



HEXTAR GLOBAL BERHAD

Company No.: 199001014551 (206220-U)

(Formerly known as Halex Holdings Berhad)

(Incorporated in Malaysia)

Interim Report For the 3-months Financial Period Ended 31 March 2020



Interim Report for the 3-months Financial Period Ended 31 March 2020

Unaudited Condensed Statements of Profit or Loss and Other Comprehensive Income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(3-mths)	(3-mths)	(3-mths)	(3-mths)
	Current Year	Preceding Year	Current	Preceding
	Quarter	Quarter	Period to-Date	Period to-Date
	31/3/2020	31/3/2019	31/3/2020	31/3/2019
	RM'000	RM'000	RM'000	RM'000
Revenue	104,566	81,895	104,566	81,895
Cost of sales	(81,659)	(69,361)	(81,659)	(69,361)
Gross profit	22,907	12,534	22,907	12,534
Other income	728	674	728	674
Selling and marketing expenses	(2,776)	(1,607)	(2,776)	(1,607)
Administrative and other expenses	(7,288)	(3,058)	(7,288)	(3,058)
Finance costs	(1,108)	(762)	(1,108)	(762)
Share of results of joint venture	96	137	96	137
Profit before taxation	12,559	7,918	12,559	7,918
Less: Taxation	(3,108)	(1,775)	(3,108)	(1,775)
Profit after taxation	9,451	6,143	9,451	6,143
Other comprehensive income:-				
Foreign currency translation	1	-	1	-
Other comprehensive income for the financial period	1	-	1	-
Total comprehensive income for the financial period	9,452	6,143	9,452	6,143
Profit for the financial period attributable to:-				
Owners of the Parent	9,451	6,143	9,451	6,143
Total comprehensive income attributable to:-				
Owners of the Parent	9,452	6,143	9,452	6,143
Earnings per share				
Basic (sen)	1.17	0.86	1.17	0.86
Diluted (sen)	n/a	n/a	n/a	n/a

Note 1: The comparative figures of the individual and cumulative quarter refer to the financial figures of HCL due to the Reverse Acquisition as explained in Part A, Note 1 to the interim financial report.

The unaudited Condensed Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the unaudited financial statements for the financial year ended 31 December 2019 and the accompanying notes attached to this interim financial report.



Interim Report for the 3-months Financial Period Ended 31 March 2020

Unaudited Condensed Statements of Financial Position

	Unaudited as at 31/3/2020 RM'000	Unaudited as at 31/12/2019 RM'000
ASSETS		
Non-current assets		
Investment in joint venture	3,032	2,936
Property, plant and equipment	46,688	46,752
Investment properties	5,249	5,249
Right-of-use assets	17,590	17,293
Other investments	74	74
Intangible assets	1,105	1,207
Goodwill	7,449	7,449
Prepayment	2,650	2,872
Total non-current assets	83,837	83,832
Current assets		
Inventories	75,072	79,190
Trade receivables	140,066	124,137
Other receivables, deposits and prepayments	4,243	5,567
Amount owing by related companies	-	2,319
Current tax assets	169	454
Deposits with licensed banks	119	116
Cash and bank balances	22,416	29,435
Total current assets	242,085	241,218
Asset classified as held-for-sales	30,844	30,722
TOTAL ASSETS	356,766	355,772
EQUITY AND LIABILITIES		
Equity		
Share capital	85,838	85,838
Treasury shares	(6,078)	-
Share premium *	84,075	84,075
Revaluation reserve	7,451	7,541
Exchange reserve	1	-
Retained profits	10,906	7,887
TOTAL EQUITY	182,193	185,341
Non-current liabilities		
Term loans	11,936	12,719
Lease liabilities	942	734
Deferred tax liabilities	9,414	9,533
Total non-current liabilities	22,292	22,986

* The share premium is retained in a foreign subsidiary where the relevant laws require the recognition of share premium.

Note 1: The financial statements for the financial year ended 31 December 2019 have not been audited.

The unaudited Condensed Statements of Financial Position should be read in conjunction with the unaudited financial statements for the financial year ended 31 December 2019 and the accompanying notes attached to this interim financial report.



Interim Report for the 3-months Financial Period Ended 31 March 2020

Unaudited Condensed Statements of Financial Position (Cont'd)

	Unaudited as at 31/3/2020 RM'000	Unaudited as at 31/12/2019 RM'000
Current liabilities		
Trade payables	39,352	26,993
Other payables and accruals	4,947	6,065
Provision	39	39
Amount owing to related companies	-	46
Amount owing to joint venture	1,701	821
Derivative liabilities	609	-
Term loans	23,280	23,797
Lease liabilities	506	329
Bills payable	77,010	86,433
Current tax liabilities	4,837	2,922
Total current liabilities	152,281	147,445
TOTAL LIABILITIES	174,573	170,431
TOTAL EQUITY AND LIABILITIES	356,766	355,772
No. of ordinary shares in issue ('000)	809,074	820,652
Net assets per share attributable to equity holders of the Company (RM)	0.23	0.23

Note 1: The financial statements for the financial year ended 31 December 2019 have not been audited.

The unaudited Condensed Statements of Financial Position should be read in conjunction with the unaudited financial statements for the financial year ended 31 December 2019 and the accompanying notes attached to this interim financial report.



Interim Report for the 3-months Financial Period Ended 31 March 2020

Unaudited Condensed Statements of Cash Flows

	3-months ended 31/3/2020 RM'000	3-months ended 31/3/2019 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES		
Profit before taxation	12,559	7,918
Adjustments for:-		
Amortisation of intangible assets	112	80
Depreciation of property, plant and equipment	729	406
Impairment loss on trade receivables	6	-
Interest expenses	1,108	762
Unrealised (gain)/loss on foreign exchange	(1,158)	3,495
Gain on forward currency exchange	-	(327)
Interest income	(168)	(29)
Share of net profits of equity accounted joint venture	(96)	(137)
Operating profit before working capital changes	13,092	12,168
Changes in working capital:-		
Inventories	4,118	20,236
Receivables	(13,299)	(21,731)
Payables	10,975	1,778
Related companies	2,273	(6,125)
	4,067	(5,842)
Cash from operations	17,159	6,326
Tax paid	(1,026)	(1,803)
Net cash from operating activities	16,133	4,523

The unaudited Condensed Statements of Cash Flows should be read in conjunction with the unaudited financial statements for the financial year ended 31 December 2019 and the accompanying notes attached to this interim financial report.



Interim Report for the 3-months Financial Period Ended 31 March 2020

Unaudited Condensed Statements of Cash Flows (Cont'd)

	3-months ended 31/3/2020 RM'000	3-months ended 31/3/2019 RM'000
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES		
Interest received	168	29
Purchase of intangible assets	(9)	(109)
Purchase of property, plant and equipment	(625)	(902)
Placement of deposits with licensed banks	(3)	-
Net cash for investing activities	(469)	(982)
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES		
Acquisition of treasury shares	(6,078)	-
Dividend paid	(6,522)	-
Interest paid	(1,108)	(762)
Net decrease of bank borrowings	(7,667)	(5,832)
Net (decrease)/increase of finance lease payables	(9)	516
Repayment of term loans	(1,300)	(660)
Net cash for financing activities	(22,684)	(6,738)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(7,020)	(3,197)
EFFECT OF FOREIGN EXCHANGE TRANSLATION	1	16
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	29,435	13,879
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	22,416	10,698
CASH AND CASH EQUIVALENTS COMPRISE		
Deposits with licensed banks	119	42
Cash and bank balances	22,416	10,698
	22,535	10,740
Less: Deposits pledged to licensed banks	(119)	(42)
	22,416	10,698

Note 1: HCL's Consolidated Statement of Cash Flows has been presented as the comparative figures due to the Reverse Acquisition as explained in Part A, Note 1 to the interim financial report.

The unaudited Condensed Statements of Cash Flows should be read in conjunction with the unaudited financial statements for the financial year ended 31 December 2019 and the accompanying notes attached to this interim financial report.



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Interim Report for the 3-months Financial Period Ended 31 March 2020

Unaudited Condensed Statements of Changes in Equity

	<----- Non-distributable ----->				<----- Distributable ----->		
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Exchange Reserve RM'000	Treasury Shares RM'000	Retained Profits RM'000	Total RM'000
As at 1/1/2020	85,838	84,075	7,541	-	-	7,887	185,341
Profit after taxation for the financial period	-	-	-	-	-	9,451	9,451
Other comprehensive income for the financial period:							
- Foreign currency translation	-	-	-	1	-	-	1
Total comprehensive income for the financial period	-	-	-	1	-	9,451	9,452
Contributions by and distributions to owners of the Company:							
- Share buy back	-	-	-	-	(6,078)	-	(6,078)
- Dividend	-	-	-	-	-	(6,522)	(6,522)
Total transactions with owners	-	-	-	-	(6,078)	(6,522)	(12,600)
Realisation of revaluation surplus	-	-	(90)	-	-	90	-
As at 31/3/2020	85,838	84,075	7,451	1	(6,078)	10,906	182,193

The unaudited Condensed Statements of Changes in Equity should be read in conjunction with the unaudited financial statements for the financial year ended 31 December 2019 and the accompanying notes attached to this interim financial report.



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Interim Report for the 3-months Financial Period Ended 31 March 2020

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

	<----- Non-distributable ----->				<----- Distributable ----->		
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Exchange Reserve RM'000	Treasury Shares RM'000	Retained Profits RM'000	Total RM'000
As at 1/1/2019	#	84,075	7,800	-	-	51,851	143,726
Profit after taxation for the financial period	-	-	-	-	-	6,143	6,143
Total comprehensive income for the financial period	-	-	-	-	-	6,143	6,143
Realisation of revaluation surplus	-	-	(124)	-	-	-	(124)
As at 31/3/2019	#	84,075	7,676	-	-	57,994	149,745

Amount below RM1,000.

The unaudited Condensed Statements of Changes in Equity should be read in conjunction with the unaudited financial statements for the financial year ended 31 December 2019 and the accompanying notes attached to this interim financial report.



Interim Report for the 3-months Financial Period Ended 31 March 2020

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 unaudited financial statements for the financial year ended 31 December 2019. The Group prepared its financial statements in accordance with the Malaysian Financial Reporting Standards (“MFRS”).

The unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income and Consolidated Statement of Cash Flows of Hextar Chemicals Limited (“HCL”) Group has been presented as the comparative figures for the period under review due to the Reverse Acquisition as explained below: -

On 30 April 2019, the Company legally completed the acquisition of the entire equity interest in HCL for an aggregate purchase consideration of RM596,794,275 through issuance and allotment of 714,679,564 new ordinary shares in Hextar Global Berhad (formerly known as Halex Holdings Berhad) at an issue price of RM0.81 per consideration share and RM17,903,828 in cash (“The Acquisition”).

The interim financial report have been prepared in compliance with MFRS 3: Business Combinations. The business combinations between the Company and HCL is treated as a Reverse Acquisition whereby for the accounting purposes, the accounting acquirer is HCL while the accounting acquiree is the Company.

2. Significant Accounting Policies

The financial statements of the Group have been 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 by the Group:-

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

MFRS 17 Insurance Contracts

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

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

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 amendments are expected to have no material impact on the financial statements of the Group upon their initial application.



Interim Report for the 3-months Financial Period Ended 31 March 2020

3. Auditors' Report on Preceding Annual Financial Statements

The preceding annual financial statements for the financial year ended 31 December 2019 have not been audited.

4. Seasonal or Cyclical Factors

The Group's agriculture business is sensitive to prolonged extreme weather conditions.

5. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter under review and financial period to-date.

6. Material Changes in Estimates

There were no material changes in estimates of amount reported that have a material effect on the current quarter under review and financial period to-date except as disclosed in the financial statements.

7. Details of Changes in Debts and Equity Securities

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 Company proposed first interim single-tier dividend of 1 sen per ordinary share amounting to approximately RM8.06 million in respect of the financial year ending 31 December 2020. The entitlement date and payment date have been fixed on 4 June 2020 and 23 June 2020 respectively.



Interim Report for the 3-months Financial Period Ended 31 March 2020

9. Segmental Reporting

	3-months ended 31 March 2020					Consolidated RM'000
	Investment Holding RM'000	Agriculture RM'000	Consumer Products RM'000	Others RM'000	Eliminations RM'000	
Revenue						
External	-	96,206	8,360	-	-	104,566
Inter-segment	61,118	2,518	3,808	-	(67,444)	-
Total	61,118	98,724	12,168	-	(67,444)	104,566
Results						
Segment results	59,775	14,078	450	(30)	(60,869)	13,404
Finance costs	(370)	(685)	(53)	-	-	(1,108)
Finance income	94	62	10	1	-	167
Share of result of joint venture	-	96	-	-	-	96
Profit/(Loss) before taxation	59,499	13,551	407	(29)	(60,869)	12,559
Taxation	-	(3,227)	3	-	116	(3,108)
Profit/(Loss) after taxation	59,499	10,324	410	(29)	(60,753)	9,451

	3-months ended 31 March 2019			Consolidated RM'000
	Investment Holding RM'000	Agriculture RM'000	Eliminations RM'000	
Revenue				
External	-	81,895	-	81,895
Inter-segment	-	400	(400)	-
Total	-	82,295	(400)	81,895
Results				
Segment results	-	8,634	(120)	8,514
Finance costs	-	(762)	-	(762)
Finance income	-	29	-	29
Share of result of joint venture	-	137	-	137
Profit/(Loss) before taxation	-	8,038	(120)	7,918
Taxation	-	(1,818)	43	(1,775)
Profit/(Loss) after taxation	-	6,220	(77)	6,143



Interim Report for the 3-months Financial Period Ended 31 March 2020

10. Valuation of Property, Plant and Equipment

The values of property, plant and equipment have been brought forward without amendments from the Company's previous annual unaudited financial statements for the financial year ended 31 December 2019.

11. Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial period under review other than the following:-

- (a) On 11 March 2020, the Company incorporated a new company known as Hextar IOT Sdn Bhd. ("IOT"). IOT is a 100% owned subsidiary of the Company. The initial issued and paid-up capital of IOT is RM100. IOT will be principally involved in the business of marketing, distribution and supply consultancy and management services of smart agriculture products using the 5G Technology to plantation industry.

12. Contingent Liabilities

The contingent liabilities are as follows:

Guarantees given to financial institutions for facilities granted to subsidiaries

Company
As at
31/3/2020
RM'000
94,740

13. Capital Commitments

There were no material capital commitments entered into and not provided for by the Group during the current quarter under review.

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

There were no material events subsequent to the end of the interim reporting period reported.



Interim Report for the 3-months Financial Period Ended 31 March 2020

15. Related Party Transactions

The following table provides information on the transactions which have been entered into with related parties during the 3-months ended 31 March 2020.

		Transaction Value 31/3/2020 RM'000
	Note	
Sales of raw materials/finished goods:-		
PT Dharma Guna Wibawa	#	15,308
PT Delta Giri Wacana	#	14,547
Hextar Oil & Gas Sdn. Bhd.	#	3,712
Hextar KCS Sdn. Bhd.	#	16
Sales of R&D services:-		
Vitallium Sdn. Bhd.	#	<u>84</u>
Purchase of raw materials/finished goods:-		
Hextar Industrial Chemicals Sdn. Bhd.	#	93
Purchase of management services:-		
Hextar Asset Management Sdn. Bhd.	#	<u>585</u>

The directors and/or major shareholders of Hextar Global Berhad (formerly known as Halex Holdings Berhad) are either the directors and/or major shareholders of the Company or the persons connected with the Company by virtue of Section 197 of Companies Act 2016.



Interim Report for the 3-months Financial Period Ended 31 March 2020

B. ADDITIONAL INFORMATION REQUIRED PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

1. Review of Performance of the Group

For the purpose of review of performance, the comparative figures for the individual and cumulative quarter refer the financial figures of HCL due to the Reverse Acquisition as explained in Part A, Note 1 to the interim financial report.

For the current and cumulative quarter, the Group registered a higher revenue of RM104.57 million, representing an increase of RM22.67 million or 27.7% as compared to the corresponding quarter of the preceding year. The increase was mainly due to the increase in revenue from the enlarged Agriculture segment and the incorporation of revenue from the Consumer Products segment, following the Acquisition as per Part A, Note 1 to the interim financial report. Despite the outbreak of Coronavirus Disease 2019 (“COVID-19”), the Group managed to increase its sales to both local and oversea by yielding an increased gross profit margin of 21.9%, representing an increase of 6.6% as compared to the corresponding quarter of the preceding year. Being one of the biggest producers of agrochemical in Malaysia, the Group was able to secure sufficient inventories to operate without disruption from the COVID-19 impact.

The Group recorded a profit before taxation of RM12.56 million for the current and cumulative quarter against RM7.92 million in the corresponding quarter of the preceding year, representing an increase of RM4.64 million or 58.6%. Included in the profit before taxation of the current and cumulative quarter, the Group had recognised a net foreign exchange loss of RM1.56 million as compared to a net foreign exchange gain of RM0.62 million in the corresponding quarter of the preceding year. Had the Group excluded the impact from foreign exchange, the Group would have recorded an operating profit before taxation of RM14.12 million as compared to RM7.30 million in the corresponding quarter of the preceding year, representing an increase of RM6.82 million or 93.4%. The Consumer Products segment had turnaround from a loss to profit making position, contributed a profit before taxation of RM0.41 million for the current quarter under review.

The Group witnessed the best financial results for the current quarter under review since the completion of the Reversed Acquisition.

2. Comparisons with the Immediate Preceding Quarter’s Results

	(3-months) Current Quarter ended 31/3/2020 (RM'000)	(3-months) Preceding Quarter ended 31/12/2019 (RM'000)
Revenue	104,566	82,765
Profit before taxation	12,559	10,678

For the current quarter ended 31 March 2020, the Group registered revenue of RM104.57 million, representing an increase of RM21.80 million or 26.3% as compared to the immediate preceding quarter. The increase was mainly due to higher sales recorded from both Agriculture and Consumer Products segments.

During the current quarter, the Group recorded a profit before taxation of RM12.56 million against RM10.68 million in the immediate preceding quarter, representing an increase of RM1.88 million or 17.6% as compared to the immediate preceding quarter. The Consumer Products segment recorded a profit before taxation of RM0.41 million for the current quarter as compared to a loss before taxation of RM0.32 million in the immediate preceding quarter showed a great achievement of turnaround as resulted from the Group continuous effort in cost rationalization and improved operational efficiency..



Interim Report for the 3-months Financial Period Ended 31 March 2020

3. Year 2020 Prospects

Agriculture

The Group achieved a higher-than-market results in first quarter of year 2020 despite the outbreak of COVID-19 and the implementation of Movement Control Order (“MCO”). Consequently, our Agriculture segment turn out to be more essentially needed than before in order to secure food. Nevertheless, food security has been always and will be continue to be an essential key driver of social-political priorities at global, regional and national level.

As leading crop management solutions provider in Malaysia, the Board is confident that the Agriculture segment will continue to contribute a sustainable income to the Group in year 2020.

Consumer Products

In the beginning of year 2020, the Consumer Products segment achieved the greatest turnaround from a loss to profit making position. This result was driven by strong revenue growth, partly boosted by the increased demand due to COVID-19. Furthermore, the positive result was underpinned by increased capacity and higher output rates from new equipment invested in addition to the effort by the Group in cost efficiency. The growth momentum is expected to continue through the rest of the year.

Others

The Group continues its expansion plan by setting up a new subsidiary company, Hextar IOT Sdn. Bhd. in March 2020 to embark on 5G technology in plantation industry. The Group will continue to further explore on other potential opportunities beside leveraging on this technology.

The Board stay positive and continue to focus on the operational efficiency, profitability and business sustainability and remain optimistic that the Group will be able to achieve satisfactory results in the financial year ending 2020.

4. Financial Forecast and Profit Guarantee

The Group has not provided any financial forecast or profit guarantee in any public document.

5. Taxation

The taxation figures are as follows:

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current	Preceding
	Quarter	Quarter	Period to-Date	Period to-Date
	31/3/2020	31/3/2019	31/3/2020	31/3/2019
	RM'000	RM'000	RM'000	RM'000
Deferred tax	119	724	119	724
Income tax	(3,227)	(2,499)	(3,227)	(2,499)
	(3,108)	(1,775)	(3,108)	(1,775)

The effective tax rate for the current quarter under review for the Group is slightly higher than the statutory rate of taxation is mainly due to losses recorded in certain subsidiary companies which is unable to set off against taxable profits made by other profitable subsidiary companies.



Interim Report for the 3-months Financial Period Ended 31 March 2020

6. Status of Corporate Proposal

There were no corporate proposals for the financial period under review

7. Borrowings

The Group's borrowings as at 31 March 2020 and 31 December 2019 are as follows:

	As at 31/3/2020 RM'000	As at 31/12/2019 RM'000
Short-term borrowings		
<u>Secured</u>		
Term loans	23,280	23,797
<u>Unsecured</u>		
Lease liabilities	506	329
Bills payable	77,010	86,433
	<u>100,796</u>	<u>110,559</u>
Long-term borrowings		
<u>Secured</u>		
Term loans	11,936	12,719
<u>Unsecured</u>		
Lease liabilities	942	734
	<u>12,878</u>	<u>13,453</u>
Total	<u>113,674</u>	<u>124,012</u>



Interim Report for the 3-months Financial Period Ended 31 March 2020

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 is calculated by dividing the earnings attributable to equity holders of the Company for the period by the weighted average number of ordinary shares in issue during the financial period under review.

	Individual Quarter		Cumulative Quarter	
	Current	Preceding	Current	Preceding
	Year	Year	Period	Period
	Quarter	Quarter	to-Date	to-Date
	31/3/2020	31/3/2019	31/3/2020	31/3/2019
Profit attributable to equity holders of the Company (RM'000)	9,451	6,143	9,451	6,143
Weighted average number of ordinary shares in issue ('000)	809,074	714,680*	809,074	714,680*
Basic earnings per share (sen)	1.17	0.86	1.17	0.86

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.

* The weighted average number of ordinary shares in issue for the comparative quarter and financial period was calculated on the assumption based on the newly issued 714,679,564 ordinary shares in exchange for 4 ordinary shares in HCL Group following the Reverse Acquisition as explained in Part A, Note 1 to the interim financial report.



Interim Report for the 3-months Financial Period Ended 31 March 2020

10. Notes to the Statements of Profit or Loss and Other Comprehensive Income

Profit/(Loss) before taxation is arrived at after charging/(crediting):-

	Individual Quarter		Cumulative Quarter	
	Current	Preceding	Current	Preceding
	Year Quarter	Year Quarter	Period to-Date	Period to-Date
	31/3/2020	31/3/2019	31/3/2020	31/3/2019
	RM'000	RM'000	RM'000	RM'000
Amortisation of intangible assets	112	80	112	80
Depreciation of property, plant and equipment	729	406	729	406
Impairment loss on trade receivables	6	-	6	-
Interest expenses	1,108	762	1,108	762
Unrealised (gain)/loss on foreign exchange	(1,158)	3,495	(1,158)	3,459
Gain on forward currency exchange	-	(327)	-	(327)
Interest income	(168)	(29)	(168)	(29)
Share of net profits of equity accounted joint venture	(96)	(137)	(96)	(137)

By Order of the Board
HEXTAR GLOBAL BERHAD
199001014551 (206220 – U)
(Formerly known as Halex Holdings Berhad)

Lim Hooi Mooi
Company Secretary
Kuala Lumpur
19 May 2020