

BORNEO OIL BERHAD
CO. NO. 121919-H

MATERIAL VARIANCE BETWEEN THE GROUP'S CONSOLIDATED AUDITED RESULTS FOR 17 MONTHS FINANCIAL PERIOD ENDED 30TH JUNE 2018 AND ITS UNAUDITED RESULTS AS REPORTED IN THE CONSOLIDATED RESULTS FOR THE SAME FINANCIAL PERIOD

Pursuant to Chapter 9.19(35) of Bursa Malaysia Main Market Listing Requirements, the Board of Directors on behalf of the Company would like to announce that the Group's audited consolidated results for 17 months financial period ended 30th June, 2018 are as follows:-

	<u>RM' million</u>
	Profit/(Loss)
Group's consolidated results before tax for the said financial period:-	
(a) As per annual audited accounts dated 29 th October, 2018	(1.59)
(b) As per unaudited Consolidated results as announced to Bursa on 28 th August, 2018	<u>9.62</u>
Variance	<u>(11.21)</u>

The variance was due to the following year-end audit adjustments:-

(i) Provision for share-based payment expense under MFRS-2	(11.14)
(ii) Adjustments to depreciation charged for the current financial period	<u>(0.07)</u>
	<u>(11.21)</u>

The Company's view was that the share-based payment expense should not be taken up as there was no significant discount to the exercise price of RM0.09. However, the said provision for ESOS was provided for as a result of the Auditors' opinion that it was necessary in line with the requirement of MFRS 2 - Share-based Payment.

Thank you.