



HENGYUAN REFINING COMPANY BERHAD

Registration No. 196001000259 (3926-U)
(Incorporated in Malaysia)

In accordance with the approval of the Board of Directors of Hengyuan Refining Company Berhad (“the Company”) dated 24 May 2024, the Board hereby announces its unaudited financial results for the first quarter ended 31 March 2024.

The condensed financial statements have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134 “Interim Financial Reporting” and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”) and should be read in conjunction with the Company’s audited financial statements for the financial year ended 31 December 2023.



HENGYUAN REFINING COMPANY BERHAD

Registration No. 196001000259 (3926-U)
(Incorporated in Malaysia)

Condensed Statement of Comprehensive Income

		Unaudited Quarter and cumulative period ended	Unaudited
	Note	<u>31.03.2024</u>	<u>31.03.2023</u>
		RM'000	RM'000
Revenue	A8	4,987,437	4,382,423
Purchases		<u>(4,707,607)</u>	<u>(4,427,599)</u>
Gross profit/(loss)		279,830	(45,176)
Other income		2,781	7,245
Manufacturing expenses		(42,922)	(52,411)
Administrative expenses		(17,491)	(12,904)
Depreciation and amortisation		(38,146)	(34,556)
Other operating losses		(149,600)	(15,894)
Finance cost		<u>(33,092)</u>	<u>(26,917)</u>
Profit/(Loss) before taxation	A10	1,360	(180,613)
Taxation	A11	<u>(192)</u>	60,070
Profit/(Loss) after taxation		<u>1,168</u>	<u>(120,543)</u>
Other comprehensive income/(expenses):			
<i>Items that will be reclassified to profit or loss:</i>			
Cash flow hedge – net fair value gain on derivatives used for hedging (net of tax)		67,090	450,997
Cost of hedging reserve (net of tax)		14,535	(29,295)
		<u>81,625</u>	<u>421,702</u>
Total comprehensive income for the financial period		<u>82,793</u>	<u>301,159</u>
Earnings/(Loss) per share:			
- basic/diluted (sen)	A9	<u>0.39</u>	<u>(40.18)</u>

The above Condensed Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying supplementary notes to these condensed financial statements.



HENGYUAN REFINING COMPANY BERHAD

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Condensed Statement of Financial Position

	Note	Unaudited As at <u>31.03.2024</u> RM'000	Audited As at <u>31.12.2023</u> RM'000
NON-CURRENT ASSETS			
Property, plant and equipment		2,168,390	2,196,984
Intangible assets		4,120	4,764
Right-of-use assets		1,924	2,461
Deferred tax assets		<u>112,832</u>	<u>138,801</u>
		<u>2,287,266</u>	<u>2,343,010</u>
CURRENT ASSETS			
Inventories		1,317,046	1,391,361
Trade receivables	A19	858,143	765,330
Other receivables and prepayments		26,643	69,240
Tax recoverable		19,372	19,372
Derivative financial assets	A18	23,664	21,016
Bank balances		<u>393,515</u>	<u>1,028,529</u>
		<u>2,638,383</u>	<u>3,294,848</u>
TOTAL ASSETS		<u>4,925,649</u>	<u>5,637,858</u>
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Share capital		300,000	300,000
Retained earnings		1,345,557	1,344,389
Cash flow hedge reserve		(30,105)	(97,195)
Cost of hedging reserve		(1,205)	(15,740)
Exchange translation reserve		<u>(128,888)</u>	<u>(128,888)</u>
		<u>1,485,359</u>	<u>1,402,566</u>
CURRENT LIABILITIES			
Trade and other payables		1,754,184	2,330,867
Amount due to penultimate holding company, immediate holding company and related company		12,771	11,965
Lease liabilities		292	753
Derivative financial liabilities	A18	97,555	170,667
Borrowings	A20	<u>1,070,882</u>	<u>1,216,366</u>
		<u>2,935,684</u>	<u>3,730,618</u>
NON-CURRENT LIABILITIES			
Lease liabilities		107	159
Borrowings	A20	<u>504,499</u>	<u>504,515</u>
		<u>504,606</u>	<u>504,674</u>
TOTAL EQUITY AND LIABILITIES		<u>4,925,649</u>	<u>5,637,858</u>

The above Condensed Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying supplementary notes to these condensed financial statements.



HENGYUAN REFINING COMPANY BERHAD

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Condensed Statement of Changes in Equity

Note	Issued and fully paid ordinary shares		Non-distributable			Distributable	Total
	Number of shares '000	Share capital RM'000	Cash flow hedge reserve RM'000	Cost of hedging reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	
Unaudited							
At 1 January 2024	300,000	300,000	(97,195)	(15,740)	(128,888)	1,344,389	1,402,566
Net profit for the financial period	-	-	-	-	-	1,168	1,168
Other comprehensive income for the financial period	-	-	67,090	14,535	-	-	81,625
Total comprehensive income for the financial period	-	-	67,090	14,535	-	1,168	82,793
At 31 March 2024	<u>300,000</u>	<u>300,000</u>	<u>(30,105)</u>	<u>(1,205)</u>	<u>(128,888)</u>	<u>1,345,557</u>	<u>1,485,359</u>

The above Condensed Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying supplementary notes to these condensed financial statements.



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Condensed Statement of Changes in Equity

Note	Issued and fully paid ordinary shares		Non-distributable			Distributable	Total
	Number of shares '000	Share capital RM'000	Cash flow hedge reserve RM'000	Cost of hedging reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	
<u>Unaudited</u>							
At 1 January 2023	300,000	300,000	(629,118)	(1,156)	(128,888)	1,832,959	1,373,797
Net loss for the financial period	-	-	-	-	-	(120,543)	(120,543)
Other comprehensive income/(expenses) for the financial period	-	-	450,997	(29,295)	-	-	421,702
Total comprehensive income/(expenses) for the financial period	-	-	450,997	(29,295)	-	(120,543)	301,159
At 31 March 2023	<u>300,000</u>	<u>300,000</u>	<u>(178,121)</u>	<u>(30,451)</u>	<u>(128,888)</u>	<u>1,712,416</u>	<u>1,674,956</u>

The above Condensed Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying supplementary notes to these condensed financial statements.



HENGYUAN REFINING COMPANY BERHAD

Registration No. 196001000259 (3926-U)
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Condensed Statement of Cash Flows

	Note	Quarter and cumulative period ended	
		Unaudited 31.03.2024 RM'000	Unaudited 31.03.2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(Loss) before taxation		1,360	(180,613)
Adjustments for:			
Depreciation of property, plant and equipment		36,862	32,038
Depreciation of right-of-use assets		640	1,845
Amortisation of intangible assets		644	673
Inventories written back		(21,415)	(57,149)
Amortisation of upfront and commitment fees for borrowings		97	1,441
Interest expense		32,995	25,476
Interest income		(2,781)	(7,245)
Net fair value loss on derivative financial instruments – unrealised		31,762	32,446
Net foreign exchange loss – unrealised		27,417	37,843
Operating profit/(loss) before changes in working capital		<u>107,581</u>	<u>(113,245)</u>
Changes in working capital:			
Inventories		95,730	(81,470)
Trade and other receivables		(49,375)	280,411
Trade, other payables, contract liabilities and amounts due to penultimate holding company, immediate holding company and related company		<u>(568,052)</u>	<u>(1,001,439)</u>
Cash used in operating activities		<u>(414,116)</u>	<u>(915,743)</u>
Interest received		2,781	7,245
Tax paid		-	(1,724)
Net cash flows used in operating activities		<u>(411,335)</u>	<u>(910,222)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		<u>(34,441)</u>	<u>(34,546)</u>
Net cash flows used in investing activities		<u>(34,441)</u>	<u>(34,546)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(514,633)	-
Proceeds from borrowings		354,197	129,426
Interest paid		(33,613)	(24,821)
Repayment of principal portion of lease liabilities		(616)	(2,064)
Restricted cash for borrowing facilities		-	(1,591)
Net cash flows (used in)/generated from financing activities		<u>(194,665)</u>	<u>100,950</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		(640,441)	(843,818)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		1,019,788	1,233,608
EFFECTS OF EXCHANGE RATE CHANGES		5,427	7,654
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	A22	<u>384,774</u>	<u>397,444</u>

The above Condensed Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying supplementary notes to these condensed financial statements.



HENGYUAN REFINING COMPANY BERHAD

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Part A: Explanatory Notes Pursuant to MFRS 134 Interim Financial Reporting

A1 Basis of preparation

The condensed financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134 “Interim Financial Reporting”, paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”) and the requirements of the Companies Act 2016 in Malaysia, where applicable.

This unaudited interim financial report should be read in conjunction with the Company’s audited financial statements for the financial year ended 31 December 2023. The explanatory notes to this report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company since the financial year ended 31 December 2023.

The unaudited interim financial report is presented in Ringgit Malaysia (“RM”) and all values are rounded to the nearest thousand (RM’000) except when otherwise indicated.

The financial information presented herein have been prepared in accordance with the accounting policies used in preparing the audited financial statements for the financial year ended 31 December 2023, and for the following standards and interpretations which became effective on 1 January 2024:

(a) Amendments to published standards that are effective for financial year beginning on or after 1 January 2024

- Amendments to MFRS 101 – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current
- Amendments to MFRS 16 – Lease Liability in a Sale and Leaseback
- Amendments to MFRS 107 and MFRS 7 – Supplier Finance Arrangements

Adoption of the above standards and interpretations did not have any significant impact on the financial statements.

(b) Amendments to published standards that are applicable to the Company but not yet effective

- Amendments to MFRS 121 – Lack of Exchangeability (effective on or after 1 January 2025)

The Company did not early adopt these amendments to MFRS and the financial impact that may arise from the adoption of the above new standards is being assessed by the Company.



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Part A: Explanatory Notes Pursuant to MFRS 134 Interim Financial Reporting (continued)

A2 Audit report of preceding annual financial statements

The audit report of the Company's financial statements for the financial year ended 31 December 2023 was not subjected to any audit qualification.

A3 Comments about seasonal or cyclical factors

The Company's financial performance is affected by market driven refinery margins and hydrocarbon prices, which are influenced by international supply and demand for crude and petroleum products and geopolitical factors.

A4 Significant events and transactions

There were no significant events or transactions affecting assets, liabilities, equity, net income, or cash flows for the financial period that were unusual due to their nature, size, or incidence.

A5 Critical accounting estimates and judgments

There were no changes in estimates of amounts reported in prior periods that had a material effect in the current quarter ended 31 March 2024.

A6 Debt and equity securities

There were no issuances of new debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares in the current quarter ended 31 March 2024.

A7 Segmental reporting

The Company is principally engaged in the business of refining and manufacturing of petroleum products in Malaysia, which is a single business segment. The Company's primary operations are also concentrated within Malaysia, hence operating within a single geographical segment. Accordingly, no segmental information is considered necessary for analysis by business or by geographical segments.



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Part A: Explanatory Notes Pursuant to MFRS 134 Interim Financial Reporting (continued)

A8 Revenue

	Quarter and cumulative period ended	
	<u>31.03.2024</u>	<u>31.03.2023</u>
	RM'000	RM'000
Sale of oil products		
- Refined	4,986,393	4,382,015
- Crude oil	1,044	408
	<u>4,987,437</u>	<u>4,382,423</u>

A9 Earnings/(Loss) per share

	Quarter and cumulative period ended	
	<u>31.03.2024</u>	<u>31.03.2023</u>
Net profit/(loss) for the financial period (RM'000)	1,168	(120,543)
Weighted average number of ordinary shares in issue ('000)	300,000	300,000
Basic/diluted loss per share (sen)	0.39	(40.18)

A10 Profit/(Loss) before taxation

	Quarter and cumulative period ended	
	<u>31.03.2024</u>	<u>31.03.2023</u>
	RM'000	RM'000
<i>The profit/(loss) before taxation is arrived at after (crediting)/charging:</i>		
Interest income	(2,781)	(7,245)
Amortisation of upfront and commitment fees for borrowings	97	1,441
Interest expense	32,995	25,476
Depreciation of property, plant and equipment	36,862	32,038
Depreciation of right-of-use assets	640	1,845
Amortisation of intangible assets	644	673
Inventories written back	(21,415)	(57,149)
Foreign exchange loss/(gain) – realised	9,632	(31,423)
Foreign exchange loss – unrealised	27,417	37,843
Fair value loss on derivative financial instruments	<u>212,159</u>	<u>252,563</u>

Save as disclosed above and in the Condensed Statement of Comprehensive Income, the other items required by Bursa Malaysia Securities Berhad Main Market Listing Requirements, Chapter 9, Appendix 9B are not applicable to the Company.



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Part A: Explanatory Notes Pursuant to MFRS 134 Interim Financial Reporting (continued)

A11 Taxation

Details of the Company's taxation are as follows:

	Quarter and cumulative period ended	
	<u>31.03.2024</u>	<u>31.03.2023</u>
	RM'000	RM'000
<u>Malaysian tax</u>		
Deferred tax	<u>192</u>	<u>(60,070)</u>
	<u>192</u>	<u>(60,070)</u>

The effective tax rate of the Company varies from the statutory tax rate due to the following:

	Quarter and cumulative period ended	
	<u>31.03.2024</u>	<u>31.03.2023</u>
	RM'000	RM'000
Profit/(Loss) before taxation	1,360	(180,613)
Applicable tax rate at 24%	326	(43,347)
Expenses not deductible for tax purposes	21,406	932
Income not taxable for tax purposes	-	(17,655)
Recognition of unutilised tax losses previously not recognised	(8,044)	-
Recognition of unused reinvestment allowance previously not recognised	(13,496)	-
	<u>192</u>	<u>(60,070)</u>

During the current quarter under review, deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available for utilisation prior to the expiry of the tax benefits.

A12 Dividend

The Company did not declare any dividend for the current quarter ended 31 March 2024.



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Part A: Explanatory Notes Pursuant to MFRS 134 Interim Financial Reporting (continued)

A13 Changes in the composition of the Company

There were no changes in the composition of the Company in the current quarter ended 31 March 2024.

A14 Changes in contingent assets/liabilities

There were no significant changes in contingent liabilities or assets since the last audited annual financial statements as at 31 December 2023.

A15 Corporate proposal

There were no corporate proposals announced which was not completed as of 17 May 2024 (being the latest practicable date which shall not be earlier than 7 days from the date of issue of this report).

A16 Material litigation

There were no material litigations involving the Company since 31 December 2023.

A17 Commodity prices and foreign currency exchange exposures

The Company's margins and financial performance are exposed to the risk of crude and refined product price fluctuations, driven by geopolitical forces and global economic changes. The Company aims to match the average price of its crude oil intake to the planned production of refined oil products in order to mitigate the risks of margin erosion to an acceptable level. The Company may enter into futures, swaps and option derivatives to mitigate margin risks, but only whilst achieving an adequate balance between paper and physical positions.

The Company finances its operations using a mixture of internally generated profits and borrowings. The Company's interest rate risk arises from its borrowings. The Company may enter into swaps in managing this exposure.

The Company is also exposed to foreign currency exchange risks as a result of transactions entered into that are denominated in currencies other than its functional currency. The Company may enter into foreign currency hedge transactions to manage this exposure.

The Company's financial risk management objectives and policies remain similar to those disclosed in the audited financial statements for the financial year ended 31 December 2023.

Derivatives classified within current assets and current liabilities as at 31 March 2024 will mature within the next twelve months. Derivatives classified within non-current assets and liabilities will mature beyond 12 months.



HENGYUAN REFINING COMPANY BERHAD

Registration No. 196001000259 (3926-U)
(Incorporated in Malaysia)

Part A: Explanatory Notes Pursuant to MFRS 134 Interim Financial Reporting (continued)

A18 Fair value disclosures

- (a) Financial instruments carried at amortised cost

The carrying amounts of financial assets and liabilities measured at amortised cost approximate their respective fair values as at 31 March 2024.

- (b) Financial instruments carried at fair value

The Company measures fair value using the following fair value hierarchy that reflects the significance of the input used in making the measurements:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included within level 1 that are observable for the financial asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - inputs for the financial asset or liability that are not based on observable market data (i.e. unobservable inputs).

Fair value of financial instruments that were outstanding as at the reporting date are detailed below:

	Contract/ Notional amount USD'000	Assets RM'000	(Liabilities) RM'000
<u>Financial assets/(liabilities) – Level 2</u>			
<u>31.03.2024</u>			
Forward foreign currency contracts	145,500	2,140	(781)
Commodity swap contracts	123,725	-	(31,975)
Refining margin swap contracts	<u>80,817</u>	<u>21,524</u>	<u>(64,799)</u>
<u>31.12.2023</u>			
Forward foreign currency contracts	193,000	-	(10,068)
Forward priced commodity contracts	23,875	3,424	-
Commodity swap contracts	248,500	11,679	(10,712)
Refining margin swap contracts	<u>55,717</u>	<u>5,913</u>	<u>(149,887)</u>

During the current quarter ended 31 March 2024 and financial year ended 31 December 2023, there were no transfer between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurement. The fair values were obtained from the counterparties.



HENGYUAN REFINING COMPANY BERHAD

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Part A: Explanatory Notes Pursuant to MFRS 134 Interim Financial Reporting
(continued)

A19 Trade receivables

	As at 31.03.2024	As at 31.12.2023
	RM'000	RM'000
Current	846,768	705,220
1 to 30 days past due	10,981	59,592
31 to 180 days past due	394	518
More than 180 days past due	169	169
	858,312	765,499
Less: Impairment of receivables	(169)	(169)
	858,143	765,330

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with reliable payment records and have a low risk of default. None of the Company's trade receivables have been renegotiated during the financial period.

Receivables that are past due but not impaired

The receivable balances are unsecured in nature and are related to customers with good payment history.

A20 Borrowings

Details of the Company's borrowings as at the reporting date are as follows:

	As at 31.03.2024	As at 31.12.2023
	RM'000	RM'000
Medium term notes and revolving credits (secured)	1,575,381	1,563,271
Short-term loans (unsecured)	-	157,610
	1,575,381	1,720,881
Less: Amount repayable within 12 months	(1,070,882)	(1,216,366)
Amount repayable after 12 months	504,499	504,515
Currency profile of borrowings:		
- USD	585,571	708,520
- MYR	989,810	1,012,361



HENGYUAN REFINING COMPANY BERHAD

Registration No. 196001000259 (3926-U)
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Part A: Explanatory Notes Pursuant to MFRS 134 Interim Financial Reporting
(continued)

A21 Changes in liabilities arising from financing activities

(a) Detailed below are changes in liabilities arising from borrowings:

	RM'000	RM'000
As at		
- 1 January 2024	1,720,881	-
- 1 January 2023	-	1,608,947
Proceeds from borrowings	354,197	129,426
Repayment of borrowings (includes interest paid)	(541,501)	(22,022)
Non-cash changes:		
- Interest accrued	26,145	22,558
- Amortisation of upfront and commitment fees for borrowings	97	1,441
- Unrealised foreign exchange loss	15,562	2,744
As at		
- 31 March 2024	1,575,381	-
- 31 March 2023	-	1,743,094

(b) Detailed below are changes in liabilities arising from leasing activities:

	RM'000	RM'000
As at		
- 1 January 2024	912	-
- 1 January 2023	-	8,105
Repayment of lease liabilities	(650)	(2,076)
Non-cash changes:		
- Modification on a lease contract	103	-
- Interest expenses	34	12
As at		
- 31 March 2024	399	-
- 31 March 2023	-	6,041



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(Incorporated in Malaysia)

Part A: Explanatory Notes Pursuant to MFRS 134 Interim Financial Reporting (continued)

A22 Cash and cash equivalents

	As at 31.03.2024 RM'000	As at 31.03.2023 RM'000
<u>Cash and cash equivalents comprise of:</u>		
Bank balances	393,515	500,259
Less: Restricted cash	<u>(8,741)</u>	<u>(102,815)</u>
	<u>384,774</u>	<u>397,444</u>

Restricted cash comprise of amounts held in a debt service accrual account associated with the medium term notes and revolving credits.

A23 Capital commitments

Capital commitments are as follows:

	As at 31.03.2024 RM'000	As at 31.12.2023 RM'000
<u>Plant and equipment</u>		
Approved and contracted for	<u>36,157</u>	<u>52,842</u>

A24 Related party disclosures

Below are significant related party transactions that are entered into in the normal course of business and have been established under negotiated terms:

	Quarter and cumulative period ended	
	31.03.2024 RM'000	31.03.2023 RM'000
Transactions with immediate holding company		
- Central management and administrative charges	<u>-</u>	<u>(500)</u>
Transactions with an affiliated company		
- Central management and administrative charges	<u>(3,449)</u>	<u>(2,972)</u>
- Technical advisory support	<u>(5,672)</u>	<u>(5,157)</u>
- Rental of premises	<u>(134)</u>	<u>(119)</u>



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Part B: Additional information Required by Bursa Malaysia Listing Requirements

B1 Financial review for current quarter

	Quarter and cumulative period ended		Variance RM'mil	%
	31.03.2024 RM'mil	31.03.2023 RM'mil		
Revenue	4,987	4,382	605	14
Gross profit/(loss) plus fair value changes in oil hedges recognised within other operating gains/(losses)	158	(52)	210	>100
Profit/(Loss) after taxation	1	(121)	122	>100

Revenue for the Q1 2024 rose by 14% over the same quarter in the previous year aided by higher volumes sold after the successful completion of the Major Turnaround activity in Q3 2023. Revenue growth was however tempered by lower average product prices of USD102 per barrel in Q1 2024 as compared to USD105 per barrel in the corresponding period in 2023.

Market product cracks were lower than the same period of the previous year. Despite this, lower stockholding losses, lower operating costs and lower hedging losses contributed positively to the profitability in the current quarter offset by higher foreign exchange losses due to a rise in USD rates.

B2 Financial review for current quarter compared with immediate preceding quarter

	31.03.2024 RM'mil	Quarter ended	Variance RM'mil	%
		31.12.2023 RM'mil		
Revenue	4,987	5,019	(32)	-1
Gross profit/(loss) plus fair value changes in oil hedges recognised within other operating gains/(losses)	158	(138)	296	>100
Profit/(Loss) after taxation	1	(275)	276	>100

Revenue for the Q1 2024 was marginally lower than Q4 2023 due to the lower average product market prices of USD102 per barrel (Q4 2023: USD104 per barrel). Sales volume remained similar in both quarters.

While Mogas cracks improved in Q1 2024, there was a decline in Gasoil and Jet A1 cracks against the preceding quarter. Profitability for the current quarter was supported by a reduction in crude premiums offset by unfavourable stockholding position.



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Part B: Additional information Required by Bursa Malaysia Listing Requirements
(continued)

B3 Current year prospects

The global oil market outlook is significantly impacted by the uncertainty surrounding global oil demand due to the slowdown in major economies worldwide, and crude oil supply risk with ongoing geopolitical tension in Eastern Europe and the Middle East. This imbalance increases the volatility of crack margins, which will directly impact the company's performance.

The Company is actively monitoring these market conditions and remains dedicated to optimizing its performance by focusing on operational efficiency, product quality, and financial management.

B4 Profit forecast

The Company does not issue any profit forecast.

BY ORDER OF THE BOARD

Chua Chia Kee (MAICSA 7078002)

Ong Wai Leng (MAICSA 7065544)

Company Secretaries

Kuala Lumpur

24 May 2024