HEXTAR CAPITAL BERHAD (“HEXCAP” OR THE “COMPANY”)

- **ACQUISITIONS OF 59,247,633 ORDINARY SHARES IN BINASAT COMMUNICATIONS BERHAD (“BINACOM”), REPRESENTING 9.8% EQUITY INTEREST IN BINACOM (“ACQUISITIONS”)**

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1. INTRODUCTION

The Board of Directors of HEXCAP (the “**Board**”) wishes to announce that Opcom VC Sdn. Bhd. (“**OVCSB**” or the “**Purchaser**”), a wholly-owned subsidiary of the Company, had entered into the following conditional share sale agreements in relation to the Acquisitions:-

(i) Share sale agreement dated 6 June 2025 (“**SSA 1**”) with Cosmopolitan Avenue Sdn. Bhd. (“**CASB**” or the “**Vendor 1**”) for the acquisition of 40.00 million ordinary shares in Binasat Communications Berhad (“**Binacom**”), (“**40 million Binacom Shares**”) representing 6.62% equity interest in Binacom for a cash consideration of RM8.40 million (“**Purchase Consideration 1**”) or RM0.21 per Binacom shares (“**Acquisition 1**”). Acquisition 1 was completed on 18 June 2025; and

(ii) Three (3) conditional share sale agreements dated 26 September 2025 (“**SSA 2**”) with CASB, Por Teong Eng (“**PTE**”) and Lim Yao Ying (“**LYY**”) respectively (collectively referred to as the “**Vendor 2**”) for the acquisition of 19,247,633 ordinary shares in Binacom (“**19 million Binacom Shares**”), representing 3.19% equity interest in Binacom for a total cash consideration of RM4.04 million (“**Purchase Consideration 2**”) or RM0.21 per Binacom shares (“**Acquisition 2**”);

(collectively referred to as the “**Acquisitions**”).

2. DETAILS OF THE ACQUISITIONS

On 6 June 2025, OVCSB entered into the SSA 1 with Vendor 1 for the acquisition of 40 million Binacom Shares, representing 6.62% equity interest in Binacom for a cash consideration of RM8.40 million.

On 26 September 2025, OVCSB entered into the SSA 2 with Vendor 2 for the acquisition of 19 million Binacom Shares for cash consideration of RM4.04 million as detailed below:-

Vendor 2	No. of Binacom Shares acquired	[(1)]% of Binacom Shares acquired	Purchase consideration to be paid (RM)
CASB	9,023,333	1.49	1,894,899.93
PTE	6,382,000	1.06	1,340,220.00
LYY	3,842,300	0.64	806,883.00
Total	**19,247,633**	**3.19**	**4,042,002.93**

Note:-

[(1)] Based on the existing share capital of 604,285,839 Binacom Shares as at 11 September 2025, being the latest practicable date prior to this announcement (“**LPD**”).

All the SSAs share the same terms and conditions. Please refer to Appendix I of this announcement for the salient terms of the SSAs.

In the event that the Acquisition 2 is completed, the equity interest of OVCSB in Binacom will increase from 22.54% to 25.73%.

2.1 Information on Binacom

Binacom is currently listed on the ACE Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**"). It was incorporated in Malaysia on 17 March 2017 as a private limited company under the name of Binasat Communications Sdn. Bhd. under the Companies Act 2016 ("**Act**") and subsequently converted into a public limited company on 21 June 2017.

Binacom is an investment holding company, whilst its subsidiaries are primarily involved in the provision of support services for satellite, mobile and fibre optic telecommunications networks, transmission and distribution network utility infrastructure construction services, as well as engineering, procurement, construction and commissioning ("**EPCC**") of solar facilities. The principal market of Binacom is Malaysia.

As at the LPD:-

(a) the total issued share capital of Binacom is RM128,337,100.43 comprising 604,285,839 Binacom Shares;

(b) the directors are Tan Sri Datuk Cham Hak Lim, Ong Soon Lim, Zulamran Bin Hamat, Sharon Ng Saw Ean, Yeong Siew Lee and Teh Li King;

(c) the substantial shareholders of Binacom and their respective shareholdings in Binacom are as follows:-

	Direct		**Indirect**	
Substantial shareholders	**No. of Binacom Shares**	**[(1)]%**	**No. of Binacom Shares**	**[(1)]%**
OVCSB	136,222,021	22.54	-	-
Dato' Ong Choo Meng	-	-	[(2)]136,222,021	22.54
HEXCAP	-	-	[(3)]136,222,021	22.54
Na Bon Tiam	38,836,951	6.43	-	-

Notes:-

[(1)] *Based on the existing share capital of 604,285,839 Binacom Shares as at the LPD.*

[(2)] *Deemed interested pursuant to Section 8(4) of the Companies Act 2016 by virtue of his interests in HEXCAP which in turn is the holding company of OVCSB.*

[(3)] *Deemed interested by virtue of its shareholding in OVCSB pursuant to Section 8(4) of the Companies Act 2016.*

(d) The consolidated profits after taxation and net assets of Binacom and its subsidiaries ("**Binacom Group**") based on its latest audited accounts for the financial year ended 31 December 2024 were RM2,098,347 and RM121,059,105 respectively.

(e) The market value of Binacom as at the date of this announcement is RM0.12.

2.2 Information on Vendor 1 and Vendor 2

The Vendor 1 consists of CASB and the Vendor 2 consists of CASB, PTE and LYY, who are selling their 8.11%, 1.06% and 0.64% equity interest in Binacom respectively.

CASB is a private limited company incorporated in Malaysia on 2 February 2010, having its registered address at 68-3A, Jalan Pasar, 41400 Klang, Selangor Darul Ehsan. CASB is principally involved in investment property and commercial property development.

As at LPD, CASB has an issued share capital of RM2,300,000 comprising 2,300,000 ordinary shares.

The directors, shareholders and their respective shareholdings in CASB as at the LPD are set out below:-

	Nationality/ Country of incorporation	Direct		Indirect	
		No. of shares ('000)	%	No. of shares ('000)	%
Directors					
Dato' Ng Yee Teck	Malaysian	Negligible	*	(i)2,300	99.99
Dato' Cheah Joi Yong	Malaysian	Negligible	*	(i)2,300	99.99
Shareholders					
Dato' Ng Yee Teck	Malaysian	Negligible	*	(i)2,300	99.99
Dato' Cheah Joi Yong	Malaysian	Negligible	*	(i)2,300	99.99
Mammoth Empire Holding Sdn. Bhd. ("**MEHSB**")	Malaysia	2,300	99.99	-	-

Notes:-

* *Negligible, less than 0.01%. Dato' Ng Yee Teck and Dato' Cheah Joi Yong hold 1 ordinary share each in CASB.*

(i) Deemed interested by virtue of his interest in MEHSB pursuant to Section 8(4) of the Act. The directors and shareholders of MEHSB are Dato' Ng Yee Teck and Dato' Cheah Joi Yong.

PTE and LYY are both Malaysians and are not connected in any manner to the Company and its subsidiaries ("**HEXCAP Group**").

2.3 Information on OVCSB

OVCSB is a private limited company incorporated in Malaysia on 15 June 2022. As at the LPD, the total issued share capital of OVCSB is RM200,000.00 comprising 200,000 ordinary shares. OVCSB is a wholly-owned subsidiary of HEXCAP. The directors of OVCSB are Chang Kian Seong and Ong Soon Lim.

The principal activities of OVCSB are as follows:-

(a) project management services which include supply of cables, hardware and accessories, engineering consultation, information technology software and services management; and

(b) investment holding.

2.4 Basis of arriving at and justification for the Purchase Consideration

The Total Purchase Consideration was arrived at on a willing-buyer and willing-seller basis, after taking into consideration the following:-

(a) the 5-day volume weighted average market price ("**5D-VWAMP**") of Binacom Shares up to and including the LPD of RM0.12 per Binacom Share. The cash consideration of RM0.21 per Binacom Share represents a 75.00% premium to the 5D-VWAMP of Binacom Shares up to and including the LPD of RM0.12 per Binacom Share;

(b) the same cash consideration of RM0.21 per Binacom Share that was offered to CASB in the Acquisition 1;

(c) the historical financial results of Binacom based on its audited financial statements for financial year ended ("**FYE**") 2024 and unaudited 6-month quarterly results ended 30 June 2025 as detailed below:-

	Audited	**Unaudited**
	FYE 31 December 2024	**6-month quarterly results ended 30 June 2025**
	RM'000	**RM'000**
Revenue	111,907	57,834
Profit/(Loss) After Tax	2,098	(2,137)
Net asset ("NA")	121,059	131,892
Cash and bank balances	6,629	3,725
Net assets per share attributable to owners of the Company (RM)	0.29	0.27

(d) the future prospects of Binacom Group

The Binacom Group is principally involved in the provision of:

(i) support services for satellite, mobile and fibre optic telecommunications networks and power transmission as well as support services for telecommunication network;

In February 2021, the Malaysian Government announced the MyDIGITAL initiative and the Malaysia Digital Economy Blueprint. MyDIGITAL sets out a combination of initiatives and targets across three phases of implementation until the year 2030 and the Malaysia Digital Economy Blueprint spells out the efforts and initiatives to deliver the aspirations of MyDIGITAL. MyDIGITAL initiative and the Malaysia Digital Economy Blueprint as well as the introduction of 5G networks in Malaysia will augur well with the Binacom Group's efforts in continuing to secure more contracts related to, amongst others, 5G and fiber optic network projects.

(ii) transmission and distribution network utility construction services, information technology services as well as EPCC of solar facilities.

As for the solar PV and utilities sectors in Malaysia, the NETR and various renewable energy ("RE") initiatives collectively propel Malaysia towards attaining its long term RE objectives, primarily through harnessing solar, hydro and biofuels energy. These RE initiatives will also encourage the usage of rooftop solar and large-scale solar farms in Malaysia. Binacom Group is looking at growing its utilities infrastructure services segment by tendering for more solar photovoltaic ("PV") related projects in the future.

The Binacom Group is also continuously seeking opportunities under the transmission and distribution network utility construction services.

(e) limited market liquidity, purchasing a block of shares of similar size may significantly impact the price equilibrium.

2.5 Source of Funding

The Purchase Consideration will be funded by a combination of internally generated funds and bank borrowings.

2.6 Liabilities to be assumed

There are no liabilities, including contingent liabilities and/or guarantees, to be assumed by HEXCAP arising from the Acquisitions.

2.7 Additional financial commitment

There is no additional financial commitment required to put Binacom Group on-stream following the Acquisitions in view that Binacom Group is already in operations.

3. RATIONALE OF THE ACQUISITIONS

The Acquisitions will enable OVCSB to further increase its equity interest in Binacom which would in turn allow HEXCAP Group to continue to equity account for Binacom as its associate company. The Board is of the view that the investment in Binacom will have an accretive effect on the earnings of HEXCAP Group moving forward as HEXCAP will be able to leverage on Binacom Group as a separate platform to accelerate its expansion in the telecommunications sector and strengthen HEXCAP Group's position in tenders for future contracts.

In addition, HEXCAP is able to realise further synergies through collaborations with Binacom to leverage on each other's resources and expertise to provide a more comprehensive suite of services which may be offered to their existing customers or marketed to new customers.

4. RISK FACTOR

Except for the general risks such as non-compliance of the SSAs, the Board is not aware of any anticipated risk arising from the Acquisitions.

5. EFFECTS OF THE ACQUISITIONS

5.1 Share capital and substantial shareholders' shareholdings

The Acquisitions will not have any effect on the share capital and substantial shareholders' shareholding of the Company as it does not involve the issuance of shares.

5.2 NA and Gearing

The Acquisitions will not have any material effects on the NA of HEXCAP Group. The gearing ratio of HEXCAP Group is expected to increase in the event that part of the Purchase Consideration is funded by bank borrowings.

5.3 Earnings and Earnings per share ("EPS")

The Acquisitions are not expected to have an immediate material effect on the earnings and EPS of HEXCAP Group.

Upon completion of the Acquisitions, HEXCAP will be able to equity account for the financial results of Binacom and HEXCAP Group expects that it will contribute positively to the long-term future earnings and EPS of HEXCAP Group.

5.4 Convertible securities

As at the LPD, the Company does not have any other outstanding convertible securities.

6. APPROVALS / CONSENT REQUIRED

The Acquisitions do not require the approval of the shareholders of HEXCAP and/or any regulatory authorities.

7. CONDITIONALITY OF THE ACQUISITIONS

The Acquisitions are not inter-conditional nor conditional on any other proposals undertaken or to be undertaken by the Company.

8. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of the directors, major shareholders of the Company and/or persons connected with them have any interest, whether direct or indirect, in the Acquisitions.

9. DIRECTORS' STATEMENT

The Board, having considered all aspects of the Acquisitions, including but not limited to the rationale and effects of the Acquisitions, is of the opinion that the Acquisitions is in the best interest of the Company and its shareholders.

10. ESTIMATED TIMEFRAME FOR COMPLETION

Acquisition 1 was completed on 18 June 2025. Barring any unforeseen circumstances, Acquisition 2 is expected to be completed in the fourth quarter of year 2025.

11. HIGHEST APPLICABLE PERCENTAGE RATIO

The Acquisitions are considered as an aggregate transaction under Rule 10.12 of the ACE Market Listing Requirements as it involves the acquisitions of Binacom Shares within a period of 12 months. The aggregate percentage ratio of the Acquisitions is 6.02% calculated based on purchase consideration of RM12.44 million as compared with the audited net assets of HEXCAP Group as at 30 September 2024 of RM206.66 million.

Note: The percentage ratio for Acquisition 1 is less than 5%.

12. DOCUMENTS AVAILABLE FOR INSPECTION

The SSAs are available for inspection at HEXCAP's registered office at Level 7, Mercu 3, No. 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur during normal business hours from Monday to Friday (except for public holidays) for a period of 3 months from the date of this announcement.

This announcement is dated 26 September 2025.

APPENDIX I – SALIENT TERMS OF THE SSAs

The salient terms and conditions of the SSAs are set out as follows:-

1. Acquisition 1

Pursuant to the SSA dated 6 June 2025, CASB agrees to sell and OVCSB agrees to purchase 40 million Binacom Shares at RM0.21 for each Binacom Share(s) free from all claims, charges, liens, encumbrances and equities whatsoever together with all interest and rights attached thereto which has been completed on 18 June 2025.

2. Acquisition 2

The Vendors agree to sell and OVCSB agrees to purchase the Binacom Shares at RM0.21 for each Binacom Share(s) free from all claims, charges, liens, encumbrances and equities whatsoever together with all interest and rights attached thereto in the following breakdown: -

Vendor 2	No. of Binacom Shares acquired	% of Binacom Shares acquired	Purchase Consideration to be received (RM)
CASB	9,023,333	1.49	1,894,899.93
PTE	6,382,000	1.06	1,340,220.00
LYY	3,842,300	0.64	806,883.00
Total	**19,247,633**	**3.19**	**4,042,002.93**

3. Mode of Satisfaction

The total Purchase Consideration shall be satisfied by OVCSB via direct business transaction ("**DBT**").

4. Completion

The Acquisitions shall be completed within fourteen (14) days from the date of the SSAs (or such other period that the Parties may mutually agree) ("**Completion Period**") where the completion of the SSAs shall take place on the date when the Vendors' stockbroker receives the total Purchase Consideration in full ("**Completion**").

5. Purchase Price Basis

The agreed purchase price per Binacom Shares shall prevail irrespective of the prevailing market price at the time of transfer.

6. Rescission

If the Completion cannot occur within the Completion Period due to reasons other than the Vendors' default, the SSAs will lapse and no party shall have any further claim against the other save for antecedent breaches.

7. Representations & Warranties

The Vendors represent and warrants that it/he/she has good title to the Binacom Shares and the right to sell the same free from encumbrances, and each of the Parties represents and warrants that it has the requisite power and authority to enter into and perform its obligations under the SSAs.

Save as disclosed above, there are no other salient terms of the SSAs.