Corporate and Business Update

(Issued in conjunction with the Quarterly Report for the Financial Quarter Ended 30 September 2022)

Kuala Lumpur, 22 November 2022 – 12.30pm

High Oil Prices Continue to Positively Impact Financials

Highlights

- Hibiscus Petroleum Berhad ("**Hibiscus Petroleum**" or the "**Group**") announced earnings before interest, taxes, depreciation and amortisation ("**EBITDA**") of RM298.4 million and a profit after taxation ("**PAT**") of RM135.3 million for the financial quarter ended 30 September 2022 ("**Current Quarter**"), on the back of average realised oil prices of over USD110 per barrel ("**bbl**").
- For the Current Quarter, a total of 1.0 MMbbl oil and condensate and over 510,000 boe of gas were sold.
- For the financial year ending 30 June 2023 ("**FY2023**"), the Group remains on track to sell a total of approximately 7.2 to 7.5 MMboe of oil, condensate and gas.

This Corporate and Business Update covers business activities over the Current Quarter and provides commentary on the operational and financial performance of the Group.

Operational Performance in the Current Quarter

Figure 1 below summarises the operational performance of the Group for the Current Quarter.

	Unit	North Sabah	Anasuria Cluster	Peninsula Hibiscus Group[1]	Total or Average
Average uptime	%	93	53	88	-
Average gross oil & condensate production	bbl/day	14,975	4,182	17,310	36,467
Average net oil & condensate production	**bbl/day**	**4,732**	**1,211**	**4,942**	**10,885**
Average gross gas export rate @	boe/day	-	1,020	25,488	26,508
Average net gas export rate	**boe/day**	-	**258**	**5,633**	**5,891**
Average net oil, condensate and gas production rate	**boe/day**	**4,732**	**1,468**	**10,575**	**16,775**
Total oil & condensate sold	bbl	289,635	143,728	570,435	1,003,798
Total gas sold	MMscf	-	142	2,944	3,086
Total oil, condensate & gas sold	**boe**	**289,635**	**167,395**	**1,061,097**	**1,518,127**
Average realised oil & condensate price	USD/bbl	111.54	97.12	115.28	111.60
Average gas price	USD/Mscf	-	38.63	5.78	-
Average realised oil, condensate and gas price	USD/boe	111.54	116.21	78.01	88.61
Average production OPEX per boe[2]	USD/boe	20.56	37.02	18.48	20.51

Figure 1: Summary of operational performance for the Current Quarter.

Notes to Figure 1:
[1] *Peninsula Hibiscus Group's assets include 2012 Kinabalu Oil PSC, PM3 CAA PSC, PM305 PSC, PM314 PSC and Block 46 Cai Nuoc PSC.*
[2] *This is computed based on gross production OPEX divided by gross oil, condensate and gas production.*
@ *Conversion rate of 6,000 standard cubic feet ("**scf**") per boe.*
Mscf – thousand scf.
MMscf – million scf.
Figures are subject to rounding.

Q2 FY2023 and Q3 FY2023 Oil and Condensate Offtake Schedule and Gas Sales

Figure 2 below illustrates the latest estimate of the Group's oil and condensate offtake schedule and gas sales from our producing assets for the financial quarter ending 31 December 2022 ("**Q2 FY2023**") as well as the financial quarter ending 31 March 2022 ("**Q3 FY2023**"). During these periods, we estimate to sell a total of 2.1 MMboe and 1.8 MMboe of oil, condensate and gas respectively, net to the Group. In FY2023, we target to sell a total of approximately between 7.2 to 7.5 MMboe of oil, condensate and gas.

		Total oil, condensate and gas sales volume (boe)							
		Latest Estimate – Q2 FY2023				**Latest Estimate – Q3 FY2023**			
		October 2022	**November 2022**	**December 2022**	**Total**	**January 2022**	**February 2022**	**March 2022**	**Total**
North Sabah	Oil	250,184 @	- @@	288,000 @@	538,184 @@	- @@	- @@	300,000 @@	300,000 @@
Kinabalu	Oil	288,106 @	- @@	- @@	288,106 @@	- @@	315,000 @@	- @@	315,000 @@
PM305/ PM314	Oil	3,064 @	3,600 @@	3,700 @@	10,364 @@	3,700 @@	3,200 @@	3,500 @@	10,400 @@
PM3 CAA	Oil & Cond. Gas	- @ 235,697 @	98,000 @@ 235,000 @@	93,000 @@ 259,000 @@	191,000 @@ 729,697 @@	99,000 @@ 242,000 @@	101,000 @@ 180,000 @@	100,000 @@ 238,000 @@	300,000 @@ 660,000 @@
Anasuria Cluster	Oil Gas	- @ 9,900 @	- @@ 11,200 @@	180,000 @@ 9,800 @@	180,000 @@ 30,900 @@	- @@ 9,300 @@	- @@ 8,200 @@	190,000 @@ 9,000 @@	190,000 @@ 26,500 @@
Block 46	Oil	125,521 @	- @@	- @@	125,521 @@	- @@	- @@	- @@	- @@
Total		**912,472** @	**347,800** @@	**833,500** @@	**2,093,772** @@	**354,000** @@	**607,400** @@	**840,500** @@	**1,801,900** @@
	Oil & Cond. Gas	666,875 @ 245,597 @	101,600 @@ 246,200 @@	564,700 @@ 268,800 @@	1,333,175 @@ 760,597 @@	102,700 @@ 251,300 @@	419,200 @@ 188,200 @@	593,500 @@ 247,000 @@	1,115,400 @@ 686,500 @@

Figure 2: The Group's offtake schedule for Q2 FY2023 and Q3 FY2023.

Notes to Figure 2:
@ *Actual.*
@@ *Estimate.*

Operational Updates

Production

Malaysia South China Sea

North Sabah PSC: Production Operations

The table below provides a summary of key operational statistics for the North Sabah asset, based on the 50% participating interest held by SEA Hibiscus Sdn Bhd ("**SEA Hibiscus**"), for the Current Quarter and for the prior three financial quarters:

	Unit	July to September 2022[3]	April to June 2022[3]	January to March 2022	October to December 2021
Average uptime	%	93	85	86	92
Average gross oil production	bbl/day	14,975	13,901	14,463	16,311
Average net oil production	bbl/day	4,732	4,275	4,488	5,991
Total oil sold	bbl	289,635	611,800	300,252	587,374
Average realised oil price[1]	USD/bbl	111.54	119.80	89.58	75.15
Average production OPEX per bbl[2]	USD/bbl	20.56	27.94	12.87	13.06

Figure 3: Operational performance for the North Sabah asset.

Notes to Figure 3:

[1] *The average realised oil price represents the weighted average price of all Labuan crude oil sales from SEA Hibiscus.*

[2] *This is computed based on gross production OPEX divided by gross oil production.*

[3] *Figures for the period July 2022 to September 2022 are provisional and may change subject to the PSC Statement audit and PETRONAS's review.*

The average uptime of the North Sabah production facilities of 93%, achieved during the Current Quarter, is higher to that delivered for the financial quarter ended 30 June 2022 ("**Preceding Quarter**"). Average gross oil production increased by 7.7% during the Current Quarter when compared to the Preceding Quarter, primarily attributable to the completion of annual planned major maintenance campaign for calendar year ("**CY**") 2022 in August 2022. This campaign took place from March 2022 to August 2022. As such, related activities in the Preceding Quarter were higher as they were for the full three months compared to two months in the Current Quarter. Consequently, average OPEX per bbl for North Sabah decreased to USD20.56 as compared to the Preceding Quarter's OPEX per bbl of USD27.94.

A total of 289,635 bbls of oil, net to SEA Hibiscus was sold at an average oil price of USD111.54 per bbl in the Current Quarter, representing a decrease of 6.9% when compared to the Preceding Quarter's realised average oil price. It should be noted that as shown in Figure 2, SEA Hibiscus expects to sell approximately 538,184 bbls of oil in Q2 FY2023.

In terms of expenditure, costs related to seismic processing and interpretation, specialised studies, production maintenance and support services during the Current Quarter resulted in a capital expenditure of RM2.4 million net to SEA Hibiscus.

North Sabah PSC: South Furious 30 Water Flood Phase 2

On 2 June 2022, PETRONAS approved Milestone Review 4 (MR4) for the South Furious 30 Water Flood Phase 2, which entails the drilling of 6 water injectors and 5 oil infill wells at the South Furious 30 field over 2 years: CY2023 and CY2024. The objective of the water injection project is to increase production and reserves recovery via pressure support and sweep into existing and new oil producers. The 11 wells will be drilled from a newly installed well head platform, bridge linked to an existing jacket. The drilling campaign is tentatively planned to commence from September 2023, and a new water injection facility is expected to be introduced to the field in August 2024. Milestone Review 5 (MR5) approval is expected to be given by the end of November 2022, upon which the project can proceed to the sanctioning phase. MR5 is the final review by PETRONAS.

Kinabalu Oil PSC: Production Operations

The table below provides a summary of key operational statistics for the Kinabalu asset, based on the 60% participating interest held by Hibiscus Oil & Gas Malaysia Limited ("**HML**") (formerly known as Repsol Oil & Gas Malaysia Limited), for the Current Quarter, the Preceding Quarter, as well as for the months of February and March 2022:

	Unit	July to Sep 2022[1]	April to June 2022	February to March 2022
Average uptime	%	78	92	86
Average gross oil production	bbl/day	5,925	11,343	10,389
Average net oil production	bbl/day	2,459	3,475	3,219
Total oil sold	bbl	288,540	350,236	0[2]
Average realised oil price	USD/bbl	118.04	121.15	-
Average production OPEX per bbl[3]	USD/bbl	21.20	7.35	5.97

Figure 4: Operational performance for the Kinabalu asset.

Notes to Figure 4:

1 *Figures for the period July 2022 to September 2022 are provisional and may change subject to the PSC Statement audit and PETRONAS's review.*

2 *Oil offtake in January was conducted prior to the completion of the acquisition of the entire equity interest in Fortuna International Petroleum Corporation ("**FIPC**") from Repsol Exploración, S.A. ("**FIPC Acquisition**") on 24 January 2022.*

3 *This is computed based on gross production OPEX divided by gross oil production.*

Average gross oil production decreased by approximately 47.8% in the Current Quarter compared to the Preceding Quarter due to the annual planned major maintenance campaign for CY2022 which took place from 29 July 2022 to 9 August 2022, during which the production facilities were shut down for 11 days. The low production level was exacerbated by a slower than planned production ramp up post-shutdown caused by the unavailability of the high pressure ("**HP**") compressor, due to issues encountered with the HP compressor tubular bracing installation. The uptime metric was also adversely impacted by the HP compressor issue which affect the supplies of gas lift to the oil wells, and an emergency shutdown at platform due to power failure in late September 2022. The HP compressor issue was successfully resolved in the last week of September 2022.

Average OPEX per bbl increased to USD21.20 when compared to the Preceding Quarter due to higher expenditures incurred during the shutdown activities coupled with lower production levels. As shown in Figure 2, HML expects to sell approximately 288,106 bbl of oil in Q2 FY2023.

In terms of expenditure, costs related to the Electrical Submersible Pump Pilot Facilities and other minor production maintenance activities during the Current Quarter resulted in a capital expenditure of RM7.7 million net to HML.

Commercial Arrangement Area

PM3 CAA PSC: Production Operations

The table below provides a summary of key operational statistics for the PM3 CAA asset, based on the 35% participating interest held by HML and Hibiscus Oil & Gas Malaysia (PM3) Limited ("**HMPM3**") (formerly known as Repsol Oil & Gas Malaysia (PM3) Limited), for the Current Quarter, the Preceding Quarter, as well as the months of February and March 2022:

	Unit	July to Sep 2022[1]	April to June 2022	February to March 2022
Average uptime	%	93	94	97
Average gross oil & condensate production	bbl/day	10,855	14,019	14,303
Average net oil & condensate production	bbl/day	2,279	2,590	2,491
Average gross gas export rate	boe/day	25,488	33,491	36,209
Average net gas export rate	boe/day	5,633	6,360	7,174
Average net oil & condensate equivalent production rate	boe/day	7,912	8,950	9,665
Total oil & condensate sold	Bbl	272,867	293,346	89,669
Total gas sold	MMscf	2,944	3,429	2,553
Average realised oil & condensate price	USD/bbl	112.46	113.99	123.69
Average realised gas price	USD/Mscf	5.78	8.00	6.98
Average production OPEX per boe[2]	USD/boe	18.00	10.16	11.73

Figure 5: Operational performance for the PM3 CAA asset.

Notes to Figure 5:

1 *Figures for the period July 2022 to September 2022 are provisional and may change subject to the PSC Statement audit and PETRONAS's review.*

2 *This is computed based on gross production OPEX divided by gross oil, condensate and gas production.*

Average gross oil and condensate production fell by approximately 22.6% in the Current Quarter compared to the Preceding Quarter mainly due to annual planned major maintenance campaign for CY2022 which took place from 20 August 2022 to 2 September 2022. The production facilities were shut down for 14 days during this period. In addition, production was further impacted by a production ramp up delay caused by drilling rig mobilisation to the Bunga Raya B platform ("**BRB**") for an infill well drilling program, as well as poorer performance of the PM3 North gas injection compressor which disrupted gas lift supply to the oil wells. In CY2022, as at the Current Quarter, 4 wells have been drilled. A further 2 wells are expected in Q2 FY2023, taking the total for CY2022 to 6 wells.

Average OPEX per boe increased to USD18.00 as compared to the Preceding Quarter's OPEX per boe of USD10.16 primarily due to expenditure related to topside maintenance, integrity and upgrade activities throughout the quarter during the annual planned major maintenance campaign. Average realised oil prices in Current Quarter were similar to that achieved in the Preceding Quarter, but average realised gas prices were lower due to High Sulphur Fuel Oil price (to which the gas price is benchmarked) trading at a higher than anticipated discount to Brent. In Q2 FY2023, as shown in Figure 2, we expect to sell approximately 191,000 bbls of oil and condensate and 730,000 boe of gas.

In terms of expenditure, costs related to the H4 Development and BRB Infill drilling activities during the Current Quarter resulted in a capital expenditure of RM41.6 million net to HML and HMPM3.

United Kingdom

Anasuria Cluster: Production Operations

The table below shows the operational performance achieved by the asset, based on Anasuria Hibiscus UK Limited ("**Anasuria Hibiscus UK**")'s participating interest, for the Current Quarter and for the prior three financial quarters:

	Unit	July to September 2022	April to June 2022	January to March 2022	October to December 2021
Average uptime	%	53	61	68	75
Average net oil production rate	bbl/day	1,211	1,644	1,702	2,087
Average net gas export rate @	boe/day	258	239	281	310
Average net oil equivalent production rate	boe/day	1,468	1,884	1,983	2,396
Total oil sold	bbl	143,728	162,957	74,304	256,224
Total gas exported (sold)	MMscf	142	131	152	171
Average realised oil price	USD/bbl	97.12	127.91	122.28	72.02
Average gas price	USD/Mscf	36.87∞/41.45#	27.08∞/29.72#	29.11∞/35.62#	26.25∞/31.06#
Average production OPEX per boe[1]	USD/boe	37.02	27.41	25.34	24.31

Figure 6: Operational performance for the Anasuria asset.

Notes to Figure 6:
[1] *This is computed based on gross production OPEX divided by gross oil and gas production.*
@ *Conversion rate of 6,000 standard cubic feet ("**scf**") per boe.*
∞ *For Cook field.*
\# *For Guillemot A, Teal and Teal South fields.*
boe – bbl of oil equivalent.
Mscf – thousand scf.
MMscf – million scf.
Figures are subject to rounding.

The average uptime and average daily oil equivalent production rate achieved at the Anasuria Cluster for the Current Quarter of 53% and 1,211 boe per day, respectively, are lower than that recorded in the Preceding Quarter. One crude oil offtake was conducted at Anasuria during the Current Quarter, in which 143,728 bbls of oil net to Anasuria Hibiscus UK was sold at an average realised oil price at USD97.12 per bbl.

The average OPEX per boe achieved in the Anasuria Cluster for the Current Quarter of USD37.02 per boe is higher than USD27.41 per boe recorded in the Preceding Quarter.

Our operational performance for the Current Quarter was affected by a planned Offshore Turnaround of the Anasuria FPSO ("**2022 Turnaround**") which commenced on 17 June 2022 and completed on 17 July 2022. The 2022 Turnaround was conducted with the objective of improving the reliability and integrity of the Anasuria FPSO in addition to ensuring a safe offshore working environment and was completed over a period of 30 days against a planned shutdown of 35 days.

Additionally, the malfunction of a production riser in May 2021, a critical component of the subsea infrastructure, has also affected operational performance. The riser was isolated from the primary production system which constrained the overall production from Anasuria throughout FY2022 up to the Current Quarter. The project to replace the malfunctioned riser has been completed and the riser returned to service in September 2022. Average gross oil production in October 2022 rose to approximately 7,000 bbl/day, compared to the Current Quarter average of 4,182 bbl/day and the

Preceding Quarter average of 5,566 bbl/day. In Q2 FY2023, as shown in Figure 2, we expect to sell approximately 180,000 bbls of oil and 31,000 boe of gas.

In terms of capital expenditure, in the Current Quarter, Anasuria Hibiscus UK incurred approximately RM32.3 million primarily for the riser reinstatement project.

With regards to the Energy Profits Levy, which took effect from 26 May 2022, Anasuria Hibiscus UK does not expect a significant liability to arise from this regime. It foresees there will be significant capital allowances in the future as allowed in the regime to offset any additional liability.

United Kingdom – Teal West

Anasuria Hibiscus UK and NEO Energy (ZPL) Limited ("**NEO Energy**") were awarded interest in Block 21/24d held under the UK Petroleum Licence No. P2535 during the UK's 32nd Offshore Licensing Round. On 8 July 2022, NEO Energy informed Anasuria Hibiscus UK of its intention to withdraw from Licence No. P2535. The assignment of NEO Energy's interest to Anasuria Hibiscus UK was completed on 12 October 2022 and Anasuria Hibiscus UK now has a 100% interest in the licence which contains the Teal West discovery.

Given the advanced state of the technical work that has been done and the value this project adds to the Anasuria Cluster, Anasuria Hibiscus UK has decided to proceed with activities related to the Licence No. P2535 on a 100% interest basis. Accordingly, the 2C Oil Resources net to the Group stands at 5.8 MMbbl.

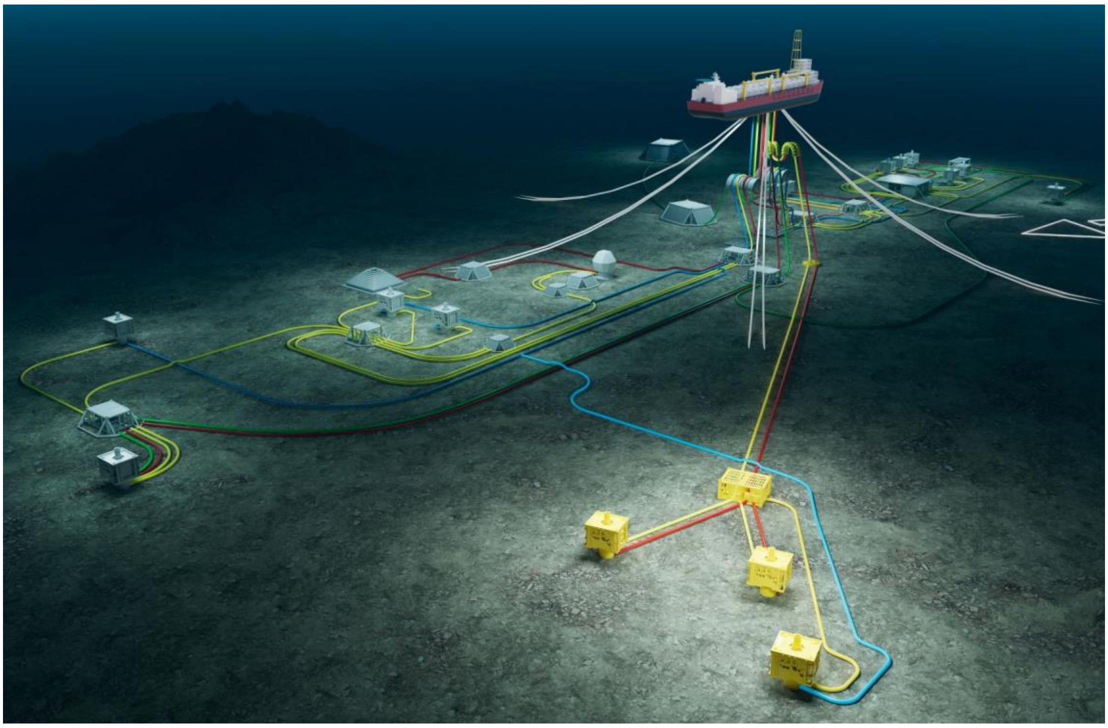

Figure 7: Teal West Tie-back to Anasuria FPSO

The base development plan for the Teal West field is to drill an oil producer well to the southeast of the geological structure, followed by the drilling of a water injector well at the west of the same structure (water injector to be drilled about 12 to 18 months after First Oil). The Teal West field is planned to be produced to the Anasuria FPSO – about 4km away – where the well fluids will be processed and exported via the Anasuria infrastructure.

On the commercial aspects of the Anasuria FPSO, the negotiation of the fully termed Agreement for a Transportation, Processing and Operating Services between the Anasuria Operating Company Limited and Anasuria Hibiscus UK based on the Heads of Terms signed on 4 August 2021, has been agreed. Advanced discussions are also on-going with the gas pipeline owners to extend the scope of the current Anasuria Hibiscus UK gas sales agreement for the Anasuria Cluster to include gas production from Teal West gas production together with the export of gas from the Anasuria Cluster through the gas pipeline.

From a regulatory perspective, the Teal West Field Development Plan ("**FDP**") was submitted to the North Sea Transition Authority ("**NSTA**") on 2 August 2022 along with the submission of the Environmental Statement ("**ES**") to the Department of Business, Energy and Industrial Strategy's Offshore Petroleum Regulator for Environment and Decommissioning on 29 July 2022. These are the documents which require UK regulatory consent to proceed with the field development. This consent is expected to be delivered within about 6 months from the FDP and ES submissions.

The ES was in the public consultation period until 15 October 2022 and it is expected that consent for the development will be granted in early 2023. The drilling of the initial development well is planned to commence in March 2024. The subsea tie-back facilities will be installed in the second quarter of CY2024 and first oil from the development is expected in the second half of CY2024.

United Kingdom – Marigold Area

The Marigold Area comprises the following licenses and fields with discoveries:

- 87.5% interest in Licence No. P198 - Block 15/13a ("**Marigold West**");
- 87.5% interest in Licence No. P198 - Block 15/13b ("**Sunflower**"); and
- 100% interest in Licence No. P2518 - Block 15/17a ("**Kildrummy**").

In November 2021, the NSTA requested that Anasuria Hibiscus UK work with Ithaca Oil and Gas Limited ("**Ithaca**"), holder of Licence No. P2158 (Block 15/18b) which is adjacent to the Marigold West field and contains the Yeoman discovery (now called Marigold East), and jointly develop the resources found in both licences via a tieback to the Piper B platform. A validation and pre-FEED study led by an alliance between Repsol Sinopec Resources UK Limited, TechnipFMC Plc and Petrofac Limited ("**the Alliance**") is now almost complete. Commercial inputs that are gradually being received from the Alliance are being analysed and clarified and economic models are being updated with this new data.

The joint Ithaca/Anasuria Hibiscus UK work on the economic model is expected to be completed in early December 2022. Furthermore, given the changes that have been recently implemented in the UK fiscal regime, it is likely that optimisation activities will have to be pursued in respect of the development solution for this project. Further disclosures will be made as we obtain further granularity on the forward pathway.

Revision to UK Energy Profits Levy ("EPL")

On 17 November 2022, the UK government announced changes to the EPL regime which will come into effect from 1 January 2023. The revised EPL regime will include an increased levy rate of 35% (from 25% currently) on UK oil and gas profits on top of the existing ring fence corporation tax (30%) and supplementary charge (10%). This will mean that the UK upstream oil and gas industry will face a 75% marginal rate of tax.

The enhanced deduction for certain categories of capital expenditure to off-set against taxable EPL income will be reduced to 129% except in the case of decarbonisation expenditures which will retain the 180% enhanced deduction.

The EPL regime will now apply until 31 March 2028 and despite it being a tax on windfall profits, the UK government has stated that they do not intend on phasing out the EPL even if oil and gas price levels move back to more normal levels. At this stage, our intention remains to phase our UK capital expenditure program such that we optimise the incentives offered as part of the EPL being imposed.

The EPL amendments are expected to come into law before 31 December 2022.

It is also clear that the UK government is incentivising decarbonisation initiatives within the UK oil and gas sector and this will encourage us to identify further opportunities that will reduce our overall carbon footprint.

Australia

The Australia segment comprises the 100% direct interest in the VIC/RL17 Petroleum Retention Lease for the West Seahorse field ("**VIC/RL17**").

In addition, we have a 11.68% interest in 3D Oil Limited ("**3D Oil**"), a company listed on the Australian Stock Exchange.

The VIC/P57 Exploration Permit was surrendered on 11 August 2022. The 50% interest in the VIC/P74 Exploration Permit was transferred to 3D Oil on 21 September 2022 with Carnarvon Hibiscus Pty Ltd effectively withdrawing from the permit. With these changes, we no longer have any direct interest in exploration licences in Australia.

Financial Performance

The financial performance of the Group has grown even stronger since the completion of the FIPC Acquisition on 24 January 2022.

The enhanced financial performance has allowed the Group to consistently reward loyal shareholders. On 25 May 2022, we declared an interim single-tier dividend of 1.0 sen per ordinary share, which was paid on 22 July 2022. Subsequently, on 4 October 2022, the Board of Directors resolved to recommend a final single-tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 30 June 2022, subject to the approval of shareholders of Hibiscus Petroleum, at the forthcoming Annual General Meeting on 1 December 2022.

The Group's revenue is almost fully transacted in USD while costs are mainly denominated in the local currencies in which the assets operate, namely the Malaysian Ringgit in Malaysia and Great Britain Pound in the UK. Accordingly, a strong USD bodes well for the Group.

In addition to this, strong oil, condensate and gas price levels have continued to contribute positively to the Group's profitability levels, as clearly shown in the Current Quarter's financial results.

Updates of key financial based performance metrics are shown in the charts below.

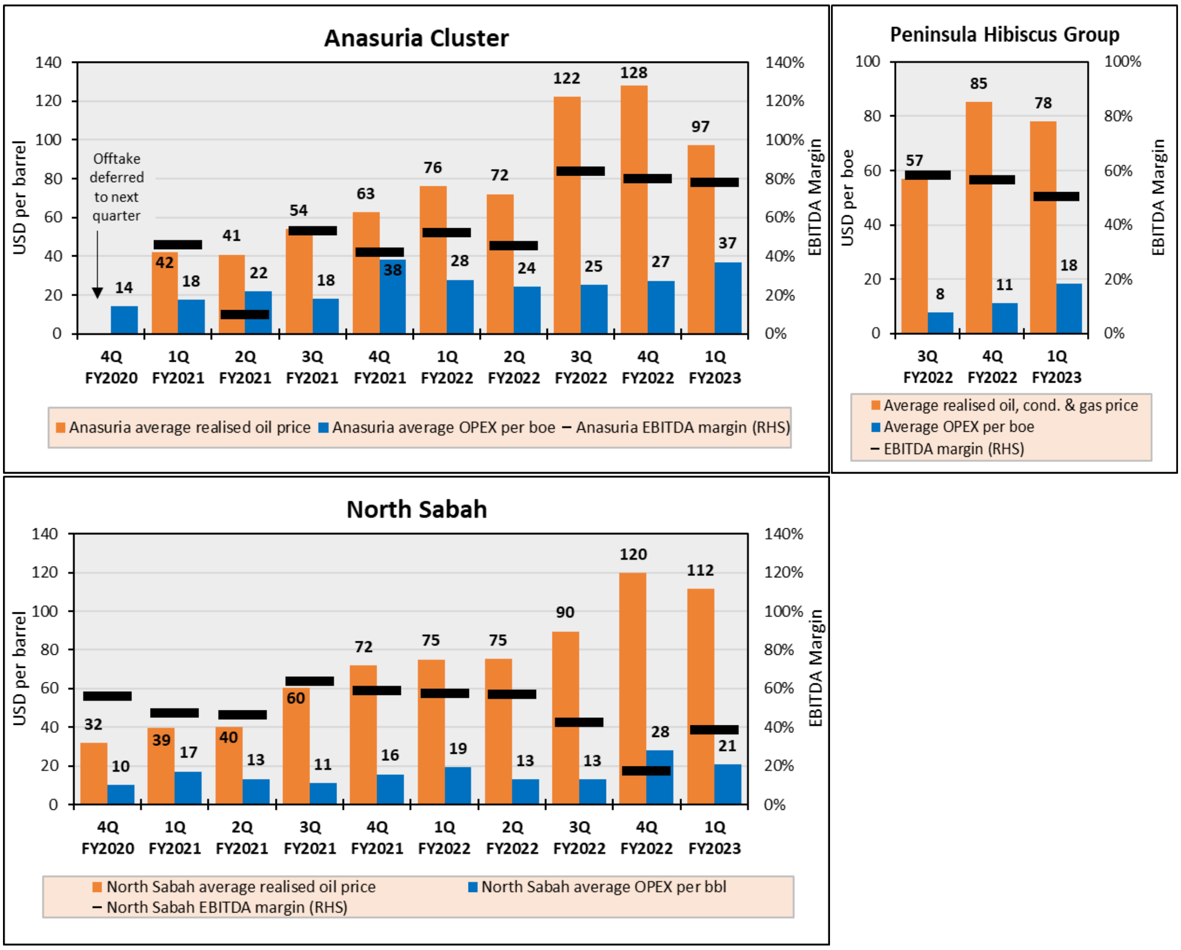

Figure 8: OPEX per boe, average realised oil, condensate and gas price and EBITDA margin by asset.

Notes to Figure 8:

1. *North Sabah's EBITDA margin in 4Q FY2020 excludes the reversal of unrecovered recoverable costs of RM78.2 million.*
2. *Anasuria Cluster's EBITDA margin in 2Q FY2021 was affected by (unusual) significant unrealised foreign exchange losses caused by the relatively significant appreciation of the GBP against the USD which affected the period-end retranslation of GBP-denominated balances and one-off provisions recognised.*
3. *Peninsula Hibiscus Group assets' EBITDA margin in 3Q FY2022 excludes negative goodwill of RM317.3 million.*
4. *Opex per boe is computed based on gross production OPEX divided by gross oil, condensate and gas production.*
5. *Peninsula Hibiscus Group assets' average realised oil, condensate and gas price is the weighted average realised price of both oil and condensate offtakes and gas sales in that quarter. Anasuria Cluster's average realised oil price does not include gas prices as gas production in the Anasuria Cluster is not material.*

For the quarter ended	Unit	30 Sep 2022	30 Jun 2022	31 Mar 2022	31 Dec 2021	30 Sep 2021	FY2022	FY2021
Revenue	RM Mil	604.8	868.4	297.1	284.4	246.7	1,696.5	804.8
EBITDA	RM Mil	298.4	384.4	434.7	139.9	123.6	1,082.7	380.8
PAT	RM Mil	135.3	255.4	307.5	48.5	41.5	652.9	103.7
Basic earnings per share	Sen	6.72	12.69	15.32	2.42	2.07	32.51	5.91

Figure 9: Highlights from the Group's Profit or Loss Statement for the last five financial quarters, FY2022 and FY2021.

As at	Unit	30 Sep 2022	30 Jun 2022	31 Mar 2022	31 Dec 2021	30 Sep 2021
Total assets	RM Mil	5,690.8	5,512.4	4,506.8	3,099.6	2,880.4
Shareholders' funds	RM Mil	2,448.1	2,202.0	1,874.2	1,553.0	1,529.5
Cash and bank balances *	RM Mil	727.7	544.7	273.4	552.0	204.0
Total debt	RM Mil	(94.4)	(88.8)	Nil	(2.4) **	(2.7) **
Net current (liabilities)/assets	RM Mil	(28.3)	(155.3)	(310.0)	336.2	226.9
Net assets per share	RM	1.22 ***	1.09 ***	0.93 ***	0.77 ***	0.76 ***

Figure 10: Highlights from the Group's Balance Sheet for the last five financial quarters.

Notes to Figure 10:

* *Excludes restricted cash and bank balances.*

** *Total debt balance as at 30 September 2022 and 30 June 2022 relates to the outstanding balance of a revolving credit facility drawn down in the Preceding Quarter to aid working capital requirements. The balances as at 31 December 2021 and prior relate to recognition of the liability component of the Islamic Convertible Redeemable Preference Shares ("**CRPS**") upon the issuance of its two tranches in November 2020.*

*** *Total ordinary shares increased from 2,006,803,817 as at 30 September 2021 to 2,012,418,743 as at 30 September 2022 as a result of the conversion of the CRPS. The CRPS issued have been fully converted into ordinary shares on March 2022.*

The net current liabilities position as at 30 September 2022 has dropped significantly from the Preceding Quarter as a result of the enhance financial performance and positive cash flows from our producing assets. For information, the net current liabilities position of the Group which arose during the financial quarter ended 31 March 2022 was mainly due to the effect of consolidating the FIPC Group effective 24 January 2022 upon the completion of the FIPC Acquisition. The Group's current liabilities as at 30 September 2022 consist mainly of (i) operational-related payables of RM900.9 million, (ii) provision for taxation of RM232.2 million, (iii) outstanding balance of a revolving credit facility of RM94.4million, and (iv) amount owing to Trafigura Pte Ltd of RM92.8 million.

Oil Market Outlook

As shown in Figure 11 below, Rystad Energy's outlook for liquids balances for 2023 have eased significantly on the back of downward revisions to demand, which they lowered by 1.1 million bbl/day against previous forecast to account for a deeper economic slowdown.

Rystad estimate next year implied liquids balances building by 0.1 million bbl/day, versus previous bullish call of a 1.2 million bbl/day draw.

Oil demand for 2023 has been revised down by 1.1 million bbl/day, compared to their previous outlook. Rystad also revised their 4Q22 demand forecast to 100.5 million bbl/day to account for a deeper economic slowdown.

As a result, Rystad estimated global oil demand to increase by 2.3 million bbl/day year-on-year from 99.8 million bbl/day in 2022 to 102.1 million bbl/day in 2023, compared to their earlier estimate of 3.4 million bbl/day.

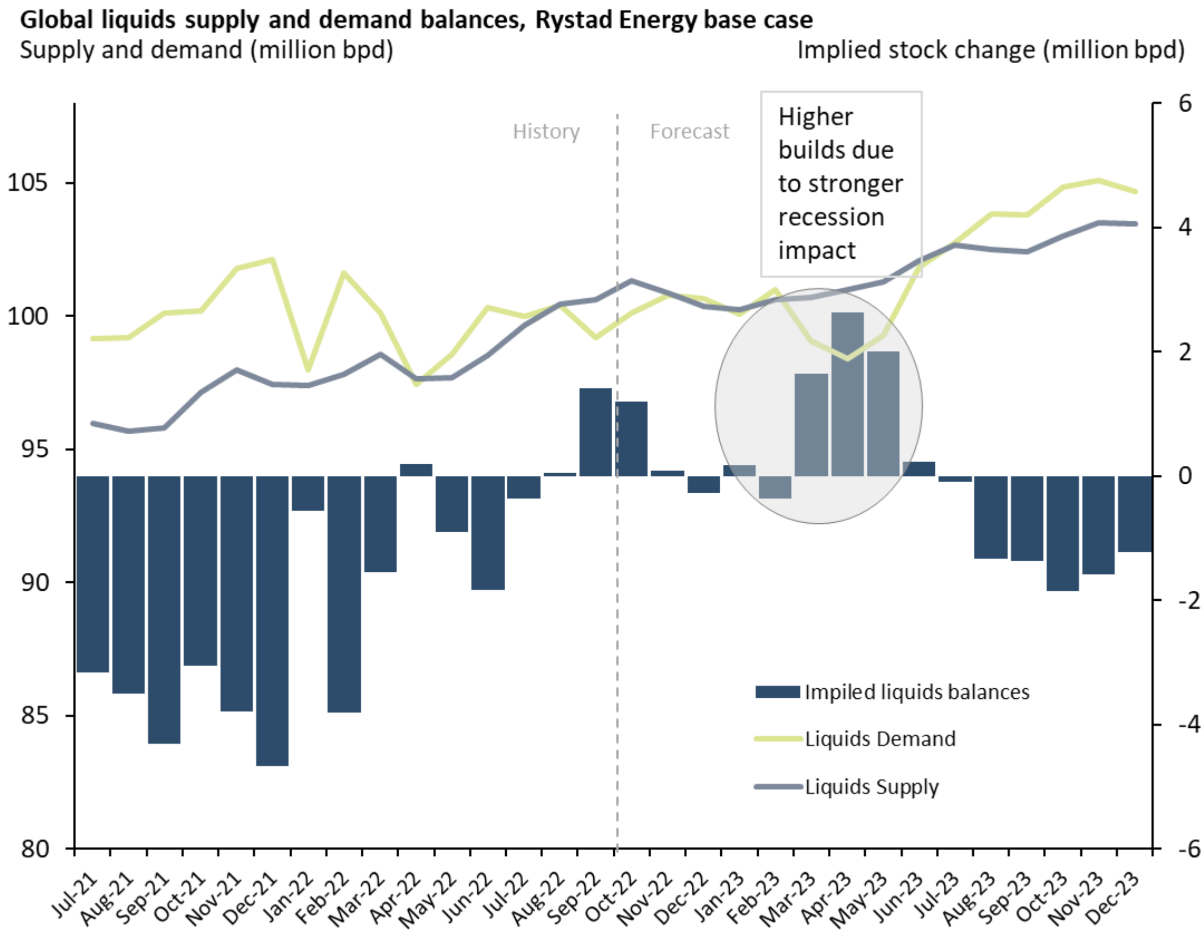

Figure 11: Rystad Energy global liquids supply and demand, as of 1 November 2022.

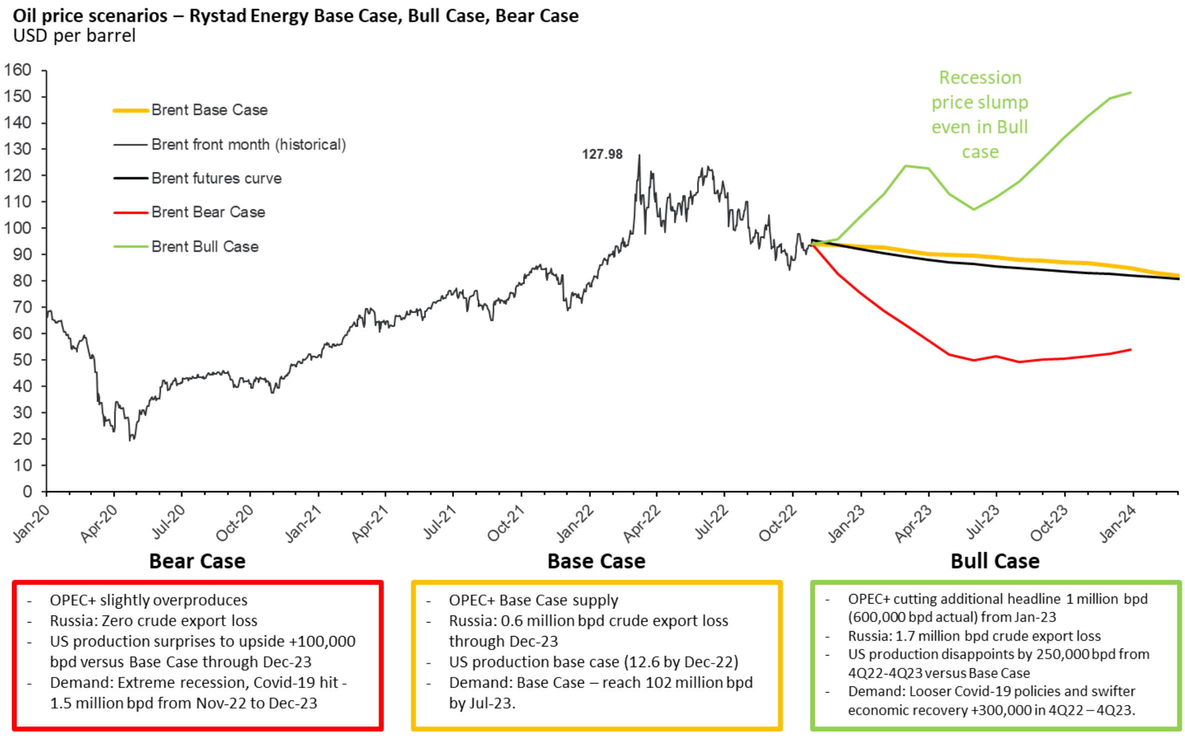

Figure 12: Rystad Energy Brent Oil Price Outlook, as of 1 November 2022.

Figure 12 shows Rystad Energy's oil price outlook under base, bull and bear cases. According to their analysis, Brent prices are expected to remain in the range of USD89-95/bbl into CY2023 under their base case. Their bull case is following the announcement on production cuts from OPEC+ which is expected to trim about 1.3 million bbl/day off global oil output in the first quarter of next year.

In their Bull Case, prices could easily reach triple digits still in 2022, and as high as USD150/bbl in a post-recession, end-of-Covid-19 restrictions growth period.

Concluding Remarks

Due to the timings of our offtakes, as guided by our update in August, our total sales volumes were lower than the Preceding Quarter. In the Current Quarter, we sold 1.0 MMbbl of oil and condensate, and over 510,000 boe of gas. Even though volumes sold were lower in the Current Quarter when compared to the preceding Quarter, the relatively high oil prices achieved for our oil and gas sales, have resulted in a positive financial performance, delivering an EBITDA of RM298.4 million and a PAT of RM135.3 million.

It is also important to note that the project to replace the failed riser at the Anasuria Cluster was completed in September 2022 and we now expect to see an improved overall performance going forward.

Going forward, we expect to sell a total of approximately 2.1 MMboe in Q2 FY2023 from our producing assets and a total of 1.8 MMboe in Q3 FY2023.

For FY2023, we remain on target to sell a total of approximately 7.2 to 7.5 MMboe of oil, condensate and gas and overall, we are pleased with the progress and performance of the Group.

We believe that the current macro trends driving high energy prices and a strong performing US dollar will continue. Whilst a reduction in global emission levels is extremely important, we have also observed that the narrative emerging from the recent COP27 event held in Egypt recognises that oil and gas, in particular gas, has an important role to play in the energy transition.

In the United Kingdom, there have been certain changes announced recently by the government in respect of overall taxation levels, including those applicable to the oil and gas exploration and production sector. Overall, we believe that for Hibiscus Petroleum Group, the net effect of these tax hikes will not be material and we have a positive outlook for our sector.

By Order of the Board of Directors
Hibiscus Petroleum Berhad
22 November 2022