



HIBISCUS PETROLEUM BERHAD - PRESS RELEASE

Average Net Quarterly Production Exceeds 21,000 Boe Per Day; Drilled Longest Well in Malaysia

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- Delivered EBITDA of RM291.6 million and PAT of RM71.5 million for the financial quarter ended 31 March 2023. This represents an increase of 80% for EBITDA and 104% for PAT compared against the “normalised” EBITDA and “normalised” PAT for the financial quarter ended 31 March 2022. Year-to-date “normalised” EBITDA and “normalised” PAT stood at RM947.9 million and RM301.6 million respectively
 - Produced an average of 21,214 boe per day of oil, condensate and gas net to the Group in Q3 FY2023, the highest in any quarter
 - Completed the drilling of the longest well in Malaysia in March 2023, extending to a total measured depth of approximately 7km, with gross production of about 3,000 bbl per day
 - Declaration of a second interim single-tier dividend of 0.75 sen per ordinary share for FY2023; total of 1.5 sen declared to date
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Kuala Lumpur, 24 May 2023 – 12.30 p.m.

Hibiscus Petroleum Berhad (HIBI: MK) (“**Hibiscus Petroleum**” the “**Company**” or the “**Group**”) today released a Corporate and Business Update outlining the Group’s operational and financial highlights in conjunction with the release of its unaudited quarterly financial results for the third financial quarter of FY2023 (“**Q3 FY2023**”).

In Q3 FY2023, the Group’s strong operational performance resulted in the achievement of an average net production of 21,214 boe per day of oil, condensate and gas, beating production seen in all previous quarters.

Over the course of Q3 FY2023, 1.1 MMbbl of oil and condensate and 0.7 MMboe of gas were sold, contributing RM412.9 million and RM107.4 million to the total revenue, respectively. The Group provided guidance that over the course of FY2023, the Group estimates to sell approximately 7.2 MMboe of oil, condensate, and gas.

Operational performance was further enhanced through Hibiscus Oil & Gas Malaysia Limited, a wholly owned subsidiary of Hibiscus Petroleum, completing the longest well drilled in Malaysia at the Bunga Orkid field in the northern area of the PM3 CAA PSC.

The well was drilled to a total depth of approximately 7 kilometres and produced at an initial rate of approximately 4,000 bbls of oil per day. For prudent reservoir management, the gross production rate from the well is currently being maintained at about 3,000 bbls of oil per day.

For Q3 FY2023, the Group reported an EBITDA of RM291.6 million and a PAT of RM71.5 million, driven by revenue of RM523.3 million. This represents an increase of 80% for EBITDA and 104% for PAT compared against the “normalised” EBITDA of RM162.3 million and “normalised” PAT of RM35.1 million recorded in the financial quarter ended 31 March 2022. The “normalised” EBITDA and “normalised” PAT in the financial quarter ended 31 March 2022 were arrived at after removing one-off non-operational adjustments which consisted of negative goodwill of RM317.3 million and impairment of intangible assets of RM44.9 million.

The consistent positive financial performance has allowed the Group to continue rewarding its loyal shareholders. In conjunction with its third financial quarter results for FY2023 released today, the Group declared a second interim single-tier dividend of 0.75 sen per ordinary share for FY2023, with a total of 1.5 sen having been declared to date.

As previously disclosed, the Group is aiming to target a minimum total dividend per share of 2.5 sen over the course of FY2023, representing an increase from the 2.0 sen declared for FY2022.

Commenting on the Group’s outlook, Managing Director, Dr Kenneth Pereira, said *“Our operational and technical capabilities have been showcased by the drilling and completion of the longest well in Malaysia, the BOC-29ST1, with a total measured depth of approximately 7km. In doing so, we have achieved a major technical milestone and positive performance outcome for our Company and the wider Malaysian oil & gas industry.*

We were also successful in discovering gas during the drilling of the Bunga Lavatera-1 well in the PM3 CAA and unlocking approximately 1.6 MMboe in incremental net 2P gas reserves. Our success in identifying and converting this prospect to a commercially viable opportunity gives us confidence that we have a good understanding of the PM3 CAA geology.

Despite the fall in oil prices, our improved operational performance contributed positively to the profitability levels in all our producing assets. We are on track to sell a total of 7.2 MMboe of oil, condensate and gas in FY2023, while ensuring we continue to hold ourselves to high operational standards.”

bbl: Barrel

boe: Barrel of Oil Equivalent

MMbbl: Million Barrels

Mmboe: Million Barrels of Oil Equivalent

EBITDA: Earnings before Interest, Taxes, Depreciation, and Amortisation

PAT: Profit after Taxation

PSC: Production Sharing Contract

FY2023: Financial Year Ending 30 June 2023

FY2022: Financial Year Ended 30 June 2022

Note: As part of the Company's continuous efforts to keep stakeholders engaged with the activities of the Company and informed of its quarterly performance, Hibiscus Petroleum will be releasing a webcast to present the highlights of the Quarterly Results for the financial quarter ended 31 March 2023. The webcast can be found on the Company's website at: <https://www.hibiscuspetroleum.com>

About Hibiscus Petroleum Berhad

Hibiscus Petroleum Berhad (Hibiscus Petroleum) is Malaysia's first listed independent oil and gas exploration and production company. Its key activities are focused on monetising its oil producing fields and growing its portfolio of development and production assets in areas of its geographical focus: Malaysia, United Kingdom and Vietnam. Hibiscus Petroleum is headquartered in Kuala Lumpur, and its shares are listed on the Main Market of Bursa Malaysia Securities Berhad (Bursa Securities). For more information, please refer to <https://www.hibiscuspetroleum.com>

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