

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2015

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1. Basis of Preparation

The interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 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 (“Bursa Malaysia”).

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014. These 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 2014.

2. Changes in Accounting Policies

A2.1 Adoption of Standards, Amendments and Interpretations

The significant accounting policies adopted in the preparation of these interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2014, except for the adoption of the following Standards, Amendments and Interpretations from 1 January 2015:

MFRS/Amendments/ Interpretation	Effective Date
Amendments to MFRS 1, <i>First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRSs 2011 –2013 Cycle)</i>	1 July 2014
Amendments to MFRS 2, <i>Share-based Payment (Annual Improvements to MFRSs 2010 –2012 Cycle)</i>	1 July 2014
Amendments to MFRS 3, <i>Business Combinations (Annual Improvements to MFRSs 2010 –2012 Cycle and 2011 – 2013 Cycle)</i>	1 July 2014
Amendments to MFRS 8, <i>Operating Segments (Annual Improvements to MFRSs 2010 – 2012 Cycle)</i>	1 July 2014
Amendments to MFRS 13, <i>Fair Value Measurement (Annual Improvements to MFRSs 2010 –2012 Cycle and 2011 – 2013 Cycle)</i>	1 July 2014
Amendments to MFRS 116, <i>Property, Plant and Equipment (Annual Improvements to MFRSs 2010 –2012 Cycle)</i>	1 July 2014
Amendments to MFRS 119, <i>Employee Benefits –Defined Benefit Plans: Employee Contributions</i>	1 July 2014
Amendments to MFRS 124, <i>Related Party Disclosures (Annual Improvements to MFRSs 2010 –2012 Cycle)</i>	1 July 2014

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

MFRS/Amendments/ Interpretation	Effective Date
Amendments to MFRS 138, <i>Intangible Assets (Annual Improvements to MFRSs 2010 – 2012 Cycle)</i>	1 July 2014
Amendments to MFRS 140, <i>Investment Property (Annual Improvements to MFRSs 2011 – 2013 Cycle)</i>	1 July 2014

The adoption of the above Standards, Amendments and Interpretations does not have a material impact on the financial statements of the Group and of the Company.

A2.2 Standards, Amendments and Interpretations issued but not yet effective

MFRS/Amendments/ Interpretation	Effective Date
MFRS 14, <i>Regulatory Deferral Accounts</i>	1 January 2016
Amendments to MFRS 116, <i>Property, Plant and Equipment and MFRS 138, Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 January 2016
Amendments to MFRS 11: <i>Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations</i>	1 January 2016
Amendments to MFRS 5, <i>Non-current Assets Held for Sale and Discontinued Operations (Annual Improvement to MFRSs 2012 – 2014 Cycle)</i>	1 January 2016
Amendments to MFRS 7, <i>Financial Instruments: Disclosures - (Annual Improvement to MFRSs 2012 – 2014 Cycle)</i>	1 January 2016
Amendments to MFRS 10, <i>Consolidated Financial Statements and MFRS 128, Investment in Associates and Joint Ventures – Sales or Contribution of Assets Between an Investor and its Associate or Joint Venture</i>	1 January 2016
Amendments to MFRS 10, <i>Consolidated Financial Statements, MFRS 12, Disclosure of interests in Other Entities and MFRS 128, Investments in Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception</i>	1 January 2016
Amendments to MFRS 101, <i>Presentation of Financial Statements – Disclosure Initiative</i>	1 January 2016

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2. Changes in Accounting Policies (Cont'd)

MFRS/Amendments/ Interpretation	Effective Date
Amendments to MFRS 116, <i>Property, Plant and Equipment and MFRS 141, Agriculture –Agriculture: Bearer Plants</i>	1 January 2016
Amendments to MFRS 119, <i>Employee Benefits (Annual Improvements to MFRSs 2012 – 2014 Cycle)</i>	1 January 2016
Amendments to MFRS 127, <i>Equity Method in Separate Financial Statements</i>	1 January 2016
Amendments to MFRS 134, <i>Interim Financial Reporting (Annual Improvements to MFRSs 2012 – 2014 Cycle)</i>	1 January 2016
MFRS 15, <i>Revenue from Contracts with Customers</i>	1 January 2018
MFRS 9, <i>Financial Instruments (2014)</i>	1 January 2018
Amendments to MFRS 7, <i>Financial Instruments: Disclosures – Mandatory Effective Date of MFRS 9 and Transition Disclosures</i>	1 January 2018

The Group plans to apply:

- from the annual period beginning on 1 January 2016 those accounting standards, amendments or interpretations that are effective for annual periods beginning on or before 1 January 2016, except for Amendments to MFRS 5, Amendments to MFRS 11, Amendments to MFRS 138, Amendments to MFRS 141 and MFRS 14 which are assessed as presently not applicable to the Group.
- from the annual period beginning on 1 January 2018 MFRS 15, MFRS 9 and Amendments to MFRS 7 which are effective for annual period beginning on 1 January 2018.

The initial application of the above accounting standards, amendments or interpretations is not expected to have any material financial impacts to the financial statements for current and prior period financial statements of the Group.

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2. Changes in Accounting Policies (Cont'd)

During the current financial year, the Group made a prior year adjustment to reflect a change in the accounting of certain assets from operating lease to finance lease. The financial effects of the change are shown below:

	1 Jan 2014			31 Dec 2014		
	Before restatement RM '000	Restatement RM '000	After restatement RM '000	Before restatement RM '000	Restatement RM '000	After restatement RM '000
Profit before tax	65,389	1,847	67,236	89,515	2,920	92,435
Total assets	1,182,297	298,079	1,480,376	1,384,434	301,079	1,685,513
Total borrowings	573,923	268,678	842,601	687,375	266,204	953,579

3. Qualification of Financial Statements

There was no qualification on the audited financial statements of the Group and of the Company for the financial year ended 31 December 2014.

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 Items

There are no unusual items affecting assets, liabilities, equity, or cash flows during the current quarter and financial year to-date, except for the other comprehensive income/expense arising from foreign currency translation of investment in Labuan subsidiaries denominated in US Dollars. During the current quarter and financial year to-date, the other comprehensive income/expense arising from foreign currency translation amounted to RM19.0 million losses and RM145.5 million gains respectively.

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 during the current quarter and financial year to-date.

PERDANA PETROLEUM BERHAD

(Company No: 372113_A)

(Incorporated in Malaysia)



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9. Segmental Information

Business Segment

<i>Current Quarter</i> <i>Ended 31 December 2015</i>	Marine Offshore Support Services	Investment Holding	Elimination	Group
	RM'000	RM'000	RM'000	RM'000
Revenue				
External revenue	48,603	-	-	48,603
Inter-segment revenue	-	3,858	(3,858)	-
	48,603	3,858	(3,858)	48,603
Results				
Segment results	(45,625)	(3,254)	2,743	(46,136)
Finance costs	(32,523)	(399)	519	(32,403)
Loss before taxation	(78,148)	(3,653)	3,262	(78,539)
<i>Corresponding Quarter</i> <i>Ended 31 December 2014 (restated)</i>	Marine Offshore Support Services	Investment Holding	Elimination	Group
	RM'000	RM'000	RM'000	RM'000
Revenue				
External revenue	77,549	-	-	77,549
Inter-segment revenue	-	4,704	(4,704)	-
	77,549	4,704	(4,704)	77,549
Results				
Segment results	33,696	(45,949)	39,271	24,018
Finance costs	(9,009)	(316)	518	(8,807)
Profit before taxation	24,687	(46,265)	39,789	18,211

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9. Segmental Information (Cont'd)

Business Segment

<i>Current Year-to-date Ended 31 December 2015</i>	Marine Offshore Support Services RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
Revenue				
External revenue	228,191	-	-	228,191
Inter-segment revenue	-	12,358	(12,358)	-
	228,191	12,358	(12,358)	228,191
Results				
Segment results	(43,643)	(5,771)	(9,056)	(58,470)
Finance costs	(57,612)	(1,289)	2,066	(56,835)
Loss before taxation	(101,255)	(7,060)	(6,990)	(115,305)

<i>Corresponding Year-to-date Ended 31 December 2014 (restated)</i>	Marine Offshore Support Services RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
Revenue				
External revenue	347,217	-	-	347,217
Inter-segment revenue	-	11,328	(11,328)	-
	347,217	11,328	(11,328)	347,217
Results				
Segment results	146,341	(51,205)	29,289	124,425
Finance costs	(32,875)	(1,270)	2,155	(31,990)
Profit before taxation	113,466	(52,475)	31,444	92,435

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10. Material Events Subsequent to the reporting period

There were no material events subsequent to the end of the interim period reported which have not been reflected in the financial statements, except for any additional tax that may be imposed on the Group following a recent tax audit by the Inland Revenue Board. The Group is currently responding to the queries raised thereby vide their letter dated 19 October 2015 and is unable to quantify the additional tax that may be payable, if any. Should the tax audit be concluded before the financial statements for the year ended 31 December 2015 are signed, the additional tax payable arising from the audit, being an adjusting event will be incorporated into the said financial statements. The loss after taxation for the quarter and year ended 31 December 2015 as disclosed in this interim report could consequently be affected and adjusted as appropriate in the audited financial statements for the year ended 31 December 2015.

11. Changes in Composition of the Group

There were no changes in the composition of the Group for the current quarter ended 31 December 2015.

12. Changes in Contingent Liabilities

In addition to the contingent tax liability as disclosed in Note 10, the following are the contingent liabilities outstanding as at 31 December 2015:

	As at 31-Dec-15	
	Group RM'000	Company RM'000
<u>Unsecured:-</u>		
Bank guarantee granted to third parties for the benefit of a subsidiary	4,800	4,800
Corporate guarantee given to licensed banks for credit facilities granted to subsidiaries	2,413	980,943
	<u>7,213</u>	<u>985,743</u>

13. Capital Commitment

As at 31 December 2015, the Group had the following capital commitments:

	RM'000
Approved and contracted for	
- Purchase of property, plant and equipment	<u>144,278</u>

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14. Operating Lease Arrangements

As at 31 December 2015, the Group has entered into operating lease agreements for the use of office equipment. The future aggregate minimum lease payments are as follows:

	RM'000
Not later than 1 year	122

15. Significant Related Party Transactions

- a. The Group/Company had the following transactions with related parties during the financial quarter:

Company	Quarter ended 31-Dec-15 RM'000	Quarter ended 31-Dec-14 RM'000
i. Subsidiaries:		
- rental income	95	89
- management income	3,763	4,615
Group		
i. Related party:		
- charter income	17,650	30,692

In the opinion of the Directors, the above transactions have been entered into in the ordinary course of business and have been established on terms that are not more favourable to the related parties than those generally available to the public.

- b. Compensation of key management personnel

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

	Quarter ended 31-Dec-15 RM'000	Quarter ended 31-Dec-14 RM'000
Short-term employee benefits	1,281	2,474

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

16. Review of Performance

- A. For the current quarter ended 31 December 2015, the Group recorded a lower turnover of RM48.6 million and a loss before taxation of RM78.5 million, as compared to a turnover of RM77.5 million and profit before taxation of RM18.2 million in the fourth quarter of year 2014.

The lower turnover registered and the loss before taxation incurred in the current quarter is mainly due to lower vessel utilization at 59% in the current quarter as compared to 68% in fourth quarter of year 2014, resulting from slower work orders /contracts award from the oil majors affected by the decline in crude oil prices. The loss before taxation has also taken into account property, plant and equipment written off of RM36.5 million and impairment loss on property, plant and equipment of RM 28.1 million in the current quarter ended 31 December 2015.

- B. For the financial year ended 31 December 2015, the Group recorded a lower turnover of RM228.2 million and loss before taxation of RM115.3 million as compared to previous year ended 31 December 2014's turnover of RM347.2 million and profit before taxation of RM92.4 million.

The lower turnover registered and the loss before taxation incurred is mainly due to lower vessel utilization at 63% for the financial year ended 31 December 2015, as compared to 92% in previous year ended 31 December 2014, resulting from slower work orders /contracts award from the oil majors affected by the decline in crude oil prices. The loss before taxation has also taken into account property, plant and equipment written off of RM36.5 million and impairment loss on property, plant and equipment of RM 28.1 million in the current quarter ended 31 December 2015.

17. Comparison with Immediate Preceding Quarter

The Group recorded a lower turnover of RM48.6 million and a loss before taxation of RM78.5 million in the current quarter, as compared to the previous quarter's turnover of RM45.9 million and loss before taxation of RM35.5 million.

The higher loss before taxation incurred is mainly attributed to property, plant and equipment written off of RM36.5 million and impairment loss on property, plant and equipment of RM28.1 million in the current quarter.

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18. Prospects

The OSV market outlook remains uncertain for the upcoming year due to the volatile crude oil prices but we are confident that the major decisions which were made in 2015 such as the restructuring of management and loan refinancing have better prepared us to weather any incoming storms. The Group is looking positively towards attaining a better fleet utilisation rate in 2016 and we are currently exploring possibilities of tapping into the regional and international markets.

We are hopeful that the Group can turn in a small operational profit in 2016 through improved efficiencies via continued operational streamlining and newly established synergies with Dayang who are involved in the Hook-Up & Commissioning (HUC) and Topside Structural Maintenance (TSM) of mostly brownfield market which have been less adversely affected by the downturn.

Though we cannot predict when the OSV market will pick up, the Board believes that its young fleet of average age of approximately 5.2 years will continue to provide the longer term charter opportunities and we will continue moving forward with more focused and resilience.

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REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

19. (Loss)/Profit for the Quarter/Period

	Current Quarter Ended 31-Dec-15 RM'000	Corresponding Quarter Ended 31-Dec-14 RM'000	Current Year-to-date Ended 31-Dec-15 RM'000	Corresponding Year-to-date Ended 31-Dec-14 RM'000
(Loss)/Profit for the quarter is arrived at after charging/(crediting):				
Allowance for impairment loss on goodwill	-	16,783	-	16,783
Allowance for impairment loss on non-current assets classified as held for sale	-	2,077	-	2,077
Allowance for impairment loss on property, plant and equipment	28,065	-	-	-
Bad debt written off	-	95	2	102
Depreciation of property, plant and equipment	35,720	13,804	83,953	52,203
Deficit on liquidation of subsidiaries	-	-	-	150
Interest expense	32,212	7,707	56,558	30,025
Loss/(Gain) on disposal of property, plant and equipment	77	(1,016)	245	(855)
Property, plant and equipment written off	36,463	1	36,553	1
Accretion of refundable deposits	(1,981)	(593)	(174)	(2,786)
Interest income	(134)	(181)	(900)	(587)
Loss/(Gain) on foreign exchange:				
- realised	6,011	(24,303)	16,113	(24,639)
- unrealised	(7,455)	5,385	1,142	5,288

Other than the above, there were no allowance for and write off of inventories, gain or loss on disposal of quoted or unquoted investments or properties, other income including investment income and exceptional items for for the current quarter and financial period ended 31 December 2015.

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REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

20. Taxation

The provision of taxation for the current quarter and financial year to-date under review are as follows:

	Current Quarter Ended 31-Dec-15 RM'000	Corresponding Quarter Ended 31-Dec-14 RM'000	Current Year-to-date Ended 31-Dec-15 RM'000	Corresponding Year-to-date Ended 31-Dec-14 RM'000
Current tax:				
Malaysian income tax	(859)	238	133	1,196
Foreign tax	-	-	540	254
Withholding tax	-	-	-	1
	(859)	238	673	1,451
Deferred tax:				
Malaysian income tax	(374)	46	(374)	18
Total	(1,233)	284	299	1,469

Despite the consolidated losses for the current quarter and financial year to-date, the Group still incurs a tax charge as the losses incurred by certain group entities cannot be offset against the taxable profits made by other group entities.

21. Corporate Proposals

On 14 May 2015, the Company has received a notice from Maybank Investment Bank Berhad (“Maybank IB”) on behalf of Dayang Enterprise Holdings Berhad (“Dayang”) in relation to the proposed acquisition of 42,965,100 ordinary shares of RM0.50 each in Perdana Petroleum Berhad (“PPB”) (“PPB Shares”), representing approximately 5.74% equity interest in PPB from Affin Hwang Asset Management Berhad for a total cash consideration RM66,595,905 or RM1.55 per share (“Proposed Acquisition”) and proposed mandatory general offer (“MGO”) for all the remaining PPB Shares not already owned by Dayang after the Proposed Acquisition and such number of new PPB Shares that may be issued pursuant to the exercise of any outstanding warrants 2010/2015 issued by PPB (“PPB Warrants”) prior to the close of the proposed MGO for a cash consideration of RM1.55 per PPB Share and all the remaining PPB Warrants not already owned by Dayang for a cash consideration of RM0.84 per PPB Warrant.

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REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

21. Corporate Proposals (Cont'd)

On 2 July 2015, the Company received a notice of conditional mandatory take-over offer from Maybank IB, on behalf of Dayang to acquire all the remaining PPB Shares not already owned by Dayang after the Acquisition and such number of new PPB Shares that may be issued pursuant to the exercise of any outstanding PPB Warrants prior to the close of the Offer (“Offer Shares”) and all the remaining PPB Warrants not already owned by Dayang (“Offer Warrants”) for a cash offer price of RM1.55 per Offer Share and RM0.84 per Offer Warrant. In relation to the Offer, the Board has deliberated on the Notice and is not seeking an alternative person to make a take-over offer for the Offer Shares and Offer Warrants.

On 24 July 2015, Dayang (“the Offeror”) received valid acceptances in respect of the Offer, resulting in Dayang and the person acting in concert with Dayang for the Offer (“PACs”) holding in aggregate, together with such PPB Shares that are already acquired, held or entitled to be acquired or held by Dayang and the PACs, more than 50% of the voting shares of PPB. As such, the acceptance condition of the Offer has been fulfilled and the Offer has become unconditional.

On the close of the Offer on 13 August 2015, the Offeror and PACs accepted 710,783,665 ordinary shares of RM0.50 each and 28,368,926 warrants, which equivalent to 94.96% of issued and paid-up share capital of PPB as at 13 August 2015 of 748,488,501 PPB Shares and 92.63% of 30,627,597 outstanding PPB Warrants as at 13 August 2015. Henceforth, the Company regarded Dayang Enterprise Holdings Bhd as its holding company.

As the public shareholding spread of PPB was less than 10% of the Voting Shares of PPB, on 14 August 2015, the Company announced that the trading in all the securities of PPB would be suspended by Bursa Securities with effect from 9.00 a.m. on 31 December 2015, pursuant to Paragraph 16.02(2) of the Main Market Listing Requirements (“MMLR”). Accordingly, trading in the structured warrants relating to Perdana would also be suspended at the same date and time. The suspension would only be uplifted by Bursa Malaysia Securities Berhad upon PPB's full compliance with the public shareholding spread requirements under paragraph 8.02(1) of the MMLR or as may be determined by Bursa Malaysia Securities Berhad.

On 25 September 2015, the Company announced that Bursa Securities had vide their letter dated 23 September 2015 granted the Company an extension of time of three months from 13 August 2015 to 12 November 2015 to comply with the public shareholding spread requirement.

On 2 December 2015, the Company announced that Bursa Securities had vide their letter dated 1 December 2015 granted the Company an extension of time of three months from 13 November 2015 to 12 February 2016 to comply with the public shareholding spread requirement.

The company had on 3 February 2016 submitted to Bursa Securities an application for a further extension of time for compliance with the public shareholding spread to 12 August 2016 to rectify the shortfall. The application is pending approval of Bursa Securities.

There were no other corporate proposals announced but not completed as of 15 February 2016 save for the above.

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REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

22. Borrowings

Total Group's borrowings as at 31 December 2015 were as follows:

	As at 31-Dec-15 RM'000	(Restated) As at 31-Dec-14 RM'000
Short term borrowings		
Secured	209,870	128,609
Unsecured	20,000	35,000
	229,870	163,609
Long term borrowings		
Secured	768,934	789,970
Total borrowings	998,804	953,579

The above includes borrowings in US Dollars equivalent to RM979 million.

23. Derivative Financial Instruments

There are no outstanding derivative financial instruments as at 31 December 2015.

24. Changes in Material Litigation

The Group is not engaged in any material litigation as at 15 February 2016 except for the following:

On 22 June 2011, the Company filed a suit in the High Court against Tengku Dato' Ibrahim Petra bin Tengku Indra Petra, Wong Fook Heng, Tiong Young Kong, Lee Mee Jiong, TA Securities Holdings Berhad ("TASB"), Yap Hock Heng and TA First Credit Sdn Bhd ("TAFC") to claim for losses and damages suffered by the Company in respect of, inter alia, the divestment of 10,500,000 ordinary shares of RM0.50 each in Petra Energy Berhad ("PEB") by PPB to certain parties on 10 September 2009 and the divestment of 48,800,000 ordinary shares of RM0.50 each in PEB by PPB as conducted by the TA Securities Holdings Berhad and Yap Hock Heng on 11 December 2009.

This suit is mounted on several causes of action, including breaches of fiduciary and statutory duties, accessory liability and conspiracy and the Company is seeking from the High Court, various declaratory reliefs, damages (general and/or fiduciary and/or aggravated) to be assessed, interest, account and disgorgement and costs.

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24. Changes in Material Litigation (Cont'd)

On 7 September 2012, the Company filed notices of discontinuance pursuant to a negotiated settlement with TASB, Yap Hock Heng and TAFC, with no admission of liability and with no liberty to file afresh. In this connection, TASB had also agreed to discontinue their suit against the Company in relation to a claim of approximately RM2.796 million as placement fees due to them (“TASB Suit”) with no admission of liability and with no liberty to file afresh. With the discontinuance of the TASB Suit, the Company had reversed the provisions made earlier.

The trial at the High Court ended on 26 April 2013 and oral submissions by respective counsels were made on 21 November 2013 and 28 November 2013. On 21 March 2014, the Company announced that the High Court gave its decision that the Company was unsuccessful in the Suit. On 17 April 2014, the Company filed a Notice of Appeal to the Court of Appeal on the decision of the Suit.

On 9 September 2014, the Company announced that the High Court had made a decision on costs and ordered PPB to pay the Defendant Parties, a total cost of RM841,731. The High Court had also ordered Tengku Dato’ Ibrahim Petra bin Tengku Indra Petra to pay PPB the sum of RM192,780 with post judgement interest calculated at 5% per annum starting from 22 March 2014 (“Judgement Sum”). The earnings of the Group for the year ended 31 December 2014 was reduced by the differential sum of the total cost payable and the judgement sum receivable.

On 24 September 2014, the Company announced that the Court of Appeal had fixed the hearing of the Appeal on 2 December 2014. This was subsequently adjourned and fixed to be heard on 11 March 2015.

The Appeal was heard on 11 March 2015 and 25 March 2015.

On 25 August 2015, the Company announced that the Court of Appeal has made the following judgements:-

- (a) PPB's appeal was allowed with costs against Tengku Dato’ Ibrahim Petra bin Tengku Indra Petra, Wong Fook Heng and Tiong Young Kong;
- (b) PPB's appeal was dismissed with costs against Lee Mee Jiong; and
- (c) Tengku Dato’ Ibrahim Petra bin Tengku Indra Petra's cross appeal is dismissed with costs.

On 25 September 2015, the Company announced that the Company had on 23 September 2015 received the Notices of Motion from the solicitors of Tengku Dato’ Ibrahim bin Tengku Indra Petra and Wong Fook Heng & Tiong Young Kong respectively, to apply for leave to appeal to the Federal Court against the decision of the Court of Appeal on 25 August 2015. The leave application has been fixed for hearing on 1 March 2016.

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25. Dividends

There was no dividend proposed in respect of the current quarter ended 31 December 2015.

26. (Loss)/Earnings Per Share

a.) Basic

	Current Quarter Ended 31-Dec-15	(Restated) Corresponding Quarter Ended 31-Dec-14	Current Year-to-date Ended 31-Dec-15	(Restated) Corresponding Year-to-date Ended 31-Dec-14
Net (loss)/profit attributable to shareholders (RM'000)	(77,308)	17,927	(116,053)	90,968
Number of ordinary shares of RM0.50 each at the beginning of the quarter/period	749,032,180	738,429,275	738,570,075	727,222,915
Effects of warrants exercised	28,158,823	52,304	15,267,992	9,567,456
Weighted average number of ordinary shares in issue	777,191,003	738,481,579	753,838,067	736,790,371
Basic (loss)/earnings per ordinary share of RM0.50 each (Sen)	(9.95)	2.03	(15.39)	11.95

PERDANA PETROLEUM BERHAD

(Company No: 372113_A)
(Incorporated in Malaysia)



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**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING
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26. (Loss)/Earnings Per Share (Cont'd)

b.) Diluted

	Current Quarter Ended 31-Dec-15	(Restated) Corresponding Quarter Ended 31-Dec-14	Current Year -to-date Ended 31-Dec-15	(Restated) Corresponding Year -to-date Ended 31-Dec-14
Net (loss)/profit attributable to shareholders (RM'000)	(77,308)	17,927	(116,053)	90,968
Number of ordinary shares of RM0.50 each at the beginning of the quarter/period	749,032,180	738,429,275	738,570,075	727,222,915
Effects of warrants exercised	28,158,823	52,304	15,267,992	9,567,456
Effects of outstanding warrants	-	19,638,015	-	24,739,083
Adjusted number of ordinary shares for calculating diluted earnings per ordinary share	777,191,003	758,119,594	753,838,067	761,529,454
Diluted earnings per ordinary share of RM0.50 each (Sen)	*N/A	1.98	*N/A	11.56

* Diluted earnings per share is not presented as there are no outstanding warrants as at 31 December 2015.

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

27. Disclosure of Realised and Unrealised Profits

On 25 March 2010, Bursa Securities issued a directive to all listed issuers pursuant to Paragraph 2.06 and 2.23 of the Bursa Securities Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Bursa Securities further issued guidance on the disclosure and the format required.

The breakdown of the retained profits of the Group into realised and unrealised profits, pursuant to the directive, is as follows:

	As at 31-Dec-2015 RM'000	(Restated) As at 31-Dec-2014 RM'000
Total retained profits of the Group:		
- Realised	182,585	214,901
- Unrealised	(29,039)	(8,994)
	<u>153,546</u>	<u>205,907</u>
Add:- Consolidation adjustments	69,912	106,019
- Prior year adjustments	-	27,585
Total retained profits as per statement of financial position	<u>223,458</u>	<u>339,511</u>

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

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