

BORNEO OIL BERHAD

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED
31 DECEMBER 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 SECOND QUARTER ENDED 31 DECEMBER 2024
(THE FIGURES HAVE NOT BEEN AUDITED)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	3 Months 1 Oct 2024 to 31 Dec 2024 RM'000	3 Months 1 Oct 2023 to 31 Dec 2023 RM'000	6 Months 1 Jul 2024 to 31 Dec 2024 RM'000	6 Months 1 Jul 2023 to 31 Dec 2023 RM'000
Revenue	19,697	22,146	38,918	39,031
Cost of sales	(15,623)	(16,527)	(32,232)	(28,749)
Gross profit	4,074	5,619	6,686	10,282
Other income	23,705	3,534	1,499	7,083
Operating expenses	(9,141)	(7,647)	(17,076)	(14,265)
Other operating expenses	(18)	(77,235)	(128,655)	(53,013)
Profit/(Loss) from operations	18,620	(75,729)	(137,546)	(49,913)
Finance costs	(844)	(364)	(1,727)	(908)
Share of results of an associate	-	(7,838)	-	(13,848)
Profit/(Loss) before taxation	17,776	(83,931)	(139,273)	(64,669)
Taxation	(256)	(269)	(569)	(522)
Profit/(Loss) for the period	17,520	(84,200)	(139,842)	(65,191)
Other comprehensive income/(deficit) for the financial period/year				
- Foreign currency translation	(31)	(56)	(37)	25
- Share of other comprehensive deficit of an associate	-	-	-	-
Total comprehensive income/ (deficit) for the financial period	17,489	(84,256)	(139,879)	(65,216)
Income/(Deficit) attributable to:				
- Owners of the parent	17,520	(84,200)	(139,842)	(65,191)
Total comprehensive income/ (deficit) attributable to:				
- Owners of the parent	17,489	(84,256)	(139,879)	(65,216)
Profit/(Loss) per share				
- basic (sen)	0.15	(0.70)	(1.17)	(0.54)

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 2024.

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(THE FIGURES HAVE NOT BEEN AUDITED)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited as at 31 Dec 2024 RM'000	Audited as at 30 Jun 2024 RM'000
Non Current Assets		
Properties, plant and equipment	12,582	13,834
Right-of-use assets	120,627	124,627
Investment properties	493,312	493,312
Other investments	222,365	347,629
	<u>848,886</u>	<u>979,402</u>
Current Assets		
Inventories	17,874	18,799
Biological assets	55	55
Trade receivables	5,130	5,342
Other receivables, deposits and prepayments	9,330	11,756
Tax recoverable	540	658
Amount due from related company- MTSB	3,737	3,686
Fixed deposits with licensed banks	1,125	1,125
Cash and bank balances	28,388	9,627
	<u>66,179</u>	<u>51,048</u>
Total Assets	<u>915,065</u>	<u>1,030,450</u>
Shareholders' Fund		
Share capital	709,329	709,329
Reserves	55,975	56,012
Retained earnings	24,218	164,060
	<u>789,522</u>	<u>929,401</u>
Non Current Liabilities		
Deferred tax liabilities	13,343	13,343
Lease liability	5,002	6,356
Hire purchase creditors	1,534	2,001
Term loans	60,134	38,701
	<u>80,013</u>	<u>60,401</u>
Current Liabilities		
Trade payables	9,510	12,075
Other payables and accruals	20,586	18,936
Amount due to related company- MTSB	6,691	942
Tax payables	554	509
Lease liabilities	1,266	1,434
Hire purchase creditors	1,578	2,212
Term loans	2,490	2,442
Banker's acceptances	1,155	589
Bank overdraft	1,700	1,509
	<u>45,530</u>	<u>40,648</u>
Total Equity and Liabilities	<u>915,065</u>	<u>1,030,450</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 2024.

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(THE FIGURES HAVE NOT BEEN AUDITED)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Non-Distributable Reserves					Distributable Reserves	
	Share Capital	ESOS Reserve	Warrants Reserve	Translation Reserve	Other Reserves	Retained Earnings	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2024	709,329	-	92,802	(153)	(36,637)	164,060	929,401
Total comprehensive income for the financial year:-							
Loss for the financial period	-	-	-	-	-	(139,842)	(139,842)
Other comprehensive deficit for the financial period	-	-	-	(37)	-	-	(37)
Total comprehensive income	-	-	-	(37)	-	(139,842)	(139,879)
Transactions with owners:-							
Share - based payment transactions	-	-	-	-	-	-	-
Employee Share Option Scheme exercised	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	-
At 31 December 2024	709,329	-	92,802	(190)	(36,637)	24,218	789,522

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	Non-Distributable Reserves					Distributable Reserves	
	Share Capital RM'000	ESOS Reserve RM'000	Warrants Reserve RM'000	Translation Reserve RM'000	Other Reserves RM'000	Retained Earnings RM'000	Total Equity RM'000
At 1 July 2023	702,834	1,521	92,802	(156)	(36,637)	127,555	887,919
Prior year adjustment	-	-	-	-	-	175	175
At 1 July 2023	702,834	1,521	92,802	(156)	(36,637)	127,730	888,094
Total comprehensive deficit for the financial year:-							
Profit for the financial year	-	-	-	-	-	36,330	36,330
Other comprehensive deficit for the financial year	-	-	-	3	-	-	3
Total comprehensive deficit	-	-	-	3	-	36,330	36,333
Transactions with owners:-							
Issuance of new shares via private placement	-	-	-	-	-	-	-
Share - based payment	-	505	-	-	-	-	505
Employee Share Option Scheme exercised	6,495	(2,026)	-	-	-	-	4,469
Warrant exercised	-	-	-	-	-	-	-
Total transactions with owners	6,495	(1,521)	-	-	-	-	4,974
At 30 June 2024	709,329	-	92,802	(153)	(36,637)	164,060	929,401

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 2024.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 Months 1 Jul 2024 to 31 Dec 2024 RM'000	6 Months 1 Jul 2023 to 31 Dec 2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES:-		
Profit/(Loss) before taxation	(139,273)	(64,669)
Adjustments for:		
Depreciation of property, plant and equipment	1,285	1,891
Depreciation of right-of-use	3,272	977
Gain on disposal of property, plant and equipment	(125)	(2)
Gain on realised exchange difference	(91)	-
Reversal of impairment loss on other receivables	(247)	-
Employee share option scheme ("ESOS")	-	505
Fair value loss on investment in quoted securities	126,304	46,306
Loss on unrealised exchange difference	1,950	361
Property, plant and equipment written off	33	20
Interest expense	1,727	908
Interest income	(2)	(21)
Share of results of associates	-	13,848
	<hr/> (5,167)	<hr/> 124
Changes in working capital:-		
Inventories	925	3,352
Trade receivables	(752)	(47)
Other receivables, deposits and prepayments	2,663	34,831
Trade payables	(2,838)	2,061
Other payables and accruals	1,977	(320)
Associate company	6,640	(8,274)
	<hr/> 3,448	<hr/> 31,727
Interest paid	(1,727)	(908)
Tax paid	(411)	(333)
Tax refunded	5	128
Net Operating Cash Flows	<hr/> 1,315 <hr/>	<hr/> 30,614 <hr/>

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 2024.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

	6 Months 1 Jul 2024 to 31 Dec 2024 RM'000	6 Months 1 Jul 2023 to 31 Dec 2023 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES:-		
Acquisition of associates	-	(40,000)
Acquisition of quoted shares	(2,923)	-
Withdrawal/(Placement) of fixed deposits	-	500
Proceeds from disposal of property, plant and equipment	230	39
Proceeds from disposal of quoted shares	-	47
Purchases of property, plant and equipment	(169)	(12,963)
Interest received	2	21
Net Investing Cash Flows	(2,860)	(52,356)
CASH FLOWS FROM FINANCING ACTIVITIES:-		
Net lease liabilities	(794)	(751)
Repayment of hire purchase payables, net	(1,100)	(733)
Drawdown of term borrowings, net	21,480	19,260
Drawdown of banker's acceptance, net	566	192
Proceeds from ESOS exercised	-	4,469
Net Financing Cash Flows	20,152	22,437
NET CHANGE IN CASH AND CASH EQUIVALENTS	18,607	695
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(37)	(25)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	8,118	9,994
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	26,688	10,664
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	28,388	12,364
Bank overdrafts	(1,700)	(1,700)
	26,688	10,664

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 2024.

NOTES ON THE QUARTERLY REPORT- 31 DECEMBER 2024

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

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 2024.

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 2024.

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 2024 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 2023

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

The adoption of the above amendments/improvements to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group’s and the Company’s existing accounting policies, except as mentioned below: -

NOTES ON THE QUARTERLY REPORT- 31 DECEMBER 2024

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

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

Amendments to MFRS 101 Presentation of Financial Statements

The amendments require the disclosure of ‘material’, rather than ‘significant’ accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the amendments did not result in any changes to the Group’s accounting policies, it impacted the accounting policies information disclosed in the financial statements. The material accounting policies information is disclosed in the financial statements where relevant.

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 beginning on or after 1 January 2026

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures*)
- Amendments that are Part of Annual Improvements- Volume 11:-
 - Amendments to MFRS 1, *First-time Adoption of Malaysia Financial Reporting Standards*
 - Amendments to MFRS 7, *Financial Instruments: Disclosures*
 - Amendments to MFRS 9, *Financial Instruments*
 - Amendments to MFRS 10, *Consolidated Financial Statements*
 - Amendments to MFRS 107, *Statement of Cash Flows*

NOTES ON THE QUARTERLY REPORT- 31 DECEMBER 2024

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

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 2027

- MFRS 18, Presentation and Disclosure in Financial Statements
- MFRS 19, Subsidiaries without Public Accountability: Disclosures

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 2024 was not qualified.

A4. Seasonal or Cyclical Factors

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

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.

NOTES ON THE QUARTERLY REPORT- 31 DECEMBER 2024

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

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.

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 RM83.94 million, comprise of corporate guarantees to licensed financial institutions for banking facilities granted to the subsidiaries of the Group.

A13. Capital Commitments

There were no commitments for capital expenditure as at 31 December 2024.

NOTES ON THE QUARTERLY REPORT- 31 DECEMBER 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 Oct 2024 to 31 Dec 2024 RM'000	3 Months 1 Oct 2023 to 31 Dec 2023 RM'000	6 Months 1 Jul 2024 to 31 Dec 2024 RM'000	6 Months 1 Jul 2023 to 31 Dec 2023 RM'000
Sale of fast food and restaurant operations among subsidiaries	14	13	64	21
Sale of limestones among subsidiaries	-	72	140	220
Rental income among subsidiaries	57	24	114	48
Management fee among subsidiaries	336	336	972	672
Consultancy fee among subsidiaries	675	340	1,374	676
Rental expenses among subsidiaries	57	24	114	48

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NOTES ON THE QUARTERLY REPORT- 31 DECEMBER 2024

A15. Group Segmental Information

	Head office & others		Food and franchise operations		Property investment & management		Resources & sustainable energy		Total Consolidated	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue										
External revenue	18	18	36,198	30,750	826	2,799	1,876	5,464	38,918	39,031
Inter-segment revenue	2,346	1,348	63	21	1	-	140	220	2,550	1,589
Total revenue	2,364	1,366	36,261	30,771	827	2,799	2,016	5,684	41,468	40,620
Less: Inter-segment revenue									(2,550)	(1,589)
									<u>38,918</u>	<u>39,031</u>
Results										
Segment results	(127,056)	(48,886)	1,337	2,952	(3,349)	(1,668)	(4,658)	141	(133,726)	(47,461)
Consolidation elimination									735	395
									<u>(132,991)</u>	<u>(47,066)</u>
<i>Not included in the measure of segment loss:-</i>										
Depreciation and amortisation									(4,557)	(2,868)
Interest income									2	21
Finance costs									(1,727)	(908)
Share of results of an associate									-	(13,848)
Profit/(Loss) before tax									<u>(139,273)</u>	<u>(64,669)</u>
Income tax expenses									(569)	(522)
Loss for the financial period									<u>(139,842)</u>	<u>(65,191)</u>

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NOTES ON THE QUARTERLY REPORT- 31 DECEMBER 2024

A15. Group Segmental Information (Continued)

	Head office & others		Food and franchise operations		Property investment & management		Resources & sustainable energy		Total Consolidated	
	31.12.2024	30.06.2024	31.12.2024	30.06.2024	31.12.2024	30.06.2024	31.12.2024	30.06.2024	31.12.2024	30.06.2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Assets										
Segment assets	795,351	959,506	54,851	55,679	535,313	537,375	258,648	259,487	1,644,163	1,812,047
Consolidation elimination									(729,098)	(781,597)
Consolidated total assets									<u>915,065</u>	<u>1,030,450</u>
Liabilities										
Segment liabilities	3,672	5,040	22,717	23,439	410,202	409,064	102,619	96,356	539,210	533,899
Tax payables	(14)	-	-	509	-	-	569	-	555	509
Loans and borrowings	42,664	19,993	5,045	4,855	329	354	20,553	22,252	68,591	47,454
Deferred tax liabilities	-	-	-	-	9,727	9,727	3,616	3,616	13,343	13,343
Lease liabilities	421	471	7,739	6,549	(2,313)	13	422	757	6,269	7,790
Consolidation elimination									(502,425)	(501,946)
Consolidated total liabilities									<u>125,543</u>	<u>101,049</u>

NOTES ON THE QUARTERLY REPORT- 31 DECEMBER 2024

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

B1. Financial Review for the Current Quarter

	Individual Quarter		Individual Quarter	
	1 Oct 2024 to 31 Dec 2024		1 Oct 2023 to 31 Dec 2023	
		Profit		Loss
	Revenue	Before Tax	Revenue	Before Tax
	RM'000	RM'000	RM'000	RM'000
Head office & others	9	22,724	9	(76,657)
Food and franchise operations	18,350	(1,627)	16,212	1,631
Property investment & management	453	(1,471)	1,588	(1,074)
Resources & sustainable energy	885	(1,850)	4,337	7
Share of results of associate	-	-	-	(7,838)
Group revenue and profit/(loss) from (net of finance cost)	19,697	17,776	22,146	(83,931)

The Head Office and Others (HOO) reported a profit before tax of RM22.72 million, a significant turnaround from the RM76.66 million loss recorded in the same quarter last year. This improvement was primarily driven by a fair value gain of RM20.66 million on quoted securities, specifically Verde Resources, Inc. (stock code: VRDR), listed on the US OTC Markets, which closed at USD 0.283 at the end of the quarter. The Board views this investment as a long-term holding and remains confident in its future appreciation.

Food and Franchise Operations (FFO) recorded a revenue increase to RM18.35 million, up from RM16.21 million in the corresponding quarter last year. This growth was primarily driven by the expansion of outlets from 127 to 139 and improved market sentiment. The loss of RM1.63 million for the current quarter was mainly attributed to one-off expenses incurred for the 45th year Franchisees' Convention held in Kota Kinabalu in November 2024.

Property Investment & Management (PIM) reported a revenue decline to RM0.45 million for the quarter under review, down from RM1.59 million in the corresponding quarter last year. The loss before tax widened to RM1.47 million from RM1.07 million. This decline in revenue and increased losses were primarily due to reduced on-site activities following the completion of project management for an Integrated Limestone Processing Plant, resulting in fewer operational engagements and weaker financial performance for the quarter.

Resources & Sustainable Energy (RSE) recorded a revenue of RM0.89 million for the current quarter, a decrease from RM4.34 million in the corresponding quarter last year. The decline in revenue was primarily due to reduced sales of limestone and other mineral resources, which significantly impacted overall performance, leading to lower revenue and higher losses for the period under review.

NOTES ON THE QUARTERLY REPORT- 31 DECEMBER 2024

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

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

	Current Quarter ended 31 Dec 2024 RM'000	Preceding Quarter ended 30 Sep 2024 RM'000	Variances	
			RM'000	%
Revenue	19,697	19,221	476	2%
Profit/(Loss) before taxation	17,776	(157,049)	174,825	-111%

For the current quarter under review, the Group reported revenue of RM19.70 million and a profit before tax of RM17.78 million. This marks a significant improvement compared to the preceding quarter, which recorded revenue of RM19.22 million and a loss before tax of RM157.05 million.

The Group's higher revenue this quarter was primarily driven by improved contributions from Food and Franchise Operations (FFO), supported by seasonal holiday demand. The reversal of profit before tax to RM17.78 million from a significant loss of RM157.05 million was mainly due to a fair value gain on quoted securities, compared to a fair value loss in the previous quarter. Despite these temporary fluctuations, the Group remains optimistic about its future performance and the recovery potential of its stock.

B3. Prospects

Malaysia's economy is projected to grow steadily in 2025, with GDP growth forecasts ranging between 4.7% and 5.0%, driven by domestic demand, investment, and exports. Capitalizing on this positive economic momentum, the Group aims to refine its business strategies and explore new opportunities to generate sustainable returns for shareholders in the fiscal year ending 2025.

NOTES ON THE QUARTERLY REPORT- 31 DECEMBER 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: -

	Individual Quarter	Cumulative Quarter
	3 Months	6 Months
	1 Oct 2024 to	1 Jul 2024 to
	31 Dec 2024	31 Dec 2024
	RM'000	RM'000
Income tax- current year	(256)	(569)
Income tax- prior year	-	-
Deferred tax- current year	-	-
	(256)	(569)

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.

NOTES ON THE QUARTERLY REPORT- 31 DECEMBER 2024

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

B6. Status of Corporate Proposals (Continued)

On 26 December 2024, the Company announced the termination of the existing ESOS, effective 23 December 2024 ("Termination Date"), in accordance with the terms of the governing by-laws ("By-Laws").

During the effective period of the existing ESOS, a total of 1,795,500,000 options were granted and fully exercised. There are no outstanding options that were granted but remain unexercised under the existing ESOS.

- (b) Borneo Oil Berhad ("Bornoil" Or The "Company")
- i. Proposed Bonus Issue of Warrants;
 - ii. Proposed Termination of Existing ESOS; And
 - iii. Proposed New ESOS
- (Collectively Referred to As The "Proposals")

On 19 December 2024, the Company announced that the new ESOS was approved by shareholders through poll voting at the Extraordinary General Meeting (EGM) held on the same date.

On 31 December 2024, the Company announced that the effective date for the implementation of the New ESOS is 31 December 2024, 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.

NOTES ON THE QUARTERLY REPORT- 31 DECEMBER 2024

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

B7 Borrowings and Debts Securities

	Unaudited as at 31 Dec 2024 RM'000	Audited as at 30 Jun 2024 RM'000
Short term borrowings:		
- Bank overdrafts	1,700	1,509
- Bankers' acceptances	1,155	589
- Term loans	2,490	2,442
- Hire purchase payables	1,578	2,212
	<u>6,923</u>	<u>6,752</u>
Long term borrowings:		
- Term loans	60,134	38,701
- Hire purchase payables	1,534	2,001
	<u>61,668</u>	<u>40,702</u>
Total borrowings	<u>68,591</u>	<u>47,454</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.

NOTES ON THE QUARTERLY REPORT- 31 DECEMBER 2024

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

B10. Earnings per Share

	Individual Quarter		Cumulative Quarter	
	3 Months 1 Oct 2024 to 31 Dec 2024	3 Months 1 Oct 2023 to 31 Dec 2023	6 Months 1 Jul 2024 to 31 Dec 2024	6 Months 1 Jul 2023 to 31 Dec 2023
(a) Basic EPS				
Net profit/ (loss) for the period/year attributable to equity holders (RM'000)	17,520	(84,200)	(139,842)	(65,191)
Weighted average number of ordinary shares in issue ('000)	11,992,135	11,976,613	11,992,135	12,087,001
Basic earnings/(loss) per share (sen)	0.15	(0.70)	(1.17)	(0.54)

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.

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 Oct 2024 to 31 Dec 2024 RM'000	3 Months 1 Oct 2023 to 31 Dec 2023 RM'000	6 Months 1 Jul 2024 to 31 Dec 2024 RM'000	6 Months 1 Jul 2023 to 31 Dec 2023 RM'000
Profit before tax is arrived after (charging):				
CSR expenses	(1)	-	(5)	-
Depreciation of property, plant and equipment	(640)	(1,043)	(1,285)	(1,891)
Depreciation of right of use assets	(1,625)	(479)	(3,272)	(977)
Employee share option scheme ("ESOS")	-	(32)	-	(505)
Fair value loss on investment in quoted securities	20,655	(74,029)	(126,304)	(46,306)
Impairment loss on investment in an associate	-	(1,256)	-	(1,740)
Loss on realised exchange difference	(5)	2	(5)	(4)
Loss on unrealised exchange difference	2,397	(360)	(2,313)	(361)
Property, plant and equipment written off	(15)	(5)	(33)	(20)
Interest expense	(844)	(364)	(1,727)	(908)
and crediting the following items:				
Gain on disposal of investment in quoted shares	-	-	-	2
Gain on disposal of property, plant and equipment	125	-	125	-
Gain on realised exchange difference	64	-	91	-
Gain on unrealised exchange difference	110	(166)	363	-
Reversal of impairment loss on other receivables	-	-	247	-
Interest income	1	11	2	21
Rental income	296	143	592	288

BORNEO OIL BERHAD
Company Reg. No. 198901005309 (121919-H)
Incorporated in Malaysia

NOTES ON THE QUARTERLY REPORT- 31 DECEMBER 2024

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

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
27 February 2025