

# **SONA PETROLEUM BERHAD**

(Company no.: 945626-P)  
(Incorporated in Malaysia)

**REPORT ON  
THE CONSOLIDATED FINANCIAL RESULTS  
FOR THE SECOND HALF YEAR PERIOD ENDED  
31 DECEMBER 2014  
("Interim Financial Statement")**

**(THE FIGURES HAVE NOT BEEN AUDITED)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD/YEAR ENDED 31 DECEMBER 2014**

	Note	INDIVIDUAL 6 MONTHS		CUMULATIVE 12 MONTHS	
		UNAUDITED CURRENT 2ND HALF YEAR PERIOD TO 31-12-2014 RM	UNAUDITED PRECEDING CORRESPONDING 2ND HALF YEAR PERIOD TO 31-12-2013 RM	UNAUDITED 12 MONTHS TO 31-12-2014 RM	AUDITED 12 MONTHS TO 31-12-2013 RM
Other income		9,087,378	7,781,044	17,995,506	7,884,321
Operating expenses		(17,119,473)	(4,425,356)	(23,956,080)	(5,271,360)
<b>Operating (loss)/profit</b>		<b>(8,032,095)</b>	<b>3,355,688</b>	<b>(5,960,574)</b>	<b>2,612,961</b>
Finance costs		(9,853,360)	(7,711,274)	(19,392,282)	(7,711,274)
<b>Loss before tax</b>	B6	<b>(17,885,455)</b>	<b>(4,355,586)</b>	<b>(25,352,856)</b>	<b>(5,098,313)</b>
Income tax expense	B7	(1,586,172)	(1,221,201)	(3,138,263)	(1,241,578)
<b>Net loss for the period/year, representing total comprehensive loss for the period/year</b>		<b>(19,471,627)</b>	<b>(5,576,787)</b>	<b>(28,491,119)</b>	<b>(6,339,891)</b>
<b>Loss after taxation attributable to:</b>					
Owners of the Company		(19,471,627)	(5,576,787)	(28,491,119)	(6,339,891)
<b>Total comprehensive loss attributable to:</b>					
Owners of the Company		(19,471,627)	(5,576,787)	(28,491,119)	(6,339,891)
<b>Loss for the period/year comprise the following:-</b>					
- Realised		(19,471,627)	(5,576,787)	(28,491,119)	(6,339,891)
- Unrealised		-	-	-	-
		(19,471,627)	(5,576,787)	(28,491,119)	(6,339,891)
<b>Loss per share</b>					
- Basic (RM)	B18	(0.01)	(0.01)	(0.02)	(0.01)
- Dilutive (RM)	B18	(0.01)	(0.01)	(0.02)	(0.01)

The above should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying notes attached to this Interim Financial Statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2014**

		<b>UNAUDITED</b>	<b>AUDITED</b>
		<b>As at 31-12-2014</b>	<b>As at 31-12-2013</b>
	<b>Note</b>	<b>RM</b>	<b>RM</b>
<b>Non-current asset</b>			
Plant and equipment	B8	422,346	494,838
<b>Current assets</b>			
Receivables	B10	1,341,562	2,621,682
Fixed deposits with licensed banks	B11	542,405,433	541,933,704
Cash and bank balances		3,065,225	1,904,350
		<u>546,812,220</u>	<u>546,459,736</u>
<b>Total assets</b>		<b><u>547,234,566</u></b>	<b><u>546,954,574</u></b>
<b>Equity and liabilities</b>			
Share capital	B12	14,107,143	14,107,143
Share premium	B13	13,261,746	13,261,746
Other reserves	B14	38,500,017	38,500,017
Accumulated losses		(34,909,720)	(6,418,601)
<b>Total equity</b>		<b><u>30,959,186</u></b>	<b><u>59,450,305</u></b>
<b>Non-current liability</b>			
Financial liability component of the Public Issue Shares	B15	504,530,630	485,138,348
<b>Current liabilities</b>			
Sundry payables		11,066,138	1,106,874
Amount due to directors		3,724	17,469
Provision for taxation		674,888	1,241,578
		<u>11,744,750</u>	<u>2,365,921</u>
<b>Total equity and liabilities</b>		<b><u>547,234,566</u></b>	<b><u>546,954,574</u></b>
<b>Net Assets Per Share (RM)</b>		0.02	0.04

The above should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying notes attached to this Interim Financial Statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

	← Non-Distributable →			Accumulated losses RM	Total equity RM
	Share capital RM	Share premium RM	Other reserves RM		
<b>AUDITED</b>					
<b>Balance as at 1 January 2013</b>	2	-	-	(78,710)	(78,708)
Total comprehensive loss	-	-	-	(6,339,891)	(6,339,891)
Transactions with owners:-					
Issuance of ordinary shares to initial investors	285,715	3,114,293	6,600,017	-	10,000,025
Conversion of Redeemable Convertible Preference Shares ("RCPS")	2,821,426	-	-	-	2,821,426
Issuance of ordinary shares to public investors through Initial Public Offering ("IPO")	11,000,000	10,147,453	31,900,000	-	53,047,453
<b>Balance as at 31 December 2013</b>	<b>14,107,143</b>	<b>13,261,746</b>	<b>38,500,017</b>	<b>(6,418,601)</b>	<b>59,450,305</b>
<b>UNAUDITED</b>					
<b>Balance as at 1 January 2014</b>	14,107,143	13,261,746	38,500,017	(6,418,601)	59,450,305
Total comprehensive loss	-	-	-	(28,491,119)	(28,491,119)
<b>Balance as at 31 December 2014</b>	<b>14,107,143</b>	<b>13,261,746</b>	<b>38,500,017</b>	<b>(34,909,720)</b>	<b>30,959,186</b>

The above should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying notes attached to this Interim Financial Statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

	<b>UNAUDITED CURRENT YEAR ENDED 31-12-2014 RM</b>	<b>AUDITED PRECEDING YEAR ENDED 31-12-2013 RM</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	(25,352,856)	(5,098,313)
<i>Adjustments for:-</i>		
Depreciation	90,893	64,549
Finance costs	19,392,282	7,711,274
Listing expenses charged out	-	729,389
Interest/profit from fixed deposits	(17,995,506)	(7,885,091)
Operating loss before working capital changes	<u>(23,865,187)</u>	<u>(4,478,192)</u>
Decrease/(Increase) in receivables	2,414,475	(172,180)
Increase in deferred expenditures	-	73,397
Decrease in sundry payables	9,959,263	495,681
Increase in amount due to related parties	(13,745)	17,469
Cash used in operations	<u>(11,505,194)</u>	<u>(4,063,825)</u>
Tax paid	(3,704,953)	-
Net cash used in operating activities	<u>(15,210,147)</u>	<u>(4,063,825)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of plant and equipment	(18,401)	(559,387)
Interest/profit received from fixed deposits	16,861,151	5,437,010
Placement of deposits which are restrictive in use	(14,925,638)	(499,479,794)
Net cash from/(used in) investing activities	<u>1,917,112</u>	<u>(494,602,171)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceed from issuance of shares to initial investors	-	10,000,025
Proceed from issuance of shares, net of issuance cost	-	529,745,138
Proceed from issuance of RCPS	-	2,821,700
Redemption of RCPS	-	(274)
Net cash generated from financing activities	<u>-</u>	<u>542,566,589</u>
Net (decrease)/increase in cash and cash equivalents	(13,293,035)	43,900,593
Cash and cash equivalents at beginning of financial year	44,358,260	457,667
Cash and cash equivalents at end of financial year	<u><b>31,065,225</b></u>	<u><b>44,358,260</b></u>
Comprising of:-		
Cash and bank balances	3,065,225	1,904,350
Fixed deposits with licensed banks (Note B11)	542,405,433	541,933,704
	<u>545,470,658</u>	<u>543,838,054</u>
Less: Placement in deposits which are restrictive in use	(514,405,433)	(499,479,794)
Total cash and cash equivalents	<u><b>31,065,225</b></u>	<u><b>44,358,260</b></u>

The above should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying notes attached to this Interim Financial Statements.

**PART A - EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134**

**A1 Basis of Preparation**

The Interim Financial Statements are unaudited and have been prepared in accordance with the reporting requirements as set out in the Malaysian Financial Reporting Standard ("MFRS") 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"). The Interim Financial Statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the unaudited condensed Interim Financial Statements.

The explanatory notes attached to the unaudited condensed 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 Sona Petroleum Berhad and its subsidiary company ("Group") since the financial year ended 31 December 2013.

**A2 Changes in Accounting Policies**

- (i) Save as disclosed in this Interim Financial Statements, the adoption of the revised MFRSs and Amendments to MFRSs that are applicable to the Group and effective from 1 January 2014 has no material effect to the Group's Interim Financial Statements.
- (ii) At the date of this report, the adoption of the new MFRS, Amendments to MFRS and IC Interpretations which are issued but not yet effective for the financial year ended 31 December 2014 will not have any material impact on the financial statements of the Group in the period of initial application, except as disclosed below:-

MFRS 9 Financial Instruments

The adoption of the first phase of MFRS 9 will have an effect on the classification and measurement of the Group's financial assets, but will not have an impact on classification and measurement of the Group's financial liabilities. The Group will quantify the effect in conjunction with other phases, when the final standard including all phases is issued.

**A3 Auditors' Opinion on Preceding Annual Financial Statements**

The Company's financial statements for the financial year ended 31 December 2013 were not subject to any audit qualification.

**A4 Seasonality or Cyclicity of Operations**

The Group's operations are not affected by any seasonal or cyclical factors as the Group currently has no operations or income-generating business.

**A5 Individually Significant Items**

There were no significant items that affect the assets, liabilities, equity, net income or cash flows of the Group for the current financial year/period.

**A6 Material Changes in Estimates**

There were no significant changes in estimates that have a material effect on the current financial year/period.

**A7 Borrowing, Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of borrowings, debt and equity securities during the financial year/period.

**A8 Dividend Paid**

There was no dividend declared or paid during the current financial year/period.

**A9 Segmental Reporting**

No segmental reporting is provided as the Group currently has no operation or income generating business.

**A10 Valuation of Property, Plant and Equipment**

There was no valuation of the property, plant and equipment performed for the current financial year/period.

**A11 Material Events Subsequent to the End of the Interim Period**

The material events subsequent to the end of the current interim period are as disclosed in Note B16 below.

**A12 Changes in the Composition of the Group**

There were no changes in the composition of the Group in the current financial year other than the acquisition of a subsidiary company as described in Note B9 below.

**A13 Contingent Liabilities or Contingent Assets**

There were no material contingent liabilities or contingent assets as at the date of this Interim Financial Statements.

**A14 Operating Lease Commitments**

During the financial year ended 2012, the Group entered into an operating lease for the rental of an office premise. The rental tenure is for 3 years with the option for renewal of two terms of 3 years each.

Future minimum rentals payable under the non-cancellable operating lease at the reporting date are as follows:-

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>31-12-2014</b>	<b>31-12-2013</b>
	<b>RM</b>	<b>RM</b>
Not later than 1 year	281,292	306,864
Later than 1 year but not later than 5 years	-	281,292
	<u>281,292</u>	<u>588,156</u>

**A15 Capital Commitment**

*Approved and contracted for:-*

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>31-12-2014</b>	<b>31-12-2013</b>
	<b>USD</b>	<b>USD</b>
Proposed Transaction	<u>281,200,000</u>	<u>-</u>

The Proposed Transaction was subsequently terminated mutually on 19 January 2015 as detailed in Note B16 below.

**PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS**

**B1 Review of Results**

**For 2nd half year period ended 31 December 2014**

The Group, as a Special Purpose Acquisition Company ("SPAC"), will only generate operating income once it has completed the Qualifying Acquisition ("QA"). For the financial year ended 31 December 2014, the Group's source of income are mainly derived from interest/profit earned from fixed deposit placements while major expenses were finance costs, expenses incurred in evaluating qualifying acquisitions and employees' and directors' remuneration detailed as follows:-

	INDIVIDUAL 6 MONTHS		CUMULATIVE 12 MONTHS	
	UNAUDITED CURRENT 2ND HALF YEAR PERIOD TO 31-12-2014 RM	UNAUDITED PRECEDING CORRESPONDING 2ND HALF YEAR PERIOD TO 31-12-2013 RM	UNAUDITED 12 MONTHS TO 31-12-2014 RM	AUDITED 12 MONTHS TO 31-12-2013 RM
Finance costs	9,853,360	7,711,274	19,392,282	7,711,274
Expenses incurred in evaluating Qualifying Acquisition	13,549,360	1,011,935	17,470,442	1,011,935
Employees' remuneration	1,291,144	1,216,256	2,590,294	1,216,256
Directors' remuneration and allowances	512,829	518,086	1,037,463	518,086
Directors' fees	217,500	217,500	435,000	217,500

The finance costs represent the interest/profit earned from amount held in the custodian account placed in fixed deposits with licensed banks as described in Note B11 below and less the applicable tax(es); and the amortisation of the listing expenses as follows:-

	INDIVIDUAL 6 MONTHS		CUMULATIVE 12 MONTHS	
	UNAUDITED CURRENT 2ND HALF YEAR PERIOD TO 31-12-2014 RM	UNAUDITED PRECEDING CORRESPONDING 2ND HALF YEAR PERIOD TO 31-12-2013 RM	UNAUDITED 12 MONTHS TO 31-12-2014 RM	AUDITED 12 MONTHS TO 31-12-2013 RM
Interest/profit from fixed deposits held under custodian account	8,487,816	6,554,088	16,729,060	6,554,088
Less: tax arising from the Interest/profit from fixed deposits under custodian account	(1,480,677)	(1,035,941)	(2,915,813)	(1,035,941)
Amortisation of listing expenses	2,846,221	2,193,127	5,579,035	2,193,127
	<b>9,853,360</b>	<b>7,711,274</b>	<b>19,392,282</b>	<b>7,711,274</b>

The expenses incurred in QA primarily comprise fees for technical, legal, finance and corporate advisory services and their direct expenses incurred for the due diligence exercise for evaluating QA under assessment during the current financial year/period.

The remuneration for Directors and Employees comprise salaries, allowances and all other related payroll costs. Included in the Employees' remuneration is payroll and its related costs relating to the Management Team amounting to RM2,319,667 (2013 – RM1,105,495).



**B2 Material Change in Loss Before Taxation in Comparison to the Preceding Half-Year**

In the 2nd half year period ended 31 December 2014, the Group recorded a loss before tax of RM17,885,455 compared with a loss of RM7,467,150 in the preceding half year (six month period ended 30 June 2014). The main difference are due to the expenses incurred in Evaluating Qualifying Acquisition of RM13,549,360 as compared to the six-month period ended 30 June 2014 of RM3,921,082.

**B3 Prospects of The Coming Year**

The Group is currently assessing and reviewing several potential qualifying assets. Under the current low oil price and market conditions, the Group is confident of being able to acquire a qualifying asset on more favourable terms and conditions.

**B4 Profit Forecast/Guarantee**

The Group has not announced or disclosed any profit forecast or profit guarantee in any public documents.

**B5 Purchase or Disposal of Quoted Securities**

There were no purchase or disposal of quoted securities during the financial year ended 31 December 2014.

**B6 Loss Before Tax**

	INDIVIDUAL 6 MONTHS		CUMULATIVE 12 MONTHS	
	UNAUDITED CURRENT 2ND HALF YEAR PERIOD TO 31-12-2014 RM	UNAUDITED PRECEDING CORRESPONDING 2ND HALF YEAR PERIOD TO 31-12-2013 RM	UNAUDITED 12 MONTHS TO 31-12-2014 RM	AUDITED 12 MONTHS TO 31-12-2013 RM
Loss before taxation is arrived at after charging/(crediting):-				
Interest/profit from:-				
- bank	(868)	(7,699)	(3,756)	(9,665)
- fixed deposit under custodian account	(8,487,816)	(6,554,089)	(16,729,060)	(6,554,089)
- fixed deposit/bank repo	(598,694)	(1,191,421)	(1,262,690)	(1,291,337)
Auditors' remuneration:-				
- audit fees	33,000	12,500	45,000	20,000
- others	10,000	-	10,000	-
Depreciation	46,266	39,205	90,893	64,549
Directors' fees	217,500	217,500	435,000	217,500
Directors' remuneration and allowances	512,829	518,086	1,037,463	518,086
Employees' remuneration	1,291,144	1,216,256	2,590,294	1,216,256
Expenses incurred in evaluating Qualifying Acquisition	13,549,360	1,011,935	17,470,442	1,011,935
Finance costs	9,853,360	7,711,274	19,392,282	7,711,274
Listing expenses charged out	-	348,115	-	729,389
Office rental	146,185	144,906	291,091	289,812

**B7 Income Tax Expense**

	INDIVIDUAL 6 MONTHS		CUMULATIVE 12 MONTHS	
	UNAUDITED CURRENT 2ND HALF YEAR PERIOD TO 31-12-2014 RM	UNAUDITED PRECEDING CORRESPONDING 2ND HALF YEAR PERIOD TO 31-12-2013 RM	UNAUDITED 12 MONTHS TO 31-12-2014 RM	AUDITED 12 MONTHS TO 31-12-2013 RM
Income tax - current	1,586,172	1,221,201	3,134,888	1,241,578
- under provision in prior year	-	-	3,375	-
	<u>1,586,172</u>	<u>1,221,201</u>	<u>3,138,263</u>	<u>1,241,578</u>

The reconciliation between tax expenses and the product of accounting loss multiplied by the applicable corporate tax rate for the financial year ended 31 December 2014 and 31 December 2013 are as follows:-

	INDIVIDUAL 6 MONTHS		CUMULATIVE 12 MONTHS	
	UNAUDITED CURRENT 2ND HALF YEAR PERIOD TO 31-12-2014 RM	UNAUDITED PRECEDING CORRESPONDING 2ND HALF YEAR PERIOD TO 31-12-2013 RM	UNAUDITED 12 MONTHS TO 31-12-2014 RM	AUDITED 12 MONTHS TO 31-12-2013 RM
Loss before tax	(17,885,455)	(4,355,586)	(25,352,856)	(5,098,313)
Taxation at Malaysian statutory tax rate of 25% (2013: 25%)	(4,471,364)	(1,088,897)	(6,338,214)	(1,274,578)
Effect of tax saving on the first RM500,000 at 20% (2013: 20%)	-	(25,000)	-	(25,000)
Under provision income tax expenses in prior year	-	-	3,375	-
Expenses not deductible for tax purposes	6,057,536	2,335,098	9,473,102	2,541,156
Income tax expense	<u>1,586,172</u>	<u>1,221,201</u>	<u>3,138,263</u>	<u>1,241,578</u>

**B8 Plant and Equipment**

	Renovation RM	Office equipment RM	Computer RM	Total RM
<i>Cost</i>				
At 1 January 2014	422,798	33,215	103,374	559,387
Addition	-	4,237	14,164	18,401
At 31 December 2014	<u>422,798</u>	<u>37,452</u>	<u>117,538</u>	<u>577,788</u>
<i>Accumulated depreciation</i>				
At 1 January 2014	44,399	4,930	15,220	64,549
Charge for the financial year	46,957	6,783	37,153	90,893
At 31 December 2014	<u>91,356</u>	<u>11,713</u>	<u>52,373</u>	<u>155,442</u>
<i>Net Book Value</i>				
At 31 December 2014	<u>331,442</u>	<u>25,739</u>	<u>65,165</u>	<u>422,346</u>
At 31 December 2013	<u>378,399</u>	<u>28,285</u>	<u>88,154</u>	<u>494,838</u>

**B9 Investment in Subsidiary Company**

On 3 June 2014, the Company subscribed one (1) ordinary share of USD 1.00 in Sona Exploration & Production (Thailand) Ltd. (Company No. 1826534) ("SEPT") and therefore, SEPT is a wholly-owned subsidiary of the Company.

SEPT was incorporated as a Special Purpose Vehicle to acquire qualifying assets of the Group.

**B10 Receivables**

	UNAUDITED 31-12-2014 RM	AUDITED 31-12-2013 RM
Deposits and prepayments	207,207	173,601
Interest/profit receivable from fixed deposits	64,787	10,333
Interest/profit receivable from fixed deposits under the custodian account	1,069,568	2,437,748
	<u>1,341,562</u>	<u>2,621,682</u>

**B11 Fixed Deposits with Licensed Banks**

	UNAUDITED 31-12-2014 RM	AUDITED 31-12-2013 RM
Fixed deposits with licensed banks	28,378,456	42,817,364
Fixed deposits with licensed banks under custodian account	514,026,977	499,116,340
	<u>542,405,433</u>	<u>541,933,704</u>

The remaining days to maturity and the effective interest rate for the fixed deposits with licensed banks as at 31 December 2014 for the Group ranges 8 to 181 days and 3.10% to 3.35% per annum, respectively.

Fixed deposits with licensed banks under custodian account

The SC Guidelines require that the amount held in custodian account be placed in permitted investments namely Malaysian Government Securities, money market instruments and AAA-rated papers. The amount held in custodian account is invested in Islamic fixed deposits which are considered as relatively secure and liquid at profit sharing rate of approximately 3.35% per annum and have an average remaining day to maturity of 8 days as at the end of the financial period.

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As at 31 December 2014, the amount held in custodian account placed in Islamic fixed deposits and its corresponding profit are as follows:-

	Placement amount RM	Profit earned RM	Total RM
Fixed deposit with Islamic banks held under custodian account	495,000,000	19,026,977	514,026,977

In the event the Group fails to complete a Qualifying Acquisition within the permitted timeframe, the amount then held in custodian account (net of any taxes payable and direct expenses related to the liquidation), will be distributed to the respective shareholders.

**B12 Share Capital**

	Number of ordinary shares		Amount	
	31-12-2014	31-12-2013	31-12-2014 RM	31-12-2013 RM
<b>Authorised:-</b>				
At 1 January	4,970,000,000	100,000	49,700,000	100,000
Subdivided during the financial year	-	9,900,000	-	-
Created during the financial year	-	4,960,000,000	-	49,600,000
At 31 December	<b>4,970,000,000</b>	<b>4,970,000,000</b>	<b>49,700,000</b>	<b>49,700,000</b>
<b>Issued and fully paid:-</b>				
At 1 January	1,410,714,300	2	14,107,143	2
Subdivided during the financial year	-	198	-	-
Issued during the financial year	-	1,128,571,500	-	11,285,715
Conversion of RCPS	-	282,142,600	-	2,821,426
At 31 December	<b>1,410,714,300</b>	<b>1,410,714,300</b>	<b>14,107,143</b>	<b>14,107,143</b>

**B13 Share Premium**

	UNAUDITED 31-12-2014 RM	AUDITED 31-12-2013 RM
<b>Share premium:-</b>		
At 1 January	13,261,746	-
Pursuant to the subscription by initial investors	-	3,114,293
Pursuant to the initial public offering, net off related expenses	-	10,147,453
At 31 December	<b>13,261,746</b>	<b>13,261,746</b>

**B14 Other Reserves**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>31-12-2014</b>	<b>31-12-2013</b>
	<b>RM</b>	<b>RM</b>
<b>Other reserves:-</b>		
<b>Warrants reserve</b>		
At 1 January	40,202,158	-
Pursuant to the first conversion of RCPS	-	542,141
Pursuant to the subscription by initial investors	-	6,600,017
Pursuant to the second conversion of RCPS	-	1,160,000
Pursuant to the initial public offering	-	31,900,000
At 31 December	<u>40,202,158</u>	<u>40,202,158</u>
<b>Reserve arising from conversion of RCPS</b>		
At 1 January	(1,702,141)	-
Pursuant to the first conversion of RCPS	-	(542,141)
Pursuant to the second conversion of RCPS	-	(1,160,000)
At 31 December	<u>(1,702,141)</u>	<u>(1,702,141)</u>
<b>Total other reserves</b>	<u><b>38,500,017</b></u>	<u><b>38,500,017</b></u>

**B15 Financial Liability Component of Public Issue Shares**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>31-12-2014</b>	<b>31-12-2013</b>
	<b>RM</b>	<b>RM</b>
90% of the IPO funds	495,000,000	495,000,000
Cummulative interest earned for FLC	23,283,148	6,554,088
Less: Cummulative tax payable arising from interest earned for FLC	(3,951,754)	(1,035,941)
FLC before set-off of listing expenses	<u>514,331,394</u>	<u>500,518,147</u>
Listing expenses recognised in FLC:-		
Amount capitalised	(17,572,926)	(17,572,926)
Amount amortised	7,772,162	2,193,127
	<u>(9,800,764)</u>	<u>(15,379,799)</u>
At 31 December	<u><b>504,530,630</b></u>	<u><b>485,138,348</b></u>

At the reporting date, the Financial Liability Component of the Public Issue Shares ("FLC") is secured against the monies in the custodian trust account as disclosed in Note B11 above. The maturity of FLC is three years from 30 July 2013 which is the initial public offering date ("Permitted Timeframe").

The Equity Guidelines requires inter alia the following:

- (i) the Group must place at least 90% of the gross proceeds from its initial public offering ("IPO") in a custodian trust account immediately upon receipt of all proceeds ("IPO Custodian Trust Proceeds"). The monies in the custodian trust account may only be released by the custodian upon termination of the custodian trust account;
- (ii) the proceeds in the custodian trust account may be invested in permitted investments. Any income generated by the funds held in the custodian trust account, including interest/dividend income derived from the permitted investments, must accrue to the custodian trust account;
- (iii) the balance of the proceeds from the IPO, being 10% of the proceeds, may be utilised to defray expenses related to the IPO and for working capital purposes including but not limited to operating costs, fund the search for a target company or asset and completing the qualifying acquisition; and
- (iv) in the event the Group fails to complete a qualifying acquisition within the Permitted Timeframe, it must be liquidated. The amount then held in the custodian trust account (net of any taxes

payable and direct expenses related to the liquidation and distribution), must be distributed to the respective shareholders on a pro-rata basis as soon as practicable, as permissible by the relevant laws and regulations ("Liquidation Distribution"). Platinum Autumn Sdn. Bhd. and initial investors may not participate in the Liquidation Distribution, except for securities purchased by them after the date of listing of the Group on the Bursa Securities.

Consequently, the Public Issue Share is a compound financial instrument with a financial liability and equity component in accordance with MFRS 132 Financial Instruments: Presentation and FRSC Consensus 20 Classification of the IPO Investor Securities of a Special Purpose Acquisition Company. The financial liability component being the fair value of the 90% of the gross proceeds represents the Group's obligation to refund the IPO Custodian Trust Proceeds held in the custodian trust account to the IPO investors in the event the Group fails to complete a qualifying acquisition within the Permitted Timeframe.

## **B16 Status of Corporate Proposals**

The Group had on 5 June 2014 entered into a Heads of Agreement ("HOA") with Salamander Energy Plc ("Salamander") in relation to the proposed acquisition of the following:-

- (i) 66.67% of the class "A" shares without attaching any voting rights but attaching economic rights (including rights to dividends or other distribution) in Salamander Energy (Bualuang) Limited ("SEBG"), a 100% owned subsidiary of Salamander; and
- (ii) 49.00% of the class "B" ordinary shares which carry one vote per share but without attaching any economic rights in SEBG.  
(collectively known as "SEBG Shares")

resulting in the Group owning an effective working interest of 40.00% in the Thai oil and gas blocks owned by SEBG for a cash consideration of USD281.2 million ("Proposed Transaction").

On 18 July 2014, the Group had entered into a Sale and Purchase Agreement ("SPA") with Salamander Energy (Bualuang Holdings) Limited ("SEBHL") and Salamander for the Proposed Transaction.

The Proposed Transaction is expected to be conditional upon, inter alia, the following:

- (i) the Group obtaining approval of the Securities Commission Malaysia for the Proposed Transaction;
- (ii) the Group obtaining approval of its shareholders at an extraordinary general meeting to be convened for the Proposed Transaction;
- (iii) Salamander obtaining approval of its shareholders; and
- (iv) the entry into full form documentation implementing the Group's financing.

The Group had on 28 August 2014 entered into a supplemental sale and purchase agreement with SEBHL and Salamander to effect, inter-alia, the following changes to the SPA:-

- (i) clarification that the issued share capital of SEBG is 25,000 shares with a par value of USD1.00; and
- (ii) the Working Capital Amount shall mean the sum of USD1,229,394.80, being 66.67% of the net working capital amount of USD1,844,000.00 as at the Effective Date and computed in accordance with Schedule 10 of the SPA.

On 29 August 2014, the Group submitted its application in relation to the Proposed Transaction to the Securities Commission Malaysia.

The Group had, on 24 October 2014 entered into a facility agreement with BNP Paribas and RHB Bank (L) Ltd (as Joint Lead Arrangers) for a USD140 million loan facility to part finance the Proposed Transaction ("Financing"). The Financing is conditional upon, inter-alia, the approvals of the Securities Commission and the shareholders of Sona Petroleum, for the Proposed Transaction being obtained.

On 27 October 2014, the Group received a notice from SEBHL and Salamander pursuant to the SPA stating that the board of Salamander has received a conditional proposal from Ophir Energy Plc ("Ophir") with respect to a potential offer for Salamander, the terms of which Salamander is seeking to clarify. Salamander had also stated that it had received an approach by a consortium led by Compañía Española de Petróleos but it has not yet received any proposal or confirmation that any offer will be forthcoming. The Group has taken cognisance that the Salamander announcement stated, *inter-alia*, that "subject to the outcome of the ongoing negotiations described above, the board of directors of

Salamander continues to believe that completion of the SONA Transaction is in the best interests of its shareholders”.

On 14 November 2014, the Group received a notice from SEBHL and Salamander pursuant to the SPA stating that the board of Salamander has received a proposed offer from a consortium led by Compañía Española de Petróleos, S.A.U. and Strategic Energy (Global) Limited (whose investment adviser is Jynwel Capital) for the entire issued and to be issued share capital of Salamander.

The Group had, on 21 November 2014, received a notice from SEBHL and Salamander pursuant to the SPA stating that the board of Salamander has received a proposed offer from Ophir for the entire issued and to be issued share capital of Salamander. The Group noted that that this is a “proposed offer” and not a “firm offer” which has to be submitted by 24 November 2014, unless this date is extended by Salamander and notwithstanding the above, the Group remains committed to complete the Proposed Transaction under the terms of the sale and purchase agreement dated 18 July 2014.

On 24 November 2014, the Group has received the approval of the Securities Commission (“SC”) in relation to the Proposed Transaction. The approval is subject to the following conditions:-

- (i) the Joint Principal Advisers and the Group to fully comply with the requirements of the SC’s Equity Guidelines, as applicable, pertaining to the implementation of the Proposed Transaction; and
- (ii) the Joint Principal Advisers and the Group to fully comply with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, as applicable, pertaining to the implementation of the Proposed Transaction and the issuance of the circular to the shareholders of the Group.

The Group had, on 24 November 2014, received a notice from SEBHL and Salamander pursuant to the SPA stating that the boards of directors of Salamander and Ophir have reached an agreement on the terms of a recommended acquisition to be made by Ophir and/or a wholly-owned subsidiary of Ophir for the entire issued and to be issued share capital of Salamander via a scheme of arrangement (“Offer”). It is a condition of the Offer that the agreement between Salamander and the Group in relation to the Proposed Transaction is terminated.

On 14 January 2015, the Group announced that Salamander and the Group intend to mutually terminate the previously announced SPA and other relevant transaction documents in respect of the Proposed Transaction.

The Group had, on 19 January 2015, entered into the following:-

- (i) Deed of termination between the Group, Salamander and SEBHL to terminate the SPA; and
- (ii) Deed of termination between the Group and Salamander to terminate the Block G4/50 Agreement.

#### **B17 Changes in Material Litigation**

The Board of Directors of the Group is not aware of any pending material litigation as at the date of this Interim Financial Statements.

**B18 Loss Per Share**

**a) Basic loss per share**

The basic loss per share is calculated by dividing the Group's loss attributable to the owners of the Group by the weighted average number of ordinary shares in issue during the financial period/year.

	INDIVIDUAL 6 MONTHS		CUMULATIVE 12 MONTHS	
	ENDED		ENDED	
	31-12-2014	31-12-2013	31-12-2014	31-12-2013
	RM	RM	RM	RM
Loss after tax attributable to the Owners of the Company	(19,471,627)	(5,576,787)	(28,491,119)	(6,339,891)
Weighted average number of shares in issue	1,410,714,300	663,170,293	1,410,714,300	663,170,293
Basic loss per share (RM)	(0.01)	(0.01)	(0.02)	0.01

**b) Dilutive loss per share**

The dilutive loss per share is calculated by dividing the Group's loss attributable to the owners of the Group by the weighted average number of ordinary shares in issue during the financial period/year have been adjusted for the effects of dilutive potential ordinary shares from Warrants.

	INDIVIDUAL 6 MONTHS		CUMULATIVE 12 MONTHS	
	ENDED		ENDED	
	31-12-2014	31-12-2013	31-12-2014	31-12-2013
	RM	RM	RM	RM
Loss after tax attributable to the Owners of the Company	(19,471,627)	(5,576,787)	(28,491,119)	(6,339,891)
Weighted average number of shares in issue	1,410,714,300	663,170,293	1,410,714,300	663,170,293
Basic loss per share (RM)	(0.01)	(0.01)	(0.02)	(0.01)

The fully diluted loss per share of the Group in the current financial year/period is the basis loss per share as the assumed conversion from the exercise of Warrants would be anti-dilutive.

**B19 Breakdown of Accumulated Losses Into Realised and Unrealised**

The breakdown of the accumulated losses of the Group as at 31 December 2014 and 31 December 2013 into realised and unrealised losses is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	UNAUDITED	AUDITED
	31-12-2014	31-12-2013
	RM	RM
Realised losses	(34,909,720)	(6,418,601)
Unrealised losses	-	-
Accumulated losses of the Company as per financial statements	<b>(34,909,720)</b>	<b>(6,418,601)</b>

BY THE ORDER OF THE BOARD

**JASMINDAR KAUR A/P SARBAN SINGH**  
Company Secretary

Kuala Lumpur  
11 February 2015