

Company No.: 199001014551 (206220-U) (Incorporated in Malaysia)

# Interim Report For the 3-months Financial Period Ended 31 March 2023





#### Interim Report for the 3-months Financial Period Ended 31 March 2023

#### Unaudited Condensed Statements of Profit or Loss and Other Comprehensive Income

	INDIVI (3-mths) Current Year Quarter 31/3/2023 RM'000	IDUAL QUARTER (3-mths) Preceding Year Quarter 31/3/2022 RM'000	CUMULA (12-mths) Current Year to-Date 31/3/2023 RM'000	TIVE QUARTER (12-mths) Preceding Year to-Date 31/3/2022 RM'000
Revenue	143,332	153,630	143,332	153,630
Cost of sales	(105,713)	(112,254)	(105,713)	(112,254)
Gross profit	37,619	41,376	37,619	41,376
Other income Selling and marketing expenses Administrative and other expenses Finance costs Share of profit of a joint venture	1,081 (5,293) (16,425) (3,353) 112	776 (5,164) (13,474) (2,159) 200	1,081 (5,293) (16,425) (3,353) 112	776 (5,164) (13,474) (2,159) 200
Profit before taxation	13,741	21,555	13,741	21,555
Less: Taxation	(4,319)	(5,080)	(4,319)	(5,080)
Profit after taxation	9,422	16,475	9,422	16,475
Other comprehensive income/(expenses): - Foreign currency translation differences - Revaluation of property	1,026 (166)	(334)	1,026 (166)	(334)
Other comprehensive income/(expenses) for the financial period	860	(334)	860	(334)
Total comprehensive income for the financial period	10,282	16,141	10,282	16,141
Profit for the financial period attributable to: - Owners of the Company - Non-controlling interests	8,628 794 9,422	15,646 829 16,475	8,628 794 9,422	15,646 829 16,475
	9,422	10,473	9,422	10,475
Total comprehensive income attributable to: - Owners of the Company	9,573	15,492	9,573	15,492
Non-controlling interests	709	649	709	649
-	10,282	16,141	10,282	16,141
Earnings per share Basic (sen) Diluted (sen)	0.67 n/a	1.20 n/a	0.67 n/a	1.20 n/a

The unaudited Condensed Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying notes attached to this interim financial report.



(Incorporated in Malaysia)

#### Interim Report for the 3-months Financial Period Ended 31 March 2023

#### **Unaudited Condensed Statements of Financial Position**

Non-current assets   1,853   1,783	ASSETS	Unaudited as at 31/3/2023 RM'000	Audited as at 31/12/2022 RM'000
Investment in joint venture         1,853         1,783           Property, plant and equipment Investment properties         2,524         3,504           Right-of-use assets         48,931         52,536           Intangible assets         137,060         137,093           Investment in club membership, at cost         46         46           Trade receivables         1,502         1,293           Prepayment         2,590         2,384           Deferred tax assets         570         243           Total non-current assets         273,006         273,994           Current assets         127,408         139,505           Inventories         126,876         130,315           Other receivables, deposits and prepayments         21,294         14,733           Contract assets         3,558         -           Amount owing by related companies         -         384           Amount owing by a joint venture         300         -           Current tax assets         4,910         2,838           Deposits with licensed banks         17,577         6,064           Cash and bank blances         5,183         343,931           TOTAL ASSETS         633,878         633,878           <			
Property, plant and equipment Investment properties         77,930         75,112 Investment properties         2,524         3,504         3,504         1,502         1,503         1137,060         137,093         117,093         117,093         117,093         1,502         1,933         1,502         1,293         1,502         1,293         1,502         1,293         1,502         1,293         1,502         1,293         1,502         1,293         1,502         1,293         1,502         1,293         1,502         1,293         1,502         1,293         1,502         1,293         1,293         1,502         1,293         1,293         1,293         1,293         1,293         1,293         1,294         1,293         1,294         1,293         1,294         1,294         1,294         1,294         1,294         1,294         1,294         1,294         1,294         1,294         1,294         1,294         1,473         2,212         1,294         1,473         1,294         1,473         2,212         1,294         1,473         2,212         1,294         1,473         2,212         1,294         1,473         2,234         2,212         1,294         1,473         2,234         2,234         2,234         2,234         2,234		1 952	1 702
Investment properties         2,524         3,504           Right-of-use assets         48,931         52,536           Intragible assets         137,080         137,089           Investment in club membership, at cost         46         46           Trade receivables         1,502         1,293           Prepayment         2,590         2,384           Deferred tax assets         570         243           Total non-current assets         273,006         273,994           Current assets         127,408         139,505           Inventories         126,876         130,315           Other receivables, deposits and prepayments         21,294         14,733           Contract assets         3,558         -           Amount owing by related companies         2         36           Amount owing by a joint venture         300         -           Current tax assets         4,910         2,838           Deposits with licensed banks         17,577         6,084           Cash and bank balances         67,825         50,092           Total current assets         369,748         343,931           EQUITY AND LIABILITIES         4         4         4           Equity	•		•
Right-of-use assets         48,931         52,536           Intangible assetts         137,060         137,093           Investment in club membership, at cost         46         46           Trade receivables         1,502         1,293           Prepayment         2,590         2,384           Deferred tax assets         570         243           Total non-current assets         273,006         273,994           Current assets         127,408         139,505           Inventories         127,408         139,505           Trade receivables, deposits and prepayments         21,294         14,733           Contract assets         3,558         -           Amount owing by related companies         3,558         -           Amount owing by a joint venture         300         -           Current tax assets         4,910         2,838           Deposits with licensed banks         17,577         6,064           Cash and bank balances         67,825         50,092           Total current assets         369,748         343,931           Assets classified as held for sale         5,183         4,393           EQUITY AND LIABILITIES         4         4         4         4		,	,
Intangible assets         137,060         137,093           Investment in club membership, at cost         46         46           Trade receivables         1,502         2,394           Prepayment         2,590         2,384           Deferred tax assets         570         243           Total non-current assets         273,006         273,994           Current assets         127,408         139,505           Inventories         126,876         130,315           Other receivables, deposits and prepayments         21,294         14,733           Contract assets         21,294         14,733           Amount owing by related companies         -         384           Amount owing by a joint venture         300         -           Current tax assets         4,910         2,838           Deposits with licensed banks         17,577         6,064           Cash and bank balances         67,825         50,092           Total current assets         369,748         343,931           Assets classified as held for sale         5,183         4,393           Current tax seets         647,937         622,318           Equity         41,508         41,620           Exchange reserve </td <td></td> <td>•</td> <td>,</td>		•	,
Investment in club membership, at cost         46         46           Trade receivables         1,502         1,293           Prepayment         2,590         2,384           Deferred tax assets         570         243           Total non-current assets         273,006         273,994           Current assets         127,408         139,505           Inventories         126,876         130,315           Other receivables, deposits and prepayments         212,294         14,733           Contract assets         3,558         -           Amount owing by related companies         -         384           Amount owing by a joint venture         300         -           Current tax assets         4,910         2,838           Deposits with licensed banks         17,577         6,064           Cash and bank balances         67,825         50,092           Total current assets         369,748         343,931           Assets classified as held for sale         5,183         4,393           EQUITY AND LIABILITIES         4,910         2,318           EQUITY AND LIABILITIES         4,910         2,318           EQUITY AND LIABILITIES         4,910         4,910         4,910      <		•	
Trade receivables         1,502         1,293           Prepayment         2,590         2,384           Deferred tax assets         570         243           Total non-current assets         273,006         273,994           Current assets         127,408         139,505           Inventories         126,876         130,315           Other receivables, deposits and prepayments         21,294         14,733           Contract assets         3,558         -           Amount owing by related companies         5         384           Amount owing by a joint venture         300         -           Current tax assets         4,910         2,838           Deposits with licensed banks         17,577         6,064           Cash and bank balances         67,825         50,092           Total current assets         369,748         343,931           Assets classified as held for sale         5,183         4,393           TOTAL ASSETS         647,937         622,318           EQUITY AND LIABILITIES         5         633,878           Revaluation reserve         14,508         14,620           Exchange reserve         (34,94)         1,375           Treasury shares <t< td=""><td></td><td>•</td><td></td></t<>		•	
Prepayment Deferred tax assets         2,590 2,384 570         243           Total non-current assets         273,006         273,994           Current assets         273,006         273,994           Current assets         127,408 139,505         139,505           Trade receivables deposits and prepayments         126,876 130,315         139,505         130,315         130,315         130,315         130,315         130,315         130,315         130,315         130,315         130,315         130,315         130,315         130,315         130,315         130,315         130,315         140,331         130,315         140,331         140,331         140,333         140,333         140,333         140,333         140,333         140,333         140,330         140,333	•		
Deferred tax assets         570         243           Total non-current assets         273,006         273,994           Current assets         Inventories         127,408         139,505           Trade receivables         126,876         130,315           Other receivables, deposits and prepayments         21,294         14,733           Contract assets         3,558         -           Amount owing by related companies         -         384           Amount owing by a joint venture         300         -           Current tax assets         4,910         2,838           Deposits with licensed banks         17,577         6,064           Cash and bank balances         67,825         50,092           Total current assets         369,748         343,931           Assets classified as held for sale         5,183         4,393           TOTAL ASSETS         647,937         622,318           EQUITY AND LIABILITIES         5         633,878           Revaluation reserve         14,508         14,620           Exchange reserve         (349)         (1,375)           Treasury shares         (30,770)         (39,928)           Merger deficit reserve         (495,423)			•
Current assets         Inventories         127,408         139,505           Trade receivables         126,876         130,315           Other receivables, deposits and prepayments         21,294         14,733           Contract assets         3,558         -           Amount owing by related companies         -         384           Amount owing by a joint venture         300         -           Current tax assets         4,910         2,838           Deposits with licensed banks         17,577         6,064           Cash and bank balances         67,825         50,092           Total current assets         369,748         343,931           Assets classified as held for sale         5,183         4,393           TOTAL ASSETS         647,937         622,318           EQUITY AND LIABILITIES         Equity           Share capital         633,878         633,878           Revaluation reserve         14,508         14,620           Exchange reserve         (349)         (1,375)           Treasury shares         (30,770)         (39,928)           Merger deficit reserve         (495,423)         (495,423)           Retained profits         91,845         105,050 <td< td=""><td>• •</td><td>•</td><td>·</td></td<>	• •	•	·
Inventories         127,408         139,505           Trade receivables         126,876         130,315           Other receivables, deposits and prepayments         21,294         14,733           Contract assets         3,558         -           Amount owing by related companies         -         384           Amount owing by a joint venture         300         -           Current tax assets         4,910         2,838           Deposits with licensed banks         17,577         6,064           Cash and bank balances         67,825         50,092           Total current assets         369,748         343,931           Assets classified as held for sale         5,183         4,393           TOTAL ASSETS         647,937         622,318           EQUITY AND LIABILITIES         Equity           Equity         5         633,878         633,878           Revaluation reserve         14,508         14,620           Exchange reserve         (349)         (1,375)           Treasury shares         (30,770)         (39,928)           Merger deficit reserve         (495,423)         (495,423)           Retained profits         91,845         105,050           Equity attributable	Total non-current assets	273,006	273,994
Inventories         127,408         139,505           Trade receivables         126,876         130,315           Other receivables, deposits and prepayments         21,294         14,733           Contract assets         3,558         -           Amount owing by related companies         -         384           Amount owing by a joint venture         300         -           Current tax assets         4,910         2,838           Deposits with licensed banks         17,577         6,064           Cash and bank balances         67,825         50,092           Total current assets         369,748         343,931           Assets classified as held for sale         5,183         4,393           TOTAL ASSETS         647,937         622,318           EQUITY AND LIABILITIES         Equity           Equity         5         633,878         633,878           Revaluation reserve         14,508         14,620           Exchange reserve         (349)         (1,375)           Treasury shares         (30,770)         (39,928)           Merger deficit reserve         (495,423)         (495,423)           Retained profits         91,845         105,050           Equity attributable	Current assets		
Trade receivables         126,876         130,315           Other receivables, deposits and prepayments         21,294         14,733           Contract assets         3,558         -           Amount owing by related companies         -         384           Amount owing by a joint venture         300         -           Current tax assets         4,910         2,838           Deposits with licensed banks         17,577         6,064           Cash and bank balances         67,825         50,092           Total current assets         369,748         343,931           Assets classified as held for sale         5,183         4,393           TOTAL ASSETS         647,937         622,318           EQUITY AND LIABILITIES         5         633,878         633,878           Revaluation reserve         14,508         14,620           Exchange reserve         (349)         (1,375)           Treasury shares         (30,770)         (39,928)           Merger deficit reserve         (495,423)         (495,423)           Retained profits         91,845         105,050           Equity attributable to owners of the Company         213,689         216,822           Non-controlling interests         16,767 <td>Inventories</td> <td>127.408</td> <td>139.505</td>	Inventories	127.408	139.505
Other receivables, deposits and prepayments         21,294         14,733           Contract assets         3,558         -           Amount owing by related companies         -         384           Amount owing by a joint venture         300         -           Current tax assets         4,910         2,838           Deposits with licensed banks         17,577         6,064           Cash and bank balances         67,825         50,092           Total current assets         369,748         343,931           Assets classified as held for sale         5,183         4,393           TOTAL ASSETS         647,937         622,318           EQUITY AND LIABILITIES         Equity           Share capital         633,878         633,878           Revaluation reserve         14,508         14,620           Exchange reserve         (349)         (1,375)           Treasury shares         (30,770)         (39,928)           Merger deficit reserve         (495,423)         (495,423)           Retained profits         91,845         105,050           Equity attributable to owners of the Company         213,689         216,822           Non-controlling interests         16,767         16,059		•	•
Contract assets         3,558         -           Amount owing by related companies         -         384           Amount owing by a joint venture         300         -           Current tax assets         4,910         2,838           Deposits with licensed banks         17,577         6,064           Cash and bank balances         67,825         50,092           Total current assets         369,748         343,931           Assets classified as held for sale         5,183         4,393           TOTAL ASSETS         647,937         622,318           EQUITY AND LIABILITIES         Equity           Share capital         633,878         633,878           Revaluation reserve         14,508         14,620           Exchange reserve         (349)         (1,375)           Treasury shares         (30,770)         (39,928)           Merger deficit reserve         (495,423)         (495,423)           Retained profits         91,845         105,050           Equity attributable to owners of the Company         213,689         216,822           Non-controlling interests         16,767         16,059		•	·
Amount owing by a joint venture         300         -           Current tax assets         4,910         2,838           Deposits with licensed banks         17,577         6,064           Cash and bank balances         67,825         50,092           Total current assets         369,748         343,931           Assets classified as held for sale         5,183         4,393           TOTAL ASSETS         647,937         622,318           EQUITY AND LIABILITIES         8         633,878           Equity         14,508         14,620           Exchange reserve         (349)         (1,375)           Treasury shares         (30,770)         (39,928)           Merger deficit reserve         (495,423)         (495,423)           Retained profits         91,845         105,050           Equity attributable to owners of the Company         213,689         216,822           Non-controlling interests         16,767         16,059			-
Amount owing by a joint venture         300         -           Current tax assets         4,910         2,838           Deposits with licensed banks         17,577         6,064           Cash and bank balances         67,825         50,092           Total current assets         369,748         343,931           Assets classified as held for sale         5,183         4,393           TOTAL ASSETS         647,937         622,318           EQUITY AND LIABILITIES         8         633,878           Equity         14,508         14,620           Exchange reserve         (349)         (1,375)           Treasury shares         (30,770)         (39,928)           Merger deficit reserve         (495,423)         (495,423)           Retained profits         91,845         105,050           Equity attributable to owners of the Company         213,689         216,822           Non-controlling interests         16,767         16,059	Amount owing by related companies	, -	384
Current tax assets         4,910         2,838           Deposits with licensed banks         17,577         6,064           Cash and bank balances         67,825         50,092           Total current assets         369,748         343,931           Assets classified as held for sale         5,183         4,393           TOTAL ASSETS         647,937         622,318           EQUITY AND LIABILITIES         5         5           Equity         8         633,878         633,878           Revaluation reserve         14,508         14,620           Exchange reserve         (349)         (1,375)           Treasury shares         (30,770)         (39,928)           Merger deficit reserve         (495,423)         (495,423)           Retained profits         91,845         105,050           Equity attributable to owners of the Company         213,689         216,822           Non-controlling interests         16,767         16,059		300	-
Cash and bank balances         67,825         50,092           Total current assets         369,748         343,931           Assets classified as held for sale         5,183         4,393           TOTAL ASSETS         647,937         622,318           EQUITY AND LIABILITIES         50,000         647,937         622,318           Equity         8,000         633,878		4,910	2,838
Total current assets         369,748         343,931           Assets classified as held for sale         5,183         4,393           TOTAL ASSETS         647,937         622,318           EQUITY AND LIABILITIES         Equity           Share capital         633,878         633,878           Revaluation reserve         14,508         14,620           Exchange reserve         (349)         (1,375)           Treasury shares         (30,770)         (39,928)           Merger deficit reserve         (495,423)         (495,423)           Retained profits         91,845         105,050           Equity attributable to owners of the Company         213,689         216,822           Non-controlling interests         16,767         16,059	Deposits with licensed banks	17,577	6,064
Assets classified as held for sale         5,183         4,393           TOTAL ASSETS         647,937         622,318           EQUITY AND LIABILITIES         8         633,878         633,878           Equity         633,878         633,878         633,878         633,878         633,878         647,937         72,000	Cash and bank balances	67,825	50,092
TOTAL ASSETS         647,937         622,318           EQUITY AND LIABILITIES         Equity           Share capital         633,878         633,878           Revaluation reserve         14,508         14,620           Exchange reserve         (349)         (1,375)           Treasury shares         (30,770)         (39,928)           Merger deficit reserve         (495,423)         (495,423)           Retained profits         91,845         105,050           Equity attributable to owners of the Company         213,689         216,822           Non-controlling interests         16,767         16,059	Total current assets	369,748	343,931
EQUITY AND LIABILITIES         Equity       633,878       633,878         Share capital       633,878       633,878         Revaluation reserve       14,508       14,620         Exchange reserve       (349)       (1,375)         Treasury shares       (30,770)       (39,928)         Merger deficit reserve       (495,423)       (495,423)         Retained profits       91,845       105,050         Equity attributable to owners of the Company       213,689       216,822         Non-controlling interests       16,767       16,059	Assets classified as held for sale	5,183	4,393
Equity         Share capital       633,878       633,878         Revaluation reserve       14,508       14,620         Exchange reserve       (349)       (1,375)         Treasury shares       (30,770)       (39,928)         Merger deficit reserve       (495,423)       (495,423)         Retained profits       91,845       105,050         Equity attributable to owners of the Company       213,689       216,822         Non-controlling interests       16,767       16,059	TOTAL ASSETS	647,937	622,318
Share capital       633,878       633,878         Revaluation reserve       14,508       14,620         Exchange reserve       (349)       (1,375)         Treasury shares       (30,770)       (39,928)         Merger deficit reserve       (495,423)       (495,423)         Retained profits       91,845       105,050         Equity attributable to owners of the Company       213,689       216,822         Non-controlling interests       16,767       16,059	EQUITY AND LIABILITIES		
Revaluation reserve       14,508       14,620         Exchange reserve       (349)       (1,375)         Treasury shares       (30,770)       (39,928)         Merger deficit reserve       (495,423)       (495,423)         Retained profits       91,845       105,050         Equity attributable to owners of the Company       213,689       216,822         Non-controlling interests       16,767       16,059	Equity		
Exchange reserve       (349)       (1,375)         Treasury shares       (30,770)       (39,928)         Merger deficit reserve       (495,423)       (495,423)         Retained profits       91,845       105,050         Equity attributable to owners of the Company       213,689       216,822         Non-controlling interests       16,767       16,059	Share capital	633,878	633,878
Treasury shares       (30,770)       (39,928)         Merger deficit reserve       (495,423)       (495,423)         Retained profits       91,845       105,050         Equity attributable to owners of the Company       213,689       216,822         Non-controlling interests       16,767       16,059	Revaluation reserve	14,508	14,620
Merger deficit reserve       (495,423)       (495,423)         Retained profits       91,845       105,050         Equity attributable to owners of the Company       213,689       216,822         Non-controlling interests       16,767       16,059		(349)	(1,375)
Retained profits91,845105,050Equity attributable to owners of the Company213,689216,822Non-controlling interests16,76716,059		(30,770)	(39,928)
Equity attributable to owners of the Company213,689216,822Non-controlling interests16,76716,059		(495,423)	(495,423)
Non-controlling interests 16,767 16,059	Retained profits	91,845	105,050
Non-controlling interests 16,767 16,059	Equity attributable to owners of the Company	213.689	216,822
		230,456	

The unaudited Condensed Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying notes attached to this interim financial report.



(Incorporated in Malaysia)

#### Interim Report for the 3-months Financial Period Ended 31 March 2023

#### **Unaudited Condensed Statements of Financial Position (Cont'd)**

	Unaudited as at 31/3/2023 RM'000	Audited as at 31/12/2022 RM'000
Non-current liabilities		
Lease liabilities	33,348	34,771
Long-term borrowings	119,809	123,405
Deferred tax liabilities	7,261	6,382
Variable deferred consideration	11,148	25,148
Total non-current liabilities	171,566	189,706
Current liabilities		
Trade payables	45,985	29,958
Other payables, deposits received and accruals	15,752	18,943
Contract liabilities	1,497	2,201
Amount owing to related companies	-	284
Amount owing to a joint venture	1,077	729
Lease liabilities	6,074	6,063
Short-term borrowings	117,649	111,115
Current tax liabilities	7,602	5,631
Dividend payable	25,715	-
Derivative liabilities	-	243
Variable deferred consideration	24,564	24,564
Total current liabilities	245,915	199,731
TOTAL LIABILITIES	417,481	389,437
TOTAL EQUITY AND LIABILITIES	647,937	622,318
No. of ordinary shares in issue ('000)	1,292,022	1,285,753
Net assets per share attributable to equity holders of the Company (RM)	0.18	0.18

The unaudited Condensed Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying notes attached to this interim financial report.



# **HEXTAR GLOBAL BERHAD** 199001014551 (206220-U) (Incorporated in Malaysia)

#### Interim Report for the 3-months Financial Period Ended 31 March 2023

#### **Unaudited Condensed Statements of Cash Flows**

	3-months ended 31/03/2023 RM'000	3-months ended 31/03/2022 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES		
Profit before taxation	13,741	21,555
Adjustments for:- Amortisation Depreciation Impairment loss on trade receivables Interest expense Unrealised loss/(gain) on foreign exchange Gain on forward currency contracts Gain on disposal of plant and equipment Interest income Share of profit of a joint venture Operating profit before working capital changes	162 3,822 184 3,353 133 (243) (75) (266) (112)	139 2,611 45 2,159 (337) - (21) (200) 25,951
Changes in working capital:- Inventories Receivables Payables Related parties Joint venture  Cash from operations Interest paid Income tax paid	12,139 (6,871) 12,170 100 48 17,586 38,285 (3,353) (3,814)	18,592 8,453 (13,389) (108) 47 13,595 39,546 (2,159) (3,956)
Net cash from operating activities	31,118	33,431

The unaudited Condensed Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying notes attached to this interim financial report.



# **HEXTAR GLOBAL BERHAD** 199001014551 (206220-U) (Incorporated in Malaysia)

#### Interim Report for the 3-months Financial Period Ended 31 March 2023

#### Unaudited Condensed Statements of Cash Flows (Cont'd)

	3-months ended 31/03/2023 RM'000	3-months ended 31/03/2022 RM'000
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES		
Interest received Increase in pledged deposits with licensed banks Payment of deferred consideration Proceeds from disposal of plant and equipment Proceeds from disposal of assets classified as held for sale Product development expenditure incurred Addition of intangible assets Purchase of property, plant and equipment	266 (3,164) (14,000) 75 190 (22) (107) (2,262)	21 - (3,200) 1 - - (20) (2,431)
Net cash for investing activities	(19,024)	(5,629)
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES		
Dividend paid Net decrease of lease liabilities Net increase in bank borrowings Purchase of treasury shares Proceeds from sale of treasury shares Repayment of term loans  Net cash from/(for) financing activities	(1,755) 7,643 - 13,008 (4,802) 14,094	(15,619) (349) 851 (4,627) - (3,169) (22,913)
NET INCREASE IN CASH AND CASH EQUIVALENTS	26,188	4,889
EFFECTS OF FOREIGN EXCHANGE TRANSLATION	(106)	(465)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	51,564	58,400
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	77,646	62,824
CASH AND CASH EQUIVALENTS COMPRISE  Deposits with licensed banks Cash and bank balances Bank overdraft  Less: Deposits pledged to licensed banks Bank balances pledged with licensed banks	17,577 67,825 - - 85,402 (4,638) (3,118)	27,558 41,087 (357) 68,288 (5,464)
Dank Salances proaged with necrosed banks	77,646	62,824
	<u> </u>	

The unaudited Condensed Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying notes attached to this interim financial report.



#### Interim Report for the 3-months Financial Period Ended 31 March 2023

#### **Unaudited Condensed Statements of Changes in Equity**

			<> Non-distributable>		<-Distributable->	Attributable			
	Share Capital RM'000	Capital Shares	Merger Deficit Reserve RM'000	Exchange Reserve RM'000	Revaluation Reserve RM'000	Retained Profits RM'000	to Owners of the Company RM'000	Non-controlling Interests RM'000	Total RM'000
Balance as at 1/1/2023	633,878	(39,928)	(495,423)	(1,375)	14,620	105,050	216,822	16,059	232,881
Profit after taxation for the financial period Other comprehensive income/(expenses) for the financial period:	-	-	-	-	-	8,628	8,628	794	9,422
- Foreign currency translation differences	-	-	-	1,026	-	-	1,026	-	1,026
- Revaluation of property	-	-	-	-	(81)	=	(81)	(85)	(166)
Total comprehensive income/(expenses) for the financial period	-	-	-	1,026	(81)	8,628	9,573	709	10,282
Contributions by and distributions to owners of the Company:									
- Treasury shares sold	-	9,158	-	-	-	3,850	13,008	-	13,008
- Dividends	-	· -	-	-	-	(25,715)	(25,715)	-	(25,715)
Total transactions with owners	-	9,158	-	-	-	(21,865)	(12,707)	-	(12,707)
Realisation of revaluation reserve	-	-	-	-	(31)	32	1	(1)	-
Balance as at 31/3/2023	633,878	(30,770)	(495,423)	(349)	14,508	91,845	213,689	16,767	230,456

The unaudited Condensed Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying notes attached to this interim financial report.



#### Interim Report for the 3-months Financial Period Ended 31 March 2023

#### Unaudited Condensed Statements of Changes in Equity (Cont'd)

			< No	on-distributabl	e>	<-Distributable->	Attributable		
	Share Capital RM'000	Treasury Shares RM'000	Merger Deficit Reserve RM'000	Exchange Reserve RM'000	Revaluation Reserve RM'000	Retained Profits RM'000	to Owners of the Company RM'000	Non-controlling Interests RM'000	Total RM'000
Balance as at 1/1/2022	633,878	(10,300)	(488,522)	102	17,192	60,614	212,964	14,621	227,585
Profit after taxation for the financial period Other comprehensive expenses for the financial period:	-	-	-	-	-	15,646	15,646	829	16,475
- Foreign currency translation differences	-	-	-	(154)	-	=	(154)	(180)	(334)
Total comprehensive (expenses)/income for the financial period	-	-	-	(154)	-	15,646	15,492	649	16,141
Contributions by and distributions to owners of the Company:									
- Purchase of treasury shares	-	(4,627)	-	-	-	-	(4,627)	-	(4,627)
- Dividends	-	-	-	-	-	(15,619)	(15,619)	-	(15,619)
Total transactions with owners	-	(4,627)	-	-	-	(15,619)	(20,246)	-	(20,246)
Realisation of revaluation reserve	-	-	-	-	(45)	45	-	-	-
Balance as at 31/3/2022	633,878	(14,927)	(488,522)	(52)	17,147	60,686	208,210	15,270	223,480

The unaudited Condensed Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying notes attached to this interim financial report.



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#### Interim Report for the 3-months Financial Period Ended 31 March 2023

# A. EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134, INTERIM FINANCIAL REPORTING

#### 1. Basis of Preparation

This interim financial report is unaudited and has been prepared in accordance with 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").

This unaudited interim financial report should be read in conjunction with the annual audited financial statements for the financial year ended 31 December 2022. The Group prepared its financial statements in accordance with the Malaysian Financial Reporting Standards ("MFRS").

The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the change in the financial position and performance of Hextar Global Berhad ("Hextar" or the "Company") and its subsidiaries (the "Group") since the financial year ended 31 December 2022.

#### 2. Significant Accounting Policies

The financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

The following are accounting standards, amendments and IC interpretations of the MFRS that have been issued by the MASB but are not yet effective and have not been adopted by the Group:-

#### MFRSs and/or IC Interpretations (Including The Consequential Amendments)

MFRS 17 Insurance Contracts

Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Amendments to MFRS 16: Lease Liability in a Sales and Leaseback

Amendments to MFRS 17: Insurance Contracts

Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information

Amendments to MFRS 101: Disclosure of Accounting Policies

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 108: Definition of Accounting Estimates

Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The Group and the Company plan to apply the abovementioned standards, amendments and interpretations when they become effective in the respective financial periods.

The adoption of the above accounting standards and amendments are expected to have no material impact on the financial statements of the Group upon their initial application.



(Incorporated in Malaysia)

#### Interim Report for the 3-months Financial Period Ended 31 March 2023

#### 3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the preceding annual audited financial statements for the financial year ended 31 December 2022 were not subject to any qualification.

#### 4. Seasonal or Cyclical Factors

The Group's agriculture business is sensitive to prolonged extreme weather conditions.

#### 5. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter under review and financial period to-date.

#### 6. Material Changes in Estimates

There were no material changes in estimates of the amount reported that have a material effect on the current quarter under review and financial period to-date except as disclosed in the financial statements.

#### 7. Details of Changes in Debts and Equity Securities

During the quarter under review, the Company has resold 6,269,600 units of its issued ordinary shares to the open market at an average price of RM2.07 per share. The total consideration received was RM13,008,446 including the transaction costs.

As at 31 March 2023, the Company held as treasury shares a total of 21,065,100 of 1,313,087,284 issued and fully paid-up ordinary shares. The treasury shares are held at a carrying amount of RM30,769,865.

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

#### 8. Dividend

The Company had on 3 April 2023 paid a second interim single-tier dividend of 2.0 sen per ordinary share amounting to approximately RM25.7 million in respect of the financial year ended 31 December 2022.

The total dividend declared for the financial year ended 31 December 2022 of 3.0 sen per ordinary share, amounting to approximately RM38.6 million with a payout ratio of 70.1%.

Other than the above, there were no dividends proposed or paid during the quarter under review.



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#### Interim Report for the 3-months Financial Period Ended 31 March 2023

#### 9. Segmental Reporting

o. Segmental Rep	v. vg	3-m	onths ended 31 N	March 2023			
	Investment Holding RM'000	Agriculture RM'000	Specialty Chemicals RM'000	Consumer Products RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Revenue							
External	-	81,660	57,082	4,589	1	-	143,332
Inter-segment	13,124	8	140	-	-	(13,272)	-
Total	13,124	81,668	57,222	4,589	1	(13,272)	143,332
Results							
Segment results	11,583	5,563	11,468	(1,313)	(33)	(10,510)	16,758
Finance costs	(1,632)	(1,250)	(328)	(143)	-	-	(3,353)
Finance income	1	26	236	1	2	-	266
Share of result of a							
joint venture	-	70	-	-	-		70
Profit/(Loss)							
before taxation	9,952	4,409	11,376	(1,455)	(31)	(10,510)	13,741
Taxation	(33)	(863)	(3,327)	4	-	(100)	(4,319)
Profit/(Loss) after							
taxation	9,919	3,546	8,049	(1,451)	(31)	(10,610)	9,422

#### 3-months ended 31 March 2022 Investment **Specialty** Consumer Holding Agriculture Chemicals **Products** Others **Eliminations Consolidated** RM'000 RM'000 RM'000 RM'000 RM'000 RM'000

	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External	-	96,584	51,301	5,643	102	-	153,630
Inter-segment	886	8,492	12,898	2,690	-	(24,966)	-
Total	886	105,076	64,199	8,333	102	(24,966)	153,630
Results							
Segment results	(411)	12,956	12,223	(593)	(170)	(619)	23,386
Finance costs	(1,401)	(503)	(189)	(66)	-	-	(2,159)
Finance income	-	22	105	1	-	-	128
Share of result of a joint venture	_	200	-	-	_	-	200
(Loss)/Profit							
before taxation	(1,812)	12,675	12,139	(658)	(170)	(619)	21,555
Taxation	-	(2,931)	(2,296)	3	-	144	(5,080)
(Loss)/Profit							
after taxation	(1,812)	9,744	9,843	(655)	(170)	(475)	16,475



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#### Interim Report for the 3-months Financial Period Ended 31 March 2023

#### 10. Valuation of Property, Plant and Equipment

The values of property, plant and equipment have been brought forward without amendments from the Company's previous annual audited financial statements for the financial year ended 31 December 2022.

#### 11. Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial period under review.

#### 12. Contingent Liabilities

The contingent liabilities are as follows:

Company
As at
31/03/2023
RM'000
540,477

Guarantees give to financial institutions for facilities granted to the Group

#### 13. Capital Commitments

There were no material capital commitments entered into and not provided for by the Group during the current quarter under review other than the following:-

Group As at 31/03/2023 RM'000 35,712 115

Variable deferred consideration in relation to the acquisition of subsidiaries Property and equipment

#### 14. Material Events Subsequent to the End of the Interim Reporting Period

There were no material events subsequent to the end of the interim reporting period reported.



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#### Interim Report for the 3-months Financial Period Ended 31 March 2023

#### 15. Related Party Transactions

The related parties comprising of directors and/or major shareholders of Hextar Global Berhad who are either the directors and/or major shareholders of the Company or the persons connected with 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 March 2023.

	Transaction Value 31/03/2023 RM'000
Sales of raw materials/finished goods:-	
PT Delta Giri Wacana	1,816
PT Dharma Guna Wibawa	1,175
Hextar Oil & Gas Sdn. Bhd.	691
Binapuri Sakti Sdn. Bhd.	235
Hextar Fert Sdn. Bhd.	1
Hextar KCS Sdn. Bhd.	10
Purchase of raw materials/finished goods:-	
Hextar Fert Sdn. Bhd.	10
Receiving of management services:-	
Hextar Asset Management Sdn. Bhd.	585



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#### Interim Report for the 3-months Financial Period Ended 31 March 2023

# B. ADDITIONAL INFORMATION REQUIRED PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

#### 1. Review of Performance of the Group

The Group revenue eased 6.7% to RM143.3 million from RM153.6 million amid persistent lower selling prices of agrochemicals products had offset solid revenue growth in Specialty Chemicals Segments. Specialty Chemicals segment recorded a robust revenue growth led by contribution oil and gas industry in spite of lower revenue contribution from Agriculture Segment driven by continuous significant downward pricing trend in the selling price of key Herbicides.

Consequently, the Group recorded a profit before taxation of RM13.7 million for the current quarter against the RM21.6 million achieved in the corresponding quarter last year on the back of lower revenue and margin contribution coupled with higher operating expenses. Specialty Chemicals Segment has grown to become a major contributor to the Group's earnings.

#### 2. Comparisons with the Immediate Preceding Quarter's Results

	(3-months)	(3-months)
	Current Quarter	Preceding Quarter
	ended 31/3/2023	ended 31/12/2022
	(RM'000)	(RM'000)
Revenue	143,332	139,739
Profit before taxation	13,741	11,042

On a quarter-on-quarter basis, the Group's revenue improved from RM139.7 million to RM143.3 million mainly led to rebounded revenue contribution from Agriculture Segment despite lower revenue contribution from Consumer Products Segment.

The profit before taxation improved 24.4% significantly from RM11.0 million to RM13.7 million mainly driven by higher revenue contribution and the absence of one-off impairment losses as provided for in the immediate preceding quarter.



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#### Interim Report for the 3-months Financial Period Ended 31 March 2023

#### 3. Year 2023 Prospects

#### **Agriculture**

Malaysia is a net exporter of agrochemicals to the global market. Going into 2023, we are optimistic about the outlook of the agriculture industry as population expansion will lead to growing demand for food. Increasing adoption of precision farming methods, shrinking arable land due to increasing population and rapid urbanisation as well as industrialisation across the globe are also among the key factors driving demand for agrochemicals. Hence, we will continue focusing on our sales and marketing efforts to expand our markets and increase our revenue while maintaining our local market leadership position. We also remain committed to the ESG agenda and continue to invest in developing our product range to offer a wider variety of effective and eco-friendly green products. The Board is confident that the segment will continue to contribute positively to the Group's sustainable income in the year 2023.

#### **Specialty Chemicals**

The specialty cleaning chemicals market is expected to rebound strongly in 2023 led by a strong global recovery and robust demand for specialty cleaning chemicals from institutions, hotels and restaurants. We will continue our best effort to offer services and support along with our products that are constantly being improved through further research and development to ensure the product range remains competitive.

The market for special derivative and coating chemicals used in the rubber industry is expected to have moderate growth amid challenging market conditions as the gloves industries' plant utilisation rate remains low and gloves average selling price weakness persists. We will continue to diversify and expand to other Asian markets aside from Malaysia. The segment is committed to enhancing and producing new chemical innovations to create higher value products for customers.

For the current year, the outlook for the specialty chemicals and catalysts business for the oil & gas industry is generally positive as the oil & gas industry has rebounded strongly in 2022 and we expect to see a continuing rise in demand in 2023 based on observed trends in the industry with prices remaining high for the most part.

#### **Consumer Products**

After much deliberation, the management decided to divest this segment from the Group in view of its continuous loss-making position despite many efforts put in to turn around its financial performance.

The Board is of the opinion that the divestment is not expected to have any major impact to the Group's financial performance. The exit of this business segment will enable the Group to refocus its resources on driving the growth of the Agriculture and Specialty Chemicals businesses.

#### 4. Financial Forecast and Profit Guarantee

The Group has not provided any financial forecast or profit guarantee in any public document.



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#### Interim Report for the 3-months Financial Period Ended 31 March 2023

#### 5. Taxation

The taxation figures are as follows:-

-	Ir	ıdividual Quarter	Cumulative Quarter			
	Current Year Quarter 31/03/2023 RM'000	Preceding Year Quarter 31/03/2022 RM'000	Current Year to-Date 31/03/2023 RM'000	Preceding Year to-Date 31/03/2021 RM'000		
Deferred tax	(203)	146	(203)	146		
Income tax	(4,116)	(5,226)	(4,116)	(5,226)		
	(4,319)	(5,080)	(4,319)	(5,080)		

The effective tax rate for both the current quarter and year-to-date under review for the Group was higher than the statutory tax rate of 24% mainly due to certain expenses not deductible for tax purposes and the provision of deferred tax.

#### 6. Status of Corporate Proposal

On 28 February 2023, the Company proposed to undertake a bonus issue of up to 2,626,174,568 new ordinary shares in the Company on the basis of two (2) Bonus Shares for every one (1) existing ordinary shares of the Company held ("Proposed Bonus Issue'). On 31 March 2023, the Proposed Bonus Issue was tabled at the Extraordinary General Meeting and subsequently approved by the shareholders. On 19 April 2023, the Company announced the Bonus Issue of Shares has been completed following the listing and quotation of 2,626,568 Bonus Issue based on the entitlement date of 18 April 2023.

On 15 May 2023, Hextar has entered into a share sale agreement with Hextar Holdings Sdn Bhd ("HHSB") to acquire 100% equity interest and obtain full ownership of Hextar Industrial Chemicals Sdn Bhd from HHSB for a total consideration of RM10.0 million to be satisfied wholly in cash. On the same day, Hextar has also undertaken the Proposed Divestment which will result in Hextar exiting the Consumer Products Segment. The Consumer Products Segment consists of Halex Woolton (M) Sdn Bhd and Halex Marketing Sdn Bhd which will be divested to a non-related third party, for a total consideration of RM3.5 million pursuant to two share sale agreements dated 15 May 2023.



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#### Interim Report for the 3-months Financial Period Ended 31 March 2023

#### 7. Borrowings

The Group's borrowings as at 31 March 2023 and 31 December 2022 are as follows:

	As at	As at
	31/3/2023	31/12/2022
	RM'000	RM'000
Short-term borrowings		
Secured		
Term loans	1,936	2,501
Hire purchases	929	622
Unsecured		
Term loans	14,860	14,860
Bills payable	63,512	62,412
Revolving credit	36,412	30,720
	117,649	111,115
Long-term borrowings		
Secured		
Term loans	12,905	13,427
Hire purchases	2,004	1,363
Unsecured		
Term loans	104,900	108,615
	119,809	123,405
Total	237,458	234,520

#### 8. Material Litigation

There were no material litigations involving the Group as at the date of this interim report.



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#### Interim Report for the 3-months Financial Period Ended 31 March 2023

#### 9. Earnings Per Share

#### a. Basic

The basic earnings per share are calculated by dividing the earnings attributable to equity holders of the Company for the period by the weighted average number of ordinary shares in issue during the financial period under review.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/3/2023	Preceding Year Quarter 31/3/2022	Current Year to-Date 31/3/2023	Preceding Year to-Date 31/3/2022
Profit attributable to equity holders of the Company (RM'000)	8,628	15,646	8,628	15,646
Weighted average number of ordinary shares in issue ('000) ^	1,287,912	1,303,768	1,287,912	1,303,768
Basic earnings per share (sen)	0.67	1.20	0.67	1.20

<sup>^</sup> The calculation of basic earnings per share for the previous financial period has been adjusted retrospectively to reflect the changes in the number of shares as a result of the bonus issue.

#### b. Diluted

The calculation of diluted earnings per ordinary share is the same with basic earnings per ordinary share as the Group has no dilutive potential ordinary shares.



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#### Interim Report for the 3-months Financial Period Ended 31 March 2023

#### 10. Notes to the Statements of Profit or Loss and Other Comprehensive Income

Profit before taxation is arrived at after charging/(crediting):-

	Individual	l Quarter	Cumulative Quarter	
	Current	Preceding	Current Year-to-Date	Preceding Year-to-Date
	Year Quarter	Year Quarter		
	31/3/2023	31/3/2022	31/3/2023	31/3/2022
	RM'000	RM'000	RM'000	RM'000
Amortisation	161	139	161	139
Depreciation	3,822	2,611	3,822	2,611
Gain on disposal of plant and				
equipment	(75)	-	(75)	-
Impairment loss on trade				
receivables	184	45	184	45
Interest expense	3,353	2,159	3,353	2,159
Interest income	(266)	(21)	(266)	(21)
Share of profit of a joint venture	(112)	(200)	(112)	(200)
Gain on forward currency				
contracts	(243)	-	(243)	-
Unrealised loss/(gain) on foreign				
exchange	133	(337)	133	(337)

By Order of the Board HEXTAR GLOBAL BERHAD 199001014551 (206220 – U)

Ong Wai Leng Company Secretary Kuala Lumpur 19 May 2023