HEXTAR GLOBAL BERHAD

Company No.: 199001014551 (206220-U)

(Incorporated in Malaysia)

Interim Report
For the 6-months Financial Period Ended
30 June 2026

HEXTAR GLOBAL BERHAD 199001014551 (206220-U)

(Incorporated in Malaysia)

Interim Report for the 6-months Financial Period Ended 30 June 2026

Unaudited Condensed Statements of Profit or Loss and Other Comprehensive Income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(3-mths) Current Year Quarter 30/06/2026 RM'000	(3-mths) Preceding Year Quarter 30/06/2025 RM'000	(6-mths) Current Year to-Date 30/06/2026 RM'000	(6-mths) Preceding Year to-Date 30/06/2025 RM'000
Revenue	199,054	177,522	395,253	416,070
Cost of sales	(138,948)	(126,261)	(276,187)	(296,898)
Gross profit	60,106	51,261	119,066	119,172
Other income	1,339	653	2,648	2,575
Selling and marketing expenses	(9,741)	(7,553)	(19,471)	(15,661)
Administrative and other expenses	(25,233)	(16,134)	(50,313)	(45,161)
Finance costs	(6,053)	(6,994)	(11,147)	(12,933)
Share of loss of joint ventures	(24)	(123)	(131)	(198)
Profit before taxation	20,394	21,110	40,652	47,794
Less: Taxation	(6,280)	(5,083)	(12,537)	(13,100)
Profit after taxation	14,114	16,027	28,115	34,694
Other comprehensive income/(expenses):				
- Foreign currency translation differences	(637)	(851)	(1,097)	(1,580)
- Remeasurement of defined benefit liabilities	(1)	-	53	-
- Revaluation of property	744	-	800	1,913
Other comprehensive income/(expenses) for the financial period	106	(851)	(244)	333
Total comprehensive income for the financial period	14,220	15,176	27,871	35,027
Profit/(Loss) for the financial period attributable to:				
- Owners of the Company	15,121	15,934	29,397	29,436
- Non-controlling interests	(1,007)	93	(1,282)	5,258
	14,114	16,027	28,115	34,694
Total comprehensive income/(expenses) attributable to:				
- Owners of the Company	14,680	15,083	28,606	29,770
- Non-controlling interests	(460)	93	(735)	5,257
	14,220	15,176	27,871	35,027
Earnings per share				
Basic (sen)	0.39	0.41	0.76	0.76

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 2025 and the accompanying notes attached to this interim financial report.

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

Interim Report for the 6-months Financial Period Ended 30 June 2026

Unaudited Condensed Statements of Financial Position

	Unaudited as at 30/06/2026 RM'000	Audited as at 31/12/2025 RM'000
ASSETS		
Non-current assets		
Investment in joint ventures	6,249	5,520
Property, plant and equipment	105,309	105,574
Investment properties	4,575	5,814
Right-of-use assets	64,587	66,626
Intangible assets	163,322	163,508
Investment in club membership, at cost	44	45
Trade receivables	1,325	1,545
Prepayment	5,791	5,902
Deferred tax assets	1,547	1,716
Total non-current assets	352,749	356,250
Current assets		
Inventories	153,100	153,316
Trade receivables	151,992	140,918
Other receivables, deposits and prepayments	56,667	46,037
Contract assets	25,803	22,666
Amount owing by related companies	-	1,943
Amount owing by a joint venture	761	53
Current tax assets	5,489	6,153
Deposits with licensed banks	17,118	17,250
Cash and bank balances	70,142	93,740
Total current assets	481,072	482,076
Assets classified as held for sale	700	13,750
TOTAL ASSETS	834,521	852,076
EQUITY AND LIABILITIES		
Equity		
Share capital	633,878	633,878
Treasury shares	(8,498)	(37,755)
Merger deficit reserve	(500,422)	(500,422)
Exchange reserve	(6,251)	(5,143)
Revaluation reserve	16,752	16,742
Retained profits	140,628	156,267
Equity attributable to owners of the Company	276,087	263,567
Non-controlling interests	10,331	11,067
TOTAL EQUITY	286,418	274,634

The unaudited Condensed Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying notes attached to this interim financial report.

Interim Report for the 6-months Financial Period Ended 30 June 2026

Unaudited Condensed Statements of Financial Position (Cont'd)

	Unaudited as at 30/06/2026 RM'000	Audited as at 31/12/2025 RM'000
Non-current liabilities		
Lease liabilities	39,969	38,453
Other payables and accruals	550	2,065
Long-term borrowings	137,543	155,722
Deferred tax liabilities	9,857	10,277
Total non-current liabilities	187,919	206,517
Current liabilities		
Trade payables	38,778	48,769
Other payables, deposits received and accruals	20,731	28,867
Contract liabilities	8,621	7,131
Amount owing to related companies	-	1,425
Amount owing to a joint venture	1,895	1,221
Lease liabilities	7,330	10,759
Short-term borrowings	268,126	261,420
Current tax liabilities	14,703	11,333
Total current liabilities	360,184	370,925
TOTAL LIABILITIES	548,103	577,442
TOTAL EQUITY AND LIABILITIES	834,521	852,076
No. of ordinary shares in issue ('000)	3,925,636	3,868,212
Net assets per share attributable to equity holders of the Company (RM)	0.07	0.07

The unaudited Condensed Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying notes attached to this interim financial report.

HEXTAR GLOBAL BERHAD 199001014551 (206220-U)
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Interim Report for the 6-months Financial Period Ended 30 June 2026

Unaudited Condensed Statements of Cash Flows

	6-months ended 30/06/2026 RM'000	6-months ended 30/06/2025 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES		
Profit before taxation	40,652	47,794
Adjustments for:-		
Amortisation	199	261
Bad debts written off	15	-
Depreciation	8,997	9,256
Impairment loss:		
- assets classified as held for sale	275	-
- property	44	1,234
Impairment loss on trade receivables	1	-
Interest expense	11,147	12,933
Inventories written down	-	25
Inventories written off	61	-
Net loss arising from changes in fair value of biological assets	-	19
Plant and equipment written off	9	4
Loss on forward currency contracts	-	994
Bad debt recovered	(4)	-
Fair value gain on investment property	-	(249)
Gain on disposal of equipment	(108)	(97)
Gain on lease termination	(4)	(13)
Write-back of inventories	(212)	(985)
Interest income	(198)	(166)
Reversal of impairment loss on trade receivables	(287)	(296)
Reversal of impairment loss on related parties	-	(9)
Reversal of impairment loss on investment in joint venture	(861)	-
Share of loss of joint ventures	131	198
Unrealised loss/(gain) on foreign exchange	2,641	(3,898)
Operating profit before working capital changes	62,498	67,005
Changes in working capital:-		
Inventories	367	14,213
Receivables	(23,286)	(1,659)
Payables	(17,672)	(15,493)
Related companies	518	(433)
Joint venture	(35)	1,159
	(40,108)	(2,213)
Cash from operations	22,390	64,792
Interest paid	(11,147)	(12,933)
Income tax paid	(8,028)	(12,364)
Net cash from operating activities	3,215	39,495

The unaudited Condensed Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying notes attached to this interim financial report.

Interim Report for the 6-months Financial Period Ended 30 June 2026

Unaudited Condensed Statements of Cash Flows (Cont'd)

	6-months ended 30/06/2026 RM'000	6-months ended 30/06/2025 RM'000
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES		
Interest received	198	166
Net movement in pledged bank balances and deposits with licensed banks	518	422
Payment of deferred consideration	(1,000)	(16,754)
Proceeds from disposal of equipment	142	137
Proceeds from disposal of assets classified as held for sale	13,750	-
Product development expenditure incurred	(2)	(37)
Addition of intangible assets	-	(449)
Repayment from a joint venture	2	-
Purchase of property, plant and equipment	(3,762)	(6,701)
Net cash from/(for) investing activities	9,846	(23,216)
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES		
Drawdown of revolving credit	155,692	144,449
Net decrease of lease liabilities	(4,499)	(3,669)
Net increase in bank borrowings	11,708	19,675
Purchase of treasury shares	(16,087)	-
Repayment of revolving credit	(132,662)	(147,469)
Repayment of term loans	(34,250)	(24,310)
Net cash for financing activities	(20,098)	(11,324)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(7,037)	4,955
EFFECTS OF FOREIGN EXCHANGE TRANSLATION	(583)	(902)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	74,368	28,799
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	66,748	32,852
CASH AND CASH EQUIVALENTS COMPRISE		
Deposits with licensed banks	17,118	17,035
Cash and bank balances	70,142	52,591
Bank overdrafts	(3,681)	(19,632)
	83,579	49,994
Less: Deposits pledged to licensed banks	(9,912)	(9,723)
Deposits with tenures exceeding 3 months	(6,919)	(7,035)
Bank balances pledged to licensed banks	-	(384)
	66,748	32,852

The unaudited Condensed Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying notes attached to this interim financial report.

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Interim Report for the 6-months Financial Period Ended 30 June 2026

Unaudited Condensed Statements of Changes in Equity

	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	Attributable to Owners of the Company RM'000	Non-controlling Interests RM'000	Total RM'000
			<------------- Non-distributable		------------->	<-Distributable->			
Balance as at 1/1/2026	633,878	(37,755)	(500,422)	(5,143)	16,742	156,267	263,567	11,067	274,634
Profit/(Loss) after taxation for the financial period	-	-	-	-	-	29,397	29,397	(1,282)	28,115
Other comprehensive (expenses)/income for the financial period:									
- Foreign currency translation differences	-	-	-	(1,108)	-	-	(1,108)	11	(1,097)
- Remeasurement of defined benefit liabilities						53	53	-	53
- Revaluation of property	-	-	-	-	265	-	265	535	800
Total comprehensive (expenses)/income for the financial period	-	-	-	(1,108)	265	29,450	28,607	(736)	27,871
Contributions by and distributions to owners of the Company:									
- Purchase of treasury shares	-	(16,087)	-	-	-	-	(16,087)	-	(16,087)
- Dividends	-	45,344	-	-	-	(45,344)	-	-	-
Total transactions with owners	-	29,257	-	-	-	(45,344)	(16,087)	-	(16,087)
Realisation of revaluation reserve	-	-	-	-	(255)	255	-	-	-
Balance as at 30/06/2026	633,878	(8,498)	(500,422)	(6,251)	16,752	140,628	276,087	10,331	286,418

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 2025 and the accompanying notes attached to this interim financial report.

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Interim Report for the 6-months Financial Period Ended 30 June 2026

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

	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	-	-	-	-	-	29,436	29,436	5,258	34,694
Other comprehensive (expenses)/income for the financial period:									
- Foreign currency translation differences	-	-	-	(1,579)	-	-	(1,579)	(1)	(1,580)
- Revaluation of property	-	-	-	-	1,913	-	1,913	-	1,913
Total comprehensive (expenses)/income for the financial period	-	-	-	(1,579)	1,913	29,436	29,770	5,257	35,027
Contributions by and distributions to owners of the Company:									
- Changes in subsidiary's ownership interest that do not result in a loss of control	-	-	-	-	-	(2,138)	(2,138)	2,138	-
Total transactions with owners	-	-	-	-	-	(2,138)	(2,138)	2,138	-
Realisation of revaluation reserve	-	-	-	-	(43)	43	-	-	-
Balance as at 30/06/2025	633,878	(30,770)	(500,422)	(4,007)	18,662	135,417	252,758	37,802	290,560

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 2025 and the accompanying notes attached to this interim financial report.

Interim Report for the 6-months Financial Period Ended 30 June 2026

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 2025. 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 2025.

2. Significant Accounting Policies

The financial statements of the Group and of the Company are prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), IFRS Accounting 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: Amendments to the Classification and Measurement of Financial Instruments
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 19: Subsidiaries without Public Accountability: Disclosure
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/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company except for MFRS 18. The Group and the Company are currently evaluating the impact of implementing MFRS 18.

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 2025 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

During the preceding quarter, the Company purchased 15,526,500 of its issued ordinary shares from the open market at an average price of RM0.83 per share, for a total consideration of RM12,904,236, including transaction costs. During the current quarter under review, the Company purchased an additional 4,074,100 ordinary shares at an average price of RM0.78 per share, for total consideration of RM3,183,156, including transaction costs. The shares purchased are held as treasury shares in accordance with Section 127(6) of the Companies Act 2016 and presented as a deduction from equity.

On 30 June 2026, 77,024,109 treasury shares were distributed as an interim share dividend and credited into the securities accounts of the entitled shareholders maintained with Bursa Malaysia Depository Sdn Bhd.

As at 30 June 2026, the Company held 13,625,991 treasury shares out of its 3,939,261,852 issued and fully paid-up ordinary shares, with a carrying amount of RM8,498,551.

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 declared an interim share dividend in respect of the financial year ending 31 December 2026 by way of a distribution of treasury shares on the basis of two (2) treasury shares for every one hundred (100) existing ordinary shares held by the shareholders whose names appear in the Record of Depositors of the Company on 4 June 2026.

The treasury shares were credited into the entitled shareholders' securities accounts maintained with Bursa Malaysia Depository Sdn Bhd on 30 June 2026.

Other than the above, no other dividend was proposed or paid during the quarter under review.

Interim Report for the 6-months Financial Period Ended 30 June 2026

9. Segmental Reporting

	6-months ended 30 June 2026					
	Investment Holding	Agriculture	Specialty Chemicals	Fruits	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE AND EXPENSES						
Revenue						
External	99	203,762	116,881	74,511	-	395,253
Inter-segment	23,306	5,909	3,585	72	(32,872)	-
Total revenue	23,405	209,671	120,466	74,583	(32,872)	395,253
Results						
Segment results	23,725	30,183	20,565	354	(23,095)	51,732
Finance costs	(4,923)	(2,956)	(2,792)	(3,114)	2,638	(11,147)
Finance income	2,606	74	56	91	(2,629)	198
Share of result of joint ventures	-	44	-	(175)	-	(131)
Profit/(Loss) before taxation	21,408	27,345	17,829	(2,844)	(23,086)	40,652
Taxation	34	(6,289)	(4,611)	(1,253)	(418)	(12,537)
Consolidated profit/(loss) after taxation	21,442	21,056	13,218	(4,097)	(23,504)	28,115

9. Segmental Reporting (Cont'd)

	6-months ended 30 June 2025					
	Investment Holding	Agriculture	Specialty Chemicals	Fruits	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE AND EXPENSES						
Revenue						
External	67	172,845	194,093	49,065	-	416,070
Inter-segment	29,334	2,132	123	-	(31,589)	-
Total revenue	29,401	174,977	194,216	49,065	(31,589)	416,070
Results						
Segment results	38,903	23,746	33,446	848	(36,184)	60,759
Finance costs	(7,385)	(3,458)	(2,151)	(2,998)	3,059	(12,933)
Finance income	2,993	64	21	111	(3,023)	166
Share of result of joint ventures	-	61	-	(259)	-	(198)
Profit/(Loss) before taxation	34,511	20,413	31,316	(2,298)	(36,148)	47,794
Taxation	(140)	(3,939)	(8,319)	(623)	(79)	(13,100)
Consolidated profit/(loss) after taxation	34,371	16,474	22,997	(2,921)	(36,227)	34,694

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 30/06/2026 RM'000
Guarantees provided to financial institutions for facilities granted to the Group	840,244
Bank guarantee extended by a subsidiary to third parties	15
Letter of credit issued by a subsidiary in favour of suppliers	737
Performance guarantee extended by a subsidiary to third party	20,984
	861,980

13. Capital Commitments

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

	As at 30/06/2026 RM'000
Acquisition of subsidiaries	48,500
Property and equipment	522
	49,022

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.

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 30 June 2026.

	Transaction Value 30/06/2026 RM'000
Sales of raw materials/finished goods:-	
Hextar Oil & Gas Sdn. Bhd.	284
Hextar Fert Sdn. Bhd.	1,443
Hextar KCS Sdn. Bhd.	2,254
Rubberex (M) Sdn. Bhd.	139
SCH Everdrill Sdn. Bhd. (fka. Sin Chee Heng Sdn. Bhd.)	15
PK Fert Sdn. Bhd.	7
Hexlube Sdn. Bhd.	61
Greatocean Automobile Supply Sdn Bhd	9
Purchase of raw materials/finished goods:-	
Hextar Fert Sdn. Bhd.	710
PK Fertilizers Sdn. Bhd.	75
Hexlube Sdn. Bhd.	2400
Hextar Solution Sdn. Bhd.	177
Greatocean Automobile Supply Sdn Bhd	784
Receiving of management services:-	
Hextar Asset Management Sdn. Bhd.	1,678
Receipt of service for supply and installation of civil foundation:-	
Hextar Mitai Sdn. Bhd.	286
Rental of storage space and warehouse facilities services:-	
Hexlube Sdn. Bhd.	99

Interim Report for the 6-months Financial Period Ended 30 June 2026

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 12.1%, or RM21.6 million, to RM199.1 million from RM177.5 million recorded in the corresponding quarter of the previous year. The increase was primarily attributable to higher sales contribution from the Agriculture segment by RM22.6 million, which recorded a total revenue of RM109.7 million. The decline of RM7.6 million in revenue from the Specialty Chemicals segment was partially offset by an increase of RM6.5 million in revenue from the Fruits segment.

The Group reported a profit before taxation ("PBT") of RM20.4 million for the current quarter, representing a decrease of 3.4%, or RM0.7 million, compared to RM21.1 million recorded in the corresponding quarter of the previous year. The decline in PBT was mainly attributable to lower contributions from the Fruits segment, which decreased by RM4.0 million. This was partially offset by improved contributions from the Agriculture and Specialty Chemicals segments, which increased by RM2.6 million and RM2.9 million respectively.

On a year-to-date basis, the Group recorded revenue of RM395.3 million for the cumulative quarter under review, compared to RM416.1 million in the corresponding period of the preceding year, representing a decrease of RM20.8 million, or 5.0%. The decline was primarily attributable to lower sales contributions from the Specialty Chemicals segment, which decreased by RM77.2 million. This was partially offset by higher sales contributions from the Agriculture and Fruits segments, which increased by RM30.9 million and RM25.5 million, respectively.

For the year-to-date period, the Group reported a profit before taxation ("PBT") of RM40.7 million for the cumulative quarter under review, compared to RM47.8 million in the corresponding period of the preceding year. This represents a decrease of RM7.1 million, or 14.9%, primarily attributable to lower contribution from the Specialty Chemicals segment, which resulted in a RM13.5 million reduction in PBT. The impact was partially offset by an improved contribution from the Agriculture segment, which increased by RM6.9 million.

2. Comparisons with the Immediate Preceding Quarter's Results

	3-months Current Quarter ended 30/06/2026 (RM'000)	3-months Preceding Quarter ended 31/03/2026 (RM'000)
Revenue	199,054	196,199
Profit before taxation	20,394	20,258

On a quarter-on-quarter basis, the Group's revenue increased to RM199.1 million from RM196.2 million in the preceding quarter, representing an increase of 1.5%, or RM2.9 million. The increase was primarily attributable to higher sales contributions from the Agriculture and Specialty Chemicals segments, which increased by RM15.6 million and RM3.4 million, respectively. This improvement was partially offset by a decline in sales contribution from the Fruits segment of RM16.1 million, mainly due to seasonal effects.

In line with the slight improvement in revenue, the Group's profit before taxation ("PBT") remained comparable to the preceding quarter. The improved contributions from the Agriculture and Specialty Chemicals segments, which increased by RM5.7 million and RM2.0 million, respectively, were offset by the weaker contribution from the Fruits segment, which declined by RM7.0 million.

3. Year 2026 Prospects

Agriculture

The Agriculture segment is expected to operate in a challenging yet stable environment in 2026. Demand for agrochemical products is anticipated to remain supported by the ongoing need to enhance crop yields and ensure food security. However, the industry continues to face uncertainties arising from raw material price volatility, foreign exchange fluctuations, evolving regulatory requirements, labour constraints, and climate-related risks.

The Group will continue to focus on cost optimisation, inventory management, regulatory compliance, and product innovation, particularly in environmentally sustainable solutions. Operational efficiency and prudent working capital management will remain key priorities to mitigate external pressures.

Barring any unforeseen circumstances, the Board expects the Agriculture segment to record satisfactory performance in 2026.

Specialty Chemicals

The Specialty Chemicals segment is expected to experience moderate performance in 2026, subject to global economic conditions, energy price movements, and industrial demand trends. While inflationary pressures may ease gradually, uncertainties in global trade and geopolitical developments may continue to affect market sentiment.

Demand from the rubber, manufacturing, and industrial sectors is anticipated to remain steady. The specialty cleaning and sanitation market is expected to maintain stable demand, supported by ongoing hygiene awareness and sustainability trends.

The Oil & Gas-related specialty chemicals and catalysts business is expected to remain supported by domestic industry activities, including initiatives undertaken by Petroliam Nasional Berhad (PETRONAS). Nevertheless, the segment remains exposed to fluctuations in crude oil prices and capital expenditure cycles within the energy sector.

The Group will continue to emphasise operational efficiency, margin management, and disciplined cost control to sustain profitability.

Overall, the Board expects the Specialty Chemicals segment to deliver stable performance in 2026.

Fruits

The Fruits segment is expected to maintain steady prospects in 2026, supported by continued demand for Malaysian durians in both domestic and export markets. Export opportunities, particularly to China, are anticipated to contribute positively, subject to compliance with phytosanitary requirements and trade regulations.

Premium varieties such as Musang King are expected to remain in demand. However, the segment remains exposed to agricultural risks including weather conditions, crop yield variability, pest management challenges, logistics costs, and regional competition.

The Group will continue to strengthen orchard management practices, quality control measures, and supply chain efficiency to enhance sustainability and mitigate operational risks.

Barring unforeseen circumstances, the Board expects the Fruits segment to contribute positively to the Group’s performance in 2026.

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 Quarter 30/06/2026 RM'000	Preceding Year Quarter 30/06/2025 RM'000	Current Year to-Date 30/06/2026 RM'000	Preceding Year to-Date 30/06/2025 RM'000
Deferred tax	549	(225)	(87)	(106)
Income tax	(6,829)	(4,858)	(12,450)	(12,994)
Taxation	(6,280)	(5,083)	(12,537)	(13,100)

The Group's effective tax rate for the current quarter and current year-to-date period exceeded the statutory tax rate of 24%, mainly attributable to tax losses incurred by certain subsidiaries which could not be offset against the taxable profits of other subsidiaries within the Group, as well as certain non-tax-deductible expenses.

6. Status of Corporate Proposal

On 23 December 2025, the Company entered into conditional share sale agreements with Hextar Industries Berhad and Hextar Fertilizers Group Sdn. Bhd. for the proposed acquisitions of the entire equity interests in PK Fert Sdn. Bhd. ("PKFT"), PK Fertilizers Sdn. Bhd. ("PKF") and Hextar Fert Sdn. Bhd. ("HFT") for a total cash consideration of RM120.0 million. In conjunction with the proposed acquisitions, the Company intends to undertake a proposed diversification into the manufacturing and trading of fertilisers.

On 23 June 2026, the Company entered into supplemental agreements to amend certain terms of the sale and purchase agreements in relation to the proposed acquisitions of PKFT and HFT.

Pursuant to the supplemental agreements, the proposed acquisition of 60,000,000 ordinary shares in PKF for a cash consideration of RM65.5 million was excluded from the Proposed Acquisitions. Accordingly, the Revised Proposed Acquisitions comprise the acquisition of the entire equity interests in PKFT and HFT for cash considerations of RM3.3 million and RM51.2 million respectively, resulting in the aggregate purchase consideration being reduced from RM120.0 million to RM54.5 million.

As at the end of the current quarter, the proposed acquisitions are still in progress, with no material updates since the initial announcement.

7. Borrowings

The Group's borrowings as at 30 June 2026 and 31 December 2025 are as follows:

	As at 30/06/2026 RM'000	As at 31/12/2025 RM'000
Short-term borrowings		
Secured		
Term loans	30,054	46,173
Hire purchases	1,604	1,825
Bills payable	159,787	144,180
Revolving credit	73,000	49,970
Bank overdrafts	3,681	19,272
	268,126	261,420
Long-term borrowings		
Secured		
Term loans	135,126	152,784
Hire purchases	2,417	2,938
	137,543	155,722
Total	405,669	417,142

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 30/06/2026	Preceding Year Quarter 30/06/2025	Current Year to-Date 30/06/2026	Preceding Year to-Date 30/06/2025
Profit attributable to equity holders of the Company (RM'000)	15,121	15,934	29,397	29,436
Weighted average number of ordinary shares in issue ('000)	3,875,753	3,876,067	3,865,844	3,876,067
Basic earnings per share (sen)	0.39	0.41	0.76	0.76

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 6-months Financial Period Ended 30 June 2026

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 Year Quarter 30/06/2026 RM'000	Preceding Year Quarter 30/06/2025 RM'000	Current Year-to-Date 30/06/2026 RM'000	Preceding Year-to-Date 30/06/2025 RM'000
Amortisation	100	124	199	261
Bad debts written off	15	-	15	-
Depreciation	4,498	4,656	8,997	9,256
Impairment loss:				
- assets classified as held for sale	-	-	275	-
- property	-	-	44	1,234
- trade receivables	1	-	1	-
Interest expense	6,053	6,994	11,147	12,933
Inventories written down	-	25	-	25
Inventories written off	61	-	61	-
Net loss arising from changes in fair value of biological assets	-	-	-	19
Plant and equipment written off	9	4	9	4
Share of loss of joint ventures	24	123	131	198
Loss on forward currency contracts	-	-	-	994
Unrealised loss/(gain) on foreign exchange	1,104	(2,219)	2,641	(3,898)
Bad debt recovered	(4)	-	(4)	-
Fair value gain on investment property	-	-	-	(249)
Interest income	(86)	(87)	(198)	(166)
Write-back of inventories	(4)	(983)	(212)	(985)
Gain on disposal of equipment	(79)	(33)	(108)	(97)
Gain on lease termination	-	(13)	(4)	(13)
Reversal of impairment loss on:				
- trade receivables	(157)	(250)	(287)	(296)
- related parties	-	(9)	-	(9)
- investment in joint venture	(861)	-	(861)	-

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

Tan Tong Lang
Company Secretary
Kuala Lumpur
19 August 2026