



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2024**

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter Ended 31.3.2024 RM'000	Corresponding Quarter Ended 31.3.2023 RM'000	To Date Ended 31.3.2024 RM'000	To Date Ended 31.3.2023 RM'000
Revenue	11,367	13,779	11,367	13,779
Cost of sales	(7,809)	(9,831)	(7,809)	(9,831)
Gross profit	3,558	3,948	3,558	3,948
Operating expenses	(3,400)	(1,985)	(3,400)	(1,985)
Other operating income	153	143	153	143
Profit from operations	311	2,106	311	2,106
Finance costs	(17)	-	(17)	-
Profit before tax	294	2,106	294	2,106
Income tax expense	(200)	(584)	(200)	(584)
Profit after tax	94	1,522	94	1,522
Other comprehensive income, net of tax				
<i>Items that are or may not be reclassified subsequently to profit and loss</i>				
Foreign currency translation differences for foreign operations	1	-	1	-
Total comprehensive income	95	1,522	95	1,522
Profit after tax attributable to:				
Owners of the Company	254	1,522	254	1,522
Non-controlling interests	(160)	-	(160)	-
Profit after tax	94	1,522	94	1,522
Total comprehensive income attributable to:				
Owners of the Company	254	1,522	254	1,522
Non-controlling interests	(159)	-	(159)	-
Total comprehensive income	95	1,522	95	1,522



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2024 (CONT'D)**

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter Ended	Corresponding	To Date Ended	To Date
	31.3.2024	Quarter Ended	31.3.2024	Ended
	RM'000	31.3.2023	RM'000	31.3.2023
		RM'000		RM'000
Earnings per share				
attributable to owners of the				
Company (sen)				
- Basic	0.07	0.41*	0.07	0.41*
- Diluted	0.06	0.36*	0.06	0.36*

* - *Adjusted for the effect of bonus issue and effect of additional warrants arising pursuant to the bonus issue completed on 12 May 2023.*

Notes :

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the Interim Financial Statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024**

	(Unaudited) As at 31.3.2024 RM'000	(Audited) As at 31.12.2023 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	113,372	113,076
Right-of-use assets	4,373	188
Intangible asset	1,177	1,177
Total non-current assets	118,922	114,441
Current Assets		
Inventories	21,631	21,821
Trade and other receivables	5,670	3,981
Current tax assets	1,286	1,143
Prepayments	1,640	684
Derivative financial assets	-	121
Cash and cash equivalents	21,256	21,801
Total current assets	51,483	49,551
Total assets	170,405	163,992
EQUITY		
Share capital	67,961	67,961
Revaluation reserve	38,707	38,707
Translation reserve	1	1
Retained earnings	45,090	44,785
Equity attributable to owners of the Company	151,759	151,454
Non-controlling interests	(112)	(48)
Total equity	151,647	151,406
LIABILITIES		
Non-Current Liabilities		
Deferred tax liabilities	8,193	8,268
Lease liabilities	3,111	64
Total non-current liabilities	11,304	8,332
Current Liabilities		
Trade and other payables	5,016	3,867
Current tax liabilities	135	117
Derivative financial liabilities	60	-
Lease Liabilities	1,280	128
Contract Liabilities	963	142
Total current liabilities	7,454	4,254
Total liabilities	18,758	12,586
Total equity and liabilities	170,405	163,992
Net Assets per share (RM)	0.45	0.43*

* Adjusted for the effect of bonus issue completed on 12 May 2023.

Notes :

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the Interim Financial Statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR FIRST QUARTER ENDED 31 MARCH 2024**

	-----Attributable to owners of the Company-----						
	-----Non-distributable-----			Distributable			
	Share Capital RM'000	Revaluation Reserve RM'000	Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total Equity RM'000
3 months ended 31 March 2024							
At 1 January 2024	67,961	38,707	1	44,785	151,454	(48)	151,406
Foreign currency translation differences for foreign operations	-	-	-	-	-	1	1
Total other comprehensive income	-	-	-	-	-	1	1
Profit after tax	-	-	-	254	254	(160)	94
Total comprehensive income	-	-	-	254	254	(159)	95
Effects arising from changes in composition of the Group	-	-	-	51	51	95	146
Changes in ownership interest in subsidiaries	-	-	-	51	51	95	146
Total transactions with owners of the Company	-	-	-	51	51	95	146
At 31 March 2024	67,961	38,707	1	45,090	151,759	(112)	151,647
3 months ended 31 March 2023							
At 1 January 2023	64,630	38,707	-	57,492	160,829	-	160,829
Profit after tax	-	-	-	1,522	1,522	-	1,522
Total comprehensive income	-	-	-	1,522	1,522	-	1,522
Proceeds from issuance of ordinary shares	823	-	-	-	823	-	823
Dividend to owners of the Company	-	-	-	(13,870)	(13,870)	-	(13,870)
Total transactions with owners of the Company	823	-	-	(13,870)	(13,047)	-	(13,047)
At 31 March 2023	65,453	38,707	-	45,144	149,304	-	149,304

Notes:

The Unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the Interim Financial Statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2024**

	Current Year-to-date Ended 31.3.2024 RM'000	Preceding Year-to-date Ended 31.3.2023 RM'000
Cash flows from operating activities		
Profit before taxation	294	2,106
Adjustments for :		
Depreciation of:		
- Property, plant and equipment	805	690
- Right-of-use assets	192	-
Gain on disposal of property, plant and equipment	(12)	13
Unrealised loss on foreign exchange	259	55
Finance income	(108)	(141)
Finance cost	17	-
Operating profit before changes in working capital	1,447	2,723
Changes in working capital :		
- Inventories	191	2,672
- Trade and other payables	2,026	(1,957)
- Trade and other receivables	(2,715)	(556)
Cash generated from operations	949	2,882
Net income tax paid	(400)	(829)
Interest received	108	141
Net cash generated from operating activities	657	2,194
Cash flows from investing activities		
Acquisition of property, plant and equipment	(1,101)	(312)
Proceeds from disposal of property, plant and equipment	12	33
Net cash (used in)/generated from investing activities	(1,089)	(279)
Cash flows from financing activities		
Interest paid in relation to lease liabilities	(17)	-
Payment of lease liabilities	(177)	-
Proceeds from issuance of subsidiary's equity to non-controlling interests	147	-
Proceeds from issuance of shares	-	823
Net cash (used in)/generated from financing activities	(47)	823
Net (decrease)/increase in cash and cash equivalents	(479)	2,738
Effect of changes in foreign exchange rate	(66)	(18)
Cash and cash equivalents at the beginning of period	21,801	24,129
Cash and cash equivalents at the end of period (Note 1)	21,256	26,849
Note 1 : Cash and cash equivalents at the end of financial year		
Cash and bank balances	11,147	8,616
Highly liquid investment with non-bank financial institution	10,109	18,233
	21,256	26,849

Notes:

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the Interim Financial Statements.



NOTES TO THE INTERIM FINANCIAL REPORT

PART A : EXPLANATORY NOTES AS PER MFRS 134

A1. Basis of Preparation

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

The interim financial statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 of Hextar Retail Berhad ("HEXRTL" or "the Company"), which were prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"). The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2023.

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

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2024

- Amendments to MFRS 16, *Leases (Lease Liability in a Sale and Leaseback)*
- Amendments to MFRS 101, *Presentation of Financial Statements - Non-current Liabilities with Covenants and Classification of Liabilities as Current and Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*

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

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

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

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

A2. Auditors' Report

The auditors' report on the financial statements for the year ended 31 December 2023 of the Group was not qualified.

A3. Seasonal and Cyclical factors

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

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

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



NOTES TO THE INTERIM FINANCIAL REPORT (CONTINUED)

PART A : EXPLANATORY NOTES AS PER MFRS 134 (CONTINUED)

A5. Material Changes in Estimates

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

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

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

As at 31 March 2024, the total number of issued shares of the Company was 379,377,568 ordinary shares and the total number of outstanding Warrants 2021/2026 was 162,871,250 at an exercise price of RM0.41 per outstanding Warrant.

A7. Dividends Paid

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

A8. Segmental Reporting

The Group is principally engaged in the manufacture and sales of wooden picture frame mouldings and retail of food and beverages. The business activities of holding and rental of properties of its subsidiaries are merely inter-segment transactions. The Group's reportable segments result for the quarter ended 31 March 2024 is as follows:-

	Wooden Picture Frame and Mouldings RM'000	Property Holding RM'000	Retail RM'000	Total Current Year To Date RM'000	Other Non- reportable Segments RM'000	Elimination of Inter- segment Transactions or Balances RM'000	Consolidated Total RM'000
Segment Profit/(Loss)	109	893	(620)	382	10,416	(10,704)	94
<i>Included in the measure of segment profit/(loss) are:</i>							
Revenue from external customers	10,559	-	704	11,263	104	-	11,367
Inter-segment revenue	-	1,360	-	1,360	56	(1,416)	-
Depreciation	608	112	215	935	62	-	997
Finance Income	49	12	1	62	125	(79)	108
Finance costs	154	-	92	246	3	(232)	17
Tax Expense	(17)	288	-	271	(11)	(5)	255
Segment Assets	73,913	39,468	10,463	123,844	83,609	(37,048)	170,405
<i>Included in the measure of segment assets are:</i>							
Additions to non-current assets other than financial instruments and deferred tax assets	27	-	1,074	1,101	-	-	1,101



NOTES TO THE INTERIM FINANCIAL REPORT (CONTINUED)

PART A : EXPLANATORY NOTES AS PER MFRS 134 (CONTINUED)

A9. Subsequent Events

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

- (1) On 8 April 2024, the Company's wholly-owned subsidiary, Yummy Sip Sdn. Bhd. has issued 52,000 fully paid up ordinary shares at an issue price of RM1.00 per share and 51% of the newly issued shares were subscribed by the Company's wholly-owned subsidiary, Lim Ket Leng Marketing Sdn. Bhd.
- (2) On 8 April 2024, the Company's wholly-owned subsidiary, Puresip Sdn. Bhd. has issued 100,000 fully paid up ordinary shares at an issue price of RM1.00 per share and 51% of the newly issued shares were subscribed by the Company's wholly-owned subsidiary, Lim Ket Leng Marketing Sdn. Bhd.
- (3) On 22 April 2024, the Company has completed the acquisition of Tranche 1 Sale Shares of 4,142,418 ordinary shares in Redina Malaysia Sdn. Bhd. ("Redina") from Perdanis Distribution (M) Sdn. Bhd. representing 20.0% equity interest in Redina for a total cash consideration of RM14,000,000. Redina is principally engaged in retail business of apparel. Consequent thereto, Redina became an associate of the Company.
- (4) On 17 May 2024, M&A Securities announced that the Company has fixed the issue price of the first tranche of 10,000,000 Placement Shares at RM0.4150 each. The aforementioned issue price of RM0.4150 per Placement Share represents a discount of approximately RM0.0991 or 19.3% from the five (5)-day weighted average market price of the Company from 10 May 2024 to 16 May 2024 of approximately RM0.5141 per Share.

A10. Change in The Composition of The Group

Changes in the composition of the Group for the quarter ended 31 March 2024 are as follows:-

- (1) On 12 January 2024, a wholly owned subsidiary of LKLM, Craving Hub Sdn. Bhd. issued 99 fully paid up ordinary shares at an issue price of RM1.00 per share and LKLM subscribed for 50 newly issued shares. Subsequent to the issuance of the shares, Craving Hub Sdn. Bhd. became a 51% owned subsidiary of the Company.
- (2) On 23 January 2024, LKLM incorporated 10 wholly-owned subsidiaries in Malaysia with an issued and paid up share capital of RM1 respectively for the purpose of expanding into the Food and Beverage business as follows:-
 - (i) Spice Haven Delights Sdn. Bhd.
 - (ii) Flavour Crafters Hub Sdn. Bhd.
 - (iii) Tasty Trails Culinary Sdn. Bhd.
 - (iv) Gastronomic Gems Sdn. Bhd.
 - (v) Epicurean Crafters Sdn. Bhd.
 - (vi) Palate Symphony Sdn. Bhd.
 - (vii) VCR Cafe Sdn. Bhd.
 - (viii) Blissful Fusion Sdn. Bhd.
 - (ix) Taste Perspectives Sdn. Bhd.
 - (x) Essence Gastronomy Sdn. Bhd.
- (3) On 24 January 2024, LKLM disposed Tastewave Sdn. Bhd. and Tailang Delight Sdn. Bhd. to Delish Hub Sdn. Bhd. for a purchase consideration of RM1 each.



NOTES TO THE INTERIM FINANCIAL REPORT (CONTINUED)

PART A : EXPLANATORY NOTES AS PER MFRS 134 (CONTINUED)

A10. Change in The Composition of The Group (Continued)

- (4) On 31 January 2024, a wholly owned subsidiary of LKLM, Puresip Sdn. Bhd. issued 149,999 fully paid up ordinary shares at an issue price of RM1.00 per share and LKLM subscribed 76,499 newly issued shares. Subsequent to the issuance of the shares, Puresip Sdn. Bhd. became 51% owned subsidiary of the LKLM.
- (5) On 7 February 2024, a wholly owned subsidiary of LKLM, Yummy Sip Sdn. Bhd. issued 149,999 fully paid up ordinary shares at an issue price of RM1.00 per share and LKLM subscribed 76,499 newly issued shares. Subsequent to the issuance of the shares, Yummy Sip Sdn. Bhd. became 51% owned subsidiary of the LKLM.

Other than the above mentioned, there is no other significant changes in the composition of the Group, including business combination, acquisition or disposal of subsidiaries and long-term investment, restructuring and discontinuing operations.

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

	As at
	31.3.2024
	RM'000
Capital expenditure commitments	
Property, plant and equipment	
approved and contracted for	<u>188</u>



NOTES TO THE INTERIM FINANCIAL REPORT (CONTINUED)

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

B1. Review of Performance

A comparison of Hextar Retail's performance for the first quarter ended 31 March 2024 ("1QFY2024") with the corresponding period last financial year is as follows:

	1QFY2024	1QFY2023	Variance	
	RM'mil	RM'mil	RM'mil	%
Revenue	11.4	13.8	(2.4)	-17.4%
Gross profit	3.6	3.9	(0.3)	-7.7%
Profit before tax	0.3	2.1	(1.8)	-85.7%
Profit after tax	0.1	1.5	(1.4)	-93.3%
Profit attributable to Owners of the Company	0.3	1.5	(1.2)	-80.0%

The Group registered a revenue of RM11.4 million for the current quarter ended 31 March 2024, a decrease of RM2.4 million or -17.4% as compared to RM13.8 million in the preceding year corresponding quarter ended 31 March 2023 mainly attributable to lower export volume of wooden picture frame moulding amid the weak customer demand in USA (the Group's main market). The Group recorded a profit before tax of RM0.3 million, a decrease of RM1.8 million or -85.7% as compared to a profit before tax of RM2.1 million in the preceding year corresponding quarter ended 31 March 2023 mainly due to lower export revenue, loss on forward currency contracts coupled with pre-operating and incorporation expense incurred for retail segment.

B2. Variation of Results Against Preceding Quarter

	1QFY2024	4QFY2023	Variance	
	RM'mil	RM'mil	RM'mil	%
Revenue	11.4	9.9	1.5	15.2%
Gross profit	3.6	1.5	2.1	140.0%
Profit before tax	0.3	(0.9)	1.2	133.3%
Profit after tax	0.1	(0.9)	1.0	111.1%
Profit attributable to Owners of the Company	0.3	(0.9)	1.2	133.3%

The Group recorded revenue of RM11.4 million for the current quarter ended 31 March 2024, an increase of RM1.5 million or 15.2% compared to RM9.9 million in the immediate preceding quarter mainly due to higher export volume of wooden picture frame moulding. The Group recorded a profit before tax for the current quarter of RM0.3 million, an improvement of RM1.2 million as compared to loss before tax of RM0.9 million in the immediate preceding quarter mainly attributable to higher export sales and lower input costs.



NOTES TO THE INTERIM FINANCIAL REPORT (CONTINUED)

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

B3. Current Year Prospects

According to International Monetary Fund (“IMF”), global growth is projected to stay at 3.1% in 2024. Elevated central bank rates to fight inflation and a withdrawal of fiscal support amid high debt weigh on economic activity. Inflation is falling faster than expected in most regions, amid unwinding supply side issues and restrictive monetary policy. Global headline inflation is expected to fall to 5.8% in 2024. However, the ongoing wars in Gaza and Ukraine, coupled with the geographical tensions continues to raise concerns about economic uncertainties which present challenges for the Group. To navigate these uncertainties and challenges, our Group is actively pursuing various cost control measures, striving to improve production efficiency, deliver top-quality products to customers and explore new market opportunities. In line with our sustainability initiatives, our production team is currently collaborating with the Malaysia Timber Council (“MTC”) and Standards and Industrial Research Institute Malaysia (“SIRIM”) to streamline the production processes, digitise data collection for improvement analysis and enhance production efficiency with the aim of reducing our cost and improving competitiveness in the market.

Our recent diversification into apparel and F&B industry is also expected to yield significant growth potential. According to an independent market research overview report issued by Protégé, the apparel and F&B industry are forecasted a compound annual growth rate (“CAGR”) of 8.4% and 10.8% respectively between 2023 to 2027. We are confident that our diversification plans will contribute positively to the group’s financial performance moving forward.

Looking ahead, we remain cautiously optimistic on the outlook for year 2024. The Group is committed to proactively pursuing opportunities and effectively addressing challenges to bolster its long-term shareholder value.

B4. Profit Forecast and Estimates Announced or Disclosed

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

B5. Variance of Actual and Forecast Profit

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

B6. Income tax expense

	Quarter Ended	
	31.3.2024	31.3.2023
	RM'000	RM'000
Current tax expense		
- current	275	664
Deferred tax expense		
Origination and reversal of temporary differences		
- current	(75)	(80)
	<u>200</u>	<u>584</u>

The effective tax rate for the quarter under review was 68%. The effective tax rate is higher than the statutory rate of 24% mainly due to non-deductible expenses from corporate exercises, incorporation expenses, pre operating expenditures and deferred tax assets not recognised for subsidiaries just commenced operations.



NOTES TO THE INTERIM FINANCIAL REPORT (CONTINUED)

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

B7. Status of Corporate Proposal

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

- (1) The Company had on 12 December 2023 announced that the Company proposed to undertake the following :-
 - i. proposed private placement of up to 113,813,000 new ordinary shares in Cscenic ("Shares" or "Cscenic Shares"), representing up to 30.0% of the total number of issued Shares ("Proposed 30% Private Placement"); and
 - ii. proposed acquisition by Cscenic of 10,563,167 ordinary shares in Redina Malaysia Sdn Bhd ("Redina") from Perdanis Distribution (M) Sdn Bhd representing 51.0% equity interest in Redina for a total purchase consideration of RM35,700,000 to be satisfied wholly by way of cash ("Proposed Acquisition"); and
 - iii. proposed diversification of Cscenic's existing businesses to include in the retail business of apparel and food and beverages ("Proposed Diversification"); and
 - iv. proposed change of the Company's name from "Classic Scenic Berhad" to "Hextar Retail Berhad" ("Proposed Change of Name").

(collectively, the "Proposals")

On 15 December 2023, additional listing application for the Proposed 30% Private Placement has been submitted to Bursa Securities by M&A Securities on behalf of the Board of Directors of the Company.

Bursa Securities had vide its letter dated 18 January 2024, resolved to approve the the listing and quotation of up to 113,813,000 Placement Shares to be issued pursuant to the Proposed 30% Private Placement.

The above approval granted by Bursa Securities is subject to the conditions which were stated in the Company's announcement dated 19 January 2024.

On 5 February 2024, the Company issued a Notice of Extraordinary General Meeting (EGM) to be held on 27 February 2024 to seek approval from shareholders on the abovementioned Proposals and a circular relating to the Proposals has been issued on 6 February 2024.

On 27 February 2024, the Company announced the outcome of EGM of which the Proposals were duly passed by way of poll at the Company's fully virtual EGM held on 27 February 2024.

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

On 11 March 2024, M&A Securities announced that the Company and Perdanis have mutually agreed to extend the conditional period for a further period of ninety (90) days in order to ensure all conditions precedent as set out in Clause 3.1 of the Share Sale Agreement are fulfilled.



NOTES TO THE INTERIM FINANCIAL REPORT (CONTINUED)

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

B7. Status of Corporate Proposal (Continued)

On 5 April 2024, M&A Securities announced that the solicitors for the Proposals had vide its letter dated on the 5 April 2024 confirmed that all conditions precedent set out in the Share Sale Agreement for the Proposed Acquisition have been fulfilled. Accordingly, the Share Sale Agreement has become unconditional.

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

On 17 May 2024, M&A Securities announced that the Company has fixed the issue price of the first tranche of 10,000,000 Placement Shares at RM0.4150 each. The aforementioned issue price of RM0.4150 per Placement Share represents a discount of approximately RM0.0991 or 19.3% from the five (5)-day weighted average market price of the Company from 10 May 2024 to 16 May 2024 of approximately RM0.5141 per Share.

- (2) The Company had on 29 April 2024 announced that the Company proposed to undertake the following :-
- i. proposed change of auditors; and
 - ii. proposed Renewal of Share Buy-back Authority

(collectively, the “Proposals”)

On 26 April 2024, the Company issued a Notice of Annual General Meeting (AGM) to be held on 13 June 2024 to seek approval from shareholders on the abovementioned Proposals and a circular relating to the Proposals has been issued on 29 April 2024.

B8. Group Borrowings and Debt Securities

As at 31 March 2024, the Group does not have any bank borrowings.

B9. Derivative Financial Instruments

As at 31 March 2024, the Group has the following outstanding derivatives financial instruments:-

Currency Forward Contracts	Principal or Notional Amount RM'000	Fair value	
		Assets RM'000	Liabilities RM'000
- Less than 1 year	2,764	-	60

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



NOTES TO THE INTERIM FINANCIAL REPORT (CONTINUED)

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

B9. Derivative Financial Instruments (Continued)

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

The fair value derivative assets amounting to RM60,000 has been recognised in the financial statements.

B10. Material Litigation

Since the last Audited Financial Statements for the year ended 31 December 2023, the Group does not have any material litigation until the date of this report.

B11. Dividends

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

B12. Earnings Per Share

	Quarter Ended	
	31.03.2024	31.03.2023 Restated
Basic earnings per share		
Profit after tax attributable to owners of the Company ('000)	254	1,522
Weighted average number of ordinary shares (basic) ('000)*	379,378	371,797
Basic Earnings Per Share (sen)	0.07	0.41*
Diluted earnings per share		
Profit after tax attributable to owners of the Company ('000)	254	1,522
Weighted average number of ordinary shares (basic) ('000)	379,378	371,797*
Effect of warrants on issue	20,792	47,841**
Weighted average number of ordinary shares (diluted) ('000)	400,170	419,638
Diluted Earnings Per Share (sen)	0.06	0.36*

The average market value of the Company's shares for purpose of calculating the dilutive effect of warrants was based on quoted market prices for the period during which the warrants were outstanding.

* Adjusted for the effect of bonus issue completed on 12 May 2023.

** Adjusted for the effect of additional warrants arising pursuant to the bonus issue completed on 12 May 2023.



NOTES TO THE INTERIM FINANCIAL REPORT (CONTINUED)

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

B13. Profit before tax

	Quarter Ended	
	31.3.2024	31.3.2023
	RM'000	RM'000
Profit before tax and total comprehensive income for the period is arrived at after crediting/(charging):		
Finance income	108	141
Finance costs	(17)	-
Depreciation of:		
- property, plant and equipment	(805)	(690)
- right-of-use assets	(192)	-
Net (losses)/gain on foreign exchange:		
- unrealised	(259)	55
- realised	2	(264)
Gain/(Loss) on disposal of property, plant and equipment	12	(13)

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

By order of the Board

WONG YOUN KIM
Company Secretary
MAICSA 7018778