

# CONDENSED CONSOLIDATED INCOME STATEMENTS (UNAUDITED) FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2021

		CURRENT QUARTER 3 MONTHS ENDED		E QUARTER S ENDED
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	RM'000	RM'000	RM'000	RM'000
Revenue	117,965	96,877	232,463	202,599
Cost of sales	(98,011)	(82,127)	(194,435)	(170,906)
Gross Profit	19,954	14,750	38,028	31,693
Other Income	2,004	388	3,309	1,147
Interest Income	54	79	91	190
Administrative expenses	(12,640)	(14,433)	(26,205)	(27,369)
Selling and marketing expenses	(6,249)	(2,343)	(9,549)	(4,207)
Finance costs	(966)	(633)	(2,028)	(1,595)
Profit/(loss) before tax	2,157	(2,192)	3,646	(141)
Income tax expense	(988)	(263)	(1,420)	(1,398)
Profit/(loss) for the period	1,169	(2,455)	2,226	(1,539)
Attributable to:				
Equity holders of the parent	1,801	(2,354)	3,775	(732)
Non-controlling interest	(632)	(101)	(1,549)	(807)
	1,169	(2,455)	2,226	(1,539)
Earnings per share attributable to equity holders of the parent (s	sen):			
Basic	0.85	(1.12)	1.78	(0.35)
Diluted	0.85	(1.12)	1.78	(0.35)

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.



# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2021

	CURRENT QUARTER		CUMULATI VE QUARTER		
	3 MONT	HS ENDED	6 MONT	'HS ENDED	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020	
	RM'000	RM'000	RM'000	RM'000	
Profit/(loss) for the period	1,169	(2,455)	2,226	(1,539)	
Other comprehensive profit net of ta	ıx				
Foreign currency translation	837	636	1,876	701	
Total comprehensive profit/(loss)					
for the period	2,006	(1,819)	4,102	(838)	
Total comprehensive profit/(loss) a	ttributable to:				
Owners of the Parent	2,584	(1,683)	5,536	12	
Non-controlling interest	(578)	(136)	(1,434)	(850)	
	2,006	(1,819)	4,102	(838)	

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.



# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021 (UNAUDITED)

	30.09.2021 RM'000 (Unaudited)	31.03.2021 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	128,741	123,985
Investment Properties	9,973	9,800
Other receivables  Deferred tax assets	171 477	170 561
Deletted tax assets	139,362	134,516
Current assets		
Inventories	50,845	68,198
Contract assets	2,257	1,848
Trade receivables	66,361	57,888
Other receivables	2,591	3,306
Other current assets	6,207	6,235
Tax Recoverable	1,990	1,077
Short-term fund	12,222	12,945
Cash and bank balances	44,663	37,696
	187,136	189,193
TOTAL ASSETS	326,498	323,709
EQUITY AND LIABILITIES Equity attributable to equity owners of the parent		
Share capital	85,743	84,709
Other reserves	20,790	18,978
Retained earnings	60,254	56,479
	166,787	160,166
Non-controlling interest	6,779	6,268
Total Equity	173,566	166,434
Non-Current liabilities		
Borrowings	20,898	21,864
Lease liabilities	11,172	5,129
	32,070	26,993
Current liabilities		
Borrowings	34,847	40,980
Lease liabilities	2,981	3,350
Trade payables	35,919	42,452
Other payables	47,115	43,500
	120,862	130,282
Total liabilities	152,932	157,275
TOTAL EQUITY AND LIABILITIES	326,498	323,709
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.7787	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 statements



# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2021

<-----> Attributable to Equity Holders of the parent-----> <-----> Distributable Share Foreign Non-Option Exchange Warrants Legal Retained Controlling Total Share Capital Reserve Reserve Reserve Reserves **Earnings** Total Interest Equity RM'000 RM'000 RM'000 RM'000 RM'000 RM'000 RM'000 RM'000 RM'000 As at 1 April 2020 83,830 1,113 6,201 6,383 3,006 52,976 153,509 7,274 160,783 Loss for the period (732)(732)(807)(1,539)Other comprehensive income/(loss) for the period 744 744 (43)701 Total comprehensive income/(loss) for the period 744 (732)12 (850)(838)Subscription of shares by noncontrolling interests in a subsidiary 1,495 1,495 As at 30 September 2020 83,830 1,113 6,945 6,383 3,006 52,244 153,521 7,919 161,440 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 3,775 3,775 (1,549)2,226 Other comprehensive income 115 for the period 1,761 1,761 1,876 Total comprehensive income/(loss) for the period 1,761 3,775 5,536 (1,434)4,102 Issue of ordinary shares pursuant to ESOS 1,034 (293)741 741 Share option issued 344 344 344 Non-controlling interests arising from subsidiaries 1,945 1,945 As at 30 September 2021 85,743 897 10,504 6,383 3,006 60,254 166,787 6,779 173,566

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 CASH FLOWS (UNAUDITED) FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2021

	6 months ended		
	30.09.2021	30.09.2020	
	RM'000	RM'000	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before taxation from:			
- Continuing operations	3,645	(141)	
Adjustment for:-			
Non-cash items	(842)	2,978	
Non-operating items (which are investing/financing) Interest expense	8,551 2,028	6,911 1 FOE	
Interest income	2,028 (91)	1,595 (190)	
Operating profit before changes in working capital	13,291	11,153	
Changes in working capital			
Net change in current assets	10,055	34,174	
Net change in current liabilities	(2,918)	(30,066)	
Interest paid	(2,028)	(1,595)	
Tax paid	(2,250)	(292)	
Net cash flows from operating activities	16,150	13,374	
CASH FLOWS FROM INVESTING ACTIVITIES			
- Net change in short-term fund	709	-	
- Dividend income from short-term fund	76	-	
- Purchase of property, plant and equipment	(3,508)	(9,289)	
- Proceeds from disposal of property, plant and equipment	200	47	
- Interest received	91	190	
Net cash flows used in investing activities	(2,432)	(9,052)	
CASH FLOWS FROM FINANCING ACTIVITIES			
- Net repayment of hire purchase & lease libilities	(1,455)	(901)	
- Net repayment of term loans	(838)	(2,539)	
- Repayment of short term borrowings	(8,212)	(8,201)	
- Drawdown of term loan & hire purchase	187	4,085	
- Proceed from ordinary shares issued pursuant to ESOS	741	1 405	
- Subscription of shares in subsidiary by non-controlling interest	1,000	1,495	
Net cash flows used in financing activities	(8,577)	(6,061)	
Net increase/(decrease) in cash and cash equivalents	5,141	(1,739)	
Effects of exchange rate changes	(124)	1,886	
Cash and cash equivalents at beginning of financial period	37,696	65,031	
Cash and cash equivalents at end of financial period	42,713	65,178	
Cash and cash equivalents at the end of the financial period comprise the	he following:		
Cash and bank balances	44,663	65,178	
Bank overdrafts	(1,950)	-	
Cash and cash equivalents	42,713	65,178	

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.



### PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

### 1. BASIS OF PREPARATION

These condensed consolidated interim financial statements, for the period ended 30 September 2021, 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

Afficiantici	its/ improvements to wirks
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:

Now MEDC		financial periods beginning on or after
New MFRS MFRS 17	Insurance Contracts	1 January 2023
Amendmer	nts/Improvements to MFRSs	
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 January 2022^
MFRS 17	Insurance Contracts	1 January 2023
MFRS 101	Presentation of Financial Statements	1 January 2023/
		1 January 2023#
	Statements of Cash Flows	1 January 2023 #
	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
MFRS 112	Income Taxes	1 January 2023

Effective for

financial periods beginning on or after
1 January 2022/
1 January 2023 #
1 January 2023 #
Deferred/
1 January 2023 #
1 January 2023 #
1 January 2023 #
1 January 2022/
1 January 2023#
1 January 2023#
1 January 2023 #
1 January 2022^

<sup>^</sup> The Annual Improvements to MFRS Standards 2018-2020

# 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 6 months ended	
•	30.09.2021 30.09.2020		30.09.2021	30.09.2020
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Revenue from operations:				
Apparels .	123,367	91,388	245,800	205,973
Label & Packaging	16,707	16,657	32,486	28,971
Others	68	4,376	68	10,126
Total revenue before eliminations	140,142	112,421	278,354	245,070
Eliminations	(22,177)	(15,544)	(45,891)	(42,471)
Total	117,965	96,877	232,463	202,599
Segment Result				
Result from operations:				
Apparels	2,987	390	5,953	6,124
Label & Packaging	80	216	(34)	(1,778)
Others	(968)	(287)	(1,687)	(1,171)
•	2,099	319	4,232	3,175
Eliminations	58	(2,511)	(586)	(3,316)
Total	2,157	(2,192)	3,646	(141)

Effective for

<sup>#</sup> Amendments as to the consequence of effective of MFRS 17 Insurance Contracts



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

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows 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 interim dividend declared are as follows:

Interim dividend for the financial year

Payment date

Dividend per share (single tier)

Entitlement to dividend based on Record of Depositors as at

Number of ordinary shares

Dividend payable

31 March 2022

1 November 2021

1.00 sen
6 October 2021

214,199,407

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

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

On 13<sup>th</sup> September 2021, Wan He Da Manufacturing Company Limited, a wholly-owned subsidiary of PCCS, incorporated a 100% owned subsidiary company under the name of Thirty Three Apparels (Cambodia) Co., Ltd. with an issued capital of USD500 thousand comprising one thousand shares at USD500 per share. The principal activity of Thirty Three Apparels (Cambodia) Co., Ltd. is manufacturing of apparels.

### 11. CAPITAL COMMITMENTS

The capital commitments of the Group as at 30 September 2021 are RM900 thousand for purchase of machinery, equipment and renovation



# 12. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no other contingent liabilities or contingent assets, except for corporate guarantee amounting RM61 million given to licensed banks in respect of bank facilities granted to subsidiaries during the six months financial period ended 30 September 2021.

# 13. SUBSEQUENT EVENTS

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

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

### 14. PERFORMANCE REVIEW

	Current Year Quarter	Preceding Year Corresponding Quarter	Changes	Current Year To-date	Preceding Year Corresponding Period	Changes
	30.09.2021	30.09.2020		30.09.2021	30.09.2020	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	117,965	96,877	21,088	232,463	202,599	29,864
Profit/(loss) before tax	2,157	(2,192)	4,349	3,646	(141)	3,787

During the current quarter ending on 30th September 2021, the Group recorded a higher revenue of RM118.0million as compared to RM96.9million in the previous corresponding quarter. The pre-tax profit of the Group for the quarter under review was higher at RM2.2million when compared with the pre-tax loss of RM2.2million in the previous corresponding quarter. The higher revenue and profit were mainly due to the increase of turnover in the Apparels Segment. The orders on book are back above pre-pandemic levels.

On a half yearly basis, the Group recorded higher revenue of RM232.5million as compared to RM202.6million achieved in the previous corresponding period and the pre-tax profit of the Group for the period under review recorded at a profit of RM3.6million as compared to the pre-tax loss of RM141thousand recorded in the previous corresponding period. These were largely due to an increase of orders in Apparels. China China Apparels have benefited from the relatively early economic recovery.

### 15. COMMENT ON MATERIAL CHANGE IN THE QUARTERLY RESULTS

Total revenue increased from RM114.5million recorded in the preceding quarter to RM118.0million achieved in the current quarter. This was mostly due to the increase in the order of our Chinese Apparels. The pre-tax profit of the Group recorded at RM2.2million as compared with a pre-tax profit of RM1.5million recorded for the preceding quarter. This was mainly due to the loss of RM945 thousand in share transferred as a result of the equity participation of a strategic partner from the medical field in the preceding quarter.

### 16. COMMENTARY ON PROSPECTS

# Apparels segment

As reported in previous quarter's quarterly financial results, almost 100% of employees in every plant we operate have been fully immunized. At the same time, the company is also encouraging employees to actively receive the third booster vaccine. All countries around the world are opening their borders aggressively. This will help the logistics of goods and the flow initiative of company managers, and promote the activity of business proceedings. Despite still facing potential challenges and uncertainties like unforeseen surging of global commodities prices, global containers shortage, etc., the Group is confident in maintaining the original forecast of the fiscal year which is, Apparels segment being able to maintain profitability throughout the year at this stage.

### Label and Packaging segment

For the Mega label, an annual revenue growth of 12% in the first half of the year came mainly from FMCG, E&E, F&B and Garment. However, we remain cautious on the strength of the recovery. Fears of a new wave of Covid-19 are emerging across the country. The economy has continued to be vulnerable to human mobility restrictions. Going forward, the outlook will still be influenced by Covid-19.

# Other segments

In regards to the medical segment, the company is still working on its long-term comprehensive strategy. On the other hand, our hire purchase loan book size is expected to increase over time. There is indeed pent-up demand in the used vehicle market. Throughout Malaysia, there is a bigger inventory of used vehicles online. We are speeding up digital efforts as we can see the demand is there.

With the solid financial position, the Board is confident that the group can smoothly pass through the uncertain economic environment. The Board is of the view that the company should remain vigilant on our prospects and utilize our existing plants' capacities. At the same time seize opportunities from market instability and seek breakthroughs to consolidate its long-term advantages.

### 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 6 months	•
	30.09.2021 RM'000	30.09.2020 RM'000	30.09.2021 RM'000	30.09.2020 RM'000
Included in the profit/(loss) before tax ar	re the following i	tems:		
Interest income	(54)	(79)	(91)	(190)
Interest expenses	966	633	2,028	1,595
Depreciation	3,687	3,430	6,991	6,773
Provision for doubtful debts	-	-	-	8
Fixed assets written off	-	10	-	10
Bad debts (recoverd)/written off	(1)	5	-	5
Provision for slow moving stock Reversal of impairment loss on	-	(190)	-	(87)
property, plant and equipment Loss on disposal of property, plant and	(16)	-	(16)	-
equipment	89	2	349	128
Realised foreign exchange (gain)/loss	(43)	30	(201)	(208)
Unrealised foreign exchange (gain)/loss	(783)	2,291	(842)	3,052
Loss on disposal of shares	-	-	945	-

# 19. INCOME TAX EXPENSE

	Current quarter 3 months ended		Cumulative quarter 6 months ended	
	30.09.2021 RM'000	30.09.2020 RM'000	30.09.2021 RM'000	30.09.2020 RM'000
Malaysian income tax	209	1	215	20
Foreign income tax	779	262	1,205	1,378
Total income tax expense	988	263	1,420	1,398

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

### 20. STATUS OF CORPORATE PROPOSALS

The Group does not have any corporate proposal which have been completed as at the date of this announcement.

# 21. GROUP BORROWINGS

	As at 30.09.2021						
	Long	term	Short	t term	Total borrowings		
	Foreign	RM	Foreign	RM	Foreign	RM	
	denomination	denomination	denomination	denomination	denomination	denomination	
	'000	RM'000	'000	RM'000	'000	RM'000	
<u>Secured</u>							
Term loan	-	20,898	-	3,621	-	24,519	
Lease							
liabilities		2,971		1,612		4,583	
<u>Unsecured</u>							
Overdraft							
- RMB	-	-	3,000	1,950	3,000	1,950	
Trust receipt							
or trade loan							
- USD	-	-	308	1,289	308	1,289	
- RMB	-	-	5,000	3,250	5,000	3,250	
Lease							
liabilities							
- RM		23		125		148	
- USD	1,898	7,953	231	967	2,129	8,920	
- RMB	346	225	352	229	698	454	
- HKD	-	-	89	48	89	48	
Revolving							
credit							
- RMB	-	-	29,649	19,272	29,649	19,272	
Banker's							
acceptance							
- RM	-	-		5,465	-	5,465	
Total	-	32,070		37,828		69,898	

	As at 31.03.2021							
	Long term		Short term		Total borrowings			
	Foreign	RM	Foreign	RM	Foreign	RM		
	denomination	denomination	denomination	denomination	denomination	denomination		
	'000	RM'000	'000	RM'000	'000	RM'000		
<u>Secured</u>								
Term loan	-	21,864	-	3,492	-	25,356		
Lease libilities	-	3,290	-	1,678	-	4,968		
<u>Unsecured</u>								
Trust receipt								
or trade loan								
- USD	-	-	1,987	8,248	1,987	8,248		
- RMB	-	-	8,951	5,639	8,951	5,639		
Lease libilities								
- 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.



# 24. EARNINGS PER SHARE

	Current of 3 months	•	Cumulative quarter 6 months ended	
	30.09.2021 RM'000	30.09.2020 RM'000	30.09.2021 RM'000	30.09.2020 RM'000
a Basic earnings per share				
Profit/(loss) for the period attributable to equity holders (continuing operation) (RM'000)	1,801	(2,354)	3,775	(732)
Weighted average number of ordinary shares in issue ('000)	212,056	210,403	212,056	210,403
Basic, for profit/(loss) for the period (sen)	0.85	(1.12)	1.78	(0.35)

# 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 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 of	quarter	Cumulative quarter 6 months ended	
	3 months	ended		
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) for the period attributable to equity holders				
(RM'000)	1,801	(2,354)	3,775	(732)
Weighted average number of				
ordinary shares in issue ('000)	212,056	210,403	212,056	210,403
Effect of share options	(97)		255	
Weighted average number of				
ordinary shares	211,959	210,403	212,311	210,403
Diluted, for profit/(loss) for the				
period (sen)	0.85	(1.12)	1.78	(0.35)



# 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 23 November 2021