



PCCS Group Berhad

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

CONDENSED CONSOLIDATED INCOME STATEMENTS (UNAUDITED) FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022

	CURRENT QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 9 MONTHS ENDED	
	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000
Revenue	67,186	95,981	340,549	298,275
Cost of sales	(54,059)	(81,615)	(285,262)	(252,251)
Gross Profit	13,127	14,366	55,287	46,024
Other Income	748	272	14,181	2,998
Interest Income	268	27	458	95
Administrative expenses	(15,749)	(11,497)	(36,787)	(32,885)
Selling and marketing expenses	(4,394)	(3,899)	(12,886)	(12,659)
Finance costs	(1,401)	(607)	(3,151)	(1,811)
(Loss)/Profit before tax	(7,401)	(1,338)	17,102	1,762
Income tax expense	(220)	(565)	(2,780)	(1,769)
(Loss)/Profit for the period from continuing operations	(7,621)	(1,903)	14,322	(7)
Discontinued operations				
Loss for the period from discontinued operations	-	(1,520)	(1,445)	(1,190)
(Loss)/Profit for the period	(7,621)	(3,423)	12,877	(1,197)
(Loss)/Profit attributable to:				
Owners of the Company				
- Continuing operations	(6,448)	(1,098)	16,396	2,174
- Discontinued operations	-	(1,332)	(1,342)	(829)
	(6,448)	(2,430)	15,054	1,345
Non-controlling interests				
- Continuing operations	(1,173)	(805)	(2,074)	(2,181)
- Discontinued operations	-	(188)	(103)	(361)
	(1,173)	(993)	(2,177)	(2,542)
	(7,621)	(3,423)	12,877	(1,197)
(Loss)/Earnings per share attributable to equity holders of the parent (sen):				
Basic				
Basic (continuing operations)	(2.96)	(0.52)	7.54	1.02
Basic (discontinued operations)	-	(0.63)	(0.62)	(0.39)
Diluted				
Diluted (continuing operations)	(2.97)	(0.52)	7.54	1.02
Diluted (discontinued operations)	-	(0.63)	(0.62)	(0.39)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2022 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 COMPREHENSIVE INCOME (UNAUDITED) FOR THE THIRD QUARTER ENDED 31 DECEMBER 2022

	CURRENT QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 9 MONTHS ENDED	
	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000
(Loss)/Profit for the period	(7,621)	(3,423)	12,877	(1,197)
Other comprehensive (loss)/income, net of tax				
Continuing operations				
Foreign currency translation	(908)	46	(3,776)	1,922
Total comprehensive (loss)/ income for the period	(8,529)	(3,377)	9,101	725
Total comprehensive (loss)/income attributable to:				
Owners of the Company				
- Continuing operations	(7,351)	(1,076)	12,625	3,957
- Discontinued operations	-	(1,332)	(1,342)	(829)
	(7,351)	(2,408)	11,283	3,128
Non-controlling interests				
- Continuing operations	(1,178)	(781)	(2,079)	(2,042)
- Discontinued operations	-	(188)	(103)	(361)
	(1,178)	(969)	(2,182)	(2,403)
	(8,529)	(3,377)	9,101	725

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2022 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 FINANCIAL POSITION AS AT 31 DECEMBER 2022 (UNAUDITED)

	31.12.2022 RM'000 (Unaudited)	31.03.2022 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	75,021	75,735
Investment Properties	15,916	16,831
Lease receivables	23,547	7,975
Other receivables	-	172
Deferred tax assets	88	283
	<u>114,572</u>	<u>100,996</u>
Current assets		
Inventories	73,608	95,221
Contract assets	1,474	1,965
Trade receivables	26,099	58,420
Other receivables	3,409	2,505
Other current assets	6,293	4,726
Lease receivables	3,981	1,151
Short-term funds	5,601	19,215
Deposits, cash and bank balances	62,640	35,075
	<u>183,105</u>	<u>218,278</u>
Assets of disposal group classified as held for sale	-	75,313
	<u>183,105</u>	<u>293,591</u>
TOTAL ASSETS	<u>297,677</u>	<u>394,587</u>
EQUITY AND LIABILITIES		
Equity attributable to equity owners of the parent		
Share capital	96,287	86,270
Other reserves	11,513	21,878
Retained earnings	57,644	55,821
	<u>165,444</u>	<u>163,969</u>
Non-controlling interest	<u>3,040</u>	<u>5,336</u>
Total Equity	<u>168,484</u>	<u>169,305</u>
Non-Current liabilities		
Lease liabilities	9,887	9,192
	<u>9,887</u>	<u>9,192</u>
Current liabilities		
Borrowings	33,428	48,516
Lease liabilities	2,372	1,730
Trade payables	30,541	49,334
Other payables	50,133	52,490
Tax payables	2,832	3,451
	<u>119,306</u>	<u>155,521</u>
Liabilities of disposal group classified as held for sale	-	60,569
	<u>119,306</u>	<u>216,090</u>
Total liabilities	<u>129,193</u>	<u>225,282</u>
TOTAL EQUITY AND LIABILITIES	<u>297,677</u>	<u>394,587</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.7500	0.7628

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statement



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

	<----- Attributable to Equity Holders of the parent----->									
	Share Capital RM'000	Treasury shares RM'000	Share Option Reserve RM'000	Foreign Exchange Reserve RM'000	Warrants Reserve RM'000	Legal Reserves RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
As at 1 April 2022	86,270		321	11,284	6,383	3,890	55,821	163,969	5,336	169,305
Profit/(Loss) for the period	-	-	-	-	-	-	15,054	15,054	(2,177)	12,877
Other comprehensive loss for the period	-	-		(3,771)	-	-	-	(3,771)	(5)	(3,776)
Total comprehensive income for the period	-	-	-	(3,771)	-	-	15,054	11,283	(2,182)	9,101
Issue of ordinary shares pursuant to ESOS and warrants	5,183	-	(380)	-	(394)	-	-	4,409	-	4,409
Share option issued	-	-	169	-	-	-	-	169	-	169
Lapsed warrants	5,989	-	-	-	(5,989)	-	-	-	-	-
Changes in ownership interests in a subsidiary	-	-	-	-	-	-	-	-	(114)	(114)
Dividends	-	-	-	-	-	-	(13,231)	(13,231)	-	(13,231)
Share repurchased	-	(1,155)	-	-	-	-	-	(1,155)	-	(1,155)
As at 31 December 2022	97,442	(1,155)	110	7,513	-	3,890	57,644	165,444	3,040	168,484

The Condensed Consolidated Statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2022 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 THIRD QUARTER ENDED 31 DECEMBER 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 2021	84,709	846	8,743	6,383	3,006	56,479	160,166	6,268	166,434
Profit/(Loss) for the period	-	-	-	-	-	1,345	1,345	(2,542)	(1,197)
Other comprehensive income for the period	-	-	1,783	-	-	-	1,783	139	1,922
Total comprehensive income for the period	-	-	1,783	-	-	1,345	3,128	(2,403)	725
Issue of ordinary shares pursuant to ESOS	1,418	(427)	-	-	-	-	991	-	991
Share options issued	-	344	-	-	-	-	344	-	344
Non-controlling interests arising from subsidiaries	-	-	-	-	-	-	-	1,945	1,945
Transfer to legal reserve	-	-	-	-	884	(884)	-	-	-
Dividends	-	-	-	-	-	(2,142)	(2,142)	-	(2,142)
As at 31 December 2021	<u>86,127</u>	<u>763</u>	<u>10,526</u>	<u>6,383</u>	<u>3,890</u>	<u>54,798</u>	<u>162,487</u>	<u>5,810</u>	<u>168,297</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 2022 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 THIRD QUARTER ENDED 31 DECEMBER 2022

	9 months ended	
	31.12.2022	31.12.2021
	RM'000	RM'000
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation from:		
- Continuing operations	17,102	1,762
- Discontinued operations	(1,445)	(974)
Profit before tax	<u>15,657</u>	<u>788</u>
Adjustment for:-		
Non-cash items	(2,006)	(430)
Non-operating items (which are investing/financing)	6,920	11,039
Gain on disposal of investment in a subsidiaries	(8,339)	-
Interest expense	3,151	2,892
Interest income	(458)	(130)
Operating profit before changes in working capital	<u>14,925</u>	<u>14,159</u>
Changes in working capital		
Net change in current assets	35,729	(374)
Net change in current liabilities	(21,150)	4,259
Interest paid	(3,151)	(2,892)
Tax paid	(3,204)	(2,879)
Net cash flows from operating activities	<u>23,149</u>	<u>12,273</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
- Net change in short-term fund	13,704	6,855
- Dividend income from short-term fund	9	99
- Purchase of property, plant and equipment	(5,076)	(6,661)
- Proceeds from disposal of property, plant and equipment	207	1,119
- Net cash inflow on disposal of subsidiaries	13,994	-
- Interest received	458	130
Net cash flows from investing activities	<u>23,296</u>	<u>1,542</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
- Net repayment of term loans	-	(1,397)
- Proceed from ordinary shares issued pursuant to ESOS & Warrant	4,408	991
- Net repayment of lease liabilities	(189)	(2,293)
- Net repayment of short term borrowings	(14,717)	(553)
- Drawdown of term loan & lease financing	301	16,975
- Subscription of shares in subsidiaries by non-controlling interests	-	1,945
- Repurchase of treasury shares	(1,155)	-
- Dividend paid	(13,231)	(2,142)
Net cash flows (used in)/from financing activities	<u>(24,583)</u>	<u>13,526</u>
Net increase in cash and cash equivalents	21,862	27,341
Effects of exchange rate changes	(2,901)	71
Cash and cash equivalents at beginning of financial period	40,749	37,696
Less: Cash and cash equivalents of disposal group classified as held for sale (Note 4)	-	(6,762)
Cash and cash equivalents at end of financial period	<u>59,710</u>	<u>58,346</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	62,640	60,296
Bank overdrafts	(2,930)	(1,950)
Cash and cash equivalents	<u>59,710</u>	<u>58,346</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2022 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 period ended 31 December 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 2022. The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2022, except for the adoption of the following amendments/improvements to MFRSs that are mandatory for the current financial period:

Amendments/Improvements to MFRSs

MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
MFRS 3	Business Combination
MFRS 9	Financial Instruments
MFRS 16	Leases
MFRS 116	Property, plant and equipment
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets
MFRS 141	Agriculture

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

<u>New MFRS</u>	Effective for financial periods beginning on or after
MFRS 17 Insurance Contracts	1 January 2023

Amendments/Improvements to MFRSs

MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2023#
MFRS 3	Business Combinations	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 2023 #
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 15	Revenue from Contracts with Customers	1 January 2023 #
MFRS 16	Leases	1 January 2024
MFRS 17	Insurance Contracts	1 January 2023
MFRS 101	Presentation of Financial Statements	1 January 2024/ 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
MFRS 116	Property, Plant and Equipment	1 January 2023 #
MFRS 119	Employee Benefits	1 January 2023 #



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	Effective for financial periods beginning on or after
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 #
	1 January 2023 #
MFRS 137 Provisions, Contingent Liabilities and Contingent Assets	1 January 2023#
MFRS 138 Intangible Assets	1 January 2023#
MFRS 140 Investment Property	1 January 2023 #

^ The Annual Improvements to MFRS Standards 2018-2021

Amendments as to the consequence of the 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 2022 was not qualified.

3. SEGMENTAL INFORMATION

	Current quarter 3 months ended		Cumulative quarter 9 months ended	
	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000
Segment Revenue				
Revenue from operations:				
Apparels	87,685	112,742	414,854	358,542
Label & Packaging	82	15,786	14,840	48,272
Credit financing	1,465	168	3,738	236
Others	3	18,227	19,379	18,227
Total revenue before eliminations	89,235	146,923	452,811	425,277
Discontinued operations	-	(14,520)	(14,394)	(44,689)
Eliminations	(22,049)	(36,422)	(97,868)	(82,313)
Total	67,186	95,981	340,549	298,275
Segment Result				
Result from operations:				
Apparels	(3,066)	(426)	2,911	4,415
Label & Packaging	(230)	(284)	(1,746)	(560)
Credit financing	311	-	959	(31)
Others	(753)	17,458	19,460	15,797
	(3,738)	16,748	21,584	19,621
Discontinued operations	-	(1,520)	(1,445)	(1,190)
Eliminations	(3,883)	(18,651)	(7,262)	(19,628)
Total	(7,621)	(3,423)	12,877	(1,197)



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

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the current quarter.

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.

7. DIVIDENDS PAID

Details of the single-tier special dividend paid were as follows:

Special dividend for the financial year	31 March 2023
Date of payment	29 November 2022
Dividend per share (single-tier)	6.00 cents
Entitlement to dividend based on the Record of Depositors as at	1 November 2022
Number of ordinary shares as of 1 November 2022	220,493,507
Dividend paid	RM13,229,610.42

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 2022.

9. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale, and repayments of debt and equity securities during the current quarter under review except the following:

- Issuance of 2,464,900 new ordinary shares pursuant to the exercise 2,464,900 warrants at the exercise price of RM0.60 per share.
- Issuance of 2,030,400 new ordinary shares pursuant to the exercise of 2,030,400 Employees' Share Option Scheme.
- 84,453,057 warrants had lapsed on 23 December 2022.



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10. CHANGES IN THE COMPOSITION OF THE GROUP

Save as disclosed below, there were no changes in the composition of the group during the current quarter.

PCCS (Hong Kong) Limited, a wholly-owned subsidiary of PCCS, on 25 November 2022, voluntarily wound up its 60% owned subsidiary, Ample Apparels Limited ("AAL"). AAL was a company incorporated in Hong Kong with limited liability. It was a dormant company.

11. CAPITAL COMMITMENTS

The capital commitments of the Group as of 31 December 2022 were RM750 thousand 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 nine months financial period ended 31 December 2022.

13. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the period 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 31.12.2022	Preceding Year Corresponding Quarter 31.12.2021	Changes	Current Year To-date 31.12.2022	Preceding Year Corresponding Period 31.12.2021	Changes
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Continuing Operations						
Revenue	67,186	95,981	(28,795)	340,549	298,275	42,274
(Loss)/Profit after tax	(7,621)	(1,903)	(5,718)	14,322	(7)	14,329
Discontinued Operations						
(Loss)/Profit after tax	-	(1,520)	1,520	(1,445)	(1,190)	(255)
(Loss)/Profit after tax for the period	(7,621)	(3,423)	(4,198)	12,877	(1,197)	14,074

The Group's revenue decreased compared with the previous year's corresponding quarter, with a down of 30.0% to RM67.2 million in the third quarter ended 31 December 2022. The lower revenue for this period was mainly due to the decline in turnover in China Apparel, amounting to a decrease of approximately 52.2% or RM27.1 million compared to the same quarter last year. The decline in the performance of China Apparel dragged the group's performance for the quarter under review to a net loss of RM7.6 million versus a net loss of RM3.4 million in the previous year's corresponding quarter. Furthermore, the loss was partly due to the unrealised foreign exchange loss of RM4.1 million following the weakening of the US dollar against the Ringgit Malaysia.

On a nine-month basis, the Group recorded higher revenue of RM340.5 million compared to RM298.3 million achieved in the previous year's corresponding period. The after-tax profit of the Group of RM12.9 million for the period under review jumps elevenfold compared to the after-tax loss of RM1.2 million recorded in the previous year's corresponding period. The higher profit was in tandem with the higher revenue in Hong Kong Apparel coupled with the foreign exchange gain of RM2.6 million and a gain on disposal of subsidiaries, Mega Label (Malaysia) Sdn. Bhd. ("MLM") and Mega Label (Penang) Sdn. Bhd. ("MLP") amounting to RM8.3 million.

15. COMMENT ON MATERIAL CHANGE IN THE QUARTERLY RESULTS

Total revenue dropped 35.4% to RM67.2 million for the third quarter ended 31 December 2022, from the preceding quarter of RM104.1 million. The after-tax loss increased to RM7.6 million against an after-tax profit of RM5.2 million in the preceding quarter. These were mainly due to the significant fall in revenue from China Apparel and the unrealised foreign exchange loss of RM4.1 million this quarter due to the weakening of the US dollar against the Ringgit Malaysia.

16. COMMENTARY ON PROSPECTS

We expect downbeat economic data in the United States, Europe and other developed economies will soften the demand for Cambodia Apparel in the coming quarter. However, the situation at China Apparel will improve as China has abandoned the rigid zero-Covid approach, which severely undermined the economy. Having said that, the volatility in foreign exchange movement may also impact the group results.

With respect to the credit financing segment, management will continue to exercise prudence in the loan approval process with a focus on rigorous credit risk assessment to mitigate market and credit risks and minimize non-performing loans.



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As for the medical segment, aside from constant self-development or organic growth, the management will also pursue the market expansion plan.

The Group will continue to leverage operating efficiency and cost-saving initiatives to achieve better performance. The Board is of the view that the group will record healthy sales growth in the current financial year ending 31 March 2023.

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 9 months ended	
	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000
Included in the (loss)/profit before tax are the following items:				
Continuing Operations				
Bad debts written off	-	1	-	1
Depreciation and amortisation	1,504	3,474	6,995	10,465
(Gain)/Loss on disposal of investment in a subsidiaries	-	-	(8,339)	945
Interest income	(268)	(27)	(458)	(95)
Interest expenses	1,401	607	3,151	1,811
Net impairment losses on lease receivables	221	-	640	-
(Gain)/Loss on disposal of property, plant and equipment	(42)	(18)	(50)	331
Realised foreign exchange loss/(gain)	95	(67)	(968)	(152)
Unrealised foreign exchange loss/(gain)	4,082	412	(2,646)	(430)
Reversal of impairment loss on property, plant and equipment	(151)	-	(95)	(16)

19. INCOME TAX EXPENSE

	Current quarter 3 months ended		Cumulative quarter 9 months ended	
	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000
Continuing operations				
Malaysian income tax	306	19	653	18
Foreign income tax	(86)	546	2,127	1,751
	<u>220</u>	<u>565</u>	<u>2,780</u>	<u>1,769</u>
Discontinued operations				
Malaysian income tax	-	-	-	236
Income tax expense	-	-	-	236
	<u>-</u>	<u>-</u>	<u>-</u>	<u>236</u>
Total income tax expenses	<u>220</u>	<u>565</u>	<u>2,780</u>	<u>2,005</u>

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



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20. CORPORATE PROPOSALS

(a) Status of Corporate Proposals

On 23 June 2022, the Group had completed the disposal of the entire equity interest in its subsidiaries, MLM and MLP to Chan Capital Sdn. Bhd.

(b) Status of Utilisation of the Proceeds

The status of the use of the proceeds from the disposal of MLM and MLP up to 31 December 2022 were as follows:

Utilisation of the proceeds	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Unutilised Proceeds (RM'000)	Timeframe for utilisation of proceeds
Working capital	10,728	10,728	-	Within 12 months
To expand the existing hire-purchase business loan size	20,000	20,000	-	Within 12 months
Total gross proceeds	30,728	30,728	-	

Utilisation of the proceeds	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Reallocation (RM'000)	Unutilised Proceeds (RM'000)	Timeframe for utilisation of proceeds
Working capital	1,400	1,415	15	-	Within 12 months
Repayment of borrowings	6,500	6,500	-	-	Within 12 months
Expenses for the Proposed Disposal	600	585	(15)	-	Within 2 months
Total gross proceeds	8,500	8,500	-	-	



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21. GROUP BORROWINGS

	As at 31.12.2022					
	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
Unsecured						
Overdraft						
- RMB	-	-	4,650	2,930	4,650	2,930
Trust receipt or trade loan						
- USD	-	-	3,272	14,364	3,272	14,364
- RMB	-	-	2,400	1,512	2,400	1,512
Lease liabilities						
- RM	-	541	-	125	-	666
- USD	2,066	9,069	412	1,809	2,478	10,878
- HKD	270	151	568	318	838	469
- RMB	200	126	190	120	390	246
Revolving credit						
- RMB	-	-	23,210	14,622	23,210	14,622
Total	-	9,887		35,800		45,687

	As at 31.03.2022					
	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
Secured						
Term loan	-	21,625	-	3,743	-	25,368
Lease liabilities	-	2,970	-	1,511	-	4,481
Unsecured						
Overdraft						
- RMB	-	-	3,000	1,920	3,000	1,920
Trust receipt or trade loan						
- USD	-	-	972	4,033	972	4,033
- RMB	-	-	5,000	3,200	5,000	3,200
Lease liabilities						
- RM	-	102	-	106	-	208
- USD	449	1,864	288	1,195	737	3,059
- RMB	345	221	342	219	687	440
- HKD	-	-	183	97	183	97
Revolving credit						
- RMB	-	-	24,100	15,424	24,100	15,424
Banker's acceptance						
- RM	-	-	-	7,620	-	7,620
Total		26,782		39,068		65,850



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22. CHANGES IN MATERIAL LITIGATION

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

23. DIVIDEND PAYABLE

Subsequent to the special dividend payment on 29 November 2022, no further dividend was proposed during the current quarter.

24. EARNINGS PER SHARE

	Current quarter 3 months ended		Cumulative quarter 9 months ended	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
a Basic earnings per share				
(Loss)/Profit for the period attributable to equity holders (continued operations) (RM'000)	(6,448)	(1,098)	16,396	2,174
Loss for the period attributable to equity holders (discontinued operations) (RM'000)	-	(1,332)	(1,342)	(829)
Weighted average number of ordinary shares in issue ('000)	(6,448)	(2,430)	15,054	1,345
Basic (continued operations) (sen)	217,499	212,263	217,499	212,263
Basic (discontinued operations) (sen)	(2.96)	(0.52)	7.54	1.02
Basic, for profit for the period (sen)	-	(0.63)	(0.62)	(0.39)
Basic, for profit for the period (sen)	(2.96)	(1.15)	6.92	0.63



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b Diluted

Diluted earnings per share is based on the profit for the financial period attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial period 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 9 months ended	
	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000
(Loss)/Profit for the period attributable to equity holders (continued operations) (RM'000)	(6,448)	(1,098)	16,396	2,174
Loss for the period attributable to equity holders (discontinued operations) (RM'000)	-	(1,332)	(1,342)	(829)
	(6,448)	(2,430)	15,054	1,345
Weighted average number of ordinary shares in issue ('000)	214,971	212,056	214,971	212,056
Effect of share options	2,054	(48)	2,528	207
Weighted average number of ordinary shares ('000)	217,025	212,008	217,499	212,263
Diluted, (continuing operations) (sen)	(2.97)	(0.52)	7.54	1.02
Diluted, (discontinued operations) (sen)	-	(0.63)	(0.62)	(0.39)
Diluted, for profit for the period (sen)	(2.97)	(1.15)	6.92	0.63

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
27 February 2023