



# **HEXTAR GLOBAL BERHAD**

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

**Interim Report  
For the 3-months Financial Period Ended  
31 March 2026**



**Interim Report for the 3-months Financial Period Ended 31 March 2026**

**Unaudited Condensed Statements of Profit or Loss and Other Comprehensive Income**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(3-mths) Current Year Quarter 31/03/2026 RM'000	(3-mths) Preceding Year Quarter 31/03/2025 RM'000	(3-mths) Current Year to-Date 31/03/2026 RM'000	(3-mths) Preceding Year to-Date 31/03/2025 RM'000
Revenue	196,199	238,548	196,199	238,548
Cost of sales	(137,239)	(170,637)	(137,239)	(170,637)
Gross profit	58,960	67,911	58,960	67,911
Other income	1,309	1,922	1,309	1,922
Selling and marketing expenses	(9,730)	(8,108)	(9,730)	(8,108)
Administrative and other expenses	(25,080)	(29,027)	(25,080)	(29,027)
Finance costs	(5,094)	(5,939)	(5,094)	(5,939)
Share of loss of joint ventures	(107)	(75)	(107)	(75)
Profit before taxation	20,258	26,684	20,258	26,684
Less: Taxation	(6,257)	(8,017)	(6,257)	(8,017)
Profit after taxation	14,001	18,667	14,001	18,667
Other comprehensive (expenses)/income:				
- Foreign currency translation differences	(460)	(729)	(460)	(729)
- Remeasurement of defined benefit liabilities	54	-	54	-
- Revaluation of property	56	1,913	56	1,913
Other comprehensive (expenses)/income for the financial period	(350)	1,184	(350)	1,184
Total comprehensive income for the financial period	13,651	19,851	13,651	19,851
Profit/(Loss) for the financial period attributable to:				
- Owners of the Company	14,276	13,502	14,276	13,502
- Non-controlling interests	(275)	5,165	(275)	5,165
	14,001	18,667	14,001	18,667
Total comprehensive income/(expenses) attributable to:				
- Owners of the Company	13,926	14,687	13,926	14,687
- Non-controlling interests	(275)	5,164	(275)	5,164
	13,651	19,851	13,651	19,851
<b>Earnings per share</b>				
Basic (sen)	0.37	0.35	0.37	0.35

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.



**Interim Report for the 3-months Financial Period Ended 31 March 2026**

**Unaudited Condensed Statements of Financial Position**

	<b>Unaudited as at 31/03/2026 RM'000</b>	<b>Audited as at 31/12/2025 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment in joint ventures	5,413	5,520
Property, plant and equipment	105,098	105,574
Investment properties	4,740	5,814
Right-of-use assets	65,204	66,626
Intangible assets	163,417	163,508
Investment in club membership, at cost	44	45
Trade receivables	1,409	1,545
Prepayment	5,409	5,902
Deferred tax assets	1,493	1,716
<b>Total non-current assets</b>	<b>352,227</b>	<b>356,250</b>
<b>Current assets</b>		
Inventories	153,955	153,316
Trade receivables	136,905	140,918
Other receivables, deposits and prepayments	56,511	46,037
Contract assets	16,603	22,666
Amount owing by related companies	-	1,943
Amount owing by a joint venture	-	53
Current tax assets	5,908	6,153
Deposits with licensed banks	17,022	17,250
Cash and bank balances	84,729	93,740
<b>Total current assets</b>	<b>471,633</b>	<b>482,076</b>
<b>Assets classified as held for sale</b>	<b>14,450</b>	<b>13,750</b>
<b>TOTAL ASSETS</b>	<b>838,310</b>	<b>852,076</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	633,878	633,878
Treasury shares	(50,659)	(37,755)
Merger deficit reserve	(500,422)	(500,422)
Exchange reserve	(5,603)	(5,143)
Revaluation reserve	16,782	16,742
Retained profits	170,613	156,267
Equity attributable to owners of the Company	<b>264,589</b>	<b>263,567</b>
Non-controlling interests	10,792	11,067
<b>TOTAL EQUITY</b>	<b>275,381</b>	<b>274,634</b>

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 3-months Financial Period Ended 31 March 2026**

**Unaudited Condensed Statements of Financial Position (Cont'd)**

	<b>Unaudited as at 31/03/2026 RM'000</b>	<b>Audited as at 31/12/2025 RM'000</b>
<b>Non-current liabilities</b>		
Lease liabilities	40,046	38,453
Other payables and accruals	2,333	2,065
Long-term borrowings	143,256	155,722
Deferred tax liabilities	10,955	10,277
<b>Total non-current liabilities</b>	<b>196,590</b>	<b>206,517</b>
<b>Current liabilities</b>		
Trade payables	54,368	48,769
Other payables, deposits received and accruals	27,948	28,867
Contract liabilities	4,177	7,131
Amount owing to related companies	-	1,425
Amount owing to a joint venture	1,584	1,221
Lease liabilities	7,344	10,759
Short-term borrowings	257,526	261,420
Current tax liabilities	13,392	11,333
<b>Total current liabilities</b>	<b>366,339</b>	<b>370,925</b>
<b>TOTAL LIABILITIES</b>	<b>562,929</b>	<b>577,442</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>838,310</b>	<b>852,076</b>
No. of ordinary shares in issue ('000)	3,852,686	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.



**Interim Report for the 3-months Financial Period Ended 31 March 2026**

**Unaudited Condensed Statements of Cash Flows**

	<b>3-months ended 31/03/2026 RM'000</b>	<b>3-months ended 31/03/2025 RM'000</b>
<b>CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES</b>		
Profit before taxation	20,258	26,684
Adjustments for:-		
Amortisation	99	137
Depreciation	4,499	4,600
Impairment loss:		
- assets classified as held for sale	275	-
- property	44	1,234
Interest expense	5,094	5,939
Net loss arising from changes in fair value of biological assets	-	19
Loss on forward currency contracts	-	994
Fair value gain on investment property	-	(249)
Gain on disposal of equipment	(29)	(64)
Gain on lease termination	(4)	-
Write-back of inventories	(208)	(2)
Interest income	(112)	(79)
Reversal of impairment loss on trade receivables	(130)	(46)
Share of loss of joint ventures	107	75
Unrealised loss/(gain) on foreign exchange	1,537	(1,679)
Operating profit before working capital changes	31,430	37,563
Changes in working capital:-		
Inventories	(431)	11,561
Receivables	1,022	(42,001)
Payables	1,173	22,000
Related companies	518	(442)
Joint venture	414	359
	2,696	(8,523)
Cash from operations	34,126	29,040
Interest paid	(5,094)	(5,939)
Income tax paid	(3,070)	(6,854)
<b>Net cash from operating activities</b>	<b>25,962</b>	<b>16,247</b>

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 3-months Financial Period Ended 31 March 2026**

**Unaudited Condensed Statements of Cash Flows (Cont'd)**

	<b>3-months ended 31/03/2026 RM'000</b>	<b>3-months ended 31/03/2025 RM'000</b>
<b>CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES</b>		
Interest received	112	79
Net movement in pledged bank balances and deposits with licensed banks	229	457
Payment of deferred consideration	-	(15,754)
Proceeds from disposal of equipment	29	82
Product development expenditure incurred	-	(35)
Addition of intangible assets	-	(352)
Repayment from a joint venture	2	-
Purchase of property, plant and equipment	(1,557)	(2,682)
<b>Net cash for investing activities</b>	<b>(1,185)</b>	<b>(18,205)</b>
<b>CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES</b>		
Drawdown of revolving credit	60,000	75,650
Net decrease of lease liabilities	(2,652)	(1,813)
Net (decrease)/increase in bank borrowings	(2,317)	22,307
Purchase of treasury shares	(12,904)	-
Repayment of revolving credit	(43,970)	(78,650)
Repayment of term loans	(20,341)	(10,534)
<b>Net cash (for)/from financing activities</b>	<b>(22,184)</b>	<b>6,960</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>2,593</b>	<b>5,002</b>
<b>EFFECTS OF FOREIGN EXCHANGE TRANSLATION</b>	<b>(410)</b>	<b>(561)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	<b>74,368</b>	<b>28,799</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>76,551</b>	<b>33,240</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE</b>		
Deposits with licensed banks	17,022	17,068
Cash and bank balances	84,729	38,457
Bank overdrafts	(8,079)	(5,178)
	93,672	50,347
Less: Deposits pledged to licensed banks	(9,868)	(9,688)
Deposits with tenures exceeding 3 months	(6,869)	(7,035)
Bank balances pledged to licensed banks	(384)	(384)
	76,551	33,240

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 3-months Financial Period Ended 31 March 2026**

**Unaudited Condensed Statements of Changes in Equity**

	Share Capital RM'000	Treasury Shares RM'000	<----- Non-distributable -----> Merger Deficit Reserve RM'000	Exchange Reserve RM'000	Revaluation Reserve RM'000	<-Distributable-> Retained Profits RM'000	Attributable to Owners of the Company RM'000	Non-controlling Interests RM'000	Total RM'000
Balance as at 1/1/2026	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	-	-	-	-	-	14,276	14,276	(275)	14,001
Other comprehensive (expenses)/income for the financial period:									
- Foreign currency translation differences	-	-	-	(460)	-	-	(460)	-	(460)
- Remeasurement of defined benefit liabilities	-	-	-	-	-	54	54	-	54
- Revaluation of property	-	-	-	-	56	-	56	-	56
Total comprehensive (expenses)/income for the financial period	-	-	-	(460)	56	14,330	13,926	(275)	13,651
Contributions by and distributions to owners of the Company:									
- Purchase of treasury shares	-	(12,904)	-	-	-	-	(12,904)	-	(12,904)
Total transactions with owners	-	(12,904)	-	-	-	-	(12,904)	-	(12,904)
Realisation of revaluation reserve	-	-	-	-	(16)	16	-	-	-
Balance as at 31/03/2026	633,878	(50,659)	(500,422)	(5,603)	16,782	170,613	264,589	10,792	275,381

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 3-months Financial Period Ended 31 March 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	-	-	-	-	-	13,502	13,502	5,165	18,667
Other comprehensive (expenses)/income for the financial period:									
- Foreign currency translation differences	-	-	-	(728)	-	-	(728)	(1)	(729)
- Revaluation of property	-	-	-	-	1,913	-	1,913	-	1,913
Total comprehensive (expenses)/income for the financial period	-	-	-	(728)	1,913	13,502	14,687	5,164	19,851
Realisation of revaluation reserve	-	-	-	-	(22)	22	-	-	-
Balance as at 31/03/2025	633,878	(30,770)	(500,422)	(3,156)	18,683	121,600	239,813	35,571	275,384

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



**Interim Report for the 3-months Financial Period Ended 31 March 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”), International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

The following are accounting standards, amendments and IC interpretations of the MFRS that have been issued by the MASB but are not yet effective and have not been adopted:-

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

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 19 Subsidiaries without Public Accountability: Disclosures

Amendments to MFRS 9 and MFRS 7: 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.



## **Interim Report for the 3-months Financial Period Ended 31 March 2026**

### **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 current quarter under review, the Company purchased 15,526,500 of its issued ordinary shares from the open market at an average price of RM0.83 per share. The total consideration paid for the purchase was RM12,904,236 including the transaction costs. The shares purchased are being held as treasury shares in accordance with Section 127(6) of the Companies Act, 2016 and are presented as a deduction from equity.

As at 31 March 2026, the Company held as treasury shares a total of 86,576,000 of its 3,939,261,852 issued and fully paid-up ordinary shares. The treasury shares are held at a carrying amount of RM50,659,488.

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**

During the quarter under review, the Board of Directors proposed an interim share dividend for the financial year ending 31 December 2026 by way of 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 will be credited into the entitled depositors' securities accounts maintained with Bursa Malaysia Depository Sdn Bhd on 30 June 2026.



**Interim Report for the 3-months Financial Period Ended 31 March 2026**

**9. Segmental Reporting**

	<b>3-months ended 31 March 2026</b>					
	<b>Investment Holding</b>	<b>Agriculture</b>	<b>Specialty Chemicals</b>	<b>Fruits</b>	<b>Elimination</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>REVENUE AND EXPENSES</b>						
<b>Revenue</b>						
External	50	94,088	56,758	45,303	-	196,199
Inter-segment	10,526	2,920	1,717	-	(15,163)	-
<b>Total revenue</b>	<b>10,576</b>	<b>97,008</b>	<b>58,475</b>	<b>45,303</b>	<b>(15,163)</b>	<b>196,199</b>
<b>Results</b>						
Segment results	10,160	11,708	9,261	3,751	(9,533)	25,347
Finance costs	(2,483)	(922)	(1,399)	(1,590)	1,300	(5,094)
Finance income	1,291	40	29	47	(1,295)	112
Share of result of joint ventures	-	9	-	(116)	-	(107)
<b>Profit/(Loss) before taxation</b>	<b>8,968</b>	<b>10,835</b>	<b>7,891</b>	<b>2,092</b>	<b>(9,528)</b>	<b>20,258</b>
Taxation	85	(2,272)	(2,455)	(1,356)	(259)	(6,257)
<b>Consolidated profit/(loss) after taxation</b>	<b>9,053</b>	<b>8,563</b>	<b>5,436</b>	<b>736</b>	<b>(9,787)</b>	<b>14,001</b>



**Interim Report for the 3-months Financial Period Ended 31 March 2026**

**9. Segmental Reporting (Cont'd)**

	<b>3-months ended 31 March 2025</b>					
<b>Investment Holding</b>	<b>Agriculture</b>	<b>Specialty Chemicals</b>	<b>Fruits</b>	<b>Elimination</b>	<b>Total</b>	
<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>REVENUE AND EXPENSES</b>						
<b>Revenue</b>						
External	34	85,757	126,374	26,383	-	238,548
Inter-segment	3,915	1,024	74	-	(5,013)	-
<b>Total revenue</b>	<b>3,949</b>	<b>86,781</b>	<b>126,448</b>	<b>26,383</b>	<b>(5,013)</b>	<b>238,548</b>
<b>Results</b>						
Segment results	2,140	8,041	25,039	224	(2,826)	32,618
Finance costs	(3,481)	(1,596)	(784)	(1,531)	1,453	(5,939)
Finance income	1,430	31	8	37	(1,427)	79
Share of result of joint ventures	-	23	-	(97)	-	(74)
<b>Profit/(Loss) before taxation</b>	<b>89</b>	<b>6,499</b>	<b>24,263</b>	<b>(1,367)</b>	<b>(2,800)</b>	<b>26,684</b>
Taxation	(54)	(1,102)	(6,532)	(325)	(4)	(8,017)
<b>Consolidated profit/(loss) after taxation</b>	<b>35</b>	<b>5,397</b>	<b>17,731</b>	<b>(1,692)</b>	<b>(2,804)</b>	<b>18,667</b>



**Interim Report for the 3-months Financial Period Ended 31 March 2026**

**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:

	<b>As at 31/03/2026 RM'000</b>
Guarantees provided to financial institutions for facilities granted to the Group	806,185
Bank guarantee extended by a subsidiary to third parties	15
Letter of credit issued by a subsidiary in favour of suppliers	9,138
Performance guarantee extended by a subsidiary to third party	22,105
	<u>837,443</u>

**13. Capital Commitments**

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

	<b>As at 31/03/2026 RM'000</b>
Acquisition of subsidiaries	114,000
Property and equipment	593
	<u>114,593</u>

**14. Material Events Subsequent to the End of the Interim Reporting Period**

On 29 April 2026, the Company wishes to announce that, based on the Solicitor's letter dated 28 April 2026, the proposed disposal of three (3) pieces of freehold agricultural land by PHG Ever Fresh Plantation Sdn. Bhd. to Chateau MSK Sdn. Bhd. for a total cash consideration of RM13,750,000 has been completed on 12 March 2026.

The completion was effected upon the fulfilment of all conditions precedent as stipulated in the Sale and Purchase Agreements.



**Interim Report for the 3-months Financial Period Ended 31 March 2026**

**15. Related Party Transactions**

The related parties comprising of directors and/or major shareholders of Hexstar Global Berhad who are either the directors and/or major shareholders of the Company or the persons connected with the Company by virtue of Section 197 Companies Act 2016. The following table provides information on the transactions which have been entered into with the related parties for the period ended 31 March 2026.

	<b>Transaction Value 31/03/2026 RM'000</b>
Sales of raw materials/finished goods:-	
Hexstar Oil & Gas Sdn. Bhd.	245
Hexstar Fert Sdn. Bhd.	108
Hexstar KCS Sdn. Bhd.	13
Rubberex (M) Sdn. Bhd.	115
SCH Everdrill Sdn. Bhd. (fka. Sin Chee Heng Sdn. Bhd.)	15
PK Fert Sdn. Bhd.	7
Purchase of raw materials/finished goods:-	
Hexstar Fert Sdn. Bhd.	609
PK Fertilizers Sdn. Bhd.	35
Hexlube Sdn. Bhd.	909
Receiving of management services:-	
Hexstar Asset Management Sdn. Bhd.	903
Receipt of service for supply and installation of civil foundation:-	
Hexstar Mitai Sdn. Bhd.	92
Rental of storage space and warehouse facilities services:-	
Hexlube Sdn. Bhd.	61



**Interim Report for the 3-months Financial Period Ended 31 March 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 decreased by 17.7% or RM42.3 million to RM196.2 million, from RM238.5 million recorded in the corresponding quarter of the previous year. The decline was primarily attributable to a lower sales contribution from the Specialty Chemicals segment, which recorded revenue of RM56.8 million, a decrease of RM69.6 million mainly due to order delays. Nonetheless, this was partially mitigated by improvements of RM18.9 million and RM8.3 million in the Fruits and Agriculture segments respectively.

The Group reported a profit before taxation ("PBT") of RM20.3 million for the current quarter, representing a decrease of 24.0% or RM6.4 million compared to RM26.7 million recorded in the corresponding quarter of the previous year. The decline in PBT was mainly driven by weaker contributions from the Specialty Chemicals segment, which decreased by of RM16.4. This was partially offset by improvements of RM3.5 million and RM4.3 million in the Fruits and Agriculture segments respectively.

**2. Comparisons with the Immediate Preceding Quarter's Results**

	<b>3-months Current Quarter ended 31/03/2026 (RM'000)</b>	<b>3-months Preceding Quarter ended 31/12/2025 (RM'000)</b>
Revenue	196,199	227,189
Profit before taxation	20,258	25,941

On a quarter-on-quarter basis, the Group's revenue decreased to RM196.2 million from RM227.2 million in the preceding quarter, representing a decrease of 13.6% or RM31.0 million. This decrease was primarily attributable to lower sales contribution from the Fruits and Specialty Chemicals segments, which declined by RM26.9 million and RM23.3 million respectively, mainly due to seasonality effects in the Fruits segment (transition from peak season in the preceding quarter to a lower season in the current quarter) and order delays in the Specialty Chemicals segment.

In line with the decrease in revenue, the Group's profit before taxation also decreases significantly by RM5.7 million or 21.9% to RM20.3 million compared to RM25.9 million in the preceding quarter. The decline was mainly due to weaker contribution from the Fruits and Specialty Chemicals segments, which decreased by RM2.2 million and RM3.1 million respectively.



## Interim Report for the 3-months Financial Period Ended 31 March 2026

### 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 Petroliaam 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.



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

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Year</b>	<b>Preceding</b>	<b>Current</b>	<b>Preceding</b>
	<b>Quarter</b>	<b>Year Quarter</b>	<b>Year to-Date</b>	<b>Year to-Date</b>
	<b>31/03/2026</b>	<b>31/03/2025</b>	<b>31/03/2026</b>	<b>31/03/2025</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Deferred tax	(636)	119	(636)	119
Income tax	(5,621)	(8,136)	(5,621)	(8,136)
Taxation	<u>(6,257)</u>	<u>(8,017)</u>	<u>(6,257)</u>	<u>(8,017)</u>

The effective tax rate for preceding year-to-date under review for the Group was higher than at 30% compared to the statutory tax rate of 24%, primarily due to the recognition of deferred tax. In contrast, the effective tax rate for the current quarter and current year-to-date was higher at 31%, mainly due to tax losses in certain subsidiaries that could not be set off against profits of other subsidiaries within the Group and certain expenses that were not tax-deductible.

**6. Status of Corporate Proposal**

On 23 December 2025, the Company had 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., PK Fertilizers Sdn. Bhd. and Hextar Fert Sdn. Bhd. for a total cash consideration of RM120 million. In conjunction with the proposed acquisitions, the Company intends to undertake a proposed diversification into the manufacturing and trading of fertilisers.

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



**Interim Report for the 3-months Financial Period Ended 31 March 2026**

**7. Borrowings**

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

	<b>As at 31/03/2026 RM'000</b>	<b>As at 31/12/2025 RM'000</b>
<b>Short-term borrowings</b>		
<u>Secured</u>		
Term loans	38,127	46,173
Hire purchases	1,715	1,825
Bills payable	143,605	144,180
Revolving credit	66,000	49,970
Bank overdrafts	8,079	19,272
	<u>257,526</u>	<u>261,420</u>
<b>Long-term borrowings</b>		
<u>Secured</u>		
Term loans	140,540	152,784
Hire purchases	2,716	2,938
	<u>143,256</u>	<u>155,722</u>
<b>Total</b>	<u>400,782</u>	<u>417,142</u>

**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.

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Year Quarter 31/03/2026</b>	<b>Preceding Year Quarter 31/03/2025</b>	<b>Current Year to-Date 31/03/2026</b>	<b>Preceding Year to-Date 31/03/2025</b>
Profit attributable to equity holders of the Company (RM'000)	<u>14,276</u>	<u>13,502</u>	<u>14,276</u>	<u>13,502</u>
Weighted average number of ordinary shares in issue ('000)	<u>3,855,825</u>	<u>3,876,067</u>	<u>3,855,825</u>	<u>3,876,067</u>
Basic earnings per share (sen)	<u>0.37</u>	<u>0.35</u>	<u>0.37</u>	<u>0.35</u>

b. Diluted

The calculation of diluted earnings per ordinary share is the same with basic earnings per ordinary share as the Group has no dilutive potential ordinary shares.



**Interim Report for the 3-months Financial Period Ended 31 March 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 31/03/2026 RM'000	Preceding Year Quarter 31/03/2025 RM'000	Current Year-to-Date 31/03/2026 RM'000	Preceding Year-to-Date 31/03/2025 RM'000
Amortisation	99	137	99	137
Depreciation	4,499	4,600	4,499	4,600
Impairment loss:				
- assets classified as held for sale	275	-	275	-
- property	44	1,234	44	1,234
Interest expense	5,094	5,939	5,094	5,939
Net loss arising from changes in fair value of biological assets	-	19	-	19
Share of loss of joint ventures	107	75	107	75
Loss on forward currency contracts	-	994	-	994
Unrealised loss/(gain) on foreign exchange	1,537	(1,679)	1,537	(1,679)
Fair value gain on investment property	-	(249)	-	(249)
Interest income	(112)	(79)	(112)	(79)
Write-back of inventories	(208)	(2)	(208)	(2)
Gain on disposal of equipment	(29)	(64)	(29)	(64)
Gain on lease termination	(4)	-	(4)	-
Reversal of impairment loss on trade receivables	(130)	(46)	(130)	(46)

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

Tan Tong Lang  
Company Secretary  
Kuala Lumpur  
18 May 2026