

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2013**

	Note	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		<u>Current Quarter 30.9.13</u> RM'000	<u>Corresponding Quarter 30.9.12</u> RM'000	<u>Current Year To Date 30.9.13</u> RM'000	<u>Corresponding Year To Date 30.9.12</u> RM'000
Revenue	7	250,981	206,673	581,712	484,028
Cost of sales		(200,707)	(146,827)	(441,644)	(344,622)
Gross profits		50,274	59,846	140,068	139,406
Other operating income		3,740	67	6,297	3,937
Operating expenses		(22,870)	(20,774)	(74,192)	(69,578)
Profit from operation		31,144	39,139	72,173	73,765
Finance Costs		(757)	(554)	(2,189)	(1,996)
Profit before taxation	7	30,387	38,585	69,984	71,769
Taxation	18	(8,582)	(10,063)	(21,213)	(21,388)
Profit after taxation		<u>21,805</u>	<u>28,522</u>	<u>48,771</u>	<u>50,381</u>
Currency translation differences		(3,709)	(1,374)	(3,629)	1,913
Total comprehensive income		<u>18,096</u>	<u>27,148</u>	<u>45,142</u>	<u>52,294</u>
Profit attributable to:					
Equity holders of the Company		13,006	17,992	32,768	30,734
Non-controlling Interests		8,799	10,530	16,003	19,647
		<u>21,805</u>	<u>28,522</u>	<u>48,771</u>	<u>50,381</u>
Total comprehensive income attributable to:					
Equity holders of the Company		9,742	16,560	29,710	32,783
Non-controlling Interests		8,355	10,588	15,432	19,511
		<u>18,097</u>	<u>27,148</u>	<u>45,143</u>	<u>52,294</u>
Earnings per share attributable to equity holders of the parent (sen)					
- Basic	27	4.18	6.06	10.73	10.36

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements)

NOTES TO STATEMENT OF COMPREHENSIVE INCOME FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2013

	<u>9 months</u> <u>Current</u> <u>Year To Date</u> <u>30.9.13</u> RM'000	<u>9 months</u> <u>Corresponding</u> <u>Year To Date</u> <u>30.9.12</u> RM'000
Profit for the period/year is arrived at after crediting / charging		
(a) Interest income	1,893	2,101
(b) Other income including investment income	4,404	1,836
(c) Interest expenses	2,270	2,209
(d) Depreciation and amortisation	10,828	13,315
(e) Provision for and write off of receivables less recovery/write back of receivables previously written off	-	-
(f) Provision for and write off of inventories	-	-
(g) Gain or loss on disposal of quoted or unquoted investments or properties	-	-
(h) Impairment of assets	138	77
(i) Foreign exchange gain or (loss)	(3,057)	(4,376)
(j) Gain or loss on derivatives	-	-
(k) Exceptional items	-	-

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2013

		<u>Unaudited</u> <u>as at</u> <u>30.9.13</u> RM'000	<u>Audited</u> <u>as at</u> <u>31.12.12</u> RM'000
	Note		
ASSETS			
Non-current Assets			
Investment in associated company		96	96
Property, plant & equipment		178,871	178,819
Land held for property development		2,099	2,341
Goodwill on Consolidation		7	-
Long term investments		218	195
		<hr/>	<hr/>
		181,291	181,451
Current Assets			
Inventories		2,129	1,205
Property development costs		16,929	9,334
Amount owing by contract customers		16,690	4,386
Trade receivables		307,258	255,335
Other receivables		104,498	85,859
Amount owing by associates		-	2,664
Tax recoverable		3,576	3,144
Short term investment	23	7,256	6,377
Deposits with licenced banks		67,646	59,259
Cash and bank balances		56,349	90,307
		<hr/>	<hr/>
		582,331	517,870
		<hr/>	<hr/>
TOTAL ASSETS		763,622	699,321
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	24	164,132	150,000
Share premium		60,687	43,531
Treasury shares, at cost		(18,329)	(2,835)
Foreign exchange reserve		(12,498)	(9,440)
Capital Reserve		8,600	8,600
Retained profits		184,736	164,108
		<hr/>	<hr/>
		387,328	353,964
Non-controlling Interests		40,682	46,552
		<hr/>	<hr/>
Total equity		428,010	400,516

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2013

		<u>Unaudited</u> <u>as at</u> <u>30.9.13</u> RM'000	<u>Audited</u> <u>as at</u> <u>31.12.12</u> RM'000
	Note		
Non-current liabilities			
Deferred taxation		7,905	7,905
Long term borrowings	22	4,021	4,325
		<u>11,926</u>	<u>12,230</u>
Current Liabilities			
Trade payables		209,500	185,958
Other payables		45,915	47,191
Taxation		10,972	14,279
Short term borrowings	22	43,344	37,968
Bank overdrafts		13,954	1,179
		<u>323,685</u>	<u>286,575</u>
Total Liabilities		<u>335,611</u>	<u>298,805</u>
TOTAL EQUITY AND LIABILITIES		<u>763,621</u>	<u>699,321</u>
Net assets per share (RM)		1.26	1.19

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2013**

	Share capital	Share premium	Treasury shares	Foreign Exchange reserves	Fair Value reserves	Capital Reserve	Retained profit	Attributable to Owner of the Co	Non-controlling Interest	Total equity
	RM' 000	RM' 000	RM'000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000
At 1 January 2012	150,000	43,531	(2,834)	(9,154)	-	8,600	168,169	358,312	27,330	385,642
Net profit for the period	-	-	-	-	-	-	30,734	30,734	19,647	50,381
Other comprehensive income for the period	-	-	-	1,913	-	-	-	1,913	-	1,913
Total comprehensive income for the period	-	-	-	1,913	-	-	30,734	32,647	19,647	52,294
Dividends	-	-	-	-	-	-	(11,867)	(11,867)	-	(11,867)
Dividends paid by subsidiaries to non- controlling interests	-	-	-	-	-	-	-	-	(12,356)	(12,356)
At 30 Sept 2012	150,000	43,531	(2,834)	(7,241)	-	8,600	187,036	379,092	34,621	413,713
At 1 January 2013	150,000	43,531	(2,835)	(9,440)	-	8,600	164,108	353,964	46,552	400,516
Net profit for the period	-	-	-	-	-	-	32,768	32,768	16,003	48,771
Other comprehensive income for the period	-	-	-	(3,058)	-	-	-	(3,058)	(571)	(3,629)
Total comprehensive income for the period	-	-	-	(3,058)	-	-	32,768	29,710	15,432	45,142
Contributions by and distribution to owners of the Company										
- Issuance of share capital	14,132	17,156	-	-	-	-	-	31,288	-	31,288
- Treasury shares acquired	-	-	(15,494)	-	-	-	-	(15,494)	-	(15,494)
- Acquisition of a subsidiary	-	-	-	-	-	-	-	-	338	338
Dividend	-	-	-	-	-	-	(12,140)	(12,140)	(21,640)	(33,780)
At 30 Sept 2013	164,132	60,687	(18,329)	(12,498)	-	8,600	184,736	387,328	40,682	428,010
	-	-	-	-	-	-	-	-	-	-

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements)

CONSOLIDATED CASH FLOW STATEMENTS

	Unaudited For the Financial Period Ended 30.9.2013 RM' 000	Unaudited For the Financial Period Ended 30.9.2012 RM' 000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	69,984	71,769
Adjustments for:		
Amortisation of development cost	-	330
Amortisation of prepayment	(7)	-
Depreciation of property , plant and equipment	10,828	12,985
Disposal on other investment	(23)	-
Fair Value Adjustment	(648)	-
Impairment loss/permanent adjustment on investment in sub	(4)	-
Increase on goodwill	(7)	-
Interest expense	1,699	1,614
Property, plant and equipment written off	138	77
Gain on disposal of property, plant and equipment	(237)	(200)
Interest income	(1,621)	(1,437)
Reversal of allowance for impairment losses on receivables	-	(205)
Writeback of allowance for impairment losses on trade receivables	-	164
Share on profit in associates	-	-
Tax exempt dividends received from investment in unit trusts	(271)	(678)
Unrealised gain on foreign exchange	204	(137)
Operating profit before working capital changes	80,035	84,282
(Increase)/Decrease in inventories	(227)	(693)
(Increase)/Decrease in property development cost	(7,589)	5,888
(Increase)/Decrease in amount owing by contract customer	(2,804)	(17,782)
Decrease/(Increase) in receivables	(108,112)	(22,496)
(Decrease)/Increase in payables	37,850	(60,156)
(Decrease)/Increase in holding company	5,697	-
Decrease/(Increase) in related companies	14,219	-
Decrease/(Increase) in amount owing by associates	3,547	-
Decrease/(Increase) in amount owing by shareholder	3,094	-
Interest paid	(1,699)	(1,614)
Tax Recoverable	-	3
Tax paid	(25,027)	(18,667)
Net cash generated from/ (used in) operating activities	(1,016)	(31,235)

CONSOLIDATED CASH FLOW STATEMENTS (CONTINUED)

	Unaudited For the Financial Period Ended 30.9.2013 RM' 000	Unaudited For the Financial Period Ended 30.9.2012 RM' 000
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	1,621	1,437
Net cash outflow on acquisition of a subsidiary	(357)	-
Proceeds from disposal of property, plant and equipment	1,170	780
Proceeds from disposal of unquoted shares	-	-
Purchase of property, plant and equipment	(20,289)	(19,677)
Purchase of treasury shares	(15,494)	(1)
Tax-exempt dividends received from investment in unit trusts	271	678
Acquisition of marketable unit trusts	(3,979)	(8,804)
Net cash generated from/ (used in) investing activities	(37,057)	(25,587)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(12,139)	(23,733)
Dividend paid to Non-controlling Interests	(21,640)	(12,220)
Proceed from issue of share capital	31,288	-
Net drawdown/(repayment) of hire purchase obligations	(910)	(892)
Net drawdown/(repayment) of short-term borrowings	5,981	(553)
Net cash generated from/ (used in) financing activities	2,580	(37,398)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(35,493)	(94,220)
FOREIGN EXCHANGE TRANSLATION DIFFERENCES	(2,853)	1,959
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	148,387	187,091
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	110,041	94,830

Cash and cash equivalents at the end of financial period comprise the following:

	For the Financial Period Ended 30.9.2013 RM' 000	For the Financial Period Ended 30.9.2012 RM' 000
Cash and bank balances	56,349	67,511
Deposits with licensed banks	67,646	35,439
Bank overdrafts	(13,954)	(3,005)
Total	110,041	99,945

INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013**PART A - EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD (FRS 139)****1. Basis of Accounting and Accounting Policies**

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements are unaudited and have been prepared in accordance with MFRS134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2012. The explanatory notes attached to the financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2012.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2012 except for the adoption of the following new/revised Financial Reporting Standards (FRSs): Amendments to FRSs and IC Interpretations which are applicable for the Group's financial year from 1 January 2013.

MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits
MFRS 127 (2011)	Separate Financial Statements
MFRS 128 (2011)	Investments in Associates and Joint Ventures
Amendments to MFRS 1 (Revised): Government Loans	
Amendments to MFRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities	
Amendments to MFRS 9: Mandatory Effective Date of MFRS 9 and Transition Disclosures	
Amendments to MFRS 10, MFRS 11 and MFRS 12: Consolidated Financial Statements	
IC Interpretation 2: Members' Shares in Co-operative Entities and Similar Instruments	
IC Interpretation 20: Stripping Costs in the Production Phase of a Surface Mine	

The adoption of the IC Interpretation and Amendments to MFRSs above did not have any financial impact on the Group as they mainly help to clarify the requirements of or provide further explanations to existing MFRSs.

The following MFRSs have been issued by the MASB and are not yet effective:

Effective for annual periods commencing on or after 1 Jan 2014

Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136: Recoverable Amount Disclosures for Non-Financial Assets

Effective for annual periods commencing on or after 1 Jan 2015

MFRS 9 Financial Instruments

INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013
3. Declaration of audit qualification

The preceding audited financial statements of the Company were reported without any qualification.

4. Seasonal or Cyclical Factors

The Group's business operations for the quarter ended 30 September 2013 were not materially affected by significant seasonal or cyclical fluctuations.

5. Unusual Items Due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the quarter ended 30 September 2013.

6. Changes in estimates

There were no major changes in estimates that have had a material effect in the current quarter.

7. Segmental Information

	REVENUE		PROFIT BEFORE TAX	
	3 months ended	9 months ended	3 months ended	9 months ended
	30.9.2013	30.9.2013	30.9.2013	30.9.2013
OPERATING SEGMENTS	RM'000	RM'000	RM'000	RM'000
Maintenance	158,571	349,365	33,590	68,448
Construction	15,698	31,223	1,404	2,516
Engineering Services	18,797	46,304	4,767	7,124
Trading & Manufacturing	44,470	121,739	832	2,317
Education	12,971	36,415	246	450
Property Development	8,868	17,479	2,562	3,765
Others & Eliminations	(8,394)	(20,813)	(13,012)	(14,636)
GROUP	250,981	581,712	30,389	69,984

Note : Analysis on segmental performance is presented in Note 14 below in accordance to the amendments to Main Market Listing Requirements in relation to disclosure and other obligations and corporate disclosure guide effective from financial year ended 31 December 2012.

INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

8. Valuation of property, plant and equipment

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

9. Subsequent events

Save for the following, there were no material events subsequent to the end of the current quarter up to 21 November 2013, being the last practicable date from the date of the issue of this report that are expected to have an operational impact on the Group: -

a. Employees' Share Scheme ("ESS")

On 1 October 2013, AmInvestment Bank on behalf of the Board of PB announced that the shareholders of the Company has passed all resolutions in respect of the proposed ESS at an Extraordinary General Meeting held on the same day.

On 4 October 2013, AmInvestment Bank on behalf of the Board of PB announced that the implementation of the ESS is effective immediately after the Company has obtained all required approvals and complied with the requirements pertaining to the ESS.

On 11 November 2013 and 14 November 2013, a total of 1,744,600 new ordinary shares of RM0.50 each were listed pursuant to the ESS.

10. Changes in Composition of the Group

There was no material changes in the composition of the Group during the interim period ended 30 September 2013.

INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013
11. Contingent Liabilities

The changes in contingent liabilities are as follows:

	<u>As at</u> <u>30.9.2013</u> (RM'000)	<u>As at</u> <u>31.12.2012</u> (RM'000)
Guarantees given to financial institutions in respect of credit facilities granted to subsidiary companies	271,670	271,670
Corporate guarantees given to suppliers for credit facilities granted to subsidiary companies	24,700	24,700
Guarantee given to Government of Malaysia for repayment of advance payment	8,700	8,700
Guarantee given to Government of Malaysia for performance bond for services rendered	719	497
Performance guarantee extended to third parties	19,815	8,063

12. Capital Commitments

	<u>As at</u> <u>30.9.2013</u> RM'000
Approved and contracted for	286
Approved but not contracted for	<u>6,882</u>
	<u>7,168</u>

13. Dividend

In respect of the financial year ending 31 December 2012, dividends paid were as follows:

	RM'000
Interim single tier dividend of 4 sen per ordinary share paid on 28 December 2012	11,866
Special interim single tier dividend of 6 sen per ordinary share paid on 28 December 2012	17,800
Final single tier dividend of 4 sen per ordinary share paid on 15 July 2013	12,139

INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013
13. Dividend (Cont'd)

In respect of the financial year ending 31 December 2013, the Board of Directors has declared an interim single tier dividend of 4 sen per ordinary share amounted to RM12.436 million, computed based on the issued and paid up capital as at 30 September 2013 (excluding treasury shares) of 310,909,490 ordinary shares, and will be payable on 2 January 2014 to all shareholders whose names appear on the Register of Members on 18 December 2013.

The financial statements for the current financial period do not reflect this proposed dividend.

PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APP'X 9B OF THE MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD
14. Analysis of Unaudited Performance of the Group by Operating Segment

During the nine months period ended 30 September 2013, the Group recorded turnover of RM582 million, representing a growth of 20% compared to RM484 million registered in the same period last year. The increase was contributed by all business segments of the Group.

The profit before tax for the nine months period of current year is slightly lower due to higher direct costs and operating expenses, as compared to the same period of last year. However, the net profit of the Group is RM32.8 million, a 7% higher as compared to the results of the nine months period of the previous year. This was due to lesser non-controlling interest portion on the profit.

Analysis of results by Operating Segment (net of inter-segment sales) are as follows:-

i) Maintenance

	Qtr ended 30.9.2013 RM'000	Y-T-D ended 30.9.2013 RM'000	Qtr ended 30.9.2012 RM'000	Y-T-D ended 30.9.2012 RM'000
Revenue	158,572	349,365	141,014	294,548
Profit Before Tax	33,590	68,448	36,904	70,373

Turnover for the current year-to-date had increased by 19%, as compared to the corresponding period last year, mainly due to additional work orders received. However, profit before tax was lower by 3% as compared to corresponding period last year, due to higher operating expenses.

INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013
ii) Construction

	Qtr ended 30.9.2013 RM'000	Y-T-D ended 30.9.2013 RM'000	Qtr ended 30.9.2012 RM'000	Y-T-D ended 30.9.2012 RM'000
Revenue	15,698	31,223	6,627	28,924
Profit / (Loss) Before Tax	1,404	2,516	669	(5,201)

This segment recorded a higher turnover and profit due to the commencement of new road projects secured in the previous quarter.

iii) Engineering Services

	Qtr ended 30.9.2013 RM'000	Y-T-D ended 30.9.2013 RM'000	Qtr ended 30.9.2012 RM'000	Y-T-D ended 30.9.2012 RM'000
Revenue	18,797	46,304	12,002	42,678
Profit Before Tax	4,767	7,124	(2,025)	2,888

Engineering Services segment recorded higher revenue and profit as more engineering works are completed and recognized as revenue, especially on geotechnical and pavement evaluation which give a better profit margin.

INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013
iv) Trading

	Qtr ended 30.9.2013 RM'000	Y-T-D ended 30.9.2013 RM'000	Qtr ended 30.9.2012 RM'000	Y-T-D ended 30.9.2012 RM'000
Revenue	44,470	121,739	31,508	83,076
Profit Before Tax	832	2,317	1,574	1,908

As this segment supports the Maintenance, Construction and Property Development segments of the Group, its revenue and profits continued to increase in line with the better performance in these segments.

v) Education

	Qtr ended 30.9.2013 RM'000	Y-T-D ended 30.9.2013 RM'000	Qtr ended 30.9.2012 RM'000	Y-T-D ended 30.9.2012 RM'000
Revenue	12,971	36,415	12,324	31,771
Profit Before Tax	246	450	1,542	640

Infrastructure University Kuala Lumpur has exceeded its target for new students intakes for March and June semesters of this year. It recorded a higher revenue, but its profit before tax is lower due to higher operating costs.

vi) Property Development

	Qtr ended 30.9.2013 RM'000	Y-T-D ended 30.9.2013 RM'000	Qtr ended 30.9.2012 RM'000	Y-T-D ended 30.9.2012 RM'000
Revenue	8,868	17,479	2,426	3,047
Profit Before Tax	2,562	3,765	(356)	892

Turnover and profit of this segment for this year are from the mixed development project, De Centrum, which has started late last year. As at 3rd quarter 2013, 100% of shop lots, 90% of apartments and 53% of SOHO units had been sold.

INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

15. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter

There were no material changes in the current quarter as compared to the preceding quarter.

16. Commentary on Prospects

On 23 October 2013, the Group has increased its book order with the award of a project with a value of up to RM578.5 million to construct 1,680 apartment units in the Federal Territory of Putrajaya under the 1Malaysia Civil Servants Housing Programme (PPA1M). The project is expected to contribute positively to the future earnings of the Group.

Maintenance segment will continue to be the major contributor to the Group's results, coupled with the improving performance of the property development segment.

Barring unforeseen circumstances, the Board of Directors remain positive of its overall performance in 2013 and future years.

17. Profit Forecast or Profit Guarantee

Not applicable.

INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013
18. Taxation

	<u>3 months</u> <u>ended</u> <u>30.9.2013</u> RM'000	<u>9 months</u> <u>ended</u> <u>30.9.2013</u> RM'000
Current provision	8,582	21,213
Deferred taxation	-	-
Total	<u>8,582</u>	<u>21,213</u>

The effective tax rate for the current quarter was higher than the statutory tax rate principally due to losses of certain subsidiary companies that cannot be offset against taxable profits made by the other subsidiaries and non-allowable expenses incurred.

19. Sale of Unquoted Investments and Properties

There were no sale of unquoted securities and properties during the current quarter.

20. Quoted Securities

There was no purchase or sale of quoted securities during the current quarter.

INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

21. Corporate Proposals

a. Status of proposal

Save for the following, there was no other corporate proposal announced but not completed in the current quarter up to 21 November 2013, being the last practicable date from the date of the issue of this report: -

Proposed Acquisition

On 28 December 2012, AmInvestment Bank Berhad on behalf of the Board of Directors of Protasco Berhad ("PB") has announced that PB had on 28 December 2012 entered into a conditional sale and purchase agreement with PT Anglo Slavic Utama ("PT ASU") to acquire 95,000,000 ordinary shares of IDR1,000 each in PT Anglo Slavic Indonesia ("PT ASI"), representing 76% equity interest in PT ASI for a proposed purchase consideration of USD55,000,000.

The Proposed Acquisition is on-going and has not been completed as at to-date. The completion is subject to amongst others, the following conditions precedent:-

- (i) Approvals from shareholders, Bursa Malaysia Securities Berhad, Bank Negara Malaysia and relevant authorities in Indonesia;
- (ii) Approvals from all financiers, contracting parties and any other relevant party of the PT ASI Group, and where applicable, by the vendor, PT ASU;
- (iii) Consent of Pertamina, a state-owned company of Indonesia;
- (iv) Approvals from the Board of Directors and/or the Board of Commissioners and shareholders of PT ASI and PT ASU;
- (v) The completion of a legal, financial and operational due diligence on the PT ASI Group; and
- (vi) Extension of the PMP Agreement made between Pertamina and PT Haseba beyond its current expiry on 14 December 2014.

Based on announcement made by AmInvestment Bank on behalf of the Board of PB on 30 September 2013, the periods to complete the due diligence and to obtain all conditions precedent are extended to 31 March 2014.

On 9 October 2013, AmInvestment Bank on behalf of the Board of PB announced that the value of the Block Securities, which is to secure the deposit of RM50.0 million paid in relation to the Proposed Acquisition, is approximately RM51.05 million.

INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013
21. Corporate Proposals (Cont'd)

 b. Status of utilisation of proceed from the Proposed Private Placement

Purpose	Proposed Utilisation (Up to)	Actual Utilisation	Intended Timeframe For Utilisation	Deviation		Explanations
	RM'000	RM'000		RM'000	%	
Working capital and/or business expansion	32,633	31,533	Within 24 months	1,100	3.3	N1
Estimated expenses in relation to the Proposed Private Placement	250	200	Within 6 months	50	20.0	N2

N1 Will be utilized when the need for working capital and/or business expansion arises.

N2 Being expenses incurred in relation to the Proposed Private Placement which includes professional fees, fees payable to authorities and other miscellaneous expenses

22. Borrowings and Debt Securities

	<u>As at</u> <u>30.9.2013</u> RM'000	<u>As at</u> <u>31.12.2012</u> RM'000
Short term borrowings:		
Secured	43,344	37,968
Long term borrowings:		
Secured	4,021	4,325
Total borrowings	<u>47,365</u>	<u>42,293</u>

23. Short Term Investment

	<u>As at</u> <u>30.9.2013</u> RM'000	<u>As at</u> <u>31.12.2012</u> RM'000
Investment in money market funds	<u>7,256</u>	<u>6,377</u>

There were no material profits / losses from the sale of the above investment as the capital value is protected.

INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

24. Share Capital

On 14 February 2013, 20,833,210 ordinary shares of 50 sen each were issued pursuant to a private placement at an issue price of RM1.10 per share.

On 19 July 2013, 7,431,380 ordinary shares of 50 sen each were issued pursuant to a private placement at an issue price of RM1.14 per share.

25. Off Balance Sheet Financial Instruments

The Group does not have any off balance sheet financial instruments as at the date of this announcement.

INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013

26. Material Litigations

Other than stated below, there were no changes in material litigation since the last annual balance sheet date:

HCM Engineering Sdn. Bhd. ("HCM"), a wholly owned subsidiary of Protasco Berhad, received a winding up notice pursuant to Section 218(2) of the Companies Act, 1965 on 25 October 2011 arising from two judgements in default (of appearance) which was entered against them for the sum of RM507,661.78 in Shah Alam High Court Suit No: 22-1558-2010 and the sum of RM9,960,492.17 in Shah Alam High Court Suit No: 22-1559-2010 respectively. Both judgments were entered on 11 July 2011.

The judgement for RM507,661.78 is premised an alleged wrongful deductions from payments due to Menuju Asas Sdn Bhd in relation to "Projek Pembinaan Kem Group Gerak Khas - Fasa 1" in Mersing, Johor.

The judgement for RM9,960,492.17 is allegedly due to Menuju Asas Sdn Bhd, Mohd Redzuan Mohanan bin Abdullah (t/a Menuju Asas Enterprise) and Mohd Redzuan Mohanan bin Abdullah arising from HCM pursuant to the termination of the Settlement Agreement dated 6 May 2010 entered into between the said parties and HCM.

HCM has engaged a firm of solicitors to set aside both the judgments and resist any attempt to file a winding up petition premised on the said judgments which HCM contend is without merit. At the hearing on 17 October 2012, HCM's setting aside application for both Shah Alam High Court Suit No: 22-1558-2010 and Shah Alam High Court Suit No: 22-1559-2010 were allowed with costs of RM3,000.00 (in total for both suits) to be paid by HCM to the Plaintiff, Menuju Asas Sdn Bhd. Since the setting aside application is allowed, HCM's application for a stay of execution is rendered academic and therefore the stay application was withdrawn with no order as to costs.

The Court has further directed HCM to file its Statement of Defence for both suits within 14 days from 17 October 2012. Pursuant to the said direction, HCM has filed its Statement of Defence for both suits in Court on 22 October 2012 and it was also served on the Plaintiff on the same day.

On 13 June 2013, HCM proceeded to file an application to strike out both abovementioned suits ("striking out application"). A case management date has been fixed on 25 November 2013. A date for parties to file in their written submission and a date for hearing of the striking out application will also be fixed by the Court during the next case management on 25 November 2013.

Meanwhile, Menuju Asas Sdn Bhd, Mohd Redzuan Mohanan bin Abdullah (t/a Menuju Asas Enterprise) and Mohd Redzuan Mohanan bin Abdullah ("Plaintiffs") have filed its Reply to HCM's Statement of Defence on both abovementioned suits on 17 July 2013 and it was also served on HCM's Solicitor on the same day.

INTERIM REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2013
27. Earnings Per Share

Basic	<u>3 months</u> <u>ended</u> 30.9.2013	<u>9 months</u> <u>ended</u> 30.9.2013
Net profit attributable to ordinary shareholders (RM'000)	13,006	32,768
Weighted average number of ordinary shares in issue less Treasury Shares ('000)	310,909	305,402
Basic earnings per ordinary share (sen)	4.18	10.73

28. Realised and unrealised profit/losses disclosure

On 25 March 2010, Bursa Malaysia Securites ("Bursa Securities") had issued directive to all listed issuers to disclose a breakdown of the unappropriated profits or losses into realised and unrealised profit or loss.

The breakdown of the retained profits of the Group as at reporting date, into realised and unrealised profits, pursuant to the directive, are as follows:

	As at 30.9.2013 RM'000	As at 31.12.2012 RM'000
Total retained profits		
- Realised	266,037	246,057
- Unrealised	<u>(8,034)</u>	<u>(8,034)</u>
	258,003	238,023
Total share of retained profits of associate	1,650	1,650
Less : Consolidation adjustments	<u>(74,917)</u>	<u>(75,565)</u>
Total Group Retained Profits	<u><u>184,736</u></u>	<u><u>164,108</u></u>

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No 1, issued by the Malaysian Institute of Accountant on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements as stipulated in the directive of Bursa Securities and should not be applied for any other purpose.

29. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with the resolution of the directors on 28 November 2013.