

BORNEO OIL BERHAD

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER ENDED
30 APRIL 2015**

(THE FIGURES HAVE NOT BEEN AUDITED)

BORNEO OIL BERHAD*(Company No. 121919-H)***Incorporated in Malaysia****QUARTERLY REPORT ON CONSOLIDATED RESULTS****FOR THE FIRST QUARTER ENDED 30 APRIL 2015****- THE FIGURES HAVE NOT BEEN AUDITED****CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	First Quarter		Cummulative Quarter	
	Unaudited		Unaudited	
	Current	Preceding	Current	Preceding
	Period	Period	Period	Period
	30-Apr-15	30-Apr-14	30-Apr-15	30-Apr-14
	RM'000	RM'000	RM'000	RM'000
Revenue	14,632	10,175	14,632	10,175
Cost of sales	(8,796)	(7,706)	(8,796)	(7,706)
Gross profit	5,836	2,469	5,836	2,469
Other income	285	332	285	332
Operating expenses	(5,457)	(4,233)	(5,457)	(4,233)
Profit/(loss) from operations	664	(1,432)	664	(1,432)
Finance cost	(139)	(164)	(139)	(164)
Profit/(Loss) before tax	525	(1,596)	525	(1,596)
Taxation	-	-	-	-
Profit/(Loss) for the period	525	(1,596)	525	(1,596)
Other comprehensive (loss)/income:				
Exchange difference arising from translation of foreign operations	-	-	-	-
Comprehensive profit/(loss) for the period	525	(1,596)	525	(1,596)
Profit/(Loss) attributable to equity holders of the Company	525	(1,596)	525	(1,596)
Total comprehensive profit/(loss) attributable to equity holders of the Company	525	(1,596)	525	(1,596)
Profit/(Loss) per share (sen)				
- basic (sen)	1.41	(0.72)	1.41	0.72
- fully diluted (sen)	n/a	n/a	n/a	n/a

BORNEO OIL BERHAD*(Company No. 121919-H)***Incorporated in Malaysia****QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 30 APRIL 2015****- THE FIGURES HAVE NOT BEEN AUDITED****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Unaudited as at 30-Apr-15 RM'000	Audited as at 31-Jan-15 RM'000
Non Current Assets		
Property, plant & equipment	87,505	90,464
Investment properties	138,348	138,068
Prepaid lease payments	10,886	11,167
Intangible assets	12	12
Development expenditure	23,516	21,000
Investment in golf club membership	64	64
Investment in quoted shares.	61	61
	<u>260,392</u>	<u>260,836</u>
Current Assets		
Inventories	32,838	14,763
Trade receivables	5,570	4,832
Other receivables	28,427	13,543
Cash and bank balances	14,153	29,494
	<u>80,988</u>	<u>62,632</u>
Total Assets	<u><u>341,380</u></u>	<u><u>323,468</u></u>
Shareholders' Fund		
Share capital	37,247	35,129
Share premium	79,604	73,270
Other reserves	173,526	173,530
Retained profits/Accumulated (losses)	3,213	2,688
	<u>293,590</u>	<u>284,617</u>
Current Liabilities		
Trade Payables	1,517	1,782
Other Payables	24,300	14,977
Short term borrowings	7,885	4,642
Tax payable	646	722
	<u>34,348</u>	<u>22,123</u>
Non Current Liabilities		
Deferred taxation	227	227
Long term borrowings	13,215	16,501
	<u>13,442</u>	<u>16,728</u>
Total Equity and Liabilities	<u><u>341,380</u></u>	<u><u>323,468</u></u>
Net assets per share (RM)	<u><u>0.78</u></u>	<u><u>0.81</u></u>

BORNEO OIL BERHAD*(Company No. 121919-H)***Incorporated in Malaysia****QUARTERLY REPORT ON CONSOLIDATED RESULTS****FOR THE FIRST QUARTER ENDED 30 APRIL 2015****- THE FIGURES HAVE NOT BEEN AUDITED****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Non-distributable reserves							Distributable reserves		
	Share capital RM'000	Share premium RM'000	Par value reduction RM'000	Exchange reserves RM'000	Treasury Shares RM'000	ESOS reserves RM'000	Capital reserves RM'000	Warrants reserves RM'000	Accumulated losses RM'000	Total RM'000
Year ended 31 January 2015										
Balance as of 1 February 2014	210,245	24,165	-	(42)	(195)	46	15	2,673	(39,261)	197,646
Issue of shares	21,000	-	-	-	-	-	-	-	-	21,000
Acquisition of treasury shares	-	-	-	-	-	-	-	-	-	-
Other comprehensive income										-
- Exchange reserve	-	-	-	127	-	-	-	-	-	127
Net profit for the year	-	-	-	-	-	-	-	-	(1,596)	(1,596)
Balance as of 30 April 2014	231,245	24,165	-	85	(195)	46	15	2,673	(40,857)	217,177
Year ended 31 January 2016										
Balance as of 1 February 2015	35,129	73,269	-	(60)	(486)	44	172,472	1,560	2,688	284,616
Issue of shares	2,118	6,565	-	-	-	-	-	-	-	8,683
Rights issue expenses		(230)								(230)
Accumulated loss of Co. written off										-
Other comprehensive income										
- Exchange reserve	-	-	-	(4)	-	-	-	-	-	(4)
Acquisition of treasury shares	-	-	-	-	-	-	-	-	-	-
Net profit for the year	-	-	-	-	-	-	-	-	525	525
Balance as of 30 April 2015	37,247	79,604	-	(64)	(486)	44	172,472	1,560	3,213	293,590

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 January 2015 and the explanatory notes attached to the interim financial statements.

BORNEO OIL BERHAD*(Company No. 121919-H)***Incorporated in Malaysia****QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 30 APRIL 2015****- THE FIGURES HAVE NOT BEEN AUDITED****CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	Unaudited	
	Current year	Preceding year
	to date	to date
	30-Apr-15	31-Jan-15
	RM'000	RM'000
Net cash from operating activities	(23,732)	1,533
Net cash (used in)/from investing activities	(246)	(65,107)
Net cash from/(used in) financing activities	8,641	86,990
Net decrease in cash and cash equivalents	(15,337)	23,416
Exchange reserve	(4)	(79)
Cash and Cash Equivalents at Beginning of Period	29,494	6,157
Cash and Cash Equivalents at End of Period*	14,153	29,494
* Cash and cash equivalents at end of financial period		
Cash and bank balances	11,630	27,084
Fixed deposit with licensed bank	2,523	2,410
	14,153	29,494

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 January 2015 and the accompanying explanatory notes attached to the interim financial statements.

A. EXPLANATORY NOTES AS PER FRS 134 – INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and Chapter 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Company for the year ended 31 January 2015. 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 Company since the financial year ended 31 January 2015.

The Group had adopted the Malaysian Financial Reporting Standards (“MFRS Framework”) issued by the Malaysian Accounting Standards Board (“MASB”) with effect from 1 January 2012. All FRSs issued under the previous FRS framework were equivalent to the MFRSs issued under the MFRS framework, except for some differences in relation to the transitional provisions and effective dates contained in certain of the FRSs.

		Effective date for financial periods <u>Beginning on or after</u>
MFRS 1	First-time adoption of Malaysian Financial Reporting Standards	1 January 2012
MFRS 2	Share-based payment	1 January 2012
MFRS 3	Business combinations	1 January 2012
MFRS 4	Insurance contracts	1 January 2012
MFRS 5	Non-current assets held for sale and Discontinued operations	1 January 2012
MFRS 6	Exploration for and evaluation of Mineral resources	1 January 2012
MFRS 7	Financial Instruments: Disclosures	1 January 2012
MFRS 8	Operating segments	1 January 2012
MFRS 101	Presentation of Financial Statements	1 January 2012
MFRS 102	Inventories	1 January 2012
MFRS 107	Statement of cash flows	1 January 2012
MFRS 108	Accounting policies, changes in accounting Estimates and errors	1 January 2012
MFRS 110	Events after the reporting period	1 January 2012
MFRS 111	Construction contracts	1 January 2012
MFRS 112	Income taxes	1 January 2012
MFRS 116	Property, plant & equipment	1 January 2012
MFRS 117	Leases	1 January 2012
MFRS 118	Revenue	1 January 2012
MFRS 119	Employee benefits	1 January 2012

BORNEO OIL BERHAD
(Company No. 121919-H)
Incorporated in Malaysia

Notes on the quarterly report – 30 April 2015

		Effective date for Financial periods <u>Beginning on or after</u>
MFRS 120	Accounting for Government Grants and Disclosure of Government assistance	1 January 2012
MFRS 121	The effects of changes in foreign Exchange rates	1 January 2012
MFRS 123	Borrowing costs	1 January 2012
MFRS 124	Related party disclosures	1 January 2012
MFRS 126	Accounting and reporting by Retirement Benefit Plans	1 January 2012
MFRS 127	Consolidated and separate financial statements	1 January 2012
MFRS 128	Investments in associates	1 January 2012
MFRS 129	Financial reporting in Hyperinflationary Economies	1 January 2012
MFRS 131	Interests in joint ventures	1 January 2012
MFRS 132	Financial instruments: Presentation	1 January 2012
MFRS 133	Earnings per share	1 January 2012
MFRS 134	Interim financial reporting	1 January 2012
MFRS 136	Impairment of assets	1 January 2012
MFRS 137	Provisions, contingent liabilities and Contingent assets	1 January 2012
MFRS 138	Intangible assets	1 January 2012
MFRS 139	Financial instruments: Recognition And measurement	1 January 2012
MFRS 140	Investment property	1 January 2012
MFRS 141	Agriculture	1 January 2012
IC Interpretation 1	Changes in existing decommissioning, Restoration and similar liabilities	1 January 2012
IC Interpretation 2	Members' shares in Co-operative Entities and similar instruments	1 January 2012
IC Interpretation 4	Determining whether an arrangement Contains a Lease	1 January 2012
IC Interpretation 5	Rights to interests arising from decommissioning, Restoration and environmental rehabilitation funds	1 January 2012
IC Interpretation 6	Liabilities arising from participating in a Specific market – waste electrical and electronic Equipment	1 January 2012
IC Interpretation 7	Applying the restatement approach under MFRS 129 financial reporting in hyperinflationary Economies	1 January 2012
IC Interpretation 9	Reassessment of embedded derivatives	1 January 2012
IC Interpretation 10	Interim financial reporting and impairment	1 January 2012
IC Interpretation 12	Service concession arrangements	1 January 2012
IC Interpretation 13	Customer loyalty programmes	1 January 2012

BORNEO OIL BERHAD
(Company No. 121919-H)
Incorporated in Malaysia

Notes on the quarterly report – 30 April 2015

		Effective date for Financial periods <u>Beginning on or after</u>
IC Interpretation 14	MFRS 119 – The limit on a defined benefit asset, Minimum funding requirements and their Interaction	1 January 2012
IC Interpretation 15	Agreements for the construction of real estate	1 January 2012
IC Interpretation 16	Hedges of a net investment in a foreign operation	1 January 2012
IC Interpretation 17	Distribution of non-cash assets to owners	1 January 2012
IC Interpretation 18	Transfers of assets from customers	1 January 2012
IC Interpretation 19	Extinguishing financial liabilities With equity instruments	1 January 2012
IC Interpretation 107	Introduction of the Euro	1 January 2012
IC Interpretation 110	Government assistance-No specific Relation to operating activities	1 January 2012
IC Interpretation 112	Consolidation – Special purpose entities	1 January 2012
IC Interpretation 113	Jointly controlled entities – Non monetary Contributions by venturers	1 January 2012
IC Interpretation 115	Operating leases – Incentives	1 January 2012
IC Interpretation 125	Income taxes – Changes in the tax status Of an entity or its shareholders	1 January 2012
IC Interpretation 127	Evaluating the substance of transactions Involving the legal form of a lease	1 January 2012
IC Interpretation 129	Service concession arrangements: Disclosures	1 January 2012
IC Interpretation 131	Revenue – Barter transactions involving Advertising services	1 January 2012
IC Interpretation 132	Intangible assets – Web site costs	1 January 2012
IC Interpretation 15	Agreements for the construction of real Estate	1 January 2012
IC Interpretation 16	Hedges of a net investment in a Foreign operation	1 January 2012
IC Interpretation 17	Distributions of non-cash assets To owners	1 January 2012
IC Interpretation 18	Transfers of assets from customers	1 January 2012
Amendments to MFRS 101	Presentation of items of other comprehensive income	1 July 2012

BORNEO OIL BERHAD
 (Company No. 121919-H)
 Incorporated in Malaysia

Notes on the quarterly report – 30 April 2015

As at 31 July 2013, the following FRSs and IC Interpretations were not in issue but not yet effective and have not been applied by the Group:

		<u>Effective date for Financial periods Beginning on or after</u>
MFRS 10	Consolidated financial statements	1 January 2013
MFRS 11	Joint arrangements	1 January 2013
MFRS 12	Disclosures of interest in other entities	1 January 2013
MFRS 13	Fair value measurement	1 January 2013
MFRS 119	Employees benefits (as amended in 2011)	1 January 2013
MFRS 127	Separate financial statements (IAS 27 as Amended by IASB in June 2011)	1 January 2013
MFRS 128	Investments in Associates and joint Ventures (IAS 28 as amended by IASB in June 2011)	1 January 2013
IC Interpretation 20	Stripping costs in the production phase Of a surface mine	1 January 2013
Amendments to MFRS 7	Disclosures – Offsetting financial assets and financial liabilities	1 January 2013
	Amendments to Government loans	1 January 2013
MFRS 1	Amendments to Consolidated financial statements,	1 January 2013
MFRS 10, 11 & 12	Joint arrangements and disclosure of interests In other entities: Transition guidance	
Annual improvements 2009-2011 cycle		1 January 2013
Amendments to MFRS 132	Offsetting financial assets and financial liabilities	1 January 2014
MFRS 9	Financial instruments (IFRS 9 issued By IABS in November 2009)	1 January 2015
	Financial instruments (IFRS 9 issued By IASB in October 2010)	

A2. Audit Report

The auditors' report on the audited financial statements for the year ended 31 January 2015 was not qualified.

A3. Seasonal or Cyclical Factors

The operations of the Group generally move in tandem with the performance of the various industries undertaken.

BORNEO OIL BERHAD
(Company No. 121919-H)
Incorporated in Malaysia

Notes on the quarterly report – 30 April 2015

A4. Unusual Items

During the quarter under review there were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows, that were unusual by reason of their nature, size or incidence.

A5. Changes in Estimates

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

A6. Issuance, Cancellations, Repurchases, Resale and Repayments of Debts and Equity Securities

A total of 13,000,000 ESOS and 8,179,300 of Warrant B conversion to new ordinary shares of were issued during the quarter.

A7. Dividends Paid

There is no dividend paid during the quarter under review.

A8. Valuation of Property, Plant & Equipment

No fresh valuation of properties, plant and equipment was done during the quarter.

A9. Significant Events

Significant events during the quarter:

- (a) Borneo Oil & Gas Corporation Sdn Bhd, the Company's wholly owned subsidiary entered into an Exclusive Production Sharing Agreement with HDL Global Sdn Bhd to carry out prospecting, exploration, mining, extraction, processing, marketing, sales and collection of sales revenue with respect to all minerals and precious metals including gold on an exclusive basis on an mining area in Pahang.
- (b) Proposed renounceable rights issue of up to 2,373,841,596 new ordinary shares of RM 0.10 each in the Company at an indicative issue price of RM 0.10 per rights shares on the basis of six (6) rights shares for every one (1) existing shares held, together with up to 1,186,920,798 free detachable warrants (Warrants C) on the basis of one (1) free Warrant C for every two (2) rights shares subscribed for, on an entitlement date to be determined later.

Details of the above were as announced to BURSA on 11 March and 27 April 2015 respectively.

Notes on the quarterly report – 30 April 2015

A10. Subsequent Events

There are no material subsequent events after the quarter.

A11. Changes in Composition of the Group

There was no change since the previous quarter.

A12. Changes in Contingent Liabilities or Contingent Assets

There were no changes in contingent liabilities or contingent assets of the Group during the quarter under review.

A13. Group Segmental Information

Group segmental results by business activities.

	Current year to date 30-Apr-15		Preceding year to date 30-Apr-14	
	Revenue RM'000	Profit/(Loss) before tax RM'000	Revenue RM'000	Profit/(Loss) before tax RM'000
Head office & others	159	(748)	9	(39)
Fast food & franchise operation	9,621	865	8,385	674
Property, Management & operation	1,086	(162)	1,045	(760)
Mining, energy & related operation	3,766	709	736	(1,471)
Revenue and profit/(loss) before finance cost	14,632	664	10,175	(1,596)

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

B1. Review of Performance

The Group's overall turnover of RM 14.63 million for the period under review is comparatively much higher than that of the preceding quarter of RM 10.17 million. This was mainly attributable to the Group's venturing into gold mining and related activities thereafter. This was further contributed by the fast food and franchising division which continued with its improved performance.

B2. Variation of results

The additional contribution by the gold mining and related activities to the existing businesses including other miscellaneous adjustments explained for the variation in the net profit of RM0.52 million and a loss of RM 1.59 million before tax for the comparatively period respectively.

Notes on the quarterly report – 30 April 2015

B3. Current year prospects

The Board is optimistic of achieving a much better result in line with the corporate plans and vision in the future if there is no unforeseen circumstances that will affect our operation and planning.

B4. Variation Profit Forecast / Profit Guarantee

There were no profit forecast or guarantee made during the quarter.

B5. Taxation

There was no provision of taxation made in the current period.

B6. Corporate Proposals

There is no other major corporate proposal except as disclosed in A9 above.

B7. Borrowings and Debt Securities

	Unaudited current year to date 30-Apr-15 RM'000	Preceding year to date 31-Jan-15 RM'000
Short term borrowings :		
- Term loans	11,482	3,114
- Hire purchase payables	1,733	1,528
	<u>13,215</u>	<u>4,642</u>
Long term borrowings :		
- Term loans	3,591	12,528
- Hire purchase payables	4,294	3,973
	<u>7,885</u>	<u>16,501</u>
Total borrowings	<u><u>21,100</u></u>	<u><u>21,143</u></u>

BORNEO OIL BERHAD
(Company No. 121919-H)
Incorporated in Malaysia

Notes on the quarterly report – 30 April 2015

B8. Material Litigation

There is no material litigation that will have a material effect on the financial position and operation of the Company and the Group.

B9. Dividends

There was no dividend proposed or declared during the current quarter.

B10. Earnings per share

	Individual quarter ended		Cummulative period ended	
	30-Apr-15	30-Apr-14	30-Apr-15	30-Apr-14
Basic profit/(loss) per share				
Profit/(Loss) for the period attributable to equity holders (RM'000)	525	(1,596)	525	(1,596)
Number / Weighted average number of shares in issue ('000)	37,247	222,321	37,247	222,321
Basic profit/(loss) per share (sen)	<u>1.41</u>	<u>(0.72)</u>	<u>1.41</u>	<u>(0.72)</u>

There are no diluted earnings per share as the Company does not have any share option in issue at the current quarter under review.

B11. Realised and Unrealised Profits/Losses Disclosure

	Current year to date 30-Apr-15 RM'000	Preceding year to date 31-Jan-15 RM'000
Accumulated losses of the Group and its subsidiaries		
- Realised	64,058	28,611
- Unrealised	<u>(79,651)</u>	<u>(79,651)</u>
	(15,593)	(51,040)
Less : Consolidation adjustments	18,806	18,806
Company accumulated losses written off	<u>-</u>	<u>34,922</u>
Total Group retained profits	<u>3,213</u>	<u>2,688</u>

The disclosure of realised and unrealised profits / losses above is solely for compliance with the directive issued by BURSA and should not be used for any other purpose.

BORNEO OIL BERHAD
(Company No. 121919-H)
Incorporated in Malaysia

Notes on the quarterly report – 30 April 2015

B12. Notes to the Condensed Consolidated Statement of Comprehensive Income

Profit/(loss) before tax is derived after charging / (crediting) :

	Current quarter 30-Apr-15 RM'000	Current year to date 31-Jan-15 RM'000
Allowance for impairment	-	50
Amortisation of prepaid lease rental	281	1,190
Audit fee - current year	-	162
Depreciation	773	3,450
Directors' remuneration	37	218
Hire of machineries	-	273
Impairment loss on investment in quoted securities	-	17
Interest expenses:		
- Finance lease interest	9	475
- Late payment interest	-	11
- Term loan interest	410	373
Loss from burglary		110
Loss on foreign exchange		16
Loss on disposal of property, plant & equipment	15	
Non-executive directors' remuneration	17	114
Property, plant and equipment written off	3	14
Rental of equipment, machinery & motor vehicle	15	1,344
Rental of hostel	17	71
Rental of land	-	24
Rental of premises	258	1,166
And crediting the following items:		
Allowance for impairment written back	-	1,995
Dividend income	-	14
Gain on disposal of property, plant and equipment	-	27
Gain on other investment	-	1,051

BORNEO OIL BERHAD
(Company No. 121919-H)
Incorporated in Malaysia

Notes on the quarterly report – 30 April 2015

B13. UTILISATION OF PROCEEDS FROM PRIVATE PLACEMENT EXERCISE

The status of utilization of proceeds from private placement exercise from the date of implementation 3rd October 2014 to 30 April 2015 was as follows:

	Proposed Utilisation RM'000	Time frame for utilisation (Months)	Actual utilization RM'000	Balance unutilised RM'000	Explanation
1. Repayment of hire purchase	5,829	Within 3 mths	2,882	0	Difference of RM2.947 million was reallocated to working capital .
2. Purchase of new mining plant and equipment	5,000	Within 8 mths	4,354	646	Being incurred as planned.
3. Exploration expenditure	5,000	Within 12 mths	5,000	-	Fully utilized as proposed.
4. Setting up of new food Processing factory	5,000	Within 12 mths	-	5,000	Suitable site being Studied for implementation.
5. Working capital	3,770	Within 9 mths	5,251	1,724	The unutilized amount comprise of the balance referred to item 1 & 6 and will be utilized when necessary
6. Expenses in relation to the Proposals	1,300	Within 1 mth	1,042	-	A slight excess of RM 0.26m was reallocated to working capital.
	<u>25,899</u>		<u>18,529</u>	<u>7,370</u>	

By Order of the Board
Chin Siew Kim
Company Secretary

29 June 2015.