HEXTAR HEALTHCARE BERHAD (199601000297) (372642-U)

Condensed Consolidated Statements of Comprehensive Income for the second quarter ended 30 June 2026
These figures have not been audited

	Individual Period		Cumulative Period	
	2026	2025	2026	2025
	Current Year Quarter ended 30 June RM'000	Preceding Year Quarter ended 30 June RM'000	Current Year to-Date ended 30 June RM'000	Preceding Year to-Date ended 30 June RM'000
Revenue	30,246	39,210	61,295	76,835
Cost of sales	(35,752)	(41,575)	(65,990)	(79,888)
Gross (Loss)	**(5,506)**	**(2,365)**	**(4,695)**	**(3,053)**
Other gains and losses	140	95	(98)	229
Operating expenses	(3,382)	(3,528)	(6,650)	(6,791)
(Loss) from operations	**(8,748)**	**(5,798)**	**(11,443)**	**(9,615)**
Finance costs	(17)	(121)	(39)	(205)
Share of losses in an associate	-	(844)	-	(1,052)
(Loss) before tax	**(8,765)**	**(6,763)**	**(11,482)**	**(10,872)**
Income tax (expense)/credit	(784)	2,502	(995)	3,112
(LOSS) FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	**(9,549)**	**(4,261)**	**(12,477)**	**(7,760)**
Other comprehensive income, net of tax:				
Foreign currency translation differences for foreign operations	32	744	(527)	1,211
Total comprehensive (loss) for the period attributable to Equity holders of the Company	**(9,517)**	**(3,517)**	**(13,004)**	**(6,549)**
(Loss) per share:				
Basic (sen)	(0.87)	(0.39)	(1.13)	(0.70)
Weighted average number of shares	1,102,110,781	1,102,110,781	1,102,110,781	1,102,110,781

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2025 and the accompanying notes attached to the interim financial statements.

HEXTAR HEALTHCARE BERHAD (199601000297) (372642-U)

Condensed Consolidated Statements of Financial Position as of 30 June 2026
These figures have not been audited

	As of 30 June 2026 RM'000	As of 31 December 2025 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	162,715	167,490
Prepaid lease payments	4,402	4,440
Deferred tax asset	5,536	5,817
Other investments	165,094	165,094
Right-of-use assets	3,193	2,200
	340,940	345,041
Current Assets		
Inventories	44,632	44,363
Trade receivables	17,510	20,121
Other receivables	36,151	44,406
Other investments	1,041	1,025
Cash and bank balances	26,231	22,847
	125,565	132,762
TOTAL ASSETS	**466,505**	**477,803**
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Issued capital	361,387	361,387
Treasury shares	(48,191)	(48,191)
Other reserves	(54,425)	(49,234)
Retained earnings	176,012	188,489
TOTAL EQUITY	434,783	452,451
Non-current Liabiilties		
Borrowings	4	10
Lease liabilities	457	457
Deferred tax liabilities	2,329	2,079
	2,790	2,546
Current Liabilities		
Trade payables	8,694	8,420
Other payables	17,430	12,546
Lease liabilities	2,776	1,779
Borrowings	32	61
	28,932	22,806
TOTAL LIABILITIES	31,722	25,352
TOTAL EQUITY AND LIABILITIES	**466,505**	**477,803**
Net asset per share (RM)	0.39	0.41

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2025 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 second quarter ended 30 June 2026
These figures have not been audited

	Attributable to Equity Holders of the Company						
			Non-distributable				
	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	Total Equity RM'000
As at 01 January 2025	361,387	(48,191)	413	(38,648)	119	232,990	508,070
Total comprehensive (loss) for the period	-	-	-	-	-	(7,760)	(7,760)
Changes in fair value of other assets	-	-	-	(11,328)	-	-	(11,328)
Effects of foreign exchange differences	-	-	-	-	1,211	-	1,211
As at 30 June 2025	361,387	(48,191)	413	(49,976)	1,330	225,230	490,193
As at 01 January 2026	361,387	(48,191)	184	(49,975)	557	188,489	452,451
Total comprehensive (loss) for the period	-	-	-	-	-	(12,477)	(12,477)
Changes in fair value of other assets	-	-	-	(4,664)	-	-	(4,664)
Effects of foreign exchange differences	-	-	-	-	(527)	-	(527)
As at 30 June 2026	361,387	(48,191)	184	(54,639)	30	176,012	434,783

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2025 and the accompanying notes attached to the interim financial statements.

HEXTAR HEALTHCARE BERHAD (199601000297) (372642-U)

Condensed Consolidated Statements of Cashflows for the second quarter ended 30 June 2026
These figures have not been audited

	2026 Year-to-Date ended 30 June RM'000	2025 Year ended 31 December RM'000
(Loss) before tax	(11,482)	(35,457)
Adjustments for non-cash flow items	10,983	33,495
Operating (loss) before changes in working capital	(499)	(1,962)
(Increase)/Decrease in current assets:		
Inventories	(4,335)	16,172
Trade and other receivables	4,321	(218)
Decrease in current liabilities:		
Trade and other payables	5,182	(4,191)
Cash from operations	4,669	9,801
Net income tax refunded	801	9,156
Nett cashflows from operating activities	**5,470**	**18,957**
Cashflows from/(used in) investing activities:		
Advances to an associate	-	(7,103)
Purchase of property, plant and equipment	(1,484)	(6,512)
Proceeds from disposal of property, plant and equipment	116	11,969
Addition of other investment	(16)	(1,024)
Addition of fixed deposit	(11)	-
Interests and other income received	653	131
Nett cashflows used in investing activities	**(742)**	**(2,539)**
Increase in bank overdrafts	-	-
(Repayment)/Drawdown of bills payable	-	-
Repayment of term loan and hire purchase payables	(35)	(716)
Interests on borrowings paid	(2)	(556)
Repayment of lease liabilities	(933)	(1,712)
Nett cashflows used in financing activities	**(970)**	**(2,984)**
Net increase in cash and cash equivalents	3,758	13,434
Cash and cash equivalents at beginning of financial period	22,414	8,797
Effect of foreign exchange differences	(385)	183
Cash and cash equivalents at end of financial period	**25,787**	**22,414**

Cash and cash equivalents at end of financial period comprise the following:

Cash and bank balances	26,231	22,847
Less: Fixed deposits pledged to bank	(444)	(433)
	25,787	**22,414**

The condensed consolidated statements of cashflows should be read in conjunction with the audited financial statements for the year ended 31 December 2025 and the accompanying notes attached to the interim financial statements.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2026

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 2025.

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 2025.

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 2025 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 for the period ended 30 June 2026.

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 for the period ended 30 June 2026.

6. Changes in Debt and Equity Securities

6.1 Share Buy-back

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

As of 30 June 2026, 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 period.

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 30 June 2026 RM'000	Cumulative year-to-date RM'000
Revenue	27,669	2,577	-	30,246	61,295
Segment Results	(9,135)	377	-	(8,938)	(11,793)
Investment Income	169	20	-	189	350
Finance Costs	-	(17)	-	(17)	(39)
(Loss) before Tax	(9,145)	379	-	(8,766)	(11,482)
Tax Expense	(784)	-	-	(784)	(995)
(Loss) after Tax	**(9,929)**	**379**	**-**	**(9,550)**	**(12,477)**

9. Valuation of Property, Plant and Equipment

The Group did not carry out any revaluations on its property, plant and equipment in the current financial period ended 30 June 2026.

The values of property, plant and equipment have been brought forward without amendment from the previous annual financial statements as of 31 December 2025.

10. Subsequent Events

There were no events subsequent to the end of the current financial period that have not been reflected in the financial period ended 30 June 2026.

11. Changes in the Composition of the Group

Rubberex Empire Sdn Bhd ("RESB"), a wholly-owned subsidiary of the Company diluted its shareholding in an associated company, Alliance Empire Sdn Bhd (AESB"), from 20.0% to 19.9% in January 2026 as a result of RESB not participating in AESB's allotment of 6,600 new ordinary shares.

Save for the above, there were no other 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 2025.

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 2025.

13. Capital Commitments

There was no commitment for the purchase of property, plant and equipment not provided for in the financial statements for the period ended 30 June 2026.

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 RM30.2 million in the current quarter compared to RM39.2 million in the corresponding quarter ended 30 June 2025, a decrease of RM9.0 million or 22.9%. Loss after tax in the current quarter amounted to RM9.5 million compared to RM4.3 million in the corresponding period of the previous year, driven by the lower sales revenue and higher operating costs due to the low capacity utilization of its plants in the current quarter compared to the corresponding period of the previous financial year.

For the first half of the year, the Group recorded a cumulative revenue of RM61.3 million, a decrease of RM15.4 million or 20.2% from RM76.8 million in the corresponding period of previous year. Net loss had increased from RM7.8 million previously to RM12.5 million, due to the lower capacity utilization of its plants in the current financial period compared to the first six months of 2025.

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

The Group recorded a loss after tax in the current quarter of RM9.5 million, compared to RM2.9 million in the preceding quarter of the financial year, an increase of RM6.6 million, mainly attributable to higher operating costs and provision for certain expenses in the current quarter.

3. Current Year Prospects

The Group’s glove and medical devices businesses are expected to remain challenging in the short to medium term, amidst global trade uncertainties, foreign exchange risks and rising material prices, energy and labour costs. However, the Group remains committed to its core businesses and is focused on driving revenue, increasing operational efficiency and maintaining effective cost controls at its key operational divisions for financial year 2026.

4. Profit Forecast or Profit Guarantee

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

5. Taxation expense

	Current quarter ended 30 June 2026 RM’000	Cumulative year-to-date RM’000
Current year – Malaysian income tax	249	312
Current year – Foreign income tax	180	282
Deferred tax	255	401
Total income tax expense	**784**	**995**

6. Sales of Unquoted Investments and/or Properties

There were no sales of unquoted investments and/or properties in the current financial period ended 30 June 2026.

7. Purchase/disposal of Quoted Securities

There were no purchase and/or disposal of quoted securities for the current financial period ended 30 June 2026.

8. Status of Corporate Proposals

There were no corporate proposals not announced or outstanding as of 30 June 2026.

9. Group Borrowings and Debt Securities

	As of 30 June 2026		
	Secured RM'000	Unsecured RM'000	Total RM'000
Current	-	31	31
Non-current	-	5	5
	-	**36**	**36**

10. Financial Instruments Risks

As of 30 June 2026, the Group has the following foreign currency contracts outstanding:-

	Contracted Amount '000	Ringgit Equivalent RM'000	Fair Value RM'000
U.S. Dollar (USD)	651	2,650	2,652
Euro (EUR)	93	432	431
Swiss Franc (CHF)	32	164	161
		3,246	3,244

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 of 31 December 2025.

11. Changes in Material Litigation

There was no outstanding material litigation as of 30 June 2026.

12. Dividend Payable

No dividend is proposed for the current financial period ended 30 June 2026.

13. (Loss) per Share

		Cumulative Year-to-Date ended 30 June 2026	Cumulative Year-to-Date ended 30 June 2025
(Loss) for the period attributable to equity holders of the Company	RM'000	(12,477)	(7,760)
Weighted average number of ordinary shares in issue	Shares	1,102,110,781	1,102,110,781
(Loss) per share	**sen**	**(1.13)**	**(0.70)**

14. Authorisation for Issue

The interim financial statements and explanatory notes were authorised for issue by the Board of Directors on 21 August 2026.