

BORNEO OIL BERHAD

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER ENDED
30 JUNE 2025**

(THE FIGURES HAVE NOT BEEN AUDITED)

BORNEO OIL BERHAD
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FOR THE FOURTH QUARTER ENDED 30 JUNE 2025
(THE FIGURES HAVE NOT BEEN AUDITED)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	3 Months 1 Apr 2025 to 30 Jun 2025 RM'000	3 Months 1 Apr 2024 to 30 Jun 2024 RM'000	12 Months 1 Jul 2024 to 30 Jun 2025 RM'000	12 Months 1 Jul 2023 to 30 Jun 2024 RM'000
Revenue	22,078	22,171	81,653	78,561
Cost of sales	(16,035)	(21,989)	(62,296)	(63,096)
Gross profit	6,043	182	19,357	15,465
Other income	3,616	161,828	5,499	169,656
Operating expenses	(8,260)	(24,550)	(33,108)	(45,819)
Other operating expenses	(89,864)	16,944	(286,884)	(58,030)
(Loss)/Profit from operations	(88,465)	154,404	(295,136)	81,272
Finance costs	(1,575)	(2,303)	(4,553)	(4,288)
Share of results of an associate	-	(20,834)	-	(40,000)
(Loss)/Profit before taxation	(90,040)	131,267	(299,689)	36,984
Taxation	(796)	252	(1,349)	(654)
(Loss)/Profit for the period/year	(90,836)	131,519	(301,038)	36,330
Other comprehensive (deficit)/income for the financial period/year				
- Foreign currency translation	(21)	(2)	(57)	3
Total comprehensive (deficit)/income for the financial period/year	(90,857)	131,517	(301,095)	36,333
(Loss)/Profit attributable to:				
- Owners of the parent	(90,810)	131,519	(300,996)	36,330
- Non- controlling interest	(26)	-	(42)	-
	(90,836)	131,519	(301,038)	36,330
Total comprehensive (deficit)/income attributable to:				
- Owners of the parent	(90,831)	131,517	(301,053)	36,333
- Non- controlling interest	(26)	-	(42)	-
	(90,857)	131,517	(301,095)	36,333
(Loss)/Earning per share				
- basic (sen)	(0.65)	1.10	(2.36)	0.30

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 30 Jun 2025 RM'000	Audited as at 30 Jun 2024 RM'000
Non Current Assets		
Properties, plant and equipment	13,142	13,834
Right-of-use assets	119,035	124,627
Investment properties	493,312	493,312
Other investments	76,907	347,629
	<u>702,396</u>	<u>979,402</u>
Current Assets		
Inventories	21,290	18,799
Biological assets	55	55
Trade receivables	8,203	5,342
Other receivables, deposits and prepayments	18,084	11,756
Tax recoverables	149	658
Amount owing by an associate	8,340	3,686
Fixed deposits with licensed banks	4,174	1,125
Cash and bank balances	9,785	9,627
	<u>70,080</u>	<u>51,048</u>
Total Assets	<u>772,476</u>	<u>1,030,450</u>
Equity		
Share capital	729,406	709,329
Reserves	55,955	56,012
(Accumulated loss)/Retained earning	(136,936)	164,060
	<u>648,425</u>	<u>929,401</u>
Non- controlling interests	213	-
	<u>648,638</u>	<u>929,401</u>
Non Current Liabilities		
Deferred tax liabilities	13,343	13,343
Lease liabilities	5,669	6,356
Hire purchase payables	777	2,001
Term loans	59,228	38,701
	<u>79,017</u>	<u>60,401</u>
Current Liabilities		
Trade payables	8,738	12,075
Other payables, deposits and accruals	14,683	18,936
Amount owing to an associate	6,403	942
Tax payables	9	509
Lease liabilities	1,400	1,434
Hire purchase payables	986	2,212
Term loans	7,400	2,442
Banker's acceptances	3,864	589
Bank overdrafts	1,338	1,509
	<u>44,821</u>	<u>40,648</u>
Total Equity and Liabilities	<u>772,476</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					Non-Distributable Reserves		
	Share Capital	ESOS Reserve	Warrants Reserve	Translation Reserve	Other Reserves	Retained Earnings/ Accumulated loss	Total	Non-controlling interest
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
	RM'000	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 deficit for the financial year:-								
Loss for the financial year	-	-	-	-	-	(300,996)	(300,996)	(42)
Other comprehensive deficit for the financial year	-	-	-	(57)	-	-	(57)	-
Total comprehensive deficit	-	-	-	(57)	-	(300,996)	(301,053)	(42)
Transactions with owner:-								
Changes in ownership interest in a subsidiary	-	-	-	-	-	-	-	255
Share - based payment transactions	-	6,043	-	-	-	-	6,043	-
Employee Share Option Scheme exercised	17,503	(6,043)	-	-	-	-	11,460	-
Warrants exercised	2,574	-	-	-	-	-	2,574	-
Total transactions with owners	20,077	-	-	-	-	-	20,077	255
At 30 June 2025	729,406	-	92,802	(210)	(36,637)	(136,936)	648,425	213

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	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 2023	702,834	1,521	92,802	(156)	(36,637)	127,555	887,919
Prior year adjustment	-	-	-	-	-	175	175
At 1 July 2023, restated	702,834	1,521	92,802	(156)	(36,637)	127,730	888,094
Total comprehensive income for the financial year:-							
Profit for the financial year	-	-	-	-	-	36,330	36,330
Other comprehensive income for the financial year	-	-	-	3	-	-	3
Total comprehensive income	-	-	-	3	-	36,330	36,333
Transactions with owners:-							
Share - based payment	-	505	-	-	-	-	505
Employee Share Option Scheme exercised	6,495	(2,026)	-	-	-	-	4,469
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

	12 Months 1 Jul 2024 to 30 Jun 2025 RM'000	12 Months 1 Jul 2023 to 30 Jun 2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES:-		
Loss before taxation	(299,689)	36,984
Adjustments for:		
Amortisation of right- of- use assets	6,522	6,534
Bad debts written off: - trade	4	-
Depreciation of properties, plant and equipment	2,382	4,371
Deposits forfeited	-	3
Employees' share option scheme ("ESOS")	6,043	505
Fair value gain on biological assets	-	(54)
Fair value gain on retention receivables	-	(293)
Fair value (loss)/gain on investment in quoted securities	230,962	(159,878)
Gain on disposal of investment in quoted shares	-	(2)
Gain on disposal of properties, plant and equipment	(58)	(73)
Gain on lease modification	(79)	(64)
Gain on unrealised exchange difference	-	(650)
Impairment on goodwill	-	8
(Reversal of)/Impairment on finance lease receivables	(98)	2,219
Impairment on other receivables	6	-
Impairment on properties, plant and equipment	-	8,207
Impairment on amount owing by an associate	6,290	45,723
Impairment on trade receivables	494	871
Interest income	(343)	(223)
Interest expense	4,553	4,288
Loss on unrealised exchange difference	42,745	-
Properties, plant and equipment written off	43	23
(Reversal of)/Provision for slow- moving inventories	(446)	7,719
Reversal of impairment loss on other receivables	(3,073)	(12)
Reversal of impairment loss on trade receivables	(340)	-
Share of results of associates	-	40,000
	<hr/> (4,082)	<hr/> (3,794)
Changes in working capital:-		
Inventories	(2,045)	1,479
Trade and other receivables	(6,250)	(2,323)
Trade and other payables	(7,583)	8,905
Associate company	(5,482)	(8,375)
Biological assets	-	(1)
	<hr/> (25,442)	<hr/> (4,109)

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)

	12 Months 1 Jul 2024 to 30 Jun 2025 RM'000	12 Months 1 Jul 2023 to 30 Jun 2024 RM'000
Tax paid	(1,344)	(980)
Tax refunded	3	135
Net Operating Cash Flows	(26,783)	(4,954)
CASH FLOWS FROM INVESTING ACTIVITIES:-		
Investment in an associate	-	(8,000)
Interest received	343	223
(Withdrawal)/Placement of fixed deposits with licensed banks	(3,049)	473
Proceeds from disposal of properties, plant and equipment	194	173
Proceeds from disposal of quoted shares	-	47
Purchase of quoted shares	(2,923)	(279)
Purchases of properties, plant and equipment	(1,869)	(4,403)
Acquisition of subsidiary, net of cash acquired	255	-
Net Investing Cash Flows	(7,049)	(11,766)
CASH FLOWS FROM FINANCING ACTIVITIES:-		
Interest paid	(4,553)	(4,288)
Issuance of ordinary shares	-	3,076
ESOS exercised	11,460	1,394
Warrants exercised	2,574	-
Drawdown of term loans, net	25,484	17,816
Repayment of hire purchase payables, net	(2,450)	(1,108)
Drawdown of banker's acceptance, net	3,275	(502)
Payment of lease liabilities	(1,573)	(1,549)
Net Financing Cash Flows	34,217	14,839
NET CHANGE IN CASH AND CASH EQUIVALENTS	385	(1,881)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(56)	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 YEAR	8,447	8,118
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	9,785	9,818
Bank overdrafts	(1,338)	(1,700)
	8,447	8,118

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- 30 JUNE 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 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

NOTES ON THE QUARTERLY REPORT- 30 JUNE 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 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures*- Classification and Measurement of Financial Instruments
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures*- Contracts Referencing Nature-dependent Electricity
- 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*

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

NOTES ON THE QUARTERLY REPORT- 30 JUNE 2025

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

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.

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

During the quarter under review, a total of 257,435,000 Warrant E was granted and exercised at RM0.01 per share. There are no outstanding options that were granted and exercised under the existing ESOS.

As at the quarter ended, there were a total of 14,049,570,230 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.

NOTES ON THE QUARTERLY REPORT- 30 JUNE 2025

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

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 30 June 2025.

NOTES ON THE QUARTERLY REPORT- 30 JUNE 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	3 Months	12 Months	12 Months
	1 Apr 2025 to	1 Apr 2024 to	1 Jul 2024 to	1 Jul 2023 to
	30 Jun 2025	30 Jun 2024	30 Jun 2025	30 Jun 2024
	RM'000	RM'000	RM'000	RM'000
Sale of fast food and restaurant operations among subsidiaries	1,924	8	2,044	50
Sale of limestones among subsidiaries	65	92	205	465
Rental income among subsidiaries	117	216	288	288
Management fee among subsidiaries	(1,314)	(864)	144	144
Consultancy fee among subsidiaries	670	1,779	2,707	2,800
Rental expenses among subsidiaries	117	216	288	288

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NOTES ON THE QUARTERLY REPORT- 30 JUNE 2025

A15. Group Segmental Information

	Head office & others		Food and franchise operations		Property investment & management		Resources & sustainable energy		Total Consolidated	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue										
External revenue	36	36	70,543	67,515	1,444	3,204	9,630	7,806	81,653	78,561
Inter-segment revenue	4,651	1,947	2,043	50	1	-	205	465	6,900	2,462
Total revenue	4,687	1,983	72,586	67,565	1,445	3,204	9,835	8,271	88,553	81,023
Less: Inter-segment revenue									(6,900)	(2,462)
									81,653	78,561
Results										
Segment results	(275,087)	39,093	1,101	9,339	(3,484)	(46,656)	(1,095)	(23,930)	(278,565)	(22,154)
Consolidation elimination									(8,010)	114,109
									(286,575)	91,955
<i>Not included in the measure of segment loss:-</i>										
Depreciation and amortisation									(8,904)	(10,905)
Interest income									343	222
Finance costs									(4,553)	(4,288)
Share of results of an associate									-	(40,000)
(Loss)/profit before tax									(299,689)	36,984
Income tax expenses									(1,349)	(654)
(Loss)/profit for the financial year									(301,038)	36,330

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NOTES ON THE QUARTERLY REPORT- 30 JUNE 2025

A15. Group Segmental Information (Continued)

	Head office & others		Food and franchise operations		Property investment & management		Resources & sustainable energy		Total Consolidated	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	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	667,294	959,506	56,275	55,679	549,885	537,375	267,453	259,487	1,540,907	1,812,047
Consolidation elimination									(768,431)	(781,597)
Consolidated total assets									<u>772,476</u>	<u>1,030,450</u>
Liabilities										
Segment liabilities	1,127	5,040	27,033	23,439	424,778	409,064	110,379	96,356	563,317	533,899
Tax payables	(16)	-	25	509	-	-	-	-	9	509
Loans and borrowings	47,501	19,993	7,436	4,855	287	354	18,369	22,252	73,593	47,454
Deferred tax liabilities	-	-	-	-	9,727	9,727	3,616	3,616	13,343	13,343
Lease liabilities	371	471	6,887	6,549	(1,034)	13	845	757	7,069	7,790
Consolidation elimination									(533,493)	(501,946)
Consolidated total liabilities									<u>123,838</u>	<u>101,049</u>

NOTES ON THE QUARTERLY REPORT- 30 JUNE 2025

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

B1. Financial Review for the Current Quarter

	Individual Quarter		Individual Quarter	
	1 Apr 2025 to 30 Jun 2025		1 Apr 2024 to 30 Jun 2024	
		Profit/(Loss)		Profit/(Loss)
	Revenue	Before Tax	Revenue	Before Tax
	RM'000	RM'000	RM'000	RM'000
Head office & others	9	(85,836)	9	224,184
Food and franchise operations	17,300	(3,768)	19,548	(3,795)
Property investment & management	264	(4,413)	1,074	(44,152)
Resources & sustainable energy	4,505	3,977	1,540	(24,136)
Share of results of associate	-	-	-	(20,834)
Group revenue and profit/(loss) from (net of finance cost)	22,078	(90,040)	22,171	131,267

The Head Office and Others (HOO) posted a pre-tax loss of RM85.84 million for the quarter, versus a profit of RM224.18 million in the same period last year. The decline was mainly attributable to a fair value loss of RM81.01 million on quoted securities in Verde Resources, Inc. (OTC Markets: VRDR). Despite this temporary valuation setback, the company remains confident in VRDR's long-term outlook and expects a potential rebound in its market performance.

Food and Franchise Operations (FFO) recorded revenue of RM17.30 million, down from RM19.55 million in the corresponding quarter last year, mainly reflecting weaker market sentiment during the period. Despite this, the number of outlets grew from 132 to 143 year-on-year. The segment posted a quarterly loss of RM3.77 million, largely attributable to an accounting adjustment for RM2.01 million in share-based payment expenses under the Employee Share Option Scheme (ESOS).

Property Investment & Management (PIM) recorded revenue of RM0.26 million for the quarter, compared to RM1.07 million in the same period last year, primarily reflecting lower activity following the completion of project management services for the Integrated Limestone Processing Plant (ILPP). The segment reported a loss of RM4.41 million, an improvement from a loss of RM44.15 million in the corresponding quarter last year, mainly attributable to lower impairment charges on an associate company.

Resources & Sustainable Energy (RSE) posted revenue of RM4.51 million for the quarter, a significant increase from RM1.54 million in the corresponding period last year, driven mainly by raw material supply to the Integrated Limestone Processing Plant (ILPP). The segment's improved performance was further supported by the reversal of impairment loss on trade receivables of RM3.01 million, compared to the prior year's impairments of RM8.63 million on trade and other receivables and RM11.07 million on property, plant and equipment.

NOTES ON THE QUARTERLY REPORT- 30 JUNE 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 30 Jun 2025 RM'000	Preceding Quarter ended 31 Mar 2025 RM'000	Variances	
			RM'000	%
Revenue	22,078	20,657	1,421	7%
Loss before taxation	(90,040)	(70,376)	(19,664)	28%

The Group reported revenue of RM22.08 million for the quarter, an increase from RM20.66 million in the preceding quarter. However, the Group registered a higher loss of RM90.04 million, compared to RM70.38 million in the prior period.

The Group's revenue for the quarter rose, supported by stronger contributions from the Resources & Sustainable Energy (RSE) segment, primarily from raw material supply to the Integrated Limestone Processing Plant (ILPP). Despite this, the Group recorded a pre-tax loss of RM90.04 million, mainly attributable to fair value adjustments on quoted securities. While these mark-to-market movements affected short-term results, the Group remains confident in its operational fundamentals and long-term recovery prospects.

B3. Prospects

Global growth prospects remain clouded by shifting trade policies, tariff uncertainties, and geopolitical tensions. Nonetheless, Malaysia's economy is projected to expand between 4% and 4.8% in 2025, though the outlook remains sensitive to global developments. Despite these challenges, the Group remains focused on its strategy of targeted expansion in growth sectors, technology adoption to enhance efficiency, and cost optimisation to secure a sustainable revenue stream.

NOTES ON THE QUARTERLY REPORT- 30 JUNE 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	12 Months
	1 Apr 2025 to	1 Jul 2024 to
	30 Jun 2025	30 Jun 2025
	RM'000	RM'000
Income tax- current year	(785)	(1,338)
Income tax- prior year	(11)	(11)
	<u>(796)</u>	<u>(1,349)</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")
- 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 Proposals were approved by shareholders through poll voting at the Extraordinary General Meeting (EGM) held on the same date.

NOTES ON THE QUARTERLY REPORT- 30 JUNE 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 257,435,000 Warrant E have been exercised at RM0.01 per share.

- ii. 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- 30 JUNE 2025

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

B7 Borrowings and Debts Securities

	Unaudited as at 30 Jun 2025 RM'000	Audited as at 30 Jun 2024 RM'000
Short term borrowings:		
- Bank overdrafts	1,338	1,509
- Bankers' acceptances	3,864	589
- Term loans	7,400	2,442
- Hire purchase payables	986	2,212
	<u>13,588</u>	<u>6,752</u>
Long term borrowings:		
- Term loans	59,228	38,701
- Hire purchase payables	777	2,001
	<u>60,005</u>	<u>40,702</u>
Total borrowings	<u>73,593</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- 30 JUNE 2025

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

B10. Earnings per Share

	Individual Quarter		Cumulative Quarter	
	3 Months	3 Months	12 Months	12 Months
	1 Apr 2025 to	1 Apr 2024 to	1 Jul 2024 to	1 Jul 2023 to
	30 Jun 2025	30 Jun 2024	30 Jun 2025	30 Jun 2024
(a) Basic EPS				
Net (loss)/profit for the period/year attributable to equity holders (RM'000)	(90,836)	131,519	(301,038)	36,330
Weighted average number of ordinary shares in issue ('000)	13,904,624	11,992,135	12,752,861	11,976,174
Basic (loss)/earning per share (sen)	(0.65)	1.10	(2.36)	0.30

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

	Individual Quarter		Cumulative Quarter	
	3 Months	3 Months	12 Months	12 Months
	1 Apr 2025 to	1 Apr 2024 to	1 Jul 2024 to	1 Jul 2023 to
	30 Jun 2025	30 Jun 2024	30 Jun 2025	30 Jun 2024
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit before tax is arrived after (charging):				
Amortisation of right- of- use assets	(1,631)	(5,042)	(6,522)	(6,534)
Bad debts written off- trade	(4)	-	(4)	-
CSR expenses	(1)	-	(6)	-
Depreciation of properties, plant and equipment	(533)	(1,328)	(2,382)	(4,371)
Deposits forfeited	-	(3)	-	(3)
Employee share option scheme ("ESOS")	(2,149)	-	(6,043)	(505)
Fair value loss on investment in quoted securities	(40,314)	(91,400)	(230,962)	(159,878)
Impairment on goodwill	-	(9)	-	(9)
Impairment on finance lease receivables	98	(2,219)	98	(2,219)
Impairment on other receivables	(6)	-	(6)	-
Impairment on properties, plant and equipment	-	(8,657)	-	(8,657)
Impairment on amount owing by an associate	(6,290)	(43,983)	(6,290)	(45,723)
Impairment on trade receivables	(494)	(871)	(494)	(871)
Loss on realised exchange difference	2	(9)	(6)	(21)
Loss on unrealised exchange difference	(40,699)	-	(43,136)	-
Properties, plant and equipment written off	(9)	(3)	(43)	(23)
Provision for slow- moving inventories	446	(7,719)	446	(7,719)
Interest expense	(1,575)	(2,303)	(4,553)	(4,288)

NOTES ON THE QUARTERLY REPORT- 30 JUNE 2025

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

B11. Notes to the Condensed Consolidated Statement of Comprehensive Income (Continued)

and crediting the following items:

Fair value gain on biological assets	-	54	-	54
Fair value gain on retention receivables	-	293	-	293
Gain on disposal of investment in quoted shares	-	-	-	2
Gain on disposal of properties, plant and equipment	15	73	58	73
Gain on lease modification	79	64	79	64
Gain on realised exchange difference	(2)	-	84	-
Gain on unrealised exchange difference	42	364	391	650
Reversal of impairment loss on other receivables	2,826	12	3,073	12
Reversal of impairment loss on properties, plant and equipment	-	451	-	451
Reversal of impairment loss on trade receivables	340	-	340	-
Waiver of debts	(5)	-	-	-
Interest income	334	191	343	223
Rental income	(345)	533	542	533

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.

B13. Review by External Auditors

The Board had engaged the external auditors to review and report on the interim condensed consolidated financial statements for the three-month period ended 30 June 2025. Accordingly, the interim condensed consolidated financial report for the financial period under review has been reviewed by the Company's external auditors in accordance with International Standard on Review Engagement 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

Based on the review by the external auditors, nothing has come to the external auditors' attention that causes them to believe that the accompanying condensed consolidated financial statements of Borneo Oil Berhad for the three months ended 30 June 2025 are not prepared, in all material respects, in accordance with MFRS 134, Interim Financial Reporting. The report was made to the Board in accordance with the terms of the engagement letter with the external auditors and for no other purpose.

By Order of the Board

Chin Siew Kim
Company Secretary
29 August 2025