



**Asia Bioenergy Technologies Berhad**

(Company No. 774628-U)

(Incorporated in Malaysia)

**QUARTERLY REPORT  
for the 4th Quarter Ended 31 January 2014**

# Asia Bioenergy Technologies Berhad

(Company No. 774628-U)

(Incorporated in Malaysia)

## Quarterly report on results for the 4th Quarter ended 31 Jan 2014 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*(The figures have not been audited)*

	Unaudited As at 31 January 2014 RM'000	Audited As at 31 January 2013 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	4,400	1,286
Investment in associated companies	-	-
Available-for-sale investments	11,366	17,279
Intangible assets	2,352	2,353
	18,118	20,918
<b>Current assets</b>		
Trade & other receivables, deposit and prepayments	712	184
Tax recoverable	-	51
Inventories - Investment securities	4,091	-
Deposit with Financial Institution	1,900	-
Cash and cash equivalents	1,224	1,904
	7,927	2,139
<b>TOTAL ASSETS</b>	26,045	23,057
<b>EQUITY AND LIABILITIES</b>		
Share capital	42,020	38,200
Accumulated losses	(18,549)	(17,904)
Other reserves	-	-
<b>Total equity attributable to owners of the Company</b>	23,471	20,296
Non-controlling interests	45	110
<b>Total equity</b>	23,516	20,406
<b>Non-current liabilities</b>		
Derivative liability	-	-
Hire purchase liabilities	-	-
Lease payables	-	-
Deferred tax liability	-	-
<b>Total non-current liabilities</b>	-	-
<b>Current liabilities</b>		
Trade and other payables	595	2,579
Deferred income	1,934	-
Hire purchase liabilities	-	-
Lease payables	-	-
Tax liability	-	72
<b>Total current liabilities</b>	2,529	2,651
<b>Total liabilities</b>	2,529	2,651
<b>TOTAL EQUITY AND LIABILITIES</b>	26,045	23,057
<b>Net assets per share attributable to equity holders of the Company (sen)</b>	5.59	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 January 2014 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 January 2014.

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 4th Quarter ended 31 January 2014 CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter for the period ended 31 January 2014 RM'000	Preceding year corresponding quarter ended 31 January 2013 RM'000	Current year-to-date for the period ended 31 January 2014 RM'000	Preceding year corresponding period ended 31 January 2013 RM'000
Revenue	2,266	946	3,700	2,313
Cost of sales	(2,216)	(804)	(3,632)	(1,809)
Gross (loss)/profit	50	142	68	504
Other operating income	(82)	496	4,509	1,042
Operating expenses	299	(930)	(5,286)	(5,861)
Finance costs	-	-	-	-
Share of loss of associated companies	-	(1,798)	-	(2)
Loss before taxation	267	(2,090)	(709)	(4,317)
Tax expense	-	(71)	(1)	(86)
Loss for the period	267	(2,161)	(710)	(4,403)
Other comprehensive income: <u>Items that may be reclassified subsequently to profit or loss:</u>				
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	267	(2,161)	(710)	(4,336)
(Loss) attributable to:				
Owners of the Company	269	(2,161)	(645)	(4,394)
Non-controlling interests	(2)	-	(65)	(9)
	267	(2,161)	(710)	(4,403)
Total comprehensive(loss) attributable to:				
Owners of the Company	269	(2,161)	(645)	(4,327)
Non-controlling interests	(2)	-	(65)	(9)
	267	(2,161)	(710)	(4,336)
Basic Earnings/(Loss) Per Share attributable to equity owners of the Company (sen)	0.07	(0.57)	(0.16)	(1.15)

### Notes:

The condensed consolidated statements of comprehensive income are prepared based on the consolidated results of the Group for the quarter ended 31 January 2014 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)

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## Quarterly report on results for the 4th Quarter ended 31 January 2014

### CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(The figures have not been audited)

	Period ended 31 January 2014 RM'000	Period ended 31 January 2013 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	(709)	(4,317)
Adjustments for :		
Depreciation of property, plant and equipment	325	278
Gain on disposal of other investment	(4,455)	(439)
Waiver of debt	(54)	-
Deposit forfeited	44	-
Loss on disposals of investment securities	16	-
Bad debt written off	-	1,460
Investment/Inventories written off	-	89
Gain on bargain purchase of a subsidiary	-	(352)
Loss on change in fairvalue	562	-
Loss on derecognition of an associate	-	55
Gain on derecognition of a subsidiary	-	(96)
Impairment loss on other investment	2,018	2,223
Property, Plant and equipment written off	798	644
Share of loss of associated companies	-	2
Operating loss before working capital changes	<u>(1,455)</u>	<u>(453)</u>
Changes in working capital:		
Deposits with Financial Institution	(1,900)	-
Proceeds from disposal of Investment securities	1,528	-
Purchase of investment securities	(6,197)	-
Increase in inventories	-	5
Increase in trade and other receivables	(517)	(1,725)
(Decrease)/Increase in trade and other payables	(1,985)	1,337
Cash (used in)/generated from operations	<u>(10,526)</u>	<u>(836)</u>
Income tax (paid)/refunded	(21)	61
Net cash (used in)/generated from operating activities	<u>(10,547)</u>	<u>(775)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(4,237)	(1,416)
Purchase of unquoted investment	(919)	-
Proceed from disposal of other investment	11,203	439
Net cash outflow from acquisition of subsidiary company	-	(551)
Net cash inflow from disposal of subsidiary companies	-	3,474
Net cash generated from/(used in) investing activities	<u>6,047</u>	<u>1,946</u>
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>		
Proceeds from issuance of ordinary shares	<u>3,820</u>	<u>100</u>
Net cash generated from financing activity	<u>3,820</u>	<u>100</u>
Net increase/(decrease) in cash and cash equivalents	(680)	1,271
Cash and cash equivalents at beginning of the period	1,904	633
Cash and cash equivalents at end of the period	<u><u>1,224</u></u>	<u><u>1,904</u></u>
<u>Cash and cash equivalents consist of:</u>		
Cash and bank balances	<u><u>1,224</u></u>	<u><u>1,904</u></u>

Notes:

The condensed consolidated statements of cash flow for the period ended 31 Jan 2014 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)

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## Quarterly report on results for the 4th Quarter ended 31 January 2014 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

*(The figures have not been audited)*

	----- Attributable to Owners of the Company -----			Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Retained Earnings RM'000	Exchange Reserves RM'000			
<b>Audited</b>						
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 2013	<u>38,200</u>	<u>(17,904)</u>	<u>-</u>	<u>20,296</u>	<u>110</u>	<u>20,406</u>
<b>Unaudited</b>						
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	-	(645)	-	(645)	(65)	(710)
Balance as at 31 Jan 2014	<u>42,020</u>	<u>(18,549)</u>	<u>-</u>	<u>23,471</u>	<u>45</u>	<u>23,516</u>

### Notes:

The condensed consolidated statement of changes in equity is prepared based on the consolidated results of the Group for the quarter ended 31 Jan 2014 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

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## Quarterly report on results for the 4th Quarter ended 31 January 2014

### 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 January 2014.

#### A7 Dividend paid

There were no dividends paid by the Company during the financial quarter ended 31 January 2014.

#### 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 January 2014

	Technology incubation RM'000	Green Technology products RM'000	Elimination RM'000	Group RM'000
Revenue				
External sales	1,574	2,126		3,700
Intersegment revenue	-	-	-	-
	<u>1,574</u>	<u>2,126</u>	<u>-</u>	<u>3,700</u>
Results from operating activities	(3,380)	(135)		(3,515)
Finance costs				-
Share of profit of associates				-
Net unallocated expenses				2,806
(Loss)/Profit before taxation				<u>(709)</u>
Tax expense				(1)
(Loss)/Profit for the period				<u>(710)</u>
Segment assets	21,680	4,365		26,045
Unallocated assets				-
Total assets				<u>26,045</u>
Segment liabilities	2,002	527		2,529
Unallocated liabilities				-
Total liabilities				<u>2,529</u>

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## Quarterly report on results for the 4th Quarter ended 31 January 2014

### 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 occurring 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 January 2014, the Group has no material capital commitments.

#### A14 Significant related party transactions

During the financial quarter ended 31 January 2014, the Directors are of the 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 January 2014 RM'000	Current year-to-date for the period ended 31 January 2014 RM'000
Bad debts recovered	-	-
Interest income	18	46
Waiver of debt	-	54
Interest expense	-	-
Depreciation and amortisation	(66)	(325)
Provision for and write off of receivable	-	-
Provision for and write off of inventories	-	-
Property, plant and equipment written off	(18)	(798)
Gain or (loss) of disposal/derecognition of subsidiaries	-	-
Gain or (loss) of disposal of quoted or unquoted investments or properties	(54)	4,455
Inventories written off	-	-
Impairment of assets	1,299	(2,018)
Loss on change of fairvalue	(562)	(562)
Foreign exchange gain or loss	-	-
Gain or loss on derivatives	-	-
Exceptional items	-	-

# Asia Bioenergy Technologies Berhad

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### **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 January 2014 of approximately RM 710k on the back of a revenue of RM3.7 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 requote 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 second and third quarters, while an improvement was shown in the fourth quarter due to recovery of GN market price.

The incubator division registered a loss as a result of administrative costs and impairments. The Green Technology division which includes biomass/biotechnology/biofuel registered revenue 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**

	<b>Current quarter 31 January 2014 RM'000</b>	<b>Preceding quarter 31 October 2013 RM'000</b>
Revenue	2,266	770
Profit/(Loss) before taxation	267	(1,914)

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

#### **B3 Prospects for the current financial year ending 31 January 2015**

In respect of the prospects for the coming financial year ending 31 January 2015, 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 soon. 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 securities

#### **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 and adversely affect the position or business of the Company or its subsidiary companies.

#### **B8 Dividends**

There was no dividend declared for the financial quarter ended 31 January 2014.



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## Quarterly report on results for the 4th Quarter ended 31 January 2014

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

#### B9 Earnings per share

	Current year quarter		Current year to date	
	31 January 2014	31 January 2013	31 January 2014	31 January 2013
(Loss)/Profit attributable to owners of the Company (RM'000)	269	(2,161)	(645)	(4,394)
Weighted average number of shares in issue ('000)	405,653	382,000	405,653	382,000
Effect of issuance of ordinary shares pursuant to private placement ('000)	-	-	-	-
Adjusted weighted average number of shares in issue ('000)	<u>405,653</u>	<u>382,000</u>	<u>405,653</u>	<u>382,000</u>
Gross Interest Income	18	-	46	-
Gross Interest Expense	-	-	-	-
Basic (loss)/earnings per share (sen)	0.07	(0.57)	(0.16)	(1.15)

Diluted earnings per share is not computed as the Company did not have any convertible financial instruments as at 31 January 2014.

#### B10 Status of corporate proposals

Below are the status of corporate proposals by the Company.

- 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.
- 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 January 2014 RM'000	31 January 2013 RM'000
<u>Unappropriated profits of Company and subsidiaries</u>		
Realised	(20,262)	(19,745)
Unrealised	-	-
	<u>(20,262)</u>	<u>(19,745)</u>
<u>Share of retained profits of associates</u>		
Realised	-	-
Unrealised	-	-
	<u>(20,262)</u>	<u>(19,745)</u>
Less : Consolidated adjustments	1,714	1,842
Total Group Retained Profits/(Loss)	<u>(18,549)</u>	<u>(17,904)</u>

#### B12 Status of Utilisation of Proceeds

Stat

	Proposed Utilisation RM'000	Actual Utilisation RM'000	Unutilised proceeds RM'000	Deviation RM'000	Timeframe for the utilisation of proceeds
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
	<u>3,820</u>	<u>(1,484)</u>	<u>2,336</u>	<u>0</u>	

#### 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 27 March 2014.

On Behalf of the Board

Wong Wei Fong  
Loh Woan Fen  
Company Secretaries

Date: 28 March 2014