HIBISCUS PETROLEUM BERHAD

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

Unaudited Quarterly Financial Report
30 June 2026

(Fourth financial quarter of financial year ended 30 June 2026)

(Note: This Unaudited Quarterly Financial Report is supplemented by the Corporate and Business Update released on the same day, on 28 August 2026.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Note	QUARTER ENDED 30.06.2026 RM'000	QUARTER ENDED 30.06.2025 RM'000	YEAR ENDED 30.06.2026 RM'000	YEAR ENDED 30.06.2025 RM'000
Revenue		846,462	629,510	2,341,770	2,332,882
Cost of sales		(243,084)	(248,863)	(811,290)	(944,224)
GROSS PROFIT		603,378	380,647	1,530,480	1,388,658
Other income	26	29,395	13,535	41,678	35,548
Administrative and other operating expenses		(202,115)	(141,778)	(390,014)	(322,611)
Supplemental payments		(46,250)	(14,503)	(98,628)	(60,233)
Net write-back/(write-off) of well exploration costs		321	(41,510)	1,634	(59,139)
Impairment of equipment		(3)	(28,129)	(3)	(28,129)
Impairment of receivables		(167)	(11,460)	(90)	(11,460)
Write-off of equipment		(9,667)	(350)	(9,667)	(811)
Impairment of intangible assets		(10,356)	-	(10,356)	-
Other administrative and operating expenses		(135,993)	(45,826)	(272,904)	(162,839)
Other expenses		(168,970)	(186,978)	(614,655)	(613,672)
Finance costs		(42,152)	(40,350)	(161,386)	(134,120)
Share of results of an associate		(60)	(116)	(267)	(589)
PROFIT BEFORE TAXATION	27	219,476	24,960	405,836	353,214
Taxation	28	(28,760)	49,646	(44,567)	(235,717)
PROFIT AFTER TAXATION		190,716	74,606	361,269	117,497
PROFIT AFTER TAXATION ATTRIBUTABLE TO:					
- Owners of the Company		190,716	74,606	361,269	117,497
EARNINGS PER SHARE (SEN)					
Basic	25	25.86	10.12	48.99	15.39
Diluted	25	25.86	10.12	48.99	15.39

Note:

Earnings Before Interest, Taxes, Depreciation and Amortisation		399,704	209,408	1,108,277	1,007,292

(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 2025 and the accompanying explanatory notes attached to the financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 30.06.2026 RM'000	QUARTER ENDED 30.06.2025 RM'000	YEAR ENDED 30.06.2026 RM'000	YEAR ENDED 30.06.2025 RM'000
PROFIT AFTER TAXATION	190,716	74,606	361,269	117,497
Other comprehensive income/(expenses):				
Item that may be subsequently reclassified to profit or loss:				
- Foreign currency translation*	20,525	(139,810)	(85,368)	(312,339)
TOTAL COMPREHENSIVE INCOME/(EXPENSES) FOR THE QUARTER/YEAR	211,241	(65,204)	275,901	(194,842)
TOTAL COMPREHENSIVE INCOME/(EXPENSES) ATTRIBUTABLE TO:				
- Owners of the Company	211,241	(65,204)	275,901	(194,842)

* *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 2025 and the accompanying explanatory notes attached to the financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	UNAUDITED AS AT 30.06.2026 RM'000	AUDITED AS AT 30.06.2025 RM'000
ASSETS			
NON-CURRENT ASSETS			
Intangible assets		1,450,482	1,518,824
Equipment		3,954,551	3,696,402
Right-of-use assets		110,677	140,422
Other receivables		70,201	141,930
Investment in an associate		-	3,867
Other investment		51	51
Restricted cash and bank balances		280,755	294,491
Tax recoverable		58,070	48,222
Deferred tax assets		22,192	3,188
		5,946,979	5,847,397
CURRENT ASSETS			
Inventories		190,543	182,402
Trade receivables		365,466	372,990
Other receivables, deposits and prepayments		485,990	647,828
Cash and bank balances		588,737	347,514
Tax recoverable		31,366	35,127
		1,662,102	1,585,861
TOTAL ASSETS		7,609,081	7,433,258
EQUITY AND LIABILITIES			
EQUITY			
Share capital	10	152,078	152,078
Other reserves		(60,955)	24,413
Retained earnings		2,833,982	2,531,705
		2,925,105	2,708,196
NON-CURRENT LIABILITIES			
Other payables		183,881	9,935
Borrowings	29	364,196	605,784
Contingent consideration		74,848	39,857
Deferred tax liabilities		899,633	1,072,509
Provision for decommissioning costs		1,101,712	1,022,405
		2,624,270	2,750,490

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 2025 and the accompanying explanatory notes attached to the financial statements.

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

	Note	UNAUDITED AS AT 30.06.2026 RM'000	AUDITED AS AT 30.06.2025 RM'000
CURRENT LIABILITIES			
Trade payables		3,065	27,515
Other payables and accruals		1,242,255	1,100,516
Borrowings	29	545,075	521,344
Contingent consideration		4,227	2,060
Provision for decommissioning costs		50,153	96,624
Provision for taxation		214,931	226,513
		2,059,706	1,974,572
TOTAL LIABILITIES		4,683,976	4,725,062
TOTAL EQUITY AND LIABILITIES		7,609,081	7,433,258
NET ASSETS PER SHARE (RM)		3.97	3.67

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 2025 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
12 months to 30.06.2026						
As at 01.07.2025	152,078	-	389	24,024	2,531,705	2,708,196
Profit after taxation	-	-	-	-	361,269	361,269
Other comprehensive expenses: - Foreign currency translation	-	-	-	(85,368)	-	(85,368)
Total comprehensive (expenses)/income for the year	-	-	-	(85,368)	361,269	275,901
Dividends	-	-	-	-	(58,992)	(58,992)
Total transactions with owners of the Company	-	-	-	-	(58,992)	(58,992)
As at 30.06.2026	152,078	-	389	(61,344)	2,833,982	2,925,105
12 months to 30.06.2025						
As at 01.07.2024	166,014	(16,121)	389	336,363	2,613,745	3,100,390
Profit after taxation	-	-	-	-	117,497	117,497
Other comprehensive expenses: - Foreign currency translation	-	-	-	(312,339)	-	(312,339)
Total comprehensive (expenses)/income for the year	-	-	-	(312,339)	117,497	(194,842)
Dividends	-	-	-	-	(78,903)	(78,903)
Purchase of treasury shares	-	(118,206)	-	-	(243)	(118,449)
Cancellation of treasury shares	(13,936)	134,327	-	-	(120,391)	-
Total transactions with owners of the Company	(13,936)	16,121	-	-	(199,537)	(197,352)
As at 30.06.2025	152,078	-	389	24,024	2,531,705	2,708,196

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 2025 and the accompanying explanatory notes attached to the financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended	
	30.06.2026	**30.06.2025**
	RM'000	**RM'000**
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	405,836	353,214
Adjustments for:		
Depreciation and amortisation of equipment, intangible assets and right-of-use assets	541,055	519,958
Finance costs	161,386	134,120
Net provision/(reversal of provision) for inventories obsolescence	35,803	(967)
Impairment of intangible assets	10,356	-
Write-off of equipment	9,667	811
Unrealised loss on foreign exchange	5,790	28,326
Impairment/(reversal of impairment) of investment in an associate	3,661	(532)
Share of results of an associate	267	589
Impairment of receivables	90	11,460
Impairment of equipment	3	28,129
Gain on disposal of investment	-	(41)
Gain on lease termination	(199)	-
Net (write-back)/write-off of well exploration costs	(1,634)	59,139
Interest income	(19,854)	(29,446)
Operating profit before working capital changes	1,152,227	1,104,760
Inventories	(31,546)	4,236
Trade receivables	(4,573)	392,739
Other receivables, deposits and prepayments	234,878	48,748
Trade payables	(21,939)	2,707
Other payables, accruals and provisions	251,961	(189,750)
Cash generated from operating activities	1,581,008	1,363,440
Net tax paid	(226,593)	(370,149)
Movement in restricted cash and bank balances	(11,712)	15,805
Net cash generated from operating activities	1,342,703	1,009,096
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	19,854	29,446
Other investment	-	(51)
Net cash outflow arising from business combination	-	(514,910)
Acquisition of intangible assets	(27,109)	(90,372)
Purchase of equipment	(732,137)	(722,252)
Net cash used in investing activities	(739,392)	(1,298,139)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of revolving credit	440,701	293,832
Drawdown of term loan	71,274	242,763
Purchase of treasury shares	-	(118,449)
Dividends paid	(44,244)	(87,500)
Interest paid	(52,602)	(33,390)
Repayment of term loan	(109,465)	(86,613)
Repayment of lease liabilities	(146,331)	(141,518)
Repayment of revolving credit	(515,182)	(8,893)
Net cash (used in)/generated from financing activities	(355,849)	60,232
Net increase/(decrease) in cash and cash equivalents	247,462	(228,811)
Effects of foreign exchange rate changes	(3,108)	(61,018)
Cash and cash equivalents at beginning of the financial year	320,166	609,995
Cash and cash equivalents at end of the financial year	564,520	320,166

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

	Year Ended	
	30.06.2026	**30.06.2025**
	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**	280,755	294,491
Current		
Cash and bank balances	588,737	347,514
Less: Restricted cash and bank balances***	(24,217)	(27,348)
Cash and cash equivalents	564,520	320,166

** *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.*

*** *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 30 June 2026 was equivalent to RM24.2 million (30 June 2025: RM27.3 million).*

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 2025 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
3D Energi	3D Energi Limited
Anasuria FPSO	Anasuria floating production storage and offloading vessel
Anasuria Hibiscus UK	Anasuria Hibiscus UK Limited
AIAC	Asian International Arbitration Centre
bbl	Barrel
Block 46	Block 46 Cai Nuoc PSC
Block B MLJ	Block B Maharajalela Jamalulalam
BND	Brunei Dollar
boe	Barrel of oil equivalent
Brunei	Brunei Darussalam
Bursa Securities	Bursa Malaysia Securities Berhad
CAPEX	Capital expenditure
CITA	Corporate Income Tax
Current Quarter	Financial quarter ended 30 June 2026
Current Year	Financial year ended 30 June 2026
CY	Calendar year
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EPL	Energy Profits Levy
ESIM	Energy Security Investment Mechanism
ETR	Effective tax rate
ETS	Emissions Trading Scheme
FID	Final Investment Decision
FSO	Floating storage and offloading
FFSD	Full Field Shutdown Campaign
GBP	Great Britain Pound
GMAD	Greater Marigold Area Development
GL	Gross loss
GP	Gross profit
Helios Hibiscus	Helios Hibiscus Sdn. Bhd.
Heren Index	Heren National Balancing Point index
Hibiscus Oil & Gas	Hibiscus Oil & Gas Malaysia Limited
ICL	Integrated Compressor Line
IRB	Inland Revenue Board
Ithaca Oil and Gas	Ithaca Oil and Gas Limited
Kinabalu	2012 Kinabalu Oil PSC
LAT	Loss after taxation
LBITDA	Losses before interest, taxes, depreciation and amortisation
LBT	Loss before taxation
LCOT	Labuan Crude Oil Terminal
LPC	Low pressure compressor
MFRS	Malaysian Financial Reporting Standard
MMboe	Million barrel of oil equivalent
MMLR	Main Market Listing Requirements
MMscf	Million standard cubic feet
Mscf	Thousand standard cubic feet
N/A	Not applicable
North Sabah	2011 North Sabah Enhanced Oil Recovery PSC
Notice	Notice to Arbitrate
Oceancare	Oceancare Corporation Sdn. Bhd.

ABBREVIATIONS AND ACRONYMS (CONT'D)

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

Abbreviation	Description
OPEX	Operating costs
PAT	Profit after taxation
PBT	Profit before taxation
PITA	Petroleum Income Tax
PKNB	Pertang, Kenarong, Noring and Bedong Cluster PSC
PM3 CAA	PM3 Commercial Arrangement Area PSC
PM305 and PM314	PM305 and PM314 PSCs
PM327	PM327 PSC
Preceding Quarter	Financial quarter ended 31 March 2026
Preceding Year	Financial year ended 30 June 2025
PSC	Production Sharing Contract
RFCT	Ring fence corporation tax
RM	Ringgit Malaysia
SbST	Sabah State Sales Tax
SC	Supplementary charge
scf	Standard cubic feet
TVL	Talisman Vietnam Limited
Tax Cert	Corporate Income Tax Certificate
TotalEnergies EP Brunei	TotalEnergies EP (Brunei) B.V.
UK	United Kingdom
USD	United States Dollar
UUOA	Unitisation and Unit Operating Agreement
VIC/RL17	VIC/RL17 Petroleum Retention Lease
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 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, Contracts Referencing Nature-Dependent Electricity*	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
MFRS 18	*Presentation and Disclosure in Financial Statements*	1 January 2027
MFRS 19 and Amendments to 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 Year.

Acquisition of Interest in Licence P2158

On 29 August 2025, Anasuria Hibiscus UK completed the acquisition of 30.0% interest held by Ithaca Oil and Gas under the UUOA for the unitised Marigold field. Pursuant to the UUOA after the completion of the acquisition, the unit participation percentages for Anasuria Hibiscus UK and Caldera Petroleum (UK) Ltd in the unitised Marigold field are 91.25% and 8.75% respectively.

The Marigold field is expected to be in production in 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 Year.

6 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL QUARTER

There were no material events subsequent to the end of the Current Year 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 Year.

On 26 August 2025, Helios Hibiscus was incorporated under the Brunei Companies Act (Chapter 39), with an issued and paid-up share capital of 100 ordinary shares of BND1.00 each. Helios Hibiscus is held by Timor Hibiscus Limited, a direct wholly-owned subsidiary of the Company, holding 95 ordinary shares and Hibiscus Capital Limited, an indirect wholly-owned subsidiary of the Company, holding 5 ordinary shares. Accordingly, Helios Hibiscus is an indirect wholly-owned subsidiary of the Company.

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 amounts of dividends paid by the Company in the Current Year are as follows:

	RM'000
In respect of the Current Year	
First interim single-tier dividend of 2.00 sen per ordinary share, paid on 27 January 2026	14,748
Second interim single-tier dividend of 2.00 sen per ordinary share, paid on 24 April 2026	14,748
In respect of the Preceding Year	
Fourth interim single-tier dividend of 1.00 sen per ordinary share, paid on 18 July 2025	7,374
Fifth interim single-tier dividend of 0.50 sen per ordinary share, paid on 23 October 2025	3,687
Final single-tier dividend of 0.50 sen per ordinary share, paid on 27 January 2026	3,687
	44,244

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 Year.

Share capital	**YEAR ENDED 30.06.2026**	
	Number of shares	**Share capital RM'000**
ORDINARY SHARES		
As at 30.06.2026/01.07.2025	737,395,328	152,078

11 OPERATING SEGMENTS

Operating results are presented in respect of the Group's business activities. During the Current Year, 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 35.0% participating interest in PM3 CAA, located within the Commercial Arrangement Area between Malaysia and Vietnam. The investment includes the management of the operations relating to the production from eight oil and gas fields (namely Bunga Orkid, Bunga Pakma, Bunga Lavatera, Bunga Kekwa, Bunga Raya, Bunga Seroja, Bunga Tulip and Bunga Aster).

11 OPERATING SEGMENTS (CONT'D)

(i) Peninsular Malaysia (Cont'd)

PM305 and PM314

(a) PM305

- Group's investment in its 60.0% participating interest in PM305, located off the eastern coast of Peninsular Malaysia in the Malay Basin. The participating interest in 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 disposal were completed in December 2025.

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

(b) PM314

- Group's investment in its 60.0% participating interest in PM314, located off the eastern coast of Peninsular Malaysia in the Malay Basin. The participating interest in 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 has finalised the cash settlement exercise in relation to underlift crude balances in April 2025.

PKNB

Group's investment in its 65.0% 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 30.0% 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 Year are 4.0845 and 4.0800 respectively.

11 OPERATING SEGMENTS (CONT'D)

(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 50.0% participating interest in North Sabah, located off the coast of Sabah, Malaysia. The investment includes the management of the operations relating to the production 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 60.0% participating interest in Kinabalu, located off the coast of Sabah, Malaysia. The investment includes the management of the operations relating to the production 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 Year are 4.0845 and 4.0800 respectively.

(iii) Brunei

Group's investments and operations in Brunei, consisting of (i) the Block B MLJ field and (ii) the Brunei Solar Project.

Block B MLJ

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

Block B MLJ's functional currency is the USD. The average and closing rates adopted for conversion to RM in the Current Year are 4.0845 and 4.0800 respectively.

Brunei Solar Project

Group's investment in a new 12 megawatt solar farm to provide renewable energy for the LPC project in Brunei for Block B MLJ field operations. Government approvals were obtained in March 2026 for the commencement of the construction phase. The objective is to achieve a fixed cost of electricity for Block B MLJ's LPC project.

As the Brunei Solar Project is in construction stage and the impact to the Group's profit or loss is negligible, no financial or operational analysis is presented in Part B, Note 15 of this Quarterly Report.

The Brunei Solar Project's functional currency is the BND. The average and closing rates adopted for conversion to RM in the Current Year are 3.1783 and 3.1528 respectively.

11 OPERATING SEGMENTS (CONT'D)

(iv) United Kingdom

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

Anasuria Area

(a) Anasuria Cluster
- Group's investment in its:
  (i) 50.0% 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) 50.0% interest in the Anasuria FPSO, and
  (iv) 50.0% 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 (Block 21/19c) containing Cook West field extension. Ithaca Energy (UK) Limited is the operator.

(d) Licence P2535
- Group's investment in its 100.0% operated interest in Licence P2535 (Block 21/24d) containing the Teal West field, which is contiguous to the Teal field and is located approximately 4 kilometres from the Teal manifold. The Teal West field is planned to be produced to the Anasuria FPSO where the well fluids will be processed and exported via the Anasuria infrastructure.

GMAD

GMAD represents the proposed integrated development of the licenses below:

(a) Marigold field
- Group's investment in its 91.25% operated unit participation in Licence P198 (Block 15/13a) and Licence P2158 (Block 15/18b) containing the unitised Marigold field, pursuant to the UUOA 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 100.0% operated interest in Licence P2518 (Block 15/12a and Block 15/17a) containing the Kildrummy discovery.

(d) Licence P2608
- Group's investment in its 100.0% operated interest in Licence P2608 (Block 15/18a and Block 15/19a) containing the Crown discovery.

11 OPERATING SEGMENTS (CONT'D)

(iv) United Kingdom (Cont'd)

(e) Licence P2635

- Group's investment in its 100.0% 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 Year are 4.0845 and 4.0800 respectively.

(v) Vietnam

Group's investment in its 70.0% 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 Year are 4.0845 and 4.0800 respectively.

(vi) Others

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.

All abandonment obligations required to be carried out were completed in March 2026. The permit will be returned to the National Offshore Petroleum Titles Administrator upon its expiry on 4 November 2026.

The functional currency is the Australian Dollar. The average and closing rates adopted for conversion to RM in the Current Year are 2.7740 and 2.8132 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	Brunei RM'000	United Kingdom RM'000	Vietnam RM'000	Others RM'000	Group RM'000
As at 30.06.2026							
Non-current assets	1,057,177	1,309,521	1,439,883	2,103,532	13,707	23,159	5,946,979
Additions to non-current assets	169,690	88,459	158,698	485,084	9,876	2,262	914,069
Year ended 30.06.2026							
Sales of crude oil and gas	790,688	936,134	369,424	173,739	(11,928) (1)	-	2,258,057
Processing services	-	-	71,160	-	-	-	71,160
Project management, technical and other services	-	-	-	-	-	11,238	11,238
Interest income	-	-	-	-	-	1,315	1,315
Revenue	790,688	936,134	440,584	173,739	(11,928) (1)	12,553	2,341,770
Cost of sales	(277,911)	(283,473)	(127,536)	(122,370)	-	-	(811,290)
Depreciation and amortisation	(196,349)	(183,511)	(100,868)	(52,066)	(6,257)	(2,004)	(541,055)
Profit/(loss) from operations	264,607	319,019	197,211	(75,829)	(19,690)	(78,422)	606,896
Provision for inventories obsolescence	(19,197)	(16,606)	-	-	-	-	(35,803)
Impairment of intangible assets	-	-	-	(10,356)	-	-	(10,356)
Impairment of investment in an associate	-	-	-	-	-	(3,661)	(3,661)
Impairment of receivables	(90)	-	-	-	-	-	(90)
Impairment of equipment	-	-	-	(3)	-	-	(3)
Write-off of equipment	-	-	(9,667)	-	-	-	(9,667)
Write-back of well exploration costs	1,634	-	-	-	-	-	1,634
Share of results of an associate	-	-	-	-	-	(267)	(267)
Finance costs	(39,717)	(33,151)	(12,359)	(41,724)	(343)	(34,092)	(161,386)
Interest income	2,495	1,907	503	13,187	19	428	18,539
Taxation	(91,239)	(86,602)	(93,798)	203,435	6,635	17,002	(44,567)
PAT/(LAT)	118,493	184,567	81,890	88,710	(13,379)	(99,012)	361,269
EBITDA/(LBITDA)	445,798	487,831	288,915	(20,935)	(13,414)	(79,918)	1,108,277

(1) *Represents an adjustment to the deemed income tax expense arising from the sale of crude oil upon the issuance of the Tax Cert by the Vietnamese tax authorities.*

11 OPERATING SEGMENTS (CONT'D)

	Peninsular Malaysia RM'000	Sabah Malaysia RM'000	Brunei RM'000	United Kingdom RM'000	Vietnam RM'000	Others RM'000	Group RM'000
As at 30.06.2025							
Non-current assets	1,182,339	1,466,662	1,443,564	1,737,403	8,689	8,740	5,847,397
Included in the segment assets is:							
Investment in an associate	-	-	-	-	-	3,867	3,867
Additions to non-current assets	597,424	407,694	140,349	169,340	476	2,120	1,317,403
Year ended 30.06.2025							
Sales of crude oil and gas	817,551	934,867	195,850	205,448	56,506	-	2,210,222
Processing services	-	-	107,288	-	-	-	107,288
Project management, technical and other services	-	-	-	-	-	11,560	11,560
Interest income	-	-	-	-	-	3,812	3,812
Revenue	817,551	934,867	303,138	205,448	56,506	15,372	2,332,882
Cost of sales	(345,839)	(346,190)	(123,531)	(99,339)	(29,325)	-	(944,224)
Depreciation and amortisation	(236,001)	(145,027)	(74,398)	(60,581)	(2,062)	(1,889)	(519,958)
Profit/(loss) from operations	224,144	290,903	98,597	(5,829)	23,595	(70,393)	561,017
Impairment of equipment	-	-	-	(28,129)	-	-	(28,129)
Impairment of receivables	(82)	(176)	-	(11,202)	-	-	(11,460)
Net write-off of well exploration costs	(17,043)	(42,096)	-	-	-	-	(59,139)
Share of results of an associate	-	-	-	-	-	(589)	(589)
Finance costs	(22,890)	(17,921)	(6,880)	(35,844)	(475)	(50,110)	(134,120)
Interest income	6,063	3,035	2,044	14,049	98	345	25,634
Taxation	(49,340)	(81,646)	(37,724)	(51,688)	(13,442)	(1,877)	(235,717)
PAT/(LAT)	140,852	152,099	56,037	(118,643)	9,776	(122,624)	117,497
EBITDA/(LBITDA)	449,083	396,693	175,039	29,470	25,755	(68,748)	1,007,292

12 SIGNIFICANT RELATED PARTY TRANSACTIONS

Related party transactions within the Group are as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 30.06.2026 RM'000	QUARTER ENDED 30.06.2025 RM'000	YEAR ENDED 30.06.2026 RM'000	YEAR ENDED 30.06.2025 RM'000
Project management, technical and other services fees earned from a related party				
- Ping Petroleum UK PLC	743	624	2,888	2,750

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 30 June 2026:

	RM'000
Approved and contracted for:	
Group's capital commitments	349,939
Share of a joint operation's capital commitments	5,769
Total capital commitments approved and contracted for	355,708
Share of a joint operation's other material commitments	21,856
	377,564

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 Year 30.06.2026 RM'000	Current Quarter 30.06.2026 RM'000	Preceding Quarter 31.03.2026 RM'000	Current Quarter vs Preceding Quarter (Change in %)
Peninsular Malaysia				
Revenue	790,688	264,331	188,422	40
EBITDA	**445,798**	**144,083**	**134,863**	**7**
PAT	118,493	43,276	50,801	(15)
Sabah Malaysia				
Revenue	936,134	400,029	176,963	126
EBITDA	**487,831**	**217,600**	**90,008**	**142**
PAT	184,567	102,280	27,862	267
Brunei				
Revenue	440,584	132,918	89,596	48
EBITDA	**288,915**	**104,062**	**50,410**	**106**
PAT	81,890	20,808	10,867	91
United Kingdom				
Revenue	173,739	56,432	60,011	(6)
(LBITDA)/EBITDA	**(20,935)**	**(40,257)**	**28,104**	**-**
PAT	88,710	44,584	30,501	46
Vietnam				
Revenue	(11,928)	(9,815)	37	-
LBITDA	**(13,414)**	**(10,099)**	**(633)**	**(1,495)**
LAT	(13,379)	(4,080)	(2,698)	(51)
Others				
Revenue	12,553	2,567	2,729	(6)
LBITDA	**(79,918)**	**(15,685)**	**(29,002)**	**46**
LAT	(99,012)	(16,152)	(37,226)	57
Group				
Revenue	2,341,770	846,462	517,758	63
EBITDA	**1,108,277**	**399,704**	**273,750**	**46**
PAT	361,269	190,716	80,107	138

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 Year**	**Current Quarter**	**Current Year**	**Current Quarter**	**Current Year**	**Current Quarter**	**Current Year**	**Current Quarter**	**Current Year**	**Current Quarter**
Revenue	790,688	264,331	-	-	-	-	-	-	790,688	264,331
- Crude Oil	427,969	163,817	-	-	-	-	-	-	427,969	163,817
- Gas	362,719	100,514	-	-	-	-	-	-	362,719	100,514
GP/(GL)	512,779	188,979	(2)	-	-	-	-	-	512,777	188,979
GP/(GL) margin (%)	*64.9%*	*71.5%*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*64.9%*	*71.5%*
EBITDA/(LBITDA)	456,321	148,120	(3,380)	(2,206)	(8,852)	(2,069)	1,709	238	445,798	144,083
EBITDA/(LBITDA) margin (%)	*57.7%*	*56.0%*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*56.4%*	*54.5%*
PBT/(LBT)	220,520	89,157	(3,382)	(2,206)	(9,115)	(2,214)	1,709	238	209,732	84,975
PBT/(LBT) margin (%)	*27.9%*	*33.7%*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*26.5%*	*32.1%*
PAT/(LAT)	125,939	47,150	(3,654)	(2,069)	(5,501)	(2,043)	1,709	238	118,493	43,276
PAT/(LAT) margin (%)	*15.9%*	*17.8%*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*15.0%*	*16.4%*
ETR (%)	42.9%	47.1%	N/A	6.2%	39.6%	7.7%	N/A	N/A	43.5%	49.1%

	PM3 CAA		PM305 and PM314*		PKNB**		PM327**	
	Current Year	**Current Quarter**	**Current Year**	**Current Quarter**	**Current Year**	**Current Quarter**	**Current Year**	**Current Quarter**
Crude oil sold (bbls)	1,213,710	301,572	-	-	-	-	-	-
Average realised oil price (USD per bbl)	86.33	133.35	-	-	-	-	-	-
Gas sold (MMscf)	16,100	3,344	-	-	-	-	-	-
Average realised gas price (USD per thousand scf)	5.52	7.48	-	-	-	-	-	-
Average OPEX per boe (USD)	13.68	14.16	-	-	-	-	-	-
Average uptime	90%	93%	-	-	-	-	-	-
Average net oil equivalent production rate (boe per day)	10,890	10,517	-	-	-	-	-	-

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

** *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**

  In the Current Year, PM3 CAA achieved a GP and GP margin of RM512.8 million and 64.9% respectively. The PSC's profitability was boosted by the relatively high average realised prices obtained for the sale of both crude oil and gas throughout the Current Quarter driven by uncertainty in resolution of the US-Iran conflict. The average oil price and gas price realised in the Current Year was USD86.33 per bbl and USD5.52 per Mscf respectively.

  The PSC's operational performance in the Current Year was impacted by the following events:

  - The planned CY 2025's annual maintenance campaign took place from 18 August 2025 to 27 August 2025, during which the production facilities were shut down. Prior to this, the BKC/BSA platform was also shut down from 25 July 2025 to 29 July 2025 to facilitate the move-in of the rig for the Bunga Raya infill drilling; and

  - An unplanned shutdown experienced at the BOC platform for five days that reduced both gas and condensate production and disrupted gas supply to gas-lifted oil wells, further lowering oil output. The incident was due to a communications system failure, which was duly rectified during the Preceding Quarter.

15 PERFORMANCE REVIEW (CONT'D)

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

In addition, reservoir decline and well constraints remained a factor impacting production levels at this PSC.

Notwithstanding the above events, production improved following the successful execution of well intervention activities across the PSC. These activities generated incremental production and enhanced well performance, with production gains progressively increasing from May 2026 onwards.

The OPEX per boe recorded for the Current Year was relatively high at USD13.68. In addition to costs associated with the planned CY 2025's annual maintenance campaign, OPEX incurred throughout the Current Year included costs for the following planned activities:

- Routine maintenance activities covering topside maintenance, inspection and integrity scopes, turbomachinery works and underwater maintenance and inspection; and

- Routine production enhancement activities, well intervention activities and well integrity works.

In addition, OPEX levels were adversely impacted by higher diesel prices since March 2026. The average diesel price increased to RM3.33 per litre in the Current Year compared with RM2.96 per litre in the Preceding Year. Consistent with the increase in crude oil prices, diesel prices remained elevated in June 2026, ranging between RM3.60 per litre and RM4.41 per litre.

The PSC achieved an EBITDA of RM456.3 million in the Current Year.

A provision for inventory obsolescence of RM19.2 million was deducted from EBITDA, which was recognised following routine inventory reviews that identified items with limited future utilisation and recoverability of the identified inventory items.

The PSC's PBT of RM220.5 million was achieved after deducting the following non-cash items from EBITDA:

- Amortisation of intangible assets and depreciation of oil and gas assets of RM158.1 million;

- Depreciation of right-of-use assets of RM38.0 million; and

- Unwinding of discount on provision for decommissioning costs of RM24.4 million.

15 PERFORMANCE REVIEW (CONT'D)

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

Taxation

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	(81,983)	(9,708)	(2,890)	(94,581)
Income tax	(79,326)	(9,708)	(2,802)	(91,836)
- Provision	(79,622)	(11,078)	(2,671)	(93,371)
- Net reversal of overprovisions/(underprovisions) in current/prior YAs	296	1,370	(131)	1,535
Deferred tax	(2,657)	-	(88)	(2,745)
- Deferred tax liabilities	3,039	-	(88)	2,951
- Reversal/(recognition)	2,993	-	(192)	2,801
- Reversal of overprovisions in prior YA	46	-	104	150
- Deferred tax assets	(5,696)	-	-	(5,696)

During the Current Year, the PSC recognised a net tax expense of RM82.0 million for PITA, delivering an ETR over PBT of 37.2%. The ETR was lower than the PITA rate mainly due to unrealised foreign exchange gains being non-taxable and overhead income received by Hibiscus Oil & Gas as operator allowed under the Joint Operating Agreement that is also not taxable under PITA (as it is taxed in Barbados instead at the lower rate of 1.0%).

The CITA tax expense of RM9.7 million was computed on interest income received on inter-company advances and from bank deposits.

- **Current quarter results**

The PM3 CAA PSC contributed RM264.3 million to the Group's revenue in the Current Quarter. The average prices attained for the sale of both crude oil and gas were significantly higher than the prices recorded in the earlier three quarters, at USD133.35 per bbl and USD7.48 per Mscf respectively.

During the Current Quarter, the PSC successfully completed planned well intervention activities at several wells, including flowback and stabilisation activities, well clean-up, gas lift optimisation and additional perforation works. The successful execution of these activities enhanced production from selected wells and supported the overall improvement in production performance.

In addition, the PSC carried out other planned operational activities in the Current Quarter, including turbine compressor refurbishment works, inspection and integrity works, as well as topside and fabric maintenance, to support the continued safe and reliable operation of the facilities.

15 PERFORMANCE REVIEW (CONT'D)

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

The average OPEX per boe recorded was relatively high at USD14.16 due to the costs incurred on routine and planned operational activities following the end of the monsoon season experienced in the Preceding Quarter. In addition, OPEX was impacted by higher diesel prices from early March 2026 onwards following the increase in crude oil prices, with average diesel price rising to RM4.71 per litre in the Current Quarter from RM3.33 per litre in the Preceding Quarter.

The PSC's production level remained healthy during the Current Quarter, supported by the successful execution of the planned well intervention activities. The improvement in overall production was, however, partly offset by reservoir decline and well constraints affecting certain wells.

Included in EBITDA of RM148.1 million was a provision for inventory obsolescence of RM18.4 million recognised in the Current Quarter as explained in the "Financial year-to-date results" section above.

The following non-cash items were deducted from EBITDA delivering a PBT of RM89.2 million:

- Amortisation of intangible assets and depreciation of oil and gas assets of RM39.0 million;
- Depreciation of right-of-use assets of RM10.1 million; and
- Unwinding of discount on provision for decommissioning costs of RM5.9 million.

<u>Taxation</u>

RM'000	PITA	CITA	Barbados tax	Total
Total	(38,318)	(3,124)	(565)	(42,007)
Income tax	(50,356)	(3,124)	(1,061)	(54,541)
- Provision	(50,245)	(3,114)	(1,062)	(54,421)
- Net reversal of (underprovisions)/overprovisions in current/prior YAs	(111)	(10)	1	(120)
Deferred tax	12,038	-	496	12,534
- Deferred tax liabilities	4,700	-	-	4,700
- Reversal	4,700	-	-	4,700
- Deferred tax assets	7,338	-	496	7,834

In the Current Quarter, a RM38.3 million net tax expense was recorded by the PSC for PITA, delivering an ETR of 43.0%, which was higher than the 38.0% PITA rate. It was mainly due to non-tax deductibility of unrealised foreign exchange losses.

The CITA tax expense of RM3.1 million was computed on interest income received on inter-company advances and from bank deposits.

15 PERFORMANCE REVIEW (CONT'D)

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

PM305 and PM314

The Group has finalised the cash settlement exercise in relation to underlift crude balances for the PM314 PSC in the Preceding Year. As all balances under this PSC have been fully settled and extinguished, they are not relevant to, and have no impact on, the financial year-to-date and current quarter results.

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

  PM305 recorded a LBT of RM3.4 million in the Current Year, primarily due to the recognition of unrealised foreign exchange losses amounting to RM3.9 million. These losses were caused by the depreciation of the USD against the RM during the Current Year, which impacted the period-end revaluation of RM-denominated payable balances. These losses were mitigated by a RM0.6 million reversal of an overprovision of provision on decommissioning costs following the completion of decommissioning works at the South Angsi-A platform.

  The tax expense of RM0.3 million represents Barbados income tax allocated to the PSC. Barbados income tax is computed at the entity level (i.e. Hibiscus Oil & Gas in the case for PM305) and then allocated to the respective PSCs in the entity based on the respective PSCs' result before taxation position (computed based on the tax rules applicable to the Barbados tax regime).

- **Current quarter results**

  PM305's LBT in the Current Quarter was primarily driven by RM1.9 million unrealised foreign exchange losses. These losses arose from the depreciation of the USD against the RM during the Current Quarter, impacting the quarter-end revaluation of RM-denominated payable balances.

  The tax expense of RM0.2 million relates to Barbados income tax.

PKNB

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

  Included in the LBT of RM9.1 million were mainly RM5.2 million payroll-related costs, RM1.7 million incurred for conceptual studies, RM1.2 million net foreign exchange losses (both realised and unrealised) and RM0.3 million bank commission incurred for the renewal of a bank guarantee.

  Included in the PSC's reported tax credit of RM3.6 million was a reversal of an overprovision of tax amounting to RM0.9 million for YA 2025. Omitting the said overprovision would have resulted in an ETR of 29.4%, lower than PITA rate of 38.0%. This was due to interest income being taxed under the Corporate (Income Tax) Act 1967 at the lower rate of 24% and the non-tax deductibility of unrealised foreign exchange losses recognised.

15 PERFORMANCE REVIEW (CONT'D)

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

- **Current quarter results**

  The reported LBT of RM2.2 million mainly comprised payroll-related costs of RM1.1 million, net foreign exchange losses of RM0.6 million and bank commission of RM0.3 million incurred on the renewal of bank guarantee.

  A net tax credit of RM0.2 million was recognised in the Current Quarter.

<u>**PM327**</u>

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

  For the Current Year, the PSC reported a PBT of RM1.7 million.

  There was a partial reversal of the amount previously written off for the Rosebay-1 well's exploration costs amounting to RM1.6 million in the Current Year. This reversal was based on an updated report received from the operator in June 2026, which confirmed the latest cost estimates were lower compared to what had been estimated in the Preceding Year.

- **Current quarter results**

  The financial results of the PSC in the Current Quarter were mainly impacted by the partial reversal of the Rosebay-1 well's exploration costs previously written off in the Preceding Year.

(ii) Sabah Malaysia

	North Sabah		Kinabalu		Total	
RM'000	Current Year	Current Quarter	Current Year	Current Quarter	Current Year	Current Quarter
Revenue	604,050	250,198	332,084	149,831	936,134	400,029
GP	434,428	194,781	218,233	107,461	652,661	302,242
GP margin (%)	*71.9%*	*77.9%*	*65.7%*	*71.7%*	*69.7%*	*75.6%*
EBITDA	352,141	152,734	135,690	64,866	487,831	217,600
EBITDA margin (%)	*58.3%*	*61.0%*	*40.9%*	*43.3%*	*52.1%*	*54.4%*
PBT	213,953	118,258	57,216	47,288	271,169	165,546
PBT margin (%)	*35.4%*	*47.3%*	*17.2%*	*31.6%*	*29.0%*	*41.4%*
PAT	131,846	62,642	52,721	39,638	184,567	102,280
PAT margin (%)	*21.8%*	*25.0%*	*15.9%*	*26.5%*	*19.7%*	*25.6%*
ETR (%)	38.4%	47.0%	7.9%	16.2%	31.9%	38.2%

	North Sabah		Kinabalu	
	Current Year	Current Quarter	Current Year	Current Quarter
Crude oil sold (bbls)	1,780,638	594,594	903,301	300,087
Average realised oil price (USD per bbl)	83.05	103.92	90.01	123.16
Average OPEX per bbl (USD)	18.11	20.35	17.13	25.48
Average uptime	90%	92%	83%	83%
Average net oil production rate (bbls per day)	4,756	4,569	2,771	2,939

15 PERFORMANCE REVIEW (CONT'D)

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

<u>**North Sabah**</u>

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

  The North Sabah PSC generated a healthy GP and GP margin in the Current Year, at RM434.4 million and 71.9% respectively driven by favourable operational performance. The average realised price attained for the sale of its crude oil was also relatively high, at USD83.05 per bbl.

  Both the average uptime and average net oil production rate were high, at 90% and 4,756 bbls per day respectively.

  North Sabah's production was supported by higher contribution from the South Furious 30 new infill wells and improved performance from the South Furious field, following production enhancement activities, gas injection optimisation and improved well productivity.

  During the Current Year, the PSC successfully completed several key operational activities, including the reinstatement of the main compressor at the St Joseph field and the implementation of the Supersonic Tool gas lift enhancement initiative at the Barton field. These activities improved production capability, supported well performance and enhanced operational reliability across the PSC.

  The impact of these activities which improved production levels were partly offset by the effect of a planned topside major maintenance scope undertaken at the South Furious and South Furious 30 wells in October 2025.

  In addition, the PSC initially encountered operational challenges affecting the Barton and St Joseph fields. The process interruptions and unfavourable well performance at the Barton field were resolved in the Preceding Quarter. As for the St Joseph field, its main compressor was temporarily unavailable from 11 March 2026, impacting gas lift operations. Following the completion of rectification works on 23 May 2026, the compressor was successfully reinstated and normal gas injection operations resumed.

  OPEX incurred included costs associated with the following activities:

  - CY 2025's annual planned maintenance campaign commenced towards the end of September 2025 that was completed in early October 2025;

  - Planned topside major maintenance that was performed in October 2025;

  - Non routine production enhancement campaign at St Joseph;

  - Routine production enhancement activities through routine slickline operations such as wax cutting and routine well intervention at St Joseph, South Furious and Barton;

15 PERFORMANCE REVIEW (CONT'D)

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

- Routine static maintenance activities; and
- Unplanned corrective maintenance activities carried out for the South Furious and St Joseph compressors due to multiple trips encountered.

The EBITDA of RM352.1 million was arrived at after charging supplemental payment and SbST of RM38.1 million and RM29.7 million respectively. In addition, the PSC's EBITDA was negatively impacted by a provision for inventory identified to have limited future utilisation amounting to RM3.3 million.

The following non-cash items were deducted from EBITDA delivering a PBT of RM214.0 million.

- Amortisation of intangible assets and depreciation of oil and gas assets of RM97.3 million;
- Depreciation of right-of-use assets of RM13.6 million; and
- Unwinding of discount on provision for decommissioning costs of RM6.1 million.

The PSC is governed under the Petroleum (Income Tax) Act 1967, at the rate of 38.0%. Total net tax expense in the Current Year amounted to RM82.1 million. The ETR over PBT of 38.4% was consistent with the PITA rate.

Included in the net tax expense was a deferred tax expense of RM4.0 million, recognised following a review and remeasurement of temporary differences, mostly offset by the reversal of overprovisions of tax relating to prior YAs amounting to RM3.0 million upon the reassessment of the tax liabilities for the respective YAs.

- **Current quarter results**

The North Sabah PSC delivered a strong GP margin of 77.9% in the Current Quarter. It was mainly due to a relatively high average realised price achieved for the 594,594 bbls of crude oil sold of USD103.92 per bbl.

A high average OPEX per bbl recorded of USD20.35 was mainly driven by the costs incurred for operational activities, which included routine and non-routine production enhancement activities, well intervention works and maintenance activities. Additional costs were incurred for unplanned corrective maintenance activities carried out at compressors at the South Furious and St Joseph fields following multiple trips encountered during the Current Quarter.

15 PERFORMANCE REVIEW (CONT'D)

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

The main St Joseph compressor (not to be confused with the earlier mentioned compressors) was also unavailable temporarily since March 2026 and has impacted gas injection operations. Rectification works were completed in May 2026 and normal gas injection operations resumed.

The adverse impact from the main St Joseph compressor downtime was partly mitigated by improved production from the Barton field following the successful implementation of the Supersonic Tool gas lift enhancement initiative. The enhanced gas lift capability improved well productivity and contributed to higher production from the Barton field during the Current Quarter.

The PSC also continued to execute planned production enhancement and well intervention activities throughout the Current Quarter. Further activities are scheduled to be carried out in the next quarter to support production optimisation and improve asset reliability.

The PSC's EBITDA of RM152.7 million was achieved after charging supplemental payment and SbST of RM20.0 million and RM14.3 million respectively. In addition, a provision for inventory obsolescence of RM3.3 million was recognised in the Current Quarter.

PBT of RM118.3 million was achieved after deducting the following non-cash items from EBITDA:

- Amortisation of intangible assets and depreciation of oil and gas assets of RM24.3 million;
- Depreciation of right-of-use assets of RM3.0 million; and
- Unwinding of discount on provision for decommissioning costs of RM1.4 million.

The net tax expense in the Current Quarter amounted to RM55.6 million. The resulting ETR of 47.0% was higher than the 38.0% PITA rate. It was due to deferred tax expenses of RM9.9 million recognised following a review and remeasurement of temporary differences related to the PSC. Omitting this adjustment would result in an ETR of 38.7%, 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)

Kinabalu

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

  The Kinabalu PSC achieved a GP of RM218.2 million and a GP margin 65.7% in the Current Year. The strong financial performance was achieved on the back of relatively high average selling prices for its crude oil sold (of USD90.01 per bbl) and strong operational performance registered.

  In the Current Year, the PSC achieved an average gross oil production of 7,379 bbls per day, driven by successful well optimisation initiatives, increased routine and non-routine well intervention and production enhancement activities, as well as improved facilities uptime. In addition, the successful implementation of the Supersonic Tool gas lift enhancement initiative at the KN-114 and KN-116 wells has improved gas lift performance and contributed to enhanced production from these wells.

  The increase in production was partly offset by the planned shutdown of production facilities during the annual major maintenance campaign that took place from 20 August 2025 to 27 August 2025, as well as production challenges arising from water encroachment in the oil reservoirs affecting selected wells. The KND-2L well production performance recovered following a successful zone change to an alternative reservoir in May 2026. This change reduced water cut and supported production recovery. Meanwhile, the KND-08ST1 well continued to be impacted by high water cut associated with natural field depletion.

  The OPEX per bbl recorded for the Current Year of USD17.13 mainly reflected expenditures associated with planned activities, including the annual major maintenance campaign, routine and non-routine well intervention, production enhancement and other maintenance activities performed in the Current Year.

  In the Current Year, the PSC incurred a supplemental payment and SbST of RM60.5 million and RM14.4 million respectively to arrive at an EBITDA of RM135.7 million. In addition, the PSC recognised a provision for inventory obsolescence of RM13.3 million, following the PSC's periodic inventory reviews and represents the PSC's prudent assessment of the recoverability of its inventory balances based on anticipated future utilisation and recoverability of the identified inventory items. These charges were partly offset by net foreign exchange gains (both realised and unrealised) of RM10.8 million.

  The PSC recorded a PBT of RM57.2 million, after deducting the following non-cash items from EBITDA of RM135.7 million:

  - Amortisation of intangible assets and depreciation of oil and gas assets of RM71.4 million;
  - Depreciation of right-of-use assets of RM1.2 million; and
  - Unwinding of discount on provision for decommissioning costs of RM0.9 million.

15 PERFORMANCE REVIEW (CONT'D)

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

Taxation

Kinabalu is governed under the Petroleum (Income Tax) Act 1967, at a 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%).

During the Current Year, the PSC recognised a net tax expense of RM4.5 million, delivering an ETR over PBT of 7.9%.

The following adjustments (which gave rise to gains to the PSC's profit or loss) were made during the Current Year:

- Recognition of a deferred tax credit RM10.6 million arising from the remeasurement of deferred tax balances following a review of temporary differences; and

- Reversal of deferred tax liabilities recognised in prior periods of RM7.4 million.

In addition, the PSC recognised an underprovision of tax amounting to RM2.5 million for YA 2025 upon updating the actual tax position for the YA prior to filing the tax return to the IRB.

Excluding the net impact of the abovementioned adjustments of a net credit to profit or loss of RM15.4 million would have resulted in a "normalised" net tax expense of RM20.0 million and a "normalised" ETR of 34.8%. It was lower than the PITA rate of 38.0% mainly due to unrealised foreign exchange gains being non-taxable.

- **Current quarter results**

The GP for Kinabalu was RM107.5 million while GP margin recorded was relatively high, at 71.7%. The healthy GP margin was largely driven by the relatively high average realised price obtained for the sale of crude oil of USD123.16 per bbl.

During the Current Quarter, the PSC's production performance was adversely impacted by production constraints at selected wells, primarily due to increased water cut levels. The KND-08ST1 well continued to be impacted by high water cut associated with natural field depletion. Meanwhile, production performance from the KND-2L well recovered following a successful zone change to an alternate reservoir in May 2026, which significantly reduced water cut and supported the production recovery.

In addition, the successful implementation of the Supersonic Tool gas lift enhancement initiative at the KN-114 and KN-116 wells in May 2026 improved gas lift performance and contributed to enhanced production from these wells.

15 PERFORMANCE REVIEW (CONT'D)

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

The OPEX per bbl recorded for Kinabalu in the Current Year was relatively high at USD25.48, primarily reflecting higher planned activities level during the Current Quarter, coupled with lower production. High OPEX levels were incurred mainly attributable to the following planned activities performed:

- Routine and non-routine well intervention and production enhancement activities; and
- Extensive maintenance works related to mechanical static equipment and topside turbomachinery works.

The PSC attained an EBITDA of RM64.9 million in the Current Quarter after charging supplemental payment and SbST of RM26.2 million and RM7.5 million respectively. In addition, a provision for inventory obsolescence of RM10.4 million was recognised in the Current Quarter.

The following non-cash items were deducted from EBITDA delivering a PBT of RM47.3 million:

- Amortisation of intangible assets and depreciation of oil and gas assets of RM14.7 million;
- Depreciation of right-of-use assets of RM0.4 million; and
- Unwinding of discount on provision for decommissioning costs of RM0.2 million.

<u>Taxation</u>

The PSC recorded a net tax expense of RM7.7 million in the Current Quarter. The resulting ETR over PBT of 16.2% was lower than the PITA rate of 38.0%, mainly due to the recognition of a RM10.6 million deferred tax credit following a review of temporary differences related to the PSC. Excluding the impact of this adjustment of RM10.6 million would have resulted in a "normalised" net tax expense of RM18.2 million and a "normalised" ETR of 38.5%, consistent with 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)

(iii) Brunei

RM'000	Block B MLJ		Brunei Solar Project*		Total	
	Current Year	Current Quarter	Current Year	Current Quarter	Current Year	Current Quarter
Revenue	440,584	132,918	-	-	440,584	132,918
- Gas	242,106	109,396	-	-	242,106	109,396
- Condensate	127,318	13,442	-	-	127,318	13,442
- Processing services	71,160	10,080	-	-	71,160	10,080
GP	313,048	115,234	-	-	313,048	115,234
GP margin (%)	*71.1%*	*86.7%*	*N/A*	*N/A*	*71.1%*	*86.7%*
EBITDA/(LBITDA)	290,828	104,418	(1,913)	(356)	288,915	104,062
EBITDA/(LBITDA) margin (%)	*66.0%*	*78.6%*	*N/A*	*N/A*	*65.6%*	*78.3%*
PBT/(LBT)	178,304	67,816	(2,616)	(714)	175,688	67,102
PBT/(LBT) margin (%)	*40.5%*	*51.0%*	*N/A*	*N/A*	*39.9%*	*50.5%*
PAT/(LAT)	84,506	21,522	(2,616)	(714)	81,890	20,808
PAT/(LAT) margin (%)	*19.2%*	*16.2%*	*N/A*	*N/A*	*18.6%*	*15.7%*
ETR (%)	52.6%	68.3%	*N/A*	*N/A*	53.4%	69.0%

	Block B MLJ		Brunei Solar Project*	
	Current Year	Current Quarter	Current Year	Current Quarter
Condensate sold (bbls)	343,482	-	N/A	N/A
Average realised condensate price (USD per bbl)	82.07	-	N/A	N/A
Gas sold (MMscf)	10,770	3,607	N/A	N/A
Average realised gas price (USD per thousand scf)	4.92	7.19	N/A	N/A
Average OPEX per boe (USD)	7.34	5.67	N/A	N/A
Average uptime	89%	96%	N/A	N/A
Average net oil equivalent production rate (boe per day)	5,629	7,619	N/A	N/A

* *As the project is still in its preliminary stage and the impact to the Group's profit or loss is negligible, no financial or operational analysis is presented.*

<u>Block B MLJ</u>

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

The Group completed the acquisition of TotalEnergies EP Brunei (later renamed Hibiscus EP Brunei) on 14 October 2024. Accordingly, the Current Year represents the first year in which the financial performance of the segment is reported for a full twelve-month period.

The Block B MLJ asset in Brunei generated RM440.6 million in revenue and GP of RM313.0 million for the Current Year. The resulting GP margin is 71.1%.

15 PERFORMANCE REVIEW (CONT'D)

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

Hibiscus EP Brunei commenced operations of the LPC at the Onshore Processing Plant in Lumut, Brunei on 8 April 2026. This marked a key milestone in sustaining production from the Block B MLJ field. The LPC project has established several notable industry milestones, including being the world's first water-saturated ICL compressor and Asia's first operational ICL compressor. Upon integration with the planned 12 MW solar farm that is currently being built, it is also expected to be the world's first ICL compressor powered using solar energy. The commissioning of the LPC has substantially increased production by enabling the recovery and processing of additional low-pressure gas. Post start-up, the LPC system has been operating at a relatively high equipment uptime of 96% and production in low pressure mode has resulted in a 52% increase in gas and condensate production in the Current Quarter compared to the Preceding Quarter.

During the Current Year, the following two major planned activities were executed:

- The FFSD campaign, which was carried out in September 2025 for a period of 19 days. For information, a FFSD campaign for this asset is conducted once every four years, to facilitate comprehensive inspection and maintenance of all wells and to enable overhaul activities across the production facilities; and

- The CY 2025 well intervention campaign, which took place from April 2025 to October 2025.

In addition, an additional one-day planned FFSD took place in early April 2026 prior to the LPC start-up to enable final tie-in activities to be carried out. Separately, a half-day ICL compressor unit shutdown for planned inspection activities took place post LPC start-up, after which operations resumed promptly.

The above events had some adverse impact to the operational performance of the Block B MLJ asset.

The collective impact of the abovementioned events resulted in the asset to report an average net oil equivalent production rate of 5,629 boe per day and average OPEX per boe of USD7.34.

At the end of the Current Year, the segment wrote off RM9.7 million capitalised costs related to carbon-related studies. These costs were incurred prior to the Group's acquisition of TotalEnergies EP Brunei. No additional expenditure had been incurred since the acquisition. Following post-acquisition technical assessments that were completed during the Current Year, it was concluded that this area no longer aligns with the segment's current strategic direction. Accordingly, the capitalised carbon studies costs are no longer expected to generate future economic benefits and were duly written off during the Current Year.

15 PERFORMANCE REVIEW (CONT'D)

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

PBT recorded by the Block B MLJ asset of RM178.3 million was arrived at mainly after deducting the following non-cash items from an EBITDA of RM290.8 million:

- Depreciation of oil and gas assets of RM97.7 million;
- Depreciation of right-of-use assets of RM2.8 million; and
- Unwinding of discount on provision for decommissioning costs of RM8.0 million.

The tax expense incurred for the Current Year comprised of tax charges from petroleum operations and non-petroleum operations at the rate of 55.0% and 18.5% respectively. Total net tax expense was RM93.8 million. The resulting effective tax rate over the PBT of 53.4% was higher than the weighted average tax rate for both tax regimes mentioned above, mainly caused by the non-tax deductibility of the capitalised amount of carbon studies costs written off in the Current Year.

- **Current quarter results**

In the Current Quarter, the Block B MLJ asset contributed RM132.9 million to the Group's revenue from the sale of gas of RM109.4 million, sale of condensate of RM13.4 million and revenue from processing services of RM10.1 million.

The average realised gas price recorded during the Current Quarter of USD7.19 per Mscf was the highest attained by the asset in a financial quarter since the Group acquired the asset in October 2024.

Following the start-up of the LPC on 8 April 2026, the Current Quarter's average net oil equivalent production rate rose to 7,619 boe per day, representing a 52% increase compared to the Preceding Quarter, and exceeded the earlier anticipated increase of approximately 34%.

The asset's production facilities remained healthy and achieved an average uptime of 96%. This uptime performance included a one-day planned FFSD in early April 2026 for the final LPC project tie-in activities and separately, a half-day ICL compressor unit shutdown for planned inspection activities took place post LPC start-up.

15 PERFORMANCE REVIEW (CONT'D)

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

The OPEX per boe of USD5.67 in the Current Quarter included the increase in electricity consumption post start-up of the LPC.

The GP and GP margin achieved were RM115.2 million and 86.7% respectively. The attained GP margin was the highest recorded by the asset in a financial quarter post-acquisition by the Group.

During the Current Quarter, RM9.7 million of capitalised carbon studies costs incurred prior to the acquisition of TotalEnergies EP Brunei were written off. Technical assessments conducted post-acquisition of the asset concluded that these studies no longer align with the current strategic direction of the segment and accordingly, these costs are no longer expected to generate future economic benefits.

PBT recorded of RM67.8 million was arrived at mainly after deducting the following non-cash items from an EBITDA of RM104.4 million:

- Depreciation of oil and gas assets of RM32.9 million;
- Depreciation of right-of-use assets of RM0.7 million; and
- Unwinding of discount on provision for decommissioning costs of RM2.1 million.

The tax expense comprised of tax charges from petroleum operations and non-petroleum operations at the rate of 55.0% and 18.5% respectively. Total net tax expense in the Current Quarter was RM46.3 million. The resulting ETR over PBT was 69.0%, which is higher than the weighted average tax rate for both tax regimes mainly driven by the non-tax deductibility of the capitalised amount of carbon studies costs written off in the Current Quarter.

15 PERFORMANCE REVIEW (CONT'D)

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

(iv) United Kingdom

RM'000	Current Year	Current Quarter
Revenue	173,739	56,432
- Crude Oil	166,247	55,647
- Gas	7,492	785
GP	51,369	4,171
GP margin (%)	*29.6%*	*7.4%*
LBITDA	(20,935)	(40,257)
LBITDA margin (%)	*(12.0%)*	*(71.3%)*
LBT	(114,725)	(65,007)
LBT margin (%)	*(66.0%)*	*(115.2%)*
PAT	88,710	44,584
PAT margin (%)	*51.1%*	*79.0%*
ETR (%)	177.3%	168.6%

	Current Year	Current Quarter
Crude oil sold (bbls)	530,550	165,613
Average realised oil price (USD per bbl)	78.64	80.70
Gas sold (MMscf)	168	14
Average realised gas price (USD per thousand scf)	10.38∞ / 11.86#	16.86∞ / 17.26#
Average OPEX per boe (USD)	69.18	99.14
Average uptime	65%	61%
Average daily oil equivalent production rate (boe per day)	1,297	981

∞ *For Cook field.*

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

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

  During the Current Year, the UK segment encountered several events that have caused the production levels at the Anasuria Cluster to be adversely impacted.

  Average uptime and average daily oil equivalent production rate recorded for the Current Year were relatively low as a result, at 65% and 1,297 boe per day respectively.

  A summary of these events is as follows:

  - Two issues encountered at the Cook field in the Current Year which restricted its production output were:

    - A hydrocarbon leakage encountered at the Christmas tree of the Cook well in October 2025 caused the field to be shut-in until the end of December 2025 (for information, a Christmas tree is a critical assembly of valves, spools, and fittings mounted atop a completed wellhead to control the production of oil or gas). This unplanned event was resolved by the end of December 2025, upon which production at the Cook well was reinstated. Costs incurred to remediate this failure were capitalised;

    - Despite reinstating the Cook well in December 2025 as mentioned above, the well has been shut in since early June 2026 when it failed to restart after completion of a short shutdown of the Anasuria FPSO in May 2026 due to gas lift system constraints. A gas lift deepening intervention is scheduled for September 2026, with production expected to resume within the same month;

15 PERFORMANCE REVIEW (CONT'D)

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

- A dry gas seal failure was encountered in September 2025 which resulted in a total downtime of twenty days, during which gas lifted wells were offline and all wells were shut in for seven days. Additional OPEX was incurred for repair works and integrity inspections during the outage, which formed part of the Current Year's cost of sales. This technical issue was resolved in late September 2025, upon which full production resumed;

- Multiple operational disruptions were encountered at the Anasuria FPSO between October 2025 and December 2025 that affected overall production. These operational issues were resolved by the end of December 2025; and

- A planned fourteen-day shutdown on the Anasuria FPSO was carried out in May 2026 to perform key integrity and maintenance works.

To a lesser extent, a subsurface safety valve leak of well fluids into the subsea hydraulic returns system caused the Teal South well to be shut in from September 2025 to June 2026. A well intervention campaign is planned for September 2026, with production expected to resume thereafter.

Due to the low production levels, there were only three crude oil offtakes in the Current Year and gas sold was lower than normally expected, at 168 MMscf.

During the Current Year, Anasuria Hibiscus UK recorded higher costs for the following OPEX items:

- Increased diesel consumption for the operations of the Anasuria FPSO driven by a decline in Cook well's gas production, and reduced gas fuel availability following the shut-in of the Cook well from October 2025 to December 2025 and again from June 2026 onwards; and

- High UK carbon prices under the UK ETS which increased Anasuria Hibiscus UK's financial commitments for emissions from the Anasuria Cluster.

The average OPEX per boe for the Current Year was therefore high, at USD69.18.

Due to the various operational-related challenges encountered and the higher operating cost structure recorded for the Current Year, the UK segment recorded a low GP margin of 29.6% on the back of a GP of RM51.4 million.

15 PERFORMANCE REVIEW (CONT'D)

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

This segment recorded a LBT of RM114.7 million, which have been arrived at after absorbing the following non-cash charges:

- Amortisation of intangible assets and depreciation of oil and gas assets of RM52.1 million;
- Unwinding of discount on provision for decommissioning costs and contingent consideration of RM16.4 million and RM3.6 million respectively; and
- Provision for impairment in relation to Anasuria Hibiscus UK's 42.5% operated interest in Licence P2451 (Block 21/28b) containing the Fyne undeveloped field of RM10.4 million following the annual process to assess the recoverable amounts of exploration and evaluation assets included in the Group's non-current assets. The impact to the segment's results after taxation (after taking into account the related tax impact) was RM8.8 million.

In addition to the abovementioned non-cash charges, the LBT of the segment in the Current Year was adversely impacted by costs incurred in relation to the various projects in the UK, including Teal West and GMAD. There were also interest expenses recognised for borrowed funds from a prepayment facility and advances received from inter-companies to part finance the segment's CAPEX and working capital requirements.

The abovementioned charges were partly offset by proceeds received which arose from a successful insurance claim for physical damage and consequent loss suffered in connection with the failure of the Guillemot riser in the financial year ended 30 June 2022 which amounted to RM20.4 million in the Current Year.

For information, subsequent to the end of the Current Year, first oil from the Teal West project was achieved on 4 July 2026. Production from the Teal West well is expected to contribute positively to the UK segment's financial results and cash generating capabilities in the coming quarters.

<u>Taxation</u>

RM '000	Ring fenced		Non-ring fenced	Total
	RFCT and SC	EPL		
Total	115,495	92,654	(4,714)	203,435
Income tax	22,443	-	(4,714)	17,729
Deferred tax	93,052	92,654	-	185,706
- Deferred tax liabilities	(145,269)	(78,869)	-	(224,138)
- Recognition	(165,993)	(146,414)	-	(312,407)
- Reversal	20,724	67,545	-	88,269
- Deferred tax assets	238,321	171,523	-	409,844

15 PERFORMANCE REVIEW (CONT'D)

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

(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. The current rates for RFCT, SC and EPL are set at 30.0%, 10.0% and 38.0% respectively. The EPL regime will apply until 31 March 2030.

- RFCT and SC

  Anasuria Hibiscus UK was not liable for any taxes under the RFCT and SC regimes in the Current Year.

  The segment recorded a net tax credit in the Current Year amounting to RM115.5 million. The resulting ETR of 100.7% was higher than the combined statutory rates of 40.0%. This was mainly due to recognition of accelerated investment allowances under the SC regime on qualifying CAPEX incurred for the Teal West project, which are available for tax deductions post first oil production on 4 July 2026.

  Included within the tax credit recognised was an income tax credit recognised for the financial year ended 30 June 2024 amounting to RM22.4 million. Under the UK tax regime, tax losses incurred in a financial year (in this case, in the Preceding Year) can be utilised to reduce taxable profits generated in the immediate prior financial year (in this case, the financial year ended 30 June 2024), and enable taxes previously paid to be refunded. Accordingly, following the finalisation and submission of the income tax return for the Preceding Year during the Current Year, tax losses recorded for the Preceding Year were carried back and utilised against the taxable profits in the financial year ended 30 June 2024, and resulted in a corresponding tax refund receivable.

- EPL

  In the Current Year, a net tax credit of RM92.7 million was recorded in relation to the EPL.

  This arose mainly from the recognition of deferred tax assets computed on 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.

  There was no EPL levy payable by Anasuria Hibiscus UK in the Current Year.

  The Group's intention remains to phase our UK CAPEX program such that we optimise tax incentives offered by the UK Government within its oil and gas sector.

15 PERFORMANCE REVIEW (CONT'D)

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

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 2025/2026 commencing 1 April 2026, the prices are USD78.65 per bbl of oil and GBP0.61 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.

(ii) Non-ring fenced

The 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, this mainly relates to interest income earned on 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 RM4.7 million in the Current Year.

- **Current quarter results**

The segment's revenue in the Current Quarter was mainly derived from the sale of crude oil. An offtake of 165,613 bbls of crude oil were sold at a relatively high average realised price of USD80.70.

However, the GP margin attained was only 7.4%.

The segment's operational performance in the Current Quarter was impacted by a planned fourteen-day shutdown on the Anasuria FPSO from 8 May 2026 to 22 May 2026 to undertake key integrity and maintenance works.

Production from the Anasuria Cluster resumed on 23 May 2026 following completion of the shutdown. However, as mentioned in the "Financial year-to-date results" section above, the Cook well was unable to restart and has remained shut in since early June 2026 due to gas lift system constraints. A gas lift deepening intervention is scheduled for September 2026, with production expected to resume within the same month.

15 PERFORMANCE REVIEW (CONT'D)

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

Apart from the costs incurred for the planned shutdown, OPEX during the Current Quarter further increased primarily due to:

- Increased diesel consumption for the operations of the Anasuria FPSO due to reduced fuel gas availability following the shut-in of the Cook well from early June 2026 onwards; and

- High UK carbon prices under the UK ETS which increased Anasuria Hibiscus UK's financial commitments for emissions from the Anasuria Cluster.

As a result of the abovementioned factors, both average uptime and average daily oil equivalent production rate recorded for the Current Quarter were therefore low, at 61% and 981 boe per day respectively. Coupled with the higher OPEX incurred during the Current Quarter, a high average OPEX per boe was recorded, at USD99.14.

The segment recorded an LBITDA of RM40.3 million during the Current Quarter. The LBT of RM65.0 million was derived after deducting the following non-cash items from LBITDA:

- Amortisation of intangible assets and depreciation of oil and gas assets of RM10.5 million;

- Provision for impairment in relation to Anasuria Hibiscus UK's 42.5% operated interest in Licence P2451 (Block 21/28b) of RM10.4 million; and

- Unwinding of discount on provision for decommissioning costs and contingent consideration of RM4.2 million and RM1.6 million respectively.

In addition, the segment's LBT included costs incurred in relation to the various projects in the UK, including Teal West and GMAD, and interest expenses recognised for a prepayment facility drawn down during the Current Year and advances received from inter-companies to part finance the segment's CAPEX and working capital requirements.

The quantum of the LBT was partly reduced by RM20.4 million proceeds received from a successful insurance claim in the Current Quarter for physical damage and business loss suffered in connection with the failure of the Guillemot riser in the financial year ended 30 June 2022.

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	68,849	41,425	(683)	109,591
Income tax	22,443	-	(683)	21,760
Deferred tax	46,406	41,425	-	87,831
- Deferred tax liabilities	(40,284)	(29,047)	-	(69,331)
- Recognition	(44,480)	(36,832)	-	(81,312)
- Reversal	4,196	7,785	-	11,981
- Deferred tax assets	86,690	70,472	-	157,162

(i) Ring fenced

- RFCT and SC

  A net tax credit amounting to RM68.8 million was recorded in the Current Quarter, mainly arising from available accelerated investment allowances under the SC regime on qualifying CAPEX incurred for the Teal West project.

  It also included an income tax credit of RM22.4 million related to the financial year ended 30 June 2024 following the submission of the income tax return for Preceding Year in the Current Quarter. The finalised tax losses for the Preceding Year were permitted to be utilised against income tax levied against the taxable profits of the financial year ended 30 June 2024.

- EPL

  In the Current Quarter, a net tax credit of RM41.4 million was recorded in relation to the EPL.

  This arose mainly from a reversal of deferred tax liabilities previously recognised on taxable temporary differences which are expected to be reversed during the window for which the EPL regime applies, as well as the recognition of deferred tax assets computed on unutilised additional allowances generated from CAPEX investments that are expected to be offset against future taxable income.

(ii) Non-ring fenced

The segment recorded a net tax charge of RM0.7 million in the Current Quarter mainly in relation to interest income earned on restricted cash that was 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)

(v) Vietnam

RM'000	Current Year	Current Quarter
Revenue	(11,928)	(9,815)
LBITDA	(13,414)	(10,099)
LBITDA margin (%)	*112.5%*	*102.9%*
LBT	(20,014)	(11,768)
LBT margin (%)	*167.8%*	*119.9%*
LAT	(13,379)	(4,080)
LAT margin (%)	*112.2%*	*41.6%*
ETR (%)	33.2%	65.3%

	Current Year	Current Quarter
Crude oil sold (bbls)	-	-
Average realised oil price (USD per bbl)	-	-
Average OPEX per bbl (USD)	34.64	39.66
Average uptime	90%	93%
Average net oil production rate (bbls per day)	139	144

The Vietnam segment consists of the Block 46 PSC.

<u>Block 46</u>

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

  There was no sale of crude oil in the Current Year.

  In the Current Year, the Vietnam segment recorded a LAT of RM13.4 million.

  As a background, for Block 46, income tax of 50.0% is collected "at source" and Vietnam National Industry - Energy Group settles the income tax due to the Vietnamese tax authorities on behalf of the PSC participants. Accordingly, the oil entitlement delivered to Block 46 participants is net of the related income tax amount and is also net of royalty and export duty. Despite remittance of the income tax amount to the Vietnamese tax authorities not being made by TVL directly, a deemed income tax expense is recognised for each tax year for the sale of crude oil, with a corresponding credit recognised in revenue (as if TVL 'sold' a portion of the crude oil and utilised the proceeds to settle the income tax liability). Practically, the provisional income tax amount due is confirmed by the Vietnamese tax authorities at a later date when a Tax Cert is issued to the Block 46 participants. Upon the issuance of the Tax Cert, TVL reflects the finalised income tax amount in the profit or loss under taxation, with a corresponding entry under revenue.

  The last crude oil offtake in Block 46 occurred in January 2025 and no crude oil was sold in the Current Year. When the January 2025 offtake took place, the corresponding deemed income tax expense was charged to revenue. A Tax Cert for YA 2025 was issued in March 2026, which confirmed the actual income tax amount for this offtake to be lower than the deemed income tax expense originally estimated. Hence, TVL reduced both the income tax expense and the corresponding revenue.

  Expenses recorded mainly comprised of the depreciation of oil and gas assets and the unwinding of discount on the provision for decommissioning costs.

15 PERFORMANCE REVIEW (CONT'D)

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

The net tax credit of RM6.6 million recorded in the Current Year was mainly due to a reversal of an overprovision of deemed income tax expense made in the Preceding Year of RM11.9 million as explained above, partly offset by the recognition of deferred tax liabilities arising from capital expenditure incurred.

- **Current quarter results**

There was no sale of crude oil in the Current Quarter. The charge of RM9.8 million to revenue represents the final adjustment to the deemed income tax expense on the crude oil offtake in January 2025, as explained in the "Financial year-to-date results section" above.

Expenses recorded mainly comprised of the depreciation of oil and gas assets and the unwinding of a discount on the provision for decommissioning costs.

In the Current Quarter, the net tax credit of RM7.7 million was due to a reversal of deemed income tax expense overprovided in the Preceding Year of RM9.8 million, partly offset by deferred tax liabilities of RM2.1 million recognised on capital expenditure incurred.

(vi) Others

RM'000	Current Year	Current Quarter
Revenue	12,553	2,567
LBITDA	(79,918)	(15,685)
LBITDA margin (%)	*(636.6%)*	*(611.0%)*
LBT	(116,014)	(21,372)
LBT margin (%)	*(924.2%)*	*(832.6%)*
LAT	(99,012)	(16,152)
LAT margin (%)	*(788.8%)*	*(629.2%)*
ETR (%)	14.7%	24.4%

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

This segment recorded a LAT of RM99.0 million in the Current Year.

Total interest expenses amounting to RM34.1 million were incurred, mainly comprised of (i) RM17.6 million incurred on term loans drawn down, (ii) RM13.9 million incurred on revolving credit facilities, and (iii) RM2.5 million incurred on a prepayment facility utilised.

15 PERFORMANCE REVIEW (CONT'D)

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

During the Preceding Quarter, for the Group's operations in Australia, an additional provision for decommissioning costs amounting to RM12.3 million was recognised. The decommissioning scope associated with two legacy exploration wells, namely West Seahorse-3 and Wardie-1, in the undeveloped West Seahorse field of the VIC/RL17 permit was completed in the Preceding Quarter. The additional costs were mainly due to the costs incurred for extended vessel hire caused by adverse weather conditions during the execution of the decommissioning work. This provision was updated in the Current Quarter upon finalisation of the total costs, and a reversal of RM1.1 million overprovision was recognised.

In addition, the segment's results in the Current Year were impacted by net unfavourable foreign exchange differences of RM11.0 million. The RM had appreciated significantly against the USD as at 30 June 2026 when compared to 30 June 2025. A significant portion of the foreign exchange differences arose from period-end revaluation of inter-company balances.

At the end of each reporting quarter, an impairment assessment is performed on the Group's investment in an associate, 3D Energi by comparing the higher of fair value less cost to sell and value in use against the carrying value of the investment as at the end of the Preceding Quarter. The prolonged suspension of trading of 3D Energi's shares on the Australian Securities Exchange since 27 January 2026 increased the uncertainty surrounding the recoverability of the Group's investment and there were limited market indicators to enable a proper assessment of the recoverable amount. As a result, an impairment loss of RM3.7 million representing the full carrying value as at 30 June 2026 was taken.

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

The segment reported a net tax credit of RM17.0 million, comprised mainly of deferred tax credit recognised.

The deferred tax credit was mainly due to the recognition of previously unrecognised deferred tax assets of RM22.1 million. These deferred tax assets arose mainly from brought forward unutilised tax losses attributable to certain entities within the segment. An updated assessment performed on the availability of future taxable profits based on latest assumptions of these entities' future financial position concluded that it is probable they will be able to fully utilise the existing unutilised tax losses against available future taxable profits before the expiry of such tax losses. Therefore, the deferred tax assets on the abovementioned brought forward tax losses were recognised in the Current Year. This credit was partly offset by a net reversal of deferred tax assets of RM5.1 million, mainly representing the utilisation of tax losses against taxable income generated during the Current Year.

15 PERFORMANCE REVIEW (CONT'D)

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

- **Current quarter results**

  The segment's LAT in the Current Quarter was RM16.2 million.

  It included interest expense incurred mainly on term loans and revolving credit facilities amounting to RM5.2 million.

  As mentioned in the "Financial year-to-date results" section above, the segment recorded an impairment on its investment in an associate of RM3.7 million as at 30 June 2026.

  In addition, other expenses incurred mainly relate to corporate overheads, professional and consultancy fees, business development and corporate development activities and depreciation expenses.

  Total net tax credit recognised in the Current Quarter amounted to RM5.2 million. Deferred tax assets on brought forward unutilised tax losses attributable to an entity within the segment in the Current Quarter amounted to RM7.3 million were recognised after an updated assessment on the entity's future financial position and ability to fully utilise the tax losses. This credit was partly offset by a net reversal of deferred tax assets of RM2.1 million, representing the utilisation of tax losses against taxable income generated during the Current Quarter.

(B) <u>Statements of Financial Position</u>

(i) Non-current Assets

The Group's non-current assets as at 30 June 2026 amounted to RM5,947.0 million. This represents an increase of RM99.6 million from the balance as at 30 June 2025 of RM5,847.4 million.

The increase to the non-current assets balance was largely due to the substantial CAPEX invested throughout the Group in the Current Year:

- UK

  - CAPEX invested for Teal West, the Anasuria Cluster, GMAD and Fyne assets amounted to RM380.2 million, RM33.2 million, RM5.2 million and RM0.5 million respectively; and

  - An amount of RM32.9m relating to the acquisition of 30.0% interest in the unitised Marigold field was capitalised during the Current Year. This amount represents the net present value of the purchase consideration related to this acquisition. Please refer to Part A, Note 4 of this Quarterly Report for further details.

15 PERFORMANCE REVIEW (CONT'D)

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

- Malaysia (and Vietnam)

  - PM3 CAA – RM127.4 million CAPEX invested mainly for the drilling of the Bunga Raya infill well and the Bunga Aster 2 appraisal well, engine change-out and the BKABKC10PL spool replacement campaign; and

  - Kinabalu – CAPEX of RM37.9 million was invested for debottlenecking activities and an engine change-out.

- Brunei

  - Block B MLJ – The Group invested RM109.1 million mainly for the LPC project, of which the start-up date was on 8 April 2026; and

  - Brunei Solar Project – RM22.5 million CAPEX was incurred for the development of a new 12 megawatt solar farm for the LPC project for Block B MLJ field operations.

In addition to CAPEX invested across the Group, the increase in non-current assets was also driven by the following adjustments to the carrying value of the oil and gas assets:

- Upward adjustment to the carrying values to reflect the higher provision for decommissioning costs for PM3 CAA, North Sabah and Kinabalu totalling RM56.8 million, following the finalisation of the respective independent third-party assessments in May 2026; and

- Corresponding entries to the carrying values due to additional provisions for decommissioning costs recognised for the Teal West field to match the progress of the project's milestones, the Block B MLJ asset following the completion of its LPC project and the Brunei Solar Project, amounting to RM35.7 million, RM7.7 million and RM1.9 million respectively.

The reassessment and recognition of these decommissioning costs resulted in a corresponding increase in liabilities under provision for decommissioning costs.

The additions to non-current assets highlighted above were partly offset by the below items:

- Depreciation and amortisation of equipment, intangible assets and right-of-use assets charged in the Current Year amounted to RM541.1 million;

- Unfavourable foreign exchange differences of RM199.1 million which arose from the revaluation of the non-current assets balances of subsidiaries of which their functional currencies were not denominated in RM. This adjustment, which resulted in a decrease in the Group's non-current assets balances, was mainly caused by the depreciation of USD against RM as at 30 June 2026 when compared to 30 June 2025. For information, the corresponding double entry in the Group's financial statements was to other reserves (in the Statements of Financial Position) thus, there has been no impact on profit or loss;

15 PERFORMANCE REVIEW (CONT'D)

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

- Impairment in relation to Anasuria Hibiscus UK's 42.5% operated interest in Licence P2451 (Block 21/28b) containing the Fyne undeveloped field of RM10.6 million; and

- Write-off of RM9.7 million capitalised costs related to carbon-related studies in Block B MLJ.

(ii) Current Assets

Current assets of the Group increased from RM1,585.9 million as at 30 June 2025 to RM1,662.1 million as at 30 June 2026.

The higher balance as at 30 June 2026 was mainly due to higher cash and bank balances by RM241.2 million. The increase in the cash and bank balances from 30 June 2025 to 30 June 2026 was largely due to the collection of proceeds from crude oil offtakes and the sale of gas from the Group's producing oil and gas assets.

This was partly offset by the lower other receivables, deposits and prepayments balances by RM161.8 million. This was mainly due to lower amounts to be reimbursed by the respective joint venture partners of PM3 CAA, North Sabah and Block B MLJ by RM59.0 million, RM49.5 million and RM22.9 million respectively. In addition, receivables related to decommissioning cess recovery for the PM305 facilities decreased by RM27.4 million, following repayments made by PETRONAS.

(iii) Total Liabilities

The Group's total liabilities amounted to RM4,684.0 million as at 30 June 2026, a decrease of RM41.1 million from RM4,725.1 million as at 30 June 2025.

The decrease in the Group's total liabilities balance as at 30 June 2026 was mainly due to the following:

- Repayments made to outstanding balances of revolving credit facilities (principal only), a prepayment facility, lease liabilities and term loans (principal only) of RM515.2 million, RM315.1 million, RM146.3 million and RM109.5 million respectively, per the respective agreed repayment schedules;

- Lower operations-related payables and accruals for the North Sabah PSC by RM106.4 million mainly due to lower amounts incurred on CAPEX programs and operational activities, coupled with payments made during the Current Year. This was partly offset by higher operations-related payables and accruals in Anasuria Hibiscus UK and Block B MLJ by RM68.1 million and RM36.9 million respectively, mainly driven by increased operational activities;

15 PERFORMANCE REVIEW (CONT'D)

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

- Lower deferred tax liabilities balance by RM172.9 million mainly due to reversal of deferred tax liabilities as a result of depreciation and amortisation charged; and

- Repayments made in respect of decommissioning obligations relating to PM3 CAA, North Sabah, the VIC/RL17 and Block 46 amounting to RM36.3 million, RM25.5 million, RM20.0 million and RM8.1 million respectively.

These reductions to liabilities highlighted above were largely offset by the following:

- Drew down of prepayment facilities by the Group amounting to RM653.5 million, revolving credit facilities amounting to RM440.7 million and term loans amounting to RM71.3 million to part finance the Group's CAPEX projects and working capital requirements;

- Increase in provision for decommissioning costs contributed by:

  - An upward adjustment to the provision for decommissioning costs, mainly for PM3 CAA, North Sabah and Kinabalu of RM26.4 million, RM24.1 million and RM6.3 million respectively, following the finalisation of the respective independent third-party assessments in May 2026; and

  - Additional provisions for decommissioning costs recognised for the Teal West field, Block B MLJ and the Brunei Solar Project, amounting to RM35.7 million, RM7.7 million and RM1.9 million respectively.

  The increase in the abovementioned provisions for decommissioning costs was correspondingly capitalised as part of the respective oil and gas assets carrying values in the Group's non-current assets (please refer to Part B, Note 15.1(B)(i) of this Quarterly Report) and

- An upward adjustment to the contingent consideration balance by RM32.9 million due to the acquisition of a 30.0% interest held by Ithaca Oil and Gas under the UUOA for the unitised Marigold field.

(iv) Total Equity

Total equity as at 30 June 2026 increased by RM216.9 million when compared to 30 June 2025.

This was mainly attributable to net earnings generated by the producing oil and gas assets of the Group.

15 PERFORMANCE REVIEW (CONT'D)

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

The above upside was partly offset by the declaration of RM59.0 million dividends throughout the Current Year. This amount consisted of the fifth interim and final single-tier dividends of RM3.7 million each, in respect of the Preceding Year and a total of RM51.6 million for the first, second and third interim single-tier dividends declared in respect of the Current Year.

In addition, 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 30 June 2026, the Group had recognised unrealised unfavourable foreign exchange differences from this revaluation exercise amounting to RM85.4 million due to the depreciation of the USD compared to 30 June 2025.

(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 RM1,342.7 million.

It comprised 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 included net drawdowns of prepayment facilities amounting to RM346.1 million.

(ii) Cash flows used in investing activities

Net cash utilised by the Group for its investing activities during the Current Year amounted to RM739.4 million.

Amounts invested in various CAPEX programs mainly by Anasuria Hibiscus UK, PM3 CAA, Block B MLJ, Kinabalu and the Brunei Solar Project amounted to RM419.1 million, RM127.4 million, RM109.1 million, RM37.9 million and RM22.5 million respectively.

(iii) Cash flows used in financing activities

The cash flows used in the Group's financing activities amounted to RM355.8 million during the Current Year.

The cash outflows were mainly payments made for the principal and interest portions of revolving credit facilities, lease liabilities and term loan facilities amounting to RM536.5 million, RM146.3 million and RM140.7 million respectively.

15 PERFORMANCE REVIEW (CONT'D)

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

In addition, the Company paid RM44.2 million in dividends during the Current Year (please refer to Part A, Note 9 of this Quarterly Report for further details).

These outflows were partly offset by cash received from the draw down of revolving credit and term loan facilities (amounting to RM440.7 million and RM71.3 million respectively) to part finance the Group's working capital requirements.

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.)

<u>Statements of Profit or Loss</u>

(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	264,331	188,422	-	-	-	-	-	-	264,331	188,422
- Crude Oil	163,817	89,033	-	-	-	-	-	-	163,817	89,033
- Gas	100,514	99,389	-	-	-	-	-	-	100,514	99,389
GP/(GL)	188,979	134,821	-	(2)	-	-	-	-	188,979	134,819
GP/(GL) margin (%)	*71.5%*	*71.6%*	*N/A*	N/A	*N/A*	*N/A*	*N/A*	*N/A*	*71.5%*	*71.6%*
EBITDA/(LBITDA)	148,120	137,115	(2,206)	(769)	(2,069)	(1,740)	238	257	144,083	134,863
EBITDA/(LBITDA) margin (%)	*56.0%*	*72.8%*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*54.5%*	*71.6%*
PBT/(LBT)	89,157	79,288	(2,206)	(769)	(2,214)	(1,778)	238	257	84,975	76,998
PBT/(LBT) margin (%)	*33.7%*	*42.1%*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*32.1%*	*40.9%*

	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)	301,572	300,989	-	-	-	-	-	-
Average realised oil price (USD per bbl)	133.35	75.40	-		-	-	-	-
Gas sold (MMscf)	3,344	4,225	-	-	-	-	-	-
Average realised gas price (USD per thousand scf)	7.48	5.89	-	-	-	-	-	-
Average OPEX per boe (USD)	14.16	11.23	-	-	-	-	-	-
Average uptime	93%	94%	-	-	-	-	-	-
Average net oil equivalent production rate (boe per day)	10,517	11,165	-	-	-	-	-	-

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

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

<u>PM3 CAA</u>

PM3 CAA's revenue recorded in the Current Quarter of RM264.3 million was significantly higher than the Preceding Quarter's revenue by 40.3%. The higher revenue was due to higher realised oil and gas prices despite relatively stable crude oil sales volume and lower gas sales volume. The average oil and gas prices realised in the Current Quarter increased by 76.9% and 27.0% respectively when compared to the Preceding Quarter due to the impact of the current Middle East conflict.

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

However, despite the higher realised oil and gas prices, the GP margin for the Current Quarter remained consistent with the Preceding Quarter's margin. The OPEX per boe of USD14.16 in the Current Quarter was higher compared to USD11.23 in the Preceding Quarter mainly due to the execution of routine and planned operational activities following the end of the monsoon season. These activities included well intervention works, turbine compressor refurbishment, inspection and integrity activities, as well as topside and fabric maintenance works. In addition, several planned maintenance and well intervention activities postponed from the Preceding Quarter due to unfavourable weather conditions were carried out in the Current Quarter.

OPEX was also impacted by higher diesel prices following the increase in crude oil prices from early March 2026 onwards. The average diesel price increased to RM4.71 per litre in the Current Quarter from RM3.33 per litre in the Preceding Quarter.

The average net oil equivalent production rate recorded in the Current Quarter of 10,517 boe per day was lower compared to 11,165 boe per day in the Preceding Quarter. The decline was primarily attributable to a lower average net gas export rate of 7,040 boe per day in the Current Quarter, compared to 7,825 boe per day in the Preceding Quarter, mainly due to operational disruptions and reduced wells availability caused by reservoir decline and sand production issues. This was partly offset by an increase in average net oil and condensate production of 3,477 bbls per day from 3,340 bbls per day in the Preceding Quarter, following the successful execution of well intervention activities across the PSC.

In the Current Quarter, the PSC reported net foreign exchange losses of RM12.4 million as compared to net foreign exchange gains of RM6.1 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 RM.

The other significant movement between the Current Quarter and the Preceding Quarter up to the PBT level was a provision for inventory obsolescence amounting to RM18.4 million recognised in the Current Quarter compared to RM0.8 million recognised in the Preceding Quarter.

PM305 and PM314

The fluctuation in the results before taxation in the Current Quarter and the Preceding Quarter was mainly caused by the quantum of unrealised foreign exchange losses recorded in the respective quarters.

In addition, the Preceding Quarter's result included a gain of RM0.6 million from the reversal of an overprovision of decommissioning costs previously provided, following the completion of decommissioning works at the South Angsi-A platform.

PKNB

The higher LBT in the Current Quarter was due to additional bank commission of RM0.3 million incurred on the renewal of a bank guarantee and net foreign exchange losses of RM0.2 million.

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

PM327

The PSC reported a PBT of RM0.2 million in the Current Quarter, which was consistent with the Preceding Quarter.

Included in the Current Quarter's PBT was the partial reversal of the Rosebay-1 well's exploration costs, which were originally written off in the Preceding Year.

The Preceding Quarter's PBT was made up of realised foreign exchange differences recognised.

(ii) Sabah Malaysia

	North Sabah		Kinabalu		Total	
RM'000	**Current Quarter**	**Preceding Quarter**	**Current Quarter**	**Preceding Quarter**	**Current Quarter**	**Preceding Quarter**
Revenue	250,198	92,564	149,831	84,399	400,029	176,963
GP	194,781	69,149	107,461	57,023	302,242	126,172
GP margin (%)	*77.9%*	*74.7%*	*71.7%*	*67.6%*	*75.6%*	*71.3%*
EBITDA	152,734	54,940	64,866	35,068	217,600	90,008
EBITDA margin (%)	*61.0%*	*59.4%*	*43.3%*	*41.6%*	*54.4%*	*50.9%*
PBT	118,258	22,241	47,288	10,894	165,546	33,135
PBT margin (%)	*47.3%*	*24.0%*	*31.6%*	*12.9%*	*41.4%*	*18.7%*

	North Sabah		Kinabalu	
	Current Quarter	**Preceding Quarter**	**Current Quarter**	**Preceding Quarter**
Crude oil sold (bbls)	594,594	303,367	300,087	301,289
Average realised oil price (USD per bbl)	103.92	77.88	123.16	69.53
Average OPEX per bbl (USD)	20.35	13.69	25.48	7.55
Average uptime	92%	91%	83%	96%
Average net oil production rate (bbls per day)	4,569	4,734	2,939	2,968

North Sabah

North Sabah recorded a revenue of RM250.2 million in the Current Quarter, which was more than double the revenue reported in the Preceding Quarter of RM92.6 million. This was due to a higher volume of crude oil sold by 291,227 bbls, coupled with higher average realised selling price by USD26.04 per bbl.

However, from an operational perspective, the PSC performed less favourably in the Current Quarter, with OPEX per bbl increasing from USD13.69 in the Preceding Quarter to USD20.35 in the Current Quarter. The increase was mainly due to higher costs incurred for planned activities, including routine and non-routine production enhancement activities, well intervention works and maintenance activities. In addition, OPEX was impacted by an unplanned corrective maintenance scope carried out on the South Furious and St Joseph compressors following multiple trips encountered during the Current Quarter.

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

The average net oil production rate in the Current Quarter was slightly lower, in line with the lower average gross oil production, which was mainly due to the temporary unavailability of the main compressor at the St Joseph field since 11 March 2026. The impact of the compressor downtime was partly mitigated by improved production from the Barton field following the successful implementation of the Supersonic Tool gas lift enhancement initiative. Rectification works on the main compressor at the St Joseph field were completed on 23 May 2026, following which normal gas injection operations resumed.

In the Current Quarter, supplemental payments obligations were higher by RM10.1 million due to higher oil prices. SbST recorded was also higher by RM9.6 million, in line with the higher revenue attained. In addition, the PSC's PBT in the Current Quarter was charged by a provision for inventory obsolescence of RM3.3 million.

Kinabalu

The PSC's PBT in the Current Quarter was significantly higher compared to the Preceding Quarter, by RM36.4 million. This was mainly due to a higher average realised oil price attained in the Current Quarter.

From an operational performance perspective, the PSC performed less favourably in the Current Quarter compared to the Preceding Quarter. The average gross oil production declined to 7,098 bbls per day in the Current Quarter from 8,324 bbls per day recorded in the Preceding Quarter, mainly due to operational disruptions and increased water cut, as explained in Part B, Note 15.1(ii) of this Quarterly Report.

Despite the abovementioned events that impacted gross oil production levels, the average net oil production rate in the Current Quarter remained consistent with the Preceding Quarter's rate as the PSC was entitled to a higher share of gross oil production following higher cash expenditures incurred during the Current Quarter.

The average OPEX per bbl of USD25.48 was higher compared to the Preceding Quarter's USD7.55, mainly due to higher OPEX and lower gross oil production during the Current Quarter. The increase in OPEX was primarily attributable to higher planned operational activities, including routine and non-routine well intervention and production enhancement activities, as well as more extensive maintenance activities covering mechanical static and topside turbomachinery works. In comparison, OPEX was lower in the Preceding Quarter due to the absence of well intervention activities and lower level of planned maintenance activities.

In the Current Quarter, the PSC reported lower net foreign exchange gains by RM0.8 million. The quantums recorded in the respective quarters were mainly caused by fluctuation of the USD, being the PSC's functional currency, against the RM.

The Current Quarter's EBITDA and PAT included higher supplemental payments and SbST by RM9.4 million and RM3.1 million respectively. In addition, a provision for inventory obsolescence of RM10.4 million was recorded in the Current Quarter, compared to RM2.9 million in the Preceding Quarter.

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

(iii) Brunei

	Block B MLJ		Brunei Solar Project		Total	
RM'000	**Current Quarter**	**Preceding Quarter**	**Current Quarter**	**Preceding Quarter**	**Current Quarter**	**Preceding Quarter**
Revenue	132,918	89,596	-	-	132,918	89,596
- Gas	109,396	39,479	-	-	109,396	39,479
- Condensate	13,442	36,107	-	-	13,442	36,107
- Processing services	10,080	14,010	-	-	10,080	14,010
GP	115,234	59,317	-	-	115,234	59,317
GP margin (%)	*86.7%*	*66.2%*	N/A	N/A	*86.7%*	*66.2%*
EBITDA/(LBITDA)	104,418	51,224	(356)	(814)	104,062	50,410
EBITDA/(LBITDA) margin (%)	*78.6%*	*57.2%*	N/A	N/A	*78.3%*	*56.3%*
PBT/(LBT)	67,816	26,190	(714)	(1,159)	67,102	25,031
PBT/(LBT) margin (%)	*51.0%*	*29.2%*	N/A	N/A	*50.5%*	*27.9%*

	Block B MLJ		Brunei Solar Project	
	Current Quarter	**Preceding Quarter**	**Current Quarter**	**Preceding Quarter**
Condensate sold (bbls)	-	112,883	N/A	N/A
Average realised condensate price (USD per bbl)	-	107.24	N/A	N/A
Gas sold (MMscf)	3,607	2,438	N/A	N/A
Average realised gas price (USD per thousand scf)	7.19	3.47	N/A	N/A
Average OPEX per boe (USD)	5.67	5.03	N/A	N/A
Average uptime	96%	97%	N/A	N/A
Average net oil equivalent production rate (boe per day)	7,619	5,016	N/A	N/A

<u>Block B MLJ</u>

Revenue of RM132.9 million attained in the Current Quarter was RM43.3 million higher as compared to RM89.6 million recorded in the Preceding Quarter. The higher revenue was mainly contributed by:

- Higher gas sales volume by 52% driven by elevated gas production following the good performance of the LPC post its start-up on 8 April 2026. This was evidenced in the higher average net oil equivalent production rate of 7,619 boe per day in the Current Quarter as compared to 5,016 boe per day recorded in the Preceding Quarter. For information, this production rate has exceeded the earlier anticipated increase of approximately 34% following start-up of the LPC;

- A higher average realised gas price per Mscf achieved during the Current Quarter of USD7.19 as compared to USD3.47 in the Preceding Quarter; and

- Upward adjustment for revenue recorded for the sale of condensate in the Preceding Quarter of RM13.4 million. The average realised price used in the Preceding Quarter was provisional and the final pricing was confirmed during the Current Quarter. Note that there was no sale of condensate in the Current Quarter.

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

The above factors that increased the segment's revenue in the Current Quarter was partly offset by lower revenue from processing services. For information, revenue from processing services represents a fee received for processing services performed in relation to arrangements with a third party. In view of the minimal risks involved, it carries a low profit margin.

The OPEX per boe of USD5.67 in the Current Quarter was higher as compared to USD5.03 in the Preceding Quarter. This was mainly caused by incremental fixed electricity costs incurred post LPC start-up.

The GP margin over revenue of 86.7% in the Current Quarter was higher than the 66.2% reported in the Preceding Quarter. This improvement was primarily driven by higher production volumes and a stronger average realised gas price, which significantly increased revenue.

The higher profitability in the Current Quarter was partly offset by a write-off of capitalised carbon studies costs amounting to RM9.7 million in the Current Quarter. This decision followed the completion of technical assessments conducted which concluded that this area no longer align with the current strategic direction of the segment. This did not occur in the Preceding Quarter.

A notable movement between the Current Quarter and the Preceding Quarter up to PBT level was the increase in depreciation of oil and gas assets by RM11.4 million. This was primarily attributable to the commencement of depreciation charges on the CAPEX related to the LPC project post its start-up on 8 April 2026.

(iv) United Kingdom

RM'000	Current Quarter	Preceding Quarter
Revenue	56,432	60,011
- Crude Oil	55,647	56,017
- Gas	785	3,994
GP	4,171	39,936
GP margin (%)	*7.4%*	*66.5%*
(LBITDA)/EBITDA	(40,257)	28,104
(LBITDA)/EBITDA margin (%)	*(71.3%)*	*46.8%*
LBT	(65,007)	(111)
LBT margin (%)	*(115.2%)*	*(0.2%)*

	Current Quarter	Preceding Quarter
Crude oil sold (bbls)	165,613	148,294
Average realised oil price (USD per bbl)	80.70	91.29
Gas sold (MMscf)	14	93
Average realised gas price (USD per thousand scf)	16.86∞ / 17.26#	9.79∞ / 11.08#
Average OPEX per boe (USD)	99.14	35.43
Average uptime	61%	89%
Average daily oil equivalent production rate (boe per day)	981	1,821

∞ *For Cook field.*

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

The UK segment encountered much weaker operational performance in the Current Quarter.

A crude oil offtake at the Anasuria Cluster took place in June 2026, during which 165,613 bbls were sold at an average realised oil price of USD80.70 per bbl, compared to 148,294 bbls sold at an average realised oil price of USD91.29 per bbl in the Preceding Quarter.

Both average uptime and average daily oil equivalent production recorded for the Current Quarter were lower at 61% and 981 boe per day, respectively, compared to 89% and 1,821 boe per day in the Preceding Quarter.

Accordingly, the average OPEX per boe increased to USD99.14, compared to USD35.43 in the Preceding Quarter.

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

Operations in the Current Quarter have been adversely impacted by a planned fourteen-day shutdown on the Anasuria FPSO in May 2026. Following completion of the pitstop scope, production from the Anasuria Cluster resumed on 23 May 2026, except for the Cook well, which was unable to restart due to gas lift system constraints and shut in since early June 2026.

Higher OPEX was incurred during the Current Quarter mainly due to:

- Costs incurred for the planned shutdown;
- Higher diesel consumption caused by reduced fuel gas availability following the Cook well shut-in from early June 2026 onwards; and
- Higher UK ETS costs associated with emissions from the Anasuria Cluster. The costs incurred in the Preceding Quarter were lower following a reversal of overprovisions of accruals made in prior periods due to lower actual realised purchase prices.

The segment recorded a GP of RM4.2 million, compared to RM39.9 million in the Preceding Quarter, primarily due to higher OPEX incurred during the Current Quarter.

The higher GP recorded in the Preceding Quarter benefited from a one-off accounting adjustment to comply with provisions stipulated under MFRS 102 *Inventories*, whereby RM16.8 million of costs relating to the crude oil sold in the Preceding Quarter had been recognised in the profit or loss for the financial quarter ended 31 December 2025 following a write-down of crude oil inventory to its net realisable value in that quarter. No similar benefit was present in the Current Quarter.

The segment recorded an LBITDA of RM40.3 million during the Current Quarter, compared to an EBITDA of RM28.1 million in the Preceding Quarter. The Current Quarter's LBITDA included a provision for impairment in relation to Anasuria Hibiscus UK's 42.5% operated interest in Licence P2451 (Block 21/28b) of RM10.4 million. In addition, costs associated with the Teal West project were higher by RM41.4 million.

The impact of these non-cash charges was partly offset by RM20.4 million proceeds received from a successful insurance claim in the Current Quarter for physical damage and consequent loss suffered in connection with the failure of the Guillemot riser in the financial year ended 30 June 2022.

(v) Vietnam

RM'000	Current Quarter	Preceding Quarter
Revenue	(9,815)	37
LBITDA	(10,099)	(633)
LBITDA margin (%)	*102.9%*	*(1710.8%)*
LBT	(11,768)	(2,703)
LBT margin (%)	*119.9%*	*(7305.4%)*

	Current Quarter	Preceding Quarter
Crude oil sold (bbls)	-	-
Average realised oil price (USD per bbl)	-	-
Average OPEX per bbl (USD)	39.66	27.84
Average uptime	93%	94%
Average net oil production rate (bbls per day)	144	166

There was no sales of crude oil in both the Current Quarter and the Preceding Quarter.

The charge to the revenue line reported in the Current Quarter represents a final adjustment of an overprovision of deemed income tax expense previously estimated for the sale of crude oil in January 2025.

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

(vi) Others

RM'000	Current Quarter	Preceding Quarter
Revenue	2,567	2,729
LBITDA	(15,685)	(29,002)
LBITDA margin (%)	*(611.0%)*	*(1062.7%)*
LBT	(21,372)	(36,730)
LBT margin (%)	*(832.6%)*	*(1345.9%)*

The LBT in the Current Quarter of RM21.4 million was lower than the Preceding Quarter's LBT of RM36.7 million.

The lower LBT was primarily attributable to the absence of a significant provision for decommissioning costs recognised in the Preceding Quarter. As mentioned in Part B, Note 15.1(vi) of this Quarterly Report, an additional provision for decommissioning costs of RM12.3 million relating to the Group's operations in Australia was recognised in the Preceding Quarter. Following the finalisation of the total costs incurred in the Current Quarter, the provision was revised downward and a reversal of RM1.1 million was recognised in the Current Quarter.

In the Current Quarter, the segment recorded net foreign exchange gains of RM5.5 million compared to net foreign exchange losses of RM4.6 million in the Preceding Quarter. Such foreign exchange differences were driven by the fluctuation of the USD against the RM which impacted the quarter-end retranslation of intercompany balances in the respective quarters. For information, the closing exchange rate between the USD and the RM as at 30 June 2026, 31 March 2026 and 31 December 2025 were 4.0800, 4.0473 and 4.0606 respectively.

In addition, interest expense decreased by RM2.1 million compared to the Preceding Quarter, mainly due to lower interest charges on revolving credit facilities and prepayment facilities following repayments made.

The above favourable variances were partly offset by an impairment loss of RM3.7 million recognised on the Group's investment in an associate during the Current Quarter, as mentioned in Part B, Note 15.1(vi) of this Quarterly Report.

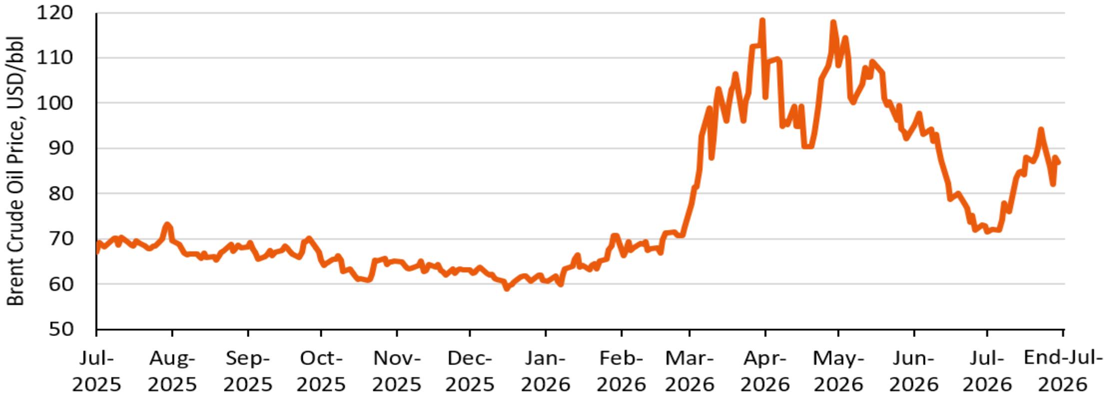
17 STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT NOT COMPLETED

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 July 2025 to end-July 2026:



As shown above, Brent oil prices have increased to levels of around USD90.00 per bbl due to the current conflict in the Middle East.

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 MLJ 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 MLJ field based on the relevant Gas Sales Agreement which is linked to the Liquified Natural Gas price (linked to Japan Crude Cocktail price).

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 MLJ field are incurred in BND.

18 PROSPECTS OF THE GROUP (CONT'D)

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

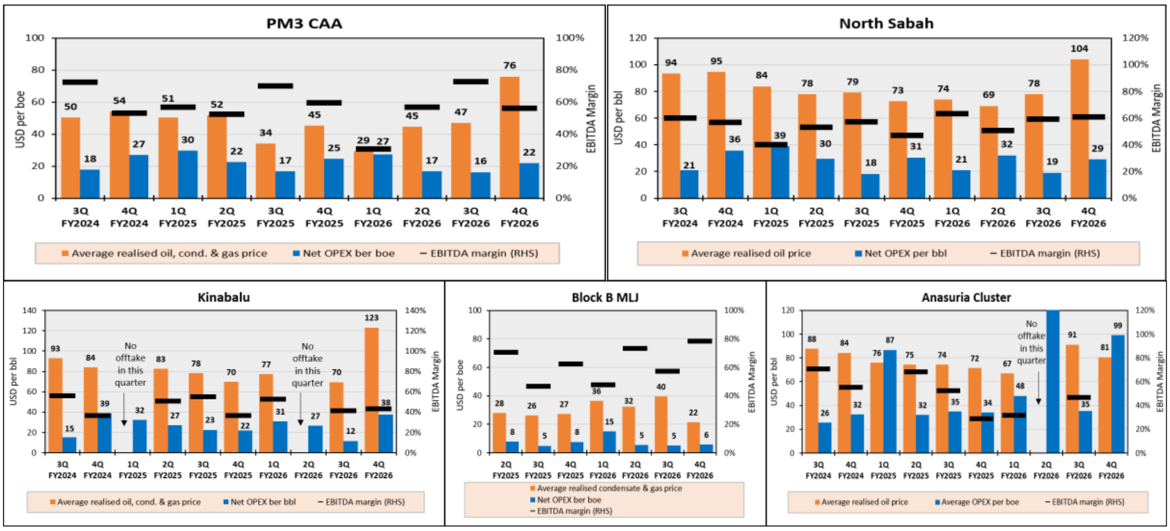
- Production performance of the well; and
- Facilities availability.

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 MLJ 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.



Note 1: Kinabalu's EBITDA margin in the fourth financial quarter of the financial year ended 30 June 2024 excluded impairment of equipment of RM61.0 million.

Note 2: North Sabah's EBITDA margin in the third and fourth financial quarters of the financial year ended 30 June 2024, as well as the fourth financial quarter of the Preceding Year, excluded the net write-off of exploration drilling costs amounting to RM78.9 million, RM3.7 million and RM42.1 million respectively.

Note 3: The Anasuria Cluster's EBITDA margin in the fourth financial quarter of the Preceding Year excluded a provision of RM39.3 million relating to the Teal West project. For information, a LBITDA was reported in the first financial quarter of the Preceding Year. For information, an LBITDA was reported in the first financial quarter of the Preceding Year and the Current Quarter.

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:
<u>Net production + net development OPEX (based on working interest)</u>
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 quarters. Brunei's average realised condensate and gas price is the weighted average realised price of 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.

18 PROSPECTS OF THE GROUP (CONT'D)

A total of 2.5 MMboe was sold in the Current Quarter comprising 1.4 MMbbls of crude oil and condensate and 6,965 MMscf of gas. For the Current Year, we sold a total of 9.3 MMboe, meeting our guidance of 9.0 to 9.4 MMboe. We forecast to sell approximately 10.7 to 11.2 MMboe for the financial year ending 30 June 2027.

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

The Group is moving towards the achievement of its 2026 Mission production target of net 35,000 boe per day with the commencement of oil production from Teal West in July 2026, building on the start-up of the LPC in Brunei in April 2026 and additional production enhancements across other producing assets. Since the commencement of Teal West production, the Group's average production in July 2026 was approximately 32,000 boe per day. Whilst initial production volumes were strong, Anasuria Hibiscus UK is still in the process of optimising the production system to achieve stable performance.

In addition, with respect to the development of the PKNB Cluster, the Group has decided to split the project into two phases. In phase 1, the Pertang and Kenarong fields will be developed, and we expect a Field Development Plan and FID for the Pertang and Kenarong fields in CY 2026. This FID will allow the 2C Resources associated with the Pertang and Kenarong fields to be reclassified as 2P Reserves. By splitting the development into two phases, we hope to phase out deployment of capital such that cash flow from the Pertang and Kenarong fields' production will assist in the funding of the Noring and Bedong fields.

The Board of Directors recently approved the Group's new 2030 Mission: to achieve a net production rate of 70,000 boe per day and 2P Reserves of 150 MMboe. In addition, there will also be several new value enhancement initiatives pursued in the Energy Transition space.

The 2030 Mission marks a new phase in the Group's growth projections. Termed 'Hibiscus 3.0', the Group will diversify into energy transition projects as part of being a responsible energy company. In addition to the Group's core cash generating business, we intend to diversify our business portfolio by investing in energy transition projects involving medium scale power generation. This initiative will allow the Group to support the Malaysian Government's 13th Malaysia Plan in powering a sustainable future.

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 Year.

21 PURCHASE OR DISPOSAL OF QUOTED SECURITIES

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

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.

Arbitration

Hibiscus Oil & Gas received a 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. Oceancare formally served its Statement of Claim on 19 September 2025, and Hibiscus Oil & Gas submitted its Statement of Defence and Counterclaim on 31 October 2025, in accordance with the arbitration timeline. Both Parties thereafter have filed their respective responses to the Statement of Defence and Counterclaim. The process of document discovery is currently underway. The arbitration hearing has tentatively been scheduled for January 2027.

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

24 DIVIDEND

In respect of the Current Year

The Board has declared a fourth interim single-tier dividend of 2.00 sen per ordinary share in the Current Quarter.

The total dividends declared for the Current Year is 9.00 sen per ordinary share (Preceding Year: 9.00 sen per ordinary share).

As at date of this Quarterly Report, the Directors have also recommended the payment of a final single-tier dividend of 1.00 sen per ordinary share in respect of the financial year ended 30 June 2026, which is subject to the approval by the Company's shareholders at the forthcoming Annual General Meeting.

25 EARNINGS PER SHARE

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

Diluted earnings per share is determined by dividing the Group's 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/year.

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		QUARTER ENDED 30.06.2026	QUARTER ENDED 30.06.2025	YEAR ENDED 30.06.2026	YEAR ENDED 30.06.2025
PAT attributable to owners of the Company (RM'000)	(A)	190,716	74,606	361,269	117,497
Weighted average number of shares for basic earnings per share computation ('000)	(B)	737,395	737,480	737,395	763,511
Weighted average number of shares for diluted earnings per share computation ('000)	(C)	737,395	737,480	737,395	763,511
Basic earnings per share (sen)	(A/B)	25.86	10.12	48.99	15.39
Diluted earnings per share (sen)	(A/C)	25.86	10.12	48.99	15.39

26 OTHER INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 30.06.2026 RM'000	QUARTER ENDED 30.06.2025 RM'000	YEAR ENDED 30.06.2026 RM'000	YEAR ENDED 30.06.2025 RM'000
Sundry income	21,361	8,300	23,139	9,873
Interest income	4,994	5,235	18,539	25,634
Gain on disposal of investment	-	-	-	41
Realised gain on foreign exchange#	3,040	-	-	-
	29,395	13,535	41,678	35,548

\# *The realised gain on foreign exchange has neither been derived from the trading of futures contracts nor futures foreign exchange trading.*

27 PROFIT BEFORE TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 30.06.2026 RM'000	QUARTER ENDED 30.06.2025 RM'000	YEAR ENDED 30.06.2026 RM'000	YEAR ENDED 30.06.2025 RM'000
PBT is arrived at after charging/(crediting):				
Depreciation and amortisation of equipment, intangible assets and right-of-use assets	138,076	144,098	541,055	519,958
Development project-related expenses	47,175	5,729	58,508	15,192
Supplemental payments##	46,250	14,503	98,628	60,233
Finance costs	42,152	40,350	161,386	134,120
Net provision/(reversal of provision) for inventories obsolescence	32,110	(967)	35,803	(967)
SbST###	21,788	18,025	44,123	52,026
Impairment of intangible assets	10,356	-	10,356	-
Unrealised loss on foreign exchange####	10,222	14,708	5,790	28,326
Write-off of equipment	9,667	350	9,667	811
Impairment/(reversal of impairment) of investment in an associate	3,661	(532)	3,661	(532)
Impairment of receivables	167	11,460	90	11,460
Share of results of an associate	60	116	267	589
Impairment of equipment	3	28,129	3	28,129
Loss/(gain) on lease termination	1	-	(199)	-
Gain on disposal of investment	-	-	-	(41)
Net (write-back)/write-off of well exploration costs	(321)	41,510	(1,634)	59,139
Realised (gain)/loss on foreign exchange####	(3,040)	4,405	13,090	14,932
Interest income	(5,301)	(5,653)	(19,854)	(29,446)

Supplemental payments represent amounts paid/payable by North Sabah and Kinabalu 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 Kinabalu and North Sabah in the Current Year amounted to RM60.5 million (Preceding Year: RM33.3 million) and RM38.1 million (Preceding Year: RM26.9 million) respectively. The supplemental payments are included in administrative and other operating expenses in profit or loss.

SbST represents State Sales Tax imposed by the Sabah State Government on SEA Hibiscus Sdn. Bhd. 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.

The realised and unrealised gain and losses 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 Year.

28 TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 30.06.2026 RM'000	QUARTER ENDED 30.06.2025 RM'000	YEAR ENDED 30.06.2026 RM'000	YEAR ENDED 30.06.2025 RM'000
Income taxation	(49,450)	(34,749)	(201,591)	(166,387)
Deferred taxation	20,690	84,395	157,024	(69,330)
	(28,760)	49,646	(44,567)	(235,717)

Breakdown by operating segments:

OPERATING SEGMENTS	Individual Quarter		Cumulative Quarter	
	Quarter Ended 30.06.2026 RM'000	Quarter Ended 30.06.2025 RM'000	Year Ended 30.06.2026 RM'000	Year Ended 30.06.2025 RM'000
Peninsular Malaysia				
Income taxation	(54,443)	(3,100)	(92,411)	(68,034)
Deferred taxation	12,744	(1,431)	1,172	18,694
Total	**(41,699)**	**(4,531)**	**(91,239)**	**(49,340)**
Sabah Malaysia				
Income taxation	(47,668)	(24,674)	(91,199)	(24,716)
Deferred taxation	(15,598)	18,968	4,597	(56,930)
Total	**(63,266)**	**(5,706)**	**(86,602)**	**(81,646)**
Brunei				
Income taxation	20,784	(7,200)	(47,953)	(54,763)
Deferred taxation	(67,078)	3,482	(45,845)	17,039
Total	**(46,294)**	**(3,718)**	**(93,798)**	**(37,724)**
United Kingdom				
Income taxation	21,760	(729)	17,729	(3,119)
Deferred taxation	87,831	62,981	185,706	(48,569)
Total	**109,591**	**62,252**	**203,435**	**(51,688)**
Vietnam				
Income taxation	9,815	1,566	11,933	(14,396)
Deferred taxation	(2,127)	370	(5,298)	954
Total	**7,688**	**1,936**	**6,635**	**(13,442)**
Others				
Income taxation	302	(612)	310	(1,359)
Deferred taxation	4,918	25	16,692	(518)
Total	**5,220**	**(587)**	**17,002**	**(1,877)**
Group				
Income taxation	(49,450)	(34,749)	(201,591)	(166,387)
Deferred taxation	20,690	84,395	157,024	(69,330)
Total	**(28,760)**	**49,646**	**(44,567)**	**(235,717)**

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.

- 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.

- 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.

- 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 30 June 2026 were as follows:

	As at 30.06.2026 RM'000	As at 30.06.2025 RM'000
Non-current		
Secured		
Lease liabilities	123,026	227,764
Term loan	241,170	378,020
	364,196	605,784
Current		
Secured		
Lease liabilities	149,432	138,069
Term loan	194,453	107,938
Revolving credit	111,056	173,449
	454,941	419,456
Unsecured		
Revolving credit	90,134	101,888
	545,075	521,344

By Order of the Board of Directors
Hibiscus Petroleum Berhad
28 August 2026