



PCCS Group Berhad

Company No. 199301026191 (280929-K)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENTS (UNAUDITED) FOR THE FOURTH QUARTER ENDED 31 MARCH 2022

	CURRENT QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 12 MONTHS ENDED	
	31.03.2022 RM'000	31.03.2021 RM'000 (RESTATED)	31.03.2022 RM'000	31.03.2021 RM'000 (RESTATED)
Continuing operations (Note 4)				
Revenue	117,599	91,328	415,874	323,584
Cost of sales	(96,260)	(64,489)	(348,511)	(260,214)
Gross Profit	21,339	26,839	67,363	63,370
Other Income	1,544	178	4,542	1,102
Interest Income	21	61	116	261
Administrative expenses	(12,944)	(16,331)	(45,829)	(50,359)
Selling and marketing expenses	(4,335)	(2,987)	(16,994)	(7,490)
Finance costs	(846)	(512)	(2,657)	(1,981)
Profit before tax	4,779	7,248	6,541	4,903
Income tax expense	172	(315)	(1,597)	(2,127)
Profit for the year from continuing operations	4,951	6,933	4,944	2,776
Discontinued operations (Note 4)				
Loss for the year from discontinued operations	(4,120)	(2,055)	(5,310)	(1,628)
Profit/(Loss) for the year	831	4,878	(366)	1,148
Profit/(Loss) attributable to:				
Owners of the Company				
- Continuing operations	5,328	7,819	7,502	4,532
- Discontinued operations	(3,991)	(1,836)	(4,820)	(1,355)
	1,337	5,983	2,682	3,177
Non-controlling interests				
- Continuing operations	(377)	(886)	(2,558)	(1,756)
- Discontinued operations	(129)	(219)	(490)	(273)
	(506)	(1,105)	(3,048)	(2,029)
Earnings per share attributable to equity holders of the parent (sen):				
Basic (continuing operations)	2.49	3.69	3.50	2.14
Basic (discontinued operations)	(1.86)	(0.87)	(2.25)	(0.64)
Basic	0.62	2.83	1.25	1.50
Diluted (continuing operations)	2.48	3.69	3.50	2.14
Diluted (discontinued operations)	(1.86)	(0.87)	(2.25)	(0.64)
Diluted	0.62	2.82	1.25	1.50

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.



PCCS Group Berhad

Company No. 199301026191 (280929-K)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE FOURTH QUARTER ENDED 31 MARCH 2022

	CURRENT QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 12 MONTHS ENDED	
	31.03.2022 RM'000	31.03.2021 RM'000 (RESTATED)	31.03.2022 RM'000	31.03.2021 RM'000 (RESTATED)
Profit for the year	4,951	6,933	4,944	2,776
Other comprehensive profit/(loss) net of tax				
Continuing operations				
Foreign currency translation	596	(4,236)	2,518	(2,543)
Discontinued operations	(4,120)	(2,055)	(5,310)	(1,628)
Total comprehensive profit/(loss) for the year	1,427	642	2,152	(1,395)
Total comprehensive profit/(loss) attributable to:				
Owners of the Company				
- Continuing operations	6,063	3,496	10,020	1,989
- Discontinued operations	(3,991)	(1,836)	(4,820)	(1,355)
	2,072	1,660	5,200	634
Non-controlling interests				
- Continuing operations	(516)	(799)	(2,558)	(1,756)
- Discontinued operations	(129)	(219)	(490)	(273)
	(645)	(1,018)	(3,048)	(2,029)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.



PCCS Group Berhad

Company No. 199301026191 (280929-K)

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022 (UNAUDITED)

	31.03.2022 RM'000 (Unaudited)	31.03.2021 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	83,218	123,985
Investment Properties	10,062	9,800
Other receivables	8,147	170
Deferred tax assets	219	561
	<u>101,646</u>	<u>134,516</u>
Current assets		
Inventories	92,328	68,198
Contract assets	1,965	1,848
Trade receivables	58,418	57,888
Other receivables	3,613	3,306
Other current assets	4,629	6,235
Tax Recoverable	-	1,077
Short-term fund	19,215	12,945
Cash and bank balances	35,993	37,696
	<u>216,161</u>	<u>189,193</u>
Assets of disposal group classified as held for sale (Note 4)	75,086	-
	<u>291,247</u>	<u>189,193</u>
TOTAL ASSETS	<u>392,893</u>	<u>323,709</u>
EQUITY AND LIABILITIES		
Equity attributable to equity owners of the parent		
Share capital	86,270	84,709
Other reserves	21,855	18,978
Retained earnings	56,542	56,479
	<u>164,667</u>	<u>160,166</u>
Non-controlling interest	<u>5,351</u>	<u>6,268</u>
Total Equity	<u>170,018</u>	<u>166,434</u>
Non-Current liabilities		
Borrowings	-	21,864
Lease liabilities	9,415	5,129
	<u>9,415</u>	<u>26,993</u>
Current liabilities		
Borrowings	48,515	40,980
Lease liabilities	1,507	3,350
Trade payables	49,333	42,452
Other payables	50,442	43,500
Tax payables	3,321	-
	<u>153,118</u>	<u>130,282</u>
Liabilities of disposal group classified as held for sale (Note 4)	60,342	-
	<u>213,460</u>	<u>130,282</u>
Total liabilities	<u>222,875</u>	<u>157,275</u>
TOTAL EQUITY AND LIABILITIES	<u>392,893</u>	<u>323,709</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.7660	0.7553

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statement



PCCS Group Berhad

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE FOURTH QUARTER ENDED 31 MARCH 2022

	Share Capital RM'000	Option Reserve RM'000	Exchange Reserve RM'000	Warrants Reserve RM'000	Legal Reserves RM'000	Retained Earnings RM'000	Total RM'000	Controlling Interest RM'000	Total Equity RM'000
As at 1 April 2021	84,709	846	8,743	6,383	3,006	56,479	160,166	6,268	166,434
Loss for the year	-	-	-	-	-	2,682	2,682	(3,048)	(366)
Other comprehensive income for the year	-	-	2,518	-	-	-	2,518	185	2,703
Total comprehensive income for the year	-	-	2,518	-	-	2,682	5,200	(2,863)	2,337
Issue of ordinary shares pursuant to ESOS	1,561	(462)	-	-	-	-	1,099	-	1,099
Share option issued	-	344	-	-	-	-	344	-	344
Lapsed share option	-	(408)	-	-	-	408	-	-	-
Subscription of shares by non- controlling interests in subsidiaries	-	-	-	-	-	-	-	1,946	1,946
Transfer to legal reserve	-	-	-	-	885	(885)	-	-	-
Dividends	-	-	-	-	-	(2,142)	(2,142)	-	(2,142)
As at 31 March 2022	<u>86,270</u>	<u>320</u>	<u>11,261</u>	<u>6,383</u>	<u>3,891</u>	<u>56,542</u>	<u>166,809</u>	<u>5,351</u>	<u>170,018</u>

The Condensed Consolidated Statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.



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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE FOURTH QUARTER ENDED 31 MARCH 2022

	<----- Attributable to Equity Holders of the parent ----->						Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
	<----- Non-distributable ----->			Distributable					
	Share Capital RM'000	Share Option Reserve RM'000	Foreign Exchange Reserve RM'000	Warrants Reserve RM'000	Legal Reserves RM'000	Retained Earnings RM'000			
As at 1 April 2020	83,830	1,113	6,200	6,383	3,006	52,975	153,507	7,275	160,782
Profit for the year	-	-	-	-	-	3,177	3,177	(2,029)	1,148
Other comprehensive income for the year	-	-	2,543	-	-	-	2,543	98	2,641
Total comprehensive income for the year	-	-	2,543	-	-	3,177	5,720	(1,931)	3,789
Issue of ordinary shares pursuant to ESOS	879	(267)	-	-	-	-	612	-	612
Changes in ownership interest in a subsidiary	-	-	-	-	-	327	327	(1,551)	(1,224)
Subscription of shares by non- controlling interests in subsidiary	-	-	-	-	-	-	-	2,475	2,475
As at 31 March 2021	84,709	846	8,743	6,383	3,006	56,479	160,166	6,268	166,434

The Condensed Consolidated Statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.



PCCS Group Berhad

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE FOURTH QUARTER ENDED 31 MARCH 2022

12 months ended
31.03.2022 31.03.2021
RM'000 RM'000

CASH FLOWS FROM OPERATING ACTIVITIES

Profit/(loss) before taxation from:		
- Continuing operations	6,560	4,903
- Discontinued operations	<u>(6,246)</u>	<u>(1,578)</u>
Profit/(loss) before tax, total	314	3,325
Adjustment for:-		
Non-cash items	(248)	3,501
Non-operating items (which are investing/financing)	15,803	13,596
Interest expense	4,431	3,582
Interest income	<u>(165)</u>	<u>(298)</u>
Operating profit before changes in working capital	20,135	23,706
Changes in working capital		
Net change in current assets	(46,975)	(8,569)
Net change in current liabilities	21,439	(11,296)
Interest paid	(4,431)	(3,582)
Tax paid	<u>(144)</u>	<u>(3,364)</u>
Net cash flows used in operating activities	<u>(9,976)</u>	<u>(3,105)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

- Net change in short-term fund	(6,334)	(12,931)
- Net cash outflow on disposal of subsidiaries	(945)	-
- Dividend income from short-term fund	99	43
- Purchase of property, plant and equipment	(9,586)	(14,374)
- Proceeds from disposal of property, plant and equipment	358	372
- Interest received	165	298
- Acquisition of non-controlling interest	-	(1,224)
Net cash flows used in investing activities	<u>(16,243)</u>	<u>(27,816)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

- Net repayment of term loan & hire purchase	(580)	(3,082)
- Repayments to directors	-	(896)
- Repayment of short term borrowings	15,552	4,185
- Drawdown of term loan & hire purchase	14,242	802
- Proceed from ordinary shares issued pursuant to ESOS	692	612
- Subscription of shares in subsidiaries by non-controlling interests	1,945	2,475
- Dividend paid	<u>(2,142)</u>	<u>-</u>

Net cash flows from financing activities

Net increase/(decrease) in cash and cash equivalents	3,490	(26,825)
Effects of exchange rate changes	(299)	(510)
Cash and cash equivalents at beginning of financial year	37,696	65,031
Less: Cash and cash equivalents of disposal group classified as held for sale (Note 4)	<u>(8,194)</u>	<u>-</u>
Cash and cash equivalents at end of financial year	<u>32,693</u>	<u>37,696</u>

Cash and cash equivalents at the end of the financial year comprise the following:

Cash and bank balances	35,993	37,696
Bank overdrafts	<u>(3,300)</u>	<u>-</u>
Cash and cash equivalents	<u>32,693</u>	<u>37,696</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.



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PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

1. BASIS OF PREPARATION

These condensed consolidated interim financial statements, for the year ended 31 March 2022, have been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2021. The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2021, except for the adoption of the following amendments/improvements to MFRSs that are mandatory for the current financial year:

Amendments/Improvements to MFRSs

MFRS 4	Insurance Contracts
MFRS 7	Financial Instruments: Disclosures
MFRS 9	Financial Instruments
MFRS 16	Leases
MFRS 139	Financial Instruments: Recognition and Measurement

The Group has not adopted the following new MFRSs and amendments/improvements to MFRSs that have been issued, but yet to be effective:

<u>New MFRS</u>		Effective for financial periods beginning on or after
MFRS 17	Insurance Contracts	1 January 2023
<u>Amendments/Improvements to MFRSs</u>		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2022 [^] / 1 January 2023 [#]
MFRS 3	Business Combinations	1 January 2022/ 1 January 2023 [#]
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2023 [#]
MFRS 7	Financial Instruments: Disclosures	1 January 2023 [#]
MFRS 9	Financial Instruments	1 January 2022 [^] / 1 January 2023 [#]
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 15	Revenue from Contracts with Customers	1 January 2023 [#]
MFRS 16	Leases	1 April 2021/ 1 January 2022 [^]
MFRS 17	Insurance Contracts	1 January 2023
MFRS 101	Presentation of Financial Statements	1 January 2023/ 1 January 2023 [#]
MFRS 107	Statements of Cash Flows	1 January 2023 [#]
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
MFRS 112	Income Taxes	1 January 2023



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	Effective for financial periods beginning on or after
MFRS 116 Property, Plant and Equipment	1 January 2022/ 1 January 2023 #
MFRS 119 Employee Benefits	1 January 2023 #
MFRS 128 Investments in Associates and Joint Ventures	Deferred/ 1 January 2023 #
MFRS 132 Financial instruments: Presentation	1 January 2023 #
MFRS 136 Impairment of Assets	1 January 2023 #
MFRS 137 Provisions, Contingent Liabilities and Contingent Assets	1 January 2022/ 1 January 2023#
MFRS 138 Intangible Assets	1 January 2023#
MFRS 140 Investment Property	1 January 2023 #
MFRS 141 Agriculture	1 January 2022^

^ The Annual Improvements to MFRS Standards 2018-2021

Amendments as to the consequence of effective of MFRS 17 Insurance Contracts

2. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 March 2021 was not qualified.

3. SEGMENTAL INFORMATION

	Current quarter 3 months ended		Cumulative quarter 12 months ended	
	31.03.2022 RM'000	31.03.2021 RM'000 (RESTATED)	31.03.2022 RM'000	31.03.2021 RM'000 (RESTATED)
Segment Revenue				
Revenue from operations:				
Apparels	136,612	129,006	495,154	395,398
Label & Packaging	18,898	17,883	67,170	63,271
Others	3,960	(12,393)	22,423	4,279
Total revenue before eliminations	<u>159,470</u>	<u>134,496</u>	<u>584,747</u>	<u>462,948</u>
Discontinued operations	(17,028)	(39,649)	(61,717)	(81,285)
Eliminations	(24,843)	(3,519)	(107,156)	(58,079)
Total	<u><u>117,599</u></u>	<u><u>91,328</u></u>	<u><u>415,874</u></u>	<u><u>323,584</u></u>
Segment Result				
Result from operations:				
Apparels	1,667	4,042	6,082	9,427
Label & Packaging	(1,714)	(2,897)	(2,274)	(5,465)
Others	(2,438)	2,198	13,328	922
	<u>(2,485)</u>	<u>3,343</u>	<u>17,136</u>	<u>4,884</u>
Discontinued operations	(4,120)	(2,055)	(5,310)	(1,628)
Eliminations	7,436	3,590	(12,192)	(2,108)
Total	<u><u>831</u></u>	<u><u>4,878</u></u>	<u><u>(366)</u></u>	<u><u>1,148</u></u>



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

On 21 December 2021, the Board of Directors announced that the Group entered into a conditional share sale agreement ("SSA") with Chan Capital Sdn. Bhd. ("CCSB") for the disposal of the 8,000,000 ordinary shares in Mega Label (Malaysia) Sdn. Bhd. ("MLMSB") representing the entire equity interest in MLMSB, together with Mega Label (Penang) Sdn. Bhd. ("MLPSB"), A 51%-owned subsidiary of MLMSB, to CCSB for a total cash consideration of RM8.5 million. The assets and liabilities related to MLMSB and MLPSB have been presented as held for sale.

Impact on unaudited Consolidated Statement of Financial Position as at 31 March 2022

	Before MFRS 5 Adjustments RM'000	Reclass- ification RM'000	After MFRS 5 Adjustments RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	129,715	(46,497)	83,218
Investment Properties	10,062	-	10,062
Other receivables	8,147	-	8,147
Deferred tax assets	1,752	(1,533)	219
	<u>149,676</u>	<u>(48,030)</u>	<u>101,646</u>
Current assets			
Inventories	96,044	(3,716)	92,328
Contract assets	1,965	-	1,965
Trade receivables	69,866	(11,448)	58,418
Other receivables	3,627	(14)	3,613
Other current assets	5,622	(993)	4,629
Tax Recoverable	2,691	(2,691)	-
Short-term fund	19,215	-	19,215
Cash and bank balances	44,187	(8,194)	35,993
	<u>243,217</u>	<u>(27,056)</u>	<u>216,161</u>
Assets of disposal group classified as held for sale	-	75,086	75,086
	<u>243,217</u>	<u>48,030</u>	<u>291,247</u>
TOTAL ASSETS	392,893	-	392,893
EQUITY AND LIABILITIES			
Equity attributable to equity owners of the parent			
Share capital	86,270	-	86,270
Other reserves	21,855	-	21,855
Retained earnings	56,542	-	56,542
	<u>164,667</u>	<u>-</u>	<u>164,667</u>
Non-controlling interest	5,351	-	5,351
Total Equity	170,018	-	170,018
Non-Current liabilities			
Borrowings	33,851	(33,851)	-
Lease liabilities	12,948	(3,533)	9,415
	<u>46,799</u>	<u>(37,384)</u>	<u>9,415</u>
Current liabilities			
Borrowings	62,087	(13,572)	48,515
Lease liabilities	3,278	(1,771)	1,507
Trade payables	54,937	(5,604)	49,333
Other payables	52,453	(2,011)	50,442
Tax payables	3,321	-	3,321
	<u>176,076</u>	<u>(22,958)</u>	<u>153,118</u>
Liabilities of disposal group classified as held for sale	-	60,342	60,342
	<u>176,076</u>	<u>37,384</u>	<u>213,460</u>
Total liabilities	222,875	-	222,875
TOTAL EQUITY AND LIABILITIES	392,893	-	392,893



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Impact on unaudited Consolidated Income Statements for the fourth quarter ended 31 March 2022

	Before MFRS 5 Adjustments RM'000	Reclass- ification RM'000	After MFRS 5 Adjustments RM'000
Continuing Operations			
Revenue	477,591	(61,717)	415,874
Cost of sales	(402,791)	54,280	(348,511)
Gross Profit	74,800	(7,437)	67,363
Other Income	5,527	(985)	4,542
Interest Income	165	(49)	116
Administrative expenses	(57,231)	11,402	(45,829)
Selling and marketing expenses	(18,535)	1,541	(16,994)
Finance costs	(4,431)	1,774	(2,657)
Profit before tax	295	6,246	6,541
Income tax expense	(661)	(936)	(1,597)
Profit for the year from continuing operations	(366)	5,310	4,944
Discontinued Operations			
Loss for the year from discontinued operations	-	(5,310)	(5,310)
Profit/(Loss) for the year	(366)	-	(366)
Attributable to:			
Equity holders of the parent			
- Continuing Operations	2,682	4,820	7,502
- Discontinued Operations	-	(4,820)	(4,820)
	2,682	-	2,682
Non-controlling interest			
- Continuing Operations	(3,048)	490	(2,558)
- Discontinued Operations	-	(490)	(490)
	(3,048)	-	(3,048)
	(366)	-	(366)

5. CHANGES IN ESTIMATES

There were no changes in estimates of amounts reported in the prior financial years that have a material effect in the current quarter.

6. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group's performance is not affected by any major seasonal or cyclical factors.



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7. DIVIDENDS PAID

Details of the single-tier interim dividend declared were as follows:

Interim dividend for the financial year	31 March 2022
Payment date	1 November 2021
Dividend per share (single tier)	1.00 sen
Entitlement to dividend based on Record of Depositors as at	6 October 2021
Number of ordinary shares	214,199,407
Dividend paid	RM2,141,994.07

8. CARRYING AMOUNT OF REVALUED ASSETS

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 March 2021.

9. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale, and repayments of debt and equity securities during the current quarter and financial year to date.

10. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the group during the current quarter.

11. CAPITAL COMMITMENTS

The capital commitments of the Group as at 31 March 2022 are RM0.5 million for the purchase of machinery, equipment, and renovation.

12. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no other contingent liabilities or contingent assets during the twelve months financial year ended 31 March 2022.

13. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the year that has not been reflected in this quarterly report.



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

14. PERFORMANCE REVIEW

	Current Year Quarter 31.03.2022	Preceding Year Corresponding Quarter 31.03.2021	Changes	Current Year To-date 31.03.2022	Preceding Year Corresponding Period 31.03.2021	Changes
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Continuing Operations						
Revenue	117,599	91,328	26,271	415,874	323,584	92,290
Profit after tax	4,951	6,933	(1,982)	4,944	2,776	2,168
Discontinued Operations						
Loss after tax	(4,120)	(2,055)	(2,065)	(5,310)	(1,628)	(3,682)
Profit/(Loss) after tax for the year	831	4,878	(4,047)	(366)	1,148	(1,514)

The Group registered revenue from Continuing Operations of RM117.60 million for the current quarter ended 31 March 2022. This was RM26.27 million or 28.76 percent higher than the RM91.33 million recorded in the same quarter last year. The after-tax profit from Continuing Operations decreased by approximately RM1.98 million. The increase in revenues and the decrease in profits were mainly due to the diluted profit margin in the China Apparels business. The stringent standard operating procedures in Shanghai due to the wave of Covid-19 cases caused severe supply chain disruptions, higher material prices, and severe cost overruns. Moreover, there was a decrease in unrealized foreign exchange gain compared to the corresponding quarter last year amounting to RM2.1 million.

The Group posted a loss after-tax from Discontinued Operations of RM4.12 million for the quarter ended 31 March 2022 as compared to a loss of RM2.06 million in the previous corresponding quarter. This was mainly due to the elimination of intra-group sales in label and packaging discontinued operations with the label and packaging continuing operation, representing a net impact of RM4.64 million.

On a twelve-month basis, the Group recorded higher revenue from Continuing Operations of RM415.87 million as compared to RM323.58 million achieved in the previous corresponding year. This was mainly due to China Apparels having benefited from the relatively early economic recovery. The after-tax profit of the Continuing Operations increased by RM2.17 million to an after-tax profit of RM4.94 million. Our selling and marketing expenses have experienced double-digit growth compared to the previous year. It was mainly due to reclassifying the sample development charges from the cost of sale to claim the double tax deduction. The confinement in the Cambodian Apparel plant from April'21 to Jun'21, cost pressure from inflation, and the asthenic of sewers recruitment and retention in the Apparel segment had affected our performance. However, our performance was better than last year due to the adjustment of inter-company revenues in label and packaging business from discontinued operations to continuing operations, which accounted for RM4.64 million.

The Group posted a loss after-tax from Discontinued Operations of RM5.31 million for the year ended 31 March 2022 as compared to a loss of RM1.63 million in the previous corresponding year. This was mainly due to the regrouping of intragroup revenue in label and packaging business from the discontinued operations to continuing operations, which accounted for RM4.64 million.



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15. COMMENT ON MATERIAL CHANGE IN THE QUARTERLY RESULTS

	<u>3 months ended</u>	
	<u>31.03.2022</u>	<u>31.12.2021</u>
	RM'000	RM'000 RESTATED
Segment Revenue		
Revenue from operations:		
Apparels	136,612	112,742
Label & Packaging	18,898	15,786
Others	3,960	18,395
Total revenue before eliminations	<u>159,470</u>	<u>146,923</u>
Discontinued operations	(17,028)	(14,520)
Eliminations	(24,843)	(36,422)
Total	<u><u>117,599</u></u>	<u><u>95,981</u></u>
Segment Result		
Result from operations:		
Apparels	1,667	(426)
Label & Packaging	(1,714)	46
Others	(2,438)	17,459
	<u>(2,485)</u>	<u>17,079</u>
Discontinued operations	(4,120)	(1,520)
Eliminations	7,436	(18,982)
Total	<u><u>831</u></u>	<u><u>(3,423)</u></u>

Total revenue in the fourth quarter increased 22.52 percent to RM21.62 million from RM95.98 million in the third quarter. This was due to the Cambodian revenue being back on track. The profit after tax of the Group was recorded at RM0.83 million as opposed to an after-tax loss of RM3.42 million recorded for the preceding quarter. This was driven by stronger revenue, despite the impacts of escalating energy prices, supply chain disruptions, and widespread wage pressures.

16. COMMENTARY ON PROSPECTS

Apparels segment

New virus clusters emerging across China since March led to stringent lockdown measures, causing a sharp contraction in economic activities and a slow-down in export growth in China apparel. Additionally, the global logistics disruptions and container shipping shortages may continue to affect shipments and possibly may persist for the next few quarters. However, with more Covid-19 restrictions lifted and borders reopening around the world, we expect to see an increase in our Cambodia apparel business. It is anticipated that this segment will have good growth momentum for the next financial year.

Label and Packaging segment

Cambodian companies in this segment will continue to operate in the form of trade, but it is not going to be accounted for as the important core business of the group as before. With respect to the sale of Malaysian label and packaging companies, it is expected that the transaction will be completed no later than the third quarter of the new fiscal year.



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Other segments

The move to endemicity in Malaysia on April 1 is expected to improve the economy. With the domestic economic growth on a firmer footing, our hire purchase loan book size is expected to increase over time. For the medical field, in addition to steady self-development or organic growth, the company will also explore Mergers and Acquisitions (M&A) opportunities.

With a solid financial position, the Board is confident that with gradual improvement in the external environment, we remain focused to strengthen our business model and revenue growth, which is allowing us to adapt to a fast-changing world and grow stronger, by adapting to the new external dynamics, ensuring the job security of our people, keeping a tight rein on costs and accelerating our business recovery to emerge stronger from the COVID-19 crisis, while making significant progress in our environmental, social, and governance (ESG) agenda towards sustainable progress.

17. PROFIT FORECAST OR PROFIT GUARANTEE

Not applicable to the Group as no profit forecast or profit guarantee was published.

18. NOTES TO THE STATEMENTS OF COMPREHENSIVE INCOME

	Current quarter 3 months ended		Cumulative quarter 12 months ended	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Included in the profit before tax are the following items:				
Continuing Operations				
Interest income	(21)	(61)	(116)	(261)
Interest expenses	846	512	2,657	1,981
Depreciation	1,997	1,565	8,559	8,126
Reversal of provision for doubtful debts	-	(7)	-	-
Fixed assets written off	-	(32)	-	5
Reversal of inventories written down	-	(564)	-	(564)
Bad debts written off	175	319	176	324
Provision for slow moving stock	-	23	-	-
Impairment loss on property, plant and equipment	521	406	505	406
(Gain)/Loss on disposal of property, plant and equipment	(68)	9	263	128
Realised foreign exchange loss	537	164	385	347
Unrealised foreign exchange (gain)/loss	(371)	(2,572)	(801)	3,026
Loss on disposal of shares	-	-	945	-



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19. INCOME TAX EXPENSE

	Current quarter 3 months ended		Cumulative quarter 12 months ended	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Continuing operations				
Malaysian income tax	(6)	(77)	12	(41)
Foreign income tax	(166)	392	1,585	2,168
Income tax expense	<u>(172)</u>	<u>315</u>	<u>1,597</u>	<u>2,127</u>
Discontinued operations				
Malaysian income tax	(1,172)	50	(936)	50
Income tax expense	<u>(1,172)</u>	<u>50</u>	<u>(936)</u>	<u>50</u>
Total income tax expenses	<u>(1,344)</u>	<u>365</u>	<u>661</u>	<u>2,177</u>

The tax provided in the current year is mainly in respect of certain subsidiaries reporting taxable profit.

20. STATUS OF CORPORATE PROPOSALS

The approval by the shareholders of the sale, MLMSB, and MLPSB, was obtained on 25 February 2022. The proposed disposal of the subsidiary set out in Note 4 is pending the conditions precedents inter-alia approvals from the existing financiers of MLMSB on the change in control of the shareholdings and the approval, authorization, permission, order, and exemption from the local government or other quasi-governmental entity established to perform any of such functions or regulatory authorities or other third parties which are necessary in connection with the execution and performance of the SSA and any of the transactions contemplated under the SSA. This deal is expected to be completed before the third quarter of the new fiscal year.



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21. GROUP BORROWINGS

	As at 31.3.2022					
	Long term		Short term		Total borrowings	
	Foreign denomination '000	RM denomination RM'000	Foreign denomination '000	RM denomination RM'000	Foreign denomination '000	RM denomination RM'000
Continuing operations						
<u>Secured</u>						
Lease liabilities	-	-	-	6	-	6
<u>Unsecured</u>						
Overdraft						
- RMB	-	-	5,000	3,300	5,000	3,300
Trust receipt or trade loan						
- USD	-	-	4,950	20,841	4,950	20,841
- RMB	-	-	10,000	6,600	10,000	6,600
Lease liabilities						
- RM		353		69		422
- USD	2,035	8,569	267	1,122	2,302	9,691
- HKD	265	143	350	189	615	332
- RMB	530	350	183	121	713	471
Revolving credit						
- RMB	-	-	26,930	17,774	26,930	17,774
Sub-total		9,415		50,022		59,437
Discontinued operations						
<u>Secured</u>						
Term loan	-	33,851	-	5,747	-	39,598
Lease liabilities	-	3,415	-	1,668	-	5,083
<u>Unsecured</u>						
Banker's acceptance						
- RM	-	-		7,825	-	7,825
Lease liabilities						
- RM	-	118		103		221
Sub-total		37,384		15,343		52,727
Total	-	46,799		65,365		112,164



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	As at 31.03.2021					
	Long term		Short term		Total borrowings	
	Foreign denomination '000	RM denomination RM'000	Foreign denomination '000	RM denomination RM'000	Foreign denomination '000	RM denomination RM'000
Secured						
Term loan	-	21,864	-	3,492	-	25,356
Lease liabilities	-	3,290	-	1,678	-	4,968
Unsecured						
Trust receipt or trade loan						
- USD	-	-	1,987	8,248	1,987	8,248
- RMB	-	-	8,951	5,639	8,951	5,639
Lease liabilities						
- RM		100		141		241
- USD	368	1,529	282	1,172	650	2,701
- RMB	333	210	348	219	681	429
- HKD			264	140	264	140
Revolving credit						
- RMB	-	-	27,940	17,602	27,940	17,602
Banker's acceptance						
- RM	-	-		5,999	-	5,999
Total		26,993		44,330		71,323

22. CHANGES IN MATERIAL LITIGATION

There was no pending material litigation as at the date of this announcement.

23. DIVIDEND PAYABLE

No dividend was proposed during the current and previous corresponding quarter.



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24. EARNINGS PER SHARE

	Current quarter 3 months ended		Cumulative quarter 12 months ended	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
a Basic earnings per share				
Profit for the year attributable to equity holders (continuing operation) (RM'000)	5,328	7,819	7,502	4,532
Loss for the year attributable to equity holders (discontinued operation) (RM'000)	(3,991)	(1,836)	(4,820)	(1,355)
Weighted average number of ordinary shares in issue ('000)	214,105	211,638	214,105	211,638
Basic (continuing operation) (sen)	<u>2.49</u>	<u>3.69</u>	<u>3.50</u>	<u>2.14</u>
Basic (discontinued operation) (sen)	<u>(1.86)</u>	<u>(0.87)</u>	<u>(2.25)</u>	<u>(0.64)</u>
Basic, for profit for the year (sen)	<u>0.62</u>	<u>2.83</u>	<u>1.25</u>	<u>1.50</u>



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b Diluted

Diluted earnings per share is based on the profit for the financial year attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares, calculated as follows:

	Current quarter 3 months ended		Cumulative quarter 12 months ended	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Profit for the year attributable to equity holders (RM'000)	5,328	7,819	7,502	4,532
Loss for the year attributable to equity holders (discontinued operation) (RM'000)	<u>(3,991)</u>	<u>(1,836)</u>	<u>(4,820)</u>	<u>(1,355)</u>
Weighted average number of ordinary shares in issue ('000)	214,105	211,638	214,105	211,638
Effect of share options	<u>489</u>	<u>418</u>	<u>489</u>	<u>418</u>
Weighted average number of ordinary shares ('000)	<u>214,594</u>	<u>212,056</u>	<u>214,594</u>	<u>212,056</u>
Diluted, (continuing operations) (sen)	<u>2.48</u>	<u>3.69</u>	<u>3.50</u>	<u>2.14</u>
Diluted, (discontinued operations) (sen)	<u>(1.86)</u>	<u>(0.87)</u>	<u>(2.25)</u>	<u>(0.64)</u>
Diluted, for profit for the year (sen)	<u>0.62</u>	<u>2.82</u>	<u>1.25</u>	<u>1.50</u>

25. Authorisation for Issue

The interim financial statements were authorized for issue by the Board of Directors on the date set forth below.

By Order of the Board

CHUA SIEW CHUAN (SSM PC NO. 201908002648) (MAICSA 0777689)
Company Secretary
30 May 2022