



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: <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	<u>(1,915)</u>	<u>(449)</u>	<u>(977)</u>	<u>(2,175)</u>
Profit/(Loss) attributable to:				
Owners of the Company	(1,908)	(458)	(914)	(2,233)
Non-controlling interests	(7)	9	(63)	(9)
	<u>(1,915)</u>	<u>(449)</u>	<u>(977)</u>	<u>(2,242)</u>
Total comprehensive income/(loss) attributable to:				
Owners of the Company	(1,908)	(458)	(914)	(2,166)
Non-controlling interests	(7)	9	(63)	(9)
	<u>(1,915)</u>	<u>(449)</u>	<u>(977)</u>	<u>(2,175)</u>
Basic Earnings/(Loss) Per Share attributable to equity owners of the Company (sen)	<u>(0.48)</u>	<u>(0.12)</u>	<u>(0.23)</u>	<u>(0.58)</u>

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.

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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	<u>(1,167)</u>	<u>(678)</u>
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	<u>(4,066)</u>	<u>814</u>
Income tax (paid)/refunded	(21)	13
Net cash (used in)/generated from operating activities	<u>(4,087)</u>	<u>827</u>
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	<u>1,457</u>	<u>(1,302)</u>
CASH FLOWS FROM FINANCING ACTIVITY		
Proceeds from issuance of ordinary shares	3,820	-
Net cash generated from financing activity	<u>3,820</u>	<u>-</u>
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	<u><u>3,094</u></u>	<u><u>158</u></u>
Cash and cash equivalents consist of:		
Cash and bank balances	<u><u>3,094</u></u>	<u><u>158</u></u>

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

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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-----			Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Retained Earnings RM'000	Exchange Reserves RM'000			
<u>Audited</u>						
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	<u>38,200</u>	<u>(17,904)</u>	<u>-</u>	<u>20,296</u>	<u>110</u>	<u>20,406</u>
<u>Unaudited</u>						
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	<u>42,020</u>	<u>(18,818)</u>	<u>-</u>	<u>23,202</u>	<u>47</u>	<u>23,249</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 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.

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

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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 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 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 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 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	-	-

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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 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 ("PNBSB") to Biofutures International PLC ("Disposal") which was completed at the end of March 2013 with the re quotation 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 impairments. 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	Preceding 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 preceding 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 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.

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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)	<u>400,750</u>	<u>382,000</u>	<u>400,750</u>	<u>382,000</u>
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 RM'000	31 January 2012 RM'000
<u>Unappropriated profits of Company and subsidiaries</u>		
Realised	(20,528)	(19,745)
Unrealised	-	-
	<u>(20,528)</u>	<u>(19,745)</u>
<u>Share of retained profits of associates</u>		
Realised	-	-
Unrealised	-	-
	<u>(20,528)</u>	<u>(19,745)</u>
Less : Consolidated adjustments	1,711	1,842
Total Group Retained Profits/(Loss)	<u>(18,818)</u>	<u>(17,904)</u>

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 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 5 December 2013.

On Behalf of the Board

Wong Wei Fong
Loh Woan Fen
Company Secretaries

Date: 5 December 2013.