

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

Bursa Malaysia Securities Berhad ("Bursa Securities") has not perused this Circular in respect of the proposed renewal of existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature and proposed renewal of share buy-back authority (as defined herein) prior to the issuance of this Circular.

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HEXTAR GLOBAL BERHAD

[Registration No. 199001014551 (206220-U)]

(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

PART A

PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE")

PART B

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY FOR THE PURCHASE OF ITS OWN ORDINARY SHARES ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY")

The resolutions in respect of above Proposals will be tabled as Special Business at the 34th Annual General Meeting ("**AGM**") of the Company which will be held at Hextar Global Berhad's Corporate Office, Level 17, Hextar Tower Empire City, Jalan PJU 8/1, Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Friday, 30 May 2025 at 10.00 a.m. or any adjournment thereof.

The Notice of the 34th AGM and the Proxy Form are set out in the Company's Annual Report 2024 and is also available to download from the Company's website at <https://hextarglobal.com/>.

If you decide to appoint proxies to attend, participate and vote on your behalf at the 34th AGM, you are requested to complete, sign and return the original Proxy Form in accordance with the instructions therein as soon as possible and must be deposited at the Share Registrar office of the Company, Aldpro Corporate Services Sdn. Bhd at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur or email to admin@aldpro.com.my not less than forty-eight (48) hours before the time stipulated for holding the meeting.

Last day, date and time for lodging the Proxy Form : Wednesday, 28 May 2025 at 10.00 a.m.

Day, date and time of the 34th AGM : Friday, 30 May 2025 at 10.00 a.m.

This Circular is dated 30 April 2025.

DEFINITIONS

For the purposes of this Circular, except where the context otherwise requires, the following definitions shall apply:

| | |
|---------------------------|--|
| “Act” | : The Companies Act 2016 as amended from time to time, and includes every statutory modification or any re-enactment thereof for the time being in force |
| “AGM” | : Annual General Meeting |
| “Audit Committee” | : The Audit Committee of Hextar |
| “Board” | : The Board of Directors of Hextar |
| “Bursa Securities” | : Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)] |
| “Circular” | : This Circular to Shareholders dated 30 April 2025 in relation to the Proposals |
| “Dato’ Eddie Ong” | : Dato’ Eddie Ong Choo Meng |
| “Director” | : Shall have the same meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a director or a chief executive of the Hextar Group |
| “EPS” | : Earnings Per Share |
| “HBBSB” | : Hextar Biogas BEE Sdn Bhd, a 55% owned subsidiary of Hextar, 21% is owned by Lian Dazhi, 15% by Luo Deming, 7% by Lim Swee Sang and the remaining of 2% by Lim Eng Bee (all individuals are unrelated third parties to Hextar Group) |
| “Hextar” or “the Company” | : Hextar Global Berhad [Registration No. 199001014551 (206220-U)] |
| “Hextar Group” or “Group” | : Hextar and its subsidiaries |
| “Hextar Capital” | : Hextar Capital Berhad [Registration No. 199401036979 (322661-W)] |
| “Hextar Capital Group” | : Hextar Capital Berhad and its subsidiaries |
| “Hextar Healthcare” | : Hextar Healthcare Berhad [Registration No. 199601000297 (372642-U)] |
| “Hextar Healthcare Group” | : Hextar Healthcare Berhad and its subsidiaries |
| “Hextar Industries” | : Hextar Industries Berhad [Registration No. 201101044580 (972700-P)] |
| “Hextar Industries Group” | : Hextar Industries Berhad and its subsidiaries |
| “Hextar Rubber” | : Hextar Rubber Sdn Bhd [Registration No. 200801012230 (813518-T)] |
| “Hextar Technologies” | : Hextar Technologies Solutions Berhad [Registration No. 200501034100(716241-X)] |

DEFINITIONS (CONT'D)

| | |
|-----------------------------|---|
| “Hextar Technologies Group” | : Hextar Technologies Solutions Berhad and its subsidiaries |
| “HFSB” | : Hextar Fruits Sdn Bhd, a 51% owned subsidiary of Hextar and the remaining of 49% is owned by PHG Sun Hill Sdn Bhd (an entity that is not related to Hextar Group) |
| “HHSB” | : Hextar Holdings Sdn Bhd [Registration No. 200601002945 (722692-V)], the ultimate holding company of Hextar (53.73%) |
| “HHSB Group” | : Hextar Holdings Sdn Bhd and its subsidiaries |
| “HKSB” | : Hextar Kimia Sdn Bhd, a 49% owned subsidiary of Hextar and the remaining of 51% is owned by Ekopintar Sdn Bhd (an entity that is not related to Hextar Group) |
| “HOSB” | : Hextar Oiltech Sdn Bhd (formerly known as OPCOM Lube & Solutions Sdn Bhd), a 60% owned subsidiary of Hextar and the remaining of 40% is owned by Lim Jun Yeong (an individual that is not related to Hextar Group) |
| “HUSB” | : Hextar Unitop Sdn Bhd, a 50% owned joint venture of Hextar Chemicals Group Sdn Bhd which in turn is a wholly-owned subsidiary of Hextar |
| “Listing Requirements” | : Main Market Listing Requirements of Bursa Securities, including any amendments made in respect thereof from time to time |
| “LPD” | : 7 April 2025, being the latest practicable date prior to the printing of this Circular |
| “Major Shareholder(s)” | <p>: Means a person who has an interest or interests in one (1) or more voting shares in a company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is:</p> <p>(a) 10% or more of the aggregate of the nominal amounts of all the voting shares in the Company; or</p> <p>(b) 5% or more of the aggregate of the nominal amounts of all the voting shares in the Company where such person is the largest shareholder of the Company</p> <p>For the purpose of this definition, “interest in shares” shall have the meaning given in Section 8 of the Act and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, such major shareholder of the company or any other company which is its subsidiary or holding company</p> |
| “Market Day” | : A day which Bursa Securities is open for the trading of securities, which may include a surprise holiday |
| “NA” | : Net assets attributable to ordinary equity holders of Hextar |

DEFINITIONS (CONT'D)

| | |
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| "Person Connected" | : In relation to a Director or a Major Shareholder, means such person who falls under any one of the following categories:- |
| | (a) a family member of the Director or Major Shareholder; |
| | (b) a trustee of a trust (other than a trustee for an employee share scheme or pension scheme) under which the Director, Major Shareholder or a family member of the Director or Major Shareholder is the sole beneficiary; |
| | (c) a partner of the Director, Major Shareholder or a partner of a person connected with that Director or Major Shareholder; |
| | (d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder; |
| | (e) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act; |
| | (f) a body corporate in which the Director, Major Shareholder and/or persons connected with the Director or Major Shareholder are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or |
| | (g) a body corporate which is a related corporation of the Director or Major Shareholder. |
| "Proposed Renewal of Shareholders' Mandate" | : Proposed renewal of the existing shareholders' mandate for Hextar Group to enter into RRPTs of a revenue or trading nature which are necessary for its day-to-day operations and are in the ordinary course of business of the Group |
| "Proposed Renewal of Share Buy-Back Authority" | : Proposed renewal of authority for the Company to purchase up to ten percent (10%) of the issued and paid-up share capital of the Company |
| "Proposals" | : Proposed Renewal of Shareholders' Mandate and Proposed Renewal of Share Buy-Back Authority, collectively |
| "PTASR" | : PT Agro Sentosa Raya, a 99.91% owned subsidiary of the Company and the remaining of 0.09% is owned by Ardian Gunawan (an unrelated third party to Hextar Group) |
| "Purchased Hextar Shares" | : Shares purchased by Hextar pursuant to Section 127 of the Act |
| "Related Party(ies)" | : Director(s), major shareholder(s) or person(s) connected with such director(s) or major shareholder(s) of Hextar Group |
| "Recurrent Related Party Transactions" or "RRPT(s)" | : A transaction entered into by the Company or its subsidiaries which involves the interest, direct or indirect, of a Related Party, which is recurrent, of a revenue or trading nature and which are necessary for |

DEFINITIONS (CONT'D)

| | |
|------------------------------|---|
| | day-to-day operations of the Group, and are in the ordinary course of business and are on terms not more favourable to the Related Party(ies) than those generally available to the public and are not to the detriment of the minority shareholders. |
| “RM” and “sen” | : Ringgit Malaysia and sen, respectively |
| “Shareholders” | : Shareholders of Hextar |
| “Shareholders Mandate” | : Shareholders’ Mandate for the Recurrent Related Party Transactions |
| “Substantial Shareholder(s)” | : A person who has interest or interests in one or more voting Shares in the Company and the nominal amount of that Share, or aggregate of the nominal amount of those shares, is not less than 5% of the aggregate of the nominal amount of all the voting Shares in the Company |
| “Surprise Holiday” | : A day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year. |
| “Treasury Shares” | : The Purchase Shares which are or will be retained in treasury by the Company and shall have the meaning given under Section 127 of the Act |

All references to “you” in this Circular are referred to the Company’s shareholders.

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a date and time of a day in this Circular shall be a reference to Malaysian dates and time, unless otherwise specified.

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PART A

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE



HEXTAR GLOBAL BERHAD

[Registration No. 199001014551 (206220-U)]
(Incorporated in Malaysia)

Registered Office:

B-21-1, Level 21, Tower B,
Northpoint Mid Valley City,
No. 1, Medan Syed Putra Utara,
59200 Kuala Lumpur
W.P. Kuala Lumpur

30 April 2024

Board of Directors:

Dato' Sri Dr. Erwan bin Dato' Haji Mohd Tahir (*Independent Non-Executive Chairman*)
Dato' Ong Soon Ho (*Non-Independent Non-Executive Vice Chairman*)
Lee Chooi Keng (*Group Managing Director*)
Rayburn Azhar Bin Ali (*Executive Director*)
Yeoh Chin Hoe (*Senior Independent Non-Executive Director*)
Liew Jee Min @ Chong Jee Min (*Independent Non-Executive Director*)

Dear Shareholders,

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

1. INTRODUCTION

At the 33rd AGM of the Company held on 20 May 2024, the Company sought and obtained from its shareholders the general mandate for Hextar Group to enter into RRPTs of a revenue or trading nature with the Related Parties in the ordinary course of business based on commercial terms which are not more favourable to the Related Parties than those generally available to the public and which are necessary for Hextar Group's day to day operations. In accordance with the Listing Requirements, the existing Shareholders' Mandate shall lapse at the conclusion of the forthcoming 34th AGM of the Company, scheduled to be held on 30 May 2025, unless renewed by the shareholders of the Company.

On 25 April 2025, the Board announced that the Company proposes to undertake the Proposed Renewal of Shareholders' Mandate at the 34th AGM of the Company.

The purpose of this Circular is to provide you with the relevant information of the Proposed Renewal of Shareholders' Mandate and to seek your approval on the ordinary resolution pertaining to the Proposed Renewal of Shareholders' Mandate to be tabled at the 34th AGM. The notice of the AGM together with the Proxy Form is enclosed in the Annual Report of the Company for the financial year ended 31 December 2024.

SHAREHOLDERS OF HEXTAR ARE ADVISED TO READ AND CONSIDER THE CONTENTS OF THIS CIRCULAR CAREFULLY BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AT THE FORTHCOMING AGM.

2. DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

2.1 The Listing Requirements

Pursuant to Paragraph 10.09(2) of the Listing Requirements, a listed issuer may seek a mandate from its shareholders in respect of RRPTs subject to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public;
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of the transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the threshold below in relation to a listed issuer with an issued and paid-up capital of RM60.0 million and above :
 - (i) the consideration, value of the assets, capital outlay or costs of the RRPT is RM1.0 million or more; or
 - (ii) the percentage ratio of such RRPT is 1% or more,whichever is the higher.
- (c) the listed issuers' circular to shareholders for the shareholder mandate includes the information as may be prescribed by Bursa Securities. The draft circular must be submitted to Bursa Securities together with a checklist showing compliance with such information;
- (d) in a meeting to obtain shareholders' mandate, the interested directors, interested major shareholders or interested person connected with a director or major shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such directors or major shareholder, must not vote on the resolution to approve the RRPT. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution approving the RRPT; and
- (e) the listed issuer immediately announces to Bursa Securities when the actual value of a RRPT entered into by the listed issuer, exceeds the estimated value of the RRPT disclosed in the circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

2.2 Principal Activities of Hextar Group

The Company is principally an investment holding company and the details of Hextar's subsidiaries as well as their principal activities as at the LPD are set out in the table below:

| Hextar's Subsidiaries | Effective Ownership Interest | Principal activities |
|--|------------------------------|--|
| Halex Management Sdn Bhd | 100% | Provision of management services |
| Halex (M) Sdn Bhd ("Halex (M)") | 100% | Marketing, distributions and agency of agrochemicals |
| Hextar Chemicals Group Sdn Bhd ("HCGSB") | 100% | Investment holding |

| | | |
|---|--------|---|
| HBBSB | 55% | (i) Providing services related to integrated process and system using biological green technology (ii) Providing consultancy, research and development, design, manufacturing and commissioning and testing, maintenance, and service to produce methane gas or organic fertilizer (iii) Investment holding |
| Chempro Technology (M) Sdn Bhd ("CTSB") | 100% | General Agent and Trading in Institutional and Industrial Chemicals |
| Alpha Aim (M) Sdn Bhd | 100% | Manufacturing and Trading Industrial Chemicals Detergent and Related Products |
| Nobel Synthetic Polymer Sdn Bhd | 100% | Manufacturing of Chemicals Derivatives, Coating and Related Products |
| Nobel Scientific Sdn Bhd | 100% | Manufacturing of Chemicals Derivatives, Coating and Related Products |
| HKSB | 49% | Manufacture, Blending, Bulk Storage, Repacking and Specialty Chemicals, Catalysts and Adsorbents |
| Hextar Kimia (Australia) Pty. Ltd. ("Hextar Kimia (Australia)") | 100% | Investment holding |
| Tufbond Technology Sdn Bhd | 100% | Trading & Manufacturing of Polymers, Adhesive Product, Machineries, Provision of Technical Assistance & Technology Transfer |
| Hextar Agriculture Sdn Bhd | 60% | Manufacturing and marketing of a wide range of fertilisers and the trading of agrochemical products and trading of commodities, agricultural products and poultry |
| PTASR | 99.91% | Principally engaged in the chemical industry in Indonesia, a one-stop solution company providing full range of services from developing, procuring, processing, warehousing to distributing chemical products |
| Hextar Industrial Chemicals Sdn Bhd ("HICSB") | 100% | Principally engaged in trading and distribution of industrial chemical products, including chemicals for food, pharmaceutical, plastic, coating, Polyvinyl chloride (PVC), personal care, rubber and adhesive, and others |
| HFSB | 51% | Investment holding |
| HOSB | 60% | Principally engaged in the business of trading of lubricant oil and oil related products. |
| Held through Halex (M): | | |
| Halex Industries (M) Sdn Bhd | 100% | Formulations and distributions of agricultural chemicals, fertilisers and compounds |
| Halex Biotechnologies Sdn Bhd | 100% | (i) Horticulture and agro-biotechnology (j) Manufacturing Bio-decomposition of palm oil waste |
| Halex Realty Sdn Bhd | 100% | Investment in landed property |

| | | |
|---|--------|---|
| Halex Chemicals (S) Pte Ltd | 100% | Trading of fertilizers and agriculture chemicals |
| Pengedaran Beras Lestari Sdn Bhd | 100% | Wholesale of rice, other grains, flour, and sugars |
| Held through CTSB: | | |
| Protek Chemicals & Engineering (B) Sdn Bhd | 99.99% | Retailer of specialized cleaning and sanitizing chemicals and other related services |
| Held through HCGSB: | | |
| Hextar Chemicals Sdn Bhd ("HCSB") | 100% | Production and trading of pesticides/ agrochemicals |
| Hextar R&D International Sdn Bhd | 100% | R&D activities and the provision of laboratory services in relation to agrochemicals |
| HUSB | 50% | Production and trading of special chemicals |
| Held through HBBSB: | | |
| Biogas Environmental Engineering Sdn Bhd | 100% | Business of biological technology to process the waste from palm oil processing mill or other industries to produce methane (biogas) or organic fertiliser |
| Held through HKSB: | | |
| Hextar Oilfield Chemicals Sdn Bhd | 100% | Marketing, Selling and Distribution of Equipment and Machineries as well as Provision of After-Sales Services Including Maintenance, Repair and Overhauling |
| Hextar Downstream Services Sdn Bhd | 100% | Principally engaged in the provision of innovative field development, refurbishment and abandonment solutions to the global upstream oil and gas industry |
| Hextar Secadyme Sdn Bhd | 100% | Supplying industrial chemicals and catalysts for the oil and gas industry, blending, mixing and supplying of oilfield chemicals, environmental chemicals and other related products |
| Held through Hextar Kimia (Australia): | | |
| International Chemicals Engineering Pty. Ltd. | 100% | Supplier of liquid odorant, dosing systems and servicing to gas delivery and storage systems |
| Held through HFSB: | | |
| PHG.Ever Fresh Food (M) Sdn Bhd ("PEFFM") | 100% | Engaged in the business of durian, durian processing and other fruits |
| PHG.Ever Fresh Food (TK) Sdn Bhd ("PEFFTK") | 100% | Engaged in the business of frozen durian, durian paste, durian pulp and other durian related products |
| PHG Wholesale & Retail Sdn Bhd ("PW&R") | 100% | Wholesale of durian and other fruits |
| PHG Ever Fresh Plantation Sdn Bhd ("PEFP") | 55% | Principally engaged in the business of growing and wholesale of durian |

| | | |
|----------------------------|------|---|
| Fruits Venture Sdn Bhd | 100% | (i) Investment holding company. (ii) Trading, distribution, import and export of fruits. |
| Durian Boat Global Sdn Bhd | 100% | Trading of Durian |

It is anticipated that Hextar Group would, in the normal course of business, continue to enter into transactions with the Related Parties, details of which are set out in Section 2.4 below. It is likely that such transactions will occur with some degree of frequency and could arise at any time.

As such, the Board proposes to seek the shareholders' approval for the Proposed Renewal of Shareholders' Mandate for the Hextar Group to enter into transactions in the normal course of business within the classes of Related Parties set out in Section 2.4 below, provided such transactions are entered into at arm's length and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders. Such mandate will enable the Group to enter into the RRPTs without the necessity, in most instances, to make the otherwise required announcement or to convene meetings in order to procure specific prior approval of its shareholders. The RRPTs will also be subject to the review procedures set out in Section 2.5 below.

2.3 Validity Period of the Proposed Renewal Shareholders' Mandate

The Proposed Renewal Shareholders' Mandate, if approved by the shareholders, shall take effect from the passing of the ordinary resolution proposed at the forthcoming AGM and shall continue to be in force until:

- (a) the conclusion of the next AGM of the Company following the general meeting at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the general meeting, the mandate is renewed;
- (b) the expiration of the period within which the next AGM of the Company after the date is required to be held pursuant to Section 340 (2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340 (4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is earlier.

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2.4 Classes of Related Parties and Nature of RRPTs

The Proposed Renewal of Shareholders' Mandate will apply to the transactions with the following companies:

Directors and/or Major Shareholders and Persons Connected to them:-

| Related Parties | Principal Activities |
|---------------------------|---|
| Hextar Healthcare Group | <ul style="list-style-type: none">• Manufacturing and sales of test kits and other healthcare related products and services such as medicine, medical consumables, pharmaceutical products, medical equipment or devices, vaccines, health supplements, provision of quarantine services, health screening services, clinical services, and laboratory services.• Manufacturing and sale of household, industrial rubber gloves and disposable gloves.• Trading of gloves, household items, kitchen items and personal protective products. |
| Hextar Industries Group | <ul style="list-style-type: none">• Manufacturing, trading, distribution, and wholesale of fertilisers.• Supply and distributing machinery, reconditioned machinery, spare parts, conveyor belts and related industrial products to quarry industry and manufacturing, distribution, and supply of quarry crusher screens.• Provision of temporary temperature, control, power, structure solutions and trading of industrial products that include forklifts, industrial batteries and/or its accessories/parts. |
| Hextar Capital Group | <ul style="list-style-type: none">• Manufacturing of fibre optic cables, systems, accessories to telecommunications network operators and electrical utility provider, and thixotropic gel for fibre optic and construction purposes.• Trading of cable filling, flooding compounds, industrial products and building materials as well as provision of engineering services to the telecommunications and power utilities industry. |
| Hextar Technologies Group | <ul style="list-style-type: none">• Provision of total logistics services including land transportation, forwarding services, project logistics, and door-to-door delivery services.• Provision of warehouse.• Trading of building materials for residential, commercial, and industrial developments.• Provision of technology-related services including e-commerce marketplace and one-stop solution financial application. |
| HHSB Group | <ul style="list-style-type: none">• Manufacturing, trading and distribution of formulated agrochemicals, fertilisers and industrial chemical products. |

2.4 Classes of Related Parties and Nature of RRPTs (cont'd)

| Related Parties | Principal Activities |
|-------------------|--|
| Dato' Ong Soon Ho | <ul style="list-style-type: none"> • Non-Independent Non-Executive Vice-Chairman of Hextar. • Director and Major Shareholder of HHSB, the holding company of Hextar. • Major Shareholder of Hextar, Hextar Industries and Hextar Technologies via his substantial shareholding and directorship in HHSB. • Spouse of Datin Teoh who is a substantial shareholder of HHSB. • Father of Dato' Eddie Ong. |
| Dato' Eddie Ong | <ul style="list-style-type: none"> • Shareholder of Hextar. • Group Managing Director/Group Chief Executive Officer of the HHSB Group of Companies. • Group Chief Executive Director and Executive Director of Hextar Technologies. • Major Shareholder of Hextar, Hextar Industries and Hextar Technologies via his substantial shareholding and directorship in HHSB. • Major Shareholder of Hextar Healthcare via his substantial shareholdings and directorship in Hextar Rubber. • Major Shareholder of Hextar Capital. • Son of Dato' Ong Soon Ho and Datin Teoh. |
| Datin Teoh | <ul style="list-style-type: none"> • Datin Teoh Siew Yoke @ Teoh Siew Chin is the spouse of Dato' Ong Soon Ho and the mother of Dato' Eddie Ong. • Major Shareholder of Hextar, and Hextar Industries via her substantial shareholding in HHSB. |
| HHSB | <ul style="list-style-type: none"> • Major Shareholder of Hextar via its direct interest of 51.85%. |
| Teh Li King | <ul style="list-style-type: none"> • Director for Subsidiaries of Hextar and Hextar Industries Group of Companies. • He is also deemed as a Person Connected with Dato' Eddie Ong as he is the Group Chief Operating Officer of HHSB Group of Companies. • Director for Hextar Rubber. • Director of Hextar Capital. • Shareholder of Hextar. |

2.4 Classes of Related Parties and Nature of RRPTs (cont'd)

(a) Proposed Renewal of Shareholders' Mandate

| No. | Nature of Recurrent Related Party Transaction | Transacting Related Party(ies) within Hextar Group | Interested Directors, Major Shareholder and Person Connected | Estimated value as disclosed in existing mandate (RM'000) | Actual Value transacted from date of existing mandate up to the LPD (RM'000) | *Estimated value from forthcoming 34 th AGM to the next 35 th AGM (RM'000) |
|-----|--|--|---|---|--|--|
| 1. | Sales of raw materials, work in progress and finished goods including chemicals, fertilisers, packaging material and other related products | HHSB Group | <ul style="list-style-type: none"> - Dato' Ong Soon Ho - Dato' Eddie Ong - Datin Teoh - Teh Li King | 15,000 | 2,409 | 15,000 |
| 2. | Receipt of facility assets and management services including business consultation and support & cash management system | | | 4,000 | 2,701 | 5,000 |
| 3. | Sales of raw materials, work in progress and finished goods including chemicals, fertilisers, packaging material and other related products | Hextar Industries Group | <ul style="list-style-type: none"> - Dato' Ong Soon Ho - Dato' Eddie Ong - Datin Teoh - Teh Li King | 3,000 | 1,270 | 4,000 |
| 4. | Purchase of raw materials, work in progress and finished goods including chemicals, fertilisers, packaging material and other related products | | | 10,000 | 1,194 | 10,000 |
| 5. | Receipt of service for supply and installation of civil foundation, piping system and tanks installation | | | 10,000 | 0 | 8,000 |

2.4 Classes of Related Parties and Nature of RRPTs (cont'd)

(a) Proposed Renewal of Shareholders' Mandate (cont'd)

| No. | Nature of Recurrent Related Party Transaction | Transacting Related Party(ies) within Hextar Group | Interested Directors, Major Shareholder and Person Connected | Estimated value as disclosed in existing mandate (RM'000) | Actual Value transacted from date of existing mandate up to the LPD (RM'000) | *Estimated value from forthcoming 34 th AGM to the next 35 th AGM (RM'000) |
|-----|---|--|--|---|--|--|
| 6. | Sales of formulated chemicals for the purpose of glove manufacturing process, work in progress and finished goods such as packaging material and other related products | Hextar Healthcare Group | - Dato' Eddie Ong - Teh Li King | 2,000 | 84 | 2,000 |
| 7. | Receipt of facility assets and management services including business consultation and support & cash management system | Hextar Capital Group | - Dato' Eddie Ong - Teh Li King | 2,000 | 120 | 2,000 |
| 8. | Sales of raw materials and finished goods including chemicals, packaging material and other related products | | | 1,000 | 0 | 1,000 |

2.4 Classes of Related Parties and Nature of RRPTs (cont'd)

(a) Proposed Renewal of Shareholders' Mandate (cont'd)

| No. | Nature of Recurrent Related Party Transaction | Transacting Related Party(ies) within Hextar Group | Interested Directors, Major Shareholder and Person Connected | Estimated value as disclosed in existing mandate (RM'000) | Actual Value transacted from date of existing mandate up to the LPD (RM'000) | *Estimated value from forthcoming 34 th AGM to the next 35 th AGM (RM'000) |
|-----|---|--|---|---|--|--|
| 9. | Purchase of raw materials and finished goods including chemicals, packaging material and other related products | Hextar Capital Group | <ul style="list-style-type: none"> - Dato' Eddie Ong - Teh Li King | 35,000 | 2,446 | 15,000 |
| 10. | Rental of storage space and receiving warehousing facilities services | | | 1,000 | 113 | 1,000 |
| 11. | Receipt of e-Commerce services and support and other IT related services support | Hextar Technologies Group | <ul style="list-style-type: none"> - Dato' Ong Soon Ho - Dato' Eddie Ong - Datin Teoh - Teh Li King | 5,000 | 809 | 5,000 |

Note:

* The estimated values of the RRPT are based on the Company's business forecast for financial years 2024 and 2025. Due to the nature of the RRPT and factors that may not be within the Company's control, the actual value of RRPT may vary from the estimated value disclosed above.

- None of the Actual Value of the RRPTs under the Existing Mandate has exceeded the Estimated Value by 10% or more.

2.5 Review Methods or Procedures for the Recurrent Related Party Transactions

The Group has established a related party transaction policy and procedures, to ensure that the RRPTs are undertaken on an arm's length basis and on normal commercial terms that are not more favourable to the transacting parties than those generally available to the public and are not to the detriment of the minority shareholders:

- a) A list of Related Parties is established and circulated annually to the head of finance, who shall monitor and ensure that all RRPTs to be entered into by the Group are reported and forwarded to the Audit Committee.
- b) Proper records are maintained at the Group to capture all RRPTs so that all RRPTs entered pursuant to the mandate will be adequately discussed.
- c) Any Director who has an interest (direct or indirect) in any RRPT, such Director (or his alternate, where applicable) shall abstain from deliberation and voting on any decision to be taken by the Board in respect of such RRPT, if any.
- d) Any member of the Audit Committee who is interested in any RRPT shall abstain from deliberation and voting on any decision to be taken by the Audit Committee with respect to such transaction.
- e) At least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to or/and from the Related Parties are fair and reasonable and comparable to those offered to or/and from the public for the same or substantially similar type of products/services and/or quantities.
- f) In the event that quotation or comparative pricing from unrelated third parties cannot be obtained (for instance, if there are no unrelated third party vendors/customers of similar products or services, or if the product/service is a proprietary item), Management will ensure that the RRPT will only be entered into with the Related Party(ies) after taking into account the pricing, level of services, quality of products and other related factors to ensure that the RRPT is not detrimental to the interest of the Hextar Group. There is no specific threshold for approval of RRPT within the Hextar Group.
- g) The Hextar Group shall put in place adequate procedures and processes for monitoring, tracking and identifying RRPT in a timely and orderly manner, and the adequacy and appropriateness of procedures and processes are reviewed on annual basis or whenever the need arises.
- h) The Audit Committee shall review the guidelines and procedures and are satisfied that the guidelines and procedures are adequate to ensure that the RRPTs are/will be:
 - i. on terms not more favourable to a Related Party than those generally available to and/or from the public;
 - ii. not to the detriment of the minority shareholders; and
 - iii. at an arm's length basis and on normal commercial terms having taken into account, inter-alia, pricing, quality of the products and services, track records, experience and financial position of the supplier or vendor, speed of delivery, quality of aftersales support service and maintenance and etc.

2.6 Outstanding Amount Due and Owing by Related Parties

As at the financial year ended 31 December 2024, the outstanding amount due and owing to the Group by its related party under the Recurrent Related Party Transactions which exceeded the credit terms are as follow:-

| No. | Related Party | 6 months or less (RM'000) | 1 year or less (RM'000) | More than 3 to 5 years (RM'000) | More than 5 years (RM'000) |
|-----|----------------------------------|---------------------------|-------------------------|---------------------------------|----------------------------|
| 1. | Due from Hextar Industries Group | 76 | - | - | - |

The total amount recovered from the total outstanding amount owing from related parties which exceeded the credit terms of RM76,000 as at 31 December 2024 up to LPD was RM76,000.

There were no late payment charges imposed by the Group on the above outstanding balances as it was trade in nature. The Management is constantly monitoring and following up with the debtors on the outstanding amount.

The Board of Directors is of the opinion that there will be no recoverability issue as the related parties has proven to be credit-worthy debtors.

2.7 Statement by Audit Committee

The Audit Committee has the overall responsibility of determining whether the procedures and processes for reviewing all RRPT(s) are appropriate. The Audit Committee will review and ascertain at least once a year whether the procedures and processes established to monitor RRPT(s) have been complied with. If it is determined that the procedures and processes stated in Section 2.5 are inadequate to ensure that (i) the RRPT(s) will be conducted at arms' length and on normal commercial terms and (ii) such transactions are not prejudicial to the interest of the shareholders, the Company will obtain a fresh shareholders' mandate based on the new procedures and processes.

The Audit Committee will also have the discretion to request for limits to be imposed or for additional procedures and processes to be followed if it considers such requests to be appropriate. In that event, such limits or procedures and processes may be implemented without the approval of shareholders, provided that they are more stringent than the existing limits or procedures and processes.

The Audit Committee will review the existing procedures and processes, on an annual basis and as and when required, to ensure that the RRPT(s) are at all times carried out on commercial terms consistent with the Hextar Group's usual business practices and policies.

The Audit Committee of the Company has reviewed the above procedures and processes and is satisfied that the said procedures and processes are adequate to monitor, track and identify RRPT(s) in a timely and orderly manner and are sufficient to ensure that the RRPT(s) will be carried out on commercial terms consistent with the Hextar Group's usual business practices and policies and on terms not more favourable to the Related Parties than those generally available to and/or from the public, where applicable, and are not, in the Company's opinion, detrimental to the minority shareholders. Any member of the Audit Committee who is interested in any transaction shall abstain from reviewing and deliberating on such transaction.

2.8 Disclosure of Recurrent Related Party Transactions

Disclosure will be made in the annual report of the Company in accordance with Paragraph 3.1.5 of Practice Note 12 of the Listing Requirements, which requires a breakdown of the aggregate value of the RRPTs entered into during the financial year based on the following information:

- (a) the type of the RRPTs made; and
- (b) the names of the Related Parties involved in each type of the RRPTs made and their relationships with Hextar Group.

The above disclosure will be made in the Company's annual report for each subsequent financial year after the Proposed Renewal of Shareholders' Mandate had been obtained.

3. RATIONALE AND BENEFITS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

a) Rationale

The Proposed Renewal of Shareholders' Mandate will enable the Hextar Group to enter into Recurrent Related Party Transactions that are in the ordinary course of business, revenue or trading in nature and necessary for the Hextar Group's day-to-day operations ("these transactions" or "RRPTs"). These RRPTs are likely to occur with some degree of frequency and arise at any time and from time to time and may be constrained by the time-sensitive nature. It may also be impracticable to seek shareholders' approval on a case by case basis before entering into such Recurrent Related Party Transactions. The obtaining of the Proposed Renewal of Shareholders' Mandate on an annual basis would eliminate the need to convene separate general meetings from time to time to seek shareholders' approval as and when potential Recurrent Related Party Transactions arise; thereby reducing substantially administrative time and expenses associated with the convening of such meetings, without compromising the corporate objectives of the Hextar Group or adversely affecting the business opportunities available to the Group. The Board is, therefore seeking a mandate pursuant to Paragraph 10.09 of the Listing Requirements for the RRPTs with the class of Related Parties specified in Section 2.4 above to allow the Hextar Group to enter into such Recurrent Related Party Transactions made on an arm's length basis and on normal commercial terms that are not more favourable to the related party than those generally available to the public and which are not prejudicial to the interests of the minority shareholders.

b) Benefits

The goods and services provided by the Related Parties are price competitive and all transactions between the Hextar Group and the Related Parties are carried out on an arm's length and commercial basis. Although the Hextar Group also sources similar products and services from third parties, the Hextar Group would like to seek approval for the RRPTs described in Section 2.4 as the close co-operation between the Hextar Group and the Related Parties will have mutual benefits and are expected to contribute to operation efficiency of the business of the Hextar Group.

4. EFFECTS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The Proposed Renewal of Shareholders' Mandate are administrative in nature and are therefore not expected to have any effect on the issued and paid-up capital, major shareholders' shareholdings and any material effect on the consolidated net assets, consolidated earnings per share and consolidated gearing of Hextar Group.

5. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED TO THEM

The direct and indirect interests of the interested Director, Major Shareholders and persons connected with Director and Major Shareholders in Hextar as at LPD are as follows:-

| Interested Director:- | | | | |
|-----------------------|-----------------|------------------|---------------------------------|-------------------------|
| Name | Direct Interest | ^[1] % | Indirect Interest | ^[1] % |
| Dato' Ong Soon Ho | Nil | Nil | 2,186,894,867 ^{[2][3]} | 56.42 ^{[2][3]} |

Notes:

[1] Based on 3,876,066,552 ordinary shares (excluded Treasury Shares of 63,195,300) in Hextar.

[2] Deemed interested pursuant to Section 8 of the Act by virtue of his shareholdings in HHSB.

[3] Indirect Interested pursuant to Section 59(11)(c) of the Act by virtue of the interest held through his child, Dato' Eddie Ong.

| Interested Major Shareholders and persons connected to Director and/or Major Shareholders:- | | | | |
|---|-----------------|------------------|---------------------------------|-------------------------|
| Name | Direct Interest | ^[1] % | Indirect Interest | ^[1] % |
| HHSB | 2,009,664,767 | 51.85 | - | - |
| Dato' Ong Soon Ho | - | - | 2,186,894,867 ^{[2][3]} | 56.42 ^{[2][3]} |
| Datin Teoh | - | - | 2,009,664,767 ^[2] | 51.85 ^[2] |
| Dato' Eddie Ong | 177,230,100 | 4.57 | 2,009,664,767 ^[2] | 51.85 ^[2] |
| Teh Li King | 4,209,500 | 0.11 | - | - |

Notes:

[1] Based on 3,876,066,552 ordinary shares (excluded Treasury Shares of 63,195,300) in Hextar.

[2] Deemed interested pursuant to Section 8 of the Act by virtue of his shareholdings in HHSB.

[3] Indirect Interested pursuant to Section 59(11)(c) of the Act by virtue of the interest held through his child, Dato' Eddie Ong.

The interested Director, namely Dato' Ong Soon Ho, has abstained and will continue to abstain from the board's deliberation and voting, in respect of his direct and indirect shareholdings in Hextar, on the ordinary resolution approving the Proposed Renewal of Shareholders' Mandate.

The interested Major Shareholders and persons connected to them, namely HHSB, Dato' Ong Soon Ho, Datin Teoh, Dato' Eddie Ong and Teh Li King, have abstained and will continue to abstain from the deliberation and voting in respect of their direct and indirect shareholdings in Hextar on the ordinary resolution approving the Proposed Renewal of Shareholders' Mandate.

The above interested Director and/or Major Shareholders have undertaken to ensure that the persons connected to them shall abstain from voting in respect of their direct and/or indirect shareholdings on the ordinary resolutions, deliberating or approving the Proposed Renewal of Shareholders' Mandate to be tabled at the forthcoming AGM.

Save as disclosed above, none of the other Directors and/or Major Shareholders and persons connected to them have any interests, direct or indirect, in the Proposed Renewal of Shareholders' Mandate.

6. APPROVALS REQUIRED

The Proposed Renewal of Shareholders' Mandate is conditional upon the approval of the shareholders of the Company being obtained at the forthcoming AGM to be convened.

7. DIRECTORS' RECOMMENDATION

The Board, with the exception of Dato' Ong Soon Ho, is of the opinion that the Proposed Renewal of Shareholders' Mandate is in the best interest of the shareholders of the Group.

The Board, with the exception of Dato' Ong Soon Ho, who has abstained from making a recommendation on the Proposed Renewal of Shareholders' Mandate, recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Renewal of Shareholders' Mandate to be tabled at the forthcoming AGM.

8. ANNUAL GENERAL MEETING

The 34th AGM of the Company, the notice of which is enclosed in the Annual Report of the Company, will be held at Hextar Global Berhad's Corporate Office, Level 17, Hextar Tower Empire City, Jalan PJU 8/1, Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan on Friday, 30 May 2025 at 10.00 a.m. for the purpose of considering and, if thought fit, to pass with or without modification, the resolution to give effect to the Proposals.

If you are unable to attend and vote in person at the 34th AGM, you are requested to complete, sign and return the Proxy Form enclosed in the Annual Report in accordance with the instructions printed therein as soon as possible so as to arrive at Share Registrar Office of the Company at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia or email to admin@aldpro.com.my not less than forty-eight (48) hours before the time set for the 34th AGM.

9. FURTHER INFORMATION

Shareholders are requested to refer to Appendix I contained in this Circular for further information.

Yours faithfully,
For and on behalf of the Board of
HEXTAR GLOBAL BERHAD

YEOH CHIN HOE
Chairman of the Audit Committee

PART B

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY



HEXTAR GLOBAL BERHAD

Registration No: 199001014551 (206220-U)
(Incorporated in Malaysia)

SHARE BUY-BACK STATEMENT IN RELATION TO THE PROPOSED RENEWAL OF AUTHORITY

1. INTRODUCTION

At the last AGM held on 20 May 2024, the Company had obtained a mandate from its shareholder to purchase up to 10% of the total issued and paid-up share capital of the Company. The said approval will lapse at the conclusion of the forthcoming 34th AGM of the Company unless a renewal of the mandate is obtained.

The Company had on 25 April 2025 announced its intention to seek shareholders' approval for the Proposed Renewal of Share Buy-Back Authority ("**Proposed Renewal**") at the forthcoming 34th AGM.

The purpose of this statement is to provide you with the details of the Proposed Renewal and to seek your approval for the ordinary resolution pertaining thereto which is set out in the Annual Report of the Company.

YOU ARE ADVISED TO READ THE CONTENTS OF THIS STATEMENT CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED RENEWAL.

2. PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE

At the last AGM held on 20 May 2024, the Company had obtained shareholders' approval to purchase up to 10% of the total issued and paid-up share capital of the Company.

As at LPD, the Company has a total of 63,195,300 Shares which were retained as Treasure Shares. The current issued and paid-up share capital of the Company is RM637,972,088 comprising 3,939,261,852 Shares.

The Company proposes to seek approval from its shareholders at the forthcoming AGM for the Proposed Renewal. The Proposed Renewal shall be effective upon the passing of the ordinary resolution to be tabled at the forthcoming 34th AGM of the Company and will continue to be in force until:-

- (i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the ordinary resolution for the Proposed Renewal is passed, at which time it shall lapse unless by an ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
- (iii) the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first.

3. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The Proposed Renewal, if carried out, will enable the Company to purchase its own shares when appropriate and at prices that are viewed as favourable by the Board. The Proposed Renewal is expected to benefit the Company and its shareholders as follows:-

- (i) The Proposed Renewal will allow the Company to utilise its financial resources not immediately required for use to purchase its own Shares from Bursa Securities. Depending on the funding cost for the purchase of its own Shares, the Proposed Renewal may strengthen the earnings per share of the Company's shares and if so, it is expected to benefit the shareholders of the Company;
- (ii) The Proposed Renewal is expected to reduce any unwarranted volatility of the Company's shares and assist to stabilize the supply, demand and price of the shares in the open market, thereby supporting the fundamental values of its shares;
- (iii) If the purchased shares are held as treasury shares, such shares may potentially be resold on Bursa Securities at a higher price and therefore realising a potential gain in reserves. The treasury shares may also be distributed as share dividends to shareholders as a reward to the shareholders of the Company;
- (iv) If the Board resolves to cancel the purchased shares, the earnings per share of the Group is expected to be enhanced as a result of the reduction in the issued and paid-up share capital of the Company, thereby enabling long term and genuine investors to enjoy any potential corresponding increase in the value of their investments in the Company.

4. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

4.1 Potential advantages

The potential advantages of the Proposed Renewal to the Company and its shareholders, if exercised, are as follows:-

- (i) allows the Company the flexibility in achieving the desired capital structure, in terms of debt and equity composition and size of equity;
- (ii) allows the Company to take preventive measures against speculation, particularly when its shares are undervalued which would in turn stabilise the market price and hence, enhance investors' confidence.
- (iii) other advantages of the Proposed Renewal are also outlined in Section 3 on the "Rationale for the Proposed Renewal".

4.2 Potential disadvantages

The potential disadvantages of the Proposed Renewal to the Company and its shareholders are as follows:-

- (i) the Proposed Renewal will reduce the financial resources of the Group and may result in the Company foregoing other investment opportunities that may emerge in the future or, at the least, deprive the Company and the Group of interest income that can be derived from the funds utilised for the Proposed Renewal;
- (ii) the Proposed Renewal can only be made out of retained profits of the Company and may result in the reduction of financial resources available for distribution to shareholders in the immediate future. However, the financial resources of the Group may increase if the treasury shares held are resold at prices higher than their purchase prices; and

- (iii) in the event that the Proposed Renewal is funded by bank borrowings, the Company's net cash flow may decline to the extent of the interest cost associated with such borrowings.

Nevertheless, the Board is of the view that the Proposed Renewal is not expected to have any potential material disadvantage to the Group or its shareholders as any share buy-back exercise will be undertaken only after in-depth consideration of the financial resources of the Group and of the resultant impact on its shareholders.

The Directors in exercising any decision on the Proposed Renewal will be mindful of the interest of the Company and its shareholders.

5. FUNDING

The Proposed Renewal will be funded by internally generated funds of the Company and/or borrowings. The amount of borrowings will depend on the financial resources available at the time of purchase(s). In the event that the Proposed Renewal is to be financed by borrowings, the Company will ensure its capability of repaying such borrowings and that such repayment will not have a material effect on its cash flow.

The actual number of the Company's shares to be purchased and the timing of any purchase, together with the treatment of the shares purchased would depend, *inter alia*, on the prevailing market conditions, the availability of the Company's retained profits as well as its cash and funding position.

The maximum amount of funds to be allocated for the Proposed Renewal shall not exceed the retained profits of the Company. Based on the Company's audited financial statements for the financial year ended 31 December 2024, the Company's retained profits stands at RM108,076,346.

6. FINANCIAL EFFECTS TO THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

6.1 Share Capital

The effect of the Proposed Renewal on the number of shares of the Company will depend on whether the shares purchased are cancelled or retained as Treasury Shares.

For illustrative purposes only, the effect of the Proposed Renewal based on the movement of the number of shares of the Company as at LPD and assuming the shares so purchased are cancelled, is illustrated below:-

| | <i>No. of Shares</i> |
|--|----------------------|
| Existing number of shares | 3,939,261,852 |
| Assuming shares purchased under the Proposed Renewal and cancelled | (393,926,185) |
| Resultant number of shares | 3,545,335,667 |

On the other hand, if the purchased shares are retained as Treasury Shares, resold, or distributed to the Company's shareholders, the Proposed Renewal will have no effect on the number of shares of the Company nor will it have any effect on the issued and paid-up share capital of the Company.

While the purchased shares remain as Treasury Shares the rights attached to them as to voting, dividends and participation in other distributions or otherwise are suspended and the Treasury Shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including, without limiting the generality of Section 127 of the Act, the provisions of any law or requirements of the Constitution of the Company or the Listing Requirements on substantial shareholding, takeovers, notices, the requisition of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

6.2 Earnings and EPS

The effects of the Proposed Renewal on the earnings and EPS of the Company will depend, *inter-alia*, on the number of purchased shares, the purchase price and the effective funding cost of the purchase. The reduced number of the Company's shares applicable in computing the EPS subsequent to the purchase will generally have a positive impact, all else being equal, on the EPS of the Company.

6.3 NA

The effect of the share buy-backs on the NA per share of the Company is dependent on the purchase price(s) of the shares bought, the number of shares purchased, the effective funding cost, if any and the subsequent treatment of the shares so purchased. The NA of the Company will reduce if the shares bought back are cancelled. The NA per share of the Company will reduce if the purchase price exceeds the NA per share and the NA per share of the Company will increase if the purchase price is less than the NA per share at the time of purchase. In the event the shares bought back and held as treasury shares are subsequently resold, the NA of the Company will increase or reduce depending on whether a gain or loss is realized upon the resale. The quantum of the increase or reduction in NA will depend on the actual disposal price, the number of shares purchased, the amount of retained treasury shares which are resold.

6.4 Working Capital

The purchase of shares, as and when carried out, will reduce the working capital of the Company, the quantum of which will depend on the purchase price(s) of the shares bought back, the number of shares purchased and the effective funding cost to the Company.

6.5 Dividends

The Proposed Renewal is not expected to have any impact on dividend payments. The declaration of dividends will be determined by the Board after taking into consideration the performance of the Company, the cash flow and capital commitments of the Company. The buy-back of shares may reduce the distributable reserves available for dividends. However, the Board may distribute future dividends in the form of shares which have been bought back and retained as treasury shares.

6.6 Shareholdings

Based on the Register of Substantial Shareholder and the Register of Directors' Shareholdings respectively as at LPD and assuming that the Proposed Renewal is implemented up to the maximum of 10% of the issued and paid-up share capital and that the purchased shares are from shareholders other than the Directors and substantial shareholders of the Company, the effect of the Proposed Renewal on the shareholding of the Directors and substantial shareholders of the Company are set out follows:-

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i. Substantial shareholders' shareholdings

The effects of the Proposed Renewal on the substantial shareholders' shareholdings of the Company are set out below:-

| Name | Shareholdings as at the LPD ^[1] | | | | After Proposed Renewal ^[2] | | | |
|-------------------|--|-------|---------------------------------|-------|---------------------------------------|-------|---------------------------------|-------|
| | Direct No. of Shares | % | Indirect No. of Shares | % | Direct No. of Shares | % | Indirect No. of Shares | % |
| HHSB | 2,009,664,767 | 51.85 | - | - | 2,009,664,767 | 56.68 | - | - |
| Dato' Ong Soon Ho | - | - | 2,186,894,867 ^{[3][4]} | 56.42 | - | - | 2,186,894,867 ^{[3][4]} | 61.68 |
| Dato' Eddie Ong | 177,230,100 | 4.57 | 2,009,664,767 ^[3] | 51.85 | 177,230,100 | 5.00 | 2,009,664,767 ^[3] | 56.68 |

Notes:-

[1] Calculated based on total shareholding of 3,876,066,552 (excluding 63,195,300 treasury shares)

[2] Assuming up to 10% of the issued and paid-up share capital is purchased from shareholders other than the substantial shareholders of Hextar and all such shares purchased are cancelled.

[3] Deemed interested pursuant to Section 8 of the Act by virtue of his shareholdings in HHSB.

[4] Indirect Interested pursuant to Section 59(11)(c) of the Act by virtue of the interest held through his child, Dato' Eddie Ong.

ii. Directors' shareholdings

The effects of the Proposed Renewal on the Directors' shareholdings of the Company are set out below:-

| Director | Shareholdings as at the LPD ^[1] | | | | After Proposed Renewal ^[2] | | | |
|---|--|------|---------------------------------|-------|---------------------------------------|------|---------------------------------|-------|
| | Direct No. of Shares | % | Indirect No. of Shares | % | Direct No. of Shares | % | Indirect No. of Shares | % |
| Dato' Sri Dr. Erwan bin Dato' Hj Mohd Tahir | - | - | - | - | - | - | - | - |
| Dato' Ong Soon Ho | - | - | 2,186,894,867 ^{[3][4]} | 56.42 | - | - | 2,186,894,867 ^{[3][4]} | 61.68 |
| Yeoh Chin Hoe | - | - | - | - | - | - | - | - |
| Lee Chooi Keng | 4,309,920 | 0.11 | - | - | 4,309,920 | 0.12 | - | - |
| Liew Jee Min @ Chong Jee Min | - | - | - | - | - | - | - | - |
| Rayburn Azhar bin Ali | - | - | - | - | - | - | - | - |

Notes:-

[1] Calculated based on total shareholding of 3,876,066,552 (excluding 63,195,300 treasury shares)

[2] Assuming up to 10% of the issued and paid-up share capital is purchased from shareholders other than the substantial shareholders of Hextar and all such shares purchased are cancelled.

[3] Deemed interested pursuant to Section 8 of the Act by virtue of his shareholdings in HHSB.

[4] Indirect Interested pursuant to Section 59(11)(c) of the Act by virtue of the interest held through his child, Dato' Eddie Ong.

7. PUBLIC SHAREHOLDING SPREAD

As at LPD, the public shareholding spread of the Company is 43.27%. The public shareholding spread of the Company would decrease to approximately 37.97% on the assumption that the Company implements the Proposed Renewal in full and the shares purchased are from open market.

In this regard, the Board undertakes to purchase shares only to the extent that the public shareholding spread of the Company shall not fall below 25% of the total issued and paid-up share capital of the Company at all times pursuant to the Proposed Renewal, in accordance with Paragraph 12.14 of the Listing Requirements.

8. IMPLICATIONS OF THE CODE

The Company does not intend to undertake the Proposed Renewal such that it will trigger any obligation on the substantial shareholders and/or persons acting in concert with them to undertake a mandatory general offer pursuant to the code.

However, in the event an obligation to undertake a mandatory general offer should arise with respect to any parties resulting from the Proposed Renewal, the relevant parties shall make the necessary application to the Securities Commission for a waiver from having to undertake a mandatory general offer pursuant to the Code.

9. INTERESTS OF DIRECTORS, SUBSTANTIAL SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

Save for the inadvertent increase in the percentage shareholdings and/or voting rights of the shareholders as a consequence of the Proposed Renewal as set out in Section 6.6 above, none of the Directors, substantial shareholders of the Company and/or persons connected to them has any interest, direct or indirect, in the Proposed Renewal or resale of the treasury shares (if any).

10. PURCHASE, RESALE AND CANCELLATION OF TREASURY SHARES

The Company has not purchased any Hextar Shares as well as transferred or resale or cancelled any Treasury Shares in the preceding twelve (12) months up to the LPD.

As at LPD, the treasury shares of the Company stood at 63,195,300 Shares.

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11. SHARE PRICES

The monthly highest and lowest prices of the Company's shares as traded on Bursa Securities for the past twelve (12) months from May 2024 to April 2025 are as follows:

| | High (RM) | Low (RM) |
|-------------|-----------|----------|
| 2024 | | |
| May | 0.950 | 0.880 |
| June | 0.940 | 0.860 |
| July | 0.900 | 0.845 |
| August | 0.900 | 0.820 |
| September | 0.930 | 0.850 |
| October | 0.920 | 0.870 |
| November | 0.920 | 0.880 |
| December | 0.905 | 0.870 |
| 2025 | | |
| January | 0.900 | 0.845 |
| February | 0.935 | 0.850 |
| March | 0.930 | 0.860 |
| April | 0.895 | 0.870 |

(Source: Bursa Malaysia)

The last transacted price of Hextar Shares on 3 April 2025, being the LPD prior to the printing of this Statement was RM0.885.

12. APPROVALS REQUIRED

The Proposed Renewal is subject to the approval of the shareholders of the Company at the forthcoming 34th AGM to be convened. Saved for the approval of the shareholders of the Company, there are no other approvals required for the Proposed Renewal.

13. DIRECTORS' RECOMMENDATION

The Board, having considered all aspects of the Proposed Renewal, is of the opinion that the Proposed Renewal is in the best interest of the Company. Accordingly, the Board recommends that you vote in favour of the resolution pertaining to the Proposed Renewal to be tabled at the forthcoming AGM.

14. FURTHER INFORMATION

Shareholders are requested to refer to Appendix I contained in this Circular for further information

Yours faithfully,
For and on behalf of the Board of
HEXTAR GLOBAL BERHAD

YEOH CHIN HOE
Chairman of the Audit Committee

APPENDIX I – FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Directors of Hextar who individually and collectively accept full responsibility for the accuracy of the information contained in this Circular and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading or incorrect.

2. MATERIAL CONTRACTS

As at the LPD, except as disclosed below, neither Hextar nor its subsidiaries have entered into contracts (*not being contracts entered into the ordinary course of business*) within the two (years) immediately preceding the date of this Circular.

- a) On 15 May 2023, Hextar entered into a SSA with HHSB for the acquisition of 5,000,000 ordinary shares, representing 100% equity interest in HICSB for a total purchase consideration of RM10.0 million satisfied fully in cash.

The said acquisition was completed on 22 June 2023 upon the fulfilment of all obligations pursuant to SSA with HHSB.

- b) Hextar and its wholly owned subsidiary namely Halex (M), had on 15 May 2023 entered into SSAs with Vinayaka Capital Sdn Bhd for the disposal of:-
- (i) 50,000 ordinary shares by Halex (M), representing 100% equity interest in Halex Marketing Sdn Bhd ("HxMkt"); and
 - (ii) 1,953,081 ordinary shares by Hextar, representing 100% equity interest in Halex Woolton (M) Sdn Bhd ("HxW");

for a total consideration of RM3,500,001 satisfied fully by cash. The disposal of HxMkt and HxW was completed on 6 June 2023 upon the fulfilment of all obligations pursuant to the SSAs.

- c) HFSB, a 51% owned subsidiary of Hextar, had on 3 July 2023 entered into a SSA with PHG Ever Fresh Group Sdn Bhd for:
- (i) the acquisition of 2,500,000 ordinary shares in PEFFM, representing 100% equity interest in PEFFM;
 - (ii) the acquisition of 1,000,000 ordinary shares in PEFFTK, representing 100% equity interest in PEFFTK;
 - (iii) the acquisition of 2,000,000 ordinary shares in PW&R, representing 100% equity interest in PW&R; and
 - (iv) the acquisition of 1,320,000 ordinary shares in PEFP, representing 55% equity interest in PEFP;

for a total purchase consideration of RM84,000,000 to be satisfied wholly in cash. The said acquisitions were completed on 26 October 2023 upon the fulfillment of all obligations pursuant to the SSA.

- d) On 27 October 2023, HKSB, a 49%-owned subsidiary of Hextar, entered into a SSA with Propel Global Berhad, Rancak Nikmat Sdn Bhd and Wiramas Baiduri Sdn Bhd for the acquisition of 1,008,000 ordinary shares, representing 100% equity interest in Hextar Secadyme Sdn Bhd (formerly known as Propel Chemicals Sdn Bhd) for a total consideration of RM16,500,000 satisfied fully in cash.

The said acquisition was completed on 3 November 2023 upon the fulfillment of all obligations pursuant to the SSA.

3. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

The Board of the Company has confirmed that the Company and/or its subsidiaries are not presently engaged in any material litigation, material claim and arbitration either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Group or of any facts likely to give rise to any proceedings which may materially affect the financial position or business of the Group.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of the Company at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, W.P. Kuala Lumpur during normal business hours from Monday to Friday (except public holidays) from the date of this Circular/Statement up to the date of the AGM:-

- a) The Constitution of the Company; and
- b) Audited consolidated financial statements of the Company for the financial year ended 31 December 2023 and 31 December 2024 respectively.

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