

**HEXTAR RETAIL BERHAD**

(Company No. 200301031466 (633887-M))

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 JUNE 2026**

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter Ended	Corresponding	To Date Ended	To Date Ended
	30.6.2026	30.6.2025	30.6.2026	30.6.2025
	RM'000	RM'000	RM'000	RM'000
Revenue	39,084	18,969	69,440	34,406
Cost of sales	(18,565)	(11,612)	(32,454)	(21,850)
Gross profit	20,519	7,357	36,986	12,556
Operating expenses	(21,522)	(8,126)	(39,136)	(14,758)
Other operating income	225	311	591	977
Loss from operations	(778)	(458)	(1,559)	(1,225)
Finance costs	(1,463)	(264)	(2,555)	(443)
Loss before tax	(2,241)	(722)	(4,114)	(1,668)
Tax (expense)/credit	(52)	45	(489)	225
Loss after tax, representing total comprehensive expense	(2,293)	(677)	(4,603)	(1,443)
Attributable to:				
Owners of the Company	(3,033)	(473)	(4,352)	(1,026)
Non-controlling interests	740	(204)	(251)	(417)
	(2,293)	(677)	(4,603)	(1,443)
Loss per share attributable to owners of the Company (sen)				
- Basic	(0.61)	(0.10)	(0.87)	(0.21)
- Diluted	(0.59)	(0.09)	(0.85)	(0.20)

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 2025 and the accompanying explanatory notes attached to the Interim Financial Statements.



HEXTAR RETAIL BERHAD
(Company No. 200301031466 (633887-M))

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026**

	(Unaudited) As at 30.6.2026 RM'000	(Audited) As at 31.12.2025 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	160,265	136,667
Right-of-use assets	66,995	47,357
Intangible assets	7,216	2,085
Total non-current assets	234,476	186,109
Current Assets		
Inventories	16,971	16,108
Trade and other receivables	63,393	41,399
Current tax assets	449	1,244
Short-term investments	-	725
Cash and cash equivalents	43,811	27,130
	124,624	86,606
Asset held for sale	12,349	12,349
Total current assets	136,973	98,955
Total assets	371,449	285,064
EQUITY		
Share capital	126,671	124,699
Treasury shares	(17,528)	(17,528)
Revaluation reserve	38,707	38,707
Retained earnings	37,851	42,203
Equity attributable to owners of the Company	185,701	188,081
Non-controlling interests	(1,951)	(1,701)
Total equity	183,750	186,380
LIABILITIES		
Non-Current Liabilities		
Lease liabilities	60,363	40,672
Deferred tax liabilities	7,901	8,332
Total non-current liabilities	68,264	49,004
Current Liabilities		
Trade and other payables	35,507	10,802
Contract liabilities	3,726	480
Derivative financial liabilities	3	-
Lease liabilities	9,008	8,249
Short-term borrowings	70,450	29,544
Current tax liabilities	741	605
Total current liabilities	119,435	49,680
Total liabilities	187,699	98,684
Total equity and liabilities	371,449	285,064
Net Assets per share (RM)	0.40	0.38

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 2025 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 SECOND QUARTER ENDED 30 JUNE 2026**

	-----Attributable to Owners of the Company-----						
	-----Non-distributable-----			Distributable			
	Share Capital RM'000	Treasury Shares RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
6 months ended 30 June 2026							
At 1 January 2026	124,699	(17,528)	38,707	42,203	188,081	(1,701)	186,380
Loss after tax, representing total comprehensive expense	-	-	-	(4,352)	(4,352)	(251)	(4,603)
Issuance of ordinary shares	1,972	-	-	-	1,972	-	1,972
Issuance of shares by a subsidiary to non-controlling interests	-	-	-	-	-	1	1
Total transactions with owners of the Company	1,972	-	-	-	1,972	1	1,973
At 30 June 2026	126,671	(17,528)	38,707	37,851	185,701	(1,951)	183,750
6 months ended 30 June 2025							
At 1 January 2025	123,450	-	38,707	44,620	208,777	(402)	208,375
Loss after tax, representing total comprehensive expense	-	-	-	(1,026)	(1,026)	(417)	(1,443)
Issuance of shares by a subsidiary to non-controlling interests	-	-	-	29	29	40	69
Total transaction with owners of the Company	-	-	-	29	29	40	69
At 30 June 2025	123,450	-	38,707	43,623	207,780	(779)	207,001

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 2025 and the accompanying explanatory notes attached to the Interim Financial Statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 30 JUNE 2026**

	Current Year To Date Ended 30.6.2026 RM'000	Preceding Year To Date Ended 30.6.2025 RM'000
Operating Activities		
Loss before tax	(4,114)	(1,668)
Adjustments for:		
Depreciation of:		
- Property, plant and equipment	5,450	2,630
- Right-of-use assets	6,107	1,625
Amortisation of intangible assets	200	68
Gain on disposal of property, plant and equipment	(68)	(45)
(Gain)/Loss on lease modification	(26)	4
Property, plant and equipment written off	133	3
Unrealised (gain)/loss on foreign exchange	(255)	188
Finance income	(329)	(923)
Finance costs	2,555	443
Operating profit before changes in working capital	9,653	2,325
Changes in working capital :		
- Inventories	(863)	763
- Trade and other receivables	(17,368)	(7,964)
- Trade and other payables	5,710	3,244
- Contract liabilities	3,246	-
Cash from/(used in) operations	378	(1,632)
Net income tax refunded/(paid)	9	(642)
Interest paid	(653)	-
Interest received	831	908
Net cash from/(used in) operating activities	565	(1,366)
Investing Activities		
Acquisition of:		
- Property, plant and equipment	(20,204)	(4,702)
- Intangible assets	-	(647)
Proceeds from disposal of property, plant and equipment	222	46
Withdrawal of short-term investments	725	4,400
Acquisition of subsidiaries, net of cash and cash equivalents acquired	(721)	-
Net cash used in investing activities	(19,978)	(903)
Financing Activities		
Proceeds from issuance of ordinary shares	1,972	-
Drawdown of bank borrowings	40,906	-
Interest paid in relation to lease liabilities	(1,626)	(443)
Payment of lease liabilities	(5,287)	(1,368)
Proceeds from issuance of shares by subsidiaries to non-controlling interests	1	69
Net cash from/(used in) financing activities	35,966	(1,742)
Net increase/(decrease) in cash and cash equivalents	16,553	(4,011)
Effect of foreign exchange translation differences	128	(81)
Cash and cash equivalents at the beginning of period	27,130	55,694
Cash and cash equivalents at the end of period	43,811	51,602

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 2025 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 Paragraph 9.22 of the Main Market Listing Requirements of 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 2025 of Hextar Retail Berhad ("HEXRTL" or "the Company") and its subsidiaries ("the Group"), which were prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. 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 2025.

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 2025 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 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*

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 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, *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 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 2025 of the Group was not subject to any qualification.

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

Save as disclosed below, there were no other 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:-

- (a) The Company increased its issued and paid-up share capital by way of issuance of 2,135,400 new ordinary shares arising from the exercise of warrants amounting to RM0.876 million.

As at 30 June 2026, the total number of issued shares of the Company was 501,046,168 ordinary shares and the total number of outstanding Warrants 2021/2026 was 155,015,650 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 sale of wooden picture frame mouldings and retail businesses. Other non-reportable segments represent investment holding. The Group's reportable segments result 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)	106	(5,030)	321	-	(4,603)
<i>Included in the measure of segment profit/(loss) are:</i>					
Revenue from external customers	19,946	49,494	-	-	69,440
Depreciation and amortisation	(1,672)	(10,085)	-	-	(11,757)
Finance income	117	2	1,205	(995)	329
Finance costs	(161)	(3,077)	(312)	995	(2,555)
Tax expense	(87)	(252)	(150)	-	(489)
Segment Assets	139,225	200,921	200,676	(169,373)	371,449
<i>Included in the measure of segment assets are:</i>					
Additions to non-current assets other than financial instruments and deferred tax assets	9,637	43,781	65	(9,440)	44,043

A9. Subsequent Events

Save as disclosed below, there were no other material events subsequent to the end of the reporting quarter that have not been reflected in the interim financial statements:-

- (a) On 29 July 2026, the Company's wholly-owned subsidiary, Wonderia Lifestyle Sdn Bhd incorporated a wholly-owned subsidiary, namely One Heart Natural Healthcare Sdn Bhd in Malaysia with an issued and paid-up share capital of RM100 for the purpose of expansion of retail business.

A10. Change in the Composition of the Group

Save as disclosed below, there were no other material changes in the composition of the Group for the current quarter under review:-

- (b) On 4 June 2026, the Company's wholly-owned subsidiary, Wonderia Lifestyle Sdn Bhd incorporated a 60%-owned subsidiary, namely Vayro Travel Sdn Bhd in Malaysia with an issued and paid-up share capital of RM100 for the purpose of expansion of retail business.



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

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

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

	As at 30.6.2026 RM'000
Property, plant and equipment approved and contracted for	<u>1,153</u>

A12. Related Party Transactions

The related parties comprising of directors and/or major shareholders of the Company and its subsidiaries who are either the directors and/or major shareholders of the Group and the Company or the persons connected with the Group and 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 30.6.2026 RM'000
Common Directors of the Subsidiaries:-	
Purchase	6,940
Management, marketing and support services	1,346
Wages	30
Common major shareholder:-	
Sales	28
Rental	754
Utilities	125
Other services	23
Close family members of directors of the subsidiaries:-	
Purchase	97
Marketing service	<u>59</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 second quarter ("2QFY2026") and financial period ("6MFY2026") ended 30 June 2026 with the corresponding quarter and period in the last financial year is as follows:

	2Q FY2026	2Q FY2025	Variance		6M FY2026	6M FY2025	Variance	
	RM'mil	RM'mil	RM'mil	%	RM'mil	RM'mil	RM'mil	%
Revenue	39.1	19.0	20.1	105.7%	69.4	34.4	35.0	101.9%
Loss before tax	(2.2)	(0.7)	(1.5)	220.1%	(4.1)	(1.7)	(2.4)	142.0%
Loss after tax	(2.3)	(0.7)	(1.6)	227.6%	(4.6)	(1.4)	(3.2)	228.8%
Loss attributable to owners of the Company	(3.0)	(0.5)	(2.5)	506.6%	(4.4)	(1.0)	(3.4)	335.2%

The Group registered revenue of RM39.1 million for the current quarter, marking an increase of RM20.1 million or 105.7%, compared to RM19.0 million in the corresponding quarter of the preceding year. The increase was mainly attributable to a stronger contribution from retail segment of RM21.1 million, partially offset by lower revenue from wooden picture frame mouldings ("WPFM") segment, which was impacted by the strengthening of Ringgit. The Group recorded a loss before tax of RM2.2 million, a decline of RM1.5 million, compared to RM0.7 million in the corresponding quarter of the preceding year. The decline was primarily due to initial setup costs and higher operating expenses incurred in line with the continued expansion of retail operations, coupled with lower revenue from the WPFM segment.

For six months ended 30 June 2026, the Group recorded revenue of RM69.4 million, representing an increase of RM35.0 million or 101.9%, compared to RM34.4 million in the preceding year correspondence period. The increase was mainly attributable to a higher revenue contribution from the retail segment of RM36.8 million, partially offset by lower revenue from the WPFM segment, which was affected by the strengthening of Ringgit and lower export volume. The Group reported a loss before tax of RM4.1 million, a decline of RM2.4 million, compared to RM1.7 million in the corresponding period of the preceding year. The decline was primarily due to initial setup costs and higher operating expenses incurred in line with the continued expansion of retail operations, coupled with lower revenue from the WPFM segment.

B2. Variation of Results Against Preceding Quarter

	2QFY2026	1QFY2026	Variance	
	RM'mil	RM'mil	RM'mil	%
Revenue	39.1	30.4	8.7	28.6%
Loss before tax	(2.2)	(1.9)	(0.3)	17.9%
Loss after tax	(2.3)	(2.3)	0.0	-0.3%
Loss attributable to owners of the Company	(3.0)	(1.3)	(1.7)	133.3%

The Group recorded revenue of RM39.1 million, representing an increase of RM8.7 million or 28.6% compared to RM30.4 million in the immediate preceding quarter. The increase was predominantly driven by stronger retail sales supported by ongoing expansion initiatives, as well as higher revenue from the WPFM segment. The Group's loss before tax stood at RM2.2 million, representing an increase of RM0.3 million, compared to the loss before tax of RM1.9 million recorded in the immediate preceding quarter. The increase in loss before tax was primarily due to initial setup costs for the retail business expansion.



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

The operating environment is expected to remain challenging through 2026 and 2027, influenced by geopolitical uncertainties, evolving global trade policies, and continued volatility in commodity, energy, and currency markets. Global supply chains are undergoing structural realignment as businesses adapt to shifting trade corridors, rising protectionist measures, and increasing emphasis on supply chain resilience and regional diversification. At the same time, inflationary pressures, fluctuating freight costs, and uneven global demand conditions continue to create a cautious and highly competitive operating landscape.

While selected export-oriented industries and technology-driven sectors are expected to benefit from gradual recovery in trade activity and continued investment in advanced manufacturing and artificial intelligence-related infrastructure, overall market sentiment remains mixed amid persistent macroeconomic and geopolitical risks. Commodity markets are also anticipated to remain volatile due to ongoing supply disruptions and energy market uncertainties, which may continue to impact production costs and margin management across manufacturing sectors.

Against this backdrop, the Group remains committed to disciplined cost optimisation, operational efficiency, and prudent working capital management. We will continue strengthening supply chain resilience, enhancing procurement strategies, and maintaining flexibility in inventory planning to mitigate external disruptions. The Group also remains focused on product innovation, quality assurance, and customer-centric solutions to reinforce market competitiveness and safeguard profitability.

Looking ahead, management will continue to pursue strategic partnerships, market diversification initiatives, and selective investments in automation and digitalisation to improve operational agility and long-term sustainability. Barring any significant deterioration in global economic conditions or geopolitical developments, the Group remains cautiously optimistic about navigating the evolving business environment while positioning itself for sustainable growth opportunities in 2026 and 2027.

Retail

Malaysia's economy is expected to remain resilient in 2026 and 2027, supported by sustained domestic consumption, continued expansion in the services sector, and ongoing infrastructure and investment activities. Although overall GDP growth is anticipated to moderate amid external uncertainties and softer global trade conditions, household spending is expected to remain relatively stable, underpinned by a healthy labour market, gradual wage improvements, and manageable inflationary conditions. Nevertheless, consumers are likely to remain increasingly price-conscious and selective in their purchasing decisions, with greater emphasis on value, affordability, and essential spending.

Retail market sentiment is expected to remain cautiously positive during 2026 and 2027. Essential goods, supermarkets, convenience retail, and value-oriented product segments are anticipated to continue demonstrating stable demand, supported by evolving consumer lifestyles and urban consumption trends. However, discretionary retail spending may remain measured as households continue to manage rising living costs, subsidy rationalisation measures, and periodic adjustments in utility and operating expenses. At the same time, competition within the retail sector is expected to intensify, driven by aggressive promotional activities, digital commerce expansion, and changing consumer preferences.

**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 (Cont'd)****Retail (Cont'd)**

The retail landscape is also expected to see continued growth in omnichannel retailing, digital payment adoption, and data-driven customer engagement initiatives. Consumers are increasingly prioritising convenience, accessibility, and personalised shopping experiences, prompting retailers to accelerate investments in digital platforms, supply chain optimisation, and customer loyalty programmes. In addition, higher operating costs, including labour, logistics, rental, and compliance-related expenses, are expected to remain key challenges for retail operators.

Against this backdrop, the Group remains focused on strengthening operational efficiency, optimising product mix and inventory management, and enhancing customer engagement strategies to remain competitive in a dynamic retail environment. We will continue to leverage digitalisation initiatives, improve supply chain responsiveness, and pursue strategic expansion opportunities in selected markets and retail formats to support sustainable growth.

Looking ahead, while external economic uncertainties and evolving consumer spending patterns may continue to influence market conditions, management remains cautiously optimistic that Malaysia's resilient domestic demand and stable economic fundamentals will continue to provide growth opportunities for the Group's retail division in 2026 and 2027.

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.

B6. Tax (Expense)/Credit

	2QFY2026	2QFY2025	6MFY2026	6MFY2025
	RM'000	RM'000	RM'000	RM'000
Current tax	(227)	(393)	(921)	(767)
Deferred tax	175	438	432	992
	<u>(52)</u>	<u>45</u>	<u>(489)</u>	<u>225</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.



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

There were no corporate proposals announced but not completed by the Company as at the date of this report.

B8. Group Borrowings and Debt Securities

The Group's short-term borrowings are as follows:-

	As at 30.6.2026 RM'000	As at 31.12.2025 RM'000
Secured:		
Revolving credit	50,206	9,363
Trade financing	20,244	20,181
	<u>70,450</u>	<u>29,544</u>

The short-term borrowings are denominated in Ringgit Malaysia.

B9. Derivative Financial Instruments

As at 30 June 2026, the Group has the following outstanding derivative financial instruments:-

	Principal or Notional Amount RM'000	Fair Value Assets RM'000	Fair Value Liabilities RM'000
Currency Forward Contracts			
Less than 1 year	1,015	-	3

The purpose of entering currency forward contracts is to minimise the impact of unfavourable movement in exchange rate on the trade receivables and expected sales denominated in United States Dollar. There are no cash requirements for these contracts.

The market risk posed by the Group's forward currency contracts depends on the economic changes that may impact market prices. As the exchange rate is pre-determined under such contracts, the market risk in these instruments is not significant. The currency forward contracts are transacted with the Group's banker and the credit risk for non-performance by the counterparty in these instruments is minimal.

The fair value of derivative liabilities amounting to RM3,000 has been recognised in the financial statements.



NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

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

B10. Material Litigation

Since the last audited financial statements for the financial year ended 31 December 2025, 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 Per Share

	2QFY2026	2QFY2025	6MFY2026	6MFY2025
Basic loss per share				
Loss after tax attributable to owners owners of the Company (RM'000)	<u>(3,033)</u>	<u>(473)</u>	<u>(4,352)</u>	<u>(1,026)</u>
Weighted average number of ordinary shares (basic) ('000)	<u>499,964</u>	<u>493,191</u>	<u>499,163</u>	<u>493,191</u>
Basic Loss Per Share (sen)	<u>(0.61)</u>	<u>(0.10)</u>	<u>(0.87)</u>	<u>(0.21)</u>
Diluted loss per share				
Loss after tax attributable to owners owners of the Company (RM'000)	<u>(3,033)</u>	<u>(473)</u>	<u>(4,352)</u>	<u>(1,026)</u>
Weighted average number of ordinary shares (basic) ('000)	<u>499,964</u>	<u>493,191</u>	<u>499,163</u>	<u>493,191</u>
Effect of warrants on issue	<u>17,144</u>	<u>19,795</u>	<u>12,828</u>	<u>19,795</u>
Weighted average number of ordinary shares (diluted) ('000)	<u>517,108</u>	<u>512,986</u>	<u>511,991</u>	<u>512,986</u>
Diluted Loss Per Share (sen)	<u>(0.59)</u>	<u>(0.09)</u>	<u>(0.85)</u>	<u>(0.20)</u>

**HEXTAR RETAIL BERHAD**

(Company No. 200301031466 (633887-M))

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 Before Tax**

	2QFY2026 RM'000	2QFY2025 RM'000	6MFY2026 RM'000	6MFY2025 RM'000
Loss before tax is arrived at				
after charging/(crediting):				
Depreciation of:				
- Property, plant and equipment	2,652	1,364	5,450	2,630
- Right-of-use assets	3,549	895	6,107	1,625
Amortisation of intangible assets	110	48	200	68
(Gain)/Loss on disposal of:				
- Property, plant and equipment	(68)	-	(68)	(45)
Property, plant and equipment written off	133	3	133	3
Net (gain)/loss on foreign exchange:				
- Unrealised	(3)	1	(255)	188
- Realised	(76)	568	225	306
Finance income	(38)	(378)	(329)	(923)
Finance costs	1,463	264	2,555	443

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,

Lau Hooi Pin
MAICSA 7081620
Company Secretary

27 August 2026