

**PGF CAPITAL BERHAD**  
(FORMERLY KNOWN AS POLY GLASS FIBRE (M) BHD)  
(Company No. 197801005142 (42138-X))  
(Incorporated in Malaysia)  
and its subsidiaries

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 MAY 2022**

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter 31 May 2022 RM'000 (Unaudited)	Preceding Year Quarter 31 May 2021 RM'000 (Unaudited)	Current Year To Date 31 May 2022 RM'000 (Unaudited)	Preceding Year To Date 31 May 2021 RM'000 (Unaudited)
Revenue	25,900	17,060	25,900	17,060
Operating Expenses	(20,157)	(14,548)	(20,157)	(14,548)
Other operating income	20	2	20	2
Results from operating activities	5,763	2,514	5,763	2,514
Share of (loss)/profit of equity - accounted associate	220	(35)	220	(35)
Interest income	41	44	41	44
Interest expenses	(191)	(183)	(191)	(183)
Profit before taxation	5,833	2,340	5,833	2,340
Tax expense	(830)	(340)	(830)	(340)
Profit after taxation	5,003	2,000	5,003	2,000
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period attributable to owners of the Company	5,003	2,000	5,003	2,000
Earnings per share:				
Basic (based on ordinary shares of RM1 each) (sen )	3.13	1.25	3.13	1.25
<i>(Calculated based on the weighted average number of shares in issue during the period)</i>	159,975	159,975	159,975	159,975

*The selected explanatory notes form an integral part of, and, should be read in conjunction with, this interim financial report*

**PGF CAPITAL BERHAD**  
**(FORMERLY KNOWN AS POLY GLASS FIBRE (M) BHD)**  
**(Company No. 197801005142 (42138-X))**  
**(Incorporated in Malaysia)**  
**and its subsidiaries**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MAY 2022**

	<b>As at end of Current Quarter 31 May'2022 RM'000 (Unaudited)</b>	<b>As at Preceding Financial Year End 28 February 2022 RM'000 (Audited)</b>
<b>Assets</b>		
Property, plant and equipment	58,587	60,163
Right-of-use assets	3,754	4,053
Investment property	5,388	5,420
Investment in an associate	1,038	784
Investment in joint venture	546	480
Inventories	135,772	135,707
Other investment	768	768
<b>Total non-current assets</b>	<b>205,853</b>	<b>207,375</b>
Inventories	18,147	14,827
Trade and other receivables	27,045	19,036
Current tax assets	756	1,540
Cash and cash equivalents	8,547	21,959
<b>Total current assets</b>	<b>54,495</b>	<b>57,362</b>
<b>Total assets</b>	<b>260,348</b>	<b>264,737</b>
<b>Equity</b>		
Share capital	202,762	202,762
Irredeemable convertible preference shares	7,999	-
Reserves	(20,805)	(17,809)
<b>Equity attributable to owners of the Company</b>	<b>189,956</b>	<b>184,953</b>
<b>Liabilities</b>		
Contract liabilities	4,698	4,698
Loans and borrowings	18,419	15,817
Deferred tax liabilities	25,042	25,042
<b>Total non-current liabilities</b>	<b>48,159</b>	<b>45,557</b>
Contract liabilities	452	442
Loans and borrowings	7,438	11,561
Advances from a shareholder	-	-
Trade and other payables	14,321	22,210
Current tax liabilities	22	14
<b>Total current liabilities</b>	<b>22,233</b>	<b>34,227</b>
<b>Total liabilities</b>	<b>70,392</b>	<b>79,784</b>
<b>Total equity and liabilities</b>	<b>260,348</b>	<b>264,737</b>
<b>Net assets per share (sen)</b>	<b>118.74</b>	<b>115.61</b>

*The selected explanatory notes form an integral part of, and, should be read in conjunction with, this interim financial report*

**PGF CAPITAL BERHAD**  
**(FORMERLY KNOWN AS POLY GLASS FIBRE (M) BHD)**  
**(Company No 197801005142 (42138-X))**  
**(Incorporated in Malaysia)**  
**and its subsidiaries**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 MAY 2022**

	Share capital RM'000	Irredeemable convertible preference share RM'000	Accumulated losses RM'000	Capital reserve RM'000	Total RM'000
At 1 March 2021	202,762	-	(28,424)	670	175,008
Total comprehensive income for the period	-	-	2,000	-	2,000
At 31 May 2021	<u>202,762</u>	<u>-</u>	<u>(26,424)</u>	<u>670</u>	<u>177,008</u>
At 1 March 2022	202,762	-	(18,479)	670	184,953
Total comprehensive income for the period	-	-	5,003	-	5,003
Issuance of irredeemable convertible preference shares	-	7,999	(7,999)	-	-
At 31 May 2022	<u>202,762</u>	<u>7,999</u>	<u>(21,475)</u>	<u>670</u>	<u>189,956</u>

*The selected explanatory notes form an integral part of, and, should be read in conjunction with, this interim financial report*

**PGF CAPITAL BERHAD**  
**(FORMERLY KNOWN AS POLY GLASS FIBRE (M) BHD)**  
**(Company No. 197801005142( 42138-X))**  
**(Incorporated in Malaysia)**  
**and its subsidiaries**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 MAY 2022**

	<b>31 May 2022</b>	<b>31 May 2021</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax</b>	5,833	2,340
<b>Adjustments for :</b>		
Depreciation of property, plant and equipment	2,046	1,685
Depreciation of right-of-use assets	80	80
Depreciation of investment property	33	32
Plant and equipment written off	6	-
Interest income	(41)	(44)
Interest expense	191	183
Share of loss/(profit) of equity accounted associate and joint venture	(220)	35
<b>Operating profit before changes in working capital</b>	7,928	4,311
<i>Changes in working capital :</i>		
Inventories	(4,074)	1,172
Trade and other receivables	(6,511)	(699)
Contract liabilities	9	(680)
Trade and other payables	(4,782)	(1,101)
<b>Cash generated from operations</b>	(7,430)	3,003
Tax paid	(38)	(656)
<b>Net cash used in/from operating activities</b>	(7,468)	2,347
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	41	44
Purchase of plant and equipment	(224)	(227)
Additions of investment in joint venture	(100)	(150)
<b>Net cash used in investing activities</b>	(283)	(333)

**PGF CAPITAL BERHAD**  
**(FORMERLY KNOWN AS POLY GLASS FIBRE (M) BHD)**  
**(Company No. 197801005142( 42138-X))**  
**(Incorporated in Malaysia)**  
**and its subsidiaries**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 MAY 2022**

	<b>31 May 2022</b> <b>RM'000</b> <b>(Unaudited)</b>	<b>31 May 2021</b> <b>RM'000</b> <b>(Unaudited)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Decrease in advances from a shareholder	-	-
Interest paid	(191)	(183)
Repayment of hire purchase creditors	(29)	(5)
Repayment of short term borrowings, net	(4,550)	(163)
Drawdown/(Repayment) of term loans, net	3,059	(426)
Repayment of excess irredeemable convertible preference shares subscription	(3,950)	-
Dividend paid	-	(1,600)
<b>Net cash used in financing activities</b>	<b>(5,661)</b>	<b>(2,377)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(13,412)</b>	<b>(363)</b>
<b>Cash and cash equivalents at 1 March 2022/2021</b>	<b>21,959</b>	<b>14,583</b>
<b>Cash and cash equivalents at end of period</b>	<b>8,547</b>	<b>14,220</b>

*The selected explanatory notes form an integral part of, and, should be read in conjunction with,  
this interim financial report*

PGF-5

**PGF CAPITAL BERHAD**  
(Company No. 197801005142 (42138-X))  
(FORMERLY KNOWN AS POLY GLASS FIBRE (M) BHD)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARIES

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2022**

**1. Basis of Preparation**

The interim financial report is unaudited and has been prepared in compliance with MFRS 134, Interim Financial Reporting and the additional disclosure requirements as in Part A of Appendix 9B of the Revised Listing Requirements.

The interim financial report should be read in conjunction with the most recent annual audited financial statements of the Group for the year ended 28 February 2022. These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 28 February 2022.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with the most recent annual audited financial statements for the year ended 28 February 2022 except for the adoption of the following new and revised MFRSs, IC Interpretations and Amendments which are effective from the annual period beginning on or after 1 January 2022:-

- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)
- Amendments to MFRS 3, Business Combinations – Reference to the Conceptual Framework
- Amendments to MFRS 9, Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)
- Amendments to Illustrative Examples accompanying MFRS 16, Leases (Annual Improvements to MFRS Standards 2018–2020)
- Amendments to MFRS 116, Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to MFRS 141, Agriculture (Annual Improvements to MFRS Standards 2018–2020)

**2. Audit Report For Preceding Financial Year**

No qualification on the audit report of the preceding annual financial statements of PGF Capital Berhad.

**3. Seasonal or Cyclical Factors**

The Insulation segment normally expects a fall in revenue of about 30% during the festive holiday season.

**4. Unusual Items**

There were no unusual items for the current quarter and financial period to-date.

**5. Exceptional Items**

There were no exceptional items for the current quarter and financial period-to-date.

**PGF CAPITAL BERHAD**  
(Company No. 197801005142 (42138-X))  
(FORMERLY KNOWN AS POLY GLASS FIBRE (M) BHD)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARIES

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2022**  
(cont'd)

**6. Changes in Estimates**

There were no changes in estimates in the prior interim periods and the prior years that have a material effect in the current quarter and financial period to-date.

**7. Equity Structure**

On 9 March 2022, the Company completed the listing and quotation of 79,987,474 Irredeemable Convertible Preference Shares (“ICPS”) on the Main Market of Bursa Malaysia Securities Berhad rising gross proceeds of RM7.99 million. The ICPS has a tenure of 5 years commencing from and inclusive of the date of issuance of the ICPS. The ICPS can be converted into 1 new ordinary share at the conversion price of RM0.90.

Other than the above, there were no issuance and repayment of debt and equity shares, shares buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the financial period ended 31 May 2022.

**8. Dividends Paid**

There was no dividend paid for the current quarter and financial period to-date.

**9. Segmental Reporting**

Financial data by business segment for the Group

	Current Year To-date				
	31 May 2022				
	Insulation and related products RM'000	Property development RM'000	Investment holding RM'000	Others RM'000	Consolidated RM'000
Revenue from external customers	25,295	-	97	508	25,900
<b>Segment results</b>	6,741	(223)	(257)	(498)	5,763
Share of profit of equity-accounted associate and joint venture					220
Interest income					41
Interest expense					(191)
Net profit before taxation					5,833
Taxation					(830)
<b>Net profit after taxation</b>					5,003
<b>Segment assets</b>	100,472	138,444	16,767	4,665	260,348

**PGF CAPITAL BERHAD**  
(Company No. 197801005142 (42138-X))  
(FORMERLY KNOWN AS POLY GLASS FIBRE (M) BHD)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARIES

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2022**  
(cont'd)

**9. Segmental Reporting (Cont'd)**

	<div style="display: flex; justify-content: center; align-items: center;"> <span style="margin-right: 10px;">←</span> <span>Preceding Year To-date</span> <span style="margin-left: 10px;">→</span> </div> <div style="display: flex; justify-content: center; align-items: center;"> <span style="margin-right: 10px;">←</span> <span>31 May 2021</span> <span style="margin-left: 10px;">→</span> </div>				
	Insulation and related products RM'000	Property development RM'000	Investment holding RM'000	Others RM'000	Consolidated RM'000
Revenue from external customers	16,626	-	104	330	17,060
<b>Segment results</b>	2,779	(235)	77	(107)	2,514
Share of loss of equity-accounted associate					(35)
Interest income					44
Interest expense					(183)
Net profit before taxation					2,340
Taxation					(340)
<b>Net profit after taxation</b>					2,000
<b>Segment assets</b>	83,389	138,480	15,048	1,091	238,008

**10. Valuation of Property, Plant and Equipment**

Not applicable. No valuation policy was adopted for property, plant and equipment. The Group availed the transitional provisions issued by the Malaysian Accounting Standards Board upon adoption of International Accounting Standard No 16 (Revised) to have the 1992 revalued assets of land and buildings continue to be stated at their existing carrying amounts less accumulated depreciation.

**11. Material events subsequent to the end of the period reported on not reflected in the financial statements for the said period**

There were no material events subsequent to the end of the period reported on which have not been reflected in the financial statements as at 29 July 2022 except the Company allotted 400,000 ordinary shares following the conversion of 400,000 ICPS together with a cash consideration of RM320,000 on 20 June 2022.

**12. Changes in Composition of the Group**

There were no changes in the composition of the Group for the current quarter and financial period to-date except acquisition of PGF Insulation Pty Ltd ("PGFAU"), a registered company in Victoria, Australia as 100% owned subsidiary of the Company on 31 May 2022. PGFAU has an issued and paid up share capital of AUD100.00 comprising 100 ordinary shares.



**PGF CAPITAL BERHAD**  
 (Company No. 197801005142 (42138-X))  
 (FORMERLY KNOWN AS POLY GLASS FIBRE (M) BHD)  
 (Incorporated in Malaysia)  
 AND ITS SUBSIDIARIES

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2022**  
 (cont'd)

**13. Contingent Liabilities**

There were no changes in the contingent liabilities since the last annual balance sheet date.

**14. Related Party Transactions**

There were no significant related party transactions during the financial period ended 31 May 2022.

**15. Capital Commitments**

Contractual but not provided for in the financial statements.

	RM'000
Property, Plant & Equipment	1,143

**16. Profit for the Period**

This is arrived at after crediting / (charging):

	<b>Current Year Quarter 31 May 2022 RM'000</b>	<b>Current Year To Date 31 May 2022 RM'000</b>
Interest income	41	41
Interest expense	(191)	(191)
Depreciation and amortisation	(2,159)	(2,159)
Foreign exchange loss (realised and unrealised)	(181)	(181)

**PGF CAPITAL BERHAD**  
(Company No. 197801005142 (42138-X))  
(FORMERLY KNOWN AS POLY GLASS FIBRE (M) BHD)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARIES

**ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S  
("BURSA MALAYSIA") LISTING REQUIREMENTS FOR THE PERIOD ENDED 31 MAY 2022**

**1. Review of Performance of the Company and its Principal Subsidiaries for the current quarter and financial period to-date**

	Individual Quarter			Cumulative Quarters		
	Current Year Quarter	Preceding Year Quarter	Changes Increase/ (Decrease)	Current Year To Date	Preceding Year To Date	Changes Increase/ (Decrease)
	31 May 22 RM'000	31 May 21 RM'000	%	31 May 22 RM'000	31 May 21 RM'000	%
<b>Revenue</b>						
Insulation and related products	25,295	16,626	52.14	25,295	16,626	52.14
Property development	-	-	-	-	-	-
Investment holding	97	104	(6.73)	97	104	(6.73)
Others	508	330	53.94	508	330	53.94
	25,900	17,060	51.82	25,900	17,060	51.82
<b>Profit/(loss) before tax</b>						
Insulation and related products	6,641	2,706	145.42	6,641	2,706	145.42
Property development	(223)	(234)	4.70	(223)	(234)	4.70
Investment holding	(316)	(23)	(1,273.91)	(316)	(23)	(1,273.91)
Others	(269)	(109)	(146.79)	(269)	(109)	(146.79)
	5,833	2,340	149.27	5,833	2,340	149.27

**Group**

The revenue of the Group for the current quarter ended 31 May 2022 was RM25.90 million, an increase of RM8.84 million or 51.82% as compared to the preceding year's quarter. The current quarter registered profit before tax of RM5.83 million as compared to the preceding year's quarter's profit before tax of RM2.34 million.

This was mainly due to higher production output and higher sales revenue attributed to its Insulation segment, thereby recording higher profit for the Group in the current financial year. For the current quarter ended 31 May 2022, the revenue achieved by Insulation segment was RM25.30 million as compared to preceding quarter of RM16.63 million. The profit before tax registered was RM6.64 million for the current quarter ended 31 May 2022 as compared to the preceding year's quarter's profit before tax of RM2.71 million.

**PGF CAPITAL BERHAD**  
(Company No. 197801005142 (42138-X))  
(FORMERLY KNOWN AS POLY GLASS FIBRE (M) BHD)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARIES

**ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S  
("BURSA MALAYSIA") LISTING REQUIREMENTS FOR THE PERIOD ENDED 31 MAY 2022  
(Cont'd)**

**1. Review of Performance of the Company and its Principal Subsidiaries for the current quarter and financial period to-date (Cont'd)**

A gradual lifting of restrictions has paved the way for a modest recovery at the end of year 2021. The country's economic recovery and growth is expected to be driven by the ongoing National COVID-19 Immunisation Programme and recovery in export activities. As such, the Group observed a recovery in its production output and sales in the last quarter of FY2022 and continues the trend to stable and higher output and sales during current quarter ended 31 May 2022 for Insulation and related products segment.

**Insulation and related products segment**

The revenue for the current quarter ended 31 May 2022 increased by 52.14% to RM25.30 million as compared to the preceding year quarter. The current quarter registered profit before tax of RM6.64 million as compared to the preceding quarter's profit before tax of RM2.71 million. The increased in production output resulted in the increase of sales delivery and sales revenue, which subsequently resulted in an increase in the Group's profit before tax for the current quarter under review.

**Property development segment**

Malaysia has transitioned from a pandemic into endemicity on 1<sup>st</sup> April 2022. However, activities for property development are still very slow across the country. No revenue was achieved for this segment in the current quarter ended 31 May 2022 and the preceding year's quarter. Consequently, the property development segment incurred a loss before tax of RM0.22 million for the current quarter due to expenditures incurred as compared to the preceding year's quarter's loss before tax of RM0.23 million.

**Investment holding segment**

Mainly due to the rental of its investment property, this segment registered a loss of RM0.32 million as compared to the preceding quarter's loss before tax of RM0.02 million.

**Others**

Mainly due to expenditures incurred by agriculture activities before harvesting, this segment had incurred a loss before tax of RM0.27 million for the current quarter ended 31 May 2022 as compared to the preceding year's quarter of RM0.11 million. The loss before tax has increased due to an increase in activities and expenditures incurred before harvesting.

**PGF CAPITAL BERHAD**  
 (Company No. 197801005142 (42138-X))  
 (FORMERLY KNOWN AS POLY GLASS FIBRE (M) BHD)  
 (Incorporated in Malaysia)  
 AND ITS SUBSIDIARIES

**ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S ("BURSA MALAYSIA") LISTING REQUIREMENTS FOR THE PERIOD ENDED 31 MAY 2022 (Cont'd)**

**2. Material Change in the Profit Before Taxation ("PBT") for the quarter reported on as compared to the results of the immediate preceding quarter**

	Current Quarter 31 May 22 RM'000	Immediate Preceding Quarter 28 Feb 22 RM'000	Changes Increase/ (Decrease) %
Revenue	25,900	16,800	54.17
Profit/(loss) before tax	5,833	1,456	300.62

The Group recorded a profit before tax of RM5.83 million for the current quarter ended 31 May 2022 as compared to the immediate preceding quarter's profit before tax of RM1.46 million. The sales revenue from the Insulation segment of RM25.30 million is higher compared to RM16.36 million in the immediate preceding quarter.

The production output had increased as a result of the completion of the furnace rebuild and plant upgrading projects in the middle of October. The production output has continued to be stable during current quarter, moreover, and the manpower issues has been solved during the current quarter after Malaysia's boarder reopened on 1 April 2022. With higher production output achieved, sales delivery has been increasing steadily which had resulted in higher sales revenue achieved during the current quarter and contributed to higher profit before tax for the current quarter ended 31 May 2022.

**3. Prospects for the Current Financial Year**

Insulation business continues to be the major revenue contributor of the Group in the immediate and near future. The insulation products manufacturing plant has been operating with a stable and larger capacity, with that, the output and sales are expected to remain high in the subsequent quarters.

Demand from the Oceania region continues to be strong as the pandemic remains under control and the construction sector continues to grow in this region. Furthermore, the change of Building code in Oceania region is expected to contribute to the increase in demand for building insulation materials. However, the recovery is expected to be hindered by risks that are prevalent in all markets especially supply chain disruption. The management will take the necessary steps to mitigate these risks as much as possible. As such, the Group is cautiously optimistic that the Insulation business will perform better in the current financial year.

For the meltblown non-woven fabric business, the use of face masks remains a requirement even as Malaysia transition into endemicity and the use of face masks will be part of living with COVID-19. Therefore, the Group expects meltblown non-woven fabric will continue to be in demand by face mask manufacturers. The Group is also actively exploring the supply of meltblown non-woven fabric to industrial products other than masks.

For agriculture segment, durian trees have been replanted from the nursery to the land in early 2022. The Group is targeting to complete 200 acres durian land planting in current financial year. Under the others segment, the Group will continuously seek out new business opportunities that will add value to the shareholders by investing in property development, eco-tourism, agriculture and aquaculture to unlock the value of the land held.

**PGF CAPITAL BERHAD**  
(Company No. 197801005142 (42138-X))  
(FORMERLY KNOWN AS POLY GLASS FIBRE (M) BHD)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARIES

**ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S ("BURSA MALAYSIA") LISTING REQUIREMENTS FOR THE PERIOD ENDED 31 MAY 2022 (Cont'd)**

**4. Variance of Actual Profit from Forecast Profit/Profit Guarantee**

Not Applicable.

**5. Income Tax**

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter 31 May 22 RM'000	Preceding Year Quarter 31 May 21 RM'000	Current Year To Date 31 May 22 RM'000	Preceding Year To Date 31 May 21 RM'000
<b>Malaysian Taxation</b>	830	340	830	340
<b>Deferred Taxation</b>	-	-	-	-
	830	340	830	340

The effective tax rate of the Group is lower than the statutory tax rate as the tax charge relates to tax on profits of certain subsidiaries is set-off against the unutilised capital and investment tax allowance.

**6. Profits/(Losses) on sale of unquoted investments and/or properties**

There were no profits/(losses) on sale of unquoted investments and/or properties for the current quarter and financial period to-date.

**7. Quoted Securities**

There were no purchases or disposals of quoted securities for the current quarter and financial period to-date.

**PGF CAPITAL BERHAD**  
(Company No. 197801005142 (42138-X))  
(FORMERLY KNOWN AS POLY GLASS FIBRE (M) BHD)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARIES

**ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S ("BURSA MALAYSIA") LISTING REQUIREMENTS FOR THE PERIOD ENDED 31 MAY 2022 (Cont'd)**

**8. Status of Corporate Proposals**

**8.1 Proposed Renounceable Rights Issue of Irredeemable Convertible Preference Shares ("ICPS") and proposed amendments to the constitution of PGF.**

On 03 November 2021, PGF Capital Bhd ("PGF") propose to undertake a renounceable rights issue of up to 79,987,474 new irredeemable convertible preference shares ("ICPS") in PGF on the basis of 1 ICPS for every 2 existing ordinary shares in PGF ("Proposed Right Issue"). In conjunction with the Proposed Right Issue of ICPS, PGF propose to amend the Constitution of the Company to facilitate the creation and issuance of the ICPS.

Following the Extraordinary General Meeting held on 07 January 2022, the shareholders of PGF had approved the Proposed Right Issue of ICPS and amendments of the Constitution in conjunction with the issuance of ICPS.

The Proposals Right Issue of ICPS have been completed on 9 March 2022 with the listing of and quotation for 79,987,474 ICPS on the Main Market of Bursa Securities at 9.00 a.m., 9 March 2022.

The status of the utilization of the proceeds from Right Issue with Irredeemable Convertible Preference Shares ("ICPS") as at 29 July 2022 (being the latest practicable date) was as follows:

Details of Utilisation	Intended Time Frame For Utilisation	Proposed Utilisation RM'000	Actual Utilisation RM'000	Deviation RM'000	Balance RM'000
Expansion of Business	within 24months	6,000	1,698		4,302
General working capital	within 12 months	1,459			1,459
Estimated expense in relation to the Corporate Exercise	upon completion of the Right Issue	540	518		22
		7,999	2,216	-	5,783

**PGF CAPITAL BERHAD**  
(Company No. 197801005142 (42138-X))  
(FORMERLY KNOWN AS POLY GLASS FIBRE (M) BHD)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARIES

**ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S  
("BURSA MALAYSIA") LISTING REQUIREMENTS FOR THE PERIOD ENDED 31 MAY 2022  
(Cont'd)**

**9. Group Borrowings**

	As at 31 May 2022		
	Long term	Short term	Total borrowings
	RM'000	RM'000	RM'000
<b>Secured</b>			
<i>Term loans</i>	18,098	5,642	23,740
<i>Other borrowings</i>	321	117	438
	18,419	5,759	24,178
<b>Unsecured</b>			
<i>Term loans</i>	-	-	-
<i>Bank overdrafts</i>	-	-	-
<i>Other borrowings</i>	-	1,679	1,679
	-	1,679	1,679
	<b>18,419</b>	<b>7,438</b>	<b>25,857</b>
	As at 28 February 2022		
	Long term	Short term	Total borrowings
	RM'000	RM'000	RM'000
<b>Secured</b>			
<i>Term loans</i>	15,467	5,214	20,681
<i>Other borrowings</i>	351	117	468
	15,818	5,331	21,149
<b>Unsecured</b>			
<i>Term loans</i>	-	-	-
<i>Bank overdrafts</i>	-	-	-
<i>Other borrowings</i>	-	6,229	6,229
	-	6,229	6,229
	<b>15,818</b>	<b>11,560</b>	<b>27,378</b>

Details of the borrowings denominated in each currency:

	As at 31 May 2022	As at 28 Feb 2022
	RM'000	RM'000
Malaysian Ringgit	6,399	11,417
United States Dollar	19,458	15,961
	<u>25,857</u>	<u>27,378</u>

**PGF CAPITAL BERHAD**  
(Company No. 197801005142 (42138-X))  
(FORMERLY KNOWN AS POLY GLASS FIBRE (M) BHD)  
(Incorporated in Malaysia)  
AND ITS SUBSIDIARIES

**ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S  
("BURSA MALAYSIA") LISTING REQUIREMENTS FOR THE PERIOD ENDED 31 MAY 2022  
(Cont'd)**

**10. Dividend**

The Board of Directors does not recommend any dividend for the period ended 31 May 2022.

**11. Earnings Per Share**

Basic Earnings Per Share - The basic earnings per ordinary share has been calculated by dividing the Group's net profit for the current year to date of RM5,003,425 (2021: net profit RM2,000,068) by the weighted average number of ordinary shares of the Company in issue during the current financial year to date of 159,974,948 shares (2021: 159,974,948).

By Order of the Board

Ch'ng Lay Hoon  
Company Secretary

Dated this 29 July 2022