



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

	Individual Quarter		Cumulative Quarter	
	Preceding Year		Current Year To Date Ended 31.3.2025 RM'000	Preceding Year To Date Ended 31.3.2024 RM'000
	Current Year Quarter Ended 31.3.2025 RM'000	Corresponding Quarter Ended 31.3.2024 RM'000		
Revenue	15,437	11,367	15,437	11,367
Cost of sales	(10,238)	(7,809)	(10,238)	(7,809)
Gross profit	5,199	3,558	5,199	3,558
Operating expenses	(6,632)	(3,400)	(6,632)	(3,400)
Other operating income	666	153	666	153
(Loss)/Profit from operations	(767)	311	(767)	311
Finance costs	(179)	(17)	(179)	(17)
(Loss)/Profit before tax	(946)	294	(946)	294
Tax credit/(expense)	180	(200)	180	(200)
(Loss)/Profit after tax	(766)	94	(766)	94
Other comprehensive income, net of tax				
<i>Item that is or may not be reclassified subsequently to profit and loss</i>				
Foreign currency translation differences for foreign operations	-	1	-	1
Total comprehensive (expense)/income	(766)	95	(766)	95
(Loss)/Profit after tax attributable to:				
Owners of the Company	(553)	254	(553)	254
Non-controlling interests	(213)	(160)	(213)	(160)
(Loss)/Profit after tax	(766)	94	(766)	94
Total comprehensive (expense)/income attributable to:				
Owners of the Company	(553)	254	(553)	254
Non-controlling interests	(213)	(159)	(213)	(159)
Total comprehensive (expense)/income	(766)	95	(766)	95
(Loss)/Earnings per share attributable to Owners of the Company (sen)				
- Basic	(0.11)	0.07	(0.11)	0.07
- Diluted	(0.11)	0.06	(0.11)	0.06

Notes:

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to the Interim Financial Statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025**

	(Unaudited) As at 31.3.2025 RM'000	(Audited) As at 31.12.2024 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	118,878	118,361
Right-of-use assets	13,652	12,891
Intangible assets	1,695	1,715
Deferred tax assets	713	426
Total non-current assets	134,938	133,393
Current Assets		
Inventories	14,677	15,101
Trade and other receivables	11,948	12,199
Current tax assets	1,254	1,243
Derivative financial assets	-	7
Short-term investments	8,600	6,200
Cash and cash equivalents	53,226	55,694
Asset held for sale	89,705	90,444
	12,349	12,349
Total current assets	102,054	102,793
Total assets	236,992	236,186
EQUITY		
Share capital	123,450	123,450
Revaluation reserve	38,707	38,707
Retained earnings	46,067	46,620
Equity attributable to Owners of the Company	208,224	208,777
Non-controlling interests	(547)	(402)
Total equity	207,677	208,375
LIABILITIES		
Non-Current Liabilities		
Lease liabilities	12,522	11,160
Deferred tax liabilities	8,167	8,435
Total non-current liabilities	20,689	19,595
Current Liabilities		
Trade and other payables	5,924	5,141
Contract liabilities	331	458
Lease liabilities	2,006	2,339
Current tax liabilities	365	278
Total current liabilities	8,626	8,216
Total liabilities	29,315	27,811
Total equity and liabilities	236,992	236,186
Net Assets per share (RM)	0.42	0.42

Notes :

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to the Interim Financial Statements.

**HEXTAR RETAIL BERHAD**

(Company No. 200301031466 (633887-M))

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

	-----Attributable to owners of the Company-----				Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	-----Non-distributable-----		Distributable				
	Share Capital RM'000	Revaluation Reserve RM'000	Translation Reserve RM'000	Retained Earnings RM'000			
3 months ended 31 March 2025							
At 1 January 2025	123,450	38,707	-	46,620	208,777	(402)	208,375
Loss after tax, representing total comprehensive expense	-	-	-	(553)	(553)	(213)	(766)
Issuance of shares by a subsidiary to non-controlling interests	-	-	-	-	-	68	68
Total transactions with Owners of the Company	-	-	-	-	-	68	68
At 31 March 2025	123,450	38,707	-	46,067	208,224	(547)	207,677
3 months ended 31 March 2024							
At 1 January 2024	67,961	38,707	1	44,785	151,454	(48)	151,406
Profit after tax	-	-	-	254	254	(160)	94
Other comprehensive income:							
- Foreign currency translation differences for foreign operations	-	-	-	-	-	1	1
Total comprehensive income	-	-	-	254	254	(159)	95
Changes in ownership interests in subsidiaries	-	-	-	51	51	95	146
Total transactions with Owners of the Company	-	-	-	51	51	95	146
At 31 March 2024	67,961	38,707	1	45,090	151,759	(112)	151,647

Notes:

The Unaudited Condensed Consolidated Statement 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 explanatory notes attached to the Interim Financial Statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2025**

	Current Year To Date Ended 31.3.2025 RM'000	Preceding Year To Date Ended 31.3.2024 RM'000
Cash flows from operating activities		
(Loss)/Profit before tax	(946)	294
Adjustments for :		
Depreciation of:		
- Property, plant and equipment	1,266	805
- Right-of-use assets	730	192
Amortisation of intangible assets	20	-
Gain on disposal of property, plant and equipment	(45)	(12)
Unrealised loss on foreign exchange	187	259
Finance income	(545)	(108)
Finance costs	179	17
Operating profit before changes in working capital	846	1,447
Changes in working capital :		
- Inventories	424	191
- Trade and other receivables	172	2,026
- Trade and other payables	658	(2,714)
Cash generated from operations	2,100	950
Net income tax paid	(299)	(400)
Interest received	530	108
Net cash generated from operating activities	2,331	658
Cash flows from investing activities		
Acquisition of property, plant and equipment	(1,635)	(1,101)
Proceeds from disposal of property, plant and equipment	45	12
Acquisition of short-term investments	(2,400)	-
Net cash used in investing activities	(3,990)	(1,089)
Cash flows from financing activities		
Interest paid in relation to lease liabilities	(179)	(17)
Payment of lease liabilities	(608)	(177)
Proceeds from issuance of shares by subsidiaries to non-controlling interests	68	146
Net cash used in financing activities	(719)	(48)
Net decrease in cash and cash equivalents	(2,378)	(479)
Effect of foreign exchange translation differences	(90)	(66)
Cash and cash equivalents at the beginning of period	55,694	21,801
Cash and cash equivalents at the end of period	53,226	21,256
Cash and cash equivalents		
Cash and bank balances	40,621	11,147
Highly liquid investments with non-bank financial institutions	12,605	10,109
	53,226	21,256

Notes:

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to the Interim Financial Statements.



NOTES TO THE INTERIM FINANCIAL REPORT

PART A : EXPLANATORY NOTES AS PER MFRS 134

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in compliance with Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting, issued by the Malaysian Accounting Standards Board (MASB) and Chapter 9 Para 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2024 of Hextar Retail Berhad ("HEXRTL" or "the Company"), which were prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"). The explanatory notes attached to the 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 year ended 31 December 2024.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent annual financial statements for the financial year ended 31 December 2024 except for the adoption of the following Amendments to MFRSs, which are applicable to its financial statements and are relevant to its operation:-

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, *Lack of Exchangeability*

The adoption of the above amendments to MFRSs did not have any significant financial impact on the Group's financial results.

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

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9 and MFRS 7, *Amendments to the Classification and Measurements of Financial Instruments*
- Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107, *Annual Improvements to MFRS Accounting Standards – Volume 11*
- Amendments to MFRS 9 and MFRS 7, *Contracts Referencing Nature-dependent Electricity*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

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



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

PART A : EXPLANATORY NOTES AS PER MFRS 134 (CONT'D)

A2. Auditors' Report

The auditors' report on the financial statements for the financial year ended 31 December 2024 of the Group was not qualified.

A3. Seasonal and Cyclical factors

The Group's performance is not subject to seasonality or cyclicity.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

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

A5. Material Changes in Estimates

There were no changes in accounting estimates that have had material effect in the current quarter under review to date.

A6. Issuances, Repurchases and Repayment of Debt and Equity Securities

There were no issuances, repurchases and repayment of debts and equity securities, shares buy-back, shares cancellation, shares held as treasury shares or resale of treasury shares during the current quarter under review to date.

As at 31 March 2025, the total number of issued shares of the Company was 493,190,568 ordinary shares and the total number of outstanding Warrants 2021/2026 was 162,871,250 at an exercise price of RM0.41 per outstanding Warrant.

A7. Dividends Paid

During the current quarter under review, there were no dividends paid by the Company.



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

PART A : EXPLANATORY NOTES AS PER MFRS 134 (CONT'D)

A8. Segmental Reporting

The Group is principally engaged in manufacturing and sales of wooden picture frame mouldings and retail businesses. The business activities of holding and rental of properties of its subsidiaries are merely inter-segment transactions. The Group's reportable segments result for the financial period ended 31 March 2025 is as follows:-

	Wooden Picture Frame Mouldings RM'000	Retail RM'000	Other Non- reportable Segments RM'000	Consolidation Adjustments RM'000	Total RM'000
Segment Profit/(Loss)	130	(1,066)	170	-	(766)

*Included in the measure of
segment profit/(loss) are:*

Revenue from external customers	9,661	5,776	-	-	15,437
Depreciation and amortisation	(848)	(1,168)	-	-	(2,016)
Finance income	273	1	460	(189)	545
Finance costs	(8)	(360)	-	189	(179)
Tax (expense)/credit	(30)	279	(69)	-	180

Segment Assets	119,025	44,744	113,556	(40,333)	236,992
-----------------------	---------	--------	---------	----------	---------

*Included in the measure of
segment assets are:*

Additions to non-current assets other than financial instruments and deferred tax assets	292	3,009	-	-	3,301
--	-----	-------	---	---	-------

A9. Subsequent Events

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

A10. Change in The Composition of The Group

There were no significant changes in the composition of the Group that have not been reflected in the interim financial statements.

A11. Capital Commitments Outstanding Not Provided in The Interim Financial Report

	As at 31.3.2025 RM'000
Property, plant and equipment approved and contracted for	<u>1,137</u>



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

B1. Review of Performance

A comparison of the Group's performance for the first quarter ended 31 March 2025 ("1QFY2025") with the corresponding period in the last financial year is as follows:

	1QFY2025	1QFY2024	Variance	
	RM'mil	RM'mil	RM'mil	%
Revenue	15.4	11.4	4.0	35.1%
(Loss)/Profit before tax	(0.9)	0.3	(1.2)	400.0%
(Loss)/Profit after tax	(0.8)	0.1	(0.9)	900.0%
(Loss)/Profit attributable to Owners of the Company	(0.6)	0.3	(0.9)	300.0%

The Group registered revenue of RM15.4 million for the current quarter, marking an increase of RM4.0 million or 35.1%, as compared to RM11.4 million in the preceding year corresponding quarter ended 31 March 2024. The increase is mainly attributable to higher revenue contribution from retail segment of RM5.0 million which was partially offset by lower revenue from wooden picture frame mouldings ("WPFM") segment on the back of the lower average selling price. The Group recorded a loss before tax of RM0.9 million, a decrease of RM1.2 million or 400.0% as compared to a profit before tax of RM0.3 million in the preceding year corresponding quarter ended 31 March 2024. The decline was primarily attributable to higher operating expenses in line with the expansion of retail operations, coupled with lower revenue of WPFM.

B2. Variation of Results Against Preceding Quarter

	1QFY2025	4QFY2024	Variance	
	RM'mil	RM'mil	RM'mil	%
Revenue	15.4	18.0	(2.6)	-14.4%
(Loss)/Profit before tax	(0.9)	3.6	(4.5)	125.0%
(Loss)/Profit after tax	(0.8)	2.5	(3.3)	132.0%
(Loss)/Profit attributable to Owners of the Company	(0.6)	2.7	(3.3)	122.2%

The Group recorded revenue of RM15.4 million, representing a decrease of RM2.6 million or 14.4% compared to RM18.0 million in the immediate preceding quarter. The decline was predominantly due to lower export volume of WPFM coupled with weaker retail sales from the impact of March's fasting month. The Group's profit before tax decreased by RM4.5 million from RM3.6 million in 4QFY2024 on the back of lower revenue and a one-off unrealised foreign exchange gain amounted to RM2.0 million recorded in 4QFY2024.



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

**PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES
BERHAD LISTING REQUIREMENTS (CONT'D)**

B3. Prospects

WPFM

Operating environment continues to be challenging, with high uncertainties surrounding outcomes of trade negotiations impacting global trade policies, escalating trade tensions and geopolitical conflicts.

Navigating these uncertainties and challenges, our Group is committed to implementing strategic cost-saving measures, enhancing production efficiency, and maintaining the delivery of high-quality products to our customers. We are also actively exploring new market opportunities to foster growth and stay competitive in an increasingly challenging environment.

Retail

Malaysia's economy grew by 4.4% in Q1 2025, supported by strong domestic demand, positive labour market conditions and income-enhancing policies such as the revised minimum wage and civil servant salary adjustments. This stable economic environment continues to support household spending and retail activity.

As the retail and F&B landscape grows increasingly competitive, we are actively expanding our presence and capabilities to stay ahead. Our strategy focuses on scaling up, capturing new market opportunities and adapting to evolving consumer behaviours.

We are also progressively incorporating tech-enabled retail solutions to enhance operational efficiency and elevate customer experience. This includes smarter inventory systems, data-driven insights and seamless service integration across formats.

By combining agility, innovation and a strong market focus, we aim to strengthen our industry position and deliver continued growth in the dynamic Malaysian retail sector.

Looking ahead, we remain cautiously optimistic on the outlook for 2025. Our Group is committed to proactively pursuing opportunities, effectively addressing challenges and delivering sustainable value to our shareholders.

B4. Profit Forecast and Estimates Announced or Disclosed

Not applicable as there were no profit forecast or estimates that have been announced or disclosed.

B5. Variance of Actual and Forecast Profit

Not applicable as there were no profit forecast and profit guarantee published.



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

**PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES
BERHAD LISTING REQUIREMENTS (CONT'D)**

B6. Tax Credit/(Expense)

	1QFY2025	1QFY2024
	RM'000	RM'000
Current tax	(374)	(275)
Deferred tax	554	75
	<u>180</u>	<u>(200)</u>

The Group's effective tax rate is lower than the statutory rate of 24% mainly due to deferred tax assets of certain subsidiaries have not been recognised as it may not have sufficient taxable profits to be used to offset.

B7. Status of Corporate Proposal

There were no corporate proposals announced which remain uncompleted during the quarter under review as at the date of this report other than the following:

The Company had, on 12 December 2023, announced that the Company proposed to undertake the following proposals, which were subsequently approved at the Company's Extraordinary General Meeting ("EGM") held on 27 February 2025:-

- i. proposed private placement of up to 113,813,000 new ordinary shares in the Company, representing up to 30.0% of the total number of issued ordinary shares ("Proposed 30% Private Placement").

On 3 July 2024, M&A Securities Sdn Bhd ("M&A Securities") announced that the Proposed 30% Private Placement has been completed.

- ii. proposed acquisition by the Company of 10,563,167 ordinary shares in Redina Malaysia Sdn Bhd ("Redina") from Perdanis Distribution (M) Sdn Bhd ("Perdanis") representing 51.0% equity interest in Redina for a total purchase consideration of RM35,700,000 to be satisfied wholly by way of cash ("Proposed Acquisition");

On 22 April 2024, M&A Securities announced that the solicitors for the Proposals had vide its letter dated 22 April 2024 confirmed that the acquisition of the Tranche 1 Sale Shares is deemed completed on 22 April 2024 in accordance to the terms and conditions of the Share Sale Agreement.

On 31 December 2024, the Company issued a written termination notice to Perdanis to terminate the Share Sale Agreement for the acquisition of Redina. Consequently, the Company is entitled to terminate the acquisition of Tranche 2 Sale Shares, and Perdanis shall repurchase the Tranche 1 Sale Shares from the Company at the Tranche 1 Purchase Consideration within a period of 24 months from the date of the Company's written termination notice. The proposed disposal is pending completion.



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (CONT'D)

B7. Status of Corporate Proposal (Cont'd)

- iii. proposed diversification of the Company's existing businesses to include in the retail business of apparel and food and beverages ("Proposed Diversification").

On 27 February 2024, the Company announced the Proposed Diversification has been approved at the Company's EGM.

- iv. proposed change of the Company's name from "Classic Scenic Berhad" to "Hextar Retail Berhad" ("Proposed Change of Name").

On 4 March 2024, the Company received the Notice of Registration of New Name pursuant to Section 28 of the Companies Act 2016 issued by the Companies Commission of Malaysia dated 28 February 2024. Accordingly, the name of the Company had been changed from "CLASSIC SCENIC BERHAD" to "HEXTAR RETAIL BERHAD" with effect from 28 February 2024.

As at 31 March 2025, the details of the utilisation of proceeds are as follows:-

Purpose	Proposed Utilisation RM'000	Actual Proceeds Raised RM'000	Actual Utilisation RM'000	Unutilised Amount RM'000	Intended Timeframe for Utilisation
Business expansion for F&B	30,725	40,897	20,288	20,609	Within 24 months
Proposed acquisition	14,000	14,000	14,042	(42)*	Within 12 months
Estimated expenses for Proposals	800	800	797	3	Within 6 months
Total	45,525	55,697	35,127	20,570	

* The excess in utilisation arises from the payment of stamp duty for share transfer.



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

**PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES
BERHAD LISTING REQUIREMENTS (CONT'D)**

B8. Group Borrowings and Debt Securities

As at 31 March 2025, the Group does not have any bank borrowings.

B9. Derivative Financial Instruments

As at 31 March 2025, the Group has no outstanding derivative financial instruments.

B10. Material Litigation

Since the last Audited Financial Statements for the financial year ended 31 December 2024, the Group does not have any material litigation until the date of this report.

B11. Dividends

No dividend has been proposed or declared by the Board for the current quarter under review.

B12. (Loss)/Earnings Per Share

	1QFY2025	1QFY2024
Basic (loss)/earnings per share		
(Loss)/Profit after tax attributable to owners of the Company (RM'000)	<u>(553)</u>	<u>254</u>
Weighted average number of ordinary shares (basic) ('000)	<u>493,191</u>	<u>379,378</u>
Basic (Loss)/Earnings Per Share (sen)	<u>(0.11)</u>	<u>0.07</u>
Diluted (loss)/earnings per share		
(Loss)/Profit after tax attributable to owners of the Company (RM'000)	<u>(553)</u>	<u>254</u>
Weighted average number of ordinary shares (basic) ('000)	493,191	379,378
Effect of warrants on issue	19,795	20,792
Weighted average number of ordinary shares (diluted) ('000)	<u>512,986</u>	<u>400,170</u>
Basic (Loss)/Earnings Per Share (sen)	<u>(0.11)</u>	<u>0.06</u>



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

**PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES
BERHAD LISTING REQUIREMENTS (CONT'D)**

B13. (Loss)/Profit Before Tax

	1QFY2025	1QFY2024
	RM'000	RM'000
(Loss)/Profit before tax is arrived at after charging/(crediting):		
Depreciation of:		
- property, plant and equipment	1,266	805
- right-of-use assets	730	192
Amortisation of intangible assets	20	-
Gain on disposal of property, plant and equipment	(45)	(12)
Net loss/(gain) on foreign exchange:		
- unrealised	187	259
- realised	(262)	(2)
Finance income	(545)	(108)
Finance costs	179	17
	<u>179</u>	<u>17</u>

Save as disclosed above, the other items as required under Appendix 9B Part A (16) of the Main Market Listing Requirements of Bursa Securities are not applicable.

By order of the Board

LIM LI HEONG
Company Secretary
MAICSA 7054716
28 May 2025