

Pekat Group Berhad (201901011563 (1320891-U))
Interim Financial Report on Consolidated Results
for the Third Quarter Ended 30 September 2025



Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

		Three Months Ended		Nine Months Ended	
		30.09.2025	30.09.2024	30.09.2025	30.09.2024
		Unaudited	Unaudited	Unaudited	Unaudited
	Note	RM'000	RM'000	RM'000	RM'000
Revenue		141,701	82,638	419,005	196,837
Cost of sales		<u>(109,832)</u>	<u>(58,669)</u>	<u>(313,175)</u>	<u>(141,325)</u>
Gross profit		31,869	23,969	105,830	55,512
Other income		316	4,031	2,010	4,709
Administrative expenses		(16,604)	(17,357)	(52,813)	(36,724)
Other expenses		<u>298</u>	<u>(972)</u>	<u>(218)</u>	<u>(972)</u>
Operating profit		15,879	9,671	54,809	22,525
Finance income		257	142	633	443
Finance costs		(1,163)	(341)	(3,934)	(618)
Share of profit/(loss) in associates		<u>195</u>	<u>84</u>	<u>277</u>	<u>(565)</u>
Profit before tax		15,168	9,556	51,785	21,785
Tax expense	B5	<u>(3,513)</u>	<u>(3,281)</u>	<u>(13,874)</u>	<u>(7,049)</u>
Profit for the period		11,655	6,275	37,911	14,736
Other comprehensive loss for the period, net of tax		<u>(20)</u>	<u>-</u>	<u>(20)</u>	<u>-</u>
Total comprehensive income for the period		<u>11,635</u>	<u>6,275</u>	<u>37,891</u>	<u>14,736</u>

Pekat Group Berhad (201901011563 (1320891-U))
Interim Financial Report on Consolidated Results
for the Third Quarter Ended 30 September 2025



Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
(continued)

		Three Months Ended		Nine Months Ended	
		30.09.2025	30.09.2024	30.09.2025	30.09.2024
		Unaudited	Unaudited	Unaudited	Unaudited
	Note	RM'000	RM'000	RM'000	RM'000
Profit attributable to:					
Owners of the Company		10,272	6,250	33,355	14,673
Non-controlling interests		<u>1,383</u>	<u>25</u>	<u>4,556</u>	<u>63</u>
		<u>11,655</u>	<u>6,275</u>	<u>37,911</u>	<u>14,736</u>
Total comprehensive income attributable to:					
Owners of the Company		10,252	6,250	33,335	14,673
Non-controlling interests		<u>1,383</u>	<u>25</u>	<u>4,556</u>	<u>63</u>
		<u>11,635</u>	<u>6,275</u>	<u>37,891</u>	<u>14,736</u>
Earnings per share:					
Basic (sen)	B10	<u>1.59</u>	<u>0.97</u>	<u>5.17</u>	<u>2.27</u>
Diluted (sen)	B10	1.55	N/A	5.10	N/A

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to these interim financial statements.
- (2) N/A represents not applicable.

Pekat Group Berhad (201901011563 (1320891-U))
Interim Financial Report on Consolidated Results
for the Third Quarter Ended 30 September 2025



Condensed Consolidated Statement of Financial Position

	Note	30.09.2025 Unaudited RM'000	31.12.2024 Audited RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		140,010	68,928
Investment property		138	141
Intangible assets		2,211	4,678
Goodwill on acquisition of subsidiaries		42,206	42,206
Investment in associates		11,579	11,302
Amount due from an associate		956	956
Total non-current assets		197,100	128,211
Current assets			
Other investments		57,992	8,339
Inventories		88,460	94,564
Trade receivables		92,761	110,319
Contract assets		61,086	39,203
Other receivables		3,828	11,528
Amount due from associates		2,774	2,340
Amount due from a related party		-	1
Tax recoverable		442	1,431
Fixed deposits with licensed banks		3,780	2,921
Cash and bank balances		52,583	34,340
Total current assets		363,706	304,986
TOTAL ASSETS		560,806	433,197
EQUITY AND LIABILITIES			
Equity			
Share capital		95,055	93,516
Merger reserve		(50,080)	(50,080)
Other reserves		1,390	*
Retained earnings		142,121	115,227
		188,486	158,663
Non-controlling interests		40,486	36,680
Total equity		228,972	195,343

Pekat Group Berhad (201901011563 (1320891-U))
Interim Financial Report on Consolidated Results
for the Third Quarter Ended 30 September 2025



Condensed Consolidated Statement of Financial Position (continued)

	Note	30.09.2025 Unaudited RM'000	31.12.2024 Audited RM'000
EQUITY AND LIABILITIES (continued)			
Liabilities			
Non-current liabilities			
Lease liabilities		15,788	15,884
Borrowings	B7	119,301	37,766
Deferred tax liabilities		3,480	6,112
Total non-current liabilities		138,569	59,762
Current liabilities			
Trade payables		53,695	50,882
Contract liabilities		72,317	38,737
Other payables		29,453	45,206
Amount due to associates		-	14
Lease liabilities		1,623	1,369
Borrowings	B7	28,357	36,930
Derivative financial liabilities		42	13
Tax payable		7,778	4,941
Total current liabilities		193,265	178,092
Total liabilities		331,834	237,854
TOTAL EQUITY AND LIABILITIES		560,806	433,197
Net assets per share attributable to owners of the Company (RM)			
		0.29	0.25

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to these interim financial statements.
- (2) * represents less than RM1,000.

Pekat Group Berhad (201901011563 (1320891-U))
Interim Financial Report on Consolidated Results
for the Third Quarter Ended 30 September 2025



Unaudited Condensed Consolidated Statement of Changes in Equity

	< -----Non-Distributable----- >				Distributable	Attributable to Owners of the Company RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Merger Reserve RM'000	ESOS Reserve RM'000	Foreign Currency Translation Reserve RM'000	Retained Earnings RM'000			
<u>Period ended 30 September 2025</u>								
At 1 January 2025	93,516	(50,080)	-	*	115,227	158,663	36,680	195,343
Total comprehensive income for the period	-	-	-	(20)	33,355	33,335	4,556	37,891
Dividend paid	-	-	-	-	(6,461)	(6,461)	(1,200)	(7,661)
Share-based compensation pursuant to ESOS granted	-	-	1,639	-	-	1,639	-	1,639
Exercise of ESOS	1,310	-	-	-	-	1,310	-	1,310
Transfer from ESOS reserve upon exercise of ESOS	229	-	(229)	-	-	-	-	-
Capital contribution from non-controlling interests	-	-	-	-	-	-	450	450
At 30 September 2025	95,055	(50,080)	1,410	(20)	142,121	188,486	40,486	228,972

Notes:

- (1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to these interim financial statements.
- (2) * represents less than RM1,000.

Pekat Group Berhad (201901011563 (1320891-U))
Interim Financial Report on Consolidated Results
for the Third Quarter Ended 30 September 2025



Unaudited Condensed Consolidated Statement of Changes in Equity (continued)

	< -----Non-Distributable----- >		Distributable	Attributable	Non-	
	Share Capital	Merger	Retained	to Owners of	Controlling	Total Equity
<u>Period ended 30 September 2024</u>	RM'000	Reserve	Earnings	the Company	Interests	RM'000
		RM'000	RM'000	RM'000	RM'000	
At 1 January 2024	93,516	(50,080)	93,226	136,662	116	136,778
Total comprehensive income for the period	-	-	14,673	14,673	63	14,736
At 30 September 2024	93,516	(50,080)	107,899	151,335	179	151,514

Pekat Group Berhad (201901011563 (1320891-U))
Interim Financial Report on Consolidated Results
for the Third Quarter Ended 30 September 2025



Unaudited Condensed Consolidated Statement of Cash Flows

	Nine Months Ended	
	30.09.2025	30.09.2024
	Unaudited	Unaudited
	RM'000	RM'000
OPERATING ACTIVITIES		
Profit before tax	51,785	21,785
Adjustments for:		
Amortisation of intangible assets	2,505	123
Depreciation of investment property	3	2
Depreciation of property, plant and equipment	2,661	1,392
Dividend income	(4)	(3)
Employee share option scheme expenses	1,639	-
Fair value gain on other investment	(256)	(241)
Fair value loss on derivative financial instruments	29	-
Gain on disposal of property, plant and equipment	-	(3,207)
Impairment loss on inventories	-	212
Interest expenses	3,934	618
Interest income	(633)	(423)
Reversal of impairment loss on receivables	(758)	-
Reversal of provision for foreseeable losses	-	(1)
Share of (profit) / loss in associates	(277)	565
Unrealised loss / (gain) on foreign exchange	143	(524)
Written off of plant and equipment	-	80
Written off of trade receivables	-	230
Operating profit before working capital changes	60,771	20,608
Changes in working capital:		
Inventories	6,104	(8,985)
Receivables	26,016	(13,511)
Payables	(13,103)	19,361
Contract assets or liabilities	11,697	(3,441)
Associates	(423)	(332)
Related parties	1	-
Cash generated from operations	91,063	13,700
Interest received	510	400
Tax paid	(12,680)	(4,775)
Net cash from operating activities	78,893	9,325

Pekat Group Berhad (201901011563 (1320891-U))
Interim Financial Report on Consolidated Results
for the Third Quarter Ended 30 September 2025



Unaudited Condensed Consolidated Statement of Cash Flows (continued)

	Nine Months Ended	
	30.09.2025	30.09.2024
	Unaudited	Unaudited
	RM'000	RM'000
INVESTING ACTIVITIES		
Acquisition of intangible assets	(38)	(85)
Acquisition of property, plant & equipment	(72,627)	(2,374)
Additional investment in an associate	-	(800)
Deposit paid for acquisition of a subsidiary	-	(9,600)
Dividend received	4	3
Acquisition of other investment	(49,397)	(24,594)
Interest received	98	23
Proceeds from disposal of property, plant and equipment	-	21,029
Net cash used in investing activities	(121,960)	(16,398)
FINANCING ACTIVITIES		
Capital contribution from non-controlling interests	450	-
Dividend paid to shareholders	(6,461)	-
Dividend paid to minority shareholders	(1,200)	-
Interest paid	(3,934)	(618)
Net (repayment) / drawdown of bankers' acceptance / trust receipt / invoice financing / revolving credit	(13,341)	7,880
Net drawdown / (repayment) of term loans	86,303	(1,576)
Repayment of lease liabilities	(958)	(682)
Proceeds from issuance of ordinary shares	1,310	-
(Placement) / Withdrawal of fixed deposits pledged with licensed banks	(859)	3,004
Net cash from financing activities	61,310	8,008
Net increase in cash and cash equivalents	18,243	935
Cash and cash equivalents at beginning of financial period	34,340	23,944
Cash and cash equivalents at end of financial period	52,583	24,879

Pekat Group Berhad (201901011563 (1320891-U))
Interim Financial Report on Consolidated Results
for the Third Quarter Ended 30 September 2025



Unaudited Condensed Consolidated Statement of Cash Flows (continued)

	Nine Months Ended	
	30.09.2025	30.09.2024
	Unaudited	Unaudited
	RM'000	RM'000
Cash and cash equivalents included in the statement of cash flows comprise the followings:		
Cash and bank balances	52,583	24,879
Fixed deposits with licensed banks	3,780	80
	<u>56,363</u>	<u>24,959</u>
Less: Fixed deposits with licensed banks pledged as security for bank facilities	(3,780)	(80)
	<u>52,583</u>	<u>24,879</u>

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes attached to these interim financial statements.

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial report of Pekat Group Berhad ("Pekat" or "the Company") and its subsidiaries (collectively known as "the Group") have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. This interim financial report also complied with IAS 34: *Interim Financial Reporting* issued by the International Accounting Standard Board ("IASB").

This interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2024 and the accompanying explanatory notes are an integral part of this interim financial report.

A2. Significant Accounting Policies

Significant accounting policies and methods of computation adopted by the Group and the Company in this interim financial report are consistent with those as disclosed in the audited financial statements for the financial year ended 31 December 2024 of the Group and of the Company.

Adoption of new standards/amendments/improvements to MFRSs

At the beginning of the current financial period, the Group and the Company adopted new standards/amendments/improvements to MFRSs which are mandatory for the financial periods beginning on or after 1 January 2025.

Initial application of the new standards/amendments/improvements to MFRSs did not have material impact on the financial statements of the Group and of the Company.

Standards issued but not yet effective

The new and amended standards that are issued, but yet effective, up to the date of issuance of the Group and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these new and amended standards, if applicable, when they become effective.

Effective for annual periods commencing on or after 1 January 2025

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

Effective for annual periods commencing on or after 1 January 2026

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

Effective for annual periods commencing on or after 1 January 2027

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

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONTINUED)

A2. Significant Accounting Policies (continued)

Standards issued but not yet effective (continued)

Deferred (date to be determined by MASB)

- Amendments to MFRS 10 and MFRS 128: *Consolidated Financial Statements and 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 applicable amendments to standards are not expected to have any material impact on the financial statements of the Group and of the Company.

A3. Auditors' Report on Preceding Annual Financial Statements

There was no qualification to the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2024.

A4. Seasonal or Cyclical Factors

Save for certain business activities that were affected by international copper price and solar photovoltaic module price, the Group does not experience any material seasonality during the current financial period under review.

A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial period under review.

A6. Changes in Estimates

There were no changes in estimates that have a material effect on the current financial period under review.

A7. Debt and Equity Securities

Save as disclosed below, there were no significant issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial period under review:

During the financial period under review, 1,120,000 new ordinary shares were issued under the Company Employees' Share Option Scheme at exercise price of RM1.17 per ordinary share.

A8. Dividend Paid

During the current financial period under review, an interim dividend of 1.0 sen per ordinary share amounting to RM6.46 million for the financial year ending 31 December 2025 was paid by way of cash on 25 September 2025.

Pekat Group Berhad (201901011563 (1320891-U))
Interim Financial Report on Consolidated Results
for the Third Quarter Ended 30 September 2025



A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONTINUED)

A9. Segmental Reporting

Segmental information in respect of the Group's business activities is as follow:

Period Ended 30 September 2025	Solar Photovoltaics RM'000	Earthing and Lightning Protection RM'000	Power Distribution Equipment RM'000	Trading & Others RM'000	Adjustments/ Eliminations RM'000	Total RM'000
Revenue						
Sales to external customers	228,233	47,729	97,974	45,069	-	419,005
Inter-segment sales	1,331	615	-	46,308	(48,254)	-
	<u>229,564</u>	<u>48,344</u>	<u>97,974</u>	<u>91,377</u>	<u>(48,254)</u>	<u>419,005</u>

Results	RM'000
Segment profit	54,809
Finance income	633
Finance costs	(3,934)
Share of profit in associates	277
Tax expense	<u>(13,874)</u>
Profit after tax	<u>37,911</u>

Period Ended 30 September 2024	Solar Photovoltaics RM'000	Earthing and Lightning Protection RM'000	Power Distribution Equipment RM'000	Trading & Others RM'000	Adjustments/ Eliminations RM'000	Total RM'000
Revenue						
Sales to external customers	124,170	32,631	-	40,036	-	196,837
Inter-segment sales	2,266	151	-	30,905	(33,322)	-
	<u>126,436</u>	<u>32,782</u>	<u>-</u>	<u>70,941</u>	<u>(33,322)</u>	<u>196,837</u>

Results	RM'000
Segment profit	22,525
Finance income	443
Finance costs	(618)
Share of loss in associates	(565)
Tax expense	<u>(7,049)</u>
Profit after tax	<u>14,736</u>

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONTINUED)

A10. Material Events Subsequent to the End of Current Financial Period

There were no other material events subsequent to the end of current financial period under review that have not been reflected in this interim financial report.

A11. Changes in the Composition of the Group

Save as disclosed below, there were no changes in the composition of the Group for the current financial period under review:

On 9 May 2025, Pekat Teknologi Sdn Bhd ("Pekat Teknologi"), a wholly-owned subsidiary company, together with C.N.C. (HK) International Limited ("CNC") had incorporated a company in the Federal Territory of Labuan, namely Solaroo Green Tech (Labuan) Ltd ("Solaroo Green Tech").

Solaroo Green Tech was incorporated as a company limited by shares under the Labuan Companies Act 1990 with an initial share capital of USD1,000 comprising 1,000 ordinary shares, of which Pekat Teknologi holds 91% equity interest and CNC holds the remaining 9% equity interest in Solaroo Green Tech.

The intended principal activity of Solaroo Green Tech is to operate as an investment holding company.

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONTINUED)

A12. Changes in Contingent Liabilities and Contingent Assets

There were no contingent assets at the date of this interim financial report. Contingent liabilities of the Group were as follows:

	30.09.2025	31.12.2024
	RM'000	RM'000
<u>Group</u>		
Corporate guarantee given to licensed banks for credit facilities granted to subsidiaries	26,362	27,619
Bank guarantee for tender bond, performance bond and warranty bond provided to third parties	<u>24,579</u>	<u>15,924</u>
	<u><u>50,941</u></u>	<u><u>43,543</u></u>

A13. Capital Commitment

	30.09.2025	31.12.2024
	RM'000	RM'000
<u>Group</u>		
Authorised and contracted for construction works of own solar power plant	<u>21,184</u>	<u>30,516</u>

Saved as disclosed above, there were no capital commitments that are contracted but not provided for as at the date of this interim financial report.

A14. Significant Related Party Transactions

The Group has the following significant transactions with the related parties during the financial period under review:

	30.09.2025	30.09.2024
	RM'000	RM'000
<u>Nature of transactions / Related parties</u>		
<u>Rental expenses of office buildings charged by:</u>		
- Startige Corporation Sdn Bhd	<u>729</u>	<u>729</u>

Startige Corporation Sdn. Bhd. is a related party in which certain Directors of the Company are also Directors of the related party.

The Directors are of the opinion that all the above transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

Pekat Group Berhad (201901011563 (1320891-U))
Interim Financial Report on Consolidated Results
for the Third Quarter Ended 30 September 2025



B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Group's Performance

	Three Months Ended		Variance	
	30.09.2025	30.09.2024		
	RM'000	RM'000	RM'000	%
Revenue				
- Solar photovoltaics	72,803	54,362	18,441	33.9
- Earthing and lightning protection	16,671	12,048	4,623	38.4
- Trading	16,973	16,228	745	4.6
- Power distribution equipment	35,254	-	35,254	100.0
Total revenue	141,701	82,638	59,063	71.5
Profit after tax	11,655	6,275	5,380	85.7

Comparison between the current quarter under review ("Q3 FY25") and preceding year corresponding quarter ("Q3 FY24")

In Q3 FY25, the Group recorded an increase in revenue of RM59.06 million or 71.5%, reaching RM141.70 million compared to RM82.64 million in Q3 FY24. This strong performance was driven by growth across all business divisions.

The power distribution equipment ("PDE") and solar divisions were the main growth drivers, contributing revenue increases of RM35.25 million and RM18.44 million respectively. The solar division's strong performance was primarily supported by the progress of a large-scale solar engineering, procurement, construction and commissioning ("EPCC") project under the Corporate Green Power Programme ("CGPP"), while the PDE division's result reflected its maiden contribution to the Group's revenue as compared to the Q3 FY24.

Meanwhile, the earthing and lightning protection ("ELP") and trading divisions also recorded steady growth, with revenue of RM16.67 million and RM16.97 million, representing increases of 38.4% and 4.6% respectively. The improvement was mainly attributable to stronger project execution and higher sales orders.

In line with higher revenue, the Group's profit after tax rose by RM5.38 million or 85.7% to RM11.66 million, compared to RM6.28 million in Q3 FY24.

Pekat Group Berhad (201901011563 (1320891-U))
Interim Financial Report on Consolidated Results
for the Third Quarter Ended 30 September 2025



B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B1. Review of Group's Performance (continued)

	Nine Months Ended		Variance	
	30.09.2025	30.09.2024		
	RM'000	RM'000	RM'000	%
Revenue				
- Solar photovoltaics	228,233	124,170	104,063	83.8
- Earthing and lightning protection	47,729	32,631	15,098	46.3
- Trading	45,069	40,036	5,033	12.6
- Power distribution equipment	97,974	-	97,974	100.0
Total revenue	419,005	196,837	222,168	112.9
Profit after tax	37,911	14,736	23,175	157.3

Comparison between the current financial period-to-date ("9M FY25") and previous year financial period-to-date ("9M FY24")

The Group achieved revenue of RM419.01 million for 9M FY25, representing an increase of RM222.17 million or 112.9% from RM196.84 million in 9M FY24. This year-on-year growth underscores the Group's strong performance across all business segments.

The solar division was the primary growth driver, contributing an additional RM104.06 million or 83.8% growth to reach total revenue of RM228.23 million, mainly driven by progress on a large-scale solar EPCC project under the CGPP. The newly acquired PDE division also made a significant contribution, generating RM97.97 million in revenue during the period.

The ELP and trading divisions also delivered solid performances, with revenue increases of RM15.10 million and RM5.03 million, representing growth of 46.3% and 12.6% respectively, due to improved project execution and higher trading sales volumes.

The Group's other income declined significantly, as the previous corresponding period 9M FY24 included a one-off gain of RM3.21 million from the disposal of property, plant and equipment. Administrative expenses increased to RM52.81 million in 9M FY25, mainly due to workforce expansion and the inclusion of administrative expenses from the PDE division as compared to the preceding year's corresponding 9M FY24. Finance costs rose to RM3.93 million, primarily due to interest expenses on term loans and trade financing facilities used to fund the acquisition of the PDE division and the development of large-scale solar power plants under the CGPP, respectively.

In line with higher revenue, the Group recorded a higher profit after tax of RM37.91 million, an increase of RM23.18 million or 157.3% compared to 9M FY24. Profit after tax attributable to shareholders grew to RM33.36 million, resulting in basic earnings per share of 5.17 sen, up from 2.27 sen in the corresponding period last year.

Pekat Group Berhad (201901011563 (1320891-U))
Interim Financial Report on Consolidated Results
for the Third Quarter Ended 30 September 2025



B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B2. Comparison with Immediately Preceding Quarter Results

	Quarter Ended		Variance	
	30.09.2025	30.06.2025	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue				
- Solar photovoltaics	72,803	62,603	10,200	16.3
- Earthing and lightning protection	16,671	14,871	1,800	12.1
- Trading	16,973	14,691	2,282	15.5
- Power distribution equipment	35,254	34,827	427	1.2
Total revenue	141,701	126,992	14,709	11.6
Profit after tax	11,655	12,529	(874)	(7.0)

The Group recorded revenue of RM141.70 million for Q3 FY25, representing an increase of RM14.71 million or 11.6% compared to RM126.99 million in the preceding quarter ended 30 June 2025 ("Q2 FY25").

The solar division was the main growth driver, contributing an additional RM10.20 million in revenue, mainly due to progress on a large-scale solar EPCC project under the CGPP. The trading and ELP divisions also recorded higher revenue compared to Q2 FY25, increasing by RM2.28 million and RM1.80 million respectively, supported by higher trading sales volumes and improved project execution.

Despite the higher revenue, the Group's gross profit margin declined to 22.5% in Q3 FY25, due to a greater revenue contribution from the large-scale solar EPCC project under the CGPP, which carries a lower margin than the residential solar segment. The residential solar segment experienced a temporary slowdown following the completion of the Net Energy Metering 3.0 ("NEM 3.0") programme.

Consequently, despite the higher revenue, the Group recorded a slightly lower profit after tax of RM11.66 million, representing a decrease of RM0.87 million or 7.0% compared to Q2 FY25, mainly due to the change in revenue mix.

B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B3. Commentary on Prospects

Malaysia remains committed to achieving net-zero carbon emissions by 2050, in line with the Paris Agreement and the National Energy Transition Roadmap. Under the 13th Malaysia Plan, the Government has set a target to increase the share of renewable energy in the national electricity mix to 35% by 2030, up from the current 29%. This commitment provides a strong foundation for sustained growth and investment opportunities within the renewable energy sector.

Supporting this transition, the Ministry of Energy Transition and Water Transformation launched the Corporate Renewable Energy Supply Scheme, enabling corporates to purchase renewable energy via the national grid at a fixed access charge. This market-liberalising initiative is expected to accelerate demand for corporate power purchase agreements, creating opportunities for solar photovoltaic EPCC providers.

To enhance grid stability and reliability, the Government has introduced several initiatives to promote the adoption of battery energy storage systems ("BESS") in large-scale solar projects. The Energy Commission of Malaysia has launched the MyBeST initiative, targeting 400 MW of battery capacity with 1,600 MWh of energy storage through four 100 MW/400 MWh projects scheduled to commence operations by 2027. For smaller self-consumption solar systems, the installation of BESS will also be mandatory for capacities exceeding 72 kWp starting January 2026 to support grid stability, while the removal of previous capacity limits for non-domestic users now allows systems to meet up to 100% of their electricity demand. These policy measures present opportunities for the Group to capitalise on the rising demand for renewable energy solutions, leveraging its technical expertise and established track record.

The Group is currently developing two 29.99 MWac solar power plants under the CGPP. One is an internal investment expected to generate recurring income upon completion by the first half of 2026, while the other, an EPCC project, is anticipated to continue contributing positively to the Group's financial performance throughout its construction period.

Meanwhile, the Group's ELP division will continue to capitalise on opportunities arising from increased foreign direct investment in Malaysia's data centre industry, supported by its strong track record in delivering ELP solutions for major data centre projects. In addition, Tenaga Nasional Berhad's higher capital expenditure to advance Malaysia's energy transition and decarbonisation initiatives is expected to spur demand for power distribution equipment, creating additional opportunities for the Group's PDE division.

Barring any unforeseen circumstances, the Board remains optimistic about the Group's prospects.

Pekat Group Berhad (201901011563 (1320891-U))
Interim Financial Report on Consolidated Results
for the Third Quarter Ended 30 September 2025



B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B4. Profit Forecast

No profit forecast has been issued by the Group previously in any public document.

B5. Tax Expense

	Three Months Ended		Nine Months Ended	
	30.09.2025	30.09.2024	30.09.2025	30.09.2024
	RM'000	RM'000	RM'000	RM'000
Current tax	4,614	3,281	16,506	7,049
Deferred tax	(1,101)	-	(2,632)	-
Total tax expense	<u>3,513</u>	<u>3,281</u>	<u>13,874</u>	<u>7,049</u>
Effective tax rate (%)	23.2	34.3	26.8	32.4

Note:

- (1) The Group's effective tax rates for the current quarter and the current financial period were 23.2% and 26.8% respectively. The lower effective tax rate for the current quarter compared to the statutory rate of 24% was mainly attributable to the reversal of tax overprovision from the prior financial year. Conversely, the higher effective tax rate for the current period was primarily due to certain non-deductible expenses.

B6. Status of Corporate Proposals

Save as disclosed below, there were no other outstanding corporate proposals as at the date of this interim financial report:

Proposed Private Placement

On 16 July 2025, Public Investment Bank Berhad ("**PIVB**"), on behalf of the Company, announced that the Company proposed to undertake a proposed private placement of up to 66,156,820 new ordinary shares in Pekat ("**Share(s)**" or "**Pekat Share(s)**") ("**Placement Share(s)**"), representing up to 10.00% of the enlarged number of issued Pekat Shares (assuming full exercise of the outstanding Employees' Share Option Scheme options) (excluding treasury shares, if any) at an issue price to be determined and announced later ("**Proposed Private Placement**"). Subsequently, on 5 August 2025, PIVB, on behalf of the Company, announced additional information in relation to the Proposed Private Placement in respect of the utilisation of proceeds.

Bursa Malaysia Securities Berhad ("**Bursa Securities**") had, vide its letter dated 15 August 2025, approved the listing of and quotation for up to 66,156,820 new Shares to be issued pursuant to the Proposed Private Placement on the ACE Market of Bursa Securities, subject to the conditions set out in the letter by Bursa Securities.

B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B6. Status of Corporate Proposals (continued)

Save as disclosed below, there were no other outstanding corporate proposals as at the date of this interim financial report:

Proposed Private Placement (continued)

On 8 October 2025, PIVB, on behalf of the Company, announced that the issue price was fixed at RM1.68 per Placement Share. On 21 October 2025, the Private Placement was completed following the listing of and quotation for 60,000,000 Placement Shares on the ACE Market of Bursa Securities.

The utilisation of proceeds of RM100.80 million raised from the Private Placement is as follows:

Details of utilisation	Proposed utilisation of proceeds RM'000	Actual utilisation RM'000	Balance to be utilised RM'000	Estimated timeframe for utilisation from the receipts of proceeds
Working capital for commercial and industrial solar photovoltaic ("PV") projects	44,481	-	44,481	Within 12 months
Working capital for the development of future solar PV projects	46,119	-	46,119	Within 24 months
Working capital for the secured CGPP project	10,000	-	10,000	Within 6 months
Estimated expenses for the Proposed Private Placement	200	-	200	Within 1 month
Total	100,800	-	100,800	

B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B7. Borrowings

The details of the Group's borrowings are as follows:

	30.09.2025 RM'000	31.12.2024 RM'000
Current liabilities		
<u>Secured:</u>		
- Bankers' acceptance	7,989	7,531
- Trust receipt	1,853	878
- Invoice financing	7,089	13,863
- Revolving credit	3,000	11,000
- Term loan	8,426	3,658
	<u>28,357</u>	<u>36,930</u>
Non-current liabilities		
<u>Secured:</u>		
- Term loan	119,301	37,766
	<u>119,301</u>	<u>37,766</u>
Total borrowings	<u>147,658</u>	<u>74,696</u>

B8. Material Litigation

There is no outstanding material litigation as at the date of this interim financial report.

B9. Dividend

No dividend has been proposed for the third quarter ended 30 September 2025.

B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B10. Earnings Per Share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to owners of the Company by weighted average number of ordinary shares in issue during the period:

	Three Months Ended		Nine Months Ended	
	30.09.2025	30.09.2024	30.09.2025	30.09.2024
Profit attributable to owners of the Company (RM'000)	10,272	6,250	33,355	14,673
Weighted average number of ordinary shares ('000)	645,321	644,968	645,087	644,968
Basic earnings per share (sen)	<u>1.59</u>	<u>0.97</u>	<u>5.17</u>	<u>2.27</u>

(b) Diluted earnings per share

Diluted earnings per share is calculated by dividing profit for the period attributable to owners of the Company by weighted average number of ordinary shares in issue during the period adjusted for the effects of dilutive potential ordinary shares. The adjusted weighted average number of ordinary shares in issue and issuable has been arrived at based on the assumption that Employee Share Option Scheme ("ESOS") granted by end of the financial period:

	Three Months Ended		Nine Months Ended	
	30.09.2025	30.09.2024	30.09.2025	30.09.2024
Profit attributable to owners of the Company (RM'000)	10,272	6,250	33,355	14,673
Weighted average number of ordinary shares (basic) ('000)	645,321	644,968	645,087	644,968
Effect of dilution from ESOS ('000)	16,247	-	9,124	-
Weighted average number of ordinary shares (diluted) ('000)	661,568	-	654,211	-
Diluted earnings per share (sen)	<u>1.55</u>	<u>0.97</u>	<u>5.10</u>	<u>2.27</u>

B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B11. Notes to Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

Profit for the period was derived after taking into consideration of the followings:

	Three Months Ended		Nine Months Ended	
	30.09.2025	30.09.2024	30.09.2025	30.09.2024
After charging / (crediting):	RM'000	RM'000	RM'000	RM'000
Amortisation of intangible assets	790	42	2,505	123
Depreciation of investment property	1	*	3	2
Depreciation of property, plant and equipment	1,193	482	2,661	1,392
Dividend income	(3)	(2)	(4)	(3)
Employee share option scheme expenses	823	-	1,639	-
Fair value (gain) / loss on derivative financial instruments	(161)	-	29	-
Fair value gain on other investment	(145)	(118)	(256)	(241)
Gain on disposal of property, plant and equipment	-	(3,191)	-	(3,207)
Impairment loss on inventories	-	212	-	212
Interest expenses	1,163	341	3,934	618
Interest income	(257)	(122)	(633)	(423)
Reversal of impairment loss on receivables	(27)	-	(758)	-
Reversal of provision for foreseeable losses	-	-	-	(1)
Share of (profit) / loss in associates	(195)	(84)	(277)	565
Unrealised loss / (gain) on foreign exchange	337	(515)	143	(524)
Written off of plant and equipment	-	80	-	80
Written off of trade receivables	-	230	-	230

Save as disclosed above, the other items required under Paragraph 16, Part A of the Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

B12. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors on 27 November 2025.