NEWS RELEASE
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HEXTAR INDUSTRIES SECURES LUCKIN COFFEE'S FIRST-EVER MASTER FRANCHISE. SET TO INTRODUCE LUCKIN COFFEE TO MALAYSIA

SELANGOR, 29 November 2024 — Hextar Industries Berhad (HIB), through its subsidiary, Global Aroma Sdn Bhd (GASB), has entered into a strategic partnership with Luckin Coffee Holding Singapore Pte Ltd to bring the much-anticipated Luckin Coffee brand to Malaysia.

This collaboration grants GASB the exclusive rights to develop, open, and operate coffee shops under the renowned 'Luckin Coffee' brand nationwide, introducing Malaysians to a modern coffee experience.

Luckin Coffee, founded in 2017, operates 21,343 stores globally as of the third quarter of 2024 (Q3FY2024). In Q3FY2024 alone, the company introduced 1,382 new net stores, a 6.9% unit growth compared to Q2FY2024. In Q3FY2024, Luckin Coffee reported a remarkable net income of RMB1,302.6 million.

Luckin Coffee currently operates with a robust workforce, having served over 300 million cumulative customers in China and Singapore. The company's average monthly transacting customers reached 79.8 million in Q3FY2024, representing a solid 36.5% year-on-year growth. In July 2024, Luckin Coffee celebrated a significant milestone with the grand opening of its 20,000th store in Beijing.

The partnership with Luckin Coffee marks a pivotal step for HIB as it capitalises on the rapid expansion of one of the world's fastest-growing coffee brands. It is also a major step forward for HIB as it leverages the immense potential in the fast-growing F&B market, opening up new revenue streams and offering consumers a fresh, tech-driven coffee experience.



Luckin Coffee unlocks new growth opportunities and marks a significant milestone for Hextar Industries Berhad

From left to right – Dato Eddie Ong a major shareholder of Hextar Industries Berhad and Dr Jeff Lim Chee Lip, Chief Executive Officer of Global Aroma Sdn Bhd

Dato Eddie Ong, a major shareholder of Hextar Industries Berhad said, "The partnership with Luckin Coffee unlocks new growth opportunities and marks a significant milestone for Hextar Industries Berhad. HIB's expansion of Luckin Coffee brand name into the Malaysian market is a strategic investment that I am confident will deliver excellent returns."

"We have equally ambitious plans for Luckin Coffee in Malaysia, inspired by the brand's tremendous growth. We aim to replicate this success by expanding aggressively across the country. We believe that bringing this success story to Malaysia will not only widen our portfolio but also tap into the thriving F&B market here, making it a highly worthwhile investment for both Luckin Coffee and Malaysian consumers."

"The coffee culture is growing rapidly, and with Luckin Coffee's value-driven pricing and technology-driven approach, we are confident that this move will drive significant growth for HIB, positioning us for long-term success."

Dr Jeff Lim Chee Lip, Chief Executive Officer of Global Aroma Sdn Bhd, added, "We are excited to work with Luckin Coffee to introduce their innovative coffee experience to Malaysia. Our goal is to make Luckin Coffee a household name nationwide, and we are committed to delivering an exceptional coffee experience that truly resonates with Malaysian consumers. This is just the beginning of what we anticipate to achieve substantial growth in the years ahead."

Dr. Jinyi Guo, Chairman and Chief Executive Officer of Luckin Coffee, said, “We are delighted to collaborate with Hextar Industries Berhad to jointly facilitate the launch of Luckin Coffee stores in Malaysia, which marks a significant step forward for Luckin Coffee's international expansion. Hextar Industries Berhad's financial strength and management experience will help us develop the Malaysian market faster and more effectively, enabling Malaysian consumers to enjoy high-quality products and services from Luckin Coffee.”

GASB plans to launch several Luckin Coffee outlets across Malaysia by Q1 2025. These outlets will bring Luckin Coffee's innovative, tech-driven coffee experience to Malaysian consumers. By leveraging Luckin Coffee’s data driven approach and proven business model, GASB aims to capture a substantial share of the local coffee market with the aim of enhancing customer experience with convenient, technology-enabled services.

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About Hextar Industries Berhad

Hextar Industries Berhad (HIB or the Group) is a Main Market-listed company with diversified business operations. The Group specializes in the development and production of agricultural solutions, industrial products, and integrated management services. The Group also provides industrial and infrastructure support services, including the rental of outdoor equipment such as chillers, tents, and power generators. Through its newly acquired subsidiary, HIB has expanded into engineering solutions, offering procurement, construction, and commissioning (EPCC) services, as well as office supply solutions, including stationeries, paper, computers, printers, and office furniture.

About Global Aroma Sdn Bhd

Global Aroma Sdn Bhd is a wholly-owned subsidiary of Hextar Industries Berhad, focused on delivering high-quality food and beverage experiences to consumers. The principal activity of GASB is in the retail sale of food and beverages products.

About Luckin Coffee

Luckin Coffee (OTC: LKNCY) has pioneered a technology-driven retail network to provide coffee and other products of high quality, high convenience and high affordability to customers. Empowered by proprietary technologies, Luckin Coffee pursues its mission to build a world-class coffee brand and become a part of everyone’s daily life. Luckin Coffee was founded in 2017 and is based in China. For more information, please visit investor.lkcoffee.com.

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