the property sector and higher household wealth. The European Economic Region, growth is forecast to recover to 1% (2013: -0.4%), driven by smaller fiscal reductions, stronger external demand and improvement of lending conditions to the private sector. In contrast, growth in Japan is projected to decelerate to 1.2% (2013: 2%) as the fiscal stimulus lapses and the consumption tax is increased.

Emerging markets and developing economies are forecast to expand 5.1% (2013: 4.5%) with developing Asia continuing to lead the uptake. Growth in China is projected to decelerate to 7.3% (2013: 7.6%) due to continued restructuring from investment-driven towards a more balanced and higher quality growth based on domestic consumption. India's growth is expected to accelerate to 5.1% (2013: 3.8%) as infrastructure improvements ease supply bottlenecks and external demand strengthens.

Global inflationary pressures are projected to remain subdued due to large output gaps in advanced economies. Also commodity prices have declined amid improved supply conditions and lower demand from emerging markets. Inflation in advanced economies is forecast to increase to 1.7% (2013: 1.2%) while in emerging markets and developing economies, inflation is likely to ease to 5.7% (2013: 6.3%). Meanwhile, world trade volume is expected to increase 4.9% (2013:2.9%) with strengthening demand in the European Union and the US as well as intra-regional demand in East Asia.

Against these developments, global growth in 2014 is anticipated to increase 3.6% (2013: 2.9%).

(Source: Economic Report 2013/2014, Ministry of Finance)

7.2 Overview and prospects of the Malaysian economy

The Malaysian economy expanded by 4.7 percent in 2013 which was in line with the growth target of 4.5 percent to 5.0 percent set by the Malaysian Government. The Malaysian economy expanded by 4.1, 4.4, 5.0 and 5.1 percent in the first, second, third and fourth quarter of 2013 respectively on the back of robust domestic demand and accommodative monetary policy.

Despite the positive results revealed in most of Malaysia's key economic indicators for 2013, the Malaysian Government is mindful of the challenging external environment that may affect the growth in the local economy. In the near future, the growth in the Malaysian economy is expected to be anchored again by domestic demand. Domestic demand is expected to be led by private expenditure which is projected to register an increase of 7.8 percent in 2014. Private sector consumption and investment in 2014 is projected to expand 6.2 percent and 12.7 percent respectively.

The Malaysian Government has reiterated its intention to continue focusing on accelerating the national transformation process and supporting growth while improving public finance and ensuring fiscal sustainability. The Malaysian Government has also allocated RM1.6 billion under Budget 2014 for development in the five regional corridors. The Malaysian economy is expected to grow by 5.0 to 5.5 percent in 2014 on the back of expected improving external environment and favourable domestic demand. The private sector is expected to drive the growth momentum in domestic demand.

All the key economic sectors in Malaysia are projected to continue expanding in 2014. The services sector is expected to remain the largest contributor to the economy by accounting for more than half of Malaysia's real GDP in 2014. It is expected to grow by 5.7 percent for the year. In terms of pace of growth, the construction sector is expected to register the fastest pace among all the key economic sectors in the year with a projected 9.6 percent growth in 2014. The three other key economic sectors are expected to expand by 3.0 percent to 3.8 percent in 2014.

(Source: Overview of the Palm Oil, Renewable Energy and Biomass Industries, Protégé Associates Sdn Bhd)

7.3 Overview and outlook on palm oil, renewable energy and biomass industries in Malaysia

7.3.1 Overview

Palm Oil Industry

Oil palm is the most important agricultural crop in Malaysia and it is the 4th largest contributor to the country's gross national income (GNI). Malaysia is currently the second largest producer and largest exporter of crude palm oil ("CPO") in the world. In 2013, the total planted area for oil palm in the country continue to grow and it expanded by around 3.0 percent to nearly 5.23 million hectare ("ha") (2012: 5.08 ha). The expansion was led by Sarawak which saw an increase of 84,660 ha or 7.9 percent, followed by Peninsular Malaysia which increased 35,630 ha or 1.4 percent, and lastly Sabah with an increase of 32,520 ha or 2.3 percent. Over half of the plantation area is concentrated in East Malaysia with the rest in the Peninsular.

In tandem with the increase in total planted area, CPO production improved by around 2.3 percent to 19.21 metric tonnes ("mt") in 2013 from 18.79 mt recorded in 2012. A higher fresh fruit bunches ("FFB") yield coupled with additional new matured areas coming into production particularly in Sarawak has contributed to the improved CPO production. In the same year, production of palm kernel, crude palm kernel oil and palm kernel cake also improved with year-on-year growth standing at 3.3 percent for palm kernel, and 4.9 percent each for crude palm kernel oil and palm kernel cake.

Exports of both CPO and palm kernel oil in 2013 recovered from their poorer performance in 2012 to expand by 3.1 and 7.9 percent respectively. Meanwhile, the number of FFB processed also showed an improved growth of 2.8 percent, from 92.3 million tonnes ("mt") in 2012 to 94.9 mt in 2013.

Malaysia's production of oil palm fruit is estimated at around 99.5 million in 2013. The high yield of oil palm fruit also led to the abundance of oil palm biomass. Palm oil accounts for only 10 percent of the total output from oil palm tree, with the remaining 90 percent being oil palm biomass. According to the Malaysia Innovation Agency ("MIA"), an estimated 83 million dry tonnes of oil palm biomass waste was generated in 2012. By 2020, volume of oil palm biomass waste is projected to range between 85 and 110 million dry tonnes.

Renewable energy

Renewable energy refers to any form of primary energy from recurring and non-depleting indigenous resources. Renewable energy sources include biomass, hydro, geothermal, solar, wind, ocean thermal, wave action and tidal action. Each renewable energy sources comes with its respective unique characteristics which influence how and where they are used.

Malaysia has been using renewable energies since 1980s through private-led initiatives. Yet, renewable energy still makes up a very small share of Malaysia's current energy mix. Accordingly, in an effort to unleash the potential of renewable energy, the Malaysian Government has spelled out several initiatives. Since 2001, the Malaysian Government has introduced a number of renewable energy policies, initially with the setting up of the Small Renewable Energy Power Programme ("SREPP"). The SREPP enables small-scale renewable energy producers to sell up to 10 megawatt ("MW") of electricity to utilities through the distribution grid.

Under the Tenth Malaysia Plan (10MP), the Malaysian Government has identified multiple renewable energy resources such as biomass – including wastes from palm oil, rice, sugar cane, timber, sawmill, paper recycling mills and municipal wastes, biogas from landfills, mini-hydro and solar, that will be leveraged to ensure a more sustainable energy supply. Fuels derived from biomass include biofuels and biogas. Malaysia being a major producer of agricultural commodities is well placed to promote the use of biomass as a renewable energy source.

In April 2010, the Cabinet approved the National Renewable Energy Policy and Action Plan ("NREP") as the cornerstone of a more aggressive deployment of renewable energies in Malaysia. Subsequently, the SREPP programme ended when the Renewable Energy Act and Sustainability Energy Development Authority ("SEDA") Act were passed in 2011. SEDA is a statutory body under the Ministry of Energy, Green Technology and Water ("KeTTHA") to manage and administer the feed-in tariff ("FiT") and the implementation of the NREP. However, FiT is not applicable in Sarawak as the state has its own legislation and regulations governing their electricity supply. Save for installations of solar photovoltaic ("PV") with 72 kilowatt (kW) and below which are generally individual solar PV system installation, all participants of FiT are required to obtain public generation license from the Energy Commission of Malaysia.

There are four (4) main type of renewable energy focused in the NREP. Based on the renewable energy capacity detailed in SEDA annual report 2012, Malaysia (excluding Sarawak) has a total operational grid-connected renewable energy capacity of approximately 98.52 MW in 2012. Of all, biomass including agricultural waste and solid waste has the largest renewable energy capacity of 50.4 MW or 51.2 percent of total renewable capacity in 2012. Driven by NREP, solar has the second largest capacity accounting for 25.4 percent or 25.02 MW, of which 2.2 MW comes from individual solar PV. This is then followed by mini-hydro (15.9 percent or 15.7 MW) and biogas (7.5 percent or 7.4 MW).

According to the Energy Commission of Malaysia, the total installed electricity capacity in Malaysia, excluding installed capacity for co-generation and self-generation in Sarawak, was about 28,433 MW in 2011. Gas remains the main energy source for electricity generation and occupied the largest share in electricity capacity of about 51.6 percent or 14,665.7 MW. On the other hand, coal, oil, diesel and hydro contributed 27.0 percent (7,679.8 MW), 2.9 percent (810.3 MW), 5.3 percent (1,501.3 MW) and 10.6 percent (3,013.9 MW) respectively. Biomass contributed 2.6 percent or 739.26 MW of total electricity capacity in 2011.

Biomass

Biomass refers to non-fossilised substances originating from indigenous plants, animals and micro-organisms. Annually, Malaysia produced over 168 mt of biomass. These include timber, oil palm waste, rice husks, coconut trunk fibres, municipal waste and sugar cane waste. Out of these, the largest amount of biomass originates from the oil palm industry.

Biomass can be utilised as renewable energy through multiple ways; it can be converted into solid biofuel (pellets, briquettes) to be used in boilers and/or it can used together with coal as co-firing substance. Malaysia has the potential of harnessing 2,400 MW of power from biomass, yet only 739.26 MW has been harnessed up to 2011.

According to SEDA, Malaysia has a total of 50.4 MW of grid-connected biomass power capacity in 2012. The first grid-connected biomass based power plant is located in Tawau and it started its operation back in 2005. Using palm oil milling residues as fuel, TSH Bio-Energy Sdn Bhd has the capacity to generate 14 MW of power and is the largest biomass power plant in the country. It is contracted to sell 10 MW to Sabah Electricity Sdn Bhd for 21 years. Sabah has the largest operating grid-connected biomass-based renewable energy capacities in Malaysia. Other known operational biomass based power plants in Malaysia that generate electricity using agricultural biomass include Seguntor Bioenergy Sdn Bhd and Kina Biopower Sdn Bhd in Sabah.

Being the largest renewable energy source (in terms of capacity) in Malaysia, biomass renewable energy is set to advance with the support of continuous supply of biomass feedstock, particularly oil palm residues. The amount of oil palm biomass is projected to increase from 83 mt of dry weight in 2012 to 100 mt by 2020. This augurs well for the targeted increase in renewable energy capacity from agricultural biomass from an estimated 50.4 MW in 2012 to 800MW by 2020.

7.3.2 Outlook

Malaysia's palm oil industry faces a bright future outlook throughout the forecast period. Growth in the said industry is likely to be mainly driven by increasing global population, income and per capita consumption. China, the most populous country, continues to be Malaysia's largest export market for the tenth consecutive year and is likely to remain throughout the forecast period. The implementation of China-ASEAN Free Trade Area is envisaged to boost palm oil exports to China through the gradual reduction of tariff rates. Other factors driving market growth moving forward is the increasing use of palm oil in biofuels and the lower price of palm oil as compare to other major vegetable oils which is a crucial and deciding factor to its high consumption. Supporting the demand for Malaysia's palm oil are growing trends on the supply side which increased long economic lifespan of the oil palm trees ensuring consistent supply of palm oil and governmental support from the Malaysian government. The palm oil industry has been identified as one of the 12 National Key Economic Areas (NKEAs). To enhance the development of the palm oil industry, various initiatives under the ETP are means to boost the industry's activities.

Biomass renewable energy, being the largest renewable energy source (in terms of capacity) in Malaysia, is set to advance with the support of continuous supply of biomass feedstock, particularly oil palm residues. And the supply of these oil palm residues is anticipated to increase largely in quantities driven by positive outlook expected in the palm oil industry. The amount of oil palm biomass is projected to increase from 83 mt of dry weight in 2012 to 100 mt by 2020. Further, the biomass renewable energy industry is anticipated to emerge robustly attributed to strong government's initiatives in promoting green economy and increased awareness on biomass energy technology. The renewable energy capacity from agricultural biomass is targeted to increase from an estimated 50.4 MW in 2012 to 800 MW by 2020.

(Source: Overview of the Palm Oil, Renewable Energy and Biomass Industries, Protégé Associates Sdn Bhd)

7.4 Overview and future prospects of our Group

In the FYE 31 January 2012, our Group wrote down on our biodiesel investments resulting in a loss of RM19.9 million due to the non-performance of this sector that was then facing various challenges due to:

(i) the impending expiry of the Kyoto Protocol, an international agreement linked to the United Nations Framework Convention on Climate Change, first commitment period in 2012. The Kyoto Protocol sets binding obligations on industrialised countries to reduce greenhouse gasses emissions and thus forms the backbone for biodiesel market that relies heavily on green initiatives;

(ii) European debt crisis such as the Greece government debt crisis in 2012; and

(iii) high crude palm oil prices, the main raw material for biodiesel in South East Asia and the slow implementation of the B5 biodiesel blend requirements at petrol pumps in Malaysia.

During the FYE 31 January 2013, our Group had taken various steps to recover from the write down of its biodiesel investments in the FYE 31 January 2012. In the wake of the European crisis and the slow regional economy, several internal restructurings were undertaken wherein our Group disposed non-contributing investments namely eCompazz IT Sdn Bhd and Oval Alliance Sdn Bhd, raising approximately RM6.55 million funding for our Group.

During the FYE 31 January 2013, our Group registered a LAT of RM4.4 million due mainly to the write down of investments that are non-core to our Group taking into account the current industry developments as well as fixed assets written-off, as part of its internal reorganisation to focus on renewable and sustainable initiatives.

Whilst our Group has previously written down its biofuel investments, efforts to turn-around these investments did not cease. The management of ASIABIO worked expeditiously with the investee on its plans going forward and the efforts paid off with the inking of the disposal of PNSB to GN, pursuant to its listing plans in AIM Market.

This resulted in not only a reversal of the original impairment in the FYE 31 January 2012 but additional gain, both totalling some RM5.7 million in the FYE 31 January 2014 with the successful listing of GN on 26 March 2013.

With these in mind, our Board has made a cognitive decision to concentrate on investing and developing incubatees in high growth and high technology segments that uses biomass raw materials as seen by the investments and developments made into Hexa Bonanza Sdn Bhd as there is abundance in supply in Malaysia and other regional countries. The Kyoto Protocol was extended until 2020 at the 2012 United Nations Climate Change Conference, signifying the commitment of industrialised nations to reduce carbon emissions, thus improving the prospects of renewable technologies going forward.

Our Group had between January to October 2013 invested approximately RM2.8 million to purchase various machineries for its palm trunk lumber plant for the processing of felled palm trees into lumber. The lumber is targeted entirely for export to China where it will be used together with veneer to produce blockboard panels, the materials used to make doors, tables, shelves, paneling, partition walls and etc. The production facilities, which will have an annual capacity of producing 13,200 metre cube of lumber from felled palm trees, is located at the following premise:

	Location	Size (sq m)	Owned / Leased
1.	KB510, 16 km, Jalan Kota Tinggi, Kulai, Johor	8,093.7	Leased from YPJ Plantation Sdn Bhd

The plant is presently pending commercial operations having installed and commissioned the machineries in March 2014.

Our Group is also expanding its geographical reach as it starts looking at China and Indonesia for expansion opportunities, especially with the inclusion of the new board appointee, Tan Sik Eek, who was appointed to our Board as Executive Director on 20 June 2013. Tan Sik Eek was previously a Partner at House of Qin Ltd, a Beijing based private equity firm focused on investing in companies seeking growth funding and pre-Initial Public Offering capital. Prior to that, Tan Sik Eek was the Southeast Asia Partner of Value Creation Strategies Sdn Bhd, a Kuala Lumpur based advisory firm specialising in securing funding from a series of established North America global hedge funds, for companies listed on the regional capital markets. Tan Sik Eek previously held positions in companies like Devonshire Capital LLC, a boutique investment bank headquartered in Hong Kong as well as in the corporate finance division of RHB Investment Bank Berhad.

Representing the substantial shareholder CPE and with more than a decade of experience ranging from corporate finance advisory to private equity investments, Tan Sik Eek is able to draw upon the contacts and strength of CPE to assist with the expansion of the geographical reach of our Group. CPE, which is based in Hong Kong and listed on AIM Market in London, presently holds investments in companies like Fortel Technology Holdings Limited, a platform provider for online content distribution in China, China iEducation, a digital education content provider based in China and others.

Our Company had on 11 November 2013 extended our collaboration with AT Systematization Berhad with the signing of a shareholders agreement to venture into the biomass processing and related machineries fabrication business including biomass composting and biomass energy via gasification technologies. The collaboration, which is on-going, is in line with our expansion plan and would broaden our income base as it is expected to contribute positively to ASIABIO's future prospects and earnings.

Our Company has also on 20 February 2014 announced that a subscription agreement has been entered into with Nexfuel Limited for the subscription of 20% equity stake in Nexfuel Limited. The subscription was made in connection with the signing of a plant construction agreement between Nexfuel Limited and Cool Planet, a US-based clean technology company with strong multinational companies investor base that secures Nexfuel Limited the licensing rights to Cool Planet's technology in the development of fuel production plants using biomass in Malaysia.

Under the terms of the plant construction agreement, Nexfuel Limited shall be responsible for securing funds, feedstocks, permits and approval required for the building of Cool Planet's "Green Gasoline" plants in Malaysia with its identified partners. Nexfuel Limited shall also have fabrication rights for certain sections of the plants, which are estimated to cost USD70 million for the total production of 10 million gallons of Green Gasoline per annum.

In view of our Group's renewed concentration of "green" technologies, especially those that utilises biomass as a raw material which helps keep operational cost to the minimal whilst being environment friendly, our Board expects our Group's prospects going forward to be positive as regulatory support for such initiatives grows.

(Source: Management of the ASIABIO Group)

8. FINANCIAL EFFECTS OF THE RIGHTS ISSUE WITH WARRANTS

For illustration purpose, the effects of the Rights Issue with Warrants on the share capital, NA, gearing, earnings and dividends in our Group are as follows:

8.1 Share capital

The proforma effects of the Rights Issue with Warrants on our issued and paid-up share capital are as follows:

	←---Minimum Scenario--→		←---Maximum Scenario---→	
	No. of ASIABIO Shares	**RM**	**No. of ASIABIO Shares**	**RM**
Existing as at the LPD	420,200,000	42,020,000	420,200,000	42,020,000
To be issued pursuant to the Rights Issue with Warrants	50,000,000	5,000,000	420,200,000	42,020,000
Share capital after the Rights Issue with Warrants	470,200,000	47,020,000	840,400,000	84,040,000
To be issued assuming full exercise of Warrants pursuant to the Rights Issue with Warrants	50,000,000	5,000,000	420,200,000	42,020,000
Enlarged Share Capital	**520,200,000**	**52,020,000**	**1,260,600,000**	**126,060,000**

8.2 NA and gearing

Based on our latest audited consolidated statement of financial position as at 31 January 2013 and on the assumption that the Rights Issue with Warrants had been effected on that date, the proforma effects of the Rights Issue with Warrants on our consolidated NA, NA per Share and gearing are set out in the ensuing tables below:

Minimum Scenario

	Audited as at FYE 31 January 2013	**(I) After the Private Placement [1]**	**(II) After (I) and the Rights Issue with Warrants**	**(III) After (II) and assuming full exercise of the Warrants**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Share capital	38,200	42,020	47,020	52,020
Warrant reserves	-	-	[2] 500	-
Discount on shares	-	-	(500)	-
Accumulated losses	(17,904)	(17,904)	[3] (18,404)	(18,404)
Total equity attributable to owners of our Company/NA	20,296	24,116	28,616	33,616
Non-controlling interests	110	110	110	110
Total Equity	**20,406**	**24,226**	**28,726**	**33,726**
No. of Shares in issue ('000)	382,000	420,200	470,200	520,200
NA per Share (sen)	5.31	5.74	6.09	6.46

	Audited as at FYE 31 January 2013	(I) After the Private Placement [(1)]	(II) After (I) and the Rights Issue with Warrants	(III) After (II) and assuming full exercise of the Warrants
	RM'000	RM'000	RM'000	RM'000
Total Borrowings	-	-	-	-
Gearing (times)	-	-	-	-

Maximum Scenario

	Audited as at FYE 31 January 2013	(I) After the Private Placement [(1)]	(II) After (I) and the Rights Issue with Warrants	(III) After (II) and assuming full exercise of the Warrants
	RM'000	RM'000	RM'000	RM'000
Share capital	38,200	42,020	84,040	126,060
Warrant reserves	-	-	[(2)] 4,202	-
Discount on shares	-	-	(4,202)	-
Accumulated losses	(17,904)	(17,904)	[(3)] (18,404)	(18,404)
Total equity attributable to owners of our Company/NA	20,296	24,116	65,636	107,656
Non-controlling interests	110	110	110	110
Total Equity	**20,406**	**24,226**	**65,746**	**107,766**
No. of Shares in issue ('000)	382,000	420,200	840,400	1,260,600
NA per Share (sen)	5.31	5.74	7.81	8.54
Total Borrowings	-	-	-	-
Gearing (times)	-	-	-	-

Notes:

(1) Private placement of 38,200,000 new ordinary shares in ASIABIO which was completed on 19 June 2013.

(2) Based on the estimated fair value of the Warrants of RM0.01 each derived using the Black-Scholes option pricing model.

(3) After deducting estimated expenses in relation to the Rights Issue with Warrants of RM500,000.

8.3 Earnings and EPS

The Rights Issue with Warrants is not expected to have any material effect on ASIABIO's consolidated earnings for the current FYE 31 January 2014. The Rights Issue with Warrants is expected to contribute to the future earnings of our Group due to the availability of additional funds for investment and working capital to our Group.

Under the Rights Issue with Warrants, our Company shall raise proceeds of between RM5.00 million and RM42.02 million under the Minimum Scenario and Maximum Scenario, respectively. From the total proceeds raised, between RM4.0 million (Minimum Scenario) and RM41.02 million (Maximum Scenario) shall be utilised as technology incubation fund, which is our core business. The fund provides for future investments, as well as activities relating to the nurturing and assisting incubatees and will include but not limited to providing financing (in accordance to the provision of financial assistance under Rule 8.25 of the ACE Market LR) value added services, such as accounting and administrative support, IT infrastructure and research facilities support and other support services. The incubation fund will nevertheless be focused on high growth and high technology industry including but not limited to bioenergy and "green" technologies.

The Rights Issue with Warrants is aimed at focusing on incubating and nurturing new business ideas as we have the ability and know-how to generate business ideas as well as take a business model from a conceptual stage and build it up to an actual operating business equipped with the necessary networking, technology and financial know-how to support the incubatees' growth. The technology incubator fund, once utilised for incubating new companies shall contribute positively to the future earnings of our Group and consequently its EPS.

8.4 Dividend

The Rights Issue with Warrants is not expected to affect the dividend policy of our Company as future dividend payable by our Company would be dependent on *inter-alia*, the future profitability and cashflow position of our Group.

9. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL COMMITMENTS

9.1 Working capital

Our Board is of the opinion that after taking into consideration the proceeds of the Rights Issue with Warrants, cash in hand, cashflow generated from our operations and available banking facilities, our Group will have adequate working capital to meet our business requirements due within a period of twelve (12) months from the date of this Abridged Prospectus.

9.2 Borrowings

As at the LPD, our Group has no outstanding bank borrowings denominated in RM and in foreign currencies.

After having all reasonable enquires and to the best knowledge of our Board, there has not been any default on payments of either interest or principal sums by our Group, in respect of any borrowings during the FYE 31 January 2013 and for the subsequent financial period up to the LPD.

9.3 Material Commitments

As at the LPD, there is no material commitment, incurred or known to be incurred, which may have a material impact on the results or financial position of our Group

9.4. Contingent Liabilities

As at the LPD, to the best knowledge of our Board, there are no contingent liabilities, incurred or known to be incurred, which upon becoming enforceable, may have a substantial impact in the ability of ASIABIO to meet its obligations as and when they fall due.

10. TERMS AND CONDITIONS

The issuance of the Rights Shares with Warrants pursuant to the Rights Issue with Warrants is governed by the terms and conditions as set out in this Abridged Prospectus, the Deed Poll, the NPA and RSF enclosed herewith.

11. FURTHER INFORMATION

You are requested to refer to the attached appendices for further information.

Yours faithfully,
For and on behalf of our Board of
ASIA BIOENERGY TECHNOLOGIES BERHAD

YB DATUK NUR JAZLAN BIN TAN SRI MOHAMED
INDEPENDENT NON-EXECUTIVE CHAIRMAN

CERTIFIED EXTRACT OF THE ORDINARY RESOLUTION PERTAINING TO THE RIGHTS ISSUE WITH WARRANTS PASSED AT OUR EGM HELD ON 28 FEBRUARY 2014

ASIA BIOENERGY TECHNOLOGIES BERHAD (774628-U)
(Incorporated in Malaysia)

EXTRACT OF THE MINUTES OF THE EXTRAORDINARY GENERAL MEETING HELD ON 28 FEBRUARY 2014

1. **ORDINARY RESOLUTION 1**
PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 420,200,000 NEW ORDINARY SHARES OF RM0.10 EACH IN ASIABIO ("RIGHTS SHARES") TOGETHER WITH UP TO 420,200,000 NEW FREE DETACHABLE WARRANTS ("WARRANTS") AT AN ISSUE PRICE OF RM0.10 PER RIGHTS SHARE ON THE BASIS OF ONE (1) RIGHTS SHARE TOGETHER WITH ONE (1) WARRANT FOR EVERY ONE (1) EXISTING ORDINARY SHARE OF RM0.10 HELD IN ASIABIO ("ASIABIO SHARES") ON AN ENTITLEMENT DATE TO BE DETERMINED LATER ("ENTITLEMENT DATE") ("PROPOSED RIGHTS ISSUE WITH WARRANTS")

The Chairman informed that the first proposed resolution concerned the Proposed Rights Issue with Warrants and the Chairman invited questions from the shareholders and proxies.

On the proposal of Mr Tan Yan Shiou and seconded by Ms Chu Hui Peng, the meeting unanimously RESOLVED:

"THAT subject to all the approvals from relevant authorities being obtained where necessary, approval be and is hereby given for ASIABIO to undertake the Proposed Rights Issue with Warrants as follows:

(a) To provisionally issue and allot by way of renounceable rights issue of up to 420,200,000 Rights Shares together with up to 420,200,000 free Warrants at an issue price of RM0.10 per Rights Share on the basis of one (1) Rights Share together with one (1) Warrant for every one (1) ASIABIO Share held to the entitled shareholders of the Company whose names appear in the Record of Depositors of the Company as at the close of business on the Entitlement Date;

(b) To issue the Warrants based on the principal terms of which are set out in Section 2.1 of Part A of the Circular to Shareholders dated 13 February 2014 and upon the terms and conditions of a deed poll to be executed by ASIABIO ("Deed Poll");

(c) To issue and allot such number of new ASIABIO Shares arising from the exercise of the Warrants during the tenure of the Warrants; and

(d) To allot and issue such other additional Warrants as maybe required or permitted to be issued as a result of any adjustment under the provisions of the Deed Poll;

THAT the issue price of the Rights Shares shall be fixed at RM0.10 for each Rights Share and the exercise price of the Warrants shall be fixed at RM0.10 for each Warrant;

THAT the Directors be and are hereby authorised to allocate the excess Rights Shares in a fair and equitable manner on a basis to be determined by the Directors in their absolute discretion;

THAT the Directors be and are hereby authorised to deal with all or any of the fractional entitlement of the Rights Shares and Warrants arising from the Proposed Rights Issue with Warrants, which are not validly taken up or which are not allotted for any reason whatsoever, in such manner as the Directors may in their absolute discretion deem fit and in the best interest of the Company;

THAT the Rights Shares and the new ASIABIO Shares to be issued pursuant to the exercise of the Warrants, shall upon allotment and issue, rank *pari passu* in all respects with the then existing ASIABIO Shares except that they will not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is before the date of allotment of the Rights Shares and the new ASIABIO Shares to be issued pursuant to the exercise of the Warrants (as the case may be);

THAT the proceeds from the Proposed Rights Issue with Warrants will be utilised for such purposes as set out in Section 2.6 of Part A of the Circular to Shareholders dated 13 February 2014 and the Directors be authorised with full power to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Directors may deem fit, necessary or expedient, subject to (where applicable) the approval of the relevant authorities;

THAT the Directors be and are hereby authorised to enter into and execute the Deed Poll constituting the Warrants and to do all acts, deeds and things as they may deem fit and expedient in order to implement, finalise and give effect to the Deed Poll;

AND THAT the Directors be and are hereby authorised with full power to make any modifications, variations and/or amendments in any manner as may be in the best interest of the Company or as may be required by the relevant authority/authorities to give effect to the Proposed Rights Issue with Warrants, and to take all such steps as they may deem necessary or expedient in the best interest of the Company to implement, finalise and give full effect to the Proposed Rights Issue with Warrants."

Date: 28 February 2014

CERTIFIED TRUE AND CORRECT

DIRECTOR
LOOI KEM LOONG

SECRETARY
WONG WEI FONG
(MAICSA 7006751)

SALIENT TERMS OF THE WARRANTS

Terms		Details
Number of Warrants	:	Up to 420,200,000 Warrants to subscribe for up to 420,200,000 new ASIABIO Shares, to be issued free to the Entitled Shareholders who subscribes for the Rights Issue with Warrants.
Detachability	:	The Warrants which are to be issued pursuant to Rights Issue with Warrants are immediately detachable upon allotment and issue of the Rights Shares. The Warrants will be traded separately.
Issue Price	:	The Warrants which are to be issued pursuant to Rights Issue with Warrants are to be issued free to the Entitled Shareholders and renouncees who subscribe for the Rights Shares.
Exercise Price	:	The exercise price of the Warrants is RM0.10 per Warrant. The exercise price and the number of outstanding Warrants shall however be subject to the adjustments in accordance with the terms and provisions of the Deed Poll during the Exercise Period.
Exercise Period	:	The Warrants may be exercised any time during the tenure of the Warrants of ten (10) years including and commencing from the issue date of the Warrants. Warrants not exercised during the Exercise Period will thereafter become lapse and void.
Exercise Rights	:	Each Warrant entitles the registered holder to subscribe for one (1) new ASIABIO Share at the Exercise Price during the Exercise Period and shall be subject to adjustments in accordance with the Deed Poll.
Expiry Date	:	A date being ten (10) years from and including the date of issue of the Warrants, provided that if such day falls on a day which is not a market day, then on the preceding market day.
Mode of Exercise	:	The holders of the Warrants shall pay cash by way of banker's draft or cashier's order or money order or postal order drawn on a bank or post office in Malaysia for the aggregate Exercise Price payable when exercising the Warrants and subscribing for new ASIABIO Shares.
Deed Poll	:	The Warrants are constituted by the Deed Poll.
Board Lot	:	The Warrants are tradeable upon listing in board lots of 100 units carrying rights to subscribe for 100 new ASIABIO Shares at any time during the Exercise Period or such other number of units as may be prescribed by Bursa Securities.
Status of New ASIABIO Shares to be issued pursuant to the exercise of the Warrants	:	All the new ASIABIO Shares to be issued pursuant to the exercise of the Warrants shall, upon allotment and issue, rank *pari passu* in all respects with the then existing ASIABIO Shares except that they will not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is before the date of allotment of the said new ASIABIO Shares.
Rights in the Event of Winding Up, Liquidation, Compromise and/or Arrangement	:	Where a resolution has been passed for a members' voluntary winding-up of our Company or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of our Company or the amalgamation of our Company with one or more companies, then: (a) for the purpose of such a winding-up, compromise or

Terms		Details
		arrangement (other than a consolidation, amalgamation or merger in which our Company is the continuing corporation) to which the Warrant holders, or some persons designated by them for such purposes by a Special Resolution, will be a party, the terms of such winding-up, compromise or arrangement will be binding on all the Warrant holders; and (b) in any other case, every Warrant holder will be entitled to elect to be treated as if he had immediately prior to the commencement of such winding-up, compromise or arrangement exercised the Exercise Rights represented by that Warrant to the extent specified in the exercise forms and be entitled to receive out of the assets of our Company which would be available in liquidation if he had on such date been the holder of the new shares to which he would have become entitled pursuant to such exercise and the liquidator of our Company will give effect to such election accordingly.
Listing	:	Approval has been obtained from Bursa Securities for the admission of the Warrants to the Official List of the ACE Market of Bursa Securities as well as for the listing of and quotation for the Warrants and new ASIABIO Shares to be issued arising from the exercise of the Warrants.
Adjustment in the Exercise Price and/or the number of Warrants held by warrant holders in event of alteration to the share capital	:	Subject to the provision in the Deed Poll, the Exercise Price and the number of Warrants held by each Warrant holder shall be adjusted by our Board in consultation with the adviser and certification of the external auditors of ASIABIO, in the event of alteration to the share capital of our Company.
Modification	:	Save as expressly provided in the Deed Poll, no modification, amendment or addition may be made to the provisions of the Deed Poll without the sanction of a special resolution by the Warrant Holders, other than any modification to the Deed Poll which is not materially prejudicial to the interests of the Warrant Holders or if in the opinion of our Company and the approved adviser, is to correct a manifest error or to comply with the rules of Bursa Depository, or the Securities Industry (Central Depositories) Act, 1991 or Bursa Securities or mandatory provisions of Malaysian law. Any modification to the Deed Poll may be effected only by a further deed poll executed by our Company and expressed to be supplemental to the Deed Poll, and only if the requirements of the relevant provision of the Deed Poll have been complied with.
Further Issues	:	Subject to the provision in the Deed Poll, our Company is free to issue shares to shareholders either for cash or as a bonus distribution and further subscription rights upon such terms and conditions as our Company sees fit but the Warrant holders will not have any participating rights in such issue unless otherwise resolved by our Company in general meeting.
Governing Law	:	Laws of Malaysia.

INFORMATION ON OUR COMPANY

1. HISTORY AND BUSINESS

ASIABIO was incorporated in Malaysia on 24 May 2007 under the Act under the name of Asia Bioenergy Technologies Sdn Bhd. On 26 October 2007, Asia Bioenergy Technologies Sdn Bhd was converted into a public limited company and assumed its present name.

We were listed on the MESDAQ (currently known as ACE Market of Bursa Securities) on 12 December 2008

We are an investment holding company and engaged in technology incubation. Our subsidiaries' principal activities are set out in Section 5 of this Appendix.

2. SHARE CAPITAL

As at the LPD, our authorised and issued and paid-up share capital are as follows:

Type	No. of Shares	Par value RM	Total RM
Authorised	1,500,000,000	0.10	150,000,000
Issued and fully paid-up	420,200,000	0.10	42,020,000

Changes in Issued and Paid-Up Share Capital

The changes in our Company's issued and paid-up share capital since incorporation are as follows:

Date of allotment	No. of Shares	Par value RM	Consideration	Total RM
24/5/2007	2	1.00	Subscribers' shares	2
10/9/2008	20	0.10	Subdivision of shares	2
11/9/2008	119,999,980	0.10	Acquisition of shares in Asia Bioenergy Research Sdn Bhd	12,000,000
4/12/2008	30,000,000	0.10	Cash consideration	15,000,000
4/12/2008	100,000,000	0.10	Bonus Issue	25,000,000
5/7/2010	25,000,000	0.10	Cash consideration	27,500,000
21/12/2010	52,000,000	0.10	Cash consideration	32,700,000
23/3/2011	30,000,000	0.10	Cash consideration	35,700,000
6/7/2011	25,000,000	0.10	Cash consideration	38,200,000
17/6/2013	38,200,000	0.10	Cash consideration	42,020,000

3. SUBSTANTIAL SHAREHOLDERS

Based on our Record of Substantial Shareholders as at the LPD, the proforma effects of the Rights Issue with Warrants on the shareholdings of our substantial shareholders are as follows:

Minimum Scenario (Pursuant to the Undertaking and assuming none of the other Entitled Shareholders subscribe for the Rights Issue with Warrants)

	(I) As at the LPD				(II) After (I) and the Rights Issue with Warrants				(III) After (II) and assuming all Warrants are exercised			
	←--Direct--→		←--Indirect--→		←--Direct--→		←--Indirect--→		←--Direct--→		←--Indirect--→	
	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%
China Private Equity Investment Holdings Limited	-	-	(1) 50,000	11.90	-	-	(1) 100,000	21.27	-	-	(1) 150,000	28.84
CPE	50,000	11.90	-	-	100,000	21.27	-	-	150,000	28.84	-	-
Looi Kem Loong	*	-	(2) 30,704	7.31	*	-	(2) 30,704	6.53	*	-	(2) 30,704	5.90
Acritaz Holdings Sdn Bhd	25,077	5.97	-	-	25,077	5.33	-	-	25,077	4.82	-	-

Maximum Scenario (Assuming all Entitled Shareholders subscribe for the Rights Issue with Warrants)

	(I) As at the LPD				(II) After (I) and the Rights Issue with Warrants				(III) After (II) and assuming all Warrants are exercised			
	←--Direct--→		←--Indirect--→		←--Direct--→		←--Indirect--→		←--Direct--→		←--Indirect--→	
	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%
China Private Equity Investment Holdings Limited	-	-	(1) 50,000	11.90	-	-	(1) 100,000	11.90	-	-	(1) 150,000	11.90
CPE	50,000	11.90	-	-	100,000	11.90	-	-	150,000	11.90	-	-
Looi Kem Loong	*	-	(2) 30,704	7.31	1	-	(2) 61,408	7.31	2	-	(2) 92,112	7.31
Acritaz Holdings Sdn Bhd	25,077	5.97	-	-	50,154	5.97	-	-	75,231	5.97	-	-

Notes:

* *733 Shares.*

(1) Deemed interest through CPE.

(2) Deemed interest by virtue of his shareholdings in Acritaz Holdings Sdn Bhd and Platimas Sdn Bhd.

4. BOARD OF DIRECTORS

The age, profession, designation, nationalities and addresses of our Board are set out under the Corporate Directory on page (vi) of this Abridged Prospectus.

Minimum Scenario (Pursuant to the Undertaking and assuming none of the other Entitled Shareholders subscribe for the Rights Issue with Warants)

Name of Director	As at the LPD				(I) After the Rights Issue with Warrants				(II) After (I) and assuming full exercise of Warrants			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%
YB Datuk Nur Jazlan Bin Tan Sri Mohamed	-	-	-	-	-	-	-	-	-	-	-	-
Tan Sik Eek	-	-	-	-	-	-	-	-	-	-	-	-
Looi Kem Loong	*	-	(1) 30,704	7.31	*	-	(1) 30,704	6.53	*	-	(1) 30,704	5.90
Lim Foo Seng	^	-	-	-	^	-	-	-	^	-	-	-
Hew Tze Kok	-	-	-	-	-	-	-	-	-	-	-	-

Maximum Scenario (Assuming all Entitled Shareholders subscribe for the Rights Issue with Warrants)

Name of Director	As at the LPD				(I) After the Rights Issue with Warrants				(II) After (I) and assuming full exercise of Warrants			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%	No. of Shares ('000)	%
YB Datuk Nur Jazlan Bin Tan Sri Mohamed	-	-	-	-	-	-	-	-	-	-	-	-
Tan Sik Eek	-	-	-	-	-	-	-	-	-	-	-	-
Looi Kem Loong	*	-	(1) 30,704	7.31	*	-	(1) 61,408	7.31	*	-	(1) 92,112	7.31
Lim Foo Seng	^	-	-	-	^	-	-	-	^	-	-	-
Hew Tze Kok	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

* *733 Shares.*

^ *50 Shares.*

(1) *Deemed interest by virtue of his shareholdings in Acritaz Holdings Sdn Bhd and Platimas Sdn Bhd.*

5. SUBSIDIARY AND ASSOCIATED COMPANIES

Our subsidiaries as at the LPD are as follows:

Subsidiaries	Date / Country of incorporation	Issued and paid-up capital	Effective ownership (%)	Principal Activities
Eco-Sponge Sdn Bhd	21 August 2007 / Malaysia	RM100,000	100.0	Engaged in the manufacturing and trading of absorbent chemical compound and other related services and trading of fertilizer related products.
Asia Oleo Sdn Bhd (formerly known as Syno Prism Sdn Bhd)	28 November 2008 / Malaysia	RM6,021,000	100.0	Investment holding.
Hexa Bonanza Sdn Bhd	4 November 2010 / Malaysia	RM199,999	50.0*	Contractor and technology provider for biomass pelletizing and related equipment.

Note:

* *Representing 100,000 ordinary shares of RM1.00 each in Hexa Bonanza Sdn Bhd ("Hexa Bonanza Shares") out of the issued and paid-up 199,999 Hexa Bonanza Shares outstanding.*

Our associated company as at the LPD is as follows:

Associated Company	Date / Country of incorporation	Issued and paid-up capital	Effective ownership (%)	Principal Activities
Nexfuel Limited	12 October 2009 / Malaysia	USD125,000	36.0	Holds technology rights to the biowaste conversion technologies, and provides oil engineering, procurement and technology provision services.

6. PROFIT AND DIVIDEND RECORDS

The profit and dividend records based on our Group's audited consolidated financial statements for the FYE 31 January 2011 to 2013 and the unaudited consolidated financial statements for the nine (9) months FPE 31 October 2012 and 2013 are as follows:

	<-------------Audited------------->			←--------Unaudited-------->	
	FYE 31 January 2011 (RM'000)	**FYE 31 January 2012 (RM'000)**	**FYE 31 January 2013 (RM'000)**	**Nine (9) months FPE 31 October 2012 (RM'000)**	**Nine (9) months FPE 31 October 2013 (RM'000)**
Revenue	6,258	5,517	2,313	1,367	1,434
Gross profit	5,371	3,540	504	362	18
Other income	115	515	920	546	4,591
Share of profits of associates	(56)	(1,100)	(2)	(2)	-
Finance costs	19	140	-	-	-
PBT / (LBT)	1,166	(18,351)	(4,316)	(2,227)	(976)
Income tax expense	(43)	(92)	(86)	(15)	(1)
PAT / (LAT)	1,123	(18,443)	(4,403)	(2,242)	(977)
EBITDA / (LBITDA)	1,611	(17,311)	(4,038)	(1,968)	(717)
Profit/ (loss) attributable					
- Owners of the Company	267	(19,950)	(4,394)	(2,233)	(914)
- Non-controlling interest	856	1,507	(9)	(9)	(63)
Gross profit margin (%)	85.83	64.17	21.79	26.48	1.26
Net profit / (loss) margin (%)	17.94	(334.29)	(190.36)	(164.00)	(68.13)
Number of shares in issue ('000)	327,000	382,000	382,000	382,000	420,200
EPS / (LPS) (sen)	0.10 *	(4.83)	(1.15)	(0.58)	(0.23)
Diluted EPS / (LPS) (sen)	N/A	N/A	N/A	N/A	N/A
Dividend per share (sen)	N/A	N/A	N/A	N/A	N/A

Notes:

N/A *Not available*

* *Based on adjusted weighted average number of ASIABIO Shares.*

Commentary on financial performance

FYE 31 January 2011

Based on the audited financial statements for the FYE 31 January 2011, our Group recorded revenue of approximately RM6.26 million as compared with the revenue of approximately RM3.48 million generated in FYE 31 January 2010 representing an increase by approximately 79.89%. The increase in revenue was mainly due to an increase in dividend received from our incubatees.

There was an increase in our Group's PBT of approximately RM0.23 million or 24.47% in the FYE 31 January 2011 from RM0.94 million in FYE 31 January 2010 to RM1.17 million in FYE 31 January 2011 and the PAT recorded was RM1.12 million for the FYE 31 January 2011. However, the increase in PBT was significantly lower comparative to the increase in the revenue recorded in FYE 31 January 2011 was due to our Group recording significantly higher administrative expenses that increased by 263% from RM1.17 million in FYE 31 January 2010 to RM4.25 million in FYE 31 January 2011 due mainly to the investment write down of approximately RM2.55 million, being our investment in Eco-Sponge Sdn Bhd, a manufacturer of absorbent chemical compound for biodiesel production resulting from the downturn in biodiesel industry which resulted in the lack of demand for its products.

FYE 31 January 2012

Based on the audited financial statements for the FYE 31 January 2012, our Group recorded a decrease in revenue of RM0.74 million as compared to RM6.26 million recorded in the FYE 31 January 2011 which represents a decrease by 11.82% in revenue. This decrease in revenue was due mainly to the overall drop in dividend income from our incubatees as a result of the slowdown of the biodiesel industry which has affected our incubatee company, Grand Inizio Sdn Bhd.

Our Group recorded the LBT and LAT of RM18.35 million and RM18.44 million, as compared to the PBT and PAT recorded in the previous year corresponding period of RM1.17 million and RM1.12 million, respectively. This loss recorded in FYE 31 January 2012 was mainly due to the impairment of its investment in its biodiesel industry incubatees. Our Company had a write down in its investment in the biodiesel industry sector such as the investment in Grand Inizio Sdn Bhd, YPJ Plantations Sdn Bhd and PNSB amounting to RM16.67 million due to the downturn in biodiesel industry which resulted in the lack of demand for biodiesel products.

There was also the unprecedented massive flooding in Cambodia that resulted in a RM0.36 million write off of ASIABIO's plantation investments in Cambodia which has lead to our decision to cease exposure to this sector.

FYE 31 January 2013

Based on the audited financial statements for the FYE 31 January 2013, our Group recorded a significant decrease in revenue as compared to FYE 31 January 2012 from RM5.52 million to RM2.31 million recorded in the FYE 31 January 2013 which represents a decrease of 58.15% in revenue. This decrease in revenue was due to loss of the revenue contributions from the information and technology services business segment as a result of the disposal of eCompazz IT Sdn Bhd in the FYE 31 January 2013.

Our Group recorded lower LBT and LAT of RM4.32 million and RM4.40 million as compared to the previous year corresponding period of RM18.35 million and RM18.44 million, respectively. This loss recorded for the FYE 31 January 2013 was due to the writing off amounting to RM0.60 million for certain fixed assets such as property, plant and equipment resulting from the relocation of our Group's main office and some impairment of our non-core multi level marketing related investment amounting to RM2.20 million as our Board opines that the industry prospects are dim in view of the increased competitive environment.

9 months FPE 31 October 2013 (unaudited)

Based on the unaudited financial statements for the 9 months FPE 31 October 2013, our Group recorded slightly higher revenue of approximately RM1.43 million as compared with the revenue for the 9 months FPE 31 October 2012 of RM1.37 million representing an increase of approximately 4.38%. The increase in revenue was due to the incubation division recording higher turnover for the 9 months FPE 31 October 2013 as compared to the 9 months FPE 31 October 2012 and the increased investment activities of the incubation division that resulted in higher sale proceeds from disposal of marketable securities.

Our Group also recorded LBT and LAT of RM0.98 million for the 9 months FPE 31 October 2013 as compared to the LBT and LAT of RM2.23 million and RM2.24 million, respectively for the 9 months FPE 31 October 2012. The improvement in our Group's results was mainly due to the gain on disposal of PNSB to GN which was completed at the end of March 2013. The gain from disposal was, however, offset by various administrative costs and impairment from marking to market ASIABIO's shares in GN.

Based on the unaudited financial statements for the 9 months FPE 31 October 2013, our Group had achieved consolidated revenue of RM1.43 million, which represents 3.40% of its issued and paid-up share capital of RM42.02 million.

7. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of ASIABIO Shares as traded on Bursa Securities for the past twelve (12) months are as follows:

	Low (RM)	**High (RM)**
2013		
March	0.065	0.075
April	0.065	0.080
May	0.070	0.095
June	0.090	0.140
July	0.115	0.130
August	0.105	0.135
September	0.115	0.130
October	0.110	0.160
November	0.100	0.145
December	0.095	0.105
2014		
January	0.095	0.115
February	0.100	0.190

The last transacted price of ASIABIO Shares on 20 September 2013 being the date immediately prior to the announcement of the Proposals was RM0.12 per Share.

The last transacted price of ASIABIO Shares on 14 March 2014, being the LPD was RM0.09 per share.

The last transacted price of ASIABIO Shares on 25 March 2014, being the market day prior to the ex-date of the Rights Issue with Warrants was RM0.08 per share.

(Source: M&A Securities)

PROFORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF OUR GROUP AS AT 31 JANUARY 2013 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON

SIEW BOON YEONG & ASSOCIATES
Chartered Accountants [AF: 0660]
9-C, Jalan Medan Tuanku, Medan Tuanku, 50300 Kuala Lumpur, Malaysia.
Tel: 03-2693 8837 Fax: 03-2693 8836 Website: www.sby.com.my E-mail: audit@sby.com.my

28 March 2014

The Board of Directors
Asia Bioenergy Technologies Berhad
A-3A09, Oasis Ara Damansara,
No. 2, Jalan PJU 1A/7A,
47301 Petaling Jaya,
Selangor.

Dear Sirs,

ASIA BIOENERGY TECHNOLOGIES BERHAD ("ASIABIO" OR "COMPANY") PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JANUARY 2013

We have reviewed the Proforma Consolidated Statements of Financial Position of Asiabio and its subsidiaries ("the Group") as at 31 January 2013 together with the accompanying notes thereon for which the Board of Directors of Asiabio is solely responsible, as set out in the accompanying statements (which we have stamped for the purpose of identification). The Proforma Consolidated Statements of Financial Position have been prepared for illustrative purposes only for the inclusion in the Abridged Prospectus to Shareholders of Asiabio to be dated 28 March 2014 in connection with the renounceable rights issue of up to 420,200,000 new ordinary shares of RM0.10 each ("Rights Shares") together with up to 420,200,000 free Warrants ("Warrants") at an issue price of RM0.10 per Right Share on the basis of one (1) Right Share together with one (1) free Warrant for every one (1) existing ordinary share of RM0.10 each ("Share") held, based on a minimum subscription level of 50,000,000 Rights Shares together with 50,000,000 free Warrants ("Rights Issue of Shares with Warrants").

Basis of Opinion

We conducted our work in accordance with the Malaysian Approved Standards of Assurance, *ISAE 3000 – Assurance Engagements Other Than Audit or Review of Historical Information*. Our work consisted primarily of comparing the Proforma Consolidated Statements of Financial Position with the audited consolidated financial statements of the Group, considering the evidence supporting the adjustments and discussing the Proforma Consolidated Statements of Financial Position with the Directors of Asiabio. Our work involved no independent examination of any of the underlying financial information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Proforma Consolidated Statements of Financial Position have been properly compiled on the basis stated using financial statements prepared in accordance with Malaysian Financial Reporting Standards in Malaysia, and in a manner consistent with both the format of the financial statements and the accounting policies normally adopted by Asiabio.

In our opinion,

(i) the Proforma Consolidated Statements of Financial Position as at 31 January 2013 which were prepared for illustrative purposes only, have been properly compiled on the basis set out in the accompanying notes to the Proforma Consolidated Statements of Financial Position using financial statements prepared in accordance with the Malaysian Financial Reporting Standards in Malaysia and in a manner consistent with both the format of the financial statements and the accounting policies of the Asiabio unless otherwise stated; and

(ii) the adjustments made to the information used in the preparation of the Proforma Consolidated Statements of Financial Position are appropriate for the purposes of preparing the Proforma Consolidated Statements of Financial Position.

We understand that this letter will be used solely for the purposes of inclusion in the Abridged Prospectus to Shareholders of Asiabio in connection with the Rights Issue of Shares with Warrants. As such, this letter should not be used for any purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this letter contrary to the aforesaid purpose.

Yours faithfully

Siew Boon Yeong & Associates
Firm No: AF 0660
Chartered Accountants

Siew Boon Yeong
Approved Number: 1321/7/14 (J)
Partner of Firm

ASIA BIOENERGY TECHNOLOGIES BERHAD ("ASIABIO")
PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JANUARY 2013
MINIMUM SCENARIO

	Audited Consolidated Statements of Financial Position as at 31 January 2013 RM'000	Proforma I After Private Placement RM'000	Proforma II After Proforma I and Rights Issue of Shares with Warrants RM'000	Proforma III After Proforma II and Full Exercise of the Warrants RM'000
ASSETS				
Non-current Assets				
Property, plant and equipment	1,286	1,286	1,286	1,286
Intangible assets	2,353	2,353	2,353	2,353
Other investments	17,279	17,279	17,279	17,279
	20,918	20,918	20,918	20,918
Current Assets				
Other receivables, deposits and prepayments	184	184	184	184
Taxrecoverable	51	51	51	51
Cash and bank balances	1,904	5,724	10,224	15,224
	2,139	5,959	10,459	15,459
Total Assets	23,057	26,877	31,377	36,377
EQUITY AND LIABILITIES				
Equity attributable to owners of the parent				
Share capital	38,200	42,020	47,020	52,020
Warrant reserves	-	-	500	-
Discount on shares	-	-	(500)	-
Accumulated losses	(17,904)	(17,904)	(18,404)	(18,404)
Total equity attributable to owners of the Company	20,296	24,116	28,616	33,616
Non-controlling interests	110	110	110	110
Total Equity	20,406	24,226	28,726	33,726
Current Liabilities				
Trade payables	754	754	754	754
Other payables, deposits and accruals	1,825	1,825	1,825	1,825
Taxliabilities	72	72	72	72
Total Liabilities	2,651	2,651	2,651	2,651
Total Equity and Liabilities	23,057	26,877	31,377	36,377
Par value per ordinary share (RM)	0.10	0.10	0.10	0.10
Number of shares ('000)	382,000	420,200	470,200	520,200
Net assets per share (sen)	5.31	5.74	6.09	6.46
Total borrowings	-	-	-	-
Gearing ratio (times)	-	-	-	-

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ASIA BIOENERGY TECHNOLOGIES BERHAD ("ASIABIO")
PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JANUARY 2013
MAXIMUM SCENARIO

	Audited Consolidated Statements of Financial Position as at 31 January 2013 RM'000	Proforma I After Private Placement RM'000	Proforma II After Proforma I and Rights Issue of Shares with Warrants RM'000	Proforma III After Proforma II and Full Exercise of the Warrants RM'000
ASSETS				
Non-current Assets				
Property, plant and equipment	1,286	1,286	1,286	1,286
Intangible assets	2,353	2,353	2,353	2,353
Other investments	17,279	17,279	17,279	17,279
	20,918	20,918	20,918	20,918
Current Assets				
Other receivables, deposits and prepayments	184	184	184	184
Tax recoverable	51	51	51	51
Cash and bank balances	1,904	5,724	47,244	89,264
	2,139	5,959	47,479	89,499
Total Assets	23,057	26,877	68,397	110,417
EQUITY AND LIABILITIES				
Equity attributable to owners of the parent				
Share capital	38,200	42,020	84,040	126,060
Warrant reserves	-	-	4,202	-
Discount on shares	-	-	(4,202)	-
Accumulated losses	(17,904)	(17,904)	(18,404)	(18,404)
Total equity attributable to owners of the Company	20,296	24,116	65,636	107,656
Non-controlling interests	110	110	110	110
Total Equity	20,406	24,226	65,746	107,766
Current Liabilities				
Trade payables	754	754	754	754
Other payables, deposits and accruals	1,825	1,825	1,825	1,825
Tax liabilities	72	72	72	72
Total Liabilities	2,651	2,651	2,651	2,651
Total Equity and Liabilities	23,057	26,877	68,397	110,417
Par value per ordinary share (RM)	0.10	0.10	0.10	0.10
Number of shares ('000)	382,000	420,200	840,400	1,260,600
Net assets per share (sen)	5.31	5.74	7.81	8.54
Total borrowings	-	-	-	-
Gearing ratio (times)	-	-	-	-

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SJ SIEW BOON YEONG & ASSOCIATES
Chartered Accountants

ASIA BIOENERGY TECHNOLOGIES BERHAD ("ASIABIO")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JANUARY 2013

1. BASIS OF PREPARATION

The Proforma Consolidated Statements of Financial Position have been prepared in accordance with the Malaysian Financial Reporting Standards in Malaysia and based on the audited Consolidated Statements of Financial Position of Asiabio as at 31 January 2013. The Proforma Consolidated Statements of Financial Position have been prepared solely for illustrative purposes, to show the effect of the Rights Issue of Shares with Warrants.

The Proforma Consolidated Statements of Financial Position have been prepared based on the accounting policies and bases consistent with those normally adopted by Asiabio in the preparation of its audited financial statements.

The Proforma Consolidated Statements of Financial Position is presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand ("RM'000") except when otherwise indicated.

The Proforma Consolidated Statements of Financial Position of the Group, because of its nature, may not be reflective of the Group's actual financial position. Furthermore, such information does not purport to predict the future financial position of the Group.

1.1 The details of the Minimum and Maximum Scenarios are set out below:

(a) **Minimum Scenario**

Minimum scenario representing the scenario on the assumption of minimum subscription level of 50,000,000 Rights Shares together with 50,000,000 Warrants; and

(b) **Maximum Scenario**

Maximum scenario representing the scenario on the assumptions of issuance of 420,200,000 new ordinary shares of RM0.10 each together with 420,200,000 Warrants.

1.2 Fair value of Warrants

The allocated fair value of free Warrants is credited to a warrant reserve, which is non-distributable.

The Directors of Asiabio have allocated a fair value of RM0.01 per Warrant. The fair value of the Warrant is derived at using the Black-Scholes option pricing model.

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SIEW BOON YEONG & ASSOCIATES
Chartered Accountants

ASIA BIOENERGY TECHNOLOGIES BERHAD ("ASIABIO")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JANUARY 2013

2. PROFORMA I

Minimum and Maximum Scenarios

Proforma I incorporates the effects of private placement of 38,200,000 new ordinary shares of RM0.10 each which was completed on 19 June 2013 ("Subsequent Event").

The Subsequent Event has the following financial impact on the Proforma Consolidated Statements of Financial Position of Asiabio:-

	Increase/(Decrease) Effect on Total Assets RM'000	Effect on Total Equity and Liabilities RM'000
Cash and bank balances	3,820	-
Share capital	-	3,820
	3,820	3,820

3. PROFORMA II

3.1 Minimum Scenario

Proforma II incorporates the effects of Proforma I, the Rights Issue of Shares with Warrants and the following utilisation of proceeds on the Proforma Consolidated Statements of Financial Position as at 31 January 2013:

	RM'000
Technology incubator	4,000
Working capital	500
Estimated expenses for the Rights Issue with Warrants	500
	5,000

The Rights Issue of Shares with Warrants has the following impact on the Proforma Consolidated Statements of Financial Position of the Group:-

	Increase/(Decrease) Effect on Total Assets RM'000	Effect on Total Equity and Liabilities RM'000
Cash and bank balances	4,500	-
Share capital	-	5,000
Warrant reserves	-	500
Discount on shares	-	(500)
Accumulated losses	-	(500)
	4,500	4,500

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SIEW BOON YEONG & ASSOCIATES
Chartered Accountants (AF: 0668)

ASIA BIOENERGY TECHNOLOGIES BERHAD ("ASIABIO")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JANUARY 2013

3.2 **Maximum Scenario**

Proforma II incorporates the effects of Proforma I, the Rights Issue of Shares with Warrants and the following utilisation of proceeds on the Proforma Consolidated Statements of Financial Position as at 31 January 2013:

	RM'000
Technology incubator	41,020
Working capital	500
Estimated expenses for the Rights Issue with Warrants	500
	42,020

The Rights Issue of Shares with Warrants has the following impact on the Proforma Consolidated Statements of Financial Position of the Group:-

	Increase/(Decrease)	
	Effect on Total Assets RM'000	**Effect on Total Equity and Liabilities RM'000**
Cash and bank balances	41,520	-
Share capital	-	42,020
Warrant reserves	-	4,202
Discount on shares	-	(4,202)
Accumulated losses	-	(500)
	41,520	41,520

4. PROFORMA III

4.1 **Minimum Scenario**

Proforma III incorporates Proforma Il and assuming the full exercise of the Warrants.

The full exercise of Warrants has the following impact on the Proforma Consolidated Statements of Financial Position of the Group:-

	Increase/(Decrease)	
	Effect on Total Assets RM'000	**Effect on Total Equity and Liabilities RM'000**
Cash and bank balances	5,000	-
Share capital	-	5,000
Warrant reserves	-	(500)
Discount on shares	-	500
	5,000	5,000

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SIEW BOON YEONG & ASSOCIATES
Chartered Accountants (AF 0660)

ASIA BIOENERGY TECHNOLOGIES BERHAD ("ASIABIO")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JANUARY 2013

4.2 **Maximum Scenario**

Proforma III incorporates Proforma II and assuming the full exercise of the Warrants.

The full exercise of Warrants has the following impact on the Proforma Consolidated Statements of Financial Position of the Group:-

	Increase/(Decrease)	
	Effect on Total Assets RM'000	Effect on Total Equity and Liabilities RM'000
Cash and bank balances	42,020	-
Share capital	-	42,020
Warrant reserves	-	(4,202)
Discount on shares	-	4,202
	42,020	42,020

ASIA BIOENERGY TECHNOLOGIES BERHAD ("ASIABIO")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JANUARY 2013

5. MOVEMENT IN RESERVES

5.1 Minimum Scenario

	Share capital Number of Shares '000	Share capital Amount RM'000	Warrant Reserves RM'000	Discount On Shares RM'000	Accumulated Losses RM'000	Total Equity Attributable To Owners of the Company RM'000	Total Non-controlling Interests RM'000	Total Equity RM'000
Audited Consolidated Statements of Financial Position at 31 January 2013	382,000	38,200	-	-	(17,904)	20,296	110	20,406
Arising from private placement	38,200	3,820	-	-	-	3,820	-	3,820
As per Proforma I	420,200	42,020	-	-	(17,904)	24,116	110	24,226
Arising from the Rights Issue of Shares with Warrants	50,000	5,000	500	(500)	-	5,000	-	5,000
Payment for estimated expenses for the Rights Issue of Shares with Warrants	-	-	-	-	(500)	(500)	-	(500)
As per Proforma II	470,200	47,020	500	(500)	(18,404)	28,616	110	28,726
Arising from the full exercise of the Warrants	50,000	5,000	(500)	500	-	5,000	-	5,000
As per Proforma III	520,200	52,020	-	-	(18,404)	33,616	110	33,726

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ASIA BIOENERGY TECHNOLOGIES BERHAD ("ASIABIO")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JANUARY 2013

5.2 **Maximum Scenario**

	Share capital			Discount		Total Equity	Total	
	Number of Shares '000	Amount RM'000	Warrant Reserves RM'000	On Shares RM'000	Accumulated Losses RM'000	Attributable To Owners of the Company RM'000	Non-controlling Interests RM'000	Total Equity RM'000
Audited Consolidated Statements of Financial Position at 31 January 2013	382,000	38,200	-	-	(17,904)	20,296	110	20,406
Arising from private placement	38,200	3,820	-	-	-	3,820	-	3,820
As per Proforma I	420,200	42,020	-	-	(17,904)	24,116	110	24,226
Arising from the Rights Issue of Shares with Warrants	420,200	42,020	4,202	(4,202)	-	42,020	-	42,020
Payment for estimated expenses for the Rights Issue of Shares with Warrants	-	-	-	-	(500)	(500)	-	(500)
As per Proforma II	840,400	84,040	4,202	(4,202)	(18,404)	65,636	110	65,746
Arising from the full exercise of the Warrants	420,200	42,020	(4,202)	4,202	-	42,020	-	42,020
As per Proforma III	1,260,600	126,060	-	-	(18,404)	107,656	110	107,766

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SJU
Chartered Accountants

ASIA BIOENERGY TECHNOLOGIES BERHAD ("ASIABIO")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JANUARY 2013

6. CASH AND BANK BALANCES

6.1 Minimum Scenario

	RM'000
Audited Consolidated Statements of Financial Position at 31 January 2013	1,904
Arising from the Private Placement of Shares	
- proceeds from the Private Placement of Shares	3,820
As per Proforma I	5,724
Arising from the Rights Issue of Shares with Warrants	
- proceeds from the Rights Issue of Shares with Warrants	5,000
- payment for estimated expenses for the Rights Issue of Shares with Warrants	(500)
As per Proforma II	10,224
Arising from full exercise of Warrants	
- proceeds from full exercise of Warrants	5,000
As per Proforma III	15,224

6.2 Maximum Scenario

	RM'000
Audited Consolidated Statements of Financial Position at 31 January 2013	1,904
Arising from the Private Placement of Shares	
- proceeds from the Private Placement of Shares	3,820
As per Proforma I	5,724
Arising from the Rights Issue of Shares with Warrants	
- proceeds from the Rights Issue of Shares with Warrants	42,020
- payment for estimated expenses for the Rights Issue of Shares with Warrants	(500)
As per Proforma II	47,244
Arising from full exercise of Warrants	
- proceeds from full exercise of Warrants	42,020
As per Proforma III	89,264

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ASIA BIOENERGY TECHNOLOGIES BERHAD ("ASIABIO")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 JANUARY 2013

APPROVAL BY THE BOARD OF DIRECTORS

Approved and adopted by the Board of Directors in accordance with a resolution dated 28 March 2014.

On behalf of the Board,

Looi Kem Loong
Executive Director

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AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE 31 JANUARY 2013 TOGETHER WITH THE AUDITORS' REPORT THEREON

CERTIFIED TRUE COPY

Siew Boon Yeong
Partner
Siew Boon Yeong & Associates
Chartered Accountants [AF 0660]

ASIA BIOENERGY TECHNOLOGIES BERHAD

(Incorporated in Malaysia)

Reports and Financial Statements
31 January 2013

SIEW BOON YEONG & ASSOCIATES
Chartered Accountants [AF: 0660]

Company No. 774628-U

ASIA BIOENERGY TECHNOLOGIES BERHAD

(Incorporated in Malaysia)

Reports and Financial Statements
31 January 2013

CONTENTS

ASIA BIOENERGY TECHNOLOGIES BERHAD

(Incorporated in Malaysia)

DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 January 2013.

PRINCIPAL ACTIVITIES

The principal activities of the Company are engaged in technology incubation and investment holding. The principal activities of the subsidiary companies are as set out in *Note 7* to the financial statements. There were no significant changes in the nature of these activities during the financial year.

FINANCIAL RESULTS

	Group RM	*Company* RM
Loss for the year	(4,402,588)	(3,251,961)
Attributable to:		
Owners of the Company	(4,393,997)	(3,251,961)
Non-controlling interests	(8,591)	-
	(4,402,588)	(3,251,961)

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDEND

No dividend has been paid, declared or proposed since the end of the previous financial year. The directors do not recommend the payment of any dividend in respect of the current financial year.

MOVEMENTS ON RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

There was no issue of shares and debentures by the Company during the financial year.

OPTIONS

No option has been granted during the financial year to take up unissued shares of the Company.

DIRECTORS

The directors in office since the date of the last report are:

Lim Kim Chu	
Lim Foo Seng	
Looi Kem Loong	
Dato' Wong Soon Woei	(appointed on 25.09.2012)
Wisun Soon	(appointed on 25.09.2012; resigned on 28.01.2013)
Major Huan Cheng Guan	(resigned on 25.09.2012)
Leung Kok Keong	(resigned on 25.09.2012)

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, particulars of interests of directors who held office at the end of the financial year in the shares in the Company and its related companies during the financial year are as follows:

	----------- *No. of Ordinary Shares of RM0.10 each* -------------			
	Balance 01.02.2012	*Bought*	*Sold*	*Balance 31.01.2013*
Direct				
Lim Foo Seng	50	-	-	50
Looi Kem Loong	733	-	-	733
Indirect				
Looi Kem Loong*	5,627,083	117,277,250	(42,200,000)	80,704,333

* *Deemed interest by virtue of his substantial shareholdings pursuant to Section 6A of the Companies Act, 1965 in Platimas Sdn. Bhd. and Acritaz Holdings Sdn. Bhd.*

By virtue of his interest in the shares in the Company, Mr Looi Kem Loong is also deemed to have an interest in the shares in its subsidiary companies to the extent the Company has an interest during the financial year.

The other directors holding office at the end of the year had no interest in shares in the Company during the year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors as shown in the financial statements, or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

Neither during nor at the end of the financial year was the Company a party to any arrangement whose object was to enable the directors to acquire benefits through the acquisition of shares in, or debentures of, the Company or any other body corporate.

SIGNIGICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in *Note 33* to the financial statements.

SIGNIFICANT EVENTS OCCURING AFTER THE REPORTING PERIOD

The significant events occurring after the reporting period are disclosed in *Note 34* to the financial statements.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to realise their book values in the ordinary course of business had been written down to their expected realisable values.

At the date of this report, the directors are not aware of any circumstances:

(a) which would render the amounts written off of bad debts or the amount of the allowance for doubtful debts in the financial statements inadequate to any substantial extent or the values attributed to current assets misleading; and

(b) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

In the interval between the end of the financial year and the date of this report:

(a) no item, transaction or event of a material and unusual nature has arisen which, in the opinion of the directors, would substantially affect the results of the operations of the Group and of the Company for the current financial year other than as disclosed in *Note 34*; and

(b) no charge has arisen on the assets of the Group and of the Company which secures the liabilities of any other person nor has any contingent liability arisen in the Group and of the Company.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may affect the ability of the Group and of the Company to meet its obligations when they fall due.

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

AUDITORS

The auditors, Messrs Siew Boon Yeong & Associates, Chartered Accountants, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors

DATO' WONG SOON WOEI
Director

LOOI KEM LOONG
Director

Kuala Lumpur,
Date: 26 APR 2013

ASIA BIOENERGY TECHNOLOGIES BERHAD

(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

In the opinion of the directors, the financial statements set out on pages 9 to 68 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to exhibit a true and fair view of the state of affairs of the Group and of the Company as at 31 January 2013 and of the results and cash flows of the Group and of the Company for the year ended on that date.

The information set out in *Note 35* on page 70 to the financial statements have been prepared in accordance with the 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, as issued by the Malaysian Institute of Accountants.

Signed in Kuala Lumpur on 26 APR 2013

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors

DATO' WONG SOON WOEI

LOOI KEM LOONG

STATUTORY DECLARATION

I, Looi Kem Loong, being the director primarily responsible for the financial management of Asia Bioenergy Technologies Berhad, do solemnly and sincerely declare that the financial statements set out on pages 9 to 68 are, in my opinion, correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared in Kuala Lumpur on
26 APR 2013

PESURUHJAYA SUMPAH
No: W 599
Nama: ABD RAHMAN BIN ZAHARI
MALAYSIA

LOOI KEM LOONG

Before me

MEJ (B)
ABD RAHMAN BIN ZAHARI
PESURUHJAYA SUMPAH
Commissioner for Oaths

1-2-20, Tingkat 2
Kompleks Desa, Jalan Kepong,
52100 Kuala Lumpur

SIEW BOON YEONG & ASSOCIATES

Chartered Accountants [AF: 0660]
9-C, Jalan Medan Tuanku, Medan Tuanku, 50300 Kuala Lumpur, Malaysia.
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Member Firm Of Malaysian Institute Of Accountants
Institut Akauntan Malaysia

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASIA BIOENERGY TECHNOLOGIES BERHAD

(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of Asia Bioenergy Technologies Berhad, which comprise the statements of financial position as at 31 January 2013 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 9 to 68.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and the Company as at 31 January 2013 and of its financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

SIEW BOON YEONG & ASSOCIATES
Chartered Accountants [AF: 0660]

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We are satisfied that the accounts of the subsidiary companies that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

(c) Our audit reports on the accounts of the subsidiary companies did not contain any qualification or any adverse comment made under Section 174 (3) of the Act.

The supplementary information set out in *Note 35* on page 68 is disclosed to meet the requirements of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information 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, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Seeurities Berhad.

SIEW BOON YEONG & ASSOCIATES
Chartered Accountants [AF: 0660]

Other Matters

1. As stated in *Note 2* to the financial statements, Asia Bioenergy Technologies Berhad adopted Malaysian Financial Reporting Standards on 1 February 2012 with a transition date of 1 February 2011. These standards were applied retrospectively by directors to the comparative information in these financial statements, including the statements of financial position as at 31 January 2012, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year ended 31 January 2012 and related disclosures. We were not engaged to report on the restated comparative information and it is unaudited. Our responsibilities as part of our audit of the financial statements of the Group and of the Company for the year ended 31 January 2013 have, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 February 2012 do not contain misstatements that materially affect the financial position as of 31 January 2013 and financial performance and cash flows for the year then ended.

2. This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

SIEW BOON YEONG & ASSOCIATES
[AF: 0660]
Chartered Accountants

SIEW BOON YEONG
[1321 / 7 / 14 (J)]

Kuala Lumpur,
Date: 2 6 APR 2013

ASIA BIOENERGY TECHNOLOGIES BERHAD

(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
as at 31 January 2013

		Group			Company		
		31.01.2013	*31.01.2012*	*01.02.2011*	*31.01.2013*	*31.01.2012*	*01.02.2011*
	Note	RM	RM	RM	RM	RM	RM
ASSETS							
NON-CURRENT ASSETS							
Property, plant and equipment	*5*	1,285,940	6,435,571	10,315,593	1,253,168	552,053	3,528,887
Intangible assets	*6*	2,352,570	12,327,523	10,077,062	-	-	-
Investment in subsidiary companies	*7*	-	-	-	6,450,000	13,034,393	23,303,101
Investment in associated companies	*8*	-	3,419,251	1,873,596	-	4,000,000	1,721,998
Other investments	*9*	17,279,165	6,414,437	18,685,216	13,404,445	4,400,000	-
Amount owing by subsidiary companies	*10*	-	-	-	-	1,540,627	354,222
		20,917,675	28,596,782	40,951,467	21,107,613	23,527,073	28,908,208
CURRENT ASSETS							
Inventories	*11*	-	93,720	98,020	-	-	-
Trade receivables	*12*	-	1,239,747	3,207,622	-	-	-
Other receivables, deposits and prepayments	*13*	184,038	274,321	474,299	69,339	159,100	4,044,125
Amount owing by subsidiary companies	*10*	-	-	-	9,300	-	-
Tax recoverable		51,068	230,923	177,205	-	-	-
Cash and bank balances		1,904,464	632,874	1,037,165	1,606,090	39,980	300,237
		2,139,570	2,471,585	4,994,311	1,684,729	199,080	4,344,362
TOTAL ASSETS		23,057,245	31,068,367	45,945,778	22,792,342	23,726,153	33,252,570

ASIA BIOENERGY TECHNOLOGIES BERHAD

(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
as at 31 January 2013

		Group			Company		
		31.01.2013	31.01.2012	01.02.2011	31.01.2013	31.01.2012	01.02.2011
	Note	RM	RM	RM	RM	RM	RM
EQUITY AND LIABILITIES							
EQUITY							
Share capital	14	38,200,000	38,200,000	32,700,000	38,200,000	38,200,000	32,700,000
Reserves	15	(17,903,746)	(13,588,185)	6,371,180	(17,833,194)	(14,581,233)	(1,335,899)
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		20,296,254	24,611,815	39,071,180	20,366,806	23,618,767	31,364,101
Non-controlling interests		110,023	2,265,803	2,811,661	-	-	-
TOTAL EQUITY		20,406,277	26,877,618	41,882,841	20,366,806	23,618,767	31,364,101
LIABILITIES							
NON-CURRENT LIABILITIES							
Hire purchase payables	16	-	833,421	97,153	-	-	-
Lease payable	17	-	7,820	98,467	-	-	-
Term loans	18	-	2,344,938	2,448,987	-	-	-
Deferred tax liabilities	19	-	8,750	8,750	-	-	-
		-	3,194,929	2,653,357	-	-	-
CURRENT LIABILITIES							
Trade payables	20	754,750	-	385,032	-	-	-
Other payables, deposit and accruals	21	1,824,560	574,984	776,939	1,686,341	107,386	24,629
Amount owing to subsidiary companies	10	-	-	-	739,195	-	1,863,840
Hire purchase payables	16	-	187,433	21,476	-	-	-
Lease payable	17	-	90,647	83,669	-	-	-
Term loans	18	-	104,260	85,378	-	-	-
Tax liabilities		71,658	38,496	57,086	-	-	-
		2,650,968	995,820	1,409,580	2,425,536	107,386	1,888,469
TOTAL LIABILITIES		2,650,968	4,190,749	4,062,937	2,425,536	107,386	1,888,469
TOTAL EQUITY AND LIABILITIES		23,057,245	31,068,367	45,945,778	22,792,342	23,726,153	33,252,570

The accompanying notes form an integral part of the financial statements.

ASIA BIOENERGY TECHNOLOGIES BERHAD

(Incorporated in Malaysia)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 January 2013

		Group		*Company*	
		2013	2012	2013	2012
	Note	RM	RM	RM	RM
REVENUE	*22*	2,312,998	5,517,063	250,000	1,115,000
COST OF SALES		(1,809,428)	(1,976,784)	-	-
GROSS PROFIT		503,570	3,540,279	250,000	1,115,000
OTHER OPERATING INCOME		920,458	514,905	2,941,521	282,905
ADMINISTRATIVE EXPENSES		(2,816,273)	(3,320,786)	(870,124)	(939,099)
OTHER OPERATING EXPENSES		(2,922,046)	(17,845,934)	(5,558,577)	(13,704,140)
LOSS FROM OPERATIONS		(4,314,291)	(17,111,536)	(3,237,180)	(13,245,334)
FINANCE COSTS	*23*	-	(139,783)	-	-
SHARE OF LOSS IN ASSOCIATED COMPANIES		(1,858)	(1,099,644)	-	-
LOSS BEFORE TAXATION	*24*	(4,316,149)	(18,350,963)	(3,237,180)	(13,245,334)
INCOME TAX EXPENSE	*25*	(86,439)	(91,570)	(14,781)	-
LOSS FOR THE YEAR		(4,402,588)	(18,442,533)	(3,251,961)	(13,245,334)
OTHER COMPREHENSIVE INCOME NET OF TAX:					
Foreign currency translation		-	(38,540)	-	-
Share of associated companies' other comprehensive income		439	22,166	-	-
Reclassification of exchange reserve		66,143	-	-	-
TOTAL OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		66,582	(16,374)	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(4,336,006)	(18,458,907)	(3,251,961)	(13,245,334)

ASIA BIOENERGY TECHNOLOGIES BERHAD

(Incorporated in Malaysia)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 January 2013

		Group		Company	
		2013	2012	2013	2012
	Note	RM	RM	RM	RM
LOSS ATTRIBUTABLE TO:					
Owners of the Company		(4,393,997)	(19,950,403)	(3,251,961)	(13,245,334)
Non-controlling interests		(8,591)	1,507,870	-	-
LOSS FOR THE YEAR		(4,402,588)	(18,442,533)	(3,251,961)	(13,245,334)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:					
Owners of the Company		(4,327,415)	(19,959,365)	(3,251,961)	(13,245,334)
Non-controlling interests		(8,591)	1,500,458	-	-
		(4,336,006)	(18,458,907)	(3,251,961)	(13,245,334)
BASIC LOSS PER SHARE					
- Basic (sen)	*27*	*(1.15)*	*(5.45)*		

The accompanying notes form an integral part of the financial statements.

ASIA BIOENERGY TECHNOLOGIES BERHAD

(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
for the year ended 31 January 2013

	Note	--------Non-distributable-------					
		Share capital	Foreign exchange translation reserve	Retained profits/ (Accumulated losses)	Total	Non-controlling interests	Total
Group		RM	RM	RM	RM	RM	RM
Balance at 1 February 2011		32,700,000	(57,620)	6,428,800	39,071,180	2,811,661	41,882,841
Total comprehensive loss for the year		-	(8,962)	(19,950,403)	(19,959,365)	1,500,458	(18,458,907)
Acquisition of subsidiary companies	*28 (c)*	-	-	-	-	1,341,278	1,341,278
Derecognition of subsidiary companies	*29 (e)*	-	-	-	-	(1,402,594)	(1,402,594)
Issuance of share capital	*14*	5,500,000	-	-	5,500,000	-	5,500,000
Dividend paid		-	-	-	-	(1,985,000)	(1,985,000)
Balance at 31 January 2012		38,200,000	(66,582)	(13,521,603)	24,611,815	2,265,803	26,877,618
Total comprehensive loss for the year		-	66,582	(4,393,997)	(4,327,415)	(8,591)	(4,336,006)
Acquisition of additional shares in a subsidiary company		-	-	21,878	21,878	(21,878)	-
Dilution of interest in a subsidiary company		-	-	(10,024)	(10,024)	110,023	99,999
Derecognition of subsidiary companies	*29 (e)*	-	-	-	-	(2,235,334)	(2,235,334)
Balance at 31 January 2013		38,200,000	-	(17,903,746)	20,296,254	110,023	20,406,277

	Share capital	Accumulated losses	Total
Company	RM	RM	RM
Balance at 1 February 2011	32,700,000	(1,335,899)	31,364,101
Issuance of share capital	5,500,000	-	5,500,000
Total comprehensive loss for the year	-	(13,245,334)	(13,245,334)
Balance at 31 January 2012	38,200,000	(14,581,233)	23,618,767
Total comprehensive loss for the year	-	(3,251,961)	(3,251,961)
Balance at 31 January 2013	38,200,000	(17,833,194)	20,366,806

The accompanying notes form an integral part of the financial statements.

ASIA BIOENERGY TECHNOLOGIES BERHAD

(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
for the year ended 31 January 2013

	Note	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Loss before taxation		(4,316,149)	(18,350,963)	(3,237,180)	(13,245,334)
Adjustments for:					
Amortisation of intangible assets					
- software development costs		-	19,267	-	-
- software		-	49,037	-	-
Bad debts written off		1,460,044	21,400	915,179	-
Depreciation		277,944	832,229	162,945	92,923
Impairment loss on:					
- goodwill on consolidation		-	80,970	-	-
- other investments		2,222,931	16,670,779	3,226,387	11,190,706
- amount owing by subsidiary companies		-	-	-	2,502,519
Interest expenses		-	139,783	-	-
Inventories written off		88,535	-	-	-
Investments written off		-	360,319	-	-
Loss on derecognition of associated companies		54,841	-	-	-
Loss on disposal of investments		-	-	922,000	-
Property, plant and equipment written off		644,277	521,470	495,011	10,373
Share of losses in associated companies		1,858	1,099,644	-	-
Software development costs written off		-	207,116	-	-
Dividend income		-	(100,000)	(250,000)	(1,115,000)
Gain on bargain purchase of a subsidiary company		(352,075)	-	-	-
Gain on derecognition of subsidiary companies		(96,255)	-	-	-
Gain on disposal of other investments		-	-	(2)	-
Gain on disposal of property, plant and equipment		-	(475,456)	-	(251,680)
Reversal of impairment loss on amount owing by subsidiary company		-	-	(2,502,519)	-
Operating (loss)/profit before working capital changes		(14,049)	1,075,595	(268,179)	(815,493)
Decrease in inventories		5,185	1,091,735	-	-
(Increase)/decrease in receivables		(1,725,314)	356,535	3,208,428	196,101
Increase/(decrease) in payables		1,335,535	(324,845)	2,318,150	(1,781,083)
Cash (used in)/generated from operations		(398,643)	2,199,020	5,258,399	(2,400,475)
Interest paid		-	(139,783)	-	-
Tax refunded/(paid)		61,291	(137,623)	(14,781)	-
Net cash (used in)/generated from operating activities		(337,352)	1,921,614	5,243,618	(2,400,475)

ASIA BIOENERGY TECHNOLOGIES BERHAD

(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
for the year ended 31 January 2013

	Note	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
CASH FLOWS FROM INVESTING ACTIVITIES					
Net cash outflow on acquisition of subsidiary companies	*28 (c)*	(549,000)	(3,170,411)	(4,000,004)	(3,200,000)
Net cash inflow/(outflow) on derecognition of subsidiary companies	*29 (e)*	3,474,017	(50,545)	-	-
Increase in development costs		-	(978,645)	-	-
Purchase of other investments		-	(4,760,319)	(2,568,437)	(4,400,000)
Purchase of property, plant and equipment	*A*	(1,416,074)	(1,598,017)	(1,359,071)	(39,648)
Dividend received		-	100,000	250,000	1,115,000
Proceeds from disposal of investment		-	-	4,000,004	-
Proceeds from disposal of property, plant and equipment		-	4,921,989	-	3,164,866
Net cash generated from/(used in) investing activities		1,508,943	(5,535,948)	(3,677,508)	(3,359,782)
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividend paid		-	(1,985,000)	-	-
Proceeds from issuance of share capital		-	5,500,000	-	5,500,000
Proceeds from issuance of share capital to non-controlling interests		99,999	-	-	-
Repayment of hire purchase payables		-	(97,475)	-	-
Repayment of lease payable		-	(83,669)	-	-
Repayment of term loans		-	(85,167)	-	-
Net cash generated from investing activities		99,999	3,248,689	-	5,500,000
Effects of changes in exchange rate		-	(38,646)	-	-
Net increase/(decrease) in cash and cash equivalents		1,271,590	(365,645)	1,566,110	(260,257)
Cash and cash equivalents at beginning of year		632,874	1,037,165	39,980	300,237
Cash and cash equivalents at end of year	*B*	1,904,464	632,874	1,606,090	39,980

NOTES TO CASH FLOW STATEMENTS:

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
(A) Purchase of property, plant and equipment				
Aggregate cost	1,416,074	2,597,717	1,359,071	39,648
Less: Hire purchase financing	-	(999,700)	-	-
	1,416,074	1,598,017	1,359,071	39,648
(B) Cash and cash equivalents comprise:				
Cash and bank balances	1,904,464	632,874	1,606,090	39,980

The accompanying notes form an integral part of the financial statements.

ASIA BIOENERGY TECHNOLOGIES BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS - 31 January 2013

1. PRINCIPAL ACTIVITIES AND GENERAL INFORMATION

The principal activities of the Company are engaged in technology incubation and investment holding. The principal activities of the subsidiary companies are as set out in *Note 7* to the financial statements. There were no significant changes in the nature of these activities during the financial year.

The Company is a public limited company, incorporated and domiciled in Malaysia, and is listed on the ACE Market of Bursa Malaysia Securities Berhad.

The address of the registered office of the Company is B-11-10, Level 11, Megan Avenue II, Jalan Yap Kwan Seng, 50450 Kuala Lumpur.

The address of the principal place of business of the Company is No. 48, Jalan Apollo U5/191, 40150 Subang 2, Shah Alam, Selangor.

The financial statements are presented in Ringgit Malaysia (RM), which is also the Group's and the Company's functional currency.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act, 1965 in Malaysia. These are the Group's and the Company's first financial statements prepared in accordance with MFRSs and MFRS 1, First-Time Adoption of Malaysian Financial Reporting Standards has been applied. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

In the previous financial year, the Group and the Company prepared its financial statements using Financial Reporting Standards.

On 1 February 2012, the Group and the Company have adopted the following new and revised MFRSs, issued by the Malaysian Accounting Standards Board ('MASB'), effective for the annual periods beginning on or after 1 January 2012:

MFRSs that have been issued and effective

MFRSs/Interpretations	**Effective for annual periods beginning on or after**
MFRS 1 First-Time Adoption of Malaysian Financial Reporting Standards	1 January 2012
MFRS 3 Business Combinations	1 January 2012
MFRS 5 Non-current Assets Held for Sale and Discontinued Operations	1 January 2012

MFRSs/Interpretations	Effective for annual periods beginning on or after
MFRS 7 Financial Instruments: Disclosures	1 January 2012
MFRS 8 Operating Segments	1 January 2012
MFRS 102 Inventories	1 January 2012
MFRS 107 Statement of Cash Flows	1 January 2012
MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2012
MFRS 110 Events After the Reporting Period	1 January 2012
MFRS 111 Construction Contracts	1 January 2012
MFRS 112 Income Taxes	1 January 2012
MFRS 116 Property, Plant and Equipment	1 January 2012
MFRS 117 Leases	1 January 2012
MFRS 118 Revenue	1 January 2012
MFRS 119 Employee Benefits	1 January 2012
MFRS 120 Accounting for Government Grants and Disclosure of Government Assistance	1 January 2012
MFRS 121 The Effects of Changes in Foreign Exchange Rates	1 January 2012
MFRS 123 Borrowing Costs	1 January 2012
MFRS 124 Related Party Disclosures	1 January 2012
MFRS 126 Accounting and Reporting by Retirement Benefit Plans	1 January 2012
MFRS 127 Consolidated and Separate Financial Statements	1 January 2012
MFRS 128 Investments in Associates	1 January 2012
MFRS 132 Financial Instruments: Presentation	1 January 2012
MFRS 133 Earnings Per Share	1 January 2012
MFRS 134 Interim Financial Reporting	1 January 2012
MFRS 136 Impairment of Assets	1 January 2012
MFRS 137 Provisions, Contingent Liabilities and Contingent Assets	1 January 2012
MFRS 138 Intangible Assets	1 January 2012
MFRS 139 Financial Instruments: Recognition and Measurement	1 January 2012
MFRS 140 Investment Property	1 January 2012

The transition to MFRSs does not have any significant impact on the financial statements of the Group and of the Company except as discussed below:

MFRS 3 Business Combinations - MFRS 1 provides the option to apply MFRS 3 Business Combinations, prospectively from the date of transition. This provides relief from full retrospective application of MFRS 3 which would require restatement of all business combinations prior to the date of transition.

The Group has elected to apply MFRS 3 prospectively from the date of transition. In respect of acquisitions prior to the date of transition, the classification of former business under FRS is maintained, no re-measurement of original fair values determined at the time of business combination (date of acquisition) and the carrying amount of goodwill recognised under FRS is not adjusted.

The Group and the Company have not adopted the following standards, amendments and interpretations that have been issued but not yet effective:

MFRSs that have been issued but are not yet effective

MFRSs/Interpretations	**Effective for annual periods beginning on or after**
Amendments to MFRS 101 – Presentation of Items of Other Comprehensive Income	1 July 2012
MFRS 10 Consolidated Financial Statements	1 January 2013
MFRS 11 Joint Arrangements	1 January 2013
MFRS 12 Disclosure of Interests in Other Entities	1 January 2013
MFRS 13 Fair Value Measurement	1 January 2013
MFRS 119 Employee Benefits (2011)	1 January 2013
MFRS 127 Separate Financial Statements (2011)	1 January 2013
MFRS 128 Investment in Associates and Joint Ventures (2011)	1 January 2013
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to MFRS 7 Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards – Government Loans	1 January 2013
Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 101 Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 116 Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 132 Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 134 Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 10 Consolidated Financial Statements: Transition Guidance	1 January 2013
Amendments to MFRS 11 Joint Arrangements: Transition Guidance	1 January 2013
Amendments to MFRS 12 Disclosure of Interests in Other Entities: Transition Guidance	1 January 2013

MFRSs/Interpretations	Effective for annual periods beginning on or after
Amendments to MFRS 132 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities	1 January 2014
MFRS 9 Financial Instruments (2009)	1 January 2015
MFRS 9 Financial Instruments (2010)	1 January 2015
Amendments to MFRS 7, Financial Instruments: Disclosures – Mandatory Date of MFRS 9 and Transition Disclosures	1 January 2015

The adoption of these standards, amendments and interpretations that have been issued but not yet effective are not expected to have a material impact to the financial statements of the Group and the Company except as discussed below:

MFRS 9, Financial Instruments replaces the guidance in MFRS 139 Financial Instruments: Recognition and Measurement on the classification and measurement of financial assets. Upon adoption of MFRS 9, financial assets will be measured at either fair value or amortised cost.

The adoption of MFRS 9 will result in a change in accounting policy. The Company is currently assessing the financial impact of adopting MFRS 9.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis Of Consolidation

The financial statements of the Group include the audited financial statements of the Company and its subsidiary companies made up to the end of the financial year. The financial statements of the subsidiary companies used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Acquisition of subsidiary companies is accounted for by applying the acquisition method. Under the acquisition method of accounting, identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

In business combinations achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects, for each individual business combination, whether to recognise non-controlling interest in the acquiree (if any) at fair value on the acquisition date, or the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill in the statements of financial position. In instances where the latter amount exceeds the former, the excess is recognised as a gain on bargain purchase in profit or loss on the acquisition date.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and is presented separately in the consolidated profit or loss and within equity in the consolidated of financial position, separately from equity attributable to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

(b) Property, Plant And Equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses, where applicable.

Freehold industrial land has an unlimited useful life and therefore not depreciated.

Property, plant and equipment are depreciated on a straight line basis to write off the cost of each asset to their residual values over their estimated useful lives at the following annual rates:

	%
Freehold buildings	2
Computers	20 – 33.33
Furniture and fittings	10
Lab equipment	10 – 20
Motor vehicles	20
Office equipment	20
Plant and machinery	20
Renovation	10
Signboard	10

Asset under construction represents plant under installation and is stated at cost. It is not depreciated until such time when the asset is available for use.

The residual value, useful lives and depreciation method of property, plant and equipment are reviewed at each statement of financial position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when the asset is acquired, if applicable.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset is recognised in profit or loss. The revaluation reserve included in equity is transferred directly to retained profits on retirement or disposal of the asset.

(c) Intangible Assets

(i) Goodwill

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually. The impairment value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Under the acquisition method, goodwill represents the excess of the fair value of the purchase consideration over the Group's share of the fair values of the identifiable assets, liabilities and contingent liabilities of the subsidiaries at the date of acquisition.

If, after reassessment, the Group's interest in the fair values of the identifiable net assets of the subsidiaries exceeds the cost of the business combinations, the excess is recognised as income immediately in profit and loss.

(ii) Other Intangible Assets

Intangible assets are recognised only when the identifiability, control and future economic benefit probability criteria are met.

The Group recognises at the acquisition date separately from goodwill, an intangible asset of the acquiree if the fair value can be measured reliably, irrespective of whether the asset had been recognised by the acquiree before the business combination. In-process research and development projects acquired in such combinations are recognised as an asset even if subsequent expenditure is written off because the criteria specified in the policy for research and development are not met.

Intangible assets are initially measured at cost. The cost of intangible assets acquired in a business combination is their fair values as at the date of acquisition. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment loss. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised on a straight line basis over the estimated economic useful lives and are assessed for any indication that the asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. The amortisation expense on intangible assets with finite lives is recognised in profit or loss and is included within the other operating expenses line item.

An intangible asset has an indefinite useful life when based on the analysis of all the relevant factors; there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows to the Group. Intangible assets with indefinite useful lives are tested for impairment annually and wherever there is an indication that the carrying amount may be impaired. Such intangible assets are not amortised. Their useful lives are reviewed each period to determine whether events and circumstances continue to support the indefinite useful life assessment for the asset. If they do not, the change in the useful life assessment for indefinite to finite is accounted for as a change in accounting estimate in accordance with MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors.

Expenditure on an intangible item that is initially recognised as an expense is not recognised as part of the cost of an intangible asset at a later date.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use. The gain or loss arising from the derecognition determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset is recognised in profit or loss when the asset is derecognised.

(iii) Technology Rights

Technology rights were acquired through agreements. The useful lives of technology rights are estimated to be indefinite, management believes there is no foreseeable limit to the period over which the technology rights are expected to generate net cash flows to the Group. Technology rights are stated at cost less accumulated impairment losses, if any. They are not amortised but tested for impairment annually or more frequently when indicators of impairment are identified.

(iv) Acquired Software

The software is stated at cost less accumulated amortisation and accumulated impairment, if any. The principal annual rate of amortisation is 20%.

(d) Investments In Subsidiary Companies

Subsidiary companies are those companies in which the Group has a long term equity interest and where it has power to exercise control over their financial and operating activities so as to obtain benefits therefrom.

Investments in subsidiary companies are stated at cost and are written down when there is a permanent impairment in the value of the investments. The impairment loss is recognised in the profit or loss.

On disposal of an investment, the difference between net disposal proceeds and their carrying amounts is charged or credited to profit or loss.

(e) Investment In Associated Company

Associated company is an entity in which the Group has significant influence and that is neither a subsidiary company nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not in control or joint control over those policies.

Investment in associated companies is accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method, the investment in associated companies is carried in the consolidated statements of financial position at cost adjusted for post-acquisition changes in the Group's share of net assets of the associated companies. The Group's share of the net profit or loss of the associated company is recognised in the consolidated statements of profit or loss. Where there has been a change recognised directly in the equity of the associates, the Group recognises its share of such changes. In applying the equity method, unrealised gains and losses on transactions between the Group and the associated companies are eliminated to the extent of the Group's interest in the associated companies. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the associated companies. The associated company is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associated companies.

When the Group's share of losses in associated companies equals or exceeds its interest in the associated companies, including any long-term interest that, in substance, form part of the Group's net investment in the associated companies, the Group does not recognised further losses, unless it has incurred obligations or made payments on behalf of the associated companies.

(f) Financial Instruments

Financial instruments are recognised in the statements of financial position when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability, are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

Financial instruments recognised in the statements of financial position are disclosed in the individual policy statement associated with each item.

(i) Financial Assets

On initial recognition, financial assets are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate.

- *Financial Assets at Fair Value Through Profit or Loss*

  Financial assets are classified as financial assets at fair value through profit or loss when the financial asset is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges.

  Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. Dividend income from this category of financial assets is recognised in profit or loss when the Group's right to receive payment is established.

- *Held-to-maturity Investments*

  Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the management has the positive intention and ability to hold to maturity. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment loss, with revenue recognised on an effective yield basis.

- *Loans and Receivables Financial Assets*

  Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables financial assets. Loans and receivables financial assets are measured at amortised cost using the effective interest method, less any impairment loss. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

- *Available-for-sale Financial Assets*

  Available-for-sale financial assets are non-derivative financial assets that are designated in this category or are not classified in any of the other categories.

  After initial recognition, available-for-sale financial assets are remeasured to their fair values at the end of each reporting period. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the fair value reserve, with the exception of impairment losses. On derecognition, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity into profit or loss.

  Dividends on available-for-sale equity instruments are recognised in profit or loss when the Company's right to receive payments is established.

  Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less accumulated impairment losses, if any.

(ii) *Financial Liabilities*

All financial liabilities are initially measured at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges.

(iii) *Equity Instruments*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

A financial asset is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(g) Impairment

(i) *Impairment of Financial Assets*

All financial assets (other than those categorised at fair value through profit or loss), are assessed at the end of each reporting period whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. For an equity instrument, a significant or prolonged decline in the fair value below its cost is considered to be objective evidence of impairment.

An impairment loss in respect of held-to-maturity investments and loans and receivables financial assets is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

An impairment loss in respect of available-for-sale financial assets is recognised in profit or loss and is measured as the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the fair value reserve. In addition, the cumulative loss recognised in other comprehensive income and accumulated in equity under fair value reserve, is reclassified from equity to profit or loss.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised. In respect of available-for-sale equity instruments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss made is recognised in other comprehensive income.

(ii) Impairment of Non-financial Assets

The carrying amounts of assets, other than those to which MFRS 136 - Impairment of Assets does not apply, are reviewed at each end of the reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount of the assets is the higher of the assets' net selling price and their value-in-use, which is measured by reference to discounted future cash flow.

An impairment loss is charged to the profit or loss immediately unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset.

In respect of assets other than goodwill, and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the profit or loss immediately, unless the asset is carried at its revalued amount. A reversal of an impairment loss on a revalued asset is credited to other comprehensive income. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the profit or loss, a reversal of that impairment loss is recognised as income in the profit or loss.

(h) Hire Purchase

Assets acquired under hire purchase arrangements are capitalised at their purchase cost and the total instalments payable less undue interests under hire purchase agreements are recorded as liabilities. The interests are allocated to the profit or loss over the year of the respective agreements based on the remaining balance of liability for each period during the hire purchase term. Assets acquired under hire purchase arrangements are depreciated over the expected useful lives of equivalent owned assets.

(i) Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease.

(j) Borrowings

Borrowings are recognised initially based on the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction cost) and the redemption value is recognised in the profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the statements of financial position date.

Borrowing costs directly attributable to the acquisition, construction and installation of property, plant and equipment, if any, are capitalised during the period of time necessary to prepare the assets, until they are ready for their intended use.

All other borrowing costs are charged to profit or loss as an expense in the period in which they are incurred.

(k) Provisions For Liabilities

Provisions for liabilities are recognised when the Group and the Company have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and when a reliable estimate of the amount can be made. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

(l) Related Parties

A party is related to an entity if:

(i) directly, or indirectly through one or more intermediaries, the party:
  a. controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
  b. has an interest in the entity that gives it significant influence over the entity, or
  c. has joint control over the entity;

(ii) the party is an associate of the entity;

(iii) the party is a joint venture in which the entity is a venture;

(iv) the party is a member of the key management personnel of the entity or its parent;

(v) the party is a close member of the family of any individual referred to in (i) or (iv);

(vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or

(vii) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

Close members of the family of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

(m) Foreign Currency Translation

(i) Transactions And Balances

Foreign currency monetary assets and liabilities have been translated into Ringgit Malaysia ("RM") at the rates of exchange ruling at the statements of financial position date. Transactions in foreign currencies have been converted at rates ruling at the transaction dates. Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are included in the profit or loss. Non-monetary assets and liabilities are translated using exchange rates that existed when the values determined.

(ii) Foreign Operations

Assets and liabilities of foreign operations, including goodwill and fair value adjustments arising from the acquisition of foreign operations, are translated into RM for consolidation at the rates of exchange ruling at the end of the reporting period. Revenues and expenses of foreign operations are translated into RM at the average rates for the financial period. All exchanges differences arising from translation are recognised directly to other comprehensive income and accumulated in equity under translation reserve. On disposal of a foreign operation, accumulated translation differences recognised in other comprehensive income relating to that particular foreign operation is reclassified from equity to profit or loss.

(n) Revenue Recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services rendered in the ordinary course of the Group's activities. Revenue from sales of goods and services is recognised upon delivery of goods and customers' acceptance and where applicable, net of returns and trade discounts, and services are performed.

Dividend income from investments is recognised when the right to receive dividend payment is established.

Originators' fees are recognised at the end of each contract, or proportionally upon payment of interim dividend from the cash flow of the contract.

(o) Income Tax Expense

Income taxes for the year comprise current and deferred tax.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax is recognised in the profit or loss, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs. The carrying amounts of deferred tax assets are reviewed at each end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

(p) Employee Benefits

(i) Short Term Employee Benefits

Wages, salaries, paid annual leave, paid sick leave, bonuses and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Group.

(ii) Defined Contribution Plan

The Group's contributions to defined contribution plans regulated and managed by the government, are charged to the profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further financial obligations.

(q) Cash And Cash Equivalents

For the purposes of the statements of cash flows, cash and cash equivalents comprise cash in hand, bank balances, bank overdrafts and short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(r) Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision makers to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

(s) Contingent Assets

A contingent asset is a probable asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expeetations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below.

(a) Depreciation Of Property, Plant And Equipment

The estimates for residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial and production factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(b) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

(c) Impairment Of Non-Financial Assets

When the recoverable amount of an asset is determined based on the estimate of the value-in-use of the cash-generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

(d) Impairment Of Loans And Receivables

An impairment loss is recognised when there is objective evidence that a financial asset is impaired. Management specifically reviews its loans and receivables financial assets and analyses historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in the customer payment terms when making a judgement to evaluate the adequacy of the allowance for impairment loss. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. If the expectation is different from the estimation, such difference will impact the carrying value of receivables.

(e) Write-Down Of Inventories

Reviews are made periodically by management on damaged, obsolete and slowing-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

(f) Amortisation Of Development Expenditures

Changes in the expected level of usage could impact the economic useful lives, therefore future amortisation charges could be revised.

(g) Impairment Of Goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires management to estimate the expected future cash flows of the cash-generating unit to which goodwill is allocated and to apply a suitable discount rate in order to determine the present value of those cash flows. The future cash flows are most sensitive to budgeted gross margins, growth rates estimated and discount rate used. If the expectation is different from the estimation, such difference will impact the carrying value of goodwill.

5. PROPERTY, PLANT AND EQUIPMENT

The details of property, plant and equipment are as follows:

	Freehold land and buildings	Computers	Furniture and fittings	Lab equipment	Motor vehicles	Office equipment	Plant and machinery	Renovation	Signboard	Asset under construction	Total
Group	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Cost											
At 1 February 2011	5,982,583	391,097	170,591	417,372	2,565,737	209,517	356,346	412,259	3,550	1,775,075	12,284,127
Additions	-	34,962	352,518	1,833	1,277,750	74,819	629,364	222,441	4,030	-	2,597,717
Acquisition of subsidiary company	-	10,494	2,760	-	-	43,063	-	3,645	-	-	59,962
Derecognition of subsidiary companies	-	-	-	-	-	-	(87,500)	-	-	(639,000)	(726,500)
Disposals	(2,944,955)		(5,060)	(260,000)	(2,327,305)	(16,000)	(8,112)	-	-	(432,500)	(5,993,932)
Written off	-	(57,083)	(88,152)	-	(14,800)	(110,948)	-	(320,976)	(4,323)	(162,500)	(758,782)
Reclassification	-	-	68,746	-	-	28,550	-	442,056	1,723	(541,075)	-
At 31 January 2012	3,037,628	379,470	501,403	159,205	1,501,382	229,001	890,098	759,425	4,980	-	7,462,592
Additions	-	15,793	104,831	758,327	-	26,761	23,675	482,312	4,375	-	1,416,074
Derecognition of subsidiary companies	(3,037,628)	(337,008)	(375,258)	(14,090)	(1,449,110)	(127,901)	(913,773)	(287,218)	(2,050)	-	(6,544,036)
Written off	-	(25,191)	(126,146)	(145,115)	(52,272)	(66,417)	-	(472,208)	(2,930)	-	(890,279)
At 31 January 2013	-	33,064	104,830	758,327	-	61,444	-	482,311	4,375	-	1,444,351

Group	Frechold land and buildings	Computers	Furniture and fittings	Lab equipment	Motor vehicles	Office equipment	Plant and machinery	Renovation	Signboard	Asset under construction	Total
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Accumulated depreciation											
At 1 February 2011	21,783	120,956	86,721	96,475	1,373,747	74,661	56,979	136,084	1,128	-	1,968,534
Charge for the year	85,604	79,603	65,576	62,018	307,539	51,412	97,841	82,152	484	-	832,229
Acquisition of subsidiary company	-	1,063	345	-	-	9,136	-	425	-	-	10,969
Disposals	(46,634)	-	(337)	(91,000)	(1,397,079)	(6,400)	(5,949)	-	-	-	(1,547,399)
Written off	-	(36,728)	(44,751)	-	(4,567)	(71,646)	-	(78,315)	(1,305)	-	(237,312)
At 31 January 2012	60,753	164,894	107,554	67,493	279,640	57,163	148,871	140,346	307	-	1,027,021
Charge for the year	-	7,980	11,331	99,924	1,485	16,619	91,377	48,839	389	-	277,944
Derecognition of subsidiary companies	(60,753)	(152,178)	(67,437)	(6,390)	(241,568)	(31,806)	(240,248)	(100,018)	(154)	-	(900,552)
Written off	-	(8,000)	(44,460)	(72,555)	(39,557)	(24,166)	-	(57,014)	(250)	-	(246,002)
At 31 January 2013	-	12,696	6,988	88,472	-	17,810	-	32,153	292	-	158,411
Net book value											
At 31 January 2013	-	20,368	97,842	669,855	-	43,634	-	450,158	4,083	-	1,285,940
At 31 January 2012	2,976,875	214,576	393,849	91,712	1,221,742	171,838	741,227	619,079	4,673	-	6,435,571
At 1 February 2011	5,960,800	270,141	83,870	320,897	1,191,990	134,856	299,367	276,175	2,422	1,775,075	10,315,593

	Freehold land and buildings	Computers	Furniture and fittings	Lab equipment	Office equipment	Renovation	Signboard	Asset under construction	Total
Company	RM	RM	RM	RM	RM	RM	RM	RM	RM
Cost									
At 1 February 2011	2,944,955	28,046	-	-	48,539	-	-	541,075	3,562,615
Additions	-	5,372	-	-	2,144	30,152	1,980	-	39,648
Disposals	(2,944,955)	(16,147)	(5,060)	-	-	-	-	-	(2,966,162)
Written off	-	-	-	-	(16,000)	-	(773)	-	(16,773)
Reclassification	-	-	68,746	-	28,550	442,056	1,723	(541,075)	-
At 31 January 2012	-	17,271	63,686	-	63,233	472,208	2,930	-	619,328
Additions	-	15,793	104,830	725,000	26,761	482,312	4,375	-	1,359,071
Written off	-	-	(63,686)	-	(28,550)	(472,208)	(2,930)	-	(567,374)
At 31 January 2013	-	33,064	104,830	725,000	61,444	482,312	4,375	-	1,411,025
Accumulated depreciation									
At 1 February 2011	21,783	7,326	-	-	4,619	-	-	-	33,728
Charge for the year	24,851	5,919	6,175	-	14,551	41,273	154	-	92,923
Disposals	(46,634)	(6,005)	(337)	-	-	-	-	-	(52,976)
Written off	-	-	-	-	(6,400)	-	-	-	(6,400)
At 31 January 2012	-	7,240	5,838	-	12,770	41,273	154	-	67,275
Charge for the year	-	5,456	9,112	87,917	12,176	47,894	390	-	162,945
Written off	-	-	(7,961)	-	(7,137)	(57,013)	(252)	-	(72,363)
At 31 January 2013	-	12,696	6,989	87,917	17,809	32,154	292	-	157,857
Net book value									
At 31 January 2013	-	20,368	97,841	637,083	43,635	450,158	4,083	-	1,253,168
At 31 January 2012	-	10,031	57,848	-	50,463	430,935	2,776	-	552,053
At 1 February 2011	2,923,172	20,720	-	-	43,920	-	-	541,075	3,528,887

The net book value of property, plant and equipment includes the following assets held under hire purchase agreements:

	Group 31.01.2013 RM	31.01.2012 RM	01.02.2011 RM
Computers	-	167,219	214,104
Motor vehicles	-	1,207,542	99,960

6. INTANGIBLE ASSETS

Group	Goodwill RM	Software development costs RM	Software RM	Technology rights RM	Total RM
Cost					
At 1 February 2011	10,077,062	-	-	-	10,077,062
Addition	-	-	978,750	-	978,750
Acquisition of subsidiary companies *(Note 28 (c))*	1,051,087	226,383	-	3,900,000	5,177,470
Written off	-	(226,383)	-	-	(226,383)
Derecognition of subsidiary companies	(3,549,369)	-	-	-	(3,549,369)
At 31 January 2012	7,578,780	-	978,750	3,900,000	12,457,530
Acquisition of subsidiary companies *(Note 28 (c))*	2,352,570	-	-	-	2,352,570
Derecognition of subsidiary companies	(7,578,780)	-	(978,750)	(3,900,000)	(12,457,530)
At 31 January 2013	2,352,570	-	-	-	2,352,570
Less:					
Accumulated amortisation					
At 1 February 2011	-	-	-	-	-
Amortisation for the year	-	19,267	49,037	-	68,304
Written off	-	(19,267)	-	-	(19,267)
At 31 January 2012	-	-	49,037	-	49,037
Derecognition of subsidiary companies	-	-	(49,037)	-	(49,037)
At 31 January 2013	-	-	-	-	-

Group	Goodwill RM	Software development costs RM	Software RM	Technology rights RM	Total RM
Accumulated impairment					
At 1 February 2011	-	-	-	-	-
Impairment for the year	80,970	-	-	-	80,970
At 31 January 2012	80,970	-	-	-	80,970
Derecognition of subsidiary companies	(80,970)	-	-	-	(80,970)
At 31 January 2013	-	-	-	-	-
Carrying amount					
At 31 January 2013	2,352,570	-	-	-	2,352,570
At 31 January 2012	7,497,810	-	929,713	3,900,000	12,327,523
At 1 February 2012	10,077,062	-	-	-	10,077,062

(a) Goodwill

Goodwill is tested for impairment on an annual basis by comparing the carrying amount with the recoverable amount of the Operating Unit ("OU") based on value-in-use. Value-in-use is determined by either discounting of future cash flows to be generated from the continuing use of the OU or using PE Multiple of the potential profitability of the OU going forward. The following are the principal assumptions:-

(i) Cash flows (if applicable) are projected based on the managements' three (3) to five (5) years business plan for the OU;

(ii) Profitability are projected based on management three (3) to five (5) years business plan, taking into account industry trends, historical margins achieved or pre-determined profit margins; and

(iii) Discount rates or PE Multiple used are based on management's estimate of return on capital employed required of the OU, taking into account, amongst others, status of operations and growth trends.

The management is not aware of any reasonable possible change in the above key assumptions that would cause the carrying amounts of the OUs to materially exceed its recoverable amount.

(b) Software

Acquired software are stated at cost less accumulated amortisation and accumulated impairment, if any.

(c) Technology Rights

Technology rights are stated at cost.

7. INVESTMENT IN SUBSIDIARY COMPANIES

	Company 31.01.2013 RM	31.01.2012 RM	01.02.2011 RM
Unquoted shares, at cost			
At 1 February	26,825,099	25,903,101	18,903,103
Addition	4,000,004	-	6,999,998
Disposal	(17,225,105)	-	-
Reclassification from investment in associated companies	2,450,000	4,921,998	-
Reclassification to investment in associated companies	-	(4,000,000)	-
Reclassification to investment in unquoted shares	(6,900,000)	-	-
At 31 January	9,149,998	26,825,099	25,903,101
Accumulated impairment losses:			
At 1 February	13,790,706	2,600,000	-
Addition	1,212,395	7,562,938	2,600,000
Disposal	(12,303,103)		
Reclassification from investment in associated companies	-	3,627,768	-
At 31 January	2,699,998	13,790,706	2,600,000
Net carrying value	6,450,000	13,034,393	23,303,101

Details of the subsidiary companies are as follows:

Name of Subsidiary companies	Group's Effective Interest			Equity Interest Held By Company			Equity Interest Held By Subsidiary			Principal activities
	31.01.2013	31.01.2012	01.02.2011	31.01.2013	31.01.2012	01.02.2011	31.01.2013	31.01.2012	01.02.2011	
	%	%	%	%	%	%	%	%	%	
Asia Bioenergy Research Sdn. Bhd.*	-	100	100	-	100	100	-	-	-	Carrying on business of a technology incubator, provision of management and strategic advisory services, research related activities, investment holding company and sale of machineries with the objective of commercialising technologies in bio-energy sectors.
Eco-Sponge Sdn. Bhd.	80	80	80	80	55	55	-	25	25	Engaged in the manufacturing and trading of absorbent chemical compound and other related services and trading of fertilizer related products.
Asiabio Zymescience Sdn. Bhd.* ("Zymescience")	-	99.9	99.9	-	99.9	99.9	-	-	-	Carrying on business in production and sales of microbe related products.
Asiabio Zyme Solutions Sdn. Bhd.* ("Zymesolutions")	-	79.7	-	-	79.7	-	-	-	-	Investment holding with focus on microbe propagation technology and system, and sales of microbe and plantation related products.

Name of Subsidiary companies	Group's Effective Interest 31.01.2013 %	31.01.2012 %	01.02.2011 %	Equity Interest Held By Company 31.01.2013 %	31.01.2012 %	01.02.2011 %	Subsidiary 31.01.2013 %	31.01.2012 %	01.02.2011 %	Principal activities
Ecompazz IT Sdn. Bhd. ("Ecompazz") * ^	-	33.8	33.8	-	33.8	33.8	-	-	-	Investment holding and sales of customised software application for trading and direct selling industry.
Nexfuel Sdn. Bhd. ("Nexfuel") *	-	-	40	-	-	40	-	-	-	Investment holding and engineering work and services and supply of biomass composting and processing machineries.
Asia Oleo Sdn. Bhd. *(formerly known as Syno Prism Sdn. Bhd.)*	100	-	-	100	-	-	-	-	-	Investment holding.
Hexa Bonanza Sdn. Bhd. ("Hexa") #	50	-	-	50	-	-	-	-	-	Contractor and technology provider for biomass pelletizing and related equipment.
Subsidiaries of Zymesolutions										
Asiabio Zyme Engineering Sdn. Bhd. * ("Zyme Engineering")	-	55.8	-	-	-	-	-	70	-	Carrying on business in engineering work and services and supply of biomass composting and processing machineries.
Asiabio Zyme Systems Sdn. Bhd. *	-	79.7	-	-	-	-	-	100	-	Carrying on business of provision of programmable logic controller, enterprise resource planning system, enterprise resource planning integrated systems e-learning products and training. Currently, the company is inactive.

Name of	Group's Effective Interest			Equity Interest Held By Company			Subsidiary			
Subsidiary companies	31.01.2013	31.01.2012	01.02.2011	31.01.2013	31.01.2012	01.02.2011	31.01.2013	31.01.2012	01.02.2011	Principal activities
	%	%	%	%	%	%	%	%	%	
Subsidiary of Ecompazz										
Ecompazz Limited *	-	33.8	33.8	-	-	-	-	100	100	Development and sale of customised software application for trading and direct selling industry.
Subsidiary of Nexfuel										
Nexfuel Limited *	-	-	40	-	-	-	-	-	100	Hold technology rights to the biowaste conversion technologies, and provides oils engineering, procurement and technology services.

* Audited by firms other than Messrs. Siew Boon Yeong & Associates

^ During the financial year, Ecompazz was reclassified to investments in unquoted shares as the Group has no representative in the Board of Ecompazz and was unable to exercise control or significant influence over it.

During the financial year, Hexa was reclassified from investments in unquoted shares as the Company owned 50% of the equity interest plus 1 ordinary share in Hexa.

8. INVESTMENT IN ASSOCIATED COMPANIES

	Group			*Company*		
	31.01.2013	*31.01.2012*	*01.02.2011*	*31.01.2013*	*31.01.2012*	*01.02.2011*
	RM	RM	RM	RM	RM	RM
Unquoted shares, at cost						
At 1 February	3,419,251	1,873,596	1,992,248	4,000,000	1,721,998	1,721,998
Addition	-	-	-	4,000	3,200,000	-
Reclassification from investment in subsidiary companies	-	4,484,432	-	-	4,000,000	-
Reclassification to investment in subsidiary companies *(Note 28 (c))*	-	(1,861,299)	-	-	(4,921,998)	-
Reclassification to investment in unquoted shares *(Note 9)*	(3,417,832)	-	-	(4,004,000)	-	-
Disposal of associated company	-	-	(62,306)	-	-	-
Share of post acquisition losses	(1,858)	(1,099,644)	(56,346)	-	-	-
Share of associated companies' other comprehensive income	439	22,166	-	-	-	-
At 31 January	-	3,419,251	1,873,596	-	4,000,000	1,721,998

(a) Details of the associated companies are as follows:

Name of Associated companies	Group's Effective Interest 31.01.2013 %	31.01.2012 %	01.02.2011 %	Company's Equity Interest 31.01.2013 %	31.01.2012 %	01.02.2011 %	Principal activities
Asiabio Zyme Solutions Sdn. Bhd. ("Zymesolutions")	-	-	36.8	-	-	36.8	Rendering of corporate services and investment holding with focus on microbe propagation technology and system.
Nexfuel Sdn. Bhd. ("Nexfuel")	-	40	-	-	40	-	Engaged as investment holding and engineering, procurement and technology provision for biomass power plant.
Subsidiary companies of Zymesolutions							
Asiabio Zyme Systems Sdn. Bhd.	-	-	36.8	-	-	-	Carrying on business of provision programmable logic controller, enterprise resource planning system, enterprise resource planning integrated systems e-learning products and training.
Asiabio Zyme Engineering Sdn. Bhd.	-	-	36.8	-	-	-	Carrying on business in engineering works and services and supply of biomass composting and processing machineries.
Subsidiary company of Nexfuel							
Nexfuel Limited	-	40	-	-	-	-	Hold technology rights to the biowaste conversion technologies and provides oils engineering, procurement and technology services.

(b) The summarised financial information of the associated companies is as follows:

	Group		
	31.01.2013	*31.01.2012*	*01.02.2011*
	RM	RM	RM
Assets and liabilities			
Total assets	-	7,365,164	5,469,408
Total liabilities	-	389,323	75,429
Results			
Revenue	-	-	3,800
Loss after taxation	-	(740,978)	(325,879)

(c) During the financial year, Nexfuel Sdn. Bhd. was reclassified from investment in associated companies to other investment in unquoted shares.

9. OTHER INVESTMENTS

	Group			Company		
	31.01.2013	*31.01.2012*	*01.02.2011*	*31.01.2013*	*31.01.2012*	*01.02.2011*
	RM	RM	RM	RM	RM	RM
Unquoted shares, at cost						
At 1 February	23,085,216	18,685,216	14,631,162	4,400,000	-	-
Addition	-	4,400,000	4,054,054	2,564,437	4,400,000	-
Acquisition of subsidiary companies *(Note 28 (c))*	4,355,650	-	-	-	-	-
Reclassification from investment in subsidiary companies *(Note 29 (e))*	7,214,177	-	-	6,900,000	-	-
Reclassification from investment in associated companies *(Note 8)*	3,417,832	-	-	4,004,000	-	-
Reclassification to investment in subsidiary companies *(Note 28 (c))*	(1,900,000)	-	-	(2,450,000)	-	-
At 31 January	36,172,875	23,085,216	18,685,216	15,418,437	4,400,000	-
Investment in agriculture project, at cost						
At 1 February						
Addition	-	360,319	-	-	-	-
Written off	-	(360,319)	-	-	-	-
At 31 January	-	-	-	-	-	-

	Group 31.01.2013 RM	Group 31.01.2012 RM	Group 01.02.2011 RM	Company 31.01.2013 RM	Company 31.01.2012 RM	Company 01.02.2011 RM
Accumulated impairment losses						
At 1 February	(16,670,779)	-	-	-	-	-
Addition	(2,222,931)	(16,670,779)	-	(2,013,992)	-	-
At 31 January	(18,893,710)	(16,670,779)	-	(2,013,992)	-	-
Net carrying value						
At 31 January	17,279,165	6,414,437	18,685,216	13,404,445	4,400,000	-

Investment in unquoted shares of the Group, designated as available-for-sale financial assets, are stated at cost as their fair values cannot be reliably measured using valuation techniques due to lack of marketability of the shares.

The investment in agriculture represents the cultivation of paddy in Cambodia utilising microbial technology of the Group. However, the investment was written off in the previous financial year due to massive flooding.

10. AMOUNT OWING BY/(TO) SUBSIDIARY COMPANIES

	Company 31.01.2013 RM	Company 31.01.2012 RM	Company 01.02.2011 RM
Amount owing by:			
Non-current assets			
Quasi loans - at cost	-	4,043,146	354,222
Less: Accumulated impairment losses			
At 1 February	-	-	-
Addition	-	(2,502,519)	-
At 31 January	-	(2,502,519)	-
	-	1,540,627	354,222
Current assets			
Non-trade balances	9,300	-	-
Current liabilities			
Non-trade balances	739,195	-	1,863,840

Quasi loans represent advances of which the settlement is neither planned nor likely to occur in the foreseeable future. These amounts are in substance, a part of the Company's net investment in subsidiary companies. The quasi loans are stated at cost less accumulated impairment losses, if any.

The non-trade balances are unsecured, interest free and are repayable on demand and are to be settled in cash.

11. INVENTORIES

Inventories of the Group represent trading stock of fertilizer which is stated at cost.

12. TRADE RECEIVABLES

	Group		
	31.01.2013	*31.01.2012*	*01.02.2011*
	RM	RM	RM
Amount due from contract customers	-	-	1,980,575
Third parties	-	1,239,747	1,227,047
At 31 January	-	1,239,747	3,207,622

Amount due from contract customers are as follows:

	Group		
	31.01.2013	*31.01.2012*	*01.02.2011*
	RM	RM	RM
Contract cost	-	-	739,929
Add: Attributable profit	-	-	1,363,026
	-	-	2,102,955
Less: Progress billing	-	-	(122,380)
At 31 January	-	-	1,980,575

Group

Credit terms of trade receivables ranged from 14 days to 60 days (2012: 14 days to 60 days). Other credit terms are assessed and approved on a case-by-case basis.

13. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group			Company		
	31.01.2013	*31.01.2012*	*01.02.2011*	*31.01.2013*	*31.01.2012*	*01.02.2011*
	RM	RM	RM	RM	RM	RM
Other receivables	184,038	21,360	2,436	29,339	18,800	4,001,000
Deposits	-	184,921	434,363	40,000	77,300	43,125
Prepayments	-	68,040	37,500	-	63,000	-
	184,038	274,321	474,299	69,339	159,100	4,044,125

14. SHARE CAPITAL

	Group and Company					
	31.01.2013	*31.01.2012*	*01.02.2011*	*31.01.2013*	*31.01.2012*	*01.02.2011*
	< -------------- Number of shares		-------------- >	RM	RM	RM
Ordinary shares of RM0.10 each:						
Authorised:						
At 1 February	1,500,000,000	1,500,000,000	500,000,000	150,000,000	150,000,000	50,000,000
Created during the year	-	-	1,000,000,000	-	-	100,000,000
At 31 January	1,500,000,000	1,500,000,000	1,500,000,000	150,000,000	150,000,000	150,000,000
Issued and fully paid:						
At 1 February	382,000,000	327,000,000	250,000,000	38,200,000	32,700,000	25,000,000
Issued during the year, at par	-	55,000,000	77,000,000	-	5,500,000	7,700,000
At 31 January	382,000,000	382,000,000	327,000,000	38,200,000	38,200,000	32,700,000

15. RESERVES

	Group			Company		
	31.01.2013	*31.01.2012*	*01.02.2011*	*31.01.2013*	*31.01.2012*	*01.02.2011*
	RM	RM	RM	RM	RM	RM
Non distributable:-						
Foreign exchange translation reserve	-	(66,582)	(57,620)	-	-	-
Distributable:-						
(Accumulated losses)/retained profits	(17,903,746)	(13,521,603)	6,428,800	(17,833,194)	(14,581,233)	(1,335,899)
	(17,903,746)	(13,588,185)	6,371,180	(17,833,194)	(14,581,233)	(1,335,899)

Foreign Exchange Translation Reserve

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiary companies and is not distributable by way of dividends.

16. HIRE PURCHASE PAYABLES

The hire purchase payables are repayable as follows:

	Future instalments payable	Undue interest	Principal payable
Group	RM	RM	RM
31.01.2013	-	-	-
31.01.2012			
Shown under current liabilities			
Within 1 year	233,724	(46,291)	187,433
Shown under non-current liabilities			
Between 2 to 5 years	919,577	(86,156)	833,421
	1,153,301	(132,447)	1,020,854
01.02.2011			
Shown under current liabilities			
Within 1 year	27,540	(6,064)	21,476
Shown under non-current liabilities			
Between 2 to 5 years	107,809	(10,656)	97,153
	135,349	(16,720)	118,629

The effective interest rates for hire purchase payables ranged from 2.31% to 4.92% (31.01.2012: 4.74% to 5.63%; 01.02.2011: 3.03%) per annum.

17. LEASE PAYABLE

Group	Future instalments payable RM	Undue interest RM	Principal payable RM
31.01.2013	-	-	-
31.01.2012			
Shown under current liabilities			
Within 1 year	95,589	(4,942)	90,647
Shown under non-current liabilities			
Between 2 to 5 years	7,966	(146)	7,820
	103,555	(5,088)	98,467
01.02.2011			
Shown under current liabilities			
Within 1 year	95,589	(11,920)	83,669
Shown under non-current liabilities			
Between 2 to 5 years	103,554	(5,087)	98,467
	199,143	(17,007)	182,136

The effective interest rate for lease payable is 4.23% (31.01.2012: 4.23%; 01.02.2011: 4.23%) per annum.

18. TERM LOANS

The term loans are repayable as follows:

	Group		
	31.01.2013 RM	*31.01.2012* RM	*01.02.2011* RM
Shown under current liabilities			
Within 1 year	-	104,260	85,378
Shown under non-current liabilities			
Between 2 to 5 years	-	394,029	374,118
After 5 years	-	1,950,909	2,074,869
	-	2,344,938	2,448,987
	-	2,449,198	2,534,365

(a) The term loans are secured by a first party legal charge over the property of a subsidiary company i.e. Ecompazz, and jointly and severally guaranteed by certain directors of Ecompazz.

(b) The term loans are repayable in 240 equal monthly instalments of RM15,382 for the first 5 years and RM15,929 thereafter, effective from January 2011. Previous year's interest was charged at 5.35% (2011: 4%) per annum.

19. DEFERRED TAX LIABILITIES

	Group		
	31.01.2013	*31.01.2012*	*01.02.2011*
	RM	RM	RM
Balance at 1 February	8,750	8,750	-
Derecognition of subsidiary companies	(8,750)	-	-
Transfer to statements of profit or loss	-	-	8,750
Balance at 31 January	-	8,750	8,750

The deferred tax liability is attributable to the following:-

	Group		
	31.01.2013	*31.01.2012*	*01.02.2011*
	RM	RM	RM
Accelerated capital allowances over depreciation	-	8,750	8,750

The amount of temporary differences for which no deferred assets have been recognised in the statements of financial position are as follows:

	Group		
	31.01.2013	*31.01.2012*	*01.02.2011*
	RM	RM	RM
Unabsorbed capital allowances	-	726,446	564,705
Unutilised tax losses	110,620	2,438,119	582,458
	110,620	3,164,565	1,147,163

No deferred tax assets are recognised in respect of these items as it is not probable that taxable profits of the subsidiary companies will be available against which the deductible temporary differences can be utilised.

20. TRADE PAYABLES

The normal trade credit term granted to the Group is 60 days (31.01.2012: 60 days; 01.02.2011: 60 days).

21. OTHER PAYABLES, DEPOSIT AND ACCRUALS

	Group			Company		
	31.01.2013	31.01.2012	01.02.2011	31.01.2013	31.01.2012	01.02.2011
	RM	RM	RM	RM	RM	RM
Other payables	1,736,700	423,174	369,046	1,659,341	69,860	3,029
Amount owing to directors	560	76,483	349,466	-	6,000	-
Deposit	45,000	-	-	-	-	-
Accruals	42,300	75,327	58,427	27,000	31,526	21,600
	1,824,560	574,984	776,939	1,686,341	107,386	24,629

The amount owing to directors of the Group are unsecured, interest free and are repayable on demand.

22. REVENUE

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Dividend income	-	100,000	250,000	1,115,000
Sales of goods and services	2,312,998	5,417,063	-	-
	2,312,998	5,517,063	250,000	1,115,000

23. FINANCE COSTS

	Group	
	2013	2012
	RM	RM
Hire purchase interest	-	28,446
Lease payable interest	-	11,920
Term loan interest	-	99,417
	-	139,783

24. LOSS BEFORE TAXATION

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Loss before taxation is stated *after charging:*				
Auditors' remuneration:				
- current year's provision	35,000	47,557	25,000	23,000
- under provision in respect of prior year	800	-	1,500	-
Amortisation of intangible assets:				
- software development costs	-	19,267	-	-
- software	-	49,037	-	-
Bad debts written off	1,460,044	21,400	915,179	-
Depreciation	277,944	832,229	162,945	92,923
Impairment loss on:				
- goodwill on consolidation	-	80,970	-	-
- other investments	2,222,931	16,670,779	3,226,387	11,190,706
- amount owing by subsidiary companies	-	-	-	2,502,519
Inventories written off	88,535	-	-	-
Investments written off	-	360,319	-	-
Loss on derecognition of associated companies	54,841	-	-	-
Loss on disposal of investments	-	-	922,000	-
Property, plant and equipment written off	644,277	521,470	495,011	10,373
Rental of equipment	-	58,800	-	-
Rental of premises	186,075	230,900	161,575	45,500
Software development costs written off	-	207,116	-	-
Staff costs *(Note 26)*	480,251	1,241,625	360,251	401,673
and crediting:				
Dividend income	-	100,000	250,000	1,115,000
Gain on bargain purchase of a subsidiary company	352,075	-	-	-
Gain on derecognition of subsidiary companies *(Note 29 (e))*	96,255	-	-	-
Gain on disposal of other investments	-	-	2	-
Gain on disposal of property, plant and equipment	-	475,456	-	251,680
Rental income	-	31,225	-	31,225
Reversal of impairment loss on amount owing by subsidiary companies	-	-	2,502,519	-

25. INCOME TAX EXPENSE

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Malaysian income tax:				
- current year's provision	71,658	91,570	-	-
Real property gains tax	14,781	-	14,781	-
	86,439	91,570	14,781	-

A reconciliation of income tax expense applicable to loss before taxation at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Loss before taxation	(4,316,149)	(18,350,963)	(3,237,180)	(13,245,334)
Income tax expense at Malaysian statutory tax rate of 25% (2012: 25%)	(1,079,037)	(4,587,741)	(809,295)	(3,311,334)
• Adjustments for the following tax effects				
- expenses not deductible for tax purposes	1,173,858	4,697,662	809,295	3,894,128
- income not subject to tax	(30,409)	(18,351)	-	(582,794)
- temporary difference not recognised during the year	7,246	-	-	-
	1,150,695	4,679,311	809,295	3,311,334
• Real property gains tax	14,781	-	14,781	-
	86,439	91,570	14,781	-

26. STAFF COSTS

The staff costs recognised in the statements of profit or loss and other comprehensive income are as follows:

	Group		*Company*	
	2013	2012	2013	2012
	RM	RM	RM	RM
Salaries and wages	379,461	1,035,904	259,461	301,403
Defined contribution plan	31,480	86,891	31,480	-
Other employee benefits	69,310	118,830	69,310	100,270
	480,251	1,241,625	360,251	401,673
Included in staff costs are:				
Directors' remuneration:				
- fees	58,508	61,800	58,508	61,800
- other emoluments	165,723	301,403	165,723	301,403

27. LOSS PER SHARE

	Group	
	2013	2012
	RM	RM
Loss attributable to the Owners of the Company	4,393,997	19,950,403
Weighted average number of ordinary shares:		
Issued ordinary shares at 1 February	382,000,000	327,000,000
Effect of new ordinary shares pursuant to private placements	-	39,055,000
Weighted average number of ordinary shares at 31 January	382,000,000	366,055,000
Basic loss per share (sen)	1.15	5.45

Diluted earnings per ordinary share is not applicable and not presented because there are no dilutive potential ordinary shares to be issued.

28. ACQUISITION OF SUBSIDIARY COMPANIES

(a) On 9 April 2012, the Company acquired additional 81,000 ordinary shares of RM1 each (representing 81% equity interest) in Hexa for a total cash consideration of RM550,000. Consequently, Hexa became a 100% owned subsidiary company of the Company. However, on 28 January 2013, Hexa issued additional 99,999 new ordinary shares to Nexfuel which resulted in the equity interest owned by the Group reducing from 100% to 50% plus 1 share.

(b) During the previous financial year, the Group and the Company had on 11 April 2011 acquired additional 2,007,200 ordinary shares of RM1 each (representing 42.88% equity interest) in Zymesolutions for a total cash consideration of RM3,200,000. Consequently, Zymesolutions became a 79.67% owned subsidiary company of the Company.

(c) The fair value of the identifiable assets and liabilities of the subsidiary companies acquired as at the dates of acquisition were:-

	Acquiree's carrying amount and fair value recognised on acquisition	
	2013	2012
	RM	RM
Property, plant and equipment	-	48,993
Other investments *(Note 9)*	4,355,650	-
Trade and other receivables	-	123,333
Amount due from contract customers	100,000	-
Tax recoverable	-	6,936
Inventories	-	1,087,435
Software development costs	-	226,383
Technology rights	-	3,900,000
Cash and cash equivalents	1,000	29,589
Trade payables and accruals	(4,070)	(63,598)
Amount owing to directors	(4,003,075)	(7,581)
Net identifiable assets and liabilities	449,505	5,351,490
Less: Non-controlling interests	-	(1,341,278)
Group's share of net assets	449,505	4,010,212
Add: Goodwill on consolidation *(Note 6)*	2,352,570	1,051,087
Less: Reclassified from investment in associated companies	-	(1,861,299)
Gain on bargain purchase	(352,075)	-
Reclassified from other investments *(Note 9)*	(1,900,000)	-
Total purchase consideration	550,000	3,200,000
Less: Cash and cash equivalents	(1,000)	(29,589)
Net cash outflow on acquisition of a subsidiary company	549,000	3,170,411

(d) The acquired subsidiary companies have contributed the following results to the Group:-

	2013 RM	2012 RM
Revenue	2,249,998	95,148
Less: Cost of sales	(1,809,428)	(1,111,233)
Gross profit/(loss)	440,570	(1,016,085)
Other operating expenses	(146,284)	(679,644)
Profit/(loss) before taxation	294,286	(1,695,729)
Income tax expense	(71,658)	-
Profit/(loss) for the year	222,628	(1,695,729)

(e) If the acquisitions have taken place at the beginning of the financial year, the management estimates that the consolidated revenue and consolidated loss after taxation for the year ended 31 January 2013 would have been RM2,312,998 (31.01.2012: RM5,534,113) and RM4,402,588 (31.01.2012: RM18,478,744) respectively.

29. DERECOGNITION OF SUBSIDIARY COMPANIES

(a) As at 24 February 2012, the 33.8% equity interest owned Ecompazz ceased to be the subsidiary company to the Group as the Group has no representative in the Board of Ecompazz and was unable to exercise control or significant influence over it. Accordingly, Ecompazz has been reclassified to other investments.

(b) As at 31 July 2012, the Company has disposed of its 100% equity interest in Zymescience for a total consideration of RM2.

(c) As at 31 July 2012, Hexa, a subsidiary company, has disposed of its 100% equity interest in Zyme Engineering for a total cash consideration of RM50,000.

(d) As at 31 July 2012, the Company has disposed of its 79.8% equity interest in Zymesolutions for a total cash consideration of RM4,000,000.

(e) During the previous financial year, the Group and the Company had since 30 July 2011, ceased to exercise control but exerted significant influence over Nexfuel by participating in the financial and operating policy decisions. Therefore, Nexfuel was derecognised as a subsidiary company and was retained as an investment in an associated company.

(f) The derecognition had the following effects on the financial position of the Group:

	As at date of disposal 2013 RM	2012 RM
Property, plant and equipment *(Note 5)*	5,643,484	726,500
Intangible assets *(Note 6)*	4,829,713	-
Amount due from contract customers	-	1,913,250
Trade receivables	1,400,035	-
Other receivables and deposits	295,259	-
Tax recoverable	103,782	-
Cash and cash equivalents	575,985	50,545
Trade payables	-	(330,531)
Other payables and accruals	(3,225,854)	(2,787)
Amount owing to directors	(112,494)	-
Tax liabilities	(38,496)	(19,320)
Deferred tax liabilities	(8,750)	-
Lease payable	(98,467)	-
Hire purchase liabilities	(1,020,854)	-
Term loan	(2,449,198)	-
Total net assets	5,894,145	2,337,657
Less: Non-controlling interests	(2,235,334)	(1,402,594)
	3,658,811	935,063
Share of post acquisition exchange reserve	(10,773)	-
Realisation of exchange reserve on inter-company balance	22,076	-
Goodwill on acquisition *(Note 6)*	7,497,810	3,549,369
Share of net assets disposed	11,167,924	4,484,432
Fair value of investment retained as other investments *(Note 9)*	(7,214,177)	-
Fair value of investment retained as investment in associated companies	-	(4,484,432)
Consideration received	(4,050,002)	-
Group's gain on derecognition of subsidiary companies *(Note 24)*	(96,255)	-
Consideration received	4,050,002	-
Less: Cash and cash equivalents of subsidiary companies disposed	(575,985)	(50,545)
Net cash inflow/(outflow) on disposal of subsidiary companies	3,474,017	(50,545)

30. SIGNIFICANT INTER-COMPANIES TRANSACTIONS

(a) Identities of related parties

i. The Group has a controlling related party relationship with its direct subsidiary companies as disclosed in *Note 7* to the financial statements; and

ii. The Executive Directors who are the key management personnel.

(b) In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company carried out the following significant transactions with the related parties during the year:

Transactions between the Company and its subsidiary companies

	Company	
	2013	2012
	RM	RM
Dividend from a subsidiary company	250,000	1,115,000

(c) Compensation of key management personnel

Key management personnel includes the Group's and the Company's Executive and Non-Executive Directors and are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group or the Company either directly or indirectly.

The aggregate amounts of emoluments received and receivable by directors of the Group and of the Company during the financial year are as follows:-

	Group and Company	
	2013	2012
	RM	RM
Executive directors:-		
- salaries and other emoluments	157,523	295,403
- fees	8	-
- benefits-in-kind	-	58,902
	157,531	354,305
Non-executive directors:-		
- salaries and other emoluments	8,200	6,000
- fees	58,500	61,800
	224,231	422,105

Details of directors' emoluments of the Group and of the Company received/receivable for the financial year are as follows:-

	Group and Company 2013 RM	2012 RM
Executive directors:-		
RM50,000 and below	3	-
RM50,000 - RM150,000	2	3
Non-executive directors:-		
RM50,000 and below	4	3

31. FINANCIAL INSTRUMENTS

The Group's and the Company's activities are exposed to a variety of market risks (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's and the Company's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's and the Company's financial performance.

(a) Financial Risk Management Policies

The Group's and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's and of the Company's businesses whilst managing its market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Group's and the Company's policies in respect of the major areas of treasury activity are as follows:-

(i) Market Risk

(i) Foreign Currency Risk

The Group operates principally in Malaysia but is exposed to United States Dollar arising from its offshore operation. Foreign currency denominated assets and liabilities together with expected cash flows from highly probably purchases and sales give rise to foreign exchange exposures.

The Group has a natural hedge to the extent that payments for foreign currency payables will be matched against receivable denominated in the same foreign currency or whenever possible, by intra group arrangements and settlements.

As at year end, the Group does not have any derivative financial instruments used to hedge foreign currency risk.

As at year ended 31 January 2013, the Group does not have any offshore operation and hence the exposure to foreign currency risk is minimal.

Foreign Currency Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies as at the end of the reporting period, with all other variables held constant:

	Group	
	2013	2012
	RM	RM
Effects on loss after taxation		
Strengthened by 2%		
- United States Dollar	-	(7,164)

(ii) Interest Rate Risk

The Group's and the Company's exposure to interest rate risk arises mainly from borrowings from licensed financial institutions and hire purchase and lease facilities. Its policy is to obtain the most favourable interest rates available.

As at year ended 31 January 2013, the Group does not have any interest bearing borrowings and hence there is no exposure to interest rate risk.

Interest Rate Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates as at the end of the reporting period, with all other variables held constant:

	Group	
	2013	2012
	RM	RM
	Increase/ (Decrease)	Increase/ (Decrease)
Effects on loss after taxation		
Increase of 25 basis point (bp)	-	8,921
Decrease of 25 bp	-	(8,921)
Effects on equity		
Increase of 25 basis point (bp)	-	8,921
Decrease of 25 bp	-	(8,921)

(iii) Equity Price Risk

The Group and the Company do not have any quoted investments and hence there is no exposure to price risk.

(ii) Credit Risk

The Group's and the Company's exposure to eredit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group and the Company manage its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including quoted investments, cash and bank balances and derivatives), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group and the Company establish an allowance for impairment that represents its estimate of incurred losses in respect of the trade and other receivables as appropriate. Impairment is estimated by management based on prior experience and the current economic environment.

Exposure to Credit Risk

As the Group does not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of the financial assets at the reporting date.

The credit risk with respect to trade and other receivables are managed through the application of credit approvals, credit limits and monitoring procedures. Credit is extended to the customers based upon careful evaluation of the customer's financial condition and credit history.

The Group's normal credit term ranges from 14 days to 60 days. Any other credit terms are assessed and approved by a case-by-case basis. Notwithstanding the credit terms granted to customers, it is the industry norm to begin counting the credit period from the first day of the immediate following month after sales transaction occurred, i.e. invoicing date.

The Group has no significant concentration of credit risk that may arise from exposures to a single receivable or to groups of receivables as at reporting period.

Ageing Analysis

The ageing analysis of the Group's and of the Company's trade receivables at the reporting date is as follows:-

		Group	
	Carrying amount *31.01.2013* RM	Carrying amount *31.01.2012* RM	Carrying amount *01.02.2012* RM
Not past due	-	881,574	3,083,842
Due past			
- less than 3 months	-	323,151	-
- between 3 to 6 months	-	35,022	123,780
	-	1,239,747	3,207,622

Trade receivables of the Group and of the Company that are past due but not impaired are unsecured in nature. They are creditworthy receivables.

(iii) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practise prudent risk management by maintaining sufficient cash balances and the availability of funding through advances from related parties.

The following tables set out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):

Group	Weighted Average Effective Rate	Carrying Amount	Contractual Undiscounted Cash Flows	On demand or Within 1 year	1 - 5 years	Total
31.01.2013	%	RM	RM	RM	RM	RM
Non-derivative financial liabilities						
Trade payables	-	754,750	754,750	754,750	-	754,750
Other payables, deposit and accruals	-	1,824,560	1,824,560	1,824,560	-	1,824,560
		2,579,310	2,579,310	2,579,310	-	2,579,310

Group	Weighted Average Effective Rate	Carrying Amount	Contractual Undiscounted Cash Flows	On demand or Within 1 year	1 - 5 years	Total
31.01.2012	%	RM	RM	RM	RM	RM
Non-derivative financial liabilities						
Other payables, deposit and accruals	-	574,984	574,984	574,984	-	574,984
Hire purchase creditors	4.74 - 5.63	1,020,854	1,153,301	233,724	919,577	1,153,301
Lease payables	4.23	98,467	103,555	95,589	7,966	103,555
Term loans	5.35	2,449,198	3,561,432	184,212	3,377,220	3,561,432
		4,143,503	5,393,272	1,088,509	4,304,763	5,393,272

(b) Capital Risk Management

The Group and the Company manage its capital to ensure that the Group and the Company will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders' value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company manage its capital based on debt-to-equity ratio. The Group's and the Company's strategies were unchanged from the previous financial year. The debt-to-equity ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings plus trade and other payables less cash and cash equivalents.

The debt-to-equity ratio of the Group and of the Company as at the end of the financial year was as follows:

	Group	
	31.01.2013	*31.01.2012*
	RM	RM
Total liabilities (excluded tax and deferred tax liabilities)	2,579,310	4,143,503
Less: Cash and bank balances	(1,904,464)	(632,874)
Net debts	674,846	3,510,629
Total equity attributable to owners of the Company	20,296,254	24,611,815
Debt-to-equity ratio	0.03	0.14

(c) Classification Of Financial Instruments

	Group		Company	
	31.01.2013	*31.01.2012*	*31.01.2013*	*31.01.2012*
	RM	RM	RM	RM
Financial assets				
Available-for-sale financial assets				
Other investments	17,279,165	6,414,437	13,404,445	4,400,000
Loans and receivables financial assets				
Trade receivables	-	1,239,747	-	-
Other receivables, deposits and prepayments	184,038	274,321	69,339	159,100
Amount owing by subsidiary companies	-	-	9,300	-
Cash and bank balances	1,904,464	632,874	1,606,090	39,980
	2,088,502	2,146,942	1,684,729	199,080
Financial liabilities				
Other financial liabilities				
Trade payables	754,750	-	-	-
Other payables and accruals	1,824,560	574,984	1,686,341	107,386
Amount owing to subsidiary companies	-	-	739,195	-
Hire purchase payables	-	1,020,854	-	-
Lease payable	-	98,467	-	-
Term loans	-	2,449,198	-	-
	2,579,310	4,143,503	2,425,536	107,386

(d) Fair Values Of Financial Instruments

The carrying amounts of the financial assets and financial liabilities reported in the financial statements approximated their fair values.

Fair value estimates are made at a specific point in time and based on relevant market information and information about the financial instruments. These estimates are subjective in nature, involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

(e) Fair Value Hierarchy

As at 31 January 2013, there were no financial instruments measured at fair value in the statements of financial position.

32. OPERATING SEGMENTS

Operating segments are determined to be business segments as the Group's risks and returns are affected predominantly by differences in the products and services provided.

The amounts for investment holding activities and subsidiaries which have ceased operations are classified as other non-reportable segments. These amounts are included in the reconciliation of the total reportable segment amounts to the consolidated financial statements.

The Group is organised into main business segments as follows:

(a) Technology incubation

Technology incubator, provision of management and strategic advisory services, research related activities and sale of machineries with the objective of commercialising technologies in bio-energy and biotechnology sectors.

(b) Biofuel related products

Sale of compounds for use in biofuel processes.

(e) Information technology and other services

Provision of information technology training, related services and equipment and corporate services.

(d) Biotechnology products

Engineering, procurement and technology provision for biomass power plants as well as production and sale of microbial related products.

Business segment

Group *31.01.2013*	Technology incubation RM	Biofuel related products RM	Information technology and other services RM	Biotechnology products RM	Elimination RM	Total RM
Revenue						
Sales to external customers	-	-	-	2,312,998	-	2,312,998
Results						
Segment results	-	(219,658)	-	303,353	-	83,695
Share of results of associated companies	-	-	-	-	-	(1,858)
Net unallocated expenses	-	-	-	-	-	(4,397,986)
Loss before taxation	-	-	-	-	-	(4,316,149)
Income tax expense	-	-	-	-	-	(86,439)
Loss for the year	-	-	-	-	-	(4,402,588)
Assets						
Segments assets	18,413,621	4,147,711	-	444,845	-	23,006,177
Unallocated assets	-	-	-	-	-	51,068
	18,413,621	4,147,711	-	444,845	-	23,057,245
Liabilities						
Segments liabilities	1,677,041	15,294	-	886,975	-	2,579,310
Unallocated liabilities	-	-	-	-	-	71,658
Total liabilities	1,677,041	15,294	-	886,975	-	2,650,968

Group	Technology incubation RM	Biofuel related products RM	Information technology and other services RM	Biotechnology products RM	Elimination RM	Total RM
31.01.2013						
Other segment information						
Capital expenditure	1,359,071	-	-	57,003	-	1,416,074
Depreciation of property, plant and equipment	178,147	-	-	99,797	-	277,944
Bad debts written off	1,440,951	-	-	19,093	-	1,460,044
Property, plant and equipment written off	644,277	-	-	-	-	644,277
Impairment loss on other investments	2,222,931	-	-	-	-	2,222,931
Inventories written off	-	-	-	88,535	-	88,535
31.01.2012						
Revenue						
Sales to external customers	505,000	-	4,952,293	59,770	-	5,517,063
Inter-segment revenue	-	-	-	132,128	(132,128)	-
Total revenue	505,000	-	4,952,293	191,898	(132,128)	5,517,063
Results						
Segment results	(7,672,504)	-	3,391,516	(2,040,237)	-	(6,321,225)
Share of results of associated companies	-	-	-	-	-	(1,099,644)
Interest expenses	-	-	-	-	-	(139,783)
Net unallocated expenses	-	-	-	-	-	(10,790,311)
Loss before taxation	-	-	-	-	-	(18,350,963)
Income tax expenses	-	-	-	-	-	(91,570)
Loss for the year	-	-	-	-	-	(18,442,533)

Group *31.01.2012*	Technology incubation RM	Biofuel related products RM	Information technology and other services RM	Biotechnology products RM	Elimination RM	Total RM
Assets						
Segments assets	18,257,748	-	7,661,403	4,918,292	-	30,837,443
Unallocated assets	-	-	-	-	-	230,924
Total assets	18,257,748	-	7,661,403	4,918,292	-	31,068,367
Liabilities						
Segments liabilities	133,891	-	4,009,612	-	-	4,143,503
Unallocated liabilities	-	-	-	-	-	47,246
Total liabilities	133,891	-	4,009,612	-	-	4,190,749
Other segment information						
Capital expenditure	64,350	-	1,883,270	562,597	-	2,510,217
Depreciation of property, plant and equipment	325,834	-	380,356	126,039	-	832,229
Amortisation of intangible assets:						
- software development costs	-	-	-	19,267	-	19,267
- software	-	-	49,037	-	-	49,037
Bad debts written off	20,000	-	-	1,400	-	21,400
Property, plant and equipment written off	401,044	-	-	120,426	-	521,470
Impairment loss on goodwill	80,970	-	-	-	-	80,970
Impairment loss on other investments	16,670,779	-	-	-	-	16,670,779
Software development costs written off	-	-	-	207,116	-	207,116

33. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

a) On 15 March 2012, the Company entered into a Share Sale Agreement to dispose 500,000 ordinary shares of RM1 each representing 19.99% in Oval Alliance Sdn. Bhd. to Goh Tung Kun ("Purchaser") for a total consideration of RM2,700,000. On 16 July 2012, the Purchaser sent a termination notice for this disposal and the partial consideration was forfeited.

b) On 9 April 2012, the Company entered into a Share Sale Agreement with Liew Yeow Hooi and Chew Ean Nar to acquire 81,000 shares representing 81% equity interest in Hexa for a total cash consideration of RM5,500,000. On 12 July 2012 and 17 January 2013, the purchase consideration was reduced to RM550,000.

c) On 20 April 2012, the Company undertook an internal restructuring wherein Zymesolutions, a subsidiary company transferred 70,000 shares representing 70% equity interest in Zyme Engineering to Hexa for a total cash consideration of RM7.

d) On 20 April 2012, the Company undertook a restructuring wherein Zymesolutions, a subsidiary company transferred 2 ordinary shares in Zymescience to the Company for a total cash consideration of RM2.

e) On 27 April 2012, Hexa, a subsidiary company entered into a Share Sale Agreement with QS Systems Sdn. Bhd. to acquire 30,000 shares representing 30% equity interest in Zyme Engineering for a total cash consideration of RM3.

f) On 4 July 2012, the Company undertook an internal restructuring wherein the Company transferred 509,500 shares in Asia Bioenergy Research Sdn. Bhd. to Zyme Engineering for a total cash consideration of RM2.

g) On 31 July 2012, the Company entered into a Share Sale Agreement with XS Capital Sdn. Bhd. to dispose 100,000 shares representing 100% equity interest in Zymescience for a total cash consideration of RM2.

h) On 31 July 2012, the Company entered into a Share Sale Agreement with XS Capital Sdn. Bhd. to dispose 3,729,200 shares representing 79.68% equity interest in Zymesolutions for a cash consideration of RM4,000,000.

i) On 31 July 2012, Hexa entered into a Share Sale Agreement with XS Capital Sdn. Bhd. to dispose 100,000 shares representing 100% equity interest in Zyme Engineering for a total cash consideration of RM50,000.

j) On 11 December 2012, the Company entered into Share Sale Agreement with Biofutures International PLC ("BIP") to dispose 1,143,434 shares representing 1.56% equity interest in Platinum Nanochem Sdn. Bhd. for a total consideration of £999,107, satisfied by the issuance of 14,272,958 ordinary shares of BIP.

k) On 17 January 2013, the Company entered into a Share Sale Agreement with Lim Hai Teng and Lim Cheow Chuen to dispose 84,000 shares representing 28% equity interest in Ecompazz. for a total cash consideration of RM6,000,000. This has been completed on 28 March 2013.

l) On 17 January 2013, the Company entered into a Joint Venture Agreement ("JVA") with Nexfuel wherein Hexa will be used as a special purpose vehicle for a joint venture to develop Hexa's biomass compost pelletizing business using Nexfuel's oil palm trunk peeled lumber machine and technology ("Machinery"). Pursuant to this JVA, Hexa will pay Nexfuel RM2,900,000 for the Machinery satisfied by the issuance of 99,999 shares in Hexa and cash of RM2,800,001.

m) On 31 January 2013, the Company undertook an internal restructuring wherein Hexa, a subsidiary company transferred 6,021,000 ordinary shares representing 100% equity interest in Asia Oleo Sdn. Bhd. (formerly known as Syno Prism Sdn. Bhd.) to the Company for a total consideration of RM4,000,000.

34. SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

a) On 26 March 2013, the Company has completed the proposed disposal of Platinum Nanochem Sdn. Bhd. to Biofutures International PLC ("BIP") at an increased number of consideration shares totalling 21,018,714 new BIP shares wherein Total Platinum Holdings Sdn. Bhd. ("TPH") has an option to acquire at £0.06 after expiry of the 12 months lockup period. This resulted in a gain on disposal of approximately RM5.7 million.

b) On 28 March 2013, the Company acquired the balance 20,000 shares in Eco-Sponge Sdn. Bhd. for a cash consideration of RM2.

35. SUPPLEMENTARY INFORMATION – BREAKDOWN OF ACCUMULATED LOSSES INTO REALISED AND UNREALISED

The breakdown of the accumulated losses of the Group and the Company at end of reporting period into realised and unrealised 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, as issued by the Malaysian Institute of Accountants.

	Group		*Company*	
	2013	2012	2013	2012
	RM	RM	RM	RM
Total accumulated losses of the Group and the Company				
- Realised	(19,745,301)	(19,014,404)	(17,833,194)	(14,581,233)
Total share of accumulated losses of associates:-				
- Realised	-	(584,750)	-	-
Less: Consolidation adjustments	1,841,555	6,077,551	-	-
Accumulated losses of the Group and the Company	(17,903,746)	(13,521,603)	(17,833,194)	(14,581,233)

36. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue on 26 April 2013 by the Board of Directors.

UNAUDITED CONSOLIDATED QUARTERLY RESULTS OF OUR GROUP FOR THE NINE (9) MONTHS FPE 31 OCTOBER 2013

Asia Bioenergy Technologies Berhad

(Company No. 774628-U)
(Incorporated in Malaysia)

QUARTERLY REPORT
for the 3rd Quarter Ended 31 October 2013

Asia Bioenergy Technologies Berhad

(Company No. 774628-U)
(Incorporated in Malaysia)

Quarterly report on results for the 3rd Quarter ended 31 Oct 2013
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(The figures have not been audited)

	Unaudited As at 31 October 2013 RM'000	Audited As at 31 January 2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	4,468	1,286
Investment in associated companies	-	-
Available-for-sale investments	14,028	17,279
Intangible assets	2,353	2,353
	20,849	20,918
Current assets		
Inventories	-	-
Amount due from contract customer	-	-
Trade & other receivables, deposit and prepayments	707	184
Tax recoverable	-	51
Cash and cash equivalents	3,094	1,904
	3,801	2,139
TOTAL ASSETS	24,650	23,057
EQUITY AND LIABILITIES		
Share capital	42,020	38,200
Accumulated losses	(18,818)	(17,904)
Other reserves	-	-
Total equity attributable to owners of the Company	23,202	20,296
Non-controlling interests	47	110
Total equity	23,249	20,406
Non-current liabilities		
Derivative liability	-	-
Hire purchase liabilities	-	-
Lease payables	-	-
Deferred tax liability	-	-
Total non-current liabilities	-	-
Current liabilities		
Trade and other payables	194	2,579
Deferred income	1,207	-
Hire purchase liabilities	-	-
Lease payables	-	-
Tax liability	-	72
Total current liabilities	1,401	2,651
Total liabilities	1,401	2,651
TOTAL EQUITY AND LIABILITIES	24,650	23,057
Net assets per share attributable to equity holders of the Company (sen)	5.52	5.31
Notes:	-	-

The condensed consolidated statement of financial position is prepared based on the consolidated results of the Group for the quarter ended 31 October 2013 and is to be read in conjunction with the audited consolidated financial statements of ABT for the financial year ended 31 January 2013.

Net assets per share is arrived at based on the total Group's net assets over the 420,200,000 ordinary shares of RM0.10 each in issue as at 31 October 2013.

The accompanying notes are an integral part of this quarterly report.

Asia Bioenergy Technologies Berhad

(Company No. 774628-U)
(Incorporated in Malaysia)

Quarterly report on results for the 3rd Quarter ended 31 October 2013
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter for the period ended 31 October 2013 RM'000	Preceding year corresponding quarter ended 31 October 2012 RM'000	Current year-to-date for the period ended 31 October 2013 RM'000	Preceding year corresponding period ended 31 October 2012 RM'000
Revenue	770	274	1,434	1,367
Cost of sales	(758)	(398)	(1,416)	(1,005)
Gross (loss)/profit	12	(124)	18	362
Other operating income	21	-	4,591	546
Operating expenses	(1,947)	(310)	(5,585)	(3,133)
Finance costs	-	-	-	-
Share of loss of associated companies	-	-	-	(2)
Profit before taxation	(1,914)	(434)	(976)	(2,227)
Tax expense	(1)	(15)	(1)	(15)
Profit for the period	(1,915)	(449)	(977)	(2,242)
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	-	-	-	-
Reclassification of exchange reserve	-	-	-	67
Share of other comprehensive income of an associate	-	-	-	-
Total comprehensive income for the period	(1,915)	(449)	(977)	(2,175)
Profit/(Loss) attributable to:				
Owners of the Company	(1,908)	(458)	(914)	(2,233)
Non-controlling interests	(7)	9	(63)	(9)
	(1,915)	(449)	(977)	(2,242)
Total comprehensive income/(loss) attributable to:				
Owners of the Company	(1,908)	(458)	(914)	(2,166)
Non-controlling interests	(7)	9	(63)	(9)
	(1,915)	(449)	(977)	(2,175)
Basic Earnings/(Loss) Per Share attributable to equity owners of the Company (sen)	(0.48)	(0.12)	(0.23)	(0.58)

Notes:

The condensed consolidated statements of comprehensive income are prepared based on the consolidated results of the Group for the quarter ended 31 October 2013 and is to be read in conjunction with the audited consolidated financial statements of ABT for the financial year ended 31 January 2013.

The accompanying notes are an integral part of this quarterly report.

Asia Bioenergy Technologies Berhad

(Company No. 774628-U)
(Incorporated in Malaysia)

Quarterly report on results for the 3rd Quarter ended 31 October 2013
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(The figures have not been audited)

	Period ended 31 October 2013 RM'000	Period ended 31 Oct 2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	(976)	(2,227)
Adjustments for :		
Depreciation of property, plant and equipment	259	222
Gain on disposal of other investment	(4,509)	(439)
Waiver of debt	(54)	-
Deposit forfeited	44	-
Interest Income	(28)	-
Bad debt written off	-	1,072
Inventories written off	-	89
Loss on derecognition of an associate	-	55
Gain on derecognition of a subsidiary	-	(96)
Impairment loss on other investment	3,317	-
Property, Plant and equipment written off	780	644
Share of loss of associated companies	-	2
Operating loss before working capital changes	(1,167)	(678)
Changes in working capital:		
Decrease in inventories	-	5
Increase in trade and other receivables	(515)	(1,428)
(Decrease)/Increase in trade and other payables	(2,384)	2,915
Cash (used in)/generated from operations	(4,066)	814
Income tax (paid)/refunded	(21)	13
Net cash (used in)/generated from operating activities	(4,087)	827
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(4,221)	(1,416)
Interest received	28	-
Purchase of unquoted investment	(900)	-
Proceed from disposal of other investment	6,550	439
Net cash outflow from acquisition of subsidiary company	-	(3,799)
Net cash inflow from disposal of subsidiary companies	-	3,474
Net cash generated from/(used in) investing activities	1,457	(1,302)
CASH FLOWS FROM FINANCING ACTIVITY		
Proceeds from issuance of ordinary shares	3,820	-
Net cash generated from financing activity	3,820	-
Net increase/(decrease) in cash and cash equivalents	1,190	(475)
Cash and cash equivalents at beginning of the period	1,904	633
Cash and cash equivalents at end of the period	3,094	158
Cash and cash equivalents consist of:		
Cash and bank balances	3,094	158

Notes:

The condensed consolidated statements of cash flow for the period ended 31 Oct 2013 is to be read in conjunction with the audited consolidated financial statements of ABT for the financial year ended 31 January 2013.

The accompanying notes are an integral part of this quarterly report.

Asia Bioenergy Technologies Berhad

(Company No. 774628-U)
(Incorporated in Malaysia)

Quarterly report on results for the 3rd Quarter ended 31 October 2013
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(The figures have not been audited)

	Attributable to Owners of the Company					
	Share Capital RM'000	Retained Earnings RM'000	Exchange Reserves RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
Audited						
Balance as at 1 February 2012	38,200	(13,521)	(67)	24,612	2,266	26,878
Purchase of additional shares in subsidiary	-	22	-	22	(22)	-
Dilution in interest in a subsidiary	-	(10)	-	(10)	110	100
Disposal of subsidiaries	-	-	-	-	(2,235)	(2,235)
Total comprehensive (loss)/income for the period	-	(4,395)	67	(4,328)	(9)	(4,337)
Balance as at 31 January 2012	38,200	(17,904)	-	20,296	110	20,406
Unaudited						
Balance as at 1 February 2013	38,200	(17,904)	-	20,296	110	20,406
Ordinary shares issued	3,820	-	-	3,820	-	3,820
Total comprehensive income/(loss) for the period	-	(914)	-	(914)	(63)	(977)
Balance as at 31 Oct 2013	42,020	(18,818)	-	23,202	47	23,249

Notes:

The condensed consolidated statement of changes in equity is prepared based on the consolidated results of the Group for the quarter ended 31 October 2013 and is to be read in conjunction with the audited consolidated financial statements of ABT for the financial year ended 31 January 2013.

The accompanying notes are an integral part of this quarterly report.

Company No. 774628-U

Asia Bioenergy Technologies Berhad

(Company No. 774628-U)
(Incorporated in Malaysia)

Quarterly report on results for the 3rd Quarter ended 31 October 2013

A NOTES TO THE INTERIM FINANCIAL REPORT

A1 Compliance with Malaysia Financial Reporting Standard (FRS) 134, and ACE Market Listing Requirements of Bursa Malaysia Securities Berhad

Basis of preparation
The interim financial statements are unaudited and have been prepared in accordance with Malaysia Financial Reporting Standard ("MFRS") No. 134: Interim Financial Reporting, and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("AMLR").

The interim financial statements should be read in conjunction with the audited consolidated financial statements of ABT for the financial year ended 31 January 2013. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to and understanding the changes in the financial position and performance of the Group for the financial period ended 31 October 2013.

A2 Auditors' report on preceding annual financial statements
There were no audit qualifications in relation to the audited consolidated financial statements of ABT for the financial year ended 31 January 2013.

A3 Seasonal or cyclical factors
There are no seasonal or cyclical factors which materially affect the Group as the primary business of the Group is that of a technology incubator.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows
There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter and financial year-to-date.

A5 Material changes in estimates
There were no changes in estimates that have a material effect in the current financial quarter and financial year-to-date results.

A6 Debt and equity securities
There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities, share buy backs, share cancellation, shares held as treasury share and resale of treasury shares for the financial quarter ended 31 October 2013.

A7 Dividend paid
There were no dividends paid by the Company during the financial quarter ended 31 October 2013.

A8 Segmental Information
Segment information based on the Group's activities is set out below. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Cumulative Quarter Ended 31 October 2013

	Technology Incubation RM'000	Green Technology producta RM'000	Elimination RM'000	Group RM'000
Revenue				
External sales	682	752		1,434
Intersegment revenue	-	-	-	-
	682	752	-	1,434
Results from operating activities	(5)	(128)		(133)
Finance costs				-
Share of profit of associates				-
Net unallocated expenses				(843)
(Loss)/Profit before taxation				(976)
Tax expense				(1)
(Loss)/Profit for the period				(977)
Segment assets	21,319	3,331		24,650
Unallocated assets				-
Total assets				24,650
Segment liabilities	1,268	133		1,401
Unallocated liabilities				-
Total liabilities				1,401

Asia Bioenergy Technologies Berhad

(Company No. 774628-U)
(Incorporated in Malaysia)

Quarterly report on results for the 3rd Quarter ended 31 October 2013

A NOTES TO THE INTERIM FINANCIAL REPORT

A9 Valuation of property, plant and equipment
There was no valuation of the property, plant and equipment in the current financial quarter.

A10 Material events subsequent to the end of the quarter
There were no material events ocurring subsequent to the end of the quarter.

A11 Changes in the composition of the Group
Saved as disclosed in Note B10 and Note C, there have been no changes in the composition of the Group in the current quarter.

A12 Contingent liabilities
The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at reporting date.

A13 Capital commitments
As at 31 October 2013, the Group has no material capital commitments.

A14 Significant related party transactions
During the financial quarter ended 31 October 2013, the Directors are of lhe opinion that the Group has no related party transactions which would have a significant impact on the financial position and business of the Group.

A15 Additional Disclosure Requirements to the Statements of Comprehensive Income

	Current quarter for the period ended 31 October 2013 RM'000	Current year-to-date for the period ended 31 October 2013 RM'000
Bad debts recovered	-	-
Interest income	21	28
Waiver of debt	-	54
Interest expense	-	-
Depreciation and amortisation	(89)	(259)
Provision for and write off of receivable	-	-
Provision for and write off of inventories	-	-
Property, plant and equipment written off	-	(780)
Gain or (loss) of disposal/derecognition of subsidiaries	-	-
Gain or (loss) of disposal of quoted or unquoted investments or properties	-	4,509
Inventories written off	-	-
Impairment of assets	(1,570)	(3,317)
Foreign exchange gain or loss	-	-
Gain or loss on derivatives	-	-
Exceptional items	-	-

Asia Bioenergy Technologies Berhad

(Company No. 774628-U)
(Incorporated in Malaysia)

Quarterly report on results for the 3rd Quarter ended 31 October 2013

B DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1 Review of performance

The ABT Group registered a total comprehensive loss for the period ended 31 October 2013 of approximately RM0.9 million on the back of a revenue of RM1.43 million. A gain of RM4.4 million was recorded in the first quarter ended 30 April 2013 on disposal of Platinum Nanochem Sdn Bhd ("PNSB") to Biofutures International PLC ("Disposal") which was completed at the end of March 2013 with the requotation of Graphene Nanochem PLC ("GN") ("Said Disposal"). A portion of the gain on the Said Disposal is deferred pending shareholders' approval. Various administrative costs and impairment from marking to market our shares in GN resulted in the losses in the last two quarters.

The incubator division registered a slight loss as a result of administrative costs and impeirments. The Green Technology division which includes biomass/biotechnology/biofuel registered minor sales due to sales of Betaine for sampling purposes and project income by an incubatee.

As the Group is involved in incubation activities especially on high technology areas, it hold investments particularly in start-ups. In view thereof, its performance is subjected to various volatilities.

B2 Variation of results against immediate preceding quarter

	Current quarter 31 October 2013 RM'000	Preceeding quarter 31 July 2013 RM'000
Revenue	770	612
Profit/(Loss) before taxation	(1,914)	(1,377)

The revenue in the current quarter is generated from the incubation activities and project income whilst the loss in the current quarter and preceeding quarter is due to incubation division administrative costs and the marking to market of our listed investment per the relevant accounting standards.

B3 Prospects for the current financial year ending 31 January 2014

In respect of the prospects for the coming financial year ending 31 January 2014, the Group will be focusing its efforts on high technology areas especially "green" related such as the palm trunk lumber project anticipated to commence commercial operations by the fourth quarter of the current financial year. We anticipate the prospects for the year to remain challenging in view of uncertain worldwide economic conditions.

B4 Profit forecast, profit guarantee and internal targets

The Group did not provide any profit forecast, profit guarantee or made public any internal targets for the period under review.

B5 Income tax expense

Certain statutory income of its incubatees are exempted from income tax pursuant to the respective capital gains, pioneer status and foreign exempt income. As such, the effective tax rate for the group is lower than the statutory tax rate for the current quarter and financial year to date.

B6 Group's borrowings and debt securities

The Group has no borrowings or debt secutities

B7 Material litigation

As at this reporting date, neither the Company nor its subsidiary companies are engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiary companies and the Board is not aware of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially end edversely affect the position or business of the Company or its subsidiary companies.

Asia Bioenergy Technologies Berhad

(Company No. 774628-U)
(Incorporated in Malaysia)

Quarterly report on results for the 3rd Quarter ended 31 October 2013

B DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B8 Dividends
There was no dividend declared for the financial quarter ended 31 October 2013.

B9 Earnings per share

	Current year quarter		Current year to date	
	31 October 2013	31 October 2012	31 October 2013	31 October 2012
(Loss)/Profit attributable to owners of the Company (RM'000)	(1,908)	(458)	(914)	(2,233)
Weighted average number of shares in issue ('000)	400,750	382,000	400,750	382,000
Effect of issuance of ordinary shares pursuant to private placement ('000)	-	-	-	-
Adjusted weighted average number of shares in issue ('000)	400,750	382,000	400,750	382,000
Gross Interest Income	21	-	28	-
Gross Interest Expense	-	-	-	-
Basic (loss)/earnings per share (sen)	(0.48)	(0.12)	(0.23)	(0.58)

Diluted earnings per share is not computed as the Company did not have any convertible financial instruments as at 31 October 2013.

B10 Status of corporate proposals
Below are the status of corporate proposals by the Company.

a) On 11 March 2013, the Company entered into a collaboration agreement with AT Systemization Berhad ("AT") to set out the terms of collaboration in the supply of biotechnology solutions to schools, government bodies, military bases, national service camps, colleges and universities in Malaysia to convert food waste to organic fertilizer. As at 11 November 2013, AT and the Company finalised its terms of collaboration via the formation of Yellow Choice Sdn Bhd,a special purpose vehicle for the collaboration.

b) On 23 September 2013, the Company announced the proposed renounceable rights issue of up to 420,200,000 new ordinary shares of RM0.10 each in the Company ("Rights Share") together with up to 420,200,000 new free detachable warrants ("Warrants") at an issue price of RM0.10 per Rights Share on the basis of one (1) Rights Share together with one (1) Warrant for every one (1) existing share of RM0.10 held in the Company. This proposal is pending completion.

B11 Realised and Unrealised Profit/(Loss)
Breakdown of the Group's realised and unrealised profits are as follows

	As at	
	31 October 2013	31 January 2012
	RM'000	RM'000
Unappropriated profits of Company and subsidiaries		
Realised	(20,528)	(19,745)
Unrealised	-	-
	(20,528)	(19,745)
Share of retained profits of associates		
Realised	-	-
Unrealised	-	-
	(20,528)	(19,745)
Less : Consolidated adjustments	1,711	1,842
Total Group Retained Profits/(Loss)	(18,818)	(17,904)

B12 Status of Utilisation of Proceeds
Status of utilisation of proceeds derived from the private placement of 38,200,000 Shares in ABT by the Company as at 31 October 2013.

	Proposed Utilisation	Actual Utilisation	Unutilised proceeds	Deviation	Timeframe for the utilisation of proceeds
	RM'000	RM'000	RM'000	RM'000	
Technology incubation fund	3,280	(944)	2,336	-	Within 3 years
Working capital	500	(500)	-	-	Within 1 year
Estimated expenses	40	(40)	-	-	Within 1 month
	3,820	(1,484)	2,336	0	

B13 Authorisation for issue
The interim financial statements were authorised for issue by the Board of Directors in accordance with the resolution of the Board of Directors dated 5 December 2013.

On Behalf of the Board

Wong Wei Fong
Loh Woan Fen
Company Secretaries

Date: 5 December 2013.

Approved by,

Looi Kem Loong
Executive Director

Company No. 774628-U

Asia Bioenergy Technologies Berhad

(Company No. 774628-U)
(Incorporated in Malaysia)

Quarterly report on results for the 3rd Quarter ended 31 October 2013

B DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B8 Dividends
There was no dividend declared for the financial quarter ended 31 October 2013.

B9 Earnings per share

	Current year quarter		Current year to date	
	31 October 2013	31 October 2012	31 October 2013	31 October 2012
(Loss)/Profit attributable to owners of the Company (RM'000)	(1,908)	(458)	(914)	(2,233)
Weighted average number of shares in issue ('000)	400,750	382,000	400,750	382,000
Effect of issuance of ordinary shares pursuant to private placement ('000)	-	-	-	-
Adjusted weighted average number of shares in issue ('000)	400,750	382,000	400,750	382,000
Gross Interest Income	21	-	28	-
Gross Interest Expense	-	-	-	-
Basic (loss)/earnings per share (sen)	(0.48)	(0.12)	(0.23)	(0.58)

Diluted earnings per share is not computed as the Company did not have any convertible financial instruments as at 31 October 2013.

B10 Status of corporate proposals
Below are the status of corporate proposals by the Company.

a) On 11 March 2013, the Company entered into a collaboration agreement with AT Systemization Berhad ("AT") to set out the terms of collaboration in the supply of biotechnology solutions to schools, government bodies, military bases, national service camps, colleges and universities in Malaysia to convert food waste to organic fertilizer. As at 11 November 2013, AT and the Company finalised its terms of collaboration via the formation of Yellow Choice Sdn Bhd,a special purpose vehicle for the collaboration.

b) On 23 September 2013, the Company announced the proposed renounceable rights issue of up to 420,200,000 new ordinary shares of RM0.10 each in the Company ("Rights Share") together with up to 420,200,000 new free detachable warrants ("Warrants") at an issue price of RM0.10 per Rights Share on the basis of one (1) Rights Share together with one (1) Warrent for every one (1) existing share of RM0.10 held in the Company. This proposal is pending completion.

B11 Realised and Unrealised Profit/(Loss)
Breakdown of the Group's realised and unrealised profits are as follows

	As at	
	31 October 2013	31 January 2012
	RM'000	RM'000
<u>Unappropriated profits of Company and subsidiaries</u>		
Realised	(20,528)	(19,745)
Unrealised	-	-
	(20,528)	(19,745)
<u>Share of retained profits of associates</u>		
Realised	-	-
Unrealised	-	-
	(20,528)	(19,745)
Less : Consolidated adjustments	1,711	1,842
Total Group Retained Profits/(Loss)	(18,818)	(17,904)

B12 Status of Utilisation of Proceeds
Status of utilisation of proceeds derived from the private placement of 38,200,000 Shares in ABT by the Company as at 31 October 2013.

	Proposed Utilisation	Actual Utilisation	Unutilised proceeds	Deviation	Timeframe for the utilisation of proceeds
	RM'000	RM'000	RM'000	RM'000	
Technology incubation fund	3,280	(944)	2,336	-	Within 3 years
Working capital	500	(500)	-	-	Within 1 year
Estimated expenses	40	(40)	-	-	Within 1 month
	3,820	(1,484)	2,336	0	

B13 Authorisation for Issue
The interim financial statements were authorised for issue by the Board of Directors in accordance with the resolution of the Board of Directors dated 5 December 2013.

On Behalf of the Board

Wong Wei Fong
Loh Woan Fen
Company Secretaries

Date: 5 December 2013.

Company No. 774628-U

APPENDIX VII

DIRECTORS' REPORT

Registered Office:
B-11-10 Level 11 Megan Avenue II
Jalan Yap Kwan Seng
50450 Kuala Lumpur

ASIABIO GROUP

Date 20 MAR 2014

To: The Entitled Shareholders of Asia Bioenergy Technologies Berhad

Dear Sir/Madam,

On behalf of the Board of Directors ("Board") of Asia Bioenergy Technologies Berhad (the "Company"), I wish to report that, after due inquiries in relation to the Company and its subsidiaries "Group") during the period between 31 January 2013, being the date on which the latest audited consolidated statements have been made up, and the date hereof, being a date not earlier than 14 days before the issue of this Abridged Prospectus), that:

(a) the business of the Group has, in the opinion of the Board, been satisfactorily maintained;

(b) in the opinion of the Board, no circumstances have arisen since the last audited consolidated financial statements of the Group which have adversely affected the trading or the value of the assets of the Group;

(c) the current assets of the Group appear in the books at values which are believed to be realisable in the ordinary course of business;

(d) there are no any contingent liabilities which have arisen by reason of any guarantees or indemnities given by any company within the Group;

(e) there has been no default or any known event that could give rise to a default situation, in respect of payment of either interest and/or principal sums in relation to any borrowings; and

(f) there have been no material changes in the published reserves or any unusual factors affecting the profits of the Group since the last audited consolidated financial statements of the Group.

Yours faithfully,
For and on behalf of the Board
ASIA BIOENERGY TECHNOLOGIES BERHAD

LOOI KEM LOONG
EXECUTIVE DIRECTOR

Asia Bioenergy Technologies Berhad (774628-U)

Corporate Office
A-3A09, Oasis Ara Damansara, No.2, Jalan PJU 1A/7A,
47301 Petaling Jaya, Selangor D.E., Malaysia.
T 603 7734 2222/11/66 F 603 7734 2299
www.asiabio.com.my BURSA MALAYSIA

ADDITIONAL INFORMATION

1. SHARE CAPITAL

(i) Save for the Rights Shares, Warrants and the new Shares to be issued pursuant to the exercise of the Warrants, no securities shall be allotted or issued on the basis of this Abridged Prospectus later than twelve (12) months after the date of the issuance of this Abridged Prospectus.

(ii) As at the date of this Abridged Prospectus, there is no founder, management, deferred shares or preference shares in the share capital of our Company. There is only one (1) class of shares in our Company, namely ordinary shares of RM0.10 each, all of which rank *pari passu* with one another.

(iii) All the Rights Shares and the new Shares to be issued pursuant to the exercise of Warrants shall, upon allotment and issuance, rank *pari passu* in all respects with the then existing issued and paid-up ordinary share capital, save and except that such Shares shall not be entitled to any dividend, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment of such Shares.

(iv) As at the date of this Abridged Prospectus, save for the Entitled Shareholders who will be provisionally allotted the Rights Shares together with Warrants under the Rights Issue with Warrants no person has been or is entitled to be given an option to subscribe for any shares, stocks or debentures of our Company or our subsidiaries as of the date of this Abridged Prospectus.

(v) Save for the Rights Issue with Warrants and as disclosed in Appendix III of this Abridged Prospectus, none of our securities have been issued or agreed to be issued either as fully or partly paid-up otherwise than in cash, within the two (2) years immediately preceding the date of this Abridged Prospectus.

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2. ARTICLES OF ASSOCIATION

The provisions in our Articles of Association in relation to the remuneration of our Directors are as follows:

Remuneration of Directors
Article 76

(a) The Directors shall be paid by way of fees for their services, such fixed sums (if any) as shall from time to time be determined by the Company in general meeting and shall (unless such resolution otherwise provide) be divisible among the Directors as they may agree, or, failing agreement, equally PROVIDED ALWAYS that:-

(i) fees payable to Directors who hold no executive office in the Company shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover;

(ii) salaries and other emoluments payable to Directors who hold an executive office in the Company pursuant to a contract of service need not be determined by the Company in general meeting but such salaries and emoluments may not include a commission on or percentage of turnover;

(iii) any Director holding office for a part of a period shall only be entitled to a proportionate part of that fees; and

(iv) fees payable to the Directors shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in notice convening the meeting.

(b) The Directors may be entitled to be reimbursed all travelling or such reasonable expenses as may be incurred in attending and returning from meetings of the Directors or of any committee of the Directors or general meeting or otherwise howsoever incurred in the course of the performance of their duties as Directors.

(c) Any Directors who is appointed to any executive office or serves on any committee or who otherwise performs or renders services, which in the opinion of the Directors are outside his ordinary duties as a Director, may be paid such extra remuneration as the Directors may determine, subject however as is hereinafter provided in this Article.

(d) Any fee paid to an alternate Director shall be such as agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Director may hold Other Office or Contract with the Company
Article 86

(a) A Director will not be disqualified from office for having contracted with the Company either as vendor, purchaser or otherwise nor will such a contract or any contract or arrangement entered into by or on behalf of the Company in which a Director is in any way, whether directly or indirectly, interested be avoided nor will a Director be liable, by reason of holding his office or of the fiduciary relations thereby established, to account to the Company for any profit arising from such a contract or from such contracts or arrangements PROVIDED ALWAYS that Sections 131 and 132E of and all other relevant provisions of the Act, the Listing Requirements and these Articles are complied with.

(b) A Director may by himself or through his firm act in a professional capacity for the Company (except as auditors of the Company), and the Director or his firm will be entitled to remuneration for professional services rendered to the Company.

(c) A Director may hold any other office or place of profit (except that of auditor) in the Company in conjunction with the office of Director and the remuneration of such a Director will be determined by resolution of the Directors or the Company.

(d) A Director of the Company may be or become a director or officer of or otherwise interested in any corporation promoted by the Company or in which the Company may be interested as a shareholder or otherwise and such a Director will not be accountable to the Company for any remuneration or other benefits received by him as a director or officer of or from his interest in the other corporation.

Power to establish pension funds etc. for Directors and Employees
Article 87

Subject to the Act, the Directors may:

(a) procure the establishment and maintenance of or participation in or contribution to any non-contributory or contributory pension or superannuation fund, scheme or arrangement or life assurance scheme or arrangement for the benefit of; or

(b) pay, provide for or procure the grant of donations, gratuities, pensions, allowances, bonuses, loans, credit, benefits or emoluments to; or

(c) procure the establishment and subsidy of or subscription and support to any institutions, associations, clubs, funds or trusts calculated to advance the interests and well being or for the benefit of; or

(d) pay for or towards the insurance of,

any Directors (whether or not he holds or has held any executive office or employment with the Company), officers and employees and former Directors of the Company, officers and employees of:

(i) the Company; or

(ii) A body corporate which is or has been a Subsidiary of the Company,

and any member of his family (including, a spouse and former spouse, widow, his child and parents) or any person who is or was dependent on him.

Remuneration of Managing Director
Article 110

A Managing Director shall, subject to the terms of any agreement entered into in any particular case, receive remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors may determine.

Alternate Director
Article 112

(a) (i) Any Directors may at any time by writing under his hand and deposited at the Office appoint any person (to be approved by a majority of the other Directors by way of Directors' resolution) to be his alternate Director and may in like manner at any time terminate such appointment.

(ii) An alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote.

(b) The appointment of an alternate Director shall ipso facto cease:

(i) on the happening of any event which, if he were a Director, would render him legally disqualified from acting as a Director;

(ii) if he has a receiving order made against him or compounds with his creditors generally;

(iii) if he becomes of unsound mind; or

(iv) if his appointer ceases for any reason to be Director;

Provided that if any Director retires by rotation but is re-elected by the meeting or is pursuant to the provision of these Articles deemed to be re-elected at the meeting at which such retirement took effect, any appointment made by him pursuant to this Article which was in force immediately prior to this retirement shall continue to operate after such re-election as if he had not retired. Every person acting as an alternate Director shall be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults and he shall not be deemed to be the agent of or for the Director appointing him.

All appointments and removals of alternate Directors made by any Director in pursuance of the provisions of this Article shall be in writing under the hand of the Director making the same and left at the Office.

(c) An alternate Director shall be entitled (subject to his giving to the Company an address within Malaysia at which notices may be served on him) to receive notice of meetings of the Directors and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally in the absence of his appointer to perform all the functions of his appointer as a Director.

(d) The appointer of an alternate Director may by notice in writing to the Company from time to time direct the Company that the alternate Director be reimbursed by the Company expenses that has been reasonably and properly incurred by him as if he was a Director and is entitled to receive from the Company such proportion (if any) of the remuneration otherwise payable to his appointer as such but save as aforesaid the alternate Director shall not in respect of such appointment be entitled to receive any remuneration from the Company.

Associate Director
Article 113

The Director may from time to time appoint any person to be an associate Director and may from time to time cancel any such appointment. The Directors may fix, determine and vary the powers, duties and remuneration of any person so appointed. The person so appointed shall not be required to hold any shares to qualify him for appointment nor have any right to attend or vote at any meeting of Directors except by the invitation and with the consent of the Directors.

3. MATERIAL CONTRACTS

As at the LPD, save for the Deed Poll, there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by our Group within the past two (2) years preceding the date of this Abridged Prospectus.

4. MATERIAL LITIGATION

As at the LPD, our Board confirms that neither our Company nor any of our subsidiaries are engaged in any material litigation, claims or arbitration as at the LPD, either as plaintiff or defendant, and our Board is not aware and does not has any knowledge of any proceedings pending or threatened against our Group or any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of our Group.

5. GENERAL

(i) The nature of our business is set out in Section 1, Appendix III of this Abridged Prospectus. Save as disclosed in Section 5, Appendix III of this Abridged Prospectus, there are no corporations that are related to our Company by virtue of Section 6 of the Act as at the date of this Abridged Prospectus.

(ii) The total estimated expenses of or in connection with the Proposals including professional fees, fees payable to the relevant authorities, registration and other incidental expenses of approximately RM500,000 will be borne by our Company.

(iii) None of our Directors have any existing or proposed service contracts with our Company or our subsidiaries, excluding contracts expiring or determinable by the employing company without payment or compensation (other than statutory compensation) within one (1) year of the date of this Abridged Prospectus.

(iv) Save as disclosed in this Abridged Prospectus, our Directors are not aware of any material information including trade factors or risks which are unlikely to be known or anticipated by the general public and which could materially affect the profits of our Group.

(v) Save as disclosed in this Abridged Prospectus and to the best knowledge of our Board, the financial conditions and operations of our Group are not affected by any of the following:

(a) known trends or known demands, commitments, events or uncertainties that will result in or are reasonably likely to result in our Group's liquidity increasing or decreasing in any material way;

(b) material commitments for capital expenditure;

(c) unusual of infrequent events or transactions or significant economic changes that will materially affect the amount of reported income from operations;

(d) known trends or uncertainties that have had or that our Group reasonably expects to have a material favourable or unfavourable impact of our Group's revenue or operating income; and

(e) substantial increase in revenue.

6. WRITTEN CONSENTS

The written consents of the Adviser, Company Secretaries, Principal Banker, Share Registrar, Independent Market Researcher and the Solicitors for the Rights Issue with Warrants to the inclusion in this Abridged Prospectus of their names in the form and context in which they appear have been given before issuance of this Abridged Prospectus and have not subsequently been withdrawn.

The written consent of the Auditors/Reporting Accountants to the inclusion in this Abridged Prospectus of their names and letters relating to the audited consolidated financial statements of our Group for the FYE 31 January 2013 and the proforma consolidated statement of financial position of our Group as at 31 January 2013 respectively, in the form and context in which they appear have been given before the issuance of this Abridged Prospectus and have not subsequently been withdrawn.

7. DOCUMENTS FOR INSPECTION

Copies of the following documents are made available for inspection at our Registered Office at B-11-10, Level 11, Megan Avenue II, Jalan Yap Kwan Seng, 50450 Kuala Lumpur during normal business hours from Monday to Friday (except public holidays) for a period of twelve (12) months from the date of this Abridged Prospectus:

(i) Our MA;

(ii) Our audited consolidated financial statements for the FYE 31 January 2011, 2012 and 2013;

(iii) Our unaudited consolidated results for the nine (9) months FPE 31 October 2013;

(iv) The proforma consolidated statement of financial position of our Group as at 31 January 2013 together with the notes and Reporting Accountants' letter thereon as set out in Appendix IV of this Abridged Prospectus;

(v) The Deed Poll;

(vi) The Directors' Report as set out in Appendix VII of this Abridged Prospectus;

(vii) The consent letters referred to in Section 6 of this Appendix;

(viii) The Undertaking as referred to in Section 2.5 of this Abridged Prospectus; and

(ix) Overview of the Palm Oil, Renewable Energy and Biomass Industries dated 14 March 2014 prepared by Protégé Associates Sdn Bhd.

8. RESPONSIBILITY STATEMENT

This Abridged Prospectus together with its accompanying documents have been seen and approved by our Board and they collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statement herein false or misleading.

M&A Securities, being the Adviser for the Rights Issue with Warrants, acknowledges that, based on all available information and to the best of its knowledge and belief, this Abridged Prospectus constitutes a full and true disclosure of all material facts concerning this Rights Issue with Warrants.

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