



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 30.09.2024 RM'000	Preceding Year Corresponding Quarter Ended 30.09.2023 RM'000	Current Year To Date Ended 30.09.2024 RM'000	Preceding Year To Date Ended 30.09.2023 RM'000
Revenue	13,853	9,993	39,691	34,610
Cost of sales	(10,525)	(7,684)	(28,390)	(25,276)
Gross profit	3,328	2,309	11,301	9,334
Operating expenses	(4,959)	(1,963)	(12,323)	(7,031)
Other operating income	220	156	853	539
(Loss)/Profit from operations	(1,411)	502	(169)	2,842
Finance costs	(160)	-	(221)	-
Share of loss in an associate, net of tax	(646)	-	(1,023)	-
(Loss)/Profit before tax	(2,217)	502	(1,413)	2,842
Tax expense	395	(213)	(38)	(836)
(Loss)/Profit after tax	(1,822)	289	(1,451)	2,006
Other comprehensive income, net of tax <i>Item that is or may not be reclassified subsequently to profit and loss</i>				
Foreign currency translation differences for foreign operations	(1)	-	(1)	-
Total comprehensive (loss)/income	(1,823)	289	(1,452)	2,006
(Loss)/Profit after tax attributable to:				
Owners of the Company	(1,893)	289	(1,140)	2,006
Non-controlling interests	71	-	(311)	-
(Loss)/Profit after tax	(1,822)	289	(1,451)	2,006
Total comprehensive income attributable to:				
Owners of the Company	(1,892)	289	(1,141)	2,006
Non-controlling interests	69	-	(311)	-
Total comprehensive (loss)/income	(1,823)	289	(1,452)	2,006
(Loss)/Earnings per share attributable to owners of the Company (sen)				
- Basic	(0.38)	0.08	(0.27)	0.53*
- Diluted	(0.36)	0.07	(0.25)	0.48*

* Adjusted for the effect of bonus issue and effect of additional warrants arising pursuant to the bonus issue completed on 12 May 2023.

Notes:

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the Interim Financial Statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024**

	(Unaudited) As at 30.09.2024 RM'000	(Audited) As at 31.12.2023 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	119,266	113,076
Right-of-use assets	8,790	188
Intangible assets	1,470	1,177
Investment in an associate	13,019	-
Deferred tax assets	265	-
Total non-current assets	142,810	114,441
Current Assets		
Inventories	16,589	21,821
Trade and other receivables	8,682	3,981
Prepayments	1,622	684
Current tax assets	1,524	1,143
Derivative financial assets	-	121
Short-term investments	6,256	-
Cash and cash equivalents	54,317	21,801
Total current assets	88,990	49,551
Total assets	231,800	163,992
EQUITY		
Share capital	123,450	67,961
Revaluation reserve	38,707	38,707
Translation reserve	-	1
Retained earnings	43,707	44,785
Equity attributable to owners of the Company	205,864	151,454
Non-controlling interests	(152)	(48)
Total equity	205,712	151,406
LIABILITIES		
Non-Current Liabilities		
Deferred tax liabilities	7,741	8,268
Lease liabilities	6,278	64
Total non-current liabilities	14,019	8,332
Current Liabilities		
Trade and other payables	5,927	3,867
Contract liabilities	509	142
Lease liabilities	3,026	128
Short-term borrowing	2,406	-
Current tax liabilities	201	117
Total current liabilities	12,069	4,254
Total liabilities	26,088	12,586
Total equity and liabilities	231,800	163,992
Net Assets per share (RM)*	0.42	0.40*

* Adjusted for the effect of bonus issue completed on 12 May 2023.

Notes :

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the Interim Financial Statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

	/-----Attributable to owners of the Company-----/						
	/-----Non-distributable-----/		Distributable				
	Share Capital RM'000	Revaluation Reserve RM'000	Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
9 months ended 30 September 2024							
At 1 January 2024	67,961	38,707	1	44,785	151,454	(48)	151,406
Loss after tax	-	-	-	(1,140)	(1,140)	(311)	(1,451)
Other comprehensive income:							
- Foreign currency translation differences for foreign operations	-	-	(1)	-	(1)	-	(1)
Total comprehensive loss	-	-	(1)	(1,140)	(1,141)	(311)	(1,452)
Proceeds from issuance of ordinary shares	55,489	-	-	-	55,489	-	55,489
Disposal of a subsidiary	-	-	-	-	-	47	47
Changes in ownership interests in subsidiaries	-	-	-	62	62	160	222
Total transactions with owners of the Company	55,489	-	-	62	55,551	207	55,758
At 30 September 2024	123,450	38,707	-	43,707	205,864	(152)	205,712
9 months ended 30 September 2023							
At 1 January 2023	64,630	38,707	-	57,492	160,829	-	160,829
Total comprehensive income	-	-	-	2,006	2,006	-	2,006
Proceeds from issuance of ordinary shares	3,332	-	-	-	3,332	-	3,332
Dividend paid to owners of the Company	-	-	-	(13,870)	(13,870)	-	(13,870)
Total transactions with owners of the Company	3,332	-	-	(13,870)	(10,538)	-	(10,538)
At 30 September 2023	67,962	38,707	-	45,628	152,297	-	152,297

Notes:

The Unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the Interim Financial Statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024**

	Current Year-to-date Ended 30.09.2024 RM'000	Preceding Year-to-date Ended 30.09.2023 RM'000
Cash flows from operating activities		
(Loss)/Profit before tax	(1,413)	2,842
Adjustments for :		
Depreciation of:		
- Property, plant and equipment	2,597	2,193
- Right-of-use assets	544	-
Amortisation of intangible assets	65	-
Loss/(Gain) on disposal of property, plant and equipment	7	(109)
Unrealised loss on foreign exchange	1,835	801
Finance income	(698)	(382)
Finance costs	221	-
Share of loss of an associate, net of tax	1,023	-
Operating profit before changes in working capital	4,181	5,345
Changes in working capital :		
- Inventories	5,232	5,783
- Trade and other receivables	(5,652)	180
- Trade and other payables	2,427	(548)
Cash generated from operations	6,188	10,760
Net income tax paid	(1,128)	(1,361)
Interest received	638	382
Interest paid	(122)	-
Net cash generated from operating activities	5,576	9,781
Cash flows from investing activities		
Acquisition of:		
- Property, plant and equipment	(8,416)	(2,940)
- Intangible assets	(360)	-
- An associate	(14,042)	-
Proceeds from disposal of property, plant and equipment	51	164
Purchase of short-term investments	(6,200)	-
Net cash used in investing activities	(28,967)	(2,776)
Cash flows from financing activities		
Dividend paid	-	(13,870)
Proceeds from issuance of shares	55,489	3,332
Interest paid in relation to lease liabilities	(99)	-
Payment of lease liabilities	(463)	-
Proceeds from issuance of subsidiary's equity to non-controlling	222	-
Drawdown of short-term borrowing	2,406	-
Net cash generated from/(used in) financing activities	57,555	(10,538)



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024 (CONT'D)**

	Current Year-to-date Ended 30.09.2024 RM'000	Preceding Year-to-date Ended 30.09.2023 RM'000
Net increase/(decrease) in cash and cash equivalents	34,164	(3,533)
Effect of changes in foreign exchange rate	(1,648)	-
Cash and cash equivalents at the beginning of period	21,801	24,129
Cash and cash equivalents at the end of period (Note 1)	54,317	20,596

Note1 : Cash and cash equivalents at the end of financial year

Cash and bank balances	18,114	5,238
Highly liquid investment with non-bank financial institution	36,203	15,358
	54,317	20,596

Notes:

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the Interim Financial Statements.



NOTES TO THE INTERIM FINANCIAL REPORT

PART A : EXPLANATORY NOTES AS PER MFRS 134

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in compliance with Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting, issued by the Malaysian Accounting Standards Board (MASB) and Chapter 9 Para 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023 of Hextar Retail Berhad ("HEXRTL" or "the Company"), which were prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"). The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2023.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent annual financial statements for the financial year ended 31 December 2023 except for the adoption of the following Amendments to MFRSs, which are applicable to its financial statements and are relevant to its operation:-

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2024

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

The adoption of the above amendments to MFRSs did not have any significant financial impact on the Group's financial results.

The following are MFRSs and amendments that have been issued by the Malaysian Accounting Standard Board ("MASB") but have not been adopted by the Group:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- 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*



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

PART A : EXPLANATORY NOTES AS PER MFRS 134 (CONT'D)

A2. Auditors' Report

The auditors' report on the financial statements for the financial year ended 31 December 2023 of the Group was not qualified.

A3. Seasonal and Cyclical factors

The Group's performance is not subject to seasonality or cyclicity.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items and amounts of items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial year under review to date other than the following:

A5. Material Changes in Estimates

There were no changes in accounting estimates that have had material effect in the current quarter and financial year under review to date.

A6. Issuances, Repurchases and Repayment of Debt and Equity Securities

On 24 May 2024, the Company increased its issued and paid-up share capital by way of issuance of 10,000,000 new ordinary shares for a cash consideration of RM4,150,000 through first tranche of private placement at an issue price of RM0.4150 per share.

On 25 June 2024, the Company increased its issued and paid-up share capital by way of issuance of 24,000,000 new ordinary shares for a cash consideration of RM11,640,000 through second tranche of private placement at an issue price of RM0.4850 per share.

On 2 July 2024, the Company increased its issued and paid-up share capital by way of issuance of 79,813,000 new ordinary shares for a cash consideration of RM39,906,500 through second tranche of private placement at an issue price of RM0.5000 per share.

As at 30 September 2024, the total number of issued shares of the Company was 493,190,568 ordinary shares and the total number of outstanding Warrants 2021/2026 was 162,871,250 at an exercise price of RM0.41 per outstanding Warrant.

There were no repurchases and repayment of debts and equity securities, shares buy-back, shares cancellation, shares held as treasury shares or resale of treasury shares during the current quarter and financial year under review to date.



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

PART A : EXPLANATORY NOTES AS PER MFRS 134 (CONT'D)

A7. Dividends Paid

During the current quarter under review, there were no dividends paid by the Company.

A8. Segmental Reporting

The Group is principally engaged in the manufacture and sales of wooden picture frame mouldings and retail businesses. The business activities of holding and rental of properties of its subsidiaries are merely inter-segment transactions. The Group's reportable segments result for the financial period ended 30 September 2024 is as follows:-

	Wooden Picture Frame Mouldings RM'000	Property Holding RM'000	Retail RM'000	Total Current Year To Date RM'000	Other Non- reportable Segments RM'000	Elimination of Inter-segment Transactions or Balances RM'000	Consolidated Total RM'000
Segment Profit/(Loss)	(1,265)	2,398	(1,437)	(304)	16,698	(17,845)	(1,451)
<i>Included in the measure of segment profit/(loss) are:</i>							
Revenue from external customers	36,337	-	3,354	39,691	-	-	39,691
Inter-segment revenue	129	3,709	-	3,838	-	(3,838)	-
Depreciation and amortisation	2,032	366	807	3,205	1	-	3,206
Finance income	293	12	3	308	810	(420)	698
Finance costs	462	-	545	1,007	-	(786)	221
Tax expense	(466)	776	(249)	61	-	(23)	38
Segment Assets	80,039	39,738	39,804	159,581	130,587	(58,368)	231,800
<i>Included in the measure of segment assets are:</i>							
Additions to non-current assets other than financial instruments and deferred tax assets	1,157	18	22,032	23,207	41	-	23,248

A9. Subsequent Events

There were no other material events subsequent to the end of the reporting quarter that have not been reflected in the interim financial statements.



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

PART A : EXPLANATORY NOTES AS PER MFRS 134 (CONT'D)

A10. Change in The Composition of The Group

There were no other significant changes in the composition of the Group for the quarter ended 30 September 2024, including business combination, acquisition or disposal of subsidiaries and long-term investment, restructuring and discontinuing operations.

A11. Capital Commitments Outstanding Not Provided in The Interim Financial Report

	As at 30.09.2024 RM'000
Capital expenditure commitments	
Property, plant and equipment approved and contracted for	<u>245</u>



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

**PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES
BERHAD LISTING REQUIREMENTS**

B1. Review of Performance

A comparison of the Group's performance for the quarter ("3QFY2024") and financial period ("9MFY2024") ended 30 September 2024 with the corresponding quarter and financial period last financial year is as follows:

	3Q	3Q	Variance		9M	9M	Variance	
	FY2024	FY2023	RM'mil	%	FY2024	FY2023	RM'mil	%
Revenue	13.9	10.0	3.9	39.0%	39.7	34.6	5.1	14.7%
Gross profit	3.3	2.3	1.0	43.5%	11.3	9.3	2.0	21.5%
(Loss)/Profit before tax	(2.2)	0.5	(2.7)	-540.0%	(1.4)	2.8	(4.2)	-150.0%
(Loss)/Profit after tax	(1.8)	0.3	(2.1)	-700.0%	(1.5)	2.0	(3.5)	-175.0%
(Loss)/Profit attributable to Owners of the Company	(1.9)	0.3	(2.2)	-733.3%	(1.1)	2.0	(3.1)	-155.0%

The Group registered a revenue of RM13.9 million for the current quarter ended 30 September 2024, an increase of RM3.9 million or 39.0% as compared to RM10.0 million in the preceding year corresponding quarter ended 30 September 2023. The increase is mainly attributable to higher export volume of wooden picture frame mouldings and revenue contribution from retail segment of RM1.2 million. The Group recorded a loss before tax of RM2.2 million, an increase in loss of RM2.7 million or 540.0% as compared to profit before tax of RM0.5 million in the preceding year corresponding quarter ended 30 September 2023 mainly due to loss in foreign currency translation differences of RM2.1 million on the back of stronger Ringgit and share of associate's losses of RM0.6 million.

For nine months ended 30 September 2024, the Group recorded revenue of RM39.7 million, an increase of RM5.1 million or 14.7% compared to the preceding year corresponding period of RM34.6 million mainly attributable to higher sales from wooden picture frame mouldings driven by export volume coupled with revenue contribution from retail segment. The gross profit margin increased to 28.5% from 27.0% primarily due to better gross profit margin contribution from retail segment. The Group's loss before tax was RM1.4 million, down by RM4.2 million or 150.0% as compared to the preceding year corresponding period ended 30 September 2023 mainly due to loss in foreign currency translation differences coupled with losses from retail segment arising from the share of associate's losses of RM1.0 million.



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

**PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES
BERHAD LISTING REQUIREMENTS (CONT'D)**

B2. Variation of Results Against Preceding Quarter

	3QFY2024	2QFY2024	Variance	
	RM'mil	RM'mil	RM'mil	%
Revenue	13.9	14.5	(0.6)	-4.1%
Gross profit	3.3	4.4	(1.1)	-25.0%
(Loss)/Profit before tax	(2.2)	0.5	(2.7)	-540.0%
(Loss)/Profit after tax	(1.8)	0.3	(2.1)	-700.0%
(Loss)/Profit attributable to Owners of the Company	(1.9)	0.5	(2.4)	-480.0%

The Group recorded revenue of RM13.9 million for the current quarter ended 30 September 2024, a decrease of RM0.6 million or -4.1% compared to RM14.5 million in the immediate preceding quarter mainly due to lower sales of wooden picture frame mouldings as a result of lower export volume and strengthening of Ringgit in 3QFY2024. The Group recorded a loss before tax for the current quarter of RM2.2 million, down by RM2.7 million or 540.0% as compared to profit before tax of RM0.5 million in the immediate preceding quarter mainly due to lower revenue and gross profit from wooden picture frame mouldings, higher loss in foreign currency translation differences of RM2.1 million on the back of stronger Ringgit and higher share of associate's losses of RM0.3 million.

B3. Current Year Prospects

The latest outlook for the US economy reflects a mix of positive and challenging indicators whereby US inflation figures have remained on an improving trajectory, with stable unemployment rate in the United States 4.1% in Oct 2024. However, the ongoing wars in Russia and Ukraine, Israel and Hamas, coupled with the geographical tensions continues to raise concerns about economic uncertainties which present challenges for the Group.

Ringgit reached a three-year peak against the US Dollar at RM4.12/USD on 30 September 2024, which resulted in an unrealised loss in foreign currency translation differences of RM1.8 million for 9-month period ended 2024. However, with the recent decline in Ringgit, half the losses have been reversed. This will also offer some relief to export sales and their associated margins.

To navigate these uncertainties and challenges, our Group will actively pursue various cost control measures, strive to improve production efficiency, deliver top-quality products to customers and explore new market opportunities. In line with our sustainability initiatives, our production team is currently collaborating with the Malaysia Timber Council ("MTC") and Standards and Industrial Research Institute Malaysia ("SIRIM") to streamline the production processes, digitise data collection for improvement analysis and enhance production efficiency with the aim of reducing our cost and improving competitiveness in the market.

The prevailing market sentiment suggests a softer consumer outlook for this year, driven by Malaysians grappling with a persistent increase in the cost of living. Nevertheless, with the government initiatives to increase civil servants' salary, restructuring of Employee Provident Fund (EPF) and minimum wages would positively impact consumer spending driving growth in F&B and retail activities.

Looking ahead, we remain cautiously optimistic on the outlook for year 2024. The Group is committed to proactively pursuing opportunities and effectively addressing challenges to bolster its long-term shareholder value.



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (CONT'D)

B4. Profit Forecast and Estimates Announced or Disclosed

Not applicable as there were no profit forecast or estimates that have been announced or disclosed.

B5. Variance of Actual and Forecast Profit

Not applicable as there were no profit forecast and profit guarantee published.

B6. Tax Expense

	3QFY2024 RM'000	3QFY2023 RM'000	9MFY2024 RM'000	9MFY2023 RM'000
Current tax expense	55	(108)	550	878
Deferred tax:				
- Origination and reversal of temporary differences	<u>(450)</u>	<u>321</u>	<u>(512)</u>	<u>(42)</u>
	<u>(395)</u>	<u>213</u>	<u>38</u>	<u>836</u>

The Group's effective tax rate is higher than the statutory rate of 24% mainly due to share of losses in an associate, net of tax and non-deductible expenses from unrealised loss on foreign currency translation differences, corporate exercises and pre operating expenditure.

B7. Status of Corporate Proposal

There were no corporate proposals announced which remain uncompleted during the quarter under review as at the date of this report other than the following:

- (1) The Company had on 12 December 2023 announced that the Company proposed to undertake the following:-
 - i. proposed private placement of up to 113,813,000 new ordinary shares in Cscenic ("Shares" or "Cscenic Shares"), representing up to 30.0% of the total number of issued Shares ("Proposed 30% Private Placement"); and
 - ii. proposed acquisition by Cscenic of 10,563,167 ordinary shares in Redina Malaysia Sdn Bhd ("Redina") from Perdanis Distribution (M) Sdn Bhd representing 51.0% equity interest in Redina for a total purchase consideration of RM35,700,000 to be satisfied wholly by way of cash ("Proposed Acquisition"); and
 - iii. proposed diversification of Cscenic's existing businesses to include in the retail business of apparel and food and beverages ("Proposed Diversification"); and
 - iv. proposed change of the Company's name from "Classic Scenic Berhad" to "Hextar Retail Berhad" ("Proposed Change of Name").

(collectively, the "Proposals")

On 15 December 2023, additional listing application for the Proposed 30% Private Placement has been submitted to Bursa Securities by M&A Securities on behalf of the Board of Directors of the Company.



**PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES
BERHAD LISTING REQUIREMENTS (CONT'D)**

B7. Status of Corporate Proposal (Cont'd)

Bursa Securities had vide its letter dated 18 January 2024, resolved to approve the the listing and quotation of up to 113,813,000 Placement Shares to be issued pursuant to the Proposed 30% Private Placement.

The above approval granted by Bursa Securities is subject to the conditions which were stated in the Company's announcement dated 19 January 2024.

On 5 February 2024, the Company issued a Notice of Extraordinary General Meeting (EGM) to be held on 27 February 2024 to seek approval from shareholders on the abovementioned Proposals and a circular relating to the Proposals has been issued on 6 February 2024.

On 27 February 2024, the Company announced the outcome of EGM of which the Proposals were duly passed by way of poll at the Company's fully virtual EGM held on 27 February 2024.

On 4 March 2024, the Company received the Notice of Registration of New Name pursuant to Section 28 of the Companies Act 2016 issued by the Companies Commission of Malaysia dated 28 February 2024. Accordingly, the name of the Company had been changed from "CLASSIC SCENIC BERHAD" to "HEXTAR RETAIL BERHAD" with effect from 28 February 2024.

On 11 March 2024, M&A Securities announced that the Company and Perdanis have mutually agreed to extend the conditional period for a further period of ninety (90) days in order to ensure all conditions precedent as set out in Clause 3.1 of the Share Sale Agreement are fulfilled.

On 5 April 2024, M&A Securities announced that the solicitors for the Proposals had vide its letter dated on the 5 April 2024 confirmed that all conditions precedent set out in the Share Sale Agreement for the Proposed Acquisition have been fulfilled. Accordingly, the Share Sale Agreement has become unconditional.

On 22 April 2024, M&A Securities announced that the solicitors for the Proposals had vide its letter dated 22 April 2024 confirmed that the acquisition of the Tranche 1 Sale Shares is deemed completed on 22 April 2024 in accordance to the terms and conditions of the Share Sale Agreement.

On 17 May 2024, M&A Securities announced that the Company has fixed the issue price of the first tranche of 10,000,000 Placement Shares at RM0.4150 each. The aforementioned issue price of RM0.4150 per Placement Share represents a discount of approximately RM0.0991 or 19.3% from the five (5)-day weighted average market price of the Company from 10 May 2024 to 16 May 2024 of approximately RM0.5141 per Share.

On 24 May 2024, the Company increased its issued and paid-up share capital by way of issuance of 10,000,000 new ordinary shares for a cash consideration of RM4,150,000 through first tranche of private placement at an issue price of RM0.4150 per share.

On 13 June 2024, M&A Securities announced that the Company has fixed the issue price of the second tranche of the Placement Shares at RM0.4850 each. The aforementioned issue price of RM0.4850 per Placement Share represents a discount of approximately RM0.088 or 15.4% from the five (5)-day weighted average market price of the Company from 6 June 2024 to 12 June 2024 of approximately RM0.5730 per Share.



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (CONT'D)

B7. Status of Corporate Proposal (Cont'd)

On 20 June 2024, M&A Securities announced that the Company has fixed the issue price of the third tranche of the Placement Shares at RM0.50 each. The aforementioned issue price of RM0.50 per Placement Share represents a discount of approximately RM0.0964 or 16.2% from the five (5)-day weighted average market price of the Company from 12 June 2024 to 19 June 2024 of approximately RM0.5964 per Share.

On 25 June 2024, the Company increased its issued and paid-up share capital by way of issuance of 24,000,000 new ordinary shares for a cash consideration of RM11,640,000 through second tranche of private placement at an issue price of RM0.4850 per share.

On 2 July 2024, the Company increased its issued and paid-up share capital by way of issuance of 79,813,000 new ordinary shares for a cash consideration of RM39,906,500 through third tranche of private placement at an issue price of RM0.50 per share.

On 3 July 2024, M&A Securities announced that the Proposed 30% Private Placement has been completed following the listing of a total of 113,813,000 Placement Shares on the Main Market of Bursa Malaysia Securities Berhad.

As at 30 September 2024, the details of the utilisation of proceeds are as follows:-

Purpose	Proposed Utilisation RM'000	Actual Proceeds Raised RM'000	Actual Utilisation RM'000	Unutilised Amount RM'000	Intended Timeframe for Utilisation
Business expansion for F&B	30,725	40,897	12,185	28,712	Within 24 months
Proposed acquisition	14,000	14,000	14,042	(42)*	Within 12 months
Estimated expenses for Proposals	800	800	797	3	Within 6 months
Total	45,525	55,697	27,024	28,673	

* The excess in utilisation arises from the payment of stamp duty for share transfer.

(2) The Company had on 29 April 2024 announced that the Company proposed to undertake the following:-

- i. proposed change of auditors; and
- ii. proposed Renewal of Share Buy-back Authority (collectively, the "Proposals")

On 26 April 2024, the Company issued a Notice of Annual General Meeting (AGM) to be held on 13 June 2024 to seek approval from shareholders on the abovementioned Proposals and a circular relating to the Proposals has been issued on 29 April 2024.

The abovementioned Proposals have been approved in the AGM held on 13 June 2024.



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (CONT'D)

B8. Group Borrowings and Debt Securities

As at 30 September 2024, the Group's borrowing is as follows:-

	Current RM'000	Non-current RM'000	Total RM'000
Short-term borrowing (Unsecured)	2,406	-	2,406

B9. Derivative Financial Instruments

As at 30 September 2024, the Group has no outstanding derivatives financial instruments.

B10. Material Litigation

Since the last Audited Financial Statements for the financial year ended 31 December 2023, the Group does not have any material litigation until the date of this report.

B11. Dividends

No dividend has been proposed or declared by the Board for the current quarter under review.

B12. (Loss)/Earnings Per Share

	3QFY2024	3QFY2023	9MFY2024	9MFY2023 Restated
Basic (loss)/earnings per share (Loss)/Profit after tax attributable to owners of the Company (RM'000)	<u>(1,893)</u>	<u>289</u>	<u>(1,140)</u>	<u>2,006</u>
Weighted average number of ordinary shares (basic) ('000)	<u>493,323</u>	<u>379,343</u>	<u>419,213</u>	<u>376,566</u>
Basic (Loss)/Earnings Per Share (sen)	<u>(0.38)</u>	<u>0.08</u>	<u>(0.27)</u>	<u>0.53</u> *
Diluted (loss)/earnings per share (Loss)/Profit after tax attributable to owners of the Company (RM'000)	<u>(1,893)</u>	<u>289</u>	<u>(1,140)</u>	<u>2,006</u>
Weighted average number of ordinary shares (basic) ('000)	493,323	379,343	419,213	376,566 *
Effect of warrants on issue	39,520 ^	31,983	31,340 ^	44,039 **
Weighted average number of ordinary shares (diluted) ('000)	<u>532,843</u>	<u>411,326</u>	<u>450,553</u>	<u>420,605</u>
Diluted (Loss)/Earnings Per Share (sen)	<u>(0.36)</u>	<u>0.07</u>	<u>(0.25)</u>	<u>0.48</u> *

The average market value of the Company's shares for purpose of calculating the dilutive effect of warrants was based on quoted market prices for the period during which the warrants were outstanding.

* Adjusted for the effect of bonus issue completed on 12 May 2023.

** Adjusted for the effect of additional warrants arising pursuant to the bonus issue completed on 12 May 2023.



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

**PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES
BERHAD LISTING REQUIREMENTS (CONT'D)**

B13. (Loss)/Profit Before Tax

	3QFY2024	3QFY2023	9MFY2024	9MFY2023
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit before tax is arrived at after crediting/(charging):				
Finance income	553	142	698	382
Finance costs	(160)	-	(221)	-
Depreciation of:				
- property, plant and equipment	(905)	(793)	(2,597)	(2,193)
- right-of-use assets	(171)	-	(544)	-
Amortisation of intangible assets	(24)	-	(65)	-
Net loss on foreign exchange:				
- unrealised	(1,510)	(731)	(1,835)	(801)
- realised	(604)	(31)	(719)	(148)
(Loss)/Gain on disposal of property, plant and equipment	-	-	(7)	109

Save as disclosed above, the other items as required under Appendix 9B Part A (16) of the Main Market Listing Requirements of Bursa Securities are not applicable.

By order of the Board

LIM LI HEONG
Company Secretary
MAICSA 7054716