

PERDANA PETROLEUM BERHAD

(Company No. 372113 - A)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Current Quarter Ended 31-Dec-12 RM'000	Corresponding Quarter Ended 31-Dec-11 RM'000	Current Year-to-date Ended 31-Dec-12 RM'000	Corresponding Year-to-date Ended 31-Dec-11 RM'000
Revenue	64,195	56,240	259,540	255,864
Cost of Sales	(42,749)	(59,567)	(197,913)	(256,268)
Gross Profit/(Loss)	21,446	(3,327)	61,627	(404)
Other income	4,550	9,233	14,832	24,062
Operating expenses	(38,463)	(55,209)	(65,209)	(74,747)
Finance costs	(3,239)	(4,209)	(17,890)	(18,608)
Share of results in an associate	-	2,164	4,373	815
Loss before taxation	(15,706)	(51,348)	(2,267)	(68,882)
Income tax expense	(16)	(411)	(1,166)	(524)
Loss for the period/year	(15,722)	(51,759)	(3,433)	(69,406)
<i>Other comprehensive income</i>				
<i>Foreign currency translation</i>	268	(8,971)	(8,895)	(59)
<i>Cash Flow Hedge</i>	182	284	1,111	(602)
Total Comprehensive Expenses for the period/year	(15,272)	(60,446)	(11,217)	(70,067)
Loss for the period/year				
Attributable to:				
Equity holders of the Company	(15,815)	(51,761)	(3,668)	(69,171)
Non-controlling interest	93	2	235	(235)
	(15,722)	(51,759)	(3,433)	(69,406)
Total Comprehensive Expenses for the period/year				
Attributable to:				
<i>Equity holders of the Company</i>	(15,098)	(60,485)	(11,198)	(69,632)
<i>Non-controlling interest</i>	(174)	39	(19)	(435)
	(15,272)	(60,446)	(11,217)	(70,067)
Loss per share of RM0.50 each (Sen)				
a) Basic (based on weighted average)	(3.19)	(11.22)	(0.74)	(15.27)
b) Fully diluted	N/A	N/A	N/A	N/A

**(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction
with the Annual Financial Report for the financial year ended 31 December 2011)**

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**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	(Unaudited) 31-Dec-12 RM'000	(Audited) 31-Dec-11 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	474,305	428,075
Investment in an associate	-	90,095
Intangible assets	27,507	27,507
Refundable deposits	108,194	95,724
Deferred tax assets	46	46
Other investment	250	-
	<u>610,302</u>	<u>641,447</u>
CURRENT ASSETS		
Inventories	3,825	3,937
Trade receivables	62,709	59,101
Other receivables, deposits and prepayments	25,935	23,118
Tax recoverable	3,110	3,361
Fixed deposits with licensed banks	21,631	44,221
Cash and bank balances	19,187	22,791
	<u>136,397</u>	<u>156,529</u>
Non-current asset classified as held for sale	10,566	12,255
	<u>146,963</u>	<u>168,784</u>
TOTAL ASSETS	<u>757,265</u>	<u>810,231</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	247,566	247,566
Reserves	211,647	222,845
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	<u>459,213</u>	<u>470,411</u>
NON-CONTROLLING INTEREST	<u>(237)</u>	<u>(218)</u>
TOTAL EQUITY	<u>458,976</u>	<u>470,193</u>
NON-CURRENT LIABILITIES		
Deferred taxation	2,508	2,507
Long-term borrowings	165,943	174,853
Derivative liability	2,508	2,449
Other payables	260	260
	<u>171,219</u>	<u>180,069</u>
CURRENT LIABILITIES		
Trade payables	23,472	34,110
Other payables	18,337	25,547
Short-term borrowings	84,750	99,539
Provision for taxation	511	773
	<u>127,070</u>	<u>159,969</u>
TOTAL LIABILITIES	<u>298,289</u>	<u>340,038</u>
TOTAL EQUITY AND LIABILITIES	<u>757,265</u>	<u>810,231</u>
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)		
	0.93	0.95

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2011)

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**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	31-Dec-12	31-Dec-11
	RM'000	RM'000
Cash flow from operating activities		
Loss before taxation	(2,267)	(68,882)
Adjustments for:		
Depreciation of property, plant and equipment	25,278	35,715
Impairment loss on refundable deposits	981	2,154
Impairment loss on property, plant and equipment	-	34,717
Impairment loss on non-current asset classified as held for sale	27,716	4,552
Interest expense	16,694	16,485
Loss on disposal of property, plant and equipment	2,302	1,331
Loss on dilution of interest in associate	-	3,116
Property, plant and equipment written off	29	95
Unrealised loss/(gain) on foreign exchange	2,717	(4,076)
Accretion of refundable deposits	(4,976)	(12,698)
Gain on disposal of an associate	(379)	-
Gain on disposal of non-current asset classified as held for sale	(200)	-
Interest income	(936)	(1,131)
Share of results in an associate	(4,373)	(815)
Operating profit before working capital changes	<u>62,586</u>	<u>10,563</u>
Decrease in inventories	104	2,938
(Increase)/Decrease in trade and other receivables	(6,833)	54,489
Decrease in trade and other payables	(20,477)	(11,774)
Net cash from operations	<u>35,380</u>	<u>56,216</u>
Tax paid	(1,182)	(1,779)
Net cash from operating activities	<u>34,198</u>	<u>54,437</u>
Cash flow from/(for) investing activities		
Charterer deposits refunded	-	23,890
Interest received	936	1,131
Dividend received from an associate	-	288
Proceeds from disposal of an associate	94,558	-
Proceeds from disposal of property, plant and equipment	621	31,826
Proceeds from disposal of non-current asset classified as held for sale	5,314	-
Excess of capital repayment over the cost of investment	(266)	-
Purchase of property, plant and equipment	(115,210)	(134,370)
Other investment	(250)	-
Withdrawal of fixed deposits	23,177	4,797
Net cash from/(for) investing activities	<u>8,880</u>	<u>(72,438)</u>

PERDANA PETROLEUM BERHAD

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**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	31-Dec-12	31-Dec-11
	RM'000	RM'000
Cash flow (for)/from financing activities		
Drawdown of bank borrowings	111,430	150,353
Proceeds from issuance of shares	-	31,958
Interest paid	(16,694)	(16,485)
Repayment of bank borrowings	(128,917)	(129,377)
Repayment of hire purchase obligations	(81)	(76)
Security deposits paid	(11,856)	(16,077)
Share issue expenses	-	(214)
Net cash (for)/from financing activities	<u>(46,118)</u>	<u>20,082</u>
Net change in cash and cash equivalents	(3,040)	2,081
Effect of foreign exchange translation	23	247
Cash and cash equivalents at beginning of the financial year	<u>40,271</u>	<u>37,943</u>
Cash and cash equivalents at end of the financial year	<u>37,254</u>	<u>40,271</u>
Cash and cash equivalents		
Fixed deposits with licensed banks	21,631	44,221
Cash and bank balances	<u>19,187</u>	<u>22,791</u>
	40,818	67,012
Less: Fixed deposits pledged as security	<u>(3,564)</u>	<u>(26,741)</u>
	<u>37,254</u>	<u>40,271</u>

**(The Condensed Consolidated Statement of Cash Flows should be read in conjunction
with the Annual Financial Report for the financial year ended 31 December 2011)**

PERDANA PETROLEUM BERHAD

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(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2012**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	Share Capital RM'000	Share Premium RM'000	Warrant Reserve RM'000	Cash Flow Hedge Reserve RM'000	Other Capital Reserve RM'000	Translation Reserve RM'000	Retained Profits RM'000	Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
Financial year ended 31 December 2012										
As at 1 January 2012	247,566	92,130	11,048	(1,913)	2,127	(56,438)	175,891	470,411	(218)	470,193
Total comprehensive expenses for the year	-	-	-	1,111	-	(8,641)	(3,668)	(11,198)	(19)	(11,217)
Balance as at 31 December 2012	247,566	92,130	11,048	(802)	2,127	(65,079)	172,223	459,213	(237)	458,976
Financial year ended 31 December 2011										
As at 1 January 2011, as previously stated	225,060	82,892	11,048	(1,311)	2,127	(56,579)	240,798	504,035	217	504,252
Prior year adjustment	-	-	-	-	-	-	4,264	4,264	-	4,264
As at 1 January 2011, as restated	225,060	82,892	11,048	(1,311)	2,127	(56,579)	245,062	508,299	217	508,516
Issuance of ordinary shares under private placement	22,506	9,452	-	-	-	-	-	31,958	-	31,958
Share issue expenses	-	(214)	-	-	-	-	-	(214)	-	(214)
Total comprehensive expenses for the year	-	-	-	(602)	-	141	(69,171)	(69,632)	(435)	(70,067)
Balance as at 31 December 2011	247,566	92,130	11,048	(1,913)	2,127	(56,438)	175,891	470,411	(218)	470,193

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2011)

PERDANA PETROLEUM BERHAD

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**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

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 2011. 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 2011.

The Group has adopted the MFRS framework and MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards for the first time in these interim financial statements. The transition to MFRS framework does not have any material financial impact to the financial statements of the Group.

2. Changes in Accounting Policies

At the date of authorisation of the interim financial statements, the following MFRSs, Amendments to MFRS and IC Interpretation were issued but not yet effective and have not been applied by the Group.

MFRSs, Amendments to MFRS and IC Interpretation issued but not yet effective

MFRS 9 Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010)

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 Separate Financial Statements

MFRS 128 Investments in Associates and Joint Ventures

Amendments to MFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities

Amendments to MFRS 101: Presentation of Items of Other Comprehensive Income

Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities

IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine

PERDANA PETROLEUM BERHAD

(Company No: 372113-A)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

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.

5. Unusual Items

There are no unusual 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 issuance, 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.

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(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

9. Segmental Information

Business Segment - Quarter

<i>Current Quarter Ended 31 December 2012</i>	Marine Offshore Support Services RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
Revenue				
External revenue	64,195	-	-	64,195
Inter-segment revenue	-	89	(89)	-
	<u>64,195</u>	<u>89</u>	<u>(89)</u>	<u>64,195</u>
Results				
Segment results	8,205	(2,298)	(18,374)	(12,467)
Finance costs	(2,360)	(879)	-	(3,239)
	<u>5,845</u>	<u>(3,177)</u>	<u>(18,374)</u>	<u>(15,706)</u>
Share of results in an associate				-
Loss before taxation				<u>(15,706)</u>
<i>Corresponding Quarter Ended 31 December 2011</i>	Marine Offshore Support Services RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
Revenue				
External revenue	56,240	-	-	56,240
Inter-segment revenue	-	36,140	(36,140)	-
	<u>56,240</u>	<u>36,140</u>	<u>(36,140)</u>	<u>56,240</u>
Results				
Segment results	(41,163)	(15,483)	7,343	(49,303)
Finance costs	(2,253)	(1,956)	-	(4,209)
	<u>(43,416)</u>	<u>(17,439)</u>	<u>7,343</u>	<u>(53,512)</u>
Share of results in an associate				2,164
Loss before taxation				<u>(51,348)</u>

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**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

9. Segmental Information (Cont'd)

Business Segment – Year-to-date

<i>Current Year-to-date Ended 31 December 2012</i>	Marine Offshore Support Services RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
Revenue				
External revenue	259,540	-	-	259,540
Inter-segment revenue	-	675	(675)	-
	<u>259,540</u>	<u>675</u>	<u>(675)</u>	<u>259,540</u>
Results				
Segment results	38,805	67,275	(94,830)	11,250
Finance costs	(10,145)	(7,745)	-	(17,890)
	<u>28,660</u>	<u>59,530</u>	<u>(94,830)</u>	<u>(6,640)</u>
Share of results in an associate				<u>4,373</u>
Loss before taxation				<u>(2,267)</u>
<i>Corresponding Year-to-date Ended 31 December 2011</i>	Marine Offshore Support Services RM'000	Investment Holding RM'000	Elimination RM'000	Group RM'000
Revenue				
External revenue	255,864	-	-	255,864
Inter-segment revenue	-	36,547	(36,547)	-
	<u>255,864</u>	<u>36,547</u>	<u>(36,547)</u>	<u>255,864</u>
Results				
Segment results	(38,131)	(21,928)	8,970	(51,089)
Finance costs	(7,432)	(11,176)	-	(18,608)
	<u>(45,563)</u>	<u>(33,104)</u>	<u>8,970</u>	<u>(69,697)</u>
Share of results in an associate				<u>815</u>
Loss before taxation				<u>(68,882)</u>

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**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

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.

11. Changes in Composition of the Group

There were no changes in the composition of the Group for the current quarter ended 31 December 2012 including business combination, acquisition or disposal of subsidiary and long-term investments, restructuring and discontinuing operation.

12. Changes in Contingent Liabilities

	Group RM'000	Company RM'000
<u>Unsecured:-</u>		
Bank guarantee granted to third parties for the benefit of a subsidiary	3,988	3,988
Corporate guarantee given to licensed banks and financial institutions for credit facilities granted to a third party	9,307	9,307
Bank guarantee extended by subsidiaries to third parties	5	-
	<hr/> 13,300	<hr/> 13,295

13. Capital Commitment

As at 31 December 2012, the Group had the following capital commitments:

	RM'000
Approved and not contracted for	<hr/> -
Approved and contracted for	<hr/> 144,550

PERDANA PETROLEUM BERHAD

(Company No: 372113-A)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

14. Operating Lease Arrangements

As at 31 December 2012, the Group has entered into operating lease agreements for the use of certain vessels, office and warehouse. The future aggregate minimum lease payments are as follows:

	RM'000
Not later than 1 year	61,217
Later than 1 year and not later than 5 years	214,118
Later than 5 years	46,504
	<u>321,839</u>

15. Significant Related Party Transactions

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

	Quarter ended 31-Dec-12 RM'000	Quarter ended 31-Dec-11 RM'000
Subsidiaries:		
Rental income from subsidiaries	89	289
Dividend income from subsidiaries	-	35,850
Handling fee charged by a subsidiary	-	62
		<u>62</u>

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-12 RM'000	Quarter ended 31-Dec-11 RM'000
Short-term employee benefits	1,634	1,443
		<u>1,443</u>

PERDANA PETROLEUM BERHAD

(Company No: 372113-A)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

**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 2012, the Group recorded a turnover of RM64.2 million, an increase of 14% from RM56.2 million posted in the fourth quarter of year 2011. The increase is mainly due to improvement in vessel utilization and charter rates in the current quarter.

The Group registered a loss before taxation of RM15.7 million in the current quarter, as compared to a loss of RM51.3 million in the fourth quarter of year 2011. Excluding the impairment loss on asset classified as held for sale of RM27.7 million and RM39.3 million in the current quarter and fourth quarter of year 2011 respectively, the group has reported a profit before taxation of RM12 million in the current quarter, a significant improvement from the loss before taxation of RM12 million in the same quarter last year.

The improvement in profit before taxation in the current quarter is mainly due to higher operating profit contributed by the increase in vessel utilization and charter rates. The average vessel utilisation has improved from 69% in the fourth quarter of year 2011 to 85% in the current quarter.

- B. For the financial year ended 31 December 2012, the Group registered a turnover of RM259.5 million and loss before taxation of RM2.3 million as compared to previous year ended 31 December 2011's turnover of RM255.9 million and loss before taxation of RM68.9 million. Excluding the impairment loss on asset classified as held for sale of RM27.7 million and RM39.3 million in current year and previous year respectively, the group has reported a profit before taxation of RM25.4 million in current year, a significant improvement from loss before taxation of RM29.6 million in previous year.

The improvement in turnover and loss before taxation is mainly attributed to:

- a) The increase in vessel utilization and charter rates for the current year. The average vessel utilisation has improved from 73% in the previous year to 77% in the current year.
- b) Substantial reduction in vessels' operating cost in the current financial year as a result of the termination of 3 vessels under sales and leaseback arrangement in second and third quarter of the financial year 2011.

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**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

17. Comparison with Immediate Preceding Quarter

The Group recorded a turnover of RM64.2 million in the current quarter, an decrease of 13% as compared to the previous quarter of year 2012 of RM74.6 million. The Group registered a loss before taxation of RM15.7 million in the current quarter, as compared to a profit before taxation of RM16.1 million in the previous quarter.

Excluding the impairment loss on asset classified as held for sale of RM27.7 million in the current quarter, the group has reported a profit before taxation of RM12.0 million in the current quarter. The decrease in profit before taxation from RM16.1 million to RM12.0 million is mainly due to the lower operating profit contributed by the decrease in vessel utilization. The average vessel utilisation has decreased from 92% in the previous quarter to 85% in the current quarter.

18. Prospects

The Board is optimistic on the prospect for oil and gas support services in the domestic and regional markets, on the back of the stable oil prices range from USD85 – USD95 per barrel, upsurge in offshore activities, tender and bidding processes and various development programmes spearheaded by our national oil company, PETRONAS.

With the improving marine charter outlook, our focus is to strive for longer-term charters for our new built assets. With our new-built fleet targeting on long-term chartering and on the markets we have firmly established within the region, its utilisation rate is definitely trending upwards for mid-size AHTS.

Our new-built workbarges and workboats, we believe, will continue to provide the longer-term charter opportunities and stability that we need. We have and will continue to leverage on our strong track record with mainly repeat major customers in the region.

As at to date, the group has secured 9 vessels under long term contracts, which represents 65% of our Group fleet is under long term employment. We believe these will provide a stability of future earnings to the Group.

Finally our strategic move to have a more balanced fleet between the mid-size AHTS and work barges/workboats will provide for further stability of growth. The Board thus expects the Group's offshore marine business will be in a position to provide a better result in the coming years.

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**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

19. Loss for the Quarter/Year

	Current Quarter Ended 31-Dec-12 RM'000	Corresponding Quarter Ended 31-Dec-11 RM'000	Current Year-to-date Ended 31-Dec-12 RM'000	Corresponding Year-to-date Ended 31-Dec-11 RM'000
Loss for the quarter/year is arrived at after charging/(crediting):				
Interest expense	2,893	3,993	16,694	16,485
Depreciation of property, plant and equipment	6,317	9,599	25,278	35,715
Impairment loss on refundable deposits	-	2,154	981	2,154
Impairment loss on property, plant and equipment	-	34,717	-	34,717
Impairment loss on non-current asset classified as held for sale	27,716	4,552	27,716	4,552
Loss on disposal of property, plant and equipment	56	1,166	2,302	1,331
Loss/(Gain) on foreign exchange:				
- realized	(159)	(2,399)	(102)	(2,398)
- unrealized	1,501	(3,620)	2,717	(4,076)
Loss on dilution of interest in associate	-	3,116	-	3,116
Property, plant and equipment write off	29	2	29	95
Accretion of refundable deposits	(1,267)	(1,345)	(4,976)	(12,698)
Dividend income from associate	-	-	(288)	(288)
Gain on disposal of an associate	-	-	(379)	-
Gain on disposal of non-current asset classified as held for sale	3	-	(200)	-
Interest income	(331)	(231)	(936)	(1,131)
Waiver of placement fee	-	-	(2,796)	-

Other than the above, there were no allowances for impairment and write off of receivables, allowance for and write off of inventories and exceptional items for the current quarter and financial year ended 31 December 2012.

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(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

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-12 RM'000	Corresponding Quarter Ended 31-Dec-11 RM'000	Current Year-to-date Ended 31-Dec-12 RM'000	Corresponding Year-to-date Ended 31-Dec-11 RM'000
Current tax:				
Malaysian income tax	15	426	242	1,392
Foreign tax	1	(418)	924	271
	<hr/>	<hr/>	<hr/>	<hr/>
	16	8	1,166	1,663
Under provision in previous year	-	402	-	402
	<hr/>	<hr/>	<hr/>	<hr/>
	16	410	1,166	2,065
Deferred tax:				
Malaysian income tax	-	1	-	(1,541)
	<hr/>	<hr/>	<hr/>	<hr/>
Total	16	411	1,166	524

The effective tax rate for current quarter and financial year to-date are higher than the statutory tax rate mainly due to the losses which cannot be set-off against taxable profits made by subsidiaries.

21. Corporate Proposals

There were no other corporate proposals announced but not completed as of 18 February 2013.

PERDANA PETROLEUM BERHAD

(Company No: 372113-A)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

22. Borrowings

Total Group's borrowings as at 31 December 2012 were as follows:

	As at 31-Dec-12 RM'000	As at 31-Dec-11 RM'000
Short term borrowings		
Secured	74,750	89,539
Unsecured	10,000	10,000
	<hr/> 84,750	<hr/> 99,539
Long term borrowings		
Secured	165,943	174,853
Total borrowings	<hr/> 250,693	<hr/> 274,392

All borrowings are denominated in Ringgit Malaysia except for borrowings in US Dollars equivalent to RM153.7 million.

23. Derivative Financial Instruments

There are no outstanding derivative financial instruments as at 31 December 2012.

24. Changes in Material Litigation

The Group is not engaged in any material litigation as at 18 February 2013 except for the following:

- (a) 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 the 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.

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 will reverse the provisions made earlier.

PERDANA PETROLEUM BERHAD

(Company No: 372113-A)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

24. Changes in Material Litigation (Cont'd)

The hearing of the suit against Tengku Dato' Ibrahim Petra bin Tengku Indra Petra, Wong Fook Heng, Tiong Young Kong, Lee Mee Jiong has since commenced and on 8 February 2013, the Company announced that the High Court has fixed the next dates on 28 February 2013, 1, 2 March 2013 and 13 March 2013.

- (b) On 6 April 2012, the Company was served with a Writ of Summons together with the Statement of Claim both dated 5 April 2012 by Tengku Dato' Ibrahim Petra bin Tengku Indra Petra ("Plaintiff"), claiming for injunctions against Perdana Petroleum Berhad (formerly known as Petra Perdana Berhad), Shamsul Bin Saad, Dato' Kho Poh Eng, Koh Pho Wat, Surya Hidayat Bin Abdul Malik, Ganesan A/L Sundaraj, Raja Anuar Bin Raja Abu Hassan, Idris Bin Zaidel, Hamdan Bin Rasid, Soon Fook Kian, Jeffrey Ng Chong Yau and Christopher Then Ted Loong from accessing in any way and in any manner the Plaintiff's email account, to refrain from using in any way and to return to the Plaintiff all information accessed in any manner and in any way from the Plaintiff's email account and claims for general and exemplary damages.

On 29 November 2012, the Company announced that a settlement has been reached and this has been effected by the recording of a Consent Order with no order as to costs. On 7 December 2012, the Company further informed that the Consent Order has no financial impact on the Perdana Group's earnings, net asset or gearing as there is no order as to costs.

- (c) On 14 December 2012, the Company announced that Romana Industries Sdn. Bhd. ("Petitioner") has withdrawn its winding up petition No.:28NCC-987-12/2012 against Intra Oil Services Berhad ("IOS"), a subsidiary of Perdana Group, which IOS received on 12 December 2012, without liberty to file afresh. The amount of RM355,200.00 was promptly settled by IOS and the relevant Notice of Discontinuance signed by both parties was filed. IOS also withdrew all related suits/actions pending in Court namely, the interlocutory application via Notice of Application dated 4 December 2012 and the appeal, both filed in respect of the Originating Summons No.:24NCC-279-08/2012, without any order as to costs. It was also agreed that neither party shall have any further claim against one another.

On 17 December 2012, the Company informed that the settlement by IOS does not have any material impact on the earnings and net asset per share of the Perdana Group for the financial year ending 31 December 2012.

PERDANA PETROLEUM BERHAD

(Company No: 372113-A)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

25. Dividends

There was no dividend proposed in respect of the current quarter ended 31 December 2012.

26. Loss Per Share

a.) Basic

	Current Quarter Ended 31-Dec-12	Corresponding Quarter Ended 31-Dec-11	Current Year-to-date Ended 31-Dec-12	Corresponding Year-to-date Ended 31-Dec-11
Net loss attributable to shareholders (RM'000)	(15,815)	(51,761)	(3,668)	(69,171)
Number of ordinary shares of RM0.50 each at the beginning of the quarter/year	495,132,000	450,120,000	495,132,000	450,120,000
Effect of the issuance pursuant to Private Placement	-	11,253,000	-	2,836,373
Weighted average number of ordinary shares in issue	495,132,000	461,373,000	495,132,000	452,956,373
Basic loss per ordinary share of RM0.50 each (Sen)	(3.19)	(11.22)	(0.74)	(15.27)

b.) Diluted

Diluted loss per share was not presented for the current quarter and financial year to-date as there is an anti-dilutive effect arising from the assumed conversion of the Warrants.

PERDANA PETROLEUM BERHAD

(Company No: 372113-A)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2012**

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 2012 RM'000	As at 31 Dec 2011 RM'000
Total retained profits of the Group:		
- Realised	155,391	58,742
- Unrealised	(12,713)	(4,718)
	<u>142,678</u>	<u>54,024</u>
Total share of retained profits from associate		
- Realised	-	60,835
- Unrealised	-	(8,477)
	<u>142,678</u>	<u>106,382</u>
Add: Consolidation adjustments	29,545	69,509
Total retained profits as per statement of financial position	<u>172,223</u>	<u>175,891</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.