

BORNEO OIL BERHAD

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED
30 SEPTEMBER 2025**

(THE FIGURES HAVE NOT BEEN AUDITED)

BORNEO OIL BERHAD
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(THE FIGURES HAVE NOT BEEN AUDITED)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter	
	3 Months	3 Months
	1 Jul 2025 to	1 Jul 2024 to
	30 Sep 2025	30 Sep 2024
	RM'000	RM'000
Revenue	18,884	19,221
Cost of sales	(14,669)	(16,609)
Gross profit	4,215	2,612
Other income	346	846
Operating expenses	(7,444)	(7,935)
Other operating expenses	(2,780)	(151,689)
Loss from operations	(5,663)	(156,166)
Finance costs	(1,401)	(883)
Share of results of an associate	-	-
Loss before taxation	(7,064)	(157,049)
Taxation	(411)	(313)
Loss for the period	(7,475)	(157,362)
Other comprehensive deficit for the financial period/year		
- Foreign currency translation	14	(6)
Total comprehensive deficit for the financial period	(7,461)	(157,368)
Loss attributable to:		
- Owners of the parent	(7,475)	(157,362)
- Non- controlling interest	-	-
	(7,475)	(157,362)
Total comprehensive deficit attributable to:		
- Owners of the parent	(7,461)	(157,368)
- Non- controlling interest	-	-
	(7,461)	(157,368)
Loss per share		
- basic (sen)	(0.05)	(1.31)

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 2025.

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited as at 30 Sep 2025 RM'000	Audited as at 30 Jun 2025 RM'000
Non Current Assets		
Properties, plant and equipment	12,916	13,142
Right-of-use assets	117,067	118,992
Investment properties	493,312	493,312
Other investments	81,013	76,907
	<u>704,308</u>	<u>702,353</u>
Current Assets		
Inventories	21,592	22,260
Biological assets	92	92
Trade receivables	5,759	6,518
Other receivables, deposits and prepayments	17,307	17,995
Tax recoverables	280	837
Amount owing by an associate	7,438	8,700
Fixed deposits with licensed banks	3,356	4,175
Cash and bank balances	8,945	9,785
	<u>65,526</u>	<u>70,362</u>
Total Assets	<u>769,834</u>	<u>772,715</u>
Equity		
Share capital	736,274	727,257
Reserves	55,970	55,956
Accumulated loss	(143,476)	(136,001)
	<u>648,768</u>	<u>647,212</u>
Non- controlling interests	208	208
	<u>648,976</u>	<u>647,420</u>
Non Current Liabilities		
Deferred tax liabilities	13,343	13,343
Lease liabilities	5,979	5,646
Hire purchase payables	823	812
Term loans	57,882	59,227
	<u>78,027</u>	<u>79,028</u>
Current Liabilities		
Trade payables	8,947	8,576
Other payables, deposits and accruals	16,001	15,174
Amount owing to an associate	7,702	6,788
Tax payables	393	780
Lease liabilities	369	1,389
Hire purchase payables	685	951
Term loans	6,773	7,406
Banker's acceptances	665	3,865
Bank overdrafts	1,296	1,338
	<u>42,831</u>	<u>46,267</u>
Total Equity and Liabilities	<u>769,834</u>	<u>772,715</u>
Net assets per share (RM)	<u>0.04</u>	<u>0.05</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 2025.

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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 RM'000	ESOS Reserve RM'000	Warrants Reserve RM'000	Translation Reserve RM'000	Other Reserves RM'000	Retained Earnings/ Accumulated loss RM'000	Total RM'000	Non- controlling interest RM'000	Total Equity RM'000
At 1 July 2025	727,257	-	92,803	(210)	(36,637)	(136,001)	647,212	-	647,212
Total comprehensive deficit for the financial year:-									
Loss for the financial period	-	-	-	-	-	(7,475)	(7,475)	-	(7,475)
Other comprehensive deficit for the financial period	-	-	-	14	-	-	14	-	14
Total comprehensive deficit	-	-	-	14	-	(7,475)	(7,461)	-	(7,461)
Transactions with owner:-									
Changes in ownership interest in a subsidiary	-	-	-	-	-	-	-	208	208
Share - based payment transactions	-	418	-	-	-	-	418	-	418
Employee Share Option Scheme exercised	2,678	(418)	-	-	-	-	2,260	-	2,260
Warrants exercised	6,339	-	-	-	-	-	6,339	-	6,339
Total transactions with owners	9,017	-	-	-	-	-	9,017	208	9,225
At 30 September 2025	736,274	-	92,803	(196)	(36,637)	(143,476)	648,768	208	648,976

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QUARTERLY REPORT ON CONSOLIDATED RESULTS
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(THE FIGURES HAVE NOT BEEN AUDITED)

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	Non-controlling interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2024	709,329	-	92,803	(153)	(36,637)	164,060	929,402	-	929,402
Total comprehensive income for the financial year:-									
Loss for the financial year	-	-	-	-	-	(300,061)	(300,061)	(47)	(300,108)
Other comprehensive deficit for the financial year	-	-	-	(57)	-	-	(57)	-	(57)
Total comprehensive income	-	-	-	(57)	-	(300,061)	(300,118)	(47)	(300,165)
Transactions with owners:-									
Changes in ownership interest in a subsidiary	-	-	-	-	-	-	-	255	255
Share - based payment	-	3,894	-	-	-	-	3,894	-	3,894
Employee Share Option Scheme exercised	15,354	(3,894)	-	-	-	-	11,460	-	11,460
Warrant exercised	2,574	-	-	-	-	-	2,574	-	2,574
Total transactions with owners	17,928	-	-	-	-	-	17,928	255	18,183
At 30 June 2025	727,257	-	92,803	(210)	(36,637)	(136,001)	647,212	208	647,420

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 2025.

BORNEO OIL BERHAD**Company Reg. No. 198901005309 (121919-H)****Incorporated in Malaysia****QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2025
(THE FIGURES HAVE NOT BEEN AUDITED)****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	3 Months 1 Jul 2025 to 30 Sep 2025 RM'000	3 Months 1 Jul 2024 to 30 Sep 2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES:-		
Loss before taxation	(7,065)	(157,048)
Adjustments for:		
Amortisation of right- of- use assets	1,607	1,647
Depreciation of properties, plant and equipment	594	645
Employees' share option scheme ("ESOS")	418	-
Fair value loss on investment in quoted securities	2,342	146,959
Gain on disposal of property, plant and equipment	(29)	-
Gain on realised exchange difference	(1)	(27)
Gain on unrealised exchange difference	-	(253)
Interest income	(14)	(1)
Interest expense	1,401	883
Loss on unrealised exchange difference	22	4,710
Property, plant and equipment written off	-	18
(Reversal of)/Provision for slow- moving inventories	9	-
Reversal of impairment loss on other receivables	-	(247)
	<u>(716)</u>	<u>(2,714)</u>
Changes in working capital:-		
Inventories	659	1,475
Trade and other receivables	573	1,617
Trade and other payables	1,348	(1,314)
Contract asset	(53)	-
Associate company	<u>2,177</u>	<u>5,603</u>
	3,988	4,667
Tax paid	(242)	(194)
Tax refunded	-	-
Interest paid	<u>(1,401)</u>	<u>(883)</u>
Net cash used in operating activities	<u>2,345</u>	<u>3,590</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 2025.

BORNEO OIL BERHAD**Company Reg. No. 198901005309 (121919-H)****Incorporated in Malaysia****QUARTERLY REPORT ON CONSOLIDATED RESULTS
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(THE FIGURES HAVE NOT BEEN AUDITED)****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**

	3 Months 1 Jul 2025 to 30 Sep 2025 RM'000	3 Months 1 Jul 2024 to 30 Sep 2024 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES:-		
Interest received	14	1
Placement of fixed deposits with licensed banks	818	-
Proceeds from disposal of properties, plant and equipment	70	-
Purchase of quoted shares	(6,450)	(2,923)
Purchase of properties, plant and equipment	(408)	(39)
Net cash used in investing activities	(5,956)	(2,961)
CASH FLOWS FROM FINANCING ACTIVITIES:-		
ESOS exercised	2,260	-
Warrants exercised	6,339	-
Repayment of term loans, net	(1,978)	(1,564)
Repayment of hire purchase payables, net	(254)	(531)
(Repayment)/ Drawdown of banker's acceptance, net	(3,200)	440
Payment of lease liabilities	(368)	(398)
Acquisition of treasury shares	-	-
Net cash generated from financing activities	2,799	(2,053)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(812)	(1,424)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	14	(6)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	8,447	8,118
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	7,649	6,688
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	8,945	8,388
Bank overdrafts	(1,296)	(1,700)
	7,649	6,688

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 2025.

NOTES ON THE QUARTERLY REPORT- 30 SEPTEMBER 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 2025.

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 2025.

A2. Changes in accounting policies arising from the adoption of new MFRSs, Amendments/Improvements to MFRSs and new IC Interpretations adopted during the financial year

The Group and the Company adopted the following standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board (“MASB”) during the financial year: -

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

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.

New MFRSs, Amendments/Improvements to MFRSs and New IC Interpretations (“IC Int”) that have been issued but not yet effective for current financial year

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group and the Company: -

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 SEPTEMBER 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*
- Amendments to 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

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments, where applicable from the annual period beginning on 1 July 2025 for those accounting standards, interpretations and amendments that are effective for annual periods beginning on or after 1 January 2025.

The initial application for the accounting standards, interpretations and amendments are not expected to have any material financial impact to the current period or prior period financial statements of the Group and of the Company.

NOTES ON THE QUARTERLY REPORT- 30 SEPTEMBER 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 2025 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 633,910,150 Warrant E were granted and exercised at RM0.01 per share and 452,000,000 new ordinary shares were issued pursuant to the exercise of ESOS. There are no outstanding options that were granted and exercised under the existing ESOS.

As at the quarter ended, there were a total of 15,135,480,380 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 SEPTEMBER 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 RM82.87 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 2025.

NOTES ON THE QUARTERLY REPORT- 30 SEPTEMBER 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	
	3 Months 1 Jul 2025 to 30 Sep 2025 RM'000	3 Months 1 Jul 2024 to 30 Sep 2024 RM'000
Sale of fast food and restaurant operations among subsidiaries	-	50
Sale of limestones among subsidiaries	38	140
Rental income among subsidiaries	72	57
Management fee among subsidiaries	6	636
Consultancy fee among subsidiaries	694	699
Rental expenses among subsidiaries	72	57

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NOTES ON THE QUARTERLY REPORT- 30 SEPTEMBER 2025

A15. Group Segmental Information

	Head office & others		Food and franchise operations		Property investment & management		Resources & sustainable energy		Total Consolidated	
	30.09.2025	30.09.2024	30.09.2025	30.09.2024	30.09.2025	30.09.2024	30.09.2025	30.09.2024	30.09.2025	30.09.2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue										
External revenue	9	9	17,794	17,848	266	373	815	991	18,884	19,221
Inter-segment revenue	700	1,335	-	49	-	-	39	140	739	1,524
Total revenue	709	1,344	17,794	17,897	266	373	854	1,131	19,623	20,745
Less: Inter-segment revenue									(739)	(1,524)
									<u>18,884</u>	<u>19,221</u>
Results										
Segment results	(2,735)	(151,335)	1,536	1,948	(264)	(1,858)	(2,027)	(3,085)	(3,490)	(154,330)
Consolidation elimination									14	457
									<u>(3,476)</u>	<u>(153,873)</u>
<i>Not included in the measure of segment loss:-</i>										
Depreciation and amortisation									(2,201)	(2,292)
Interest income									14	(1)
Finance costs									(1,401)	(883)
Share of results of an associate									-	-
Loss before tax									<u>(7,064)</u>	<u>(157,049)</u>
Income tax expenses									(411)	(313)
Loss for the financial period									<u>(7,475)</u>	<u>(157,362)</u>

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Incorporated in Malaysia

NOTES ON THE QUARTERLY REPORT- 30 SEPTEMBER 2025

A15. Group Segmental Information (Continued)

	Head office & others		Food and franchise operations		Property investment & management		Resources & sustainable energy		Total Consolidated	
	30.09.2025	30.06.2025	30.09.2025	30.06.2025	30.09.2025	30.06.2025	30.09.2025	30.06.2025	30.09.2025	30.06.2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Assets										
Segment assets	664,404	661,920	54,256	56,142	544,543	545,681	264,361	266,207	1,527,564	1,529,950
Consolidation elimination									(757,730)	(757,235)
Consolidated total assets									<u>769,834</u>	<u>772,715</u>
Liabilities										
Segment liabilities	2,533	1,459	28,028	26,913	424,154	425,012	112,438	111,078	567,153	564,462
Tax payables	(18)	-	1	780	-	-	411	-	394	780
Loans and borrowings	46,170	47,501	4,221	7,436	274	287	17,459	18,375	68,124	73,599
Deferred tax liabilities	-	-	-	-	9,727	9,727	3,616	3,615	13,343	13,342
Lease liabilities	345	371	5,134	5,748	72	26	797	889	6,348	7,034
Consolidation elimination									(534,504)	(533,923)
Consolidated total liabilities									<u>120,858</u>	<u>125,294</u>

NOTES ON THE QUARTERLY REPORT- 30 SEPTEMBER 2025

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

B1. Financial Review for the Current Quarter

	Individual Quarter		Individual Quarter	
	1 Jul 2025 to 30 Sep 2025		1 Jul 2024 to 30 Sep 2024	
		Profit/(Loss)		Profit/(Loss)
	Revenue	Before Tax	Revenue	Before Tax
	RM'000	RM'000	RM'000	RM'000
Head office & others	9	(4,680)	9	(153,231)
Food and franchise operations	17,794	1,391	17,848	1,396
Property investment & management	266	(1,481)	373	(1,694)
Resources & sustainable energy	815	(2,294)	991	(3,520)
Share of results of associate	-	-	-	-
Group revenue and profit/(loss) from (net of finance cost)	18,884	(7,064)	19,221	(157,049)

The Head Office and Others (HOO) recorded a loss of RM4.68 million for the quarter, compared to RM153.23 million in the same period last year. The substantially higher loss last year was mainly due to a fair value decrease of RM148.38 million on quoted securities in Verde Resources, Inc. (OTC: VRDR), compared to a smaller decrease of RM2.34 million in the current quarter.

Food and Franchise Operations (FFO) recorded revenue of RM17.79 million, broadly unchanged from RM17.85 million in the corresponding quarter last year. During the quarter, the number of outlets increased from 143 to 156, reflecting strong expansion performance. The segment posted a profit of RM1.39 million, compared to RM1.40 million in the same quarter last year, consistent with the accrual basis of profit recognition.

Property Investment & Management (PIM) recorded revenue of RM0.27 million for the quarter, compared to RM0.37 million in the same period last year. The segment reported a loss of RM1.48 million, slightly improved from a loss of RM1.69 million in the corresponding quarter, mainly due to reduced business activities within the segment.

Resources & Sustainable Energy (RSE) posted revenue of RM0.82 million for the quarter, compared to RM0.99 million in the corresponding period last year. The segment reported a loss of RM2.29 million, compared to a loss of RM3.52 million in the same quarter last year, mainly due to lower business activities during the period under review.

NOTES ON THE QUARTERLY REPORT- 30 SEPTEMBER 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 Sep 2025 RM'000	Preceding Quarter ended 30 Jun 2025 RM'000	Variances	
			RM'000	%
Revenue	18,884	22,782	(3,898)	-17%
Loss before taxation	(7,064)	(89,028)	81,964	-92%

The Group reported revenue of RM18.88 million for the quarter, down from RM22.78 million in the preceding quarter. Nevertheless, the Group recorded a lower loss of RM7.06 million, compared to RM89.03 million in the prior quarter.

The higher revenue in the preceding quarter was primarily driven by increased supply of raw materials from the Resources & Sustainable Energy (RSE) segment. During that quarter, the Group also recorded a fair value loss of RM81.01 million on quoted securities, which significantly widened the loss to RM89.03 million. Excluding this impact, the loss for the current quarter is broadly in line with the preceding quarter.

While the losses arising from fair value adjustments and mark-to-market movements affected short-term results, the Group remains confident in its operational fundamentals and long-term recovery prospects.

B3. Prospects

Both headline and core inflation are projected to stay moderate for the remainder of the year, supported by stable domestic demand and continued easing of global cost pressures. Alongside government measures to mitigate the impact of domestic policy reforms on households, these factors are expected to maintain a low and stable inflation environment. Looking ahead to 2026, inflation is anticipated to remain moderate, underpinned by steady domestic demand, a stable labor market, and favorable supply conditions.

Amid these macroeconomic conditions, the Group remains committed to its strategic priorities: pursuing targeted expansion in high-growth sectors, harnessing technology to enhance operational efficiency, and implementing disciplined cost optimization — all aimed at building a more sustainable and resilient revenue base.

NOTES ON THE QUARTERLY REPORT- 30 SEPTEMBER 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	3 Months
	1 Jul 2025 to	1 Jul 2025 to
	30 Sep 2025	30 Sep 2025
	RM'000	RM'000
Income tax- current year	(411)	(411)
Income tax- prior year	-	-
	(411)	(411)

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 SEPTEMBER 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 891,345,150 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 2,252,000,000 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 SEPTEMBER 2025

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

B7 Borrowings and Debts Securities

	Unaudited as at 30 Sep 2025 RM'000	Audited as at 30 Jun 2025 RM'000
Short term borrowings:		
- Bank overdrafts	1,296	1,338
- Bankers' acceptances	665	3,864
- Term loans	6,773	7,406
- Hire purchase payables	685	951
	<u>9,419</u>	<u>13,559</u>
Long term borrowings:		
- Term loans	57,882	59,227
- Hire purchase payables	823	812
	<u>58,705</u>	<u>60,039</u>
Total borrowings	<u>68,124</u>	<u>73,598</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 SEPTEMBER 2025

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

B10. Earnings per Share

	Individual Quarter	
	3 Months	3 Months
	1 Jul 2025 to 30 Sep 2025	1 Jul 2024 to 30 Sep 2024
(a) Basic EPS		
Net (loss)/profit for the period/year attributable to equity holders (RM'000)	(7,475)	(157,362)
Weighted average number of ordinary shares in issue ('000)	14,859,817	11,992,135
Basic (loss)/earning per share (sen)	(0.05)	(1.31)

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	
	3 Months	3 Months
	1 Jul 2025 to 30 Sep 2025 RM'000	1 Jul 2024 to 30 Sep 2024 RM'000
(Loss)/Profit before tax is arrived after (charging):		
Amortisation of right- of- use assets	-	(1,647)
CSR expenses	(6)	(4)
Depreciation of property, plant and equipment	(594)	(645)
Employee share option scheme ("ESOS")	(418)	-
Fair value loss on investment in quoted securities	(2,342)	(146,959)
Loss on realised exchange difference	-	-
Loss on unrealised exchange difference	(22)	(4,710)
Property, plant and equipment written off	-	(18)
Provision for slow- moving inventories	-	-
Interest expense	(1,401)	(883)

NOTES ON THE QUARTERLY REPORT- 30 SEPTEMBER 2025

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

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

	Individual Quarter	
	3 Months 1 Jul 2025 to 30 Sep 2025 RM'000	3 Months 1 Jul 2024 to 30 Sep 2024 RM'000
and crediting the following items:		
Gain on disposal of investment in quoted shares	-	-
Gain on disposal of property, plant and equipment	29	-
Gain on realised exchange difference	1	27
Gain on unrealised exchange difference	-	253
Reversal of impairment loss on other receivables	-	247
Interest income	14	1
Rental income	227	296

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
28 November 2025