



HEXTAR GLOBAL BERHAD

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

**Interim Report
For the 3-months Financial Period Ended
31 March 2025**



Interim Report for the 3-months Financial Period Ended 31 March 2025

Unaudited Condensed Statements of Profit or Loss and Other Comprehensive Income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(3-mths)	(3-mths)	(3-mths)	(3-mths)
	Current Year	Preceding Year	Current	Preceding
	Quarter	Quarter	Year to-Date	Year to-Date
	31/03/2025	31/03/2024	31/03/2025	31/03/2024
	RM'000	RM'000	RM'000	RM'000
Revenue	238,548	232,269	238,548	232,269
Cost of sales	(170,637)	(172,919)	(170,637)	(172,919)
Gross profit	67,911	59,350	67,911	59,350
Other income	1,922	1,397	1,922	1,397
Selling and marketing expenses	(8,108)	(8,014)	(8,108)	(8,014)
Administrative and other expenses	(29,027)	(25,833)	(29,027)	(25,833)
Finance costs	(5,939)	(7,129)	(5,939)	(7,129)
Share of loss of joint ventures	(75)	(71)	(75)	(71)
Profit before taxation	26,684	19,700	26,684	19,700
Less: Taxation	(8,017)	(3,628)	(8,017)	(3,628)
Profit after taxation	18,667	16,072	18,667	16,072
Other comprehensive income/(expenses):				
- Foreign currency translation differences	(729)	(238)	(729)	(238)
- Revaluation of property	1,913	-	1,913	-
Other comprehensive income/(expenses) for the financial period	1,184	(238)	1,184	(238)
Total comprehensive income for the financial period	19,851	15,834	19,851	15,834
Profit for the financial period attributable to:				
- Owners of the Company	13,502	12,144	13,502	12,144
- Non-controlling interests	5,165	3,928	5,165	3,928
	18,667	16,072	18,667	16,072
Total comprehensive income attributable to:				
- Owners of the Company	14,687	11,906	14,687	11,906
- Non-controlling interests	5,164	3,928	5,164	3,928
	19,851	15,834	19,851	15,834
Earnings per share				
Basic (sen)	0.35	0.31	0.35	0.31

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 2024 and the accompanying notes attached to this interim financial report.



Interim Report for the 3-months Financial Period Ended 31 March 2025

Unaudited Condensed Statements of Financial Position

	Unaudited as at 31/03/2025 RM'000	Audited as at 31/12/2024 RM'000
ASSETS		
Non-current assets		
Investment in joint ventures	7,887	7,962
Property, plant and equipment	120,371	119,057
Investment properties	6,062	5,972
Right-of-use assets	49,533	51,605
Intangible assets	164,433	164,183
Investment in club membership, at cost	45	45
Trade receivables	2,032	2,195
Prepayment	3,979	3,578
Deferred tax assets	1,684	1,857
Total non-current assets	356,026	356,454
Current assets		
Inventories	126,343	137,904
Trade receivables	151,697	168,638
Other receivables, deposits and prepayments	77,376	72,288
Short-term investments	-	1,473
Biological assets	-	19
Contract assets	66,084	12,637
Amount owing by related companies	-	343
Current tax assets	16,461	8,271
Derivative assets	-	1,004
Deposits with licensed banks	17,068	17,031
Cash and bank balances	38,457	49,498
Total current assets	493,486	469,106
TOTAL ASSETS	849,512	825,560
EQUITY AND LIABILITIES		
Equity		
Share capital	633,878	633,878
Treasury shares	(30,770)	(30,770)
Merger deficit reserve	(500,422)	(500,422)
Exchange reserve	(3,156)	(2,428)
Revaluation reserve	18,683	16,792
Retained profits	121,600	108,076
Equity attributable to owners of the Company	239,813	225,126
Non-controlling interests	35,571	30,407
TOTAL EQUITY	275,384	255,533

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



Interim Report for the 3-months Financial Period Ended 31 March 2025

Unaudited Condensed Statements of Financial Position (Cont'd)

	Unaudited as at 31/03/2025 RM'000	Audited as at 31/12/2024 RM'000
Non-current liabilities		
Lease liabilities	23,119	24,277
Other payables and accruals	2,403	2,406
Long-term borrowings	115,236	126,078
Deferred tax liabilities	8,112	8,232
Total non-current liabilities	148,870	160,993
Current liabilities		
Trade payables	68,184	49,139
Other payables, deposits received and accruals	23,320	46,001
Contract liabilities	20,273	10,671
Amount owing to related companies	-	785
Amount owing to a joint venture	1,929	1,570
Lease liabilities	6,730	7,230
Short-term borrowings	281,575	279,876
Current tax liabilities	23,247	13,752
Derivative liabilities	-	10
Total current liabilities	425,258	409,034
TOTAL LIABILITIES	574,128	570,027
TOTAL EQUITY AND LIABILITIES	849,512	825,560
No. of ordinary shares in issue ('000)	3,876,067	3,876,067
Net assets per share attributable to equity holders of the Company (RM)	0.06	0.06

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



Interim Report for the 3-months Financial Period Ended 31 March 2025

Unaudited Condensed Statements of Cash Flows

	3-months ended 31/03/2025 RM'000	3-months ended 31/03/2024 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES		
Profit before taxation	26,684	19,700
Adjustments for:-		
Amortisation	137	134
Depreciation	4,600	4,574
Plant and equipment written off	-	5
Impairment loss on property	1,234	-
Impairment loss on trade receivables	-	85
Interest expense	5,939	7,525
Net loss arising from changes in fair value of biological assets	19	36
Loss/(Gain) on forward currency contracts	994	(97)
Bad debt recovered	-	(6)
Fair value gain on investment property	(249)	-
Inventories written back	(2)	-
Unrealised (gain)/loss on foreign exchange	(1,679)	1,494
Gain on disposal of equipment	(64)	(53)
Interest income	(79)	(233)
Reversal of impairment loss on trade receivables	(46)	(8)
Share of loss of joint ventures	75	71
Operating profit before working capital changes	<u>37,563</u>	<u>33,227</u>
Changes in working capital:-		
Inventories	11,561	34,568
Receivables	(42,001)	(38,357)
Payables	22,000	18,324
Related companies	(442)	1,565
Joint venture	359	355
	<u>(8,523)</u>	<u>16,455</u>
Cash from operations	29,040	49,682
Interest paid	(5,939)	(7,129)
Income tax paid	(6,854)	(4,614)
Net cash from operating activities	<u>16,247</u>	<u>37,939</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 2024 and the accompanying notes attached to this interim financial report.



Interim Report for the 3-months Financial Period Ended 31 March 2025

Unaudited Condensed Statements of Cash Flows (Cont'd)

	3-months ended 31/03/2025 RM'000	3-months ended 31/03/2024 RM'000
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES		
Interest received	79	196
Decrease in pledged deposits with licensed banks	457	1,950
Payment of deferred consideration	(15,754)	(50,000)
Proceeds from disposal of equipment	82	61
Proceeds from disposal of assets classified as held for sale	-	83
Proceeds from issuance of shares to non-controlling interests by a subsidiary	-	14,700
Product development expenditure incurred	(35)	-
Addition of intangible assets	(352)	(122)
Purchase of property, plant and equipment	(2,682)	(2,969)
Net cash for investing activities	(18,205)	(36,101)
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES		
Drawdown of revolving credit	75,650	48,400
Drawdown of term loan	-	47,672
Net decrease of lease liabilities	(1,813)	(1,764)
Net increase/(decrease) in bank borrowings	22,307	(21,250)
Repayment of revolving credit	(78,650)	(88,020)
Repayment of term loans	(10,534)	(4,001)
Net cash from/(for) financing activities	6,960	(18,963)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	5,002	(17,125)
EFFECTS OF FOREIGN EXCHANGE TRANSLATION	(561)	176
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	28,799	61,507
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	33,240	44,558
CASH AND CASH EQUIVALENTS COMPRISE		
Deposits with licensed banks	17,068	26,835
Cash and bank balances	38,457	44,234
Short-term investments	-	2,120
Bank overdrafts	(5,178)	(3,571)
	50,347	69,618
Less: Deposits pledged to licensed banks	(16,723)	(18,041)
Bank balances pledged with licensed banks	(384)	(7,019)
	33,240	44,558

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



Interim Report for the 3-months Financial Period Ended 31 March 2025

Unaudited Condensed Statements of Changes in Equity

	Share Capital RM'000	Treasury Shares RM'000	<----- Non-distributable -----> Merger Deficit Reserve RM'000	Exchange Reserve RM'000	Revaluation Reserve RM'000	<-Distributable-> Retained Profits RM'000	Attributable to Owners of the Company RM'000	Non-controlling Interests RM'000	Total RM'000
Balance as at 1/1/2025	633,878	(30,770)	(500,422)	(2,428)	16,792	108,076	225,126	30,407	255,533
Profit after taxation for the financial period	-	-	-	-	-	13,502	13,502	5,165	18,667
Other comprehensive (expenses)/income for the financial period:									
- Foreign currency translation differences	-	-	-	(728)	-	-	(728)	(1)	(729)
- Revaluation of property	-	-	-	-	1,913	-	1,913	-	1,913
Total comprehensive (expenses)/income for the financial period	-	-	-	(728)	1,913	13,502	14,687	5,164	19,851
Realisation of revaluation reserve	-	-	-	-	(22)	22	-	-	-
Balance as at 31/03/2025	633,878	(30,770)	(500,422)	(3,156)	18,683	121,600	239,813	35,571	275,384

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 2024 and the accompanying notes attached to this interim financial report.



Interim Report for the 3-months Financial Period Ended 31 March 2025

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

	Share Capital RM'000	Treasury Shares RM'000	Non-distributable			Distributable		Attributable to Owners of the Company RM'000	Non-controlling Interests RM'000	Total RM'000
			Merger Deficit Reserve RM'000	Exchange Reserve RM'000	Revaluation Reserve RM'000	Retained Profits RM'000				
Balance as at 1/1/2024	633,878	(30,770)	(500,423)	549	14,626	138,262		256,122	3,110	259,232
Profit after taxation for the financial period	-	-	-	-	-	12,144		12,144	3,928	16,072
Other comprehensive expenses for the financial period:										
- Foreign currency translation differences	-	-	-	(238)	-	-		(238)	-	(238)
Total comprehensive (expenses)/income for the financial period	-	-	-	(238)	-	12,144		11,906	3,928	15,834
Contributions by and distributions to owners of the Company:										
- Issue of shares by a subsidiary to non-controlling interests	-	-	-	-	-	-		-	14,700	14,700
- Dividends	-	-	-	-	-	(38,761)		(38,761)	-	(38,761)
Total transactions with owners	-	-	-	-	-	(38,761)		(38,761)	14,700	(24,061)
Realisation of revaluation reserve	-	-	-	-	(21)	30		9	(10)	(1)
Balance as at 31/03/2024	633,878	(30,770)	(500,423)	311	14,605	111,675		229,276	21,728	251,004

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 2024 and the accompanying notes attached to this interim financial report.



Interim Report for the 3-months Financial Period Ended 31 March 2025

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 2024. 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 2024.

2. Significant Accounting Policies

The financial statements of the Group and of the Company are 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:-

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

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 19 Subsidiaries without Public Accountability: Disclosures

Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity

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

Amendments to MFRS 121: Lack of Exchangeability

Annual Improvements to MFRS Accounting Standards – Volume 11

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 and of the Company upon their initial application.



Interim Report for the 3-months Financial Period Ended 31 March 2025

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 2024 was not subject to any qualification.

4. Seasonal or Cyclical Factors

The Group's agriculture and fruit businesses are sensitive to prolonged and extreme weather conditions.

5. Unusual Items

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

6. Material Changes in Estimates

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

7. Details of Changes in Debts and Equity Securities

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

There were no dividends proposed or paid during the quarter under review.



Interim Report for the 3-months Financial Period Ended 31 March 2025

9. Segmental Reporting

REVENUE AND EXPENSES

Revenue

External
Inter-segment
Total revenue

Results

Segment results
Finance costs
Finance income
Share of result of joint ventures
Profit/(Loss) before taxation
Taxation
Consolidated profit/(loss) after taxation

3-months ended 31 March 2025					
Investment Holding	Agriculture	Specialty Chemicals	Fruits	Elimination	Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
34	85,757	126,374	26,383	-	238,548
3,915	1,024	74	-	(5,013)	-
3,949	86,781	126,448	26,383	(5,013)	238,548
2,140	8,042	25,039	224	(2,826)	32,619
(3,481)	(1,596)	(784)	(1,531)	1,453	(5,939)
1,430	31	8	37	(1,427)	79
-	22	-	(97)	-	(75)
89	6,499	24,263	(1,367)	(2,800)	26,684
(54)	(1,102)	(6,532)	(325)	(4)	(8,017)
35	5,397	17,731	(1,692)	(2,804)	18,667



Interim Report for the 3-months Financial Period Ended 31 March 2025

9. Segmental Reporting (Cont'd)

REVENUE AND EXPENSES

Revenue

External
Inter-segment
Total revenue

Results

Segment results
Finance costs
Finance income
Share of result of joint ventures
Profit before taxation
Taxation
Consolidated profit after taxation

3-months ended 31 March 2024					
Investment Holding	Agriculture	Specialty Chemicals	Fruits	Elimination	Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
31	80,517	102,894	48,827	-	232,269
17,735	475	104	-	(18,314)	-
17,766	80,992	102,998	48,827	(18,314)	232,269
14,908	6,671	20,859	1,840	(17,611)	26,667
(4,386)	(1,600)	(882)	(1,109)	848	(7,129)
861	66	44	110	(848)	233
-	32	-	(103)	-	(71)
11,383	5,169	20,021	738	(17,611)	19,700
(38)	(1,237)	(2,172)	(353)	172	(3,628)
11,345	3,932	17,849	385	(17,439)	16,072



Interim Report for the 3-months Financial Period Ended 31 March 2025

10. Valuation of Property, Plant and Equipment

The property, plant and equipment were revalued by independent professional valuers during the financial period under review.

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:

	As at 31/03/2025 RM'000
Guarantees provided to financial institutions for facilities granted to the Group	<u>634,033</u>

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 31/03/2025 RM'000
Property and equipment	<u>1,491</u>

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.



Interim Report for the 3-months Financial Period Ended 31 March 2025

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 2025.

	Transaction Value 31/03/2025 RM'000
Sales of raw materials/finished goods:-	
Hextar Oil & Gas Sdn. Bhd.	177
Hextar Fert Sdn. Bhd.	52
Hextar KCS Sdn. Bhd.	1,087
Rubberex (M) Sdn. Bhd.	16
Purchase of raw materials/finished goods:-	
Hextar Fert Sdn. Bhd.	355
PK Fertilizers Sdn. Bhd.	18
Hexlube Sdn. Bhd. (formerly known as Hextar Lube Synergy Sdn. Bhd.)	533
Receiving of management services:-	
Hextar Asset Management Sdn. Bhd.	913
Opcom Shared Services Sdn. Bhd.	30
Rental of storage space and warehouse facilities services:-	
Hexlube Sdn. Bhd. (formerly known as Hextar Lube Synergy Sdn. Bhd.)	51
Receipt of e-Commerce and other IT related services:-	
CIBC Technology Sdn. Bhd.	15



Interim Report for the 3-months Financial Period Ended 31 March 2025

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

1. Review of Performance of the Group

The Group's revenue for the current quarter increased by 2.7% or RM6.3 million, to RM238.5 million from RM232.3 million recorded in the corresponding quarter of the previous year. This growth was mainly attributed to higher sales contribution from the Specialty Chemicals and Agriculture segments, amounting to RM23.5 million and RM5.2 million respectively. However, the improvement was partially offset by a RM22.4 million decline in performance from Fruits segment, largely due to lower inventory carry-over from the previous year and softer export demand.

The Group reported an 35.5% increase in profit before taxation ("PBT") or RM7.0 million, to RM26.7 million for the current quarter as compared to RM19.7 million in the corresponding quarter of the previous year. The increase in PBT was largely attributable to stronger profit margins in the Specialty Chemicals and Agriculture segments, supported by a more favorable sales mix.

2. Comparisons with the Immediate Preceding Quarter's Results

	3-months Current Quarter ended 31/03/2025 (RM'000)	3-months Preceding Quarter ended 31/12/2024 (RM'000)
Revenue	238,548	220,094
Profit before taxation	26,684	10,664

On a quarter-on-quarter basis, the Group's revenue increased to RM238.5 million from RM220.1 million in the preceding quarter, representing an increase of 8.4% or RM18.5 million. This growth was mainly supported by the Agriculture segment, which delivered a strong increase of RM15.1 million, along with a RM6.4 million uplift from the Specialty Chemicals segment.

In tandem with the revenue growth, the Group's profit before taxation rose sharply by RM16.0 million or 150.2%, reaching RM26.7 million, compared to RM10.7 million in the preceding quarter. The significant increase was primarily due to the absence of impairment losses that were recognised in the previous quarter. In addition, the current quarter benefited from stronger gross margins in both the Agriculture and Specialty Chemicals segments.



Interim Report for the 3-months Financial Period Ended 31 March 2025

3. Year 2025 Prospects

Agriculture

The agrochemicals industry in Malaysia is poised for growth in 2025, driven by several key factors such as market expansion whereby the Malaysian agrochemicals market is projected to reach USD 710.58 million in 2025, with an anticipated compound annual growth rate (“CAGR”) of 4.56% from 2025 to 2030. This growth is attributed to the increasing importance of sustainable agriculture in ensuring food security and enhancing rural incomes as the population expands. With growing demand for food and rapid urbanisation, the industry is faced with challenges of labour shortages, shrinking arable land and regulatory compliance.

Looking at the government support and initiatives, the Malaysian government is stimulating economic growth in this sector by offering incentives to encourage modernisation in the agricultural sector. This includes funding for smart farming practices, agricultural education, and sustainable farming. We aim to focus on developing products that comply with updated regulations, with the goal of maintaining and potentially enhancing market access, as well as creating environmentally friendly products to support global ESG initiatives.

In summary, Malaysia's agrochemicals industry is set for an overall positive outlook and that the Board is confident the segment will contribute positively to the Group's sustainable income in the forthcoming year 2025.

Specialty Chemicals

The specialty chemicals market is expected to have a positive outlook, registering fluctuating growth trends depending on the market context as there are pillars of strength to exploit amid the soaring inflation and rising energy prices.

Special derivative and coating chemicals used in rubber industry are expected to have moderate growth amid challenging market condition. Meanwhile, the specialty cleaning and sanitation industry in Malaysia is expected to experience notable growth, driven by increasing consumer awareness, urbanisation, and a shift towards eco-friendly products as there is a growing demand for sustainable and eco-friendly cleaning products. We shall put focus on innovation, sustainability and product quality to capitalise on emerging opportunities and expand to other markets.

The outlook for Specialty Chemicals & Catalysts business in the Oil & Gas Industry for 2025 is generally positive as Malaysia's state energy firm, is actively pursuing growth in specialty chemicals. A partnership was announced to produce biofuels at a biorefinery in Pengerang, Johor, scheduled to become operational by the second half of 2028, giving rise to opportunities within the industry.

Fruits

The durian industry in Malaysia is projected to have a stable growth in 2025, driven by increasing production, expanding export markets and rising global demand. Malaysia has been exporting frozen durian products to China since 2011 and gained approval to export frozen whole durians in 2018. In 2022, the export value to China reached RM887 million Malaysian ringgit. With a recent agreement allowing the export of fresh durians, Malaysia is expected to become an increasingly important exporter to China.

While Thailand remains the largest global exporter of durians, Malaysia and Vietnam are emerging as significant competitors. Both countries have seen substantial growth in durian exports and are expected to increasingly challenge Thailand's dominance in the market. Growth within the durian industry is likely to come from factors such as the growing awareness and appreciation for durians from consumers domestically and around the world, particularly for “Musang King” originating from Malaysia as they are generally considered nicer.

In summary, Malaysia's durian industry is set for substantial growth in 2025, supported by increased production, expanded export agreements, and favorable market conditions. Hence, the Board believes that the Fruits segment will provide the Group with a sustainable source of income.



Interim Report for the 3-months Financial Period Ended 31 March 2025

4. Financial Forecast and Profit Guarantee

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

5. Taxation

The taxation figures are as follows:-

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding	Current	Preceding
	Quarter	Year Quarter	Year to-Date	Year to-Date
	31/03/2025	31/03/2024	31/03/2025	31/03/2024
	RM'000	RM'000	RM'000	RM'000
Deferred tax	119	2,816	119	2,816
Income tax	(8,136)	(6,444)	(8,136)	(6,444)
Taxation	<u>(8,017)</u>	<u>(3,628)</u>	<u>(8,017)</u>	<u>(3,628)</u>

The effective tax rate for previous quarter and preceding year-to-date under review for the Group was lower than at 18% compared to the statutory tax rate of 24%. This was mainly due to recognition of deferred tax assets. In contrast, the effective tax rate for the current quarter and current year-to-date was higher at 30%, mainly attributable to certain non-deductible expenses and the recognition of deferred tax liabilities.

6. Status of Corporate Proposal

There were no corporate proposals for the financial period under review.

7. Borrowings

The Group's borrowings as at 31 March 2025 and 31 December 2024 are as follows:

	As at	As at
	31/03/2025	31/12/2024
	RM'000	RM'000
Short-term borrowings		
<u>Secured</u>		
Term loans	47,132	47,214
Hire purchases	1,658	1,712
Bills payable	159,607	138,313
Revolving credit	68,000	71,000
Bank overdrafts	5,178	21,637
	<u>281,575</u>	<u>279,876</u>
Long-term borrowings		
<u>Secured</u>		
Term loans	111,266	122,497
Hire purchases	3,970	3,581
	<u>115,236</u>	<u>126,078</u>
Total	<u>396,811</u>	<u>405,954</u>



Interim Report for the 3-months Financial Period Ended 31 March 2025

8. Material Litigation

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

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 31/03/2025	Preceding Year Quarter 31/03/2024	Current Year to-Date 31/03/2025	Preceding Year to-Date 31/03/2024
Profit attributable to equity holders of the Company (RM'000)	13,502	12,144	13,502	12,144
Weighted average number of ordinary shares in issue ('000)	3,876,067	3,876,067	3,876,067	3,876,067
Basic earnings per share (sen)	0.35	0.31	0.35	0.31

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.



Interim Report for the 3-months Financial Period Ended 31 March 2025

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

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

	Individual Quarter		Cumulative Quarter	
	Current	Preceding	Current	Preceding
	Year Quarter	Year Quarter	Year-to-Date	Year-to-Date
	31/03/2025	31/03/2024	31/03/2025	31/03/2024
	RM'000	RM'000	RM'000	RM'000
Amortisation	137	134	137	134
Depreciation	4,600	4,574	4,600	4,574
Plant and equipment written off	-	5	-	5
Impairment loss on:				
- trade receivables	-	85	-	85
- property	1,234	-	1,234	-
Interest expense	5,939	7,525	5,939	7,525
Net loss arising from changes in fair value of biological assets	19	36	19	36
Share of loss of joint ventures	75	71	75	71
Loss/(Gain) on forward currency contracts	994	(97)	994	(97)
Bad debt recovered	-	(6)	-	(6)
Fair value gain on investment property	(249)	-	(249)	-
Interest income	(79)	(233)	(79)	(233)
Unrealised (gain)/loss on foreign exchange	(1,679)	1,494	(1,679)	1,494
Gain on disposal of equipment	(64)	(53)	(64)	(53)
Reversal of impairment loss on trade receivables	(46)	(8)	(46)	(8)
Inventories written back	(2)	-	(2)	-

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

Tan Tong Lang
Company Secretary
Kuala Lumpur
23 May 2025