

**PETRA ENERGY BERHAD ( Company No. 718388-H)  
(Incorporated in Malaysia)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
FIRST FINANCIAL QUARTER ENDED 31 MARCH 2010**

**CONDENSED CONSOLIDATED INCOME STATEMENTS**

	<b>Current Quarter Ended 31-Mar-10 RM'000</b>	<b>Corresponding Quarter Ended 31-Mar-09 RM'000</b>	<b>Current Year-to-date Ended 31-Mar-10 RM'000</b>	<b>Corresponding Year-to-date Ended 31-Mar-09 RM'000</b>
Revenue	152,867	106,964	152,867	106,964
Cost of Sales	(126,568)	(86,566)	(126,568)	(86,566)
Gross Profit	26,299	20,398	26,299	20,398
Other income	376	824	376	824
Operating expenses	(11,554)	(9,892)	(11,554)	(9,892)
Finance costs	(3,145)	(1,260)	(3,145)	(1,260)
Profit before taxation	11,976	10,070	11,976	10,070
Income tax expense	(3,681)	(2,604)	(3,681)	(2,604)
<b>Profit for the period</b>	<b>8,295</b>	<b>7,466</b>	<b>8,295</b>	<b>7,466</b>
Attributable to:				
Equity holders of the parent	8,149	7,448	8,149	7,448
Minority interest	146	18	146	18
	<b>8,295</b>	<b>7,466</b>	<b>8,295</b>	<b>7,466</b>
<b>Earnings per share of RM0.50 each (sen)</b>				
a) Basic	4.18	3.82	4.18	3.82
b) Fully diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to this report)

**PETRA ENERGY BERHAD ( Company No. 718388-H)  
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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
FIRST FINANCIAL QUARTER ENDED 31 MARCH 2010**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>Current Quarter Ended 31-Mar-10 RM'000</b>	<b>Corresponding Quarter Ended 31-Mar-09 RM'000</b>	<b>Current Year-to-date Ended 31-Mar-10 RM'000</b>	<b>Corresponding Year-to-date Ended 31-Mar-09 RM'000</b>
<b>Profit for the period</b>	8,295	7,466	8,295	7,466
<i>Other comprehensive income/(loss)</i>	-	-	-	-
<b>Total Comprehensive Income for the period</b>	<u>8,295</u>	<u>7,466</u>	<u>8,295</u>	<u>7,466</u>
<b>Total Comprehensive Income attributable to:</b>				
Equity holders of the parent	8,149	7,448	8,149	7,448
Minority interest	146	18	146	18
	<u>8,295</u>	<u>7,466</u>	<u>8,295</u>	<u>7,466</u>

(The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to this report)

**PETRA ENERGY BERHAD ( Company No. 718388-H)  
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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
FIRST FINANCIAL QUARTER ENDED 31 MARCH 2010**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>31-Mar-10</b>	<b>31-Dec-09</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	355,222	360,052
Prepaid lease payments	7,114	7,146
Intangible assets	1,428	1,428
Investment in jointly controlled entity	8,145	8,805
Deferred tax assets	33	33
<b>Total Non-current Assets</b>	<b>371,942</b>	<b>377,464</b>
<b>Current assets</b>		
Inventories	49,648	58,066
Trade and other receivables	218,033	185,825
Amount due from customers for contract works	19,200	22,363
Tax recoverable	3,125	2,359
Fixed deposits with licensed banks	39,332	54,007
Cash and bank balances	15,267	15,479
<b>Total Current Assets</b>	<b>344,605</b>	<b>338,099</b>
<b>Total Assets</b>	<b>716,547</b>	<b>715,563</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders</b>		
Share capital	97,500	97,500
Reserves	216,247	206,461
<b>Total Equity Attributable to Equity Holders of the Company</b>	<b>313,747</b>	<b>303,961</b>
<b>Minority interest</b>	830	684
<b>Total equity</b>	<b>314,577</b>	<b>304,645</b>
<b>Non-current liabilities</b>		
Long term borrowings	121,833	70,002
Retirement benefit obligations	306	295
Other payables	-	29,674
Deferred taxation	28,753	27,463
<b>Total Non-current Liabilities</b>	<b>150,892</b>	<b>127,434</b>
<b>Current liabilities</b>		
Trade and other payables	176,732	199,462
Amount due to customers for contract works	4,646	4,633
Borrowings	68,864	78,855
Provision for taxation	836	534
<b>Total Current Liabilities</b>	<b>251,078</b>	<b>283,484</b>
<b>Total liabilities</b>	<b>401,970</b>	<b>410,918</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>716,547</b>	<b>715,563</b>
Net assets per share of RM0.50 each (RM)	1.61	1.56

(The condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to this report)

**PETRA ENERGY BERHAD (Company No. 718388-H)**  
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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
FIRST FINANCIAL QUARTER ENDED 31 MARCH 2010**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

	31-Mar-10 RM'000	31-Dec-09 RM'000
<b>Cash flow from operating activities</b>		
Profit before taxation	11,976	25,088
<b>Adjustments for:</b>		
Amortisation	32	129
Bad Debts	-	122
Depreciation	6,586	17,481
Doubtful Debts	-	2,532
(Gain)/Loss on disposal of property, plant and equipment	18	4
Interest expense	3,145	9,052
Interest income	(168)	(1,368)
Inventories written off	1	41
Retirement benefits	11	41
<b>Operating profit before working capital changes</b>	<u>21,601</u>	<u>53,122</u>
Decrease/ (Increase) in inventories	8,417	(13,233)
(Increase)/ decrease in receivables	(30,038)	27,278
(Decrease)/ Increase in payables	(52,391)	34,687
<b>Net cash generated from/ (used in) operation</b>	<u>(52,411)</u>	<u>101,854</u>
Tax paid	<u>(3,401)</u>	<u>(12,877)</u>
<b>Net cash generated from/ (used in) operating activities</b>	<u>(55,812)</u>	<u>88,977</u>
<b>Cash flow from investing activities</b>		
Investment in subsidiaries	-	(2,632)
Investment in jointly controlled entity	660	(8,805)
Purchase of property, plant and equipment	(1,837)	(245,278)
Proceeds from disposal of property, plant and equipment	63	18
Interest income received	168	1,368
Withdrawal of fixed deposit	-	(271)
<b>Net cash used in investing activities</b>	<u>(946)</u>	<u>(255,600)</u>
<b>Cash flow from financing activities</b>		
Repayment of borrowings	(7,744)	-
Repayment of hire purchase loan	(67)	(244)
Repayment of term loan	(5)	(6)
Repayment of revolving credit	(16,650)	-
Interest paid	(3,145)	(9,052)
Drawdown of revolving credit	-	46,650
Drawdown of term loan	72,265	91,200
Dividend paid	-	(3,900)
<b>Net cash generated from/ (used in) financing activities</b>	<u>44,654</u>	<u>124,648</u>
<b>Net change in cash and cash equivalents</b>	<u>(12,104)</u>	<u>(41,975)</u>
Cash & cash equivalents at beginning of period	<u>66,425</u>	<u>108,400</u>
Cash & cash equivalents at end of period	<u>54,321</u>	<u>66,425</u>
<b>Cash and cash equivalents</b>		
Cash in hand and at banks	15,267	15,479
Bank overdraft	-	(2,783)
Fixed deposits with licensed banks	<u>39,332</u>	<u>54,007</u>
	54,599	66,703
Less: Fixed deposits pledged as security	<u>(278)</u>	<u>(278)</u>
	<u>54,321</u>	<u>66,425</u>

(The condensed Consolidated Statement Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to this report)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	← Attributable to Equity Holders of the Company →						Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Merger Reserve RM'000	Retained Profits RM'000	Total RM'000	Minority Interest RM'000	
<b>Financial year ended 31 December 2010</b>							
As at 1 January 2010	97,500	62,062	(31,000)	175,399	303,961	684	304,645
Effect arising from adoption of FRS 139	-	-	-	1,637	1,637	-	1,637
<b>As at 1 January 2010, as restated</b>	97,500	62,062	(31,000)	177,036	305,598	684	306,282
Issue of shares	-	-	-	-	-	-	-
Bonus issue	-	-	-	-	-	-	-
Acquisition of subsidiary	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	8,149	8,149	146	8,295
Dividend for the year ended 31 December 2009	-	-	-	-	-	-	-
<b>Balance as at 31 March 2010</b>	97,500	62,062	(31,000)	185,185	313,747	830	314,577
<b>Financial year ended 31 December 2009</b>							
As at 31 December 2008	97,500	62,062	(31,000)	164,910	293,472	17	293,489
Net profit for the period	-	-	-	7,448	7,448	18	7,466
<b>Balance as at 31 March 2009</b>	97,500	62,062	(31,000)	172,358	300,920	35	300,955

(The condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to this report)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
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**PART A: EXPLANATORY NOTES PURSUANT TO FRS 134**

**1. Basis of Preparation**

The condensed consolidated interim financial statements have been prepared in accordance with Financial Reporting Standards (“FRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2009. The explanatory notes attached to the interim 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 year ended 31 December 2009.

**2. Changes in Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2009, except for the adoption of the following new FRSS, Amendments to FRSS and IC Interpretations with effect from 1 January 2010:

FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements (Revised)
FRS 123	Borrowing Costs (Revised)
FRS 132	Financial Instruments: Presentation (Revised)
FRS 139	Financial Instruments: Recognition and Measurement
Amendment to FRS 1	First-time Adoption of Financial Reporting Standards
Amendment to FRS 2	Share-based Payment – Vesting conditions and Cancellations
Amendment to FRS 7	Financial Instruments: Disclosures
Amendment to FRS 8	Operating Segments
Amendment to FRS 107	Statement of Cash Flows
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendment to FRS 110	Events after the Reporting Period
Amendment to FRS 116	Property, plant and Equipment
Amendment to FRS 117	Leases
Amendment to FRS 118	Revenue
Amendment to FRS 119	Employee Benefits
Amendment to FRS 127	Consolidated and Separate Financial Statements
Amendment to FRS 132	Financial Instruments: Presentation
Amendment to FRS 134	Interim Financial Reporting
Amendment to FRS 136	Impairment of Assets
Amendment to FRS 138	Intangible Assets
IC Int. 9	Reassessment of Embedded Derivatives
IC Int. 10	Interim Financial Reporting and Impairment

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**2. Changes in Accounting Policies (cont'd.)**

The adoption of the abovementioned FRSs, Amendments to FRS and IC Interpretations will have no significant impact on the financial statements of the Group except for the following:

**(a) FRS 101: Presentation of Financial Statements**

The FRS 101 introduces the statement of comprehensive income: presenting all items of income and expense recognized in the income statement, together with all other items of recognized income and expense, either in one single statement, or in two linked statements. In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements. This FRS did not have any impact on the financial position and results of the Group.

**(b) FRS 139: Financial Instruments: Recognition and Measurement**

The FRS 139 establishes principles for recognizing and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. This FRS did not have any significant impact on the financial position and results of the Group.

**Impact on the opening balances**

In accordance with the transitional provisions of FRS 139, the above changes are applied prospectively and the comparatives as at 31 December 2009 are not restated. Instead, the changes have been accounted for by restating the following opening balances in the balance sheet as at 1 January 2010.

	Previously stated RM'000	Effect of FRS 139 RM'000	As restated RM'000
<b>Assets</b>			
Trade and other receivables	185,825	(993)	184,832
<b>Liabilities</b>			
Short-term borrowing	78,855	(1,303)	77,552
Long-term borrowing	70,002	(1,873)	68,129
Deferred taxation	27,463	546	28,009
<b>Equity</b>			
Retained earnings	206,461	1,637	208,098

**3. Qualification of Financial Statements**

The preceding annual financial statements of the Group were not subject to any qualification.

**4. Seasonal or Cyclical Factors**

Seasonal and cyclical factors do not have any material impact on the Group's business operations.

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**5. Unusual and Extraordinary Items**

There are no unusual and extraordinary items affecting assets, liabilities, equity, net income, or cash flows during the current quarter and financial year to-date.

**6. Material Changes in Estimates**

There are no material changes in the estimates of amounts reported in the current quarter and financial year to-date.

**7. Issuance and Repayment of Debts and Equity Securities**

There have been no cancellation, repurchase, resale and repayment of debts and equity securities in the current quarter and financial year to-date.

**8. Dividends Paid**

No dividend was paid in respect of the current financial year to-date.

**9. Segmental Information**

Segmental information for the quarter ended 31 March 2010 and 31 March 2009 are as follows:

<b>Current Quarter/ Period Ended 31 Mar-10</b>	<b>Integrated Brown Field Maintenance and Engineering Services RM'000</b>	<b>Marine Offshore Support Services RM'000</b>	<b>Design, Fabrication, Supply and Installation Services RM'000</b>	<b>Investment Holding RM'000</b>	<b>Elimination RM'000</b>	<b>Group RM'000</b>
<b>Revenue</b>						
External revenue	114,549	26,532	11,786	-	-	152,867
Inter-segment revenue	29,010	-	-	840	(29,850)	-
	<u>143,559</u>	<u>26,532</u>	<u>11,786</u>	<u>840</u>	<u>(29,850)</u>	<u>152,867</u>
<b>Results</b>						
Segment results	14,880	2,319	(2,166)	1,005	(917)	15,121
Finance cost	(3,134)	-	(15)	(920)	924	(3,145)
Profit before taxation	<u>11,746</u>	<u>2,319</u>	<u>(2,181)</u>	<u>85</u>	<u>7</u>	<u>11,976</u>



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**9. Segmental Information (cont'd.)**

Corresponding Quarter/ Period-to-date Ended 31 Mar-09	Integrated Brown Field Maintenance and Engineering Services RM'000	Marine Offshore Support Services RM'000	Design, Fabrication, Supply and Installation Services RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
<b>Revenue</b>						
External revenue	71,506	13,431	22,027	-	-	106,964
Inter-segment revenue	17,819	-	-	840	(18,659)	-
	89,325	13,431	22,027	840	(18,659)	106,964
<b>Results</b>						
Segment results	8,822	1,068	1,483	1,082	(1,125)	11,330
Finance cost	(1,224)	-	(36)	(1,125)	1,125	(1,260)
Profit before taxation	7,598	1,068	1,447	(43)	-	10,070

**10. Valuation of Property, Plant and Equipment**

There is no valuation of property, plant and equipment during the current quarter and financial year to-date.

**11. Material Events Subsequent to the Balance Sheet Date**

There were no material events subsequent to the end of the interim period reported which have not been reflected in the financial statements.

**12. Changes in Composition of the Group**

There were no changes in the composition of the Group for the current quarter ended 31 March 2010 including business combination, acquisition or disposal of subsidiary and long-term investment, restructuring and discontinuing operation.

**13. Changes in Contingent Liabilities and Contingent Assets**

As at 31 March 2010, the Company has given corporate guarantees amounting to approximately RM259.5 million to licensed financial institutions for facilities granted to subsidiary companies. Arising from this, the Company is contingently liable for the amount utilized by its subsidiary companies of approximately RM10.7 million. As at the said date, the amount of performance guarantees extended to third parties is approximately RM5.8 million.

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**14. Significant Related Party Transactions**

**a. Related Party Transactions**

	<b>Current Quarter ended 31-Mar-10 RM'000</b>	<b>Corresponding Quarter ended 31-Mar-09 RM'000</b>
Rental paid to a corporate shareholder	-	45
Loan interest paid to a corporate shareholder	924	1,125
Management fee to a corporate shareholder	-	405
Charter hire fee paid to related companies of a corporate shareholder	15,984	16,362
	15,984	16,362

The Directors of the Company are of the opinion that the above transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

**b. Compensation of key management personnel**

The remuneration of Directors and other members of key management are as follows:

	<b>Current Quarter ended 31-Mar-10 RM'000</b>	<b>Corresponding Quarter ended 31-Mar-09 RM'000</b>
	422	532
	422	532

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**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING  
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**15. Review of Performance**

For the current quarter, the Group recorded turnover of RM152.9 million, an increase of 42.9% compared with RM107 million reported in the preceding year corresponding period. The profit before tax increased by 18.8% from RM10.1 million in the preceding year corresponding period to RM12.0 million for the current quarter.

The increase in revenue for the current quarter is mainly due to increase in business activities in the brown field maintenance and engineering services sector.

**16. Comparison with Immediate Preceding Quarter**

The Group's turnover in the current quarter increased by 4.9% to RM152.9 million from RM145.7 million reported in the preceding quarter. The profit before taxation increased to RM12.0 million for the current quarter as compared to a loss of RM0.3 million in the preceding quarter.

The increase in profit before tax for the current quarter is mainly because in the preceding quarter, the Group incurred late delivery charges arising from the boilers business of RM4.9 million and provision for doubtful debts amounting to RM2.2 million from design and fabrication sector. In addition, the Group also incurred expenses related to the mobilization of the 3 new vessels amounting to RM4.8 million and dry docking expenses amounting to RM1.0 million in the preceding quarter.

**17. Prospects**

The prospects for the integrated brown field services look promising in the years ahead. Considering the increasing number of mature oil fields and aged platforms that require rejuvenation to extend their productive lives, there are ample growth opportunities for brown field services.

Barring any unforeseen circumstances, the Board of Directors is confident that the prospects of the Group remain positive and bright. While the Directors are optimistic on the future prospects, they are also aware of the adverse impact of the current global economic crisis. The Directors in preserving shareholders' value, will exercise extra prudence and caution in facing the challenging economic environment.

**18. Profit Forecast**

No profit forecast or profit guarantee has been issued by the Group.

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**19. Taxation**

	<b>Current Quarter Ended 31-Mar-10 RM'000</b>	<b>Corresponding Quarter Ended 31-Mar-09 RM'000</b>	<b>Current Year-to-date Ended 31-Mar-10 RM'000</b>	<b>Corresponding Year-to-date Ended 31-Mar-09 RM'000</b>
Current tax charge	2,937	2,673	2,937	2,673
Deferred taxation	744	(69)	744	(69)
<b>Total</b>	<b>3,681</b>	<b>2,604</b>	<b>3,681</b>	<b>2,604</b>

The effective tax rate of the Group for the current quarter and financial year to-date is higher than the statutory tax rate principally due to tax losses and expenses that were not deductible for tax purposes.

**20. Unquoted Investment and Properties**

There were no purchase or disposal of unquoted investment and properties for the current quarter and financial year to-date.

**21. Quoted Securities**

There were no purchases or disposals of quoted securities for the current quarter and financial year to date and the Group did not hold any quoted securities as at the end of financial year to-date.

**22. Corporate Proposals**

There were no corporate proposals announced but not completed as of 18 May 2010.

**23. Borrowings and Amount Owing to a Corporate Shareholder**

a. Total Group's borrowings as at 31 March 2010 were as follows:

	<b>As at 31-Mar-10 RM'000</b>
Secured borrowings	
Short term	68,864
Long term	121,833
<b>Total</b>	<b>190,697</b>

The above borrowings are denominated in Ringgit Malaysia.

b. The amount owing to a corporate shareholder is unsecured and bears an interest rate of 7.5% p.a.

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**24. Derivative Financial Instruments**

There were no derivative financial instruments for the current financial quarter ended 31 March 2010.

**25. Gains and Losses Arising from Fair Value Changes of Financial Liabilities**

There were no financial liabilities measured at fair value through profit or loss for the current financial quarter ended 31 March 2010. All financial liabilities are measured at the amortised cost effective interest method. Hence, no gains or losses were recognised for changes in the fair values of these liabilities.

**26. Off Balance Sheet Financial Instruments**

The Group does not have any financial instruments with off-balance sheet risk as at 18 May 2010.

**27. Changes in Material Litigation**

The Group is not engaged in any material litigation as at 18 May 2010 except for the following:

- a. Petra Fabricators Sdn Bhd ("PFSB"), a wholly-owned subsidiary of PEB, received a Writ of Summons and a Statement of Claims dated 24 September 2003 for a total sum of RM1,071,899 from Kencana Bestwide Sdn Bhd (formerly known as Best Wide Matrix Sdn Bhd) ("KBW") for goods and services rendered.

PFSB filed a Defence and Counter-Claim dated 1 December 2003 for a sum of approximately RM2 million being the rectification cost incurred against KBW. On 19 January 2010, the Judge decided to allow the Plaintiff's claim and dismissed PFSB's counter claim with costs. However, an appeal has been filed to the Court of Appeal against the whole of the decision of the High Court Judge on 19 February 2010.

Based on legal advice, the Board of Directors is of the opinion that the Group has a reasonably good prospect to avail in the proceedings.

- b. Petra Resources Sdn Bhd ("PRSB"), a wholly-owned subsidiary of PEB has on 4 July 2006, served a Notice of Arbitration on ExxonMobil Exploration and Production Malaysia Inc. for payment of a balance sum of RM8,973,366.00, together with damages, interest and costs, on disputed unit of measurement of work completed. The matter is currently being heard and the next hearing date which was earlier fixed on 13 May 2010 is now fixed on 20 and 21 July 2010.

Based on legal advice, the Directors are of the opinion that PRSB has good grounds in demanding the payment for the outstanding amount.

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**27. Changes in Material Litigation (cont'd.)**

- c. Petra Boilers Sdn Bhd ("PBSB"), a wholly-owned subsidiary of PFSB, which in turn is a wholly-owned subsidiary of PEB has received a Request of Arbitration made on 1 December 2009 by United Palm Oil Industry Public Co. Ltd. ("UPOIC"), a company incorporated under the laws of Thailand. UPOIC claimed that PBSB supplied a boiler which failed and is of out-of-service, and that PBSB has failed to perform contractually obliged works pertaining the boiler causing UPOIC significant loss. UPOIC is claiming damages and penalty totaling USD11,258,335 together with interest, costs and such further or other relief as may be amended or added.

On 12 February 2010, PBSB filed its Answer denying UPOIC's claim and counter-claimed that UPOIC failed to honour its obligations to pay the balance of the contract sum for the supply of the boiler and penalty on the contract sum totaling USD628,191 together with interests, costs and such further or other relief as may be deemed fit to be awarded.

On 5 March, the International Chamber of Commerce ("ICC") International Court of Arbitration at its session on 4 May 2010, fixed the advance to cover the costs of arbitration at USD400,000, subject to later readjustments. PBSB has been invited to pay USD200,000 whilst UPOIC has been invited to bear the balance USD200,000 of the said USD400,000 costs advancement to ICC.

The Board of Directors has been advised by the advocate and solicitor that the UPOIC's claim is without merit and grossly inflated, and outside the scope of the contract, which itself specifies compensation for any breach of contract.

**28. Dividends**

There is no dividend proposed in respect of the current quarter ended 31 March 2010.

**29. Earnings Per Share**

<b>Weighted Average</b>	<b>Current Quarter Ended 31-Mar-10 RM'000</b>	<b>Corresponding Quarter Ended 31-Mar-09 RM'000</b>	<b>Current Year-to-date Ended 31-Mar-10 RM'000</b>	<b>Corresponding Year-to-date Ended 31-Mar-09 RM'000</b>
Net (loss)/profit attributable to shareholders	8,149	7,448	8,149	7,448
Number of ordinary shares in issue at the beginning of the period	195,000,000	195,000,000	195,000,000	195,000,000
Effect of the issuance pursuant to				
Public issue	-	-	-	-
Bonus issue	-	-	-	-
Weighted average number of ordinary shares in issue	195,000,000	195,000,000	195,000,000	195,000,000
Basic (loss)/earnings per ordinary share of RM0.50 each (sen)	4.18	3.82	4.18	3.82

**PETRA ENERGY BERHAD (Company No: 718388-H)**  
**(Incorporated in Malaysia)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
FIRST FINANCIAL QUARTER ENDED 31 MARCH 2010**

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**30. Authorisation For Issue**

The condensed consolidated interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the Directors on 25 May 2010.