



PERDANA INDUSTRI HOLDINGS BERHAD
(Incorporated in Malaysia - Company No. 91458-D)
QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER, 1999
(THE FIGURES HAVE NOT BEEN AUDITED)

CONSOLIDATED INCOME STATEMENT

	CUMULATIVE QUARTER		
	CURRENT QUARTER 31/12/99 RM'000	CURRENT YEAR TO DATE 31/12/99 RM'000	PRECEDING YEAR CORRES- PONDING PERIOD 31/12/98 RM'000
1 (a) Turnover	302	1,263	7,188
(b) Investment Income	-	-	-
(c) Other income including interest income	-	-	-
2 (a) Operating profit/(loss) before interest on borrowings, depreciation and amortization, exceptional items, income tax, minority interests and extraordinary items	(848)	1,450	(8,709)
(b) Interest on borrowings	(7,157)	(1,357)	(24,651)
(c) Depreciation and amortization	(334)	(1,121)	(947)
(d) Exceptional items	-	-	(3,000)
(e) Operating profit/(loss) after interest on borrowings, depreciation and amortization and exceptional items but before income tax, minority interests and extraordinary items	(8,337)	(23,928)	(37,307)
(f) Share of results of associated company	-	-	-
(g) Profit/(loss) before taxation, minority interest and extraordinary items	(8,337)	(23,928)	(37,307)
(h) Taxation	-	-	-
(i) (i) Profit/(loss) after taxation before deducting minority interests	(8,337)	(23,928)	(37,307)
(ii) Less minority interests	-	-	-
(j) Profit/(loss) after taxation attributable to members of the company	(8,337)	(23,928)	(37,307)
(k) (i) Extraordinary items	-	-	-
(ii) Less minority interests	-	-	-
(iii) Extraordinary items attributable to members of the company	-	-	-
(l) Profit/(loss) after taxation and extraordinary items attributable to members of the company	(8,337)	(23,928)	(37,307)
3 (a) Earnings/(loss) per share based on 2(i) above after deducting any provision for preference dividend, if any :-			
(i) Basic (based on 35,873,133 ordinary shares) (sen)	(23.24)	(66.70)	(104.00)
(ii) Fully diluted (based on 35,873,133 ordinary shares) (sen)	(23.24)	(66.70)	(104.00)

PERDANA INDUSTRI HOLDINGS BERHAD
CONSOLIDATED BALANCE SHEET

	(UNAUDITED)	(AUDITED)
	AS AT END OF CURRENT QUARTER 31/12/99 RM'000	AS AT PRECEDING FINANCIAL YEAR END 1/03/1999 RM'000
1 Fixed Assets	14,417	16,288
2 Investment in Associated Company	-	-
3 Intangible Assets	4	68
4 Deferred Expenditure	-	-
5 Current Assets		
Stocks	-	923
Trade Debtors	324	1,061
Deposits With Licensed Banks	25	160
Cash and Bank Balances	211	215
Other Debtors	43,149	43,201
	<u>43,709</u>	<u>45,500</u>
6 Current Liabilities		
Short Term Borrowings	196,853	191,875
Trade Creditors	1,198	1,414
Other Creditors	64,444	48,879
Provision for taxation	7	7
Dividend Payable	-	-
	<u>262,502</u>	<u>242,175</u>
7 Net Current Assets	(218,793)	(196,615)
	<u>(204,372)</u>	<u>(180,259)</u>
8 Shareholders' Fund		
Share Capital	35,873	35,873
Reserves		
Capital Reserve	6,553	6,556
Retained Profits	(246,853)	(222,931)
	<u>(204,430)</u>	<u>(180,502)</u>
9 Minority Interests	-	-
10 Long Term Borrowings	58	243
11 Deferred Taxation	-	-
	<u>(204,372)</u>	<u>(180,259)</u>
12 Net tangible assets per share (sen)	(5.70)	(5.02)

PERDANA INDUSTRI HOLDINGS BERHAD
NOTES TO THE ACCOUNTS

1 Accounting Policies

The accounts of the Group are prepared using the same accounting policies, method of computation and basis of consolidation as those used in the preparation of the most recent annual financial statements.

2 Exceptional Items

The particulars of the exceptional items are as follows:

	Cumulative		
	Current Quarter 31/12/99 RM'000	Current Year To Date 31/12/99 RM'000	Preceding Year To Date 31/12/98 RM'000
a) Provision on doubtful debts on deposits and advances made in respect of aborted acquisitions and corporate exercise	-	-	(18,168)
b) Interest accrued on advances in respect of aborted acquisitions and corporate exercise	-	-	15,160
			(3,000)

3 Extraordinary Items

There were no extraordinary items for the financial period under review.

4 Taxation

There were no taxation charges for the financial period under review as the Company and the Group are in tax loss positions.

5 Pre-Acquisition Profit

There were no pre-acquisition profit or loss for the financial period under review.

6 Sale of Investments and/or Properties

There were no disposal of investment and/or properties in the financial period under review.

7 Quoted Securities

There were no purchase or disposal of Quoted Securities in the financial period under review.

PERDANA INDUSTRI HOLDINGS BERHAD
NOTES TO THE ACCOUNTS

8 Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial period under review.

9 Status of Corporate Proposals

On 10 September 1999, the Special Administrators announced on behalf of the Company that the Company has entered into a Memorandum of Understanding ("MOU") with (i) the shareholders Wah Seong Industrial Holdings Sdn Bhd and (ii) Grandval Sdn Bhd to regulate and record the basic understanding that the proposed restructuring of the Company will be based on a Skeletal Workout Proposal annexed to the MOU.

In furtherance of the proposed restructuring of the Company, on 18 January 2000 Arab-Malaysian Merchant Bank Berhad announced on behalf of the Company that the Company has entered into a conditional transfer of listing status agreement with Wah Seong Corporation Berhad ("WSC"). Under the terms of the conditional agreement, the Company will transfer its listing status to WSC and in return WSC will settle all or part of the outstanding debts of the Company.

The restructuring of the Company is subject to the approval of the authorities.

10 Seasonal or Cyclical Factors

The operations of the Group were not affected by seasonal or cyclical factors to any material extent.

11 Issue of Equity Shares

There were no changes in the issued share capital of the Company for the financial period under review.

12 Short Term Borrowings

Short term borrowings as at 31 December 1999 were as follows :-

	RM'000
Short Term Borrowings	
Unsecured	
Bank overdrafts	42,560
Factoring facility	657
Trust receipts	4,893
	<u>48,110</u>
Secured	
Bank overdrafts	5,968
Trust receipts	1,412
Revolving credits	7,407
Short term loan	130,837
Term loan	2,212
Bankers acceptances	827
	<u>148,743</u>
Total	<u><u>196,853</u></u>

None of the above borrowings are denominated in foreign currency.

PERDANA INDUSTRI HOLDINGS BERHAD
NOTES TO THE ACCOUNTS

13 Contingent Liabilities

The contingent liabilities of the Group as at 31 December, 1999 were as follows:

	RM'000
Claims arising from share trading transactions	9,968
Claims arising from third party pledge of assets for facilities granted to the Company	27,000
	<u>36,968</u>

14 Off Balance Sheet Financial Instruments

The Group does not have any financial instrument with off balance sheet risk as at 15 February 2000, the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

15 Material Litigations

Save as disclosed below, the Group is not engaged in any material litigation either as plaintiff or defendant and the directors do not have any knowledge of any proceedings pending or threatened against the Group :-

- a) MBf Finance Berhad ("MBf") filed an application for Summary Judgement against the Company on 23 October 1997 and the Judgement was obtained by MBf on 15 April 1998 for a sum of RM138,263,134.24 as at 30 September 1997 together with interest at 14.3% per annum and additional interest of 1% per annum on the said sum until full settlement. The said sum consists of principal and interest owing to MBf arising from term loan facilities.
- b) The Oriental Bank Berhad ("OBB") filed an application for Summary Judgement against the Company on 12 February 1998 for an amount of RM12,966,289.78 which consists of principal and interest owing to OBB arising from overdraft facilities.
- c) The Oriental Bank Berhad ("OBB") filed an application for Summary Judgement against PIH Building Materials Supplies Sdn Bhd on 12 March 1998 for an amount of RM2,670,809.60 which consists of principal and interests owing to OBB arising from overdraft facilities.
- d) Bank of Commerce (M) Bhd ("BOC") filed an application for Summary Judgement against PIH Marco Shoe Manufacturing Sdn Bhd on 24 April 1998 and the Summary Judgement was obtained on 27 July 1998 for a sum of RM4,726,691.04 together with interest and cost. The said sum consists of principal and interest owing to BOC arising from overdraft and trust receipts facilities.

PERDANA INDUSTRI HOLDINGS BERHAD
NOTES TO THE ACCOUNTS

16 Segmental Reporting

Analysis by industries

	Turnover RM'000	Loss before taxation RM'000	Total assets employed RM'000
Manufacturing and trading	1,263	(5,687)	14,788
Investment holdings	-	(18,241)	43,337
	<u>1,263</u>	<u>(23,928)</u>	<u>58,125</u>

17 Material Changes in Quarterly Results

There were no material changes in the Company since the last reported quarter 30 September 1999.

18 Review of Group's Performance

The Group continued to suffer losses due to high interest costs on bank borrowings and the cessation of the shoe manufacturing activities.

19 Current Year Prospects

The proposed injections of viable businesses and assets in to the Group will be key to its successful restructuring. The new businesses and assets have been chosen for their ability to diversify the Group business, whilst providing long term stable income.

20 Variance of Current Results from Profit Forecast

Not applicable.

21 Shortfall in Profit Guarantee

Not applicable.

22 Dividend

No interim dividend was proposed by the Board of Directors for the financial period under financial review.

23 Y2K Compliant

Not applicable.

**PERDANA INDUSTRI HOLDINGS BERHAD
NOTES TO THE ACCOUNTS**

24 Special Administrators Acting as Agents of Perdana Industri Holdings Berhad ('PIHB')

As agents to PIHB under Section 32 of the Pengurusan Danaharta Nasional Berhad Act 1998 (the Act), the Special Administrators confirm on behalf of PIHB the information contained herein.

In confirming the information, the Special Administrators have placed reliance on representation made by the management of PIHB under Section 36 of the Act. The Special Administrators have not sought to verify all the statements or information and have not performed an examination in accordance with generally accepted accounting principles. As such, the Special Administrators shall not be liable in the event of any of the information being submitted and / or caused to be submitted that is materially false or misleading or from which there is a material omission which would result in any data, information and / or statement therein misleading.

FOR AND ON BEHALF OF PERDANA INDUSTRI HOLDINGS BERHAD



**Lim San Peen
Special Administrator of
Perdana Industri Holdings Berhad
Kuala Lumpur
Date : 29 February 2000**