

**BORNEO OIL BERHAD**

**Company Reg. No. 198901005309 (121919-H)  
(Incorporated in Malaysia)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE THIRD QUARTER ENDED  
31 MARCH 2024**

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

**BORNEO OIL BERHAD**  
**Company Reg. No. 198901005309 (121919-H)**  
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**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE THIRD QUARTER ENDED 31 MARCH 2024**  
**(THE FIGURES HAVE NOT BEEN AUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	3 Months 1 Jan 2024 to 31 Mar 2024 RM'000	3 Months 1 Jan 2023 to 31 Mar 2023 RM'000	9 Months 1 Jul 2023 to 31 Mar 2024 RM'000	9 Months 1 Jul 2022 to 31 Mar 2023 RM'000
Revenue	17,359	28,256	56,390	70,914
Cost of sales	(12,358)	(22,913)	(41,107)	(56,891)
Gross profit	5,001	5,343	15,283	14,023
Other income	745	23,844	7,828	66,224
Operating expenses	(7,004)	(6,075)	(21,269)	(19,168)
Other operating expenses	(21,961)	(48,275)	(74,974)	(52,330)
Loss from operations	(23,219)	(25,163)	(73,132)	8,749
Finance costs	(1,077)	(457)	(1,985)	(1,331)
Share of results of an associate	(5,318)	(3,215)	(19,166)	(7,252)
Loss before taxation	(29,614)	(28,835)	(94,283)	166
Taxation	(384)	(136)	(906)	(389)
Loss for the period	(29,998)	(28,971)	(95,189)	(223)
Other comprehensive income for the financial period				
- Foreign currency translation	30	17	5	45
Total comprehensive deficit for the financial period	(29,968)	(28,954)	(95,184)	(178)
Deficit attributable to:				
- Owners of the parent	(29,998)	(28,971)	(95,189)	(223)
Total comprehensive deficit attributable to:				
- Owners of the parent	(29,968)	(28,954)	(95,184)	(178)
Loss per share				
- basic (sen)	(0.25)	(0.34)	(0.80)	(0.00)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes and the Annual Audited Financial Statements for the year ended 30 June 2023.

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Unaudited as at 31 Mar 2024 RM'000</b>	<b>Audited as at 30 Jun 2023 RM'000</b>
<b>Non Current Assets</b>		
Property, plant and equipment	30,823	18,535
Right-of-use assets	10,313	11,760
Investment properties	617,054	617,054
Goodwill	9	9
Other investments	118,355	186,589
Investment in an associate	20,834	-
Receivables	7,507	7,507
	<u>804,895</u>	<u>841,454</u>
<b>Current Assets</b>		
Inventories	24,680	27,997
Trade receivables	5,408	4,111
Other receivables, deposits and prepayments	10,718	43,784
Amount due from an associate	40,483	34,511
Contract asset	-	-
Tax recoverable	690	351
Fixed deposits with licensed banks	1,101	1,598
Cash and bank balances	7,388	11,582
	<u>90,468</u>	<u>123,934</u>
<b>Total Assets</b>	<u>895,363</u>	<u>965,388</u>
<b>Shareholders' Fund</b>		
Share capital	709,329	702,834
Reserves	56,014	57,530
Retained earnings	32,366	127,555
	<u>797,709</u>	<u>887,919</u>
<b>Non Current Liabilities</b>		
Long term borrowings	37,848	21,426
Hire purchase creditors	2,837	2,640
Lease liabilities	5,143	6,474
Deferred tax liabilities	17,246	17,246
	<u>63,074</u>	<u>47,786</u>
<b>Current Liabilities</b>		
Trade payables	9,682	7,709
Other payables, deposits and accruals	13,760	14,376
Hire purchase creditors	1,946	1,350
Short term borrowings	4,922	2,992
Lease liabilities	1,672	1,461
Bank overdraft	1,700	1,588
Tax payable	898	207
	<u>34,580</u>	<u>29,683</u>
<b>Total Equity and Liabilities</b>	<u>895,363</u>	<u>965,388</u>
Net assets per share (RM)	<u>0.07</u>	<u>0.08</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes and the Annual Audited Financial Statements for the year ended 30 June 2023.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Non-Distributable Reserves					Distributable Reserves	Total Equity
	Share Capital	ESOS Reserve	Warrants Reserve	Translation Reserve	Other reserves	Retained Earnings	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 July 2023</b>	702,834	1,521	92,802	(156)	(36,637)	127,555	887,919
<b>Total comprehensive deficit for the financial period:-</b>							
Loss for the financial period	-	-	-	-	-	(95,189)	(95,189)
Other comprehensive deficit for the financial period	-	-	-	5	-	-	5
<b>Total comprehensive deficit</b>	-	-	-	5	-	(95,189)	(95,184)
<b>Transactions with owners:-</b>							
Issue of shares	-	-	-	-	-	-	-
Share- based payment transactions	-	505	-	-	-	-	505
Employee Share Option Scheme exercised	6,495	(2,026)	-	-	-	-	4,469
<b>Total transactions with owners</b>	6,495	(1,521)	-	-	-	-	4,974
<b>At 31 March 2024</b>	709,329	-	92,802	(151)	(36,637)	32,366	797,709

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)**

	Non-Distributable Reserves					Distributable Reserves	Total Equity
	Share Capital	ESOS Reserve	Warrants Reserve	Translation Reserve	Other reserves	Retained Earnings	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 July 2022</b>	640,237	1,146	93,441	(85)	-	140,769	875,508
<b>Total comprehensive income for the financial year:-</b>							
Loss for the financial year	-	-	-	-	-	(13,214)	(13,214)
Other comprehensive deficit for the financial year	-	-	-	(71)	(36,637)	-	(36,708)
<b>Total comprehensive income</b>	-	-	-	(71)	(36,637)	(13,214)	(49,922)
<b>Transactions with owners:-</b>							
Issuance of new shares via private placement	49,517	-	-	-	-	-	49,517
Share- based payment	-	3,022	-	-	-	-	3,022
Employee Share Option Scheme exercised	10,686	(2,647)	-	-	-	-	8,039
Warrant exercised	2,394	-	(639)	-	-	-	1,755
<b>Total transactions with owners</b>	62,597	375	(639)	-	-	-	62,333
<b>At 30 June 2023</b>	702,834	1,521	92,802	(156)	(36,637)	127,555	887,919

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the accompanying notes and the Annual Audited Financial Statements for the year ended 30 June 2023.

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>9 Months 1 Jul 2023 to 31 Mar 2024 RM'000</b>	<b>9 Months 1 Jul 2022 to 31 Mar 2023 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:-</b>		
Profit before taxation	(94,283)	166
Adjustments for:		
Equity settled share- based payment	505	1,501
Fair value loss on investment in quoted securities	68,478	7,924
Fair value adjustment on investment properties	-	(400)
Gain on assignment of exploration work	-	(70)
Gain on disposal of investment in quoted shares	(2)	(10)
Gain on disposal of property, plant and equipment	-	(1,114)
Gain on realised exchange difference	-	(11)
Gain on unrealised exchange difference	-	(40)
Reversal on impairment loss on exploration expenditure	-	(19,008)
Reversal of impairment loss on other receivables	-	(4,000)
Reversal of impairment loss on trade receivables	-	(11)
Depreciation of properties, plant and equipment	3,043	2,384
Depreciation of right-of-use	1,492	1,340
Fair value loss on investment in quoted securities	-	-
(Gain)/ Loss on unrealised exchange difference	(286)	1,838
Written- off of property, plant and equipment	20	85
Interest expense	1,985	1,331
Interest income	(32)	(77)
Share of results of associates	19,166	7,252
	<hr/>	<hr/>
	86	(920)
Changes in working capital:-		
Inventories	3,318	6,901
Trade receivables	(1,114)	(26,772)
Other receivables, deposits and prepayments	32,581	(7,126)
Trade payables	1,787	1,080
Other payables, deposits and accruals	(132)	(140)
Contract asset	-	(1,364)
Associate company	(5,972)	-
	<hr/>	<hr/>
	30,554	(28,341)
Interest paid	(1,985)	(1,331)
Tax paid	(690)	(634)
Tax refunded	137	70
	<hr/>	<hr/>
<b>Net Operating Cash Flows</b>	<b>28,016</b>	<b>(30,236)</b>

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**

	<b>9 Months 1 Jul 2023 to 31 Mar 2024 RM'000</b>	<b>9 Months 1 Jul 2022 to 31 Mar 2023 RM'000</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:-</b>		
Acquisition of other investment	(40,000)	(45,918)
Withdrawal/ (Placement) of fixed deposits with licensed banks	497	(4)
Proceeds from assignment of exploration work	-	32,600
Proceeds from disposal of quoted securities	47	42
Proceeds from disposal of properties, plant and equipment	78	1,127
Purchases of properties, plant and equipment	(13,323)	(1,507)
Interest received	32	77
<b>Net Investing Cash Flows</b>	<b>(52,669)</b>	<b>(13,583)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:-</b>		
Issuance of ordinary shares	-	24,065
Payment of lease liabilities	(1,165)	(1,059)
Repayment of hire purchase payables, net	(1,314)	(1,134)
Drawdown/ (Repayment) of term borrowings, net	18,579	(648)
Drawdown/ (Repayment) of banker's acceptance, net	(227)	(572)
ESOS exercised	4,469	8,039
<b>Net Financing Cash Flows</b>	<b>20,342</b>	<b>28,691</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(4,311)</b>	<b>(15,128)</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>5</b>	<b>45</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	<b>9,994</b>	<b>20,085</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<b>5,688</b>	<b>5,002</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	7,388	6,479
Bank overdrafts	(1,700)	(1,477)
	<b>5,688</b>	<b>5,002</b>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the accompanying notes and the Annual Audited Financial Statements for the year ended 30 June 2023.

**NOTES ON THE QUARTERLY REPORT- 31 MARCH 2024**

**A. EXPLANATORY NOTES AS PER MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134, *INTERIM FINANCIAL REPORTING***

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**A1. Basis of Preparation**

This interim financial report was prepared in accordance with the requirements of paragraph 9.22 of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad and complies with MFRS 134, *Interim Financial Reporting* and other MFRS issued by the Malaysian Accounting Standards Board (“MASB”).

The interim financial report is unaudited and should be read in conjunction with the Group’s audited financial statements for the financial year ended 30 June 2023.

These explanatory notes attached to the interim financial report 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 financial year ended 30 June 2023.

**A2. Changes in accounting policies arising from the adoption of new MFRSs, Amendments to MFRSs and IC Interpretations**

The accounting policies adopted for the interim financial statements are consistent with those of the audited financial statements for the financial year ended 30 June 2023 except for the adoption of the following MFRSs, Amendments to MFRSs and IC Interpretations: -

**MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2022**

- Amendments to MFRS 3, Business Combinations - Reference to the Conceptual Framework
- Amendments to MFRS 116, Property, Plant and Equipment - Proceeds before Intended Use
- Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of Fulfilling a Contract
- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards, MFRS 9, Financial Instruments, Illustrative Examples accompanying MFRS 16, Leases and MFRS 141, Agriculture (Annual Improvements to MFRS Standards 2018 - 2020 cycle)

**MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2023**

- MFRS 17, Insurance Contracts
- Amendments to MFRS 17, Insurance Contracts - Initial application of MFRS 17 and MFRS 9 - Comparative Information



**NOTES ON THE QUARTERLY REPORT- 31 MARCH 2024**

**A. EXPLANATORY NOTES AS PER MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134, *INTERIM FINANCIAL REPORTING***

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**A2. Changes in accounting policies arising from the adoption of new MFRSs, Amendments to MFRSs and IC Interpretations (Continued)**

**MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2023 (Continued)**

- Amendments to MFRS 101, Presentation of Financial Statements - Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies
- Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates
- Amendments to MFRS 112, Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction and International Tax Reform – Pillar Two Model Rules.

**MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2024**

- Amendments to MFRS 16, Leases - Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101, Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current
- Amendments to MFRS 107, Statement of Cash Flows and MFRS 7, Financial Instruments: Disclosures – Supplier Finance Arrangements

**MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2025**

- MFRS 121, The Effects of changes in Foreign Exchange Rates- Lack of Exchangeability

**MFRSs, Interpretations and amendments effective for annual periods on or after a date yet to be confirmed**

- Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

**A3. Audit Report**

The auditors' report on the audited financial statements for the financial year ended 30 June 2023 was not qualified.

**A4. Seasonal or Cyclical Factors**

The operations of the Group are not materially affected by seasonal or cyclical factors.

**NOTES ON THE QUARTERLY REPORT- 31 MARCH 2024**

**A. EXPLANATORY NOTES AS PER MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134, *INTERIM FINANCIAL REPORTING***

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**A5. Unusual Items**

There were no items or events arose, which affect the assets, liabilities, equity, net income or cash flows, that were unusual by reason of their nature, size or incidence.

**A6. Material Changes in Estimates**

There were no material changes in estimates of amounts reported that had a material effect on the results in the quarter under review.

**A7. Issuance, Cancellations, Repurchases, Resale and Repayments of Debts and Equity Securities**

During the quarter under review, there were no other issuance and repayment of debt and equity securities, share cancellations and resale of treasury shares for the current quarter.

As at the quarter ended, there were a total of 11,992,135,230 issued ordinary shares.

**A8. Dividends Paid**

There was no dividend paid during the quarter under review.

**A9. Revaluation of Assets**

The Group did not revalue any of its property, plant and equipment during the quarter under review.

**A10. Material Subsequent Event**

There were no material events subsequent to the end of the current financial quarter under review that have not been reflected in the Condensed Consolidated Financial Statement.

**NOTES ON THE QUARTERLY REPORT- 31 MARCH 2024**

**A. EXPLANATORY NOTES AS PER MALAYSIAN FINANCIAL REPORTING STANDARD  
(MFRS) 134, *INTERIM FINANCIAL REPORTING***

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**A11. Changes in Composition of the Group**

There were no material events subsequent to the end of the current financial quarter under review that have not been reflected in the Condensed Consolidated Financial Statement.

**A12. Changes in Contingent Liabilities or Contingent Assets**

The Group's contingent liabilities totalling RM83.16 million, comprise of corporate guarantees to licensed financial institutions for banking facilities granted to the subsidiaries of the Group.

**A13. Capital Commitments**

The amount of commitments for capital expenditure as at 31 March 2024 is as follows:

	<b>As at 31 Mar 2024 RM'000</b>	<b>As at 30 Jun 2023 RM'000</b>
<b>Acquisition of third parties' ordinary shares</b>		
Contracted and provided for	-	1,620
Provided but not contracted	760	8,760
<b>Acquisition of land</b>		
Approved but not contracted for	-	10,500
	<u>760</u>	<u>20,880</u>

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**NOTES ON THE QUARTERLY REPORT- 31 MARCH 2024**

**A. EXPLANATORY NOTES AS PER MALAYSIAN FINANCIAL REPORTING STANDARD (MFRS) 134, *INTERIM FINANCIAL REPORTING***

**A14. Significant Related Party Transactions (Intercompany within the Group)**

	Individual Quarter		Cumulative Quarter	
	3 Months 1 Jan 2024 to 31 Mar 2024 RM'000	3 Months 1 Jan 2023 to 31 Mar 2023 RM'000	9 Months 1 Jul 2023 to 31 Mar 2024 RM'000	9 Months 1 Jul 2022 to 31 Mar 2023 RM'000
Sale of fast food and restaurant operations among subsidiaries	21	27	42	102
Sale of limestones among subsidiaries	153	88	373	394
Rental income among subsidiaries	24	39	72	117
Management fee among subsidiaries	336	330	1,008	990
Consultancy fee among subsidiaries	345	327	1,021	984
Rental expenses among subsidiaries	24	39	72	117

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**NOTES ON THE QUARTERLY REPORT- 31 MARCH 2024**

**A15. Group Segmental Information**

	Head office & others		Food and franchise operations		Property investment & management		Resources & sustainable energy		Total Consolidated	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>										
External revenue	27	27	46,744	40,643	3,353	15,212	6,266	15,032	56,390	70,914
Inter-segment revenue	2,029	1,974	37	102	5	-	373	394	2,444	2,470
<b>Total revenue</b>	<b>2,056</b>	<b>2,001</b>	<b>46,781</b>	<b>40,745</b>	<b>3,358</b>	<b>15,212</b>	<b>6,639</b>	<b>15,426</b>	<b>58,834</b>	<b>73,384</b>
Less: Inter-segment revenue									(2,444)	(2,470)
									<b>56,390</b>	<b>70,914</b>
<b>Results</b>										
Segment results	(70,952)	(12,525)	4,408	672	(2,726)	(497)	(225)	459	(69,495)	(11,891)
Consolidation elimination									866	24,287
									(68,629)	12,396
<i>Not included in the measure of segment loss:-</i>										
Depreciation and amortisation									(4,535)	(3,724)
Interest income									32	77
Finance costs									(1,985)	(1,331)
Share of results of an associate									(19,166)	(7,252)
<b>Loss before tax</b>									<b>(94,283)</b>	<b>166</b>
Income tax expenses									(906)	(389)
<b>Loss for the financial year</b>									<b>(95,189)</b>	<b>(223)</b>

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**NOTES ON THE QUARTERLY REPORT- 31 MARCH 2024**

**A15. Group Segmental Information (Continued)**

	Head office & others		Food and franchise operations		Property investment & management		Resources & sustainable energy		Total Consolidated	
	31.03.2024	30.06.2023	31.03.2024	30.06.2023	31.03.2024	30.06.2023	31.03.2024	30.06.2023	31.03.2024	30.06.2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Assets</b>										
Segment assets	926,000	881,440	52,457	49,765	579,871	564,741	284,623	379,800	1,842,951	1,875,746
Consolidation elimination									(947,588)	(910,358)
<b>Consolidated total assets</b>									<b>895,363</b>	<b>965,388</b>
<b>Liabilities</b>										
Segment liabilities	3,220	6,675	21,218	21,736	407,391	389,339	94,078	90,134	525,907	507,884
Tax payables	(8)	-	-	207	-	-	906	-	898	207
Loans and borrowings	20,230	487	5,321	4,880	370	280	23,333	24,349	49,254	29,996
Deferred tax liabilities	-	-	-	-	13,714	13,714	3,532	3,532	17,246	17,246
Lease liabilities	-	40	7,512	8,351	(1,315)	26	618	1,074	6,815	9,491
Consolidation elimination									(502,466)	(487,355)
<b>Consolidated total liabilities</b>									<b>97,654</b>	<b>77,469</b>

**NOTES ON THE QUARTERLY REPORT- 31 MARCH 2024**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**

**B1. Financial Review for the Current Quarter**

	Individual Quarter		Individual Quarter	
	1 Jan 2024 to 31 Mar 2024		1 Jan 2023 to 31 Mar 2023	
	Revenue	Profit/(Loss)	Revenue	Profit/(Loss)
	RM'000	RM'000	RM'000	RM'000
		Before Tax		Before Tax
Head office & others	9	(23,302)	9	(49,404)
Food and franchise operations	15,994	1,338	13,690	847
Property investment & management	554	(959)	3,535	(434)
Resources & sustainable energy	802	(1,373)	11,022	23,371
Share of results of associate	-	(5,318)	-	(3,215)
Group revenue and loss from operations (net of finance cost)	17,359	(29,614)	28,256	(28,835)

The Head Office and Others (HOO) reported a pre-tax loss of RM23.30 million, mainly due to a fair value decline of RM22.06 million on quoted securities. This is a notable improvement from the same quarter last year, which had a larger fair value loss of RM48.53 million. The quoted securities primarily refer to Verde Resources, Inc., with the stock code VRDR, listed on the US OTC Markets. At the end of the quarter, VRDR closed at USD 0.156. However, subsequent to the close of the quarter, the stock price surged to a high of USD 0.565 and has stabilised at USD 0.35 as of the date of this report. The board is holding this investment for long-term appreciation and remains confident that the stock price will reach even higher levels in the future.

Food and Franchise Operations (FFO) registered growth in both revenue and profit before tax for the current quarter. Revenue increased by RM2.30 million, from RM13.69 million in the corresponding quarter last year to RM15.99 million this quarter. Profit before tax rose significantly to RM1.34 million, up from RM0.85 million in the same quarter last year. This profit increase aligns with the higher revenue reported for the quarter.

Property Investment & Management (PIM) posted revenue of RM0.55 million for the current quarter, down from RM3.54 million in the corresponding quarter last year. This decrease is due to reduced on-site activities following the completion of project management. Additionally, PIM registered a loss before tax of RM0.96 million, compared to a loss before tax of RM0.43 million in the same quarter last year, primarily due to the reduction in revenue.

Resources & Sustainable Energy (RSE) reported revenue of RM0.80 million for the current quarter, down from RM11.02 million in the corresponding quarter last year. This reduction was primarily due to the sale of stones in the current quarter. RSE posted a loss before tax of RM1.37 million, contrasting with a profit before tax of RM23.37 million in the previous period. This loss is primarily due to the reduced revenue recorded in the current quarter.

**NOTES ON THE QUARTERLY REPORT- 31 MARCH 2024**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**

**B1. Financial Review for the Current Quarter (Continued)**

The associate company reported a share of loss before tax of RM5.32 million, up from RM3.22 million in the corresponding quarter last year. This increase was primarily due to the expanded shareholding, which rose from 29.27% to 49.27%. Additionally, the higher loss was attributed to supplementary costs related to the production trial run for the Integrated Limestone Processing Plant conducted during the quarter, contributing to the increased loss before tax for the associate company.

**B2. Financial Review for the Current Quarter with the Immediate Preceding Quarter**

	<b>Current Quarter ended 31 Mar 2024 RM'000</b>	<b>Preceding Quarter ended 31 Dec 2023 RM'000</b>	<b>Variances</b>	
			<b>RM'000</b>	<b>%</b>
Revenue	17,359	22,146	(4,787)	-22%
Loss before taxation	(29,614)	(83,931)	54,317	-65%

In the current quarter, the Group reported revenue of RM17.40 million and a loss before tax of RM29.61 million. This is an improvement compared to the preceding quarter, which had higher revenue of RM22.15 million but a significantly larger loss before tax of RM83.91 million.

The decrease in revenue for the current quarter, which totalled RM17.40 million compared to RM22.15 million in the preceding quarter, was mainly due to the reduction in the sale of stones as reported by the Resources & Sustainable Energy (RSE) segment. However, the Group registered a lower loss before tax of RM29.61 million in the current quarter, primarily due to a fair value loss of RM22.17 million on quoted securities.

**B3. Prospects**

Although improvements in export performance and revitalised domestic demand boosted Malaysia's economy by 4.2% in the first quarter of 2024 (up from 2.9% in Q4 2023), the Board anticipates ongoing challenges in the operating environment ahead. These challenges are mainly due to rising costs and a subdued market environment.

Despite these obstacles, the Group remains committed to its strategy of exploring new business segments. This approach aims to diversify revenue streams, strengthen financial fundamentals, and achieve favourable outcomes for the fiscal year ending 2024.



**NOTES ON THE QUARTERLY REPORT- 31 MARCH 2024**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**

**B4. Variation Profit Forecast/Profit Guarantee**

Not applicable as there was no profit forecast or guarantee issued.

**B5. Taxation**

The tax charge for the Group are as follows: -

	<b>Individual Quarter</b>	<b>Cumulative Quarter</b>
	<b>3 Months</b>	<b>9 Months</b>
	<b>1 Jan 2024 to 31 Mar 2024</b>	<b>1 Jul 2023 to 31 Mar 2024</b>
	<b>RM'000</b>	<b>RM'000</b>
Income tax- current year	(384)	(906)
Income tax- prior year	-	-
Deferred tax- current year	-	-
	(384)	(906)

The disproportionate tax charge of the Group for the current quarter was mainly due to the utilisation of tax losses brought forward by the subsidiary companies.

**B6. Status of Corporate Proposals**

There was no corporate proposal announced but not completed as at the date of this report, the latest practical date which is not earlier than 7 days from the date of issue of this quarterly report, except for the followings: -

- (a) Establishment of a new employees' share option scheme of Bornoil ("ESOS") of up to 15% of the total number of issued shares in Bornoil (excluding treasury shares) at any point in time over the duration of the ESOS ("New ESOS").

On 22 June 2020, the Company announced that the effective date for implementing the New ESOS is 22 June 2020, being the date on which the Company is in full compliance with Paragraph 6.43(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

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**NOTES ON THE QUARTERLY REPORT- 31 MARCH 2024**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**

**B7 Borrowings and Debts Securities**

	<b>Unaudited as at 31 Mar 2024 RM'000</b>	<b>Audited as at 30 Jun 2023 RM'000</b>
Short term borrowings:		
- Bank overdrafts	1,700	1,588
- Bankers' acceptances	864	1,091
- Term loans	4,058	1,901
- Hire purchase payables	1,946	1,350
	<u>8,568</u>	<u>5,930</u>
Long term borrowings:		
- Term loans	37,848	21,426
- Hire purchase payables	2,837	2,640
	<u>40,685</u>	<u>24,066</u>
Total borrowings	<u>49,253</u>	<u>29,996</u>

All the above borrowings are denominated in Ringgit Malaysia.

**B8. Material Litigation**

The Management is not aware of any litigation which will have a material effect on the financial position or the business of the Group and the Board is not aware of any proceedings pending or threatened against the Group or of any fact likely to give rise to any proceedings which may materially and adversely affect the financial position or business of the Group at the date of this report.

**B9. Dividends**

No dividend has been proposed and paid for during the current financial quarter.

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**NOTES ON THE QUARTERLY REPORT- 31 MARCH 2024**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**

**B10. Earnings per Share**

	Individual Quarter		Cumulative Quarter	
	3 Months 1 Jan 2024 to 31 Mar 2024	3 Months 1 Jan 2023 to 31 Mar 2023	9 Months 1 Jul 2023 to 31 Mar 2024	9 Months 1 Jul 2022 to 31 Mar 2023
(a) Basic EPS				
Net (loss)/ profit for the period attributable to equity holders (RM'000)	(29,998)	(28,971)	(95,189)	(223)
Weighted average number of ordinary shares in issue ('000)	11,992,135	8,608,958	11,970,873	9,296,910
Basic earnings per share (sen)	(0.25)	(0.34)	(0.80)	(0.00)

The Group does not have any potential dilutive ordinary shares as the market price of the shares was lower than the exercise price. As a result, the warrants are anti-dilutive in nature and have not been considered in the computation of diluted earnings per share.

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**NOTES ON THE QUARTERLY REPORT- 31 MARCH 2024**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**

**B11. Notes to the Condensed Consolidated Statement of Comprehensive Income**

Total comprehensive income is arrived at after (charging)/ crediting: -

	Individual Quarter		Cumulative Quarter	
	3 Months 1 Jan 2024 to 31 Mar 2024 RM'000	3 Months 1 Jan 2023 to 31 Mar 2023 RM'000	9 Months 1 Jul 2023 to 31 Mar 2024 RM'000	9 Months 1 Jul 2022 to 31 Mar 2023 RM'000
<b>Profit before tax is arrived after (charging):</b>				
Depreciation of property, plant and equipment	(1,152)	(797)	(3,043)	(2,384)
Depreciation of right of use	(515)	(464)	(1,492)	(1,340)
Employee share option scheme ("ESOS")	-	(59)	(505)	(1,501)
Impairment on development expenses	-	-	-	(127)
Impairment on amount due from an associate	-	-	(1,740)	-
Interest expense	(1,077)	(457)	(1,985)	(1,331)
Loss on realised exchange difference	(8)	(1)	(12)	(1)
Loss on unrealised exchange difference	361	583	-	(1,878)
Property, plant and equipment written off	-	(60)	(20)	(85)
<b>and crediting the following items:</b>				
Fair value gain on investment in quoted securities	(22,172)	(48,740)	(68,478)	(7,924)
Fair value gain on investment properties	-	400	-	400
Gain on disposal of investment in quoted shares	-	10	2	10
Gain on disposal of property, plant and equipment	-	123	-	1,114
Gain on realised exchange difference	-	3	-	11
Gain on unrealised exchange difference	286	8	286	40
Interest income	11	8	32	77
Reversal of impairment loss on exploration expenditure	-	19,008	-	19,008
Reversal of impairment loss on other receivables	-	4,000	-	4,000
Reversal of impairment loss on trade receivables	-	11	-	11

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**NOTES ON THE QUARTERLY REPORT- 31 MARCH 2024**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES  
BERHAD LISTING REQUIREMENTS**

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**B12. Fair Value Changes of Financial Liabilities**

There were no material gain/loss arising from fair value changes of financial liabilities for the current financial quarter ended.

**By Order of the Board**  
Chin Siew Kim  
Company Secretary  
31 May 2024