



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 31.12.2025 RM'000	Preceding Year Corresponding Quarter Ended 31.12.2024 RM'000	Current Year To Date Ended 31.12.2025 RM'000	Preceding Year To Date Ended 31.12.2024 RM'000
Revenue	23,932	18,003	79,720	57,694
Cost of sales	(11,586)	(9,740)	(45,043)	(38,130)
<b>Gross profit</b>	<b>12,346</b>	<b>8,263</b>	<b>34,677</b>	<b>19,564</b>
Operating expenses	(14,058)	(4,537)	(38,798)	(16,860)
Other operating income	592	721	2,094	1,574
<b>(Loss)/Profit from operations</b>	<b>(1,120)</b>	<b>4,447</b>	<b>(2,027)</b>	<b>4,278</b>
Finance costs	(847)	(159)	(1,608)	(380)
Share of loss in an associate, net of tax	-	(670)	-	(1,693)
<b>(Loss)/Profit before tax</b>	<b>(1,967)</b>	<b>3,618</b>	<b>(3,635)</b>	<b>2,205</b>
Tax expense	(2,282)	(1,116)	(2,158)	(1,154)
<b>(Loss)/Profit after tax</b>	<b>(4,249)</b>	<b>2,502</b>	<b>(5,793)</b>	<b>1,051</b>
<b>Other comprehensive income, net of tax</b> <i>Item that is or may not be reclassified subsequently to profit and loss</i>				
Foreign currency translation differences for foreign operations	-	-	-	(1)
<b>Total comprehensive (expense)/income</b>	<b>(4,249)</b>	<b>2,502</b>	<b>(5,793)</b>	<b>1,050</b>
<b>(Loss)/Profit after tax attributable to:</b>				
Owners of the Company	(3,671)	2,701	(4,570)	1,561
Non-controlling interests	(578)	(199)	(1,223)	(510)
<b>(Loss)/Profit after tax</b>	<b>(4,249)</b>	<b>2,502</b>	<b>(5,793)</b>	<b>1,051</b>
<b>Total comprehensive (expense)/income attributable to:</b>				
Owners of the Company	(3,671)	2,701	(4,570)	1,560
Non-controlling interests	(578)	(199)	(1,223)	(510)
<b>Total comprehensive (expense)/income</b>	<b>(4,249)</b>	<b>2,502</b>	<b>(5,793)</b>	<b>1,050</b>
<b>(Loss)/Earnings per share attributable to Owners of the Company (sen)</b>				
- Basic	(0.74)	0.55	(0.93)	0.36
- Diluted	(0.71)	0.52	(0.89)	0.33

**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 2024 and the accompanying explanatory notes attached to the Interim Financial Statements.

**HEXTAR RETAIL BERHAD**

(Company No. 200301031466 (633887-M))

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2025**

	(Unaudited) As at 31.12.2025 RM'000	(Audited) As at 31.12.2024 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	136,568	118,361
Right-of-use assets	46,172	12,891
Intangible assets	2,082	1,715
Deferred tax assets	-	426
<b>Total non-current assets</b>	<b>184,822</b>	<b>133,393</b>
<b>Current Assets</b>		
Inventories	16,107	15,101
Trade and other receivables	41,224	12,199
Current tax assets	1,125	1,243
Derivative financial assets	-	7
Short-term investments	725	6,200
Cash and cash equivalents	27,264	55,694
	86,445	90,444
Asset held for sale	12,349	12,349
<b>Total current assets</b>	<b>98,794</b>	<b>102,793</b>
<b>Total assets</b>	<b>283,616</b>	<b>236,186</b>
<b>EQUITY</b>		
Share capital	124,699	123,450
Treasury shares	(17,528)	-
Revaluation reserve	38,707	38,707
Retained earnings	41,963	46,620
Equity attributable to Owners of the Company	187,841	208,777
Non-controlling interests	(1,470)	(402)
<b>Total equity</b>	<b>186,371</b>	<b>208,375</b>
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Lease liabilities	39,328	11,160
Deferred tax liabilities	8,344	8,435
<b>Total non-current liabilities</b>	<b>47,672</b>	<b>19,595</b>
<b>Current Liabilities</b>		
Trade and other payables	10,614	5,141
Contract liabilities	482	458
Lease liabilities	8,391	2,339
Short-term borrowings	29,544	-
Current tax liabilities	542	278
<b>Total current liabilities</b>	<b>49,573</b>	<b>8,216</b>
<b>Total liabilities</b>	<b>97,245</b>	<b>27,811</b>
<b>Total equity and liabilities</b>	<b>283,616</b>	<b>236,186</b>
<b>Net Assets per share (RM)</b>	<b>0.41</b>	<b>0.42</b>

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 2024 and the accompanying explanatory notes attached to the Interim Financial Statements.

**HEXTAR RETAIL BERHAD**

(Company No. 200301031466 (633887-M))

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025**

	-----Attributable to owners of the Company-----							Total Equity RM'000
	-----Non-distributable-----			Distributable				
	Share Capital RM'000	Treasury Shares RM'000	Revaluation Reserve RM'000	Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interests RM'000	
<b><u>12 months ended 31 December 2025</u></b>								
<b>At 1 January 2025</b>	123,450	-	38,707	-	46,620	208,777	(402)	208,375
Loss after tax, representing total comprehensive expense	-	-	-	-	(4,570)	(4,570)	(1,223)	(5,793)
Dilution of interests in subsidiaries	-	-	-	-	(87)	(87)	155	68
Issuance of ordinary shares	1,249	-	-	-	-	1,249	-	1,249
Purchase of treasury shares	-	(17,528)	-	-	-	(17,528)	-	(17,528)
<b>Total transactions with Owners of the Company</b>	<b>1,249</b>	<b>(17,528)</b>	<b>-</b>	<b>-</b>	<b>(87)</b>	<b>(16,366)</b>	<b>155</b>	<b>(16,211)</b>
<b>At 31 December 2025</b>	<b>124,699</b>	<b>(17,528)</b>	<b>38,707</b>	<b>-</b>	<b>41,963</b>	<b>187,841</b>	<b>(1,470)</b>	<b>186,371</b>
<b><u>12 months ended 31 December 2024</u></b>								
<b>At 1 January 2024</b>	67,962	-	38,707	1	44,785	151,455	(48)	151,407
Profit after tax	-	-	-	-	1,561	1,561	(510)	1,051
Other comprehensive income:								
- Foreign currency translation differences for foreign operations	-	-	-	(1)	-	(1)	-	(1)
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1)</b>	<b>1,561</b>	<b>1,560</b>	<b>(510)</b>	<b>1,050</b>
Issuance of ordinary shares	55,488	-	-	-	-	55,488	-	55,488
Disposal of a subsidiary	-	-	-	-	-	-	208	208
Dilution of interests in subsidiaries	-	-	-	-	274	274	(52)	222
<b>Total transactions with Owners of the Company</b>	<b>55,488</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>274</b>	<b>55,762</b>	<b>156</b>	<b>55,918</b>
<b>At 31 December 2024</b>	<b>123,450</b>	<b>-</b>	<b>38,707</b>	<b>-</b>	<b>46,620</b>	<b>208,777</b>	<b>(402)</b>	<b>208,375</b>

**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 2024 and the accompanying explanatory notes attached to the Interim Financial Statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025**

	Current Year To Date Ended 31.12.2025 RM'000	Preceding Year To Date Ended 31.12.2024 RM'000
<b>Cash flows (for)/from operating activities</b>		
(Loss)/Profit before tax	(3,635)	2,205
Adjustments for:		
Depreciation of:		
- Property, plant and equipment	5,014	3,802
- Right-of-use assets	6,114	1,280
Amortisation of intangible assets	270	112
Fair value gain on derivative financial assets	-	(7)
(Gain)/Loss on disposal of property, plant and equipment	(45)	11
Gain on bargain purchase	(324)	-
Gain on lease modification	(27)	-
Impairment loss on:		
- Property, plant and equipment	227	-
- Deposits	25	-
Property, plant and equipment written off	75	5
Unrealised loss/(gain) on foreign exchange	488	(166)
Gain on disposal of subsidiaries	-	(237)
Reversal of inventories written down	-	(229)
Finance income	(1,245)	(1,265)
Finance costs	1,608	380
Share of loss of an associate, net of tax	-	1,693
<b>Operating profit before changes in working capital</b>	<b>8,545</b>	<b>7,584</b>
Changes in working capital :		
- Inventories	(1,006)	6,522
- Trade and other receivables	(29,183)	(5,475)
- Trade and other payables	5,440	2,083
- Contract liabilities	24	316
<b>Cash (used in)/from operations</b>	<b>(16,180)</b>	<b>11,030</b>
Net income tax paid	(1,441)	(1,352)
Interest paid	(228)	(73)
Interest received	1,237	1,250
<b>Net cash (used in)/from operating activities</b>	<b>(16,612)</b>	<b>10,855</b>
<b>Cash flows for investing activities</b>		
Acquisition of:		
- Property, plant and equipment	(23,567)	(10,416)
- Intangible assets	(636)	(640)
- An associate	-	(14,042)
Proceeds from disposal of property, plant and equipment	62	317
Withdrawal/(Acquisition) of short-term investments	5,475	(6,200)
Acquisition of a subsidiary, net of cash and cash equivalents acquired	(561)	-
Net cash outflows from disposal of subsidiaries	-	(371)
<b>Net cash used in investing activities</b>	<b>(19,227)</b>	<b>(31,352)</b>



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2025 (CONT'D)**

	<b>Current Year To Date Ended 31.12.2025 RM'000</b>	<b>Preceding Year To Date Ended 31.12.2024 RM'000</b>
<b>Cash flows from financing activities</b>		
Purchase of treasury shares	(17,528)	-
Proceeds from issuance of ordinary shares	1,249	55,488
Drawdown of bank borrowings	29,544	-
Interest paid in relation to lease liabilities	(1,380)	(307)
Payment of lease liabilities	(4,222)	(1,055)
Proceeds from issuance of shares by subsidiaries to non-controlling interests	68	222
<b>Net cash from financing activities</b>	<b>7,731</b>	<b>54,348</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(28,108)</b>	<b>33,851</b>
Effect of foreign exchange translation differences	(322)	42
<b>Cash and cash equivalents at the beginning of period</b>	<b>55,694</b>	<b>21,801</b>
<b>Cash and cash equivalents at the end of period</b>	<b>27,264</b>	<b>55,694</b>

**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 2024 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 Paragraph 9.22 of the Main Market Listing Requirements of 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 2024 of Hexstar Retail Berhad ("HEXRTL" or "the Company") and its subsidiaries ("the Group"), which were prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. 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 2024.

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 2024 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 2025

- Amendments to MFRS 121, *Lack of Exchangeability*

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 2026

- Amendments to MFRS 9 and MFRS 7, *Amendments to the Classification and Measurements of Financial Instruments*
- Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107, *Annual Improvements to MFRS Accounting Standards – Volume 11*
- Amendments to MFRS 9 and MFRS 7, *Contracts Referencing Nature-dependent Electricity*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

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

- Amendments to MFRS 10 and MFRS 128 – *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 2024 of the Group was not subject to any qualification.

**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 under review to date.

**A5. Material Changes in Estimates**

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

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

Save as disclosed below, there were no other issuances, 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 under review to date:-

- (a) The Company repurchased 34,617,700 of its issued shares from open market on Bursa Malaysia Securities Berhad amounting to RM16.8 million.
- (b) The Company increased its issued and paid-up share capital by way of issuance of 2,272,800 new ordinary shares arising from the exercise of warrants amounting to RM0.9 million.

As at 31 December 2025, the total number of issued shares of the Company was 496,236,368 ordinary shares and the total number of outstanding Warrants 2021/2026 was 159,825,450 at an exercise price of RM0.41 per outstanding Warrant.

**A7. Dividends Paid**

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



**NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

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

**A8. Segmental Reporting**

The Group is principally engaged in manufacturing and sale of wooden picture frame mouldings and retail businesses. Other non-reportable segments represent investment holding. The Group's reportable segments result for the financial year ended 31 December 2025 is as follows:-

	Wooden Picture Frame Mouldings RM'000	Retail RM'000	Other Non- reportable Segments RM'000	Consolidation Adjustments RM'000	Total RM'000
<b>Segment Profit/(Loss)</b>	3,293	(8,809)	(277)	-	(5,793)
<i>Included in the measure of segment profit/(loss) are:</i>					
Revenue from external customers	43,046	36,674	-	-	79,720
Depreciation and amortisation	(3,409)	(7,988)	(1)	-	(11,398)
Impairment loss	-	252	-	-	252
Finance income	792	4	1,522	(1,073)	1,245
Finance costs	(131)	(2,425)	(125)	1,073	(1,608)
Tax (expense)/credit	(1,096)	(706)	(356)	-	(2,158)
<b>Segment Assets</b>	144,094	119,278	126,823	(106,579)	283,616
<i>Included in the measure of segment assets are:</i>					
Additions to non-current assets other than financial instruments and deferred tax assets	980	60,406	97	-	61,483

**A9. Subsequent Events**

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

**A10. Change in the Composition of the Group**

Save as disclosed below, there were no other material changes in the composition of the Group for the current quarter under review:-

- (a) On 4 December 2025, a wholly-owned subsidiary of the Company, Soma Wellness Sdn Bhd incorporated a subsidiary in Malaysia, namely Serenity Summer Sdn Bhd with an issued and paid-up share capital of RM100 for the purpose of expansion of retail business.



**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 (Cont'd)**

Save as disclosed below, there were no other material changes in the composition of the Group for the current quarter under review:-

- (b) On 31 December 2025, a wholly-owned subsidiary of Hextar F&B Sdn Bhd ("HFB"), Tasty Trails Culinary Sdn Bhd ("TTCSB") issued 99 fully paid-up ordinary shares at an issue price of RM1.00 per share and HFB subscribed 50 newly issued shares. Subsequent to the issuance of shares, TTCSB became a 51%-owned subsidiary of HFB.
- (c) On 31 December 2025, a wholly-owned subsidiary of HFB, Gastronomic Gems Sdn Bhd ("GGSB") issued 99 fully paid-up ordinary shares at an issue price of RM1.00 per share and HFB subscribed 50 newly issued shares. Subsequent to the issuance of shares, GGSB became a 51%-owned subsidiary of HFB.

**A11. Capital Commitments Outstanding Not Provided in the Interim Financial Report**

	<b>As at 31.12.2025 RM'000</b>
Property, plant and equipment approved and contracted for	<u>4,965</u>

**A12. Related Party Transactions**

The related parties comprising of directors and/or major shareholders of the Company and its subsidiaries who are either the directors and/or major shareholders of the Group and the Company or the persons connected with the Group and the Company by virtue of Section 197 Companies Act 2016. The following table provides information on the transactions which have been entered into with the related parties for the period ended 31 December 2025:-

	<b>Transaction Value 31.12.2025 RM'000</b>
Common Directors of the Subsidiaries:-	
Purchase	9,367
Management, marketing and support services	2,365
Wages	41
Common major shareholder:-	
Wages	720
Utilities	151
Processing fee	1
Close family members of directors of the subsidiaries:-	
Purchase	107
Marketing service	<u>60</u>

**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 fourth quarter ("4QFY2025") and financial year ("FY2025") ended 31 December 2025 with the corresponding quarter and period in the last financial year is as follows:

	4Q	4Q	Variance		FY2025	FY2024	Variance	
	FY2025	FY2024	RM'mil	%	RM'mil	RM'mil	RM'mil	%
	RM'mil	RM'mil	RM'mil	%	RM'mil	RM'mil	RM'mil	%
Revenue	23.9	18.0	5.9	32.8%	79.7	57.7	22.0	38.1%
(Loss)/Profit before tax	(2.0)	3.6	(5.6)	155.6%	(3.6)	2.2	(5.8)	-263.6%
(Loss)/Profit after tax	(4.2)	2.5	(6.7)	268.0%	(5.8)	1.1	(6.9)	-627.3%
(Loss)/Profit attributable to Owners of the Company	(3.7)	2.7	(6.4)	237.0%	(4.6)	1.6	(6.2)	-387.5%

The Group registered revenue of RM23.9 million for the current quarter, marking an increase of RM5.9 million or 32.8%, compared to RM18.0 million in the corresponding quarter of the preceding year. The increase was mainly attributable to a stronger contribution from retail segment of RM8.4 million, partially offset by lower revenue from wooden picture frame mouldings ("WPFM") segment, which was impacted by the strengthening of Ringgit and lower export volume. The Group recorded a loss before tax of RM2.0 million, a decline of RM5.6 million, compared to a profit before tax of RM3.6 million in the corresponding quarter of the preceding year. The decline was primarily due to initial setup costs and higher operating expenses incurred in line with the continued expansion of retail operations, coupled with the lower revenue from the WPFM segment, notwithstanding the share of loss in an associate recorded in the corresponding quarter of the preceding year.

On a 12 months basis, the Group recorded revenue of RM79.7 million, representing an increase of RM22.0 million or 38.1% compared to RM57.7 million in the preceding year corresponding period. The increase was mainly attributable to higher revenue contribution from the retail segment of RM27.5 million, partially offset by lower revenue from the WPFM segment, which was affected by the strengthening of Ringgit and lower export volume. The Group reported a loss before tax of RM3.6 million, a decline of RM5.8 million, compared to a profit before tax of RM2.2 million in the corresponding period of the preceding year. The decline was primarily due to initial setup costs and higher operating expenses arising from the continued expansion of retail operations, coupled with lower revenue from the WPFM segment, notwithstanding the share of loss in an associate recorded in the preceding year corresponding period.



**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**

	4QFY2025	3QFY2025	Variance	
	RM'mil	RM'mil	RM'mil	%
Revenue	23.9	21.4	2.5	11.7%
Loss before tax	(2.0)	-	(2.0)	100.0%
Loss after tax	(4.2)	(0.1)	(4.1)	-4100.0%
(Loss)/Profit attributable to Owners of the Company	(3.7)	0.1	(3.8)	3800.0%

The Group recorded revenue of RM23.9 million, representing an increase of RM2.5 million or 11.7% compared to RM21.4 million in the immediate preceding quarter. The increase was predominantly driven by stronger retail sales supported by ongoing expansion initiatives, partially offset by lower revenue from the WPFM segment. The Group's loss before tax stood at RM2.0 million, a decline of RM2.0 million from a breakeven profit before tax in the immediate preceding quarter. The decline was primarily due to higher setup costs and operating expenses for the retail business expansion.

**B3. Prospects**

**WPFM**

The operating environment remains fluid, shaped by geopolitical uncertainties, evolving global trade dynamics, and ongoing volatility in commodity and currency markets. While certain export-oriented sectors are experiencing gradual stabilisation, global demand conditions remain uneven, and supply chains continue to adjust to shifting trade policies and regional realignments. In addition, fluctuations in raw material prices and exchange rates continue to pose cost management challenges for manufacturers.

In response, our Group remains focused on disciplined cost optimisation, operational efficiency, and prudent inventory management. We continue to prioritise product innovation, quality assurance, and supply chain resilience to safeguard margins and maintain customer confidence. At the same time, we are actively pursuing strategic partnerships and market diversification initiatives to enhance our long-term sustainability and competitive positioning.

**Retail**

Malaysia's economy continues to demonstrate resilience, supported primarily by steady domestic consumption and services sector growth. While overall GDP growth has moderated compared to earlier post-pandemic peaks, household spending remains relatively stable. Consumer sentiment is cautiously positive, supported by a stable labour market and manageable inflation levels, though spending patterns are increasingly value-driven and selective.

Retail performance remains mixed but generally stable. Essential goods, supermarkets, and convenience retail continue to record steady demand, while discretionary spending shows more measured growth amid cost-of-living considerations. Inflationary pressures have eased compared to prior years, but input costs and subsidy adjustments continue to influence household budgets.

Looking ahead, we maintain a cautiously optimistic outlook for the year 2026. While external uncertainties and cost pressures persist, domestic demand is expected to remain supportive. Our Group remains committed to strengthening operational agility, enhancing customer engagement, and capitalising on emerging opportunities to deliver sustainable growth and 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**

	4QFY2025 RM'000	4QFY2024 RM'000	FY2025 RM'000	FY2024 RM'000
Current tax	(664)	(864)	(1,823)	(1,414)
Deferred tax	(1,618)	(252)	(335)	260
	<u>(2,282)</u>	<u>(1,116)</u>	<u>(2,158)</u>	<u>(1,154)</u>

The Group's effective tax rate is lower than the statutory rate of 24% mainly due to deferred tax assets of certain subsidiaries have not been recognised as it may not have sufficient taxable profits to be used to offset.

**B7. Status of Corporate Proposal**

Save as disclosed below, there were no other corporate proposals announced but not completed as at the date of this report:-

- i. Proposed acquisition by the Company of 10,563,167 ordinary shares in Redina Malaysia Sdn Bhd ("Redina") from Perdanis Distribution (M) Sdn Bhd ("Perdanis") 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").

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 31 December 2024, the Company issued a written termination notice to Perdanis to terminate the Share Sale Agreement for the acquisition of Redina. Consequently, the Company is entitled to terminate the acquisition of Tranche 2 Sale Shares, and Perdanis shall repurchase the Tranche 1 Sale Shares from the Company at the Tranche 1 Purchase Consideration within a period of 24 months from the date of the Company's written termination notice.

On 22 December 2025, the Company has since identified new purchasers for the Tranche 1 Sale Shares. In this regards, the Company has entered into a new Share Sale Agreement dated 22 December 2025 with Xeno Realty Sdn Bhd and Hijauwan Sdn Bhd (collectively, the "Purchasers"), together with Perdanis, for the disposal of the Tranche 1 Sale Shares for a total consideration of RM14,000,000.



**NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

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

**B8. Status of Utilisation of Proceeds Raised from Corporate Proposal**

The gross proceeds raised from the proposed 30% Private Placement undertaken by the Company amounted to RM55.7 million. As at 31 December 2025, the proceeds have been fully utilised.

**B9. Group Borrowings and Debt Securities**

The Group's short-term borrowings as at 31 December 2025 are as follows:-

	<b>As at 31.12.2025 RM'000</b>	<b>As at 31.12.2024 RM'000</b>
<b>Secured:</b>		
Revolving credit	9,363	-
<b>Unsecured:</b>		
Trade financing	20,181	-
	<u>29,544</u>	<u>-</u>

The short-term borrowings are denominated in Ringgit Malaysia.

**B10. Derivative Financial Instruments**

As at 31 December 2025, the Group has no outstanding derivative financial instruments.

**B11. Material Litigation**

Since the last audited financial statements for the financial year ended 31 December 2024, the Group does not have any material litigation until the date of this report.

**B12. Dividends**

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



**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)/Earnings Per Share**

	4QFY2025	4QFY2024	FY2025	FY2024
<b>Basic (loss)/earnings per share</b>				
(Loss)/Profit after tax attributable to owners of the Company (RM'000)	<u>(3,671)</u>	<u>2,701</u>	<u>(4,570)</u>	<u>1,561</u>
Weighted average number of ordinary shares (basic) ('000)	<u>495,004</u>	<u>493,191</u>	<u>493,695</u>	<u>437,809</u>
Basic (Loss)/Earnings Per Share (sen)	<u>(0.74)</u>	<u>0.55</u>	<u>(0.93)</u>	<u>0.36</u>
<b>Diluted (loss)/earnings per share</b>				
(Loss)/Profit after tax attributable to owners of the Company (RM'000)	<u>(3,671)</u>	<u>2,701</u>	<u>(4,570)</u>	<u>1,561</u>
Weighted average number of ordinary shares (basic) ('000)	495,004	493,191	493,695	437,809
Effect of warrants on issue	<u>21,844</u>	<u>21,887</u>	<u>17,825</u>	<u>32,108</u>
Weighted average number of ordinary shares (diluted) ('000)	<u>516,848</u>	<u>515,078</u>	<u>511,520</u>	<u>469,917</u>
Diluted (Loss)/Earnings Per Share (sen)	<u>(0.71)</u>	<u>0.52</u>	<u>(0.89)</u>	<u>0.33</u>



**NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)**

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

**B14. (Loss)/Profit Before Tax**

	4QFY2025 RM'000	4QFY2024 RM'000	FY2025 RM'000	FY2024 RM'000
<b>(Loss)/Profit before tax is arrived at after charging/(crediting):</b>				
Depreciation of:				
- Property, plant and equipment	828	905	5,014	3,802
- Right-of-use assets	3,319	171	6,114	1,280
Amortisation of intangible assets	147	24	270	112
Gain on bargain purchase	-	-	(324)	-
(Gain)/Loss on disposal of:				
- Property, plant and equipment	-	-	(45)	11
- Subsidiaries	-	-	-	(237)
Impairment loss on:				
- Property, plant and equipment	227	-	227	-
- Deposits	25	-	25	-
Property, plant and equipment written off	72	-	75	5
Reversal of inventories written down	-	-	-	(229)
Net loss/(gain) on foreign exchange:	-			
- Unrealised	297	1,510	488	(166)
- Realised	282	604	643	938
Finance income	(132)	(553)	(1,245)	(1,265)
Finance costs	847	160	1,608	380
	<u>847</u>	<u>160</u>	<u>1,608</u>	<u>380</u>

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,

**Lau Hooi Pin**  
**MAICSA 7081620**  
Company Secretary

26 February 2026