

PGF CAPITAL BERHAD
(Company No.: 197801005142)(42138-X)
(Incorporated in Malaysia)

Minutes of the 35th Annual General Meeting (“AGM”) of the Company held at at Bayu Hall 3, Level 2, Ascott Gurney Penang, No. 18, Persiaran Gurney, 10250 Penang on 28th July 2025 at 10.00 a.m.

Board of Directors: -

Mr. Fong Wah Kai	- Executive Chairman
Mr. Fong Wern Sheng	- Group Chief Executive Officer (also Chairman of the Meeting)
Mr. Tan Ming Chong	- Group Chief Operating Officer
Mr. Tan Jin Sun	- Senior Independent Non-Executive Director
Ms Ofelia Cheah Loo Ee	- Independent Non-Executive Director
Ms Poh Heem Heem	- Independent Non-Executive Director

Company Secretary: -

Ms. Ch’ng Lay Hoon

Auditors: -

Mr. Eddy Cah Wai Hun	- Partner, Messrs Crowe Malaysia PLT
Ms. Ngo Pei Voon	- Messrs Crowe Malaysia PLT

By invitation: -

Management of the Company: -

Loo Chee Hin	- Group Chief Financial Officer
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The shareholders, corporate representatives and proxies who attended the 35th AGM shall form an integral part of these Minutes.

The Meeting was informed the Board of Directors of the Company has appointed the Group CEO to be the Chair of the 35th AGM.

CHAIRMAN OF THE MEETING ADDRESS AND COMMENCEMENT OF MEETING

The Chairman of the Meeting welcomed all those present for the 35th AGM of the Company.

The Meeting recorded full attendance of the Board’s members.

The Chairman of the Meeting informed that pursuant to Article 69 of the Company’s Constitution, the quorum necessary for the transaction of business at a general Meeting shall be two members present personally or by proxy or corporate representative entitled to vote. The requisite quorum has been met and the Chairman of the Meeting called the Meeting to order at 10.00 a.m.

VOTING

The Chairman of the Meeting informed the floor that under paragraph 8.29A(1) of the Bursa Main Market Listing Requirements (“Listing Requirements”), the Company must ensure that any resolution set out in the notice of any general Meeting, or in any notice of resolution which may properly be moved at any general Meeting, is voted by poll.

The Meeting noted that the Company’s Share Registrar, Messrs Boardroom Share Registrars Sdn. Bhd., have been appointed as the Poll Administrator to conduct the polling process of this AGM and Messrs Yeah & Co. as Independent Scrutineer to verify the poll results. The polling process for all Resolutions for today’s AGM would be conducted upon completion of the deliberation of all items to be transacted at the AGM.

GENERAL INSTRUCTION

The Chairman of the Meeting also informed the Meeting that taking or recording by means of photographs, video or audio at or during the Meeting or of its proceedings is strictly prohibited at the AGM.

NOTICE OF MEETING

The Chairman of the Meeting informed that the Notice of the AGM has been in the shareholders’ hands for the statutory period of not less than 21 days pursuant to Article 63 of the Company’s Constitution and Paragraph 7.15 of the Listing Requirements.

With the consent from the floor, the Notice of Meeting appearing on pages 143-145 of the Annual Report 2024 was taken as read.

The Chairman of the Meeting also reported that there is no legal requirement for a proposed resolution to be seconded, thus the Meeting will be going through each item on the Agenda only.

ORDINARY BUSINESS: -

AGENDA 1

AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 28TH FEBRUARY 2025 AND REPORTS OF THE DIRECTORS AND AUDITORS THEREON

The Chairman of the Meeting stated that the Audited Financial Statements and the Reports of the Directors and Auditors for the financial year ended 28th February 2025 have been in the shareholders’ hands for the statutory period.

The Chairman of the Meeting further stated that the Audited Financial Statements of the Company are laid before this AGM pursuant to Article 124 of the Company’s Constitution and Section 248(1) of the Companies Act, 2016 (“Act”) and Section 340(1)(a) of the Act and does not require shareholders to approve the Audited Financial Statements and the laying of the Audited Financial Statements is sufficient to satisfy this requirement.

The Chairman of the Meeting opened the subject matter for discussion and stated that this Agenda is meant for discussion only and it will not be put forward for voting.

There being no questions from the shareholders, the Chairman of the Meeting then declared that the Audited Financial Statements for the financial year ended 28th February 2025 be and is hereby received.

The Chairman of the Meeting informed the floor that the Board of Directors had received a letter from Minority Shareholders Watch Group (“MSWG”), seeking clarification on certain issues.

The Chairman of the Meeting then highlighted the points raised by MSWG and the related responses thereto for the shareholders’ attention: -

Operational & Financial Matters

1. Plant 2 shall increase the Group’s annual production capacity by 160%, from 25,000 to 65,000 metric tons. The development of Plant 2 is progressing on schedule with commercial operations expected to commence by mid-2026. (page 16 of AR 2025).
 - a) What specific market demand or customer commitments support the decision to expand production capacity by 160%, rather than adopting a more gradual approach?
 - b) If demand falls short, what operational flexibility does the Group have to adjust production levels without eroding margins?
 - c) When is Plant 2 expected to become profitable and what key assumptions underpin this projection?

The Company’s response: -

- a) *The expansion is driven by strong demand from Oceania, our core market. Our current capacity is fully taken up, and the new plant will enable us to meet additional demand and support expansion into new markets.*

The 160% increase reflects the maximum designed capacity of Plant 2, which is determined by the size of the furnace - the core component in the production of glass wool insulation. Furnace is designed and built to operate continuously (24/7), and it is neither technically feasible nor cost-efficient to build a smaller furnace with the intention of incremental expansion.

While Plant 2 is being built with this full capacity in place, we do not expect to reach optimal output immediately upon commencement of operations. Management anticipates a 3-year ramp-up period to reach the plant’s designed capacity, aligned with market absorption and operational optimisation.

This strategic approach ensures cost efficiency in plant design while providing the flexibility to scale up supply in line with demand growth.

- b) *As mentioned above, Management has a 3-year runway to gradually ramp up production at Plant 2, providing the Group with operational flexibility to align output with actual market demand.*

Beyond the Oceania market, the Group has intention to export the additional output to other countries. PGF has previously supplied to broader international markets, and the necessary network and product certifications remain in place. While we have focused on Oceania in recent years due to its strong and sustained demand which has mostly absorbed our existing capacity returning to these previously served markets would be a natural extension of our existing export capabilities, not a new or untested initiative.

- c) Barring any unforeseen external disruptions, we anticipate Plant 2 to become profitable by its second or third year of operation, underpinned by continued strong demand from the Oceania market, supported by government-led housing and energy efficiency initiatives. In particular, Australia's national target of constructing 1.2 million new homes by 2029 and the recently announced Victorian Energy Upgrades programme, which provides a 50% rebate on ceiling insulation, are expected to drive sustained uptake of our insulation products.*
2. Operating from Malaysia while serving markets across Oceania naturally presents a unique set of challenges. Manufacturers based in Australia and New Zealand benefits from their proximity to customers, resulting in quicker delivery times, lower shipping costs, and more agile supply chain operations. As a result, PGF may be at a competitive disadvantage against local producers who have more immediate access to their end markets. (page 20 of AR 2025).
- a) Can management elaborate on the competitive landscape of the glass wool industry in the Oceania region?
- b) In what ways does PGF differentiate itself to maintain or grow its market share?

The Company's response: -

- a) The Oceania glass wool market is dominated by a few well-established international players with long-standing ties to major builders, which can make market entry challenging for new players. However, we have been exporting to the Oceania since 2006, and now stands as a key supplier there with an aggregate market share of approximately 8% -10%. Our entry into the region was driven by strong fundamentals, particularly Australia's government-led initiatives in housing and energy efficiency, which created a favourable environment for new players like us.*

We differentiate ourselves through a consistent supply of high-quality insulation products, supported by our excellent service, technical expertise and competitive pricing. Over time, we have built trust among distributors and mid-tier builders who value our reliability and responsiveness. While cheaper imports exist, our strict compliance with building code standards and performance benchmarks have helped solidify our reputation as a credible and dependable alternative to legacy brands.

- b) To maintain and grow our market share, we focus on delivering consistent product quality and excellent customer service, key differentiators in a market that values reliability and compliance with building standards.*

In order to better serve our customers with prompt delivery and reliable service, we have enhanced our presence by establishing warehouses in Melbourne, Perth, Brisbane, and Sydney, supported by a team of 32 full-time staff based in Australia. Owning and operating our own fleet of trucks has further enhanced delivery responsiveness. With the addition of three new trucks, two already delivered and one more expected in June 2025, we will have five in total, significantly improving our logistics capability.

We also continue to expand our infrastructure, including the planned relocation to a larger Perth distribution centre (from 1,334 m² to 2,000 m²) by early 2026, in anticipation of growing demand.

Our customer-first approach, supported by regular engagement and tailored solutions, helps deepen relationships and build trust, particularly with mid-tier builders and distributors who value responsive service and technical support.

Sustainability Matters

3. With the successful commissioning of its solar energy project, PGF is taking a significant step towards advancing its mission to manufacture sustainable insulation. This initiative aligns with the Group's commitment to environmental principles. (page 33 of AR 2025).

- a) What percentage of the Group's total electricity consumption is now covered by solar energy?
- b) What is the estimated annual reduction in carbon emission resulting from the solar project?

The Company's response: -

a) Approximately 14.15% of our current consumption is covered by solar.

b) The estimated annual reduction is 1,107.2 ton of CO₂

4. Ecowool's contents consists of 80% recycled glass. By using 20,000 metric tons of recycled glass to produce 25,000 metric tons of new glass wool products per month, PGF is making a substantial contribution to environmental sustainability. (page 30 of AR 2025).

- a) How does PGF ensure the long-term sustainability of its recycled glass feedstock?
- b) Are there plans to increase the recycled content beyond the current 80%? What is the Group's target and what is the timeline to achieve it?

The Company's response: -

a) We ensure long-term sustainability of our recycled glass feedstock by taking a proactive approach to sourcing. This includes setting up collection points particularly targeting construction waste streams and working closely with partners to encourage proper disposal. We also clearly define the types of glass we can accept, which helps reduce the time and cost associated with sorting unsuitable materials.

In the event of local supply shortages, such as during the COVID-19 period, we have the flexibility to import recyclable glass from countries like New Zealand.

Looking ahead into the future, we anticipate a significant increase in the availability of recyclable glass from end-of-life solar photovoltaic (PV) panels as they begin to reach the end of their typical 15-20 years' lifespan. This emerging waste stream presents a promising opportunity to further increase our feedstock sources while supporting the circular economy.

- b) We are constantly exploring ways to improve our environmental performance, including increasing the recycled glass content beyond the current 80%. While there is no fixed timeline, this remains an ongoing objective and will depend on the availability, quality, and economic viability of suitable recycled glass inputs.*

The Meeting then continued with its proceedings.

RESOLUTION 1

PAYMENT OF FINAL DIVIDEND OF 1.0 SEN PER ORDINARY SHARE IN RESPECT OF THE FINANCIAL YEAR ENDED 28TH FEBRUARY 2025

The Meeting was informed that the Board proposed the payment of 1.0 sen per ordinary share in respect of the financial year ended 28th February 2025 and if approved, the entitlement and payment dates shall be on 1 August 2025 and 15th August 2025 respectively.

RESOLUTION 2

RE-ELECTION OF DIRECTOR - MS. OFELIC CHEAH LOO EE

The Chairman of the Meeting informed the Meeting that in accordance with Article 88 of the Company's Constitution, the Company's Independent Non-Executive Director, Ms. Ofelia Cheah Loo Ee retired by rotation from the Board at the AGM and being eligible, offers herself for re-election.

RESOLUTION 3

RE-ELECTION OF DIRECTOR – MR. TAN JIN SUN

The Chairman of the Meeting informed the Meeting that in accordance with Article 88 of the Company's Constitution, the Senior Independent Non-Executive Director, Mr. Tan Jin Sun retired by rotation from the Board at the AGM and being eligible, offers himself for re-election.

RESOLUTION 4

RE-ELECTION OF DIRECTOR – MS. POH HEEM HEEM

The Chairman of the Meeting informed the Meeting that in accordance with Article 95 of the Company's Constitution, the Independent Non-Executive Director, Ms. Poh Heem Heem retired from the Board at the AGM and being eligible, offers herself for re-election.

RESOLUTION 5

PAYMENT OF DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDED 28TH FEBRUARY 2025

The Chairman of the Meeting stated that the Board of Directors are seeking the shareholders' approval for the payment of Directors' Fees of RM55,000 for the financial year ended 28th February 2025.

RESOLUTION 6

PAYMENT OF DIRECTORS' OTHER BENEFITS PAYABLES UP TO AN AMOUNT OF RM21,000 FROM 29TH JULY 2025 TO THE NEXT AGM OF THE COMPANY

The Chairman of the Meeting informed the Meeting that the Board of Directors is seeking the shareholders' approval for the payment of Other Benefits Payables up to an amount of RM22,000 from 28th July 2025 to the next AGM of the Company.

RESOLUTION 7

RE-APPOINTMENT OF AUDITORS

The Chairman of the Meeting stated that Resolution 7 is to re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company and that the Directors be authorised to fix their remuneration.

He further added that the retiring Auditors have indicated their willingness to continue in office.

SPECIAL BUSINESSES: -

RESOLUTION 8

AUTHORITY TO ISSUE SHARES PURSUANT TO THE ACT

The Chairman of the Meeting then proceeded with the Special Business of the Agenda to obtain the approval from the shareholders to empower the Directors to issue additional shares up to an aggregate amount not exceeding 10% of the total number of issued share capital of the Company and waiver under Section 85 of the Companies Act 2016.

This resolution, when approved by the shareholders, would allow the Board of Directors a certain amount of flexibility, when the need arises, to issue additional shares subject to approval of all relevant regulatory bodies being obtained, where necessary.

ANY OTHER ORDINARY BUSINESS

The Company Secretary confirmed that there is no notice being served on the Company on this Agenda.

POLLING PROCESS

The Chairman of the Meeting then called upon the Company Secretary to brief the floor on the poll procedures.

The Company Secretary explained to the floor the polling procedures and requested all the shareholders to complete and return the voting slip for casting and verification by the Independent Scrutineer.

Upon calling all voting papers to be deposited into the ballot box, the Meeting declared closing of voting and thereafter for casting and verification.

The Meeting was then presented with a video on the progress of Plant 2 in Kulim.

POLLING RESULTS

The Meeting resumed for declaration of results.

The Chairman of the Meeting announced the below results to the floor: -

Ordinary Resolution	Vote For			Vote Against		
	No. of Shares	%	No. of share-holders	No. of Shares	%	No. of share-holders
1	126,265,703	100.0000	40	-	0.0000	-
2	126,265,703	100.0000	40	-	0.0000	-
3	126,265,703	100.0000	40	-	0.0000	-
4	126,264,703	100.0000	39	-	0.0000	-
5	126,264,703	100.0000	39	-	0.0000	-
6	126,264,703	100.0000	39	-	0.0000	-
7	126,265,703	100.0000	40	-	0.0000	-
8	126,265,603	100.0000	39	-	0.0000	-

The Chairman of the Meeting then declared that all the 8 resolutions were voted unanimously in favour and the Meeting recorded that all resolutions as set out in the Notice of the AGM and tabled were duly carried.

IT WAS RESOLVED: -

Resolution 1

THAT the payment of the final dividend of 1.0 sen per ordinary share in respect of the financial year ended 28th February 2025 be and is hereby approved.

Resolution 2

THAT Ms. Ofelia Cheah Loo Ee, the Independent Non-Executive Director of the Company retiring pursuant to Article 88 of the Company's Constitution, be hereby re-elected as Director of the Company.

Resolution 3

THAT Mr. Tan Jin Sun, the Senior Independent Non-Executive Director, retiring pursuant to Article 88 of the Company's Constitution, be hereby re-elected as Director of the Company.

Resolution 4

THAT Ms. Poh Heem Heem, the Independent Non-Executive Director of the Company retiring pursuant to Article 95 of the Company's Constitution, be hereby re-elected as Director of the Company.

Resolution 5

THAT the payment of Directors' Fees of RM55,000.00 for the financial year ended 28th February 2025 be and is hereby approved.

Resolution 6

THAT the payment of Other Benefits Payables up to an amount of RM21,000 from 29th July 2025 until the next AGM of the Company be and are hereby approved.

Resolution 7

THAT Messrs Crowe Malaysia PLT be and are hereby re-appointed as Auditors of the Company at a remuneration to be determined by the Board of Directors.

Resolution 8

THAT, subject always to the Act, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), the provisions of the Constitution of the Company and approval of any relevant governmental and/or regulatory authorities, where such approval is required, the Board of Directors of the Company (“Board”) be and is hereby empowered pursuant to Section 75 and 76 of the Act, to issue and allot shares in the capital of the Company, at any time upon such terms and conditions and for such purposes as the Board may, in its absolute discretion deem fit, provided that the aggregate number of the shares issued pursuant to this resolution does not exceed ten (10) per centum of the issued share capital of the Company for the time being and the Board be and is also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad (“Mandate”) and that such authority shall continue in force until the conclusion of the next AGM of the Company;

AND THAT pursuant to Section 85 of the Act read together with Article 10 of the Company’s Constitution, approval be and is hereby given to waive the statutory pre-emptive rights conferred upon the shareholders of the Company in respect of the allotment and issuance of new Shares pursuant to the Mandate AND THAT such new Shares when allotted shall rank pari passu in all respects with the existing class of ordinary shares;

AND FURTHER THAT the Board is exempted from the obligation to offer such new Shares first to the existing shareholders of the Company in respect of the allotment and issuance of new Shares pursuant to the Mandate.

QUESTIONS & ANSWERS SESSION

The Chairman of the Meeting together with the Group Chief Operating Officer and the Group Chief Financial Officer of the Company took the Meeting through the operational and business outlook of the Company raised by the shareholders of the Company.

CONCLUSION OF MEETING

The Chairman of the Meeting concluded the Meeting and thanked all those who participated in the Company’s 35th AGM.

There being no other matter to discuss, the Meeting concluded at 11.15 a.m. with a vote of thanks to the Chair.

Confirmed and signed as a correct record

Mr. Fong Wern Sheng
Chairman of the Meeting
Group Chief Executive Officer