



Asia Bioenergy Technologies Berhad

(Company No. 774628-U)

(Incorporated in Malaysia)

QUARTERLY REPORT
for the 4th Quarter Ended 31 January 2013

Asia Bioenergy Technologies Berhad

(Company No. 774628-U)

(Incorporated in Malaysia)

Quarterly report on results for the 4th Quarter ended 31 January 2013 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(The figures have not been audited)

	Unaudited As at 31 January 2013 RM'000	Audited As at 31 January 2012 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,286	6,436
Investment in associated companies	-	3,419
Available-for-sale investments	17,280	6,414
Intangible assets	2,353	12,328
	20,919	28,597
Current assets		
Inventories	-	94
Amount due from contract customer	-	-
Trade & other receivables, deposit and prepayments	184	1,514
Tax recoverable	51	231
Cash and cash equivalents	1,904	633
	2,139	2,472
TOTAL ASSETS	23,058	31,069
EQUITY AND LIABILITIES		
Share capital	38,200	38,200
Accumulated losses	(17,903)	(13,521)
Other reserves	-	(67)
Total equity attributable to owners of the Company	20,297	24,612
Non-controlling interests	110	2,266
Total equity	20,407	26,878
Non-current liabilities		
Term loan	-	2,345
Hire purchase liabilities	-	833
Lease payables	-	8
Deferred tax liability	-	9
Total non-current liabilities	-	3,195
Current liabilities		
Trade and other payables	2,579	575
Term loan	-	104
Hire purchase liabilities	-	187
Lease payables	-	91
Tax liability	72	39
Total current liabilities	2,651	996
Total liabilities	2,651	4,191
TOTAL EQUITY AND LIABILITIES	23,058	31,069
Net assets per share attributable to equity holders of the Company (sen)	5.31	6.44

Notes:

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The condensed consolidated statement of financial position is prepared based on the consolidated results of the Group for the quarter ended 31 January 2013 and is to be read in conjunction with the audited consolidated financial statements of ABT for the financial year ended 31 January 2012.

Net assets per share is arrived at based on the total Group's net assets over the 382,000,000 ordinary shares of RM0.10 each in issue as at 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 4th Quarter ended 31 January 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 January 2013 RM'000	Preceding year corresponding quarter ended 31 January 2012 RM'000	Current year-to-date for the period ended 31 January 2013 RM'000	Preceding year corresponding period ended 31 January 2012 RM'000
Revenue	946	398	2,313	5,517
Cost of sales	(804)	(159)	(1,809)	(1,977)
Gross profit	142	239	504	3,540
Other operating income	374	-	920	515
Operating expenses	(808)	(1,350)	(3,516)	(4,496)
Finance costs	-	(53)	-	(139)
Impairment loss on other investment	(1,798)	(16,671)	(2,223)	(16,671)
Share of loss of associated companies	-	(831)	(2)	(1,100)
Profit/(Loss) before taxation	(2,090)	(18,666)	(4,317)	(18,351)
Tax expense	(71)	(35)	(86)	(92)
Profit/(Loss) for the period	(2,161)	(18,701)	(4,403)	(18,443)
Other comprehensive income:				
Exchange differences on translation of foreign operations	-	(23)	-	(38)
Reclassification of exchange reserve	-	-	67	-
Share of other comprehensive income of an associate	-	(3)	-	22
Total comprehensive income/(loss) for the period	(2,161)	(18,727)	(4,336)	(18,459)
Profit/(Loss) attributable to:				
Owners of the Company	(2,161)	(18,601)	(4,394)	(19,950)
Non-controlling interests	-	(100)	(9)	1,507
	(2,161)	(18,701)	(4,403)	(18,443)
Total comprehensive income/(loss) attributable to:				
Owners of the Company	(2,161)	(18,627)	(4,327)	(19,959)
Non-controlling interests	-	(100)	(9)	1,500
	(2,161)	(18,727)	(4,336)	(18,459)
Basic Loss Per Share attributable to equity owners of the Company (sen)	(0.57)	(5.08)	(1.15)	(5.45)

Notes:

The condensed consolidated statements of comprehensive income are prepared based on the consolidated results of the Group for the quarter ended 31 January 2013 and is to be read in conjunction with the audited consolidated financial statements of ABT for the financial year ended 31 January 2012.

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 2013 CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(The figures have not been audited)

	Year ended 31 January 2013 RM'000	Year ended 31 January 2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	(4,317)	(18,351)
Adjustments for :		
Amortisation of intangible assets	-	68
Bad debts written off	1,460	21
Depreciation of property, plant and equipment	278	832
Dividend income	-	(100)
Gain on disposal of other investment	(439)	-
Gain on derecognition of a subsidiary	(96)	-
Gain on bargain purchase of a subsidiary	(352)	-
Goodwill written off	-	81
Impairment loss on other investment	2,223	16,671
Intangible assets written off	-	207
Interest expense	-	140
Investment/Inventories written off	89	360
Loss on partial disposal of a subsidiary	-	-
Loss on derecognition of an associate	55	-
(Gain)/Loss on disposal of property, plant and equipment	-	(475)
Property, plant and equipment written off	644	521
Share of loss of associated companies	2	1,100
Operating (loss)/profit before working capital changes	(453)	1,075
Changes in working capital:		
Decrease in inventories	5	1,092
Increase in trade and other receivables	(1,725)	(4)
Increase in trade and other payables	1,337	(323)
Cash generated from operations	(836)	1,840
Income tax refunded/(paid)	61	(138)
Net cash from/(used in) operating activities	(775)	1,702
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividend received	-	100
Purchase of intangible assets	-	(1,066)
Purchase of property, plant and equipment	(1,416)	(1,403)
Purchase of unquoted investment	-	(4,400)
Proceed from disposal of other investment	439	-
Proceed from disposal of property, plant and equipment	-	4,814
Net cash outflow from acquisition of subsidiary company	(551)	(3,170)
Net cash inflow/(outflow) from disposal of subsidiary companies	3,474	(51)
Net cash from/(used in) investing activities	1,946	(5,176)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid by a subsidiary company to non-controlling interests	-	(1,985)
Interest paid	-	(140)
Proceeds from issuance of ordinary shares	100	5,500
Repayment of term loan	-	(85)
Repayment of hire purchase payables	-	-97
Repayment of lease payables	-	(84)
Net cash generated from financing activities	100	3,109
Effects of exchange rate changes on cash and cash equivalents	-	(39)
Net increase/(decrease) in cash and cash equivalents	1,271	(404)
Cash and cash equivalents at beginning of the period	633	1,037
Cash and cash equivalents at end of the period	1,904	633
<u>Cash and cash equivalents consist of:</u>		
Cash and bank balances	1,904	633

Notes:

The condensed consolidated statements of cash flow for the period ended 31 January 2013 is to be read in conjunction with the audited consolidated financial statements of ABT for the financial year ended 31 January 2012.

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 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			
Audited						
Balance as at 1 February 2011	32,700	6,430	(58)	39,072	2,812	41,884
Ordinary shares issued	5,500	-	-	5,500	-	5,500
Acquisition of subsidiary	-	-	-	-	1,342	1,342
Deemed disposal of subsidiaries	-	-	-	-	(1,403)	(1,403)
Dividend paid	-	-	-	-	(1,985)	(1,985)
Total comprehensive income for the period	-	(19,951)	(9)	(19,960)	1,500	(18,460)
Balance as at 31 January 2012	<u>38,200</u>	<u>(13,521)</u>	<u>(67)</u>	<u>24,612</u>	<u>2,266</u>	<u>26,878</u>
Unaudited						
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 income for the period	-	(4,394)	67	(4,327)	(9)	(4,336)
Balance as at 31 January 2013	<u>38,200</u>	<u>(17,903)</u>	<u>-</u>	<u>20,297</u>	<u>110</u>	<u>20,407</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 January 2013 and is to be read in conjunction with the audited consolidated financial statements of ABT for the financial year ended 31 January 2012.

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

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Quarterly report on results for the 4th Quarter ended 31 January 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 2012. 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 January 2013.

Changes in Accounting Policies

MFRS 1: First-Time Adoption of Malaysia Financial Reporting Standards ("MFRS 1) has been applied. The adoptions of these standards, amendments and interpretations have no material impact to these interim financial statements of the Group.

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 2012.

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 2013.

A7 Dividend paid

There were no dividends paid by the Company during the financial quarter ended 31 January 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 January 2013

	Technology incubation RM'000	Green Technology products RM'000	Elimination RM'000	Group RM'000
Revenue				
External sales	-	2,313		2,313
Intersegment revenue	-	-	-	-
	-	2,313	-	2,313
Results from operating activities	-	83		83
Finance costs				-
Share of profit of associates				(2)
Net unallocated expenses				(4,398)
(Loss)/Profit before taxation				(4,317)
Tax expense				(86)
(Loss)/Profit for the period				(4,403)
Segment assets	18,414	4,593		23,007
Unallocated assets				51
Total assets				23,058
Segment liabilities	1,676	903		2,579
Unallocated liabilities				72
Total liabilities				2,651

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Quarterly report on results for the 4th Quarter ended 31 January 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 January 2013, the Group has no material capital commitments.

A14 Significant related party transactions

During the financial quarter ended 31 January 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 January 2013 RM'000	Current year-to-date for the period ended 31 January 2013 RM'000
Bad debts recovered	-	-
Interest income	-	-
Other income	0	107
Interest expense	-	-
Depreciation and amortisation	(56)	(278)
Provision for and write off of receivable	(388)	(1,460)
Provision for and write off of inventories	-	-
Property, plant and equipment written off	-	(644)
Gain or (loss) of disposal/derecognition of subsidiaries	0	96
Gain or (loss) of disposal of quoted or unquoted investments or properties	-	384
Inventories written off	-	89
Impairment of assets	(2,223)	(2,223)
Foreign exchange gain or loss	22	22
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 year ended 31 January 2013 of approximately RM4.4 million on the back of a revenue of RM2.3 million mainly due to the writing off of certain fixed assets due to the relocation of the Group's incubation centre and some impairment of its investment in the non-core division.

The incubator division is the cost centre of the Group, representing the resources utilised to support the activities of its incubatees going forward. Thus, it incurred a loss in the period.

The Green Technology division which includes biomass/biotechnology/biofuel registered sales in the period mainly due to the contract for bio-pelletizing/biomass technologies.

As the Group is involved in incubation activities especially on high technology areas, it holds 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 January 2013 RM'000	Preceding quarter 31 October 2012 RM'000
Revenue	946	274
(Loss)/Profit before taxation	(2,090)	(434)

The revenue in the current quarter is generated from the bio-pelletizing/biomass project which project accelerated in the current quarter resulting in higher revenue compared to preceding quarter. The loss in the current quarter is due to incubation division administrative costs and write down of certain investment in a non-core division.

B3 Prospects for the current financial year ended 31 January 2014

In respect of the prospects for the coming financial year ended 31 January 2014, the Group will be focusing its efforts on green technologies such as its bio-pelletizing projects as well as its palm trunk lumber project. We anticipate the prospects for the year to remain challenging in view of the uncertain economic conditions worldwide.

On a positive note, the listing of PNSB on AIM, London have been completed on 26 March 2013 and we anticipate to recognise a gain of some RM5.7 million in the first quarter of the current financial year.

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

Income tax expense for the period is attributable to eCompazz. The dividend income earned by the Group as well as certain statutory income of its incubatees are exempted from income tax pursuant to the respective MSC status, 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's borrowings in the prior year which are all denominated in RM are mainly arising from eCompazz, one of our incubatees as detailed below.

	31 January 2013 RM'000	31 January 2012 RM'000
<u>Short term</u>		
Term Loan (Secured)	-	95
Hire Purchase Payables	-	109
Lease Payables	-	89
	<u>-</u>	<u>293</u>
<u>Long term</u>		
Term Loan (Secured)	-	2,367
Hire Purchase creditors	-	561
Lease Payables	-	31
	<u>-</u>	<u>2,959</u>
Total Borrowings	<u>-</u>	<u>3,252</u>

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 January 2013.

B9 Earnings per share

	Current year quarter		Current year to date	
	31 January 2013	31 January 2012	31 January 2013	31 January 2012
Profit/(Loss) attributable to owners of the Company (RM'000)	(2,161)	(18,601)	(4,394)	(19,950)
Weighted average number of shares in issue ('000)	382,000	327,000	382,000	327,000
Effect of issuance of ordinary shares pursuant to private placement ('000)	-	39,055	-	39,055
Adjusted weighted average number of shares in issue ('000)	<u>382,000</u>	<u>366,055</u>	<u>382,000</u>	<u>366,055</u>
Gross Interest Income	-	-	-	-
Gross Interest Expense	-	54	-	140
Basic earnings/(loss) per share (sen)	(0.57)	(5.08)	(1.15)	(5.45)

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

B10 Status of corporate proposals

Below are the status of corporate proposals by the Company.

- On 28 November 2012, the Company announced a proposed private placement of up 38,200,000 ordinary shares of RM0.10 each in the Company representing up to 10% of the issued and paid up capital of the Company. This proposal is pending completion.
- On 10 December 2012 and 26 March 2013, the Company announced the proposed disposal of 1,143,434 ordinary shares of RM1.00 each representing 1.56% of Platinum Nanochem Sdn Bhd ("PNSB") to Biofutures International PLC ("BIP") wherein the Company will receive 21,018,714 new ordinary shares of BIP as consideration ("Said Shares") wherein Total Platinum Holdings Sdn Bhd, the main promoter of PNSB has a 12 month option to acquire at f £0.06 per share ie a total consideration of £1,261,123 (equivalent to RM5,873,049). This proposal has been completed on 26 March 2013.
- On 17 January 2013, the Company announced the proposed disposal of 28% equity stake in eCompazz IT Sdn Bhd comprising 84,000 ordinary shares of RM1.00 each to Mr Lim Hai Teng and Lim Chew Chuen for a cash consideration of RM6,000,000. This proposal has been completed on 28 March 2013.
- On 17 January 2013, the Company announced the proposed joint venture ("JV") between the Company, Nexfuel Sdn Bhd ("Nexfuel") and Hexa Bonanza Sdn Bhd ("Hexa") to the development of Hexa's biomass compost pelletizing business using oil palm trunk peeled lumber machine and technology supplied by Nexfuel. This JV structure have been completed on 29 January 2013.

B11 Realised and Unrealised Profit/(Loss)

Breakdown of the Group's realised and unrealised profits are as follows

	As at	
	31 January 2013	31 January 2012
	RM'000	RM'000
<u>Unappropriated profits of Company and subsidiaries</u>		
Realised	(19,745)	(19,014)
Unrealised	-	-
	<u>(19,745)</u>	<u>(19,014)</u>
<u>Share of retained profits of associates</u>		
Realised	-	(585)
Unrealised	-	-
	<u>(19,745)</u>	<u>(19,599)</u>
Less : Consolidated adjustments	1,843	6,077
Total Group Retained Profits/(Loss)	<u>(17,903)</u>	<u>(13,522)</u>

B12 Status of Utilisation of Proceeds

There are no proceeds from corporate proposals that have yet to be fully utilised as at 31 January 2013.

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 28 March 2013.

On Behalf of the Board

Wong Wei Fong
Leung Kok Keong

Company Secretaries

Date: 28 March 2013.

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ADDITIONAL DISCLOSURE ON INVESTEE COMPANIES

C1 STATUS REPORT ON OPERATIONS OF INVESTEE COMPANIES

The status of the operations of the major incubatee companies are set out as follows:

1 Eco-Sponge Sdn Bhd ("Eco-Sponge")

Eco-Sponge is involved in the production and marketing of a proprietary filtration compound used in the biodiesel processing. Sales are still slow due to new technology/competing products as well as the low demand from biodiesel plants in Malaysia. In the absence of concrete governmental support for this sector, this division has ceased operations and full provision has been made.

2 Hexa Bonanza Sdn Bhd ("Hexa")

Hexa is a company involved in machinery design and technology provision for various bio-pelletizing technologies for biomass for use as fertilizers and/or burning media.

Hexa is embarking on peeled lumber from felled palm oil trees ie biomass project which is anticipated to commence operations by second quarter of 2013.

Hexa has secured contract to sell its biomass handling technology and is contributing positively to the Group.

3 YPJ Palm International Sdn Bhd ("YPJPI")

YPJPI is a joint venture with YPJ Corporation Sdn Bhd, a wholly owned subsidiary of Yayasan Pelajaran Johor, a statutory body established by the Johor State Government.

Apart from being the marketing agent for YPJ Plantations Sdn Bhd, who owns over 37,000 acres of palm oil plantations, YPJPI is a manufacturer of RBD Palm Oil and related by products the likes of Palm Fatty Acide Distillate, etc. From its biotech facility at Tanjung Langsat, Johor, YPJPI also produces Coco Diethanolamide ("CDE") and Betaine, a surfactant used in the formulation of personal care product.

Asiabio do not have influence on the management of YPJPI and thus YPJPI is classified as as simple investment in the books and do not have any material impact to the Group.