

BORNEO OIL BERHAD

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED
30 SEPTEMBER 2024**

(THE FIGURES HAVE NOT BEEN AUDITED)

BORNEO OIL BERHAD
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QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2024
(THE FIGURES HAVE NOT BEEN AUDITED)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter	
	3 Months 1 Jul 2024 to 30 Sep 2024 RM'000	3 Months 1 Jul 2023 to 30 Sep 2023 RM'000
Revenue	19,221	16,885
Cost of sales	(16,609)	(12,222)
Gross (loss)/profit	2,612	4,663
Other income	846	31,272
Operating expenses	(7,935)	(6,618)
Other operating expenses	(151,689)	(3,501)
Profit from operations	(156,166)	25,816
Finance costs	(883)	(544)
Share of results of an associate	-	(6,010)
Profit/ (Loss) before taxation	(157,049)	19,262
Taxation	(313)	(253)
Profit/(Loss) for the period/year	(157,362)	19,009
Other comprehensive income/(deficit) for the financial period/year		
- Foreign currency translation	(6)	31
- Share of other comprehensive deficit of an associate	-	
Total comprehensive income/ (deficit) for the financial period/year	(157,368)	19,040
Income/(Deficit) attributable to:		
- Owners of the parent	(157,362)	19,009
Total comprehensive income/ (deficit) attributable to:		
- Owners of the parent	(157,368)	19,040
Profit/(Loss) per share		
- basic (sen)	(1.31)	0.16

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 30 Sep 2024 RM'000	Audited as at 30 Jun 2024 RM'000
Non Current Assets		
Properties, plant and equipment	13,210	13,834
Right-of-use assets	121,661	124,627
Investment properties	493,312	493,312
Other investments	199,249	347,629
	<u>827,432</u>	<u>979,402</u>
Current Assets		
Inventories	17,324	18,799
Biological assets	55	55
Trade receivables	5,400	5,342
Other receivables, deposits and prepayments	9,244	11,756
Tax recoverable	332	658
Amount due from related company- MTSB	3,176	3,686
Fixed deposits with licensed banks	1,125	1,125
Cash and bank balances	8,388	9,627
	<u>45,044</u>	<u>51,048</u>
Total Assets	<u>872,476</u>	<u>1,030,450</u>
Shareholders' Fund		
Share capital	709,329	709,329
Reserves	56,006	56,012
Retained earnings	6,698	164,060
	<u>772,033</u>	<u>929,401</u>
Non Current Liabilities		
Deferred tax liabilities	13,343	13,343
Lease liability	4,808	6,356
Hire purchase creditors	2,020	2,001
Term loans	37,120	38,701
	<u>57,291</u>	<u>60,401</u>
Current Liabilities		
Trade payables	10,580	12,075
Other payables and accruals	19,061	18,936
Amount due to related company- MTSB	5,093	942
Tax payables	301	509
Lease liabilities	1,266	1,434
Hire purchase creditors	1,662	2,212
Term loans	2,460	2,442
Banker's acceptances	1,029	589
Bank overdraft	1,700	1,509
	<u>43,152</u>	<u>40,648</u>
Total Equity and Liabilities	<u>872,476</u>	<u>1,030,450</u>
Net assets per share (RM)	<u>0.06</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

	Non-Distributable Reserves					Distributable Reserves	Total Equity RM'000
	Share Capital RM'000	ESOS Reserve RM'000	Warrants Reserve RM'000	Translation Reserve RM'000	Other Reserves RM'000	Retained Earnings RM'000	
At 1 July 2024	709,329	-	92,802	(153)	(36,637)	164,060	929,401
Total comprehensive income for the financial year:-							
Profit for the financial year	-	-	-	-	-	(157,362)	(157,362)
Other comprehensive income for the financial year	-	-	-	(6)	-	-	(6)
Total comprehensive income	-	-	-	(6)	-	(157,362)	(157,368)
Transactions with owners:-							
Share - based payment transactions	-	-	-	-	-	-	-
Employee Share Option Scheme exercised	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	-
At 30 September 2024	709,329	-	92,802	(159)	(36,637)	6,698	772,033

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	Non-Distributable Reserves					Distributable Reserves	Total Equity RM'000
	Share Capital RM'000	ESOS Reserve RM'000	Warrants Reserve RM'000	Translation Reserve RM'000	Other Reserves RM'000	Retained Earnings 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

	3 Months 1 Jul 2024 to 30 Sep 2024 RM'000	3 Months 1 Jul 2023 to 30 Sep 2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES:-		
Profit/(Loss) before taxation	(157,048)	19,262
Adjustments for:		
Depreciation of property, plant and equipment	645	848
Depreciation of right-of-use	1,647	498
Fair value gain on investment in quoted securities	-	(27,723)
Gain on disposal of investment in quoted shares	-	(2)
Gain on realised exchange difference	(27)	
Gain on unrealised exchange difference	(253)	(165)
Reversal of impairment loss on other receivables	(247)	-
Employee share option scheme ("ESOS")	-	473
Fair value loss on investment in quoted securities	146,959	-
Loss on unrealised exchange difference	4,710	-
Property, plant and equipment written off	18	15
Interest expense	883	544
Interest income	(1)	(10)
Share of results of associates	-	6,010
	<hr/>	<hr/>
	(2,714)	(250)
Changes in working capital:-		
Inventories	1,475	372
Trade receivables	(1,131)	22
Other receivables, deposits and prepayments	2,748	31,151
Trade payables	(1,765)	624
Other payables and accruals	451	(1,553)
Contract asset	-	(88)
Associate company	5,603	1,910
	<hr/>	<hr/>
	4,667	32,188

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)

	3 Months 1 Jul 2024 to 30 Sep 2024 RM'000	3 Months 1 Jul 2023 to 30 Sep 2023 RM'000
Interest paid	(883)	(544)
Tax paid	(194)	(160)
Tax refunded	-	127
Net Operating Cash Flows	3,590	31,611
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 quoted shares	-	22
Purchases of property, plant and equipment	(39)	(59)
Interest received	1	10
Net Investing Cash Flows	(2,961)	(39,527)
CASH FLOWS FROM FINANCING ACTIVITIES:-		
Net lease liabilities	(398)	(341)
(Repayment)/Drawdown of hire purchase payables, net	(531)	(261)
Drawdown of term borrowings, net	(1,564)	(373)
Drawdown/(Repayment) of banker's acceptance, net	440	341
Proceeds from ESOS exercised	-	4,196
Net Financing Cash Flows	(2,053)	3,562
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,424)	(4,354)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(6)	31
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	6,688	5,671
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	8,388	7,371
Bank overdrafts	(1,700)	(1,700)
	6,688	5,671

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 SEPTEMBER 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- 30 SEPTEMBER 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- 30 SEPTEMBER 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- 30 SEPTEMBER 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 30 September 2024.

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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	
	3 Months 1 Jul 2024 to 30 Sep 2024 RM'000	3 Months 1 Jul 2023 to 30 Sep 2023 RM'000
Sale of fast food and restaurant operations among subsidiaries	50	8
Sale of limestones among subsidiaries	140	148
Rental income among subsidiaries	57	24
Management fee among subsidiaries	636	336
Consultancy fee among subsidiaries	699	336
Rental expenses among subsidiaries	57	24

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NOTES ON THE QUARTERLY REPORT- 30 SEPTEMBER 2024

A15. Group Segmental Information

	Head office & others		Food and franchise operations		Property investment & management		Resources & sustainable energy		Total Consolidated	
	30.09.2024 RM'000	30.09.2023 RM'000	30.09.2024 RM'000	30.09.2023 RM'000	30.09.2024 RM'000	30.09.2023 RM'000	30.09.2024 RM'000	30.09.2023 RM'000	30.09.2024 RM'000	30.09.2023 RM'000
Revenue										
External revenue	9	9	17,848	14,538	373	1,211	991	1,127	19,221	16,885
Inter-segment revenue	1,335	672	49	8	-	-	140	148	1,524	828
Total revenue	1,344	681	17,897	14,546	373	1,211	1,131	1,275	20,745	17,713
Less: Inter-segment revenue									(1,524)	(828)
									19,221	16,885
Results										
Segment results	(151,335)	26,879	1,948	1,216	(1,858)	(547)	(3,085)	(385)	(154,330)	27,163
Consolidation elimination									457	(11)
									(153,873)	27,152
<i>Not included in the measure of segment loss:-</i>										
Depreciation and amortisation									(2,292)	(1,346)
Interest income									(1)	10
Finance costs									(883)	(544)
Share of results of an associate									-	(6,010)
Profit/(Loss) before tax									(157,049)	19,262
Income tax expenses									(313)	(253)
Profit/(Loss) for the financial year									(157,362)	19,009

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NOTES ON THE QUARTERLY REPORT- 30 SEPTEMBER 2024

A15. Group Segmental Information (Continued)

	Head office & others		Food and franchise operations		Property investment & management		Resources & sustainable energy		Total Consolidated	
	30.09.2024 RM'000	30.06.2024 RM'000	30.09.2024 RM'000	30.06.2024 RM'000	30.09.2024 RM'000	30.06.2024 RM'000	30.09.2024 RM'000	30.06.2024 RM'000	30.09.2024 RM'000	30.06.2024 RM'000
Assets										
Segment assets	750,782	959,506	55,331	55,679	535,162	537,375	259,012	259,487	1,600,287	1,812,047
Consolidation elimination									(727,811)	(781,597)
Consolidated total assets									872,476	1,030,450
Liabilities										
Segment liabilities	6,364	5,040	21,973	23,439	408,558	409,064	100,348	96,356	537,243	533,899
Tax payables	(12)	-	-	509	-	-	313	-	301	509
Loans and borrowings	19,137	19,993	5,096	4,855	338	354	21,420	22,252	45,991	47,454
Deferred tax liabilities	-	-	-	-	9,727	9,727	3,616	3,616	13,343	13,343
Lease liabilities	446	471	7,492	6,549	(2,344)	13	480	757	6,074	7,790
Consolidation elimination									(502,509)	(501,946)
Consolidated total liabilities									100,443	101,049

NOTES ON THE QUARTERLY REPORT- 30 SEPTEMBER 2024

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

B1. Financial Review for the Current Quarter

	Individual Quarter		Individual Quarter	
	1 Jul 2024 to 30 Sep 2024		1 Jul 2023 to 30 Sep 2023	
	Profit		Loss	
	Revenue	Before Tax	Revenue	Before Tax
	RM'000	RM'000	RM'000	RM'000
Head office & others	9	(153,231)	9	25,945
Food and franchise operations	17,848	1,396	14,538	936
Property investment & management	373	(1,694)	1,211	(357)
Resources & sustainable energy	991	(3,520)	1,127	(1,252)
Share of results of associate	-	-	-	(6,010)
Group revenue and profit/(loss) from (net of finance cost)	19,221	(157,049)	16,885	19,262

The Head Office and Others (HOO) reported a loss before tax of RM153.23 million, a significant decline compared to the profit before tax of RM25.95 million in the same quarter last year. This loss was primarily attributable to a fair value loss of RM148.38 million on quoted securities of Verde Resources, Inc. (stock code VRDR), listed on the US OTC Markets. The stock closed at USD 0.275 at the end of the quarter. Despite this temporary decline in value, the company remains confident in the stock's future performance and its potential for recovery.

Food and Franchise Operations (FFO) recorded a revenue increase from RM14.54 million to RM17.85 million compared to the corresponding quarter last year. This growth was primarily driven by an increase in the number of outlets, which rose from 127 to 134, and an improvement in market sentiment. The increase in profits to RM1.40 million for the current quarter, compared to RM0.94 million in the corresponding quarter last year, aligns with the revenue growth during the reporting quarter, highlighting the division's sustained positive performance.

Property Investment & Management (PIM) reported a decline in revenue to RM0.37 million for the quarter under review, compared to RM1.21 million in the corresponding quarter last year. The loss before tax widened to RM1.69 million, up from RM0.36 million previously. The decline in revenue and the increased losses were primarily due to reduced on-site activities following the completion of project management for an Integrated Limestone Processing Plant, leading to fewer operational engagements and lower financial performance for the quarter.

Resources & Sustainable Energy (RSE) recorded a revenue of RM0.99 million for the current quarter, a decrease from RM1.13 million in the corresponding quarter last year. The loss before tax increased to RM3.52 million, compared to RM1.25 million previously. 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- 30 SEPTEMBER 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 30 Sep 2024 RM'000	Immediate Preceding Quarter 30 Jun 2024 RM'000	Variances	
			RM'000	%
Revenue	19,221	22,171	(2,950)	-13%
Profit/(Loss) before taxation	(157,049)	131,267	(288,316)	-220%

In the current quarter under review, the Group reported revenue of RM19.22 million and a loss before tax of RM157.05 million, compared to the preceding quarter, which recorded revenue of RM22.17 million and a profit before tax of RM131.27 million.

The Group's lower reported revenue this quarter was mainly due to the higher contributions from Food and Franchise Operations (FFO) in the preceding quarter, driven by seasonal holidays. The significant loss before tax of RM148.38 million was primarily due to a fair value loss on quoted securities, compared to a fair value gain of RM228.35 million in the previous quarter. Despite these temporary fluctuations, the Group remains optimistic about the future performance and recovery potential of its stock.

B3. Prospects

Malaysia's economy is forecasted to grow between 4.5% and 5.5% in 2025, compared to 4.8% to 5.3% in 2024, according to the Ministry of Finance. This growth will be driven by the services sector, robust private sector expenditure, and stable global trade. The services sector, projected to grow by 5.5% in 2025, remains a key growth driver, supported by tourism activities, consistent exports, and the expansion of ICT-related industries. The Group plans to leverage this positive economic momentum by refining its business strategies and exploring new opportunities to deliver sustainable returns to shareholders in the fiscal year ending 2025.

NOTES ON THE QUARTERLY REPORT- 30 SEPTEMBER 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
	3 Months 1 Jul 2024 to 30 Sep 2024 RM'000
Income tax- current year	(313)
Income tax- prior year	-
Deferred tax- current year	-
	(313)

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- 30 SEPTEMBER 2024

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

B6. Status of Corporate Proposals (Continued)

- (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 11 October 2024, the Company announced that Bursa Malaysia Securities Berhad ("Bursa Securities") had, vide its letter dated 11 October 2024, approved the following: -

- i. Admission to the Official List and listing and quotation of up to 3,520,107,297 Warrants E to be issued pursuant to the Proposed Bonus Issue of Warrants;
- ii. Listing and quotation of up to 3,520,107,297 new Bornoil Shares to be issued pursuant to the exercise of the Warrants E; and
- iii. Listing and quotation of such number of additional new Bornoil Shares representing up to 15% of the total number of issued Shares (excluding treasury shares, if any) to be issued pursuant to the Proposed New ESOS.

On 30 October 2024, the Company announced via Bursa LINK the issuance of a circular to shareholders in relation to the: -

- i. Proposed Bonus Issue of up to 3,520,107,297 free Warrants in Borneo Oil Berhad ("Bornoil" or the "Company") ("Warrant(s) E") on the basis of 1 Warrant E for every 4 existing ordinary shares in Bornoil ("Bornoil Share(s)" or Share(s)) held by the entitled shareholders whose names appear in the Company's record of depositors on an entitlement date to be determined and announced later ("Proposed Bonus Issue of Warrants"); and
- ii. Proposed establishment of New Employees' Share Option Scheme ("ESOS") of up to 15% of the total number of issued shares of Bornoil (excluding treasury shares, if any) at any point in time over the duration of the new ESOS ("Proposed New ESOS")

and Notice of Extraordinary General Meeting

BORNEO OIL BERHAD
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NOTES ON THE QUARTERLY REPORT- 30 SEPTEMBER 2024

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

B7 Borrowings and Debts Securities

	Unaudited as at 30 Sep 2024 RM'000	Audited as at 30 Jun 2024 RM'000
Short term borrowings:		
- Bank overdrafts	1,700	1,509
- Bankers' acceptances	1,029	589
- Term loans	2,460	2,442
- Hire purchase payables	1,662	2,212
	<u>6,851</u>	<u>6,752</u>
Long term borrowings:		
- Term loans	37,120	38,701
- Hire purchase payables	2,020	2,001
	<u>39,140</u>	<u>40,702</u>
Total borrowings	<u>45,991</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.

BORNEO OIL BERHAD
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NOTES ON THE QUARTERLY REPORT- 30 SEPTEMBER 2024

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

B10. Earnings per Share

	Individual Quarter	
	3 Months	3 Months
	1 Jul 2024 to 30 Sep 2024	1 Jul 2023 to 30 Sep 2023
(a) Basic EPS		
Net profit/ (loss) for the period/year attributable to equity holders (RM'000)	(157,362)	19,009
Weighted average number of ordinary shares in issue ('000)	11,992,135	11,944,331
Basic earnings/(loss) per share (sen)	(1.31)	0.16

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	
	3 Months	3 Months
	1 Jul 2024 to 30 Sep 2024 RM'000	1 Jul 2023 to 30 Sep 2023 RM'000
Profit before tax is arrived after (charging):		
CSR expenses	(4)	-
Depreciation of property, plant and equipment	(645)	(848)
Depreciation of right of use assets	(1,647)	(498)
Employee share option scheme ("ESOS")	-	(473)
Fair value loss on investment in quoted securities	(146,959)	-
Loss on realised exchange difference	-	(6)
Loss on unrealised exchange difference	(4,710)	(1)
Property, plant and equipment written off	(18)	(15)
Interest expense	(883)	(544)
and crediting the following items:		
Fair value gain on investment in quoted securities	-	27,723
Gain on disposal of investment in quoted shares	-	2
Gain on realised exchange difference	27	-
Gain on unrealised exchange difference	253	166
Reversal of impairment loss on other receivables	247	-
Interest income	1	10
Rental income	296	145

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NOTES ON THE QUARTERLY REPORT- 30 SEPTEMBER 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
29 November 2024