

PERMAJU INDUSTRIES BERHAD
(INCORPORATED IN MALAYSIA) Company No. 199601006711(379057-V)
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER 30 SEPTEMBER 2025

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 30.09.2025 RM'000 Unaudited	Preceding Year Quarter 30.09.2024 RM'000 Audited	Current Year To-Date 30.09.2025 RM'000 Unaudited	Preceding Year To-Date 30.09.2024 RM'000 Audited
Revenue		5,778	5,812	24,690	N/A
Cost of sales		(4,469)	(6,032)	(20,744)	N/A
Gross profit/(loss)		<u>1,309</u>	<u>(220)</u>	<u>3,946</u>	<u>N/A</u>
Other income		490	732	2,071	N/A
Fair value gain on other investment		8,848	2,709	4,199	N/A
Selling and marketing expenses		(1,049)	(1,748)	(1,684)	N/A
Other expenses		(4,665)	(5,377)	(14,853)	N/A
Operating profit/(loss)		<u>4,934</u>	<u>(6,753)</u>	<u>(6,320)</u>	<u>N/A</u>
Finance costs		(432)	(13)	(1,080)	N/A
Profit/(Loss) before tax		<u>4,502</u>	<u>(6,766)</u>	<u>(7,400)</u>	<u>N/A</u>
Income tax expense		1,046	-	1,042	N/A
Profit/(Loss) for the period	20	<u>5,548</u>	<u>(6,766)</u>	<u>(6,358)</u>	<u>N/A</u>
Other comprehensive income for the period, net of tax Foreign currency translation		<u>-</u>	<u>-</u>	<u>-</u>	<u>N/A</u>
Total comprehensive loss for the period		<u><u>5,548</u></u>	<u><u>(6,766)</u></u>	<u><u>(6,358)</u></u>	<u><u>N/A</u></u>
Total profit/(loss) after tax attributed to - Owners of the company - Non-controlling interests		<u>5,548</u> <u>-</u> <u>5,548</u>	<u>(6,766)</u> <u>-</u> <u>(6,766)</u>	<u>(6,358)</u> <u>-</u> <u>(6,358)</u>	<u>N/A</u> <u>N/A</u> <u>N/A</u>
Total comprehensive profit/(loss) attributed to - Owners of the company - Non-controlling interests		<u>5,548</u> <u>-</u> <u>5,548</u>	<u>(6,766)</u> <u>-</u> <u>(6,766)</u>	<u>(6,358)</u> <u>-</u> <u>(6,358)</u>	<u>N/A</u> <u>N/A</u> <u>N/A</u>
Basic/diluted profit/(loss) per share attributable to owners of the Company : Basic/diluted profit/(loss) per share for the period (sen)		0.30	(0.38)	(0.35)	N/A

PERMAJU INDUSTRIES BERHAD
(INCORPORATED IN MALAYSIA) Company No. 199601006711(379057-V)
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
FOR THE QUARTER 30 SEPTEMBER 2025

	As at 30.09.2025 RM'000 (Unaudited)	As at 30.09.2024 RM'000 (Audited)
Non - current assets		
Property, plant and equipment	75,497	77,103
Other investment	36,862	36,419
Land held for property development	106,293	106,293
Biological assets	2	-
Intangible assets	374	374
Right use of assets	6,929	5,878
	<u>225,959</u>	<u>226,067</u>
Current assets		
Biological assets	14	-
Inventories	6,616	11,490
Trade receivables	0	405
Other receivables, prepayments and deposits	26,831	27,344
Tax recoverable	140	141
Fixed deposits with licensed banks	4,381	5,293
Cash and bank balances	5,117	5,782
	<u>43,100</u>	<u>50,455</u>
TOTAL ASSETS	<u>269,059</u>	<u>276,522</u>
Current liabilities		
Trade payables	7,109	6,869
Other payables	7,191	7,880
Lease liabilities	426	435
Income tax payable	128	5
	<u>14,854</u>	<u>15,189</u>
Net current assets	<u>28,246</u>	<u>35,266</u>
Non - current liabilities		
Lease liabilities	6,803	6,385
Deferred tax liabilities	7,372	8,560
	<u>14,175</u>	<u>14,945</u>
Total liabilities	<u>29,029</u>	<u>30,134</u>
Net assets	<u>240,030</u>	<u>246,388</u>
Equity attributable to owners of the Company	188,856	446,425
Revaluation reserve	25,000	25,000
Irredeemable convertible preference shares (ICPS)	36,624	37,055
Other reserves	(53,540)	(53,540)
Warrant reserves	53,540	53,540
Accumulated losses	(10,449)	(262,092)
Total equity	<u>240,031</u>	<u>246,388</u>
TOTAL EQUITY AND LIABILITIES	<u>240,030</u>	<u>276,522</u>
Net asset per share - RM	0.13	0.14

PERMAJU INDUSTRIES BERHAD
(INCORPORATED IN MALAYSIA) Company No. 199601006711(379057-V)
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE QUARTER 30 SEPTEMBER 2025
(The figures have not been audited)

----- Attributable to Owners of the Company -----

----- Non-Distributable -----

Distributable

	Equity Total RM'000	Equity attributable to owners of the parent, Total RM'000	Share Capital RM'000	Treasury Shares RM'000	Merger Deficit RM'000	Revaluation Reserves RM'000	Irredeemable Convertible Preference Shares ("ICPS") RM'000	Other Reserves RM'000	Warrant Reserves RM'000	Accumulated Losses RM'000	Non controlling interest RM'000
As at 1st October 2024	246,388	246,388	446,425	-	-	25,000	37,055	(53,540)	53,540	(262,092)	-
Foreign currency translation reserves	-	-	-	-	-	-	-	-	-	-	-
Rights Issue of ICPS	-	-	-	-	-	-	-	-	-	-	-
Conversion of ICPS to ordinary shares	-	-	431	-	-	-	(431)	-	-	-	-
Reversal of revaluation reserves	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive loss for the period	(6,358)	(6,358)	-	-	-	-	-	-	-	(6,358)	-
Capital reduction	-	-	(258,000)	-	-	-	-	-	-	258,000	-
As at 30 September 2025	<u>240,030</u>	<u>240,030</u>	<u>188,856</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>36,624</u>	<u>(53,540)</u>	<u>53,540</u>	<u>(10,450)</u>	<u>-</u>
As at 1st July 2023	265,008	265,008	443,759	-	-	25,000	39,721	(53,540)	53,540	(243,472)	-
Revaluation surplus	-	-	-	-	-	-	-	-	-	-	-
Rights Issue of ICPS	-	-	-	-	-	-	-	-	-	-	-
Conversion of ICPS to ordinary shares	-	-	2,666	-	-	-	(2,666)	-	-	-	-
Reversal of revaluation reserves	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive loss for the period	(18,620)	(18,620)	-	-	-	-	-	-	-	(18,620)	-
As at 30 September 2024	<u>246,388</u>	<u>246,388</u>	<u>446,425</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>37,055</u>	<u>(53,540)</u>	<u>53,540</u>	<u>(262,092)</u>	<u>-</u>

PERMAJU INDUSTRIES BERHAD
(INCORPORATED IN MALAYSIA) Company No. 199601006711(379057-V)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTER 30 SEPTEMBER 2025

	Current Year To-Date 30.09.2025 RM'000 Unaudited	Preceding Year To-Date 30.09.2024 RM'000 Audited
Operating activities		
Loss before tax	(6,358)	(17,774)
Adjustments for :		
Interest income	(968)	(1,340)
Bad debts written off		
- Trade receivables	-	937
- Other receivables	-	746
Depreciation of property, plant and equipment	4,386	4,095
Depreciation of right of use asset	1,105	631
Finance costs	663	470
Inventories written off	-	148
(Gain)/loss on disposal of property, plant and equipment	(8)	2
Impairment loss on trade and other receivables	-	8,585
Fair value gain on other investment	(4,539)	(921)
Operating cash flows before changes in working capital	<u>(5,719)</u>	<u>(4,421)</u>
Decrease/(Increase) in inventories	6,435	(5,031)
Increase/(decrease) in trade and other receivables	418	(4,100)
(Decrease)/increase in trade and other payables	(2,533)	2,153
Cash used in operations	<u>(1,399)</u>	<u>(11,399)</u>
Interest received	968	185
Interest paid	(88)	(3)
Tax paid/refunded	(2)	159
Net cash used in operating activities	<u>(521)</u>	<u>(11,058)</u>
Investing activities		
Drawdown from other investment	3,893	29,700
Purchase of intangible assets	-	(374)
Purchase of property, plant and equipment	(3,830)	(14,524)
Purchase of marketable securities	-	(3,466)
Net cash generated from investing activities	<u>63</u>	<u>11,336</u>
Financing activities		
Repayment of lease liability	(2,035)	(994)
Issuance of Ordinary Share pursuant to Right ICPS	431	2,666
Proceeds from conversion of ICPS	(431)	(2,666)
Net cash used in financing activities	<u>(2,035)</u>	<u>(994)</u>
Net decrease in cash and cash equivalents	(2,493)	(717)
Effects of exchange rate changes	-	-
Cash and cash equivalents at beginning of financial period	11,075	10,877
Cash and cash equivalents at end of financial period	<u>8,582</u>	<u>10,160</u>
Cash and cash equivalents at the end of the financial period comprise the following :		
	As at 30.09.2025 RM'000	As at 30.09.2024 RM'000
Fixed deposits	4,381	5,293
Cash and bank balances	5,117	5,782
Less: Deposits pledged	(915)	(915)
	<u>8,582</u>	<u>10,160</u>

PERMAJU INDUSTRIES BERHAD
(Incorporated in Malaysia) Company No. 199601006711(379057-V)

**INTERIM REPORT FOR THE FINANCIAL PERIOD
ENDED 30 SEPTEMBER 2025**

*NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD
ENDED 30th September 2025*

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

1. BASIS OF PREPARATION

The financial statements of the Group and the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below. The financial statements are presented in Ringgit Malaysia (RM).

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Adoption of MFRSs, amendments to MFRSs and IC Interpretation

The significant accounting policies and methods of computation adopted in these interim financial statements are consistent with those adopted in the latest audited financial statements, except for the following:

Adoption of new and revised Malaysian Financial Reporting Standards (“MFRSs”)

MASB that are effective for annual financial periods beginning on or after 1 July 2022:

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
Amendments to MFRSs Annual Improvements to MFRSs Standards 2018 – 2020	1 July 2022
Amendments to MFRS 3: Reference to Conceptual Framework	1 July 2022
Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use	1 July 2022
Amendments to MFRS 137: Onerous Contracts - Costs of Fulfilling a Contract	1 July 2022

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

The above standards did not have material effect on the financial performance or position of the Group and the Company except as disclosed below:

(a) Standard and Interpretation issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
MFRS 16: Lease – Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the year of initial applications.

3. AUDITOR'S REPORT ON PRECEEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the Group's annual financial statements for the financial period ended 30th September 2024 was not subject to any qualification.

4. SEASONAL OR CYCLICAL FACTORS OF INTERIM OPERATIONS

The Group's business operations for the period ended 30th September 2025 have not been materially affected by seasonal or cyclical factors.

5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the financial quarter ended 30th September 2025 .

6. EFFECTS OF CHANGES IN ESTIMATES

There were no changes in estimates that have a material effect in the financial quarter ended 30th September 2025 .

7. CHANGES IN DEBTS AND EQUITY SECURITIES

During the current quarter ended 30th September 2025 , there were no other issuances, cancellations, repurchases, resale and repayments of debts and equity securities except for the conversion of ICPS to 613,572 ordinary shares.

8. DIVIDEND PAYMENT

There was no dividend paid for the current quarter and financial period ended 30th September 2025 .

9. CARRYING AMOUNT OF REVALUED ASSETS

The Group has revalued its leasehold land during the financial year 2024 based on valuations carried out by an independent professional valuer on an open market value basis during that financial period.

10. STATUS OF CORPORATE PROPOSAL

On 30th May 2025 , the Company received a notice issued by the Registrar of Companies confirming that all requirements with respect the Capital Reduction had been complied with. Accordingly, the Capital Reduction of RM 258,000,000 took effect on 30th May 2025.

Save for the above, there are no other corporate proposals announced but not completed as at the date of this report.

11. OPERATING SEGMENTS

The Group has four reportable segments, namely automotive, EV division, property development and others which involved in Group-level corporate services, treasury functions and investments in marketable securities, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately.

(a) Information about reportable segments

	For the period ended 30.09.2025											
	Automotive		EV Division		Property Development		Others		Adjustments and elimination		Total	
	30.09.2025	30.09.2024	30.09.2025	30.09.2024	30.09.2025	30.09.2024	30.09.2025	30.09.2024	30.09.2025	30.09.2024	30.09.2025	30.09.2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	20,560	40,622	3,511	4,735	-	-	1,087	1,085	(468)	(586)	24,690	45,856
Segment (loss)/profit after tax	(6,300)	(12,322)	953	174	(900)	(1,783)	(110)	(108,002)	(1)	103,597	(6,358)	(18,336)
Segment assets	56,749	68,121	10,927	11,441	71,054	71,051	323,279	253,827	(192,950)	(130,925)	269,059	273,515
Segment liabilities	114,185	25,996	11,010	12,469	83,176	82,298	142,857	135,162	(322,199)	(227,660)	29,029	28,265

12. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group for the current quarter ended 30th September 2025 .

13. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no changes in contingent liabilities or contingent assets of the Group since the last statement of financial position as at 30th September 2025 .

14. CHANGES OF FINANCIAL YEAR END

The Group has changed the financial year from 30 June to 30 September as announced on 30 May 2024. The next audited financial statements shall be for a period of fifteen (15) months from 1 July 2023 to 30 September 2024 and thereafter, the financial year end shall be fall under 30 September for each subsequent year.

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

15. REVIEW OF PERFORMANCE

The Group's revenue for the current quarter of RM5.78 million has decreased by RM0.34 million compared to the preceding year corresponding quarter of RM5.81 million. A total of 31 units of Ford Ranger were sold during current quarter, matching the sales volume achieved in the preceding year's corresponding quarter.

The Group recorded a pre-tax gain of RM5.54 million for the current quarter, compared to a pre-tax loss of RM6.8 million in the corresponding quarter of the previous year. The substantial improvement was mainly attributable to a reduction in impairment of receivables by RM8.6 million and an increase in the fair value of quoted investments amounting to RM3.45 million, partially offset by a decrease in other income of RM0.8 million during the current quarter.

16. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS

	Current Quarter As at 30 September 2025 RM'000	Previous Quarter As at 30 June 2025 RM'000
Revenue	5,778	5,747
Profit/(Loss) before tax	5,548	(4,696)

For the quarter ended 30 September 2025, the Group recorded RM5.78 million in revenue, slightly higher than RM5.75 million in the preceding quarter, supported by higher Ford sales of 31 units compared to 29 units previously.

The Group achieved a marked turnaround in profitability for the quarter. Profit before tax increased substantially to RM5.55 million, compared to a loss before tax of RM4.70 million in the preceding quarter. The improved performance was primarily driven by a foreign exchange gain of RM9.0 million recorded in the current quarter, in contrast to a foreign exchange loss of RM2.7 million in the previous quarter.

17. PROSPECTS

Automotive

In the recovery process from the Covid-19 pandemic environment, the Group is currently consolidating its automotive resources to focus on Ford vehicles and electric vehicles (EV's) with the aim of reviving its automotive division. In addition, the Group has also started a luxury car rental business especially Electrical Vehicles which is expected to transform the Group into a fully-fledged automotive service provider in the future.

Property Division

The Group is cautiously enthusiastic about the property division. The Group currently reviewing in terms of existing gross development costs (GDC), gross development value (GDV), and current land values. The Group intends to proceed with the current plan and is actively seeking new property development markets.

Plantation Division

The collaboration with the Malaysian Cocoa Board to venture into cocoa plantation through the development of Cocoa Smart Farming is progressing, with land clearing completed and earthworks (terracing, roads, and drainage), nursery, and grass planting underway and expected to be completed by the end of the next quarter.

The cooperation with Felcra Bekalan & Perkhidmatan Sdn. Bhd. has begun with land clearing completed and earthworks (terracing, roads, and drainage), nursery, and grass planting underway and expected to be completed by the end of the next quarter. The plantation division is anticipated to increase its involvement in the future, and the Group will profit from these efforts.

18. PROFIT/(LOSS) FORECAST OR PROFIT GUARANTEE

The Group did not issue any profit forecast and/or profit guarantee to the public given.

19. INCOME TAX BENEFIT

	Quarter		To Date	
	30.09.2025 RM'000	30.09.2024 RM'000	30.09.2025 RM'000	30.09.2024 RM'000
Income tax	1,046	-	1,042	-
	<u>1,046</u>	<u>-</u>	<u>1,042</u>	<u>-</u>

20. PROFIT/(LOSS) FOR THE PERIOD

Profit/(Loss) for the period is arrived at after charging:

	Current Year Quarter 30.09.2025 RM'000	Cumulative Year To Date 30.09.2025 RM'000
Gain on asset written off	-	(8)
Interest income	239	(968)
Finance costs	140	615
Depreciation and amortization	1,546	5,198

21. SALE OF UNQUOTED INVESTMENTS AND PROPERTIES

There were no sales of unquoted investments and properties for the financial quarter under review.

22. CORPORATE PROPOSALS 2020

NEW ISSUE OF SECURITIES (CHAPTER 6 OF LISTING REQUIREMENTS) FUND RAISING

- (I) RIGHTS ISSUE OF ICPC WITH WARRANTS
- (II) SETTLEMENT
- (III) CONSTITUTION AMENDMENTS

(COLLECTIVELY REFERRED TO AS THE “CORPORATE EXERCISE”)

(For consistency purposes, the abbreviations and definitions used throughout this announcement shall have the same meanings as those previously defined in the Abridged Prospectus of the Company dated 14 July 2020 in relation to the Rights Issue of ICPS with Warrants.)

- a. On behalf of the Board, Mercury Securities had announced that the Corporate Exercises have been completed following the listing and quotation of 1,381,288,215 ICPS (comprising 936,309,855 Rights ICPS and 444,978,360 Settlement ICPS) and 93,630,984 Securities on 21 August 2020.
- b. Utilisation of proceeds

The gross proceeds raised from ICPS was RM46,815,492.75 and the current utilisation status is set out as follows: -

Utilisation of proceeds	Intended Timeframe for Utilisation from Completion Date	Extended Timeframe for Utilisation RM'000	Proposed Utilisation RM'000	Actual Utilisation as at 30 September 2025 RM'000	Balance Utilisation RM'000
			RM'000	RM'000	RM'000
Development of the Mydin Project	Within 36 months	Within 18 months ⁽ⁱ⁾	38,470	(22,357)	16,113
Funding for automotive division	Within 12 months		5,000	(5,000)	-
Repayment of bank borrowings	Within 3 months		1,995	(1,995)	-
Estimated expenses for the Corporate Exercises	Immediate		1,350	(1,350)	-
TOTAL			46,815	(30,702)	16,113

Notes:-

Development of the Mydin Project unutilised due to negotiation with the contractors for a new design and build model, including Mydin Project. The fund will be utilised in next 18 months.

23. CORPORATE PROPOSALS 2021

**NEW ISSUE OF SECURITIES (CHAPTER 6 OF LISTING REQUIREMENTS)
FUND RAISING**

(I) RIGHTS ISSUE

(COLLECTIVELY REFERRED TO AS THE “CORPORATE EXERCISE”)

(For consistency purposes, the abbreviations and definitions used throughout this announcement shall have the same meanings as those previously defined in the Abridged Prospectus dated 5 November 2021 issued by the Company in relation to the Right Issue.)

a. On behalf of the Board, Mercury Securities wishes to announce that the Rights Issue has been completed following the listing and quotation of 959,813,224 Right Shares on the Main Market of Bursa Securities on 6 December 2021.

b. Utilisation of proceeds

Based on the issue price of RM0.07 per Right Share, the gross proceeds to be raised from the Right Issue are intended to be utilised in the following manner: -

Utilisation of proceeds	Intended Timeframe for Utilisation from Completion Date	Extended Timeframe for Utilisation RM'000	Proposed Utilisation	Actual Utilisation as at 30 September 2025	Balance Utilisation
			RM'000	RM'000	RM'000
Importation of luxury and premium EVs	Within 24 months	Within 12 months	25,000	(25,000)	-
Establishment of an EV showroom and after-sales service centre	Within 15 months	-	21,000	(18,776)	2,224
Advertising and promotional activities to promote EVs	Within 24 months	-	3,080	(3,080)	-
Working capital	Within 24 months	Within 12 months	17,357	(9,868)	7,489
Estimated expenses for the Right Issue	Immediate	-	750	(750)	-
TOTAL			67,187	(57,474)	9,713

Notes:-

- i) Establishment of EV showroom and after-sales service centre unutilised due to negotiation with the supplier on the price and design still ongoing. The fund will be utilised in next 12 months.

24. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off-balance sheet financial instruments as at the date of this announcement.

25. CHANGES IN MATERIAL LITIGATION

There were no material changes in the following litigation where:

An architect ("the Claimant") filed a civil suit against both the Company and the subsidiary for wrongful termination of his services and claimed outstanding fees with interest and loss of income amounting to RM11.4 million.

The High Court directed that the claim by the Claimant against the subsidiary be referred to arbitration. On 28 March 2013, upon the appointment of the Arbitrator, the High Court struck off the claim against the subsidiary. On 7 November 2014, all parties agreed to withdraw the suit between the Claimant and the Company. Thereafter, the Arbitrator will hear both claims together.

The Arbitration proceeded with the Claimant and the respondent calling their respective witnesses. The principal issue to be decided by the Arbitrator is on whether there had been a mutual termination or wrongful termination of the Claimant's engagement. Based on the oral and documentary evidences produced in the Arbitration and supported by legal position, the Company's solicitors are of the view that the Company has established on a balance of probability that there was a mutual termination of the Claimant's engagement.

On 21 May 2018, the subsidiary's solicitors have informed that the Arbitrator has given a partial award on the Breach of Contract Arbitration ("Partial Award") and held that the subsidiary had wrongfully terminated the Claimant's for its services and has awarded costs in the cause in the final award to the Claimant. There has been no award made by the Arbitrator in respect of the quantum of damages payable to the Claimant in relation to the Breach of Contract Arbitration and no directions from the Arbitrator in respect of the Permaju Arbitration.

Pursuant to the directions given at the case management on 28 June 2019, the Tribunal had directed parties to submit submissions incorporating previous submissions on the issue of illegality with answers to clarification questions posed by the Tribunal. On 1 August 2019, the subsidiary's solicitors have filed the necessary information to the Tribunal.

On 7 October 2019, the Arbitrator issued Partial Award No.2 which found that the Claimant's services had not been voided by illegality and he had been, wrongfully terminated. The Company is appealing against this decision and the Company's solicitors had filed the necessary application to set aside the Partial Award.

The hearing of the Claimant's claim against the Company and the subsidiary for inducing to breach their contract with the Claimant is fixed for hearing on 6 to 9 April 2021. Apart from the foregoing, in respect of the Partial Award 1 and 2 is fixed for Hearing of Appeal on 21 April 2021.

Both of the matters were adjourned on the grounds that parties are trying for settlement on 21 April 2021. The next hearing is fixed on 1 September 2021 which the Court of Appeal heard arguments from both the Applicant's Counsel and the subsidiary's Counsel and reserved Judgment to 16 November 2021.

Notwithstanding the earlier Directions given by the Learned Arbitrator, the Learned Arbitrator gave Directions for Parties to file Submissions on the issue of quantum. On 17 March 2021, the Arbitrator published Partial Award No. 3. The Award reads as follows:

- (i) The subsidiary to pay the Claimant the net principal sum of RM2,600,724.04 as the amount of outstanding Professional Fees;
- (ii) The subsidiary to pay the Claimant a Pre-Award interest of RM1,943,374.40;
- (iii) The subsidiary shall bear in full the cost of award of Partial Award 1, Partial Award No.2 and Partial Award No.3 Tax by the Tribunal as RM132,000.00;
- (iv) Cost in reference for the subsidiary and the Company Arbitration shall be reserved until the Final Award;
- (v) Any sum awarded by the Tribunal shall be payable within four (4) weeks from the date of the said Award, failing this David Shen is entitled to impose a further interest at the rate of 5% per annum.

Meanwhile, the Claimant's Solicitors filed an application for the enforcement of Partial Award No.3 at the Kota Kinabalu High Court vide Originating Summons No. BKI-24NCC(ARB)-4/6-2021. The subsidiary's Solicitors filed an application to set aside Partial Award No.3 vide Originating Summons No. BKI-24NCC(ARB)-4/6-2021.

On 26 July 2021, the Judge directed that the application filed by the subsidiary to set aside Partial Award No.3 will be heard first and if the subsidiary's application is allowed, then the Claimant's application would fall. The Court fixed Hardie's application for Hearing on 14 September 2021.

However, in view of the pending decision from the Court of Appeal, both parties by mutual agreement agreed to defer the hearing until the outcome of the Court of Appeal's decision in respect of Partial Award 1 and 2 which is fixed for decision on 16 November 2021.

Meanwhile, the hearing of setting aside Partial Award No.3 and the Application for the enforcement of Partial Award is now fixed for hearing on 23 November 2021.

Notwithstanding the foregoing, as a result of the Partial Award No.3, the subsidiary's Solicitors commenced negotiations with the Claimant's Solicitors and still on-going.

The Court has directed both Originating Summons (3/6-2021 & 4/6-2021) will be heard together and the parties to file their Written Submissions on or before 15th December 2021 while the Submissions for rebuttal are to be filed on or before 31st December 2021. However, the hearing date will be fixed on 12th January.

The Board of Directors of Permaju informed that decision has been fixed on 28th March 2022 in respect of the following matters:

- (i) Subsidiary's application to set aside Partial Award No.3. (No. BKI-24NCC(ARB)-3/6/6-2021)

- (ii) The Claimant's application to register Partial Award No.3. (No. BKI-24NCC(ARB)-4/6-2021(HC5))

The Court had come up with the Decision of the Originating Summons on 28th March 2022 as follows:

- (i) The Court had set aside the pre-award interest of RM1,943,374.40 as awarded by the Learned Arbitrator. However, the Court has disallowed the application filed by Subsidiary to set aside the rest of the Arbitrator's Award.
- (ii) The Court allowed the application filed by the Claimant's for the registration of Arbitrator's Award as a Court Judgement subject to setting aside the pre-award interest of RM1,943,374.40.

Subsidiary has one(1) month from the date of decision to appeal against the Decision of High Court in respect of the above mentioned Originating Summons.

However, the Arbitration proceedings initiated by the Claimant were in abeyance until the outcome of the Appeals filed by both parties at the Court of Appeal. As at 30 June 2022, the subsidiary has provided the contingent liability amounting to RM4,909,903.36. Further developments pertaining to the above matters will be announced.

On 1 September 2022, the subsidiary had acknowledge through the subsidiary's solicitors that David Shen had filed Winding Up Petition in the High Court at Kota Kinabalu vide BKI-28NCC-47/8-2022 on 18 August 2022 against the subsidiary.

On 7 September 2022, the subsidiary deposited a sum of RM2,951,123.09 with its subsidiary's solicitor to hold the same as stakeholders until the final disposal of the subsidiary and David Shen's appeals. In the event if there are any appeals to the Federal Court, then the sum of RM2,951,123.09 is to be held by the subsidiary's Solicitor as stakeholders until the final disposal of any appeals before the Federal Court.

The subsidiary had made a application for stay in respect of originating summons and application to strike out David Shen's winding up petition.

Further, Permaju Industries Berhad (Permaju) filed its Notice of Intention to Appear in respect of the Petition and filed Affidavit in Opposition in respect of the Winding Up Petition on 21st September 2022. This matter was also fixed for Mention on 17th November 2022.

Pursuant to the Court Order dated 17th November 2022, the sum of RM2,951,123 held by our Solicitors as stakeholder was deposited in a Joint Fixed Deposit Account. The Joint Fixed Deposit Account is operated by arbitrator. In view of the foregoing Court Order, David Shen withdrew the Winding Up Petition against subsidiary company.

In respect of David Shen's claim against Permaju Industries Berhad for inducing the subsidiary to breach their contract with David Shen I-Tan, the Arbitrator vacated the Hearing dates on 6th, 7th, 8th and 9th April 2021 pending negotiations in respect of Partial Award No.3. In view of the negotiations, there is no hearing date in respect of the Claimant's claim against Permaju.

On 11 March 2025 received the sealed Court orders granted by the Court of Appeal in relation to the hearing held on 24 January 2025. The Court of Appeal allowed PPSB's appeals under Civil Appeal No. S-02(NCvC)(A)-887-05/2022 and S-02(NCvC) (A)-960-05/2022, thereby setting aside the High Court's decision dated 28 March 2022 and the Arbitrator's Partial Award No. 3 dated 17 March 2021, on the grounds that they were not in accordance with the arbitration' agreement. The Court of Appeal ordered that the matter to be referred back to arbitration.

Accordingly, the Court of Appeal also ruled that David Shen's appeals under Civil Appeal No. S-02(NCvC)(A)-670-04/2022 and S-02(NCvC)(A)-672-04/2022 were rendered academic and the Appeal was dismissed. The matter has been referred back to the Arbitration.

Furthermore, the Court of Appeal ordered global costs of RM30,000.00 to be paid by David Shen. Additionally, the Court granted a consequential order for the release of RM2,951,123.09, currently held in the joint account of PPSB's and David Shen's solicitors, to PPSB's solicitors.

26. DIVIDEND PAYABLE

No interim ordinary dividend has been declared for the financial period ended 30th September 2025 (30th September 2024: Nil).

27. PROFIT/(LOSS) PER ORDINARY SHARE

Basic loss per share amounts are calculated by dividing profit/(loss) for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

The following reflect the profit/(loss) and share data used in the computation of basic and diluted loss per share for the financial year ended 30th September 2025:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2025	Preceding Year Quarter 30.09.2024	Current Year Quarter 30.09.2025	Preceding Year Quarter 30.09.2024
Net profit/(loss) for the period (RM'000)	5,548	(6,766)	(6,358)	N/A
Weighted average number of ordinary shares ('000)	1,842,019	1,780,264	1,842,019	N/A
Basic/diluted profit/(loss) per share (sen)	<u>0.30</u>	<u>(0.38)</u>	<u>(0.35)</u>	<u>N/A</u>

*The weighted average number of shares takes into account the weighted average effect of changes in treasury shares transactions during the financial year, if any.

28. REALISED AND UNREALISED LOSSES DISCLOSURE

	As at 30.09.2025 RM'000	As at 30.09.2024 RM'000
Total retained accumulated losses of Permaju Industries Berhad and its subsidiaries :		
- Realised	(10,449)	(255,066)
- Unrealised	<u>-</u>	<u>(7,026)</u>
Total group accumulated losses as per consolidated accounts	<u>(10,449)</u>	<u>(262,092)</u>

29. AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 28th November 2025.