

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 Malaysian Financial Reporting Standard (“MFRS”) 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 and the Group for the financial year ended 31 December 2013. The 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 2013.

The financial information presented in this interim report has been prepared in accordance with the accounting policies used in preparing the annual consolidated financial statements for the year ended 31 December 2013.

The Group has not applied the following MFRSs that have been issued but not yet effective:

Amendments to MFRSs effective 1 July 2014:

MFRS 119	Defined Benefit Plans: Employee Contributions
Annual improvements to MFRSs 2010-2012 Cycle	
Annual Improvements to MFRSs 2011-2013 Cycle	

MFRSs effective date to be determined:

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

The initial application of the above standards, amendments and interpretation are not expected to have any financial impacts to the financial statements.

A2 Audit report of preceding annual financial statement

The audited financial statements of the Company and the Group for the year ended 31 December 2013 were not subject to qualification.

A3 Seasonal or cyclical factors

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

SUMATEC RESOURCES BERHAD

Company No. 428355-D
(Incorporated in Malaysia)

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A4 Unusual items

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 were 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 under review except for the issuance of 14 million ordinary shares of the Company pursuant to the exercise of ESOS options.

A7 Dividend paid

There were no dividends paid during the quarter under review.

A8 Segment Information

The Group is principally involved in the upstream oil & gas activities.

	Current Quarter Ended	
	31 March 2014	
	Revenue	Profit/(loss) before tax
	RM'000	RM'000
Oil & Gas Development and Production	13,743	4,983
Others	-	(131)
	13,743	4,852

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.

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A10 Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the current financial quarter, which are likely to substantially affect the results of the operations of the Group for the current quarter.

A11 Changes in the composition of the Group

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

A12 Contingent liabilities

The Company has given corporate guarantees amounting to RM471 million to suppliers, licensed banks and financial institution for banking facility granted to the associate companies. Consequently, the Company is liable for the amount of banking facilities utilized by the associate companies totaling RM270 million.

A13 Capital commitments

There are no capital commitments at the end of the current quarter.