

THIS CIRCULAR/STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other independent advisers immediately.

Bursa Malaysia Securities Berhad ("**Bursa Securities**") has only conducted a limited review basis on Part A (II) in respect of the Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature. Bursa Securities has not perused the contents of Part A (I) of the Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature and Part B in relation to the Proposed Renewal of Share Buy-Back Authority prior to the issuance of this Circular/ Statement as it is prescribed as an exempt document pursuant to Guidance Note 22 of the ACE Market Listing Requirements of Bursa Securities.

Bursa Securities takes no responsibility for the contents of this Circular/Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular/ Statement.



HEXTAR CAPITAL BERHAD

Registration No.: 199401036979 (322661-W)
(Incorporated in Malaysia)

CIRCULAR/STATEMENT TO SHAREHOLDERS IN RELATION TO THE:

PART A

- (I) PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE; AND**
- (II) PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

PART B

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY FOR THE PURCHASE OF ITS OWN ORDINARY SHARES ("PROPOSED RENEWAL")

(COLLECTIVELY REFERRED TO AS THE "PROPOSALS")

The resolutions in respect of the above Proposals will be tabled as Special Business at the Thirtieth Annual General Meeting ("**30TH AGM**") of Hextar Capital Berhad ("**HCB**" or "**the Company**") which will be held at Hextar Hall, Level 17, Hextar Centre, Hextar Tower, No. 8, Jalan Damansara, Empire City, PJU 8, Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Friday, 19 June 2026 at 10:00 a.m. or at any adjournment thereof. The Notice of the 30TH AGM together with the Proxy Form are set out in the Company's Annual Report 2025, which is available at www.hextarcapital.com.

The Proxy Form should be completed in accordance with the instructions therein and deposit it to the Administrator's office at Boardroom Share Registrars Sdn. Bhd. ("**Boardroom**") at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof. The lodging of the Proxy Form will not preclude a shareholder from attending, participating, speaking and voting in person at the 30TH AGM should the shareholder subsequently wish to do so.

Last date and time for lodging the Proxy Form	: 17 June 2026 at 10:00 a.m.
Date and time of the 30TH AGM	: 19 June 2026 at 10:00 a.m.

This Circular/Statement is dated 30 April 2026

DEFINITIONS

Unless where the context otherwise requires, the following definitions shall apply throughout this Circular/ Statement:-

Act	:	Companies Act, 2016 and includes any amendments thereto from time to time
AGM	:	Annual General Meeting of HCB
BCB Group	:	Binasat Communications Berhad [201701008491 (1222656-D)] and its subsidiaries
Board or Board of Directors	:	The Board of Directors of HCB
Bursa Securities	:	Bursa Malaysia Securities Berhad [200301033577 (635998-W)]
CIBC	:	CIBC Technology Sdn. Bhd. [199301011913 (266651-P)]
CMSA	:	Capital Markets and Services Act 2007, as amended from time to time and any re-enactment thereof
Code	:	Malaysian Code on Take-Overs and Mergers 2016, including any amendments that may be made from time to time
Director(s)	:	Has the meaning given in Section 2(1) of the CMSA and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon:- (a) a Director of the Company, its subsidiary or holding company; or (b) a Chief Executive of the Company, its subsidiary or holding company
EPCC	:	Engineering, procurement, construction and commissioning
EPS	:	Earnings Per Share
HCB or the Company	:	Hextar Capital Berhad [199401036979 (322661-W)]
HCB Group or the Group	:	HCB and its subsidiaries (including all future subsidiaries which are to be incorporated before the next AGM) as defined in Section 4 of the Act
HGB Group	:	Hextar Global Berhad [199001014551 (206220-U)] and its subsidiaries/associates
HHSB Group	:	Hextar Holdings Sdn. Bhd. [200601002945 (722692-V)] and its subsidiaries
HIB Group	:	Hextar Industries Berhad [201101044580 (972700-P)] and its subsidiaries

DEFINITIONS *(continued)*

HSB	:	Hexlube Sdn. Bhd. [199701027440 (442938-M)]
HTSB Group	:	Hextar Technologies Solutions Berhad [200501034100 (716241-X)] and its subsidiaries
LCSB	:	Legacy Core Sdn. Bhd. (Formerly Known As Civispace Sdn. Bhd.) [201401013082 (1089166-U)]
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities, including any amendments that may be made from time to time
LPD	:	31 March 2026, being the latest practicable date prior to the printing of this Circular/Statement
Major Shareholder	:	A person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, has an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares is:- (a) 10% or more of the total number of the voting shares in the Company; or (b) 5% or more of the total number of the voting shares in the Company where such person is the largest shareholder of the Company. For the purpose of this definition, “interest” shall have the meaning of “interest in shares” given in Section 8 of the Act
NA	:	Net assets
OCSB	:	Opcom Cables Sdn. Bhd. [199401037005 (322687-T)]
OESSB	:	Opcom Engineering Services Sdn. Bhd. [201701015735 (1229899-M)]
OSSSB	:	Opcom Shared Services Sdn. Bhd. [200401027054 (665562-M)]
OTSB	:	Opcom Trading Sdn. Bhd. [201501029894 (1155217-D)]
OVCSB	:	Opcom VC Sdn. Bhd. [202201021405 (1467102-V)]
OVSb	:	Opcom Vision Sdn. Bhd. [202101033401 (1433701-P)]
Partner	:	in relation to any person (referred to as “said Person”), means such person who falls within any one of the following categories: (a) a person with whom the said Person, is in or proposes to enter into partnership with. “Partnership” for this purpose refers to a “partnership” as defined in section 3 of the Partnership Act 1961 or “limited liability partnership” as defined in section 2 of the Limited Liability Partnerships Act 2012, as the case may be; or (b) a person with whom the said Person has entered or proposes to enter into a joint venture, whether incorporated or not.

DEFINITIONS *(continued)*

Person Connected	:	Such person, in relation to the Director or Major Shareholder (referred to as " said Person "), who falls under any one of the following categories:- (a) a family member of the said Person; (b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary; (c) a partner of the said Person or a partner of a person connected with the said Person; (d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person; (e) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act; (f) a body corporate in which the said Person, or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or (g) a body corporate which is a related corporation of the said Person.
Proposed Mandate	:	Collectively, proposed renewal of existing shareholders' mandate for RRPTs of a revenue or trading nature and proposed new shareholders' mandate for RRPTs of a revenue or trading nature
Proposed Mandate	New :	Proposed new shareholders' mandate for the RRPTs, as set out in Section 2.3(ii) of this Circular/Statement
Proposed Mandate	Renewal :	Proposed renewal of existing shareholders' mandate for the RRPTs, as set out in Section 2.3(i) of this Circular/Statement
Related Party(ies)	:	Director(s), Major Shareholder(s) and/or person(s) connected with such Director(s) or Major Shareholder(s)
Related Transaction(s)	Party :	Transaction(s) entered into by HCB Group which involves the interest, direct or indirect, of a Related Party
RM and sen	:	Ringgit Malaysia and sen respectively
RRPTs	:	Recurrent related party transactions of a revenue or trading nature, which are necessary for the day-to-day operations and are to be entered into by HCB Group in the ordinary course of business of HCB Group involving the direct and/or indirect interests of Related Party(ies)
SC	:	Securities Commission Malaysia
Senior Management	:	Full time employees of HCB Group with designation of managers and above

DEFINITIONS *(continued)*

Shares	: Ordinary Shares in HCB
TJE	: T & J Engineering Sdn. Bhd. [201301044551 (1074374-K)]
TVSB	: Transgrid Ventures Sdn. Bhd. [199901016332 (491232-A)]

All references to “we”, “us”, “our” and “ourselves” are to HCB or HCB Group. All references to “you” in this Circular/Statement are to the shareholders of HCB.

Words incorporating the singular shall, where applicable, include the plural and vice versa. Words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular/Statement to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular/Statement shall be a reference to Malaysian time, unless otherwise specified.

Any discrepancies in the tables included in this Circular/Statement between the amounts listed, actual figures and the totals thereof are due to rounding.

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TABLE OF CONTENTS

- PART A : (I) PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE; AND**
- (II) PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

LETTER TO SHAREHOLDERS OF HCB

	PAGE
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSED MANDATE	
2.1 Principal Activities of HCB Group	3
2.2 Classes of Related Parties	4
2.3 Nature of the RRPTs	6
2.4 Review Methods or Procedures for RRPTs	12
2.5 Statement by Audit Committee	13
2.6 Amount due from and owing by the Related Parties	13
2.7 Disclosure in the Annual Report	13
3. RATIONALE AND BENEFITS OF THE PROPOSED MANDATE	14
4. EFFECTS OF THE PROPOSED MANDATE	14
5. APPROVAL REQUIRED	14
6. VALIDITY PERIOD FOR THE PROPOSED MANDATE	14
7. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS	15
8. DIRECTORS' STATEMENT AND RECOMMENDATION	16
9. ANNUAL GENERAL MEETING	16
10. FURTHER INFORMATION	16

TABLE OF CONTENTS *(continued)*

PART B : PROPOSED RENEWAL**LETTER TO SHAREHOLDERS OF HCB**

	PAGE
1. INTRODUCTION	17
2. DETAILS OF THE PROPOSED RENEWAL	
2.1 Details of the Proposed Renewal	18
2.2 Maximum number or percentage of HCB Shares may be purchased	18
2.3 Treatment of HCB Shares purchased	19
3. RATIONALE AND BENEFITS OF THE PROPOSED RENEWAL	19
4. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL	
4.1 Potential Advantages	20
4.2 Potential Disadvantages	20
5. SOURCE OF FUNDS	20
6. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS	21
7. PUBLIC SHAREHOLDING SPREAD	22
8. FINANCIAL EFFECTS TO THE PROPOSED RENEWAL	
8.1 Share Capital	22
8.2 NA	22
8.3 EPS	22
8.4 Working Capital	22
8.5 Dividends	22
9. IMPLICATIONS RELATING TO THE CODE IN RELATION TO THE PROPOSED RENEWAL	23
10. PREVIOUS PURCHASE, RESALE, CANCELLATION AND/OR TRANSFER OF TREASURY SHARES MADE IN THE PRECEDING TWELVE (12) MONTHS	23
11. HISTORICAL SHARE PRICES	23
12. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS	24
13. APPROVAL REQUIRED	24
14. DIRECTORS' STATEMENT AND RECOMMENDATION	24
15. ANNUAL GENERAL MEETING	24
16. FURTHER INFORMATION	24
APPENDIX I – FURTHER INFORMATION	
1. DIRECTORS' RESPONSIBILITY STATEMENT	25
2. MATERIAL CONTRACTS	25
3. MATERIAL LITIGATION, CLAIMS AND ARBITRATION	25
4. DOCUMENTS AVAILABLE FOR INSPECTION	25

PART A

- (I) PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE; AND**
- (II) PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**



HEXTAR CAPITAL BERHAD

Registration No.: 199401036979 (322661-W)
(Incorporated in Malaysia)

Registered Office:

Level 7, Mercu 3
No. 3, Jalan Bangsar
KL Eco City
59200 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur

Dated: 30 April 2026

Board of Directors:

Dato' Mazlin Bin MD Junid (Independent Non-Executive Chairman)
Chang Kian Seong (Managing Director)
Gwi Fei Yi (Executive Director)
Dato' Haji Mohd Yazid Bin Haji Mustafa (Independent Non-Executive Director)
Er Kian Hong (Independent Non-Executive Director)

To: The Shareholders of HCB

Dear Sir/Madam,

- (I) **PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE; AND**
 - (II) **PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**
-

1. INTRODUCTION

The Company had on 26 February 2025, obtained a general mandate from its shareholders for the Company and/or its subsidiaries to enter into RRPTs in the ordinary course of business of a revenue or trading nature which are necessary for the day-to-day operations based on commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not detriment of the minority shareholders.

The said general mandate for RRPTs shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming 30TH AGM unless authority for its renewal is obtained from the shareholders of the Company.

On 22 April 2026, the Company announced to Bursa Securities of its intention to seek the shareholders' approval for the Proposed Mandate at the forthcoming 30TH AGM.

The purpose of this Circular is to provide you with details of the Proposed Mandate and to seek your approval for the Proposed Mandate to be tabled as Special Business at the forthcoming 30TH AGM. The Notice of the 30TH AGM and the Proxy Form are incorporated in the Annual Report 2025.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED MANDATE TO BE TABLED AT OUR FORTHCOMING AGM.

2. DETAILS OF THE PROPOSED MANDATE

Introduction

Rule 10.08 of the Listing Requirements stipulates the obligation of a listed corporation in relation to Related Party Transaction. However, pursuant to Rule 10.09 and Guidance Note 8 of the Listing Requirements, a listed corporation may seek for shareholders' mandate from its shareholders for RRPTs, subject to the following:-

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public;
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where:-
 - (i) the consideration, value of the assets, capital outlay or costs of the RRPTs is RM1 million or more; or
 - (ii) any one of the percentage ratios of such RRPTs is 1% or more,whichever is the higher;
- (c) a circular to shareholders is issued by the Company for the shareholders' mandate and shall include the information as may be prescribed by Bursa Securities;
- (d) in a meeting to obtain shareholders' mandate, the interested Director, interested Major Shareholder or interested person connected with a Director or Major Shareholder; and where it involves the interest of an interested person connected to a Director or Major Shareholder, such Director or Major Shareholder, must not vote on the resolution to approve the transactions. An interested Director or interested Major Shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transaction; and
- (e) the Company immediately announces to Bursa Securities when the actual value of the RRPTs entered into by the listed corporation exceeds the estimated value of the RRPTs disclosed in the circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

Under the provision of the Listing Requirements, where the Company has obtained shareholders' mandate in respect of RRPTs, the provisions under Rule 10.08 of the Listing Requirements shall not apply during the validity period of the shareholders' mandate.

It is envisaged that in the normal course of the HCB Group's businesses, transactions of a revenue or trading nature between companies in the Group and the Related Parties are likely to occur, and which are necessary for its day-to-day operations.

In this respect, the Directors propose to seek approval from shareholders on the Proposed Mandate as set out in Section 2.3 below, to enable the Company and/or its subsidiaries to enter into RRPTs with the classes of Related Parties as set out in Section 2.2 below.

The Proposed Mandate will take effect from the passing of the ordinary resolution proposed at the 30TH AGM and will continue to be in force (unless revoked or varied by the shareholders of the Company in general meeting) until the conclusion of the next AGM of the Company. Thereafter, approval from the shareholders will be sought at each subsequent AGM of the Company.

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2.1 Principal Activities of HCB Group

HCB's principal activities are investment holding, renting of buildings and provision of management services to its subsidiaries, and the principal activities of HCB's subsidiaries are as follows:-

Subsidiaries	Effective Equity Interest	Principal Activities
HSB	100%	Manufacturing, blending and trading of lubricant oil and oil related products; and manufacturing and trading of cable filing and flooding compounds, and trading of industrial products.
LCSB	60%	Construction, civil engineering, infrastructure development, and trading, importing and exporting of general goods, equipment and related products.
OCSB	70%	Manufacturing of fibre optic cables, systems, accessories and provision of engineering services.
OESSB	90%	Provision of engineering services to telecommunications, power utilities and transportation industries and act as distribution agents and solutions provider for telecommunications products in Malaysia.
OSSSB	100%	Provision of human resource management services.
OTSB	100%	General trading of fiber, other cable production materials and provision of engineering services, general trading of all sorts of buildings related materials and to carry on money lending business.
OVCSB	100%	investment holding and project management services which include supply of cables, hardware and accessories, engineering consultation, information technology software and services management.
OVSBB	100%	Project management services which include supply of cables, hardware and accessories, engineering consultation, information technology software and services management and digital marketing & advertising.
TJE	100%	Providing engineering & construction in telecommunication and project management business.

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2.2 Classes of Related Parties

The Proposed Mandate is necessary for HCB Group's day-to-day operations and is in the ordinary course of business of HCB Group.

The principal activities of the Related Parties are as follows:-

Related Parties	Principal Activities
BCB Group	Investment holding company with subsidiaries 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 EPCC of solar facilities (including all future subsidiaries which are to be incorporated before the next AGM) as defined in Section 4 of the Act.
CIBC	Trading, E-commerce and computer consultancy.
HGB Group	Investment holding company with subsidiaries/associates involved in manufacturing and distribution of agrochemicals, specialty chemicals and consumer products (including all future subsidiaries which are to be incorporated before the next AGM) as defined in Section 4 of the Act.
HHSB Group	Investment holding company with subsidiaries/associates involved in businesses of manufacturing, trading and distribution of formulated agrochemicals, fertilisers and industrial chemical products (including all future subsidiaries which are to be incorporated before the next AGM) as defined in Section 4 of the Act.
HIB Group	Investment holding company with subsidiaries/associates involved in the manufacturing, trading, distribution, and wholesale of fertilisers, supply and distributing machinery, reconditioned machinery, spare parts, conveyor belts and related industrial products to quarry industry and manufacturing, distribution, and supply of quarry crusher screens, provision of temporary temperature, control, power, structure solutions and trading of industrial products that include forklifts, industrial batteries and/or its accessories/parts, trading of stationery and office supplies, provision of engineering design customisation, fabrication and project management, retail business in F&B and civil engineering contractor (including all future subsidiaries which are to be incorporated before the AGM) as defined in Section 4 of the Act.
HTSB Group	Investment holding company with subsidiaries/associates involved in total logistic services provider, provision of warehouse for renting, trading of building materials, fintech application and insurance agency, investment holding and others (including all future subsidiaries which are to be incorporated before the next AGM) as defined in Section 4 of the Act.

Related Parties	Principal Activities
TVSB	EPCC of power transmission and distribution substation infrastructure, project management and engineering consultancy of power transmission and distribution infrastructure, supply and maintenance of equipment for power transmission and distribution substations, biomass renewable energy power generation; and trading of biomass-related products.

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2.3 Natures of RRPTs

The classes of Related Parties having interest in the RRPTs for which the shareholders' approval on the Proposed Renewal Mandate is sought in respect of transactions to be entered into by companies within HCB Group are as follows:-

i) Proposed Renewal Mandate

Transacting Party	Related Parties	Type / Nature of Transactions	Interested Directors, Major Shareholders and / or Persons Connected	Estimated Aggregate Value of transactions as disclosed in the preceding year's Circular [^] (RM)	Estimated Value from forthcoming AGM to the next AGM* (RM)	Actual Value Transacted from the date of the previous AGM up to LPD [^] (RM)	Notes
HCB Group (<i>purchaser</i>)	CIBC (<i>seller</i>)	Purchase of goods from CIBC, includes but not limited to construction and building materials such as pole concrete, ready mix concrete, steel bar and etc.	Dato' Ong Choo Meng Ong Soon Lim	5,000,000	100,000,000 ⁽ⁱ⁾	-	(1) (2)
HCB Group (<i>seller</i>)	HGB Group (<i>purchaser</i>)	Supply of goods/services to HGB Group includes but not limited to lubricant-based related products, handling, storage etc. The supply of goods/services to HGB Group are not the same as the purchase of goods/services from HGB Group.	Dato' Ong Choo Meng Ong Soon Lim Teh Li King	150,000,000	30,000,000	4,983,735	(1) (2) (3)

Transacting Party	Related Parties	Type / Nature of Transactions	Interested Directors, Major Shareholders and / or Persons Connected	Estimated Aggregate Value of transactions as disclosed in the preceding year's Circular [^] (RM)	Estimated Value from forthcoming AGM to the next AGM* (RM)	Actual Value Transacted from the date of the previous AGM up to LPD [^] (RM)	Notes
HCB Group (purchaser)	HGB Group (seller)	Purchase of goods/services from HGB Group includes but not limited to lubricant related additives. The supply of goods/services to HGB Group are not the same as the purchase of goods/services from HGB Group.	Dato' Ong Choo Meng Ong Soon Lim Teh Li King	500,000	500,000	675	(1) (2) (3)
HCB Group (seller)	BCB Group (purchaser)	Supply of good and services to BCB Group includes but not limited to fiber optic cables, high density polyethylene tube and pipe, corrugated sub duct, accessories and engineering services related to telecommunication network/infrastructure. The supply of goods/services to BCB Group are not the same as the purchase of goods/services from BCB Group.	Dato' Ong Choo Meng Ong Soon Lim Teh Li King	92,541	50,000,000 ⁽ⁱⁱ⁾	1,104,402	(1) (2) (3)

Transacting Party	Related Parties	Type / Nature of Transactions	Interested Directors, Major Shareholders and / or Persons Connected	Estimated Aggregate Value of transactions as disclosed in the preceding year's Circular^ (RM)	Estimated Value from forthcoming AGM to the next AGM* (RM)	Actual Value Transacted from the date of the previous AGM up to LPD^ (RM)	Notes
HCB Group (seller)	TVSB (purchaser)	Supply of transformer oil and engineering services related to electrical substation and storage space to TVSB.	Datin Sri M. Saraswathy A/P Manikum Dato' Sri J.O. Nantha Kumar A/L J.C. Ramalu Chang Kian Seong	5,000,000	5,000,000	1,295	(4) (5) (6)

Notes: -

- (1) *Dato' Ong Choo Meng is a Major Shareholder in HCB, HTSB and HGB (via his substantial shareholding in HHSB).

Dato' Ong Choo Meng is the executive director of HHSB and HTSB.

HHSB is the ultimate holding company of HGB.

HTSB is the holding company of CIBC.

Dato' Ong Choo Meng is deemed interested in BCB, pursuant to Section 8(4) of the Act by virtue of his interests in HCB via OVCSB. OVCSB is wholly owned by HCB and OVCSB is the substantial shareholder of BCB.*
- (2) *Ong Soon Lim is the Group Managing Director of BCB and holds directorships in a subsidiary of HTSB and the subsidiaries of HCB. He is also the uncle of Dato' Ong Choo Meng.*
- (3) *Teh Li King, is the non-independent non-executive director of BCB. He also holds directorships in a subsidiary of HCB. He is also deemed as a Person Connected to Dato' Ong Choo Meng as he is the Group Chief Operating Officer of HHSB Group. He is also a shareholder of HGB.*
- (4) *Datin Sri M. Saraswathy A/P Manikum is a director of TVSB and a Major Shareholder of HCB and TVSB.*
- (5) *Dato' Sri J.O. Nantha Kumar A/L J.C. Ramalu is the spouse of Datin Sri M. Saraswathy A/P Manikum, and a Major Shareholder of HCB, having indirect interest pursuant to Section 59(11)(c) of the Act. Dato' Sri J.O. Nantha Kumar A/L J.C. Ramalu is also a director of TVSB.*
- (6) *Chang Kian Seong holds directorships in both HCB Group and TVSB.*

- * *The estimated values are merely estimates from the LPD up to the next AGM to be held in year 2027. The estimated value is based on the latest available information relating to the aforesaid transactions and historical trends and may vary. HCB Group is currently in the tendering process for several ongoing projects. However, as these opportunities are private and confidential in nature, HCB Group is unable to disclose the specific projects at this stage. HCB Group remains actively involved in tender participation and continues to explore potential project opportunities.*
- ^ *None of the actual value transacted exceeded the estimated value as disclosed to the shareholders in the preceding year's Circular to Shareholders, except for the transaction on the Supply of good and services from HCB Group to BCB Group, which have exceeded 10% of their estimated value due to higher demand for the supply of cables and accessories as a result of growth of BCB Group's order book. Immediate announcement on the deviation has been made to Bursa Securities on 27 August 2025.*
- (i) *While the actual value transacted with CIBC from the previous AGM up to the LPD has been nil, the estimated transaction value has been increased from the forthcoming AGM to the next AGM to cater for potential project requirements, which may vary in scope, scale and technical specifications and may require substantial procurement from CIBC. In addition, the HCB Group may undertake multiple projects concurrently or within a short timeframe, resulting in a higher aggregate transaction value during the mandate period. As a result, the estimated transaction value from the forthcoming AGM to the next AGM represents a reasonable and prudent estimate of the HCB Group's potential transactions with CIBC, while providing operational flexibility and avoiding frequent revisions to the shareholders' mandate.*
- (ii) *The estimated transaction value from the forthcoming AGM to the next AGM has been increased to cater for potential project requirements.*

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ii) **Proposed New Mandate**

Transacting Party	Related Parties	Type / Nature of Transactions	Interested Directors, Major Shareholders and / or Persons Connected	Estimated Aggregate Value from LPD up to forthcoming AGM* (RM)	Actual Value Transacted from the date of the first transaction up to LPD** (RM)	Estimated Value from forthcoming AGM to the next AGM*** (RM)	Notes
HCB Group (<i>purchaser</i>)	HIB Group (<i>seller</i>)	Procurement of civil engineering services and construction works includes but not limited to piling works. ⁽ⁱ⁾	Dato' Ong Choo Meng Ong Soon Lim Teh Li King	-	-	15,000,000	(1) (2) (3)
HCB Group (<i>purchaser</i>)	BCB Group (<i>seller</i>)	Purchase of goods/services from BCB Group includes but not limited to engineering, consultation, maintenance and service management such as broadcasting services, solar PV system related maintenance and services. The supply of goods/services to BCB Group are not the same as the purchase of goods/services from BCB Group. ⁽ⁱⁱ⁾	Dato' Ong Choo Meng Ong Soon Lim Teh Li King	-	-	50,000,000	(1) (2) (3)

Notes: -

- (1) *Dato' Ong Choo Meng is a Major Shareholder in both HCB and HIB. HIB's major shareholder is HHSB and Dato' Ong Choo Meng is deemed interested in HIB, pursuant to Section 8(4) of the Act by virtue of his interests in HHSB. He also serves as a director of HHSB.*
- Dato' Ong Choo Meng is deemed interested in BCB, pursuant to Section 8(4) of the Act by virtue of his interests in HCB via OVCSB. OVCSB is wholly owned by HCB and OVCSB is the substantial shareholder of BCB.*
- (2) *Ong Soon Lim is the Group Managing Director of BCB and holds directorships in the subsidiaries of HCB. He is also the uncle of Dato' Ong Choo Meng.*
- (3) *Teh Li King, is the non-independent non-executive director of BCB. He also holds directorships in a subsidiary of HCB and the subsidiaries of HIB. He is also deemed as a Person Connected to Dato' Ong Choo Meng as he is the Group Chief Operating Officer of HHSB Group.*
- * *The estimated values are merely estimates from the LPD up to the forthcoming AGM to be held in year 2026. The estimated value is based on the latest available information relating to the aforesaid transactions and historical trends and may vary.*
- ** *The RRPTs transacted are crucial to sustaining the daily operation of HCB Group, any delay might distort the business operation. The date of the first transaction varies and the percentage ratio for the transaction(s) from the date of the first transaction up to the date of the forthcoming AGM is less than 5% and hence, no shareholders' approval is required. The Board will ensure that the aggregate value from the first transaction until the forthcoming AGM is less than 5%.*
- *** *The estimated values are merely estimates from the forthcoming AGM to the next AGM to be held in year 2027. The estimated value is based on the latest available information relating to the aforesaid transactions and historical trends and may vary.*
- (i) *The potential engagement of HIB Group was based on its proven track record and it possesses the necessary experience and technical resources to undertake the works effectively.*
- (ii) *HCB Group supply cables, pipes and accessories, as well as undertakes the construction and installation of telecommunication towers, while BCB Group supply telecommunication equipment and computer-related supplies, and provides civil, mechanical and engineering works. Hence, this constitutes the difference between the supply of goods and/or services to BCB and the purchase of goods and/or services from BCB.*

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2.4 Review Methods or Procedures for RRPTs

2.4.1 Review Methods or Procedures

HCB Group has established policies/procedures/measures to ensure that the RRPTs are undertaken at arm's length basis and on normal commercial terms consistent with the Group's usual business practices and policies and that such transacting prices and terms are not more favourable to the Related Parties than those generally extended to public and are not to the detriment of the minority shareholders.

In this respect, HCB Group has implemented the following review procedures with regard to the RRPTs:-

- a. The management of HCB Group has been kept informed of policies and procedures applicable to the RRPTs, who will ensure that the transaction with the Related Parties will only be entered into after taking into consideration the transaction prices and rates based on prevailing market prices that are agreed upon under similar commercial terms for transactions with third parties and on terms which are generally in line with the industry norms.
- b. The transaction prices and terms are determined based on the prevailing market rates which are determined by market forces, demand and supply, specifications, exchange rates and other relevant factors. Where practical and feasible, at least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, to determine whether the price and terms offered to/by the related parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities. Where it is impractical or impossible for quotes and/or tenders to be obtained from unrelated third parties, or where there has not been any similar or substantially similar transactions between HCB Group and Related Parties, the terms of the transactions for the products or services will be in accordance with the Group's usual business practice, and at rates not more favourable to the Related Parties than those generally available to the public and is not detrimental to HCB Group.
- c. The Audit Committee would review the internal audit report to ascertain that relevant methods, procedures, guidelines and policies established to monitor the RRPTs have been complied with.
- d. HCB Group has in placed a Group-wide policies and procedures to facilitate communication and awareness of accountability and control procedures for key business units. There is proper documented limit of authority and all RRPTs are implemented and approved according to the limit of authority set in accordance with the type and nature of transactions and documents involved.
- e. There are no specific thresholds for approvals of RRPTs as all the transactions will be reviewed and reported by executive director and Senior Management to the Audit Committee and Board of Directors for deliberation and approval. Where any Director has interest (direct/ indirect) in a transaction, the said Director shall abstain from deliberation and voting on the particular resolution in approving the transaction.
- f. All the RRPTs are tabled to the Audit Committee for review on a quarterly basis. The Audit Committee will report its findings to the Board for further action if during the quarterly review the Audit Committee is of the view that the guidelines and procedures are not sufficient to ensure normal commercial terms and/or the transaction is deemed detrimental to the minority shareholders.

- g. Proper records will be maintained to capture all RRPTs entered into pursuant to the Proposed Mandate to ensure accurate disclosure thereof and all records of RRPTs shall be tabled to the Audit Committee and Board of Directors for review and information on quarterly basis.
- h. The Board and Audit Committee will have the overall responsibility for the determination of the review procedures and processes, including any addition or variation thereto, where applicable. If a member of the Board or the Audit Committee has an interest in a transaction, he will abstain from any deliberation and decision making by the Board or the Audit Committee in respect of the said transaction.
- i. The review of the policies, procedures and processes would be carried out by the Audit Committee and the Board every three (3) years and appropriate changes would be made from time to time.

2.4.2 Abstention from Voting

All members of the Board and Audit Committee who are directly and/or indirectly interested in any RRPTs shall have declared their interests in the RRPTs and abstain from deliberation and voting in respect of these transactions.

Categories of persons who will abstain from voting are as follows:-

- (a) Any interested Director(s);
- (b) Any interested Major Shareholder(s);
- (c) Any person(s) connected to the interested Director(s) or interested Major Shareholder(s); and
- (d) Any Director(s) or Major Shareholder(s) whose person(s) connected is/are interested in the RRPTs.

2.5 Statement by Audit Committee

The Audit Committee is of the view that HCB Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner. The procedures and processes would be reviewed on every three (3) years and appropriate changes would be made from time to time. The review procedures as set out in Section 2.4 for RRPTs are sufficient and appropriate to ensure that such RRPTs will be undertaken at arm's length and are on normal commercial terms consistent with the industry norms and not more favourable to the Related Parties than those generally available to the public and that such terms will not be detrimental to the interests of the minority shareholders of HCB or disadvantageous to HCB Group.

2.6 Amount due from and owing by the Related Parties

As at LPD, there is no amount due from and owing to HCB Group by Related Parties pursuant to RRPTs which has exceeded the credit term.

2.7 Disclosure in the Annual Report

Disclosure will be made in the annual report of the company in accordance with the Rule 3.1.5 of Guidance Note 8 of the Listing Requirements, which requires a breakdown of the aggregate value of the RRPTs entered into during the financial year based on the following information:-

- (a) the type of RRPTs made; and
- (b) the names of the Related Parties involved in each type of the RRPTs made and their relationships with HCB Group.

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3. RATIONALE AND BENEFITS OF THE PROPOSED MANDATE

The Proposed Mandate will benefit the Company by facilitating entry by members of HCB Group into transactions specified in Section 2.3 with the classes of Related Parties specified in Section 2.2 above in the ordinary course of the Group's business on commercial terms, in a timely manner and will enable HCB Group to continue to carry out RRPTs necessary for HCB Group's day-to-day operations and enhance the Group's ability to pursue business opportunities which are time-sensitive in nature in a more expeditious manner.

The obtaining of the Proposed Mandate and renewing the same on an annual basis will eliminate the need to announce and convene separate general meetings of the Company from time to time to seek shareholders' approval on each occasion pursuant to the requirements of Rule 10.09 of the Listing Requirements, as and when potential transactions with the specified classes of Related Parties arise. This will also substantially reduce expenses associated with the convening of such meetings on an ad hoc basis, improve administrative efficiency and allow human resources and time to be channelled towards attaining other corporate objectives and opportunities.

This allow HCB Group to enter into such RRPTs made on an arm's length basis and on normal commercial terms that are not favourable to the Related Parties than those generally available to the public and which are not prejudicial to the interests of the minority shareholders. In some instances, the Related Parties provide HCB Group the support for its operational and business needs and further enhance its ability to explore beneficial business opportunities. The Proposed Mandate is of paramount importance for the continued success and viability of the HCB Group.

4. EFFECTS OF THE PROPOSED MANDATE

The Proposed Mandate is administrative in nature and is therefore not expected to have any effect on the issued share capital, substantial shareholding and the dividend of the Company and earnings and net assets of HCB Group.

5. APPROVAL REQUIRED

The Proposed Mandate is subject to the approval of the shareholders of HCB at the forthcoming AGM to be convened.

6. VALIDITY PERIOD FOR THE PROPOSED MANDATE

The Proposed Mandate, if approved by the shareholders of the Company, is subject to annual renewal and will continue to be in force until:-

- a. the conclusion of the next AGM of the Company following the 30TH AGM at which such ordinary resolution is passed to effect the Proposed Mandate, at which time it will lapse, unless by a resolution passed at the general meeting, the Proposed Mandate is renewed;
- b. the expiration of the period within which the next AGM of the Company after that date it is required by law to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- c. the Proposed Mandate is revoked or varied by an ordinary resolution passed by the shareholders of HCB in a general meeting;

whichever is earlier.

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7. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

The direct and indirect interests of the interested Directors, interested Major Shareholders and interested Persons Connected with them as at LPD are as follows:-

	Direct Interest		Indirect Interest	
	No. of HCB Shares	%	No. of HCB Shares	%
<u>Interested Major Shareholders</u>				
Dato' Ong Choo Meng	129,008,600	22.20	-	-
Datin Sri M. Saraswathy A/P Manikum	42,877,354	7.38	-	-
Dato Sri J.O. Nantha Kumar A/L J.C. Ramalu	-	-	42,877,354 ⁽ⁱ⁾	7.38
<u>Interested Directors / Person Connected</u>				
Chang Kian Seong	-	-	-	-
Ong Soon Lim	-	-	-	-
Teh Li King	-	-	-	-

Note:-

- (i) *Indirect interest by virtue of his spouse's direct shareholdings, pursuant to Section 59(11)(c) of the Act.*

Accordingly, the abovenamed Major Shareholders of the Group who are interested (directly or indirectly) in the Proposed Mandate shall abstain from voting in respect of their direct and indirect shareholdings in the Company, if any, at the forthcoming AGM on the resolutions to approve the Proposed Mandate.

The abovenamed interested Directors who are interested in the Proposed Mandate have abstained and will continue to abstain from all deliberations and voting on the RRPTs involving them as stated in the Proposed Mandate at the relevant Board Meetings and/or shall also abstain from voting in respect of their direct and indirect shareholdings in the Company, if any, at the forthcoming AGM on the resolutions to approve the Proposed Mandate.

Further, the abovenamed interested Directors and interested Major Shareholders have undertaken to ensure that the Persons Connected with them, will abstain from voting in respect of their direct and/or indirect shareholdings in HCB, if any, at the forthcoming AGM on the resolutions to approve the Proposed Mandate involving their interests.

Save as disclosed above, none of the Directors, Major Shareholders of HCB and/or persons connected with them, has any interest, direct or indirect, in the Proposed Mandate.

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8. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board (save for the interested Directors in respect of the relevant resolutions to approve RRPTs involving their interests as set out in Section 7 above and who hence gave no opinion thereon) having considered all aspects of the Proposed Mandate, is of the opinion that the Proposed Mandate are in the best interest of HCB Group and accordingly, the Board (save for the interested Directors) recommends that you vote in favour of the ordinary resolution on the Proposed Mandate to be tabled at the forthcoming AGM.

9. ANNUAL GENERAL MEETING

Notice of the 30TH AGM of the Company is enclosed together with the Annual Report 2025, will be held at the Hextar Hall, Level 17, Hextar Centre, Hextar Tower, No. 8, Jalan Damansara, Empire City, PJU 8, Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan on Friday, 19 June 2026 at 10:00 a.m. or at any adjournment thereof., for the purpose of considering and, if thought fit, passing the resolution, with or without any modifications, to give effect to the Proposed Mandate.

If you are unable to attend and vote in person at the AGM, you may complete and return the relevant Proxy Form in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the Poll Administrator's office at Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time for convening the forthcoming AGM. The lodging of the Proxy Form will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

10. FURTHER INFORMATION

You are advised to refer to the attached Appendix I for further information.

Yours faithfully,
For and on behalf of the Board of Directors of
HEXTAR CAPITAL BERHAD

CHANG KIAN SEONG
MANAGING DIRECTOR

PART B

**PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY FOR THE PURPOSE OF ITS OWN
ORDINARY SHARES (“PROPOSED MANDATE”)**



HEXTAR CAPITAL BERHAD

Registration No.: 199401036979 (322661-W)
(Incorporated in Malaysia)

Registered Office:

Level 7, Mercu 3
No. 3, Jalan Bangsar
KL Eco City
59200 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur

Dated: 30 April 2026

Board of Directors:

Dato' Mazlin Bin MD Junid (Independent Non-Executive Chairman)
Chang Kian Seong (Managing Director)
Gwi Fei Yi (Executive Director)
Dato' Haji Mohd Yazid Bin Haji Mustafa (Independent Non-Executive Director)
Er Kian Hong (Independent Non-Executive Director)

To: The Shareholders of HCB

Dear Sir/Madam,

SHARE BUY-BACK STATEMENT IN RELATION TO THE PROPOSED RENEWAL OF SHARE BUY BACK AUTHORITY ("PROPOSED RENEWAL")

1. INTRODUCTION

The Company had on 26 February 2025, the Company obtained the shareholders' approval to purchase up to ten percent (10%) of the total number of issued shares of HCB on Bursa Securities at any point in time. This authority will, in accordance with the Listing Requirements, lapse at the conclusion of forthcoming 30TH AGM unless a renewal of authority of share buy-back is obtained from the shareholders of the Company at the forthcoming 30TH AGM.

On 22 April 2026, the Company announced to Bursa Securities of its intention to seek the shareholders' approval for the Proposed Renewal at the forthcoming AGM of the Company.

The purpose of this Statement is to provide you with the details of the Proposed Renewal and to seek your approval for the ordinary resolution pertaining thereto to be tabled at the forthcoming AGM. The notice convening the 30TH AGM and the Proxy Form are enclosed in the Annual Report 2025.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS STATEMENT BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED RENEWAL TO BE TABLED AT OUR FORTHCOMING AGM.

2. DETAILS OF THE PROPOSED RENEWAL

2.1 Details of the Proposed Renewal

The Board is proposing to seek the shareholders' approval to authorise the Company to purchase its own Shares for an aggregate amount of up to ten percent (10%) of the total number of issued shares at any point in time subject to compliance with the Act, Listing Requirements and any prevailing laws and regulations issued by the relevant authorities.

The Proposed Renewal, if approved by the shareholders of the Company during forthcoming 30TH AGM or any adjournment thereof until:-

- (a) the conclusion of the next AGM of the Company at which time it will lapse, unless the authority is renewed by a resolution passed at the next AGM;
- (b) the expiration of the period within which the next AGM of the Company after that date it is required by law to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by an ordinary resolution passed by the shareholders of HCB in a general meeting;

whichever is earlier.

2.2 Maximum Number or Percentage of HCB Shares may be Purchased

Based on the Company's issued Shares of 581,053,222 as at LPD, the maximum number of HCB Shares which may be purchased by the Company pursuant to the Proposed Renewal shall not exceed 10% of the total number of issued shares of the Company at the point of purchase.

Details of the computation of issued Shares that HCB may buy-back are as follows:

	Minimum Scenario	Maximum Scenario
Issued and Paid-Up Share Capital as at LPD	581,053,222	581,053,222
Add: Assuming full exercise of the balance of Employees' Share Option Scheme (" ESOS ")	-	18,500,000
Enlarged total number of issued shares	581,053,222	599,553,222
Less: Maximum number of Shares that may be purchased pursuant to the Proposed Renewal	(58,105,322)	(59,955,322)
Total number of issued shares after the Proposed Renewal	522,947,900	539,597,900

However, the actual number of HCB Shares to be purchased and the timing of any purchase will depend on the market conditions and sentiments of Bursa Securities, the availability of financial resources and retained profits of our Company. In addition, the Board will ensure that the purchase of HCB Shares will not result in the Company's public shareholding spread falling below the minimum public shareholding spread of twenty-five percent (25%) of the issued and paid-up share capital.

2.3 Treatment of HCB Shares Purchased

Pursuant to the provisions of Section 127(4) and (7) of the Act, our Board may deal with the HCB Shares in the following manner:-

- (a) to cancel the HCB Shares so purchased;
- (b) to retain the HCB Shares so purchased as Treasury Shares; or
- (c) to retain part of the HCB Shares so purchased as Treasury Shares and cancel the remainder; or if such HCB Shares are held as treasury shares, the Board may:
 - (i) distribute the Treasury Shares as share dividends to Shareholders; or
 - (ii) resell the Treasury Shares or any of the said shares in accordance with the Listing Requirements; or
 - (iii) transfer the Treasury Shares or any of the said shares as purchase consideration; or
 - (iv) transfer the Treasury Shares or any of the said shares for the purposes of or under an employee's share scheme or such other purpose as allowed under the Act; or
 - (v) cancel the Treasury Shares or any of the said shares; or
 - (vi) sell, transfer or otherwise use the HCB shares for such other purposes as the Minister may by order prescribe.

As at the date of this Statement, the Board has yet to make any decision with regard to the treatment of the Purchased Shares and will take into consideration the effects of such treatment on the Group in arriving at its decision. An immediate announcement will be made to Bursa Securities and the relevant authorities in respect of the Board's decision on the treatment of the Purchased Shares in compliance with the Listing Requirement and the Act.

In the event that the Purchased Shares are held as treasury shares, the rights attached to them in relation to voting, dividends and participation in other distributions whether cash or otherwise would be suspended. The treasury shares shall not be taken into account in calculating the number or percentage of Shares or of a class of Shares in the Company for any purposes including the determination of substantial and major shareholdings, take-overs, notices, the requisitioning of meetings, the quorum for meetings and the result of votes on the resolution at a meeting of members.

3. RATIONALE AND BENEFITS OF THE PROPOSED RENEWAL

The Proposed Renewal if implemented, may provide the following potential benefits to the Company and its Shareholders:-

- (a) To enable HCB Group to utilise its surplus financial resources to purchase the Shares of the Company to stabilise the supply and demand of its Shares in the open market and thereby support its fundamental value.
- (b) Should HCB Shares be cancelled, either immediately or subsequently after being held as Treasury Shares, the Proposed Renewal is expected to improve the EPS of HCB Group and benefit the Shareholders of the Company.
- (c) The Purchased Shares, which to be held as Treasury Shares may be realised with potential gain without affecting the total issued and paid-up capital of the Company. In the event the Treasury Shares are distributed as share dividends, it serves as a reward to the Shareholders of the Company.

4. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL

4.1 Potential Advantages

- (a) It allows the Company to utilise its surplus financial resources to purchase the HCB Shares to enhance the value of shareholders' investments in the Company if there are no immediate use of the financial resources;
- (b) To stabilise the supply and demand of HCB Shares traded on the stock market of Bursa Securities and mitigate the volatility of HCB Share prices. The stability of HCB Share prices is important to maintain investors' confidence to facilitate future fund-raising exercises of the Company via the equity market;
- (c) To provide opportunities for the Company to increase its financial resources if the Purchased Shares which are retained as treasury shares are resold at prices higher than the purchase prices; and
- (d) In the event the Treasury Shares are distributed as share dividends by the Company, it will serve to reward the Shareholders of the Company.

4.2 Potential Disadvantages

The potential disadvantages of the Proposed Renewal to the Company and its Shareholders are as follows:-

- (a) The purchase of HCB Shares pursuant to the Proposed Share Buy-Back, will reduce the financial resources available to the Group and may result in the HCB Group forgoing future investment opportunities that may emerge in the future; and
- (b) It may reduce the amount of financial resources available for the repayment of the Group's borrowings, for working capital or for distribution in the form of dividends to the Shareholders of the Company. However, the working capital of HCB Group may recover and increase upon the reselling of the Purchased Shares at prices higher than the purchase price.

The Proposed Renewal is not expected to have any potential material disadvantage to the Company and its Shareholders, as it will be exercised only after in-depth consideration of the financial resources of HCB Group and of the resultant impact on its Shareholders. The Directors in exercising any decision on the Proposed Renewal will be mindful of the interest of the Company and its Shareholders.

5. SOURCE OF FUNDS

Pursuant to the Listing Requirements, the Proposed Renewal must be made wholly out of retained profits of the Company. Therefore, the maximum amount of funds to be utilised for the Proposed Renewal shall not exceed the aggregate of the retained profits of the Company. Based on the audited financial statements of the Company for the financial period ended 31 December 2025, the retained profits of the Company were RM1,802,475.

The Proposed Renewal will be funded through internally generated funds and/or bank borrowings or a combination of both. The actual amount of borrowings will depend on the financial resources available at the time of purchase(s). The actual number of HCB Shares to be purchased will depend on, amongst others, the prevailing market conditions, and sentiments of the stock market as well as the retained profits and the financial resources available to the HCB Group at the time of the purchase(s).

The Board shall ensure that the Company has sufficient funds to repay the bank borrowings and interest expense in the event that the Company intends to purchase its own shares using bank borrowings and that the repayment would have no material effect on the cash flow of the Company. In addition, the Board will ensure that the Company satisfies the solvency test as stated in Section 112(2) of the Act before execution of the Proposed Renewal.

6. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors of the Company nor person connected to the Directors (as defined in the Listing Requirements of Bursa Securities) have any direct or deemed interest in the Proposed Renewal and resale of Treasury Shares (if any).

The effect of the Proposed Renewal on the shareholdings of Substantial Shareholders as at LPD, are set out as follows:-

Minimum scenario

	As at LPD				After the Proposed Renewal			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Substantial Shareholders								
Dato' Ong Choo Meng	129,008,600	22.20	-	-	129,008,600	24.67	-	-
Datin Sri M. Saraswathy A/P Manikum	42,877,354	7.38	-	-	42,877,354	8.20	-	-
Dato Sri J.O. Nantha Kumar A/L J.C. Ramalu	-	-	42,877,354 ⁽ⁱ⁾	7.38	-	-	42,877,354 ⁽ⁱ⁾	8.20

Maximum scenario

	As at LPD				After the Proposed Renewal			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Substantial Shareholders								
Dato' Ong Choo Meng	129,008,600	22.20	-	-	129,008,600	23.91	-	-
Datin Sri M. Saraswathy A/P Manikum	42,877,354	7.38	-	-	42,877,354	7.95	-	-
Dato Sri J.O. Nantha Kumar A/L J.C. Ramalu	-	-	42,877,354 ⁽ⁱ⁾	7.38	-	-	42,877,354 ⁽ⁱ⁾	7.95

Note:-

- (i) Indirect interest by virtue of his spouse's direct shareholdings, pursuant to Section 59(11)(c) of the Act.

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7. PUBLIC SHAREHOLDING SPREAD

As at LPD, the public shareholding spread of the Company was 70.23%. The public shareholding spread after the Proposed Renewal is expected to be reduced to 66.93% under minimum scenario and 67.95% under maximum scenario, assuming that the Proposed Renewal is implemented in full.

The Company will ensure that it will not purchase its own Shares if that purchase will result in the Company's public shareholding spread falling below the minimum threshold of 25%.

8. FINANCIAL EFFECTS TO THE PROPOSED RENEWAL

8.1 Share Capital

The effect of the Proposed Renewal on the total number of issued shares of the Company will depend on whether the Purchased Shares are cancelled or retained as treasury shares.

Based on the total number of issued shares of the Company as at LPD and assuming that the maximum number of HCB Shares (of up to ten percent (10%) of the total number of issued shares) authorised under the Proposed Renewal are purchased and cancelled, it will result in the total number of issued shares of the Company being reduced. Please refer to Section 2.2 of this Statement for the maximum number of HCB Shares that may be purchased under the Proposed Renewal.

However, the Proposed Renewal will not have any effect on the total number of issued shares of HCB if all of the Purchased Shares are to be retained as treasury shares.

8.2 NA

The Proposed Renewal, if carried out, may increase or decrease the NA per Share of HCB depending on the purchase price(s) of the Shares at the time that the purchase is made. The NA per Share will increase if the purchase price is less than the audited NA per Share but will decrease if the purchase price exceeds the audited NA per Share at the time the Shares are purchased.

For the Shares so purchased and kept as treasury shares, upon resale, the NA per Share will increase if the gain of the Shares resold has been realised. However, the quantum of the increase in NA per Share will depend on the selling prices of the treasury shares and the number of Treasury Shares resold.

8.3 EPS

The effects of the Proposed Renewal on EPS of the Company will depend, inter- alia, on the number of purchased shares, the purchase price and the effective funding cost of the purchase. The reduced number of the Company's shares applicable in computing the EPS subsequent to the purchase will generally have a positive impact, all else being equal, on the EPS of the Company.

8.4 Working Capital

The Proposed Renewal, as and when implemented, will reduce the working capital of HCB Group. The quantum of which will depend on, amongst others, the number of Purchased HCB Shares, purchase price(s) and any associated cost incurred for the purchase of the HCB shares. In the event that the treasury shares are subsequently resold on Bursa Securities, the working capital of the Group will increase upon the receipt of the proceeds of the resale.

8.5 Dividends

The Proposed Renewal is not expected to adversely affect the Company's ability to pay dividends as our Board will take into consideration the Company's profit, cash flow and the capital commitments before proposing any dividend payment. However, our Board will have the option of distributing the treasury shares as share dividends to the Shareholders of HCB.

9. IMPLICATIONS RELATING TO THE CODE IN RELATION TO THE PROPOSED RENEWAL

Pursuant to Rule 4 of the Code, a person and any parties acting in concert with him will be required to make a mandatory offer for the remaining HCB Shares not already owned by him/her/them if his/her/their stake in the Company is increased to beyond 33% or if his/her/their shareholding is between 33% and 50% and increases by another 2% in any six (6) months period.

However, an exemption from mandatory offer obligation may be granted by the SC under the Code subject to the parties acting in concert complying with the conditions stipulated in the Code.

The Company intends to implement the Proposed Renewal in the manner that will not result in any of the shareholders having to undertake a mandatory offer pursuant to the Code. In this respect, the Board will be mindful of the requirements of the Code when implementing the Proposed Renewal. Nonetheless, if the obligation to undertake a mandatory general offer under the Code is expected to be triggered, the substantial shareholders and their respective parties acting in concert will apply for an exemption from the SC.

10. PREVIOUS PURCHASE, RESALE, CANCELLATION AND/OR TRANSFER OF TREASURY SHARES MADE IN THE PRECEDING TWELVE (12) MONTHS

There was no purchase, resale, cancellation and/or transfer of treasury shares made by HCB in the preceding twelve (12) months and the Company does not hold any treasury shares.

11. HISTORICAL SHARE PRICES

The following table sets out the monthly highest and lowest prices of HCB Shares traded on Bursa Securities for the preceding fifteen (15) months from January 2025 up to March 2026:-

	High (RM)	Low (RM)
<u>2025</u>		
Jan	0.36	0.30
Feb	0.35	0.30
Mar	0.31	0.28
April	0.30	0.24
May	0.33	0.26
June	0.29	0.25
July	0.27	0.25
August	0.27	0.23
September	0.25	0.21
October	0.27	0.21
November	0.23	0.19
December	0.21	0.19
<u>2026</u>		
January	0.23	0.18
February	0.26	0.21
March	0.24	0.20
The last transacted market price of HCB Shares as at LPD is RM0.20.		
(Source : Stock Analysis)		

12. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

Save for the consequential increase in the percentage of shareholdings and/or voting rights of the Directors and substantial shareholders of the Company as a result of the decrease in the total number of issued share of the Company after the Proposed Renewal, none of the Directors, Substantial Shareholders and/or persons connected to them have any interest, either direct or indirect in the Proposed Renewal and the subsequent resale of treasury shares, if any, in the future.

13. APPROVAL REQUIRED

The Proposed Renewal is subject to the approval of the shareholders of HCB at the forthcoming AGM to be convened.

14. DIRECTORS' STATEMENT AND RECOMMENDATION

The Directors, having considered the Proposed Renewal, are of the opinion that the Proposed Renewal is in the best interest of the Company and its shareholders. Accordingly, the Directors recommend that you vote in favour of the ordinary resolution pertaining to the Proposed Renewal to be tabled at the forthcoming 30TH AGM of the Company.

15. ANNUAL GENERAL MEETING

Notice of the 30TH AGM of the Company is enclosed together with the Annual Report 2025, will be held at the Hextar Hall, Level 17, Hextar Centre, Hextar Tower, No. 8, Jalan Damansara, Empire City, PJU 8, Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan on Friday, 19 June 2026 at 10:00 a.m. or at any adjournment thereof., for the purpose of considering and, if thought fit, passing the resolution, with or without any modifications, to give effect to the Proposed Mandate.

If you are unable to attend and vote in person at the AGM, you may complete and return the relevant Proxy Form in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the Poll Administrator's office at Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time for convening the forthcoming AGM. The lodging of the Proxy Form will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

16. FURTHER INFORMATION

You are advised to refer to the attached Appendix I for further information.

Yours faithfully,
For and on behalf of the Board of Directors of
HEXTAR CAPITAL BERHAD

CHANG KIAN SEONG
MANAGING DIRECTOR

APPENDIX I – FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular/Statement has been seen and approved by our Board who collectively and individually accept full responsibility for the completeness and accuracy of the information contained in this Circular/Statement and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts contained in this Circular/Statement, the omission of which would make any statement in this Circular/Statement false or misleading.

2. MATERIAL CONTRACTS

There are no contracts which are or may be material (not being contracts entered into in the ordinary course of business) which have been entered into by HCB and its subsidiaries during the two (2) years immediately preceding the date of this Circular/Statement.

3. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

Save as disclosed below, as at LPD, the Group is not engaged in any material litigation, either as the plaintiff or defendant, claims or arbitration which have a material effect on the financial position or business of the Group and the Board is not aware of any proceedings, pending or threatened against the Group, or of any other facts which is likely to give rise to any proceedings which may materially and adversely affect the financial position or business of the Group.

Shah Alam Sessions Court Suit No: BA-B52NCC-67-08/2022 by OCSB against Forward Resources & Construction Sdn. Bhd. by way of a Writ of Summons dated 16 August 2022 for the sum of RM440,400.00 being the outstanding sums for goods sold and delivered Judgment in Default of Appearance was granted against the defendant on 12 October 2022. However, the defendant has been wound up by Bina Plastic Industries Sdn. Bhd. on 24 August 2022. On 1 December 2022, OCSB has filed the Proof of Debt Form at the Shah Alam Insolvency Department. OCSB is currently pending the First Creditor's Meeting from the insolvency department.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of the Company at Level 7, Mercu 3, No. 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur during normal business hours (except public holidays) from the date of this Circular/Statement up to the date of the 30TH AGM:-

- (a) The Constitution of HCB;
- (b) The audited consolidated financial statements of HCB for the past 2 financial year/period ended 30 September 2024 and 31 December 2025 and the latest unaudited results since the latest audited financial statements; and
- (c) The relevant cause paper in respect of the material litigation, claims and arbitration referred to in Section 3 above.

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