



PCCS Group Berhad

Company No. 280929-K
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENTS (UNAUDITED) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

	CURRENT QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 12 MONTHS ENDED	
	31.03.2013 RM'000	31.03.2012 RM'000	31.03.2013 RM'000	31.03.2012 RM'000
Revenue	74,619	77,748	325,655	359,968
Cost of sales	(65,359)	(67,483)	(276,635)	(307,620)
Gross Profit	9,260	10,265	49,020	52,348
Other Income	936	977	4,090	7,825
Interest Income	2	2	30	20
Administrative expenses	(9,805)	(9,301)	(41,418)	(40,237)
Selling and marketing expenses	(3,563)	(2,498)	(12,250)	(13,167)
Finance costs	(930)	(1,222)	(4,140)	(4,888)
(Loss) / Profit before tax	(4,100)	(1,777)	(4,668)	1,901
Income tax expense	88	1,669	(2,510)	1,279
(Loss) / Profit for the period	(4,012)	(108)	(7,178)	3,180
Attributable to:				
Equity holders of the parent	(4,012)	(108)	(7,178)	3,180
Non-controlling interest	-	-	-	-
	(4,012)	(108)	(7,178)	3,180
Earnings per share attributable to equity holders of the parent (sen):				
Basic	(6.69)	(0.18)	(11.96)	5.30
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 2012 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 FINANCIAL YEAR ENDED 31 MARCH 2013

	CURRENT QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 12 MONTHS ENDED	
	31.03.2013 RM'000	31.03.2012 RM'000	31.03.2013 RM'000	31.03.2012 RM'000
(Loss) / Profit for the period	(4,012)	(108)	(7,178)	3,180
Other comprehensive income net of tax				
Foreign currency translation	987	(1,034)	157	1,342
Total comprehensive income for the period	(3,025)	(1,142)	(7,021)	4,522
Total comprehensive income attributable to:				
Owners of the Parent	(3,025)	(1,142)	(7,021)	4,522
Non-controlling interest	-	-	-	-
	(3,025)	(1,142)	(7,021)	4,522

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2012 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 2013 (UNAUDITED)

	31.03.2013 RM'000 (Unaudited)	31.03.2012 RM'000 (Unaudited) (restated)	01.04.2011 RM'000 (Unaudited) (restated)
ASSETS			
Non-current assets			
Property, plant and equipment	85,507	86,657	87,063
Investment Properties	884	895	909
Prepaid lease payments	2,608	834	840
Other investment	70	70	77
Goodwill	-	19	19
	<u>89,069</u>	<u>88,475</u>	<u>88,908</u>
Current assets			
Inventories	50,824	37,257	46,583
Trade receivables	53,552	62,505	64,517
Other receivables	23,295	8,778	7,773
Other current assets	5,902	6,252	7,364
Tax Recoverable	1,313	3,475	2,472
Cash and bank balances	18,998	24,835	25,653
	<u>153,884</u>	<u>143,102</u>	<u>154,362</u>
Non-current asset classified as held for sale	-	260	282.0
	<u>153,884</u>	<u>143,362</u>	<u>154,644</u>
TOTAL ASSETS	<u>242,953</u>	<u>231,837</u>	<u>243,552</u>
EQUITY AND LIABILITIES			
Equity attributable to equity owners of the parent			
Share capital	60,012	60,012	60,012
Share premium	4	4	4
Other reserves	1,715	1,558	19
Retained earnings	51,860	59,038	56,055
	<u>113,591</u>	<u>120,612</u>	<u>116,090</u>
Non-controlling interest	-	-	-
Total Equity	<u>113,591</u>	<u>120,612</u>	<u>116,090</u>
Non-Current liabilities			
Borrowings	7,971	9,298	8,854
Deferred tax liabilities	662	565	1,145
	<u>8,633</u>	<u>9,863</u>	<u>9,999</u>
Current liabilities			
Borrowings	64,386	73,528	78,663
Trade payables	24,779	14,430	19,852
Other payables	31,564	13,404	18,920
Dividends payable	-	-	28
	<u>120,729</u>	<u>101,362</u>	<u>117,463</u>
Total liabilities	<u>129,362</u>	<u>111,225</u>	<u>127,462</u>
TOTAL EQUITY AND LIABILITIES	<u>242,953</u>	<u>231,837</u>	<u>243,552</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.8928	2.0098	1.9344

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2012 and the accompanying explanatory notes attached to the interim financial statements.



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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

	<----- 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 2011 (restated)	60,012	4	-	19	56,055	116,090	-	116,090
Total comprehensive income for the year	-	-	1,342	-	3,180	4,522	-	4,522
Transfer to legal reserve	-	-	-	197	(197)	-	-	-
As at 31 March 2012 (restated)	<u>60,012</u>	<u>4</u>	<u>1,342</u>	<u>216</u>	<u>59,038</u>	<u>120,612</u>	<u>-</u>	<u>120,612</u>
As at 1 April 2012 (restated)	60,012	4	1,342	216	59,038	120,612	-	120,612
Total comprehensive income for the year	-	-	157	-	(7,178)	(7,021)	-	(7,021)
As at 31 March 2013	<u>60,012</u>	<u>4</u>	<u>1,499</u>	<u>216</u>	<u>51,860</u>	<u>113,591</u>	<u>-</u>	<u>113,591</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 2012 and the accompanying explanatory notes attached to the interim financial statements.



PCCS Group Berhad

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013

	12 months ended	
	31.03.2013	31.03.2012
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation from:		
- Continuing operations	(4,668)	1,901
Adjustment for:-		
Non-cash items	470	(315)
Non-operating items (which are investing/financing)	12,031	12,479
Interest expense	4,140	4,888
Interest income	(30)	(20)
Operating profit before changes in working capital	<u>11,943</u>	<u>18,933</u>
Changes in working capital		
Net change in current assets	(19,232)	11,245
Net change in current liabilities	28,509	(10,938)
Interest paid	(4,140)	(4,888)
Tax paid	(251)	(304)
Net cash generated from operating activities	<u>16,829</u>	<u>14,048</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
- Net cash inflow on disposal of subsidiaries	465	1,100
- Purchase of property, plant and equipment	(14,861)	(12,334)
- Proceeds from disposal of property, plant and equipment	3,133	1,203
- Interest received	30	20
Net cash used in investing activities	<u>(11,233)</u>	<u>(10,011)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
- Repayment of hire purchase & lease financing	(2,560)	(713)
- Repayment of term loans	(5,952)	(3,712)
- (Decrease)/increase in short term borrowings	(935)	(5,217)
- Drawdown of HP & lease financing	631	-
- Drawdown of term loan	3,100	5,638
- Dividend paid	-	(28)
Net cash used in financing activities	<u>(5,716)</u>	<u>(4,032)</u>
Net (decrease)/increase in cash and cash equivalents	(120)	5
Effects of exchange rate changes	(963)	302
Cash and cash equivalents at beginning of financial year	19,350	19,043
Cash and cash equivalents at end of financial year	<u>18,267</u>	<u>19,350</u>
Cash and cash equivalents at the end of the financial year comprise the following:		
Cash and bank balances	18,998	24,835
Bank overdrafts	(731)	(5,485)
	<u>18,267</u>	<u>19,350</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2012 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 2013, have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board. For the periods up to and including the year ended 31 March 2012, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRS").

These condensed consolidated interim financial statements are the Group's first MFRS condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS annual financial statements for the year ending 31 March 2013. MFRS 1 First-Time Adoption of Malaysian Financial Reporting Standards ("MFRS") has been applied. The adoption of MFRS has no significant impact on the financial statements except for the following:

Foreign Currency Translation Reserve

Under FRS, the Group recognized translation differences of foreign operations in a separate component of equity. Cumulative foreign currency translation differences for all foreign operations are deemed to be zero as at the date of transition to MFRS.

Accordingly, at date of transition to MFRS, the cumulative foreign currency translation differences of RM5,660K (31 March 2012: RM5,660K) were adjusted to retained earnings.

The reconciliations of equity for comparative periods and equity at the date of transition reported under FRS to those reported for those periods and at the date of transition under MFRS are provided below:

Reconciliation of equity as at 1 Apr 2011

RM'000	FRS as at 1 Apr 2011	Adjustments	MFRS as at 1 Apr 2011
Equity			
Foreign currency translation reserve	(5,660)	5,660	-
Retained earnings	61,715	(5,660)	56,055

Reconciliation of equity as at 31 March 2012

RM'000	FRS as at 31 Mar 2012	Adjustments	MFRS as at 31 Mar 2012
Equity			
Foreign currency translation reserve	(4,318)	5,660	1,342
Retained earnings	64,698	(5,660)	59,038



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2. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 March 2012 was not qualified.

3. SEGMENTAL INFORMATION

	Current quarter		Cumulative quarter	
	3 months ended		12 months ended	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Revenue from continuing operations:				
Apparels	98,493	116,470	458,111	536,572
Non-apparels	18,250	14,507	64,827	59,050
Total revenue before eliminations	116,743	130,977	522,938	595,622
Eliminations	(42,124)	(53,229)	(197,283)	(235,654)
Total	74,619	77,748	325,655	359,968
Segment Result				
Result from continuing operations:				
Apparels	(3,309)	(306)	(4,030)	2,188
Non-apparels	5,956	502	5,969	666
	2,647	196	1,939	2,854
Eliminations	(6,747)	(1,973)	(6,607)	(953)
Total	(4,100)	(1,777)	(4,668)	1,901

Apparels segment:

The apparels segment's revenue for the quarter ended 31 March 2013 dropped by 15.5% or RM18 million to RM98.5 million from RM116.5 million recorded in the preceding year corresponding quarter. The decrease was due to the reduction of sales orders from China operation.

Non-apparels segment:

The non-apparels segment's revenue for the quarter ended 31 March 2013 increased by 26.2% or RM4 million to RM18.3 million from RM14.5 million recorded in the preceding year corresponding quarter. The increase in revenue was mainly attributable to higher sales volume.

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.



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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.

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 2012.

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 2013.

12. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no other contingent liabilities or contingent assets, except for corporate guarantee amounting RM75 million given to licensed banks in respect of bank facilities granted to subsidiaries during the twelve months financial period ended 31 March 2013.

13. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the period 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 year ended 31 March 2013, the Group recorded a lower turnover of RM325.7 million compared to RM360.0 million achieved in the previous corresponding year. The decrease in Group revenue during the current year was mainly due to the reduction of sales from China apparel. The pre-tax loss of the Group for the year under review recorded at RM4.7 million compared to a pre-tax profit of RM1.9 million recorded for the preceding year. The loss was mainly due to the decreased in China apparel revenue and lower profit margin in Cambodia apparel orders.

15. COMMENT ON MATERIAL CHANGE IN THE QUARTERLY RESULTS

Total turnover decrease from RM95.1 million recorded in the preceding quarter to RM74.6 million achieved in the current quarter. The pre-tax loss of the Group recorded at RM4.1 million compared to a pre-tax profit RM2.3 million recorded for the preceding quarter.

16. COMMENTARY ON PROSPECTS

The Group will continue to implement action plans to diversify the source of revenue coupled with improvement in efficiency and productivity. Total revenue earned from apparels division is expected to be stable and the non-apparels business is expected to be enhanced. The Group is thus reasonably optimistic on the overall performance of the next financial year.

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		Cumulative quarter	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit before tax				
Included in the profit/(loss) before tax are the following items:				
Interest income	(2)	(2)	(30)	(20)
Interest expenses	930	1,222	4,140	4,888
Depreciation	2,692	4,178	11,959	13,869
Provision for doubtful debts	(21)	301	447	301
Impairment loss of other investment	(3)	7	-	7
Goodwill written off	-	-	19	-
(Loss)/gain on disposal of property, plant and equipment	525	222	533	(419)
Impairment of property, plant and equipment	-	(1,284)	-	-
Net foreign exchange gain/(loss)	(23)	858	4	(598)



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19. INCOME TAX EXPENSE

	Current quarter 3 months ended		Cumulative quarter 12 months ended	
	31.03.2013 RM'000	31.03.2012 RM'000	31.03.2013 RM'000	31.03.2012 RM'000
Malaysian income tax	156	1,310	(1,341)	1,412
Foreign income tax	(68)	359	(1,169)	(133)
Total income tax expense	<u>88</u>	<u>1,669</u>	<u>(2,510)</u>	<u>1,279</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.

21. GROUP BORROWINGS

	As at 31 Mar 13 RM'000	As at 31 Mar 12 RM'000
Short term borrowings		
- Bank overdrafts	732	5,485
- Bankers' acceptance	3,254	7,228
- Trade loan/Trust receipts/Export bill financing	30,304	32,558
- Term loans	2,422	3,447
- Revolving credit	25,210	22,339
- Hire purchase and lease payables	2,464	2,471
	<u>64,386</u>	<u>73,528</u>
	As at 31 Mar 13 RM'000	As at 31 Mar 12 RM'000
Long term borrowings		
- Hire purchase and lease payables	1,674	3,597
- Term loans	6,297	5,701
	<u>7,971</u>	<u>9,298</u>
Total	<u>72,357</u>	<u>82,826</u>



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Borrowings denominated in foreign currency:

	'000	Ringgit Equivalent RM'000
- United States Dollars ("USD")	11,277	34,961
- Hong Kong Dollars ("HKD")	1,830	732
- Chinese, Yuan Renminbi ("RMB")	48,280	23,657
		<u>59,350</u>

22. REALISED AND UNREALISED EARNINGS OR LOSSES DISCLOSURE

The retained earnings as at 31 March 2013 is analysed as follows:

	As at 31 Mar'13 RM'000	As at 31 Mar'12 RM'000
Total retained earnings of the Company and its subsidiaries:		
- Realised	63,106	71,617
- Unrealised	(745)	(183)
	<u>62,361</u>	<u>71,434</u>
Less: Consolidation adjustments	(10,501)	(12,396)
Total group retained earnings as per consolidated financial statements	<u>51,860</u>	<u>59,038</u>

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 2013 (31 March 2012: 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 period.

b Diluted

There is no dilution in earnings per share as there was no dilutive potential ordinary shares as at 31 March 2013.



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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 22 May 2013.

By Order of the Board

CHUA SIEW CHUAN (MAICSA 0777689)
Company Secretary
31 May 2013