HEXTAR CAPITAL BERHAD
Company No: 199401036979 (322661-W)

QUARTERLY INTERIM FINANCIAL REPORT
For the Quarter Ended 30 June 2026

The Directors are pleased to announce the following:-

Unaudited Condensed Consolidated Statement of Comprehensive Income for the Quarter and Financial Period Ended 31 March 2026

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/06/2026 RM'000	Preceding Year Corresponding Quarter 30/06/2025 RM'000	Current Year To Date 30/06/2026 RM'000	Preceding Year To Date 30/06/2025 RM'000
Revenue	32,357	N/A	53,426	N/A
Cost of sales	(27,645)	N/A	(44,486)	N/A
Gross profit	4,712	N/A	8,940	N/A
Other income	235	N/A	911	N/A
Administrative expenses	(3,084)	N/A	(5,694)	N/A
Distribution expenses	(86)	N/A	(139)	N/A
Other operating expenses	(85)	N/A	(236)	N/A
Operating profit	1,692	N/A	3,782	N/A
Finance costs	(1,028)	N/A	(2,172)	N/A
Share of net profits of equity accounted associates	2,382	N/A	3,141	N/A
Profit before tax	3,046	N/A	4,751	N/A
Tax expenses	(285)	N/A	(265)	N/A
Profit after tax/Total comprehensive income for the period	2,761	N/A	4,486	N/A

HEXTAR CAPITAL BERHAD
Company No: 199401036979 (322661-W)

Unaudited Condensed Consolidated Statement of Comprehensive Income for the Quarter and Financial Period Ended 30 June 2026 (continued)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/06/2026 RM'000	**Preceding Year Corresponding Quarter 30/06/2025 RM'000**	**Current Year To Date 30/06/2026 RM'000**	**Preceding Year To Date 30/06/2025 RM'000**
Profit after tax attributable to:-				
Owners of the Company	2,442	N/A	3,911	N/A
Non-controlling interests	319	N/A	575	N/A
	2,761	N/A	4,486	N/A
Total comprehensive income attributable to:-				
Owners of the Company	2,442	N/A	3,911	N/A
Non-controlling interests	319	N/A	575	N/A
	2,761	N/A	4,486	N/A
Earnings per share attributable to owners of the Company:-				
Basic (sen)	0.42	N/A	0.67	N/A
Diluted (sen)	0.42	N/A	0.67	N/A

Note: Pursuant to the change in the financial year end from 30 September 2025 to 31 December 2025, there are no comparative figures presented.

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial period ended 31 December 2025.

HEXTAR CAPITAL BERHAD
Company No: 199401036979 (322661-W)

Unaudited Condensed Consolidated Statement of Financial Position as at 30 June 2026

	(Unaudited) As At Financial Period Ended 30/06/2026 RM'000	(Audited) As At Financial Period Ended 31/12/2025 RM'000
Non-current assets		
Property, plant and equipment	20,693	21,430
Right-of-use assets	11,327	11,292
Intangible assets	4,161	4,161
Investment in associates	161,514	158,373
Trade receivables	16,839	25,956
	214,534	221,212
Current assets		
Inventories	7,617	6,164
Trade and other receivables	176,501	138,625
Tax assets	5,875	4,401
Deposits, cash and bank balances	8,791	20,294
	198,784	169,484
TOTAL ASSETS	413,318	390,696
Equity		
Share capital	236,526	236,526
Reserves	4,412	4,412
Retained earnings	28,144	24,274
	269,082	265,212
Non-controlling interests	8,606	6,520
TOTAL EQUITY	277,688	271,732
Non-current liabilities		
Bank borrowings	37,794	43,795
Lease liabilities	287	132
Deferred tax liabilities	619	575
	38,700	44,502
Current liabilities		
Trade and other payables	58,353	40,540
Lease liabilities	134	128
Bank borrowings	38,443	33,794
	96,930	74,462
TOTAL LIABILITIES	135,630	118,964
TOTAL EQUITY AND LIABILITIES	413,318	390,696
Net assets per share (RM)	0.46	0.46

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial period ended 31 December 2025.

HEXTAR CAPITAL BERHAD
Company No: 199401036979 (322661-W)

Unaudited Condensed Consolidated Statement of Changes in Equity for the Financial Period Ended 30 June 2026

	Attributable to the owners of the Company									
		Non-Distributable					Distributable			
Group	**Share capital RM'000**	**Capital reserve RM'000**	**ESOS reserve RM'000**	**Foreign currency translation reserve RM'000**	**Other reserve RM'000**	**Fair value reserve RM'000**	**Retained earnings RM'000**	**Sub-total RM'000**	**Non-controlling interests RM'000**	**Total equity RM'000**
Balance as at 1 January 2026	236,526	3	1,316	7,374	(4,281)	-	24,274	265,212	6,520	271,732
Profit and total comprehensive income for the financial period	-	-	-	-	-	-	3,911	3,911	575	4,486
Transactions with owners - Changes in ownership interests in a subsidiary	-	-	-	-	-	-	(41)	(41)	1,511	1,470
Balance as at 30 June 2026	236,526	3	1,316	7,374	(4,281)	-	28,144	269,082	8,606	277,688

Note: Pursuant to the change in the financial year end from 30 September 2025 to 31 December 2025, there are no comparative figures presented.

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial period ended 31 December 2025.

HEXTAR CAPITAL BERHAD
Company No: 199401036979 (322661-W)

Unaudited Condensed Consolidated Statement of Cash Flows for the Financial Period Ended 30 June 2026

	Current Financial Period Ended 30/06/2026 RM'000	Preceding Financial Year Corresponding Period Ended 30/06/2025 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	4,751	N/A
Adjustments for:-		
Depreciation of property, plant and equipment	965	N/A
Depreciation of right-of-use assets	232	N/A
Modification loss on financial assets	235	N/A
Interest expenses	2,172	N/A
Unrealised loss on foreign exchange	114	N/A
Interest income	(102)	N/A
Share of net profits of equity accounted associates	(3,141)	N/A
Operating profit before working capital changes	5,226	N/A
Changes in working capital:-		
Inventories	(1,453)	N/A
Trade and other receivables	(27,290)	N/A
Trade and other payables	17,466	N/A
Cash for operations	(6,051)	N/A
Tax paid	(1,695)	N/A
Net cash for operating activities	(7,746)	N/A
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(228)	N/A
Withdrawal of pledged deposits	5,483	N/A
Interest received	102	N/A
Net cash from investing activities	5,357	N/A
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown of bank borrowings	(1,986)	N/A
Payment of lease liabilities	(105)	N/A
Interest paid	(2,172)	N/A
Net cash for financing activities	(4,263)	N/A
Net decrease in cash and cash equivalents	(6,652)	N/A
Effect of changes in foreign exchange rate	(3)	N/A
Cash and cash equivalents at beginning of financial period	13,246	N/A
Cash and cash equivalents at end of financial period	6,591	N/A

HEXTAR CAPITAL BERHAD
Company No: 199401036979 (322661-W)

Unaudited Condensed Consolidated Statement of Cash Flows for the Financial Period Ended 30 June 2026 (continued)

Cash and cash equivalents included in the Statement of Cash Flows comprise of the following amounts:-

	Current Financial Period Ended 30/06/2026 RM'000	Preceding Financial Year Corresponding Period Ended 30/06/2025 RM'000
Deposits placed with licensed banks	6,003	N/A
Cash and bank balances	2,788	N/A
	8,791	N/A
		N/A
Less: Deposit pledged and bank overdrafts	(2,200)	N/A
	6,591	N/A

Note: Pursuant to the change in the financial year end from 30 September 2025 to 31 December 2025, there are no comparative figures presented.

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial period ended 31 December 2025.

HEXTAR CAPITAL BERHAD
Company No: 199401036979 (322661-W)
Notes on the Quarterly Interim Financial Report - 30 June 2026

A. EXPLANATORY NOTES AS PER MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRSs") 134, INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

These condensed consolidated interim financial statements for the current quarter have been prepared in accordance with MFRS 134, *Interim Financial Reporting* and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial period ended 31 December 2025 which was prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS"). The explanatory notes attached to these interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial period ended 31 December 2025.

There is no comparative for the quarter ended 30 June 2026, due to the change in the financial year end from 30 September to 31 December. The Condensed Consolidated Statement of Comprehensive Income for the current quarter ended 30 June 2026, being the second quarter of the financial year ending 31 December 2026 is not comparable with that of the second quarter of the previous financial period ended 31 December 2025.
The significant accounting policies adopted are consistent with those of the audited financial statements for the financial period ended 31 December 2025 except for the adoption of the following Amendments to MFRSs, that are applicable to the Group's financial statements and are relevant to its operations:-

- Amendments to MFRS 9, 'Financial Instruments' and MFRS 7, 'Financial Instruments: Disclosures' – Amendments to the Classification and Measurement of Financial Instruments
- Amendments to MFRS 9, 'Financial Instruments' and MFRS 7, 'Financial Instruments: Disclosures' - Contracts Referencing Nature-dependent Electricity
- Annual improvements to MFRS Accounting Standards – Volume 11

The following are MFRSs and amendments that have been issued by the Malaysian Accounting Standard Board but have not been adopted by the Group:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 01 January 2027
- MFRS 18, 'Presentation and Disclosure in Financial Statements'
- MFRS 19, 'Subsidiaries without Public Accountability: Disclosures'
- Amendments to MFRS 19, 'Subsidiaries without Public Accountability: Disclosures'
- Amendments to MFRS 121, 'The Effects of Changes in Foreign Exchange Rates' - Translation to a Hyperinflationary Presentation Currency

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed
- Amendments to MFRS 10, 'Consolidated Financial Statements' and MFRS 128, 'Investments in Associates and Joint Ventures' – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group and the Company plan to apply the abovementioned MFRSs, amendments to MFRSs and IC Interpretations, where applicable to the Group and the Company, from the beginning of the financial year where they become effective.

The Group and the Company are currently assessing the impact of initial application of the above applicable MFRSs and amendments to MFRSs since the effect would only be observable in future financial years.

A2. Audit Report

The Audit Report of the Group's annual financial statements for the financial period ended 31 December 2025 was not qualified.

A3. Seasonality of Interim Operations

The Group's performance is not subject to seasonality.

A4. Unusual Items

There were no significant unusual items that affect the assets, liabilities, equity, net income or cash flows other than those disclosed elsewhere in these notes.

A5. Changes in Estimates

There were no changes in the estimates of amounts reported that have a material effect in the current quarter.

A6. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no repurchases and repayment of debts and equity securities, shares buy-back, shares cancellation during the current quarter and financial period under review.

A7. Dividends Paid

There were no dividends paid in the current quarter under review.

A8. Segmental Reporting

The Group operates wholly in Malaysia.

The Group's segmental report for the financial period ended 30 June 2026 are as follows:-

Business Segments	**Manufacturing RM'000**	**Engineering Services & Trading RM'000**	**Tele-communication Network Infrastructure Solutions RM'000**	**Construction and Project Management RM'000**	**Financial Solutions RM'000**	**Other Operations RM'000**	**Adjustments and Eliminations RM'000**	**The Group RM'000**
Segment revenue:								
Revenue from external customers	12,700	15,228	-	21,763	3,685	50	-	53,426
Segmental profit/ (loss):								
Operating profit/(loss) for reportable segments	1	936	(470)	826	1,501	1,291	(303)	3,782
Finance costs								(2,172)
Share of net profits of equity accounted associates								3,141
Profit before tax								4,751
Tax expenses								(265)
Profit after tax								4,486
Segment assets	58,864	60,054	10,976	58,994	72,056	341,069	(188,696)	413,317

A9. Valuations of Property, Plant and Equipment

The Group did not carry out any valuation on its property, plant and equipment.

A10. Material Events Subsequent to the End of the Interim Period

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

A11. Changes in the Composition of the Group

On 16 March 2026, the Company entered into a Share Sale Agreement ("SSA") with a third party for the disposal of 1,200,000 ordinary shares in Legacy Core Sdn Bhd ("LCSB") for a total cash consideration of RM1,200,000. Upon completion of the disposal, the Company’s equity interest in LCSB was reduced from 100% to 60%, resulting in a dilution of interest in a subsidiary while retaining control.

On 3 June 2026, the Company entered into another SSA with a third party for the further disposal of 270,000 ordinary shares in LCSB for a total cash consideration of RM270,000. Upon completion of this disposal, the Company's equity interest in LCSB was reduced from 60% to 51%.

Other than the above, there were no other significant changes in the composition of the Group during the quarter under review.

A12. Changes in Contingent Assets or Contingent Liabilities

There were no contingent liabilities and contingent assets as at the date of this financial report.

A13. Significant Related Party Transactions

The significant related party transactions during the current quarter and financial period ended are as follows:-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/06/2026 RM'000	Preceding Year Corresponding Quarter 30/06/2025 RM'000	Current Year To Date 30/06/2026 RM'000	Preceding Year To Date 30/06/2025 RM'000
Related companies in which substantial shareholders of the Company has interests:-				
Supply of goods and services	1,518	N/A	2,534	N/A
Purchase of goods or services	131	N/A	172	N/A
Related company in which a subsidiary of the Company has interests:-				
Supply of goods and services	110	N/A	230	N/A

*Remarks:*Pursuant to the change in the financial year end from 30 September 2025 to 31 December 2025, there are no comparative figures presented.*

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HEXTAR CAPITAL BERHAD
Company No: 199401036979 (322661-W)
Notes on the Quarterly Interim Financial Report - 30 June 2026

B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD REQUIREMENTS

B1. Review of Performance

	Individual Quarter				Cumulative Quarter			
	Current Period Quarter 30/06/2026	Preceding Year Corresponding Quarter 30/06/2025	Changes +/-		Current Period To Date 30/06/2026	Preceding Year Corresponding Year 30/06/2025	Changes +/-	
	RM'mil	RM'mil	RM'mil	(%)	RM'mil	RM'mil	RM'mil	(%)
Revenue	32.4	N/A	N/A	N/A	53.4	N/A	N/A	N/A
Profit before tax ("PBT")	3.0	N/A	N/A	N/A	4.8	N/A	N/A	N/A
Profit after tax ("PAT")	2.8	N/A	N/A	N/A	4.5	N/A	N/A	N/A

The Group recorded consolidated revenue of RM32.4 million for the current quarter, primarily driven by contributions from the construction segment (39.6%), engineering services and trading segment (38.5%), and manufacturing segment (15.6%).

Profit before tax for the quarter stood at RM3.0 million, supported by share of profit from associates of RM2.4 million, together with operating profits generated by the financial solutions, engineering services and trading, and construction and project management segments.

For the financial period ended 30 June 2026, the Group achieved consolidated revenue of RM53.4 million, primarily driven by contributions from the construction, engineering services and trading, and manufacturing segments, which accounted for approximately 40.7%, 28.5%, and 23.8% of total revenue, respectively.

The Group reported a PBT of RM4.8 million, driven by its share of associates' earnings amounting to RM3.1 million, as well as continued profitability across the financial solutions, engineering services and trading, and construction and project management segments.

B2. Variation of Results Against the Immediate Preceding Quarter

	Current Quarter 30/06/2026	Immediate Preceding Quarter 31/03/2026	Changes +/-	
	RM'mil	RM'mil	RM'mil	(%)
Revenue	32.4	21.1	11.3	53.6%
Profit before tax	3.0	1.7	1.3	78.7%
Profit after tax	2.8	1.7	1.0	60.1%

The Group achieved higher revenue of RM32.4 million in the current quarter, an increase of RM11.3 million from RM21.1 million in the immediate preceding quarter. The increase was primarily supported by higher project completion in engineering services and trading segment as well as higher revenue recognised from the advancement of construction projects, supported by a stronger order book.

The Group's profit after tax increased by RM1.0 million from RM1.7 million to RM2.8 million for the current quarter on the back of higher share of associates' result and better financial performance from engineering services and trading segment, construction segment and financial solutions segment.

B3. Prospects

As we close the second quarter of 2026, Hextar Capital Berhad ("HCB") continues to demonstrate its commitment to growing strategically supported by its operational resilience across its diversified portfolio and segments.

The Board whilst cautious remains optimistic about our Group’s continued growth prospects. In March 2026, MCMC has initiated the rollout of JENDELA Phase 2 project by issuing Requests For Proposal ("RFP") of which TJE is participating. The JENDELA 2 project call for continuous improvement of broadband and internet connectivity nationwide. The first batch of 1,000 sites, out of a planned 2,700 sites with 68.9% located in East Malaysia, underscoring the Government’s focus on narrowing the digital divide in Sabah and Sarawak. All bidders submitted their final proposals in June 2026, and the project is anticipated to be awarded in the third quarter of 2026. Given TJE’s established track record and operational presence in East Malaysia from its involvement in JENDELA Phase 1 project, we are well-positioned to bid for his initiative, which is expected to present revenue opportunities for our telecommunications network infrastructure segment.

For our construction & project management segment, LCSB was awarded a contract worth RM75.90 million in Sabah in March 2026 for the geotechnical and earth works, pavement, infrastructure works and related construction works. This contract marks a significant step in expanding our Group’s construction presence in East Malaysia and is expected to contribute positively to our Group’s earnings going forward. LCSB was awarded with 2 additional contracts for the construction of a hospital in Melaka and upgrading of Timah Tasoh dam with contract value of RM155.3 million and RM 60.4mil respectively. We remain positive in securing future construction projects as we embark on growing LCSB’s portfolio.

Our power generation and transmission business, undertaken through our 49%-owned associate Transgrid, remains well-positioned to benefit from Malaysia’s ongoing investment in grid infrastructure and data centre development. Building on the significant contract wins during FPE 2025, we expect these projects to support Transgrid’s earnings performance, which in turn, will further reinforce our Group’s share of results from associates in the coming years.

B3. Prospects (continued)

Our manufacturing segment continued to navigate a dynamic fibre optic market. Nevertheless, our order book increased by RM14.0 million during the quarter, driven by newly secured contracts from several established telecommunications operators. This has enhanced our revenue visibility and is expected to contribute positively to the Group's performance for the current financial year. We remain focused on cost optimisation while expanding our engineering capabilities to deliver fibre optic solutions that support digital infrastructure developments with focus on fibre optic installations for data centres. The financial solutions segment further reinforces the resilience of our earnings base by providing a recurring income stream, underpinned by prudent credit assessment and disciplined risk management

B4. Profit Forecast and Profit Guarantee

The Group has not issued any profit forecast and profit guarantee in any public document.

B5. Tax Expenses

	Individual Quarter		Cumulative Quarter	
	30/06/2026	**30/06/2025**	**30/06/2026**	**30/06/2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Income tax	220	N/A	220	N/A
Deferred tax	65	N/A	45	N/A
	285	N/A	265	N/A

Remarks:*Pursuant to the change in the financial year end from 30 September 2025 to 31 December 2025, there are no comparative figures presented.

The Group's effective tax rate for the current financial period under review is lower than the Malaysian statutory tax rate of 24% is mainly due to non-deductible fair value adjustment and expenses, offset with share of associates profit, net of tax and utilisation of prior year business loss.

B6. Status of corporate proposals

There was no corporate proposal announced but not completed at the date of this report.

B7. Utilisation of Proceeds Raised from Corporate Proposal

There was no proceeds raised from corporate proposal but not utilised at the date of this report.

B8. Group Borrowings and Debt Securities

The Group's borrowings at the end of the reporting period are as follows:-

	Denominated in RM	
	As at 30/06/2026 RM'000	**As at 31/12/2025 RM'000**
Secured		
Non-current		
Bank borrowings:		
- Term loans	37,794	43,795
Lease liabilities	287	132
	38,081	43,927
Current		
Bank borrowings:		
- Term loans	10,767	9,367
- Trade financing	26,283	23,669
Bank overdrafts	1,393	758
Lease liabilities	134	128
	38,577	33,922
Total loans and borrowings:		
Bank borrowings	76,237	77,589
Lease liabilities	421	260
Total borrowings	76,658	77,849

The decrease in bank borrowings is primarily attributable to the repayment of term loans, partially offset by the higher utilisation of trade facilities to support higher working capital requirements due to the increase in trade receivables and inventory purchases inline with business expansion.

Interest rates on the Group's borrowings are floating in nature.

The Group has no debt securities as at 30 June 2026.

B9. Material litigation

Since the last audited financial statements for the financial period ended 31 December 2025, the Group does not have any material litigation until the date of this

B10. Dividends

The Company did not declare dividends for the current quarter under review.

B11. Earnings per share

(a) Basic earnings per share

	Individual Quarter		Cumulative Quarter	
	30/06/2026	30/06/2025	30/06/2026	30/06/2025
Profit for the period attributable to owners of the Company (RM'000)	2,442	N/A	3,911	N/A
Weighted average number of ordinary shares in issue (basic) ('000)	581,053	N/A	581,053	N/A
Basic earnings per share (sen)	0.42	N/A	0.67	N/A

(b) Diluted earnings per share

	Individual Quarter		Cumulative Quarter	
	30/06/2026	30/06/2025	30/06/2026	30/06/2025
Profit for the period attributable to owners of the Company (basic) (RM'000)	2,442	N/A	3,911	N/A
Weighted average number of ordinary shares in issue (basic) ('000)	581,053	N/A	581,053	N/A
Effect of dilution from employee share options ('000)*	-	N/A	-	N/A
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	581,053	N/A	581,053	N/A
Diluted earnings per share (sen)	0.42	N/A	0.67	N/A

* Share options granted have not been included in the calculation of the diluted earnings per share as they are anti-dilutive.

Note: Pursuant to the change in the financial year end from 30 September 2025 to 31 December 2025, there are no comparative figures presented.

B12. Profit before tax

	Individual Quarter		Cumulative Quarter	
	30/06/2026 RM'000	30/06/2025 RM'000	30/06/2026 RM'000	30/06/2025 RM'000
Profit for the period is arrived at after crediting/(charging):-				
Interest income	40	N/A	102	N/A
Other income	256	N/A	541	N/A
Interest expenses	(1,028)	N/A	(2,172)	N/A
Depreciation of property, plant and equipment	(478)	N/A	(965)	N/A
Depreciation of right-of-use assets	(115)	N/A	(232)	N/A
Foreign exchange gain/(loss)				
- unrealised	(84)	N/A	(114)	N/A
- realised	22	N/A	382	N/A
Modification loss on financial assets	(118)	N/A	(235)	N/A

There were no gain or loss on disposal of quoted or unquoted investments or properties or exceptional items for current quarter and financial period ended 30 June 2026.

Note: Pursuant to the change in the financial year end from 30 September 2025 to 31 December 2025, there are no comparative figures presented.

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