

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		Current	Corresponding	Current Year	Corresponding
		Quarter 31.12.13 RM'000	Quarter 31.12.12 RM'000	To Date 31.12.13 RM'000	Year To Date 31.12.12 RM'000
Revenue	7	390,476	309,867	972,188	793,895
Cost of sales		(329,177)	(241,077)	(770,820)	(585,699)
Gross profits		61,299	68,790	201,368	208,196
Other operating income		2,718	9,918	9,015	13,855
Operating expenses		(31,701)	(43,897)	(105,893)	(113,475)
Profit from operation		32,316	34,811	104,490	108,576
Finance costs		(674)	(37)	(2,863)	(2,033)
Share of profit in associated company		3	14	3	14
Profit before taxation	7	31,645	34,788	101,630	106,557
Taxation	18	(9,648)	(13,954)	(30,861)	(35,342)
Profit after taxation		<u>21,997</u>	<u>20,834</u>	<u>70,769</u>	<u>71,215</u>
Other Comprehensive Income					
Share of associate's other comprehensive income		-	148	-	148
Currency translation differences		(1,619)	(2,248)	(5,248)	(335)
Total comprehensive income		<u>20,378</u>	<u>18,734</u>	<u>65,521</u>	<u>71,028</u>
Profit attributable to:					
Equity holders of the Company		15,869	6,738	48,637	37,472
Non-controlling Interests		<u>6,128</u>	<u>14,096</u>	<u>22,132</u>	<u>33,743</u>
		<u>21,997</u>	<u>20,834</u>	<u>70,769</u>	<u>71,215</u>
Total comprehensive income attributable to:					
Equity holders of the Company		14,477	4,403	44,187	37,186
Non-controlling Interests		<u>5,902</u>	<u>14,331</u>	<u>21,334</u>	<u>33,842</u>
		<u>20,379</u>	<u>18,734</u>	<u>65,521</u>	<u>71,028</u>
Earnings per share attributable to equity holders of the parent (sen)					
- Basic	24	5.15	2.27	15.79	12.63

(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 12 MONTHS ENDED 31 DECEMBER 2013

	<u>12 months</u> <u>Current</u> <u>Year To Date</u> <u>31.12.13</u> RM'000	<u>12 months</u> <u>Corresponding</u> <u>Year To Date</u> <u>31.12.12</u> RM'000
Profit for the period/year is arrived at after (crediting) / charging		
(a) Interest income	(2,615)	(3,201)
(b) Other income including investment income	(6,400)	(10,654)
(c) Interest expenses	3,259	2,247
(d) Depreciation and amortisation	14,321	25,855
(e) Provision for and write off of receivables less recovery/write back of receivables previously written off	237	5,070
(f) Provision for and write off of inventories	-	1,845



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013**

	Note	<u>Unaudited</u> as at 31.12.13 RM'000	<u>Audited</u> as at 31.12.12 RM'000
ASSETS			
Non-current Assets			
Investment in associated companies		99	96
Property, plant & equipment		175,088	178,819
Land held for property development		2,099	2,341
Goodwill on Consolidation		7	-
Long term investments		189	195
		<hr/> 177,482	<hr/> 181,451
Current Assets			
Inventories		1,272	1,205
Property development costs		24,198	9,334
Amount owing by contract customers		16	4,386
Trade receivables		313,184	255,335
Other receivables		125,723	85,859
Amount owing by associates		3,477	2,664
Tax recoverable		1,115	3,144
Short term investments		16,009	6,377
Deposits with licenced banks		155,676	59,259
Cash and bank balances		65,553	90,307
		<hr/> 706,223	<hr/> 517,870
TOTAL ASSETS		<hr/> 883,705 <hr/>	<hr/> 699,321 <hr/>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	21	166,113	150,000
Share premium		64,363	43,531
Treasury shares, at cost		(18,329)	(2,835)
Foreign exchange translation reserve		(13,890)	(9,440)
Capital Reserve		9,487	8,600
Retained profits		188,010	164,108
		<hr/> 395,754	<hr/> 353,964
Non-controlling Interests		24,701	46,552
Total equity		<hr/> 420,455 <hr/>	<hr/> 400,516 <hr/>



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013**

		<u>Unaudited</u> as at <u>31.12.13</u> RM'000	<u>Audited</u> as at <u>31.12.12</u> RM'000
Non-current liabilities			
Deferred taxation		7,905	7,905
Long term borrowings	20	3,830	4,325
		<u>11,735</u>	<u>12,230</u>
Current Liabilities			
Trade payables		303,189	185,958
Other payables		70,550	47,191
Dividend Payable	13	12,595	-
Taxation		9,184	14,279
Short term borrowings	20	44,070	37,968
Bank overdrafts		11,927	1,179
		<u>451,515</u>	<u>286,575</u>
Total Liabilities		<u>463,250</u>	<u>298,805</u>
TOTAL EQUITY AND LIABILITIES		<u>883,705</u>	<u>699,321</u>
Net assets per share (RM)		1.28	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 31 DECEMBER 2013**

	Share capital	Share premium	Treasury shares	Foreign Exchange reserve	Fair Value reserve	Capital reserve	Retained profits	Attributable to owner of the Co	Non-controlling interests	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	-	-	-	-	-	-	37,472	37,472	33,743	71,215
Other comprehensive income for the period										
- Foreign currency translation	-	-	-	(286)	-	-	-	(286)	(49)	(335)
- Share of associate's other comprehensive income	-	-	-	-	-	-	-	-	148	148
Total comprehensive income for the period	-	-	-	(286)	-	-	37,472	37,186	33,842	71,028
Contributions by and distributions to owners of the Company:										
- Purchase of treasury shares	-	-	(1)	-	-	-	-	(1)	-	(1)
- Dividends:										
- by the Company	-	-	-	-	-	-	(41,533)	(41,533)	-	(41,533)
- by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	(14,620)	(14,620)
Total transaction with owners of the Company	-	-	(1)	-	-	-	(41,533)	(41,534)	(14,620)	(56,154)
At 31 Dec 2012	150,000	43,531	(2,835)	(9,440)	-	8,600	164,108	353,964	46,552	400,516
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	-	-	-	-	-	-	48,637	48,637	22,132	70,769
- Foreign currency translation	-	-	-	(4,450)	-	-	-	(4,450)	(798)	(5,248)
Total comprehensive income for the period	-	-	-	(4,450)	-	-	48,637	44,187	21,334	65,521
Contributions by and distribution to owners of the Company										
- Issuance of share capital	16,113	20,832	-	-	-	-	-	36,945	-	36,945
- Treasury shares acquired	-	-	(15,494)	-	-	-	-	(15,494)	-	(15,494)
- Issuance of ESS	-	-	-	-	-	887	-	887	-	887
- Acquisition of a subsidiary	-	-	-	-	-	-	-	-	339	339
- Dividends:										
- by the Company	-	-	-	-	-	-	(24,735)	(24,735)	-	(24,735)
- by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	(43,524)	(43,524)
At 31 Dec 2013	166,113	64,363	(18,329)	(13,890)	-	9,487	188,010	395,754	24,701	420,455

(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)

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	Unaudited For the Financial Period Ended 31.12.2013 RM' 000	Audited For the Financial Period Ended 31.12.2012 RM' 000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	101,630	106,557
Adjustments for:		
Amortisation of prepayment	-	440
Allowance for impairment losses on receivables	739	11,508
Receivables written off	(1,249)	66
Deposits written off	-	41
Depreciation of property , plant and equipment	14,321	25,855
Impairment loss on amount owing by associates	-	336
Impairment loss on investment in associates	-	2,678
Impairment loss on long term investments	-	135
Interest expense	2,667	2,247
Inventories written down	-	1,090
Inventories written off	-	755
Property, plant and equipment written off	138	3,541
Gain on disposal of property, plant and equipment	(3,660)	(275)
Interest income	(2,172)	(3,201)
Reversal of allowance for impairment losses on receivables	(502)	(6,438)
Share on profit in associates	(3)	(14)
Tax exempt dividends received from investment in unit trusts	(443)	(875)
Unrealised gain on foreign exchange	(4,389)	(129)
Waiver of debts	-	(682)
Operating profit before working capital changes	<u>107,077</u>	<u>143,635</u>
(Increase)/Decrease in inventories	(67)	143
Increase in property development cost	(14,864)	(9,712)
Decrease in amount owing by contract customer	3,878	1,080
Increase in receivables	(107,214)	(110,732)
Increase in payables	149,733	26,737
Increase in amount owing by associates	(812)	-
Decrease in amount owing by non-controlling interests	2,213	-
Interest paid	(2,669)	(2,247)
Tax refund	224	-
Tax paid	<u>(34,488)</u>	<u>(29,511)</u>
Net cash generated from operating activities	<u>103,011</u>	<u>19,393</u>

CONSOLIDATED CASH FLOW STATEMENTS (CONTINUED)

	Unaudited For the Financial Period Ended 31.12.2013 RM' 000	Audited For the Financial Period Ended 31.12.2012 RM' 000
CASH FLOWS FROM INVESTING ACTIVITIES		
Advance to associates	-	(2,664)
Interest received	2,172	3,201
Net cash outflow on acquisition of a subsidiary	(368)	-
Proceeds from disposal of property, plant and equipment	8,988	598
Proceeds from disposal of investments	59	24,524
Purchase of property, plant and equipment	(17,100)	(22,000)
Purchase of treasury shares	(15,494)	(1)
Tax-exempt dividends received from investment in unit trusts	443	875
Acquisition of marketable unit trusts	(9,680)	-
Net cash generated from/ (used in) investing activities	(30,980)	4,533
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(12,139)	(53,400)
Dividend paid to Non-controlling Interests	(39,149)	(14,620)
Proceed from issue of share capital	38,737	-
Repayment of hire purchase obligations	(1,051)	(1,537)
Net drawdown of short-term borrowings	6,657	6,715
Net cash generated from/ (used in) financing activities	(6,945)	(62,842)
NET CHANGE IN CASH AND CASH EQUIVALENTS	65,086	(38,916)
FOREIGN EXCHANGE TRANSLATION DIFFERENCES	(4,171)	212
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	148,387	187,091
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	209,302	148,387

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

	For the Financial Period Ended 31.12.2013 RM' 000	For the Financial Period Ended 31.12.2012 RM' 000
Cash and bank balances	65,553	90,307
Deposits with licensed banks	155,676	59,259
Bank overdrafts	(11,927)	(1,179)
Total	209,302	148,387

INTERIM REPORT FOR THE QUARTER ENDED 31 DECEMBER 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 31 DECEMBER 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 31 December 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 31 December 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 31.12.2013	12 months ended 31.12.2013	3 months ended 31.12.2013	12 months ended 31.12.2013
OPERATING SEGMENTS	RM'000	RM'000	RM'000	RM'000
Maintenance	197,656	547,021	18,854	87,302
Construction	139,883	171,106	79	2,595
Engineering Services	17,766	64,070	1,917	9,041
Trading & Manufacturing	11,574	133,313	784	3,101
Education	16,046	52,461	2,333	2,783
Property Development	15,392	32,871	407	4,172
Others & Eliminations	(7,841)	(28,654)	7,271	(7,364)
GROUP	390,476	972,188	31,645	101,630

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 31 DECEMBER 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 was no material event subsequent to the end of the current quarter up to 17 February 2014, 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 22 January 2014 and 7 February 2014, a total of 354,400 new ordinary shares of RM0.50 each were listed pursuant to the ESS.

b. Sale of Treasury Shares

From 24 January 2014 until 29 January 2014, the Company has sold its entire Treasury Shares of 17,335,200 units at an average price of RM1.43 per share.

10. Changes in Composition of the Group

There was no material changes in the composition of the Group during the interim period ended 31 December 2013.

11. Contingent Liabilities

The changes in contingent liabilities are as follows:

	<u>As at</u> <u>31.12.2013</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	307,670	271,670
Corporate guarantees given to suppliers for credit facilities granted to subsidiary companies	53,900	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	734	497
Performance guarantee extended to third parties	19,081	8,063

INTERIM REPORT FOR THE QUARTER ENDED 31 DECEMBER 2013

12. Capital Commitments

	<u>As at</u> <u>31.12.2013</u> RM'000
Approved and contracted for	1,736
Approved but not contracted for	<u>284</u>
	<u><u>2,020</u></u>

13. Dividend

In respect of the financial year ended 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

In respect of the financial year ended 31 December 2013, dividends paid were as follows:

	RM'000
Interim single tier dividend of 4 sen per ordinary share paid on 2 January 2014	12,596

INTERIM REPORT FOR THE QUARTER ENDED 31 DECEMBER 2013
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 year ended 31 December 2013, the Group recorded turnover of RM972 million, representing a growth of 22% compared to RM794 million registered in the previous year. The increase was contributed by all business segments of the Group.

The profit before tax for the twelve months period of current year is slightly lower due to revenue on revised rates for periodic road maintenance received at the end of 2012, which gives a higher margin as costs are already taken up in previous years. However, the net profit of the Group is RM48.6 million, 30% higher as compared to 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 31.12.2013 RM'000	Y-T-D ended 31.12.2013 RM'000	Qtr ended 31.12.2012 RM'000	Y-T-D ended 31.12.2012 RM'000
Revenue	197,656	547,021	185,073	479,621
Profit Before Tax	18,854	87,302	47,618	117,991

Turnover for the current year-to-date increased by 14%, as compared to the corresponding period last year, mainly due to additional work orders received.

The profit before tax for the year ended 31 December 2012 was higher due to revenue on revised rates for periodic road maintenance received at the end of 2012, which gives a higher margin as costs are already taken up in previous years.

ii) Construction

	Qtr ended 31.12.2013 RM'000	Y-T-D ended 31.12.2013 RM'000	Qtr ended 31.12.2012 RM'000	Y-T-D ended 31.12.2012 RM'000
Revenue	139,883	171,106	69,174	97,468
Profit / (Loss) Before Tax	79	2,595	(9,034)	(14,235)

This segment recorded higher turnover and profit due to the commencement of new road projects secured during the year.

INTERIM REPORT FOR THE QUARTER ENDED 31 DECEMBER 2013
iii) Engineering Services

	Qtr ended 31.12.2013 RM'000	Y-T-D ended 31.12.2013 RM'000	Qtr ended 31.12.2012 RM'000	Y-T-D ended 31.12.2012 RM'000
Revenue	17,766	64,070	15,890	58,568
Profit / (Loss) Before Tax	1,917	9,041	(3,496)	(608)

Engineering Services segment continue to record higher revenue and profit in the current quarter mainly due to geotechnical and pavement evaluation works that were completed and gave a better profit margin.

iv) Trading

	Qtr ended 31.12.2013 RM'000	Y-T-D ended 31.12.2013 RM'000	Qtr ended 31.12.2012 RM'000	Y-T-D ended 31.12.2012 RM'000
Revenue	11,574	133,313	27,507	110,583
Profit / (Loss) Before Tax	784	3,101	(2,027)	(119)

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 31.12.2013 RM'000	Y-T-D ended 31.12.2013 RM'000	Qtr ended 31.12.2012 RM'000	Y-T-D ended 31.12.2012 RM'000
Revenue	16,046	52,461	11,447	43,218
Profit Before Tax	2,333	2,783	693	1,333

Infrastructure University Kuala Lumpur has exceeded its target for new students intakes for the three (3) semesters of this year, resulting in better revenue and profits.

INTERIM REPORT FOR THE QUARTER ENDED 31 DECEMBER 2013
vi) Property Development

	Qtr ended 31.12.2013 RM'000	Y-T-D ended 31.12.2013 RM'000	Qtr ended 31.12.2012 RM'000	Y-T-D ended 31.12.2012 RM'000
Revenue	15,392	32,871	(1,479)	1,568
Profit Before Tax	407	4,172	114	1,006

Property development's revenue and profit are generated from the mixed development project, De Centrum, which started late last year. As at 31 December 2013, the progress of the project was at 20%.

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

During the current quarter, the Group recorded an increase in revenue and profit after tax and non-controlling interest of 55.6% and 22%, respectively, as compared to the preceding quarter.

The growth was due to additional work orders received on road maintenance and engineering services.

16. Commentary on Prospects

Three segments, namely Maintenance, Construction and Property Development, are expected to contribute significantly to the Group's performance in 2014.

Maintenance segment will continue to provide steady stream of income to the Group. Major projects that were secured during the year will deliver significant profits for Construction. Higher contribution from Property Development is also expected in 2014 from the existing phase of De Centrum project.

The Group is also positive of its latest venture into the oil and gas industry, which is expected to start contributing in 2014.

Barring unforeseen circumstances, the Board of Directors is optimistic that the Group will continue to improve its overall performance in 2014.

17. Profit Forecast or Profit Guarantee

Not applicable.

INTERIM REPORT FOR THE QUARTER ENDED 31 DECEMBER 2013
18. Taxation

	<u>3 months</u> <u>ended</u> <u>31.12.2013</u> RM'000	<u>12 months</u> <u>ended</u> <u>31.12.2013</u> RM'000
Current provision	9,648	30,861
Deferred taxation	-	-
Total	<u>9,648</u>	<u>30,861</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. 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 17 February 2014, being the last practicable date from the date of the issue of this report: -

 i. Proposed Acquisition

On 28 December 2012, AmInvestment Bank Berhad on behalf of the Board of Directors of Protasco Berhad ("PB") announced that PB had on 28 December 2012 entered into a conditional sale and purchase agreement ("Conditional SPA") 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 USD55.0 million.

On 29 January 2014, the Company entered into an amended and restated sale and purchase agreement ("Restated SPA") with PT ASU to amend, vary and restate, in its entirety, the Conditional SPA. The Restated SPA entails the Company acquiring 78,750,000 ordinary shares of IDR1,000 each in PT ASI representing 63% equity interest in PT ASI from PT ASU for a total purchase consideration of USD22.0 million.

The Restated SPA is subject to, amongst others, the following conditions subsequent to the completion of the Restated SPA:-

- (a) Consent of PT Pertamina EP ("Pertamina"), a state-owned entity in Indonesia;
- (b) Extension of the Production Management Partnership ("PMP") Agreement made between Pertamina and PT Hase Bumou Aceh ("PT Haseba"), a sub-subsidiary of PT ASI, beyond its expiry on 14 December 2014 for a further ten (10) years; and
- (c) Issuance of SKT Migas license by the Ministry of Energy and Mineral Resources' Director General of Oil and Gas Indonesia to PT Haseba.

INTERIM REPORT FOR THE QUARTER ENDED 31 DECEMBER 2013

19. Corporate Proposals (Cont'd)

ii. New Issue of Securities

On 12 December 2013, AmInvestment Bank Berhad on behalf of the Board of Directors of PB announced that PB proposes to undertake the following: -

- (a) proposed private placement of up to 50,000,000 new ordinary shares of RM0.50 each in PB ("Placement Shares") together with up to 100,000,000 new detachable warrants ("Warrants") on the basis of two (2) Warrants for every one (1) Placement Shares ("Proposed Private Placement"); and
- (b) proposed bonus issue of up to 33,546,259 free Warrants on the basis of one (1) free Warrant for every ten (10) existing PB shares.

(collectively referred to as the "Proposals")

On 13 January 2014, AmInvestment Bank Berhad on behalf of the Board of Directors of PB announced that Bursa Malaysia Securities Berhad ("Bursa Securities") had approved the application in relation to the: -

- (a) admission to the Official List and listing of and quotation of up to 133,546,259 new Warrants to be issued pursuant to the Proposals; and
- (b) the listing for up to 50,000,000 new PB Shares pursuant to the Proposed Private Placement and up to 133,546,259 new PB Shares to be issued arising from the exercise of the Warrants on the Main Market of Bursa Securities.

On 30 January 2014, the shareholders of PB had at the Extraordinary General Meeting passed all the resolutions in respect of the Proposals.

iii. Provision of Financial Assistance

On 12 December 2013, AmInvestment Bank Berhad on behalf of the Board of Directors of PB announced that PB proposes to provide financial assistance of up to RM130.28 million to Sun Rock Development Sdn Bhd ("SRDSB"), a 64%-owned subsidiary of PB in the form of loans, advances and/or corporate guarantees for loan facilities to be taken by SRDSB ("Proposed Provision of Financial Assistance").

On 30 January 2014, the shareholders of PB had at the Extraordinary General Meeting passed the resolution in respect of the Proposed Provision of Financial Assistance.

INTERIM REPORT FOR THE QUARTER ENDED 31 DECEMBER 2013
19. Corporate Proposals (Cont'd)

 b. Status of utilisation of proceed from the Proposed Private Placement undertaken in 2013

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	32,633	Within 24 months	-	-	N1
Estimated expenses in relation to the Proposed Private Placement	250	250	Within 6 months	-	-	N2

N1 Utilised for working capital purposes.

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

20. Borrowings and Debt Securities

	<u>As at</u> <u>31.12.2013</u> RM'000	<u>As at</u> <u>31.12.2012</u> RM'000
Short term borrowings:		
Secured	44,070	37,968
Long term borrowings:		
Secured	3,830	4,325
Total borrowings	<u>47,900</u>	<u>42,293</u>

There is no borrowing denominated in foreign currency.

INTERIM REPORT FOR THE QUARTER ENDED 31 DECEMBER 2013

21. Share Capital

During the financial year, the issued and paid up share capital increased from 300,000,000 to 332,225,390 pursuant to the following;

- i. 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.
- ii. 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.
- iii. On 11 Nov 2013, 1,437,200 ordinary shares of 50 sen each were issued pursuant to the Employees' Share Scheme ("ESS") at an issue price of RM1.32 per share.
- iv. On 14 Nov 2013, 307,400 ordinary shares of 50 sen each were issued pursuant to the ESS at an issue price of RM1.19 per share.
- v. On 22 Nov 2013, 16,000 ordinary shares of 50 sen each were issued pursuant to the ESS at an issue price of RM1.19 per share.
- vi. On 5 Dec 2013, 1,286,400 ordinary shares of 50 sen each were issued pursuant to the ESS at an issue price of RM1.19 per share.
- vii. On 16 Dec 2013, 913,800 ordinary shares of 50 sen each were issued pursuant to the ESS at an issue price of RM1.19 per share.

22. 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 31 DECEMBER 2013

23. 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. On 17 October 2012, HCM has successfully set aside both judgments in default of appearance and has filed its Statement of Defence on 22 October 2012. On 13 June 2013 HCM proceeded to file an application to strike out both abovementioned suits ("striking out application").

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.

On 13 February 2014, parties attended Court for case management to file and exchange their written submission. The hearing date for the striking out application originally fixed on 28 February 2014 has been rescheduled to 17 March 2014.

INTERIM REPORT FOR THE QUARTER ENDED 31 DECEMBER 2013
24. Earnings Per Share

Basic	<u>3 months</u> <u>ended</u> 31.12.2013	<u>12 months</u> <u>ended</u> 31.12.2013
Net profit attributable to ordinary shareholders (RM'000)	15,869	48,637
Weighted average number of ordinary shares in issue less Treasury Shares ('000)	308,021	308,021
Basic earnings per ordinary share (sen)	5.15	15.79

25. Realised and unrealised profit/losses disclosure

On 25 March 2010, Bursa Malaysia Securites ("Bursa Securities") had issued a 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 31.12.2013 RM'000	As at 31.12.2012 RM'000
Total retained profits		
- Realised	285,092	246,057
- Unrealised	<u>(8,034)</u>	<u>(8,034)</u>
	277,058	238,023
Total share of retained profits of associates	1,650	1,650
Less : Consolidation adjustments	<u>(90,698)</u>	<u>(75,565)</u>
Total Group Retained Profits	<u><u>188,010</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.

26. 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 24 February 2014.