



PCCS Group Berhad

Company No. 280929-K
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENTS (UNAUDITED) FOR THE FOURTH QUARTER ENDED 31 MARCH 2015

	CURRENT QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 12 MONTHS ENDED	
	31.03.2015 RM'000	31.03.2014 RM'000	31.03.2015 RM'000	31.03.2014 RM'000
Revenue	82,401	67,824	357,068	377,859
Cost of sales	(73,871)	(61,558)	(320,904)	(321,826)
Gross Profit	8,530	6,266	36,164	56,033
Other Income	6,379	12,254	8,555	15,656
Interest Income	22	11	85	31
Administrative expenses	(14,851)	(14,634)	(44,854)	(46,516)
Selling and marketing expenses	(2,575)	(2,405)	(13,085)	(15,724)
Finance costs	(767)	(734)	(3,767)	(4,111)
(Loss)/profit before tax	(3,262)	758	(16,902)	5,369
Income tax expense	112	1,870	(202)	(139)
(Loss)/profit for the year	(3,150)	2,628	(17,104)	5,230
Attributable to:				
Equity holders of the parent	(3,593)	2,218	(17,252)	4,707
Non-controlling interest	443	410	148	523
	(3,150)	2,628	(17,104)	5,230
Earnings per share attributable to equity holders of the parent (sen):				
Basic	(5.25)	4.38	(28.50)	8.71
Diluted	Not applicable		Not applicable	

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.



PCCS Group Berhad

Company No. 280929-K
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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE FOURTH QUARTER ENDED 31 MARCH 2015

	CURRENT QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 12 MONTHS ENDED	
	31.03.2015 RM'000	31.03.2014 RM'000	31.03.2015 RM'000	31.03.2014 RM'000
(Loss)/profit for the year	(3,150)	2,628	(17,104)	5,230
Other comprehensive income net of tax				
Foreign currency translation	2,357	147	3,501	1,166
Total comprehensive income for the period	(793)	2,775	(13,603)	6,396
Total comprehensive income attributable to:				
Owners of the Parent	(1,236)	2,381	(13,751)	5,889
Non-controlling interest	443	394	148	507
	(793)	2,775	(13,603)	6,396

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.



PCCS Group Berhad

Company No. 280929-K
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015 (UNAUDITED)

	31.03.2015 RM'000 (Unaudited)	31.03.2014 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	80,832	76,912
Investment Properties	3,255	3,009
Prepaid lease payments	2,877	2,652
Other investment	-	70
	<u>86,964</u>	<u>82,643</u>
Current assets		
Inventories	53,259	45,821
Trade receivables	66,293	55,555
Other receivables	5,500	5,832
Other current assets	8,507	6,790
Tax Recoverable	-	658
Cash and bank balances	19,746	29,229
	<u>153,305</u>	<u>143,885</u>
TOTAL ASSETS	<u>240,269</u>	<u>226,528</u>
EQUITY AND LIABILITIES		
Equity attributable to equity owners of the parent		
Share capital	60,012	60,012
Share premium	4	4
Other reserves	6,508	3,007
Retained earnings	39,445	56,697
	<u>105,969</u>	<u>119,720</u>
Non-controlling interest	<u>655</u>	<u>507</u>
Total Equity	<u>106,624</u>	<u>120,227</u>
Non-Current liabilities		
Borrowings	4,253	3,868
Deferred tax (assets)/liabilities	(37)	231
	<u>4,216</u>	<u>4,099</u>
Current liabilities		
Borrowings	64,400	62,501
Trade payables	28,108	25,090
Other payables	35,102	14,611
Tax payables	1,819	-
	<u>129,429</u>	<u>102,202</u>
Total liabilities	<u>133,645</u>	<u>106,301</u>
TOTAL EQUITY AND LIABILITIES	<u>240,269</u>	<u>226,528</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.7658	1.9949

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.



PCCS Group Berhad

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE FOURTH QUARTER ENDED 31 MARCH 2015

	<----- Attributable to Equity Holders of the parent----->						Non- Controlling Interest RM'000	Total Equity RM'000
	----- Non-distributable -----			Distributable				
	Share Capital RM'000	Share premium RM'000	Foreign Exchange Reserves RM'000	Legal Reserves RM'000	Retained Earnings RM'000	Total RM'000		
As at 1 April 2013	60,012	4	1,499	326	51,990	113,831	-	113,831
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>1,182</u>	<u>-</u>	<u>4,707</u>	<u>5,889</u>	<u>507</u>	<u>6,396</u>
As at 31 March 2014	<u>60,012</u>	<u>4</u>	<u>2,681</u>	<u>326</u>	<u>56,697</u>	<u>119,720</u>	<u>507</u>	<u>120,227</u>
As at 1 April 2014	60,012	4	2,681	326	56,697	119,720	507	120,227
Total comprehensive income/(loss) for the year	<u>-</u>	<u>-</u>	<u>3,501</u>	<u>-</u>	<u>(17,252)</u>	<u>(13,751)</u>	<u>148</u>	<u>(13,603)</u>
As at 31 March 2015	<u>60,012</u>	<u>4</u>	<u>6,182</u>	<u>326</u>	<u>39,445</u>	<u>105,969</u>	<u>655</u>	<u>106,624</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 2014 and the accompanying explanatory notes attached to the interim financial statements.



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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE FOURTH QUARTER ENDED 31 MARCH 2015

	12 months ended	
	31.03.2015	31.03.2014
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before taxation from:		
- Continuing operations	(16,902)	5,369
Adjustment for: -		
Non-cash items	1,598	2,149
Non-operating items (which are investing/financing)	12,024	13,395
Interest expense	3,767	4,111
Interest income	(85)	(31)
Operating (loss)/profit before changes in working capital	<u>402</u>	<u>24,993</u>
Changes in working capital		
Net change in current assets	(21,158)	2,787
Net change in current liabilities	23,508	(4,402)
Interest paid	(3,767)	(4,111)
Tax paid	2,007	1,283
Net cash generated from operating activities	<u>992</u>	<u>20,550</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
- Purchase of property, plant and equipment	(10,077)	(4,206)
- Proceed from disposal of unit trust	76	-
- Placement of deposit pledged with bank	-	(19)
- Proceeds from disposal of property, plant and equipment	541	407
- Interest received	85	31
Net cash used in investing activities	<u>(9,375)</u>	<u>(3,787)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
- Repayment of hire purchase & lease financing	(1,132)	(1,988)
- Repayment of term loans	(3,407)	(2,303)
- Increase in short term borrowings	(1,764)	(1,422)
- Drawdown of HP & lease financing	810	-
- Drawdown of term loan	5,173	-
Net cash used in financing activities	<u>(320)</u>	<u>(5,713)</u>
Net (decrease)/increase in cash and cash equivalents	(8,703)	11,050
Effects of exchange rate changes	(3,384)	(935)
Cash and cash equivalents at beginning of financial year	28,023	17,908
Cash and cash equivalents at end of financial year	<u>15,936</u>	<u>28,023</u>
Cash and cash equivalents at the end of the financial year comprise the following:		
Cash and bank balances	19,746	29,229
Bank overdrafts	(3,391)	(839)
Deposits pledged to banks	(419)	(367)
	<u>15,936</u>	<u>28,023</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to the interim financial statements.



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PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

1. BASIS OF PREPARATION

These condensed consolidated interim financial statements, for the year ended 31 March 2015, 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 2014. The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2014, except for the adoption of the following Amendments: -

Effective for annual periods beginning on or after 1 January 2014

Amendments to MFRS 10	: Consolidated Financial Statements
Amendments to MFRS 12	: Disclosure of Interests of Other Entities
Amendments to MFRS 127	: Consolidated and Separate Financial Statements
Amendments to MFRS 132	: Financial Instruments: Presentation (Offsetting Financial Assets and Financial Liabilities)
Amendments to MFRS 136	: Recoverable Amount Disclosures for Non-Financial Assets
Amendments to MFRS 139	: (Novation of Derivatives and Continuation of Hedge Accounting)
IC Interpretation 21	: Levies

Effective for annual periods beginning on or after 1 July 2014

Amendments to MFRS 119	: Defined Benefit Plans: Employee Contributions
Annual Improvements to MFRSs 2010-2012 Cycle	
Annual Improvements to MFRSs 2011-2013 Cycle	

The adoption of the above mentioned Amendments to MFRSs and IC Interpretations did not have any material impact on the financial statements of the Group.

2. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 March 2014 was not qualified.



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3. SEGMENTAL INFORMATION

	Current quarter		Cumulative quarter	
	3 months ended		12 months ended	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Revenue from continuing operations:				
Apparels	100,087	114,894	464,053	588,813
Non-apparels	16,424	18,190	72,274	71,526
Total revenue before eliminations	116,511	133,084	536,327	660,339
Eliminations	(34,110)	(65,260)	(179,259)	(282,480)
Total	82,401	67,824	357,068	377,859
Segment Result				
Result from continuing operations:				
Apparels	(4,802)	1,961	(18,086)	5,787
Non-apparels	(8,454)	(9,688)	(10,034)	(7,920)
	(13,256)	(7,727)	(28,120)	(2,133)
Eliminations	9,994	8,485	11,218	7,502
Total	(3,262)	758	(16,902)	5,369

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

There were no dividends paid for the current quarter.



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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 2014.

9. DEBT AND EQUITY SECURITIES

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

10. CHANGES IN COMPOSITION OF THE GROUP

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

11. CAPITAL COMMITMENTS

There are no material capital commitments as at 31 March 2015.

12. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no other contingent liabilities or contingent assets, except for corporate guarantee amounting RM77 million given to licensed banks in respect of bank facilities granted to subsidiaries during the twelve months financial year ended 31 March 2015.

13. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the year that have 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

During the current quarter ended 31 March 2015, the Group recorded higher revenue of RM82.4 million as compare with RM67.8 million achieved in the previous corresponding period. The increase in Group revenue during the current quarter was mainly due to the slight increase of sales order. The pre-tax loss of the Group for the period under review recorded at RM3.3 million as compare with a pre-tax profit of RM758 thousand recorded for the corresponding period. The loss was mainly due to increase of minimum wages in Cambodia factory from January 2015 coupled with rising cost of production.

The Group's revenue and pre-tax loss for the year ended 31 March 2015 were RM357.1 million and RM16.9 million as compare with RM377.9 million and pre-tax profit of RM5.4 million in the previous corresponding year. The loss was mainly due to lower sales, increase cost of production and intense price competition in the garment industry.

15. COMMENT ON MATERIAL CHANGE IN THE QUARTERLY RESULTS

Total revenue decrease from RM100.2 million recorded in the preceding quarter to RM82.4 million achieved in the current quarter. The pre-tax loss of the Group recorded at RM3.3 million as compare with a pre-tax loss RM2.4 million recorded for the preceding quarter. The increase in losses was mainly due to increase of minimum wages in Cambodia factory from January 2015.

16. COMMENTARY ON PROSPECTS

The Group will continue to consolidate and centralize the operation to further reduce operating cost. Management will continue to focus on improving operational efficiencies and controlling its operation expenses to achieve better performance.

Apparel division will step up on marketing strategies and effort to garner a higher sales and labelling division will continue to explore business opportunities.

17. PROFIT FORECAST OR PROFIT GUARANTEE

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



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18. NOTES TO THE STATEMENTS OF COMPREHENSIVE INCOME

	Current quarter		Cumulative quarter	
	3 months ended		12 months ended	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
	RM'000	RM'000	RM'000	RM'000
Included in the (loss)/profit before tax are the following items:				
Interest income	(22)	(11)	(85)	(31)
Interest expenses	767	734	3,767	4,111
Depreciation	3,471	2,674	11,531	12,098
Fixed assets written off	7	1,373	30	1,374
Bad debts written off	2,078	307	2,078	307
(Gain)/loss on disposal of property, plant and equipment	(83)	(84)	469	(77)
Impairment loss on receivable	3	4,005	3	4,005
Net foreign exchange (gain)/loss	1,157	(1,050)	(485)	(3,370)

19. INCOME TAX EXPENSE

	Current quarter		Cumulative quarter	
	3 months ended		12 months ended	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax	(100)	(334)	210	489
Foreign income tax	(12)	(1,536)	(8)	(350)
Total income tax expense	<u>(112)</u>	<u>(1,870)</u>	<u>202</u>	<u>139</u>

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

20. CORPORATE PROPOSALS

a) Status of Corporate Proposals

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

b) Status of Utilisation of Proceeds

Not applicable.



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21. GROUP BORROWINGS

	As at 31 Mar 15 RM'000	As at 31 Mar 14 RM'000
Short term borrowings		
- Bank overdrafts	3,394	839
- Bankers' acceptance	2,854	3,407
- Trade loan/Trust receipts/Export bill financing	27,828	28,355
- Term loans	3,689	2,605
- Revolving credit	25,639	26,274
- Hire purchase and lease payables	996	1,021
	<u>64,400</u>	<u>62,501</u>
Long term borrowings		
- Hire purchase and lease payables	450	747
- Term loans	3,803	3,121
	<u>4,253</u>	<u>3,868</u>
Total	<u>68,653</u>	<u>66,369</u>

Borrowings denominated in foreign currency:

	'000	Ringgit Equivalent RM'000
- United States Dollars ("USD")	9,807	36,382
- Hong Kong Dollars ("HKD")	1,916	920
- Chinese, Yuan Renminbi ("RMB")	39,045	23,818
		<u>61,120</u>

22. REALISED AND UNREALISED EARNINGS OR LOSSES DISCLOSURE

The retained earnings as at 31 March 2015 is analysed as follows:

	As at 31 Mar'15 RM'000	As at 31 Mar'14 RM'000
Total retained earnings of the Company and its subsidiaries:		
- Realised	20,408	51,054
- Unrealised	(74)	(2,394)
	<u>20,334</u>	<u>48,660</u>
Less: Consolidation adjustments	19,111	8,037
Total group retained earnings as per consolidated financial statements	<u>39,445</u>	<u>56,697</u>



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23. CHANGES IN MATERIAL LITIGATION

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

24. DIVIDEND PAYABLE

No interim dividend has been declared for the financial year ended 31 March 2015 (31 March 2014: Nil).

25. EARNINGS PER SHARE

a Basic

The calculation of basic earnings per share is based on the net profit attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue of 60,012,002 during the reporting year.

b Diluted

There is no dilution in earnings per share as there was no dilutive potential ordinary shares as at 31 March 2015.

26. Authorisation for Issue

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors on 29 May 2015.

By Order of the Board

CHUA SIEW CHUAN (MAICSA 0777689)
Company Secretary
29 May 2015