HIBISCUS PETROLEUM BERHAD

(Registration Number: 200701040290 (798322-P))
(Incorporated in Malaysia)

Unaudited Quarterly Financial Report
31 March 2025

(Third financial quarter of financial year ending 30 June 2025)

(Note: This Unaudited Quarterly Financial Report is supplemented by the Corporate and Business Update released on the same day, on 23 May 2025.)

HIBISCUS PETROLEUM BERHAD
(Registration Number: 200701040290 (798322-P))
(Incorporated in Malaysia)
QUARTERLY REPORT FOR THE QUARTER ENDED 31 MARCH 2025
(Third financial quarter of financial year ending 30 June 2025)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		QUARTER ENDED 31.03.2025 RM'000	QUARTER ENDED 31.03.2024 RM'000	PERIOD ENDED 31.03.2025 RM'000	PERIOD ENDED 31.03.2024 RM'000
Revenue		572,801	603,511	1,703,372	1,977,685
Cost of sales		(198,526)	(162,706)	(695,361)	(659,631)
GROSS PROFIT		374,275	440,805	1,008,011	1,318,054
Other income	26	5,982	18,588	22,013	40,525
Administrative and other operating expenses		(48,306)	(144,504)	(180,833)	(285,172)
Supplemental payments		(12,057)	(32,654)	(45,730)	(88,008)
Write-off of well exploration costs		(132)	(78,902)	(17,629)	(78,902)
Other administrative expenses		(36,117)	(32,948)	(117,474)	(118,262)
Other expenses		(169,910)	(143,440)	(426,694)	(414,613)
Finance costs		(33,631)	(26,888)	(93,770)	(81,099)
Share of results of an associate		(106)	(98)	(473)	(386)
PROFIT BEFORE TAXATION	27	128,304	144,463	328,254	577,309
Taxation	28	(244,276)	(42,656)	(285,363)	(218,869)
(LOSS)/PROFIT AFTER TAXATION		(115,972)	101,807	42,891	358,440
(LOSS)/PROFIT AFTER TAXATION ATTRIBUTABLE TO:					
- Owners of the Company		(115,972)	101,807	42,891	358,440
(LOSS)/EARNINGS PER SHARE (SEN)					
Basic	25	(15.40)	12.71	5.55	44.61
Diluted	25	(15.40)	12.71	5.55	44.61

Note:

Earnings Before Interest, Taxes, Depreciation and Amortisation	308,223	300,185	797,884	1,018,450

(Please refer to Part A, Note 11 and Part B, Notes 15 and 16 of this Quarterly Report for further details.)

The Unaudited Condensed Consolidated Statements of Profit or Loss should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to the financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31.03.2025 RM'000	QUARTER ENDED 31.03.2024 RM'000	PERIOD ENDED 31.03.2025 RM'000	PERIOD ENDED 31.03.2024 RM'000
(LOSS)/PROFIT AFTER TAXATION	(115,972)	101,807	42,891	358,440
Other comprehensive (expenses)/income:				
Item that may be subsequently reclassified to profit or loss:				
- Foreign currency translation*	(25,618)	78,213	(172,529)	33,393
TOTAL COMPREHENSIVE (EXPENSES)/INCOME FOR THE QUARTER/PERIOD	(141,590)	180,020	(129,638)	391,833
TOTAL COMPREHENSIVE (EXPENSES)/INCOME ATTRIBUTABLE TO:				
- Owners of the Company	(141,590)	180,020	(129,638)	391,833

* *Arising from translation of Group entities' financial statements with different functional currencies recognised directly in reserves.*

The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to the financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	UNAUDITED AS AT 31.03.2025 RM'000	AUDITED AS AT 30.06.2024 RM'000
ASSETS			
NON-CURRENT ASSETS			
Intangible assets		1,673,221	1,431,973
Equipment		3,761,260	2,190,882
Right-of-use assets		136,472	142,650
Other receivables		146,569	170,888
Investment in an associate		3,470	4,456
Other investment		51	-
Restricted cash and bank balances		283,760	274,359
Tax recoverable		50,724	53,957
Deferred tax assets		1,859	-
		6,057,386	4,269,165
CURRENT ASSETS			
Intangible assets		-	5,102
Inventories		195,911	193,426
Trade receivables		195,581	548,521
Other receivables, deposits and prepayments		483,134	891,483
Cash and bank balances		584,602	688,025
Tax recoverable		34,531	8,617
		1,493,759	2,335,174
TOTAL ASSETS		7,551,145	6,604,339
EQUITY AND LIABILITIES			
EQUITY			
Share capital	10	158,472	166,014
Treasury shares	10	(53,549)	(16,121)
Other reserves		164,223	336,752
Retained earnings		2,513,742	2,613,745
		2,782,888	3,100,390
NON-CURRENT LIABILITIES			
Borrowings	29	431,972	534,947
Contingent consideration		41,356	43,307
Deferred tax liabilities		1,155,277	807,044
Provision for decommissioning costs		1,054,894	539,512
		2,683,499	1,924,810

The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to the financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

	Note	UNAUDITED AS AT 31.03.2025 RM'000	AUDITED AS AT 30.06.2024 RM'000
CURRENT LIABILITIES			
Trade payables		49,054	26,382
Other payables and accruals		1,160,948	955,666
Borrowings	29	416,231	214,113
Contingent consideration		1,771	1,691
Provision for decommissioning costs		93,851	78,271
Provision for taxation		362,903	303,016
		2,084,758	1,579,139
TOTAL LIABILITIES		4,768,257	3,503,949
TOTAL EQUITY AND LIABILITIES		7,551,145	6,604,339
NET ASSETS PER SHARE (RM)		3.77	3.88

The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to the financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	<---------------------- NON-DISTRIBUTABLE			---------------------->		
	SHARE CAPITAL RM'000	TREASURY SHARES RM'000	OTHER RESERVES RM'000	FOREIGN EXCHANGE RESERVE RM'000	RETAINED EARNINGS RM'000	TOTAL RM'000
9 months to 31.03.2025						
As at 01.07.2024	166,014	(16,121)	389	336,363	2,613,745	3,100,390
Profit after taxation	-	-	-	-	42,891	42,891
Other comprehensive expenses, net of tax: - Foreign currency translation	-	-	-	(172,529)	-	(172,529)
Total comprehensive (expenses)/income for the period	-	-	-	(172,529)	42,891	(129,638)
Dividends	-	-	-	-	(71,529)	(71,529)
Purchase of treasury shares	-	(116,095)	-	-	(240)	(116,335)
Cancellation of treasury shares	(7,542)	78,667	-	-	(71,125)	-
Total transactions with owners of the Company	(7,542)	(37,428)	-	-	(142,894)	(187,864)
As at 31.03.2025	158,472	(53,549)	389	163,834	2,513,742	2,782,888
9 months to 31.03.2024						
As at 01.07.2023	166,014	-	389	308,541	2,214,815	2,689,759
Profit after taxation	-	-	-	-	358,440	358,440
Other comprehensive income, net of tax: - Foreign currency translation	-	-	-	33,393	-	33,393
Total comprehensive income for the period	-	-	-	33,393	358,440	391,833
Dividend	-	-	-	-	(52,161)	(52,161)
Purchase of treasury shares	-	(16,121)	-	-	(62)	(16,183)
Total transactions with owners of the Company	-	(16,121)	-	-	(52,223)	(68,344)
As at 31.03.2024	166,014	(16,121)	389	341,934	2,521,032	3,013,248

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to the financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Period Ended	
	31.03.2025	**31.03.2024**
	RM'000	**RM'000**
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	328,254	577,309
Adjustments for:		
Depreciation and amortisation of equipment, intangible assets and right-of-use assets	375,860	360,042
Finance costs	93,770	81,099
Write-off of well exploration costs	17,629	78,902
Unrealised loss on foreign exchange	13,618	10,280
Share of results of an associate	473	386
Write-off of equipment	461	-
Write-back of amount owing to a joint venture	-	(46)
Gain on disposal of investment	(41)	-
Interest income	(23,793)	(45,568)
Operating profit before working capital changes	806,231	1,062,404
Inventories	(924)	(34,089)
Trade receivables	584,610	(156,475)
Other receivables, deposits and prepayments	464,902	37,763
Trade payables	23,983	(17,327)
Other payables and accruals	(181,227)	(88,747)
Cash generated from operating activities	1,697,575	803,529
Tax paid	(206,503)	(133,217)
Movement in restricted cash and bank balances	21,753	(50,637)
Net cash generated from operating activities	1,512,825	619,675
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	23,793	45,568
Other investment	(51)	-
Acquisition of intangible assets	(79,030)	(200,634)
Purchase of equipment	(547,053)	(306,551)
Net cash outflow arising from business combination	(746,190)	-
Net cash used in investing activities	(1,348,531)	(461,617)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown on revolving credit	208,126	-
Redemption of Redeemable Convertible Preference Shares	-	(219)
Repayment of revolving credit	(8,893)	-
Interest paid	(24,227)	(30,863)
Dividends paid	(50,464)	(51,267)
Repayment of term loan	(65,499)	(69,486)
Repayment of lease liabilities	(106,927)	(129,587)
Purchase of treasury shares	(116,335)	(16,183)
Net cash used in financing activities	(164,219)	(297,605)
Net increase/(decrease) in cash and cash equivalents	75	(139,547)
Effects of foreign exchange rate changes	(57,122)	7,757
Cash and cash equivalents at beginning of the financial period	609,995	925,630
Cash and cash equivalents at end of the financial period	552,948	793,840

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D)

	Period Ended	
	31.03.2025	**31.03.2024**
	RM'000	**RM'000**
Cash and bank balances in the Consolidated Statements of Financial Position are as follows:		
Non-current		
Restricted cash and bank balances**	283,760	264,748
Current		
Cash and bank balances	584,602	834,910
Less: Restricted cash and bank balances***	(31,654)	(41,070)
Cash and cash equivalents	552,948	793,840

** *Anasuria Hibiscus UK Limited is required to provide security for its proportionate obligations for the estimated cost of decommissioning the facilities of the Anasuria Cluster by periodically placing monies in a trust commencing 18 months from the completion date of the sale and purchase agreement for the acquisition of the Anasuria Cluster, until such time that the security has been fully provided for. Such decommissioning activities are expected to be carried out at the end of life of the Anasuria Cluster and therefore, these monies in the trust are classified as non-current assets.*

*** *The balances consist of the following:*

- *31 March 2025*
  - *Asia Hibiscus Sdn. Bhd. – As part of the term loan covenants, Asia Hibiscus Sdn. Bhd. is required to maintain a minimum amount of principal and interest payable for the next three months into a designated bank account. The amount as at 31 March 2025 was equivalent to RM31.7 million.*
- *31 March 2024*
  - *Asia Hibiscus Sdn. Bhd. – As part of the term loan covenants, Asia Hibiscus Sdn. Bhd. is required to maintain a minimum amount of principal and interest payable for the next three months into a designated bank account. The amount as at 31 March 2024 was equivalent to RM35.4 million.*
  - *Anasuria Hibiscus UK Limited – An amount equivalent to RM5.7 million was deposited into an escrow account held by Anasuria Hibiscus UK Limited relating to the acquisition of 42.5% interest in Licence P2451 (containing the Fyne undeveloped field), which will be paid to Rapid Oil Production Ltd upon the approval of the Concept Select Report by the North Sea Transition Authority.*

The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to the financial statements.

ABBREVIATIONS AND ACRONYMS

The following table describes the abbreviations and acronyms used throughout the Quarterly Report.

Abbreviation	Description
Act	Companies Act 2016
Anasuria FPSO	Anasuria floating production storage and offloading vessel
Anasuria Hibiscus UK	Anasuria Hibiscus UK Limited
AIAC	Asian International Arbitration Centre
Asia Hibiscus	Asia Hibiscus Sdn. Bhd.
bbl	Barrel
Block 46	Block 46 Cai Nuoc PSC
boe	Barrel of oil equivalent
Brunei	Brunei Darussalam
Bursa Securities	Bursa Malaysia Securities Berhad
CAA	Commercial Arrangement Area
CAPEX	Capital expenditure
CITA	Corporate Income Tax
Current Period	Financial period ended 31 March 2025
Current Quarter	Financial quarter ended 31 March 2025
Current Year	Financial year ending 30 June 2025
CY	Calendar year
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EPL	Energy Profits Levy
ESIM	Energy Security Investment Mechanism
ESP	Electrical submersible pump
ETR	Effective tax rate
ETS	Emissions Trading Scheme
FPSO	Floating production storage and offloading vessel
FSO	Floating storage and offloading
GBP	Great Britain Pound
GP	Gross profit
Heren Index	Heren National Balancing Point index
Hibiscus EP Brunei	Hibiscus EP (Brunei) B.V.
Hibiscus Integrated Production Services	Hibiscus Integrated Production Services Sdn. Bhd.
Hibiscus Oil & Gas	Hibiscus Oil & Gas Malaysia Limited
Hibiscus Oil & Gas (PM3)	Hibiscus Oil & Gas Malaysia (PM3) Limited
Hibiscus Technical Services	Hibiscus Technical Services Sdn. Bhd.
IRB	Inland Revenue Board of Malaysia
Ithaca Energy	Ithaca Energy (UK) Limited
Kinabalu	2012 Kinabalu Oil PSC
KPA	Key Principles Agreement
LAT	Loss after taxation
LBITDA	Losses before interest, taxes, depreciation and amortisation
LBT	Loss before taxation
LCOT	Labuan Crude Oil Terminal
Malaya Hibiscus	Malaya Hibiscus Sdn. Bhd.
MFRS	Malaysian Financial Reporting Standard
MMLR	Main Market Listing Requirements
MMscf	Million standard cubic feet
N/A	Not applicable
North Sabah	2011 North Sabah Enhanced Oil Recovery PSC
Notice	Notice to Arbitrate

ABBREVIATIONS AND ACRONYMS (CONT'D)

The following table describes the abbreviations and acronyms used throughout the Quarterly Report. (Cont'd)

Abbreviation	Description
NSTA	North Sea Transition Authority
Oceancare	Oceancare Corporation Sdn. Bhd.
OPEX	Operating costs
PAT	Profit after taxation
PBT	Profit before taxation
PETRONAS	Petroliam Nasional Berhad
PETRONAS Carigali	PETRONAS Carigali Sdn. Bhd.
PITA	Petroleum Income Tax
PKNB	Pertang, Kenarong, Noring and Bedong Cluster PSC
PM3 CAA	PM3 CAA PSC
PM305 and PM314	PM305 and PM314 PSCs
PM327	PM327 PSC
Preceding Quarter	Financial quarter ended 31 December 2024
Preceding Year	Financial year ended 30 June 2024
PSC	Production Sharing Contract
RFCT	Ring fence corporation tax
RM	Ringgit Malaysia
RPS	RPS Energy Limited
SPA	Sales and purchase agreement
SbST	Sabah State Sales Tax
SC	Supplementary charge
scf	Standard cubic feet
SEA Hibiscus	SEA Hibiscus Sdn. Bhd.
September 2024 Quarter	Financial quarter ended 30 September 2024
Simpor Hibiscus	Simpor Hibiscus Sdn. Bhd.
Straits Hibiscus	Straits Hibiscus Sdn. Bhd.
TotalEnergies EP Brunei	TotalEnergies EP (Brunei) B.V.
TotalEnergies Holdings	TotalEnergies Holdings International B.V.
UGSA	Upstream Gas Sales Agreement
UK	United Kingdom
USD	United States Dollar
YA	Year of Assessment

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

1 BASIS OF PREPARATION

This unaudited Quarterly Report has been prepared in accordance with the reporting requirements as set out in the MFRS 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board and Paragraph 9.22 of the MMLR of Bursa Securities and should be read in conjunction with the Group's audited financial statements for the Preceding Year and the accompanying explanatory notes attached to the unaudited condensed consolidated financial statements.

The explanatory notes attached to the unaudited condensed consolidated financial statements 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 Preceding Year.

2 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the unaudited condensed financial statements are consistent with those followed in the preparation of the Group's audited financial statements for the Preceding Year.

2.1 Adoption of Amendments to Standards

The Group has applied the following amendments for the first time for the financial year beginning on 1 July 2024:

Amendments to MFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to MFRS 101	*Non-current Liabilities with Covenants*
Amendments to MFRS 107 and MFRS 7	*Supplier Finance Arrangements*

The adoption of the above amendments did not have any material impact on the current financial quarter or any prior financial period and is not likely to affect future financial periods.

2.2 Amendments to Standards issued but not yet effective

Description		**Effective for financial periods beginning on or after**
Amendments to MFRS 9 and MFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*	1 January 2026
Annual improvements to MFRS Accounting Standards – Volume 11	*MFRS 7 Financial Instruments: Disclosures, Guidance on implementing MFRS 7 Financial Instruments: Disclosures, MFRS 9 Financial Instruments, MFRS 10 Consolidated Financial Statements, MFRS 107 Statement of Cash Flows*	1 January 2026

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Amendments to Standards issued but not yet effective (cont'd)

Description		**Effective for financial periods beginning on or after**
MFRS 18	*Presentation and Disclosure in Financial Statements*	1 January 2027
MFRS 19	*Subsidiaries without Public Accountability: Disclosures*	1 January 2027

The Group will adopt the above amendments when they become effective in the respective financial periods. The Group is in the process of assessing the impact of the adoption of these amendments to existing standards.

3 SEASONAL OR CYCLICAL FACTORS

The Group's operations are not significantly affected by any seasonal or cyclical factors.

4 SIGNIFICANT/UNUSUAL ITEMS

Save as disclosed below, there were no other significant or unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the Current Period.

(i) PKNB PSC

Hibiscus Oil & Gas, an indirect wholly-owned subsidiary of the Company was awarded a 65% participating interest and operatorship in the PKNB PSC by PETRONAS on 1 July 2024. The remaining participating interest is held by PETRONAS Carigali.

The effective date of the PSC is 1 July 2024, with a contract duration of 24 years.

The PSC consists of four discovered resource opportunities (gas fields), namely the Pertang, Kenarong, Noring and Bedong fields, which are located in shallow waters between 65 and 75 metres depth offshore the east coast of Peninsular Malaysia. The fields are located to the south, and within tie-back distance of the PM3 CAA PSC which is operated by Hibiscus Oil & Gas.

Please refer to our announcement dated 26 July 2024 for further details.

(ii) PM327 PSC

Straits Hibiscus, an indirect wholly-owned subsidiary of the Company, signed a farm-in agreement to acquire a 30% participating interest in the PM327 PSC, an exploration block located to the south of the PM3 CAA PSC. The effective date of the farm-in agreement was 5 July 2024.

The farm-in was completed on 30 September 2024.

PETRONAS Carigali is the operator of the PM327 PSC.

The tenure of the PSC is 28 years, commencing in February 2023.

Please refer to our announcements dated 23 August 2024 and 7 October 2024 for further details.

4 SIGNIFICANT/UNUSUAL ITEMS (CONT'D)

(iii) PM3 CAA PSC

Hibiscus Oil & Gas and Hibiscus Oil & Gas (PM3), both indirect wholly-owned subsidiaries of the Company, had on 10 March 2025 signed a KPA with PETRONAS through Malaysia Petroleum Management, and Vietnam National Industry - Energy Group (formerly known as Vietnam Oil and Gas Group) for the continuation of the PM3 CAA and UGSA for 20 years commencing 1 January 2028 (with an expiry date of 31 December 2047), under enhanced PSC and UGSA terms respectively.

Hibiscus Oil & Gas will continue as the operator of PM3 CAA during the continuation period with the same equity interest of 35% jointly held with Hibiscus Oil & Gas (PM3), while PetroVietnam Exploration Production Corporation Limited will hold 30% of the equity, with the remaining 35% held by PETRONAS Carigali.

Please refer to our announcement dated and 9 April 2025 for further details.

(iv) Acquisition of TotalEnergies EP Brunei

On 14 June 2024, the Company announced that its indirect wholly-owned subsidiary, Simpor Hibiscus, had on 13 June 2024 entered into a SPA with TotalEnergies Holdings for the acquisition by Simpor Hibiscus of the entire equity interest in TotalEnergies EP Brunei for a cash consideration of USD259.4 million, subject to specified conditions precedent to completion. Upon execution of the SPA, Simpor Hibiscus paid a deposit of USD49.0 million to TotalEnergies Holdings.

TotalEnergies EP Brunei is incorporated in the Netherlands. TotalEnergies EP Brunei through its branch in Brunei owns a 37.5% operated interest in the Block B Maharajalela Jamalulalam field.

The parties holding the remaining interest in the Block B Maharajalela Jamalulalam field are as follows:

- Shell Deepwater Borneo B.V. (formerly known as Shell Deepwater Borneo Limited) (35.0%); and
- Brunei Energy Exploration Sdn. Bhd. (formerly known as PB Expro Sendirian Berhad) (27.5%). Brunei Energy Exploration Sdn. Bhd. is owned by Brunei Energy Holding Sdn. Bhd. which in turn is owned by the Brunei Minister for Finance Corporation.

The acquisition was completed on 14 October 2024 and resulted in the Group assuming operatorship of the Block B Maharajalela Jamalulalam field. On 14 October 2024, TotalEnergies EP Brunei changed its name to Hibiscus EP Brunei.

Simpor Hibiscus paid a total USD195.7 million out of the cash purchase consideration of USD259.4 million to complete the acquisition, after taking into account various agreed adjustments (Please refer to Part A, Note 7 (ii) for further details).

Please refer to our announcements dated 14 June 2024, 13 August 2024, 25 September 2024 and 14 October 2024 for further details.

4 SIGNIFICANT/UNUSUAL ITEMS (CONT'D)

(v) Energy Profits Levy in the UK

The EPL regime imposes a levy on UK oil and gas profits, and is thus applicable to Anasuria Hibiscus UK.

Up to 31 October 2024, an additional levy of 35.0% was imposed on top of the RFCT and the SC. The regime included a 29.0% uplift available for certain categories of CAPEX which resulted in a 129.0% offset against taxable income while decarbonisation expenditures qualify for uplift at the rate of 180.0%.

The following changes were introduced to the EPL regime post 31 October 2024:

- With effect from 1 November 2024 (as reported in the Preceding Quarter's Unaudited Quarterly Financial Report):
    - The levy rate was increased from 35.0% to 38.0%; and
    - The 29.0% uplift available for certain categories of CAPEX was removed. Hence, the relief is now restricted to 100.0% only. Decarbonisation expenditures will continue to qualify for uplift but at a reduced rate of 166.0%, reduced from the previous rate of 180.0%.
- With effect from 3 March 2025, an extension of the period in which the EPL regime applies until, from 31 March 2028 to 31 March 2030.

Please refer to Part B, Notes 15.1 (A)(iii) and 16 (iii) of this Quarterly Report for the impact due to the abovementioned changes on the Group's financial statements, in the form of non-cash deferred tax liability charges. These charges, which are non-cash in nature, will be fully reversed to the Consolidated Statements of Profit or Loss during the window for which the EPL regime applies, i.e. up to 31 March 2030.

5 MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in prior financial periods that have a material effect in the Current Period.

6 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL QUARTER

There were no material events subsequent to the end of the Current Period up to the date of this Quarterly Report.

7 CHANGES IN THE COMPOSITION OF THE GROUP

Save as disclosed below, there were no other changes in the composition of the Group during the Current Period.

(i) On 9 September 2024, Malaya Hibiscus was incorporated under the Act with an issued and paid-up share capital of 2 ordinary shares of RM1.00 each. Malaya Hibiscus was established as a wholly-owned subsidiary of Asia Hibiscus, which in turn is a wholly-owned subsidiary of the Company.

(ii) On 14 October 2024, the Group completed the acquisition of TotalEnergies EP Brunei from TotalEnergies Holdings.

The purchase price consideration was USD245.0 million (equivalent to RM1,052.7 million). It was based on the Group's internal assessment on the Block B Maharajalela Jamalulalam field and supported by an independent third party assessment performed by RPS (the relevant reports prepared by RPS were included in the Circular to Shareholders related to this acquisition dated 25 September 2024 – i.e. a Competent Valuers' Report (Appendix IV in the Circular to Shareholders) and a Competent Person's Report (Appendix V in the Circular to Shareholders)).

In calculating the final purchase consideration, the following various agreed adjustments (pursuant to the SPA) were made:

	RM'000
Purchase price per the SPA (i.e. USD245.0 million)	1,052,716
Add: Time value amount	73,046
Add: Net cash	192,789
Less: Working capital	(130,972)
Less: Pre-closing dividend	(279,292)
Less: Leakage adjustment amount	(67,597)
Final purchase consideration	**840,690**
Less: Cash and cash equivalents of subsidiary acquired	(94,500)
Net cash outflow arising from business combination	**746,190**

The resulting final purchase consideration was USD195.7 million (equivalent to RM840.7 million).

7 CHANGES IN THE COMPOSITION OF THE GROUP (CONT'D)

The provisional fair value of the identifiable assets and liabilities of TotalEnergies EP Brunei has been determined in accordance with the provisions of MFRS 3 *Business Combinations* and assigned to the identifiable assets and liabilities as at 14 October 2024. The provisional fair value of the identifiable assets and liabilities of TotalEnergies EP Brunei as at 14 October 2024 is as follows:

	RM'000
Assets	
Equipment	1,023,139
Right-of-use assets	18,528
Inventories	13,639
Trade receivables	266,365
Other receivables, deposits and prepayments	49,859
Cash and bank balances	94,500
	1,466,030
Liabilities	
Other payables and accruals	334,646
Borrowings	50,752
Provision for decommissioning costs	158,892
Provision for taxation	137,282
Deferred tax liabilities	239,025
	920,597
Total provisional identifiable net assets at fair value	545,433
Provisional goodwill from business combination (i.e. USD68.7 million)	295,257
Final purchase consideration (after adjustments)	840,690

Under the provisions of MFRS 3 *Business Combinations*, the Group is given a period not exceeding one year from the acquisition date to determine the fair value of the identifiable assets and liabilities of TotalEnergies EP Brunei as at 14 October 2024, including our interests in the Block B Maharajalela Jamalulalam field. The Group is awaiting the finalisation of a post-acquisition independent competent person's report so at this time, the numbers provided above are provisional. Whilst we do not expect much deviation from the provisional numbers that are disclosed above, we will await the completion of the independent competent person's report before formally confirming them.

In addition, whilst there is a provisional goodwill number stated above, it should be noted that this number arises mainly from certain non-cash taxation related entries, including those within the Statement of Financial Position of the company being acquired, which does not negatively impact the value of the underlying asset that has been acquired which has already been supported by an independent competent person's report issued by RPS on 13 June 2024 and now, being updated further for disclosure at a later date.

For avoidance of doubt, the non-cash taxation-related components are:

- Deferred tax liabilities balance (which is non-cash in nature) of RM172.4 million carried over as at 14 October 2024 as part of the fair value of the acquired liabilities post-acquisition. The deferred tax liabilities stem from timing differences in the carrying value of non-current assets caused by the depreciation methods and basis adopted for taxation and accounting purposes; and

7 CHANGES IN THE COMPOSITION OF THE GROUP (CONT'D)

- Deferred tax liabilities recognised of RM65.8 million (which is non-cash in nature) was computed by multiplying the PITA rate in Brunei of 55.0% on the provisional uplift amount of oil and gas properties amounting to RM117.6 million, when compared to the non-current assets of TotalEnergies EP Brunei as at 14 October 2024. The RM117.6 million arose from the revaluation of oil and gas properties and is recognised as equipment in the Consolidated Statements of Financial Position. MFRS 3 *Business Combinations* requires an acquirer to account for the potential tax effect of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition in accordance with MFRS 112 *Income Taxes*.

Whilst deferred tax liabilities are non-cash in nature, the accounting treatment stipulated in MFRS 3 *Business Combination*, requires them to be included in the net identifiable assets and liabilities for comparison with the final purchase consideration in calculating goodwill. Notwithstanding, in assessing goodwill for impairment assessment purpose, deferred tax liabilities are included in the determination of the carrying value of the cash generating unit.

As at 31 March 2025, the provisional goodwill recognised of USD68.7 million was translated at the closing rate adopted for conversion to RM of 4.4372 to RM304.8 million and was reported in the Consolidated Statements of Financial Position in the Current Period. The exchange differences are recognised in other comprehensive income.

In acquiring TotalEnergies EP Brunei, the Group has assumed various benefits associated with a strategic market entry via a matured and established existing operational set-up. They include:

- A long-standing established business presence in Brunei;
- An experienced and knowledgeable assembled workforce; and
- Strong established business processes (operational processes, operational data and operational contracts) which provide a platform to acquire more licences or assets which will contribute positively to Group's revenue.

For the purposes of reporting the financial performance of TotalEnergies EP Brunei (and as disclosed based on MFRS 8 *Operating Segments*), the Group has classified TotalEnergies EP Brunei under the Brunei operating segment. Please refer to Part A, Note 11 of this Quarterly Report for further details.

For the period from 15 October 2024 to 31 March 2025, TotalEnergies EP Brunei contributed revenue of RM212.3 million and PAT generated from operations of RM34.2 million.

Had TotalEnergies EP Brunei been acquired on 1 July 2024, the Group's revenue and PAT for the Current Period would have been RM1,864.5 million and RM68.5 million respectively.

Transaction costs and professional fees incurred relating to the acquisition of RM7.1 million was expensed to profit or loss as part the Group's administrative expenses.

7 CHANGES IN THE COMPOSITION OF THE GROUP (CONT'D)

(iii) Hibiscus Integrated Production Services was incorporated under the Act on 13 September 2023 with an issued and paid-up share capital of 2 ordinary shares of RM1.00 each. Hibiscus Integrated Production Services is a wholly-owned subsidiary of Hibiscus Technical Services, which in turn is a wholly-owned subsidiary of the Company.

On 21 February 2025, Hibiscus Integrated Production Services issued an additional 99,998 ordinary shares of RM1.00 each, increasing its share capital from 2 ordinary shares to 100,000 ordinary shares. Hibiscus Technical Services subscribed for 50,998 of the newly issued shares while FPSO Ventures Sdn. Bhd. subscribed for 49,000 of the newly issued shares.

A Joint Venture and Shareholders Agreement and a Shares Subscription Agreement between Hibiscus Technical Services, FPSO Ventures Sdn. Bhd. and Hibiscus Integrated Production Services were executed in March 2025. The Joint Venture and Shareholders Agreement defines the rights and obligations of the respective parties in Hibiscus Integrated Production Services. Upon the coming into effect of the Joint Venture and Shareholders Agreement, Hibiscus Technical Services will not have the power to unilateral control the decision-making of Hibiscus Integrated Production Services, and thus Hibiscus Integrated Production Services will cease to be a subsidiary of Hibiscus Technical Services (per the provisions of MFRS 10 *Consolidated Financial Statements*). Consequently, the assets and liabilities of Hibiscus Integrated Production Services have been deconsolidated and derecognised. Hibiscus Technical Services remaining equity interest in Hibiscus Integrated Production Services is accounted for as other investment (per the provisions of MFRS 9 *Financial Instruments*).

8 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Directors are not aware of any material contingent liabilities or contingent assets, which, upon becoming enforceable, may have a material impact on profit or loss, or the net assets value of the Group.

9 DIVIDENDS PAID

The amount of dividends paid by the Company in the Current Period are as follows:

	RM'000
<u>In respect of the Current Year</u>	
First interim single-tier dividend of 2.00 sen per ordinary share, paid on 22 January 2025	15,176
<u>In respect of the Preceding Year</u>	
Third interim single-tier dividend of 2.00 sen per ordinary share, paid on 19 July 2024	15,972
Fourth interim single-tier dividend of 1.50 sen per ordinary share, paid on 25 October 2024	11,728
Final single-tier dividend of 1.00 sen per ordinary share, paid on 22 January 2025	7,588
	50,464

10 DEBT AND EQUITY SECURITIES

Save as disclosed below, there were no other issuances, cancellations, repurchases, resale, exercise of debt and equity securities during the Current Period.

Share capital

	PERIOD ENDED 31.03.2025	
	Number of shares	**Share capital RM'000**
ORDINARY SHARES		
As at 01.07.2024	804,967,428	166,014
Cancellation of treasury shares	(36,566,600)	(7,542)
As at 31.03.2025	768,400,828	158,472

In accordance with Section 127(14) of the Act, the issued capital of the Company shall be diminished by the treasury shares so cancelled.

Treasury shares

	PERIOD ENDED 31.03.2025	
	Number of shares	**Treasury shares RM'000**
As at 01.07.2024	6,385,200	16,121
Purchase of treasury shares	59,906,700	116,095
Cancellation of treasury shares	(36,566,600)	(78,667)
As at 31.03.2025	29,725,300	53,549

On 27 November 2024, our shareholders approved the renewal of the share buy-back authority for the Company to purchase its own shares of up to 10% of the total number of issued ordinary shares of the Company. The mandate is valid until the next Annual General Meeting or earlier if the shareholders pass an ordinary resolution in a general meeting.

During the Current Period, the Company repurchased 59,906,700 of its issued ordinary shares from the open market on Bursa Securities. The cost of repurchasing these shares amounted to RM116,095,580. On 27 November 2024, the Company cancelled 36,566,600 of its treasury shares following a resolution passed by the Board. The remaining 29,725,300 shares repurchased are currently held as treasury shares and presented as a deduction from equity in the Consolidated Statements of Financial Position.

11 OPERATING SEGMENTS

Operating results are segmented in respect of the Group's business activities.

The Group had reassessed the composition of its reportable operating segments upon completing the integration of the operations of its two Malaysian operating business units, SEA Hibiscus and Hibiscus Oil & Gas. The reassessment was performed based on the quantitative thresholds and qualitative factors in accordance with the requirements of MFRS 8 *Operating Segments*. Via the integrated organisation known as Hibiscus Malaysia, the Group aims to achieve a unified working culture, operational synergies and cost optimisation across the Group's assets in Peninsular Malaysia, Sabah Malaysia and Vietnam and further solidify the Group's position in Malaysia.

The Group's reportable operating segments have been redefined based on a review that took into consideration the similarity of economic characteristics, business processes, allocation of resources and regulatory environment.

The comparative operating segments' results are restated to reflect the newly reportable operating segments in accordance with MFRS 8 *Operating Segments*.

At the end of the Current Period, the Group's activities have been grouped into the following principal areas:

(i) Peninsular Malaysia — Group's investments and operations in Peninsular Malaysia, consisting of (i) PM3 CAA, (ii) PM305 and PM314, (iii) PKNB and (iv) PM327.

PM3 CAA

Group's investment in its 35% participating interest in PM3 CAA, located within the CAA between Malaysia and Vietnam. The investment includes the management of the operations relating to the production of petroleum from eight oil and gas fields (namely Bunga Orkid, Bunga Pakma, Bunga Lavatera, Bunga Kekwa, Bunga Raya, Bunga Seroja, Bunga Tulip and Bunga Aster).

PM305 and PM314

(a) PM305
- Group's investment in its 60% participating interest in PM305, located off the eastern coast of Peninsular Malaysia in the Malay Basin. The PSC for PM305 ceased on 17 March 2024.

  The Group has the obligation to complete the abandonment of the wells and facilities per the PSC terms of PM305. All well abandonment obligations required to be carried out were completed in August 2022. The remaining abandonment obligations of the South Angsi-A facility are estimated to be completed by September 2025.

  The Group is also in the progress of finalising the cash settlement exercise in relation to underlift crude balances.

(b) PM314
- Group's investment in its 60% participating interest in PM314, located off the eastern coast of Peninsular Malaysia in the Malay Basin. The PSC for PM314 ceased on 5 September 2020 and all abandonment obligations required to be carried out per the PSC terms of PM314 were completed in August 2022.

  The Group is in the progress of finalising the cash settlement exercise in relation to underlift crude balances.

11 OPERATING SEGMENTS (CONT'D)

(i) Peninsular Malaysia (Cont'd)

PKNB

Group's investment in its 65% participating interest in PKNB, located in shallow waters between 65 and 75 metres depth offshore the east coast of Peninsular Malaysia.

The investment includes the management of operations relating to the four discovered resource opportunities (gas fields), namely the Pertang, Kenarong, Noring and Bedong fields.

PM327

Group's investment in its 30% non-operated participating interest in PM327, an exploration block located to the south of the PM3 CAA.

The segment's functional currency is the USD. The average and closing rates adopted for conversion to RM in the Current Period are 4.4107 and 4.4372 respectively.

(ii) Sabah Malaysia

Group's investments and operations in Sabah, Malaysia, consisting of (i) North Sabah and (ii) Kinabalu.

North Sabah

Group's investment in its 50% participating interest in North Sabah, located off the coast of Sabah, Malaysia. The investment includes the management of the operations relating to the production of petroleum from four existing oil fields (namely St Joseph, South Furious, South Furious 30 and Barton), existing pipeline infrastructure, the LCOT and all other equipment and assets relating to the PSC.

Kinabalu

Group's investment in its 60% participating interest in Kinabalu, located off the coast of Sabah, Malaysia. The investment includes the management of the operations relating to the production of petroleum from three existing oil fields (namely Kinabalu Main, Kinabalu East and Kinabalu Far East).

The segment's functional currency is the USD. The average and closing rates adopted for conversion to RM in the Current Period are 4.4107 and 4.4372 respectively.

11 OPERATING SEGMENTS (CONT'D)

(iii) United Kingdom — Group's investments and operations in the UK, consisting of (i) the Anasuria Area and (ii) the Marigold Area, all located offshore in the United Kingdom Continental Shelf.

Anasuria Area

(a) Anasuria Cluster
- Group's investment in its:
  - (i) 50% jointly operated interest in the Licence P013 (Blocks 21/25a and 21/30a) containing the Guillemot A, Teal and Teal South producing fields,
  - (ii) 19.3% non-operated interests in the Licence P185 (Block 21/20a) containing the Cook producing field,
  - (iii) 50% operated interest in the Anasuria FPSO, and
  - (iv) 50% interest in Anasuria Operating Company Limited.

(b) Licence P2451
- Group's investment in its 42.5% operated interest in Licence P2451 (Block 21/28b) containing the Fyne undeveloped field.

(c) Licence P2532
- Group's investment in its 19.3% non-operated interest in Licence P2532 (containing originally Block 21/19c and Block 21/20c) containing originally the Cook West and Cook North field extensions. Ithaca Energy is the operator for the fields.

  On 8 September 2024, the NSTA approved Ithaca Energy's application for partial relinquishment of Block 21/19c and the relinquishment of Block 21/20c.

(d) Licence P2535
- Group's investment in its 100% operated interest in Licence P2535 (Block 21/24d) containing the Teal West field.

  On 7 November 2024, the NSTA granted the application for Licence P2535 to proceed to a third term which involves the execution of a Field Development Plan to progress the development of the Teal West field. The third term expires on 1 December 2042. Concurrently, the NSTA granted the application to surrender part of License P2535, thereby reducing the Block 21/24d acreage held from approximately 58 square km to approximately 17 square km.

11 OPERATING SEGMENTS (CONT'D)

(iii) United Kingdom (Cont'd)

Marigold Area

(a) Marigold field
- Group's investment in its 61.25% operated unit participation in Licence P198 (Block 15/13a) containing the Marigold field, which is unitised with Ithaca Oil and Gas Limited under its Licence P2158 (Block 15/18b), pursuant to the Unitisation and Unit Operating Agreement executed on 15 September 2023.

(b) Sunflower field
- Group's investment in its 87.5% operated interest in Licence P198 (Block 15/13b) containing the Sunflower discovery.

(c) Licence P2518
- Group's investment in its 100% operated interest in Licence P2518 (Block 15/12a and Block 15/17a) containing the Kildrummy discovery.

(d) Licence P2608
- Group's investment in its 100% operated interest in Licence P2608 (Block 15/18a and Block 15/19a) containing the Crown discovery.

(e) Licence P2635
- Group's investment in its 100% operated interest in Licence P2635 (Block 15/13c and Block 15/18c) containing the Cross prospect and hydrocarbon lead northwest of the Marigold field.

The segment's functional currency is the USD. The average and closing rates adopted for conversion to RM in the Current Period are 4.4107 and 4.4372 respectively.

(vi) Brunei

Group's investment in its 37.5% operated interest in the Block B Concession containing Maharajalela Jamalulalam field, located in offshore Brunei. The Maharajalela Jamalulalam field is a producing gas asset.

The segment's functional currency is the USD. The average and closing rates adopted for conversion to RM in the Current Period are 4.4107 and 4.4372 respectively.

(v) Vietnam

Group's investment in its 70% operated interest in Block 46, a tie-back asset to PM3 CAA located in Vietnamese waters. Block 46 contains the producing Cai Nuoc field and the undeveloped Hoa Mai field.

The segment's functional currency is the USD. The average and closing rates adopted for conversion to RM in the Current Period are 4.4107 and 4.4372 respectively.

11 OPERATING SEGMENTS (CONT'D)

(vi) Others

Other segment comprised of the Group's operations in Australia and investment holding and group activities.

Australia

Group's operations in VIC/RL17 Petroleum Retention Lease for the West Seahorse field and investment in 3D Energi Limited.

The functional currency is the Australian Dollar. The average and closing rates adopted for conversion to RM in the Current Period are 2.8502 and 2.7771 respectively.

Investment holding and group activities

Investments in companies owning/operating oil and gas concessions, and provision of project management, technical and other services relating to the oil and gas exploration and production industry. The investment holding and group activities are located in Malaysia.

11 OPERATING SEGMENTS (CONT'D)

	Peninsular Malaysia RM'000	Sabah Malaysia RM'000	United Kingdom RM'000	Brunei RM'000	Vietnam RM'000	Others RM'000	Group RM'000
As at 31.03.2025							
Non-current assets	1,239,222	1,541,236	1,832,648	1,426,433	9,275	8,572	6,057,386
Included in the segment assets is:							
Investment in an associate	-	-	-	-	-	3,470	3,470
Additions to non-current assets	533,592	330,509	130,676	1,429,951	162	1,872	2,426,762
Period ended 31.03.2025							
Project management, technical and other service fees	-	-	-	-	-	4,469	4,469
Sales of crude oil, condensate and gas	623,840	649,778	151,203	175,361	58,416	-	1,658,598
Processing services	-	-	-	36,911	-	-	36,911
Interest income	-	-	-	-	-	3,394	3,394
Revenue	623,840	649,778	151,203	212,272	58,416	7,863	1,703,372
Depreciation and amortisation	184,933	97,857	44,458	45,733	1,468	1,411	375,860
Profit/(loss) from operations	164,359	213,476	(1,457)	71,904	26,306	(54,441)	420,147
Write-off of well exploration costs	(17,629)	-	-	-	-	-	(17,629)
Write-off of equipment	-	-	-	(461)	-	-	(461)
Gain on disposal of investment	-	-	-	-	-	41	41
Share of results of an associate	-	-	-	-	-	(473)	(473)
Finance costs	(13,668)	(12,386)	(25,789)	(4,367)	(358)	(37,202)	(93,770)
Interest income	5,867	2,583	10,440	1,112	95	302	20,399
Taxation	(44,809)	(75,940)	(113,940)	(34,006)	(15,378)	(1,290)	(285,363)
PAT/(LAT)	94,120	127,733	(130,746)	34,182	10,665	(93,063)	42,891
EBITDA/(LBITDA)	337,530	313,916	53,441	118,288	27,869	(53,160)	797,884

11 OPERATING SEGMENTS (CONT'D)

	Peninsular Malaysia RM'000	Sabah Malaysia RM'000	United Kingdom RM'000	Vietnam RM'000	Others RM'000	Group RM'000
As at 31.03.2024						
Non-current assets	999,312	1,408,303	1,825,656	14,305	7,304	4,254,880
Included in the segment assets is:						
Investment in an associate	-	-	-	-	4,481	4,481
Additions to non-current assets	75,953	407,276	116,500	1,185	234	601,148
Period ended 31.03.2024						
Project management, technical and other service fees	-	-	-	-	5,289	5,289
Sales of crude oil and gas	747,210	953,935	261,511	-	-	1,962,656
Interest income	-	-	-	-	9,740	9,740
Revenue	747,210	953,935	261,511	-	15,029	1,977,685
Depreciation and amortisation	(180,741)	(120,084)	(55,140)	(3,075)	(1,002)	(360,042)
Profit/(loss) from operations	282,134	359,628	97,324	(4,193)	(33,025)	701,868
Write-off of well exploration costs	-	(78,902)	-	-	-	(78,902)
Share of results of an associate	-	-	-	-	(386)	(386)
Finance costs	(14,235)	(11,882)	(23,752)	(458)	(30,772)	(81,099)
Interest income	13,190	9,335	12,430	365	508	35,828
Taxation	(76,692)	(107,356)	(34,291)	983	(1,513)	(218,869)
PAT/(LAT)	204,397	170,823	51,711	(3,303)	(65,188)	358,440
EBITDA/(LBITDA)	476,065	410,145	164,894	(753)	(31,901)	1,018,450

12 SIGNIFICANT RELATED PARTY TRANSACTIONS

Related party transactions within the Group are as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31.03.2025 RM'000	QUARTER ENDED 31.03.2024 RM'000	PERIOD ENDED 31.03.2025 RM'000	PERIOD ENDED 31.03.2024 RM'000
Project management, technical and other services fees earned from a related party				
- Ping Petroleum UK PLC	653	737	2,126	2,207

13 MATERIAL COMMITMENTS

Save as disclosed below, the Group is not aware of any material capital commitments incurred or known to be incurred by the Group which, upon becoming enforceable, may have a material impact on profit or loss, or net assets value of the Group as at 31 March 2025:

	RM'000
Approved and contracted for:	
Group's capital commitments	523,213
Share of a joint operation's capital commitments	5,079
Total capital commitments approved and contracted for	528,292
Share of a joint operation's other material commitments	33,424
	561,716

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MMLR OF BURSA SECURITIES

14 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

There was no audit qualification to the auditors' report on the latest audited financial statements.

15 PERFORMANCE REVIEW

OPERATING SEGMENTS	Current Period 31.03.2025 RM'000	Current Quarter 31.03.2025 RM'000	Preceding Quarter 31.12.2024 RM'000	Current Quarter vs Preceding Quarter (Change in %)
Peninsular Malaysia				
Revenue	623,840	106,403	306,580	(65)
EBITDA	**337,530**	**76,606**	**135,745**	**(44)**
PAT/(LAT)	94,120	(986)	36,919	-
Sabah Malaysia				
Revenue	649,778	211,232	212,732	(1)
EBITDA	**313,916**	**118,454**	**110,726**	**7**
PAT	127,733	45,597	43,779	4
United Kingdom				
Revenue	151,203	64,573	49,303	31
EBITDA	**53,441**	**33,962**	**33,763**	**1**
(LAT)/PAT	(130,746)	(167,550)	2,760	-
Brunei				
Revenue	212,272	131,067	81,205	61
EBITDA	**118,288**	**61,066**	**57,222**	**7**
PAT	34,182	19,060	15,122	26
Vietnam				
Revenue	58,416	58,416	-	100
EBITDA/(LBITDA)	**27,869**	**28,549**	**(397)**	**-**
PAT/(LAT)	10,665	12,272	(1,065)	-
Others				
Revenue	7,863	1,110	3,356	(67)
(LBITDA)/EBITDA	**(53,160)**	**(10,414)**	**2,831**	**-**
LAT	(93,063)	(24,365)	(14,255)	(71)
Group				
Revenue	1,703,372	572,801	653,176	(12)
EBITDA	**797,884**	**308,223**	**339,890**	**(9)**
PAT/(LAT)	42,891	(115,972)	83,260	-

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results

(A) Statements of Profit or Loss

(Note: Commentary is based on the segments classified in Part A, Note 11 of this Quarterly Report.)

(i) Peninsular Malaysia

	PM3 CAA		PM305 and PM314		PKNB		PM327		Total	
RM'000	**Current Period**	**Current Quarter**	**Current Period**	**Current Quarter**	**Current Period**	**Current Quarter**	**Current Period**	**Current Quarter**	**Current Period**	**Current Quarter**
Revenue	623,840	106,403	-	-	-	-	-	-	623,840	106,403
- Crude Oil	312,207	1,931	-	-	-	-	-	-	312,207	1,931
- Gas	311,633	104,472	-	-	-	-	-	-	311,633	104,472
GP	358,932	87,932	1,436	7	-	-	-	-	360,368	87,939
GP margin (%)	*57.5%*	*82.6%*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*57.8%*	*82.6%*
EBITDA/(LBITDA)	355,044	74,599	5,947	1,877	(4,795)	606	(18,666)	(476)	337,530	76,606
EBITDA/(LBITDA) margin (%)	*56.9%*	*70.1%*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*54.1%*	*72.0%*
PBT/(LBT)	156,488	6,346	5,968	1,870	(4,861)	566	(18,666)	(476)	138,929	8,306
PBT/(LBT) margin (%)	*25.1%*	*6.0%*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*22.3%*	*7.8%*
PAT/(LAT)	108,528	(5,084)	7,435	4,296	(3,177)	278	(18,666)	(476)	94,120	(986)
PAT/(LAT) margin (%)	*17.4%*	*(4.8%)*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*15.1%*	*(0.9%)*
ETR (%)	30.6%	180.1%	N/A	N/A	34.6%	50.9%	-	0.0%	32.3%	111.9%

	PM3 CAA		PM305 and PM314*		PKNB**		PM327**	
	Current Period	**Current Quarter**	**Current Period**	**Current Quarter**	**Current Period**	**Current Quarter**	**Current Period**	**Current Quarter**
Crude oil sold (bbls)	920,583	-	N/A	N/A	N/A	N/A	N/A	N/A
Average realised oil price (USD per bbl)	78.67	-	N/A	N/A	N/A	N/A	N/A	N/A
Gas sold (MMscf)	12,622	4,147	N/A	N/A	N/A	N/A	N/A	N/A
Average realised gas price (USD per thousand scf)	5.60	5.66	N/A	N/A	N/A	N/A	N/A	N/A
Average OPEX per boe (USD)	13.80	9.02	N/A	N/A	N/A	N/A	N/A	N/A
Average uptime	92%	95%	N/A	N/A	N/A	N/A	N/A	N/A
Average net oil equivalent production rate (boe per day)	10,910	10,530	N/A	N/A	N/A	N/A	N/A	N/A

* *No operational statistics are available for PM305 and PM314 as the Group has ceased its participating interests in both PSCs in prior periods.*

** *No operational statistics are available for PKNB and PM327 as the PSCs are in development phase and exploration phase respectively.*

PM3 CAA

- **Financial year-to-date results**

  During the Current Period, PM3 CAA's GP amounted to RM358.9 million. The GP margin was 57.5%.

  The production levels recorded in the Current Period were healthy due to several key factors:

  - Sustained oil production experienced from the H4 reservoirs through optimised water injection and careful monitoring of watercut trend;

  - High facilities uptime recorded, which was made possible after rigorous maintenance activities which have been taking place at the PM3 assets; and

  - On the PM3 South platform, water injection capacity was restored to the planned level resulting in strong well performance and pressure maintenance was effectively maintained.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

Despite the reasonably high average gross oil equivalent production rate, costs associated with planned maintenance activities, shutdown related work and certain unplanned additional scopes executed in the Current Period resulted in a relatively high OPEX of USD13.80 per boe.

In November 2024, the IRB completed its audit on the tax returns for PITA submitted and issued Notices of Additional Assessment for YA 2019 to YA 2021. Following this, overprovisions for the additional tax of RM3.0 million and penalty of RM1.4 million were adjusted to taxation and other expenses respectively in profit or loss.

The PSC's PBT of RM156.5 million was arrived at after deducting the following non-cash items from EBITDA of RM355.0 million:

- Amortisation of intangible assets and depreciation of oil and gas assets of RM153.2 million;
- Depreciation of right-of-use assets of RM31.8 million; and
- Unwinding of discount on provision for decommissioning costs of RM7.5 million.

<u>Taxation</u>

The tax regime under which Malaysian oil and gas activities are governed under the Petroleum (Income Tax) Act 1967 and is thus applicable to PM3 CAA.

This PSC is also subject to income tax obligations in Barbados (at 1.0%) and Corporate (Income Tax) Act 1967 (at 24.0%).

RM'000	PITA	CITA	Barbados tax	Total
Total	(36,118)	(9,889)	(1,953)	(47,960)
Income tax	(51,820)	(9,889)	(2,817)	(64,526)
- Provision	(62,106)	(10,075)	(2,689)	(74,870)
- Net reversal of overprovisions/(underprovisions) in current and prior YAs	12,215	186	(128)	12,273
- True-up for a prior YA	(1,929)	-	-	(1,929)
Deferred tax	15,702	-	864	16,566
- Deferred tax liabilities	(115,958)	-	-	(115,958)
- Recognition	(110,696)	-	-	(110,696)
- True-up for a prior YA	(5,262)	-	-	(5,262)
- Deferred tax assets	131,660	-	864	132,524

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

During the Current Period, the PSC recognised a net tax expense of RM48.0 million, delivering an ETR over PBT of 30.6%.

The following adjustments were made during the Current Period.

- PITA YA 2019 to YA 2021 – Reversal of overprovision of taxes of RM3.0 million upon conclusion of tax audit as explained above;
- PITA YA 2022 and YA 2023 and CITA YA 2019 and YA 2024 – Reversal of overprovision of taxes of RM9.2 million and RM0.2 million respectively upon the reassessment of the provisions in the respective YAs; and
- PITA YA 2024 – Additional provision of tax of RM7.2million upon updating the assessment of the actual tax position for YA 2024. The deadline to file the YA 2024 tax return to the IRB is 31 August 2025.

Omitting the impact of the abovementioned adjustments would result in a "normalised" net tax expense of RM53.2 million in the Current Period, delivering a "normalised" ETR over PBT of 34.0%. The "normalised" ETR was lower than the PITA rate mainly due to unrealised foreign exchange gains of RM3.7 million being non-taxable and overhead income that is not taxable under PITA (as it is taxed in Barbados instead at the lower rate of 1.0%).

- **Current quarter results**

  In the Current Quarter, the PSC's revenue was contributed solely by the sale of gas. There was no sale of crude oil scheduled for the Current Quarter as previously guided.

  The PSC reported stable operational performance in the Current Quarter, mainly attributed to:

  - Sustained performance from the H4 reservoirs through optimised water injection and careful monitoring of watercut trend;
  - Stable gas demand from buyers;
  - High facilities uptime maintained with minimal unplanned downtime;
  - Strong well performance supported by a successful well intervention program; and
  - Effective pressure maintenance through water injection, particularly critical for the PM3 South platform late life wells.

  In addition, the average OPEX per boe recorded was relatively low at USD9.02 due to lower OPEX incurred.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

OPEX incurred included costs associated with routine preventive and corrective maintenance, facilities integrity and fabric maintenance, an on-going asset life extension study being performed for the PM3 FSO and well intervention activities.

The following non-cash items were deducted from EBITDA of RM74.6 million to arrive at the segment's PBT of RM6.3 million:

- Amortisation of intangible assets and depreciation of oil and gas assets of RM53.2 million;
- Depreciation of right-of-use assets of RM10.3 million; and
- Unwinding of discount on provision for decommissioning costs of RM3.5 million.

<u>Taxation</u>

RM'000	PITA	CITA	Barbados tax	Total
Total	(8,143)	(2,973)	(314)	(11,430)
Income tax	(11,925)	(2,973)	(916)	(15,814)
- Provision	(7,792)	(4,026)	(788)	(12,606)
- Net reversal of overprovisions/(underprovisions) in current and prior YAs	-	1,053	(128)	925
- True-up for a prior YA	(4,133)	-	-	(4,133)
Deferred tax	3,782	-	602	4,384
- Deferred tax liabilities	(138,858)	-	-	(138,858)
- Recognition	(132,462)	-	-	(132,462)
- True-up for a prior YA	(6,396)	-	-	(6,396)
- Deferred tax assets	142,640	-	602	143,242

In the Current Quarter, a RM11.4 million net tax expense was recorded by the PSC.

PITA of RM8.1 million and Barbados tax of RM0.3 million were charged upon the reassessment of the provisions for YA 2024 and YA 2025.

CITA of RM3.0 million was charged for total interest income earned in the Current Quarter.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

PM305 and PM314

- **Financial year-to-date results**

  The Group relinquished its participating interests in both PSCs in prior periods.

  The reported PBT of RM6.0 million comprises mainly of net foreign exchange gains of RM4.4 million which arose from the period-end retranslation performed on external third-party balances denominated in RM. The USD, being the PSC's functional currency, had depreciated against the RM.

  There was also a RM1.4 million gain recorded as a result of an upward adjustment to the estimated settlement price applied on the underlift crude oil balance after having received an updated price proposed by the host government in writing.

  In the Current Period, a net tax credit of RM1.5 million was recognised. It was mainly due to the reversal of deferred tax liabilities amounting to RM3.0 million upon the finalisation of the tax return for the final YA that was applicable to Hibiscus Oil and Gas (for information, Hibiscus Oil & Gas ceased its participating interest in PM305 and PM314).

- **Current quarter results**

  PM305 and PM314's PBT in the Current Quarter resulted from a positive foreign exchange impact of RM1.6 million which arose from the appreciation of the RM against the USD (when compared to 31 December 2024), impacting the quarter-end revaluation of RM-denominated balances.

  The segment recorded a net tax credit of RM2.4 million due to the reversal of deferred tax liabilities of RM3.0 million as explained in the "Financial year-to-date results" section above.

PKNB

- **Financial year-to-date results**

  The Group was awarded a 65% participating interest in the PSC by PETRONAS in the September 2024 Quarter.

  Included in the LBT were RM1.5 million payroll-related costs, a RM0.9m consultancy fees for subsurface studies and geophysical interpretation, a RM0.7 million one-off fee paid to PETRONAS upon the award of the PKNB PSC and a RM0.6 million license subscription fee for field development plan software.

  The PSC recorded a tax credit of RM1.7 million. The resulting ETR of 34.6% closely corelated to the PITA rate of 38.0%.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

- **Current quarter results**

  In the Current Quarter, the PSC reported a PBT of RM0.6 million.

  An amount of RM2.3 million that was incurred in the Preceding Quarter on processed seismic data was originally charged to profit or loss. It was reclassified to intangible assets in the Current Quarter after due assessment.

  Expenses incurred in the Current Quarter were mostly payroll-related costs.

  A net tax expense of RM0.3 million was recognised in the Current Quarter.

<u>PM327</u>

- **Financial year-to-date results**

  The farm-in for 30% participating interest in PM327 was completed on 30 September 2024.

  The Group wrote off its share of the Rosebay-1 well exploration costs incurred of RM17.6 million in the Preceding Quarter. The Rosebay-1 exploration well, being a commitment well in Block PM327, was drilled by the operator, PETRONAS Carigali. The well was drilled on 3 December 2024 and reached its final depth on 28 December 2024. The operator has classified Rosebay-1 well as a technical success as two minor gas sands in the H-45 and I-45 reservoirs were encountered. The results of this well have provided a better understanding of the subsurface prospectivity of the area and the learnings will be applied to enhance the chance of success for future exploration wells in Block PM327. Whilst the data obtained from this well may contribute to future discoveries and developments in the PM327 area, the Group wrote off its share of the exploration costs incurred.

  A deferred tax asset has not been recognised on the amount written off per the provisions of MFRS 112 *Income Taxes*. In accordance with MFRS 112 *Income Taxes*, a deferred tax asset can be recognised when it is probable that future taxable profits will be available to utilised against such deferred tax asset recognised. The anticipated future taxable profits from PM327 does not meet the required criteria at this time as the PSC is currently in the exploration stage.

- **Current quarter results**

  Expenses charged out in the Current Quarter were minimal, amounting to RM0.5 million.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

(ii) Sabah Malaysia

	North Sabah		Kinabalu		Total	
RM'000	Current Period	Current Quarter	Current Period	Current Quarter	Current Period	Current Quarter
Revenue	432,839	104,698	216,939	106,534	649,778	211,232
GP	271,423	78,172	142,087	73,863	413,510	152,035
GP margin (%)	*62.7%*	*74.7%*	*65.5%*	*69.3%*	*63.6%*	*72.0%*
EBITDA	205,270	59,754	108,646	58,700	313,916	118,454
EBITDA margin (%)	*47.4%*	*57.1%*	*50.1%*	*55.1%*	*48.3%*	*56.1%*
PBT	151,354	40,108	52,319	35,633	203,673	75,741
PBT margin (%)	*35.0%*	*38.3%*	*24.1%*	*33.4%*	*31.3%*	*35.9%*
PAT	95,292	28,612	32,441	16,985	127,733	45,597
PAT margin (%)	*22.0%*	*27.3%*	*15.0%*	*15.9%*	*19.7%*	*21.6%*
ETR (%)	37.0%	28.7%	38.0%	52.3%	37.3%	39.8%

	North Sabah		Kinabalu	
	Current Period	Current Quarter	Current Period	Current Quarter
Crude oil sold (bbls)	1,208,409	289,191	611,042	306,514
Average realised oil price (USD per bbl)	81.21	79.19	80.49	78.44
Average OPEX per bbl (USD)	20.21	13.00	16.85	12.24
Average uptime	91%	93%	79%	79%
Average net oil production rate (bbls per day)	4,699	4,875	2,460	2,368

North Sabah

- **Financial year-to-date results**

  The North Sabah PSC reported a healthy GP of RM271.4 million and GP margin of 62.7%.

  North Sabah's production was boosted by additional production from the South Furious 30 new infill wells, with first oil being achieved on 31 October 2024.

  The PSC's key operational metrices were however impacted by the following events:

  - The unavailability of a compressor at the St Joseph field since June 2024 for which rectification works were completed in October 2024; and

  - Shutdown of production from several wells in September 2024 for eight days caused by the delay of a drilling rig entry into the South Furious 30 field due to unfavourable weather conditions.

  OPEX incurred included costs associated with the following:

  - Routine and preventive maintenance activities which covers various maintenance categories including electrical, static, rotating, instrument and field maintenance; and

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

- Sub-surface routine production enhancement and slickline activities which are part of well intervention campaign activities.

Supplemental payment and SbST incurred in the Current Period amounted to RM22.9 million and RM22.3 million respectively.

The following non-cash items were deducted from EBITDA of RM205.3 million to arrive at a PBT of RM151.4 million:

- Amortisation of intangible assets and depreciation of oil and gas assets of RM38.6 million;
- Depreciation of right-of-use assets of RM3.7 million; and
- Unwinding of a discount on provision for decommissioning costs of RM4.1 million.

The PSC is governed under the Petroleum (Income Tax) Act 1967, at the rate of 38.0%. Total net tax expenses in the Current Period amounted to RM56.1 million and the resulting ETR over PBT of 37.0% was broadly consistent with the PITA rate.

- **Current quarter results**

North Sabah delivered a healthy GP margin of 74.7% on the back of strong operational performance in the Current Quarter. There were no major planned or unplanned activities.

The average OPEX per bbl recorded was USD13.00 while the average net oil production rate was 4,875 bbls per day.

The EBITDA of RM59.8 million was achieved after charging supplemental payment and SbST of RM6.6 million and RM5.9 million respectively.

The PSC recorded a PBT of RM40.1 million. This was achieved after deductions of the following non-cash items from EBITDA:

- Amortisation of intangible assets and depreciation of oil and gas assets of RM14.4 million;
- Depreciation of right-of-use assets of RM0.9 million; and
- Unwinding of discount on provision for decommissioning costs of RM1.3 million.

Total net tax expenses in the Current Quarter were RM11.5 million. The resulting ETR over PBT of 28.7% was lower than the 38.0% PITA rate. It is due to the reversal of overprovision of taxes relating to prior YAs amounting to RM4.3 million made during the Current Quarter upon the reassessment of the PITA tax liabilities for the respective YAs. Omitting the said overprovisions would result in an ETR of 39.4%, which was fairly consistent with the PITA rate.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

<u>Kinabalu</u>

- **Financial year-to-date results**

Kinabalu's average net oil production rate in the Current Period was 2,460 bbls per day. This relatively low production rate reported was mainly the result of the following events:

- Spillover of CY 2024's maintenance campaign from financial quarter ended 30 June 2024 by five days;
- Reduced production from the KND-18 well caused by higher sand and water production since June 2024. This caused a shut in of the well due to difficulties handling high amounts of sand at surface;
- Start-up related operational issues post the annual planned major maintenance campaign for CY 2024 in July 2024 lasting twelve days;
- Shut-in of the KN-116 (from 29 September 2024 to 9 December 2024) and KN-114 (8 October 2024 to 17 December 2024) wells to facilitate the installation of the ESPs; and
- Reduced production from the KND-08ST1 well due to water encroachment.

The lower average net oil production rate resulted in a higher OPEX per bbl of USD16.85.

In the Current Period, the PSC incurred a supplemental payment amounting to RM22.8 million. SbST incurred for the sale of crude oil was RM11.7 million.

The following non-cash items were deducted from EBITDA of RM108.6 million to derive a PBT of RM52.3 million:

- Amortisation of intangible assets and depreciation of oil and gas assets of RM55.2 million;
- Unwinding of discount on provision for decommissioning costs of RM0.7 million; and
- Depreciation of right-of-use assets of RM0.4 million.

<u>Taxation</u>

Kinabalu is governed under the Petroleum (Income Tax) Act 1967, at the rate of 38.0%. This PSC is also subject to income tax obligations in Barbados (at 1.0%) and Corporate (Income Tax) Act 1967 (computed on interest income received on inter-company advances and from bank deposits, at 24.0%).

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

The net tax expense of RM19.9 million recognised by the PSC in the Current Period resulted in an ETR of 38.0%. The net tax expense included additional tax provided for YA 2024 in the Current Quarter amounting to RM8.7 million. The amount was ascertained after further assessment performed on the actual tax position for YA 2024 prior to filing the tax return to the IRB by the due date of 31 August 2025.

Omitting the impact of the abovementioned adjustment results in a "normalised" net tax expense of RM11.2 million in the Current Period, delivering a "normalised" ETR over a PBT of 21.4%. This is lower than the 38.0% PITA rate due to unrealised foreign exchange gains of RM8.6 million being non-taxable and overhead income of RM4.6 million that is not taxable under PITA (as it is taxed in Barbados instead at the lower rate of 1.0%).

- **Current quarter results**

During the Current Quarter, the PSC's production performance improved as a result of gas lift, topside equipment and wells optimisation activities.

Favourable operational performance coupled with a relatively low level of OPEX incurred in the Current Quarter due to fewer well intervention and maintenance activities enabled the PSC to record a low OPEX per bbl of USD12.24.

The PSC attained an EBITDA of RM58.7 million in the Current Quarter after charging SbST and supplemental payment of RM6.2 million and RM5.4 million respectively.

The following non-cash items were deducted from EBITDA to arrive at a PBT of RM35.6 million:

- Amortisation of intangible assets and depreciation of oil and gas assets of RM23.3 million; and

- Unwinding of discount on provision for decommissioning costs of RM0.2 million.

<u>Taxation</u>

The Kinabalu PSC recognised a net tax expense of RM18.6 million in the Current Quarter. The resulting ETR over PBT of 52.3% was higher than the PITA rate of 38.0% mainly due to the recognition of an underprovision of tax amounting to RM10.1 million for YA 2024.

Omitting the said overprovision results in an ETR of 23.9%. It is lower than the 38.0% PITA rate due to unrealised foreign exchange gains of RM1.1 million being non-taxable and overhead income that is not taxable under PITA (as it is taxed in Barbados instead at the lower rate of 1.0%).

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

(iii) United Kingdom

RM'000	Current Period	Current Quarter
Revenue	151,203	64,573
- Crude Oil	140,002	59,495
- Gas	11,201	5,078
GP	72,680	40,736
GP margin (%)	*48.1%*	*63.1%*
EBITDA	53,441	33,962
EBITDA margin (%)	*35.3%*	*52.6%*
(LBT)/PBT	(16,806)	6,295
(LBT)/PBT margin (%)	*(11.1%)*	*9.7%*
LAT	(130,746)	(167,550)
LAT margin (%)	*(86.5%)*	*(259.5%)*
ETR (%)	N/A	2761.6%

	Current Period	Current Quarter
Crude oil sold (bbls)	412,257	175,377
Average realised oil price (USD per bbl)	74.75	74.29
Gas sold (MMscf)	204	78
Average realised gas price (USD per thousand scf)	12.28∞ / 12.87#	13.71∞ / 17.89#
Average OPEX per boe (USD)	43.10	32.69
Average uptime	71%	90%
Average daily oil equivalent production rate (boe per day)	1,663	2,132

∞ *For Cook field.*
\# *For Guillemot A, Teal and Teal South fields.*

- **Financial year-to-date results**

  The UK segment's operational performance in the Current Period has been adversely impacted by a planned 2024 Offshore Turnaround which took place from 3 August 2024 to 10 September 2024 for a period of 38 days had led to shut down of FPSO facilities for a planned maintenance to improve the reliability and integrity of the Anasuria FPSO in addition to ensuring a safe offshore working environment. Turnarounds typically occur every two years. The costs incurred formed part of the Current Period's cost of sales.

  Production at the Anasuria Cluster was brought back online on 10 September 2024. However, wells supported by gas lift were not returned to production until two further operational issues were resolved:

  - Leaking gasket on a gas scrubber; and
  - Oil contamination event in the gas compression system.

  These technical issues were resolved by late October 2024 and full production has since resumed.

  As a result of the abovementioned events, both the average uptime and average daily oil equivalent production rate recorded for the Current Period were relatively low, at 71% and 1,663 boe per day respectively. The average OPEX per boe for the Current Period was USD43.10.

  As a direct consequence of the weak operational performance, the profits reported by the segment in the Current Period were lower. GP attained was RM72.7 million (48.1% margin over revenue). Bbls of crude oil sold from the offtakes undertaken and gas sold in the Current Period were lower than normally expected, at 412,257 bbls and 204 MMscf respectively.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

Included in the UK segment's EBITDA were net unrealised losses of RM6.7 million. The USD, being the UK segment's functional currency, had depreciated against the RM and the GBP during the Current Period when compared to 30 June 2024. The period-end retranslation of the segment's RM-denominated payables owed to the Group's inter-companies contributed to most of such unrealised losses. As the losses relating to these balances were inter-company, there was no impact at Group level.

LBT recorded for the segment of RM16.8 million was arrived at mainly after deducting the following non-cash items from EBITDA:

- Amortisation of intangible assets and depreciation of oil and gas assets of RM44.2 million; and

- Unwinding of discount on provision for decommissioning costs and contingent consideration of RM20.5 million and RM1.6 million respectively.

Taxation

RM '000	Ring fenced		Non-ring fenced	Total
	RFCT and SC	EPL		
Total	16,703	(126,000)	(4,643)	(113,940)
Income tax	-	2,253	(4,643)	(2,390)
Deferred tax	16,703	(128,253)	-	(111,550)
- Deferred tax liabilities	(24,612)	(152,292)	-	(176,904)
- Recognition (EPL - One-off)	-	(176,578)	-	(176,578)
- Recognition (EPL - Recurring)	-	(21,303)	-	(21,303)
- Recognition (RFCT + SC)	(42,338)	-	-	(42,338)
- Reversal	17,726	45,589	-	63,315
- Deferred tax assets	41,315	24,039	-	65,354
- Recognition (EPL - One-off)	-	2,053	-	2,053
- Recognition (EPL - Recurring)	41,315	21,986	-	63,301

(i) Ring fenced

The tax regime which applies to the exploration for, and production of, oil and gas in the UK, and is thus applicable to Anasuria Hibiscus UK, currently comprises of RFCT, SC and EPL.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

- RFCT and SC

  The current rates for RFCT and SC are set at 30.0% and 10.0% respectively.

  The segment recorded a net tax credit in the Current Period amounting to RM16.7 million.

  The resulting ETR of 99.4% arising on the LBT was higher than the statutory rates of 40.0%. This was mainly due to an element of non-ring fenced income that is outside the scope of RFCT and SC (mainly interest income earned from the restricted cash placed in trust for decommissioning the facilities of the Anasuria Cluster). In addition, an element of CAPEX incurred qualifies for additional allowances as provided under the SC regime.

  Anasuria Hibiscus UK does not expect any taxes to be payable under the RFCT and SC regimes in the Current Year as there will be sufficient allowances generated from CAPEX investments to completely offset the taxable income.

- EPL

  The EPL regime took effect from 26 May 2022.

  Up to 31 October 2024, an additional levy of 35.0% was imposed on UK oil and gas profits on top of the RFCT and the SC. The regime included a 29.0% uplift available for certain categories of CAPEX which resulted in a 129.0% offset against taxable income while decarbonisation expenditures qualify for uplift at the rate of 180.0%.

  The following changes were introduced to the EPL regime post 31 October 2024:

  - With effect from 1 November 2024 (as reported in the Preceding Quarter's Unaudited Quarterly Financial Report):

    - The levy rate was increased from 35.0% to 38.0%. A one-off non-cash charge in the form of deferred tax liabilities of RM7.3 million was taken in the Preceding Quarter (on 1 November 2024); and

    - The 29.0% uplift available for certain categories of CAPEX was removed. Hence, the relief is now restricted to 100.0% only. Decarbonisation expenditures will continue to qualify for uplift but at a reduced rate of 166.0%, reduced from the previous rate of 180.0%. These changes did not have any impact to the Statements of Profit or Loss upon them being implemented on 1 November 2024.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

- With effect from 3 March 2025:
  - An extension of the period in which the EPL regime applies until, from 31 March 2028 to 31 March 2030. A one-off non-cash charge in the form of deferred tax liabilities of RM167.3 million was taken in the Current Quarter computed based on the carrying values of the intangible assets and oil and gas assets as at 3 March 2025, representing additional taxable temporary differences expected to be reversed during the window for which the EPL regime applies, i.e. 31 March 2030.

These one-off charges were partly offset by the availability of unutilised additional allowances generated from CAPEX investments that are expected to be offset against future taxable income and the reversal of deferred tax liabilities previously recognised on taxable temporary differences which are expected to reverse during the window for which the EPL regime applies.

Anasuria Hibiscus UK does not expect any EPL levy to be payable in the Current Year as there will be sufficient allowances generated from CAPEX investments to completely offset income chargeable to EPL.

In addition, upon a re-assessment of EPL obligations previously taken up in the Preceding Year, a reversal of an overprovision of tax of USD0.5 million was recognised in the Current Period. The reversal meant there was no EPL payable for the Preceding Year.

The Group's intention remains to phase our UK CAPEX program such that we optimise the incentives offered by UK Government for decarbonisation initiatives within the UK oil and gas sector, and this encourages us to identify further opportunities that will reduce our overall carbon footprint.

For information, the ESIM, which was legislated on 24 May 2024, provides that the EPL will be permanently disapplied if average oil and gas prices are both at or below the ESIM price threshold for two consecutive quarters. These threshold prices are indexed annually from 1 April 2024 using the preceding December's Consumer Prices Index in the UK. For the UK Government's financial year 2024/2025 commencing 1 April 2024, the prices are USD74.21 per bbl of oil and GBP0.57 per therm of gas. The UK government is required to make regulations to change the law such that the current end date for EPL of 31 March 2030 will be replaced with the last day of the month in which the ESIM is triggered. The details of such an administrative process by which a new end date will be passed into law are unknown, however any change will have a retrospective effect.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

(ii) Non-ring fenced

Non-ring fenced taxation in the UK applies to income generated that does not arise from the exploration and production of oil and gas. In Anasuria Hibiscus UK, the main element of income within this category is the interest income earned from restricted cash that was placed in trust for its obligations for decommissioning the facilities of the Anasuria Cluster. Such interest income is subject to tax at 45.0%. The segment recorded a net tax charge of RM4.6 million in the Current Period.

- **Current quarter results**

The segment generated GP and EBITDA of RM40.7 million (63.1% margin over revenue) and RM34.0 million (52.6% margin over revenue) respectively in the Current Quarter.

The average realised oil price per bbl attained for crude oil sold by the Anasuria Cluster was at USD74.29.

The Anasuria Cluster recorded healthy operational performance metrics in the Current Quarter and was slightly impacted by a planned pitstop on the Anasuria FPSO in late March 2025 for a few days where inspections, repairs and upgrades were carried out to maintain asset integrity, safety and compliance.

The average uptime and the average daily oil equivalent production rate recorded for the Current Quarter were 90% and 2,132 boe per day respectively. The average OPEX per boe recorded was USD32.69.

PBT recorded for the segment of RM6.3 million was arrived at after deducting the following non-cash items from EBITDA:

- Amortisation of intangible assets and depreciation of oil and gas assets of RM18.4 million; and

- Unwinding of discount on provision for decommissioning costs and contingent consideration of RM7.0 million and RM0.6 million respectively.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

Taxation

RM '000	Ring fenced		Non-ring fenced	Total
	RFCT and SC	EPL		
Total	(607)	(171,787)	(1,451)	(173,845)
Income tax	-	10	(1,451)	(1,441)
Deferred tax	(607)	(171,797)	-	(172,404)
- Deferred tax liability	(11,525)	(142,055)	-	(153,580)
- Recognition (EPL - One-off)	-	(167,269)	-	(167,269)
- Recognition (EPL - Recurring)	-	(10,940)	-	(10,940)
- Recognition (RFCT + SC)	(18,913)	-	-	(18,913)
- Reversal	7,388	36,154	-	43,542
- Deferred tax assets	10,918	(29,742)	-	(18,824)
- Recognition (EPL - One-off)	-	9	-	9
- Recognition (EPL - Recurring)	10,918	(29,751)	-	(18,833)

(i) Ring fenced

- RFCT and SC

  The segment recorded a net tax charge in the Current Quarter amounting to RM0.6 million.

  The resulting ETR of 9.6% was lower than the statutory rates of 40.0%. This was mainly due to a portion of unrealised foreign exchange gains recognised that are outside the scope of RFCT and SC.

- EPL

  In the Current Quarter, a net tax charge of RM171.8 million was recognised.

  As explained in the "Financial year-to-date results" section above, Anasuria Hibiscus UK has recognised a one-off non-cash charge in the form of deferred tax liabilities of RM167.3 million in the Current Quarter when the EPL regime was extended by two years from 31 March 2028 to 31 March 2030.

  In addition, deferred tax liabilities were recognised on taxable temporary differences that arose during the Current Quarter, partly offset by the availability of unutilised additional allowances generated from CAPEX investments that are expected to be offset against future taxable income and the reversal of deferred tax liabilities previously recognised on taxable temporary differences expected to reverse during the window for which the EPL regime applies.

(ii) Non-ring fenced

The segment recorded a net tax charge of RM1.5 million in the Current Quarter mainly in relation to the interest income earned from the restricted cash placed in trust for its obligations for decommissioning the facilities of the Anasuria Cluster.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

(iv) Brunei

RM'000	Current Period	Current Quarter
Revenue	212,272	131,067
- Condensate	674	-
- Gas	174,687	94,352
- Processing services	36,911	36,715
GP	124,743	63,608
GP margin (%)	*58.8%*	*48.5%*
EBITDA	118,288	61,066
EBITDA margin (%)	*55.7%*	*46.6%*
PBT	68,188	34,060
PBT margin (%)	*32.1%*	*26.0%*
PAT	34,182	19,060
PAT margin (%)	*16.1%*	*14.5%*
ETR (%)	49.9%	44.0%

	Current Period	Current Quarter
Gas sold (MMscf)	6,097	3,323
Average realised gas price (USD per thousand scf)	4.49	4.39
Average OPEX per boe (USD)	6.20	4.92
Average uptime	94%	97%
Average net oil equivalent production rate (boe per day)	6,954	6,921

- **Financial year-to-date results**

  As previously mentioned, the Group completed the acquisition of TotalEnergies EP Brunei on 14 October 2024. Accordingly, the financial performance of the segment for the Current Period covered 15 October 2024 to 31 March 2025.

  During the Current Period, the segment generated revenue amounting to RM212.3 million. The resulting gross profit, which comes mainly from the sale of gas was RM124.7 million.

  The average net condensate and gas production rate in the Block B Maharajalela Jamalulalam field in the Current Period was impacted by a stoppage of gas export experienced from 19 November 2024 to 27 November 2024 due to the shutdown of the customer, Brunei Liquified Natural Gas plant at Lumut.

  In addition to costs associated with routine maintenance activities, OPEX incurred in the Current Period included costs for the CY 2024 well intervention campaign, where two out of the five planned wells were completed.

  The segment's PBT was RM68.2 million. It was derived mainly after deducting the following items from the EBITDA, all of which are non-cash in nature:

  - Depreciation of oil and gas assets of RM44.2 million; and
  - Depreciation of right-of-use assets of RM1.5 million; and
  - Unwinding of discount on provision for decommissioning costs of RM3.7 million.

  The tax expenses comprised of tax charges from petroleum operations and non-petroleum operations at the rate of 55.0% and 18.5% respectively. The net tax expenses in the Current Period were RM34.0 million, at the effective tax rate of 49.9%.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

- **Current quarter results**

  The Brunei segment contributed RM61.1 million to the Group's EBITDA in the Current Quarter.

  The segment reported favourable operational performance in the Current Quarter, achieving high uptime of 97% and high average net oil equivalent production rate of 6,921 boe per day.

  The average OPEX per boe recorded was also relatively low at USD4.92 per boe.

  The segment's PBT of RM34.1 million was arrived at after deducting the following non-cash items from EBITDA:

  - Depreciation of oil and gas assets of RM23.8 million;
  - Depreciation of right-of-use assets of RM0.8 million; and
  - Unwinding of discount on provision for decommissioning costs of RM2.1 million.

  A net tax expense of RM15.0 million was recognised in the Current Quarter. It resulted in an ETR over PBT of 44.0%. This net tax expense included taxes charged for both petroleum and non-petroleum operations.

(v) Vietnam

RM'000	Current Period	Current Quarter
Revenue	58,416	58,416
GP	28,847	28,847
GP margin (%)	*49.4%*	*49.4%*
EBITDA	27,869	28,549
EBITDA margin (%)	*47.7%*	*48.9%*
PBT	26,043	27,903
PBT margin (%)	*44.6%*	*47.8%*
PAT	10,665	12,272
PAT margin (%)	*18.3%*	*21.0%*
ETR (%)	59.0%	56.0%

	Current Period	Current Quarter
Crude oil sold (bbls)	117,889	117,889
Average realised oil price (USD per bbl)	80.55	80.55
Average OPEX per bbl (USD)	38.36	33.27
Average uptime	92%	95%
Average net oil production rate (bbls per day)	119	130

The Vietnam segment consists of the Block 46 PSC.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

Block 46

- **Financial year-to-date results**

  Block 46 conducted its first crude oil offtake since October 2022 during the Current Quarter. A net total of 117,889 bbls of crude oil were sold at an average realised oil priced of USD80.55 per bbl.

  GP and GP margin attained amounted to RM28.8 million and 49.4% respectively.

  The PBT of RM26.0 million was arrived at after deducting depreciation of oil and gas assets and the unwinding of discount on the provision for decommissioning costs of RM1.5 million and RM0.4 million respectively.

  The net tax expense recognised in the Current Period of RM15.4 million was driven by RM16.0 million tax imposed on revenue earned during the Current Period. It was partly offset by RM0.6 million net deferred tax credit recognised as a result of the reversal of deferred tax liabilities arising from the depreciation of oil and gas properties and recognition of deferred tax assets relating to decommissioning activities.

- **Current quarter results**

  In the Current Quarter, the Vietnam segment sold 117,889 bbls of crude oil sold and recorded a PBT of RM27.9 million.

  In addition to costs incurred to produce the crude oil, other expenses incurred comprised mainly of the depreciation of oil and gas assets and the unwinding of discount on the provision for decommissioning costs.

  For the PSC, income tax of 50.0% is paid on behalf of the PSC participants by the PSC. The tax charge in the Current Quarter was RM15.6 million, resulting in an ETR of 56.0%.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

(vi) Others

RM'000	Current Period	Current Quarter
Revenue	7,863	1,110
LBITDA	(53,160)	(10,414)
LBITDA margin (%)	*(676.1%)*	*(938.2%)*
LBT	(91,773)	(24,001)
LBT margin (%)	*(1167.1%)*	*(2162.3%)*
LAT	(93,063)	(24,365)
LAT margin (%)	*(1183.6%)*	*(2195.0%)*
ETR (%)	N/A	N/A

- **Financial year-to-date results**

  LAT recorded for this segment in the Current Period amounted to RM93.1 million.

  In the Current Period, the segment recorded unfavourable unrealised foreign exchange differences of RM14.9 million. The RM had appreciated against the USD as at 31 March 2025 when compared to 30 June 2024. A significant portion of the foreign exchange differences arose from quarter-end revaluation of inter-company balances, and as a result, there was no adverse impact to the Group.

  Included in interest expenses recorded by the segment were mainly RM20.3 million incurred on a term loan drawn down (by Asia Hibiscus), RM14.5 million incurred in relation to a prepayment facility utilised and RM2.2 million incurred on revolving credit facilities. The prepayment facility was utilised to part finance the purchase consideration for the acquisition of TotalEnergies EP Brunei.

  Major components of other expenses during the Current Period were corporate overheads, professional and consultancy fees, business development activities and depreciation expense.

  The segment reported a tax expense of RM1.3 million, charged on interest income earned.

- **Current quarter results**

  During the Current Quarter, the segment recorded a LAT of RM24.4 million.

  Included in the segment's LAT in the Current Quarter was interest expenses of RM13.1 million, incurred mainly on a term loan, a prepayment facility and revolving credit facilities. In addition, other expenses incurred mainly relate to corporate overheads, professional and consultancy fees, corporate development activities and depreciation expense.

  Tax expense charged on interest income earned in the Current Quarter amounted to RM0.4 million.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

(B) Statements of Financial Position

(i) Non-current Assets

The Group's non-current assets as at 31 March 2025 amounted to RM6,057.4 million. That represented an increase of RM1,788.2 million from the balance as at 30 June 2024 of RM4,269.2 million.

The increase was mainly driven by the inclusion of the amount attributable to the fair value of identifiable non-current assets of TotalEnergies EP Brunei of RM1,041.7 million and goodwill which arose from applying the provisions of MFRS 3 *Business Combinations* for this transaction of RM295.3 million (please refer to Part A, Note 7(ii) of this Quarterly Report for further details).

Subsequent to the completion of the acquisition of TotalEnergies EP Brunei, CAPEX invested on the Block B Maharajalela Jamalulalam field amounted to RM65.8 million for the on-going low pressure compressor project.

The Group's CAPEX additions in the Sabah Malaysia segment during the Current Period were:

- North Sabah – RM216.8 million was invested for the South Furious 30 Waterflood project; and
- Kinabalu – RM100.2 million was invested mainly for an ESP wells rig move project, a redevelopment project involving a development drilling campaign and debottlenecking activities, a canned installed pumping system project and a gas turbine generator fire and gas system project.

For the PM3 CAA PSC, notable additions to its non-current assets were as follows:

- As mentioned in Part A, Note 4(iii) of this Quarterly Report, on 10 March 2025, the Group signed a KPA with PETRONAS and Vietnam National Industry - Energy Group (formerly known as Vietnam Oil and Gas Group) to extend the PM3 CAA and UGSA for an additional 20 years. Consequently, the number of wells that the Group is obliged to decommission in PM3 CAA have increased. The extension shifts the abandonment timeline from 2027 to 2047, encompassing additional existing wells that will reach end-of-life during the extended contract period. The present value of the decommissioning costs related to these additional wells amounting to RM388.1 million is taken up in provision for decommissioning costs, which forms part of the Group's non-current liabilities balance, as at 31 March 2025. The corresponding accounting double entry is to capitalise the same amount to oil and gas assets under non-current assets; and

- RM63.3 million was invested for the H4 development drilling campaign, the turbine engine replacement exercise and well workover activities.

In the UK, CAPEX invested in the Current Period for Teal West, the Anasuria Cluster, the Marigold and Sunflower fields and Fyne amounted to RM79.6 million, RM19.4 million, RM4.2 million and RM2.0 million respectively.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

On 30 September 2024, Straits Hibiscus completed the farm-in of 30% participating interest into the PM327 PSC (with an effective date of 5 July 2024). The cost to purchase the farm-in interest amounted to RM52.3 million (equivalent to USD11.8 million) has been capitalised as non-current intangible assets at the end of the Current Period.

As at 31 March 2024, subsequent to the revaluation of the non-current assets balances of subsidiaries of which their functional currencies were not denominated in RM, the Group recorded unfavourable foreign exchange differences amounting to RM202.3 million. This resulted in a decrease in the Group's non-current assets balances. This was mainly caused by the depreciation of the USD against the RM as at 31 March 2025 when compared to 30 June 2024. For information, the corresponding double entry in the Group's financial statements was to other reserves (in the Statements of Financial Position) thus no impact on profit or loss.

In addition, the Group's non-current assets were further reduced by the depreciation and amortisation of equipment, intangible assets and right-of-use assets totalling RM375.9 million.

(ii) Current Assets

Current assets of the Group decreased from RM2,335.2 million as at 30 June 2024 to RM1,493.8 million as at 31 March 2025.

The lower current assets balance of the Group as at 31 March 2025 (when compared to 30 June 2024) was mainly due to lower other receivables, deposits and prepayments balances by RM477.9 million, lower trade receivables balances by RM440.0 million and lower cash and bank balances by RM358.9 million.

The lower other receivables, deposits and prepayments balances as at 31 March 2025 was mainly attributable to the reversal of the deposit paid for the acquisition of TotalEnergies EP Brunei of RM231.3 million upon completion of the transaction. In addition, there were lower amounts to be reimbursed by the joint venture partner of PM3 CAA and North Sabah of RM222.6 million and RM31.1 million respectively.

Trade receivable balances were lower when compared to the balance as at 30 June 2024. The balances at the end of the respective reporting periods were impacted by the timing of receipts of proceeds from crude oil offtakes and the sale of gas from the Group's producing assets.

The above transactions, that decreased the Group's current assets balance, were partly offset by the inclusion of the current assets of Hibiscus EP Brunei on completion of the acquisition of TotalEnergies EP Brunei on 14 October 2024. Balances related to Hibiscus EP Brunei as at 31 March 2025 amounted to RM427.6 million. These balances did not exist as at 30 June 2024.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

(iii) Total Liabilities

The Group's total liabilities amounted to RM4,768.3 million as at 31 March 2025, an increase of RM1,264.4 million from RM3,503.9 million as at 30 June 2024.

The total liabilities balance of Hibiscus EP Brunei as at 31 March 2025 amounted to RM944.2 million. These balances did not exist as at 30 June 2024.

As at 31 March 2025, the outstanding balances relating to the following financing facilities which were drawn down during the Current Period did not exist as at 30 June 2024:

- RM200.6 million for revolving credit facilities – the Group drew down RM208.1 million of revolving credit facilities to finance the Group's working capital requirements; and

- RM190.2 million for a prepayment facility – the Group drew down RM441.1 million of the prepayment facility to part finance the purchase consideration for the acquisition of TotalEnergies EP Brunei.

Provision for decommissioning costs was higher mainly due to an additional provision of RM388.1 million made for the PM3 CAA PSC as a result of the extension of the PM3 CAA and UGSA for an additional 20 years (please refer to Part B, Note 15.1(B)(i) of this Quarterly Report for further details). In addition, the deferred tax liabilities balance as at 31 March 2025 increased by RM115.0 million mainly due to recognition of additional deferred tax liabilities arising from the changes introduced to the EPL regime in the UK.

There was also a RM7.8 million increase to the PM327 PSC's liabilities which arose from an amount payable to PETRONAS Carigali.

The abovementioned increase in the total liabilities balance was partly offset by a reduction in provision for taxation by RM122.5 million mainly due to payments made to the respective tax authorities and lower operational-related payables and accruals in PM3 CAA, North Sabah and Kinabalu by RM206.1 million, RM80.8 million and RM35.2 million respectively.

In addition, the outstanding balances for the term loan (in Asia Hibiscus) and lease liabilities were reduced by RM150.2 million mainly due to repayments made.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

(iv) Total Equity

Total equity amounted to RM2,782.9 million as at 31 March 2025, a decrease of RM317.5 million from RM3,100.4 million as at 30 June 2024.

The Group is required to revalue the assets and liabilities of subsidiaries that have functional currencies which are denominated in currencies other than the RM at each reporting date. The resulting unrealised foreign exchange differences are required to be posted to other reserves. As at 31 March 2025, the Group had recognised the resulting unrealised unfavourable foreign exchange differences from this revaluation exercise amounting to RM172.5 million due to the depreciation of the USD compared to 30 June 2024.

During the Current Period, the Company repurchased 59,906,700 of its issued ordinary shares from open market on Bursa Securities. The cost of repurchasing the shares amounted to RM116.3 million. The repurchased shares are held as treasury shares. A total of 36,566,600 of the treasury shares repurchased up to 31 March 2025 were cancelled during the Current Period, resulting in only 29,725,300 treasury shares remaining as at 31 March 2025 (please refer to Part A, Note 10 of this Quarterly Report for further details).

In addition, the Company declared a total of RM71.5 million in dividends during the Current Period. This amount consisted of the fourth interim and final single-tier dividends in respect of the Preceding Year, which amounted to RM11.7 million and RM7.6 million respectively and three interim single-tier dividends declared in respect of the Current Year, amounting to RM52.2 million in total.

The decrease in total equity were partly offset by the net earnings generated by the producing oil and gas assets of the Group.

(C) <u>Statement of Cash Flows</u>

(i) Cash flows generated from operating activities

The Group's net cash generated from operating activities amounted to RM1,512.8 million.

It comprises mainly the aggregate of funds received from operations at the Group's producing oil and gas assets in Malaysia, UK and Brunei, partly offset by group-wide OPEX, payment of taxation obligations and payment of decommissioning liabilities.

In addition, it also includes a net drawdown of a prepayment facility which amounted to RM189.0 million.

15 PERFORMANCE REVIEW (CONT'D)

15.1 Material factors affecting financial year-to-date and current quarter results (Cont'd)

(ii) Cash flows used in investing activities

Net cash utilised by the Group for investing activities during the Current Period amounted to RM1,348.5 million.

The final purchase consideration (after taking into account various adjustments) to complete the acquisition of TotalEnergies EP Brunei amounted to USD173.7 million (equivalent to RM746.2 million). Please refer to Part A, Note 7 (iii) for further details.

Subsequent to the completion of the acquisition of TotalEnergies EP Brunei, CAPEX amounting to RM65.8 million was invested for the low pressure compressor project in Brunei.

Amounts invested in various CAPEX programs mainly by North Sabah, Anasuria Hibiscus UK, Kinabalu and PM3 CAA amounted to RM216.8 million, RM105.2 million, RM100.2 million and RM63.3 million respectively.

In addition, RM69.9 million was incurred in connection with the farm-in of 30% participating interest into the PM327 PSC.

(iii) Cash flows used in financing activities

Throughout the Current Period, cash flows used in the Group's financing activities amounted to RM164.2 million.

The Group drew down revolving credit facilities amounting to RM208.1 million to finance the Group's working capital requirements.

In addition, RM116.3 million was utilised to repurchase 59,906,700 of its issued ordinary shares and the Company paid RM50.5 million in dividends during the Current Period (please refer to Part A, Note 9 of this Quarterly Report for further details).

During the Current Period, payments made in respect of the Group's lease liabilities, term loan facility (both principal and interest) and revolving credit facilities (both principal and interest) amounted to RM106.9 million, RM87.8 million and RM10.8 million respectively.

16 MATERIAL CHANGE IN PROFIT BEFORE TAXATION IN COMPARISON TO THE PRECEDING QUARTER

(Note: Commentary is based on the segments classified in Part A, Note 11 of this Quarterly Report.)

Statements of Profit or Loss

(i) Peninsular Malaysia

	PM3 CAA		PM305 and PM314		PKNB		PM327		Total	
RM'000	Current Quarter	Preceding Quarter	Current Quarter	Preceding Quarter	Current Quarter	Preceding Quarter	Current Quarter	Preceding Quarter	Current Quarter	Preceding Quarter
Revenue	106,403	306,580	-	-	-	-	-	-	106,403	306,580
- Crude Oil	1,931	194,912	-	-	-	-	-	-	1,931	194,912
- Gas	104,472	111,668	-	-	-	-	-	-	104,472	111,668
GP	87,932	162,866	7	13	-	-	-	-	87,939	162,879
GP margin (%)	*82.6%*	*53.1%*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*82.6%*	*53.1%*
EBITDA/(LBITDA)	74,599	160,334	1,877	(2,203)	606	(4,596)	(476)	(17,790)	76,606	135,745
EBITDA/(LBITDA) margin (%)	*70.1%*	*52.3%*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*72.0%*	*44.3%*
PBT/(LBT)	6,346	83,473	1,870	(2,155)	566	(4,618)	(476)	(17,790)	8,306	58,910
PBT/(LBT) margin (%)	*6.0%*	*27.2%*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*7.8%*	*19.2%*

	PM3 CAA		PM305 and PM314*		PKNB**		PM327**	
	Current Quarter	Preceding Quarter	Current Quarter	Preceding Quarter	Current Quarter	Preceding Quarter	Current Quarter	Preceding Quarter
Crude oil sold (bbls)	-	620,071	N/A	N/A	N/A	N/A	N/A	N/A
Average realised oil price (USD per bbl)	-	75.34	N/A	N/A	N/A	N/A	N/A	N/A
Gas sold (MMscf)	4,147	4,619	N/A	N/A	N/A	N/A	N/A	N/A
Average realised gas price (USD per thousand scf)	5.66	5.46	N/A	N/A	N/A	N/A	N/A	N/A
Average OPEX per boe (USD)	9.02	13.30	N/A	N/A	N/A	N/A	N/A	N/A
Average uptime	95%	97%	N/A	N/A	N/A	N/A	N/A	N/A
Average net oil equivalent production rate (boe per day)	10,530	11,816	N/A	N/A	N/A	N/A	N/A	N/A

* *No operational statistics are available for PM305 and PM314 as the Group has ceased its participating interests in both PSCs in prior periods.*

** *No operational statistics are available for PKNB and PM327 as the PSCs are in development phase and exploration phase respectively.*

PM3 CAA

The segment recorded a lower PBT of RM6.3 million in the Current Quarter as compared to the Preceding Quarter's PBT of RM83.5 million. In the Current Quarter, there was no sale of crude oil as opposed to a sale of 620,071 bbls of crude oil in the Preceding Quarter.

The average net oil equivalent production rate recorded in the Current Quarter of 10,530 boe per day was lower than 11,816 boe per day recorded in the Preceding Quarter, impacted by reduced production recorded from the BOD-27 well.

The total OPEX incurred in the Current Quarter was lower than the amount incurred in the Preceding Quarter as a result of lower activity levels in the following areas of work:

- Annual planned major maintenance campaign;
- Well intervention;
- Routine maintenance work; and
- An on-going asset life extension study being performed for the PM3 FSO (expected to be completed by end of CY 2025).

16 MATERIAL CHANGE IN PROFIT BEFORE TAXATION IN COMPARISON TO THE PRECEDING QUARTER (CONT'D)

As a result, the OPEX per boe recorded for the Current Quarter of USD9.02 was lower compared to USD13.30 in the Preceding Quarter.

In the Current Quarter, the PSC reported unrealised foreign exchange losses of RM6.8 million compared to unrealised foreign exchange gains of RM1.3 million in the Preceding Quarter. The quantums recorded in the respective quarters were caused by the fluctuation of the USD, being the PSC's functional currency, against the MYR.

The other significant movement between the Current Quarter and the Preceding Quarter up to the PBT level was lower amortisation of intangible assets and depreciation of oil and gas assets in the Current Quarter (by RM9.3 million) due to lower production levels coupled with enlarged reserves balances upon the extension of PM3 CAA (please refer to Part A, Note 4(iii) of this Quarterly Report for further details).

PM305 and PM314

The results before taxation in both the Current Quarter and the Preceding Quarter were largely driven by fluctuations in unrealised foreign exchange differences which arose from the quarter end retranslation of the PSC's RM-denominated payables.

PKNB

The PBT in the Current Quarter was due to the reversal of an amount previously incurred for processed seismic data of RM2.3 million from profit or loss and capitalised as intangible assets instead in the Current Quarter (for information, this cost was incurred in the Preceding Quarter and was originally recognised as expenses in profit or loss).

It was partly offset by the elevated payroll-related costs as a result of an increase in activity level in the Current Quarter.

PM327

The PSC reported a LBT of RM0.5 million in the Current Quarter, while the LBT in the Preceding Quarter was RM17.8 million.

Included in the PSC's LBT in the Current Quarter were mainly expenses cross charged by the operator.

The LBT in the Preceding Quarter were significantly impacted by the write off taken on the Group's share of the exploration costs incurred on the Rosebay-1 exploration well, which amounted to RM17.5 million.

16 MATERIAL CHANGE IN PROFIT BEFORE TAXATION IN COMPARISON TO THE PRECEDING QUARTER (CONT'D)

(ii) Sabah Malaysia

	North Sabah		Kinabalu		Total	
RM'000	**Current Quarter**	**Preceding Quarter**	**Current Quarter**	**Preceding Quarter**	**Current Quarter**	**Preceding Quarter**
Revenue	104,698	102,327	106,534	110,405	211,232	212,732
GP	78,172	58,155	73,863	70,626	152,035	128,781
GP margin (%)	*74.7%*	*56.8%*	*69.3%*	*64.0%*	*72.0%*	*60.5%*
EBITDA	59,754	54,467	58,700	56,259	118,454	110,726
EBITDA margin (%)	*57.1%*	*53.2%*	*55.1%*	*51.0%*	*56.1%*	*52.0%*
PBT	40,108	36,190	35,633	39,719	75,741	75,909
PBT margin (%)	*38.3%*	*35.4%*	*33.4%*	*36.0%*	*35.9%*	*35.7%*

	North Sabah		Kinabalu	
	Current Quarter	**Preceding Quarter**	**Current Quarter**	**Preceding Quarter**
Crude oil sold (bbls)	289,191	306,085	306,514	304,528
Average realised oil price (USD per bbl)	79.19	77.80	78.44	82.56
Average OPEX per bbl (USD)	13.00	20.89	12.24	19.10
Average uptime	93%	92%	79%	85%
Average net oil production rate (bbls per day)	4,875	4,884	2,368	2,638

<u>North Sabah</u>

Revenue recorded by the North Sabah PSC in both quarters was consistent.

The higher GP attained in the Current Quarter by RM20.0 million was due to lower operational expenditure incurred. The average OPEX per bbl of USD13.00 recorded in the Current Quarter was much lower when compared to the Preceding Quarter's USD20.89. There were less production enhancement, well integrity and wellhead maintenance activities carried out in the Current Quarter. In addition, there was reduced scope of work for underwater pipeline inspection, static and field maintenance works.

Average uptime and average net oil production rate in both quarters were comparable.

Despite this, the PSC's PBT in the Current Quarter was higher than the Preceding Quarter's PBT by RM3.9 million. Among others, the PBT in both quarters were impacted by the quantum of foreign exchange differences (both realised and unrealised). In the Current Quarter, the PSC recorded net foreign exchange losses of RM2.5 million compared to net foreign exchange gains of RM5.5 million in the Preceding Quarter. The foreign exchange differences were mainly caused by a fluctuation of the USD, being the PSC's functional currency, against the RM.

16 MATERIAL CHANGE IN PROFIT BEFORE TAXATION IN COMPARISON TO THE PRECEDING QUARTER (CONT'D)

Kinabalu

The PSC's GP recorded in the Current Quarter of 69.3% was higher compared to 64.0% in the Preceding Quarter despite the lower selling price achieved. 306,514 bbls of crude oil were sold in the Current Quarter at USD78.44 per bbl compared to 304,528 bbls in the Preceding Quarter at USD82.56 per bbl.

From an operational performance perspective, the PSC performed more favourably in the Current Quarter due to improved well performance and increased reliability of the facilities. In addition, production in the Preceding Quarter was impacted by the shut-in of the KN-114 and KN-116 wells to facilitate the installation of ESPs. The PSC recorded higher average gross oil production of 6,904 bbls per day in the Current Quarter, compared to 6,011 bbls per day in the Preceding Quarter.

The average OPEX per bbl of USD12.24 was lower compared to the Preceding Quarter's USD19.10 due to higher gross oil production and lower OPEX incurred. The lower OPEX was due to the absence of slickline activities and lower maintenance costs incurred for machinery and routine troubleshooting during the Current Quarter.

In addition, there were lower net foreign exchange losses in the Current Quarter of RM7.7 million when compared to the Preceding Quarter. The quantums recorded in the respective quarters were mainly caused by the fluctuation of the USD, being the PSC's functional currency, against the RM.

The above upsides were partly offset by higher amortisation of intangible assets and depreciation of oil and gas assets by RM7.7 million, in line with the higher average gross oil production and higher supplemental payment obligations by RM5.4 million due to higher profit oil volume.

(iii) United Kingdom

RM'000	Current Quarter	Preceding Quarter
Revenue	64,573	49,303
- Crude Oil	59,495	45,538
- Gas	5,078	3,765
GP	40,736	30,281
GP margin (%)	*63.1%*	*61.4%*
EBITDA	33,962	33,763
EBITDA margin (%)	*52.6%*	68.5%
PBT	6,295	8,825
PBT margin (%)	*9.7%*	17.9%

	Current Quarter	Preceding Quarter
Crude oil sold (bbls)	175,377	133,893
Average realised oil price (USD per bbl)	74.29	74.50
Gas sold (MMscf)	78	73
Average realised gas price (USD per thousand scf)	13.71∞ / 17.89#	12.38∞ / 19.98#
Average OPEX per boe (USD)	32.69	30.84
Average uptime	90%	78%
Average daily oil equivalent production rate (boe per day)	2,132	1,819

∞ *For Cook field.*
\# *For Guillemot A, Teal and Teal South fields.*

16 MATERIAL CHANGE IN PROFIT BEFORE TAXATION IN COMPARISON TO THE PRECEDING QUARTER (CONT'D)

The UK segment's operational performance in the Current Quarter improved when compared to the Preceding Quarter's performance. The Current Quarter's average uptime and average daily oil equivalent production rate of 90% and 2,132 boe per day respectively, were better than the Preceding Quarter's 78% and 1,819 boe per day respectively.

In the Preceding Quarter, the Anasuria Cluster's operational performance was impacted by an oil contamination event upon bringing the gas compression system back online which had previously been impacted by a leaking gasket on a gas scrubber. This technical issue was resolved by late October 2024 upon which full production resumed.

In the Current Quarter, costs were incurred for a planned pitstop on the Anasuria FPSO in late March 2025 for several days and to fulfil obligations for outstanding UK ETS credits for prior years due to an adjustment that was recently confirmed by the UK regulator. As a result, the average OPEX per boe increased from USD30.84 in the Preceding Quarter to USD32.69 in the Current Quarter.

UK ETS commitments had to be fulfilled as a result of a reversal of free allowances allocated by the regulator for previous financial years.

There were higher volumes of crude oil and gas sold in the Current Quarter as compared to the Preceding Quarter, but this was offset by the higher OPEX incurred. Due to this, the UK segment's EBITDA reported for both quarters were fairly consistent.

The segment's PBT in the Current Quarter were further impacted by net foreign exchange losses (both realised and unrealised) of RM2.5 million, as opposed to net foreign exchange gains of RM8.7 million recorded in the Preceding Quarter. The quantums recorded were caused by the fluctuation of the USD, being the segment's functional currency, against GBP-denominated payables owed to third parties and MYR-denominated payables owed to the Group's inter-companies.

(iv) Brunei

RM'000	Current Quarter	Preceding Quarter
Revenue	131,067	81,205
- Condensate	-	674
- Gas	94,352	80,335
- Processing services	36,715	196
GP	63,608	61,135
GP margin (%)	*48.5%*	*75.3%*
EBITDA	61,066	57,222
EBITDA margin (%)	*46.6%*	*70.5%*
PBT	34,060	34,128
PBT margin (%)	*26.0%*	*42.0%*

	Current Quarter	Preceding Quarter
Gas sold (MMscf)	3,323	2,774
Average realised gas price (USD per thousand scf)	4.39	4.65
Average OPEX per boe (USD)	4.92	7.90
Average uptime	97%	90%
Average net oil equivalent production rate (boe per day)	6,921	6,993

The acquisition of TotalEnergies EP Brunei was completed on 14 October 2024. As such, the operational results for the Preceding Quarter were for two and a half months only, while for the Current Quarter, it was for a full three month duration.

16 MATERIAL CHANGE IN PROFIT BEFORE TAXATION IN COMPARISON TO THE PRECEDING QUARTER (CONT'D)

Despite the segment having recorded higher revenue of RM131.1 million in the Current Quarter as compared to the Preceding Quarter's RM81.2m, the GP margin over revenue of 48.5% attained in Current Quarter was lower than the 75.3% reported in the Preceding Quarter. The segment's GP was derived mainly from the sale of gas, while revenue from processing services represents a fee received for processing services performed in relation to arrangements with a third party which carries a low profit margin.

From an operational performance perspective, the segment performed favourably in both quarters. There was higher OPEX incurred in the Preceding Quarter for the CY 2024 well intervention campaign.

The other significant movement between the Current Quarter and the Preceding Quarter up to PBT level was higher depreciation of oil and gas assets by RM3.5 million.

(v) Vietnam

RM'000	Current Quarter	Preceding Quarter
Revenue	58,416	-
GP	28,847	-
GP margin (%)	*49.4%*	*N/A*
EBITDA/(LBITDA)	28,549	(397)
EBITDA/(LBITDA) margin (%)	*48.9%*	*N/A*
PBT/(LBT)	27,903	(1,065)
PBT/(LBT) margin (%)	*47.8%*	*N/A*

	Current Quarter	Preceding Quarter
Crude oil sold (bbls)	117,889	-
Average realised oil price (USD per bbl)	81	-
Average OPEX per bbl (USD)	33.27	24.29
Average uptime	95%	97%
Average net oil production rate (bbls per day)	130	127

In the Current Quarter, the sale of crude oil resulted in a PBT of RM27.9 million being achieved. There was no sale of crude oil in the Preceding Quarter.

(vi) Others

RM'000	Current Quarter	Preceding Quarter
Revenue	1,110	3,356
(LBITDA)/EBITDA	(10,414)	2,831
(LBITDA)/EBITDA margin (%)	*(938.2%)*	*84.4%*
LBT	(24,001)	(13,749)
LBT (%)	*(2162.3%)*	*(409.7%)*

This segment recorded a LBT of RM24.0 million in the Current Quarter, which was RM10.3 million higher than the Preceding Quarter's LBT of RM13.7 million. The difference in LBT reported was mainly attributed to the quantum of unrealised foreign exchange differences recorded in the respective quarters.

In the Current Quarter, net unrealised foreign exchange losses of RM0.8 million were recognised while in the Preceding Quarter, net unrealised foreign exchange gains of RM14.3 million were recognised instead. Such foreign exchange differences arose mainly from the fluctuation of the USD against the RM, which impacted the quarter-end retranslation of inter-company balances. For information, the closing exchange rate between the USD and the RM as at 31 March 2024, 31 December 2024 and 30 September 2024 were 4.4372, 4.4719 and 4.1209 respectively. The increase was partly offset by lower costs incurred for corporate overheads and business development activities.

17 STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT NOT COMPLETED

There are no corporate proposals announced but not completed as at the date of this Quarterly Report.

18 PROSPECTS OF THE GROUP

Our business performance is underpinned by several factors:

a. Price of the Brent crude oil benchmark at approximately the time of a scheduled offtake from the Anasuria FPSO, the FSO Orkid, the FSO PM3 CAA, Seria Crude Oil Terminal and LCOT. The graph below illustrates the oil price trends for the Brent crude oil benchmark for the period from April 2024 to end-April 2025:

As shown above, Brent oil prices have steadied to levels around USD65.00 per bbl.

b. Any premium or discount that we may receive on the price of the Brent crude oil benchmark for our specific cargoes from the Anasuria Cluster, North Sabah, PM3 CAA, Kinabalu, Block B Maharajalela Jamalulalam field and Block 46 depending on market conditions at the relevant time.

c. Gas prices for the respective fields in the Anasuria Cluster only, as follows:

- Cook field – at the landing point of the Fulmar Gas Line at the St Fergus Terminal for a price that is calculated as 75% of the Heren Index and in accordance with the terms set out in the Cook gas sale and purchase agreement; and
- Guillemot A, Teal and Teal South fields – at the point where the gas leaves the fields and enters the SEGAL System for a price of 85% of Heren Index and in accordance with the terms set out in the Anasuria Cluster gas sale and purchase agreement.

d. Gas price for PM3 CAA based on the relevant Upstream Gas Sales Agreement which is linked to the price of High Sulphur Fuel Oil.

e. Gas price for the Block B Maharajalela Jamalulalam field based on the relevant Gas Sales Agreement which is linked to the Liquified Natural Gas price (linked to Japan Crude Cocktail price).

18 PROSPECTS OF THE GROUP (CONT'D)

f. Movement of foreign exchange rates, mainly:

- USD vs RM:
  - As our revenues from our producing assets are secured in USD;
  - As the base currency used for our producing assets valuations is in USD; and
  - As the majority of our OPEX in North Sabah, PM3 CAA and Kinabalu are incurred in RM.

- GBP vs USD:
  - As the majority of our OPEX for the Anasuria Cluster are incurred in GBP.

- BND vs USD:
  - As the majority of our OPEX for the Block B Maharajalela Jamalulalam field are incurred in BND.

g. Operational performance of our producing assets, more specifically:

- Production performance of the wells; and

- Facilities availability.

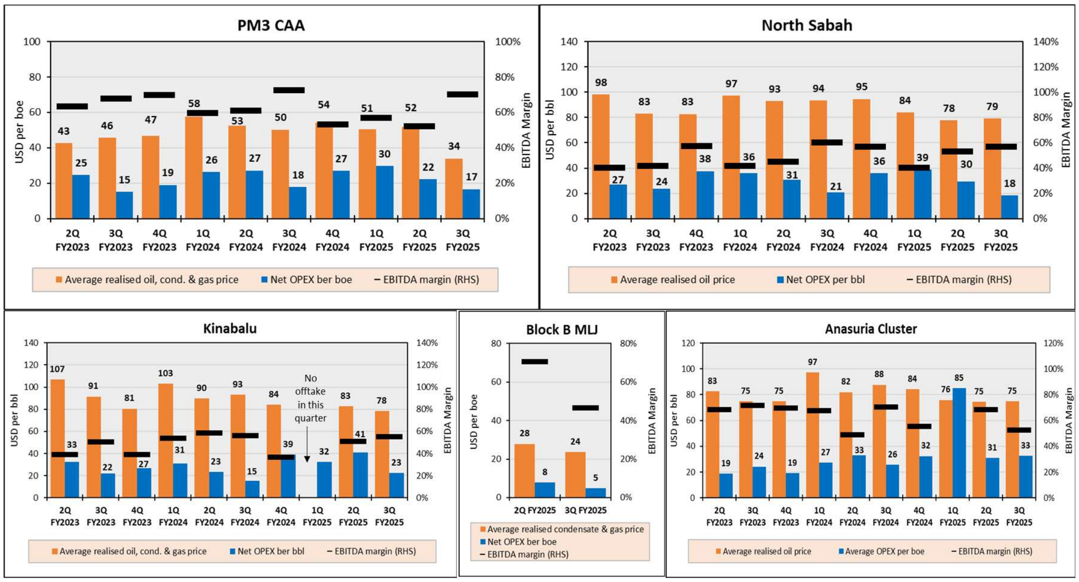
h. Taxation levels imposed in the various jurisdictions.

i. Management of operational expenditure for our producing assets and general corporate overheads.

As the joint operator of the Anasuria Cluster and the operator of the North Sabah, PM3 CAA, Kinabalu and Block 46 PSCs, as well as the Block B Maharajalela Jamalulalam field, the Group continuously focuses on optimising asset performance, but it is equally important to note (from the information provided above) that our performance is impacted daily by external macroeconomic factors over which we exert minimal control.

The Group has seen oil prices at various price levels, on some occasions lower and at other times, higher than at the current time. Through these fluctuations, the Group has managed to remain profitable. This is primarily because our average unit production costs for our producing assets have been below the average realised oil price at the relevant times, as shown in the charts below. The careful management of costs to maintain low operational expenditure and the successful execution of production enhancement projects are, therefore, key towards achieving low unit production costs and the delivery of a continued healthy EBITDA.

18 PROSPECTS OF THE GROUP (CONT'D)



Note 1: Kinabalu's EBITDA margin in the fourth financial quarter of the Preceding Year excluded impairment of equipment of RM61.0 million.

Note 2: North Sabah's EBITDA margin in the third and fourth financial quarters of the Preceding Year excluded the write-off of exploration drilling costs amounting to RM78.9 million and RM3.7 million respectively.

Note 3: The Anasuria Cluster incurred an LBITDA in the first financial quarter of the Current Year.

Note 4: Average OPEX per boe is computed based on gross production OPEX divided by gross oil, condensate and gas production.

Note 5: Net OPEX per boe is computed as follows:

$$\frac{\text{Net production + net development OPEX (based on working interest)}}{\text{Net oil, condensate and gas production (based on net entitlement)}}$$

Note 6: PM3 CAA's average realised oil, condensate and gas price is the weighted average realised price of both oil and condensate offtakes and gas sales in the respective financial quarter. The Anasuria Cluster's average realised oil price does not include gas prices as gas production in the Anasuria Cluster is not material.

A total of 2,146,894 boe was sold in the Current Quarter comprising 888,971 bbls of crude oil and condensate and 7,548 MMscf of gas.

The South Furious 30 Waterflood project that is currently being implemented remains on track to impact production volumes by end of CY 2025.

However, the first oil date for Teal West in the UK is expected to be delayed from end of CY 2025 to February 2026. The Valaris 248 jack-up rig which was contracted to undertake the drilling of the Teal West well has informed Anasuria Hibiscus UK that it will not be able to fulfil its obligation of mobilising to our site by end June 2025 due to delays encountered on a prior project.

Overall, the Group is well-positioned to build on its successful operational track record which has been developed in Malaysia and the UK and we remain focused on delivering optimal performance in a reasonably strong oil price environment.

19 PROFIT FORECAST AND PROFIT GUARANTEE

The Group has not announced or disclosed any profit forecast or profit guarantee in any public documents.

20 SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There was no sale of unquoted investments and/or properties during the Current Period.

21 PURCHASE OR DISPOSAL OF QUOTED SECURITIES

There was no purchase or disposal of quoted securities during the Current Period.

22 FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK

There were no financial instruments with material off-balance sheet risk as at the date of this Quarterly Report.

23 MATERIAL LITIGATION

Save as disclosed below, as at the date of this Quarterly Report, the Group is not engaged in any material litigation, claim and/or arbitration either as plaintiff or defendant, which may materially and adversely affect its financial position or business, and there is no proceeding, pending or threatened, or of any fact likely to give rise to a proceeding which may materially and adversely affect the financial position or business of the Group.

Notice to Arbitrate received by Hibiscus Oil & Gas

As announced on 3 March 2023, Hibiscus Oil & Gas received the Notice dated 2 March 2023 from lawyers acting for Oceancare. The Notice relates to a dispute arising from a contract entered into between Hibiscus Oil & Gas (as operator of the relevant PSCs) and Oceancare titled “Provision of Integrated Well Services for Intervention, Workover & Abandonment for Petroleum Arrangement Contracts (PACs) Package (B): Integrated Workover for Production Enhancement and for Abandonment”, in which Oceancare is claiming a total principal amount of RM36,574,760.86 alleging, amongst other things, variation to original scope of work, which Hibiscus Oil & Gas denies.

On 30 March 2023, Hibiscus Oil & Gas served its response to the Notice and put forward its counterclaim. This arbitration has been registered by the AIAC and pursuant thereto, Hibiscus Oil & Gas made payment of a provisional advance deposit in the sum of RM185,797.25 to the AIAC in May 2023. In April 2025, Oceancare paid its portion of the provisional advance deposit to AIAC, indicating its intention to proceed with arbitration. Updates, in relation to the arbitration process will be disclosed as permitted by the rules of the arbitration process.

The Directors are of the opinion that the Group has a reasonably good basis to defend the claim.

24 DIVIDEND

During the Current Quarter, the Board declared a third interim single-tier dividend of 2.00 sen per ordinary share. Subsequently, the Board declared a fourth interim single-tier dividend of 1.00 sen per ordinary share on the date of this Quarterly Report.

The total dividends declared for the Current Year is 8.00 sen per ordinary share (Preceding Year's corresponding period: 6.00 sen per ordinary share).

25 (LOSS)/EARNINGS PER SHARE

The basic (loss)/earnings per share is arrived at by dividing the Group's (LAT)/PAT attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the financial quarter/period, excluding ordinary shares purchased by the Company and held as treasury shares.

Diluted (loss)/earnings per share is determined by dividing the Group's (LAT)/PAT attributable to the owners of the Company by the weighted average number of ordinary shares in issue adjusted for the effects of all dilutive potential ordinary shares during the financial quarter/period.

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		QUARTER ENDED 31.03.2025	QUARTER ENDED 31.03.2024	PERIOD ENDED 31.03.2025	PERIOD ENDED 31.03.2024
(LAT)/PAT attributable to owners of the Company (RM'000)	(A)	(115,972)	101,807	42,891	358,440
Weighted average number of shares for basic (loss)/earnings per share computation ('000)	(B)	752,862	801,130	772,527	803,568
Weighted average number of shares for diluted (loss)/earnings per share computation ('000)	(C)	752,862	801,130	772,527	803,568
Basic (loss)/earnings per share (sen)	(A/B)	(15.40)	12.71	5.55	44.61
Diluted (loss)/earnings per share (sen)	(A/C)	(15.40)	12.71	5.55	44.61

26 OTHER INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31.03.2025 RM'000	QUARTER ENDED 31.03.2024 RM'000	PERIOD ENDED 31.03.2025 RM'000	PERIOD ENDED 31.03.2024 RM'000
Sundry income	547	748	1,573	1,931
Interest income	5,394	12,783	20,399	35,828
Gain on disposal of investment	41	-	41	-
Realised gain on foreign exchange#	-	2,032	-	2,766
Unrealised gain on foreign exchange#	-	3,025	-	-
	5,982	18,588	22,013	40,525

\# *The realised and unrealised gains on foreign exchange have neither been derived from the trading of futures contracts nor futures foreign exchange trading.*

27 PROFIT BEFORE TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31.03.2025 RM'000	QUARTER ENDED 31.03.2024 RM'000	PERIOD ENDED 31.03.2025 RM'000	PERIOD ENDED 31.03.2024 RM'000
PBT is arrived at after charging/(crediting):				
Depreciation and amortisation of equipment, intangible assets and right-of-use assets	146,288	128,834	375,860	360,042
Finance costs	33,631	26,888	93,770	81,099
SbST##	12,074	13,502	34,001	47,697
Supplemental payments###	12,057	32,654	45,730	88,008
Share of results of an associate	106	98	473	386
Write-off of well exploration costs	132	78,902	17,629	78,902
Write-off of equipment	2	-	461	-
Write-back of amount owing to a joint venture	-	(1)	-	(46)
Realised loss/(gain) on foreign exchange####	1,505	(2,032)	10,527	(2,766)
Unrealised loss/(gain) on foreign exchange####	9,825	(3,025)	13,618	10,280
Gain on disposal of investment	(41)	-	(41)	-
Interest income	(5,881)	(15,765)	(23,793)	(45,568)

\## *SbST represents State Sales Tax imposed by the Sabah State Government on SEA Hibiscus and Hibiscus Oil & Gas in relation to crude oil produced under their respective PSCs and sold from LCOT. The SbST is included in other expenses in profit or loss.*

\### *Supplemental payments represent amounts paid/payable by North Sabah, Kinabalu, PM305 and PM314 in relation to their profit oil, when the weighted average oil price exceeds the base price stated in the respective PSCs. The supplemental payments incurred by North Sabah, Kinabalu, PM305 and PM314 in the Current Period amounted to RM22.9 million (Preceding Year's corresponding period: RM53.1 million), RM22.8 million (Preceding Year's corresponding period: RM33.9 million) and RM Nil (Preceding Year's corresponding period: RM1.0 million) respectively. The supplemental payments are included in administrative expenses in profit or loss.*

\#### *The realised and unrealised losses/(gains) on foreign exchange have neither been derived from the trading of futures contracts nor futures foreign exchange trading.*

Other than as presented in the Condensed Consolidated Statements of Profit or Loss, and as disclosed above, there were no other income, interest expense, provision for and write-off of receivables or inventories, gain/loss on disposal of quoted or unquoted investments or properties, impairment of assets, gain/loss on derivatives, and other exceptional items for the Current Period.

28 TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31.03.2025 RM'000	QUARTER ENDED 31.03.2024 RM'000	PERIOD ENDED 31.03.2025 RM'000	PERIOD ENDED 31.03.2024 RM'000
Income taxation	(56,612)	(62,162)	(131,638)	(182,962)
Deferred taxation	(187,664)	19,506	(153,725)	(35,907)
	(244,276)	(42,656)	(285,363)	(218,869)

Breakdown by operating segments:

OPERATING SEGMENTS	Individual Quarter		Cumulative Quarter	
	Quarter Ended 31.03.2025 RM'000	Quarter Ended 31.03.2024 RM'000	Period Ended 31.03.2025 RM'000	Period Ended 31.03.2024 RM'000
Peninsular Malaysia				
Income taxation	(16,006)	(38,084)	(64,934)	(116,628)
Deferred taxation	6,714	20,759	20,125	39,936
Total	**(9,292)**	**(17,325)**	**(44,809)**	**(76,692)**
Sabah Malaysia				
Income taxation	1,934	(1,907)	(42)	(30,132)
Deferred taxation	(32,078)	(6,243)	(75,898)	(77,224)
Total	**(30,144)**	**(8,150)**	**(75,940)**	**(107,356)**
United Kingdom				
Income taxation	(1,441)	(23,534)	(2,390)	(35,147)
Deferred taxation	(172,404)	4,849	(111,550)	856
Total	**(173,845)**	**(18,685)**	**(113,940)**	**(34,291)**
Brunei				
Income taxation	(24,952)	-	(47,563)	-
Deferred taxation	9,952	-	13,557	-
Total	**(15,000)**	**-**	**(34,006)**	**-**
Vietnam				
Income taxation	(15,962)	(108)	(15,962)	(108)
Deferred taxation	331	459	584	1,091
Total	**(15,631)**	**351**	**(15,378)**	**983**
Others				
Income taxation	(185)	1,471	(747)	(947)
Deferred taxation	(179)	(318)	(543)	(566)
Total	**(364)**	**1,153**	**(1,290)**	**(1,513)**
Group				
Income taxation	(56,612)	(62,162)	(131,638)	(182,962)
Deferred taxation	(187,664)	19,506	(153,725)	(35,907)
Total	**(244,276)**	**(42,656)**	**(285,363)**	**(218,869)**

N/A - Not applicable, as the acquisition of TotalEnergies EP Brunei was completed on 14 October 2024.

28 TAXATION (CONT'D)

Income Taxation

- Malaysia

  The tax regime under which Malaysian oil and gas activities are governed is the Petroleum (Income Tax) Act 1967. The provisions of the Petroleum (Income Tax) Act 1967 are applied to net taxable petroleum income at the rate of 38.0%.

- PM3 CAA

  The tax regime for PM3 CAA is the tax regime applicable to Malaysian oil and gas activities, which are governed under the Petroleum (Income Tax) Act 1967 at the rate of 38.0%.

  Pursuant to the memorandum of understanding entered into between the Government of Malaysia and the Government of Vietnam, the said governments agreed to mutually cooperate in the exploration for and exploitation of petroleum in the overlapping area of the continental shelves located off the northeast coast of Peninsular Malaysia and the southwest coast of Vietnam. Hence, the taxes are paid on an equal basis to the Government of Malaysia and the Government of Vietnam.

- United Kingdom

  The tax regime which applies to exploration for, and production of, oil and gas in the UK, and is thus applicable to Anasuria Hibiscus UK, currently comprises of RFCT, SC and EPL. The current rates of tax for RFCT, SC and EPL are set at 30.0%, 10.0% and 38.0% respectively.

- Brunei

  The tax regime which governs petroleum operations of oil and gas companies in Brunei is the Income Tax (Petroleum) Act 1963 which applies a tax rate of 55.0% on taxable income.

- Vietnam

  The tax rate in Vietnam for the oil and gas, and other extractive industries varies from 32.0% to 50.0%.

Deferred taxation

Deferred tax is recognised for all temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities recognised upon completion of a business combination are in relation to temporary differences in the tax base of intangible assets (i.e. rights and concession) acquired and their accounting base. This balance is non-cash and will reverse in line with the depletion of the said intangible assets. The reversal of the deferred tax liabilities will result in a tax credit being recorded in profit or loss.

29 BORROWINGS

Details of borrowings as at 31 March 2025 were as follows:

	As at 31.03.2025 RM'000	As at 30.06.2024 RM'000
Non-current		
Secured		
Lease liabilities	234,800	256,648
Term loan	197,172	278,299
	431,972	534,947
Current		
Secured		
Lease liabilities	127,685	120,879
Term loan	87,913	93,234
	215,598	214,113
Unsecured		
Revolving credit	200,633	-
	416,231	214,113

By Order of the Board of Directors
Hibiscus Petroleum Berhad
23 May 2025