



PECCA

GROUP BERHAD



PECCA GROUP BERHAD

(Registration No. 201001025617 (909531-D))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 31 MARCH 2025

	Notes	Individual Quarter			Cumulative Quarter		
		Current Year Quarter	Preceding Year Quarter	Variance %	Current Year-To-Date	Preceding Year-To-Date	Variance %
		31.03.2025 RM'000	31.03.2024 RM'000		31.03.2025 RM'000	31.03.2024 RM'000	
Revenue	A9	53,100	59,525	(11%)	171,656	188,329	(9%)
Cost of sales		(29,536)	(34,464)	(14%)	(96,762)	(115,748)	(16%)
Gross profit		23,564	25,061	(6%)	74,894	72,581	3%
Other Income		151	203	(26%)	472	776	(39%)
Selling and distribution expenses		(1,248)	(1,514)	(18%)	(5,396)	(5,321)	1%
Administrative expenses		(4,527)	(6,433)	(30%)	(14,569)	(17,316)	(16%)
Results from operating activities		17,940	17,317	4%	55,401	50,720	9%
Finance income		946	1,101	(14%)	3,159	2,922	8%
Finance costs		(70)	(81)	(14%)	(215)	(260)	(17%)
Profit before taxation	B5	18,816	18,337	3%	58,345	53,382	9%
Income tax expense	B6	(4,587)	(4,303)	7%	(14,212)	(12,914)	10%
Profit for the period		14,229	14,034	1%	44,133	40,468	9%
Other comprehensive income, net of tax							
Actuarial loss on employment benefit		-	(2)	-100%	-	(5)	100%
Foreign currency translation differences on foreign operations		(145)	6	-2517%	(292)	(107)	173%
Total comprehensive income for the financial period		14,084	14,038	0%	43,841	40,356	9%
Profit attributable to:-							
Owners of the company		14,239	14,050	1%	44,152	40,443	9%
Non-controlling interests		(10)	(16)	(38%)	(19)	25	(176%)
Profit for the period		14,229	14,034	1%	44,133	40,468	9%
Total comprehensive income attributable to:-							
Owners of the Company		14,124	14,051	1%	43,920	40,353	9%
Non-controlling interests		(40)	(13)	208%	(79)	3	100%
Total comprehensive income for the financial period		14,084	14,038	0%	43,841	40,356	9%
Earnings per share attributable to Owners of the Company (sen)⁽²⁾							
- Basic	B12	1.95	1.87	4%	6.05	5.38	12%
- Diluted		1.95	1.87	4%	6.05	5.38	12%

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 for the financial year ended 30 June 2024 and the explanatory notes attached to this Condensed Report.

(2) Based on the weighted average number of ordinary shares in issue as detailed in Note B12.

**PECCA GROUP BERHAD**

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	As at 31.03.2025 Unaudited RM'000	As at 30.06.2024 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	42,948	41,655
Right-of-use assets	23,694	23,617
Other investments	418	418
Goodwill	140	140
	<u>67,200</u>	<u>65,830</u>
Current Assets		
Inventories	19,630	24,223
Trade and other receivables	38,662	42,485
Contract assets	106	7
Prepayments	3,548	1,777
Current tax assets	1,052	645
Cash and cash equivalents	111,208	153,682
	<u>174,206</u>	<u>222,819</u>
Total assets	<u>241,406</u>	<u>288,649</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	135,702	135,702
Reserves	70,834	98,142
Total equity attributable to owners of the Company	<u>206,536</u>	<u>233,844</u>
Non-controlling interests	591	670
	<u>207,127</u>	<u>234,514</u>
Liabilities		
Non-current liabilities		
Deferred tax liabilities	6,866	5,735
Lease liabilities	156	37
Employee benefits	40	42
Borrowings	3,981	4,645
	<u>11,043</u>	<u>10,459</u>
Current Liabilities		
Trade and other payables	16,062	22,282
Dividend payable	-	11,277
Current tax liabilities	5,558	7,456
Lease liabilities	455	418
Borrowings	1,161	2,243
	<u>23,236</u>	<u>43,676</u>
Total liabilities	<u>34,279</u>	<u>54,135</u>
Total equity and liabilities	<u>241,406</u>	<u>288,649</u>
Net assets per share attributable to owners of the parents (sen) ⁽²⁾		
	<u>28.30</u>	<u>31.11</u>

Notes:

(1) The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 and the explanatory notes attached to this Condensed Report.

(2) Based on the number of ordinary shares in issue less Treasury Shares as at 31 March 2025 of 729,866,532 (30 June 2024: 751,783,132).



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 31 MARCH 2025

	← Attributable to owners of the Company →							Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	← Non-distributable →				Distributable					
	Share Capital RM'000	Treasury Shares RM'000	Merger Deficit RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Other Reserve RM'000	Retained Earnings RM'000			
At 1 July 2024	135,702	(60)	(60,822)	(24)	18,965	(7)	140,090	233,844	670	234,514
Profit after taxation for the financial period	-	-	-	-	-	-	44,152	44,152	(19)	44,133
Other comprehensive income for the financial period:										
- Foreign currency translation differences on foreign operations	-	-	-	(232)	-	-	-	(232)	(60)	(292)
Transactions with owners										
- Dividend distributions to owners of the Company	-	-	-	-	-	-	(43,970)	(43,970)	-	(43,970)
- Repurchase of treasury shares	-	(27,258)	-	-	-	-	-	(27,258)	-	(27,258)
At 31 March 2025	<u>135,702</u>	<u>(27,318)</u>	<u>(60,822)</u>	<u>(256)</u>	<u>18,965</u>	<u>(7)</u>	<u>140,272</u>	<u>206,536</u>	<u>591</u>	<u>207,127</u>

Note:

(1) The unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 and the explanatory notes attached to this Condensed Report.



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THIRD QUARTER ENDED 31 MARCH 2025

	9 months ended 31 March	
	2025	2024
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	58,345	53,382
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	3,722	3,498
Depreciation of right-of-use assets	570	607
Amortisation of intangible assets	1	1
Property, plant and equipment written off	2	18
Gain on disposal of plant and equipment	(2)	(125)
(Reversal)/Impairment loss on plant and machineries	(500)	1,000
Inventories written down	-	1,000
Unrealised loss on foreign exchange	40	65
Finance costs	215	260
Finance income	(3,159)	(2,922)
Gain of derecognition due to lease termination	(1)	-
Lease adjustment	(14)	-
Operating profit before working capital changes	<u>59,219</u>	<u>56,784</u>
Changes in inventories	4,561	3,511
Changes in trade and other receivables	3,693	10,833
Changes in contract assets	(98)	-
Changes in prepayments	(1,917)	(436)
Changes in trade and other payables	(5,993)	1,230
Change in contract liability	-	87
Changes in post-employment benefits	1	5
Cash generated from operations	<u>59,466</u>	<u>72,014</u>
Net income tax paid	(15,387)	(10,218)
Interest paid	(215)	(260)
Net cash from operating activities	<u>43,864</u>	<u>61,536</u>
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(4,078)	(2,359)
Acquisition of right-of-use assets	(333)	-
Proceeds from disposal of plant and equipment	7	236
Interest received	3,159	2,922
Net cash (for)/from investing activities	<u>(1,245)</u>	<u>799</u>
CASH FLOWS FOR FINANCING ACTIVITIES		
Payment of lease liabilities	(727)	(307)
Repurchase of treasury shares	(27,258)	-
Repayment of advances from a subsidiary shareholders	1	-
Dividends paid	(55,246)	(27,666)
Net repayment of borrowings	(1,672)	(4,172)
Net cash for financing activities	<u>(84,902)</u>	<u>(32,145)</u>
Net (decrease)/increase in cash and cash equivalents	(42,283)	30,190
Effects of foreign exchange translation	(191)	(118)
Cash and cash equivalents at the beginning of financial year	<u>153,682</u>	<u>111,236</u>
Cash and cash equivalents at the end of financial year	<u>111,208</u>	<u>141,308</u>

Note:

(1) The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 and the explanatory notes attached to this Condensed Report.



A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The Condensed Consolidated Interim Financial Statements ("Condensed Report") are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134 *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This Condensed Report also complies with International Accounting Standard 34 *Interim Financial Reporting* issued by the International Accounting Standards Board. This Condensed Report should be read in conjunction with the audited financial statements of Pecca Group Berhad ("Pecca" or the "Company") and its subsidiaries (the "Group") for the financial year ended 30 June 2024.

The explanatory notes to this Condensed Report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2024.

This Condensed Report is presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

A2. Significant accounting policies

The significant accounting policies and methods of computation adopted in this Condensed Report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2024. The Group has not applied in advance the following accounting standards (including the consequential amendments, if any that have been issued by the Malaysian Accounting Standards Board ("MASB")) but are not yet effective for the current financial year:

Effective for annual periods commencing on or after 1 January 2026

- Annual Improvements to MFRS Accounting Standards - Volume 11
- Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments
- Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity

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

Effective date of these Amendments to Standards has been deferred, and yet to be announced

- Amendments to MFRS 10 and MFRS 128 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The above pronouncements are either not relevant or do not have any material impact to the financial statements of the Group.

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING *(continued)***A3. Auditors' report on preceding financial year financial statements**

There was no qualification to the audited financial statements of the Group for the financial year ended 30 June 2024.

A4. Seasonal or cyclical factors

The business operations of the Group are not materially affected by any seasonal or cyclical factors in the current quarter.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no material unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter and year-to-date ended 31 March 2025.

A6. Changes in estimates

There were no changes in estimates of amounts reported in prior periods that had a material effect during the current quarter and year-to-date ended 31 March 2025.

A7. Debt and equity securities

There was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current quarter. As at 31 March 2025, the number of treasury shares held were 22,133,468 ordinary shares at RM27,317,514.

A8. Dividend paid

	31.03.2025	31.03.2024
	RM'000	RM'000
In respect of financial year ending 30 June 2025		
First interim single-tier dividend paid on 20 December 2024		
- 1.50 sen per ordinary share	10,948	-
Second interim single-tier dividend paid on 21 March 2025		
- 1.50 sen per ordinary share	10,948	-
In respect of financial year ended 30 June 2024		
First interim single-tier dividend paid on 8 December 2023		
- 1.00 sen per ordinary share	-	7,518
Second interim single-tier dividend paid on 27 March 2024		
- 1.00 sen per ordinary share	-	7,518
Third interim single-tier dividend paid on 25 July 2024		
- 1.50 sen per ordinary share	11,276	-
Fourth interim single-tier dividend paid on 20 September 2024		
- 1.50 sen per ordinary share	11,126	-
Special single-tier dividend paid on 13 December 2024		
- 1.50 sen per ordinary share	10,948	-
In respect of financial year ended 30 June 2023		
Second interim single-tier dividend paid on 7 July 2023		
- 0.68 sen per ordinary share	-	5,112
Third interim single-tier dividend paid on 29 September 2023		
- 1.00 sen per ordinary share	-	7,518
	<u>55,246</u>	<u>27,666</u>

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (continued)**A9. Segmental information**a) Operating segments

The Group's current business activities comprise of Automotive, Aviation and others. The Automotive segment focuses on styling, manufacturing, distribution and installation of automotive leather upholstery for car seat covers and accessories covers. The Aviation segment provides services in manufacturing, repair, refurbishment, distribution, and installation of aircraft seat covers and parts refurbishment. The breakdown of the Group's total revenue by business activities and products are as follows: -

	Current Quarter Ended		Cumulative Quarter Ended	
	31.03.2025 RM'000	31.03.2024 RM'000	31.03.2025 RM'000	31.03.2024 RM'000
AUTOMOTIVE				
Car seat covers				
- OEM ⁽¹⁾	42,751	47,443	142,377	150,264
- REM ⁽¹⁾	1,757	2,091	5,769	5,767
- PDI ⁽¹⁾	3,059	3,885	7,614	13,551
Sub-total for car seat covers	47,567	53,419	155,760	169,582
Leather cut pieces supply	141	236	393	434
Sewing of fabric car seat covers	2,655	3,143	8,604	9,641
Manufacturing of leather/PVC car accessories covers and miscellaneous seat covers, provision of wrapping and stitching services and supply of raw materials	1,831	1,757	5,480	5,916
	52,194	58,555	170,237	185,573
OTHERS	906	970	1,419	2,756
GRAND TOTAL	53,100	59,525	171,656	188,329

Note:

- (1) OEM – Original Equipment Manufacturer
REM – Replacement Equipment Manufacturer
PDI – Pre-delivery Inspection

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING *(continued)***A9. Segmental information** *(continued)*b) Geographical segments

The segment information in respect of the Group's geographical segments are as follows: -

	Current Quarter Ended		Cumulative Quarter Ended	
	31.03.2025 RM'000	31.03.2024 RM'000	31.03.2025 RM'000	31.03.2024 RM'000
Malaysia	49,926	56,165	161,453	177,870
Rest of Asia	1,847	1,999	5,797	6,240
Europe	859	929	2,727	2,596
North America	386	344	1,382	1,340
Oceania	82	88	297	283
	<u>53,100</u>	<u>59,525</u>	<u>171,656</u>	<u>188,329</u>

A10. Valuation of property, plant and equipment

The Group has not carried out any valuation on its property, plant and equipment in the current quarter.

A11. Capital commitments

As at 31 March 2025, there were no commitments other than those stated below:

	RM'000
Contracted but not provided for	
- Purchase of land	<u>15,687</u>

A12. Changes in the composition of the Group

There were no material changes in the composition of the Group during the current quarter and year-to-date ended 31 March 2025.

A13. Contingent liabilities or contingent assets

There were no material contingent liabilities or contingent assets as at the date of this Condensed Report.

A14. Material events subsequent to the end of the current quarter

There were no other material events subsequent to the end of the current quarter that have not been reflected in this Condensed Report.



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

A15. Related party transactions

The Group's related party transactions for the current quarter and the cumulative quarter ended 31 March 2025 are as follows: -

	Current Quarter Ended 31.03.2025 RM'000	Cumulative Quarter Ended 31.03.2025 RM'000
Sales to related parties		
- Rentas Health Sdn Bhd	29	60
- Pecman Sdn Bhd	36	64
Rental charges to related parties		
- Tint Auto (M) Sdn Bhd	54	162
- Rentas Health Sdn Bhd	47	140
Management service to related parties		
- Tint Auto (M) Sdn Bhd	15	45
- Rentas Health Sdn Bhd	6	18
- Pecman Sdn Bhd	2	5

Note:

(1) The related party is a company in which certain Directors and substantial shareholders of the Group have interests.

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B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Performance review

3Q 2025 vs 3Q 2024

For the current quarter ended 31 March 2025 ("3Q 2025"), the Group recorded a lower revenue of RM53.10 million, compared to RM59.53 million in the preceding year corresponding quarter ended 31 March 2024 ("3Q 2024"). The decrease was mainly due to the decline in sales volume in the Automotive segment, in line with customers' factory closure for maintenance in conjunction with the Chinese New Year and Hari Raya Aidilfitri celebrations in January and March 2025. Additionally, customer demand normalised in 3Q 2025 as compared to 3Q 2024.

Despite the downtrend in revenue, profit after tax ("PAT") for 3Q 2025 edged up by 1% to RM14.23 million from RM14.03 million recorded in 3Q 2024. The improvement in PAT was primarily attributable to better production cost efficiency achieved in the Automotive segment, supported further by lower selling and admin expenses. Meanwhile, the slight decline in finance income was due to the utilisation of cash and cash equivalents for higher dividend payouts and the acquisition of property, plant and equipment for business expansion purposes.

The Group's revenue was driven by the manufacture of upholstery car seat covers, sewing and supply of car accessories cover, and the provision of wrapping and stitching services, which together contributed approximately 98% of the total revenue. Within the leather car seat covers segment, OEM contributed about 90% of the total revenue, while REM and PDI accounted for the remaining 10%.

B2. Financial review for the current quarter compared with the immediate preceding quarter

	Current Year Quarter 31.03.2025 ("3Q 2025") RM'000	Immediate Preceding Quarter 31.12.2024 ("2Q 2025") RM'000	Variance	
			RM'000	%
Revenue	53,100	62,645	(9,545)	-15%
Profit after tax	14,229	15,333	(1,104)	-7%

For 3Q 2025, the Group recorded a decline in revenue, decreasing by RM9.54 million to RM53.10 million from RM62.65 million recorded in 2Q 2025. This was primarily due to customers' factory closure for maintenance, along with the Chinese New Year and Hari Raya Aidilfitri celebrations in January and March 2025, which resulted in lower sales volume.

In tandem with the softer sales volume, the Group recorded a lower PAT of RM14.23 million for 3Q 2025. However, ongoing efforts to improve production cost efficiency helped to cushion the impact on overall profitability.



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B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD *(continued)*

B3. Prospects

Automotive segment

Malaysia's automotive sector recorded a total industry volume ("TIV") of 188,122 units in the first quarter of 2025, representing a 7.0% decline from 203,137 units in the same period of 2024, according to the Malaysian Automotive Association ("MAA"). The MAA further expects TIV to normalise in 2025, with a full-year forecast of 780,000 units, reflecting a "soft landing" after several years of elevated volumes driven by order backlogs.

Amid the expected normalization of TIV in 2025, the Group remains committed to strategic capacity expansion, ensuring it is well-positioned to capture long-term opportunities. The Group continues to make progress on the upcoming plans for its second manufacturing facility at the UMW High Value Manufacturing Park in Serendah, Selangor. The facility will be vital in meeting the growing demand for aviation and automotive seating, upholstery, and interior components, enhancing the Group's ability to serve its customers.

In the Replacement Equipment Manufacturer ("REM") segment, the Group is focused on expanding its local and international customer base, targeting regions including the Netherland, United States ("U.S."), Australia, New Zealand, Singapore, the Middle East and Europe. These regions demonstrate sustained demand for customised and high-quality REM parts.

The Group is also committed to enhancing its presence in Indonesia, actively pursuing Original Equipment Manufacturer ("OEM") contracts for its subsidiary, PT Pecca Gemilang Indonesia to increase market share within the Indonesian automotive sector and expand its reach in Southeast Asia ("SEA").

In addition, the Group has entered into potential collaborations with prominent Chinese automotive players, namely in automotive technology and automotive seating solutions. This will enable the Group to offer an increased range of services to automotive companies and facilitate expansion into more integrated areas across the automotive value chain, potentially encompassing assembly processes and automotive technologies.

Aviation segment

Malaysia's air passenger traffic is expected to reach a record high in 2025, with forecasted growth ranging between 8.4% and 15.6% year-on-year ("YoY"), translating to between 105.8 million and 112.9 million passengers, according to the Malaysian Aviation Commission. This projected growth will be driven by increased seat capacity deployment by airlines, rising demand for international travel, and overall growth in household income.

Building on the successful entry into the aviation sector with the completion of the Group's first project – delivering seat covers for an Airbus A320 aircraft, the Group has also completed a business class seat cover replacement program for another Airbus A320 aircraft for a government owned international airline. Other notable achievements within the seat cover replacement program include servicing both local and international civilian and government helicopters. The Group has also completed multiple Maintenance, Repair, and Overhaul projects for both local and international airlines.



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B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD *(continued)*

B3. Prospects *(continued)*

Aviation segment *(continued)*

Currently, the Group is actively pursuing new contracts to expand its portfolio and strengthen its industry position. These early successes underscore the Group's capability to deliver high-quality products and services to the aviation industry. The Group is focused on securing contracts for commercial and general aviation aircrafts.

In addition to certifications obtained from the Civil Aviation Authority of Malaysia and the European Union Aviation Safety Agency, the Group is pursuing certifications from other local and national aviation regulators, including the Civil Aviation Authority of Thailand, the Civil Aviation Authority of Singapore, the Directorate General of Civil Aviation of Indonesia and the Directorate General Technical Airworthiness of Malaysia. These certifications will enhance the Group's credentials and support its regional expansion across SEA.

Overall business

The Group adopts a cautiously positive long-term outlook amid geopolitical uncertainties, particularly those arising from U.S. tariff policies. While acknowledging potential market challenges, the Group remains confident in its ability to deliver sustainable growth.

The Group's growth strategy continues to prioritise geographic expansion and diversification across four key pillars: OEM, REM, Aviation, and Emerging Ventures. Operationally, the focus remains on organisational and manufacturing excellence to meet demand for high-quality products, optimise production efficiency, and maintain cost competitiveness.

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B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD *(continued)***B4. Variance of actual profit from profit forecast and profit guarantee**

The Group has not issued any profit forecast or profit guarantee in any form of public documentation or announcement.

B5. Profit before taxation

The profit before taxation is stated after charging/(crediting): -

	Current Quarter Ended 31.03.2025 RM'000	Cumulative Quarter Ended 31.03.2025 RM'000
Finance income	(946)	(3,159)
Finance cost	70	215
Depreciation of:		
- Property, plant and equipment	1,265	3,722
- Right-of-use assets	201	570
Realised (gain)/loss on foreign exchange	(48)	122
Unrealised (gain)/loss on foreign exchange	(48)	40

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

B6. Taxation

	Current Quarter Ended 31.03.2025 RM'000	Cumulative Quarter Ended 31.03.2025 RM'000
Income tax expense	4,587	14,212

The effective tax rate for the cumulative quarter is slightly higher of 24.38% compared to the statutory tax rate of 24.00%, mainly due to certain expenses which are not deductible for taxation purpose.

B7. Status of corporate proposals

There was no corporate proposal announced and not completed as at the date of this Condensed Report.

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B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (continued)**B8. Utilisation of proceeds**

As announced on 23 April 2018, the Board of Directors has approved the variation of the utilisation of IPO proceeds amounting to RM6.60 million and the extension of time for utilisation of IPO proceeds amounting to RM2.62 million for another 24 months from 19 April 2018. After due deliberation, the Board intends to undertake the variations to vary the utilization of the proceed for working capital and extend the frame to another 24 months from 19 April 2020 to 19 April 2022. In view of the Covid-19 pandemic and Movement Control Order enforced by the Government in March 2020 until the endemic which as announced in April 2022, the Board has approved to further extended the timeframe for utilisation of the proceeds for working capital for another 24 months from 19 April 2022 to 19 April 2024. Further extension of time for another 24 months from 19 April 2024 to 19 April 2026 has been approved by the Board because the REM segment is expanding to more export markets such as US, Middle East and Thailand.

The status of utilisation of the proceeds from the Public Issue of 47,796,000 new ordinary shares at RM1.42 per share as at 31 March 2025 is as follows: -

Purposes	Revised Expected Timeframe for Utilisation (from 19 April 2018)	Revised Amount (RM'000)	Actual Utilisation (RM'000)	Utilised %
a) Working capital	-	27,859	(27,859)	100
b) Repayment of bank borrowings	-	17,100	(17,100)	100
c) Purchase of machineries for the production of car leather seat covers	Within 24 months	4,871	(4,871)	100
d) Construction of an additional storey of production floor area on the existing factory building	-	5,000	(5,000)	100
e) Opening of retail outlets	-	0	0	100
f) Establishment of market presence in Thailand	Within 24 months	0	0	100
g) Expansion of aviation business	Within 24 months	834	(834)	100
h) Estimated listing expenses	-	4,111	(4,111)	100
g) Purchase of raw material	-	5,350	(5,350)	100
i) Selling and distribution expenses of:				
- Retail	Within 24 months	2,000	(411)	21
- Thailand	Within 24 months	0	0	100
- Aviation	Within 24 months	745	(745)	100
Total Public Issue Proceeds		67,870	(66,281)	98

Note:

(1) The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Group dated 29 March 2016 and the announcement dated 23 April 2018.

**PECCA GROUP BERHAD**

(Registration No. 201001025617 (909531-D))

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B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (continued)**B9. Group borrowings**

	As at 31.03.2025 RM'000	As at 30.06.2024 Audited RM'000
Short term borrowings		
Secured:		
Banker Acceptance	-	799
Post Shipment Buyer Loan	-	400
Hire Purchase Payable	531	414
Term Loan	630	630
	<u>1,161</u>	<u>2,243</u>
Long term borrowings		
Secured:		
Hire Purchase Payable	43	235
Term Loan	3,938	4,410
	<u>3,981</u>	<u>4,645</u>
	<u>5,142</u>	<u>6,888</u>

Banker' Acceptances and term loan are secured by corporate guarantees of the Group.

As at 31 March 2025, the Group has extended corporate guarantees amounting to RM4.57 million to financial institutions for banking facilities granted to the subsidiary. The financial impact of the guarantees is immaterial as the subsidiary concerned is in positive financial standings to meet its obligation and when they fall due.

B10. Material litigation

The Group is not engaged in any material litigation either as plaintiff or defendant, which has a material effect on the financial position of the Group, and the Directors do not have any knowledge of any proceeding pending or threatened or of any facts likely to give rise to any proceedings which may materially and adversely affect the financial position or business of the Group, as at the date of this Condensed Report.

B11. Dividend proposed

Other than the dividends paid as disclosed in note A8, the Board of Directors has declared and approved the third interim single-tier dividend of 1.00 sen per ordinary share in respect of the financial year ending 30 June 2025. The dividend will be payable on 20 June 2025 to shareholders whose names appeared in the Record of Depositors of the Company at the close of business on 9 June 2025. The total dividend declared for current financial period is 4.00 sen per ordinary share (31 March 2024: 3.50 sen per ordinary share).

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B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (continued)**B12. Earnings per share**

a) Basic earnings per share

The basic earnings per share for the current quarter and year-to-date are computed as follows: -

	Current Quarter Ended 31.03.2025 RM'000	Cumulative Quarter Ended 31.03.2025 RM'000
Profit attributable to equity holders of the company	<u>14,239</u>	<u>44,152</u>
Weighted average number of ordinary shares in issue excluding Treasury Shares	<u>729,867</u>	<u>729,867</u>
Basic earnings per share (sen)	<u>1.95</u>	<u>6.05</u>
Diluted earnings per share (sen)	<u>1.95</u>	<u>6.05</u>

(b) Diluted earnings per share

There are no diluted earnings per share as the Group does not have any convertible financial instruments as at 31 March 2025.

B13. Authorisation for issue

The Condensed Report was authorised for issue by the Board of Directors on 22 May 2025.

BY ORDER OF THE BOARD

Kuala Lumpur
22 May 2025