

BORNEO OIL BERHAD

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED
31 MARCH 2025**

(THE FIGURES HAVE NOT BEEN AUDITED)

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FOR THE THIRD QUARTER ENDED 31 MARCH 2025
(THE FIGURES HAVE NOT BEEN AUDITED)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	3 Months 1 Jan 2025 to 31 Mar 2025 RM'000	3 Months 1 Jan 2024 to 31 Mar 2024 RM'000	9 Months 1 Jul 2024 to 31 Mar 2025 RM'000	9 Months 1 Jul 2023 to 31 Mar 2024 RM'000
Revenue	20,657	17,359	59,575	56,390
Cost of sales	(14,029)	(12,358)	(46,261)	(41,107)
Gross profit	6,628	5,001	13,314	15,283
Other income	384	745	1,883	7,828
Operating expenses	(7,772)	(7,004)	(24,848)	(21,269)
Other operating expenses	(68,365)	(21,961)	(197,020)	(74,974)
Loss from operations	(69,125)	(23,219)	(206,671)	(73,132)
Finance costs	(1,251)	(1,077)	(2,978)	(1,985)
Share of results of an associate	-	(5,318)	-	(19,166)
Loss before taxation	(70,376)	(29,614)	(209,649)	(94,283)
Taxation	16	(384)	(553)	(906)
Loss for the period	(70,360)	(29,998)	(210,202)	(95,189)
Other comprehensive deficit for the financial period				
- Foreign currency translation	1	30	(36)	5
- Share of other comprehensive deficit of an associate	-	-	-	-
Total comprehensive deficit for the financial period	(70,359)	(29,968)	(210,238)	(95,184)
Deficit attributable to:				
- Owners of the parent	(70,376)	(29,998)	(210,218)	(95,189)
- Non- controlling interest	16	-	16	-
	(70,360)	(29,998)	(210,202)	(95,189)
Total comprehensive deficit attributable to:				
- Owners of the parent	(70,375)	(29,968)	(210,254)	(95,184)
- Non- controlling interest	16	-	16	-
	(70,359)	(29,968)	(210,238)	(95,184)
Loss per share				
- basic (sen)	(0.53)	(0.25)	(1.70)	(0.80)

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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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited as at 31 Mar 2025 RM'000	Audited as at 30 Jun 2024 RM'000
Non Current Assets		
Properties, plant and equipment	12,518	13,834
Right-of-use assets	119,166	124,627
Investment properties	493,312	493,312
Other investments	157,882	347,629
	<u>782,878</u>	<u>979,402</u>
Current Assets		
Inventories	17,388	18,799
Biological assets	55	55
Trade receivables	4,116	5,342
Other receivables, deposits and prepayments	22,541	11,756
Tax recoverable	1,206	658
Amount due from related company- MTSB	9,414	3,686
Fixed deposits with licensed banks	4,132	1,125
Cash and bank balances	13,628	9,627
	<u>72,484</u>	<u>51,048</u>
	<u>855,362</u>	<u>1,030,450</u>
Total Assets		
Share capital	724,683	709,329
Reserves	55,976	56,012
Retained earnings	(46,126)	164,060
	<u>734,533</u>	<u>929,401</u>
Non- controlling interests	239	-
	<u>734,772</u>	<u>929,401</u>
Non Current Liabilities		
Deferred tax liabilities	13,343	13,343
Lease liability	4,759	6,356
Hire purchase creditors	1,364	2,001
Term loans	64,795	38,701
	<u>84,261</u>	<u>60,401</u>
Current Liabilities		
Trade payables	9,179	12,075
Other payables and accruals	13,359	18,936
Amount due to related company- MTSB	6,032	942
Tax payables	539	509
Lease liabilities	1,266	1,434
Hire purchase creditors	1,081	2,212
Term loans	2,490	2,442
Banker's acceptances	683	589
Bank overdraft	1,700	1,509
	<u>36,329</u>	<u>40,648</u>
Total Equity and Liabilities	<u>855,362</u>	<u>1,030,450</u>
Net assets per share (RM)	<u>0.05</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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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company								
	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 RM'000	Non- controlling interest RM'000	Total Equity RM'000
At 1 July 2024	709,329	-	92,802	(153)	(36,637)	164,060	929,401	-	929,401
Total comprehensive deficit for the financial year:-									
Changes in ownership interest in Subsidiaries	-	-	-	-	-	-	-	-	-
Loss for the financial period						(210,202)	(210,202)	-	(210,202)
Other comprehensive deficit for the financial period	-	-	-	(36)	-	-	(36)	-	(36)
Total comprehensive deficit	-	-	-	(36)	-	(210,202)	(210,238)	-	(210,238)
Changes in ownership interest in Subsidiaries	-		-	-	-	16	16	239	255
Share - based payment transactions		3,894							3,894
Employee Share Option Scheme exercised	15,354	(3,894)	-	-	-	-	11,460	-	11,460
Total transactions with owners	15,354	-	-	-	-	16	15,370	239	15,609
At 31 March 2025	724,683	-	92,802	(189)	(36,637)	(46,126)	734,533	239	734,772

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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

	9 Months 1 Jul 2024 to 31 Mar 2025 RM'000	9 Months 1 Jul 2023 to 31 Mar 2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES:-		
Loss before taxation	(209,649)	(94,283)
Adjustments for:		
Depreciation of property, plant and equipment	1,849	3,043
Depreciation of right-of-use	4,891	1,492
Gain on disposal of investment in quoted shares	-	(2)
Gain on disposal of property, plant and equipment	(43)	-
Gain on realised exchange difference	(86)	-
Gain on unrealised exchange difference	-	(286)
Reversal of impairment loss on other receivables	(247)	-
Waiver of debts	(5)	-
Employee share option scheme ("ESOS")	3,894	505
Fair value loss on investment in quoted securities	190,648	68,478
Loss on unrealised exchange difference	2,088	-
Property, plant and equipment written off	34	20
Reversal of waiver of debts	-	-
Interest expense	2,978	1,985
Interest income	(9)	(32)
Share of results of associates	-	19,166
	<hr/> (3,657)	<hr/> 86
Changes in working capital:-		
Inventories	1,412	3,318
Trade receivables	257	(1,114)
Other receivables, deposits and prepayments	(10,548)	32,581
Trade payables	(3,168)	1,787
Other payables and accruals	(5,245)	(132)
Associate company	304	(5,972)
	<hr/> (20,649)	<hr/> 30,554
Interest paid	(2,978)	(1,985)
Tax paid	(1,075)	(690)
Tax refunded	5	137
Net Operating Cash Flows	<hr/> (24,697)	<hr/> 28,016

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)

	9 Months 1 Jul 2024 to 31 Mar 2025 RM'000	9 Months 1 Jul 2023 to 31 Mar 2024 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES:-		
Acquisition of quoted shares	(2,923)	-
Acquisition of other investment	-	(40,000)
Net investment in subsidiaries	255	-
(Placement)/ Withdrawal of fixed deposits	(3,007)	497
Proceeds from disposal of property, plant and equipment	179	78
Proceeds from disposal of quoted shares	-	47
Purchases of property, plant and equipment	(703)	(13,323)
Interest received	9	32
Net Investing Cash Flows	<u>(6,190)</u>	<u>(52,669)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:-		
Net lease liabilities	(1,195)	(1,165)
Repayment of hire purchase payables, net	(1,768)	(1,314)
Drawdown of term borrowings, net	26,142	18,579
Drawdown of banker's acceptance, net	94	(227)
Proceeds from ESOS exercised	11,460	4,469
Net Financing Cash Flows	<u>34,733</u>	<u>20,342</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	3,846	(4,311)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(36)	5
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	<u>11,928</u>	<u>5,688</u>
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	13,628	7,388
Bank overdrafts	(1,700)	(1,700)
	<u>11,928</u>	<u>5,688</u>

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 MARCH 2025

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 MARCH 2025

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 MARCH 2025

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 MARCH 2025

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, a total of 1,800,000,000 options were granted and fully exercised. There are no outstanding options that were granted and exercised under the existing ESOS.

As at the quarter ended, there were a total of 13,792,135,230 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 March 2025.

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NOTES ON THE QUARTERLY REPORT- 31 MARCH 2025

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 2025 to 31 Mar 2025 RM'000	3 Months 1 Jan 2024 to 31 Mar 2024 RM'000	9 Months 1 Jul 2024 to 31 Mar 2025 RM'000	9 Months 1 Jul 2023 to 31 Mar 2024 RM'000
Sale of fast food and restaurant operations among subsidiaries	56	13	120	21
Sale of limestones among subsidiaries	-	72	140	220
Rental income among subsidiaries	57	24	171	48
Management fee among subsidiaries	486	336	1,458	672
Consultancy fee among subsidiaries	663	340	2,037	676
Rental expenses among subsidiaries	57	24	171	48

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NOTES ON THE QUARTERLY REPORT- 31 MARCH 2025

A15. Group Segmental Information

	Head office & others		Food and franchise operations		Property investment & management		Resources & sustainable energy		Total Consolidated	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024	31.03.2025	31.03.2024	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue										
External revenue	27	27	53,243	46,744	1,180	3,353	5,125	6,266	59,575	56,390
Inter-segment revenue	3,495	2,029	119	37	1	5	140	373	3,755	2,444
Total revenue	3,522	2,056	53,362	46,781	1,181	3,358	5,265	6,639	63,330	58,834
Less: Inter-segment revenue									(3,755)	(2,444)
									59,575	56,390
Results										
Segment results	(191,813)	(70,952)	2,369	4,408	(4,272)	(2,726)	(3,448)	(225)	(197,164)	(69,495)
Consolidation elimination									(2,776)	866
									(199,940)	(68,629)
<i>Not included in the measure of segment loss:-</i>										
Depreciation and amortisation									(6,740)	(4,535)
Interest income									9	32
Finance costs									(2,978)	(1,985)
Share of results of an associate									-	(19,166)
Loss before tax									(209,649)	(94,283)
Income tax expenses									(553)	(906)
Loss for the financial period									(210,202)	(95,189)

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A15. Group Segmental Information (Continued)

	Head office & others		Food and franchise operations		Property investment & management		Resources & sustainable energy		Total Consolidated	
	31.03.2025	30.06.2024	31.03.2025	30.06.2024	31.03.2025	30.06.2024	31.03.2025	30.06.2024	31.03.2025	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	743,692	959,506	58,880	55,679	543,918	537,375	268,627	259,487	1,615,117	1,812,047
Consolidation elimination									(759,755)	(781,597)
Consolidated total assets									855,362	1,030,450
Liabilities										
Segment liabilities	1,015	5,040	26,868	23,439	419,795	409,064	112,279	96,356	559,957	533,899
Tax payables	(14)	-	-	509	-	-	553	-	539	509
Loans and borrowings	47,847	19,993	4,394	4,855	308	354	19,563	22,252	72,112	47,454
Deferred tax liabilities	-	-	-	-	9,727	9,727	3,616	3,616	13,343	13,343
Lease liabilities	396	471	7,533	6,549	(2,288)	13	386	757	6,027	7,790
Consolidation elimination									(531,388)	(501,946)
Consolidated total liabilities									120,590	101,049

NOTES ON THE QUARTERLY REPORT- 31 MARCH 2025

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

B1. Financial Review for the Current Quarter

	Individual Quarter		Individual Quarter	
	1 Jan 2025 to 31 Mar 2025		1 Jan 2024 to 31 Mar 2024	
		Profit/(Loss)		Profit/(Loss)
	Revenue	Before Tax	Revenue	Before Tax
	RM'000	RM'000	RM'000	RM'000
Head office & others	9	(68,543)	9	(23,302)
Food and franchise operations	17,045	(1,737)	15,994	1,338
Property investment & management	354	(1,034)	554	(959)
Resources & sustainable energy	3,249	938	802	(1,373)
Share of results of associate	-	-	-	(5,318)
Group revenue and profit/(loss) from operations (net of finance cost)	20,657	(70,376)	17,359	(29,614)

The Head Office and Others (HOO) recorded a pre-tax loss of RM68.54 million for the quarter, marking a significant increase from the RM23.30 million loss reported in the corresponding period last year. This downturn was largely driven by a fair value loss of RM64.34 million on quoted securities held in Verde Resources, Inc. (OTC Markets: VRDR). While this reflects a temporary decline in valuation, the company maintains confidence in VRDR's long-term prospects and anticipates a potential recovery in its market performance.

Food and Franchise Operations (FFO) reported a rise in revenue to RM17.05 million, compared to RM15.99 million in the same quarter last year. This increase was largely due to the expansion of outlets from 127 to 141, along with stronger market conditions. However, the segment recorded a loss of RM1.74 million for the quarter, primarily due to an accounting adjustment recognising RM2.01 million in share-based payment expenses related to the Employee Share Option Scheme (ESOS).

Property Investment & Management (PIM) recorded lower revenue of RM0.35 million for the quarter (Q3 2024: RM0.55 million), while its pre-tax loss widened to RM1.03 million (Q3 2024: RM0.96 million). The weaker performance stemmed from lower activity levels following the completion of project management services for an Integrated Limestone Processing Plant (ILPP), resulting in reduced operations.

Resources & Sustainable Energy (RSE) reported a significant revenue surge to RM3.25 million for the quarter, up sharply from RM0.80 million in the same period last year. This growth was driven primarily by raw material supply to the Integrated Limestone Processing Plant (ILPP), which boosted the segment's performance and contributed to stronger financial results.

NOTES ON THE QUARTERLY REPORT- 31 MARCH 2025

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 Mar 2025 RM'000	Preceding Quarter ended 31 Dec 2024 RM'000	Variances	
			RM'000	%
Revenue	20,657	19,697	960	5%
Profit/(Loss) before taxation	(70,376)	17,776	(88,152)	-496%

The Group posted revenue of RM20.66 million for the quarter, up from RM19.70 million in the previous quarter. However, it recorded a pre-tax loss of RM70.38 million, compared to a profit before tax of RM17.78 million in the preceding period.

The Group's revenue growth this quarter was led by stronger performance from its Resources & Sustainable Energy (RSE) segment, particularly from raw material supply to the Integrated Limestone Processing Plant (ILPP). However, the Group reported a pre-tax loss of RM70.38 million, contrasting with a profit of RM17.78 million in the prior quarter, primarily due to fair value adjustments on quoted securities (compared to a gain in the previous quarter). While these mark-to-market movements impacted short-term results, the Group maintains a positive outlook on its operational fundamentals and long-term recovery prospects.

B3. Prospects

Malaysia's economy continues to demonstrate resilience, with Bank Negara Malaysia maintaining its 2025 GDP growth forecast at 4.5%-5.5%, supported by strong private consumption (expected to grow 5.8%), recovering exports (particularly E&E and commodities), and accelerating investment momentum (notably in renewable energy and tech-related FDI). Capitalising on these conditions, the Group will focus on cost optimisation, targeted expansion in growth sectors, and technology adoption to enhance efficiency and drive sustainable shareholder value in FY2025.

NOTES ON THE QUARTERLY REPORT- 31 MARCH 2025

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	9 Months
	1 Jan 2025 to	1 Jul 2024 to
	31 Mar 2025	31 Mar 2025
	RM'000	RM'000
Income tax- current year	16	(553)
Income tax- prior year	-	-
Deferred tax- current year	-	-
	<u>16</u>	<u>(553)</u>

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

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

NOTES ON THE QUARTERLY REPORT- 31 MARCH 2025

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

B6. Status of Corporate Proposals (Continued)

- i. On 24 March 2025, the Company announced that 3,448,033,541 Warrants issued pursuant to the Bonus Issue of Warrants will be admitted to the Official List of Bursa Malaysia Securities Berhad and the listing and quotation of the Warrants on the Main Market under the "Industrial Products & Services" sector will be granted with effect from 9.00 a.m., Wednesday, 26 March 2025. The Stock Short Name, Stock Number and ISIN Code of the Warrants are "BORNOIL-WE", "7036WE" and "MYL7036WE034" respectively.

As of the reporting date, a cumulative total of 204.5 million Warrant E have been exercised at RM0.01 per share.

- ii. 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").

The existing ESOS was implemented on 22 June 2020 and was effective for a period of 5 years i.e. up to 21 June 2025. During the effective period of the existing ESOS, a total of 1,795,500,000 options were granted and fully exercised under the existing ESOS. There are no outstanding options under the existing ESOS which had been granted but remain unexercised.

- iii. 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.

During the effective period of the New ESOS, a total of 1,800,000,000 options were granted and fully exercised. There are no outstanding options that were granted but remain unexercised under the existing ESOS.

NOTES ON THE QUARTERLY REPORT- 31 MARCH 2025

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

B7 Borrowings and Debts Securities

	Unaudited as at 31 Mar 2025 RM'000	Audited as at 30 Jun 2024 RM'000
Short term borrowings:		
- Bank overdrafts	1,700	1,509
- Bankers' acceptances	683	589
- Term loans	2,490	2,442
- Hire purchase payables	1,081	2,212
	<u>5,954</u>	<u>6,752</u>
Long term borrowings:		
- Term loans	64,795	38,701
- Hire purchase payables	1,364	2,001
	<u>66,159</u>	<u>40,702</u>
Total borrowings	<u>72,113</u>	<u>47,454</u>

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 MARCH 2025

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

B10. Earnings per Share

	Individual Quarter		Cumulative Quarter	
	3 Months	3 Months	9 Months	9 Months
	1 Jan 2025 to 31 Mar 2025	1 Jan 2024 to 31 Mar 2024	1 Jul 2024 to 31 Mar 2025	1 Jul 2023 to 31 Mar 2024
(a) Basic EPS				
Net profit/ (loss) for the period/year attributable to equity holders	(70,360)	(29,998)	(210,202)	(95,189)
Weighted average number of ordinary shares in issue ('000)	13,155,111	11,992,135	12,374,135	11,970,873
Basic earnings/(loss) per share (sen)	(0.53)	(0.25)	(1.70)	(0.80)

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	3 Months	9 Months	9 Months
	1 Jan 2025 to 31 Mar 2025 RM'000	1 Jan 2024 to 31 Mar 2024 RM'000	1 Jul 2024 to 31 Mar 2025 RM'000	1 Jul 2023 to 31 Mar 2024 RM'000
Profit before tax is arrived after (charging):				
CSR expenses	-	-	(5)	-
Depreciation of property, plant and equipment	(564)	(1,152)	(1,849)	(3,043)
Depreciation of right of use assets	(1,619)	(515)	(4,891)	(1,492)
Employee share option scheme ("ESOS")	(3,894)	-	(3,894)	(505)
Fair value loss on investment in quoted securities	(64,344)	(22,172)	(190,648)	(68,478)
Impairment loss on investment in an associate	-	-	-	(1,740)
Loss on realised exchange difference	(3)	(8)	(8)	(12)
Loss on unrealised exchange difference	(124)	361	(2,437)	-
Property, plant and equipment written off	(1)	-	(34)	(20)
Interest expense	(1,251)	(1,077)	(2,978)	(1,985)
and crediting the following items:				
Gain on disposal of investment in quoted shares	-	-	-	2
Gain on disposal of property, plant and equipment	(82)	-	43	-
Gain on realised exchange difference	(5)	-	86	-
Gain on unrealised exchange difference	(14)	286	349	286
Reversal of impairment loss on other receivables	-	-	247	-
Waiver of debts	5	-	5	-
Interest income	7	11	9	32
Rental income	295	-	887	-

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

NOTES ON THE QUARTERLY REPORT- 31 MARCH 2025

**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
30 May 2025