



HEXZA CORPORATION BERHAD

196901000339 (8705-K)



2026 Annual Report



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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifty-Seventh (57th) Annual General Meeting (“57th AGM” and/or “AGM”) of Hexza Corporation Berhad (“Hexza” or “the Company”) will be held at Kinta 2, Level 1, Dusit Princess Ipoh, Jalan Raja Dihilir, 30350 Ipoh, Perak Darul Ridzuan on Saturday, 21 November 2026 at 10.00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications the resolutions set out in this Notice:

AGENDA

As **ORDINARY BUSINESS:**

	ORDINARY RESOLUTION				
1. To receive the Audited Financial Statements for the financial year ended 30 June 2026, together with the Directors’ and Auditors’ Reports thereon.	(Please refer to Note 2)				
2. To approve the payment of a single-tier final dividend of 7.5 sen per ordinary share in respect of the financial year ended 30 June 2026.	1				
3. To approve the payment of Directors’ fees to the Executive Chairman of the Board and the Executive Director in respect of the financial year ended 30 June 2026 as follows:	2				
<table border="1"> <tr> <td>Executive Chairman</td><td>RM70,000 per annum</td></tr> <tr> <td>Executive Director</td><td>RM60,000 per annum</td></tr> </table>		Executive Chairman	RM70,000 per annum	Executive Director	RM60,000 per annum
Executive Chairman	RM70,000 per annum				
Executive Director	RM60,000 per annum				
4. To approve the payment of Directors’ fees to the Non-Executive Directors in respect of the financial year ended 30 June 2026 as follows:	3				
<table border="1"> <tr> <td>Deputy Chairman</td><td>RM65,000 per annum</td></tr> <tr> <td>Other Non-Executive Directors</td><td>RM60,000 per annum each</td></tr> </table>		Deputy Chairman	RM65,000 per annum	Other Non-Executive Directors	RM60,000 per annum each
Deputy Chairman	RM65,000 per annum				
Other Non-Executive Directors	RM60,000 per annum each				
5. To approve the payment of Directors’ Benefits to Non-Executive Directors up to an amount of RM250,000 from the 57th AGM until the next AGM of the Company.	4				
6. To re-elect the following Directors retiring in accordance with Rule 131.1 of the Company’s Constitution and being eligible, offer themselves for re-election:					
6.1 Datuk Dr. Foong Weng Sum	5				
6.2 Mr. Tsen Keng Yam	6				
6.3 Mr. Ooi Ying Hong	7				
7. To re-appoint Messrs Crowe Malaysia PLT as External Auditors of the Company for the financial year ending 30 June 2027 and to authorise the Directors to fix their remuneration.	8				

NOTICE OF ANNUAL GENERAL MEETING

As **SPECIAL BUSINESS**, to consider and, if thought fit, pass the following resolutions:

8. PROPOSED AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016 **9**

“THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 (“Act”), the Directors be and are hereby empowered to allot and issue shares in the Company at any time and from time to time until the conclusion of the next AGM and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being, subject always to the Constitution of the Company and approval of all relevant regulatory bodies being obtained for such allotment and issuance.

THAT pursuant to Section 85 of the Act, read together with Rule 7.1 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares of the Company arising from issuance of new shares pursuant to this Mandate.

AND THAT the Directors of the Company be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND FURTHER THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next AGM of the Company.”

9. PROPOSED RENEWAL OF THE AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW ORDINARY SHARES IN THE COMPANY (“HEXZA SHARE(S)”) IN RELATION TO THE DIVIDEND REINVESTMENT PLAN THAT ALLOWS SHAREHOLDERS OF HEXZA TO REINVEST THEIR DIVIDEND TO WHICH THE DRP APPLIES, IN NEW HEXZA SHARES (“DRP”) **10**

“THAT pursuant to the DRP approved by the shareholders at the Extraordinary General Meeting (“EGM”) held on 22 November 2025 and subject to the approval of the relevant authorities (if any), approval be and is hereby given to the Company to allot and issue such number new Hexza Shares pursuant to the DRP until the conclusion of the next AGM, upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and in the best interest of the Company PROVIDED THAT the issue price of the said new Hexza Shares shall be fixed by the Directors at not more than ten percent (10%) discount to the adjusted five (5)-day volume weighted average market price (“VWAMP”) of Hexza shares immediately prior to the price-fixing date, which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price;

AND THAT the Directors be and are hereby authorised to do all such acts and enter into all such transactions, arrangements and documents as may be necessary or expedient in order to give full effect to the DRP with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments, as they, in their absolute discretion, deem fit and in the best interest of the Company.”

NOTICE OF ANNUAL GENERAL MEETING (continued)

10. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 2016.

By Order of the Board

CHAN EOI LENG

(SSM PC No. 202008003055)

(MAICSA 7030866)

Chartered Secretary

Ipoh, Perak Darul Ridzuan, Malaysia
21 October 2026

Notes:

1. Proxy

*Only members whose names appear on the Record of Depositors as at **13 November 2026** shall be entitled to attend the AGM or appoint proxies in his/her stead or, in the case of a corporation, a duly authorised representative to attend and to vote in his/her stead. A proxy must be 18 years of age and above and may but need not be a member of the Company.*

A member, other than an exempt authorised nominee, is entitled to appoint one (1) or two (2) proxies to attend and vote instead of him/her. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.

Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company in an Omnibus Account, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds but the proportion of holdings to be represented by each proxy must be specified.

The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing, or if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. If under the hand of attorney/authorised officer, the Power of Attorney or Letter of Authorisation must be attached.

The instrument appointing a proxy or proxies must be deposited at Boardroom Share Registrars Sdn. Bhd., 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the holding of the meeting or any adjournment thereof, either by hand, post, courier or electronic mail to bsr.proxy@boardroomlimited.com before the Form of Proxy lodgement cut-off time as mentioned above.

Alternatively, the form of proxy can be submitted by electronic means through the Share Registrar's website, Boardroom Smart Investor Portal. Kindly follow the link at <https://investor.boardroomlimited.com> to log in and deposit your form of proxy electronically, not less than forty-eight (48) hours before the meeting.

2. To receive Audited Financial Statements

Agenda 1 is meant for discussion only as Section 340(1) of the Companies Act 2016 only requires the Audited Financial Statements to be laid before the Company at the AGM, and they do not require shareholders' approval. Hence, Agenda 1 will not be put forward for voting.

NOTICE OF ANNUAL GENERAL MEETING

3. Final Dividend

Proposed Dividend Reinvestment Plan (“DRP”) Applicable to the Single-Tier Final Dividend in respect of the Financial Year Ended 30 June 2026

Section 131 of the Companies Act, 2016 states that a company may only make a distribution to the shareholders out of profits of the company available, provided the company remains solvent. The Board of Directors, having considered the available profits, has resolved to recommend the proposed final dividend for the shareholders’ approval.

The Board of Directors is satisfied that the Company will be solvent as it will be able to pay its debts as and when the debts become due within twelve (12) months immediately after the distribution is made.

In addition, the Board has also determined that the Proposed DRP shall be applied to the entire proposed final dividend. The issue price of the new ordinary shares of Hexza to be issued pursuant to the DRP, the book closure date and the payment date in respect of the proposed final dividend will be determined and announced at a later date. The implementation of the DRP is subject to shareholders’ approval at this AGM, as well as other requisite regulatory approvals.

4. Directors’ Fees and Benefits

Section 230(1) of the Companies Act, 2016 provides, amongst others, that “fees” of the Directors and “any benefits” payable to Directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders’ approval is sought for these payments in three (3) separate resolutions as follows:

- Ordinary Resolution 2 : Payment of Directors’ fees to the Executive Chairman of the Board and the Executive Director in respect of the financial year ended 30 June 2026. (New Mandate)
- Ordinary Resolution 3 : Payment of Directors’ fees to the Non-Executive Directors in respect of the financial year ended 30 June 2026.
- Ordinary Resolution 4 : Payment of Directors’ benefits to Non-Executive Directors from the 57th AGM until the next AGM of the Company.

Summary of the Payment of Directors’ Fees and Directors’ Benefits to Non-Executive Directors from the 57th AGM until the next AGM of the Company:

Description – Directors’ Fee	FY 2025 per annum per Director	FY 2026 per annum per Director (For Approval at 57th AGM)
Executive Chairman of the Board	-	RM70,000
Deputy Chairman	RM60,000	RM65,000
Executive Director	-	RM60,000
Non-Executive Directors	RM55,000	RM60,000

NOTICE OF ANNUAL GENERAL MEETING (continued)

Description – Committees Fee	Amount per Member 57th AGM until 58th AGM (For approval at 57th AGM)
Audit Committee - Chairman	RM10,000
Other Audit Committee Members	RM7,000
Nomination and Remuneration Committee - Chairman	RM6,000
Other Nomination and Remuneration Committee Members	RM4,000

Description – Meeting Allowance	Amount per Non-Executive Director
Directors' Meeting	RM2,000 per meeting
Audit Committee	RM1,000 per meeting
Nomination and Remuneration Committee	RM1,000 per meeting

Notes:

- (1) *Ordinary Resolution 2 – Basis for the Proposed Directors' Fees for the Executive Chairman of the Board and the Executive Director*

Ordinary Resolution 2 seeks shareholders' approval for a new mandate for the payment of Directors' Fees to the Executive Chairman of the Board (Executive Chairman) and the Executive Director. The existing remuneration of the Executive Chairman and the Executive Director compensates them for their executive roles, performance and management responsibilities within the Company. Such remuneration does not specifically compensate them for the separate fiduciary duties, statutory responsibilities, personal liabilities and regulatory obligations assumed in their capacity as members of the Board. Accordingly, the proposed Directors' Fees are intended to recognize and compensate the Executive Chairman and the Executive Director for their fiduciary duties, responsibilities and accountability as Directors, which are distinct from their day-to-day executive and managerial functions.

- (2) *Ordinary Resolution 3 – The proposed increase in Non-Executive Directors' fees is intended to adjust the Directors' fees to account for inflation through the years since the last increase/adjustment.*

- (3) *Ordinary Resolution 4 – The Directors' benefits payable to the Non-Executive Directors are calculated based on the current composition of the Board and Board Committees and the number of meetings scheduled for the Board and Board Committees and includes all benefits payable to the Directors, such as meeting allowances, committees' fees, subsidiaries' directors' fees, etc.*

5. Re-election of Directors

Datuk Dr. Foong Weng Sum, Mr. Tsen Keng Yam and Mr. Ooi Ying Hong ("Retiring Directors"), who are retiring by rotation, are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at this AGM.

The Board, through the Nomination and Remuneration Committee, has conducted an assessment on the effectiveness and contributions of the Retiring Directors, including their skills, experience, competency and strength in qualities and time commitments pursuant to the annual fit and proper assessment, and has recommended for them to be re-elected to the Board. The profiles of the Retiring Directors are set out in the Profile of Directors of the Annual Report 2026.

NOTICE OF ANNUAL GENERAL MEETING

6. **Re-appointment of External Auditor (“EA”)**

The Audit Committee (“AC”) had on 27 August 2026 deliberated the outcome of the annual assessment of the EA, which included an assessment of the engagement team’s qualifications, credentials and experience, their audit work approach, and their ability to provide value-added advice and services, as well as to perform the work within Hexza Group’s timeline by completing an assessment questionnaire. The AC in its assessment found Messrs Crowe Malaysia PLT to be sufficiently objective and independent and was satisfied with their suitability based on the quality of audit, performance and resources in terms of their audit team provided to the Group.

The Board, therefore, approved the AC’s recommendation that the re-appointment of Messrs Crowe Malaysia PLT as External Auditors of the Company for the financial year ending 30 June 2027 be put forward for shareholders’ approval at the AGM.

7. **Ordinary Resolution 9 - Proposed Authority to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act, 2016**

The proposed Ordinary Resolution 9, if passed, will empower the Directors of the Company, from the date of the above AGM until the next AGM to allot and issue shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total issued shares of the Company for the time being for such purposes as the Directors consider would be in the interests of the Company. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company.

The general mandate sought for allotment and issue of shares is a renewal of the general mandate sought in the preceding year. As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the Fifty-Sixth (56th) AGM held on 22 November 2025, and hence, no proceeds were raised therefrom. The general mandate will provide flexibility to the Company for any possible fundraising activities, including but not limited to placing of shares for the purpose of funding future investment project(s), working capital and/or acquisitions.

At this juncture, there is no decision to issue new shares but the Directors consider it desirable to have the flexibility permitted to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing shareholders. If there should be a decision to issue new shares after the general mandate is obtained, the Company will make an announcement in respect thereof.

8. **Ordinary Resolution 10 - Proposed Renewal of Authority for Directors to Allot and Issue Hexza Shares in relation to the Dividend Reinvestment Plan (“DRP”)**

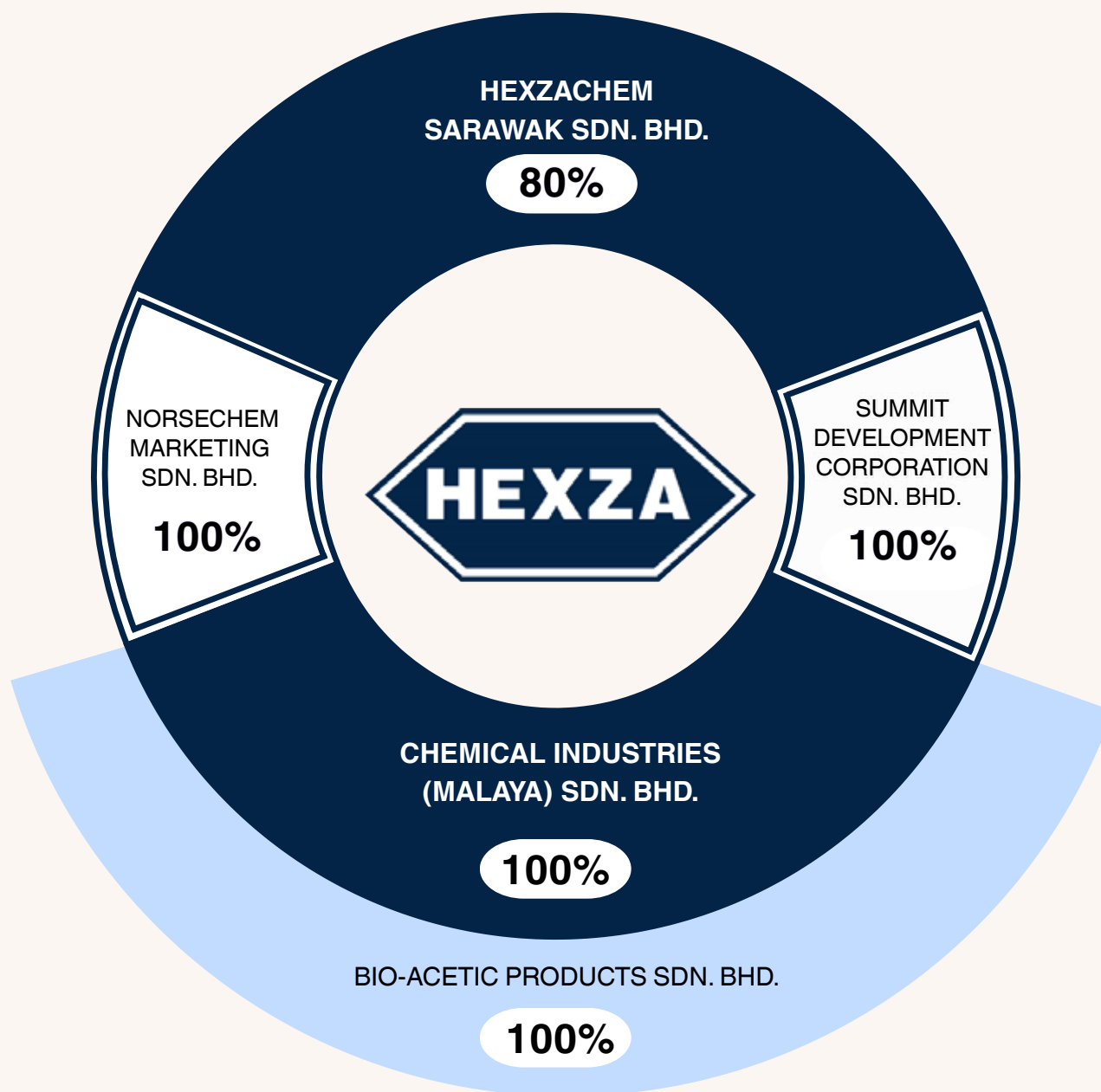
The shareholders had, at the Extraordinary General Meeting held on 22 November 2025, approved the authority for the Directors to allot and issue Hexza Shares in relation to the DRP, and such authority will expire at the conclusion of this Annual General Meeting.

Ordinary Resolution 10 proposed under Item 9 of the Agenda, if passed, will give authority to the Directors to allot and issue Hexza Shares pursuant to the DRP in respect of any dividends declared, and such authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

Annual Report 2026 and Corporate Governance Report 2026

The Annual Report 2026 and Corporate Governance Report 2026 may be downloaded at www.hexza.com.my

CORPORATE STRUCTURE AS AT 30 JUNE 2026



Hexza Corporation Berhad and its operating subsidiaries

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Foong Leon Chiew
Executive Chairman

Mr. Tsen Keng Yam
Deputy Chairman/Independent Non-Executive Director

Ms. Chong Yoke Seng
Independent Non-Executive Director

Ms. Ding Jia Jia
Independent Non-Executive Director

Datuk Dr. Foong Weng Sum
Executive Director

Mr. Ooi Ying Hong
Non-Independent Non-Executive Director

Mr. Foong Leon Kah
Non-Independent Non-Executive Director

Mr. Foong Leon Sing
Non-Independent Non-Executive Director

AUDIT COMMITTEE

Ms. Chong Yoke Seng, *Chairman*
Mr. Ooi Ying Hong
Mr. Tsen Keng Yam

NOMINATION AND REMUNERATION COMMITTEE

Ms. Chong Yoke Seng, *Chairman*
Mr. Ooi Ying Hong
Mr. Tsen Keng Yam

COMPANY SECRETARY

Chan Eoi Leng
(SSM PC No. 202008003055)
MAICSA 7030866

PRINCIPAL BANKERS

Deutsche Bank AG
HSBC Bank Malaysia Berhad
Hong Leong Bank Berhad
Malayan Banking Berhad
RHB Bank Berhad
United Overseas Bank (Malaysia) Bhd.

REGISTERED OFFICE / PRINCIPAL PLACE OF BUSINESS

Lot 6 & 20, Persiaran Tasek,
Kawasan Perindustrian Tasek,
31400 Ipoh,
Perak Darul Ridzuan.

Tel : 605-291 7823
Fax : 605-291 8546
Email : hcb@hexza.com.my
Website : <http://www.hexza.com.my>

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony,
No. 5, Jalan Prof Khoo Kay Kim, Seksyen 13,
46200 Petaling Jaya, Selangor Darul Ehsan.

Tel : 603-7890 4700
Fax : 603-7890 4670
Email : bsr.helpdesk@boardroomlimited.com

AUDITORS

Crowe Malaysia PLT
Chartered Accountants
59C, Hala Pusat Perdagangan Canning 1,
Pusat Perdagangan Canning II,
30350 Ipoh, Perak Darul Ridzuan.

Tel : 605-237 8800

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Code : 3298
Stock Short Name : HEXZA

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors ("Board"), it is my honour to present to you the Annual Report and Audited Financial Statements of Hexza Corporation Berhad ("Hexza" or the "Group") for the financial year ended 30 June 2026 ("FY2026").

In FY2026, we delivered on the investments to the Group's businesses made in the prior year. The Group achieved strong market share growth across its businesses in FY2026 driven by robust operational execution. Our ethanol division, under Chemical Industries (Malaya) Sdn. Bhd. ("CIM"), completed its first full year of commercial operations of the corn-based ethanol plant, using corn instead of molasses as feedstock for ethanol production. During the year, CIM's corn-based ethanol plant continued to improve on its efficiency and yield and is able to achieve a maximum production capacity of 900,000 litres of ethanol per month. CIM also increased ethanol sales in FY2026 and further strengthened our position in key segments of the domestic market through our continued commitment to product quality, service, strong trust-based customer relationships and sustainable production practices.

The demand for Distillers Dried Grains with Solubles ("DDGS"), the principal by-product of the corn-based ethanol production process, was also strong throughout the year, generating additional revenues for CIM from the DDGS sales, whilst supporting food security and circular economy production practices in Malaysia.

During FY2026, CIM faced a number of challenges arising from macroeconomic and geopolitical developments. These include intensified competition from imported ethanol, partly due to the appreciation of the Malaysian Ringgit relative to the US Dollar, and also higher raw material and logistics costs since the start of the US-Iran war in March 2026. While higher raw material and logistics costs presented operational challenges, the uncertainty also led to stronger domestic demand for ethanol as customers increased inventory levels to safeguard against potential supply disruptions. CIM successfully navigated these market conditions whilst continuing to serve our customers reliably.

Going forward, CIM's focus will be on organic growth with rigorous discipline around cost and capital. There are ongoing projects to further enhance production efficiency, lower unit costs of production, improve our environmental, social and governance ("ESG") footprint and further strengthen CIM's competitiveness.

The Group's resin division, under Hexzachem Sarawak Sdn. Bhd. ("HCS"), also delivered strong performance despite continued challenges in the timber and wood-based industries in Sarawak due to weak global demand from geopolitical developments in the past year. Through strong customer relationships, high product quality, disciplined pricing strategies and prudent cost management, HCS had expanded its market share in FY2026 and achieved strong revenue growth and profitability.

The Group remains committed to integrating ESG principles into our business strategy by enhancing resource efficiency, promoting sustainable manufacturing practices and creating long-term value for our shareholders and stakeholders.

Overall, the Group's revenue increased by 25.4% to RM74.3 million in FY2026 compared with RM59.3 million in FY2025. The Group's Profit Before Tax ("PBT") increased significantly to RM5.4 million in FY2026 from RM0.9 million in FY2025. Net profit attributable to shareholders of the Company and earnings per share were RM3.0 million and 1.5 sen respectively, for FY2026.

As at 30 June 2026, the Group's quoted share investments had a market value of RM367.5 million, as compared to the investment cost of RM90.1 million, reflecting an unrealised gain of RM277.4 million. Our share portfolio continues to perform strongly in FY2026, especially our US quoted share investments. Although the overall performance was impacted during the first couple of weeks following the start of the US-Iran war, the Group's quoted share investments have since recovered due to robust earnings supported by the strong technology and AI thematic. The growth of our quoted share investments was also partially offset by the US dollar depreciation relative to the Malaysian Ringgit in FY2026.

During FY2026, the Group disposed of selected quoted investments with proceeds of RM22.0 million, generating a net realised gain of RM1.4 million. The proceeds will be utilised to support the Group's FY2026 final dividend distribution, capital expenditure to further enhance our existing manufacturing facilities, and other strategic investment initiatives.

CHAIRMAN'S STATEMENT

DIVIDEND

The Board has recommended a single-tier final dividend of 7.5 sen per ordinary share for FY2026, subject to shareholders' approval at the forthcoming Annual General Meeting.

OUTLOOK AND PROSPECTS

Looking ahead, while global economic uncertainties remain, the Board is confident that the Group is well positioned for sustainable long-term growth. The Group will continue to focus on sustainable organic growth with rigorous discipline around cost, cash and capital. Furthermore, management will look to leverage technology, and the Group's resources, assets and expertise to deliver the next wave of growth and value creation over the long term.

With a strong balance sheet, experienced management team and dedicated employees, we have a strong team in place to continue to steer the Group towards sustainable growth, innovation and profitability.

APPRECIATION

On behalf of the Board, I would like to express my sincere appreciation to all our stakeholders, including shareholders, customers, suppliers, government agencies, business associates, and our employees for their loyal support.

I would also like to extend my sincere gratitude to my fellow Board members, the management team and staff for their dedication, professionalism and unwavering commitment and support throughout the year. Their efforts are instrumental in driving sustainable growth and success for the Group.

Foong Leon Chiew
Executive Chairman
30 September 2026

FIVE-YEAR GROUP FINANCIAL SUMMARY

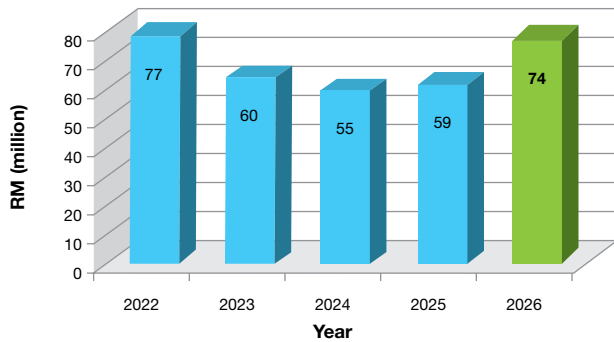
Year Ended 30 June	2026 RM'000	2025 RM'000	2024 RM'000	2023 RM'000	2022 RM'000
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME					
Revenue	74,347	59,280	55,466	60,011	77,169
Profit before tax	5,368	865	7,161	7,077	7,100
Income tax	(1,800)	(304)	(251)	(1,059)	(1,108)
Profit after tax	3,568	561	6,910	6,018	5,992
Profit after tax attributable to shareholders of the Company	3,005	465	7,026	6,116	5,930
Total comprehensive income/(loss)	58,896	(1,688)	129,208	103,112	(11,734)
Total comprehensive income/(loss) attributable to shareholders of the Company	58,333	(1,784)	129,324	103,210	(11,795)
STATEMENT OF FINANCIAL POSITION					
Total non-current assets	456,664	426,710	427,437	263,216	155,140
Total current assets	66,440	53,596	53,936	100,733	113,634
Total assets	523,104	480,306	481,373	363,949	268,774
Total equity attributable to equity shareholders of listed issuer	504,176	451,916	468,728	349,424	254,230
Total non-current liabilities	3,089	2,886	2,985	4,104	4,325
Total current liabilities	10,147	20,171	4,220	4,563	3,960
SHARE INFORMATION Per Ordinary Share					
Earnings per share (sen)	1.48	0.23	3.51	3.05	2.95
Gross dividend (sen)*	7.5	5.0	7.5	5.0	4.0
Net assets (ex-goodwill) (RM)	2.44	2.24	2.33	1.73	1.26
FINANCIAL RATIO					
Return/(Loss) on shareholders' funds (%) based on:-					
Profit after tax	0.6	0.1	1.5	1.8	2.3
Total comprehensive income/(loss)	11.6	(0.4)	27.6	29.5	(4.6)

Note:

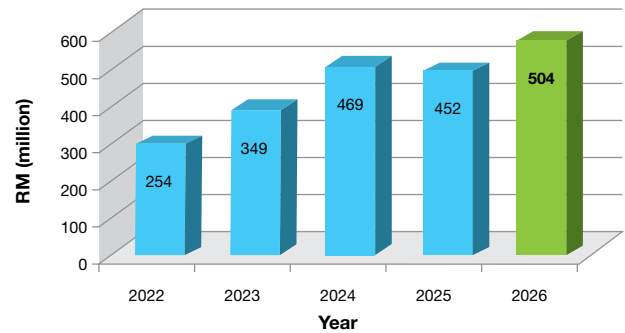
* The proposed final dividend for the financial year ended 30 June 2026 is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company.

FIVE-YEAR GROUP FINANCIAL SUMMARY

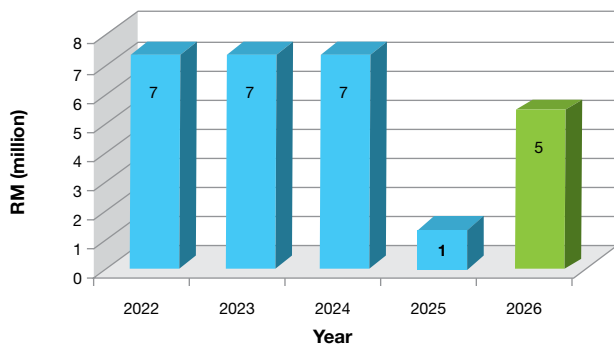
Revenue



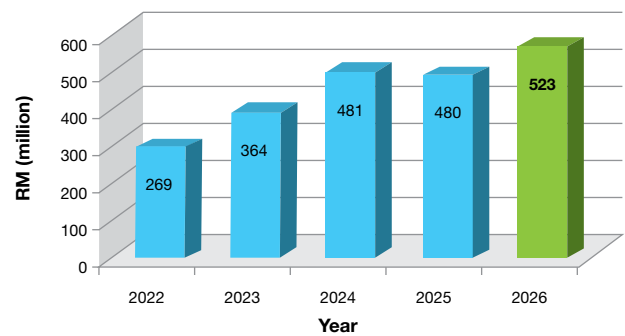
Total equity attributable to equity shareholders of listed issuer



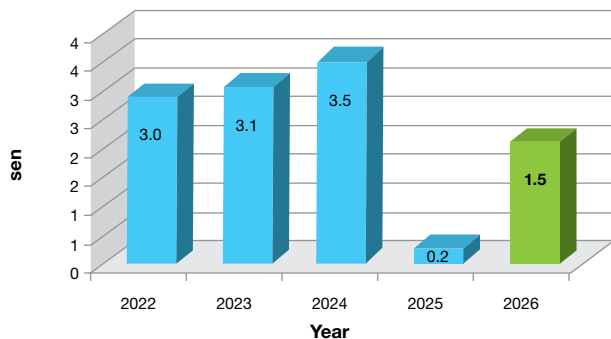
Profit Before Tax



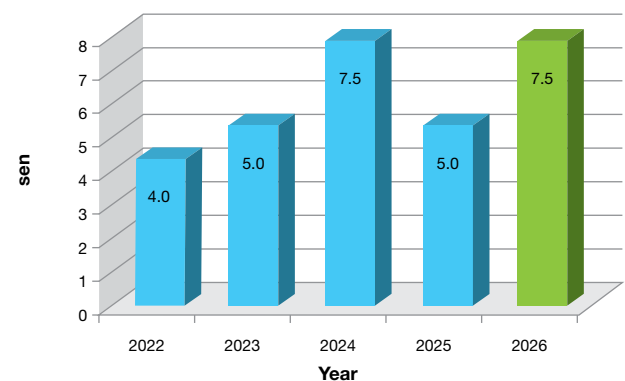
Total Assets



Earnings Per Share (sen)



Gross Dividend Per Share (sen)



MANAGEMENT DISCUSSION AND ANALYSIS

It is my pleasure to present the Management Discussion and Analysis (“MD&A”) for the financial year ended 30 June 2026 (“FY2026”). The MD&A is to be read in conjunction with the financial statements and notes to the financial statements contained in this annual report.

GROUP BUSINESS OVERVIEW

Hexza Corporation Berhad and its subsidiary companies (“the Group”) are involved in three principal operating businesses:

- (i) the production and sale of ethanol and distillers dried grains with solubles (“DDGS”);
- (ii) the manufacture and sale of formaldehyde-based liquid adhesive resins; and
- (iii) the production and sale of natural vinegar.

The ethanol division, located in Ipoh, Perak, under Chemical Industries (Malaya) Sdn. Bhd. (“CIM”), produces and sells industrial, pharmaceutical, cosmetics and potable grades of ethanol. CIM is the largest ethanol producer by capacity in Malaysia, and our customers include companies in a wide range of industries in Malaysia and Singapore, including advanced manufacturing, pharmaceutical, food and beverage, toiletries, cosmetics and perfume, etc. CIM’s ethanol is made from natural fermentation and distillation of high-quality corn. The production process complies with British Pharmacopoeia 2013 standards and some of the products are also Halal Certified by Jabatan Kemajuan Islam Malaysia. A key byproduct of the production process, Distillers Dried Grains with Solubles (“DDGS”), is repurposed into high-value livestock feed and sold to customers to use in local farms across Malaysia. CIM is the first and only DDGS producer in Malaysia.

The resins division, located in Kuching, Sarawak, under Hexzachem Sarawak Sdn. Bhd. (“HCS”), manufactures and sells formaldehyde-based liquid adhesive resins to plywood and medium-density fibreboard (“MDF”) producers in Sarawak. HCS is one of the largest producers of resins in East Malaysia, with customers comprising local and international companies in Sarawak.

Bio-Acetic Products Sdn. Bhd. (“BAP”) is located in Ipoh, Perak and produces and sells natural vinegar as a food ingredient as well as to packaged foods and sauce companies as a raw material. The facilities are ISO22000 certified and Halal certified by Jabatan Kemajuan Islam Malaysia.

Additionally, the Group derives income from its investments in quoted shares across local and foreign equity markets, which have provided a steady stream of dividend income to the Group. We believe these investments represent a more effective use of the Group’s cash compared to fixed deposits and money market funds and have generated a much higher return in FY2026 and historically.

FINANCIAL AND OPERATIONAL REVIEW

The Group’s revenue increased by 25.4% to RM74.3 million in FY2026 from RM59.3 million in FY2025, while the Group’s profit before tax (“PBT”) increased significantly to RM5.4 million in FY2026 from RM0.9 million in FY2025. The increase in revenue and PBT in FY2026 was contributed by both the resins and ethanol divisions. The improvement was driven by higher market share, sales volumes, increase in average selling prices as well as higher gross contribution margins across both businesses. The Group’s net profit attributable to shareholders and earnings per share for FY2026 were RM3.0 million and 1.5 sen, respectively, compared to RM0.5 million and 0.2 sen in FY2025.

At the Group level, dividend income of RM1.4 million was received from our investments in quoted and unquoted shares during FY2026. The Group’s cash and cash equivalents amounted to RM29.7 million as at 30 June 2026 compared with RM24.2 million as at 30 June 2025. The fair value of the Group’s quoted share investments as at 30 June 2026 was RM367.5 million, as compared to the investment cost of RM90.1 million, reflecting an unrealised gain of RM277.4 million. Our share portfolio continues to perform strongly in FY2026, especially our US quoted share investments. Although the overall performance of our US quoted share investments was impacted during the first couple of weeks following the start of the US-Iran war, it has since recovered due to robust earnings supported by the strong technology and AI thematic. The growth of our quoted share investments was partially offset by the US dollar depreciation relative to the Malaysian Ringgit in FY2026.

MANAGEMENT DISCUSSION AND ANALYSIS

During FY2026, the Group disposed of selected quoted investments with proceeds of RM22.0 million, generating a net realised gain of RM1.4 million. The proceeds will be utilised to support the Group's FY2026 final dividend distribution, capital expenditure to further enhance our existing manufacturing facilities, and other strategic investment initiatives.

Equity attributable to shareholders stood at RM504.2 million as at 30 June 2026, compared to RM451.9 million as at 30 June 2025. The increase was primarily due to share price appreciation of our US quoted shares and was partially offset by the depreciation of the US dollar relative to the Malaysian Ringgit.

The ethanol division under CIM recorded revenue of RM35.7 million in FY2026, representing an increase of 54.0% compared to the revenue in FY2025 of RM23.1 million. The profit before tax of the ethanol division of RM1.5 million FY2026 was also a significant improvement from the loss before tax of RM0.8 million in the last financial year. The ethanol division's performance improved significantly following the completion of the Corn Ethanol Project in mid-June 2025. Revenue growth for FY2026 was primarily driven by a 29.8% increase in ethanol sales volumes, while the production and sales of DDGS in FY2026 also contributed to the division's revenue.

At our resins division under HCS, the overall demand for formaldehyde-based liquid adhesive resins from our customers continue to be impacted by the Sarawak government's continued restrictions on logging, coupled with the geopolitical tensions in the Middle East since March 2026, that have created economic uncertainty and adversely impacted the export market for wood panel products. These factors have had a cascading effect on all wood-related businesses, including resins in Sarawak. However, HCS has managed to increase its market share in FY2026 and maintained its market position and margins during the year amidst these headwinds. This is a testament to HCS's fortitude and its commitment to high product quality and strong customer relationships. HCS recorded revenue of RM36.5 million in FY2026, an increase of 11.2% from the revenue in FY2025 of RM32.9 million. HCS achieved a profit before tax of RM3.8 million in FY2026 which was significantly higher than the profit before tax of RM0.7 million in FY2025. The increase in revenue and profit before tax is mainly due to higher market share and sales volumes, coupled with improvements in average selling prices and margins.

Our natural vinegar business, under BAP, recorded a revenue of RM0.65 million and profit before tax of RM0.19 million in FY2026, representing a decrease of 9.9% and 16.6% respectively from FY2025. The decline in revenue and profit before tax was mainly driven by lower sales volume at one of our customers due to the upgrade of their warehouse and manufacturing facilities.

PROSPECTS AND STRATEGY

The Group's overall performance is expected to remain robust in FY2027.

The demand for ethanol in Malaysia is expected to be stable in FY2027. With the ongoing war in the Middle East, we expect some of our customers to increase purchase of locally produced ethanol rather than imported ethanol. This may be partially offset by softer demand from other customers that have stocked up on inventory during 4Q FY2026. Higher raw material and transportation costs are expected to fully kick-in from FY2027 onwards, however, the Ethanol segment will endeavour to maintain its margins through various plant optimization and cost reduction initiatives that are in progress. The Board expects our ethanol and DDGS sales and profitability to be robust for FY2027.

The business environment for the Resins segment is expected to remain challenging in FY2027 as the overall demand for plywood and other wood panel products in Sarawak continues to be weak. The industry is expected to continue to be impacted by the ongoing Middle East war, resulting in higher raw material costs and also reduced demand for wood panel products from the Middle East. However, the Company expects to maintain its higher market share achieved in FY2026 for FY2027.

Whilst the Company will continue to actively manage its raw material costs, the higher raw material and transportation costs are expected to fully kick-in from FY2027 onwards, impacting margins of the Resins segment.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

At BAP, we target to expand our customer base and sales volumes to meet the growing demand for natural vinegar in Malaysia, driven by increasing consumer awareness of health and wellness.

The Group will continue to focus on organic growth for its operating businesses with rigorous discipline around cost and capital. There are ongoing projects to innovate across our product range to better meet customer needs, further enhance production efficiency and lower unit costs of production, improve our environmental, social and governance (“ESG”) footprint and further strengthen the competitiveness of the Group’s various subsidiaries. The Group remains committed to integrating ESG principles into our business strategy by enhancing resource efficiency, promoting sustainable manufacturing practices and creating long-term value for our shareholders and stakeholders.

Following our share portfolio’s robust performance in FY2026, especially our US quoted share investments on the back of the strong technology and AI thematic, the Group will continue to focus on quoted share investments within the technology and AI sectors, and at the same time look for opportunities to generate additional income and returns from the share investments.

The Group’s financial standing remains solid, underpinned by substantial cash reserves. This robust position enables us to actively explore potentially attractive acquisitions and investments in new business ventures. With the Board’s deep industry expertise and broad business experience, complemented by a management team that is dedicated, resilient, and diligent, the Group is well-positioned to drive continued progress and achieve sustainable growth in the near future.

The Board and senior management will remain vigilant in identifying and evaluating viable business opportunities, including potential acquisitions, which we believe will support the Group’s efforts to diversify its business portfolio, enhance revenue and earnings and drive shareholder value creation over the long term.

Foong Leon Chiew

Executive Chairman

30 September 2026

SUSTAINABILITY STATEMENT 2026

OUR APPROACH TO SUSTAINABILITY

This Sustainability Statement has been prepared with reference to the sustainability reporting requirements under Paragraph 29, Part A of Appendix 9C and Practice Note 9A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”). It also takes into consideration the National Sustainability Reporting Framework (“NSRF”), the IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board (“ISSB”), the United Nations Sustainable Development Goals (“SDGs”) and, where relevant, the Global Reporting Initiative (“GRI”) Standards.

Hexza Corporation Berhad (“Hexza”) is a Group 2 listed issuer under Bursa Malaysia’s phased sustainability reporting framework. Accordingly, the mandatory application of IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures will apply for financial years ending on or after 31 December 2026. For Hexza’s 30 June financial year-end, the first mandatory reporting period will be the financial year ending 30 June 2027. The Group is progressively preparing for the transition to the IFRS Sustainability Disclosure Standards, including the governance, strategy, risk management, metrics and targets, and climate-related disclosure requirements.

For the financial year ended 30 June 2026, this Sustainability Statement is prepared under the applicable pre-effective-date requirements for Group 2 listed issuers. The prescribed Common Sustainability Matters and common indicators introduced under Bursa Malaysia’s 2022 enhanced sustainability reporting framework are no longer mandatory for Sustainability Statements issued for financial years ending on or after 31 December 2025. Nevertheless, the Group continues to disclose sustainability information that it considers material and useful to its stakeholders, where relevant and supported by available data.

Hexza was established in 1969 under the name Norsechem (M) Sdn. Bhd.. In 1985, Norsechem (Sabah) Sdn. Bhd. was founded as a 40/60 joint venture between Hexza and Permodalan Bumiputra Sabah respectively. Our shareholding was subsequently reduced to 19.6% when Innoprise Corporation Sdn. Bhd. bought 51% of the shares from the joint venture partners.

In 1986, we acquired Chemical Industries (Malaya) Sdn. Bhd., which is Malaysia’s first ethanol manufacturer established since 1960. In 1993, we started our resins operations in Sarawak via Norsechem Sarawak Sdn. Bhd., which is now known as Hexzachem Sarawak Sdn. Bhd..

Since its establishment, Hexza has progressed together with Malaysia’s growth and corporate social responsibility has been deeply rooted in our Company culture throughout the years. Our Board of Directors is conscious of its corporate, social and governance responsibilities to its various stakeholders to always operate ethically. Our sustainability efforts also take into account the economic, environmental and social aspects in addition to the corporate governance considerations, as detailed in our Corporate Governance Overview Statement and Corporate Governance Report. Our Group’s mission is to enhance value for all stakeholders whilst taking into consideration its continued social obligations.

Corporate Social Responsibility and Sustainability are important components of long-term business success. For our Group, Corporate Social Responsibility is about conducting business with a conscience, caring for employees, the community, the environment, customers, shareholders and all stakeholders for the long-term. Our Corporate Social Responsibility mission is for all our directors, senior executives, management and staff to be community players in the promotion of a caring and civil society.

SCOPE

This Sustainability Statement covers Hexza and its principal operating subsidiaries, comprising the ethanol division and natural vinegar operations in Ipoh, Perak and the resins division in Kuching, Sarawak. The reporting period is from 1 July 2025 to 30 June 2026, unless otherwise stated. The reporting boundary and scope are reviewed periodically to ensure that the disclosures remain relevant to the Group’s principal operations and sustainability-related risks and opportunities.

SUSTAINABILITY STATEMENT 2026 (continued)

GOVERNANCE STRUCTURE

The Board of Directors (“Board”) has ultimate oversight of sustainability matters and is responsible for ensuring that material sustainability-related risks and opportunities are considered in the Group’s strategy, risk management and long-term value creation. The Board reviews the Group’s sustainability direction, material sustainability matters and relevant performance. The Executive Chairman (“EC”), supported by the Executive Director (“ED”) and senior management, is responsible for developing and implementing the Group’s sustainability strategy and for reporting material sustainability matters to the Board.

Senior management and the respective business units support the EC and ED in implementing the Group’s sustainability strategy, identifying and assessing sustainability-related risks and opportunities, engaging with stakeholders, monitoring relevant sustainability performance and preparing sustainability related disclosures. Sustainability matters are integrated, where relevant, into the Group’s existing risk management and internal control processes.



At Hexza, we conduct our business with integrity by adhering to the following:

- I. The Hexza Code of Ethics and Conduct which outlines guiding principles for general ethical standards that are applicable to all our employees and directors.
- II. The Anti-Bribery and Anti-Corruption Policy which prohibits any acts, either directly or indirectly of inducing, soliciting, seeking, offering and receiving any and all sorts of benefits, incentives, commissions, gifts and advantages either in cash or in kind in all business dealings with Hexza. Employees and management are encouraged to identify and report fraud, bribery and corruption in their respective business units.
- III. Our Whistleblowing Policy provides an avenue for employees and the public to lodge complaints of corrupt practices or wrongdoings in a confidential manner. Employees or other persons making such reports will be treated fairly and protected from reprisals. The management adopts an open-door policy, where employees are able to communicate anti-bribery and anti-corruption issues or lodge a report to senior management. If the employee or external party does not feel comfortable or it is inconvenient to lodge the report to senior management, he or she may make a confidential report of improper conduct in writing to the Audit Committee Chairman via e-mail to whistleblowing@hexza.com.my.
- IV. The Internal Auditors (“IA”) independently assist the Audit Committee (“AC”) to assess the integrity of our financial reporting process and the effectiveness of risk management and internal controls. The IA engagements are carried out based on an annual audit plan approved by the AC. Depending on the auditable areas assessed and the scope of audit, the level of exposure to the relevant fraud, bribery or corruption risks will be taken into consideration during the audit process. The results of the audits in the IA reports are reviewed by the AC and also reported to the Board of Directors.

Hexza adopts a zero-tolerance approach to violations of the Hexza Code of Ethics and Conduct and Anti-Bribery and Anti-Corruption Policy (collectively referred to as “ethical policies and standards”) to uphold the corporate integrity, prevent fraud and irregularities, and comply with all applicable laws and regulations.

SUSTAINABILITY STATEMENT 2026

STAKEHOLDER ENGAGEMENT

In determining and prioritising sustainability matters that are material to our Group and our stakeholders, we take into consideration the perspective of various stakeholders.

The table below summarises how key stakeholder groups have been engaged:

Stakeholder Group	Areas of Focus	Our Action	Engagement Approach
Shareholders/ Investors	- Financial performance and business strategy; - Regulatory compliance; - Environment, Social and Governance; - Ethical business conduct; - Risk management; - Dividend payout	- Provide timely financial performance updates; - Conduct business with integrity; - Adherence to good governance standards and principles; - Focus on long-term shareholder value creation	- Annual General Meetings; - Annual Report; - Corporate Website; - Media Releases; - Analyst Briefing; - Quarterly Results Announcements
Employees	- Safe and healthy workplace; - Career development and training; - Human rights and fair labour practices; - Welfare and benefits	- Employee anti-bribery and anti-corruption declaration; - Strict adherence to labour laws; - Ensure workplace health and safety measures in place; - Ensure equal employment; opportunities without discrimination	- Management meetings; - Business unit meetings; - Discussions/Meetings with trade union; - Induction programme; - Training and seminars
Customers	- Product quality, customer service and customer satisfaction; - Regulatory compliance and certification; - Relationship management	- Ensure product quality and customer service meet the highest standards; - Strict adherence to Anti-Bribery and Anti-Corruption Policy with zero tolerance; - Adherence to Personal Data Protection Act 2010	- Customer feedback; - Business meetings; - Site visits to customer's premises/offices; - Customer audit

SUSTAINABILITY STATEMENT 2026 (continued)

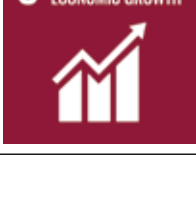
Stakeholder Group	Areas of Focus	Our Action	Engagement Approach
Suppliers	- Relationship management; - Products and services quality; - Ethical sourcing; - Supplier concentration/dependence - Sustainability focus	- Ensures product quality meets the highest standards; - Strict adherence to Anti-Bribery and Anti-Corruption Policy with zero tolerance; - Reduce supplier concentration/dependence - Ensures suppliers' sustainability objectives are aligned with the Group	- Supplier feedback; - Business meetings; - Site visits to supplier's premises/offices; - Supplier audit and assessment
Government/ Regulators	- Regulatory and environmental compliance; - Health and safety compliance; - Labour laws	Ensures compliance with legal and regulatory frameworks across all jurisdictions.	- Feedback from regulatory bodies; - On-site inspections by government agencies and regulatory bodies; - Meetings with government agencies; - Discussions with compliance officers
Communities	- Community engagement; - Job creation; - Corporate social responsibility; - Responsible corporate citizen	- Promote local job opportunities; - Provide education scholarships and sponsorships; - Host local schools and university educational visits to plant and manufacturing facilities	- Engagement with non-government organisations; - Engagement with local communities and charities; - Education sponsorships; - Internships

SUSTAINABILITY STATEMENT 2026

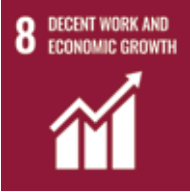
MANAGING SUSTAINABILITY MATTERS

Materiality Assessment

The Group identifies and prioritises sustainability matters by considering their relevance to the Group's business activities, strategy, risk profile and stakeholders. In preparation for the forthcoming adoption of IFRS S1 and IFRS S2, the Group is progressively enhancing its assessment of sustainability-related risks and opportunities that could reasonably be expected to affect the Group's prospects, including its cash flows, access to finance or cost of capital over the short, medium or long term. The sustainability areas currently identified as relevant to the Group are set out below:

Pillars	Sustainability Areas	United Nations SDGs	GRI	Stakeholder Groups
1. Environmental	- Emissions; - Waste management; - Water consumption; - Energy and resource management; - Carbon footprint management	 	302: Energy 303: Water & Effluents 305: Emissions 306: Waste	- Government/Regulators - Shareholders/Investors - Suppliers - Customers - Communities
2. Social	- Competitive employment compensation and benefits; - Occupational safety and health; - Talent management, development and training; - Diversity and inclusivity	   	401: Employment 403: Occupational Health & Safety 404: Training & Education 405: Diversity & Equal Opportunity 406: Non-Discrimination	- Employees - Government/Regulators - Shareholders/Investors - Communities

SUSTAINABILITY STATEMENT 2026 (continued)

3. Economic	• Product quality; • Corporate governance; • Code of conduct; • Anti-bribery and anti-corruption; • Assets and capital management; • Legal and regulatory compliance; • Risk management	 	2-23: Policy Commitments 2-27: Compliance with laws and regulations 203: Indirect Economic Impact 205: Anti-corruption	• Employees • Government/Regulators • Shareholders/Investors • Suppliers • Customers
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Climate-Related Disclosure Readiness

As part of its transition towards IFRS S2, the Group is progressively strengthening its processes to identify, assess and manage climate-related risks and opportunities. This includes enhancing the measurement of greenhouse gas emissions, assessing climate-related impact on the Group's principal business segments and developing appropriate metrics and targets. More comprehensive IFRS S2-aligned disclosures will be introduced in accordance with the applicable Bursa Malaysia and NSRF implementation timeline.

Environmental Management

As with any manufacturing company, emissions and waste management are important considerations and key issues to deal with. It is within our culture to uphold environmental integrity and focus on efforts towards conservation and preservation of the environment. We ensure that we follow proper procedures and environmentally friendly methods when dealing with our emissions and effluent.

We are subject to the regulations set by the Department of Environment ("DOE") and any infringement would result in major reputational and monetary risks to the Company. We are committed to following the regulations set by the DOE, particularly on emission standards and effluent management.

In June 2025, our ethanol division under Chemical Industries (Malaya) Sdn. Bhd. ("CIM") successfully completed the installation of the corn-based ethanol plant project, converting our existing plant from using molasses to fully using corn as primary feedstock for our ethanol production. This is an important milestone for CIM and the Group and further exemplifies our unwavering commitment to quality, sustainability and the advancement of our operations through modern, circular production methods.

CIM's corn-based ethanol plant can produce high-quality ethanol with an annual capacity of up to 10 million litres, and with minimal waste. A key byproduct of the ethanol production process, Distillers Dried Grains with Solubles ("DDGS") is repurposed into high-value livestock feed and then sold to farms across Malaysia, reinforcing CIM's adoption of sustainable production principles. This makes CIM the first and only manufacturer and supplier of locally produced DDGS in Malaysia, helping to reduce the country's dependence on imported animal feed and supporting both food security and sustainable agriculture. This new corn-based ethanol plant not only underscores CIM's position as the leading ethanol manufacturer in Malaysia, with our strong commitment towards producing high-quality ethanol and DDGS, but also Hexza's commitment to ESG principles.

SUSTAINABILITY STATEMENT 2026

Product Responsibility

For our resins division under Hexzachem Sarawak Sdn. Bhd., we are producing a higher mix of environmentally friendly products, e.g., a higher proportion of low formaldehyde emission resins, also known as E0 resins. E0 is a European standard requiring formaldehyde emissions to be equal to or less than 0.5 mg/l. Meanwhile, we are also producing super E0 resins, which have an emission level of below 0.3 mg/l. E0 and super E0 resins currently make up about 43% of our total resins sales volume. Many of our clients sell their low emission wood products to markets such as Japan, Europe and USA.

Employee well-being

Hexza aspires to be the employer of choice in the cities that we operate in. As a caring employer, we offer competitive compensation and benefits. We provide employees with generous health and insurance benefits, annual leave and paid public holidays that are higher than the statutory minimum. We provide some of our employees the option to extend their employment beyond the retirement age, prioritise workplace health and safety of employees, support human capital development through various training and workshops and promote workplace diversity that is free from any discrimination.

The health and welfare of our employees are very important to our Group. We recognise our employees' contributions to our Group, and as essential building blocks of our Group, their health and welfare are essential for the efficient functionality of operations of the Group. Our employees are provided with adequate medical, hospitalisation and personal accident insurance benefits.

On top of the statutory minimum annual leave of 8 days, our employees are given between 12 days and up to 22 days of annual leave depending on seniority and length of service with our Group. While the statutory entitlement for paid public holidays is 11 days for Peninsular Malaysia and 16 days for Sarawak, we observe 16 days of public holidays in both Peninsular Malaysia and Sarawak for the benefit of our employees.

As life expectancy has improved in this day and age, we re-employ some of our capable employees who have reached the statutory retirement age to continue providing them with a source of income.

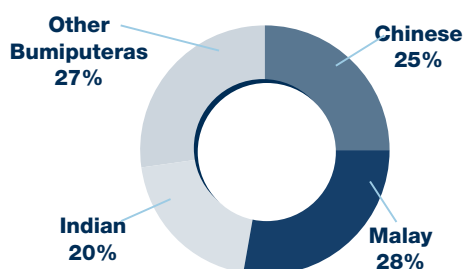
We place great importance on and prioritise occupational safety and health standards in our operations. We are committed to promoting and maintaining a healthy and safe workplace for our employees. We currently comply with the relevant laws and regulations set by the Department of Occupational Safety and Health and continuously work on identifying and improving the safety and health areas for the benefit of our employees, and the Group as a whole. The Group has taken proactive action to ensure our employees' safety, however, the overall safety and health of our employees is a group effort. As such, safety and health in the workplace also fall on our employees. Therefore, our employees are given safety and health training from time to time to ensure that standards, rules, and regulations put in place by the Group are closely adhered to for the benefit of all our employees. Our employees are provided with safety equipment, personal protective equipment, and other safety devices for their protection.

We endeavour to provide sustainable job opportunities and support our employees' development through various training programs and workshops. We encourage and sponsor our employees to improve their skills and intellectual development through courses and other training programs. In our efforts to create an inclusive environment, we strive to maintain a diverse workforce in terms of gender, age group and ethnicity. We are supportive of equal opportunities with regards to employment and are opposed to any form of discrimination. We evaluate potential candidates by their capabilities, skills, experience and overall suitability to the role.

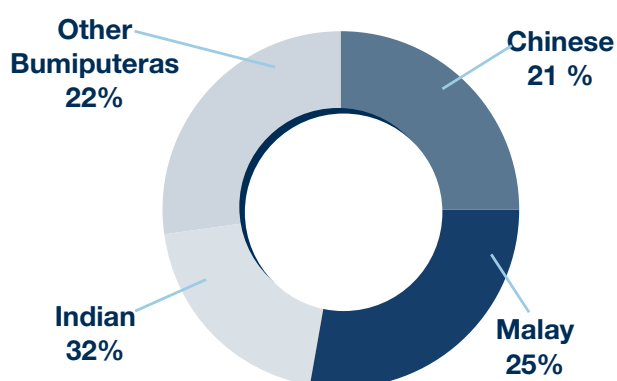
SUSTAINABILITY STATEMENT 2026 (continued)

Our Group maintains a diverse workforce by gender and ethnicity in promotion of the spirit of diversity, unity and harmony among the different races and prohibits any form of discrimination based on background, race, religion, gender or age. The diversity in age across our employees provides us with benefits such as a mix of skills and abilities, a wide range of knowledge and experience, as well as a platform for talent development and succession planning. Our workforce diversity is shown below:

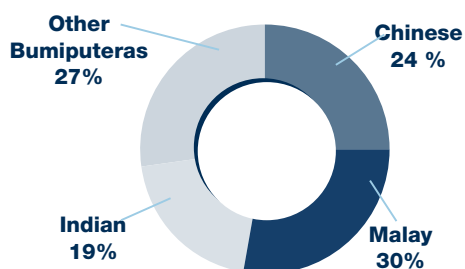
FYE2024
Employees by Ethnicity



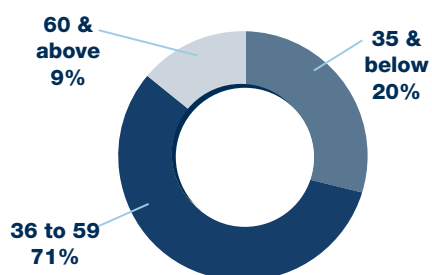
FYE2026
Employees by Ethnicity



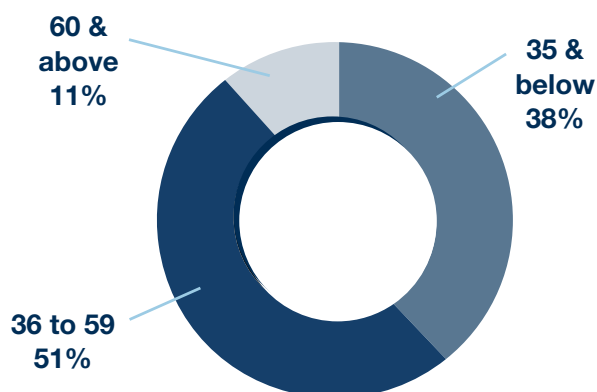
FYE2025
Employees by Ethnicity



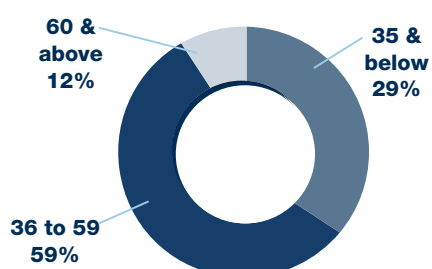
FYE2024
Employees by Age Group



FYE2026
Employees by Age Group

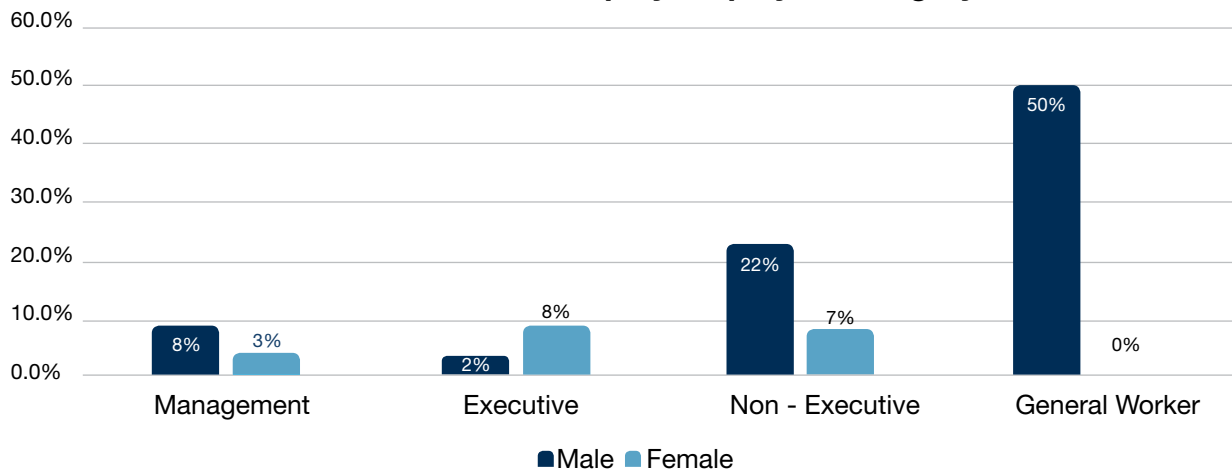


FYE2025
Employees by Age Group

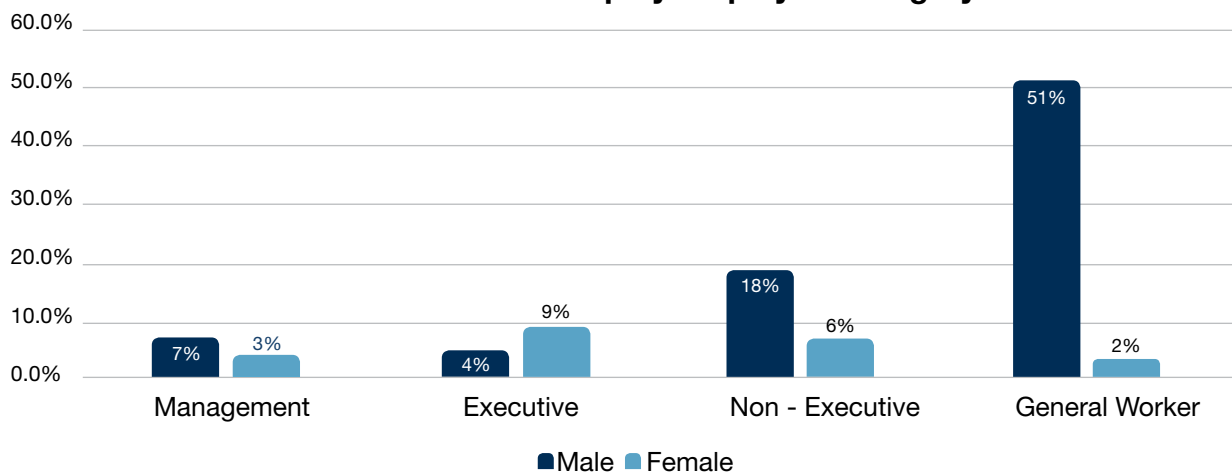


SUSTAINABILITY STATEMENT 2026

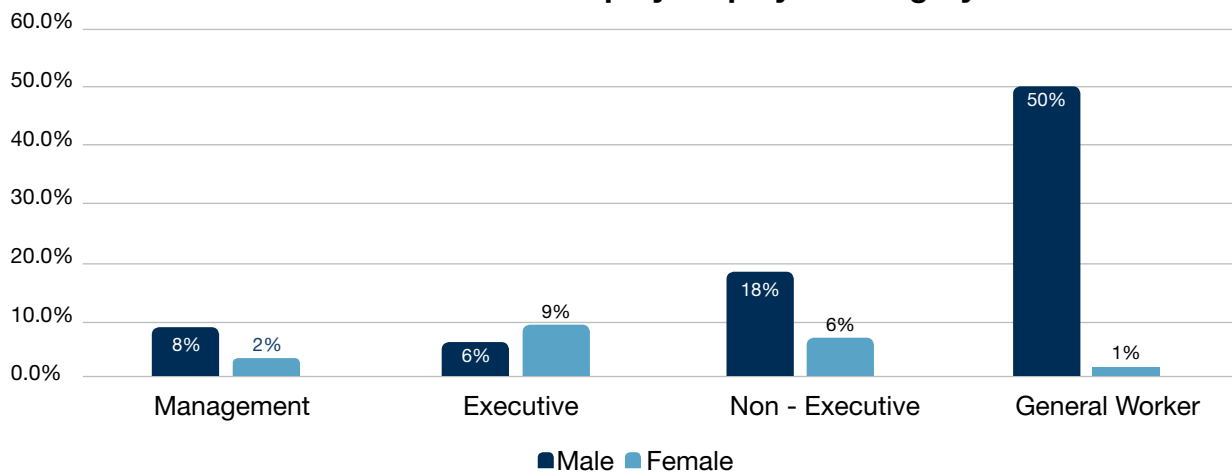
FYE2024 Gender Group by Employee Category



FYE2025 Gender Group by Employee Category



FYE2026 Gender Group by Employee Category



SUSTAINABILITY STATEMENT 2026 (continued)

Community Service

Corporate Social Responsibility: Educational Manufacturing Facility Visits FY2026

Hexza is committed to supporting community investment initiatives that promote education, industry-academia collaboration and community learning and well-being. Through its subsidiaries, Chemical Industries (Malaya) Sdn. Bhd. ("CIM") and Hexzachem Sarawak Sdn. Bhd. ("HCS"), the Group aims to provide students with practical chemical industry exposure to complement their academic learning and enhance their understanding of career opportunities within the manufacturing sector.

In FY2026, the Group organised two educational manufacturing facility visits. On 20 May 2026, HCS welcomed undergraduate students and lecturers from Universiti Malaysia Sarawak ("UNIMAS") to its manufacturing plant in Kuching, Sarawak, providing exposure and learning opportunities to the students and lecturers to adhesive resin production processes, workplace safety, quality management systems and sustainability initiatives. The visit also strengthened industry-academia engagement for HCS and provided opportunities for potential research collaboration.



Undergraduate students and lecturers from Universiti Malaysia Sarawak (UNIMAS) during their educational plant visit to Hexzachem Sarawak Sdn. Bhd. on 20 May 2026

On 12 June 2026, CIM hosted Form 6 students and teachers from SMK St. Michael's Institution, Ipoh to its corn-based ethanol manufacturing plant in Ipoh, Perak. Participants were introduced to CIM's corn-based ethanol production process, sustainable and circular economy manufacturing practices, laboratory operations, workplace safety and career opportunities within the ethanol manufacturing industry.

SUSTAINABILITY STATEMENT 2026



Form 6 students and teachers from SMK St. Michael's Institution, Ipoh, during their educational plant visit to Chemical Industries (Malaya) Sdn. Bhd. on 12 June 2026

These initiatives support the Group's efforts to nurture future talent, promote knowledge transfer and strengthen relationships with educational institutions and local communities in Malaysia. They also contribute to the development of a sustainable talent pipeline by encouraging students to explore careers in science, technology, engineering and manufacturing.

Beyond educational initiatives, the Group supports local communities through charitable contributions to educational, healthcare and welfare causes. In FY2026, the Group contributed to the Sarawak Children's Cancer Society, reflecting its commitment to community well-being and shared responsibility.

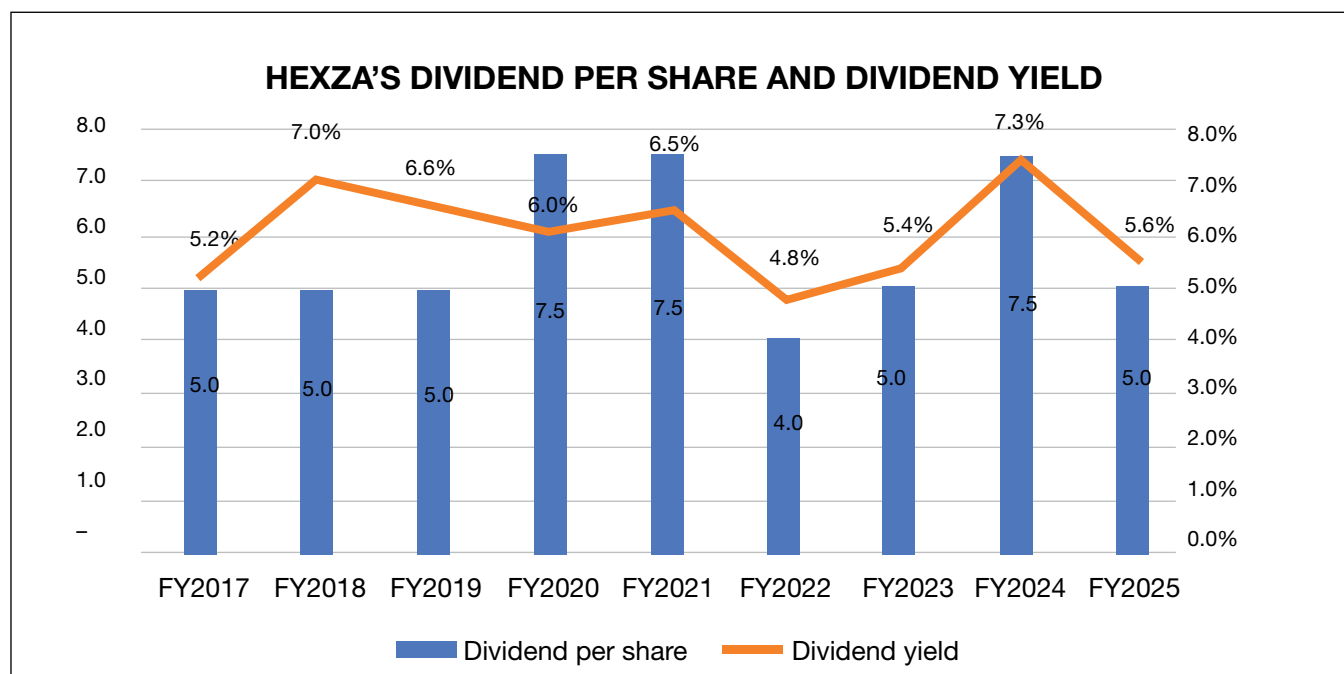
The Group's educational and community initiatives help build long-term relationships with educational institutions, students and local communities while strengthening stakeholder trust and goodwill. By promoting practical learning, sustainable manufacturing awareness and industry exposure, these initiatives support talent development and reinforce Hexza's position as a responsible corporate citizen.

Given the long-term and qualitative nature of these initiatives, the Group does not consider it meaningful to quantify their future financial impact. The Group remains focused on education, community development and shared value creation as part of its broader social impact strategy.

SUSTAINABILITY STATEMENT 2026 (continued)

Economic Impact

We always strive to distribute dividends to our shareholders and distribute a portion of our profits generated back to shareholders. We reward our shareholders for their support by ensuring a consistent dividend yield that is generally higher than the fixed deposit rate in Malaysia at the time of announcement of the dividend entitlement:



Note: Dividend yield is calculated based on Hexza's closing share price on the date of announcement of the dividend entitlement for the respective financial years.

With healthy cash reserves ready to be deployed for investment purposes, we continuously seek the best investments and value-creation opportunities for our shareholders either through acquisitions or venturing into new businesses for growth and/or to diversify our earnings base.

Hexza believes in contributing to the economy of Malaysia by providing job opportunities to Malaysians and improving local skill levels and capabilities. We believe in paying wages appropriate for the cities that we operate in so as to provide our employees and their families with a decent standard of living.

As a responsible corporate citizen, we have also been contributing to the country via the payment of taxes. On an annual basis, we contribute significantly to government revenues, directly in the form of corporate tax and sales and services tax, as well as indirectly through our customers' payments of excise duty through sales of our ethanol products. Our businesses will continue to contribute not only to the economy of Malaysia but also to fellow Malaysians.

Conclusion

The Board remains committed to progressively strengthening the integration of sustainability considerations into the Group's strategy, risk management and operations. The Group will continue to enhance its sustainability governance, data collection, metrics and disclosures in preparation for the mandatory adoption of IFRS S1 and IFRS S2 for the financial year ending 30 June 2027, while continuing to operate in an efficient, ethical and responsible manner and creating long-term value for our stakeholders.

SUSTAINABILITY STATEMENT 2026

Date & Time: 2026-10-15_09:23:11
Main Market | Group 2 | FYE 30/06/2026

HEXZA CORPORATION BHD
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Percentage of female representation on the Board	Percentage	25	25	-	No assurance
Diversity	Percentage of male representation on the Board	Percentage	75	75	-	No assurance
Diversity	Percentage of Board members aged 35 and below	Percentage	0	0	-	No assurance
Diversity	Percentage of Board members aged between 36 to 59	Percentage	63	50	-	No assurance
Diversity	Percentage of Board members 60 above	Percentage	37	50	-	No assurance
Diversity	Percentage of female employees in Management level	Percentage	27	25	-	No assurance
Diversity	Percentage of male employees in Management level	Percentage	73	75	-	No assurance
Diversity	Percentage of female employees in Executive level	Percentage	67	65	-	No assurance
Diversity	Percentage of male employees in Executive level	Percentage	33	35	-	No assurance
Diversity	Percentage of female employees in Non-executive/Technical level	Percentage	26	25	-	No assurance
Diversity	Percentage of male employees in Non-executive/Technical level	Percentage	74	75	-	No assurance
Diversity	Percentage of female employees in General Worker level	Percentage	3	3	-	No assurance
Diversity	Percentage of male employees in General Worker level	Percentage	97	97	-	No assurance

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SUSTAINABILITY STATEMENT 2026 (continued)

Date & Time: 2026-10-15_09:23:11
Main Market | Group 2 | FYE 30/06/2026

HEXZA CORPORATION BHD BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Age distribution of Management: 35 and below	Percentage	9	8	-	No assurance
Diversity	Age distribution of Management: 36 - 59	Percentage	82	84	-	No assurance
Diversity	Age distribution of Management: 60 and above	Percentage	9	8	-	No assurance
Diversity	Age distribution of Executive: 35 and below	Percentage	57	45	-	No assurance
Diversity	Age distribution of Executive: 36 - 59	Percentage	36	45	-	No assurance
Diversity	Age distribution of Executive: 60 and above	Percentage	7	10	-	No assurance
Diversity	Age distribution of Non-executive/Technical Staff: 35 and below	Percentage	7	9	-	No assurance
Diversity	Age distribution of Non-executive/Technical Staff: 36 - 59	Percentage	74	65	-	No assurance
Diversity	Age distribution of Non-executive/Technical Staff: 60 & above	Percentage	19	26	-	No assurance
Diversity	Age distribution of General Workers: 35 and below	Percentage	39	53	-	No assurance
Diversity	Age distribution of General Workers: 36 - 59	Percentage	52	40	-	No assurance
Diversity	Age distribution of General Workers: 60 and above	Percentage	9	7	-	No assurance
Supply Chain Management	Proportion of spending on local suppliers	Percentage	78	92	-	No assurance

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SUSTAINABILITY STATEMENT 2026

Date & Time: 2026-10-15_09:23:11
Main Market | Group 2 | FYE 30/06/2026

HEXZA CORPORATION BHD BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Anti-corruption	Percentage of operations assessed for corruption related risks	Percentage	25	0	-	No assurance
Anti-corruption	Confirmed incidents of corruption and action taken	Number	0	0	-	No assurance
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category (Management)	Percentage	100	100	-	No assurance
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category (Executive)	Percentage	100	100	-	No assurance
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category (Non-executive/Technical Staff)	Percentage	100	100	-	No assurance
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category (General Workers)	Percentage	100	100	-	No assurance
Data Privacy and Security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	-	No assurance
Labour Practices and Standards	Percentage of employees that are contractors or temporary staff	Percentage	16	13	-	No assurance
Labour Practices and Standards	Total number of employee turnover by employee category (Management)	Number	1	0	-	No assurance

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SUSTAINABILITY STATEMENT 2026 (continued)

Date & Time: 2026-10-15_09:23:11
Main Market | Group 2 | FYE 30/06/2026

HEXZA CORPORATION BHD BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Labour Practices and Standards	Total number of employee turnover by employee category (Executive)	Number	5	0	-	No assurance
Labour Practices and Standards	Total number of employee turnover by employee category (Non-executive/Technical Staff)	Number	1	2	-	No assurance
Labour Practices and Standards	Total number of employee turnover by employee category (General Workers)	Number	18	6	-	No assurance
Labour Practices and Standards	Number of substantiated complaints concerning human rights violation	Number	0	0	-	No assurance
Labour Practices and Standards	Total hours of training by employee category (Management)	Hours	102	262	-	No assurance
Labour Practices and Standards	Total hours of training by employee category (Executive)	Hours	112	223	-	No assurance
Labour Practices and Standards	Total hours of training by employee category (Non-executive/Technical Staff)	Hours	112	161	-	No assurance
Labour Practices and Standards	Total hours of training by employee category (General Workers)	Hours	301	413	-	No assurance
Health and Safety	Number of work-related fatalities	Number	0	0	-	No assurance
Health and Safety	Lost time incident rate ("LTIR")	Rate	0.00	0.00	-	No assurance
Health and Safety	Number of employees trained on health and safety standards	Number	21	6	-	No assurance

This report was generated on the Bursa Malaysia CSI Platform on 2026-10-15_09:23:11

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SUSTAINABILITY STATEMENT 2026

Date & Time: 2026-10-15_09:23:11
Main Market | Group 2 | FYE 30/06/2026

HEXZA CORPORATION BHD BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Waste Management	Total waste generated	Metric tonnes	11,191.77	16.37	-	No assurance
Waste Management	Total waste diverted from disposal	Metric tonnes	11,185.00	0	-	No assurance
Energy Management	Total energy consumption - Electricity	Megawatt	2,941.84	4,500.74	-	No assurance
Energy Management	Total energy consumption - gas	Gigajoule	28,630	112,025	-	No assurance
Waste Management	Total waste directed to disposal	Metric tonnes	6.77	16.37	-	No assurance
Water	Total volume of water used	Megalitres	99.23	247.6	-	No assurance
Community/Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer	Amount	0	2,600	-	No assurance
Community/Society	Total number of beneficiaries of the investment in communities	Number	0	42	-	No assurance
Emissions Management	Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	121.47	123.57	-	No assurance
Emissions Management	Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	2,890.96	9,521.29	-	No assurance

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DIRECTORS' PROFILES

MR. FOONG LEON CHIEW

Executive Chairman

Male, Malaysian, aged 46

Mr. Foong Leon Chiew was appointed to the Board as an Executive Director on 25 November 2024. On 22 November 2025, he was redesignated as Executive Chairman. He has over 20 years of experience in investment banking and management consulting and has served in senior leadership roles within investment banking in Asia.

Mr. Foong Leon Chiew began his career in 2001 with McKinsey & Company in Singapore, where he focused on strategic advisory projects for clients in various industries across Southeast Asia. In 2007, he joined Goldman Sachs (Asia) L.L.C. in Hong Kong as an Associate in the Investment Banking Division before being promoted to Executive Director within Technology, Media and Telecom ("TMT") Investment Banking in 2011, a role he held until 2018. He then joined Deutsche Bank in Hong Kong in 2018 and served as Managing Director and Co-Head of TMT Asia, prior to joining Hexza Corporation Berhad.

Mr. Foong Leon Chiew holds a Master of Business Administration degree from The Wharton School, University of Pennsylvania, and an undergraduate degree in Engineering, Economics and Management from the University of Oxford, Balliol College.

MR. TSEN KENG YAM

Deputy Chairman / Independent Non-Executive Director

Male, Malaysian, aged 76

Mr. Tsen Keng Yam was appointed to the Board on 27 August 2021 and was appointed as the Deputy Chairman of the Board on 25 February 2022. He was also appointed as the Chairman of the Remuneration Committee on 25 February 2022 and member of the Audit Committee on 27 May 2022. On 29 November 2022, he was appointed as a member of the Nomination and Remuneration Committee due to the combination of the Nomination Committee and Remuneration Committee into a single committee.

He is a graduate from St Michael's Institution, Perak in 1969. He was admitted as a Member of the Institute of Chartered Accountants in England and Wales ("ICAEW") in November 1976 and was conferred a Life Membership of the ICAEW in January 2017. He has been a Chartered Accountant of the Malaysian Institute of Accountants since July 1977.

In 1978, he joined Hanafiah Raslan & Mohamed as a consultant and was subsequently promoted to Senior Consultant in 1980. He was a principal of Hanafiah Raslan & Mohamed from 1984 to 1987 and was a partner of Arthur Andersen & Co. for more than 14 years from 1988 to 2003.

He was formerly a Director of Riverview Rubber Estates Berhad and Narborough Plantations Plc and formerly a Non-Executive Chairman of Talam Transform Berhad. On 18 November 2025, he was appointed as Independent Non-Executive Chairman of Evocom Berhad, which was listed on the ACE Market of Bursa Malaysia Securities Berhad on 28 September 2026.

DATUK DR. FOONG WENG SUM

Executive Director

Male, Malaysian, aged 87

Datuk Dr. Foong Weng Sum was appointed to the Board on 7 May 1982 as Vice Chairman. On 23 October 1986, he assumed the position of Group Chief Executive and on 1 December 2000, he also assumed the role of Chairman of the Board. On 1 November 2016, he relinquished his position as Group Chief Executive and he was redesignated as Executive Chairman. On 22 November 2025, Datuk Dr. Foong relinquished his position as Executive Chairman and he was redesignated as Executive Director and Advisor to the Group.

Datuk Dr. Foong Weng Sum is a graduate in medicine from the University of London Guy's Hospital Medical School. He has considerable experience in various business sectors, including manufacturing, property development, financial management and investment.

DIRECTORS' PROFILES

MR. OOI YING HONG

Non-Independent Non-Executive Director
Male, Malaysian, aged 60

Mr. Ooi Ying Hong was appointed to the Board on 12 July 2011 as an Independent Non-Executive Director (INED) and was redesignated to Non-INED on 29 November 2022. He is also a member of the Audit Committee and was appointed as a member of the Nomination Committee and Remuneration Committee on 2 December 2020. On 29 November 2022, he was appointed as a member of the Nomination and Remuneration Committee due to the combination of the Nomination Committee and Remuneration Committee into a single committee.

Mr. Ooi Ying Hong holds a Bachelor of Business (Accounting) degree from University of Southern Queensland, Australia. He started his career in auditing with KPMG and subsequently joined Matsushita Television Co. (M) Sdn. Bhd.. He has many years of experience in various industries, including logistics, international trading, information technology, service and automotive. He also sits on the Board of Directors of various private limited companies.

MS. CHONG YOKE SENG

Independent Non-Executive Director
Female, Malaysian, aged 68

Ms. Chong Yoke Seng was appointed to the Board as a Non-Independent Non-Executive Director on 1 March 2016 and was appointed as a member of the Audit Committee on the same day. She was redesignated as Independent Non-Executive Director on 1 March 2018. Ms. Chong Yoke Seng was appointed as the Chairman of the Audit Committee on 18 February 2021. She was also the Chairman of the Nomination Committee and a member of the Remuneration Committee. On 29 November 2022, she was appointed as the Chairman of the Nomination and Remuneration Committee due to the combination of the Nomination Committee and Remuneration Committee into a single committee.

She is a member of the Malaysian Institute of Accountants and a member of the Malaysian Institute of Certified Public Accountants.

She has over 33 years of working experience. She began her career in auditing for about 7 years. She then joined a management services company for about a year before she joined Hexza in 1990. She was the Chief Financial Officer and Company Secretary of Hexza for more than 26 years until she retired in February 2016. She holds directorships in several private limited companies.

MR. FOONG LEON KAH

Non-Independent Non-Executive Director
Male, Malaysian, aged 44

Mr. Foong Leon Kah was appointed to the Board on 1 June 2022, as a Non-Independent Non-Executive Director.

Mr. Foong Leon Kah holds a Bachelor of Arts in Economic and Social Studies from the University of Manchester and a Master of Business Administration (MBA) with a specialisation in Management Consultancy from Grenoble Ecole De Management. He brings extensive professional experience across diverse industries, including sales and marketing, advertising, hospitality, and, most recently, Fintech and e-Commerce.

DIRECTORS' PROFILES (continued)

MR. FOONG LEON SING

Non-Independent Non-Executive Director

Male, Malaysian, aged 38

Mr. Foong Leon Sing was appointed to the Board as a Non-Independent Non-Executive Director on 3 February 2025. He has extensive entrepreneurial and management experience in leadership roles across technology, mobility, and digital asset sectors in Asia.

Mr. Foong Leon Sing is currently the Co-Founder of Mythos Group and Managing Partner of Mythos Venture Partners, an early-stage crypto fund with a strong presence in Asia-Pacific and is an active investor in Digital Asset Treasury (DAT) companies across major global capital markets. Prior to that, he served as Head of Asia-Pacific at Binance Holdings Limited from January 2022 to August 2023. He was also the Chief Executive Officer of SOCAR Mobility Malaysia from October 2017 to October 2021.

Earlier in his career, Mr. Foong Leon Sing was the General Manager for Uber Malaysia and Thailand from December 2013 to October 2017 and held a corporate business development role with YTL Communications between 2011 and 2013. He began his career as an investment banking analyst with Perella Weinberg Partners in London from 2009 to 2011.

He holds a Bachelor's degree in Economics and Management (First Class Honours) from the University of Oxford, St Peter's College.

MS. DING JIA JIA

Independent Non-Executive Director

Female, Hong Kong SAR, aged 46

Ms. Ding Jia Jia was appointed to the Board as an Independent Non-Executive Director on 3 February 2025. She has over 20 years of legal experience, specialising in corporate and commercial law, advising clients on a wide variety of public and private offerings of debt and equity securities, as well as providing counselling concerning corporate governance issues.

Ms. Ding commenced her legal career in 2005 with CMS Cameron McKenna in London and subsequently joined Freshfields Bruckhaus Deringer in Hong Kong in 2007, before moving to Simpson Thacher & Bartlett LLP in 2011, where she served as a Partner in the Firm's Corporate Practice in Hong Kong, focusing on capital markets until 2025. Ms. Ding is currently a partner in Zhong Lun Law Firm in Hong Kong, focusing on capital markets practice, regulatory compliance and general corporate matters.

Ms. Ding holds a LLB in Law from Peking University and an LLM in Law from the University of Pennsylvania Carey Law School. In addition, she completed her CPE and LPC qualifications at the College of Law in the United Kingdom. Ms. Ding is qualified in England, Wales and Hong Kong SAR. She currently does not hold directorships in other public listed companies.

DIRECTORS' PROFILES

OTHER INFORMATION

Directorship in Public Companies and Listed Issuers

Other than Mr. Tsen Keng Yam, none of the Directors has any directorship in public companies and other listed issuers.

Family relationship with any Director and/or major shareholder

Datuk Dr. Foong Weng Sum is the Executive Director and major shareholder of the Company. Datuk Dr. Foong Weng Sum is the father of Mr. Foong Leon Chiew, Mr. Foong Leon Kah and Mr. Foong Leon Sing. Apart from this, none of the Directors has any family relationship with the other Directors or major shareholders of the Company.

Conflict of Interest

None of the Directors has any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Convictions for Offences

None of the Directors has been convicted of any offence within the past five years and there were no public sanctions or penalties imposed by the relevant regulatory bodies (other than traffic offences) during the financial year ended 30 June 2026.

KEY MANAGEMENT PERSONNEL OF THE GROUP AND ITS SUBSIDIARY COMPANIES

MR. FOONG LEON CHIEW

Executive Chairman

Male, Malaysian, aged 46

The detailed profile of Mr. Foong Leon Chiew is shown in the Directors' Profiles.

DATUK DR. FOONG WENG SUM

Executive Director

Male, Malaysian, aged 87

The detailed profile of Datuk Dr. Foong Weng Sum is shown in the Directors' Profiles.

MR. LOKE PENG SIN

Chief Financial Officer cum Compliance Officer of Hexza Corporation Berhad

Male, Malaysian, aged 46

Mr. Loke Peng Sin joined Hexza Corporation Berhad as Group Accountant on 2 January 2024. He was redesignated as Chief Financial Officer cum Compliance Officer on 1 July 2024.

He graduated with a Bachelor's Degree in Accountancy from University of Wollongong, Australia in 2003. He is a member of Certified Practising Accountant Australia and a member of Malaysian Institute of Accountants.

Upon graduation, he joined GEP Associates as an Audit Junior in the audit and assurance division from 2003 to 2005. He then worked in Deloitte KassimChan in 2005 for three (3) years and his last position held was Audit Senior. In 2008, he joined NTPM Holdings Berhad as an Internal Auditor and subsequently with Latexx Partners Berhad as Accounts Manager in 2009. In 2011, he joined Berjaya Infrastructure Sdn. Bhd. as Senior Finance Manager before rejoining Latexx Partners Berhad as Head of Accounting from 2013 to 2021. In July 2021, he joined Onetexx Sdn. Bhd. as Financial Controller and subsequently in January 2022 he was redesignated to Group Financial Controller of One Glove Group Berhad.

MS. LIM SEE CHENG

Deputy General Manager of CIM

Female, Malaysian, aged 59

Ms. Lim See Cheng joined Chemical Industries (Malaya) Sdn. Bhd ("CIM"). In 1990 as a chemist and was promoted to R&D/Technical Sales Manager in 1997 to handle technical sales and administrative support. In 2010, she assumed the role of Deputy General Manager of CIM and took on higher responsibilities in the company.

She initiated and is responsible for overseeing the ISO 9001 quality management system implementation for the ethanol and vinegar plants and ISO 22000 food safety management system for vinegar production.

She holds a Bachelor of Science degree from Campbell University, North Carolina, U.S.A. and is a member of the Malaysian Institute of Chemistry.

KEY MANAGEMENT PERSONNEL OF THE GROUP AND ITS SUBSIDIARY COMPANIES

OTHER INFORMATION

Family relationship with any Director and/or major shareholder

Other than Datuk Dr. Foong Weng Sum and Mr. Foong Leon Chiew, none of the Key Management Personnel has any family relationship with the Directors and major shareholders of the Company.

Conflict of Interest

None of the Key Management Personnel has any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Convictions for Offences

None of the Key Management Personnel has been convicted of any offence within the past five years and other than traffic offences, there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2026.

Directorship in Public Companies and Listed Issuers

None of the Key Management Personnel has any directorship in public companies and listed issuers.

AUDIT COMMITTEE REPORT

The Board of Directors of Hexza Corporation Berhad (“the Board”) is pleased to present the Audit Committee Report for the financial year ended 30 June 2026 in accordance with Paragraph 15.15 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The Audit Committee (“AC”) and its members have discharged their functions, duties and responsibilities in accordance with the AC’s Terms of Reference (“TOR”), which is available on the Company’s website, to support the Board in maintaining an effective framework of corporate governance, financial reporting, risk management and internal control. The TOR of the AC was last reviewed and approved by the Board on 28 August 2025.

COMPOSITION AND MEETINGS

The AC comprises three (3) members, all of whom are Non-Executive Directors, with two (2) being Independent Non-Executive Directors. This complies with Paragraph 15.09(1) of the MMLR, which requires the AC to comprise not fewer than three members, all of whom must be Non-Executive Directors, with a majority being Independent Directors. The Chairman of the AC, Ms. Chong Yoke Seng, is an Independent Non-Executive Director, is a member of the Malaysian Institute of Accountants and is not the Chairman of the Board, in compliance with the MMLR and in line with Practice 9.1 of the Malaysian Code on Corporate Governance (“MCCG”). No Alternate Director is appointed as a member of the AC.

During the financial year ended 30 June 2026, four (4) AC meetings were held and the details of the attendance are as follows:

	No. of Meetings Attended
Ms. Chong Yoke Seng (Chairman, Independent Non-Executive Director)	4/4
Mr. Tsen Keng Yam (Member, Independent Non-Executive Director)	4/4
Mr. Ooi Ying Hong (Member, Non-Independent Non-Executive Director)	4/4

The Company Secretary attended all AC meetings held during the financial year and was responsible for coordinating the meetings and maintaining the minutes. Minutes of each meeting were recorded, tabled for confirmation at the subsequent AC meeting and thereafter presented to the Board for notation. Upon invitation by the AC, the Executive Director, Chief Financial Officer, General Managers or Deputy General Managers, Internal Auditors and External Auditors also attended meetings as appropriate.

The AC Chairman reported the key findings, deliberations and recommendations of the AC to the Board. This included recommendations relating to the annual and quarterly financial statements and any matters of significant concern raised by the External Auditors or Internal Auditors.

The detailed profiles of all the members of the AC are shown in the Directors’ Profiles.

AUDIT COMMITTEE REPORT

SUMMARY OF ACTIVITIES PERFORMED BY THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR

The key activities carried out by the AC in line with its TOR during the financial year ended 30 June 2026 comprised the following:

(a) Financial Reporting

- (i) Reviewed the Group's quarterly results and annual audited financial statements of the Company and ensured the financial reporting and disclosure requirements had been complied with prior to recommending them to the Board for consideration, approval and public release focusing particularly on:
- changes in or implementation of major accounting policies and practices;
 - significant matters highlighted including financial reporting issues, significant judgements made by management, significant and unusual events or transactions, and how these matters were addressed;
 - compliance with accounting standards and other legal requirements; and
 - going concern assumptions.

Date of Meetings	Review of Quarterly Financial Statements
28 August 2025	(i) Draft audited financial statements for the financial year ended 30 June 2025 (ii) Interim financial statements for fourth quarter results ended 30 June 2025
21 November 2025	Interim financial statements for first quarter results ended 30 September 2025
27 February 2026	Interim financial statements for second quarter results ended 31 December 2025
29 May 2026	Interim financial statements for third quarter results ended 31 March 2026

The above reviews were undertaken to assess whether the Company's quarterly financial reporting and disclosures were appropriately prepared in accordance with MFRS 134 Interim Financial Reporting, the Companies Act 2016, the MMLR of Bursa Malaysia and other applicable legal and regulatory requirements.

- (ii) To safeguard the integrity of information, the Chief Financial Officer had also given assurance to the AC that:
- (a) appropriate accounting policies had been adopted and applied consistently;
 - (b) the going concern basis applied in the Annual Financial Statements was appropriate;
 - (c) prudent judgements and reasonable estimates had been made in accordance with the requirements set out in the MFRS; and
 - (d) the Audited Financial Statements and Quarterly consolidated financial statements did not contain material misstatements and gave a true and fair view of the financial position of the Group and its subsidiaries for the financial year ended 30 June 2026.

AUDIT COMMITTEE REPORT (continued)

(b) External Audit

- (i) In August 2025,
 - ❖ Reviewed with the External Auditors the results of the audit and management's responses to their audit findings, including corrective actions taken by the management on outstanding audit issues highlighted in the previous audit in respect of the financial year ended 30 June 2025.
 - ❖ Reviewed the non-audit services provided by the External Auditors.
 - ❖ Reviewed the audit fee for the financial year and recommended the audit fee to the Board for approval.
 - ❖ Reviewed and evaluated the performance of the External Auditors i.e. Crowe Malaysia PLT, including their capabilities, objectivity and independence and made recommendations to the Board on their re-appointment at the Annual General Meeting for the financial year ending 30 June 2026.
- (ii) In May 2026, reviewed the scope of work and the audit plan of the External Auditors in respect of the audit for the financial year ended 30 June 2026.
- (iii) Met with the External Auditors without the presence of the management twice. The purposes of such meetings were to enquire about Management's cooperation with the External Auditors, their sharing of information and the proficiency and adequacy of resources in financial reporting functions, particularly in relation to the compliance with applicable MFRSs as well as other areas of concern that needed to be escalated to the Board and Management for their further consideration and action.

The External Auditors provided written assurance to the AC confirming their independence throughout the audit engagement in accordance with all applicable professional and regulatory requirements, including the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants.

(c) Internal Audit

- (i) Reviewed and approved the internal audit plan, including the scope and audit approach.
- (ii) Reviewed and deliberated on the internal audit reports from the Internal Auditors and management's response to the recommendations and reported to the Board.
- (iii) Reviewed the performance of the Internal Auditors against the annual audit plan for the financial year ended 30 June 2026 and the costs incurred in connection with the performance of the audits during the year.
- (iv) A private session was held with the Internal Auditors without the presence of the Management and it was noted that the Management has provided full cooperation in the course of audit.
- (v) Carried out an annual review of the performance of the Internal Auditors, including assessment of their suitability and independence in performing their obligations, which is performed via a formal evaluation form. In its assessment, the AC considered several factors, which include the calibre, reputation and resources of the firm, staff experience and professionalism, fee structure as well as audit scopes. The AC proposed a change of outsourced Internal Audit service provider from JWC Consulting to Forvis Mazars in respect of the financial year ending 30 June 2027, as part of the Group's periodic rotation of its Internal Audit service provider after two years of service.

(d) Risk Management and Internal Control

- (i) Reviewed and deliberated on the risk assessment reports on a half-yearly basis with deliberation on key risks from operating companies of the Group with requests for further actions where appropriate.
- (ii) Reviewed the adequacy and effectiveness of the Group's risk management and internal control processes, including the effectiveness of existing risk mitigation measures and business continuity arrangements, and requested further actions from Management where appropriate.

AUDIT COMMITTEE REPORT

(e) Compliance

Reviewed and recommended to the Board for approval the Audit Committee Report and Statement on Risk Management and Internal Control prior to their inclusion in the Company's Annual Report, and considered the Group's compliance with applicable laws, regulations and the MMLR.

(f) Whistleblowing Policy/Anti-Bribery and Anti-Corruption ("ABAC") Cases

The AC reviewed the implementation of the Group's Whistleblowing Policy and Anti-Bribery and Anti-Corruption ("ABAC") Policy, including the arrangements for employees and external parties to report concerns and the actions to be taken upon receipt of such reports. During the financial year, no whistleblowing, bribery or corruption cases were reported. The ABAC Policy was last reviewed by the AC on 15 November 2024 and recommended to the Board for approval.

g) Summary of conflict of interest or potential conflict of interest

In accordance with the AC's TOR and the MMLR, the AC reviewed and reported to the Board any conflict of interest ("COI") or potential COI situations involving Directors or key senior management that arose, persisted or might arise, together with the measures taken to resolve, eliminate or mitigate such conflicts. During the financial year, there were no COI or potential COI situations that required disclosure or action by the AC.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to an independent professional firm, JWC Consulting Sdn. Bhd., which reports directly to the AC. The internal audit function provides independent and objective assurance on the adequacy and effectiveness of the Group's governance, risk management and internal control processes, including compliance with established policies and procedures.

During the financial year under review, the Internal Auditors carried out audit assignments on the Group's business entities in accordance with the internal audit plan approved by the AC. Internal audit reports were presented to the AC and covered, among others, audit findings and recommendations, Management's responses and corrective actions, and the status of follow-up on outstanding matters from previous audits.

The cost incurred in maintaining the outsourced internal audit function during the financial year ended 30 June 2026 amounted to approximately RM54,000.

PERFORMANCE OF THE COMMITTEE

The performance of the AC and each of its members was assessed annually through the Board's evaluation process, with the Nomination and Remuneration Committee reviewing the effectiveness of the AC. The Board is satisfied that the AC and its members have discharged their functions, duties and responsibilities in accordance with the AC's TOR during the financial year ended 30 June 2026.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“the Board”) of Hexza Corporation Berhad values the importance of good corporate governance. The Board is committed to ensuring that the principles and practices of the Malaysian Code on Corporate Governance 2021 (“the Code”) are applied throughout the Company and its subsidiary companies (“the Group”) as a fundamental part of discharging its responsibilities to protect and enhance long-term shareholder value and the financial performance of the Group, whilst considering the interests of other stakeholders.

This Corporate Governance Overview Statement is approved by the Board on 28 August 2026 in accordance with Bursa Malaysia Securities Berhad’s (“Bursa Malaysia”) Main Market Listing Requirements (“MMLR”) and it is to be read in conjunction with our Corporate Governance Report (“CG Report”) which is published on Bursa Malaysia’s website and also the Company’s website at www.hexza.com.my. The CG Report provides the details on how the Company has applied each Practice as set out in the Code during the 2026 financial year based on the template for the Code before the update as allowed by Bursa Malaysia.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1. BOARD RESPONSIBILITIES

Principal Roles and Responsibilities

The Board is committed to upholding high standards of corporate governance, integrity and accountability in directing the Group’s strategic direction and business affairs. The Board assumes responsibility for the overall governance of the Group and is guided by the principles and practices outlined in the MCCG, the MMLR of Bursa Malaysia, and other applicable laws and regulations.

The Board’s primary roles and responsibilities, as set out in the Board Charter, include the following:

- Provides leadership by setting the strategic aims and direction of the Group, reviewing, challenging and approving management’s proposals to ensure alignment with long-term value creation.
- The Board oversees the performance of management in the implementation of approved strategies and plans, ensuring that the necessary resources are in place and that appropriate risk management and internal control frameworks are established and functioning effectively.
- Ensuring the implementation of robust internal controls and risk management frameworks.
- Monitoring financial and operational performance against established targets.
- Promoting a culture of good governance within the Group, ensuring that the Group operates in compliance with applicable laws, regulatory requirements, and ethical standards.
- Through its Nomination and Remuneration Committee, oversees succession planning for the Board and Senior Management and ensures there are adequate talent development and retention initiatives in place.
- Reviews and approves key financial and operational plans and monitors performance against targets. It also ensures the integrity of the Group’s financial and non-financial reporting.

The Board delegates specific responsibilities to Board Committees to support its oversight function, while retaining collective responsibility for all decisions. Each Committee operates under a defined Terms of Reference (“TOR”) approved by the Board and reports regularly to the Board on matters discussed and recommended for the Board’s consideration and approval.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Company Secretaries

The Board is supported by qualified Company Secretaries and all Directors have unlimited direct access to the professional advice and services of the Company Secretaries as well as access to all information within the Company whether as a Board collectively or individually.

The roles and responsibilities of the Company Secretaries are as follows:

- (i) attend and ensure that all meetings are properly convened and the proceedings of all meetings including pertinent issues, substance of inquiries and responses, suggestions and proposals are duly recorded and minuted;
- (ii) provides support to the Executive Chairman to ensure the effective functioning of the Board and assists the Executive Chairman in preparation for conduct of meetings;
- (iii) update and advise the Board on Board's procedures and ensure that the applicable rules and regulations for the conduct of the affairs of the Board are complied with and all matters associated with the maintenance of the Board or otherwise required for its efficient operation;
- (iv) ensure proper upkeep of statutory registers and records of the Company; and
- (v) advise the Board on compliance with statutory and regulatory requirements.

Supply of Information

The Board has unrestricted access to information, necessary in the furtherance of their duties. The Executive Chairman ensures that all relevant issues requiring the Board's deliberation and approval are on the agenda and senior management is invited to the Board meetings to present the relevant issues. The agenda and a full set of Board papers are distributed at least five (5) working days prior to the Board meeting to allow sufficient time for the Directors to review the Board papers for effective deliberation at the meeting. All proceedings of Board meetings are minuted and signed by the Executive Chairman.

All Directors can request information, explanations or updates on the Group's operations or business from management. There is also a formal procedure sanctioned by the Board of Directors, whether as a Board collectively or individually, to take independent professional advice at the Group's expense, where necessary in furtherance of their duties.

Board Charter and Code of Ethics and Business Conduct

The Board has a Board Charter which sets out the role, functions, composition, operations and processes of the Board. The Charter provides guidance to the Board in relation to the Board's role, duties and responsibilities and authority.

The Directors have also approved a Code of Ethics and Business Conduct which governs the standards of ethics and good conduct expected of Directors and employees. The Code of Ethics and Business Conduct includes principles relating to fair dealings, confidentiality of information, conflict of interest, compliance with laws and regulations and sexual harassment. In addition, the Group's Whistle-Blowing Policy and Procedures provide an avenue for stakeholders to report concerns about malpractices, unethical behaviour, misconduct or failure to comply with regulatory requirements without fear of reprisal.

In promoting good governance practices and in order to enhance transparency and accountability, the Board has established and put in place the following policies and procedures, full details of which will be available on the Company's website at www.hexza.com.my.

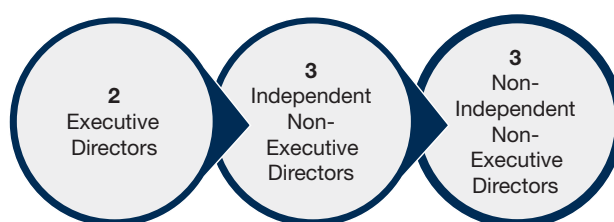
CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

Board Charter and Code of Ethics and Business Conduct (continued)

- Board Charter (revised on 29 August 2025)
- Code of Business Conduct and Ethics
- Terms of Reference of Audit Committee (revised on 29 August 2025)
- Terms of Reference of Nomination and Remuneration Committee (revised on 29 August 2025)
- Whistleblowing Policy
- Anti-Bribery and Anti-Corruption Policy
- Fit and Proper Policy (revised on 29 August 2025)
- Conflict of Interest Policy (adopted on 29 August 2025)
- Remuneration Policy (adopted on 27 February 2026)

2. BOARD COMPOSITION

Board Composition and Balance



The Board has eight (8) members, comprising three (3) Independent Non-Executive Directors (“INED”), three (3) Non-Independent Non-Executive Directors (“Non-INED”) and two (2) Executive Directors. This complies with the MMLR of Bursa Malaysia to have at least one-third (1/3) of the Board consisting of Independent Directors. The Board is appropriately balanced to reflect the interests of the substantial shareholders and at the same time fairly represents and protects the interests of the minority shareholders of the Company. The presence of three (3) Independent Directors fulfils an important role in corporate accountability and in providing unbiased independent views and impartiality to the Board’s deliberation and decision-making process. The assessment on independence of the Directors based on the provisions of the MMLR covers a series of objective tests and is carried out before the appointment of the Independent Non-Executive Directors. Any Director who considers that he has or may have a conflict of interest or a material personal interest or a direct or indirect interest or relationship or potential conflict of interest, including interest in any competing business that could reasonably be considered to influence in a material way, the Director’s decisions in any matter concerning the Company, is required to immediately disclose to the Board.

In adherence to the prescription of Practice 1.4 of the Code, which provides that the Chairman of the Board should not be a member of the Audit Committee (“AC”) and the Nomination and Remuneration Committee (“NRC”) (collectively referred to as “Board Committees”), the Company has observed this recommended practice. Neither Datuk Dr. Foong Weng Sum, the former Executive Chairman who retired on 22 November 2025, nor Mr. Foong Leon Chiew, who was appointed Chairman of the Board on 24 November 2025, served as a member of the Board Committees during their respective tenures as Chairman. Save for the above change in Chairmanship, there were no other changes to the composition of the Board, with Mr. Foong Leon Chiew succeeding Datuk Dr. Foong Weng Sum as Executive Chairman following the latter’s redesignation.

Based on the Board’s annual review of its size and composition with assistance from the NRC, it was concluded that the Board members were appropriate and adequate to effectively govern the organisation.

The Board comprises a mixture of businessmen and professionals with wide financial and commercial experience. The composition of the Board brings the required mix of skills and experience required for the Board to function effectively. A brief write-up of the background of the Board members as at the date of this statement is set out in the Directors’ Profiles section of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Board Gender Diversity

The Board is supportive of gender diversity in the boardroom as recommended by the Code but has not recorded a formal gender diversity policy as the Board is of the view that all appointments to the Board should be based on the suitability, capability, skills and experience of the candidate regardless of gender or ethnicity.

As at 30 June 2026, there are two (2) female Directors, Ms. Chong Yoke Seng and Ms. Ding Jia Jia. The Board recognises the value of female members of the Board and the female directors form 25% of the Board members.

The Board through its NRC would ensure women candidates are sought as part of its recruitment exercise. Hence, the Board would actively work towards having at least 30% women Directors in compliance with Practice 5.9 of the MCCG 2021.

Foster Commitment

Each Director does not hold more than five (5) directorships in public listed companies to ensure that they have sufficient time to focus and discharge their duties and responsibilities. The Board is satisfied with the level of time commitment given by the Non-Executive Directors towards fulfilling their roles and responsibilities as Directors of the Company.

Board Meetings

The Board meets at least four (4) times a year at quarterly intervals, with additional meetings convened as necessary. There were four (4) meetings held during FY2026 and details of the attendance of the Directors were as follows:

No.	Name of Directors	Number of Meetings Attended
1	Datuk Dr. Foong Weng Sum	4/4
2	Mr. Foong Leon Chiew	4/4
3	Mr. Tsen Keng Yam	4/4
4	Ms. Chong Yoke Seng	4/4
5	Ms. Ding Jia Jia	4/4
6	Mr. Ooi Ying Hong	4/4
7	Mr. Foong Leon Kah	4/4
8	Mr. Foong Leon Sing	4/4

Appointment to the Board

The Board has established a NRC, consisting of two (2) INEDs and one (1) Non-INED. The NRC is responsible for the appointment of new Directors to the Board and is subject to a formal and transparent process. The NRC reviews the required mix of skills and experience of the Directors of the Board and determines the appropriate Board balance and size of the Board.

The NRC has established the procedures and processes towards an annual assessment of the effectiveness of the Board as a whole and the contribution of each individual Director. The areas/criteria of assessment for individual Directors include fit and proper, contribution and performance as well as calibre and personality.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

Re-appointment and Re-election of Directors

In accordance with the Company's Constitution, all Directors who were appointed by the Board are subject to re-election at the first opportunity after their appointment and at least one-third of the remaining directors are subject to re-election by rotation at each Annual General Meeting ("AGM"). All Directors shall retire from office at least once in every three years in accordance with Bursa Malaysia MMLR.

The Directors who are due for re-election at the AGM are assessed by the NRC and then recommendations are made to the Board for endorsement to seek shareholders' approval for their re-election as Directors of the Company. The Board has adopted the Fit & Proper Policy for the appointment and re-election of Directors, as required by the MMLR of Bursa Securities, with the aim of strengthening board independence, quality, and diversity. When reviewing proposed re-elections of Directors at the Annual General Meeting, the NRC considers the results of the annual Board Evaluation, which serves as the basis for the NRC's recommendation to the Board regarding the re-election of Directors and Board Committee members. All assessments and evaluations carried out by the NRC in discharging its functions have been properly documented.

In sourcing suitable candidates for appointment as new Directors, the NRC considers recommendations from existing Board members, Management, major shareholders, and business associates, as well as independent sources such as professional corporate director recruitment agencies.

Directors' Training

The Directors continue to undergo training on an annual basis to further enhance their skills and knowledge so as to keep abreast of new regulatory developments and the MMLR. The NRC will review and determine the training needs of the Directors where appropriate. The Directors have been encouraged to pursue their own training needs to keep up with current requirements.

The following were the details of training attended by the Directors during FY2026:

No.	Name of Directors	Training Attended
1	Datuk Dr. Foong Weng Sum	❖ Anti-Bribery and Anti-Corruption ❖ Introduction to ESG - First Step Towards Sustainability Reporting
2	Mr. Tsen Keng Yam	❖ Anti-Bribery and Anti-Corruption ❖ Introduction to ESG - First Step Towards Sustainability Reporting
3	Mr. Foong Leon Chiew	❖ Anti-Bribery and Anti-Corruption ❖ Introduction to ESG - First Step Towards Sustainability Reporting
4	Mr. Ooi Ying Hong	❖ Anti-Bribery and Anti-Corruption ❖ Introduction to ESG - First Step Towards Sustainability Reporting
5	Ms. Chong Yoke Seng	❖ Anti-Bribery and Anti-Corruption ❖ Introduction to ESG - First Step Towards Sustainability Reporting ❖ Stamp Duty Self-Assessment System (SAS): Implementation Updates, Audit Focus & Key Risk Areas ❖ AOB Conversation with Audit Committees
6	Mr. Foong Leon Kah	❖ Anti-Bribery and Anti-Corruption ❖ Introduction to ESG - First Step Towards Sustainability Reporting
7	Mr. Foong Leon Sing	❖ Anti-Bribery and Anti-Corruption ❖ Introduction to ESG - First Step Towards Sustainability Reporting
8	Ms. Ding Jia Jia	❖ Anti-Bribery and Anti-Corruption ❖ Introduction to ESG - First Step Towards Sustainability Reporting ❖ Mandatory Accreditation Programme Part II: Leading for Impact (LIP)

The Company Secretaries circulated from time to time the relevant guidelines on statutory and regulatory requirements to keep the Directors updated on current guidelines and regulations. The External Auditors also highlighted changes to the Malaysian Financial Reporting Standards ("MFRS") and legislation that affect the Company's financial statements during the financial year.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Board Committees

The Company strives to have a balanced Board which comprises members with suitable qualifications, skills, expertise and experience. The Board has established the following Committees to assist the Board to discharge its fiduciary duties:

(a) Audit Committee (“AC”)

The AC comprises exclusively Non-Executive Directors as follows:

1. Ms. Chong Yoke Seng, Chairman, Independent Non-Executive Director
2. Mr. Tsen Keng Yam, member, Independent Non-Executive Director
3. Mr. Ooi Ying Hong, member, Non-Independent Non-Executive Director

A full report of the AC with details of its membership and a summary of the work performed during the financial year are set out in the AC Report of this annual report.

(b) Nomination and Remuneration Committee (“NRC”)

The NRC comprises exclusively Non-Executive Directors as follows:

1. Ms. Chong Yoke Seng, Chairman, Independent Non-Executive Director
2. Mr. Tsen Keng Yam, member, Independent Non-Executive Director
3. Mr. Ooi Ying Hong, member, Non-Independent Non-Executive Director

The role of the NRC is set out in its TOR which is available for reference on the Company’s website at www.hexza.com.my.

The NRC had two (2) meetings in the financial year under review and all the members attended the meetings and undertook the following activities during the financial year ended 30 June 2026:

- (i) Reviewed and assessed the performance and effectiveness of the Board as a whole. The annual assessment carried out was satisfied that the Board has been able to discharge its duties professionally and effectively;
- (ii) Reviewed and assessed the Board balance and composition of the Directors, the Directors’ contribution and the effectiveness of the Board as a whole;
- (iii) Assessed the independence of the Independent Directors;
- (iv) Reviewed the term of office and performance of the Audit Committee and its members;
- (v) Assessed, justified, and recommended to the Board to put forth the proposal for re-election of directors at the AGM;
- (vi) Reviewed succession planning for Chairman and Key Senior Management and reviewed the Succession Planning Policy, and recommended the same for the Board’s approval. During the financial year, the NRC reviewed and recommended to the Board the appointment of the General Manager for Chemical Industries (Malaya) Sdn. Bhd., including the remuneration package, following an executive search process conducted by an international HR/recruitment agency;
- (vii) Reviewed and assessed the performance of the Senior Management Personnel including their bonus and base salary increment;
- (viii) Reviewed the organisation chart of the Company and its subsidiary companies; and reviewed and recommended the increase in Directors’ Fees payable to Non-Executive Directors of the subsidiaries, taking into consideration the fiduciary duties undertaken and the level of risk exposure involved, and benchmarking analysis against comparable Malaysian public listed companies;
- (ix) Assessed and reviewed the Directors’ Training needs;

CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

- (x) Reviewed and recommended to the Board the revised Board Charter, Terms of Reference of the Audit Committee and Nomination and Remuneration Committee, Fit and Proper Policy and Conflict of Interest Policy, to ensure continued alignment with the Company's needs and applicable regulatory requirements;
- (xi) Reviewed and adopted the Remuneration Policy;
- (xii) Reviewed and recommended the Directors' fees and Directors' benefits for FY2025 to the Board for shareholders' approval at the 56th AGM;
- (xiii) Considered and recommended to the Board for shareholders' approval on extending Directors' Fees to Executive Directors ("EDs") for FY2026. In arriving at this recommendation, the NRC took into account the distinct fiduciary duties and liabilities borne by EDs and prevailing market practice in Malaysia and also internationally.

The details of the Directors' Remuneration (including benefits-in-kind) from the Group and the Company for the financial year ended 30 June 2026 are tabulated under Practice 8.1 of the CG Report.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

1. UPHOLD INTEGRITY IN FINANCIAL REPORTING

Financial Reporting

The Board aims to present a balanced and meaningful assessment of the Group's financial performance and prospects in presenting the annual financial statements and quarterly announcement of results to shareholders as well as the Chairman's statement and review of operations in the annual report. The Board is assisted by the AC to oversee the Group's financial reporting processes and the quality of its financial reporting. The AC reviews the Group's annual and quarterly financial statements and the Group accounting policies to ensure that the Group's financial reporting complies with accounting standards and regulatory requirements.

The Chief Financial Officer presents to the AC and the Board details of revenues and expenditures in the form of tables for review of quarter-to-quarter and year-to-date financial performances. The Management Discussion and Analysis of this Annual Report provides additional analysis and commentary on the Group's financial performance.

In reviewing the quarterly and yearly financial statements by the AC, the Chief Financial Officer also provides assurance to the AC that appropriate accounting policies had been adopted and applied consistently, that the going concern basis has been applied in the Condensed Consolidated Financial Statements and that prudent judgements and reasonable estimates had been made in accordance with the requirements set out in the MFRSs.

Risk Management and Internal Control Framework

The Board, with the assistance of the AC, continues to maintain and to review its risk management system and internal control procedures to ensure that the Group is operating effectively and efficiently in accordance with its internal policies and procedures and complying with laws and regulations. The Statement on Risk Management and Internal Control which provides an overview of the state of risk management and internal control of the Group is presented in this Annual Report.

Audit Committee

The Board is assisted by the AC in overseeing the Group's financial reporting, risk management and internal control systems. The composition, TOR and summary of the activities of the AC during the financial year are disclosed in the AC Report of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Relationship with the Auditors

(a) Internal Audit

The Group's Internal Audit function has been outsourced to an independent professional firm, JWC Consulting Sdn. Bhd. to provide support to the AC in discharging its duties and responsibilities. The Internal Auditors' function includes evaluation of the processes by which significant risks are identified, assessed and managed. The audits are carried out to ensure instituted controls are appropriate, effectively applied and within acceptable residual risks consistent with the Group's risk management policy. The Internal Auditors report directly to the AC with audit findings, recommendations and management responses to the audit issues raised on a quarterly basis. The Quarterly Internal Audit report is also tabled at every Board meeting and significant issues are highlighted to the Board for deliberation by the AC Chairman.

(b) External Audit

The Company has established a transparent and appropriate relationship with the Group's External Auditors through the AC. It is the practice of the AC to meet with the External Auditors to discuss their audit plan, audit findings and the financial statements. The AC will have a private session with the External Auditors without the presence of any executive of the Group at least twice a year.

The AC evaluates and monitors the suitability and independence of the External Auditors in accordance with the set criteria adopted. In its assessment, the AC considers several factors, which include the calibre, reputation and resources of the firm, staff experience and professionalism, audit scope, communication, independence (which includes the review of the External Auditors' annual Transparency Report) and the level of non-audit services to be rendered. Having assessed their performance and independence, the AC will recommend their re-appointment to the Board, upon which the shareholders' approval will be sought at the AGM.

The Company has also obtained assurance from the External Auditors confirming that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The External Auditors are invited to attend the AGM of the Company and are available to answer shareholders' queries on their audit of the financial statements tabled at the AGM.

2. RECOGNISE AND MANAGE RISKS

The Board has established an enterprise risk management framework to manage risk. The Risk Management Unit of each operating company is headed by the respective General Manager/Executive Director who oversees and coordinates the overall risk management activities of the respective company. The Risk Management Units submit risk assessment reports to the AC on a half-yearly basis.

The Group's Internal Auditors are outsourced to an independent professional firm, JWC Consulting Sdn. Bhd.. The Internal Auditors report directly to the AC, and conduct regular reviews and appraisals of the effectiveness of the internal control processes and risk management of the Group and report the findings to the AC on a quarterly basis.

The AC reviews and evaluates the effectiveness of the Group's internal control and risk management systems. The Board is provided with reasonable assurance from the AC on risk management and internal control systems. Details of the risk management are stated in the Statement on Risk Management and Internal Control of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

1. ENSURE TIMELY AND HIGH-QUALITY DISCLOSURE

The Board exercises close monitoring of all price-sensitive information required to be released to Bursa Malaysia and makes material announcements to Bursa Malaysia in a timely manner as required. The Board has delegated the authority to the Executive Chairman, Executive Director and the Chief Financial Officer to approve all announcements for release to Bursa Malaysia. The Company Secretaries are responsible for releasing such announcements to Bursa Malaysia.

As for the dealings in the Company's shares, the Directors and senior management are requested to observe the MMLR on the provisions on dealing in the shares of the Company during and outside the "closed period".

2. STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

Shareholders Communication and Investors Relationship Policy

The AGM is the principal forum for dialogue and interaction with the shareholders of the Company. The Company dispatches the Notice of AGM to shareholders at least twenty-eight (28) days before the AGM, well in advance of the twenty-one (21) days requirement stipulated in the Companies Act, 2016 and the Bursa Malaysia MMLR. The additional time allows shareholders to make the necessary arrangements to attend and participate in person or by proxy or by corporate representative at the AGM. Shareholders are encouraged to attend the Company's AGM and use the opportunity to actively participate in the proceedings. They are encouraged to ask questions about both the resolutions being proposed and any issues pertaining to the Company and to give their views and suggestions for the benefit of the Company. The Directors, the External Auditors and the management of the Company are present to answer questions raised at the meeting. Where it is not possible to provide immediate answers, the Executive Chairman will undertake to furnish the shareholder with a written answer after the AGM.

The Annual Reports and the quarterly announcements are the primary modes of communication to report on the Group's business, activities and financial performance to all shareholders.

Mr. Tsen Keng Yam, the Deputy Chairman and Independent Non-Executive Director, attended to all queries relating to the affairs of the Group during the AGM held on 22 November 2025.

The Company has leveraged information technology for effective dissemination of information to shareholders via the Company's website, www.hexza.com.my which provides all relevant information on the Group and is easily accessible by the public.

Poll Voting

In line with the MMLR, all resolutions set out in the Notice of AGM were voted by poll and the scrutineer was appointed to validate the votes cast. The poll results were then declared by the Chairman of the Meeting that all the resolutions were carried. The poll results were then announced via Bursa LINK on the same day. The Minutes of the AGM (including all the Questions raised at the meeting and the Answers thereto) were made available on the Company's website.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are aware of their responsibility for ensuring that proper accounting records are kept and the accounts and other financial reports of the Group and the Company are prepared in accordance with the applicable approved accounting standards and comply with the requirements of the Companies Act, 2016.

The Directors are also responsible for taking steps as are reasonably available to them to control and safeguard the assets of the Group and to prevent and detect fraud and other irregularities. In the opinion of the Directors, the Group has applied the appropriate accounting policies and standards consistently in the preparation of the financial statements for the financial year ended 30 June 2026.

ADDITIONAL COMPLIANCE INFORMATION

Utilization of Proceeds

No proceeds were raised by the Company from any corporate exercise during the financial year.

Audit and Non-Audit Fees

During the financial year ended 30 June 2026, the amount of audit fees and non-audit fees payable to the External Auditors and their affiliates are as follows:

	Audit Fees (RM)	Non-Audit Fees (RM)
Company	62,000	3,000
Group	174,000	3,000

Material Contracts and Contracts Relating to Loans

There are no material contracts and contracts relating to loans entered into by the Company and its subsidiary companies which involve the interests of the Directors and major shareholders entered into since the previous financial year.

Recurrent Related Party Transactions of Revenue Nature

The details of related party transactions of revenue or trading nature undertaken by the Company during the financial year are disclosed in Note 33 to the Financial Statements.

Disclosure of Financial Data For Shariah Screening

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements, below are the financial data that are relevant for the purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(a) Group Total Income and Total Assets

Total Income	Remarks	Group	
		2026 RM	2025 RM
Revenue		74,346,901	59,280,440
Interest income		153,458	138,142
Other gains		271,781	119,459
Other operating income		412,394	1,588,740
Total		75,184,534	61,126,781
Total Assets		523,104,433	480,305,897

ADDITIONAL COMPLIANCE INFORMATION

(b) Business Activities

		2026 RM	Group 2025 RM
Shariah Non-Compliant Activities	Remarks		
Interest income		152,975	136,212
Insurance recoverable		–	1,310
Dividend Income		1,388,641	1,926,350
Fair value gain on short-term investment		263,674	108,875
Total		1,805,290	2,172,747

(c) Component of Financial Position

(i) Cash Component

		2026 RM	Group 2025 RM
Islamic Account/Instruments	Remarks		
Short-term investment		654,867	146,278
Total Cash		654,867	146,278
Conventional Account/Instruments			
Cash at bank (exclude cash in hand)		19,431,747	18,949,879
Short-term investments		9,591,474	5,139,577
Total Cash		29,023,221	24,089,456

(ii) Debt Component

		2026 RM	Group 2025 RM
Islamic Financing	Remarks		
Current			
Not applicable		–	–
Non-Current			
Not applicable		–	–
Total Financing		–	–

		2026 RM	Group 2025 RM
Conventional Borrowing	Remarks		
Current			
Bankers' acceptance		2,208,000	2,604,000
Non-Current			
Not applicable		–	–
Total Debt		2,208,000	2,604,000

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Introduction

The Board of Directors (“the Board”) is pleased to present the Statement on Risk Management and Internal Control (“SORMIC”) of the Group for the financial year ended 30 June 2026.

This Statement is made pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia”), read together with Practice Note 9 of the MMLR, Part II of Principle B of the Malaysian Code on Corporate Governance (“MCCG”) and the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies (“SORMIC Guide 2025”). This Statement outlines the nature and scope of the Group’s risk management and internal control systems and covers the Company and its subsidiaries. Other investments over which the Group does not have management control are excluded from the scope of this Statement.

Board Responsibility

The Board recognises its overall responsibility for establishing and maintaining an adequate and effective risk management and internal control system. The system encompasses financial, operational and compliance controls, risk management and governance processes, and is designed to manage, rather than eliminate, the risk of failure to achieve the Group’s business objectives. Accordingly, the system can only provide reasonable, and not absolute, assurance against material misstatement of management or financial loss, fraud and breaches of laws and regulations. The Board is also responsible for determining the Group’s level of risk tolerance and for ensuring that significant and emerging risks are appropriately identified, assessed, monitored and managed.

The Board, through the Audit Committee, reviews the adequacy and effectiveness of the Group’s risk management and internal control system on an ongoing basis and performs an overall assessment for the financial year under review. In carrying out its review, the Board considers reports from Management, the Risk Management Units, the Internal Auditors and the External Auditors, including the status of significant risks, control weaknesses and remedial actions. The Board is of the view that the Group’s risk management and internal control system was adequate and effective in all material respects for the financial year under review and up to the date of approval of this Statement. The key features of the system are described below:

1. Enterprise Risk Management Framework

The Board confirms that the Group continues to implement the methodologies set out in the Enterprise Risk Management Framework (“ERM Framework”) approved by the Board. The ERM Framework provides an ongoing process for identifying, evaluating, monitoring and managing risks that may affect the achievement of the Group’s business objectives and supports the integration of risk considerations into business planning and decision-making.

During the financial year under review, the Risk Management Units of the operating subsidiaries continued to coordinate the risk management activities of the respective subsidiaries. Principal risks are identified and assessed on an ongoing basis by considering their likelihood and potential impact, with appropriate action plans formulated to mitigate and manage such risks. The Risk Registers are updated regularly to reflect changes in the risk landscape, including emerging risks where relevant. Risk assessment reports are submitted on a half-yearly basis by the respective operating subsidiaries to the Audit Committee for review, and the Audit Committee reports its assessments and recommendations to the Board.

The Board reviewed and monitored significant risks that may affect the achievement of the Group’s business objectives and the effectiveness of the related controls and mitigation measures. In line with the MCCG and SORMIC Guide 2025, the Board’s risk oversight takes into account key risk areas relevant to the Group, including financial, operational, regulatory and compliance, reputational, cybersecurity, sustainability, geopolitical and supply-chain risks, where applicable. The Board also considers changes in the external environment and the need for appropriate responses to emerging risks.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

2. Internal Audit Function

The Group has outsourced its internal audit function to an independent professional firm, JWC Consulting Sdn Bhd, to assist the Audit Committee in discharging its responsibilities. The Internal Auditors report functionally and directly to the Audit Committee and provide independent and objective assurance and advice on the adequacy and effectiveness of the Group's governance, risk management and internal control processes. The Internal Auditors assess compliance with established policies and procedures, evaluate the design and operating effectiveness of key controls and the adequacy of risk mitigation measures, and recommend improvements where necessary. The Audit Committee oversees the independence, scope, resources and performance of the internal audit function.

The outsourced internal audit engagement for FY2026 was led by Joyce Wong Ai May, a Fellow Member of CPA Australia, a member of the Malaysian Institute of Accountants and Corporate Member of the Institute of Internal Auditors Malaysia, supported by a team of three internal audit personnel. JWC Consulting Sdn Bhd has confirmed that the personnel involved in the internal audit engagement were free from relationships or conflicts of interest that could impair their objectivity and independence. The internal audit work was carried out in accordance with the International Professional Practices Framework ("IPPF"). The Audit Committee was satisfied that the internal audit function had adequate resources, competency and experience to discharge its responsibilities effectively.

During the financial year under review, the Internal Auditors carried out regular and systematic reviews of major business and operating units of the Group in accordance with the internal audit plan approved by the Audit Committee. The reviews assessed the adequacy and effectiveness of internal controls and risk management processes and identified areas for improvement. Internal audit reports setting out the audit objectives, scope, findings, root causes where relevant, recommendations and Management's responses are issued upon completion of each review. The Internal Auditors also submit quarterly reports to the Audit Committee on the progress and status of internal audit activities and follow-up actions on previously reported findings.

The Audit Committee monitors the status of control issues identified by the Internal Auditors and External Auditors and ensures that appropriate remedial actions are taken by Management on a timely basis.

The Board reviews the minutes of the Audit Committee meetings and is briefed by the Audit Committee Chairman on a quarterly basis on significant matters relating to financial reporting, risk management, internal control, internal audit and external audit.

3. Key Internal Control Processes

(a) Organisation Structure

- The Group maintains an appropriate organisational structure with well-defined lines of responsibility and authority. Authority limits are established for Directors and management within the Group covering day-to-day operations, investments, acquisitions and disposals of property, plant and equipment.

(b) Group Policies and Procedures

- The Group has established Enterprise Risk Management policies and procedures that set out the Group's ERM Framework and provide a consistent approach to the identification, assessment, monitoring, reporting and management of risks across the Group.
- Operational procedures, policies, guidelines and limits of authority are documented in the Group Manual and are reviewed and updated as appropriate. The Group uses the same accounting system across the Group to promote consistency and reliability in financial reporting processes.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (continued)

(c) Operational Monitoring and Controls

- The operating units hold regular management meetings to review financial and operational performance, significant risks, internal control matters and risk mitigation actions.
- Executive Management Committee meetings are held regularly to monitor and discuss investments, projects, financial performance, legal and regulatory matters and other significant business and emerging risks.
- Annual business plans and budgets are prepared by the operating units and submitted to the Board for approval. Actual performance is compared against budget on a monthly basis and material variances are analysed and explained. The Board reviews the Group's financial and operational performance on a quarterly basis, together with significant risks and matters requiring Board attention.
- Monthly management reports covering financial and operational performance, key performance indicators, variance analysis and compliance with relevant policies and guidelines are submitted to the Executive Chairman, Executive Director and Audit Committee Chairman for review. Significant matters identified through these reviews are escalated to the appropriate level of Management and, where necessary, to the Audit Committee and the Board.
- Half-yearly risk assessment reports are prepared by the operating subsidiaries and submitted to the Audit Committee to facilitate ongoing monitoring of significant and emerging risks, the effectiveness of mitigation measures and changes in the Group's risk profile.
- Senior Management reviews the adequacy of the Group's insurance coverage at least annually to ensure that insurable assets and exposures are appropriately covered against events that may result in material losses.
- The Board meets at least quarterly and adopts a formal agenda for matters to be deliberated at each meeting. The Executive Chairman and/or Deputy Chairman leads the presentation of Board papers and provides explanations on pertinent matters. The Board is updated at Board meetings on the performance of the operating units and significant financial, operational, risk, compliance and other matters by the Executive Chairman, Executive Director, Chief Financial Officer and the General Managers or Deputy General Managers of the respective operating units. These reporting and review processes support the Board's ongoing and annual assessment of the adequacy and effectiveness of the Group's risk management and internal control system.

Review of the Statement by External Auditors

Pursuant to Paragraph 15.23 of the MMLR, the External Auditors have reviewed this Statement for inclusion in the Annual Report. The review was performed in accordance with the Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and AAPG 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control Included in the Annual Report. AAPG 3 does not require the External Auditors to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control systems. Based on the procedures performed and evidence obtained, nothing has come to the External Auditors' attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by Section 7 of the SORMIC Guide 2025, nor is this Statement factually inaccurate.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Conclusion

The Board has received assurance from the Executive Chairman, Executive Director and Chief Financial Officer that, to the best of their knowledge, the Group's risk management and internal control systems were operating adequately and effectively in all material respects for the financial year under review and up to the date of approval of this Statement. The Board is satisfied that the Group's risk management and internal control systems are adequate and effective in all material respects and is not aware of any material losses, contingencies or uncertainties arising from weaknesses in the systems that would require separate disclosure in this Annual Report. The Board remains committed to continuously enhancing the Group's risk management and internal control systems to respond to changes in the business and regulatory environment, including emerging, cybersecurity and sustainability-related risks.



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FINANCIAL STATEMENTS

DIRECTORS' REPORT

The directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2026.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are manufacture and sale of ethyl alcohol, production and sale of distillers dried grains with solubles, manufacture and sale of formaldehyde, formaldehyde based resins and hardeners, manufacture and sale of natural vinegar, marketing and distribution of consumer products and industrial chemicals, property development, manufacture and sale of alcoholic and non-alcoholic beverages. Further details of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	The Group RM	The Company RM
Profit after taxation for the financial year	3,568,375	469,580
Attributable to:-		
Owners of the Company	3,004,936	469,580
Non-controlling interests	563,439	–
	3,568,375	469,580

DIVIDENDS

Dividends paid or declared by the Company since 30 June 2025 are as follows:-

	RM
Ordinary Share	
<u>In respect of the financial year ended 30 June 2025</u>	
A single-tier final dividend of 5.0 sen per ordinary share:	
(a) Issuance of new shares of the Company pursuant to the Dividend Reinvestment Plan on 12 January 2026	3,945,269
(b) Cash dividend paid on 9 January 2026	6,073,733
	10,019,002

At the Extraordinary General Meeting of the Company held on 22 November 2025, the shareholders of the Company approved the Company's Dividend Reinvestment Plan ("DRP"). RM3,945,269 of the final dividend which was satisfied by the issuance of 5,225,521 new ordinary shares of the Company at the issue price of RM0.755 per ordinary share pursuant to the DRP and the balance via cash payment of RM6,073,733.

At the forthcoming Annual General Meeting, a single-tier final dividend of 7.5 sen per ordinary share amounting to RM15,420,417 in respect of the current financial year will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Further details are set out in Note 30.

DIRECTORS' REPORT (continued)

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) the Company increased its issued and paid-up share capital from RM100,190,018 to RM104,135,287 by way of issuance of 5,225,521 new ordinary share of RM0.755 per share pursuant to the DRP application amounted to RM3,945,269.

The new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

- (b) there were no issues of debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

DIRECTORS' REPORT

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:-

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Datuk Dr. Foong Weng Sum
Mr. Foong Leon Chiew
Mr. Tsen Keng Yam
Ms. Chong Yoke Seng
Ms. Ding Jia Jia
Mr. Ooi Ying Hong
Mr. Foong Leon Kah
Mr. Foong Leon Sing

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:-

Dato Sri Richard Wee Liang Huat
En. Mohamad Adzlie Bin Ibrahim
Mr. Loke Peng Sin
Ms. Lim See Cheng
Mr. Pragalatha A/L Valaitham

DIRECTORS' REPORT (continued)

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:-

	←----- Number of Ordinary Shares -----→			
	At 1.7.2025	Bought / DRP [^]	Sold	At 30.6.2026
Direct interest in the Company				
<i>Direct Interests</i>				
Datuk Dr. Foong Weng Sum	1,083,228	–	–	1,083,228
Mr. Ooi Ying Hong	80,000	5,298	–	85,298
Ms. Chong Yoke Seng	590,000	–	–	590,000
<i>Indirect Interests</i>				
Datuk Dr. Foong Weng Sum [#]	62,608,157	2,380,000	–	64,988,157
Ms. Chong Yoke Seng [*]	88,000	–	–	88,000

[#] Deemed interested by virtue of his shareholding in Summit Holdings Sdn. Bhd., Sumivest Holdings Sdn. Bhd. and Summit Nominees Sdn. Bhd. pursuant to Section 8 of the Companies Act, 2016

^{*} Deemed interested through spouse's shareholding in the Company pursuant to Section 59(11)(c) of the Companies Act 2016

[^] Issuance of new Ordinary Shares pursuant to the DRP

By virtue of his shareholdings in the Company, Datuk Dr. Foong Weng Sum is deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interest.

The other directors holding office at the end of the financial year had no interest in shares, options over unissued shares or debentures of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 33(b) to the financial statements.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REPORT

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:-

	The Group RM	The Company RM
<u>Executive Directors</u>		
Fees	130,000	130,000
Salaries, bonuses and other benefits	2,330,571	–
Defined contribution benefits	193,920	–
Estimated money value benefits-in-kind	18,625	–
	2,673,116	130,000
<u>Non Executive Directors</u>		
Fees	430,750	365,000
Salaries, bonuses and other benefits	110,000	104,000
	540,750	469,000
Total directors' remuneration	3,213,866	599,000

INDEMNITY AND INSURANCE COSTS

The Company maintains a Directors' and Officers' Liability Insurance Policy on a group basis. During the financial year, the total amount of insurance effected for the directors and certain officers of the Group was RM5,000,000. No indemnity was given to or insurance effected for officers and auditors of the Company.

SUBSIDIARIES

The details of the subsidiaries' names, places of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 5 to the financial statements.

The available auditors' reports on the financial statements of the subsidiaries did not contain any qualification.

SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD

On 28 August 2026, the Board of Directors of the Company ("Board") proposed a single-tier final dividend of 7.5 sen per ordinary share ("Hexza Share(s)") for the financial year ended 30 June 2026 ("2026 Final Dividend"), subject to shareholders' approval at the forthcoming Annual General Meeting of the Company ("AGM") as disclosed in Note 30.

On 2 September 2026, the Board announced that the Dividend Reinvestment Plan ("DRP"), approved by the shareholders of the Company ("Shareholders") at the Extraordinary General Meeting ("EGM") held on 22 November 2025, will be applied to the entire 2026 Final Dividend. Accordingly, Shareholders will have the option to elect to reinvest their entire or part of their entitlement to the 2026 Final Dividend into new Hexza Shares ("Dividend Reinvestment Shares") ("Second DRP"). Shareholders' approval for the renewal of the Board's authority to allot and issue Dividend Reinvestment Shares pursuant to the DRP will be sought at the forthcoming AGM.

DIRECTORS' REPORT (continued)

SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD (CONT'D)

On 14 September 2026, the Company announced the proposal to undertake the exemption for Summit Holdings Sdn Bhd, Datuk Dr. Foong Weng Sum and the persons acting in concert with them from the obligation to undertake a mandatory take-over offer to acquire all the remaining ordinary shares in the Company ("Hexza Share(s)" or "Share(s)") not already held by them which may arise from the issuance of new Hexza Shares to them pursuant to the election to receive new Hexza Shares in accordance with the application of the dividend reinvestment plan to the single-tier final dividend declared by the Company for the financial year ended 30 June 2026, under subparagraph 4.08(1)(c) of the Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the Securities Commission Malaysia ("Proposed Exemption").

The Proposed Exemption is subject to the following approvals being obtained:

- (i) Bursa Malaysia Securities Berhad, for the listing of and quotation for the Dividend Reinvestment Shares to be issued pursuant to the Second DRP;
- (ii) The non-interested Shareholders, for the Proposed Exemption at an EGM to be convened; and
- (iii) The Securities Commission Malaysia, for the Proposed Exemption.

The Proposed Exemption, on a standalone basis, will have no effect on the Company's issued share capital, substantial shareholders' shareholdings, net assets, net assets per share, gearing, earnings or earnings per share, as it does not involve the issuance of any new Hexza Shares.

The Proposed Exemption is conditional upon the Second DRP. However, the Second DRP is not conditional upon the Proposed Exemption. The Proposed Exemption is not conditional upon any other corporate proposal undertaken or to be undertaken by the Company.

DIRECTORS' REPORT

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:-

	The Group RM	The Company RM
Audit fees	174,000	62,000
Non-audit fees	3,000	3,000
	177,000	65,000

Signed in accordance with a resolution of the directors dated 30 September 2026.

Mr. Foong Leon Chiew

Mr. Tsen Keng Yam

STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Mr. Foong Leon Chiew and Mr. Tsen Keng Yam, being two of the directors of Hexza Corporation Berhad, state that, in the opinion of the directors, the financial statements set out on pages 73 to 138 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 June 2026 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 30 September 2026.

Mr. Foong Leon Chiew

Mr. Tsen Keng Yam

STATUTORY DECLARATION PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Mr. Loke Peng Sin, MIA Membership Number: MIA CA30529, being the officer primarily responsible for the financial management of Hexza Corporation Berhad, do solemnly and sincerely declare that the financial statements set out on pages 73 to 138 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declaration Act 1960.

Subscribed and solemnly declared by the abovementioned
Mr. Loke Peng Sin, NRIC Number: 800111-08-5859
at Ipoh
in the State of Perak Darul Ridzuan
on this 30 September 2026.

Before me,

Mr. Loke Peng Sin

Khoo Boon Chuan
No. A301
Commissioner For Oaths

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEXZA CORPORATION BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Hexza Corporation Berhad, which comprise the statements of financial position as at 30 June 2026 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 73 to 138.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code") as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEXZA CORPORATION BERHAD (continued)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key Audit Matters (Cont'd)

We have determined the matters described below to be the key audit matters to be communicated in our report.

Valuation and Existence of Quoted Equity Investments Refer to Note 7 to the financial statements.	
The Group and the Company held investments in quoted equity shares amounted to RM367 million and RM367 million, respectively, as at 30 June 2026, representing approximately 72% and 77% of the Group's and of the Company's net assets, respectively. We identified the valuation and existence of the quoted equity investments as an area of audit focus due to its materiality to the Group's and of the Company's financial statements	We have performed the following procedures in relation to valuation and existence of quoted equity investments of the Group and of the Company: • Obtained understanding on the relevant control over valuation and existence of quoted equity investments; • Obtained and matched the portfolio of investments against financial institutions' corporate trading account statements, Malaysia Central Depository System ("CDS") statements from Bursa Malaysia and confirmations received from financial institutions and established that the Group has custodial rights and ownership over the quoted investments; • Agreed 100% of the quoted prices for quoted investments carried in the investment ledger as of 30 June 2026 to closing prices published by independent pricing sources; • For foreign quoted investments that are translated to Ringgit Malaysia at financial year end, compared the closing foreign exchange rates used to Bank Negara Malaysia's closing rate; and • Tested the recording of sales or purchases of quoted investments during the financial year by agreeing the transaction to supporting documents and tracing clearance of receipt and payment to bank statements.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEXZA CORPORATION BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Auditors' Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEXZA CORPORATION BERHAD

(continued)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Ipoh, Perak

30 September 2026

Lou Hoe Yin
03120/04/2028 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026

		The Group		The Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	5	–	–	54,096,962	54,096,962
Property, plant and equipment	6	83,169,738	86,496,212	3,995	3,733
Other investments	7	371,365,070	338,083,941	371,362,550	338,079,861
Goodwill	8	2,129,365	2,129,365	–	–
Finance lease receivable	9	–	–	–	–
		456,664,173	426,709,518	425,463,507	392,180,556
CURRENT ASSETS					
Inventories	10	18,909,249	13,755,750	–	–
Trade receivables	11	14,660,042	11,965,341	–	–
Other receivables, deposits and prepayments	12	927,107	1,093,899	53,504	40,458
Amount owing by subsidiaries	13	–	–	40,296,442	26,023,422
Short-term investments	14	10,246,341	5,285,855	5,402,452	2,261,243
Current tax assets		2,261,451	2,541,584	–	4,446
Cash and bank balances		19,436,070	18,953,950	9,127,198	9,732,998
		66,440,260	53,596,379	54,879,596	38,062,567
TOTAL ASSETS		523,104,433	480,305,897	480,343,103	430,243,123

The annexed notes form an integral part of these financial statements

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026 (continued)

	Note	The Group		The Company	
		2026 RM	2025 RM	2026 RM	2025 RM
EQUITY AND LIABILITIES					
EQUITY					
Share capital	15	104,135,287	100,190,018	104,135,287	100,190,018
Retained profits		122,602,585	128,239,086	97,937,524	106,109,381
Investment revaluation reserve	16	277,437,879	223,487,335	277,448,879	223,496,775
Equity attributable to owners of the Company		504,175,751	451,916,439	479,521,690	429,796,174
Non-controlling interests	5	5,692,816	5,331,877	–	–
TOTAL EQUITY		509,868,567	457,248,316	479,521,690	429,796,174
NON-CURRENT LIABILITY					
Deferred tax liabilities	17	3,089,108	2,886,086	–	–
CURRENT LIABILITIES					
Trade payables	18	2,223,330	6,323,687	–	–
Other payables and accruals	19	5,016,103	11,041,308	628,808	414,615
Amount owing to subsidiaries	13	–	–	22,136	32,334
Amount owing to non-controlling interests	20	202,500	202,500	–	–
Bankers' acceptance	21	2,208,000	2,604,000	–	–
Current tax liabilities		496,825	–	170,469	–
		10,146,758	20,171,495	821,413	446,949
TOTAL LIABILITIES		13,235,866	23,057,581	821,413	446,949
TOTAL EQUITY AND LIABILITIES		523,104,433	480,305,897	480,343,103	430,243,123

The annexed notes form an integral part of these financial statements

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

		The Group		The Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Revenue	23	74,346,901	59,280,440	2,224,442	2,758,979
Interest income	24	153,458	138,142	27,427	14,642
Other gains/(losses)	25	110,210	(398,551)	102,107	(347,337)
Other operating income		412,394	1,588,740	117,668	44,000
Changes in inventories of finished goods and work-in-progress		7,473,813	(1,399,593)	–	–
Purchase of finished goods		(3,320,236)	(7,212,003)	–	–
Raw materials and consumables used		(45,204,183)	(32,294,708)	–	–
Directors' remuneration		(3,519,932)	(2,839,876)	(599,000)	(402,628)
Employee benefit expenses		(7,238,363)	(4,732,975)	(23,130)	(4,596)
Depreciation of property, plant and equipment	6	(4,720,959)	(2,137,129)	(1,638)	(690)
Finance costs		(93,960)	(41,996)	–	–
Other operating expenses		(12,690,039)	(8,896,522)	(1,045,680)	(765,789)
Net impairment loss on financial assets	26	(340,839)	(189,151)	–	–
Profit before taxation	27	5,368,265	864,818	802,196	1,296,581
Income tax expenses	28	(1,799,890)	(303,625)	(332,616)	(9,509)
Profit after taxation		3,568,375	561,193	469,580	1,287,072
Other comprehensive income/(expenses)					
<u>Items that Will Not be Reclassified Subsequently to Profit or Loss</u>					
Fair value changes of equity investments		55,328,109	(2,249,233)	55,329,669	(2,243,993)
Total comprehensive income/(expenses) for the financial year		58,896,484	(1,688,040)	55,799,249	(956,921)

The annexed notes form an integral part of these financial statements

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (continued)

	Note	The Group		The Company	
		2026 RM	2025 RM	2026 RM	2025 RM
PROFIT AFTER TAXATION					
ATTRIBUTABLE TO:-					
Owners of the Company		3,004,936	465,378	469,580	1,287,072
Non-controlling interests		563,439	95,815	–	–
		3,568,375	561,193	469,580	1,287,072
TOTAL COMPREHENSIVE					
INCOME/(EXPENSES)					
ATTRIBUTABLE TO:-					
Owners of the Company		58,333,045	(1,783,855)	55,799,249	(956,921)
Non-controlling interests		563,439	95,815	–	–
		58,896,484	(1,688,040)	55,799,249	(956,921)
EARNINGS PER SHARE					
(SEN)	29	1.48	0.23		

The annexed notes form an integral part of these financial statements

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	← --- Non-Distributable --- →		← ----- Distributable ----- →		Total RM
		Share Capital RM	Investment Revaluation Reserve RM	Retained Profits RM	Non- Controlling Interests RM	
The Group						
Balance at 30.6.2024		100,190,018	227,145,973	141,392,807	5,438,562	474,167,360
Profit after taxation for the financial year		–	–	465,378	95,815	561,193
Other comprehensive expenses for the financial year		–	(2,249,233)	–	–	(2,249,233)
Total comprehensive expenses for the financial year		–	(2,249,233)	465,378	95,815	(1,688,040)
Dividends:						
-by the Company	30	–	–	(15,028,504)	–	(15,028,504)
-by the subsidiaries to non-controlling interests		–	–	–	(202,500)	(202,500)
Total distributions to owners		–	–	(15,028,504)	(202,500)	(15,231,004)
Transfer of investment fair value reserve upon disposal of equity instruments designated as at fair value through other comprehensive income		–	(1,409,405)	1,409,405	–	–
Balance at 30.6.2025		100,190,018	223,487,335	128,239,086	5,331,877	457,248,316

The annexed notes form an integral part of these financial statements

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

(continued)

		← -- Non-Distributable -->		← ----- Distributable ----->		
	Note	Share Capital RM	Investment Revaluation Reserve RM	Retained Profits RM	Non- Controlling Interests RM	Total RM
The Group						
Balance at 30.6.2025/ 1.7.2025		100,190,018	223,487,335	128,239,086	5,331,877	457,248,316
Profit after taxation for the financial year		–	–	3,004,936	563,439	3,568,375
Other comprehensive income for the financial year		–	55,328,109	–	–	55,328,109
Total comprehensive income for the financial year		–	55,328,109	3,004,936	563,439	58,896,484
Dividends:						
-Issuance of new shares pursuant to Dividend Reinvestment Plan	30	3,945,269	–	(3,945,269)	–	–
-Cash dividend	30	–	–	(6,073,733)	–	(6,073,733)
-by the subsidiary to non- controlling interests		–	–	–	(202,500)	(202,500)
Total distributions to owners		3,945,269	–	(10,019,002)	(202,500)	(6,276,233)
Transfer of investment fair value reserve upon disposal of equity instruments designated as at fair value through other comprehensive income		–	(1,377,565)	1,377,565	–	–
Balance at 30.6.2026		104,135,287	277,437,879	122,602,585	5,692,816	509,868,567

The annexed notes form an integral part of these financial statements

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	←--- Non-Distributable ---→		←----- Distributable -----→	
		Share Capital RM	Investment Revaluation Reserve RM	Retained Profits RM	Total RM
The Company					
Balance at 30.6.2024		100,190,018	227,150,173	118,441,408	445,781,599
Profit after taxation for the financial year		–	–	1,287,072	1,287,072
Other comprehensive expense for the financial year		–	(2,243,993)	–	(2,243,993)
Total comprehensive expense for the financial year		–	(2,243,993)	1,287,072	(956,921)
Dividends	30	–	–	(15,028,504)	(15,028,504)
Transfer of investment fair value reserve upon disposal of equity instruments designated as at fair value through other comprehensive income		–	(1,409,405)	1,409,405	–
Balance at 30.6.2025		100,190,018	223,496,775	106,109,381	429,796,174
Balance at 30.6.2025/1.7.2025		100,190,018	223,496,775	106,109,381	429,796,174
Profit after taxation for the financial year		–	–	469,580	469,580
Other comprehensive income for the financial year		–	55,329,669	–	55,329,669
Total comprehensive income for the financial year		–	55,329,669	469,580	55,799,249
Dividends:					
-Issuance of new shares pursuant to Dividend Reinvestment Plan	30	3,945,269	–	(3,945,269)	–
-Cash dividend	30	–	–	(6,073,733)	(6,073,733)
Total distributions to owners		3,945,269	–	(10,019,002)	(6,073,733)
Transfer of investment fair value reserve upon disposal of equity instruments designated as at fair value through other comprehensive income		–	(1,377,565)	1,377,565	–
Balance at 30.6.2026		104,135,287	277,448,879	97,937,524	479,521,690

The annexed notes form an integral part of these financial statements

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	The Group		The Company	
		2026 RM	2025 RM	2026 RM	2025 RM
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES					
Profit before taxation		5,368,265	864,818	802,196	1,296,581
Adjustments for:-					
Depreciation of property, plant and equipment		4,720,959	2,137,129	1,638	690
Impairment losses on trade receivables		340,839	189,151	–	–
Finance costs		93,960	41,996	–	–
Bad debt written off		–	2,500	–	–
Property, plant and equipment written off		44,222	–	–	–
Unrealised loss on foreign exchange		12,890	62,972	11,592	58,116
Dividend income		(1,414,442)	(1,948,979)	(2,224,442)	(2,758,979)
Interest income		(153,458)	(138,142)	(27,427)	(14,642)
Operating profit/(loss) before working capital changes		9,013,235	1,211,445	(1,436,443)	(1,418,234)
Increase in inventories		(5,153,499)	(1,329,842)	–	–
(Increase)/Decrease in trade and other receivables		(2,868,748)	566,138	(13,046)	72,967
Decrease in amount owing by subsidiaries		–	–	336,980	3,744,303
(Decrease)/Increase in trade and other payables		(3,071,293)	5,640,568	214,193	6,323
CASH (FOR)/FROM OPERATIONS		(2,080,305)	6,088,309	(898,316)	2,405,359
Interest paid		(93,960)	(41,996)	–	–
Income tax paid		(2,080,674)	(1,678,603)	(157,701)	(18,490)
Income tax refund		1,260,764	17,740	–	8,491
NET CASH (FOR)/FROM OPERATING ACTIVITIES		(2,994,175)	4,385,450	(1,056,017)	2,395,360
CASH FLOWS FROM INVESTING ACTIVITIES					
Dividend received		1,414,442	1,948,979	2,224,442	2,758,979
Interest income received		153,458	138,142	27,427	14,642
Proceeds from disposal of other investments		22,046,980	65,260,721	22,046,980	65,260,721
Proceeds from disposal of property, plant and equipment		–	75,324	–	75,324
Purchase of property, plant and equipment	31(a)	(8,492,976)	(32,824,266)	(1,900)	(56,026)
Purchase of quoted shares		–	(28,362,771)	–	(28,362,771)
Advances to subsidiaries		–	–	(14,610,000)	(21,770,000)
NET CASH FROM INVESTING ACTIVITIES		15,121,904	6,236,129	9,686,949	17,920,869

The annexed notes form an integral part of these financial statements

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	Note	The Group		The Company	
		2026 RM	2025 RM	2026 RM	2025 RM
CASH FLOWS FOR FINANCING ACTIVITIES					
Dividend paid		(6,276,233)	(15,332,254)	(6,073,733)	(15,028,504)
(Repayment)/Proceeds from banker's acceptance	31(b)	(396,000)	2,604,000	–	–
Repayment to subsidiaries	31(b)	–	–	(10,198)	(12,381)
NET CASH FOR FINANCING ACTIVITIES		(6,672,233)	(12,728,254)	(6,083,931)	(15,040,885)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		5,455,496	(2,106,675)	2,547,001	5,275,344
EFFECTS OF FOREIGN EXCHANGE TRANSLATION		(12,890)	(62,972)	(11,592)	(58,116)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		24,239,805	26,409,452	11,994,241	6,777,013
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR		29,682,411	24,239,805	14,529,650	11,994,241

The cash and cash equivalents comprise the following:-

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Cash and bank balances	19,436,070	18,953,950	9,127,198	9,732,998
Short-term investments (Note 14)	10,246,341	5,285,855	5,402,452	2,261,243
Cash and cash equivalents	29,682,411	24,239,805	14,529,650	11,994,241

The annexed notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are located at Lot 6 & 20, Persiaran Tasek, Kawasan Perindustrian Tasek, 31400 Ipoh, Perak Darul Ridzuan.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as “the Group”.

The financial statements of the Group and of the Company are presented in Ringgit Malaysia (“RM”), which is the Company’s functional and presentation currency.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 30 September 2026.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

- 3.1 During the current financial year, the Group and the Company have adopted the following new accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any):-

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

Amendments to MFRS 121: Lack of Exchangeability

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) did not have any material impact on the financial statements of the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

3. BASIS OF PREPARATION (CONT'D)

- 3.2 The Group and the Company have not applied in advance the following accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

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

MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
MFRS 20 Regulatory Assets and Regulatory Liabilities	1 January 2029
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121: Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to MFRS 128: Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	1 January 2027
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except as follows:-

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and their accompanying notes. The statements of financial position and the statements of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group and of the Company has yet to be assessed.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Impairment of Investments in Subsidiaries

The Company determines whether an item of its investment in subsidiaries is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amount of investments in subsidiaries as at reporting date is disclosed in Note 5 to the financial statements.

(b) Impairment of Property, Plant and Equipment

The Group and the Company determine whether an item of its property, plant and equipment is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amount of property, plant and equipment as at reporting date is disclosed in Note 6 to the financial statements.

(c) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group and the Company anticipate that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 6 to the financial statements.

(d) Impairment of Goodwill

The assessment of whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which the goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill as at the reporting date is disclosed in Note 8 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(e) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 10 to the financial statements.

(f) Impairment of Trade Receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables. The carrying amount of trade receivables as at the reporting date is disclosed in Note 11 to the financial statements.

(g) Impairment of Other Receivables and Amount Owing By Subsidiaries

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group and the Company to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group and the Company use judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amounts of other receivables and amount owing by subsidiaries as at the reporting date are disclosed in Note 12 and Note 13 to the financial statements respectively.

(h) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense in the period in which such determination is made. The carrying amount of current tax assets/(liabilities) of the Group and of the Company as at the reporting date are RM1,764,626 and (RM170,469) (2025 – RM2,541,584 and RM4,446) respectively.

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

Financial Assets Through Other Comprehensive Income

The Group and the Company have elected to designate the equity instruments as financial assets through other comprehensive income at initial recognition.

The financial assets are initially measured at fair value plus transaction costs. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes taken up in other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference of a debt instrument which are recognised directly in profit or loss. The fair value changes do not include interest and dividend income.

(b) Financial Liabilities

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

(d) Derivatives

Derivatives are initially measured at fair value. Subsequent to the initial recognition, the derivatives are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss.

4.3 GOODWILL

Goodwill is initially measured at cost. Subsequent to the initial recognition, the goodwill is measured at cost less accumulated impairment losses, if any. A bargain purchase gain is recognised in profit or loss immediately.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.4 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries which are eliminated on consolidation, are stated in the financial statements of the Company at cost less impairment losses, if any.

4.5 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

Subsequent to the initial recognition, all property, plant and equipment, other than freehold land and buildings, are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Leasehold land	60 – 99 years
Buildings and improvements	2% to 33 ½%
Plant, machinery and equipment	5% to 33 ½%
Furniture, fixtures and office equipment	10% to 50%
Motor vehicles and forklifts	20%

Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

4.6 SHORT-TERM LEASE

The Group and the Company apply the “short-term lease” and “lease of low-value assets” recognition exemption. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

4.7 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost method and comprises all costs of purchase plus other costs incurred in bringing the inventories to their present location and condition.

5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2026	2025
	RM	RM
Unquoted shares, at cost	69,016,436	69,016,436
Accumulated impairment losses	(14,919,474)	(14,919,474)
	54,096,962	54,096,962

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows:-

Name of subsidiaries	Principal Place of Business and Country of incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2026	2025	
Subsidiaries of the Company				
Chemical Industries (Malaya) Sdn. Bhd.	Malaysia	100.00%	100.00%	Manufacture and sale of ethyl alcohol and the production and sale of distillers dried grains with solubles.
Hexzachem Sarawak Sdn. Bhd.	Malaysia	80.00%	80.00%	Manufacture and sale of formaldehyde, formaldehyde based resins and hardeners.
Norsechem Marketing Sdn. Bhd.	Malaysia	100.00%	100.00%	Marketing and distribution of consumer products and industrial chemicals.
Summit Development Corporation Sdn. Berhad @	Malaysia	100.00%	100.00%	Property development.
Hexza-Mather Sdn. Bhd.	Malaysia	100.00%	100.00%	Manufacture and sale of alcoholic and non-alcoholic beverages. Ceased operations since 2012.
Norsechem Resins Sdn. Berhad	Malaysia	100.00%	100.00%	Dormant.
Synthetic Bakelites (Malaysia) Sdn. Bhd.	Malaysia	96.92%	96.92%	Dormant.
Subsidiaries of Chemical Industries (Malaya) Sdn. Bhd.				
Bio-Acetic Products Sdn. Bhd.	Malaysia	100.00%	100.00%	Manufacture and sale of natural vinegar.

@ The subsidiary holds unsold completed property units and remained dormant during the financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (a) The non-controlling interests at the end of the reporting period comprise the following:-

	Effective Equity Interest		The Group	
	2026 %	2025 %	2026 RM	2025 RM
Hexzachem Sarawak Sdn. Bhd.	20	20	5,692,125	5,330,840
Other individually immaterial subsidiary			691	1,037
			5,692,816	5,331,877

- (b) The summarised financial information (before intra-group elimination) for each subsidiary that has non-controlling interests that are material to the Group is as follows:-

	Hexzachem Sarawak Sdn. Bhd.	
	2026 RM	2025 RM
<u>At 30 June</u>		
Non-current assets	9,458,201	9,939,225
Current assets	22,926,160	23,686,879
Non-current liabilities	(875,023)	(1,127,861)
Current liabilities	(3,048,704)	(5,844,048)
Net assets	28,460,634	26,654,195
<u>Financial Year Ended 30 June</u>		
Revenue	36,539,108	32,868,558
Profit for the financial year	2,818,939	480,403
Total Comprehensive Income	2,818,939	480,403
Total comprehensive income attributable to non-controlling interests	563,439	95,815
Dividends paid to non-controlling interests	202,500	202,500
Net cash flows from operating activities	2,285,182	870,100
Net cash flows from investing activities	65,652	16,720
Net cash flows for financing activities	(1,012,144)	(1,519,094)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

6. PROPERTY, PLANT AND EQUIPMENT

The Group

2026

Carrying Amount

	At 1.7.2025 RM	Additions RM	Written off RM	Transfer RM	Depreciation Charges RM	At 30.6.2026 RM
Freehold land	15,385	-	-	-	-	15,385
Leasehold land	11,489,977	-	-	-	(330,726)	11,159,251
Buildings and improvements	9,938,596	28,800	(154)	452,775	(444,499)	9,975,518
Plant, machinery and equipment	57,932,902	44,212	-	4,992,649	(3,735,820)	59,233,943
Furniture, fixtures and office equipment	208,110	2,613	(112)	126,229	(85,519)	251,321
Motor vehicles and forklifts	287,266	-	-	219,132	(124,395)	382,003
Capital work-in-progress	6,623,976	1,363,082	(43,956)	(5,790,785)	-	2,152,317
	86,496,212	1,438,707	(44,222)	-	(4,720,959)	83,169,738

The Group

2025

Carrying Amount

	At 1.7.2024 RM	Additions RM	Written off RM	Transfer RM	Depreciation Charges RM	At 30.6.2025 RM
Freehold land	15,385	-	-	-	-	15,385
Leasehold land	11,820,702	-	-	-	(330,725)	11,489,977
Buildings and improvements	7,869,652	-	-	2,456,552	(387,608)	9,938,596
Plant, machinery and equipment	6,198,668	79,748	-	52,804,230	(1,149,744)	57,932,902
Furniture, fixtures and office equipment	213,254	52,022	-	113,056	(170,222)	208,110
Motor vehicles and forklifts	386,096	-	-	-	(98,830)	287,266
Capital work-in-progress	21,572,937	40,500,201	(75,324)	(55,373,838)	-	6,623,976
	48,076,694	40,631,971	(75,324)	-	(2,137,129)	86,496,212

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
The Group			
2026			
Freehold land	15,385	–	15,385
Leasehold land	16,093,333	(4,934,082)	11,159,251
Buildings and improvements	21,238,437	(11,262,919)	9,975,518
Plant, machinery and equipment	141,899,900	(82,665,957)	59,233,943
Furniture, fixtures and office equipment	2,639,809	(2,388,488)	251,321
Motor vehicles and forklifts	2,237,487	(1,855,484)	382,003
Capital work-in-progress	2,152,317	–	2,152,317
	186,276,668	(103,106,930)	83,169,738

2025

Freehold land	15,385	–	15,385
Leasehold land	16,093,333	(4,603,356)	11,489,977
Buildings and improvements	20,757,462	(10,818,866)	9,938,596
Plant, machinery and equipment	136,863,039	(78,930,137)	57,932,902
Furniture, fixtures and office equipment	2,533,769	(2,325,659)	208,110
Motor vehicles and forklifts	2,018,355	(1,731,089)	287,266
Capital work-in-progress	6,623,976	–	6,623,976
	184,905,319	(98,409,107)	86,496,212

	At 1.7.2025 RM	Additions RM	Depreciation Charges RM	At 30.6.2026 RM
The Company				
2026				
<i>Carrying Amount</i>				
Furniture, fixtures and office equipment	3,732	1,900	(1,638)	3,994
Motor vehicles	1	–	–	1
	3,733	1,900	(1,638)	3,995

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At 1.7.2024 RM	Additions RM	Disposal RM	Transfer RM	Depreciation Charges RM	At 30.6.2025 RM
The Company						
2025						
<i>Carrying Amount</i>						
Furniture, fixtures and office equipment	866	-	-	3,556	(690)	3,732
Motor vehicles	1	-	-	-	-	1
Capital work-in-progress	22,854	56,026	(75,324)	(3,556)	-	-
	23,721	56,026	(75,324)	-	(690)	3,733

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
The Company			
2026			
Furniture, fixtures and office equipment	46,854	(42,860)	3,994
Motor vehicles	156,796	(156,795)	1
	203,650	(199,655)	3,995
2025			
Furniture, fixtures and office equipment	44,954	(41,222)	3,732
Motor vehicles	156,796	(156,795)	1
	201,750	(198,017)	3,733

7. OTHER INVESTMENTS

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
<u>Non-current</u>				
Quoted ordinary shares (Note 36.5)	367,484,270	334,203,141	367,481,750	334,199,061
Unquoted ordinary shares (Note 36.5)	3,880,800	3,880,800	3,880,800	3,880,800
	371,365,070	338,083,941	371,362,550	338,079,861

During the financial year, the Group and the Company have disposed of certain investments as these investments no longer suited the Group's and the Company's investment strategy. The shares sold had a fair value of RM22,046,980 (2025 – RM65,260,721) at the time of sale and the Group and the Company realised a cumulative gain of RM1,377,565 (2025 – RM1,409,405) by transferring the associated fair value reserve to retained profits.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

8. GOODWILL

	The Group	
	2026 RM	2025 RM
Cost:-		
As at beginning/end of financial year	2,129,365	2,129,365

(a) The carrying amounts of goodwill allocated to each cash-generating unit are as follows:

	2026 RM	2025 RM
Resin segment	1,990,312	1,990,312
Ethanol Segment	139,053	139,053
	2,129,365	2,129,365

(b) The impairment tests for cash-generating units containing goodwill are summarised below:

Resin segment

The Group has assessed the recoverable amount of goodwill allocated to the Resin segment.

The recoverable amount was determined using the value-in-use approach, based on cash flow projections derived from financial budgets approved by management covering a five-year period from the financial years 2027 to 2031.

The key assumptions used in the determination of the recoverable amount are as follows:

	2026
Sales growth rate	2% – 5% per annum
Gross margin	28% – 31% per annum
Pre-tax discount rate	7.0%
Terminal growth rate	0%

The values assigned to the key assumptions above reflect management's past experience and its assessment of future trends in the cash-generating unit, based on both external sources and internal historical data.

Based on the assessment, no impairment on goodwill was required as the recoverable amount of the goodwill exceeded its carrying amount.

Management believes that any reasonably possible change in any of these key assumptions would not cause the carrying amount of the cash-generating unit to exceed its recoverable amount.

Ethanol segment

Management has deemed the goodwill arising from Ethanol segment as immaterial to the Group's financial statements. Consequently, separately detailed disclosure regarding the impairment testing have not been presented.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

9. FINANCE LEASE RECEIVABLE

	The Group and The Company	
	2026 RM	2025 RM
Finance lease receivable	35,484,179	35,484,179
Impairment loss on finance lease receivable	(35,484,179)	(35,484,179)
	–	–

	The Group and The Company			
	Minimum Lease Payments		Present Value of Minimum Lease Payments	
	2026 RM	2025 RM	2026 RM	2025 RM
Amount receivable under finance lease	65,672,130	65,672,130	35,484,179	35,484,179
Less: Unearned finance income	(30,187,951)	(30,187,951)	–	–
Present value of minimum lease receivable	35,484,179	35,484,179	35,484,179	35,484,179
Less: Impairment loss on finance lease receivable	(35,484,179)	(35,484,179)	(35,484,179)	(35,484,179)
	–	–	–	–

Leasing arrangements

In prior years, the Group and the Company entered into a Sale & Purchase and Leaseback Agreement (“Agreement”) to acquire part of the equipment for a 8MW Heavy Fuel Oil Power Generation System of USD6,000,000 (equivalent to RM25,755,000) from Tembusu Industries Pte. Ltd. (“Tembusu”). Under the said Agreement, Tembusu agreed to lease back the equipment for a period of 10 years commencing on 1 July 2015, with monthly lease rental of USD130,205 (equivalent to RM558,905) payable in arrears on a quarterly basis. Tembusu shall take ownership of the equipment at the end of the lease for a further payment of USD10,000 after due performance of all the terms and conditions under the lease agreement or the exercise of Buy-out Option by the lessee as stipulated in the agreement.

The unguaranteed residual value of the asset leased under financial lease at the end of the reporting period was estimated at USD10,000 (equivalent to RM42,925).

The interest rate inherent in the lease was fixed at the contract date for the entire lease term. The average effective interest rate contracted was approximately 23.36% per annum.

The finance lease receivable was denominated in United States Dollar (“USD”).

The Group and the Company had provided for impairment in full on the outstanding amount owing by the finance lease receivable following Tembusu’s failure to repay its obligations. The Group and the Company had tried various means to recover the amount receivable, including filing a bankruptcy application against the guarantor of the lease agreement, but to no avail. In 2021, the Group and the Company decided that there will be no further action taken against the finance lease receivable, unless and until new evidence or information becomes available that the finance lease receivable is in a position to repay the outstanding amount.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

10. INVENTORIES

	The Group	
	2026 RM	2025 RM
Raw materials and consumables	7,596,014	8,330,029
Finished goods	10,485,310	3,011,497
Goods-in-transit	711,028	2,297,327
Completed development units for sale	116,897	116,897
	18,909,249	13,755,750

The amount of inventories recognised as an expense in profit or loss was RM56,096,827 (2025 – RM59,026,441).

11. TRADE RECEIVABLES

	The Group	
	2026 RM	2025 RM
Third parties	15,599,801	12,564,261
Allowance for impairment losses	(939,759)	(598,920)
	14,660,042	11,965,341
Allowance for impairment losses:-		
As at beginning of financial year	598,920	409,769
Addition during the year (Note 26)	340,839	298,342
Reversal during the year (Note 26)	–	(109,191)
As at end of financial year	939,759	598,920

The Group's normal trade credit terms range from 30 to 90 (2025 – 30 to 90) days. Other credit terms are assessed and approved on a case-by-case basis.

12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Other receivables	72,226	14,876	46	5
Deposits	94,293	94,797	13,231	13,231
Prepayments	760,588	984,226	40,227	27,222
	927,107	1,093,899	53,504	40,458

Included in prepayments is advance payments made to suppliers for the purchase of raw materials and office equipment of Nil (2025 – RM690,209).

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

13. AMOUNT OWING BY/(TO) SUBSIDIARIES

	The Company	
	2026 RM	2025 RM
Amount Owing by Subsidiaries		
<u>Current</u>		
Non-trade balances	42,930,941	28,657,921
Allowance for impairment losses	(2,634,499)	(2,634,499)
	40,296,442	26,023,422
Allowance for impairment losses:		
As at beginning/end of financial year	2,634,499	2,634,499
Amount Owing to Subsidiaries		
<u>Current</u>		
Non-trade balances	(22,136)	(32,334)

The amount owing by/(to) subsidiaries represent unsecured interest-free advances and payments made on behalf which are repayable on demand. The amounts are to be settled in cash.

14. SHORT-TERM INVESTMENTS

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Money market funds, at fair value	10,246,341	5,285,855	5,402,452	2,261,243

The money market funds represent investments in highly liquid money market instruments and deposits with financial institutions in Malaysia which are redeemable with 1 (2025 – 1) day notice at known amounts of cash and are subject to an insignificant risk of changes in value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

15. SHARE CAPITAL

	The Group/The Company			
	2026	2025	2026	2025
	Number Of Shares		RM	RM
Issued and Fully Paid-Up				
<i>Ordinary shares</i>				
As at beginning of financial year	200,380,036	200,380,036	100,190,018	100,190,018
Issuance of shares pursuant to Dividend Reinvestment Plan	5,225,521	–	3,945,269	–
As at end of financial year	205,605,557	200,380,036	104,135,287	100,190,018

- (a) During the financial year, the Company increased its issued and paid-up share capital from RM100,190,018 to RM104,135,287 by way of issuance of 5,225,521 new ordinary shares of RM0.755 per share pursuant to the DRP application.

The new ordinary shares issued rank equally in all respects with the existing ordinary shares of the Company.

- (b) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

16. INVESTMENT REVALUATION RESERVE

The investment revaluation reserve represents the cumulative fair value changes (net of tax, where applicable) of investments designated at fair value through other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

17. DEFERRED TAX LIABILITIES

	At 1.7.2025 RM	Recognised in Profit or Loss (Note 28) RM	At 30.6.2026 RM
The Group			
2026			
<i>Deferred Tax Liabilities</i>			
Property, plant and equipment	1,522,649	526,263	2,048,912
Revaluation surplus	1,446,996	(44,289)	1,402,707
	2,969,645	481,974	3,451,619
<i>Deferred Tax Assets</i>			
Provisions	(83,559)	(278,952)	(362,511)
	2,886,086	203,022	3,089,108
2025			
<i>Deferred Tax Liabilities</i>			
Property, plant and equipment	1,778,653	(256,004)	1,522,649
Revaluation surplus	1,491,285	(44,289)	1,446,996
	3,269,938	(300,293)	2,969,645
<i>Deferred Tax Assets</i>			
Provisions	(95,571)	12,012	(83,559)
Unabsorbed capital allowances	(101,240)	101,240	—
Unused tax losses	(63,084)	63,084	—
Other deductible temporary differences	(25,146)	25,146	—
	(285,041)	201,482	(83,559)
	2,984,897	(98,811)	2,886,086

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

17. DEFERRED TAX LIABILITIES (CONT'D)

At the end of the reporting period, the amounts of deferred tax assets not recognised (stated at gross) due to uncertainty of their realisation are as follows:

	The Group	
	2026 RM	2025 RM
Unabsorbed capital allowances	8,713,929	8,696,632
Unused tax losses		
- expires 30 June 2028	7,444,059	7,444,059
- expires 30 June 2029	237,476	237,476
- expires 30 June 2030	132,014	132,014
- expires 30 June 2031	27,408	27,408
- expires 30 June 2032	227,382	227,382
- expires 30 June 2033	157,089	157,089
- expires 30 June 2034	181,356	181,202
- expires 30 June 2035	–	–
- expires 30 June 2036	216,070	–
	17,336,783	17,103,262

Based on the current legislation, the unused tax losses up to the year of assessment 2018 can be carried forward until the year of assessment 2028 and the unused tax losses for 2019 onwards are allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment; whereas the unabsorbed capital allowances are allowed to be carried forward indefinitely.

18. TRADE PAYABLES

The normal trade credit term granted to the Group range from 1 to 90 (2025 – 1 to 90) days.

19. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Other payables	1,126,414	2,607,122	21,527	15,024
Accruals	3,889,689	8,434,186	607,281	399,591
	5,016,103	11,041,308	628,808	414,615

Included in the other payables and accruals of the Group are unpaid balances of RM753,436 (2025 – RM7,807,705) for acquisition of plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

20. AMOUNT OWING TO NON-CONTROLLING INTERESTS

The amount owing to non-controlling interests represents dividend payable. The amount owing is to be settled in cash.

21. BANKERS' ACCEPTANCE

	The Group	
	2026 RM	2025 RM
<u>Secured</u> Bankers' acceptance	2,208,000	2,604,000

(a) The bankers' acceptance of the Group is secured by a corporate guarantee by the Company.

(b) The interest rate profile of the bankers' acceptance of the Group are summarised below:-

	Interest Rate	Effective Interest Rate	
		2026	2025
Bankers' acceptance	Floating	4.49% - 4.90%	4.87% - 5.15%

22. DERIVATIVE INSTRUMENTS

	Contract/Notional Amount	
	2026 RM	2025 RM
Forward currency contracts	–	965,126

The Group does not apply hedge accounting.

- (a) In previous financial year, forward currency contracts are used to hedge the Group's purchases denominated in United States Dollar (USD) for which firm commitments existed at the end of the reporting period. The settlement date of the forward currency contracts range from 18 days to 75 days after the end of the reporting period.
- (b) Based on the fair value assessment performed, the gain/(loss) on the forward currency contracts was immaterial.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

23. REVENUE

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Revenue from Contracts with Customers				
<u>Recognised at a point in time</u>				
Manufacturing and sale of ethyl alcohol and distillers dried grains with solubles	35,739,369	23,080,261	–	–
Manufacturing and sale of adhesive resins and glues	36,539,108	32,868,558	–	–
Sale of consumer products and industrial chemicals	–	656,890	–	–
Manufacturing and sale of natural vinegar	653,982	725,752	–	–
	72,932,459	57,331,461	–	–
Revenue from other sources				
Dividend income	1,414,442	1,948,979	2,224,442	2,758,979
	74,346,901	59,280,440	2,224,442	2,758,979

(a) The information on the disaggregation of revenue based on geographical region is summarised below:-

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Malaysia	72,748,628	58,279,703	1,460,572	2,074,127
United States	762,037	617,928	762,037	617,928
Singapore	834,403	380,725	–	64,840
Indonesia	1,833	2,084	1,833	2,084
	74,346,901	59,280,440	2,224,442	2,758,979

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

23. REVENUE (CONT'D)

- (b) **Manufacturing and sales of ethyl alcohol and distillers dried grains with solubles/Manufacturing and sale of adhesive resins and glues/Sale of consumer products and industrial chemicals/Manufacturing and sale of natural vinegar**

Revenue from manufacturing and sales of ethyl alcohol and distillers dried grains with solubles, manufacturing and sale of adhesive resins and glues, sale of consumer products and industrial chemicals and manufacturing and sale of natural vinegar are recognised at a point in time when goods have been delivered and accepted by customers, net of discount.

The Group does not provide warranties, returns, refunds, or other similar obligations to its customers.

No element of significant financing is deemed present as the sales are made with credit terms not exceeding 12 months which are consistent with prevailing market practice.

- (c) **Dividend Income**

Dividend income is recognised when the right to receive dividend payment is established.

24. INTEREST INCOME

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Interest income from:				
- short-term deposits with licensed banks	148,810	133,204	27,427	14,642
- money market funds	4,648	4,938	–	–
	153,458	138,142	27,427	14,642

25. OTHER GAINS/(LOSSES)

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Fair value gain on short-term investments	271,781	118,149	157,151	2,147
Loss on foreign exchange:				
- unrealised	(12,890)	(62,972)	(11,592)	(58,116)
- realised	(104,464)	(452,538)	(43,452)	(291,368)
Insurance recoverable	–	1,310	–	–
Bad debts written off	–	(2,500)	–	–
Property, plant and equipment written off	(44,222)	–	–	–
Other income	5	–	–	–
	110,210	(398,551)	102,107	(347,337)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

26. NET IMPAIRMENT LOSS ON FINANCIAL ASSETS

	The Group	
	2026 RM	2025 RM
Impairment losses:		
- trade receivables	340,839	298,342
Reversal of impairment losses:		
- trade receivables	–	(109,191)
	340,839	189,151

27. PROFIT BEFORE TAXATION

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Profit before taxation is arrived at after charging/(crediting):-				
Auditors' remuneration				
- audit fees	174,000	167,000	62,000	58,000
- non-audit fees	3,000	3,000	3,000	3,000
Directors' remuneration	2,918,932	2,631,367	104,000	111,000
Directors' fees	601,000	405,128	495,000	291,628
Material Expenses/(Income)				
Depreciation on property, plant and equipment	4,720,959	2,137,129	1,638	690
Employee benefit expenses including key management personnel as disclosed in Note 32	7,238,363	4,732,975	23,130	4,596
Expense relating to leases of low value assets	5,347	4,863	–	–
Interest expense	93,960	41,996	–	–
Sales of ethanol	(284,325)	(965,691)	–	–
Sales of distillers dried grains with solubles	–	(300,107)	–	–
Compensation received	–	(26,170)	–	–
Sales of scrap	(18,518)	(29,726)	–	–
Refund of insurance	–	(29,511)	–	–

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

27. PROFIT BEFORE TAXATION (CONT'D)

Included in employee benefit expenses are contributions made by the Group to the Employee Provident Fund ("EPF") of RM656,465 (2025 – RM458,445).

Included in directors' remuneration are contributions made by the Group to the Employee Provident Fund ("EPF") of RM223,776 (2025 – RM139,197).

The estimated monetary value of benefits-in-kind provided by the Group to the directors of the Company was RM18,625 (2025 – RM17,971).

28. INCOME TAX EXPENSES

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Current tax expense:				
- for the financial year	1,270,665	212,288	2,000	9,509
- (over)/underprovision in the previous financial year	(4,413)	190,148	–	–
	1,266,252	402,436	2,000	9,509
Capital gains tax	330,616	–	330,616	–
	1,596,868	402,436	332,616	9,509
Deferred tax (Note 17):				
- origination and reversal of temporary differences	164,378	(43,827)	–	–
- under/(over)provision in the previous financial year	38,644	(54,984)	–	–
	203,022	(98,811)	–	–
Total income tax expense	1,799,890	303,625	332,616	9,509

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

28. INCOME TAX EXPENSES (CONT'D)

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company are as follows:-

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Profit before taxation	5,368,265	864,818	802,196	1,296,581
Tax at the statutory tax rate of 24% (2025 – 24%)	1,288,384	207,556	192,527	311,179
Tax effects of:				
Non-taxable income	(404,576)	(568,640)	(571,582)	(684,465)
Non-deductible expenses	509,820	564,306	381,055	382,795
Double deductions	(14,630)	(11,268)	–	–
Capital gain tax	330,616	–	330,616	–
Deferred tax assets not recognised during the financial year	56,045	6,141	–	–
Utilisation of deferred tax assets previously not recognised	–	(29,634)	–	–
(Over)/Underprovision of current tax in the previous financial year	(4,413)	190,148	–	–
Under/(Over)provision of deferred taxation in the previous financial year	38,644	(54,984)	–	–
	1,799,890	303,625	332,616	9,509

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2025 – 24%) of the estimated assessable profit for the financial year.

29. EARNINGS PER SHARE

(a) Basic Earnings Per Share

The basic earnings per share is calculated by dividing the consolidated profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	The Group	
	2026	2025
Profit after taxation attributable to owners of the Company (RM)	3,004,936	465,378
Weighted average number of ordinary shares in issue	202,992,797	200,380,036
Basic earnings per share (sen)	1.48	0.23

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

29. EARNINGS PER SHARE (CONT'D)

(b) Diluted Earnings Per Share

The diluted earnings per share is equal to the basic earnings per share because there were no potential ordinary shares during the financial year.

30. DIVIDENDS

	The Group and The Company	
	2026 RM	2025 RM
Ordinary Share		
A single-tier final dividend of 5.0 sen per ordinary share in respect of the financial year ended 30 June 2024	–	10,019,002
A special dividend of 2.5 sen per ordinary share in respect of the financial year ended 30 June 2024	–	5,009,502
A single-tier final dividend of 5.0 sen per ordinary share in respect of the financial year ended 30 June 2025		
(a) Issuance of new shares of the Company pursuant to the Dividend Reinvestment Plan	3,945,269	–
(b) Cash dividend	6,073,733	–
	10,019,002	15,028,504

- (a) At the Extraordinary General Meeting of the Company held on 22 November 2025, the shareholders of the Company approved the Company's Dividend Reinvestment Plan ("DRP"). RM3,945,269 of the final dividend which was satisfied by the issuance of 5,225,521 new ordinary shares of the Company at the issue price of RM0.755 per ordinary share pursuant to the DRP and the balance via cash payment of RM6,073,733.
- (b) At the forthcoming Annual General Meeting, a single-tier final dividend of 7.5 sen per ordinary share amounting to RM15,420,417 in respect of the current financial year will be proposed for shareholders' approval. DRP will be applied to the entire final dividend and that shareholders of the Company will be given the option to elect to reinvest their entire final dividend into new shares. The financial statements for the current financial year do not reflect this proposed dividend.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

31. CASH FLOW INFORMATION

(a) The cash disbursed for the purchase of property, plant and equipment is as follows:-

	The Group	
	2026	2025
	RM	RM
Property, plant and equipment		
Cost of property, plant and equipment purchased (Note 6)	1,438,707	40,631,971
Less: Other payables and accruals – balance remain unpaid as at the end of the financial year	–	(7,807,705)
Add: Payment in respect of the previous financial year's purchases	7,054,269	–
	8,492,976	32,824,266

	The Company	
	2026	2025
	RM	RM
Property, plant and equipment		
Cost of property, plant and equipment purchased (Note 6)	1,900	56,026

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

31. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:-

	Bankers' acceptance RM	Amount owing to non-controlling interests RM	Total RM
The Group			
2026			
As at beginning of financial year	2,604,000	202,500	2,806,500
<u>Changes in Financing Cash Flows</u>			
Repayment of bankers' acceptances	(396,000)	–	(396,000)
Dividend paid	–	(202,500)	(202,500)
	(396,000)	(202,500)	(598,500)
<u>Other Changes</u>			
Dividend payable	–	202,500	202,500
As at end of financial year	2,208,000	202,500	2,410,500
2025			
As at beginning of financial year	–	303,750	303,750
<u>Changes in Financing Cash Flows</u>			
Drawdown of bankers' acceptances	2,604,000	–	2,604,000
Dividend paid	–	(303,750)	(303,750)
	2,604,000	(303,750)	2,300,250
<u>Other Changes</u>			
Dividend payable	–	202,500	202,500
As at end of financial year	2,604,000	202,500	2,806,500

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

31. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

	Amount owing to subsidiaries RM
The Company	
2026	
As at beginning of financial year	32,334
<u>Changes in Financing Cash Flows</u>	
Repayment to subsidiaries	(10,198)
As at end of financial year	22,136
2025	
As at beginning of financial year	44,715
<u>Changes in Financing Cash Flows</u>	
Repayment to subsidiaries	(12,381)
As at end of financial year	32,334

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

32. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors of the Company, subsidiaries and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:-

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Directors				
<u>Directors of the Group and of the Company</u>				
Short-term employee benefits:				
- fees				
- directors of the Company	130,000	–	130,000	–
- salaries, bonuses and other benefits				
- directors of the Company	2,330,571	1,775,242	–	–
- directors of the subsidiaries	251,585	399,308	–	–
Defined contribution benefits				
- directors of the Company	193,920	107,605	–	–
- directors of the subsidiaries	29,856	31,592	–	–
Total directors' remuneration	2,935,932	2,313,747	130,000	–
Key management personnel				
Short-term employee benefits	434,455	175,740	–	–
Defined contribution benefits	51,930	20,880	–	–
	486,385	196,620	–	–

The estimated monetary value of benefits-in-kind provided by the Group to the directors of the Company was RM18,625 (2025 - RM17,971).

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

33. RELATED PARTY DISCLOSURES

(a) Subsidiaries

The subsidiaries are disclosed in Note 5 to the financial statements.

(b) Significant Related Party Transactions and Balances

The Company carried out the following significant transactions with the related parties during the financial year:-

	The Company	
	2026	2025
	RM	RM
Advances to subsidiaries	(14,610,000)	(21,770,000)
Gross dividend receivable from subsidiaries	810,000	810,000
Payment on behalf by subsidiaries	144	–
Payment on behalf to subsidiaries	173,846	244,077

The significant outstanding balances of the related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in the Notes 13 and 20 to the financial statements.

34. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Board of Directors and Group Executive Director as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a quarterly basis. For management purposes, the Group is organised into business units based on their products and services provided. In addition, the businesses are also considered from a geographical perspective.

The Group is organised into 5 main reportable segments as follows:-

- Investment holding – involved in the business of investment holding
- Resins – involved in the manufacture and sale of formaldehyde based adhesive resins and glue for the wood related industries
- Ethanol – involved in the manufacture and sale of ethyl alcohol and production and sales of distillers dried grains with solubles
- Trading – involved in the marketing and distribution of consumer products and industrial chemicals
- Others – involved in the business of property development, manufacture and sale of natural vinegar and dormant companies

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

34. OPERATING SEGMENTS (CONT'D)

- (a) The chief operating decision makers assess the performance of the reportable segments based on their operating income before unallocated corporate expenses and finance cost. The accounting policies of the reportable segments are the same as the Group's accounting policies.
- (b) Each reportable segment assets is measured based on all assets (including goodwill) of the segment other than tax-related assets. Assets used jointly by reportable segments are allocated on the basis of the revenue earned by individual reportable segments.
- (c) Each reportable segment liabilities is measured based on all liabilities of the segment other than tax-related liabilities. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.
- (d) Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items.

Transactions between reportable segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

34. OPERATING SEGMENTS (CONT'D)

34.1 BUSINESS SEGMENTS

2026	Investment holding RM	Resins RM	Ethanol RM	Trading RM	Others RM	Consolidation Adjustments RM	The Group RM
Revenue							
External revenue	1,414,442	36,539,108	35,739,369	-	653,982	-	74,346,901
Inter-segment revenue	810,000	-	156,770	-	-	(966,770)	-
Total revenue	2,224,442	36,539,108	35,896,139	-	653,982	(966,770)	74,346,901
Results							
Segment profit/(loss)	774,769	3,671,404	1,605,533	(131,186)	198,247	(810,000)	5,308,767
Interest income	27,427	109,864	11,104	4,364	699	-	153,458
Finance costs	-	(5,362)	(88,598)	-	-	-	(93,960)
Profit/(Loss) before taxation	802,196	3,775,906	1,528,039	(126,822)	198,946	(810,000)	5,368,265
Other Information							
Interest income	27,427	109,864	11,104	4,364	699	-	153,458
Finance costs	-	(5,362)	(88,598)	-	-	-	(93,960)
Depreciation of property, plant and equipment	(1,638)	(496,542)	(4,166,772)	(3,000)	(53,007)	-	(4,720,959)
Impairment of trade receivables	-	(320,000)	(20,839)	-	-	-	(340,839)
Unrealised foreign exchange loss	(11,592)	-	(1,298)	-	-	-	(12,890)
Realised foreign exchange loss	(43,452)	(13,924)	(46,751)	-	(337)	-	(104,464)
Fair value gain on short-term investments	157,151	-	-	32,711	81,919	-	271,781
Dividend income	2,224,442	-	-	-	-	(810,000)	1,414,442

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

34. OPERATING SEGMENTS (CONT'D)

34.1 BUSINESS SEGMENTS (CONT'D)

2026	Investment holding RM	Resins RM	Ethanol RM	Trading RM	Others RM	Consolidation Adjustments RM	The Group RM
Assets							
Segment assets	388,079,064	32,444,361	92,847,143	2,549,301	4,923,113	-	520,842,982
Unallocated assets:-							
- current tax assets							2,261,451
Consolidated total assets							523,104,433
<u>Additions to non-current assets other than financial instruments</u>							
Property, plant and equipment	1,900	44,212	1,391,784	713	98	-	1,438,707
Liabilities							
Segment liabilities	(628,808)	(1,922,646)	(7,058,955)	(9,601)	(29,923)	-	(9,649,933)
Unallocated liabilities:-							(496,825)
- current tax liabilities							(3,089,108)
- deferred tax liabilities							
Consolidated total liabilities							(13,235,866)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

34. OPERATING SEGMENTS (CONT'D)

34.1 BUSINESS SEGMENTS (CONT'D)

2025	Investment holding RM	Resins RM	Ethanol RM	Trading RM	Others RM	Consolidation Adjustments RM	The Group RM
Revenue							
External revenue	1,948,979	32,868,558	23,080,261	656,890	725,752	–	59,280,440
Inter-segment revenue	810,000	–	129,697	5,148,973	–	(6,088,670)	–
Total revenue	2,758,979	32,868,558	23,209,958	5,805,863	725,752	(6,088,670)	59,280,440
Results							
Segment profit/(loss)	1,281,939	594,954	(752,378)	197,996	256,161	(810,000)	768,672
Interest income	14,642	96,468	21,427	3,245	2,360	–	138,142
Finance costs	–	(5,133)	(36,863)	–	–	–	(41,996)
Profit/(Loss) before taxation	1,296,581	686,289	(767,814)	201,241	258,521	(810,000)	864,818
Other Information							
Interest income	14,642	96,468	21,427	3,245	2,360	–	138,142
Finance costs	–	(5,133)	(36,863)	–	–	–	(41,996)
Depreciation of property, plant and equipment	(690)	(533,697)	(1,553,197)	(961)	(48,584)	–	(2,137,129)
Impairment of trade receivables	–	(122,241)	(56,044)	(10,866)	–	–	(189,151)
Unrealised foreign exchange loss	(58,116)	–	(4,856)	–	–	–	(62,972)
Realised foreign exchange loss	(291,368)	(26,475)	(73,365)	(60,494)	(836)	–	(452,538)
Fair value gain on short-term investments	2,147	–	143	25,620	90,239	–	118,149
Dividend income	2,758,979	–	–	–	–	(810,000)	1,948,979

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

34. OPERATING SEGMENTS (CONT'D)

34.1 BUSINESS SEGMENTS (CONT'D)

2025	Investment holding RM	Resins RM	Ethanol RM	Trading RM	Others RM	Consolidation Adjustments RM	The Group RM
Assets							
Segment assets	350,118,293	33,021,610	86,260,119	1,510,285	6,854,006	-	477,764,313
Unallocated assets:-							
- current tax assets							2,541,584
Consolidated total assets							480,305,897
Liabilities							
Segment liabilities	(414,615)	(5,034,326)	(14,674,015)	(15,082)	(33,457)	-	(20,171,495)
Unallocated liabilities:-							
- deferred tax liabilities							(2,886,086)
Consolidated total liabilities							(23,057,581)

Additions to non-current
assets other than
financial instruments

Property, plant and equipment

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

34. OPERATING SEGMENTS (CONT'D)

34.2 GEOGRAPHICAL INFORMATION

Revenue is based on the country in which the customers are located.

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Malaysia	72,748,628	58,279,703	1,460,572	2,074,127
United States	762,037	617,928	762,037	617,928
Singapore	834,403	380,725	–	64,840
Indonesia	1,833	2,084	1,833	2,084
	74,346,901	59,280,440	2,224,442	2,758,979

The geographical information for non-current assets (excluding financial instruments) is not presented as the Group and the Company operate primarily in Malaysia during the reporting period.

34.3 MAJOR CUSTOMERS

The following are the major customers with revenue equal to or more than 10% of the Group's total revenue:-

	2026 RM	The Group 2025 RM	Segment
Customer 1	4,464,321	8,120,070	Ethanol
Customer 2	12,945,033	6,356,303	Resins
Customer 3	6,297,003	7,617,395	Resins

35. CAPITAL COMMITMENTS

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Approved and contracted for:				
Purchase of property, plant and equipment	1,975,026	94,555	–	–
Approved and not contracted for:				
Purchase of property, plant and equipment	1,897,000	–	–	–

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

36.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group and the Company are exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk are primarily United States Dollar ("USD"), Euro ("EUR") and Singapore Dollar ("SGD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. On occasion, the Group enters into forward foreign currency contracts to hedge against its foreign currency risk. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

Foreign Currency Exposure

The Group	Ringgit Malaysia RM	United States Dollar RM	Singapore Dollar RM	Total RM
2026				
<u>Financial Assets</u>				
Other investments	371,365,070	–	–	371,365,070
Trade receivables	14,260,783	–	399,259	14,660,042
Other receivables and deposits	166,519	–	–	166,519
Short-term investments	10,246,341	–	–	10,246,341
Cash and bank balances	11,066,270	8,248,083	121,717	19,436,070
	407,104,983	8,248,083	520,976	415,874,042

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below (Cont'd):-

Foreign Currency Exposure (Cont'd)

The Group	Ringgit Malaysia RM	United States Dollar RM	Singapore Dollar RM	Total RM
2026				
<u>Financial Liabilities</u>				
Trade payables	2,223,330	–	–	2,223,330
Other payables and accruals	5,016,103	–	–	5,016,103
Amount owing to non- controlling interests	202,500	–	–	202,500
Bankers' acceptance	2,208,000	–	–	2,208,000
	9,649,933	–	–	9,649,933
Net financial assets	397,455,050	8,248,083	520,976	406,224,109
Less: Net financial assets denominated in the respective entities' functional currencies	(397,455,050)	–	–	(397,455,050)
Currency exposure	–	8,248,083	520,976	8,769,059

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below (Cont'd):-

Foreign Currency Exposure (Cont'd)

The Group	Ringgit Malaysia RM	United States Dollar RM	Singapore Dollar RM	Total RM
2025				
<u>Financial Assets</u>				
Other investments	338,083,941	–	–	338,083,941
Trade receivables	11,848,108	117,233	–	11,965,341
Other receivables and deposits	109,673	–	–	109,673
Short-term investments	5,285,855	–	–	5,285,855
Cash and bank balances	10,064,575	8,761,662	127,713	18,953,950
	365,392,152	8,878,895	127,713	374,398,760
<u>Financial Liabilities</u>				
Trade payables	6,323,687	–	–	6,323,687
Other payables and accruals	11,041,308	–	–	11,041,308
Amount owing to non-controlling interests	202,500	–	–	202,500
Bankers' acceptance	2,604,000	–	–	2,604,000
	20,171,495	–	–	20,171,495
Net financial assets	345,220,657	8,878,895	127,713	354,227,265
Less: Net financial assets denominated in the respective entities' functional currencies	(345,220,657)	–	–	(345,220,657)
Currency exposure	–	8,878,895	127,713	9,006,608

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below (Cont'd):-

Foreign Currency Exposure (Cont'd)

The Company	Ringgit Malaysia RM	United States Dollar RM	Singapore Dollar RM	Total RM
2026				
<u>Financial Assets</u>				
Other investments	371,362,550	–	–	371,362,550
Other receivables and deposits	13,277	–	–	13,277
Amount owing by subsidiaries	40,296,442	–	–	40,296,442
Short-term investments	5,402,452	–	–	5,402,452
Cash and bank balances	796,546	8,208,935	121,717	9,127,198
	417,871,267	8,208,935	121,717	426,201,919
<u>Financial Liabilities</u>				
Other payables and accruals	628,808	–	–	628,808
Amount owing to subsidiaries	22,136	–	–	22,136
	650,944	–	–	650,944
Net financial assets	417,220,323	8,208,935	121,717	425,550,975
Less: Net financial assets denominated in the respective entities' functional currencies	(417,220,323)	–	–	(417,220,323)
Currency exposure	–	8,208,935	121,717	8,330,652

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below (Cont'd):-

Foreign Currency Exposure (Cont'd)

The Company	Ringgit Malaysia RM	United States Dollar RM	Singapore Dollar RM	Total RM
2025				
<u>Financial Assets</u>				
Other investments	338,079,861	–	–	338,079,861
Other receivables and deposits	13,236	–	–	13,236
Amount owing by subsidiaries	26,023,422	–	–	26,023,422
Short-term investments	2,261,243	–	–	2,261,243
Cash and bank balances	883,969	8,721,316	127,713	9,732,998
	367,261,731	8,721,316	127,713	376,110,760
<u>Financial Liabilities</u>				
Other payables and accruals	414,615	–	–	414,615
Amount owing to subsidiaries	32,334	–	–	32,334
	446,949	–	–	446,949
Net financial assets	366,814,782	8,721,316	127,713	375,663,811
Less: Net financial assets denominated in the respective entities' functional currencies	(366,814,782)	–	–	(366,814,782)
Currency exposure	–	8,721,316	127,713	8,849,029

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:-

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Effects on Profit After Taxation				
USD/RM – strengthened by 10%	626,854	674,796	623,879	662,820
– weakened by 10%	(626,854)	(674,796)	(623,879)	(662,820)
SGD/RM – strengthened by 10%	39,594	9,706	9,250	9,706
– weakened by 10%	(39,594)	(9,706)	(9,250)	(9,706)

There is no impact on the Company's equity.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from long-term borrowing with variable rates. The Group and the Company adopt a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The fixed rate debt instruments of the Group and of the Company are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk (Cont'd)

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 21 to the financial statements.

Interest Rate Risk Sensitivity Analysis

Any reasonably possible change in the interest rates of floating rate term loans at the end of the reporting period does not have a material impact on the profit after taxation and equity of the Group and the Company and hence, no sensitivity analysis is presented.

(iii) Equity Price Risk

The exposure to equity price risk arises mainly from changes in quoted investment prices of the Group and the Company. The Group and the Company manage their exposure to equity price risk by maintaining a portfolio of equities with different risk profiles.

Equity Price Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the prices of the quoted investments classified as fair value through other comprehensive income at the end of the reporting period, with all other variables held constant:-

	The Group		The Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Effects on Equity				
Increase of 10%	37,136,507	33,808,394	37,136,255	33,807,986
Decrease of 10%	(37,136,507)	(33,808,394)	(37,136,255)	(33,807,986)

There is no impact on the Group's and the Company's profit after taxation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group and the Company manage their exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk includes loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

(i) Credit Risk Concentration Profile

The Group determines the concentration of credit risk by monitoring the industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of trade receivables, net of loss allowance, at the end of the reporting period is as follows:-

	The Group	
	2026	2025
	RM	RM
Malaysia	14,260,783	11,848,108
Singapore	399,259	–
United States	–	117,233
	14,660,042	11,965,341

The Group does not have any significant credit risk related to any individual customer or counterparty.

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses

The Group and the Company have an informal credit policy in place and the exposure to credit risk is monitored on an ongoing basis through periodic review of the ageing of the receivables. The Group and the Company closely monitor the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group and the Company evaluate whether any of the financial assets at amortised cost, contract assets are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of the following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; or
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group and the Company consider a receivable to be in default when the receivable is unlikely to repay its debt to the Group and the Company in full or is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Trade receivables

The Group applies the simplified approach to measure expected credit losses using a lifetime expected loss allowance for all trade receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade receivables (Cont'd)

The expected loss rates are based on the payment profiles of sales over 12 months (2025 – 12 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts using the linear regression analysis. The Group has identified the Consumer Price Index (CPI) as the key macroeconomic factor of the forward-looking information.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

The information about the credit exposure and loss allowances recognised for trade receivables is as follows:-

	Gross Amount RM	Lifetime Individual Allowance RM	Lifetime Collective Allowance RM	Carrying Amount RM
The Group				
2026				
Current (not past due)	8,294,867	–	–	8,294,867
1 to 30 days past due	3,828,712	–	–	3,828,712
31 to 60 days past due	1,089,517	–	–	1,089,517
61 to 90 days past due	593,884	–	–	593,884
Past due more than 90 days	1,792,821	(640,087)	(299,672)	853,062
	15,599,801	(640,087)	(299,672)	14,660,042
2025				
Current (not past due)	7,699,195	–	–	7,699,195
1 to 30 days past due	1,783,329	–	–	1,783,329
31 to 60 days past due	802,070	–	–	802,070
61 to 90 days past due	94,220	–	–	94,220
Past due more than 90 days	2,185,447	(295,261)	(303,659)	1,586,527
	12,564,261	(295,261)	(303,659)	11,965,341

The movement in the loss allowances in respect of trade receivables is disclosed in Note 11 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other receivables

The Group and the Company apply the 3-stage general approach to measuring expected credit losses for its other receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

Under this approach, the Group and the Company assess whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Company considers there has been a significant increase in credit risk when there are changes in contractual terms or delay in payment. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 30 days past due in making a contractual payment.

The Group and the Company use 3 categories to reflect their credit risk and how the loss allowance is determined for each category:-

Category	Definition of Category	Loss Allowance
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-months expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Non-performing:	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

The Group and the Company measure the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on an individual basis. The remaining receivables are grouped based on shared credit risk characteristics and assessed on a collective basis.

Loss allowance is measured on either 12-months expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables (Cont'd)

In deriving the PD and LGD, the Group and the Company consider the receivable's past payment status and its financial condition as at the reporting date.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

No expected credit loss is recognised on other receivables as it is negligible.

Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group and the Company consider the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

Amount Owing by Subsidiaries (Non-trade Balances)

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances. The Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly.

The Company measures the expected credit losses on an individual basis, which is aligned with its credit risk management practices on the inter-company balances.

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

For loans and advances that are not repayable on demand, impairment loss is measured using techniques that are similar for estimating the impairment losses of other receivables as disclosed above.

Allowance for Impairment Losses

At the end of the reporting period, there was no indication that the balances are not recoverable other than those which had already impaired in the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practise prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows:-

	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM
The Group				
2026				
<u>Non-derivative</u>				
<u>Financial Liabilities</u>				
Trade payables	–	2,223,330	2,223,330	2,223,330
Other payables and accruals	–	5,016,103	5,016,103	5,016,103
Amount owing to non-controlling interests	–	202,500	202,500	202,500
Bankers' acceptance	4.49% - 4.90%	2,208,000	2,208,000	2,208,000
		9,649,933	9,649,933	9,649,933
2025				
<u>Non-derivative</u>				
<u>Financial Liabilities</u>				
Trade payables	–	6,323,687	6,323,687	6,323,687
Other payables and accruals	–	11,041,308	11,041,308	11,041,308
Amount owing to non-controlling interests	–	202,500	202,500	202,500
Bankers' acceptance	4.87% - 5.15%	2,604,000	2,604,000	2,604,000
		20,171,495	20,171,495	20,171,495

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. FINANCIAL INSTRUMENTS (CONT'D)

36.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (Cont'd):-

	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM
The Company				
2026				
<u>Non-derivative Financial Liabilities</u>				
Other payables and accruals	–	628,808	628,808	628,808
Amount owing to subsidiaries	–	22,136	22,136	22,136
		650,944	650,944	650,944
2025				
<u>Non-derivative Financial Liabilities</u>				
Other payables and accruals	–	414,615	414,615	414,615
Amount owing to subsidiaries	–	32,334	32,334	32,334
		446,949	446,949	446,949

36.2 CAPITAL RISK MANAGEMENT

The Group and the Company manage their capital based on debt-to-equity ratio. As the Group and the Company have insignificant external borrowings, the debt-to-equity ratio may not provide a meaningful indicator of the risk of borrowings.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. FINANCIAL INSTRUMENTS (CONT'D)

36.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Financial Assets				
<u>Fair Value Through Other Comprehensive Income</u>				
Other investments	371,365,070	338,083,941	371,362,550	338,079,861
<u>Fair Value Through Profit or Loss</u>				
Short-term investments	10,246,341	5,285,855	5,402,452	2,261,243
<u>Amortised Cost</u>				
Trade receivables	14,660,042	11,965,341	–	–
Other receivables and deposits	166,519	109,673	13,277	13,236
Amount owing by subsidiaries	–	–	40,296,442	26,023,422
Cash and bank balances	19,436,070	18,953,950	9,127,198	9,732,998
	34,262,631	31,028,964	49,436,917	35,769,656
Financial Liabilities				
<u>Amortised Cost</u>				
Trade payables	2,223,330	6,323,687	–	–
Other payables and accruals	5,016,103	11,041,308	628,808	414,615
Amount owing to subsidiaries	–	–	22,136	32,334
Amount owing to non- controlling interests	202,500	202,500	–	–
Bankers' acceptance	2,208,000	2,604,000	–	–
	9,649,933	20,171,495	650,944	446,949

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. FINANCIAL INSTRUMENTS (CONT'D)

36.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Financial Assets				
<u>Fair Value Through Profit or Loss</u>				
Net gains recognised in profit or loss	271,781	118,149	157,151	2,147
<u>Equity Investments at Fair Value</u>				
<u>Through Other Comprehensive Income</u>				
Net gains/(losses) recognised in other comprehensive income	55,328,109	(2,249,233)	55,329,669	(2,243,993)
<u>Amortised Cost</u>				
Net gains/(losses) recognised in profit or loss	(309,383)	(382,306)	(27,617)	(334,842)
Financial Liabilities				
<u>Amortised Cost</u>				
Net losses recognised in profit or loss	(93,960)	(41,996)	–	–

36.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. FINANCIAL INSTRUMENTS (CONT'D)

36.5 FAIR VALUE INFORMATION (CONT'D)

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

The Group	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
	RM	RM	RM	RM	RM	RM	RM	RM
2026								
Financial Assets								
Other investments:								
- quoted	367,484,270	-	-	-	-	-	367,484,270	367,484,270
- unquoted	-	-	3,880,800	-	-	-	3,880,800	3,880,800
Short-term investments	10,246,341	-	-	-	-	-	10,246,341	10,246,341
2025								
Financial Assets								
Other investments:								
- quoted	334,203,141	-	-	-	-	-	334,203,141	334,203,141
- unquoted	-	-	3,880,800	-	-	-	3,880,800	3,880,800
Short-term investments	5,285,855	-	-	-	-	-	5,285,855	5,285,855

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. FINANCIAL INSTRUMENTS (CONT'D)

36.5 FAIR VALUE INFORMATION (CONT'D)

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period (Cont'd):-

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
	RM	RM	RM	RM	RM	RM	RM	RM
The Company								
2026								
Financial Assets								
Other investments:								
- quoted	367,481,750	-	-	-	-	-	367,481,750	367,481,750
- unquoted	-	-	3,880,800	-	-	-	3,880,800	3,880,800
Short-term investments	5,402,452	-	-	-	-	-	5,402,452	5,402,452
2025								
Financial Assets								
Other investments:								
- quoted	334,199,061	-	-	-	-	-	334,199,061	334,199,061
- unquoted	-	-	3,880,800	-	-	-	3,880,800	3,880,800
Short-term investments	2,261,243	-	-	-	-	-	2,261,243	2,261,243

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

36. FINANCIAL INSTRUMENTS (CONT'D)

36.5 FAIR VALUE INFORMATION (CONT'D)

Fair Value of Financial Instruments Carried at Fair Value

- (i) The fair values above have been determined using the following basis:-
 - (a) The fair value of quoted equity investments is determined at their quoted closing bid prices at the end of the reporting period.
 - (b) The fair value of money market funds is determined by reference to statements provided by the respective financial institutions, which the investments were entered into.
 - (c) The fair value of unquoted equity investment is determined to approximate the net assets of the investee as the management is of the opinion that it is not practical to estimate the fair values of unquoted investment through other method which would result in a wide range of possible fair value.
- (ii) There were no transfers between level 1 and level 2 during the financial year.

37. SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD

On 28 August 2026, the Board of Directors of the Company ("Board") proposed a single-tier final dividend of 7.5 sen per ordinary share ("Hexza Share(s)") for the financial year ended 30 June 2026 ("2026 Final Dividend"), subject to shareholders' approval at the forthcoming Annual General Meeting of the Company ("AGM") as disclosed in Note 30.

On 2 September 2026, the Board announced that the Dividend Reinvestment Plan ("DRP"), approved by the shareholders of the Company ("Shareholders") at the Extraordinary General Meeting ("EGM") held on 22 November 2025, will be applied to the entire 2026 Final Dividend. Accordingly, Shareholders will have the option to elect to reinvest their entire or part of their entitlement to the 2026 Final Dividend into new Hexza Shares ("Dividend Reinvestment Shares") ("Second DRP"). Shareholders' approval for the renewal of the Board's authority to allot and issue Dividend Reinvestment Shares pursuant to the DRP will be sought at the forthcoming AGM.

On 14 September 2026, the Company announced the proposal to undertake the exemption for Summit Holdings Sdn Bhd, Datuk Dr. Foong Weng Sum and the persons acting in concert with them from the obligation to undertake a mandatory take-over offer to acquire all the remaining ordinary shares in the Company ("Hexza Share(s)" or "Share(s)") not already held by them which may arise from the issuance of new Hexza Shares to them pursuant to the election to receive new Hexza Shares in accordance with the application of the dividend reinvestment plan to the single-tier final dividend declared by the Company for the financial year ended 30 June 2026, under subparagraph 4.08(1)(c) of the Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the Securities Commission Malaysia ("Proposed Exemption").

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

37. SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD (CONT'D)

The Proposed Exemption is subject to the following approvals being obtained:

- (i) Bursa Malaysia Securities Berhad, for the listing of and quotation for the Dividend Reinvestment Shares to be issued pursuant to the Second DRP;
- (ii) The non-interested Shareholders, for the Proposed Exemption at an EGM to be convened; and
- (iii) The Securities Commission Malaysia, for the Proposed Exemption.

The Proposed Exemption, on a standalone basis, will have no effect on the Company's issued share capital, substantial shareholders' shareholdings, net assets, net assets per share, gearing, earnings or earnings per share, as it does not involve the issuance of any new Hexza Shares.

The Proposed Exemption is conditional upon the Second DRP. However, the Second DRP is not conditional upon the Proposed Exemption. The Proposed Exemption is not conditional upon any other corporate proposal undertaken or to be undertaken by the Company.

PROPERTIES OWNED BY HEXZA CORPORATION BERHAD & ITS SUBSIDIARY COMPANIES AS AT 30 JUNE 2026

Location	Tenure	Approximate Area in sq. meter	Approximate Age of Buildings in years	Net Book Value 30.6.2026 RM'000	Year of Acquisition(A)/ Completion(C)/ Last Revaluation(R)	Existing Usage
Lot 6, Tasek Industrial Estate, Tasek Drive, Ipoh, Perak Darul Ridzuan.	Leasehold Expiry 2062	28,328	66 23 21 2	3,956 1,426 1,205 2,876	R:2012 C:2004 C:2006 C:2025	Factory Office Factory Factory
Lot 20, Tasek Industrial Estate, Tasek Drive, Ipoh, Perak Darul Ridzuan.	Leasehold Expiry 2064	12,141	–	1,361	R:2012	Factory
Lot 70071, Tasek Industrial Estate, Tasek Drive, Ipoh, Perak Darul Ridzuan.	Leasehold Expiry 2069	12,245	–	1,420	R:2012	Vacant industrial land with partial factory occupation
Lot 799, Block 7, Sejingkat Industrial Estate, Muara Tebas Land District, Kuching, Sarawak.	Leasehold Expiry 2052	38,970	32	6,232	R:2012	Factory
Lot 3057, Block 26, Kemena Land District, Bintulu, Sarawak.	Leasehold Expiry 2063	20,235	–	2,660	R:2012	Vacant industrial land

STATEMENT OF SHAREHOLDINGS AS AT 18 SEPTEMBER 2026

Total Number of Shares Issued	: 205,605,557
Class of Securities	: Ordinary shares
Voting Rights	: One vote per ordinary share

ANALYSIS OF SHAREHOLDINGS AS AT 18 SEPTEMBER 2026

Range of Shareholdings	No. of Holders	% of Holders	No. of Shares	% of Issued Capital
Less Than 100	148	2.263	5,934	0.002
100 - 1,000	539	8.240	345,680	0.168
1,001 - 10,000	4,290	65.586	17,831,610	8.673
10,001 - 100,000	1,370	20.945	40,440,049	19.669
100,001 - 10,280,277 (*)	193	2.951	84,020,627	40.865
10,280,278 and above (**)	1	0.015	62,961,657	30.623
Total	6,541	100	205,605,557	100

Note: * - Less than 5% of issued shares

** - 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS AS AT 18 SEPTEMBER 2026

According to the Register of Substantial Shareholders required to be kept under Section 144 of the Companies Act, 2016, the following are the substantial shareholders of the Company:

Name of Substantial Shareholders	Direct Interest (A)		Deemed Interest (B)		Total Interest (A+B)	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Summit Holdings Sdn Bhd	62,961,657	30.623	—	—	62,961,657	30.623
Datuk Dr. Foong Weng Sum	1,083,228	0.527	64,988,157 ¹	31.608	66,071,385	32.135
Dr. Foong Weng Cheong	1,562,500	0.760	64,611,657 ²	31.425	66,174,157	32.185

Note:

- Deemed interested by virtue of his shareholdings in Summit Holdings Sdn Bhd, Sumivest Holdings Sdn Bhd and Summit Nominees Sdn Bhd pursuant to Section 8 of the Companies Act, 2016.
- Deemed interested by virtue of his shareholdings in Summit Holdings Sdn Bhd and Sumivest Holdings Sdn Bhd pursuant to Section 8 of the Companies Act, 2016.

STATEMENT OF SHAREHOLDINGS AS AT 18 SEPTEMBER 2026

DIRECTORS' INTEREST IN SHARES AS AT 18 SEPTEMBER 2026

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act, 2016, the Directors' interests in the ordinary shares capital of the Company and its related companies are as follows:

Name of Directors	Direct Interest (A)		Deemed Interest (B)		Total Interest (A+B)	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Datuk Dr. Foong Weng Sum	1,083,228	0.527	64,988,157 ¹	31.608	66,071,385	32.135
Mr. Foong Leon Chiew	—	—	—	—	—	—
Mr. Tsen Keng Yam	—	—	—	—	—	—
Mr. Ooi Ying Hong	85,298	0.041	—	—	85,298	0.041
Ms. Chong Yoke Seng	590,000	0.287	88,000 ²	0.042	678,000	0.329
Mr. Foong Leon Kah	—	—	—	—	—	—
Mr. Foong Leon Sing	—	—	—	—	—	—
Ms. Ding Jia Jia	—	—	—	—	—	—

By virtue of his interests in the shares of the Company, Datuk Dr. Foong Weng Sum is also deemed to have an interest in the shares of all the subsidiary companies to the extent that the Company has interests.

Other than disclosed above, none of the Directors had any interest in shares in the Company or its related companies.

Notes:

1. Deemed interested by virtue of his shareholdings in Summit Holdings Sdn Bhd, Sumivest Holdings Sdn Bhd and Summit Nominees Sdn Bhd pursuant to Section 8 of the Companies Act, 2016.
2. Deemed interested through the shares held by her spouse pursuant to Section 59(11)9(c) of the Companies Act, 2016.

STATEMENT OF SHAREHOLDINGS AS AT 18 SEPTEMBER 2026 (continued)

THIRTY (30) LARGEST SHAREHOLDERS AS AT 18 SEPTEMBER 2026

Shareholders	No. of Shares	% of Issued Capital
1. SUMMIT HOLDINGS SDN BHD	62,961,657	30.623
2. CENGAL EMAS SDN BHD	9,750,000	4.742
3. ALCOLITES MALAYSIA SDN. BHD.	5,666,200	2.756
4. UOB KAY HIAN NOMINEES (ASING) SDN BHD <i>EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)</i>	2,665,017	1.296
5. CH'NG AI LEE	2,127,119	1.035
6. YAP CHOOI WAH	2,025,827	0.985
7. CHOO TEIK HENG	1,900,781	0.924
8. SING KONG HUM	1,877,409	0.913
9. PUBLIC NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR SURINDER SINGH A/L WASSAN SINGH (E-IMO)</i>	1,675,700	0.815
10. SUMIVEST HOLDINGS SDN BHD	1,650,000	0.803
11. FOONG WENG CHEONG	1,562,500	0.760
12. ON THIAM CHAI	1,546,026	0.752
13. LIAU KEEN YEE	1,474,600	0.717
14. PUBLIC NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR CHEE SAI MUN (E-KLC)</i>	1,271,117	0.618
15. LIM AH CHOO	1,207,000	0.587
16. XIANG LING CAPITAL SENDIRIAN BERHAD	1,150,000	0.559
17. FOONG WENG SEM @ FOONG WENG SUM	1,083,228	0.527
18. SOUTH EAST ASIA AUTO PARTS SDN BHD	1,066,225	0.519
19. LEE NYIT FEE	1,012,913	0.493
20. KENANGA NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR SERAYA MAKMUR SDN BHD (013)</i>	836,986	0.407
21. KENANGA NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR CHIN KIAM HSUNG</i>	817,688	0.398
22. MAYBANK NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR LEE SYN LEE</i>	813,794	0.396
23. GOH THONG BENG	746,300	0.363
24. CGS INTERNATIONAL NOMINEES MALAYSIA (ASING) SDN. BHD. <i>EXEMPT AN FOR CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD. (RETAIL CLIENTS)</i>	732,000	0.356
25. GRAND TERRACE SDN BHD	725,033	0.353
26. CITIGROUP NOMINEES (ASING) SDN BHD <i>EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)</i>	708,735	0.345
27. OOI HOE HEAN	703,708	0.342
28. FOO SEE CHIEW @ AH MOOI	619,038	0.301
29. KENANGA NOMINEES (ASING) SDN BHD <i>EXEMPT AN FOR PHILLIP SECURITIES PTE LTD (CLIENT ACCOUNT)</i>	611,332	0.297
30. CHONG YOKE SENG	590,000	0.287
TOTAL HOLDINGS	111,577,933	
TOTAL PERCENTAGE (%)	54.269	

**HEXZA CORPORATION BERHAD**

Registration No. 196901000339 (8705-K)

(Incorporated in Malaysia)

No. of shares held

PROXY FORM

CDS Account No.

I/We _____
(Full name in Block Letters and NRIC No. / Passport No. / Company No.)of _____ and _____
(Address) (Tel. No.)being a *member/members of **Hexza Corporation Berhad**, hereby appoint the following person(s):

Proxy	Full Name (in Block Letters)	Email Address	NRIC/Passport No.	No. of shares	%
1					
2					

or failing him/her, the Chairman of the Meeting as my/our proxy, to vote for me/us and on my/our behalf at the Fifty-Seventh (57th) Annual General Meeting of the Company to be held on Saturday, 21 November 2026 at 10.00 a.m. and at any adjournment thereof in the manner indicated below in respect of the following Resolutions:

Ordinary Resolution No.	Ordinary Business	For	Against
1.	Approval for the payment of a single-tier final dividend of 7.5 sen per ordinary share in respect of the financial year ended 30 June 2026		
2.	Approval for the payment of Directors' Fees to the Executive Chairman of the Board and Executive Director		
3.	Approval for the payment of Directors' Fees to the Non-Executive Directors		
4.	Approval for the payment of Directors' Benefits		
5.	Re-election of Datuk Dr. Foong Weng Sum as Director		
6.	Re-election of Mr. Tsen Keng Yam as Director		
7.	Re-election of Mr. Ooi Ying Hong as Director		
8.	Re-appointment of Messrs Crowe Malaysia PLT as External Auditors and to authorise the Directors to fix their remuneration.		
	Special Business		
9.	Authority under Sections 75 and 76 of the Companies Act, 2016 for the Directors to allot and issue shares.		
10.	Proposed Renewal of Authority for Directors to allot and issue Hexza Shares in relation to the Dividend Reinvestment Plan		

Please indicate with (√) or (X) how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he thinks fit, or at his discretion, abstain from voting.

Signed this _____ day of _____ 2026

Signature of Shareholder/
(Common Seal & Signatures)

Notes:

- Only members whose names appear on the Record of Depositors as at **13 November 2026** shall be entitled to attend the AGM or appoint proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and to vote in his/her stead. A proxy must be 18 years of age and above and may but need not be a member of the Company.
- A member, other than an exempt authorised nominee, is entitled to appoint one (1) or two (2) proxies to attend and vote instead of him/her. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
- Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company in an Omnibus Account, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds but the proportion of holdings to be represented by each proxy must be specified.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing, or if the appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. If under the hand of attorney/authorised officer, the Power of Attorney or Letter of Authorisation must be attached.
- The instrument appointing a proxy or proxies must be deposited at Boardroom Share Registrars Sdn. Bhd., 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, not less than 48 hours before the holding of the meeting or any adjournment thereof, either by hand, post, courier or electronic mail to bsr.proxy@boardroomlimited.com before the Form of Proxy lodgement cut-off time as mentioned above.
- Alternatively, the proxy form can be submitted by electronic means through the Share Registrar's website, Boardroom Smart Investor Online Portal. Kindly follow the link at <https://investor.boardroomlimited.com> to log in and deposit your proxy form electronically, not less than forty-eight (48) hours before the meeting.
- Personal Data Privacy – By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company hereby agrees and consents that any of your personal data in our possession shall be processed by us in accordance with the Personal Data Protection Act 2010. Further, you hereby warrant that relevant consent has been obtained by you for us to process any third party's personal data in accordance with the said Act.



Fold this flap for sealing

Then fold here

AFFIX
STAMP
(within
Malaysia)

The Share Registrar
HEXZA CORPORATION BERHAD [196901000339 (8705-K)]
11th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim,
Seksyen 13, 46200 Petaling Jaya,
Selangor Darul Ehsan,
Malaysia

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Hexza Corporation Berhad 196901000339 (8705-K)

Lot 6 & 20, Persiaran Tasek, Kawasan Perindustrian Tasek,
31400 Ipoh, Perak Darul Ridzuan, Malaysia.

Tel : 605 - 2917823 (Hunting Line) Fax : 605 - 2918546

Website : www.hexza.com.my

