

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(Unaudited) As at 31 / 12 / 2013 RM ' 000	(Audited) As at 31 / 03 / 2013 RM ' 000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment properties	302,664	312,703
Property, plant and equipment	38,937	34,904
Deferred tax assets	353	1,280
	341,954	348,887
<b>Current assets</b>		
Property development cost	8,416	13,572
Inventories	53	30
Trade and other receivables	20,400	2,469
Current tax assets	6	36
Cash and cash equivalents	10,411	2,401
	39,286	18,508
	<b>381,240</b>	<b>367,395</b>
<b>TOTAL ASSETS</b>		
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the company</b>		
Share capital	136,208	136,208
Reserves	75,520	71,690
<b>Total equity</b>	211,728	207,898
<b>Non-current liabilities</b>		
Borrowings	99,343	85,374
Deferred tax liabilities	356	139
	99,699	85,513
<b>Current liabilities</b>		
Trade and other payables	29,439	16,456
Borrowings	39,780	56,202
Current tax liabilities	594	1,326
	69,813	73,984
<b>Total liabilities</b>	169,512	159,497
	<b>381,240</b>	<b>367,395</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		
<b>Net Assets per shares (RM)</b>	<b>1.57</b>	<b>1.53</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 March 2013 and the accompanying explanatory notes to the interim financial statements.

The figures have not been audited

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
	RM ' 000	RM ' 000	RM ' 000	RM ' 000
Revenue	37,296	7,688	53,014	21,886
Cost of sales	(26,747)	(1,924)	(30,833)	(5,514)
Gross profit	10,549	5,764	22,181	16,372
Other operating income	815	39	886	133
Operating expenses	(4,998)	(2,414)	(11,195)	(7,413)
Profit from operations	6,366	3,389	11,872	9,092
Finance cost	(1,778)	(2,133)	(5,845)	(5,938)
<b>Profit/ (loss) before taxation</b>	<b>4,588</b>	<b>1,256</b>	<b>6,027</b>	<b>3,154</b>
Taxation	(1,099)	(152)	(2,197)	(1,057)
<b>Net profit/ (loss) for the financial period</b>	<b>3,489</b>	<b>1,104</b>	<b>3,830</b>	<b>2,097</b>
Other comprehensive income, net of tax	-	-	-	-
<b>Total comprehensive income / (loss) for the financial period</b>	<b>3,489</b>	<b>1,104</b>	<b>3,830</b>	<b>2,097</b>
Profit/ (loss) attributable to:-				
Owners of the Company	3,489	1,104	3,830	2,097
Non -controlling interest	-	-	-	-
	<b>3,489</b>	<b>1,104</b>	<b>3,830</b>	<b>2,097</b>
<b>Earnings /(loss) per share attributable to owners of the Company (sen) :</b>				
(a) Basic	2.59	0.82	2.84	1.55
(b) Fully diluted	n/a		n/a	n/a

*The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 March 2013 and the accompanying explanatory notes to the interim financial statements.*

**PERDUREN (M) BERHAD (Company No. 236800-T)**

**UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 31 DECEMBER 2013**

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The figures have not been audited

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	← Attributable to equity holders of the Company →					
	Share Capital RM ' 000	Treasury Shares RM ' 000	Share Premium RM ' 000	Capital Reserves RM ' 000	Retained profits RM ' 000	Total equity RM ' 000
<b>9 months ended 31 December 2013</b>						
As at 01 April 2013	136,208	(1,199)	8,536	275	64,078	207,898
Total comprehensive income for the financial period	-	-	-	-	3,830	3,830
As at 31 December 2013	<u>136,208</u>	<u>(1,199)</u>	<u>8,536</u>	<u>275</u>	<u>67,908</u>	<u>211,728</u>
<b>9 months ended 31 December 2012</b>						
As at 01 April 2012	136,208	(1,199)	8,536	275	61,698	205,518
Total comprehensive loss for the financial period	-	-	-	-	2,097	2,097
As at 31 December 2012	<u>136,208</u>	<u>(1,199)</u>	<u>8,536</u>	<u>275</u>	<u>63,795</u>	<u>207,615</u>

*The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 March 2013 and the accompanying explanatory notes to the interim financial statements.*

The figures have not been audited

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Period ended	
	31/12/2013	31/12/2012
	RM ' 000	RM ' 000
<b>Cash flows from operating activities</b>		
Profit / (loss) before taxation	6,027	3,154
Adjustments for non cash items	792	1,484
Operating profit / (loss) before changes in working capital	<u>6,819</u>	<u>4,638</u>
Changes in working capital	(142)	(6,460)
Tax paid	(1,755)	(1,113)
Interest expense	5,845	5,938
Interest received	(62)	(36)
<b>Net cash generated from operating activities</b>	<u>10,705</u>	<u>2,967</u>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment		1
Interest received	62	36
Placement of short term deposits	(2,634)	(35)
Purchase of :		
- investment properties	(125)	(321)
- property, plant and equipment	(5,661)	(679)
Disposal of investment properties	11,000	-
<b>Net cash used in investing activities</b>	<u>2,642</u>	<u>(998)</u>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	9,920	12,825
Proceeds from hire purchase	50	-
Interest paid	(5,518)	(5,602)
Repayment of borrowings		
- Term loans	(10,400)	(8,579)
- Finance lease and hire purchase creditors	(61)	(87)
<b>Net cash generated from financing activities</b>	<u>(6,009)</u>	<u>(1,443)</u>
Net increase / (decrease) in cash and cash equivalents	7,338	526
Cash and cash equivalents at beginning of financial period	(26,256)	(25,614)
Cash and cash equivalents at end of financial period	<u>(18,918)</u>	<u>(25,088)</u>
Cash and cash equivalents comprise:-		
Cash and bank balances	6,203	1,881
Bank overdraft	(25,121)	(26,969)
	<u>(18,918)</u>	<u>(25,088)</u>

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 March 2013 and the accompanying explanatory notes to the interim financial statements.*

**Compliance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting and Bursa Malaysia Securities Berhad Listing Requirements**

**1 Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with the requirements of FRS134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial report should be read in conjunction with the audited financial statements of the Company for the year ended 31 March 2013.

**2 Changes in Significant Accounting Policies**

The significant accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the financial year ended 31 March 2013, except for the adoption of the following standards, amendments to published standards and interpretations to existing standards which are effective for the financial period commencing on 1 April 2013:

FRS 3	: Business Combinations
FRS 10	: Consolidated Financial Statements
FRS 11	: Joint Arrangements
FRS 12	: Disclosure of Interests in Other Entities
FRS 13	: Fair Value Measurement
FRS 119	: Employees Benefits (Revised)
FRS 127	: Separate Financial Statements
FRS 128	: Investments in Associates and Joint Ventures

Amendments to:

FRS 7	: Disclosures - Offsetting Financial Assets and Financial Liabilities
FRSs Annual Improvements 2009-2011 Cycle	
FRS 10,11 & 12	: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interest in Other Entities: Transition Guidance
FRS 101	: Presentation of Items of Other Comprehensive Income

The adoption of the above standards, amendments to published standards and interpretations does not give rise to any material effects to the Group.

On 19 November 2011, the MASB issued the new accounting framework, the Malaysian Financial Reporting Standards ("MFRS") framework, which is effective for financial periods beginning on or after 1 January 2012 with the exception of entities that are within the scope of MFRS 141 and IC Interpretation 15 (hereafter called "Transitioning Entities"). On 30 June 2012, MASB has allowed the Transitioning Entities to defer adoption of MFRS framework for two (2) years. The Group falls within the scope of Transitioning Entities and has opted to defer the adoption of MFRS framework for the financial periods as allowed.

**3 Qualification of auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the financial year ended 31 March 2013 were not subject to any audit qualification.

**4 Seasonal and cyclical factors**

The business of the Group was not affected by any significant seasonal and cyclical factors during the interim financial period under review.

**5 Unusual items due to their nature, size and incidence**

There were no items during the interim financial period under review affecting the assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence.

**6 Changes in estimates**

There were no changes in estimates which have a material effect on the results of the interim financial period under review.

**7 Debt and equity securities**

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities during the interim financial period under review.

**8 Dividends paid**

No dividend has been paid in the interim financial period under review.

**9 Segmental reporting**

Period ended 31 December 2013	Investment properties RM'000	Car park RM'000	Hotel operation RM'000	Property Development RM'000	Eliminations RM'000	Consolidated RM'000
<b>Revenue</b>						
- External	17,679	2,655	5,632	29,365	-	55,331
- Inter-segment	2,300	18			(2,318)	-
Total revenue	19,979	2,673	5,632	29,365	(2,318)	55,331
<b>Results</b>						
Operating profit/(loss)	8,192	264	686	1,844	-	10,986
Other income						886
Finance cost						(5,845)
Tax expense						(2,197)
Profit for the interim financial period						3,830
<b>Period ended 31 December 2012</b>						
<b>Revenue</b>						
- External	14,614	2,873	4,399	-	-	21,886
- Inter-segment	2,296	-	-	-	(2,296)	-
Total revenue	16,910	2,873	4,399	-	(2,296)	21,886
<b>Results</b>						
Operating profit/(loss)	6,644	2,135	447	(268)	-	8,958
Other income						134
Finance cost						(5,938)
Tax expense						(1,057)
Profit for the interim financial period						2,097

**10 Carrying amount of revalued assets**

Save for investment properties carried at fair values, there are no revalued assets as at 31 December 2013

**11 Subsequent events**

There are no material events subsequent to the end of the interim financial period that have not been reflected in the interim financial statements for the interim financial period under review

**12 Changes in the composition of the Group**

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

**13 Changes in contingent liabilities**

There were no changes to contingent liabilities or contingent assets since the last financial year ended 31 March 2013.

**14 Capital commitments**

(i) Capital expenditure in respect of construction of property, plant and equipment	<b>RM '000</b>
- Approved and contracted but not provided for	8
(ii) - Periodic payment commitment in relation to property development Joint Venture Agreement	43,705

**15 Significant related party transactions**

There were no significant related party transactions during the interim financial period under review.

**16 Review of performance**

The Group's business activities during the interim financial period under review remains the holding of investment properties (comprising of Plaza Sentosa and units in Holiday Plaza, both located in Johor Bahru, a 6 storey office building located at Shamelin Business Centre in Kuala Lumpur), the operation of a hotel in Plaza Sentosa and a joint-venture property development in Taman Shamelin Perkasa.

For the interim financial period under review, the Group recorded a higher revenue of RM53.014 million as compared to RM21.886 million for the preceding corresponding interim financial period principally due to revenues of RM29.365 million derived from property development project being recognised during the financial period and higher revenues generated from hotel operations. In tandem with the higher contribution from property development project, the Group recorded an increase of post tax profit from RM2.097 million to RM3.830 million.

**17 Material change in profit before taxation**

The higher net profit before tax for the current quarter under review of RM4.588 million compared to the immediate preceding quarter of RM0.352 million is mainly due to the contribution from the property development project and a gain from disposal of investment properties.

**18 Current year prospects**

Barring any unforeseen circumstances, the Group expects the property development division will continue to contribute positively to the Group's revenue and earnings.

**19 Profit forecast**

The Group has not issued any profit forecast in a public document.

**20 Profit before tax**

	<b>Current Quarter</b>	<b>Period ended</b>
	<b>31/12/2013</b>	<b>31/12/2013</b>
	<b>RM ' 000</b>	<b>RM ' 000</b>
Profit before tax is arrived at after charging / (crediting)		
Depreciation of property, plant and equipment	411	1,253
Impairment loss on trade and other receivables	-	262
Interest expense	1,777	5,845
Interest income	(28)	(62)
Gain on disposal of investment properties	(756)	(756)
Property, plant and equipment written off	1	35
Rental of:		
- premises	44	101
- equipment	4	11

**21 Income tax expense**

	<b>Current Quarter</b>		<b>Period Ended</b>	
	<b>31/12/2013</b>	<b>31/12/2012</b>	<b>31/12/2013</b>	<b>31/12/2012</b>
	<b>RM ' 000</b>	<b>RM ' 000</b>	<b>RM ' 000</b>	<b>RM ' 000</b>
Current taxation				
Malaysian income tax :-				
- current year	832	927	1,030	1,998
- under / (over) provision for prior year	-	-	23	(166)
Deferred tax	267	(775)	1,144	(775)
	<b>1,099</b>	<b>152</b>	<b>2,197</b>	<b>1,057</b>

The Group's effective tax rate for the interim financial period under review is higher than the statutory tax rate as certain expenses are not allowable for tax deductions.

**22 Status of corporate proposals**

On 26 November 2013, the Board of Directors of Perduren (M) Berhad ("Perduren" or "Company") ("Board") announced the receipt of a notice of conditional take-over offer from Hong Leong Investment Bank Berhad ("HLIB") on behalf of TS Law Group Sdn Bhd ("Offeror"), to acquire all the ordinary shares of RM1.00 each in Perduren ("Perduren Shares") not already held by the Offeror (excluding Perduren Shares which are held as treasury shares) ("Offer Shares") for a cash offer price of RM1.10 per Offer Share ("Offer").

On 3 December 2013, the Board announced that KAF Investment Bank Berhad had been appointed to act as the Independent Adviser to advise the non-interested directors and non-interested shareholders of Perduren in relation to the Offer.

On 13 January 2014, the Company received a notice from HLIB, on behalf of the Offeror, notifying that the closing date and time for acceptance of the Offer has been extended from 5.00 p.m. (Malaysian time) on Thursday, 16 January 2014 to 5.00 p.m. (Malaysian time) on Friday, 14 February 2014 ("Revised Closing Date").

The Offer had become unconditional on 21 January 2014 following the Offeror has received valid acceptances in respect of the Offer Shares, resulting in the Offeror holding in aggregate, together with such Perduren Shares that are already acquired, held or entitled to be acquired or held, more than 50% of the issued and paid-up share capital of Perduren (excluding 1,289,400 treasury shares).

On 14 February 2014, the Offeror, vide HLIB served to the Company a notice informing that the Offer has closed at 5.00 p.m. (Malaysian time) on Friday, 14 February 2014 ("Final Closing Date"). The level of acceptances of the Offer as at the Final Closing Date was 52.15% (70,363,885 Perduren Shares), resulting in the Offeror holding in aggregate together with 26,000,000 Perduren Shares that are already held by the Offeror, 71.42% of the issued and paid-up share capital of Perduren (excluding 1,289,400 treasury shares).

**23 Borrowings and debts securities**

Total borrowings of the Group denominated in Ringgit Malaysia as at 31 December 2013 were as follows :

	<b>Short Term</b>	<b>Long Term</b>
	<b>RM ' 000</b>	<b>RM ' 000</b>
<b>Secured</b>		
Bank Overdraft	25,121	-
Term Loan	14,558	84,113
Hire purchase and lease creditors	101	230
	<u>39,780</u>	<u>84,343</u>
<b>Unsecured</b>		
Term Loan	-	15,000
	<u>39,780</u>	<u>99,343</u>

**24 Material litigation**

The Group is not engaged in any material litigation as at the date of issuance of this financial statements.

**25 Dividends**

No dividends were declared for the financial year ended 31 March 2013 and no dividend has been paid in the interim financial period under review.

**26 Earnings per ordinary share**

Basic earnings per share are calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period, excluding any treasury shares held by the Company.

	<b>Quarter Ended</b>		<b>Period Ended</b>	
	<b>31/12/2013</b>	<b>31/12/2012</b>	<b>31/12/2013</b>	<b>31/12/2012</b>
Profit attributable to equity holders of the Company (RM ' 000)	3,489	1,104	3,830	2,097
Weighted average number of ordinary shares in issue ('000)				
Total number of ordinary shares	136,208	136,208	136,208	136,208
Treasury shares	(1,289)	(1,289)	(1,289)	(1,289)
	<u>134,919</u>	<u>134,919</u>	<u>134,919</u>	<u>134,919</u>
Basic earnings per share (sen) :	<u>2.59</u>	<u>0.82</u>	<u>2.84</u>	<u>1.55</u>

There are no diluted earnings per share as the Company does not have any potential dilutive ordinary shares outstanding as at 31 December 2013.



**27 Analysis of realised and unrealised profits**

	<b>As at</b>	<b>As at</b>
	<b>31/12/2013</b>	<b>31/03/2013</b>
Total retained earnings of the Group		
Realised	4,400	(2,240)
Unrealised	(877)	1,674
	<u>3,523</u>	<u>(566)</u>
 Add:- Consolidation adjustments		
	<u>64,385</u>	<u>64,644</u>
	<u><u>67,908</u></u>	<u><u>64,078</u></u>

**By Order of the Board**  
**Perduren (M) Berhad**  
**Wong Yeow Chor**  
**Secretary**

**Date: 27 February 2014**