


HEXTAR HEALTHCARE BERHAD (199601000297) (372642-U)

Condensed Consolidated Statements of Comprehensive Income for the fourth quarter ended 31 December 2024

These figures have not been audited

	Individual Period		Cumulative Period	
	2024	2023	2024	2023
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter ended	Quarter ended	to-Date ended	to-Date ended
	31 December	31 December	31 December	31 December
	RM'000	RM'000	RM'000	RM'000
Revenue	41,654	36,311	146,950	154,764
Cost of sales	(55,841)	(75,359)	(157,904)	(196,016)
Gross Loss	(14,187)	(39,048)	(10,954)	(41,252)
Other gains and losses	8,893	(13,497)	9,663	(12,378)
Operating expenses	(4,064)	(4,505)	(15,082)	(19,422)
Loss from operations	(9,358)	(57,050)	(16,373)	(73,052)
Finance costs	(117)	(214)	(266)	(498)
Share of losses in an associate	(1,158)	(90)	(2,342)	(90)
Loss before tax	(10,633)	(57,354)	(18,981)	(73,640)
Income tax (expense)/credit	2,643	11,340	5,061	9,263
LOSS FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	(7,990)	(46,014)	(13,920)	(64,377)
Other comprehensive loss, net of tax:				
Foreign currency translation differences for foreign operations	201	439	(1,870)	1,850
Changes in fair value of other assets	(38,648)	-	(38,648)	-
Total comprehensive loss for the period attributable to Equity holders of the Company	(46,437)	(45,575)	(54,438)	(62,527)
Loss per share:				
Basic (sen)	(0.76)	(4.59)	(1.33)	(6.43)
Weighted average number of shares	1,044,750,114	1,001,919,781	1,044,750,114	1,001,919,781

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying notes attached to the interim financial statements.

**HEXTAR HEALTHCARE BERHAD (199601000297) (372642-U)**

Condensed Consolidated Statements of Financial Position as at 31 December 2024
These figures have not been audited

	As at 31 December 2024 RM'000	As at 31 December 2023 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	174,167	186,154
Prepaid lease payments	16,336	15,974
Deferred tax asset	10,922	4,939
Other investments	178,626	180,968
Right-of-use assets	2,820	4,113
	<u>382,871</u>	<u>392,148</u>
Current Assets		
Inventories	63,862	57,294
Trade and other receivables	81,152	101,148
Cash and bank balances	9,217	26,057
	<u>154,231</u>	<u>184,499</u>
TOTAL ASSETS	<u>537,102</u>	<u>576,647</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Issued capital	361,387	341,308
Treasury shares	(48,191)	(48,191)
Other reserves	(38,116)	2,402
Retained earnings	232,990	246,910
TOTAL EQUITY	<u>508,070</u>	<u>542,429</u>
Non-current Liabilities		
Borrowings	123	626
Lease liabilities	2,045	2,944
Deferred tax liabilities	-	-
	<u>2,168</u>	<u>3,570</u>
Current Liabilities		
Trade and other payables	25,305	28,530
Amount due to related party	-	50
Lease liabilities	895	1,371
Borrowings	664	697
	<u>26,864</u>	<u>30,648</u>
TOTAL LIABILITIES	<u>29,032</u>	<u>34,218</u>
TOTAL EQUITY AND LIABILITIES	<u>537,102</u>	<u>576,647</u>
 Net asset per share (RM)	 0.46	 0.54

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying notes attached to the interim financial statements.



HEXTAR HEALTHCARE BERHAD (199601000297) (372642-U)

Condensed Consolidated Statements of Changes in Equity for the period ended 31 December 2024

These figures have not been audited

	Attributable to Equity Holders of the Company						Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Revaluation Reserves RM'000	Fair Value Reserves RM'000	Translation Reserves RM'000	Retained Earnings RM'000	
As at 01 January 2023	341,308	(48,191)	-	-	139	311,286	604,542
Total comprehensive income/(loss) for the period	-	-	413	-	-	(64,377)	(63,964)
Effects of foreign exchange differences	-	-	-	-	1,850	-	1,850
As at 31 December 2023	<u>341,308</u>	<u>(48,191)</u>	<u>413</u>	<u>-</u>	<u>1,989</u>	<u>246,909</u>	<u>542,428</u>
As at 01 January 2024	341,308	(48,191)	413	-	1,989	246,910	542,429
Total comprehensive loss for the period	-	-	-	-	-	(13,920)	(13,920)
Issuance of new shares	20,079	-	-	-	-	-	20,079
Changes in fair value of other assets	-	-	-	(38,648)	-	-	(38,648)
Effects of foreign exchange differences	-	-	-	-	(1,870)	-	(1,870)
As at 31 December 2024	<u>361,387</u>	<u>(48,191)</u>	<u>413</u>	<u>(38,648)</u>	<u>119</u>	<u>232,990</u>	<u>508,070</u>

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying notes attached to the interim financial statements.



HEXTAR HEALTHCARE BERHAD (199601000297) (372642-U)

Condensed Consolidated Statements of Cashflows for the period ended 31 December 2024

These figures have not been audited

	2024 Year-to-Date ended 31 December RM'000	2023 Year ended 31 December RM'000
Loss before tax	(18,981)	(73,641)
Adjustments for non-cash flow items	8,468	58,757
Operating loss before changes in working capital	(10,513)	(14,884)
(Increase)/Decrease in current assets:		
Inventories	(5,207)	(6,632)
Trade and other receivables	(16,964)	6,302
Increase/(Decrease) in current liabilities:		
Trade and other payables	3,212	(805)
Cash used in operations	(29,472)	(16,019)
Income tax paid	(2,943)	(9,218)
Net cashflows used in operating activities	(32,415)	(25,237)
Cashflows used in investing activities		
Equity investment	-	(37,143)
Purchase of property, plant and equipment	(2,574)	(4,961)
Payment for right-of-use asset	(112)	-
Proceeds from disposal of property, plant and equipment	478	1,275
Withdrawal of fixed deposits	-	70
Interests received	1,086	2,347
Net cashflows used in investing activities	(1,122)	(38,412)
Cashflows from/(used in) financing activities		
Proceeds from trade financing	283	-
Proceeds from issuance of new shares	20,079	-
Repayment of term loan and hire purchase payables	(820)	(1,329)
Interests on borrowings paid	(93)	(338)
Repayment of lease liabilities	(1,389)	(2,759)
Net cashflows from/(used in) financing activities	18,060	(4,426)
Net decrease in cash and cash equivalents	(15,477)	(68,075)
Cash and cash equivalents at beginning of financial period	25,650	92,328
Effect of foreign exchange differences	(1,377)	1,397
Cash and cash equivalents at end of financial period	8,796	25,650
Cash and cash equivalents at end of financial period comprise the following:		
Cash and bank balances	9,217	26,057
Less: Fixed deposits pledged to bank	(421)	(407)
	8,796	25,650

The condensed consolidated statements of cashflows should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying notes attached to the interim financial statements.



NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2024

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING

1. Basis of Preparation of the Financial Statements and Adoption of New and Revised Malaysian Financial Reporting Standards (“MFRSs”)

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (MFRS) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023.

The accounting policies and methods of computation adopted for the interim financial statements were consistent with those adopted for the annual audited financial statements for the year ended 31 December 2023.

2. Auditor’s Report on Preceding Annual Financial Statements

The auditor’s report on the financial statements of the Group and the Company for the previous year ended 31 December 2023 was not subject to any qualification.

3. Seasonal or Cyclical Factors

The Group’s products are not materially impacted by any seasonal or cyclical factors.

4. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting the Group’s assets, liabilities, equity, net income or cash flows in the financial statements ended 31 December 2024.

5. Changes in Material Estimates

There were no changes in the nature and computation of estimates reported in prior financial year(s) that have a material effect in the financial statements ended 31 December 2024.

6. Changes in Debt and Equity Securities

6.1 New ordinary shares

During the financial year, a total of 100.2 million new ordinary shares were issued pursuant to the Company’s private placement of shares, at approximately RM0.20 per share.

6.2 Share Buy-back

The Company did not carry out any Share Buy-back in the current quarter.

As of 31 December 2024, a total of 91,273,100 shares were held as Treasury Shares by the Company, and the net number of issued shares was 1,102,110,781 shares.

**7. Dividends Paid**

No dividends have been declared by the Company in respect of the current financial year.

8. Segmental Information

Segmental information is presented in accordance to business operating activities, which is the Group's primary reporting format.

	Gloves Operation RM'000	Medical Devices Operation RM'000	Property Investment RM'000	Current quarter ended 31 December 2024 RM'000	Cumulative year-to-date RM'000
Revenue	38,759	2,894	-	41,654	146,950
Segment Results	(9,496)	61	(1,158)	(10,592)	(19,224)
Investment Income	75	-	-	75	509
Finance Costs	(77)	(40)	-	(117)	(266)
Profit/(Loss) before Tax	(9,497)	21	(1,158)	(10,634)	(18,981)
Tax Credit	2,644	-	-	2,633	5,061
Profit/(Loss) after Tax	(6,854)	21	(1,158)	(7,990)	(13,920)

9. Valuation of Property, Plant and Equipment

The Group did not carry out any revaluations on its property, plant and equipment in the current quarter ended 31 December 2024.

The values of property, plant and equipment have been brought forward without amendment from the previous annual financial statements ended 31 December 2023.

10. Subsequent Events

On 13 January 2025, the Company announced that Rubberex Alliance Sdn Bhd, a wholly-owned subsidiary of the Company, entered into a Sale and Purchase Agreement with Jutanaga Sdn Bhd for the disposal of two parcels of vacant industrial lands, for a disposal consideration of RM11.9 million.

There were no other material events subsequent to the end of the current quarter that have not been reflected in the financial period ended 31 December 2024.

11. Changes in the Composition of the Group

There were no changes to the composition of the Group including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations since the last audited financial year ended 31 December 2023.

12. Changes in Contingent Liabilities or Contingent Assets

There were no changes in contingent liabilities or assets since the last audited annual balance sheet date of 31 December 2023.

13. Capital Commitments

There was no commitment for the purchase of property, plant and equipment not provided for in the financial statements as of 31 December 2024.



B. ADDITIONAL INFORMATION PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. Review of Performance

The Group recorded a revenue of RM41.6 million in the current quarter compared to RM36.3 million in the corresponding quarter ended 31 December 2023, an increase of 14.7%. Loss after tax in the current fourth quarter of 2024 was RM8.0 million compared to RM46.0 million in the corresponding period of the previous year, an improvement of 79.2% as a gain from the reversal of a contingent consideration of RM6.4 million as well as the insurance claim of RM1.4 million were recognized in the current quarter. Despite the continued low capacity utilization of its plants, the Group also benefited from improved margins and a more favourable product mix in the current quarter compared to the corresponding period of the previous financial year.

For the full financial year, the Group recorded a cumulative revenue of RM147.0 million, a decrease of RM7.8 million or 5.0% from RM154.8 million in the corresponding twelve months of previous financial year. However, the net loss had significantly reduced by 78.4%, from RM64.4 million previously to RM13.9 million, as lower provisions for impairment of inventories were made in the current year compared to previous financial year 2023.

2. Material change in profits of the current quarter compared with preceding quarter

The Group recorded a loss after tax in the current fourth quarter of RM8.0 million, compared to RM4.1 million in the preceding quarter, an increase of RM3.9 million or 96.8% as the Group made a provision for inventories written down to net realizable values, set off partially against the reversal of contingent consideration and insurance claim amounting to RM7.8 million in the current quarter.

3. Current Year Prospects

The Management foresees the overall performance of the glove division to remain challenging in the short to medium term, albeit gradual signs of recovery for the disposable gloves market as the over-supply situation eases amidst rising material prices, energy and labour costs. The Group's property investment division is meanwhile, not expected to contribute any significant earnings in the new financial year 2025.

As for the medical device operation, the Group remains focused on the manufacture and sales of diagnostics test kits for the detection of various infectious diseases such as filariasis, malaria, typhoid, HIV and other drug-of-abuse test kits, which are distributed in Malaysia and overseas.

4. Profit Forecast or Profit Guarantee

No profit forecast or profit guarantee has been issued for the current quarter.



5. Taxation (expense)/credit

	Current quarter ended 31 December 2024 RM'000	Cumulative year- to-date RM'000
Current year – Malaysian income tax	(314)	(1,288)
Current year – Foreign income tax	(9)	(137)
Deferred tax asset	2,967	6,486
Total income tax credit	2,644	5,061

6. Sales of Unquoted Investments and/or Properties

There were no sales of unquoted investments and/or properties for the current quarter and financial year ended 31 December 2024.

7. Purchase/disposal of Quoted Securities

There were no purchase and/or disposal of quoted securities for the current quarter and financial year ended 31 December 2024.

8. (a) Status of Corporate Proposals

On 26 March 2024, the Company announced that it will undertake a proposed private placement of 100,191,000 new ordinary shares (“Placement Shares”), which represented up to 10% of the total number of issued ordinary shares of the Company. As of 31 December 2024, the proposed private exercise has been completed with Placement Shares issued and listed on Bursa Malaysia.

There were no other corporate proposals not announced or outstanding as of 31 December 2024.

(b) Status of Utilisation of Proceeds

(i) On 03 August 2023, the Company announced an extension of time and variation to the utilization of proceeds raised from an earlier Private Placement exercise amounting to RM66.0 million. As of 31 December 2024, a sum of RM3.5 million remains un-utilized:

Purpose	Proposed Utilisation RM'000	Variation in Utilisation of Proceeds * RM'000	Proceeds Un-utilised as of 31 Dec 2024 RM'000	Intended Timeframe for Utilisation
1. Acquisition of double- formers nitrile disposable glove production lines	66,024	-	-	-
2. Working capital	-	15,744	-	Immediate
3. Fixed or short-term deposits – earmarked for future investments ^	-	50,280	3,500	To be determined
4. Estimated expenses	558	-	-	-
TOTAL	66,582	66,024	3,500	

* As announced on 03 August 2023

^ RM46.8 million had partially been utilised in the Group’s property investment division, as well as in the purchase of property, plant and equipment



(ii) With regards to the proposed private placement of 100,191,000 shares which had been approved by Bursa Malaysia on 02 April 2024, a total of 100,191,000 Placement Shares had been issued pursuant to the Private Placement with total net proceeds of RM20.0 million raised as of 31 December 2024.

Purpose	Proposed Utilisation RM'000	Actual Utilization RM'000	Intended Timeframe for Utilization
Working capital	19,838	19,838	Within 24 months
Estimated expenses	200	200	Within 1 month
TOTAL	20,038	20,038	

9. Group Borrowings and Debt Securities

	As of 31 December 2024		
	Secured RM'000	Unsecured RM'000	Total RM'000
Current	283	381	664
Non-current	109	14	123
	392	395	787

10. Financial Instruments Risks

As of 31 December 2024, the Group has the following foreign currency contracts outstanding: -

Currency	Contracted Amount '000	Ringgit Equivalent RM'000	Fair Value RM'000	Expiry Period
U.S. Dollar (USD)	127	570	568	January 2025

The above foreign currency contracts were entered into with local licensed banks to hedge the Group's receivables and payables in foreign currencies. The contracted rates will be used to translate the underlying foreign currencies into Ringgit Malaysia.

These foreign currency contracts are of a short-term nature. The accounting policy adopted with regards to off balance sheet financial instruments was consistent with those applied in the last audited financial statements as at 31 December 2023.

11. Changes in Material Litigation

There was no outstanding material litigation as of 31 December 2024.

12. Dividend Payable

No dividend is proposed for the current quarter ended 31 December 2024.



13. Loss per Share

		Cumulative Year-to-Date ended 31 December 2024	Cumulative Year-to-Date ended 31 December 2023
Loss for the period attributable to equity holders of the Company	RM'000	(13,920)	(64,377)
Weighted average number of ordinary shares in issue	Shares	1,044,750,114	1,001,919,781
Loss per share	sen	(1.33)	(6.43)

14. Authorisation for Issue

The interim financial statements and explanatory notes were authorised for issue by the Board of Directors on 25 February 2025.