



HEXTAR INDUSTRIES BERHAD

201101044580 (972700-P)
(Incorporated in Malaysia)

Interim Financial Report
For the Third (3rd) Quarter Ended
30 September 2025

HEXTAR INDUSTRIES BERHAD
201101044580 (972700-P)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2025

	<--Individual Quarter-->		<--Cumulative Quarter-->	
	Unaudited 3 Months Ended 30.09.2025 RM'000	Unaudited 3 Months Ended 30.09.2024 RM'000	Unaudited 9 Months Ended 30.09.2025 RM'000	Unaudited 9 Months Ended 30.09.2024 RM'000
Revenue	282,972	285,712	782,376	768,760
Cost of sales	(235,837)	(241,514)	(663,057)	(667,299)
Gross profit	47,135	44,198	119,319	101,461
Other operating income	1,623	1,464	3,650	4,243
Administrative expenses	(23,332)	(15,017)	(53,225)	(36,302)
Selling and distribution expenses	(15,178)	(10,922)	(39,115)	(28,268)
Profit from operations	10,248	19,723	30,629	41,134
Finance costs	(4,731)	(4,129)	(12,709)	(11,556)
Profit before tax	5,517	15,594	17,920	29,578
Taxation	(713)	(4,066)	(4,250)	(7,603)
Profit for the financial period, representing total comprehensive income for the financial period	4,804	11,528	13,670	21,975
Profit for the financial period, representing total comprehensive income for the financial period attributable to:				
- Owners of the Company	4,690	11,468	13,306	21,727
- Non-controlling interest	115	60	364	248
	4,804	11,528	13,670	21,975
Earnings per share:				
- Basic (sen)	0.17	0.42	0.48	0.79

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial report.

HEXTAR INDUSTRIES BERHAD
201101044580 (972700-P)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2025

	Unaudited as at 30.09.2025 RM'000	Audited as at 31.12.2024 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	247,799	214,520
Goodwill on consolidation	7,944	7,944
Intangible assets	2,418	2,622
Trade receivables	495	532
	<u>258,656</u>	<u>225,618</u>
CURRENT ASSETS		
Inventories	186,621	192,881
Trade receivables	270,495	204,969
Other receivables, prepayments and deposits	65,727	33,541
Contract assets	2,508	21,863
Tax recoverable	4,525	-
Derivative assets	11	328
Fixed deposit with licensed banks	483	480
Cash and bank balances	80,762	131,595
	<u>611,132</u>	<u>585,657</u>
TOTAL ASSETS	<u>869,788</u>	<u>811,275</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	671,443	671,443
Treasury shares	(1,762)	-
Merger deficit	(559,301)	(559,301)
Revaluation reserve	32,947	40,829
Retained earnings	187,393	191,356
	<u>330,720</u>	<u>344,327</u>
Non-controlling interest	2,457	2,783
TOTAL EQUITY	<u>333,177</u>	<u>347,110</u>

HEXTAR INDUSTRIES BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2025 (CONTINUED)

	Unaudited as at 30.09.2025 RM'000	Audited as at 31.12.2024 RM'000
CURRENT LIABILITIES		
Trade payables	35,680	103,822
Other payables and accruals	65,334	41,522
Contract liabilities	7,868	2,388
Lease liabilities	10,100	6,462
Bank borrowings	269,703	190,791
Tax payable	7,733	7,808
	396,418	352,793
NON-CURRENT LIABILITIES		
Lease liabilities	85,104	48,901
Bank borrowings	29,025	34,595
Provision for restoration costs	752	49
Deferred tax liabilities	25,312	27,827
	140,193	111,372
TOTAL LIABILITIES	536,611	464,165
TOTAL EQUITY AND LIABILITIES	869,788	811,275
NET ASSET PER SHARE (sen)	12.15	12.63

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

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HEXTAR INDUSTRIES BERHAD
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD (3RD) QUARTER ENDED
30 SEPTEMBER 2025**

	<- Attributable to the Owners of the Company ->						
	<----- Non-Distributable ----->				<Distributable>		
Unaudited	Share Capital RM'000	Treasury Shares RM'000	Merger Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000	Non-Controlling Interest RM'000	Total Equity RM'000
Balance as at 1 January 2025	671,443	-	(559,301)	40,829	191,356	2,783	347,110
- Profit for the financial period	-	-	-	-	13,306	364	13,670
- Dividends paid	-	-	-	-	(27,473)	(690)	(28,163)
- Purchase of treasury shares	-	(1,762)	-	-	-	-	(1,762)
- Realisation of revaluation reserve	-	-	-	(534)	534	-	-
- Net impact on disposal of revalued property	-	-	-	(7,348)	9,670	-	2,322
Balance as at 30 September 2025	671,443	(1,762)	(559,301)	32,947	187,393	2,457	333,177

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD (3RD) QUARTER ENDED
30 SEPTEMBER 2025 (CONTINUED)**

	<- Attributable to the Owners of the Company ->					
	<----- Non-Distributable ----->			<Distributable>		
Unaudited	Share Capital RM'000	Merger Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
Balance as at 1 January 2024	671,443	(559,301)	35,322	190,149	2,028	339,641
- Profit for the financial period	-	-	-	21,727	248	21,975
- Dividend paid	-	-	-	(27,473)	-	(27,473)
- Realisation of revaluation reserve	-	-	(706)	706	-	-
- Net impact on disposal of revalued property	-	-	(177)	237	-	60
Balance as at 30 September 2024	671,443	(559,301)	34,439	185,346	2,276	334,203

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to the interim financial report.

HEXTAR INDUSTRIES BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2025

	Unaudited 9 months ended 30.09.2025 RM'000	Unaudited 9 months ended 30.09.2024 RM'000
Cash Flows From Operating Activities		
Profit before tax	17,920	29,578
Adjustment for:		
Amortisation of intangible assets	204	36
Depreciation of property, plant and equipment	17,117	12,423
Impairment loss on other investments	-	3,144
Gain on disposal of property, plant and equipment	(129)	(444)
Impairment loss on property, plant and equipment	3,253	-
Inventories written off	-	149
Property, plant and equipment written off	11	13
Net impairment/(recovery) on receivables	104	(1,157)
Unrealised loss/(gain) on foreign exchange	351	(529)
Interest expenses	12,709	11,556
Interest income	(1,197)	(1,268)
Operating profit before working capital changes	<u>50,343</u>	<u>53,501</u>
Changes in working capital:		
Inventories	6,260	58,143
Trade and other receivables	(97,779)	(116,011)
Trade and other payables	(41,979)	3,943
Contract assets	19,355	(11,407)
Contract liabilities	5,480	(551)
	<u>(108,663)</u>	<u>(65,883)</u>
Cash used in operations	<u>(58,320)</u>	<u>(12,382)</u>
Interest received	1,197	1,268
Interest paid	(12,709)	(11,556)
Tax paid	(10,809)	(13,426)
Tax refunded	1,763	859
	<u>(20,558)</u>	<u>(22,855)</u>
Net cash used in operating activities	<u>(78,878)</u>	<u>(35,237)</u>

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2025 (CONTINUED)

	Unaudited 9 months ended 30.09.2025 RM'000	Unaudited 9 months ended 30.09.2024 RM'000
Cash Flow From Investing Activities		
Deferred consideration paid	(2,000)	(1,500)
Purchase of property, plant and equipment	(29,277)	(4,995)
Proceed from disposal of property, plant and equipment	23,141	2,413
Withdrawal of other investments	-	8,994
Net cash (used in)/generated from investing activities	<u>(8,136)</u>	<u>4,912</u>
Cash Flow From Financing Activities		
Dividend paid	(27,473)	(27,473)
Dividend paid to non-controlling interests	(690)	-
Net changes in the pledged fixed deposits	(3)	(10)
Drawdown of borrowings	66,491	58,413
(Repayment to)/Advances from related parties	(382)	373
Treasury shares acquired	(1,762)	-
Net cash generated from financing activities	<u>36,181</u>	<u>31,303</u>
Net (decrease)/increase in cash and cash equivalents	(50,833)	2,478
Cash and cash equivalents at beginning of the financial period	131,595	106,330
Cash and cash equivalents at end of the financial period	<u>80,762</u>	<u>108,808</u>
Cash and cash equivalents at end of the financial period comprises:		
- Fixed deposits placed with licensed banks	483	1,772
- Cash and bank balances	80,762	109,629
- Bank overdraft	-	(2,121)
	<u>81,245</u>	<u>109,280</u>
Less: Fixed deposits pledged with licensed banks	<u>(483)</u>	<u>(472)</u>
	<u>80,762</u>	<u>108,808</u>

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

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NOTES TO THE INTERIM FINANCIAL REPORT

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2025

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") No. 134: Interim Financial Reporting and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements ("Listing Requirement") of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of Hextar Industries Berhad ("HIB" or "the Group") for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to this interim financial report.

The significant accounting policies adopted in preparation of this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2024, except for the adoption of the new MFRS, amendments to MFRSs and IC Interpretation as below:

- Classification of Liabilities as Current or Non-current (Amendments to MFRS 101 Presentation of Financial Statements)
- Lease Liability in a Sale and Leaseback (Amendments to MFRS 16 Leases)
- Non-current Liabilities with Covenants (Amendments to MFRS 101 Presentation of Financial Statements)
- Supplier Finance Arrangement (Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures)

The adoption above mentioned standards did not have any material impact on this interim financial report.

A2. Auditors' report of preceding annual audited financial statements

The auditors' report on the preceding year audited financial statements are not subject to any qualification.

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A3. Seasonal or cyclical factors

The plantation business may be impacted by the adverse weather conditions, which in turn will affect demand for fertilisers.

Saved as disclosed above, the businesses of the Group are not affected by seasonal or cyclical factors.

A4. Unusual items

There are no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial period under review.

A5. Material changes in estimates

There are no changes in the estimates of amounts reported in prior financial years that had a material effect on the current financial period under review.

A6. Detail of changes in debts and equity securities

During the financial period 30 September 2025, the Company purchased 5,147,000 of its issued ordinary shares from the open market at an average price of RM0.34 per share. The total consideration paid for the purchase was RM1,762,418 including the transaction costs. The shares purchased are being held as treasury shares in accordance with Section 127(6) of the Companies Act, 2016 and are presented as a deduction from equity.

As at 30 September 2025, the Company held as treasury shares a total of 5,147,000 of its 2,747,341,623 issued and fully paid-up ordinary shares. The treasury shares are held at a carrying amount of RM1,762,418.

Other than the above, there were no issuance, cancellation, repurchase, resale or repayment of debt and/or equity securities during the current quarter under review and financial period to-date.

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A7. Segmental information

The Group's revenues are derived from three (3) reportable segments, as below:

3-months quarter ended 30 September 2025					
	Fertilisers RM'000	Industrial and Consumer RM'000	Investment Holding RM'000	Elimination RM'000	Consolidated RM'000
Revenue					
External sales	243,686	39,286	-	-	282,972
Inter-segment sales	22,898	972	30,032	(53,902)	-
Total	266,584	40,258	30,032	(53,902)	282,972
Results					
Segment results	18,820	(7,813)	18,416	(19,482)	9,941
Finance costs	(3,735)	(812)	(200)	16	(4,731)
Finance income	81	192	34	-	307
Profit/(Loss) before tax	15,166	(8,433)	18,250	(19,466)	5,517
Taxation	(3,304)	2,612	(21)	-	(713)
Profit/(Loss) after tax	11,862	(5,821)	18,229	(19,466)	4,804

9-months quarter ended 30 September 2025					
	Fertilisers RM'000	Industrial and Consumer RM'000	Investment Holding RM'000	Elimination RM'000	Consolidated RM'000
Revenue					
External sales	678,094	104,282	-	-	782,376
Inter-segment sales	67,298	2,874	60,555	(130,727)	-
Total	745,392	107,156	60,555	(130,727)	782,376
Results					
Segment results	44,084	(12,089)	44,967	(47,530)	29,432
Finance costs	(10,691)	(1,867)	(208)	57	(12,709)
Finance income	260	765	172	-	1,197
Profit/(Loss) before tax	33,653	(13,191)	44,931	(47,473)	17,920
Taxation	(7,618)	3,652	(284)	-	(4,250)
Profit/(Loss) after tax	26,035	(9,539)	44,647	(47,473)	13,670

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A7. Segmental information (Cont'd)

The Group's revenues are derived from three (3) reportable segments, as below: (Cont'd)

3-months quarter ended 30 September 2024					
	Fertilisers RM'000	Industrial and Consumer RM'000	Investment Holding RM'000	Elimination RM'000	Consolidated RM'000
Revenue					
External sales	250,019	35,693	-	-	285,712
Inter-segment sales	23,068	3,153	7,262	(33,483)	-
Total	273,087	38,846	7,262	(33,483)	285,712
Results					
Segment results	18,501	1,643	5,221	(6,021)	19,344
Finance costs	(3,642)	(236)	(255)	4	(4,129)
Finance income	232	60	87	-	379
Profit/(Loss) before tax	15,091	1,467	5,053	(6,017)	15,594
Taxation	(3,747)	(251)	(68)	-	(4,066)
Profit/(Loss) after tax	11,344	1,216	4,985	(6,017)	11,528

9-months quarter ended 30 September 2024					
	Fertilisers RM'000	Industrial and Consumer RM'000	Investment Holding RM'000	Elimination RM'000	Consolidated RM'000
Revenue					
External sales	654,918	113,842	-	-	768,760
Inter-segment sales	72,156	13,680	36,743	(122,579)	-
Total	727,074	127,522	36,743	(122,579)	768,760
Results					
Segment results	33,957	7,147	31,743	(32,981)	39,866
Finance costs	(10,174)	(654)	(738)	10	(11,556)
Finance income	852	176	240	-	1,268
Profit/(Loss) before tax	24,635	6,669	31,245	(32,971)	29,578
Taxation	(5,936)	(1,451)	(216)	-	(7,603)
Profit/(Loss) after tax	18,699	5,218	31,029	(32,971)	21,975

A8. Dividend paid

On 22 May 2025, the Company declared an interim single-tier dividend of 1 sen per ordinary share total RM27,473,416 in respect of the financial year ending 31 December 2025, which had been paid on 18 June 2025.

A9. Valuation of property, plant and equipment

The Group has not carried out any valuation on its property, plant and equipment in the current financial period under review.

A10. Capital commitments

There are no material capital commitments as at the date of this report.

A11. Changes in the composition of the Group

There are no changes in the composition of the Group for the current financial period ended 30 September 2025.

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A12. Contingent liabilities and contingent assets

There are no contingent liabilities and contingent assets as at the date of this financial report.

A13. Material event subsequent to the end of the quarter

There is no other material event subsequent to the end of current financial period under review that have not been reflected in this interim financial report.

A14. Related party transactions

Transaction with companies in which the major shareholders of the Group have interest for the current quarter ended 30 September 2025 are as follows: -

	<--Individual Quarter-->		<--Cumulative Quarter-->	
	Unaudited 3 Months Ended 30.09.2025 RM'000	Unaudited 3 Months Ended 30.09.2024 RM'000	Unaudited 9 Months Ended 30.09.2025 RM'000	Unaudited 9 Months Ended 30.09.2024 RM'000
<u>Income</u>				
Sales of fertilisers	631	436	1,363	729
Sales or rental of equipment	173	7	196	25
Sales of office supplies	33	34	97	86
Repair and maintenance services	413	-	844	-
Rental of office	1	-	1	-
<u>Purchase/Expenditure</u>				
Rental of factories and warehouses	2,187	1,500	6,110	4,499
Rental of office	20	20	58	58
Rental of retail shops	14	-	14	-
Hiring of lorry	73	70	222	208
Purchase of fertilisers	367	12	745	414
Purchase of industrial products	214	12	352	251
Purchase of consumer products	-	-	5	5
Repair and maintenance services	30	-	30	-
Management fee	447	448	1,444	1,343
Storage charges	511	692	1,721	2,054
Transportation charges	692	133	1,028	270

The transactions are carried out in the ordinary course of business and on normal commercial terms.

B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1. Review of performance

	Quarter ended 30.09.2025 ("Q3/25") RM'000	Quarter ended 30.09.2024 ("Q3/24") RM'000	Changes RM'000	Changes (%)
Revenue	282,972	285,712	(2,740)	-1.0%
Profit before tax	5,517	15,594	(10,077)	-64.6%
Profit after tax	4,804	11,528	(6,724)	-58.3%

Comparison between Q3/25 with Q3/24

HIB registered a quarterly consolidated revenue of RM283 million, profit before tax ("PBT") of RM5.5 million and profit after tax ("PAT") of RM4.8 million for the third quarter ended 30 September 2025.

The Group recorded a marginal decline in the revenue to RM283 million, compared to RM286 million in the corresponding period last year. The decrease was primarily attributable to lower fertiliser deliveries from Fertilisers Division and a softening in the equipment rental market.

Accordingly, the Group reported a net profit declined from RM11.5 million in the previous year's corresponding quarter to RM4.8 million, mainly due to initial setup costs for the retail business expansion and the impairment loss from disposal of rental equipment amounting to RM3.2 million.

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B1. Review of performance (Cont'd)

	Year-to-date 30.09.2025 ("YTD-25") RM'000	Year-to-date 30.09.2024 ("YTD-24") RM'000	Changes RM'000	Changes (%)
Revenue	782,376	768,760	13,616	1.8%
Profit before tax	17,920	29,578	(11,658)	-39.4%
Profit after tax	13,670	21,975	(8,305)	-37.8%

Comparison between YTD-25 with YTD-24

The Group reported a revenue of RM782 million for the financial period ended 30 September 2025, representing an increase of 1.8% compared to the corresponding period last year. The growth was mainly driven by higher sales in Fertilisers Division, supported by increased delivery volumes. Fertilisers Division remained the cornerstone of the Group's business portfolio, contributing 87% of total revenue.

Despite the revenue growth, the Group's profit after tax declined from RM21.98 million to RM13.7 million, primarily due to initial setup costs for the retail business expansion and the impairment loss from disposal of rental equipment amounting to RM3.2 million.

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B2. Comparison with immediate preceding quarter's results

	Quarter ended 30.09.2025 ("Q3/25") RM'000	Quarter ended 30.06.2025 ("Q2/25") RM'000	Changes RM'000	Changes (%)
Revenue	282,972	280,818	2,154	0.8%
Profit before tax	5,517	9,566	(4,049)	-42.3%
Profit after tax	4,804	6,810	(2,006)	-29.5%

As compared to the preceding quarter's revenue, HIB current quarter revenue marginally improved by 0.8% to RM283 million. The growth was primarily driven by the rapid expansion of the retail outlets of the Consumer Division.

Despite the increase in revenue, the Group's net profit declined to RM4.8 million from RM6.8 million in the preceding quarter, primarily due to impairment loss from the disposal of rental equipment amounting to RM3.2 million.

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B3. Prospects

Fertilisers

In driving sustainable agriculture practices, the Group is into innovative product with a point of difference versus conventional fertilisers which help to alleviate a long-standing issue of the fertilisers industry with regard to leaching losses of nutrients and nutrient run-off after rainfall. We believe that using this innovative fertiliser can contribute towards a sustainable agriculture practice.

Industrial and Consumer

The industrial division is expected to experience moderate growth driven by the engineering solution with the on-going orders in hand. On the other hand, the strategic partnership with Luckin Coffee Holding Singapore Pte Ltd to develop, open and operate coffee shop under "Luckin Coffee" brand nationwide is progressing well. As of today, the Group has expanded its footprint to 53 outlets, each received positive market response and robust customer engagement.

B4. Profit forecast

The Group does not have any profit forecast in the public documents.

B5. Taxation

	<--Individual Quarter-->		<--Cumulative Quarter-->	
	Unaudited 3 Months Ended 30.09.2025 RM'000	Unaudited 3 Months Ended 30.09.2024 RM'000	Unaudited 9 Months Ended 30.09.2025 RM'000	Unaudited 9 Months Ended 30.09.2024 RM'000
Income tax expense	843	4,225	4,443	8,002
Deferred tax	(130)	(159)	(193)	(399)
	<u>713</u>	<u>4,066</u>	<u>4,250</u>	<u>7,603</u>

The effective tax for current financial year under review is lower than the Malaysian statutory tax rate of 24% mainly due to over provision of income tax in prior year.

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B6. Status of corporate proposals announced

On 29 August 2024, HIB, through Sin Chee Heng Sdn. Bhd. ("SCH"), a wholly-owned subsidiary of HIB and PK Fertilizers Sdn. Bhd. ("PKF"), an indirect wholly-owned subsidiary of HIB, respectively entered into 2 conditional sale and purchase agreements ("SPAs") with Pacific Trustees Berhad ("Pacific Trustee"), being the trustee of KIP Real Estate Investment Trust ("KIP REIT"), for the disposals of the following properties to KIP REIT, for a total cash consideration of RM45.90 million ("Disposals"):

Subsidiaries	Properties	Disposal consideration (RM'000)
SCH	A parcel of land together with the buildings erected thereon in Cheras, Selangor	22,600
PKF	Remaining unexpired period of a lease created over a parcel of land together with the buildings erected thereon in Johor Bahru, Johor	23,300
Total		45,900

Simultaneously with the execution of the SPAs, SCH and PKF had respectively signed the tenancy agreements in-escrow with Pacific Trustees for rental of the abovementioned properties from KIP REIT upon the terms and covenants contained therein, commencing upon the completion of the Disposals ("Properties Tenancies").

In addition to the above, HIB, through Hextar Solutions Sdn. Bhd. ("HSO"), an indirect wholly-owned subsidiary of HIB, entered into a tenancy agreement in-escrow with Pacific Trustees for the rental of a parcel of land together with the buildings erected thereon in Bintulu, Sarawak ("Bintulu Property") from KIP REIT upon the terms and conditions agreed between them. The said tenancy will commence upon the completion of a disposal of the Bintulu Property from the current landlord, Teju Logistics Sdn Bhd to Pacific Trustees ("Bintulu Disposal"), based on a conditional sale and purchase agreement dated 29 August 2024 ("Bintulu Tenancy").

On 24 January 2025, the Disposals, Properties Tenancies and Bintulu Tenancy have obtained the approvals from the shareholders through the Extraordinary General Meeting.

The disposals of the Cheras Property and the Pasir Gudang Property were completed on 26 February 2025 and 17 October 2025, respectively. The tenancy agreements for both properties, which had been signed in escrow with Pacific Trustees, were dated and became effective on the respective completion dates.

The Bintulu Disposal had been completed on 30 September 2025 and the Bintulu Tenancy, which had been signed in-escrow between HSO and Pacific Trustee, was dated and become effective on the same day.

B6. Status of corporate proposals announced (cont'd)

The gross proceeds of RM45.90 million from these transactions will be utilised as follows:

Details of utilisation	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance Utilisation (RM'000)	Estimated timeframe for utilisation
Working capital	45,200	21,900	23,300	Within 24 months
Estimated expenses for the Proposals	700	700	-	Upon completion
TOTAL	45,900	22,600	23,300	

Save as disclosed above, there is no other corporate proposal which has been announced but not yet completed as at the date of this report.

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B7. Borrowings

The Group's borrowings are as follows: -

		Unaudited as at 30.09.2025 RM'000	Audited as at 31.12.2024 RM'000
Secured	Denominated in currency		
Bills payable	CNY	-	372
Bills payable	USD	11,162	550
Bills payable	MYR	215,741	176,497
Revolving credit	MYR	35,000	4,500
Hire purchases	MYR	1,676	2,425
Term loans	MYR	35,149	41,042
Total bank borrowings		298,728	225,386
Short Term			
Bills payable	CNY	-	372
Bills payable	USD	11,162	550
Bills payable	MYR	215,741	176,497
Revolving credit	MYR	35,000	4,500
Hire purchases	MYR	923	963
Term loans	MYR	6,877	7,909
		269,703	190,791
Long Term			
Hire purchases	MYR	753	1,462
Term loans	MYR	28,272	33,133
		29,025	34,595

B8. Changes in material litigation

As at the date of this report, there is no litigation or arbitration, which has a material effect on the financial position of the Group, and the Board is not aware of any proceedings pending or of any fact likely to give rise to any proceedings.

B9. Dividend

No dividend was proposed for the financial quarter.

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B10. Basic earnings per share/Diluted earnings per share

The basic earnings per share is calculated based on the Group's profit attributable to equity holders of the Company divided by the weighted average number of ordinary shares as follows:

	<--Individual Quarter-->		<--Cumulative Quarter-->	
	Ended		Ended	
	30.09.2025	30.09.2024	30.09.2025	30.09.2024
	RM'000	RM'000	RM'000	RM'000
Profit attributable to owners of the Company	4,690	11,468	13,306	21,727
Weighted average number of ordinary shares in issue ('000) ^	2,747,256	2,747,342	2,747,313	2,747,342
Basic earnings per share (sen)	0.17	0.42	0.48	0.79

^ The Company acquired 5,147,000 units of treasury shares for a total consideration of RM1,762,418, leading to a lower weighted average number of ordinary shares as at 30 September 2025.

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B11. Disclosure on selected expense/income items as required by the Listing Requirements

	<--Individual Quarter-->		<--Cumulative Quarter-->	
	Unaudited	Unaudited	Unaudited	Unaudited
	3 Months	3 Months	9 Months	9 Months
	Ended	Ended	Ended	Ended
	30.09.2025	30.09.2024	30.09.2025	30.09.2024
	RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at after charging/(crediting):-				
- Amortisation of intangible assets	68	12	204	36
- Depreciation of property, plant and equipment	6,646	4,094	17,117	12,423
- Gain on disposal of property, plant and equipment	(42)	(446)	(129)	(444)
- Impairment loss on other investments	-	3,144	-	3,144
- Impairment loss on property, plant and equipment	3,253	-	3,253	-
- Interest expenses	4,731	4,129	12,709	11,556
- Interest income	(307)	(379)	(1,197)	(1,268)
- Inventories written off	-	149	-	149
- Property, plant and equipment written off	9	-	11	13
- Net impairment/(recovery) on receivables	260	(984)	104	(1,157)
- Realised (gain)/loss on foreign exchange	(287)	358	(373)	346
- Unrealised (gain)/loss on foreign exchange	(163)	(298)	351	(529)

BY ORDER OF THE BOARD
18 Nov 2025