

PROGRESSIVE IMPACT CORPORATION BERHAD
(Company No. 199001011782)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2023
(The figures have not been audited)

	Individual Quarter			Cumulative Quarter		
	Current Quarter 31.3.2023 RM'000	Preceding year Corresponding Quarter 31.3.2022 RM'000	+ / (-)	Current Year To Date 31.3.2023 RM'000	Preceding year Corresponding Period 31.3.2022 RM'000	+ / (-)
Revenue	20,531	22,534	(0.09)	20,531	22,534	(0.09)
Cost of sales	(8,240)	(10,085)		(8,240)	(10,085)	
Gross profit	<u>12,291</u>	<u>12,449</u>	(0.01)	<u>12,291</u>	<u>12,449</u>	(0.01)
Profit income	170	102		170	102	
Other income	762	582		762	582	
Staff costs	(6,322)	(6,518)		(6,322)	(6,518)	
Depreciation and amortisation	(1,818)	(2,050)		(1,818)	(2,050)	
Other operating expenses	(3,099)	(2,887)		(3,099)	(2,887)	
Profit from operations	<u>1,984</u>	<u>1,678</u>	0.18	<u>1,984</u>	<u>1,678</u>	0.18
Finance costs	(693)	(819)		(693)	(819)	
Profit before tax	<u>1,291</u>	<u>859</u>	0.50	<u>1,291</u>	<u>859</u>	0.50
Income tax expense	(894)	(1,120)		(894)	(1,120)	
Profit/(Loss) net of tax	<u>397</u>	<u>(261)</u>	2.52	<u>397</u>	<u>(261)</u>	2.52
Other comprehensive income:						
Foreign currency translation	412	(473)		412	(473)	
Total comprehensive income for the period	<u>809</u>	<u>(734)</u>	2.10	<u>809</u>	<u>(734)</u>	2.10
Net Profit/(Loss) attributable to:						
Owners of the parent	(1,415)	(1,643)	(0.14)	(1,415)	(1,643)	(0.14)
Minority interest	1,812	1,382	0.31	1,812	1,382	0.31
	<u>397</u>	<u>(261)</u>	2.52	<u>397</u>	<u>(261)</u>	2.52

PROGRESSIVE IMPACT CORPORATION BERHAD
(Company No. 203352-V)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2023
(The figures have not been audited)
(CONT'D.)

	Individual Quarter			Cumulative Quarter		
	Current Quarter 31.3.2023 RM'000	Preceding year Corresponding Quarter 31.3.2022 RM'000	+ / (-)	Current Year To Date 31.3.2023 RM'000	Preceding year Corresponding Period 31.3.2022 RM'000	+ / (-)
Total comprehensive income attributable to :						
Owners of the parent	(1,003)	(1,433)	0.30	(1,003)	(1,433)	(0.30)
Minority interest	1,812	699	1.59	1,812	699	1.59
	<u>809</u>	<u>(734)</u>	2.10	<u>809</u>	<u>(734)</u>	2.10
Earning per share attributable to equity holders of the parent						
Basic earning per share (sen) *	<u>(0.22)</u>	<u>(0.25)</u>		<u>(0.22)</u>	<u>(0.25)</u>	

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the financial statements.

PROGRESSIVE IMPACT CORPORATION BERHAD
(Company No. 199001011782)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023
(The figures have not been audited)

	Unaudited 31.3.2023 RM'000	Audited 31.12.2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	39,217	39,729
Investment properties	35,732	35,911
Goodwill on consolidation	861	861
Deferred tax assets	4,512	4,512
	80,322	81,013
Current assets		
Inventories	198	57
Trade and other receivables	36,491	42,865
Contract assets	1,959	985
Tax recoverable	935	857
Other current financial assets	17,809	18,715
Cash and bank balances	37,865	31,249
	95,257	94,728
TOTAL ASSETS	175,579	175,741
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	65,970	65,970
Treasury shares	(364)	(364)
Other reserves	(1,707)	(2,119)
Accumulated losses	(12,672)	(11,257)
	51,227	52,230
Non-controlling interest	33,307	31,495
Total equity	84,534	83,725
Non-current liabilities		
Retirement benefit obligation	1,863	1,745
Deferred tax liabilities	3,735	3,786
Lease obligations	97	102
Borrowings	293	293
	5,988	5,926
Current liabilities		
Trade and other payables	29,086	26,542
Lease obligations	96	98
Borrowings	54,614	58,118
Income tax payable	1,261	1,332
	85,057	86,090
Total Liabilities	91,045	92,016
TOTAL EQUITY AND LIABILITIES	175,579	175,741
Net assets per share attributable to equity holders of the parent (RM)	0.08	0.08

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the financial statements.

PROGRESSIVE IMPACT CORPORATION BERHAD
(Company No. 199001011782)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2023
(The figures have not been audited)

	← Attributable to owners of the company →						Non controlling Interest RM'000	Total Equity RM'000
	← Non Distributable →			Distributable		Total RM'000		
	Share Capital RM'000	Treasury Shares RM'000	Other Reserves RM'000	Retained Profits RM'000				
At 1 January 2022	65,970	(364)	(763)	445	65,288	31,211	96,499	
Total comprehensive loss for the period	-	-	210	(1,643)	(1,433)	699	(734)	
At 31 March 2022	65,970	(364)	(553)	(1,198)	63,855	31,910	95,765	
At 1 January 2023	65,970	(364)	(2,119)	(11,257)	52,230	31,495	83,725	
Total comprehensive income for the period	-	-	412	(1,415)	(1,003)	1,812	809	
At 31 March 2023	65,970	(364)	(1,707)	(12,672)	51,227	33,307	84,534	

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022.

PROGRESSIVE IMPACT CORPORATION BERHAD
(Company No. 199001011782)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FIRST QUARTER ENDED 31 MARCH 2023
(The figures have not been audited)

	Cumulative Current Year 31.3.2023 RM'000	Cumulative Current Year 31.3.2022 RM'000
Cash flows from operating activities		
Profit before tax	1,291	859
Adjustments for :		
Depreciation and amortisation	1,639	1,871
Amortisation of investment properties	179	179
Provision for retirement benefit obligations	21	-
Gain on disposal of property, plant and equipment	(214)	-
Impairment of trade receivables	114	-
Net foreign exchange loss	89	-
Finance cost	693	819
Profit income from deposit	(170)	(102)
Operating profit before working capital changes	<u>3,642</u>	<u>3,626</u>
Working capital changes :		
Increase in inventories	(141)	(143)
Decrease in receivables	4,714	5,100
Increase/(decrease) in payables	<u>3,431</u>	<u>(61)</u>
Cash generated from operations	11,646	8,522
Retirement benefit obligation paid	-	-
Taxation paid	(965)	(693)
Net cash generated from operating activities	<u>10,681</u>	<u>7,829</u>
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	249	-
Net placement of unit trust	941	197
Purchase of property plant and equipment	(1,162)	(1,652)
Profits received from deposits	136	102
Placement of deposits pledged	(39)	(31)
Net cash generated from/(used in) investing activities	<u>125</u>	<u>(1,384)</u>
Cash flows from financing activity		
Net (repayment)/drawdown of borrowings	(3,404)	920
Financing cost paid	(693)	(819)
Lease payment	(31)	-
Net cash (used in)/generated from financing activity	<u>(4,128)</u>	<u>920</u>
Net increase in cash and cash equivalents	6,678	7,365
Cash and cash equivalents at 1 January 2023/2022	1,697	2,620
Cash and cash equivalents at 31 March 2023/2022	<u>8,375</u>	<u>9,985</u>
Cash and cash equivalents :		
Cash and bank balances	37,865	32,148
Overdraft	(18,309)	(13,057)
	<u>19,556</u>	<u>19,091</u>
Less: Restricted deposits	(11,181)	(9,925)
	<u>8,375</u>	<u>9,166</u>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statement for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the financial statements.

FOR THE FIRST QUARTER ENDED 31 MARCH 2023
SELECTED EXPLANATORY NOTES

A EXPLANATORY NOTES PURSUANT TO FRS 134

A1. Corporate information

Progressive Impact Corporation Berhad ("the Company") is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements were approved by the Board of Directors on 30 May 2023.

A2. Basis of preparation

The consolidated condensed interim financial information for the year ended 31 March 2023 is unaudited and has been prepared in accordance with Malaysia Financial Reporting Standards ("MFRS") 134 "Interim financial reporting" issued by the Malaysian Accounting Standards Board (MASB), Appendix 9B (Part A) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements ("Bursa Securities Listing Requirements") and the requirements of the Companies Act, 2016 in Malaysia. The consolidated condensed interim financial information should be read in conjunction with the annual financial statements for the financial year ended 31 December 2022, which have been prepared in accordance with MFRS, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

A3. MFRSs, Amendments to MFRSs and IC Interpretation issued but not yet effective

Effective for Annual periods commencing on or after 1 January 2023

The Group has adopted the following MFRS and Amendments to MFRSs and Annual Improvement to Standards effective as of 1 January 2023.

MFRS 17 Insurance Contracts including Amendments on Insurance Contracts: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 112 Income Taxes: Deferred tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	1 January 2023

Adoption of the above MFRS and Amendments to MFRSs and Annual Improvement to Standards will have no material impact on the financial statements of the Group.

MFRSs and Amendments to MFRS issued but not yet effective

At the date of authorisation of these interim financial statements, the following MFRSs and Amendments to MFRSs were issued but not yet effective and have not been applied by the Group.

MFRSs and amendments to MFRSs	Effective for annual period beginning on or after
Amendments to MFRS 16 Leases: Lease Liability in a Sales and Leaseback	1 January 2024
Amendments to MFRS 101 Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current	1 January 2024
Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investment in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The interim report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2022.

A4. Changes in estimates

There were no changes in estimates of amounts reported in prior financial quarter or financial year that have a material effect in the financial quarter under review.

PROGRESSIVE IMPACT CORPORATION BERHAD
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FOR THE FIRST QUARTER ENDED 31 MARCH 2023
SELECTED EXPLANATORY NOTES

A5. Changes in composition of the Group

No changes in composition of the group for the quarter ended 31 March 2023.

A6. Segment information

	31 March 2023				Cumulative
	Environmental	Lab Testing	Others*	Elimination	Quarter
	Monitoring, Consultancy & Services	Services	RM '000	RM '000	Year To Date
	RM '000	RM '000	RM '000	RM '000	31.3.2023
External revenue	6,723	13,322	486	-	20,531
Inter- segment revenue	-	8	326	(334)	-
Total revenue	6,723	13,330	812	(334)	20,531

Segment Results

Segment profit/(loss)					
from operations	(2,453)	5,038	(135)	(466)	1,984
Finance cost	(602)	-	(557)	466	(693)
Income tax expense	-	(894)	-	-	(894)
Loss net of tax					397
Non-controlling interest					(1,812)
Net loss for the period					(1,415)

	31 March 2022				Cumulative
	Environmental	Lab Testing	Others*	Elimination	Quarter
	Monitoring, Consultancy & Services	Services	RM '000	RM '000	Year To Date
	RM '000	RM '000	RM '000	RM '000	31.3.2022
Segment Revenue					
External revenue	8,076	13,710	748	-	22,534
Inter- segment revenue	6	330	116	(452)	-
Total revenue	8,082	14,040	864	(452)	22,534

Segment Results

Segment profit/(loss) from operations	(3,308)	5,482	257	(753)	1,678
Financing cost	(749)	(1)	(443)	374	(819)
Income tax expense	466	(1,586)	-	-	(1,120)
Profit net of tax					(261)
Non-controlling interest					(1,382)
Net loss for the period					(1,643)

* The segment denoted as "others" includes the revenue and results of Progressive Impact Corporation Berhad ("the Company") and subsidiaries which do not fall under the segments environmental monitoring, consultancy and services and lab testing services.

The review of the group and segmental performance is further illustrated in Note B1 and B2 of the announcement.

A7. Seasonality or cyclicity

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

FOR THE FIRST QUARTER ENDED 31 MARCH 2023
SELECTED EXPLANATORY NOTES

A8. Profit before taxation

	Individual quarter		Cumulative quarter	
	3 months ended		3 months ended	
	31.3.2023	31.3.2022	31.3.2023	31.3.2022
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging:				
Zakat	125	101	125	101

A9. Income tax expense

	Individual quarter		Cumulative quarter	
	3 months ended		3 months ended	
	31.3.2023	31.3.2022	31.3.2023	31.3.2022
	RM'000	RM'000	RM'000	RM'000
Tax expense :				
- Malaysia Income Tax	763	1,066	763	1,066
- Foreign Tax	131	234	131	234
- Deferred Tax	-	(180)	-	(180)
	894	1,120	894	1,120
Effective tax rate			69%	130%

The effective tax rate for 2023 and 2022 is higher than the statutory income tax rate of 24%. This is due to the losses incurred by the subsidiary companies which has lowered the basis for the computation of the effective tax rate.

A10. Earnings per share

The basic earnings per share for the quarter and cumulative year to date are computed as follow:

	Individual quarter		Financial Year	
	3 months ended		Ended	
	31.3.2023	31.3.2022	31.3.2023	31.3.2022
Profit for the period (RM'000)	(1,415)	(1,643)	(1,415)	(1,643)
Number of ordinary shares of RM0.10 each in issue ('000)	655,631	655,631	655,631	655,371
Basic Earnings Per Share (sen)	(0.22)	(0.25)	(0.22)	(0.25)

There is no diluted earnings per share as there were no potential dilutive ordinary shares outstanding as at the end of the reporting period.

A11. Valuation of property, plant and equipment

The Group measured its land and building at the date of transition at its revalued amounts and uses that amounts as its deemed cost at that date.

PROGRESSIVE IMPACT CORPORATION BERHAD
(Company No. 199001011782)

FOR THE FIRST QUARTER ENDED 31 MARCH 2023
SELECTED EXPLANATORY NOTES

A12. Interest bearing loans and borrowings

	31.3.2023	31.12.2022
	RM'000	RM'000
Short term borrowings		
Hire purchase	589	798
Overdraft	18,309	18,409
Revolving Credit	22,000	25,673
Term loan	12,991	12,612
Trust receipt	725	626
	<u>54,614</u>	<u>58,118</u>
Long term borrowings		
Hire purchase	293	293
	<u>293</u>	<u>293</u>
Total borrowings	<u>54,907</u>	<u>58,411</u>

Current year utilisation of additional borrowings relates to its investment and working capital financing.

A13. Trade receivables

	31.3.2023	31.12.2022
	RM'000	RM'000
Trade and Other receivable	<u>36,491</u>	<u>42,865</u>

A14. Dividends

No dividend declared or paid during current quarter.

A15. Commitments

	31.3.2023	31.12.2022
	RM'000	RM'000
Capital expenditure		
Approved and contracted for :		
Property, plant & equipment	669	410
	<u>669</u>	<u>410</u>

A16. Contingent liabilities and contingent assets

There were no material changes in the contingent liabilities and contingent assets since the last audited financial statements for the financial year ended 31 March 2023.

A17. Related party transactions

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

A18. 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 financial period ended 31 March 2023.

PROGRESSIVE IMPACT CORPORATION BERHAD
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FOR THE FIRST QUARTER ENDED 31 MARCH 2023
SELECTED EXPLANATORY NOTES

A19. Issuance, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

Share buybacks/ Treasury shares of the Company

	31.3.2023	31.12.2022
	RM'000	RM'000
As at 1 January	364	364
Share buyback	-	-
As at 31 March/December	<u>364</u>	<u>364</u>

PROGRESSIVE IMPACT CORPORATION BERHAD
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FOR THE FIRST QUARTER ENDED 31 MARCH 2023
SELECTED EXPLANATORY NOTES

B EXPLANATORY NOTES PURSUANT TO BURSA MALAYSIA LISTING REQUIREMENTS : CHAPTER 9, APPENDIX 9B, PART A

B1. Performance review

Review of Group Performance

	Financial Year Ended 31.3.2023 RM'000	Financial Year Ended 31.3.2022 RM'000	Changes Amount RM'000	Changes + / (-)
<u>Revenue</u>				
Environmental monitoring, consultancy & services	6,723	8,082	(1,359)	(0.17)
Lab testing services	13,330	14,040	(710)	(0.05)
Corporate holding and Elimination	478	412	66	0.16
	<u>20,531</u>	<u>22,534</u>	<u>(2,003)</u>	<u>(0.09)</u>
<u>Segment results</u>				
Environmental monitoring, consultancy & services	(2,453)	(3,308)	855	0.26
Lab testing services	5,038	5,482	(444)	(0.08)
Corporate holding and Elimination	(601)	(496)	(105)	(0.21)
Profit from operations	<u>1,984</u>	<u>1,678</u>	<u>306</u>	<u>0.18</u>
Finance charges	<u>(693)</u>	<u>(819)</u>	<u>126</u>	<u>0.15</u>
Profit before tax	<u>1,291</u>	<u>859</u>	<u>432</u>	<u>0.50</u>
Tax expense	<u>(894)</u>	<u>(1,120)</u>	<u>226</u>	<u>0.20</u>
(Loss)/Profit net of tax	<u>397</u>	<u>(261)</u>	<u>658</u>	<u>2.52</u>
Non controlling interest	<u>(1,812)</u>	<u>(1,382)</u>	<u>(430)</u>	<u>(0.31)</u>
Loss attributable to owners of the Company	<u>(1,415)</u>	<u>(1,643)</u>	<u>228</u>	<u>0.14</u>

1.1 Segments Background:

The Group is organised into two operating segments as follows based on products offered and services rendered:

- (a) The environmental monitoring, consultancy and services segment includes the provision of environmental related services in air, water, wastewater and public health.
- (b) The lab testing services segment includes the provision of environmental and food testing and analysis services.

1.2 Group and Segments Analysis

Group Analysis:

The Group reported decrease in revenue by RM2.0 million compared to the preceding year mainly due to lower in revenue from both the environmental monitoring, consultancy and services segment and the lab testing services segment. The Group reported increase profit from operations by RM0.3 million as a result of lower operating expenses recorded in the current financial period.

PROGRESSIVE IMPACT CORPORATION BERHAD
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FOR THE FIRST QUARTER ENDED 31 MARCH 2023
SELECTED EXPLANATORY NOTES

B1. Performance review (cont'd.)

An analysis of the results of each segment is as follows:

a) **Environmental monitoring, consultancy & services**

Environmental monitoring, consultancy and services segment revenue contributed 33% of the total Group revenue.

The segment revenue has dropped by RM1.4 million compared to the preceding year due to lower revenue generated from Saudi operation. The segment reported lower loss from operations by RM0.9 million due to higher revenue and gross margin recorded by Malaysia operation.

b) **Lab testing services**

Lab testing services segment revenue contributed 65% of the total Group revenue.

For the period ended 31 March 2023, the segment revenue and profit from operations was lower by RM0.7 million and RM0.4 million respectively as compared to the preceding year corresponding quarter.

B2. Material Changes in Profit for the Current Quarter as Compared to the Results of the Preceding Quarter

	Individual Quarter		Changes Amount	Changes +/(-)
	Current Quarter 31.3.2023 RM'000	Preceding Quarter 31.12.2022 RM'000		
Revenue				
Environmental monitoring, consultancy & services	6,723	8,280	(1,557)	(0.19)
Lab testing services	13,322	15,500	(2,178)	(0.14)
Corporate holding and Elimination	486	469	17	0.04
	<u>20,531</u>	<u>24,249</u>	<u>(3,718)</u>	<u>(0.15)</u>
Segment results				
Environmental monitoring, consultancy & services	(2,453)	(4,172)	1,719	0.41
Lab testing services	5,038	4,450	588	0.13
Corporate holding and Elimination	(601)	(1,684)	1,083	(0.64)
Profit from operations	<u>1,984</u>	<u>(1,406)</u>	<u>3,390</u>	<u>(2.41)</u>
Finance charges	(693)	(1,322)	629	0.48
Profit before tax	<u>1,291</u>	<u>(2,728)</u>	<u>4,019</u>	<u>(1.47)</u>
Tax Expense	(894)	(402)	(492)	(1.22)
(Loss)/Profit net of tax	<u>397</u>	<u>(3,130)</u>	<u>3,527</u>	<u>(1.13)</u>
Non Controlling interest	(1,812)	(1,506)	(306)	(0.20)
(Loss)/Profit attributable to owners of the company	<u>(1,415)</u>	<u>(4,636)</u>	<u>3,221</u>	<u>0.69</u>

B2. Material Changes in Profit for the Current Quarter as Compared to the Results of the Preceding Quarter (cont'd)

2.1 Group and Segments Analysis

Group Analysis:

The Group's revenue has decrease by RM3.7 million compared to the preceding quarter ended 31 December 2022. The Group's profit from operations however, increased by RM3.4 million compared to the preceding quarter ended 31 December 2022 mainly contributed by lower loss recorded for the environmental monitoring, consultancy and services segment.

An analysis of the results of each segment is as follows:

a) **Environmental monitoring, consultancy & services**

Environmental monitoring, consultancy and services reported a lower losses from operations by RM1.7 million compared to previous quarter ended 31 December 2022 due to higher gross margin and lower operating expenses recorded in the current quarter.

b) **Lab testing services**

Lab testing services segment reported lower revenue contributed by lower order secured in the current quarter. The segment's profit from operations however, is higher as compared to previous quarter ended 31 December 2022 contributed by lower operating expenses.

B3. Commentary on prospects

Whilst the Malaysian economy further expanded in Q1-2023 by 5.6% (4Q-2022: 7.1%), the overall Malaysian economy is projected to expand by 4.0% to 5.0% in 2023 amid a challenging external environment.

The balance of risks remains tilted to the downside, mainly from weaker global growth, tighter financial conditions, elevated inflation rates, with OPR (Overnight Placement Rate) normalized at 3%, re-escalation of geopolitical conflicts and continuous supply chain disruptions.

Nevertheless, we believe both our environmental monitoring, consultancy & services segment and lab testing services segment will generate moderate growth and continue to face challenges in the coming year.

In response, the management will continue to implement prudent measures in order to minimize any adverse impact to the organizational performance.

B4. Profit forecast or profit guarantee

There were no profit forecast or profit guarantee issued by the Group.

B5. Corporate proposals

There were no corporate proposal issued by the group for quarter ended 31 March 2023.

B6. Disclosure of gains/(losses) arising from fair value changes of financial liabilities

The Group did not have any financial liabilities measured at fair value through profit or loss as at 31 March 2023.

PROGRESSIVE IMPACT CORPORATION BERHAD
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SELECTED EXPLANATORY NOTES

B7. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at the date of this report.

B8. Changes in Material Litigation

There is no material litigation in the current year.

B9. Dividend

The Company does not recommend the payment of any dividend in respect of the financial year ended 31 December 2022.

B10. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 31 December 2022 was not qualified.

By order of the Board
PROGRESSIVE IMPACT CORPORATION BERHAD
Hajjah Zaidah Binti Haji Mohd Salleh
Company Secretary (MIA 3313)

Shah Alam