
INTERIM FINANCIAL REPORT

A. NOTES TO THE INTERIM FINANCIAL REPORT

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134 “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2010. 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 2009.

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted by the Group in the audited financial statements for the year ended 31 December 2010 except for the accounting policy changes arising from the adoption of the following new and revised Financial Reporting Standards (“FRS”) effective from 1 January 2006:-

FRS 3 Business Combinations
FRS 101 Presentation of Financial Statements
FRS 102 Inventories
FRS 108 Accounting Policies, Changes in Accounting Estimates and Errors
FRS 110 Events after the Balance Sheet Date
FRS 116 Property, Plant and Equipment
FRS 121 The Effects of Changes in Foreign Exchange Rates
FRS 127 Consolidated and Separate Financial Statements
FRS 131 Interests in Joint Ventures
FRS 132 Financial Instruments: Disclosure and Presentation
FRS 133 Earnings Per Share
FRS 136 Impairment of Assets
FRS 138 Intangible Assets
FRS 140 Investment Property

The adoption of FRSs does not have significant financial impact on the Group for the current quarter under review. The principal effects of the changes in accounting policies resulting from the adoption of the FRSs are disclosed below:

(a) FRS 3: Business Combinations, FRS 136: Impairment of Assets and FRS 138: Intangible Assets

The new FRS 3 requires the goodwill to be carried at cost less accumulated impairment losses and to be tested for impairment annually or more frequently if events or changes in circumstances indicate that it

INTERIM FINANCIAL REPORT

might be impaired. Any impairment loss is recognised in profit or loss and subsequent reversal is not allowed.

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

The adoption of the revised FRS 101 has affected the presentation of minority interest, share of net after-tax results of associates and other disclosures. In the consolidated balance sheet, minority interests are now presented within total equity. In the consolidated income statement, minority interests are presented as an allocation of the total profit or loss for the period. A similar requirement is also applicable to the statement of changes in equity. FRS 101 also requires disclosure, on the face of the statement of changes in equity, total recognised income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and to minority interest.

The current period's presentation of the Group's financial statements is based on the revised requirements of FRS 101, with the comparatives restated to conform with the current period's presentation.

A2 Audit report of preceding annual financial statement

The audited financial statements of the Company for the year ended 31 December 2010 were subject to qualification.

A3 Seasonal or cyclical factors

The operations of the Group are not subject to seasonal or cyclical fluctuations.

A4 Unusual Items

Other than as disclosed, there were no unusual items that affected the assets, liabilities, equity, net income and cash flows of the Group during the quarter under review.

A5 Material changes in estimates

There was no material changes in estimates of amount reported during the quarter under review.

A6 Debt and equity securities

There were no issuance and repayment of debt and equity securities, share buy backs, share cancellations, share held as treasury shares and resale of treasury shares during the current quarter and financial year under review.

SUMATEC RESOURCES BERHAD

Company No. 428355-D
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

A7 Dividend Paid

There were no dividends declared or paid during the quarter under review.

A8 Segment Information

The Group is principally engaged in providing services within oil, gas, and petrochemical industry and shipping industry, mining industry and provision of related services.

	Current Year	
	Quarter ended	
	31-Dec-2011	
	Revenue	Profit before tax
	(RM'000)	(RM'000)
EPCC	17,001	(14,750)
Shipping	167,968	31,352
Other	-	(57,454)
	184,969	(40,852)

A9 Valuation of Property, Plant and Equipment

There were no changes to the valuation of property, plant and equipment brought forward from the preceding annual audited financial statements.

A10 Material events subsequent to the end of the interim period

Other than as disclosed, in B8 there were no material events subsequent to the current financial quarter to 31st Dec 2011, which is likely to substantially affect the results of the operations of the Group.

A11 Changes in the composition of the Group

There were no changes in the composition of the Group during the current financial quarter.

SUMATEC RESOURCES BERHAD

Company No. 428355-D
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

A12 Contingent liabilities

The Company has given corporate guarantees amounting to RM654 million as at 31 December 2011 to suppliers, licensed banks and financial institution for banking facility granted to the subsidiary companies. Consequently, the Company is liable for the amount of banking facilities utilized by the subsidiary companies totaling RM441 million as at 31 December 2011.

A13 Capital Commitments

Authorised capital commitments not provided for in the interim financial statements as at 31 Dec 2011 are as follows :

	RM'000
Contracted	-
Not contracted	-
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	-
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Analysed as follows:	
- Property, plant and equipment	-
- Investment	-
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