

PGF CAPITAL BERHAD

(Company No. 197801005142 (42138-X))
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 NOVEMBER 2024

	Individual Quarter		Cumulative Quarters	
	Current Quarter 30 November 2024 RM'000 (Unaudited)	Preceding Quarter 30 November 2023 RM'000 (Unaudited)	Current Year To Date 30 November 2024 RM'000 (Unaudited)	Preceding Year To Date 30 November 2023 RM'000 (Unaudited)
Revenue	38,445	36,700	121,332	95,324
Operating expenses	(29,280)	(31,036)	(94,344)	(84,891)
Other operating (expenses)/ income	(339)	859	1,415	7,184
Results from operating activities	8,826	6,523	28,403	17,617
Share of associate's profit	159	336	416	1,147
Share of joint ventures' loss	(192)	(34)	(404)	(56)
Interest income	232	68	595	178
Interest expenses	(620)	(770)	(2,019)	(2,199)
Profit before taxation	8,405	6,123	26,991	16,687
Tax expense	(2,151)	(722)	(6,973)	(4,401)
Profit after taxation	6,254	5,401	20,018	12,286
Other comprehensive income for the period	(10)	-	(42)	-
Total comprehensive income for the period attributable to owners of the Company	6,244	5,401	19,976	12,286
Earnings per share (sen):				
Basic	3.41	3.30	10.93	7.51
Diluted	2.91	2.89	9.32	6.58

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

PGF CAPITAL BERHAD

(Company No. 197801005142 (42138-X))
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 NOVEMBER 2024

	As at end of Current Quarter 30 November 2024 RM'000 (Unaudited)	As at Preceding Financial Year End 29 February 2024 RM'000 (Audited)
Assets		
Property, plant and equipment	63,206	58,404
Investment property	5,063	5,160
Right-of-use assets	18,985	21,058
Investment in associate	2,309	2,026
Investment in joint ventures	1,820	485
Other investment	807	807
Inventories	147,810	147,491
Deferred tax assets	1,169	1,342
Total non-current assets	241,169	236,773
Inventories	29,344	28,366
Biological assets	108	107
Trade and other receivables	44,778	25,049
Current tax assets	39	15
Cash and cash equivalents	35,472	26,103
Total current assets	109,741	79,640
Total assets	350,910	316,413
Equity		
Share capital	233,341	206,539
Irredeemable convertible preference shares	4,601	7,579
Reserves	10,886	(2,302)
Equity attributable to owners of the Company	248,828	211,816
Liabilities		
Deferred tax liabilities	29,596	30,495
Loans and borrowings	18,739	17,823
Lease liabilities	11,684	13,542
Deferred income on government grants	5,392	5,757
Total non-current liabilities	65,411	67,617
Trade and other payables	18,266	15,792
Loans and borrowings	8,066	11,654
Lease liabilities	4,329	4,257
Contract liabilities	3,700	3,813
Current tax liabilities	2,310	1,464
Total current liabilities	36,671	36,980
Total liabilities	102,082	104,597
Total equity and liabilities	350,910	316,413
Net assets per share (sen)	135.87	129.50

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(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 NOVEMBER 2024

	Share capital RM'000	Irredeemable convertible preference share RM'000	Capital reserve RM'000	Currency translation reserve RM'000	Retained profits/ (Accumulated losses) RM'000	Total RM'000
At 1 March 2023	205,734	7,668	670	(36)	(11,824)	202,212
Conversion of irredeemable convertible preferences shares	285	(31)	-	-	-	254
Dividend paid	-	-	-	-	(1,636)	(1,636)
Total transactions with owners	285	(31)	-	-	(1,636)	(1,382)
Profit after taxation for the period	-	-	-	-	12,286	12,286
Currency translation differences for foreign operations	-	-	-	37	-	37
Total comprehensive income for the period	-	-	-	37	12,286	12,323
At 30 November 2023	206,019	7,637	670	1	(1,174)	213,153
At 1 March 2024	206,538	7,579	-	32	(2,334)	211,815
Conversion of irredeemable convertible preferences shares	26,803	(2,978)	-	-	-	23,825
Dividend paid	-	-	-	-	(6,788)	(6,788)
Total transactions with owners	26,803	(2,978)	-	-	(6,788)	17,037
Profit after taxation for the period	-	-	-	-	20,018	20,018
Currency translation differences for foreign operations	-	-	-	(42)	-	(42)
Total comprehensive income for the period	-	-	-	(42)	20,018	19,976
At 30 November 2024	233,341	4,601	-	(10)	10,896	248,828

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 NOVEMBER 2024

	30 November 2024 RM'000 (Unaudited)	30 November 2023 RM'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	26,991	16,687
Adjustments for :		
Depreciation of property, plant and equipment	4,877	6,242
Depreciation of right-of-use assets	3,850	2,657
Depreciation of investment property	97	98
Fair value changes in biological assets	(52)	-
Property, plant and equipment written off	35	2,795
Gain on disposal of property, plant and equipment	(61)	-
Biological assets written off	61	-
Amortisation of deferred income	(563)	-
Grant received for certification	(465)	-
Interest income	(595)	(178)
Interest expense	2,019	2,199
Share of associate's profit	(416)	(1,147)
Share of joint ventures' loss	404	56
Unrealised loss on foreign exchange	2,209	-
Operating profit before working capital changes	38,391	29,409
Changes in:		
Inventories	(1,298)	791
Biological assets	(10)	-
Trade and other receivables	(21,936)	(7,625)
Trade and other payables	2,474	(2,419)
Contract liabilities	(113)	163
Cash generated from operations	17,508	20,319
Tax paid	(6,896)	(2,334)
Tax refunded	20	-
Net cash from operating activities	10,632	17,985
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	595	178
Proceeds from disposal of property, plant and equipment	62	-
Acquisition of property, plant and equipment	(9,803)	(5,501)
Acquisition of right-of-use assets	(86)	-
Government grants received	663	-
Addition of investment in joint ventures	(1,749)	(771)
Net cash used in investing activities	(10,318)	(6,094)

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 NOVEMBER 2024

	30 November 2024 RM'000 (Unaudited)	30 November 2023 RM'000 (Unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(2,109)	(2,199)
Payment of lease liabilities	(3,435)	(646)
Repayment of short term borrowings, net	(3,114)	(1,225)
Drawdown/(Repayment) of term loans, net	531	(2,111)
Proceed from conversion of irredeemable convertible preference shares	23,824	253
Dividend paid	(6,788)	(1,636)
Net cash from/(used in) financing activities	8,909	(7,564)
Net increase in cash and cash equivalents	9,223	4,327
Currency translation differences	147	37
Cash and cash equivalents at beginning of financial period	26,103	19,234
Cash and cash equivalents at end of financial period	35,473	23,598
Note :		
Cash and cash equivalents at end of financial period comprises:		
Cash and bank balances	22,098	10,740
Short-term deposits	12,000	12,858
Term deposits pledged as security	1,375	-
	35,473	23,598

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2024

PART A: REQUIREMENTS OF MFRS 134 INTERIM FINANCIAL REPORTING

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 in Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the most recent annual audited financial statements of the PGF Capital Berhad (“**PGF**” or the “**Company**”) and its subsidiaries (“**Group**”) for the financial year ended 29 February 2024. 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 financial year ended 29 February 2024 (“**FYE 2024**”).

2. Significant Accounting Policies

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 FYE 2024 except for the adoption of the following MFRSs, amendments and interpretations which are effective from the annual period beginning on or after 1 January 2024:

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

The adoption of new amendments did not have any significant impacts on the financial statements of the Group.

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

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

MFRSs, amendments and interpretations effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 7, *Financial Instruments: Disclosures* and MFRS 9, *Financial Instruments - The Classification and Measurement of Financial Instruments*
- Annual Improvements to MFRS Accounting Standards - Volume 11

MFRSs, amendments and interpretations effective for annual periods beginning on or after 1 January 2027

- Amendments to MFRS 18, *Presentation and Disclosure in Financial Statements*
- Amendments to MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2024

2. Significant Accounting Policies (cont'd)

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

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

The initial application of the above MFRSs, amendments and interpretations are not expected to have any significant impact on the financial statements of the Group.

3. Audit Report for Preceding Financial Year

There was no qualification on the auditors' report in respect of the preceding annual financial statements of PGF.

4. Seasonal or Cyclical Factors

The Insulation and Related Products (“**Insulation**”) segment of the Group will experience lower revenue during the festive holiday season.

5. Unusual Items

There were no unusual items for the current quarter and the financial period under review.

6. Exceptional Items

There were no exceptional items for the current quarter and the financial period under review.

7. Changes in Estimates

There were no changes in estimates from the prior financial years that have a material effect on the current quarter and the financial period under review.

8. Debt and Equity Securities

Save as disclosed below, there were no issuances or repayments of debt or equity shares, share buy-backs, share cancellations, shares held as treasury shares or resale of treasury shares during the financial period under review.

During the current financial period, the Company has issued a total of 29,781,150 ordinary shares pursuant to the conversion of 29,781,150 Irredeemable Convertible Preference Shares (“**ICPS**”) by way of conversion of 1 unit of ICPS with payment of RM0.80 each in cash for 1 new ordinary share as follows:

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2024

8. Debt and Equity Securities (cont'd)

Date	No. of ICPS Converted/ No. of Ordinary Shares Allotted	Consideration (RM)
19 March 2024	56,200	44,960
8 April 2024	32,100	25,680
19 April 2024	116,000	92,800
8 May 2024	13,900	11,120
29 May 2024	16,856,250	13,485,000
13 June 2024	28,100	22,480
24 June 2024	12,553,300	10,042,640
05 July 2024	92,700	74,160
17 July 2024	15,100	12,080
30 July 2024	7,100	5,680
13 November 2024	10,400	8,320
Total	29,781,150	23,824,920

9. Dividends Paid

Dividend paid during the financial period ended 30 November 2024 are as follows:

	RM'000
(i) Final dividend paid on 15 August 2024 in respect of FYE 2024	
- 1.5 sen per ordinary share	2,909
(ii) First interim dividend paid on 29 November 2024 for the financial year ending 28 February 2025	
- 2.0 sen per ordinary share	3,879
Total	<u><u>6,788</u></u>

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2024

10. Segmental Reporting

Financial data by business segment for the Group:

	Current Period To Date				
	← 30 November 2024 →				
	Insulation RM'000	Property development RM'000	Investment holding RM'000	Others RM'000	Consolidated RM'000
Revenue from external customers	120,271	580	306	175	121,332
Segment results	32,582	(266)	(2,737)	(1,176)	28,403
Share of associate's profit	416	-	-	-	416
Share of joint ventures' loss	(279)	(41)	-	(84)	(404)
	32,719	(307)	(2,737)	(1,260)	28,415
Interest income					595
Interest expense					(2,019)
Profit before taxation ("PBT")					26,991
Tax expense					(6,973)
Profit after taxation ("PAT")					20,018
Segment assets	165,914	149,958	19,207	15,831	350,910

	Preceding Period To Date				
	← 30 November 2023 (Restated) →				
	Insulation RM'000	Property development RM'000	Investment holding RM'000	Others RM'000	Consolidated RM'000
Revenue from external customers	94,103	668	288	265	95,324
Segment results	21,362	(190)	(2,225)	(1,330)	17,617
Share of associate's profit	1,147	-	-	-	1,147
Share of joint ventures' loss	-	-	-	(56)	(56)
	22,509	(190)	(2,225)	(1,386)	18,708
Interest income					178
Interest expense					(2,199)
Profit before taxation ("PBT")					16,687
Tax expense					(4,401)
Profit after taxation ("PAT")					12,286
Segment assets	134,715	150,214	16,424	12,553	313,906

Certain comparative figures of preceding period to date have been restated to conform with the current period to date's presentation.

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2024

11. Valuation of Property, Plant and Equipment

No valuation policy was adopted for property, plant and equipment. The Group availed the transitional provisions issued by the Malaysian Accounting Standards.

The Board of Directors ("Board") adopted the International Accounting Standard No 16 (Revised) that entails the assets of the Group comprising land and buildings that were revalued in 1992 to be stated at their existing carrying amounts less accumulated depreciation.

12. Material Events Subsequent to the End of the Period Reported on Not Reflected in the Financial Statements for the Said Period

Save as disclosed below, there were no material events subsequent to the end of the period reported which have not been reflected in the financial statements as at 30 November 2024.

PGF had on 10 December 2024, via Nexel Development KHTP Sdn. Bhd., a direct wholly-owned subsidiary of Nexel Group Sdn. Bhd. ("Nexel"), which is a 50.1% joint venture owned by the Company, entered into a Sales and Purchase Agreement to acquire two parcels of freehold land measuring an aggregate area of approximately 9.608 acres, located at Kulim Hi-Tech Park, Bandar Kulim, Kedah, from Kulim Technology Park Corporation Sdn. Bhd. for a purchase consideration of RM12.7 million in cash and a consideration in kind ("Proposed Land Acquisition"). The Proposed Land Acquisition is for the Company's property development division, an opportunity to bring a vibrant mixed-use development that addresses both residential and commercial demands in the rapidly growing tech hub in Kulim.

On 13 December 2024, Nexel increased its issued and fully paid-up share capital from RM100,000 to RM1,700,000 by an allotment of 1,600,000 ordinary shares at RM1 each. Accordingly, PGF subscribed 801,600 shares in Nexel, which represents a 50.1% equity interest.

13. Changes in Composition of the Group

Save as disclosed below, there were no material changes in the composition of the Group during the current quarter under review.

On 18 September 2024, Nexel, the 51.0% joint venture owned by the Company, increased its issued and fully paid-up share capital from RM100 to RM100,000 by an allotment of 99,900 ordinary shares at RM1 each. The Company subscribed 50,049 shares, representing 50.1% equity interest in Nexel. Accordingly, the Company's shareholding in Nexel changed from 51.0% to 50.1%.

14. Contingent Liabilities or Contingent Assets

There were no contingent liabilities or assets for the Group as at 30 November 2024.

15. Related Party Transactions

There were no related party transactions during the current quarter and the financial period under review.

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2024

16. Capital Commitments

As at 30 November 2024, the Group has the following capital commitments:

	30 Nov 24 RM'000
Contracted but not provided for in the financial statements	
- Property, plant and equipment	<u>59,834</u>

17. Profit for the Period

This is arrived at after crediting/(charging):

	Current Quarter 30 Nov 24 RM'000	Current Year To-Date 30 Nov 24 RM'000
Interest income	232	595
Interest expense	(620)	(2,019)
Depreciation and amortisation	(2,949)	(8,824)
Property, plant and equipment written off	(26)	(35)
Gain on disposal of property, plant and equipment	26	61
Foreign exchange gain/ (loss) (realised and unrealised)	(751)	(3,148)
Amortisation of deferred income on government grants received for modernisation and equipment upgrading	190	563
Government grant received for certification	<u>-</u>	<u>465</u>

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2024

PART B: REQUIREMENTS OF APPENDIX 9B OF MAIN MARKET LISTING REQUIREMENTS

1. Review of Performance

	← Individual Quarter →			← Cumulative Quarter →		
	Current Quarter 30 Nov 24 RM'000	Preceding Quarter 30 Nov 23 (Restated) RM'000	Changes Increase/ (Decrease) %	Current Year To Date 30 Nov 24 RM'000	Preceding Year To Date 30 Nov 23 (Restated) RM'000	Changes Increase/ (Decrease) %
<u>Revenue</u>						
Insulation	37,723	36,485	3.39	120,271	94,103	27.81
Property development	580	6	9,566.67	580	668	(13.17)
Investment holding	102	96	6.25	306	288	6.25
Others	40	113	(64.60)	175	265	(33.96)
	<u>38,445</u>	<u>36,700</u>	<u>4.75</u>	<u>121,332</u>	<u>95,324</u>	<u>27.28</u>
<u>PBT/ (Loss before tax ("LBT"))</u>						
Insulation	9,515	7,719	23.27	31,374	20,692	51.62
Property development	189	(260)	(172.69)	(301)	(186)	61.83
Investment holding	(842)	(753)	11.82	(2,615)	(2,408)	8.60
Others	(457)	(583)	(21.61)	(1,467)	(1,411)	3.97
	<u>8,405</u>	<u>6,123</u>	<u>37.27</u>	<u>26,991</u>	<u>16,687</u>	<u>61.75</u>

Group

The Group's revenue for the current quarter ended 30 November 2024 ("Q3 2025") was RM38.45 million, an increase of RM1.75 million or 4.75% compared to the preceding year quarter ended 30 November 2023 ("Q3 2024"). The Group recorded PBT of RM8.41 million in Q3 2025 compared to RM6.12 million in the corresponding Q3 2024.

For the current year-to-date period ended 30 November 2024 ("9M 2025"), the Group's revenue increased by RM26.01 million or 27.28% to RM121.33 million compared to preceding year corresponding period ended 30 November 2023 ("9M 2024"). The increase was mainly driven by higher sales contribution from the Insulation business. The Group's PBT rose to RM26.99 million from RM16.69 million recorded in 9M 2024, in line with the increase in sales and improvement in PBT margin recorded for Insulation segment.

Insulation segment

Insulation segment's revenue increased by 3.39% or RM1.24 million to RM37.72 million in Q3 2025 as compared to Q3 2024 on the back of stronger demand, particularly from the Oceania markets. As a result, PBT for Q3 2025 also increased to RM9.52 million from RM7.72 million recorded in Q3 2024.

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2024

1. Review of Performance (cont'd)

Property development segment

In Q3 2025, the property development segment generated RM0.58 million in revenue, compared to RM0.01 million in Q3 2024. This resulted in a PBT of RM0.19 million, an improvement from the LBT of RM0.26 million in Q3 2024.

Investment holding segment

The investment holding segment includes investment holding company activities and rental of property. This segment registered a LBT of RM0.84 million in Q3 2025 compared to LBT of RM0.75 million in Q3 2024. The increase of LBT by RM0.09 million was mainly due to increase in operating expenditures.

Others

This segment registered a LBT of RM0.46 million for the current Q3 2025 compared to LBT of RM0.58 million in Q3 2024. The decrease in the LBT was mainly attributable to the lower losses suffered by a joint venture company.

Certain comparative figures of preceding quarter and preceding year to date have been restated to conform with the current quarter and current year to date's presentation.

2. Variation of Results Against Immediate Preceding Quarter

	Current Quarter 30 Nov 24 (Q3 2025) RM'000	Immediate Preceding Quarter 31 Aug 24 (Q2 2025) RM'000	Changes Decrease %
Revenue	38,445	42,376	(9.28)
PBT	8,405	9,505	(11.57)

The Group's PBT decreased to RM8.41 million in Q3 2025 from RM9.51 million in the preceding quarter ("Q2 2025"). This decline was mainly due to lower revenue generated by the Insulation segment, which decreased from RM42.21 million in Q2 2025 to RM37.72 million in Q3 2025, resulting in a PBT decrease from RM11.15 million to RM9.52 million for that business segment.

3. Prospects for the Current Financial Year

Insulation

The Insulation segment is expected to remain a key earnings driver this financial year. Robust demand for insulation products continues, particularly in Australia, driven by building code revisions mandating increased usage and the Australian Government's target of 1.2 million new homes. Additionally, in Malaysia, the implementation of the Energy Efficiency and Conservation Act 2024 [Act 861] and related regulations from 1 January 2025 presents a further opportunity. The Energy Commission has emphasised the importance of this legislation for achieving the National Energy Transition Roadmap and promoting energy sustainability. Consequently, the Group anticipates increased demand for insulation in Malaysia, recognising its products' contribution to energy efficiency and national objectives, thus further supporting the segment's performance.

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2024

3. Prospects for the Current Financial Year (cont'd)

While the Group remains optimistic about overall demand for its insulation products, the business environment in Oceania, its largest geographical revenue contributor, is experiencing short-term challenges that may affect average selling prices and margins. These challenges include a temporary skilled labour shortage worsened by ongoing strike of construction workers in Australia, weaken Australian and New Zealand dollars, and higher freight costs. Nevertheless, the Group anticipates normalisation as its government works towards a resolution with relevant stakeholders.

Our new mineral wool sandwich panels are still undergoing certification by the Standards and Industrial Research Institute of Malaysia ("SIRIM") and the Fire Department of Malaysia ("BOMBA"). These panels, suitable for industrial and commercial buildings, including data centres, due to their excellent thermal performance, are anticipated to contribute meaningfully to our top and bottom lines upon certification.

Property Development

On 10 December 2024, the Group announced that its indirect joint venture company, Nexel Development KHTP Sdn. Bhd., acquired two parcels of freehold land (approximately 9.608 acres) in Kulim Hi-Tech Park, Kedah, from Kulim Technology Park Corporation Sdn. Bhd. for RM12.7 million in cash and a consideration in kind. The planned mixed-use development on the land, with a Gross Development Value of RM600 million, will comprise condominiums, a hotel, serviced residences, and commercial elements.

This strategic move for the Group's property development division aims to address residential and commercial demand in the rapidly growing tech hub of Kulim Hi-Tech Park. The hub attracts strong interest from multi-national companies due to its strategic location, connectivity, established infrastructure, and ecosystem for high-tech industries, leading to a growing population and a shortage of suitable housing, especially for skilled workers and expatriates. The Group intends for the development to provide valuable housing options and act as a catalyst for business and leisure, further strengthening Kulim Hi-Tech Park's status as a high-tech economic hub. The Project is targeted for launch in early 2026, pending regulatory approvals.

Concurrently, Phase 1 of the Group's property development project in Tanjong Malim, Perak, in partnership with Malvest Properties Sdn. Bhd. ("Malvest"), is pending regulatory approval. The Group and Malvest are working closely with local authorities to secure this approval and progress with the planned development, which aligns with the Malaysian Government's vision of transforming Proton City into an Automotive High-Tech Valley.

Others

The Group remains committed to exploring new business opportunities that can enhance shareholder value. We are actively seeking investments in eco-tourism, agriculture, and aquaculture to leverage the potential of our land holdings.

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

Not Applicable.

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2024

5. Tax Expense

	← Individual Quarter →		← Cumulative Quarter →	
	Current Quarter 30 Nov 24 RM'000	Preceding Quarter 30 Nov 23 RM'000	Current Year To-Date 30 Nov 24 RM'000	Preceding Year To-Date 30 Nov 23 RM'000
Malaysia Taxation	1,257	1,519	7,698	4,851
Deferred Taxation	894	(797)	(725)	(450)
	<u>2,151</u>	<u>722</u>	<u>6,973</u>	<u>4,401</u>

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 the financial period under review.

7. Quoted Securities

There were no purchases or disposals of quoted securities for the current quarter and the financial period under review.

8. Status of Corporate Proposals

Renounceable Rights Issue of ICPS and Proposed Amendments to the Constitution of PGF (“Proposals”)

On 3 November 2021, PGF proposed to undertake a renounceable rights issue of up to 79,987,474 new ICPS in PGF on the basis of 1 ICPS for every 2 existing ordinary shares in PGF (“Rights Issue”). In conjunction with the Rights Issue, PGF proposed to amend the Constitution of PGF to facilitate the creation and issuance of the ICPS. The Rights Issue 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.

On 7 March 2024, the Company announced the extension of time for the unutilised proceeds pursuant to the Rights Issue for an additional twelve (12) months up to 8 March 2025. The Group requires additional time to complete the expansion plan, mainly due to the delay in obtaining the relevant authorities’ approval for the re-zoning of the Land of its ecotourism project in Tanjung Malim, Perak.

The status of the utilisation of the proceeds pursuant to the Rights Issue as at 20 January 2025 (being the latest practicable date) was as follows:

PGF CAPITAL BERHAD

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(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2024

8. Status of Corporate Proposals (cont'd)

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 24 months (extended for an additional 12 months)	6,000	3,988	-	2,012
General working capital	Within 12 months	1,459	1,459	-	-
Estimated expense in relation to the Proposals	Upon completion of the Rights Issue	540	540	-	-
Total		7,999	5,987	-	2,012

9. Group Borrowings

	← As at 30 November 2024 →		
	Long term RM'000	Short term RM'000	Total borrowings RM'000
Secured			
Term loans	18,739	4,125	22,864
Unsecured			
Other borrowings	-	3,941	3,941
Total group borrowings	18,739	8,066	26,805
	← As at 29 February 2024 →		
	Long term RM'000	Short term RM'000	Total borrowings RM'000
Secured			
Term loans	17,823	4,600	22,423
Unsecured			
Other borrowings	-	7,054	7,054
Total group borrowings	17,823	11,654	29,477

PGF CAPITAL BERHAD

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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2024

9. Group Borrowings (cont'd)

Details of the borrowings denominated in each currency:

	As at 30 Nov 24 RM'000	As at 29 Feb 24 RM'000
Malaysian Ringgit	11,985	11,668
United States Dollar	14,820	17,809
	<u>26,805</u>	<u>29,477</u>

10. Dividend

No dividend has been proposed or declared for the current quarter ended 30 November 2024.

11. Earnings Per Share

	Individual Quarter		Cumulative Quarter	
	Current Quarter 30 Nov 24 RM'000	Preceding Quarter 30 Nov 23 RM'000	Current Year To-Date 30 Nov 24 RM'000	Preceding Year To-Date 30 Nov 23 RM'000
Profit after tax attributable to owners of the Company	<u>6,254</u>	<u>5,401</u>	<u>20,018</u>	<u>12,286</u>
	No. of shares '000	No. of shares '000	No. of shares '000	No. of shares '000
Weighted average number of ordinary shares for computing basic earnings per share	183,141	163,522	183,141	163,522
Number of ICPS deemed to have been converted for no consideration	<u>31,678</u>	<u>23,163</u>	<u>31,678</u>	<u>23,163</u>
Weighted average number of ordinary shares for computing diluted earnings per share	<u>214,819</u>	<u>186,685</u>	<u>214,819</u>	<u>186,685</u>
Basic earnings per share (sen)	<u>3.41</u>	<u>3.30</u>	<u>10.93</u>	<u>7.51</u>
Diluted earnings per share (sen)	<u>2.91</u>	<u>2.89</u>	<u>9.32</u>	<u>6.58</u>

By Order of the Board

Ch'ng Lay Hoon
Company Secretary

Dated this 20 January 2025