



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 February 2026, the Board hereby announces its unaudited financial results for the fourth quarter ended 31 December 2025.

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 2024.



HENGYUAN REFINING COMPANY BERHAD

Registration No. 196001000259 (3926-U)

(Incorporated in Malaysia)

Condensed Statement of Comprehensive Income

	Note	Individual quarter ended		Financial year ended	
		Unaudited 31.12.2025 RM'000	Unaudited 31.12.2024 RM'000	Unaudited 31.12.2025 RM'000	Audited 31.12.2024 RM'000
Revenue	A8	3,656,081	3,479,513	13,165,369	17,211,700
Purchases		(3,450,407)	(3,183,370)	(12,751,358)	(17,014,977)
Gross profit		205,674	296,143	414,011	196,723
Other income		1,991	2,099	6,824	10,186
Manufacturing expenses		(61,016)	(39,636)	(196,173)	(172,089)
Administrative expenses		(19,717)	(12,913)	(72,586)	(67,455)
Depreciation and amortisation		(42,557)	(38,343)	(170,505)	(152,005)
Other operating gains/(losses)		19,393	(165,718)	(1,635)	(32,253)
Finance cost		(44,119)	(35,754)	(153,646)	(140,668)
Profit/(Loss) before taxation	A10	59,649	5,878	(173,710)	(357,561)
Taxation	A11	12,751	-	(86,537)	-
Profit/(Loss) after taxation		72,400	5,878	(260,247)	(357,561)
Other comprehensive (expenses)/income:					
<i>Items that will be reclassified to profit or loss:</i>					
Cash flow hedge – net fair value (loss)/gain on derivatives used for hedging (net of tax)		54,122	(5,896)	16,169	97,034
Cost of hedging reserve (net of tax)		11,383	(7,669)	8,102	8,138
		65,505	(13,565)	24,271	105,172
Total comprehensive income/ (expenses) for the financial period/year		137,905	(7,687)	(235,976)	(252,389)
Earnings/(Loss) per share:					
- Basic/ Diluted (sen)	A9	13.55	1.78	(68.12)	(108.27)

The above Condensed Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 and the accompanying supplementary notes to these condensed financial statements.



HENGYUAN REFINING COMPANY BERHAD

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

Condensed Statement of Financial Position

	Note	Unaudited As at 31.12.2025 RM'000	Audited As at 31.12.2024 RM'000
NON-CURRENT ASSETS			
Property, plant and equipment		1,986,037	2,097,819
Intangible assets		1,356	2,668
Right-of-use assets		13,429	9,484
Deferred tax assets		11,312	105,588
Derivative financial assets	A18	-	167
		<u>2,012,134</u>	<u>2,215,726</u>
CURRENT ASSETS			
Inventories		833,768	399,992
Trade receivables	A19	484,270	446,738
Other receivables and prepayments		10,610	12,753
Tax recoverable		15,049	19,372
Derivative financial assets	A18	41,674	2,034
Bank balances		905,763	679,096
		<u>2,291,134</u>	<u>1,559,985</u>
TOTAL ASSETS		<u>4,303,268</u>	<u>3,775,711</u>
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Share capital		480,055	300,000
Retained earnings		726,581	986,828
Cash flow hedge reserve		16,008	(161)
Cost of hedging reserve		500	(7,602)
Exchange translation reserve		(128,888)	(128,888)
Warrant reserve		52,395	-
		<u>1,146,651</u>	<u>1,150,177</u>
CURRENT LIABILITIES			
Trade and other payables		1,838,943	1,159,894
Amount due to penultimate holding company and related company		28,241	4,098
Lease liabilities		6,805	4,557
Derivative financial liabilities	A18	16,770	17,034
Borrowings	A20	1,067,258	1,066,055
		<u>2,958,017</u>	<u>2,251,638</u>
NON-CURRENT LIABILITIES			
Lease liabilities		5,189	3,464
Borrowings	A20	193,411	367,686
Derivative financial liabilities	A18	-	2,746
		<u>198,600</u>	<u>373,896</u>
TOTAL EQUITY AND LIABILITIES		<u>4,303,268</u>	<u>3,775,711</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 2024 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 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	Warrant reserve RM'000	Retained earnings RM'000	
Unaudited								
At 1 January 2025	300,000	300,000	(161)	(7,602)	(128,888)	-	986,828	1,150,177
Net loss for the financial year	-	-	-	-	-	-	(260,247)	(260,247)
Other comprehensive income for the financial year	-	-	16,169	8,102	-	-	-	24,271
Total comprehensive income/ (expenses) for the financial year	-	-	16,169	8,102	-	-	(260,247)	(235,976)
Issuance of ordinary shares via rights issue with free detachable warrants	A6 300,000	180,055	-	-	-	52,395	-	232,450
At 31 December 2025	<u>600,000</u>	<u>480,055</u>	<u>16,008</u>	<u>500</u>	<u>(128,888)</u>	<u>52,395</u>	<u>726,581</u>	<u>1,146,651</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 2024 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>Audited</u>							
At 1 January 2024	300,000	300,000	(97,195)	(15,740)	(128,888)	1,344,389	1,402,566
Net loss for the financial year	-	-	-	-	-	(357,561)	(357,561)
Other comprehensive income for the financial year	-	-	97,034	8,138	-	-	105,172
Total comprehensive income/(expenses) for the financial year	-	-	97,034	8,138	-	(357,561)	(252,389)
At 31 December 2024	<u>300,000</u>	<u>300,000</u>	<u>(161)</u>	<u>(7,602)</u>	<u>(128,888)</u>	<u>986,828</u>	<u>1,150,177</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 2024 and the accompanying supplementary notes to these condensed financial statements.

HENGYUAN REFINING COMPANY BERHAD

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Condensed Statement of Cash Flows

	Note	Financial year ended	
		Unaudited 31.12.2025 RM'000	Audited 31.12.2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(173,710)	(357,561)
Adjustments for:			
Depreciation of property, plant and equipment		162,248	147,688
Depreciation of right-of-use assets		6,945	2,014
Amortisation of intangible assets		1,312	2,303
Inventories written down/ (written back)		6,289	(65,786)
Amortisation of upfront and commitment fees for borrowings		389	389
Interest expense		153,257	140,279
Interest income		(6,644)	(10,186)
Gain on termination of a lease contract		(180)	-
Net fair value (gain)/loss on derivative financial instruments – unrealised		(16,136)	6,290
Net foreign exchange (gain)/loss – unrealised		(73,665)	2,716
Operating profit/(loss) before changes in working capital		60,105	(131,854)
Changes in working capital:			
Inventories		(434,446)	1,057,155
Trade and other receivables		(36,084)	375,587
Trade, other payables and amounts due to penultimate holding company, immediate holding company and related company		742,051	(1,176,972)
Cash used in operating activities		331,626	123,916
Interest received		6,644	10,186
Tax refund		4,398	-
Net cash flows generated from operating activities		342,668	134,102
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(44,918)	(98,305)
Purchase of intangible assets		-	(207)
Net cash flows used in investing activities		(44,918)	(98,512)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(467,588)	(1,379,300)
Proceeds from borrowings		331,588	1,099,276
Net proceeds from issuance of ordinary shares via rights issue with free detachable warrants		232,450	-
Interest paid		(154,438)	(141,929)
Repayment of principal portion of lease liabilities		(6,737)	(1,928)
Restricted cash for borrowing facilities		563	(87)
Net cash flows used in financing activities		(64,162)	(423,968)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		233,588	(388,378)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		670,268	1,019,788
EFFECTS OF EXCHANGE RATE CHANGES		(6,358)	38,858
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	A22	897,498	670,268

The above Condensed Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024 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 2024. 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 2024.

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 2024, except for:

- Amendments to MFRS 121, The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability (“Amendments to MFRS 121”) which was adopted on 1 January 2025.

The adoption of this Amendments to MFRS 121 did not have any significant impact on the Company’s financial statements.

- A change in accounting policy on inventory costing from first-in, first-out (FIFO) to the weighted average cost formula which was voluntarily adopted by the Company, effective from 31 December 2025 onwards. The change was made as the Company considers that the weighted average cost formula better reflects the pattern of crude cost consumption of the Company’s inventories.

The change in accounting policy did not have any significant impact on the Company’s financial statements. Accordingly, the comparative figures have not been restated.

The standards and amendments to standards but are not yet effective

- Amendments to MFRS 9, Financial Instruments and MFRS 7, Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments (effective on or after 1 January 2026)
- Amendments that are part of Annual Improvements – Volume 11 (effective on or after 1 January 2026):
 - Amendments to MFRS 1 – First-time adoption of Malaysian Financial Reporting Standards
 - Amendments to MFRS 7 – Financial Instruments: Disclosures
 - Amendments to MFRS 9 – Financial Instruments
 - Amendments to MFRS 10 – Consolidated Financial Statements
 - Amendments to MFRS 107 – Statement of Cash Flows



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

A1 Basis of preparation (continued)

The standards and amendments to standards but are not yet effective (continued)

- Amendments to MFRS 9, Financial Instruments and MFRS 7, Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity (effective on or after 1 January 2026)
- MFRS 18 – Presentation and Disclosure in Financial Statements (effective on or after 1 January 2027)
- MFRS 19 – Subsidiaries without Public Accountability: Disclosures (effective on or after 1 January 2027)
- Amendments to MFRS 121, The Effects of Changes in Foreign Exchange Rates - Translation to a Hyperinflationary Presentation Currency (effective on or after 1 January 2027)
- Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective date yet to be determined)

The Company plans to apply the abovementioned accounting standards, interpretations and amendments, except for Amendments to MFRS 1, Amendments to MFRS 10, Amendments to MFRS 128 and Amendments to MFRS 19 which are not applicable to the Company.

The Company has prepared its condensed interim financial statements by applying the going concern assumption, notwithstanding the Company has incurred a loss of RM260,247,000 for the year ended 31 December 2025 and, as of that date, the Company's current liabilities exceeded its current assets by RM666,883,000.

The Company's net current liabilities position is primarily attributable to borrowings that are substantially short-term, as well as trade and other payables arising in the ordinary course of business. Based on the cash flows forecast for the next twelve months from the date of approval of the condensed interim financial statements, the Directors are of the view that the Company has sufficient cash for the next twelve months from the date of approval of the condensed interim financial statements to meet its operation requirements as and when they fall due. The Directors have assessed that the going concern basis for the preparation of the condensed interim financial statements remains appropriate, in view of the availability of credit facilities and continuous support from lenders to meet the Company's operational and financial needs.

At the date of this report, there is no reason for the Directors to believe that there is any significant uncertainty on the achievement of the above plans. Accordingly, the condensed interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to amounts and classification of liabilities that may be necessary if the Company is unable to continue as a going concern.



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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 2024 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

Renounceable Rights Issue of New Ordinary Shares in the Company together with Free Detachable Warrants (“Rights Issue with Warrants”)

On 14 July 2025, the Company announced that it proposed to undertake a renounceable rights issue of up to 300,000,000 new ordinary shares in the Company (“Rights Share”) at an issue price of RM0.78 per rights share together with up to 150,000,000 free detachable warrants (“Warrants”) on the basis of one (1) Rights Share for every one (1) existing Company Share held and one (1) Warrant for every two (2) Rights Shares subscribed.

The above proposal was approved by shareholders at an Extraordinary General Meeting held on 18 September 2025.

As at 31 December 2025, the status of the utilisation of gross proceeds raised from the Rights Issue with Warrants of RM234.0 million is as follows:

Utilisation of proceeds	Utilisation of proceeds (RM’000) (A)	Amount utilised (RM’000) (B)	Balance of proceeds (RM’000) (A-B)	Timeframe for utilisation*
Proceeds for working capital	232,450	(232,450)	-	Within 12 months
Direct expenses for the corporate exercise	1,550	(1,550)	-	Within 2 months
Total	234,000	(234,000)	-	

* From the date of completion of Rights Issue.

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 December 2025.

A6 Debt and equity securities

On 30 October 2025, the Company increased its issued and paid-up share capital from RM300,000,000 (comprising 300,000,000 ordinary shares) to RM480,055,000 (comprising 600,000,000 ordinary shares) pursuant to a rights issue with free detachable convertible warrants.



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

A6 Debt and equity securities (continued)

The rights issue involved the issuance of 300,000,000 new ordinary shares at an issue price of RM0.78 per share, for a net consideration of RM232,450,000, after deducting direct attributable expenses of RM1,550,000. In addition, 149,999,984 Warrants were issued, each carrying the right to subscribe for one new ordinary share of the Company at an exercise price of RM1.00 per warrant, exercisable over a period of five (5) years commencing from the date of issuance.

Other than the above, 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 December 2025.

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.

A8 Revenue

	Individual quarter ended		Financial year ended	
	<u>31.12.2025</u>	<u>31.12.2024</u>	<u>31.12.2025</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000	RM'000
Sale of oil products				
- Refined	3,655,699	3,479,502	13,163,387	17,209,361
- Crude oil	382	11	1,982	2,339
	<u>3,656,081</u>	<u>3,479,513</u>	<u>13,165,369</u>	<u>17,211,700</u>

A9 Earnings/(Loss) per share

	Individual quarter ended		Financial year ended	
	<u>31.12.2025</u>	<u>31.12.2024</u>	<u>31.12.2025</u>	<u>31.12.2024</u>
Net Profit/(Loss) for the financial period/ year (RM'000)	72,400	5,878	(260,247)	(357,561)
Weighted average number of ordinary shares in issue ('000)*	534,259	330,259	382,040	330,259
Basic/ Diluted earnings/ (loss) per share (sen)	13.55	1.78	(68.12)	(108.27)

* The weighted average ("WA") number of ordinary shares has been adjusted retrospectively to reflect the effects of the rights issue completed on 30 October 2025, on the basis of one (1) rights share for every one (1) existing ordinary share held. In addition, for the purpose of calculating diluted earnings per share, the WA number of ordinary shares is further adjusted for the effects of all dilutive potential ordinary shares, including the free detachable convertible warrants issued on the basis of one (1) warrant for every two (2) rights shares subscribed, except where such potential ordinary shares are anti-dilutive.



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

A10 Profit/(Loss) before taxation

	Individual quarter ended		Financial year ended	
	<u>31.12.2025</u>	<u>31.12.2024</u>	<u>31.12.2025</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000	RM'000
<i>The profit/(loss) before taxation is arrived at after (crediting)/charging:</i>				
Interest income	(1,811)	(2,099)	(6,644)	(10,186)
Gain on termination of a lease contract	(180)	-	(180)	-
Amortisation of upfront and commitment fees for borrowings	97	97	389	389
Interest expense	44,022	35,657	153,257	140,279
Depreciation of property, plant and equipment	40,491	36,812	162,248	147,688
Depreciation of right-of-use assets	1,741	1,172	6,945	2,014
Amortisation of intangible assets	325	359	1,312	2,303
Inventories (written back)/written down	(3,646)	(133,223)	6,289	(65,786)
Foreign exchange (gain)/loss – realised	1,584	4,752	(14,019)	(7,830)
Foreign exchange (gain)/loss – unrealised	(24,803)	155,819	(73,665)	2,716
Fair value loss/(gain) on derivative financial instruments	106,466	(5,244)	232,143	11,842

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.

A11 Taxation

Details of the Company's taxation are as follows:

	Individual quarter ended		Financial year ended	
	<u>31.12.2025</u>	<u>31.12.2024</u>	<u>31.12.2025</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000	RM'000
<u>Malaysian tax</u>				
Current tax				
- over accrual in prior period	-	-	(75)	-
Deferred tax				
- origination and reversal of temporary differences	(12,751)	-	86,612	-
	<u>(12,751)</u>	<u>-</u>	<u>86,537</u>	<u>-</u>



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

A11 Taxation (continued)

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

	Individual quarter ended		Financial year ended	
	<u>31.12.2025</u>	<u>31.12.2024</u>	<u>31.12.2025</u>	<u>31.12.2024</u>
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before taxation	59,649	5,878	(173,710)	(357,561)
Applicable tax rate at 24%	14,316	1,411	(41,690)	(85,814)
Expenses not deductible for tax purposes	7,731	1,603	16,173	1,637
Income not taxable for tax purposes	(475)	31,545	(6,732)	(5,026)
Deferred tax assets not recognised on unutilised tax losses/(Recognition of unutilised tax losses previously not recognised)	(34,323)	(83,379)	94,437	7,914
Derecognition of unused reinvestment allowance previously recognised	-	48,820	24,693	81,548
Over/(under) accrual in prior periods	-	-	(344)	(259)
	<u>(12,751)</u>	<u>-</u>	<u>86,537</u>	<u>-</u>

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 December 2025.

A13 Changes in the composition of the Company

There were no changes in the composition of the Company in the current quarter ended 31 December 2025.

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 2024.



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

A15 Corporate proposal

There were no corporate proposals announced which were not completed as of 17 February 2026 (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 2024.

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 2024.

Derivatives classified within current assets and current liabilities as at 31 December 2025 will mature within the next twelve months. Derivatives classified within non-current assets and liabilities will mature beyond 12 months.



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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 December 2025.

- (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>31.12.2025</u>			
Forward foreign currency contracts	92,405	21	(1,112)
Forward priced commodity contracts	31,515	-	(5,619)
Refining margin swap contracts	121,419	41,653	(10,039)
<u>31.12.2024</u>			
Commodity swap contracts	73,240	-	(6,268)
Refining margin swap contracts	66,498	2,201	(13,512)

During the current quarter ended 31 December 2025 and financial year ended 31 December 2025, 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.



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

A19 Trade receivables

	As at 31.12.2025	As at 31.12.2024
	RM'000	RM'000
Current	473,546	363,495
1 to 30 days past due	10,058	81,867
31 to 180 days past due	635	1,376
More than 180 days past due	31	169
	484,270	446,907
Less: Impairment of receivables	-	(169)
	484,270	446,738

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 31.12.2025	As at 31.12.2024
	RM'000	RM'000
Medium term notes and revolving credits (secured)	1,260,669	1,433,741
Less: Amount repayable within 12 months	(1,067,258)	(1,066,055)
Amount repayable after 12 months	193,411	367,686
Currency profile of borrowings:		
- USD	349,212	385,089
- MYR	911,457	1,048,652



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(continued)

A21 Changes in liabilities arising from financing activities

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

	As at 31.12.2025 RM'000	As at 31.12.2024 RM'000
At beginning of the financial year	1,433,741	1,720,881
Proceeds from borrowings	331,588	1,099,276
Repayments of borrowings	(467,588)	(1,379,300)
Non-cash changes:		
- Interest accrued	(1,599)	(2,060)
- Amortisation of upfront and commitment fees for borrowings	389	389
- Unrealised foreign exchange gain	(35,862)	(5,445)
At end of the financial year	1,260,669	1,433,741

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

	As at 31.12.2025 RM'000	As at 31.12.2024 RM'000
At beginning of the financial year	8,021	912
Repayment of lease liabilities	(6,737)	(1,928)
Non-cash changes:		
- New lease liabilities recognised	17,605	8,934
- Modifications and termination of lease contracts	(6,895)	103
At end of the financial year	11,994	8,021

A22 Cash and cash equivalents

	As at 31.12.2025 RM'000	As at 31.12.2024 RM'000
<u>Cash and cash equivalents comprise of:</u>		
Bank balances	905,763	679,096
Less: Restricted cash	(8,265)	(8,828)
	897,498	670,268

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



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

A23 Capital commitments

Capital commitments are as follows:

	As at 31.12.2025 RM'000	As at 31.12.2024 RM'000
<u>Plant and equipment</u>		
Approved and contracted for	23,998	27,523

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:

	Individual quarter ended		Financial year ended	
	31.12.2025 RM'000	31.12.2024 RM'000	31.12.2025 RM'000	31.12.2024 RM'000
Transactions with an affiliated company				
- Central management and administrative charges	(3,029)	977	(12,595)	(9,194)
- Technical advisory support	(5,736)	4,352	(23,289)	(10,798)
- Rental of premises	(120)	(135)	(480)	(539)



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Part B: Additional information Required by Bursa Malaysia Listing Requirements

B1 Financial review for individual quarter and financial year ended

	Individual quarter ended				Financial year ended			
	<u>31.12.2025</u>	<u>31.12.2024</u>	<u>Variance</u>	%	<u>31.12.2025</u>	<u>31.12.2024</u>	<u>Variance</u>	%
	RM'mil	RM'mil	RM'mil		RM'mil	RM'mil	RM'mil	
Revenue	3,656	3,480	176	5	13,165	17,212	(4,047)	-24
Gross profit plus fair value changes in oil hedges recognised within other operating gains/(losses)	203	285	(82)	-29	326	176	150	85
Profit/(Loss) before taxation	60	6	54	>100	(174)	(357)	183	51

The Company recorded an increase in revenue for the current quarter (“Q4 2025”) as compared with the corresponding quarter of the previous year, primarily attributable to higher sales volume and plant stability, despite lower product prices and a weakening US dollar. However, the full-year 2025 revenue was lower than FY 2024, mainly due to lower production intake arising from lower plant availability during the scheduled pitstop maintenance exercise in Q1 2025, and the continued weakening of the US dollar against the MYR in H2 2025.

The Company delivered a gross profit of RM203.4 million and RM325.8 million in Q4 2025 and FY 2025, respectively. This performance was supported by stronger crack margins across all key products, improved plant efficiency resulting in higher production yields, and the continued execution of prudent, well-structured financial risk management strategies.

B2 Financial review for current quarter compared with immediate preceding quarter

	Individual quarter ended			
	<u>31.12.2025</u>	<u>30.09.2025</u>	<u>Variance</u>	%
	RM'mil	RM'mil	RM'mil	
Revenue	3,656	3,618	38	1
Gross profit plus fair value changes in oil hedges recognised within other operating gains/(losses)	203	158	45	28
Profit before taxation	60	21	39	>100

The revenue reported in Q4 2025 rose quarter-on-quarter, driven mainly by higher sales volume supported by increased production intake from the improved plant availability, despite declining oil prices and weakening US dollar against the MYR.

The Company reported a stronger result in Q4 2025 as compared to Q3 2025, underpinned by the strengthening crack margins across all main products, and higher sales volumes.



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

B3 Prospects

The global oil market remains highly volatile as global trade policy continues to shift rapidly and escalating geopolitical tensions in the Middle East heighten the risk of potential supply disruptions. Although earlier fears of oversupply stemming from rising OPEC production have begun to ease as supply-side risks in the Middle East continue to intensify and have led to early signs of a rebound in oil prices, the balance between supply and demand remains fragile. Amid an environment of heightened uncertainty, oil prices are expected to remain volatile.

The Company will continue to stay vigilant and closely monitor market developments. Management is committed to continue prioritize operational efficiency, uphold product quality, and implement prudent financial risk management strategies. These measures will enable the Company to capture opportunities and enhance overall performance amidst challenging market conditions.

B4 Profit forecast

The Company does not issue any profit forecast.

BY ORDER OF THE BOARD

Tan Ai Ning (MAICSA 7015852)
Tan Siew Hong (MAICSA 7066226)
Company Secretaries

Kuala Lumpur
24 February 2026