PCCS GROUP BERHAD

Registration No. 199301026191 (280929-K)
(Incorporated In Malaysia)

ANNUAL REPORT 2026

CONTENTS

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirty-Second ("32nd") Annual General Meeting of the Company will be held at PCCS Group Berhad's Corporate Office, Lot 1376, GM 127, Mukim Simpang Kanan, Jalan Kluang, 83000 Batu Pahat, Johor Darul Takzim on Thursday, 27 August 2026 at 9:30 a.m. for the following purposes:-

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 March 2026 together with the Reports of the Directors and the Auditors thereon. **Please refer to Explanatory Note A**

2. To re-elect the following Directors who retire pursuant to Clause 117 of the Company's Constitution, and being eligible, have offered themselves for re-election: -

   (a) Mr. Chan Wee Kiang; **Resolution 1**
   (b) Mr. Chan Chor Ang; and **Resolution 2**
   (c) Mr. Piong Yew Peng. **Resolution 3**

3. To approve the payment of Directors' fees amounting to RM675,000/- for the period from 28 August 2026 until the next Annual General Meeting of the Company to be held in year 2027. **Resolution 4**

4. To approve the benefits payable to the Independent Non-Executive Directors up to RM30,000/- for the period from 28 August 2026 until the next Annual General Meeting of the Company to be held in year 2027 pursuant to Section 230(1)(b) of the Companies Act 2016. **Resolution 5**

5. To re-appoint Baker Tilly Monteiro Heng PLT as Auditors of the Company until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration. **Resolution 6**

AS SPECIAL BUSINESS

To consider and, if thought fit, with or without any modification, to pass the following Ordinary Resolutions: -

6. **ORDINARY RESOLUTION**
   - AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016 AND WAIVER OF PRE-EMPTIVE RIGHTS **Resolution 7**

"**THAT** subject to the Companies Act 2016 ("**the Act**"), the Constitution of the Company and approvals from Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**") and any other governmental/regulatory authorities, the Directors of the Company be and are hereby empowered to issue and allot shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this Resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding Treasury Shares, if any) for the time being as stipulated under Paragraph 6.03(1) of the Main Market Listing Requirements of Bursa Malaysia Securities;

AND THAT the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities;

AND THAT pursuant to Section 85 of the Act to be read together with Clause 14 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to the Act;

AND FURTHER THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."

7. **ORDINARY RESOLUTION**
- RETENTION OF MR. PIONG YEW PENG AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR **Resolution 8**

"**THAT** approval be and is hereby given to Mr. Piong Yew Peng, who has served as an Independent Non-Executive Director for a cumulative term of more than nine (9) years, retain as an Independent Non-Executive Director of the Company."

8. **ORDINARY RESOLUTION**
- PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY **Resolution 9**

"**THAT** subject to the provisions of the Companies Act 2016 ("**the Act**"), the provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**") and all other relevant authorities, approval be and is hereby given for the Company, to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities, upon such terms and conditions as the Directors of the Company may in their absolute discretion deem fit and expedient in the interest of the Company ("**Share Buy-Back Mandate**") provided that: -

(i) the aggregate number of ordinary shares in the Company which may be purchased and/or held by the Company at any point of time pursuant to the Share Buy-Back Mandate shall not exceed ten per centum (10%) of the total number of issued ordinary shares of the Company for the time being;

(ii) the maximum amount of funds to be allocated by the Company for the purpose of purchasing its own ordinary shares shall not exceed the Company's retained profits at the time of purchase(s);

(iii) the authority conferred by this resolution will be effective immediately upon the passing of this ordinary resolution and will continue to be in force until: -

(a) the conclusion of the next Annual General Meeting ("**AGM**") of the Company, at which time the said authority will lapse unless by an ordinary resolution passed at the general meeting of the Company, the authority is renewed, either unconditionally or subject to conditions;

(b) the expiration of the period within which the next AGM of the Company is required by law to be held; or

(c) revoked or varied by an ordinary resolution passed by the shareholders in general meeting,

whichever is the earlier;

(iv) the shares so purchased by the Company pursuant to the Share Buy-Back Mandate be retained as treasury shares which may be distributed as dividends and/or resold on Bursa Malaysia Securities and/or cancelled and/or transfer for the purposes of or under an employees' share scheme and/or be dealt with by the Directors of the Company in the manners allowed by the Act;

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps as are necessary to implement, finalise and give full effect to the aforesaid with full powers to assent to any condition, modification, variation and/or amendment, if any, as may be imposed by the relevant authorities and to do all such acts and things as the Directors of the Company may deem fit and expedient in the interests of the Company."

9. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 or the Company's Constitution.

By Order of the Board of Directors

CHUA SIEW CHUAN (SSM PC NO. 201908002648) (MAICSA 0777689)
CHENG CHIA PING (SSM PC NO. 202008000730) (MAICSA 1032514)
TEE ZHEN WAN (SSM PC NO. 202008000241) (LS0009869)
Company Secretaries

Kuala Lumpur
29 July 2026

Notes:

Information for Shareholders/Proxies

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 18 August 2026 shall be eligible to attend the Meeting.

2. A member entitled to attend and vote at the Meeting, shall be entitled to appoint more than one (1) proxy to attend, participate, speak and vote instead of the member at the Meeting. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to attend, participate, speak and vote at the Meeting and upon appointment, a proxy shall be deemed to confer authority to demand or join in demanding a poll.

3. Where a member appoints more than one (1) proxy in relation to the Meeting, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy, failing which the appointment shall be invalid.

4. Where a member of the Company is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

5. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.

6. The instrument appointing a proxy must be deposited at Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time for holding the Meeting or at any adjournment thereof.

7. Any Notice of Termination of Authority to act as Proxy must be received by the Company before the commencement of the Meeting or at any adjournment thereof, failing which, the termination of the authority of a person to act as proxy will not affect the following in accordance with Section 338 of the Companies Act 2016: -

   (a) the constitution of the quorum at such meeting;
   (b) the validity of anything he/she did as chairman of such meeting;
   (c) the validity of a poll demanded by him/her at such meeting; or
   (d) the validity of the vote exercised by him/her at such meeting.

Explanatory Notes to Ordinary and Special Business: -

(A) Audited Financial Statements for the financial year ended 31 March 2026

This Agenda item is meant for discussion only, as the provision of Section 340(1)(a) of the Companies Act 2016 ("**the Act**") does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

(B) Resolutions 1 to 3 – Re-election of Directors

In determining the eligibility of the Directors to stand for re-election at the 32nd Annual General Meeting of the Company, the Nomination Committee ("**NC**") reviewed and assessed the following Directors ("**Retiring Directors**") from the annual assessment and evaluation of the Board of Directors ("**Board**") for the financial year ended 31 March 2026. The Board via the NC's annual assessment was satisfied with the performance of the Retiring Directors who are standing for re-election and had recommended to the shareholders the proposed re-election at the 32nd Annual General Meeting under Resolutions 1 to 3: -

(a) Mr. Chan Wee Kiang;
(b) Mr. Chan Chor Ang; and
(c) Mr. Piong Yew Peng.

The profiles of the Retiring Directors are set out in the Annual Report in respect of the financial year ended 31 March 2026.

(C) Resolution 7 – Authority to Issue Shares pursuant to the Act and waiver of pre-emptive rights

The Company wishes to renew the mandate on the authority to issue shares of not more than ten per centum (10%) of the total issued shares for the time being pursuant to the Act at the 32nd Annual General Meeting of the Company ("**General Mandate**").

The Company had been granted a general mandate on the authority to issue shares pursuant to the Act by its shareholders at the Thirty-First Annual General Meeting of the Company held on 28 August 2025 ("**Previous Mandate**").

As at the date of this Notice, the Previous Mandate granted by the shareholders had not been utilised and hence no proceeds were raised therefrom.

After having considered all aspects of the General Mandate, the Board is of the opinion that the seeking of the General Mandate would be in the best interest of the Company and its shareholders, on the following basis: -

- the General Mandate would provide the Company and its subsidiaries with financial flexibility to raise capital expeditiously for its operations, future expansion and business development;
- the General Mandate would allow the Company to raise equity capital promptly rather than the more costly and time-consuming process by obtaining shareholders' approval in a general meeting should the need for capital arise;
- other financing alternatives such as debt financing may incur interest burden to the Company and its subsidiaries; and
- the General Mandate provides the Company with the capability to capture any capital raising and/or prospective investment opportunities when they are identified.

Pursuant to Section 85 of the Act read together with Clause 14 of the Constitution of the Company, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other securities.

Thus, the Company seeks shareholder approval to waive pre-emptive rights under Section 85 of the Act and Clause 14 of the Constitution concerning the issuance of shares through the General Mandate. The proposed Resolution 7, if passed, will allow the Directors to issue new ordinary shares and/or convertible securities to any person under the General Mandate without having to offer the new shares to be issued equally to all existing shareholders of the Company prior to the allotment.

(D) <u>Resolution 8 – Retention as Independent Non-Executive Director</u>

Mr. Piong Yew Peng who was appointed as an Independent Director on 1 April 2015 and redesignated as Senior Independent Non-Executive Chairman on 26 May 2023, has served on the Board for a cumulative term of more than nine (9) years. In accordance with the Malaysian Code on Corporate Governance, the Board has assessed Mr. Piong Yew Peng's independence and considered him to be independent based on several justifications, recommending that he be retained as an Independent Non-Executive Director of the Company: -

- he has fulfilled the definition of an Independent Director as set out in Paragraph 1.01 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**") ("**Main LR**");
- he has not been involved in any business or other relationship which could hinder the exercise of independent judgement, objectivity or the ability to act in the best interests of the Company; and
- he has no potential conflict of interest with the Company and has not been entering into any contract or transaction with the Company and/or its subsidiaries.

(E) <u>Resolution 9 – Proposed Renewal of Share Buy-Back Authority</u>

The Proposed Resolution 9 is to renew the authority granted by the shareholders of the Company at the Thirty-First Annual General Meeting held on 28 August 2025. The Proposed Renewal of Share Buy-Back Authority, if passed, will empower the Board of the Company to purchase the Company's ordinary shares up to ten per centum (10%) of the total number of issued shares of the Company at any time within the time period stipulated in the Main LR.

CORPORATE STRUCTURE

AS AT 29 JULY 2026

PCCS Group Berhad
Reg. No. 199301026191(280929-K)
(Incorporated in Malaysia)

- 70% La Prima Medicare Pte. Ltd.
- 100% La Prima Medtech Sdn. Bhd.
- 100% Southern Capital Group Sdn. Bhd.
  - 100% Delight Agencies Sdn. Bhd.
  - 100% Mohita Jaya Sdn. Bhd.
  - 100% Team One Agency Sdn. Bhd.
- 100% Southern Auto Capital Sdn. Bhd.
- 100% PCCS (Hong Kong) Limited
  - 100% Kezanova Sdn. Bhd.
  - 100% PCCS Garments (Suzhou) Ltd.
    - 51% PCCS Garments (Shandong) Ltd.
  - 100% Wan He Da Manufacturing Company Limited
    - 100% Thirty Three Apparels (Cambodia) Co., Ltd.
  - 100% Perfect Seamless Garments (Cambodia) Limited
- 100% JIT Textiles Limited
- 100% Thirty Three (Hong Kong) Limited
  - 100% Thirty Three (Shanghai) Limited
- 100% Beauty Silk Screen (M) Sdn. Bhd.
  - 100% Beauty Silk Screen Limited
- 100% Keza Sdn. Bhd.
  - 100% Keza (Cambodia) Limited
- 100% Mega Labels & Stickers Sdn. Bhd.
  - 100% Mega Labels & Stickers (Cambodia) Co., Ltd.

Apparel
Credit financing/Insurance agency and other
Others

CORPORATE INFORMATION

BOARD OF DIRECTORS

PIONG YEW PENG
Senior Independent
Non-Executive Chairman

CHAN WEE KIANG
Group Managing Director

CHAN WEE BOON
Executive Director

CHAN CHOW TEK
Non-Independent
Non-Executive Director

DATO' CHAN CHOR NGIAK
Non-Independent
Non-Executive Director

CHAN CHOR ANG
Non-Independent
Non-Executive Director

JOYCE WONG AI MAY
Independent
Non-Executive Director

GOH WEN LING
Independent
Non-Executive Director

AUDIT COMMITTEE

Joyce Wong Ai May
(Chairperson)
Goh Wen Ling
Dato' Chan Chor Ngiak

NOMINATION COMMITTEE

Joyce Wong Ai May
(Chairperson)
Goh Wen Ling
Dato' Chan Chor Ngiak

REMUNERATION COMMITTEE

Goh Wen Ling
(Chairperson)
Joyce Wong Ai May
Dato' Chan Chor Ngiak

COMPANY SECRETARIES

Chua Siew Chuan
(SSM PC NO. 201908002648)
(MAICSA 0777689)
Cheng Chia Ping
(SSM PC NO. 202008000730)
(MAICSA 1032514)
Tee Zhen Wan
(SSM PC NO. 202008000241)
(LS0009869)
(appointed on 27 November 2025)

REGISTERED OFFICE AND CORPORATE OFFICE

Lot 1376, GM 127,
Mukim Simpang Kanan,
Jalan Kluang,
83000 Batu Pahat,
Johor Darul Takzim
Tel No : 07-456 8871
Fax No : 07-456 8860
Email address : lhtang@pccsgroup.net

SHARE REGISTRAR

Securities Services (Holdings) Sdn. Bhd.
[197701005827 (36869-T)]
Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan
Tel No : 03-2084 9000
Fax No : 03-2094 9940 / 2095 0292
Email address: info@sshsb.com.my

AUDITORS

Baker Tilly Monteiro Heng PLT
(AF 0117)
Chartered Accountants
Baker Tilly Tower,
Level 10, Tower 1, Avenue 5,
Bangsar South City,
59200 Kuala Lumpur,
Wilayah Persekutuan
Tel No : 03-2297 1000
Fax No : 03-2282 9980

SOLICITORS

Enolil Loo
Advocates & Solicitors
M-2-9 Plaza Damas,
60 Jalan Sri Hartamas 1,
Sri Hartamas,
50480 Kuala Lumpur,
Wilayah Persekutuan
Tel No : 03-6203 2381
Fax No : 03-6203 2359

PRINCIPAL BANKERS

Malayan Banking Berhad
[196001000142 (3813-K)]

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad

CORPORATE WEBSITE

http://www.pccsgroup.net/

CORPORATE CALENDAR

CORPORATE CALENDAR – 1 APRIL 2025 TO 29 JULY 2026

28 May 2025

Announcement of quarterly consolidated results for the financial year ended 31/03/2025.

30 May 2025

Acquisition of Delight Agencies Sdn. Bhd., Mohita Jaya Sdn. Bhd. and Team One Agency Sdn. Bhd. under Southern Capital Group Sdn. Bhd., a wholly-owned subsidiary of PCCS.

28 July 2025

Release of the Annual Report and Corporate Governance Report for the financial year ended 31/03/2025.

28 August 2025

31st Annual General Meeting of the Company.

29 August 2025

Announcement of quarterly consolidated results for the financial period ended 30/06/2025.

29 August 2025

Declaration of a single-tier interim dividend of RM0.01 per ordinary share for the financial year ended 31/03/2026.

27 November 2025

Announcement of quarterly consolidated results for the financial period ended 30/09/2025.

26 February 2026

Announcement of quarterly consolidated results for the financial period ended 31/12/2025.

28 May 2026

Announcement of quarterly consolidated results for the financial year ended 31/03/2026.

13 July 2026

Announcement of proposals to ratify the Company and its subsidiaries ("**Group**")'s business diversification to include credit financing and related insurance business, and to distribute the Company's entire equity interest in Southern Capital Group Sdn. Bhd. to PCCS's shareholders via a capital reduction exercise.

29 July 2026

Release of the Annual Report and Corporate Governance Report for the financial year ended 31/03/2026.

PROFILE OF DIRECTORS

PIONG YEW PENG

Senior Independent Non-Executive Chairman

Nationality	Gender	Aged
Malaysian	**Male**	**55**

Mr. Piong Yew Peng ("**Mr. Piong**") was appointed to the Board of Directors of PCCS Group Berhad ("**the Company**") on 1 April 2015 as an Independent Non-Executive Director and was re-designated as the Senior Independent Non-Executive Chairman on 26 May 2023.

Mr. Piong holds a Bachelor of Business (Accounting) from RMIT University, Melbourne, Australia. He is a member of the Malaysian Institute of Accountants and a fellow member of Certified Practising Accountant (CPA) Australia. Mr. Piong has more than thirty (30) years of experience in providing audit and accounting services to a wide range of clients.

Mr. Piong does not have any family relationship with any Director or major shareholder of the Company. He is the Director of public companies, namely The Pay Fong School Berhad and Premier Pay Fong Foundation. He also represents the Malacca Chinese Chamber of Commerce and Industry to serve as the Director of Memorial Venture Berhad. In addition, he has no directorships in other listed companies.

He attended all four (4) Board of Directors' Meetings of the Company held in the financial year ended 31 March 2026.

PROFILE OF DIRECTORS
(CONT'D)

CHAN WEE KIANG

Group Managing Director

Nationality	Gender	Aged
Malaysian	**Male**	**48**

Mr. Chan Wee Kiang ("**Mr. David**") was appointed to the Board of Directors of PCCS Group Berhad ("**PCCS**") on 2 November 2020 as the Group Managing Director.

He received a Bachelor of Commerce (Accounting and Finance) from Monash University, Clayton Campus, Melbourne, Australia in 2006.

Mr. David started his career in Perusahaan Chan Choo Sing Sdn. Bhd. (currently known as La Prima Medtech Sdn. Bhd.) as a Marketing Executive since 2002 and subsequently being promoted as Marketing Manager in year 2003. In year 2007, he was appointed as Group Marketing Manager in PCCS and subsequently promoted as Deputy Group General Manager in year 2008. He was then promoted as Group Managing Director on 2 November 2020.

Mr. David is a substantial shareholder of PCCS effective from 20 March 2018. He is the son of Mr. Chan Choo Sing and Madam Tan Kwee Kee (the substantial shareholders of PCCS) and the brother of Mr. Chan Wee Boon (the Director of PCCS). He has direct interest of 30% in the equity of CCS Capital Sdn. Bhd., the major shareholder of PCCS.

Mr. David currently sits on the board of several private limited companies. He has no directorships in other public companies and listed companies.

He attended all four (4) Board of Directors' Meetings of PCCS held in the financial year ended 31 March 2026.

CHAN WEE BOON

Executive Director

Nationality	Gender	Aged
Malaysian	**Male**	**45**

Mr. Chan Wee Boon ("**Mr. Edmund**") was appointed to the Board of Directors of PCCS Group Berhad ("**PCCS**") on 2 November 2020 as an Executive Director.

He holds a Bachelor of Civil Engineering from Monash University, Clayton Campus, Melbourne, Australia.

Mr. Edmund started his career in China as a Project Manager in 2004. He returned to Malaysia in year 2008, working as a Project Manager in Penang. He joined PCCS Group in year 2010 as General Manager in Label and Packaging Division and subsequently being promoted as Group General Manager in 2014. He was then promoted as the Executive Director of PCCS on 2 November 2020.

He is the son of Mr. Chan Choo Sing and Madam Tan Kwee Kee (the substantial shareholders of PCCS) and the brother of Mr. Chan Wee Kiang (the Director and substantial shareholder of PCCS).

Mr. Edmund currently sits on the board of several private limited companies. He has no directorships in other public companies and listed companies.

He attended all four (4) Board of Directors' Meetings of PCCS held in the financial year ended 31 March 2026.

PROFILE OF DIRECTORS
(CONT'D)

CHAN CHOW TEK

Non-Independent Non-Executive Director

Nationality	Gender	Aged
Malaysian	**Male**	**69**

Mr. Chan Chow Tek ("**Mr. Chan CT**") was appointed to the Board of Directors of PCCS Group Berhad ("**PCCS**") on 21 June 1995 as an Executive Director. He was then re-designated as Non-Independent Non-Executive Director on 2 November 2020.

He completed his Malaysian Certificate of Education (which is equivalent to O-Level).

Mr. Chan CT led all the marketing activities in PCCS Group and has more than fifty (50) years of experience in textile and apparel marketing and merchandising. He started his career in 1973 in marketing the products of Chan Trading to local departmental stores. In 1981, he successfully made the first export order for Perusahaan Chan Choo Sing Sdn. Bhd. (currently known as La Prima Medtech Sdn. Bhd.) and has since brought the company's export sales to greater success.

He was also responsible for the development and growth of PCCS Group's garment business. His job includes keeping abreast with the latest development in the apparel and fashion industry by frequent overseas trips to identify new and potential markets.

Mr. Chan CT is a substantial shareholder of PCCS and is the brother of Dato' Chan Chor Ngiak and Mr. Chan Chor Ang (the Directors of PCCS) and Mr. Chan Choo Sing (the substantial shareholder of PCCS).

Mr. Chan CT currently sits on the board of several private limited companies. He has no directorships in other public companies and listed companies.

He attended three (3) out of four (4) Board of Directors' Meetings of PCCS held in the financial year ended 31 March 2026.

DATO' CHAN CHOR NGIAK

Non-Independent Non-Executive Director

Nationality	Gender	Aged
Malaysian	**Male**	**64**

Dato' Chan Chor Ngiak ("**Dato' Chan**") was appointed to the Board of Directors of PCCS Group Berhad ("**PCCS**") on 21 June 1995 and serves as Non-Independent Non-Executive Director since then. Dato' Chan is a member of Audit Committee, Nomination Committee and Remuneration Committee.

Dato' Chan completed his Malaysian Certificate of Education (which is equivalent to O-Level).

He started his career in 1980 in marketing the products of Chan Trading to local department stores. He has continuously established connections with many business executives in the Chamber of Commerce and Associations. He is the Honorary President of the Chinese Chamber of Commerce in Batu Pahat and the Chairman of the Chinese Association in Parit Raja, Batu Pahat.

In conjuction with the eighty-first (81st) birthday celebration of the Sultan of Pahang, he was conferred the "Darjah Indera Mahkota Pahang (D.I.M.P.)" that carries the prestigious title of Dato'.

Dato' Chan is the brother of Mr. Chan Chow Tek (the Director and substantial shareholder of PCCS), Mr. Chan Chor Ang (the Director of PCCS) and Mr. Chan Choo Sing (the substantial shareholder of PCCS).

Dato' Chan currently sits on the board of several private limited companies. He has no directorships in other public companies and listed companies.

He attended all four (4) Board of Directors' Meetings of PCCS held in the financial year ended 31 March 2026.

PROFILE OF DIRECTORS
(CONT'D)

CHAN CHOR ANG

Non-Independent Non-Executive Director

Nationality	Gender	Aged
Malaysian	**Male**	**62**

Mr. Chan Chor Ang ("**Mr. Chan CA**") was appointed to the Board of Directors of PCCS Group Berhad ("**PCCS**") on 21 June 1995 and serves as Non-Independent Non-Executive Director since then.

He completed his Junior Middle Three in Chinese High School. He joined Perusahaan Chan Choo Sing Sdn. Bhd. (currently known as La Prima Medtech Sdn. Bhd.) in 1981 and was transferred to Jusca Garments Sdn. Bhd. as the Factory Manager in 1985. He has more than forty (40) years of experience in the textile and garment industry.

Mr. Chan CA is the brother of Mr. Chan Chow Tek (the Director and substantial shareholder of PCCS), Dato' Chan Chor Ngiak (the Director of PCCS) and Mr. Chan Choo Sing (the substantial shareholder of PCCS).

Mr. Chan CA currently sits on the board of several private limited companies. He has no directorships in other public companies and listed companies.

He attended all four (4) Board of Directors' Meetings of PCCS held in the financial year ended 31 March 2026.

JOYCE WONG AI MAY

Independent Non-Executive Director

Nationality	Gender	Aged
Malaysian	**Female**	**49**

Ms. Joyce Wong Ai May ("**Ms. Joyce**") was appointed to the Board of Directors of PCCS Group Berhad ("**the Company**") on 2 November 2020. She is the Chairperson of the Audit Committee and Nomination Committee. She is also a member of the Remuneration Committee.

Ms. Joyce graduated from the University of Tasmania with a Bachelor of Commerce, majoring in Accounting and Finance. She is a member of the Malaysian Institute of Accountants, a corporate member of the Institute of Internal Auditors Malaysia and a fellow member of Certified Practising Accountant (CPA) Australia.

She started her career with Smith Zain Securities Sdn. Bhd. as an Accounts Executive in 1999 and was subsequently promoted to Head of Finance in 2002 under BBMB Securities Sdn. Bhd. ("**BBMB**"), Penang Branch. BBMB took over the business of Smith Zain Securities Sdn. Bhd. under a restructuring exercise. Ms. Joyce joined Hwang-DBS Securities Berhad in 2004 and then left the company to join an international accounting firm in 2005 and was promoted to Director in 2015, before setting up her own consultancy firm where she is the founder and also a Director of JWC Consulting Sdn. Bhd.

She also serves on the Industry Advisory Panel of the School of Business for Disted College, Penang and is a member of the Finance Committee of a non-profit organisation. In addition, she is an Independent Director of Caritas Malaysia. She also holds the position of Independent Non-Executive Director and Audit Committee Chairperson for both Edelteq Holdings Berhad and FoundPac Group Berhad as well as Independent Non-Executive Director and Chairperson of Audit and Risk Management Committee for 3Ren Berhad.

Ms. Joyce does not have any family relationship with any Director or major shareholder of the Company.

She attended all four (4) Board of Directors' Meetings of the Company held in the financial year ended 31 March 2026.

PROFILE OF DIRECTORS
(CONT'D)

GOH WEN LING

Independent Non-Executive Director

Nationality	Gender	Aged
Malaysian	**Female**	**46**

Ms. Goh Wen Ling ("**Ms. Goh**") was appointed to the Board of Directors of PCCS Group Berhad ("**the Company**") on 1 September 2022. She is the Chairperson of Remuneration Committee. She is also a member of Audit Committee and Nomination Committee.

Ms. Goh earned a Bachelor of Laws with Honours from the University of Hull in 2000. Inns of Court School of Law at City University London awarded her a postgraduate diploma a year after 2000. In year 2001, she was called to the Bar of England and Wales as a Barrister-at-Law of the Honourable Society of the Middle Temple. She was then admitted to the High Court of Malaya as an advocate and solicitor in 2002.

Ms. Goh has more than twenty (20) years of expertise in the legal industry encompassing direct real estate acquisitions and divestments, retail banking and various aspects of financing, as well as corporate and commercial legal practice.

Ms. Goh kick started her career in Shook Lin & Bok as a pupil-in-chambers in 2001. In July 2002, she was appointed as a Legal Assistant in the department of intellectual property to review and provide advice on the registration of trademarks, patents, and industrial designs registration, as well as trademark and copyright infringement.

Ms. Goh decided to leave the law profession and create her own event management business, Aldrea Dream Media Sdn. Bhd. In year 2003, she returned to legal practice and joined Messrs. Andrew T.S. Goh & Khairil as a Junior Partner and Head of the Conveyancing, Corporate and Banking department and currently still active in legal practice. Her primary areas of expertise include providing advice and drafting shareholder agreements, joint venture agreements (for government and housing development projects), shareholder agreements, share sale agreements, sales and purchase agreements, and Islamic banking loan documentation for various financial institutions and credit companies.

Ms. Goh also sits on the Board of Leong Hup International Berhad, Teo Seng Capital Berhad and MYMBN Berhad.

She does not have any family relationship with any Director and/or major shareholder of the Company.

She attended all four (4) Board of Directors' Meetings of the Company held in the financial year ended 31 March 2026.

Other Information

(i) Conflict of Interests

None of the Directors has any conflict of interests with PCCS Group Berhad.

(ii) Offences and Public Sanctions or Penalties Imposed by Regulatory Bodies

Other than traffic offences, if any, none of the Directors has been convicted of any offences within the past 5 years or been subjected to any public sanctions or penalties imposed by any relevant regulatory bodies during financial year ended 31 March 2026.

PROFILE OF KEY SENIOR MANAGEMENT

TANG LAI HUAT

Corporate Controller

Nationality	Gender	Aged
Malaysian	**Male**	**43**

Dr. Tang Lai Huat ("**Dr. Tang**") was appointed as Financial Controller of PCCS Group Berhad ("**PCCS**") on 1 September 2016 and was subsequently appointed as Corporate Controller on 1 March 2018. He is responsible for leading and overseeing the Corporate Office as well as the finance and accounting functions of the Group. He is additionally accountable for executing the group's policies and strategic deployments, encompassing the realm of credit (the Chief Executive Officer ("**CEO**") of the sector), medicine equipment and new business. Beyond that, he demonstrates remarkable proficiency in the Sarbanes-Oxley Act, coupled with a profound understanding of legal principles and an extensive familiarity with the most prominent rules and regulations governing capital markets in both the United States and prominents markets jurisdictions.

Dr. Tang holds a Doctorate Degree in Business Administration from the esteemed Business School Netherlands, an University of Applied Sciences in the Netherlands, as well as a distinguished Doctorate Degree in Business Administration from International American University. Additionally, he has attained a Master of Public Administration from Tsinghua University, China (which was also bestowed upon him with the prestigious Outstanding Master's Thesis Award by Tsinghua University), an Executive Master of Business Administration ("**EMBA**") (CEO Class) from Tsinghua University and another EMBA from City University of Hong Kong. Furthermore, he possesses a Master of Business Administration from the renowned Business School Netherlands and has successfully completed both the Association of Chartered Certified Accountants (ACCA) qualification and an Executive Certificate in Financial Strategies for Cross Border Expansion - China program offered jointly by Harvard Business School (US) and Peking University (China).

The illustrious career of Dr. Tang commenced at LNB Management Consultancy, where he began as an Audit Assistant and eventually ascended to the esteemed position of Partner prior to his departure. Following this, he embarked on a journey with several prominent manufacturing companies, acquiring extensive expertise in the manufacturing industry and overall corporate operations. Prior to joining our Group in 2012, he held the distinguished role of Financial Controller cum Operation Director at LimKokWing University of Creative Technology. Subsequently, he was appointed as the astute General Manager of Finance & Accounts at JIT Textiles Limited, one of our esteemed subsidiaries. In 2016, he relocated to our Corporate Office and assumed the pivotal role of Financial Controller before being deservedly promoted to Corporate Controller since March 2018. Additionally, Dr. Tang holds the prestigious position of Vice Chairman at Chung De Classics Education Association Malaysia.

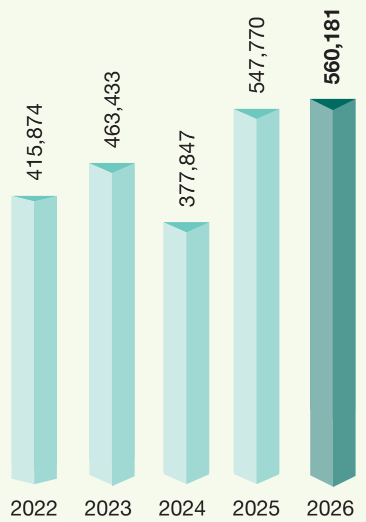
Dr. Tang presently serves on the boards of various private limited companies. He also sits on the board of Faire Berhad.

He does not have any family relationship with any Director and/or major shareholder of PCCS and he does not have any conflicts of interest with PCCS.

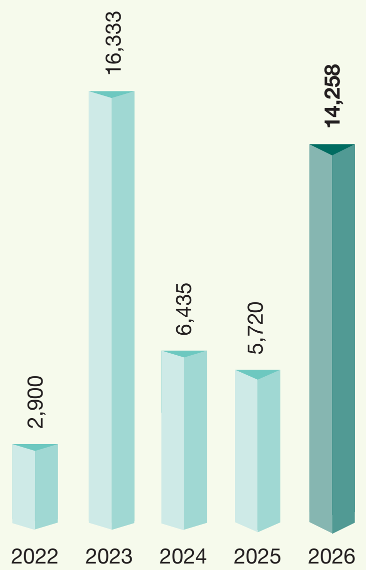
Other than traffic offenses, if any, he does not have any convictions for offenses within the past 5 years and any public sanctions or penalties imposed by any relevant regulatory bodies during financial year ended 31 March 2026.

FIVE (5) YEARS' KEY FINANCIAL HIGHLIGHTS

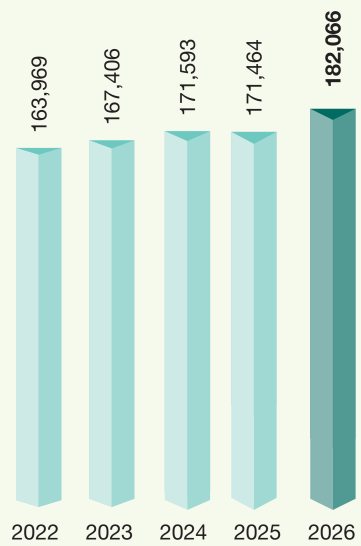
REVENUE
(RM'000)



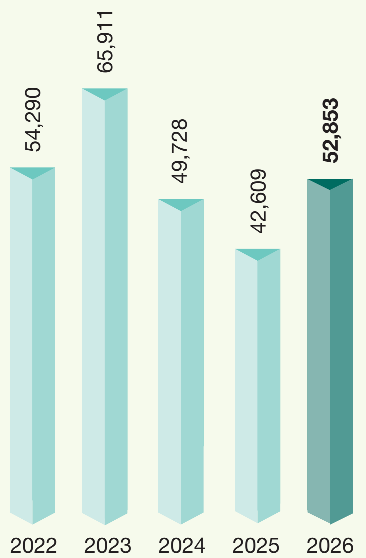
NET PROFIT ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT
(RM'000)



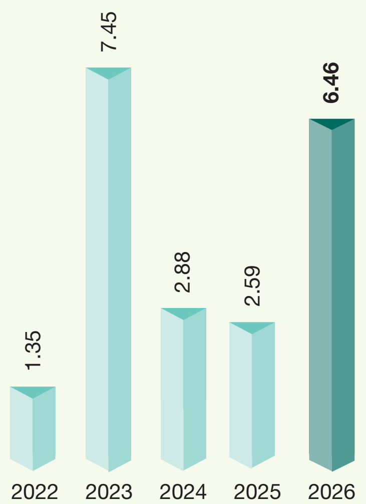
SHAREHOLDERS' FUND
(RM'000)



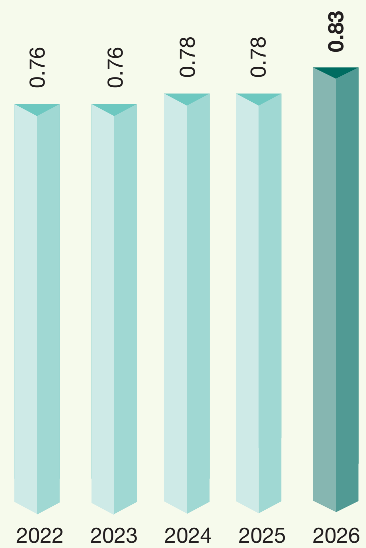
SHORT-TERM FUND*, CASH AND CASH EQUIVALENTS
(RM'000)



EARNINGS PER SHARE
(Sen)



NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT
(RM)



Note:*
- Short-term fund is a fund invested in money market which is managed by investment bank and is redeemable at any point in time.

CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Shareholders and Stakeholders,

It is my privilege to present the Annual Report 2026 of PCCS Group Berhad ("**PCCS**" or "**the Company**") and its subsidiaries (collectively referred to as "**the Group**"), accompanied by the Audited Financial Statements for the financial year ended 31 March 2026 ("**FY2026**").

The financial year under review continued to be shaped by an increasingly dynamic global business environment. Ongoing geopolitical developments, inflationary pressures, foreign exchange volatility and cautious consumer spending continued to present challenges across many industries. Despite these headwinds, the Group remained steadfast in executing its strategic priorities, strengthening operational efficiency and maintaining financial discipline. These efforts have enabled us to deliver another year of resilient performance while reinforcing the foundation for sustainable long-term growth.

REVIEW OF THE GROUP'S PERFORMANCE

First and foremost, I would like to extend my heartfelt gratitude to all our esteemed stakeholders, and especially to the distinguished management and dedicated employees of PCCS, whose unwavering commitment and resilient spirit have enabled the Company not only to endure but to thrive amidst an arduous and demanding business landscape.

FY2026 marked another year of steady progress for the Group. Revenue increased to RM560.2 million, representing a 2.3% improvement over the preceding financial year and establishing another record revenue performance for the Group. More importantly, through disciplined cost management, improved operational efficiency and stronger execution across our businesses, the Group achieved a significant improvement in profitability during the year.

Profit attributable to the owners of the Company from continuing operations amounted to RM14.26 million, compared with RM5.72 million in financial year ended 31 March 2025.

Although market conditions remained highly competitive, particularly within the apparel manufacturing industry, the Group successfully navigated these challenges by focusing on operational excellence, productivity enhancement and prudent financial management. The overall performance for the year demonstrated the resilience of our diversified business portfolio and the effectiveness of our strategic initiatives.

The Group continued to maintain a sound financial position. As at 31 March 2026, the Group recorded healthy net current assets, maintained a prudent level of liquidity and preserved a balanced capital structure. This strong financial foundation provides us with the flexibility to invest in future growth opportunities while remaining resilient against external uncertainties.

CORPORATE GOVERNANCE AND BOARD EFFECTIVENESS

The Board of Directors of PCCS ("**Board**") continues to uphold the highest standards of corporate governance, recognising that good governance is fundamental to creating sustainable shareholder value.

Throughout FY2026, the Board discharged its responsibilities with diligence by providing strategic guidance, overseeing risk management, reviewing business performance and ensuring that the Group operates with integrity, accountability and transparency. We remain committed to complying with the Malaysian Code on Corporate Governance, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and all applicable regulatory requirements.

As the business environment continues to evolve, the Board will remain focused on strengthening governance practices, enhancing risk oversight and supporting management in executing strategies that create sustainable value for all stakeholders.

CHAIRMAN'S LETTER TO SHAREHOLDERS (CONT'D)

LOOKING AHEAD

While the global economic outlook remains uncertain, the Board is confident that the Group is well positioned to navigate future challenges. We will continue to focus on improving operational efficiency, strengthening customer relationships, pursuing sustainable growth opportunities and maintaining prudent financial management.

The Board believes that our diversified business model, experienced management team and committed workforce will continue to support the Group's long-term competitiveness and resilience.

APPRECIATION

On behalf of the Board, I wish to express my sincere appreciation to our shareholders for their continued confidence and unwavering support.

I would also like to thank our valued customers, suppliers, business partners and financial institutions for their trust and collaboration throughout the year. Your continued support remains instrumental to the Group's success.

To our management team and employees, I extend my heartfelt appreciation for your dedication, professionalism and resilience. Your commitment, adaptability and teamwork have enabled the Group to deliver improved results despite a challenging operating environment.

As we move into the new financial year, we remain committed to building a stronger and more sustainable PCCS, creating long-term value for our shareholders and contributing positively to all our stakeholders.

Thank you for your continued trust and confidence in PCCS.

Yours sincerely,
Piong Yew Peng
Senior Independent Non-Executive Chairman
29 July 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

DEAR ESTEEMED SHAREHOLDERS,

It is with great pleasure that I present to you the Management's Discussion and Analysis for PCCS Group Berhad ("**PCCS**" or "**the Company**") and its subsidiaries (collectively referred to as "**the Group**"), for the financial year ended 31 March 2026 ("**FY2026**"). This comprehensive review provides insight into our business performance, financial position, strategic initiatives, and future prospects.

ENHANCED BUSINESS SEGMENTS

PCCS operates through 3 main business segments, each focused on specific products and services. This structure reflects our commitment to operational excellence and targeted value creation.

(i) Apparel

The apparel segment primarily engages in the production and promotion of exquisite garments. The flagship subsidiaries within this segment include: -

(a) Manufacturing in Cambodia
- Wan He Da Manufacturing Company Limited
- Thirty Three Apparels (Cambodia) Co., Ltd.

(b) Manufacturing in the People's Republic of China ("**PRC**")
- PCCS Garments (Shandong) Ltd.
- PCCS Garments (Suzhou) Ltd.

(c) Trading of apparels – based in Hong Kong, Special Administrative Region
- PCCS (Hong Kong) Limited

(d) Trading of apparels and providing design service – based in PRC
- Thirty Three (Shanghai) Limited

(e) Manufacturing of seamless bonding, printing and marketing of silk screen printing products – based in Cambodia
- Beauty Silk Screen Limited
- Perfect Seamless Garments (Cambodia) Limited

(ii) Credit Financing/Insurance Agency and Other

The credit financing/insurance agency and other segments specialise in providing loans financing for pre-owned automobiles and general insurance agency services. The leading subsidiaries within this segment include: -

(a) Credit financing business
- Southern Auto Capital Sdn. Bhd.

(b) General insurance agency services
- Delight Agencies Sdn. Bhd.
- Mohita Jaya Sdn. Bhd.
- Team One Agency Sdn. Bhd.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)

ENHANCED BUSINESS SEGMENTS (CONT'D)

(iii) Others

The other segment encompasses a diverse range of activities, including investment holding and medical operations in Malaysia and Singapore. The entities within this segment include: -

(a) Investment holding
- PCCS Group Berhad – the holding company of the Group

(b) Medical business in Malaysia and Singapore
- La Prima Medtech Sdn. Bhd.
- La Prima Medicare Pte. Ltd.

The Management diligently monitors the performance of each business segment in order to make well-informed decisions regarding resource allocation and performance evaluation. Operating profit or loss is assessed at the segment level, while financing costs and income taxes are managed on a consolidated basis.

FINANCIAL PERFORMANCE OVERVIEW

	FYE	
	31 March 2026 (RM'000)	31 March 2025 (RM'000)
Revenue	560,181	547,770
Gross profit	109,089	93,546
Profit After Tax ("**PAT**") attributable to owners of the Company		
Continuing operations	14,258	5,720
Weighted average number of Shares in issue ('000)	220,590	220,590
Earnings Per Share ("**EPS**") / (sen):		
- Continuing operations	6.46	2.59
Gross profit margin (%)	19.47	17.08
PAT margin (%)	2.55	1.04
Return on equity ("**ROE**")	7.83%	3.34%
Return on asset ("**ROA**")	3.71%	1.52%

Total revenue rose by 2.26%, to RM560.18 million, compared to RM547.77 million recorded in the preceding year, primarily driven by increased contributions from the Group's apparel segment.

Profit attributable to owners of the Company has increased substantially by 149.30% to RM14.26 million, from RM5.72 million reported in the previous financial year. The increase was primarily contributed by greater sales and profit margin in the apparel segment, as well as lower impairment loss from the credit financing.

Basic EPS stood at 6.46 sen, an increase from 2.59 sen in the previous year because of better profit margin.

FINANCIAL PERFORMANCE OVERVIEW (CONT'D)

Total assets grew by 2.32%, reaching RM384.28 million compared to RM375.57 million in the prior year, largely due to an increase in property, plant and equipment together with lease receivables.

Total liabilities decreased by RM2.18 million to RM200.48 million, compared to RM202.66 million a year earlier, mainly due to reduction in trade payables.

The shareholders' funds increased by 6.19% to RM182.07 million as of 31 March 2026, with net assets per share at RM0.83.

ROE improved from 3.34% to 7.83% and ROA increased from 1.52% to 3.71% reflecting margin enhancement within the apparel segment. ROE and ROA are calculated using the end-of-period value method, based on the Group's financial position as at the reporting date. ROE is determined by dividing PAT by the equity attributable to owners of the parent as at the end of the reporting period, while ROA is calculated by dividing PAT by the Group's total assets as at the end of the reporting period.

The Group maintained a healthy gearing ratio of 0.44 times, demonstrating prudent financial management despite expansion activities.

Capital Expenditure totaled RM24.81 million, funded mainly via internal resources of RM17.45 million and leasing arrangements of RM7.36 million. Of this, RM20.74 million was channeled towards enhancing garment manufacturing capacity and upgrading facilities, RM2.40 million supported credit financing initiatives, and RM1.67 million was allocated to other segment.

The Group recorded a positive net cash flow from operating activities in FY2026, representing an increase of RM7.1 million from previous financial year, primarily driven by improved profitability during the year. The Group has also recorded a reduction of accounts payables and improved its current ratio. Net cash used in investing activities increased, reflecting capital expenditure of RM17.45 million, mainly allocated to the expansion and upgrading of garment manufacturing facilities. Net cash generated from financing activities amounted to RM3.26 million, a reversal from the net cash used in the prior year. This was primarily due to the net drawdown of block discounting to support credit financing activities during the year, which resulted in the increase in total borrowings and lease liabilities from RM74.80 million in the previous year to RM87.95 million as at 31 March 2026.

As at year-end, cash and cash equivalents stood at RM52.44 million, compared to RM40.60 million in the financial year ended 31 March 2025 ("**FY2025**"). The Group has maintained a healthy liquidity position to support its operational and strategic requirements.

OPERATIONAL ASSESSMENT

The summary of the revenue and profit/(loss) for FY2025 and FY2026 based on the Group's operating segments is presented as below: -

	FYE	
	31 March 2026 (RM'000)	31 March 2025 (RM'000)
External revenue **Revenue from operations:**		
Apparel	543,856	535,510
Credit Financing/Insurance Agency and Other	11,676	9,662
Others*	4,649	2,598
Total	**560,181**	**547,770**

OPERATIONAL ASSESSMENT (CONT'D)

	FYE	
	31 March 2026 (RM'000)	31 March 2025 (RM'000)
Profit/(Loss) After Tax		
Apparel	26,662	15,855
Credit Financing/Insurance Agency and Other	3,669	1,874
Others*	4,174	(2,415)
	34,505	**15,314**
Inter-company adjustments and eliminations	(19,935)	(10,512)
Total	**14,570**	**4,802**

Note:
**The other segment encompasses investment holding and medical businesses.*

(i) Apparel

The apparel segment operates manufacturing facilities in both China and Cambodia. In FY2026, this segment accounted for 97.09% of total revenue. Revenue increased to RM543.86 million from RM535.51 million in the previous financial year, driven primarily by higher trading sales in Hong Kong, which in turn were supported by increased manufacturing output from our Cambodia-based factories. PAT rose to RM26.66 million from RM15.86 million in the preceding year, reflecting stronger sales orders. The top 5 geographical revenue contributions for FY2026 were as follows: -
Europe: 45.46%,
China: 25.32%,
USA: 15.38%,
Other Asian countries: 6.04% and
Canada: 2.34%

(ii) Credit Financing/Insurance Agency and Other

The credit financing/insurance agency and other segment recorded a revenue increase to RM11.67 million in FY2026, from RM9.66 million in the preceding year, primarily driven by higher interest income. PAT increases to RM3.67 million from RM1.87 million, primarily attributable to the reversal of impairment allowance amounting to RM2.50 million, compared with a provision for impairment allowance of RM4.30 million in FY2025. Lease receivables grew to RM54.92 million from RM42.73 million, reflecting continued loan portfolio expansion. The Gross Impaired Loans ratio decreased marginally to 6.60% as at 31 March 2026, from 8.04% in the previous financial year. In response, the Group continues to uphold disciplined credit control practices. This includes stringent borrower assessment protocols, proactive account monitoring, and timely intervention measures aimed at mitigating default risks. Additionally, regular reviews of impairment provisioning methods are conducted to ensure adequacy and alignment with evolving credit conditions.

OPERATIONAL ASSESSMENT (CONT'D)

(iii) Others

The other segment reported revenue of RM4.65 million in FY2026, marking a notable 78.85% increase from RM2.60 million in FY2025, driven primarily by heightened sales of medical devices. The segment recorded a PAT of RM4.17 million in FY2026, compared to a loss of RM2.42 million in FY2025. The improved results were largely attributable to the enhanced performance of the medical business, supported by intensified marketing initiatives and the implementation of various incentive strategies, which contributed to the narrowing of losses during the year.

ANTICIPATED OR KNOWN RISKS

Customer Concentration Risk – Apparel

The Group maintains long-standing strategic relationships with several global apparel brands. While these relationships provide recurring business opportunities and facilitate collaboration in product development and operational planning, they also result in a degree of customer concentration risk.

To mitigate this risk, the Group continues to diversify its customer base by expanding relationships with new international brands, particularly within existing and emerging markets. The Group also continues to broaden its project offerings and strengthen its manufacturing capabilities to improve customer diversification and production flexibility.

Labour Cost and Talent Management

Rising labour cost, labour shortages and increasing regulatory requirements continue to pose challenges to the manufacturing sector, particularly in China and Cambodia.

The Group remains committed to improving productivity through automation, digitalisation, continuous process improvement and employee upskilling. Performance-based incentive programmes, operational excellence initiatives and investment in manufacturing technologies are expected to enhance productivity while reducing dependence on manual labour over the longer term.

Foreign Currency Risk

The Group operates across multiple jurisdictions and is exposed to fluctuations in foreign exchange rates as a substantial portion of its revenue and procurement activities are denominated in foreign currencies, particularly in USD.

To manage this risk, the Group adopts a natural hedging strategy whereby inflows and outflows in the same currency help offset exposure. Management also closely monitors currency movements and market developments to support procurement, pricing and treasury decisions.

Credit Risk – Credit Financing

The Group's credit financing business is influenced by broader economic conditions, particularly those affecting consumer confidence and spending behavior. A key operational risk lies in borrowers' ability to service their loan obligations. To address this risk, the Group has implemented stringent credit assessment protocols, active account monitoring, and disciplined collection procedures. The financing portfolio remains diversified with a focus on relatively lower-value hire purchase financing, thereby reducing concentration risk and maintaining overall portfolio quality.

BUSINESS OUTLOOK

The global operating environment continues to be influenced by geopolitical uncertainties, trade policy developments, inflationary pressures and fluctuating consumer demand. Nevertheless, easing inflation in several key economies and gradual improvement in consumer spending are expected to support business recovery across certain sectors.

Against this backdrop, the Group remains focused on strengthening operational resilience, enhancing efficiency, pursuing sustainable growth opportunities and maintaining financial discipline. The Group will continue investing in digitalisation, process improvement and environmental, social and governance ("**ESG**") initiatives to support long-term value creation.

(i) Apparel

The Group expects the apparel segment to deliver a more moderate performance in the financial year ending 31 March 2027 following the exceptionally strong results achieved in FY2026. Both revenue and profitability are anticipated to be lower compared with the preceding financial year, primarily due to the high base effect from FY2026, softer order visibility from certain key customers, and continued uncertainties surrounding the global economic environment, including evolving trade policies and tariff developments.

Despite the expected moderation, the Group believes that the underlying fundamentals of its apparel business remain sound. The Group continues to maintain long-standing relationships with leading international apparel brands and remains focused on delivering high-quality products, reliable service and operational excellence.

To strengthen its long-term competitiveness, the Group will continue to:

- Diversify its customer portfolio across existing and new geographical markets;
- Broaden its product offering and enhance value-added capabilities;
- Improve manufacturing efficiency through automation, digitalisation and continuous process improvement;
- Strengthen cost management and supply chain resilience; and
- Continue investing in sustainability initiatives to meet customers' evolving ESG expectations.

While market conditions are expected to remain challenging, Management will continue to closely monitor customer demand, optimise production capacity and maintain prudent cost discipline. The Group remains committed to enhancing its operational resilience and positioning the apparel business for sustainable long-term growth.

(ii) Credit Financing

The credit financing segment continued to contribute positively to the Group during the financial year.

The Group will continue expanding its customer base while maintaining prudent credit management and portfolio quality. Operational capabilities will be strengthened through process improvements, technology adoption and human capital development to support future growth.

Following the completion of the acquisition of insurance agency businesses during the financial year through its wholly-owned subsidiary, Southern Capital Group Sdn. Bhd., the Group is progressively integrating these operations to broaden its financial services offerings and create cross-selling opportunities within its financing ecosystem.

(iii) Others

The Group remains committed to expanding its healthcare and medical-related businesses through both organic growth and strategic business opportunities.

The Group will continue to strengthening its market presence within Malaysia while exploring opportunities in selected regional markets, including Vietnam, Indonesia, Thailand, Cambodia and Singapore, subject to prevailing market conditions.

BUSINESS OUTLOOK (CONT'D)

(iii) Others (Cont'd)

Investments in product development, research, technical capabilities and strategic partnerships will continue to support sustainable growth. The Group will also evaluate suitable strategic investments and acquisitions that complement its existing capabilities and create long-term shareholder value.

SUSTAINABILITY AND ESG

The Group remains committed to integrating ESG considerations into its business strategy and daily operations.

Key priorities include improving resource efficiency and reducing environmental impact, strengthening corporate governance practices, developing employees and supporting community initiatives in education and healthcare. These initiatives are aligned with the Group's long-term objective of creating sustainable value for shareholders while contributing positively to society.

DISTRIBUTION OF PROFITS TO SHAREHOLDERS

In line with the Group's commitment to delivering sustainable shareholder returns, the Board of Directors ("**Board**") declared and paid a dividend of RM0.01 per ordinary share for FY2026 following the improvement in the Group's financial performance.

The Group continues to maintain a balanced capital allocation strategy by rewarding shareholders while retaining sufficient resources to support future investments in business expansion, digital transformation, operational improvements and strategic acquisitions.

SUMMARY AND ACKNOWLEDGEMENT

The Group continues to adapt to evolving market conditions through business diversification, operational excellence and disciplined capital management.

Looking ahead, Management will continue to focus on:

- Strengthening the core business segments;
- Pursuing strategic investments and acquisitions;
- Accelerating digital transformation and operational efficiency; and
- Embedding ESG principles across the Group's operations.

On behalf of the Board and Management, we extend our sincere appreciation to our employees for their dedication and commitment throughout the year. We also wish to thank our shareholders, customers, business partners, financial institutions, suppliers, regulators and all stakeholders for their continued trust, confidence and support.

The Group remains committed to delivering sustainable growth and creating long-term value for all stakeholders.

For and on behalf of the Executive Management of PCCS

Chan Wee Kiang
Group Managing Director
29 July 2026

CORPORATE GOVERNANCE OVERVIEW STATEMENT

"Trust is the glue of life.
It is the most essential ingredient in effective communication. It is the foundational principle that holds all relationships. When the trust account is high, communication is easy, instant, and effective."

Inspirational quote by Stephen R. Covey, motivational writer

Drawing the inspiration from Mr. Stephen R. Covey, the Board of Directors ("**the Board**") of PCCS Group Berhad ("**the Company**") wishes to instill trust amongst its stakeholders by adopting good corporate governance practices. The Board recognises the importance of practicing high standards of corporate governance throughout the Company and its subsidiaries ("**the Group**") as a basis of discharging their fiduciary duties and responsibilities to protect and enhance shareholders' value and the performance of the Group. The Board continues its commitment to report on the manner in which the Practice and Guidance of Malaysian Code on Corporate Governance ("**MCCG**") are applied under the stewardship of the Board, throughout the financial year ended 31 March 2026 ("**FY2026**").

This Corporate Governance Overview Statement ("**this Statement**") also serves to comply with Paragraph 15.25 of the Main Market Listing Requirements ("**Main LR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**").

Details application for each practice of the MCCG during the FY2026 is disclosed in the Company's Corporate Governance Report which is available on the Company's corporate website at http://www.pccsgroup.net/.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

(a) Establishing clear roles and responsibilities of the Board

Duties and Responsibilities of the Board

The Board is responsible for the leadership, oversight and the long-term success of the Group. The Board has delegated certain responsibilities to other Board Committees, which operate within clearly defined Terms of Reference ("**TOR**"). The standing Board Committees include the Audit Committee, Nomination Committee and Remuneration Committee. The Board receives reports at the Board Meeting from the Chairman of each Committee on current activities and it is the general policy of the Company that all major decisions be considered by the Board as a whole.

To ensure the effective discharge of functions and duties, the primary responsibilities of the Board include but are not limited to the following: -

(a) together with Senior Management, promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour;
(b) review, challenge and decide on Management's proposals for the Group, and monitor its implementation by Management;
(c) ensure that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
(d) supervise and assess Management's performance to determine whether the business is being properly managed;
(e) ensure there is a sound framework for internal controls and risk management;
(f) understand the principal risks of the Group's business and recognise that business decisions involve taking of appropriate risks;
(g) set the risk appetite within which the Board expects Management to operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

(a) Establishing clear roles and responsibilities of the Board (Cont'd)

Duties and Responsibilities of the Board (Cont'd)

(h) ensure that Senior Management has the necessary skills and experience, and that there are measures in place to provide for the orderly succession of the Board and Senior Management;
(i) ensure that the Group has procedures in place to enable effective communication with stakeholders;
(j) ensure that all Directors are able to understand financial statements and form a view on the information presented;
(k) ensure the integrity of the Group's financial and non-financial reporting;
(l) together with Management, take responsibility for the governance of sustainability in the Group, including setting the Group's sustainability strategies, priorities and targets, and ensure that the same as well as the performance against such targets are communicated to the Company's shareholders and other stakeholders;
(m) establish policies to strengthen the performance of the Group, including ensuring that Management is proactively seeking to build the business through innovation, initiative, technology, new products and the development of its business capital; and
(n) succession planning includes appointing, training, fixing the compensation of and where appropriate, replacing Senior Management.

Chairman of the Board

Mr. Piong Yew Peng, who was re-designated as Senior Independent Non-Executive Chairman on 26 May 2023, is primarily responsible for instilling good corporate governance practices, leadership and effectiveness of the Board whilst Mr. Chan Wee Kiang, the Group Managing Director ("**Group MD**"), together with the Executive Director, oversees the day-to-day management and operations of the Group and implements the Board's decisions, business strategies and policies. The positions of Chairman and Group MD are held by different individuals and their roles and responsibilities are distinct and clearly outlined in the Board Charter.

The Chairman of the Board is not a member of the Audit Committee, Nomination Committee and Remuneration Committee which in compliance with Practice 1.4 of the MCCG.

Qualified Company Secretaries

During FY2026, the Board is supported by three (3) qualified and competent Company Secretaries, namely Ms. Chua Siew Chuan ("**Ms. Chua**"), Mr. Cheng Chia Ping ("**Mr. Cheng**") and Mr. Tee Zhen Wan ("**Mr. Tee**"). Ms. Chua and Mr. Cheng are members of the Malaysian Association of the Institute of Chartered Secretaries and Administrators ("**MAICSA**"), while Mr. Tee is a Secretary licensed by the Companies Commission of Malaysia. All of them are qualified to act as Company Secretaries under the Companies Act 2016 ("**CA 2016**"). The Board is satisfied with the support rendered by the Company Secretaries to the Board in the discharge of its roles and responsibilities.

Access to information and advice

In ensuring the effective functioning of the Board, all Directors have individual and independent access to the advice and support services of the Company Secretaries, Internal Auditors and External Auditors, and may seek advice from the Management on issues under their respective purview.

During the FY2026, each notice calling the Board Meeting was issued at least seven (7) days in advance of the meeting and the Directors were provided at least five (5) business days in advance of the meeting with the relevant agenda detailing the matters to be transacted at the meeting and the meeting papers detailing the key issues so that the Directors have ample time to review and consider the relevant information.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

(a) Establishing clear roles and responsibilities of the Board (Cont'd)

Access to information and advice (Cont'd)

Subsequent to the meeting, the minutes will be circulated to the Board and Board Committees for confirmation to ensure that the deliberations and decisions are accurately recorded.

The Company Secretaries would ensure that a statement of declaration of interest or abstention from voting and deliberation is recorded in the minutes.

The Board has established the following protocol for its members, outlining the procedures for the Board to gain access to information and advice from professional advisory services with effect from 27 May 2016: -

Protocol for seeking of professional advisory services

Where applicable, the Directors whether as a full Board or in their individual capacity, are encouraged to seek independent professional advice from the following parties: -

- for corporate and/or governance matters, the external Company Secretaries;
- for audit and/or audit-related matters, any representatives of the audit engagement team of the External Auditors or the outsourced Internal Auditors; and
- for any other specific issues where professional advice is required to enable the Board to discharge its duties in connection with specific matters, the Board may proceed to do so upon the approval of the Chairman, in relation to the quantum of fees to be incurred.

(b) Demarcation of responsibility

Board Charter

The Board Charter of the Company was established and adopted on 31 July 2014 and subsequently revised on 28 June 2022. The Board Charter documented the division of responsibilities and powers between the Board and Management as well as the different Board Committees established by the Board and matters reserved for the Board in compliance with Practice 2.1 of the MCCG.

Roles of Senior Independent Non-Executive Director

Mr. Piong Yew Peng is the Senior Independent Non-Executive Chairman of the Company. The roles of the Senior Independent Non-Executive Chairman as entail in the Board Charter, include but not limited to the following: -

- a sounding board for the Chairman;
- an intermediary for other Directors when necessary; and
- the point of contact for shareholders and other stakeholders.

(c) Good business conduct and corporate culture

Code of Conduct and Ethics

The Group has in place a Group's Code of Conduct and Ethics ("**COC**") which is applicable to the Board, Management and employees of the Group. The Company strives to ensure that the consultants, agents, partners, representatives and others performing works or services for or on behalf of the Group comply with the COC. The COC was initially adopted on 31 July 2013 and was subsequently revised on 28 November 2018.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

(c) <u>Good business conduct and corporate culture</u> (Cont'd)

Whistleblowing Policy

Whistleblowing is a specific means by which an employee, officer or stakeholder can report or disclose concerns about any violation of the COC, corruption, bribery, unethical behaviour, malpractices, illegal acts or failure to comply with regulatory requirements through the established channels, whether these are taking place, have taken place or may take place in future. The Group has established Whistleblowing Policy on 27 May 2016 and subsequently revised on 26 May 2023.

As at the date of this Statement, the Company has not received any complaints under this procedure.

Anti-Bribery and Anti-Corruption Policy ("ABAC Policy")

With the enforcement of Corporate Liability provisions under Section 17A of Malaysian Anti-Corruption Commission Act 2009 and the amendments to Main LR of Bursa Malaysia Securities in relation to the anti-corruption measures, the Board had on 1 June 2020 adopted an ABAC Policy across the Group, which was later revised on 30 October 2023.

The Group is committed to conduct business with honesty, integrity and ethics in all business dealings and in all jurisdictions where the Group operates. The ABAC Policy entailed areas that are easily exposed to bribery and corruption such as gifts, donation, charitable contribution, sponsorship, entertainment, hospitality, facilitation payments, etc. The Directors, employees and any business associates of the Group are strictly prohibited from accepting and taking part in any form of bribery, corruption, extortion or any kind of money laundering activities and the Group has zero-tolerance against such activities.

As at the date of this Statement, there were no bribery or corruption related cases being reported to the Company.

It is the responsibility of the Board to ensure that proper policies are in place to promote good business conduct with high ethical behaviour and integrity. The Board Charter, COC, Whistleblowing Policy and ABAC Policy are to be regularly reviewed by the Board as and when required, and they are available for viewing on the Company's corporate website at http://www.pccsgroup.net/.

(d) <u>Sustainability</u>

In line with strengthening sustainability and providing more comprehensive and strategic oversight of the Group's economic, environmental, social and governance ("**ESG**") matters, the Group has established a sustainability governance structure comprising the Sustainability Working Group, Executive Directors and the Board which shall be responsible to instill sustainability at the core of the business within the Group.

The Board has also adopted a Sustainability Policy on 31 March 2021 and subsequently revised on 31 March 2023 to embed sustainability throughout day-to-day operations and align sustainable strategies with the Group's vision, mission and core values. The Sustainability Policy is available for viewing on the Company's corporate website at http://www.pccsgroup.net/.

The details of the Group's material sustainability matters are set out in the Sustainability Statement in this Annual Report.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION

Size and Composition of the Board

The Board consists of eight (8) members as at FY2026, comprising one (1) Senior Independent Non-Executive Chairman, one (1) Group MD, one (1) Executive Director, three (3) Non-Independent Non-Executive Directors and two (2) Independent Non-Executive Directors.

Premised on the above, the three (3) Independent Directors comply with the requirement of at least two (2) Directors or one-third (1/3) of the Board are Independent Directors pursuant to Paragraph 15.02 of the Main LR of Bursa Malaysia Securities. The Board consists of two (2) women Directors which complies with Paragraph 15.02(1)(b) of the Main LR of Bursa Malaysia Securities. The Board took note of the requirement under Practice 5.2 of the MCCG which requires at least half of the Board comprises Independent Directors.

The Board is of the view that the current composition of the Board facilitates effective decision making and independent judgement where no individual shall dominate the Board's decision making.

The individual profile of the Directors are available for viewing on Pages 11 to 18 of this Annual Report.

Tenure of Independent Directors

Mr. Piong Yew Peng had served on the Board as an Independent Non-Executive Director of the Company for a cumulative term of eleven (11) years as at 1 April 2026.

Following the assessment and recommendation made by the Nomination Committee of the Company, the Board opined that Mr. Piong Yew Peng's independence remains unimpaired and is satisfied that he can continue to bring independent views to the Board and safeguard the minority interest of the Company. Subsequently, the Board has recommended that Mr. Piong Yew Peng be retained as an Independent Non-Executive Director, subject to shareholders' approval at the forthcoming Thirty-Second ("**32nd**") Annual General Meeting ("**AGM**") of the Company through a two-tier voting process according to Practice 5.3 of the MCCG.

Procedures for Appointment of Directors and Senior Management

Appointment of Directors

The appointment of Directors falls under the purview of the Nomination Committee, which assists the Board with all new Board and Board Committees' appointments and provides a formal and transparent procedure for such appointments, including obtaining a commitment from the candidate that sufficient time will be devoted to carry out the responsibilities as a Director.

The policies and procedures for recruitment and appointment of Directors are set out in the Board Charter. The Board had on 28 June 2022 adopted a Fit and Proper Policy which set out the fit and proper criteria for the appointment and re-election of the Board of the Group. The policy also ensures that each Directors has the character, integrity, experience, competence and time and commitment to effectively discharge his/her role as a Director of the Group.

In the event that a candidate is required for the appointment of Director, the Nomination Committee would use a variety of approaches and sources to ensure that it identifies the most suitable candidates and will not limit themselves by solely relying on the recommendations from existing Board members, Management or major shareholders.

During the FY2026, there was no new Director appointed to the Board of the Company.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

Appointments to Board Committees

The review is conducted on an annual basis, and as and when the need arises, such as when a new Director is appointed. In determining the candidates for appointment to the Board Committees, various factors are considered by the Nomination Committee, including but not limited to the following factors: -

- the needs of the particular Board Committees;
- the results of the Board Effectiveness Evaluation for the Board Committees;
- time commitment and availability;
- regulatory requirements; and
- best practices or governance practices.

Appointments to Senior Management

The Human Resources Department is responsible for selection and appointment of candidates for Senior Management position based on selection criteria that best match the requirements of the open position. The selection criteria include (but not limited to) diversity in skills, experience, age, cultural background and gender.

Boardroom Diversity

The Board affirms its commitment to boardroom diversity as a truly diversified Board can enhance the Board's creativity, efficiency and effectiveness to thrive in good times and weather thought times.

The Board comprises eight (8) Directors as at FY2026, out of whom two (2) are female, which translates to a 25% female representation. The Nomination Committee strives to source for a suitably qualified female candidate for appointment to the Board when vacancies arise.

Gender and Ethnicity Diversity

The Board does not have any gender or ethnicity diversity policy. The Nomination Committee does not set any target on gender or ethnicity diversity but endeavour to include any member who will improve the Board's overall composition balance.

Age Diversity

The Board believes that the Directors with diverse age profile will be able to provide a different perspective and bring vibrancy to the Group's strategy making process.

The age profile of the Directors ranges from forties (40) to sixties (60) years of age, which underlies the Board's commitment to age diversity at the Board level.

Board Committee

Audit Committee

The Audit Committee was set up on 7 February 2002 with Terms of Reference ("**TOR**") revised on 28 June 2022.

The composition and summary of works of the Audit Committee are stated in the **Audit Committee Report** of this Annual Report.

A copy of the TOR of the Audit Committee is available for viewing on the Company's corporate website at http://www.pccsgroup.net/.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

Nomination Committee

The Nomination Committee was set up on 7 February 2002 with TOR revised on 28 June 2022. The composition of the Nomination Committee as at the end of FY2026 is as follows: -

Nomination Committee	Designation	Directorate
Joyce Wong Ai May	Chairperson	Independent Non-Executive Director
Goh Wen Ling	Member	Independent Non-Executive Director
Dato' Chan Chor Ngiak	Member	Non-Independent Non-Executive Director

The Chairperson of the Nomination Committee is the Independent Non-Executive Director of the Company. The Nomination Committee is governed by its TOR which outlines its remit, duties and responsibilities. The principal duties and responsibilities of the Nomination Committee are set out in the TOR.

A copy of the TOR of the Nomination Committee is available for viewing on the Company's corporate website at http://www.pccsgroup.net/.

(a) Summary of Works

Under Paragraph 15.08A(3) of Main LR of Bursa Malaysia Securities, the summary of activities of the Nomination Committee during the FY2026 were as follows: -

- Review and confirmed the minutes of the Nomination Committee Meeting held in financial year ended 31 March 2025;
- Recommended the re-election of Mr. Chan Chow Tek, Dato' Chan Chor Ngiak and Ms. Goh Wen Ling who retired pursuant to Clause 117 of the Company's Constitution at the Thirty-First ("**31st**") AGM;
- Reviewed the length of service of each Independent Non-Executive Director and assessment of the independency of the Independent Directors in accordance with MCCG and the Main LR of Bursa Malaysia Securities;
- Reviewed the current composition of the Board, the Board Committees and the required mix of skills, experience and other qualities of the Board;
- Conducted the Board evaluation to assess the effectiveness of the Board as a whole and Board Committees;
- Reviewed the evaluation on the contribution and performance of each individual Director;
- Reviewed the term of office of the Audit Committee and assessed its effectiveness as a whole;
- Reviewed the attendance of the Directors at Board and Board Committees meetings for the financial year ended 31 March 2025; and
- Reviewed the training programmes attended by the Directors for the financial year ended 31 March 2025 and identified the training needs for FY2026.

(b) Continuing Education and Training of Directors

All Directors have attended the Mandatory Accreditation Programme ("**MAP**") and MAP Part II: Leading for Impact, as prescribed by Bursa Malaysia Securities for Directors of listed issuers. During the financial year, the Directors participated in various training programmes, seminars, conferences and webinars covering areas such as corporate governance, sustainability and ESG practices, finance and taxation, regulatory compliance, digitalisation, leadership development and business strategies.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

(b) Continuing Education and Training of Directors (Cont'd)

These training programmes enabled the Directors to keep abreast of the latest developments in the business environment, regulatory landscape and industry practices, thereby enhancing the Board's overall effectiveness and governance capabilities.

The training programmes and seminars attended by the Directors in FY2026 are as follows: -

Directors	Training(s) Attended
Chan Wee Kiang	• Bridging the Globe Program at CKGSB • 卓越项目管理精要与实战 – Essentials and Practices of Excellent Project Management
Chan Wee Boon	• Vistage Chief Executive Programme
Chan Chow Tek	• Malaysian Institute of Accountants ("**MIA**") Webinar Series – ESG Evolution: Developments, Obligations and Reporting Requirements for Sustainable Organisations
Dato' Chan Chor Ngiak	• MIA Webinar Series – Board of Directors: Navigating Resilience via ESG Strategy
Chan Chor Ang	• MIA Webinar Series – ESG Evolution: Developments, Obligations and Reporting Requirements for Sustainable Organisations
Piong Yew Peng	• Budget 2026 Conference - Tax Talks & Fiscal Shocks: Budget 2026 for Business Leaders
Joyce Wong Ai May	• Malaysia E-invoicing Seminar: A Comprehensive Guide with Post-Implementation Insights • The Mindful Professional: Mental Clarity for High Performance in Business and Finance • Highlights form Budget 2026 – in collaboration with PwC Malaysia • 2026 Budget Seminar for Corporate Accountants • What We Need To Know About Personal Data Protection Act (PDPA) 2010 • Spotlight on Fraud and Digital Threats in 2026: Key Trends and Challenges • Personal tax essentials for employees and business owners in 2026
Goh Wen Ling	• Recent Amendments to Listing Requirements: Enhanced Conflict of Interest Framework • Master Class Productive Team Building

Upon review, the Board concluded that the Directors' trainings for the FY2026 were adequate.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

Remuneration Committee

The Remuneration Committee was set up on 7 February 2002 with TOR revised on 28 June 2022. The Remuneration Committee comprises exclusively of Non-Executive Directors and the composition of the Remuneration Committee is as follows: -

Remuneration Committee	Designation	Directorate
Goh Wen Ling	Chairperson	Independent Non-Executive Director
Joyce Wong Ai May	Member	Independent Non-Executive Director
Dato' Chan Chor Ngiak	Member	Non-Independent Non-Executive Director

The Remuneration Committee is governed by its TOR which outlines its remit, duties and responsibilities. The principal duties and responsibilities of the Remuneration Committee are set out in the TOR.

A copy of the TOR of the Remuneration Committee is available for viewing on the Company's corporate website at http://www.pccsgroup.net/.

Annual Assessment on Effectiveness of Board and Individual Directors

Assessment of the effectiveness of the Directors, the Board as a whole and the Board Committees is being carried out annually. The objective is to improve the Board's effectiveness by identifying gaps, maximising strengths and addressing weaknesses. The Chairman of the Board oversees the overall evaluation process and responses are analysed by the Nomination Committee, before being tabled and discussed at the Board.

The Nomination Committee conducted the following assessments annually: -

Evaluation	Assessment criteria
Individual Directors	• Fit and proper • Contribution and performance • Calibre and personality
Board and Board Committees	• Board mix and composition • Quality of information and decision making • Boardroom activities • Board's relationship with the Management • ESG issues or sustainability • Board Committees' performance
Audit Committee	• Quality and composition • Skills and competencies • Meeting administration and conduct
Independence of the Independent Directors	• Independence criteria in accordance with Paragraph 1.01 and Practice Note 13 of the Main LR of Bursa Malaysia Securities

Based on the assessments conducted for the FY2026, the Nomination Committee was satisfied with the performance of the Board as a whole, the Board Committees and each individual Director.

For the purpose of determining the eligibility of the Directors to stand for re-election at the 31st AGM of the Company, the Board through the Nomination Committee, assesses the eligibility of each retiring Director based on the abovementioned annual assessments and in accordance with the Constitution of the Company.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. REMUNERATION

Directors' Remuneration Policy

The remuneration of each Director reflects the level of responsibility and commitment associated with Board membership. The Board determines the remuneration of the Group MD and Executive Directors.

The Board had on 27 May 2016 adopted a Directors' Remuneration Policy and subsequently revised on 28 June 2022 in compliance with Practice 7.1 of the MCCG to set the remuneration packages of Directors and Senior Management. The compensation system takes into account the performance of the Directors and Senior Management and the competitive environment in which the Group operates.

The Remuneration Committee, when recommending the remuneration package of the Directors and Senior Management, shall be guided by the main components and procedures provided in the Directors' Remuneration Policy.

The Directors' Remuneration Policy is to be regularly reviewed by the Board as and when required.

A copy of the Directors' Remuneration Policy is available for viewing on the Company's corporate website at http://www.pccsgroup.net/.

Remuneration of Directors

For the FY2026, the aggregate remuneration received by the Directors of the Company from the Company and the Group categorised into appropriate components is as follows: -

Received from the Company

Directors' Remuneration	Fees	Salaries and Other Emoluments	Bonus	Benefits-in-kind	Others	Total
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Executive Directors						
Chan Wee Kiang	108.0	–	–	–	–	108.0
Chan Wee Boon	48.0	–	–	–	–	48.0
Non-Executive Directors						
Chan Chow Tek	48.0	–	–	–	–	48.0
Dato' Chan Chor Ngiak	66.0	–	–	–	–	66.0
Chan Chor Ang	48.0	–	–	–	–	48.0
Piong Yew Peng	84.0	4.0	–	–	–	88.0
Joyce Wong Ai May	78.0	6.0	–	–	–	84.0
Goh Wen Ling	60.0	6.0	–	–	–	66.0

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. REMUNERATION (CONT'D)

Received on the Group Basis

Directors' Remuneration	Fees	Salaries and Other Emoluments	Bonus	Benefits-in-kind	Others	Total
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Executive Directors						
Chan Wee Kiang	108.0	962.4	400.3	–	–	1470.7
Chan Wee Boon	48.0	–	–	–	–	48.0
Non-Executive Directors						
Chan Chow Tek	48.0	560.4	49.2	–	–	657.6
Dato' Chan Chor Ngiak	66.0	–	–	–	–	66.0
Chan Chor Ang	48.0	–	–	–	–	48.0
Piong Yew Peng	84.0	4.0	–	–	–	88.0
Joyce Wong Ai May	78.0	6.0	–	–	–	84.0
Goh Wen Ling	60.0	6.0	–	–	–	66.0

Remuneration of top five (5) Senior Management

The Board is of the view that disclosing the remuneration of the top five (5) Senior Management will give rise to recruitment and talent retention issues and may lead to the performing Senior Management being lured away by the competitors and hence, the Group may lose high calibre personnel who have been contributing to the Group's performance.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT COMMITTEE

Separation of the positions of the chair of the Audit Committee and the Board

The Audit Committee is chaired by Ms. Joyce Wong Ai May, which is a separate person from the chair of the Board, Mr. Piong Yew Peng.

The composition of the Audit Committee is set out in the **Audit Committee Report** of this Annual Report.

No appointment of former partner of the external audit firm of the Company as member of the Audit Committee

None of the Audit Committee members was a former partner of the Company's external audit firm and the Board has no intention to appoint any former partner of the Company's external audit firm as member of the Audit Committee.

In compliance with Practice 9.2 of the MCCG, the TOR of Audit Committee has been updated accordingly to formalise the appointment of a former partner of the external audit firm as a member of the Audit Committee shall observe a cooling-off period of at least three (3) years.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

I. AUDIT COMMITTEE (CONT'D)

Assessment on External Auditors

In compliance with Practice 9.3 of the MCCG, the Audit Committee had on 28 June 2022 adopted a Policies and Procedures to assess the Suitability, Objectivity and Independence of External Auditors ("**External Auditors' Policy**") and that such assessment would be carried out annually. The External Auditors' Policy is available for viewing on the Company's corporate website at http://www.pccsgroup.net/.

For the FY2026, the Audit Committee had conducted assessment of the suitability, objectivity and independence of the External Auditors, namely Baker Tilly Monteiro Heng PLT ("**Baker Tilly**") based on several factors, including independence of the External Auditors, quality of audit review procedures, adequacy of the firm's expertise and its resources to carry out the audit work that they were tasked with and the extent of the non-audit services rendered.

The Audit Committee was satisfied with Baker Tilly's competency and recommended to the Board the re-appointment of Baker Tilly as the External Auditors of the Company at the 31st AGM. The shareholders subsequently approved the same at the 31st AGM.

Skillsets of Audit Committee

The members of the Audit Committee collectively possess the appropriate and necessary skills and a wide range of experience and expertise in areas such as accounting and auditing, taxation, finance and economics, corporate and commercial legal practice.

In addition, the members of the Audit Committee have attended various continuous trainings and development programmes as detailed in this Annual Report.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Risk Management and Internal Control Framework

The Board affirms the importance of maintaining a sound system of internal controls and risk management practices for good corporate governance. The Audit Committee has been entrusted by the Board to ensure the effectiveness of the Group's internal control systems. The activities of the outsourced Internal Auditors are reported regularly to the Audit Committee which provides the Board with the required assurance in relation to the adequacy and integrity of the Group's internal control systems. The Board acknowledges its overall responsibility in this area and also the need to review its effectiveness regularly.

The **Statement on Risk Management and Internal Control** as set out in this Annual Report provides an overview of the state of risk management and internal controls within the Group.

Internal Audit Function

The Group has appointed an independent professional service provider, namely Sterling Business Alignment Consulting Sdn. Bhd. to carry out the internal audit function. The outsourced Internal Auditors report directly to the Audit Committee, providing the Board with reasonable assurance of adequacy of the scope, functions and resources of the internal audit function. The purpose of the internal audit function is to provide the Board, through the Audit Committee, assurance of the effectiveness of the internal control system in the Group.

During the FY2026, the Audit Committee had reviewed and assessed the adequacy of the scope, functions, competency, resources and independence of the outsourced Internal Auditors and that they have the necessary authority to carry out their work.

The **Audit Committee Report** as set out in this Annual Report provides further details of the Internal Audit Function.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. COMMUNICATION WITH STAKEHOLDERS

The Board has a Corporate Disclosure Policy in place on confidentiality to ensure that confidential information is handled properly by the Directors, employees and relevant parties to avoid improper use of such information. The Board is mindful that information which is expected to be material must be announced immediately to Bursa Malaysia Securities.

A copy of the Corporate Disclosure Policy is available for viewing on the Company's corporate website at http://www.pccsgroup.net/.

The Board ensures there is effective, transparent and regular communication with its stakeholders through a variety of communication channels as follows: -

(a) Announcements to Bursa Malaysia Securities
(b) Annual Reports
(c) AGM/General Meetings
(d) Corporate website
(e) Senior Independent Non-Executive Director

For the FY2026, the Senior Independent Non-Executive Director has confirmed that he has not received any concerns from shareholders/stakeholders, whether written or verbal.

II. CONDUCT OF GENERAL MEETINGS

Notice of AGM

Notice of the 31st AGM held on 28 August 2025 was sent out at least twenty-eight (28) days before the date of the meeting so as to enable the shareholders to have full information about the 31st AGM and to facilitate informed decision-making. Full explanation of the effects of any proposed resolution for special business will accompany the notice of 31st AGM.

Directors' Commitment

Except for Mr. Chan Chow Tek, all the Directors were present at the 31st AGM of the Company held on 28 August 2025 to engage with the shareholders personally and proactively.

The Directors ensure sufficient opportunity is given to the shareholders to pose questions and that adequate responses are given during the AGM.

Minutes of the 31st AGM has been made available to shareholders no later than thirty (30) business days after the AGM on the Company's corporate website at http://www.pccsgroup.net/.

Voting in absentia and Remote Shareholders' Participation at General Meeting(s)

Although the Board recognises the importance of leveraging technology to facilitate remote shareholders participation and voting on all resolutions via remote participation and voting facilities, but after due considerations, the Company conducted its 31st AGM physically on 28 August 2025.

Even though the Company conducted its 31st AGM at a physical venue, shareholders are allowed to vote in absentia by way of appointing the Chairman of the AGM as their proxy through proxy form with pre-determined voting instructions for the Chairman to vote for and on their behalf.

CONCLUSION

The Board is satisfied that for FY2026, the Company complied substantially with the practices of the MCCG.

The Corporate Governance Overview Statement is made in accordance with the resolution of the Board dated 29 July 2026.

AUDIT COMMITTEE REPORT

The Board of Directors ("**the Board**") of PCCS Group Berhad ("**PCCS**") is pleased to present the Audit Committee report for the financial year ended 31 March 2026 ("**FY2026**") in accordance with Paragraph 15.15(1) of the Main Market Listing Requirements ("**Main LR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**").

A. COMPOSITION

The Audit Committee comprises three (3) members at the end of FY2026: -

Audit Committee	Designation	Directorship
Joyce Wong Ai May	Chairperson	Independent Non-Executive Director
Goh Wen Ling	Member	Independent Non-Executive Director
Dato' Chan Chor Ngiak	Member	Non-Independent Non-Executive Director

All Independent Non-Executive Directors meet the independence criteria under Paragraph 1.01 of the Main LR of Bursa Malaysia Securities.

The Audit Committee composition complies with Paragraphs 15.09(1)(a) and 15.09(1)(b) of the Main LR of Bursa Malaysia Securities.

Ms. Joyce Wong Ai May, the Chairperson, fulfills the requirement of Paragraph 15.10 of the Main LR of Bursa Malaysia Securities, and under Practice 9.1 of the Malaysian Code on Corporate Governance, she does not concurrently serve as the Chairperson of the Board.

Ms. Joyce Wong Ai May is a member of the Malaysian Institute of Accountants ("**MIA**"), thereby satisfying the requirement stated in Paragraph 15.09(1)(c)(i) of the Main LR of Bursa Malaysia Securities, which mandates that at least one (1) member of the Audit Committee be a member of MIA.

The Nomination Committee reviewed the terms of office and performance of the Audit Committee and its members on 22 May 2025, ensuring compliance with Paragraph 15.20 of the Main LR of Bursa Malaysia Securities, and reported their satisfaction to the Board that the Audit Committee and its members are able to carry out their duties in accordance with the Terms of Reference of Audit Committee.

B. ATTENDANCE

During FY2026, the Audit Committee held four (4) meetings. Attendance details are as follows: -

Directors	Attendance	%
Joyce Wong Ai May (Chairperson)	4 out of 4	100
Goh Wen Ling	4 out of 4	100
Dato' Chan Chor Ngiak	4 out of 4	100

C. SUMMARY OF WORK

The Audit Committee diligently performed its functions as outlined in its Terms of Reference. Key activities during FY2026 included:

1. Financial Performance and Reporting Oversight

- Reviewed the unaudited quarterly financial results for the quarter ended 31 March 2025, 30 June 2025, 30 September 2025 and 31 December 2025 before recommending them to the Board for approval;
- Reviewed the draft audited financial statements for the financial year ended 31 March 2025 before recommending them to the Board for approval;
- Reviewed the financial performance and financial highlights of PCCS and its subsidiaries ("**the Group**") on a quarterly basis; and
- Reviewed the identified significant matters pursuant to Paragraph 15.12(1)(g) of the Main LR of Bursa Malaysia Securities on a quarterly basis.

2. Oversight of External Auditors

- Reviewed the suitability, objectivity, and independence of Baker Tilly Monteiro Heng PLT for its re-appointment as External Auditors. The Audit Committee was satisfied with the outcome of the assessment and thereby recommended the re-appointment of Baker Tilly Monteiro Heng PLT as the External Auditors, subject to the approval of PCCS's shareholders at the Thirty-First Annual General Meeting;
- Discussed and reviewed with the External Auditors, the Audit Review Memorandum for the financial year ended 31 March 2025, covering significant audit findings, potential key audit matters, matters for control improvements and significant outstanding matters from the audit field works;
- Discussed and reviewed with the External Auditors, the Audit Planning Memorandum entailing the scope of work and audit plan for the FY2026, including any significant issues and concerns that arose from the audit;
- Discussed and reviewed with the External Auditors, the applicability and the impact of the new accounting standards and new financial reporting regime issued by the Malaysian Accounting Standards Board that may impact the unaudited quarterly financial results of the Group;
- Had one private discussion session with the External Auditors without the presence of the Executive Directors and Management to discuss the major concerns that arose from the annual statutory audit; and
- Reviewed the audit fees for the FY2026 prior to the approval of the Board.

3. Oversight of Internal Audit ("IA")

- Reviewed the IA Report and assessed the Internal Auditors' major findings and evaluated the Management's responses and made necessary recommendations to the Board for approval;
- Reviewed and adopted the IA plan for the Group for the FY2026 and reported to the Board for notation;
- Reviewed the Status Report on the follow-up actions on the previously reported audit findings of the Group to ascertain the agreed action plans being implemented by the Management;
- Reviewed the adequacy and performance of the IA function and its comprehensive coverage of the Group's activities; and
- Reviewed and assessed the adequacy of the scope, functions, competency and resources of the outsourced Internal Auditors and that they have the necessary authority to carry out their work.

C. SUMMARY OF WORK (CONT'D)

4. Review of Related Party Transactions

- Reviewed any related party transactions of the Group on a quarterly basis, including any transaction, procedure or course of conduct that raised questions on management integrity.

5. Oversight of Employees' Share Option Scheme ("ESOS")

- Reviewed the summary of the allocation of options pursuant to ESOS on a quarterly basis.

6. Oversight of Internal Control Matters

- Reviewed and confirmed the minutes of the Audit Committee Meetings;
- Reviewed and recommended to the Board, the Audit Committee Report and Statement on Risk Management and Internal Control, for inclusion in the Annual Report 2025;
- Reviewed the Statement to Shareholders in relation to the Proposed Renewal of Share Buy-Back Authority and recommended the same to the Board for approval; and
- Reviewed the conflict of interest or potential conflict of interest.

D. IA FUNCTION

1. Appointment

The Group has appointed an outsourced IA service provider to carry out the IA function, namely Sterling Business Alignment Consulting Sdn. Bhd. ("**Sterling**"). The outsourced Internal Auditors report directly to the Audit Committee, which is delegated by the Board, to provide the Board with a reasonable assurance of the adequacy of the scope, functions, competency and resources of the IA function. The purpose of the IA function is to provide the Board, through the Audit Committee, with assurance on the effectiveness of the system of internal control for the designated entities of the Group.

2. IA Activities

The IA reporting format can broadly be segregated into three (3) main areas as follows: -

(a) IA Plan of the Group

At the beginning of the financial year, the IA Plan of the Group developed based on a risk-based internal audit ("**RBIA**"), with priority given to the audit coverage of high-risk business areas. The IA Plan is presented to the Audit Committee by Sterling for discussion and adoption before recommending it to the Board for notation.

(b) Regular IA Reports

IA reports are reviewed and adopted by the Audit Committee. During the FY2026, Sterling reviewed critical business processes, identified risks and internal control gaps, assessed the effectiveness and adequacy of the existing state of internal control of the major subsidiaries and highlighted the weaknesses with the recommended corrective actions to the internal control process. This is to provide reasonable assurance that such a system continues to operate satisfactorily and effectively within the Group.

D. IA FUNCTION (CONT'D)

2. IA Activities (Cont'd)

(b) Regular IA Reports (Cont'd)

For the FY2026, the following subsidiaries of the Group were audited by Sterling: -

Name of Entities audited by Sterling	Date of IA Report
La Prima Medtech Sdn. Bhd. and La Prima Medicare Pte. Ltd.	21 May 2025
Southern Auto Capital Sdn. Bhd.	27 November 2025

(c) Follow-up Reports

In addition, follow-up audit review was conducted on the implementation of recommendations from previous cycles of IA and has updated the Audit Committee on the status of the Management-agreed action plan.

For the FY2026, Sterling presented their status report regarding follow-up actions on previously reported audited findings in respect of the following subsidiaries of the Group: -

Name of Entities followed-up by Sterling	Date of IA Status Report
Wan He Da Manufacturing Company Limited	27 August 2025
La Prima Medtech Sdn. Bhd. and La Prima Medicare Pte. Ltd.	27 August 2025
Southern Auto Capital Sdn. Bhd.	25 February 2026
Wan He Da Manufacturing Company Limited	25 February 2026
La Prima Medtech Sdn. Bhd. and La Prima Medicare Pte. Ltd.	25 February 2026

3. Total costs incurred for the FY2026

The total costs incurred for the IA function of the Group for the FY2026 were RM39,000/- (Financial year ended 31 March 2025: RM51,500/-).

4. IA Charter

Pursuant to Paragraph 15.12(1)(e) and (f) of the Main LR of Bursa Malaysia Securities, the Audit Committee is required to review and report to the Board the following in respect of IA:-

(a) The adequacy of the scope, competency, and resources of the IA function and that it has the necessary authority to carry out its work; and

(b) The IA plan, processes, and results of the IA assessments and the reviews undertaken to ensure that corrective actions are being implemented accordingly.

The Audit Committee had adopted an IA Charter in order to enable the Audit Committee to discharge its abovementioned roles.

D. IA FUNCTION (CONT'D)

4. IA Charter (Cont'd)

The IA Charter contained the following key items: -

- Objectives and scope of work of Internal Auditors;
- Outsourced IA Function;
- Terms of Reference for IA Function;
- Governance, Authority and Organisational Position;
- Reporting procedures;
- Objectivity and independence;
- IA Function Administration;
- Oversight functions of the Audit Committee in relation to IA Function;
- Frequency of the review of IA Charter; and
- Scope of IA Services and Engagement Requirements.

The Group has scheduled to update the IA Charter to align with the new Global Internal Audit Standards ("**GIAS**") 2025 in FY2026.

Section	GIAS Requirement	Group's Approach and Alignment
1. Purpose and Mission	Defines internal auditing's core objective to enhance and protect organisational value.	The IA Charter anchors the function's purpose on the independent review of internal controls to safeguard and enhance the Group's organisational value.
2. Authority and Scope	Grants full, free and unrestricted access to records, personnel and physical properties.	The Board and Audit Committee expect all stakeholders to grant Internal Auditors full, free and unrestricted access to records, personnel and facilities, to preserve the integrity and effectiveness of internal control testing.
3. Independence and Objectivity	Requires auditors to maintain an unbiased mindset and prohibits assumption of operational responsibilities.	The Board and Audit Committee ensure strict segregation of duties; staff with operational responsibilities do not perform IA duties, and the working environment is structured to support impartiality.
4. Board Oversight	Confirms the Board's responsibility for appointment, removal and performance evaluation of the Chief Audit Executive ("**CAE**").	The Board retains formal accountability for the appointment, removal and performance evaluation of the CAE.
5. Core Principles	Commits the function to integrity, competency, confidentiality and due professional care.	The Board upholds these principles through consistent adherence to internal controls, policies and stakeholder accountability.
6. Accountability and Strategy	Mandates development of an IA strategy aligned with organisational objectives.	The Board requires the development of an IA strategy that supports and aligns with the Group's strategic objectives.

D. IA FUNCTION (CONT'D)

4. IA Charter (Cont'd)

The Group has scheduled to update the IA Charter to align with the new Global Internal Audit Standards ("**GIAS**") 2025 in FY2026. (Cont'd)

Section	GIAS Requirement	Group's Approach and Alignment
7. Quality Assurance	Requires an ongoing Quality Assurance and Improvement Programme ("**QAIP**") in conformance with GIAS.	The Board and Audit Committee oversee a structured QAIP supported by robust governance procedures, including: - • **Tone from the Top:** Leadership champions a zero-tolerance culture and enforces anti-bribery policies across all Group entities. • **Annual Risk Assessments:** Corruption risk assessments are conducted annually via anti-bribery questionnaires to identify areas for improvement. • **Control Measures:** Rigorous due diligence on third parties, including CTOS and Companies Commission of Malaysia background checks, and systematic tracking of financial records for customers and suppliers onboarding. • **Continuous Monitoring:** Regular review of the anti-corruption programme to ensure ongoing effectiveness. • **Training & Communication:** Staff receive periodic anti-bribery and cybersecurity training to maintain up-to-date risk awareness.

Next Steps for Implementation

- **Board Approval:** Present the updated IA Charter to the Audit Committee and Board for formal approval.
- **Communicate Changes:** Distribute the updated IA Charter to senior management and key stakeholders.
- **Update Methodology:** Adjust the Internal Audit Manual and procedures to reflect GIAS terminology and performance requirements.

5. Review of IA Function

With the adopted IA Charter serving as a guiding document, the Audit Committee has performed a review of the IA Function during FY2026. For the FY2026, the Audit Committee concluded that the IA function is independent and satisfactory, and Sterling has performed their audit assignments with impartiality, proficiency and due professional care.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("**the Board**") of PCCS Group Berhad ("**PCCS**") is pleased to present the Statement on Risk Management and Internal Control ("**Statement**") which outlines the nature and scope of risk management and the internal control systems of PCCS and its subsidiaries ("**the Group**") for the financial year ended 31 March 2026 ("**FY2026**") pursuant to Paragraph 15.26(b) and Practice Note 9 of the Main Market Listing Requirements ("**Main LR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**"), Malaysian Code on Corporate Governance ("**MCCG**") and Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies 2025 ("**SORMIC Guide 2025**").

BOARD RESPONSIBILITY

The Board accepts ultimate responsibility for maintaining a robust risk management and internal control and for reviewing its adequacy, effectiveness and integrity. The Board's key responsibilities are as follows:-

(a) establishing the Group's governance, risk management and internal control framework;
(b) overseeing the identification, assessment, monitoring and management of principal risks;
(c) approving the Group's risk appetite and risk tolerance levels;
(d) ensuring that appropriate mitigating actions are implemented to address significant risks and control deficiencies; and
(e) reviewing the adequacy and effectiveness of the Group's risk management and internal control systems.

The Board recognises that risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can therefore provide only reasonable, but not absolute assurance. Recognising the inherent limitations, the system is designed to manage rather than eliminate the risk, providing reasonable assurance against material misstatement or losses.

The Audit Committee, acting on behalf of the Board, ensures the diligent implementation of risk management and internal control practices within the Group. Management exercises sound judgment in assessing risks, identifying mitigation strategies, and evaluating the cost-effectiveness of control measures.

RISK MANAGEMENT

The Board acknowledges its overall responsibility for the Group's system of risk management as well as reviewing its adequacy and effectiveness. The risk management system is designed to manage the Group's risks within an acceptable risk profile, rather than to avoid or eliminate the risks that are inherent to the Group's activities.

The reporting structure for risk management was restructured on 31 January 2018. It consists of a Performance Management Review Team ("**PMRT**") and a Risk Management Working Group ("**RMWG**"), which together discharge the risk management function of the Group on behalf of the Board. The existing policies and procedures such as fit and proper policy, code of conduct and ethics, health and safety, anti-bribery and anti-corruption policy as well as the approval limit matrix for Sales and Marketing and Credit Control Cycle, Procurement and Account Payable Cycle, Production Cycle, Human Resources Cycle, Fixed Assets Cycle, Credit Facilities Cycle, Research and Development Cycle, Investment Cycle and Inventory Cycle Management are in place and adhered to mitigate as much operational risk and reputation risk from a daily basis. The Board has established and periodically reviews the Group's risk appetite and tolerance levels to ensure that risk-taking activities remain aligned with the Group's strategic objectives, operational requirements and stakeholder expectations. Significant risks identified through the risk management process are assessed against these parameters and escalated to the Audit Committee and Board where necessary.

RISK MANAGEMENT (CONT'D)

The composition of the PMRT and RMWG are as follows:-

PMRT

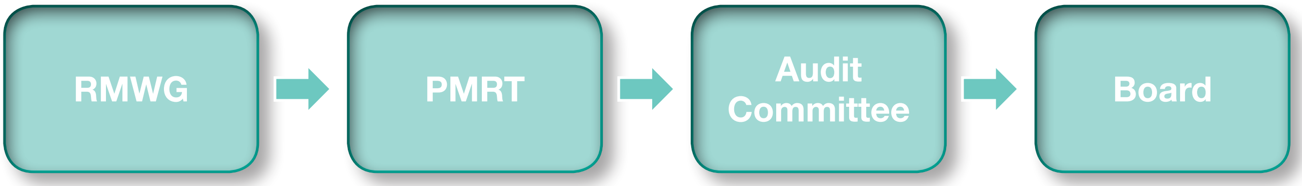
Office	Name(s)
Leaders	Chan Wee Kiang and Tang Lai Huat
Independent Advisors	Piong Yew Peng and So Hsien Ying
Member	Chan Wee Kiang

RMWG

Office	Name(s)
Leader	Chan Wee Kiang
Members	Chan Wee Boon, Chen TianShen, Chong Cher Kung, Shi XiaoQun, Bernard Huang Jin Hui, Danny Chan Fook Chang, Sim Sian Ling, Jenny Jin Yanni, Ng Beng Hong, Phua Chee How, Daniel Pua Kian Boon, Tan Kee Wai, Ho Ming How, Lee Sze Meen, Eng Sook Keng, Lucy Lu Juan, Gan Chee Eng, Jason Lim Kok Chai, Ng Kok Hoe and Png Kim Leng

The RMWG is reporting to PMRT in respect of the identified risks and PMRT will then report directly to the Audit Committee. The RMWG has been delegated to oversee the risk management function and implement the control measures, update the Risk Registry and perform ongoing risk management implementation. PMRT is tasked to set performance measures, review the Risk Registry and assess the effectiveness of the risk management framework.

The reporting structure for risk management is as follows:-



The Board has adopted a revised Risk Management Handbook. The Risk Management Handbook entails the following chapters:-

(1) Risk Management – Types of Risks and Benefits of Risk Management;
(2) Terms of Reference and Reporting Structure;
(3) Roles and Responsibilities;
(4) Risk Management Framework;
(5) Risk Measurement (Garment Division);
(6) Risk Measurement (Credit Financing Division); and
(7) Implementing Risk Management Process.

RISK MANAGEMENT (CONT'D)

Sustainability and Emerging Risks

In support of the Group's sustainability agenda and in response to evolving regulatory requirements, the risk management process incorporates sustainability-related risks and opportunities, including environmental, social and governance ("**ESG**"), climate-related, cybersecurity, data privacy, regulatory and other emerging risks. These risks are assessed as part of the annual risk assessment process and monitored through the established governance structure.

For FY2026, the Audit Committee and the Board received and reviewed the Risk Registry of the Company at the Corporate Level, Apparels (Cambodia and China), Medical and Credit Financing Divisions including assessments of corporate liability risks under Section 17A of the Malaysian Anti-Corruption Commission Act 2009, corruption and bribery risks, regulatory compliance risks, cybersecurity risks and other emerging risks relevant to the Group's operations in its annual risk assessment of the Group pursuant to the Paragraph 15.29(1)(c) of the Main LR of Bursa Malaysia Securities. All identified risk factors were assigned to the respective head of subsidiaries and risk owners for the execution of control measures.

For FY2026 and up to the date of this Statement, the PMRT has held four (4) meetings with the Audit Committee, while the RMWG has held four (4) meetings.

The Board has empowered the Management to implement the Board's policies and guidelines on risks and controls, identify and evaluate the risks faced by the Group, and operate a suitable system of controls to manage these risks.

The Board has received assurances from the Group Managing Director and Corporate Controller that the Group's risk management framework and internal control systems have operated adequately and effectively, in all material respects, throughout FY2026 and up to the date of this Statement. The Board has reviewed the assurance process and is satisfied that it provides a reasonable basis for its conclusion.

INTERNAL AUDIT FUNCTION

An independent consulting firm, Sterling Business Alignment Consulting Sdn. Bhd. ("**Sterling**"), serves as the Group's Internal Auditor, reporting directly to the Audit Committee on a quarterly basis.

The profile of Sterling is set out as follows:-

Principal Engagement Lead	:	Dr. So Hsien Ying
Qualifications	:	She is a Doctor in Business Administration (Wales), Master in Business Administration (Finance) (Hull), BSc Economics (Hons) (London), a Certified Internal Control Professional (US), a permanent member of the Internal Control Institute (US), an associate member of the Institute of Internal Auditors Malaysia ("**IIAM**") and a member of the Malaysian Alliance of Corporate Directors.
Experiences	:	Thirty-two (32) years of experience in corporate planning, business process improvement, risk management, internal audit and internal control review.
Number of resources	:	Each internal audit review ranges from three (3) to four (4) staff per visit.

Sterling is an independent professional internal audit service provider and a corporate member of the IIAM. The Internal Auditor reports functionally to the Audit Committee and has unrestricted access to the Audit Committee, senior management and relevant records in carrying out its responsibilities. Sterling uses the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Control-Integrated Framework as a basis for evaluating the effectiveness of the internal control systems. Internal audit reviews are performed using a risk-based audit methodology, focusing on key business processes, principal risks, governance practices and the adequacy and effectiveness of internal controls. Audit findings, recommendations and management action plans are reported to the Audit Committee, which monitors the timely implementation of agreed corrective actions.

INTERNAL AUDIT FUNCTION (CONT'D)

During FY2026, Sterling's engagement team personnel affirmed to the Audit Committee that in relation to PCCS and the Group, they were free from any relationships or conflicts of interest, which could impair their objectivity and independence.

Based on internal audit reviews conducted, Sterling presented observations and recommendations, together with Management's responses and proposed action plans, to the Audit Committee for review. In addition, the Internal Auditor followed up on the implementation of recommendations from previous cycles of internal audit and updated the Audit Committee on the status of Management-agreed action plans.

During FY2026, Sterling reviewed critical business processes, identified risks and internal control gaps, assessed the effectiveness and adequacy of the existing state of internal control of the major subsidiaries of PCCS and recommended possible improvements to the internal control process. This is to provide reasonable assurance that such systems continue to operate satisfactorily and effectively within the Group.

For the FY2026 and up to the date of this Statement, two (2) internal audit reviews were carried out, and five (5) follow-up status reviews were reported by Sterling to the Audit Committee:-

Audit Period	Reported in	Audited Areas
1st Quarter (April 2025 – June 2025)	August 2025	Follow-up status update on: • La Prima Medtech Sdn. Bhd. and La Prima Medicare Pte. Ltd. • Wan He Da Manufacturing Company Limited
2nd Quarter (July 2025 – September 2025)	November 2025	Southern Auto Capital Sdn. Bhd. • Credit Risk Management • Regulatory Compliance Framework • Liquidity Risk Controls • Repossession and Recovery
3rd Quarter (October 2025 – December 2025)	February 2026	Follow-up status update on: • La Prima Medtech Sdn. Bhd. and La Prima Medicare Pte. Ltd. • Wan He Da Manufacturing Company Limited • Southern Auto Capital Sdn. Bhd..
4th Quarter (January 2026 – March 2026)	May 2026	Beauty Silk Screen Limited • Inventory Management

KEY ELEMENTS OF INTERNAL CONTROL

The following sets out the key elements of the Group's internal control, which have been in place throughout the FY2026 and up to the date of this Statement:-

- **Organisational Structure**

  The Group has a well-defined organisational structure that is aligned with its business and operational requirements. Clearly defined lines of accountability, a delegation of responsibility and a level of authorisation for all aspects of the business have been laid down and communicated throughout the Group.

- **Limits of Authority**

  Authority charts have been established within the Group to provide a functional framework of authority in approving sales orders, purchases, expenses and capital expenditures.

KEY ELEMENTS OF INTERNAL CONTROL (CONT'D)

The following sets out the key elements of the Group's internal control, which have been in place throughout the FY2026 and up to the date of this Statement:- (Cont'd)

- **Review of Financial and Operational Performance**

  The Group's performance is monitored through a budgeted system which requires all material variances to be identified, discussed and reviewed by Management on a regular basis.

  The Corporate Controller ("**CC**") would table the same to the Audit Committee and the Board for review and comments at the quarterly held Audit Committee and Board Meetings, respectively.

  The Board reviews the Group's financial and operational performance quarterly, which analyses the Group's performance against the preceding year corresponding quarter performance.

- **Employee Handbook**

  A comprehensive Employee Handbook has been developed to foster long-lasting and harmonious working relationships among the employees and set out the rules and regulations to be adhered to by the employees in performing their duties. The Employee Handbook is regularly reviewed to incorporate changes that enhance working efficiency.

- **Standard Operating Policies and Procedures ("SOPP")**

  Numerous SOPPs have been established to serve as a general management guide for daily operations. These SOPPs are reviewed on a regular basis to reflect changing risks or to resolve any operational deficiencies. They also promote efficiency and accountability for the Group.

- **Health, Safety and Environment Manual**

  Adopting stringent monitoring controls on environmental, safety and health, which are of utmost importance to the employees and business. This was enhanced by the Health, Safety and Environment Manual for a safe working environment for all employees. Besides, monitoring control and measures include clearly documented procedures, delegation of duties and responsibilities, schedule of tasks and implementation of control measures.

- **Staff Training and Development Programmes**

  Training and development programmes are established to ensure that staff are kept up-to-date with the constantly changing technological environment in order to be competent in the industry in line with achieving the Group's business objectives.

- **Corporate Liabilities Risk**

  Implemented Anti-Bribery and Anti-Corruption Policy and Whistleblowing Policy to supplement the Group's Code of Conduct and Ethics. This is also part of the Group's efforts to eliminate corporate liabilities risk in relation to the Malaysian Anti-Corruption Commission Act 2009 and the Malaysian Anti-Corruption Commission (Amendment) Act 2018.

- **Whistleblowing and Ethical Conduct**

  The Group maintains a Whistleblowing Policy that provides employees and stakeholders with accessible channels to report concerns relating to misconduct, unethical behaviour, fraud or policy breaches. All reports received are independently assessed and investigated where appropriate. Whistleblowers are assured of confidentiality, except where disclosure is required by overriding legal obligation, and are protected against dismissal or retaliation by the Group.

ASSURANCE FROM MANAGEMENT

The Group Managing Director and Corporate Controller have provided assurance to the Board that:

(a) the Group's risk management and internal control systems have been operating adequately and effectively in all material respects throughout FY2026 and up to the date of this Statement;

(b) all material risks relevant to the Group's objectives have been identified and evaluated; and

(c) appropriate actions have been taken to manage and mitigate those risks and to address any significant control deficiencies identified during the financial year.

The Board has considered these assurances in forming its opinion on the adequacy and effectiveness of the Group's risk management and internal control systems.

CONCLUSION

Based on the ongoing reviews and formal assurances obtained, the Board is of the opinion that the Group's risk management and internal control systems were adequate and effective in all material respects during FY2026 and up to the date of this Statement to safeguard shareholders' investments, the Group's assets and the achievement of the Group's business objectives.

The Board confirms that a sustainable process for identifying, evaluating, monitoring and managing significant risks faced by the Group and that this process has been in place throughout FY2026 and up to the date of this Statement.

Nevertheless, recognising that business environments and risk profiles continue to evolve, the Board remains committed to continuously improving the Group's governance, risk management and internal control practices, including strengthening oversight of sustainability-related, cybersecurity and other emerging risks. The Board continues to take appropriate action plans to strengthen the risk management and internal control systems to meet the Group's objectives.

This Statement is made in accordance with the resolution of the Board dated 29 July 2026.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the Main LR of Bursa Malaysia Securities, the External Auditors, Baker Tilly Monteiro Heng PLT have reviewed this Statement. The review was performed in accordance with Audit and Assurance Practice Guide 3 (AAPG 3): Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Controls included in the Annual Report, issued by the Malaysian Institute of Accountants. Based on their review, nothing has come to their attention that causes them to believe that the Statement is inconsistent with their understanding of the processes adopted by the Board in reviewing the adequacy and integrity of the Group's risk management and internal control systems.

STATEMENT OF DIRECTORS' RESPONSIBILITY
IN RELATION TO THE FINANCIAL STATEMENTS

This statement is prepared in compliance with the requirements of the Companies Act 2016 ("**the Act**"), the Main Market Listing Requirements ("**Main LR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**") and the applicable approved accounting policies.

The Directors are responsible to prepare annual financial statements which give a true and fair view of the state of affairs of PCCS Group Berhad ("**the Company**") and its subsidiaries ("**the Group**") at the end of the financial year and of their financial results and cash flows for the financial year.

In preparing the financial statements of the Group and the Company for the financial year ended 31 March 2026, the Directors are in the opinion that the Group and the Company have: -

- used appropriate accounting policies and were consistently applied;
- made reasonable and prudent judgments and estimates;
- ensured that all applicable approved accounting standards in Malaysia have been followed; and
- prepared the financial statements based on a going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors have relied on the system of Internal Controls to ensure that the information generated for the preparation of the financial statements from the underlying accounting records is accurate and reliable.

The Directors are responsible for ensuring that the Company maintains accounting records that disclose the financial position of the Group and the Company with reasonable accuracy which enable them to ensure that the financial statements comply with the provisions of the Act, the Main LR of Bursa Malaysia Securities, and the applicable approved accounting standard by the Malaysian Accounting Standard Board.

The Directors are responsible for taking reasonable steps to safeguard the assets of the Group and the Company, as well as to prevent and detect fraud and other irregularities.

This Statement of Directors' Responsibility in relation to the Financial Statements is made in accordance with the resolution of the Board of Directors dated 29 July 2026.

OTHER INFORMATION

REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

AUDIT AND NON-AUDIT FEES

For the financial year ended 31 March 2026 ("**FY2026**"), the amount incurred by PCCS Group Berhad ("**the Company**") and its subsidiaries ("**the Group**") with respect to audit fees and non-audit related fees paid to the External Auditors are as follows: -

	Company (RM)	Group (RM)
Audit services rendered	128,000	494,137
Non-audit services rendered		
(1) Tax Review and Services	10,800	58,976
(2) Review of the Statement on Risk Management and Internal Control	6,000	6,000
Total	**144,800**	**559,113**

UTILISATION OF PROCEEDS

There were no proceeds raised from any corporate proposal during the FY2026. The information in relation to the Employees' Share Option Scheme ("**ESOS**") during the FY2026 is as follows: -

ESOS

The Group's ESOS, which became effective on 16 December 2019, was initially approved by shareholders at an Extraordinary General Meeting on 26 August 2019 for 5 years, expiring on 15 December 2024. On 5 September 2024, in accordance with the terms of the ESOS By-Laws, the Company approved an extension of the scheme for a further 5 years, setting its new expiry date to 15 December 2029.

The information in relation to the ESOS is set out in the table below: -

	Total number of Options as at 31 March 2026	
Description	All Eligible Employees including Directors and Chief Executive	Directors and Chief Executive
(1) Options granted	12,382,850	3,422,850
(2) Options exercised	7,414,000	2,174,000
(3) Options expired	3,660,000	340,000
(4) Options outstanding	1,308,850	908,850

ESOS (CONT'D)

In accordance with the ESOS's By-laws, not more than seventy per centum (70%) of the Company's ordinary shares available under the ESOS shall be allocated, in aggregate, to the Directors and Senior Management of the Group. The percentage of options granted to the Directors and Senior Management are set out in table below: -

Options granted to the Directors and Senior Management	Number of Options (FY2026)	Number of Options (Since commencement of ESOS up to 31 March 2026)
Aggregate maximum allocation in percentage	70.00%	70.00%
The actual percentage granted	0%	10.34%

For the FY2026, no ESOS Options were granted to or exercised by the Non-Executive Directors.

MATERIAL CONTRACTS INVOLVING DIRECTORS, CHIEF EXECUTIVE AND MAJOR SHAREHOLDERS' INTEREST

None of the Directors, Chief Executive and Major Shareholders have entered into any material contracts with the Company and/or its subsidiaries during the FY2026.

RECURRENT RELATED PARTY TRANSACTIONS ("RRPT") OF REVENUE NATURE

The RRPTs were disclosed in Note 34 of the Financial Statements for FY2026 on page 181.

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements, the financial data set out below is provided for the purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and its interest-based financial position.

(a) Group Total Income and Total Assets

	Group	
Total Income	**2026 RM'000**	**2025 RM'000**
Revenue	560,181	547,770
Other income	2,599	6,467
Interest/Finance income	824	968
Total	**563,604**	**555,205**
Total Assets	**384,278**	**375,569**

(b) Business Activities

	Group	
Shariah Non-Compliant Activities	**2026 RM'000**	**2025 RM'000**
Banking & finance and related sevices	11,462	9,662
Insurance services	214	–
Interest income	822	968
Total	**12,498**	**10,630**

(c) Component of Financial Position

i. Cash Component

	Group	
Islamic Account/Instruments	**2026 RM'000**	**2025 RM'000**
Cash at bank	2,041	1,726
Cash in hand	192	251
Money market instruments	1	1
Total Cash	**2,234**	**1,978**
Conventional Account/Instruments		
Cash at bank	43,259	25,627
Deposits with licensed bank	6,951	12,992
Money market instruments	409	2,012
Total Cash	**50,619**	**40,631**

(c) Component of Financial Position (Cont'd)

ii. Debt Component

Islamic Financing	Group	
	2026 RM'000	2025 RM'000
Current	N/A	N/A
Non-Current	N/A	N/A
Total Financing	**N/A**	**N/A**

Conventional Borrowing	Group	
	2026 RM'000	2025 RM'000
Current		
Block discounting borrowings	5,891	2,705
Bill financing	11,060	24,900
Trust receipts	11,905	9,943
Hire purchase payables	189	180
Revolving credits	30,787	21,253
Non-Current		
Block discounting borrowings	15,180	7,255
Hire purchase payables	216	405
Total Debt	**75,228**	**66,641**

SUSTAINABILITY STATEMENT

ADVANCING SUSTAINABLE VALUE ACROSS OUR BUSINESSES

OUR PERFORMANCE AT A GLANCE

PCCS Group Berhad and subsidiaries (collectively referred to as "**the Group**") operate across apparel manufacturing and medical services, each with distinct operational characteristics. As a Group with manufacturing-intensive and service-oriented segments, we manage the environmental footprint of our garment production, uphold sound governance practices across multiple jurisdictions and maintain a skilled workforce to support stable and responsible growth.

Sustainability considerations are embedded into the Group's operational management, risk management processes and business decisions. This includes optimising resource consumption and production impacts within apparel manufacturing, maintaining regulatory and operational standards across our medical segments and strengthening governance practices across all business divisions. These efforts support operational continuity while addressing evolving stakeholder and regulatory expectations.

During FY2026, the scope of our reporting was extended to include subsidiaries within the Medical Division, alongside selected entities within the Apparel Division. This inclusion enhances visibility of sustainability outcomes across the Group's manufacturing and service operations, while supporting improved transparency.

DISCLOSURE SCOPE AND BOUNDARY

This statement presents our sustainability performance from 1 April 2025 to 31 March 2026 ("**FY2026**") and include data from our Corporate Office and the following subsidiaries.

PCCS Group Berhad
Headquarters: Johor, Malaysia

Subsidiaries Included in Reporting Scope

Apparel Division

- PCCS Garments (Suzhou) Ltd. ("**SGL**")
- Wan He Da Manufacturing Company Limited ("**WHD**")
- Beauty Silk Screen Limited ("**BSSL**")
- PCCS (Hong Kong) Limited ("**PCCS HK**")
- Kezanova Sdn. Bhd. ("**Kezanova**")
- Perfect Seamless Garments (Cambodia) Limited ("**PSG**")
- Thirty Three (Shanghai) Limited ("**TTSL**")
- PCCS Garments (Shandong) Ltd. ("**SDL**")
- Thirty Three Apparels (Cambodia) Co., Ltd. ("**TTAL**")

Medical Division

- La Prima ("**LPM**"):
  - La Prima Medicare Pte. Ltd.
  - La Prima Medtech Sdn. Bhd.

In FY2026, the reporting scope was expanded to include subsidiaries within the Medical Division, alongside selected Apparel Division subsidiaries, namely PCCS HK, Kezanova, PSG, TTSL, SDL and TTAL.

ADVANCING SUSTAINABLE VALUE ACROSS OUR BUSINESSES (CONT'D)

REPORTING FRAMEWORK, STANDARDS AND GUIDELINES

This statement was prepared in compliance with the Bursa Malaysia Securities Main Market Listing Requirements ("**MMLR**") and references the following reporting standards, where relevant to the Group's operations and disclosures:

- Bursa Malaysia Sustainability Reporting Guide (3rd Edition)
- International Financial Reporting Standards ("**IFRS**") Sustainability Disclosure Standards, with particular focus on:
    - IFRS S2 *Climate-related Disclosures*
- Global Reporting Initiative ("**GRI**") Standards
- Greenhouse Gas ("**GHG**") Protocol: A Corporate Accounting and Reporting Standard (2004)

<u>Global Goals</u>

- United Nations Sustainable Development Goals ("**UN SDGs**")

ENSURING DATA ACCURACY

Sustainability data disclosed in this Statement is consolidated from relevant business divisions and subsidiaries within the Group's reporting boundary. The information has been reviewed and verified by designated data owners and respective Heads of Departments to support data accuracy and completeness.

FEEDBACK AND CONTACT

We welcome feedback to support ongoing improvements in our sustainability reporting. Comments and suggestions may be directed to the contact details provided below.

Dr. Tang Lai Huat
Corporate Controller
lhtang@pccsgroup.net

PCCS Group Berhad,
Lot 1376, GM 127, Mukim Simpang Kanan, Jalan Kluang, 83000 Batu Pahat, Johor Darul Ta'zim

ADVANCING SUSTAINABLE VALUE ACROSS OUR BUSINESSES (CONT'D)

MEMBERSHIPS AND ASSOCIATIONS

Selected subsidiaries participated in industry associations within the garment manufacturing sector to remain informed of regulatory developments, market expectations and evolving industry practices, while facilitating knowledge exchange with industry peers.

Associations and Memberships		
Country	**Subsidiary**	**Association**
Cambodia	Wan He Da Manufacturing Company Limited	Textile, Apparel, Footwear & Travel Goods Association in Cambodia ("**TAFTAC**")
Cambodia	Thirty Three Apparels Cambodia Co., Ltd.	• Better Factories Cambodia ("**BFC**") • Textile, Apparel, Footwear & Travel Goods Association in Cambodia ("**TAFTAC**")
Cambodia	Beauty Silk Screen Limited	Textile, Apparel, Footwear & Travel Goods Association in Cambodia ("**TAFTAC**")
China	PCCS Garments (Suzhou) Ltd.	Wu Jiang Foreign Investors Association
Malaysia	Kezanova Sdn. Bhd.	Malaysian Knitting Manufacturers Association

AWARDS AND RECOGNITIONS

WHD received recognition during the reporting year for efforts in advancing sustainable industrial practices and supporting Cambodia's transition towards a lower-carbon industrial landscape. This recognition reflects continued progress in strengthening sustainability practices across our operations.

Green Industrial Award 2025

WHD was awarded Silver at the Cambodia Green Industry Awards 2025 by the Ministry of Industry, Science, Technology and Innovation ("**MISTI**") in December 2025, in recognition of demonstrated commitment to sustainable manufacturing practices.

WRAP Certificate of Compliance 2025

WHD received the Gold Certificate of Compliance from Worldwide Responsible Accredited Production ("**WRAP**"), valid from 29 September 2025 to 29 September 2026, in recognition of the entity's demonstrated commitment to responsible, ethical and sustainable production practices.

OUR SUSTAINABILITY REPORTING JOURNEY

We have progressively strengthened our sustainability reporting approach over time, expanding the scope of disclosures, strengthening governance structures and enhancing alignment with recognised reporting frameworks. This progression reflects a more structured and consistent approach to sustainability disclosures across the Group, supported by improved data coverage and evolving reporting practices.

FY2018 – FY2019

- Published inaugural Sustainability Statement in FY2018
- Identified nine material matters, conducted the first materiality assessment and established a sustainability governance structure in FY2018
- Established Whistleblowing and Corporate Disclosure Policies in FY2019

FY2020 – FY2022

- Adopted GRI standards as a reporting framework in FY2020
- Adopted five UN SDGs in FY2020
- Established a Group-wide Sustainability Policy in FY2021
- Expanded the sustainability reporting scope to include Wan He Da Manufacturing Company Limited in FY2021
- Conducted materiality reassessment and reconfirmed 13 material topics in FY2022

FY2023

- Developed an Environmental, Social and Governance ("**ESG**") Framework
- Developed a Terms of Reference for the Sustainability Committee
- Disclosed Scope 3 emissions from employee commute and business air travel
- Commenced climate reporting in line with Task Force on Climate-related Financial Disclosures ("**TCFD**") Recommendations

FY2024 – FY2025

- Expanded Scope 3 GHG emissions reporting to include emissions from business land travel in FY2024
- Identified potential climate-related risks and opportunities in FY2024
- Expanded sustainability reporting scope to include our subsidiary, Beauty Silk Screen Limited in FY2025
- Improved climate-related disclosures with reference to IFRS S2 in FY2025

FY2026

- Expanded the reporting scope to include subsidiaries in the Apparel and Medical Divisions
- Strengthened disclosure in line with Bursa Malaysia's amended Sustainability Reporting Requirements

SHAPING OUR APPROACH

OUR SUSTAINABILITY STRATEGY

The Group's sustainability strategy is guided by our business model, operational footprint and key areas of impact, allowing environmental and social considerations to be managed alongside business priorities. Anchored in our Vision, Mission and Core Values, the strategy is implemented through strategic thrusts and focus areas that guide the prioritisation and management of key sustainability matters across the Group.

Vision

A Group of Sustainable Companies with Happy Stakeholders

Mission

Invest for a Better World

Core Values

Passion	Care	Commitment	Sustainability

Strategic Thrusts

Committed to upholding strong governance practices across our operations, ensuring consistent operational discipline, reinforcing stakeholder confidence and maintaining the trust of customers and the communities in which we operate.	Focused on reducing environmental impact across our operations through improved operational efficiency, responsible waste management, emissions reduction and the adoption of more sustainable materials and sourcing practices.	Focused on delivering meaningful social value within the communities we operate in, by supporting the well-being of our workforce, customers and local communities across our operations.

Focus Areas and Material Sustainability Matters

Prioritising Ethical Business

1. Regulatory Compliance
2. Corporate Governance and Anti-Corruption
3. Responsible Sourcing

Maintaining Environmental Sustainability

1. Waste Management
2. Climate Change and Energy Consumption
3. Material Consumption
4. Water Consumption

Fostering Social Stability

1. Occupational Health and Safety
2. Human Rights and Labour Standards
3. Customer Privacy and Data Protection
4. Product Quality and Innovation
5. Diversity and Talent Management
6. Community Engagement

Alignment with UN SDGs

Key Stakeholders

Shareholders and Investors | Government and Regulator | Employees | Customers | Suppliers | Local Communities

SHAPING OUR APPROACH (CONT'D)

OUR GUIDING POLICIES

Our Sustainability Policy sets out the principles that guide responsible business conduct across our operations. Ethical business practices, environmental responsibilities and social considerations underpin the Group's approach to sustainable and responsible business operations.

Prioritising Ethical Business

- Uphold high standards of ethical business conduct and integrity across all areas of operation
- Prevent bribery and corruption in the conduct of business activities
- Maintain full compliance with applicable legal and regulatory requirements across operating markets
- Strengthen stakeholder relationships through regular engagement and ongoing communication
- Support local economic growth by prioritising business opportunities for local enterprises where feasible

Maintaining Environmental Sustainability

- Implement initiatives to reduce greenhouse gas ("**GHG**") emissions associated with operations
- Incorporate monitoring processes to identify climate-related risks and strengthen operational resilience
- Optimise business activities to improve resource efficiency across operations
- Prioritise the procurement of environmentally responsible products and supplies where feasible to reduce environmental impact
- Maintain proper waste management practices across operations to minimise environmental impacts on surrounding communities

Fostering Social Stability

- Produce quality products that sustain customer satisfaction and support long-term value creation
- Promote a safe workplace through the implementation of health and safety practices across factories and offices
- Respect employee rights and provide equal opportunities across the workforce
- Organise capacity-building programmes to support employee development and growth
- Protect customer data privacy against unauthorised access

SHAPING OUR APPROACH (CONT'D)

ADVANCING THE UN SUSTAINABLE DEVELOPMENT GOALS

The UN SDGs set out a global framework to address key economic, environmental and social challenges. In line with this framework, we focus on five SDGs that are most relevant to the Group's business activities, guiding how our efforts are prioritised and managed across our operations.

8 DECENT WORK AND ECONOMIC GROWTH

Decent Work and Economic Growth

We support regional economic growth by providing employment across Malaysia, China, Cambodia and Hong Kong. Our approach focuses on maintaining fair labour practices and safe working conditions across factories and offices, which contributes to stable employment and responsible workforce management. The Group adheres to applicable labour laws and regulations, including Malaysia's Employment Act 1955, China's Labour Contract Law, Cambodia's Labour Law 1997 and their subsequent amendments. During the reporting year, no major workplace incidents were reported.

10 REDUCED INEQUALITIES

Reduced Inequality

Our workforce approach emphasises fair access to opportunities and inclusive participation across operations. These practices contribute to a workforce that reflects a broad mix of roles and backgrounds. Women accounted for 71% of total employees in FY2026, reflecting current workforce composition across the Group.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Responsible Consumption and Production

The Group manages production processes to improve resource efficiency and reduce waste across cutting, sewing and finishing activities. These efforts contribute to the responsible use of materials across operations. In FY2026, 64% of hazardous waste and 59% of non-hazardous waste were diverted from landfills. The Group also continued incorporating recycled materials into production, using a combined 9.8 million yards of various recycled materials, as well as 6,186 pieces of recycled 98% polyester and 2% elastane flat knit yarn.

13 CLIMATE ACTION

Climate Action

The Group incorporates renewable energy into selected operations while continuing to improve energy management practices. These efforts contribute to reducing reliance on conventional electricity sources. During the year, our subsidiaries SGL and SDL sourced 1,868,107 kWh of renewable electricity through solar Power Purchase Agreements ("**PPA**") while utilising energy generated from on-site solar panels.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Peace, Justice and Strong Institutions

We maintain policies and processes that guide ethical business conduct and address bribery and corruption risks. These measures contribute to consistent governance practices across operations. The Group implements the Anti-Bribery and Anti-Corruption Policy and Whistleblowing Policy, supported by established reporting channels.

SHAPING OUR APPROACH (CONT'D)

FOSTERING GROWTH THROUGH ETHICAL LEADERSHIP

The Group's sustainability governance framework forms part of our overall governance approach, setting clear roles and responsibilities across the Board of Directors ("**the Board**"), the Executive Director and the Sustainability Working Group ("**SWG**").

Sustainability Governance Structure

Board of Directors

Executive Director

SWG

- Human Resources and Administration
- Quality Control
- Merchandise
- Accounting
- Quality Assurance

Key Responsibilities

Oversight

Board of Directors

- Provides oversight of sustainability and climate-related strategies, policies, targets and material matters
- Reviews and approves the sustainability statement
- Ensures sustainability- and climate-related risks and opportunities are considered within strategic planning and risk management processes

Management

Executive Director

- Recommends sustainability strategies, policies and initiatives to support the Group's development
- Reports on the progress of sustainability initiatives and performance to the Board
- Oversees the implementation of sustainability initiatives by the SWG

Implementation

Sustainability Working Group

- Implements sustainability and climate-related strategies and initiatives within day-to-day operations
- Tracks and compiles sustainability performance data for monitoring and reporting
- Oversees the preparation of the Group's annual sustainability statement

SHAPING OUR APPROACH (CONT'D)

FOSTERING GROWTH THROUGH ETHICAL LEADERSHIP (CONT'D)

Risk Management

The Group integrates climate-related considerations into our Risk Management System through regular risk assessments that identify, evaluate and manage emerging risks and opportunities. This approach helps manage potential impacts and enables appropriate responses to evolving climate-related risks.

Designated risk owners assess climate-related risks based on their likelihood and potential impact, ensuring these considerations are incorporated into the Group's operational planning and strategic decision-making processes.

STAKEHOLDER ENGAGEMENT

Stakeholder engagement informs how the Group responds to evolving expectations across our business and the garment manufacturing sector. Stakeholder perspectives are considered alongside industry developments when making decisions and planning initiatives. This process provides clearer visibility of stakeholder priorities and helps identify areas to strengthen practices and deliver long-term value.

Legend : Ad hoc (green) | Monthly (blue) | Annually (orange) | Throughout the Year (purple)

Shareholders and Investors

Shareholders and investors provide the capital that underpins the Group's financial resilience and supports long-term value creation. Ongoing engagement enables the Group to communicate financial performance transparently, while ensuring that strategic priorities remain aligned with shareholder expectations.

Key Areas of Concern	How We Respond	Engagement Methods
• Financial and operational performance • Governance and regulatory compliance	• Provide regular and timely disclosures on financial and operational performance through formal reporting channels • Maintain established governance structures supported by internal policies and control mechanisms • Conduct engagement sessions to address shareholder concerns and provide updates on financial performance, governance matters and business developments	Reports and announcements (Ad hoc) Annual General Meetings (Annually) Corporate website (Ad hoc)

Government and Regulators

Government authorities and regulators establish the legislative and regulatory framework that governs the Group's operations. Engagement with regulatory bodies focuses on maintaining compliance across operating jurisdictions and staying responsive to evolving regulatory expectations and industry standards.

Key Areas of Concern	How We Respond	Engagement Methods
• Adherence to laws and regulations • Ethical business practices	• Maintain compliance with applicable laws and regulatory requirements across all operating jurisdictions • Review and update internal policies to reflect current legal and regulatory expectations • Participate in relevant industry briefings and seminars to stay informed of regulatory developments • Uphold ethical business conduct through the Group's Code of Conduct and Anti-Bribery and Anti-Corruption policies	Inspections (Ad hoc) Reports (Ad hoc) Compliance checks (Throughout the Year) Industry briefings and seminars (Ad hoc)

STAKEHOLDER ENGAGEMENT (CONT'D)

Legend : Ad hoc | Monthly | Annually | Throughout the Year

Employees

Employees play a central role in supporting the Group's operations, contributing the skills, experience and capabilities required to sustain business performance. Engagement with employees focuses on maintaining a safe and fair working environment, fostering professional development and ensuring that workplace practices remain consistent and structured across operations.

Key Areas of Concern	How We Respond	Engagement Methods
• Remuneration and benefits • Worker health and safety • Career development	• Offer healthcare benefits and maintain remuneration structures aligned with internal policies • Maintain structured occupational health and safety practices and procedures • Provide training and development programmes to develop employee skills and career progression	Emails and noticeboards (Ad hoc) Employee engagement activities (Ad hoc) Meetings and training sessions (Throughout the Year) Performance reviews (Ad hoc)

Customers

Customers influence demand for the Group's products and play a key role in shaping operational priorities across manufacturing and delivery. Engagement focuses on maintaining product quality, improving operational efficiency and ensuring that delivery timelines meet customer expectations.

Key Areas of Concern	How We Respond	Engagement Methods
• High-quality and sustainable products • Product innovation • Timely delivery of products	• Source products from facilities assessed using Higg FEM and FSLM, while integrating sustainable materials and responsible design practices • Upgrade machinery to support new product capabilities and enhanced product design • Strengthen logistics coordination to facilitate timely and consistent delivery	Customer satisfaction surveys (Ad hoc) Face-to-face meetings and on-site visits (Ad hoc) Plant tours (Ad hoc)

STAKEHOLDER ENGAGEMENT (CONT'D)

Legend : Ad hoc | Monthly | Annually | Throughout the Year

Suppliers

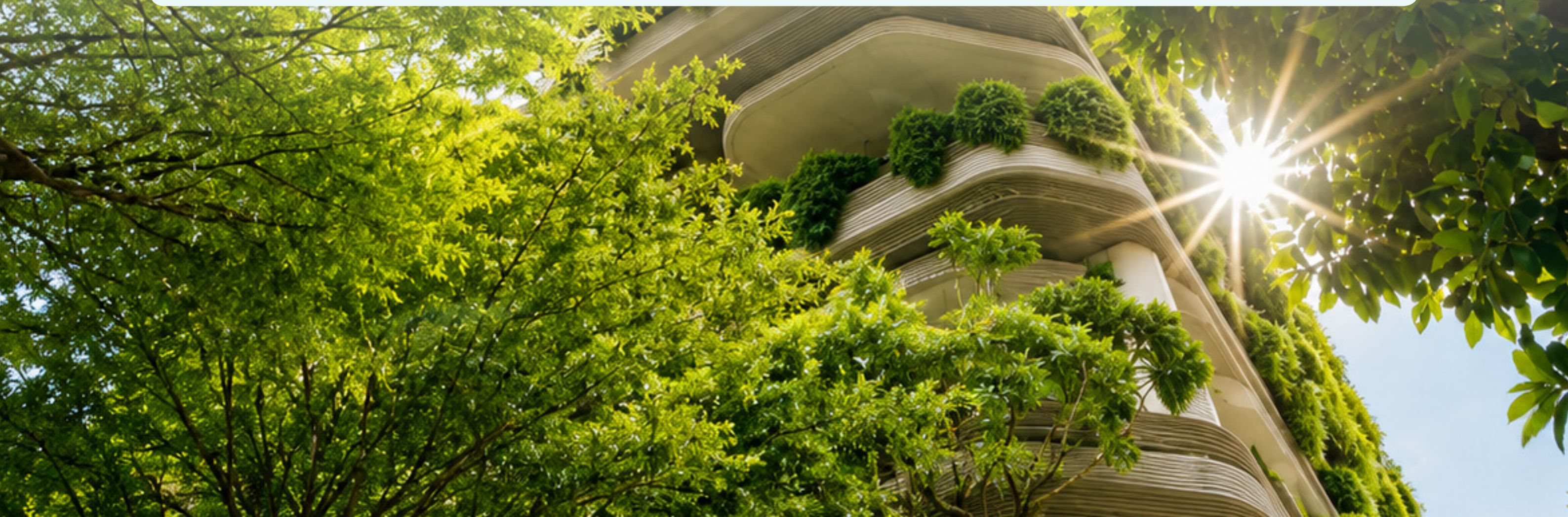
Suppliers and vendors support the Group's operations by providing materials and services required for production. Ongoing engagement enables the Group to maintain a reliable supply chain, while ensuring that sourcing practices remain consistent with operational requirements and internal standards.

Key Areas of Concern	How We Respond	Engagement Methods
• Fair and open procurement • Maintaining long-term relationships • Compliance with Occupational Health and Safety ("**OHS**") regulations	• Conduct supplier evaluations prior to procurement to assess suitability and capability • Maintain regular engagement with suppliers to sustain long-term relationships and sourcing consistency • Communicate expectations on OHS practices as part of supplier requirements	• Open tender processes (Ad hoc) • Supplier satisfaction assessments (Ad hoc) • Face-to-face meetings and on-site visits (Ad hoc) • Industry seminars (Ad hoc)

Local Community

The Group operates within local communities where trading and manufacturing activities are conducted. Engagement focuses on maintaining constructive relationships with surrounding communities and addressing concerns that may arise from operational activities.

Key Areas of Concern	How We Respond	Engagement Methods
• Contribution to communities • Environmental awareness	• Contribute to local communities through donations and community engagement programmes • Implement environmental awareness initiatives within communities surrounding operational sites	• Responses to enquiries (Ad hoc) • Public welfare activities (Ad hoc) • Environmental awareness programmes (Ad hoc)

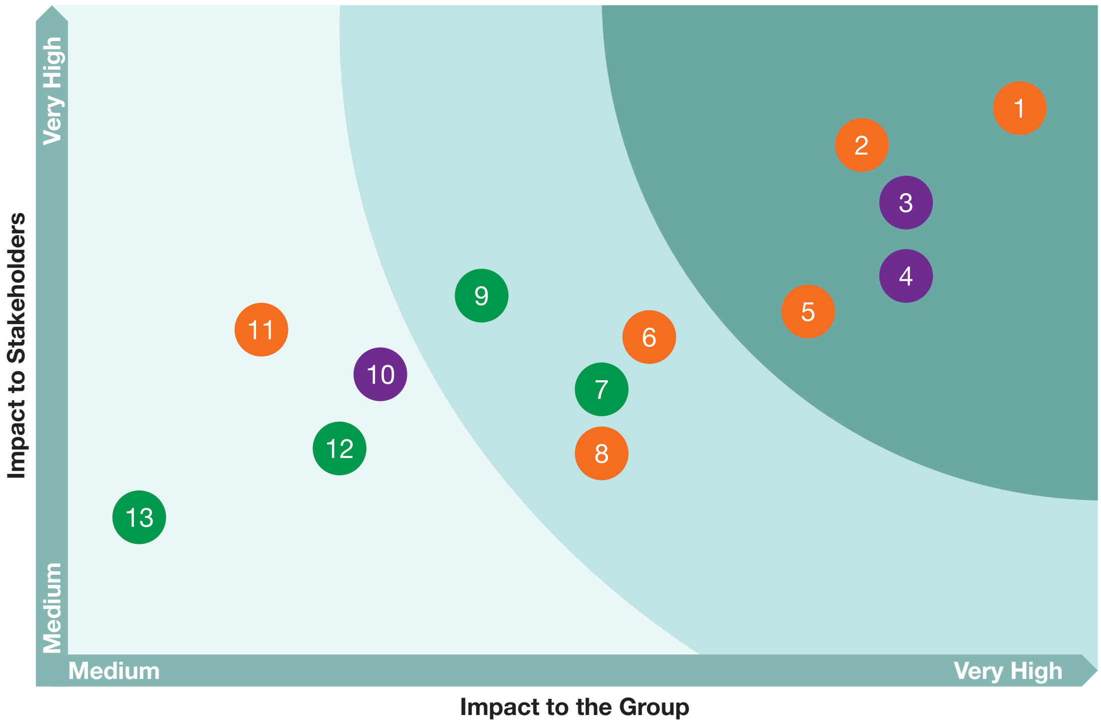


IDENTIFYING WHAT MATTERS

Materiality assessments guide how the Group identifies and prioritises sustainability matters most relevant to our stakeholders and operations. The assessment supports the prioritisation of sustainability efforts and disclosures across the business.

In FY2023, we conducted a materiality reassessment and identified 13 material matters, presented in the materiality matrix below. These matters remain relevant to current business conditions and stakeholder expectations and therefore remain unchanged for FY2026.

Based on the assessment, the Group continues to prioritise five key areas: Occupational Health and Safety, Human Rights and Labour Standards, Regulatory Compliance, Corporate Governance and Anti-Corruption, and Customer Privacy and Data Protection.



Prioritising Ethical Business	Maintain Environmental Responsibility	Fostering Social Stability
3 Regulatory Compliance	7 Waste Management	1 Occupational Health and Safety
4 Corporate Governance and Anti-Corruption	9 Climate Change and Energy Consumption	2 Human Rights and Labour Standards
10 Responsible Sourcing	12 Material Consumption	5 Customer Privacy and Data Protection
	13 Water Consumption	6 Product Quality and Innovation
		8 Diversity and Talent Management
		11 Community Engagement

MEASURING OUR SUSTAINABILITY PERFORMANCE

The Group introduced sustainability-focused Key Performance Indicators ("**KPIs**") in FY2023 to support consistent measurement of sustainability performance. These KPIs provide a basis to monitor performance trends and identify areas for improvement.

In FY2025, the KPIs were refined to align with evolving sustainability priorities and longer-term business direction. The same KPIs were maintained in FY2026 to support consistency in performance tracking and enable meaningful year-on-year comparisons.

Legend : Achieved Not Achieved

Material Matters	Subsidiary	KPIs	Performance		
			FY2024	FY2025	FY2026
Prioritising Ethical Business					
Regulatory Compliance	SGL and WHD	Zero substantiated non-compliance with applicable laws and regulations annually	Achieved	Achieved	Achieved
Corporate Governance and Anti-Corruption	SGL and WHD	To train at least 20% of employees on Anti-Bribery and Anti-Corruption ("**ABAC**") Policy, Code of Conduct and Ethics and other relevant Group-wide policies and procedures annually	Achieved	Achieved	Achieved
Responsible Sourcing	SGL and WHD	At least 70% of expenditure spent on local suppliers annually	Not Achieved	Achieved	Achieved
Maintaining Environmental Responsibility					
Climate Change and Energy Consumption	SGL	Achieve 100% electricity consumption from green energy	Not Achieved	Not Achieved	Not Achieved
Water Consumption	SGL and WHD	Reduce annual water consumption intensity by: • SGL: 3% (Baseline FY2020: 0.00288 m^3/pcs) • WHD: 1% (Baseline FY2020: 0.00464 m^3/pcs)	SGL: Not Achieved WHD: Achieved	SGL: Achieved WHD: Achieved	SGL: Not Achieved WHD: Achieved
Fostering Social Stability					
Occupational Health and Safety	SGL and WHD	Zero fatalities across the Group annually	Achieved	Achieved	Achieved
Human Rights and Labour Standards	SGL and WHD	Zero cases of discrimination reported annually	Achieved	Achieved	Achieved
Customer Privacy and Data Protection	SGL and WHD	Zero cases of customer data mismanagement and breaches annually	Achieved	Achieved	Achieved
Diversity and Talent Management	SGL and WHD	Achieve an average of 3 hours of training per employee annually	Achieved	Not Achieved	Achieved

Prioritising Ethical Business

Sound governance, regulatory compliance and responsible sourcing underpin how the Group conducts business. Policies, internal controls and oversight processes reinforce accountability, ethical conduct and responsible supply chain practices.

Material Sustainability Matters

- Regulatory Compliance
- Corporate Governance and Anti-Corruption
- Responsible Sourcing

Key Stakeholders

Alignment with the UN SDGs

8 DECENT WORK AND ECONOMIC GROWTH

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

PRIORITISING ETHICAL BUSINESS (CONT'D)

REGULATORY COMPLIANCE

The Group operates in Malaysia, China, Hong Kong and Cambodia, where business activities are subject to applicable legal and regulatory requirements. We aim to comply with these requirements across our operations, particularly in areas relating to labour practices, workplace conditions and environmental management within production environments.

Regulatory requirements are integrated into policies, procedures and operational controls throughout business functions and production facilities. Teams monitor regulatory developments and update internal practices where necessary to maintain alignment with regulatory expectations.

Initiatives to Improve Regulatory Compliance in the Apparel Division

China

- Internal and external audits conducted to assess regulatory alignment and review operational practices
- Regulatory updates communicated through formal internal channels to support implementation

Cambodia

- A compliance management system applied to support internal and external audit processes
- Collaboration with Better Factories Cambodia ("**BFC**") maintained to monitor labour practices and working conditions
- Engagement with the Textile, Apparel, Footwear and Travel Goods Association in Cambodia ("**TAFTAC**") carried out to track regulatory developments within the industry
- Participation of key personnel in regulatory and vocational training programmes to strengthen compliance awareness

In FY2026, three minor instances of non-compliance cases were identified within TTAL, one of the Group's garment manufacturing subsidiaries in Cambodia. TTAL responded promptly by implementing corrective actions, including employee profile verification, site inspections, worker interviews, root cause analyses and refresher training programmes. Internal audit and risk assessment processes were also strengthened to mitigate the risk of recurrence. The cases were subsequently resolved and verified.

PRIORITISING ETHICAL BUSINESS (CONT'D)

CORPORATE GOVERNANCE AND ANTI-CORRUPTION

Corporate Governance

Corporate governance underpins how the Group conducts business, guiding decision-making, oversight and accountability across operations. Clear structures promote transparency and clarity in roles and responsibilities across operating entities and business functions.

The Board provides oversight of these matters, including setting expectations on conduct, accountability and risk management, while management drives implementation within day-to-day operations. This helps ensure governance practices are embedded in how activities are carried out across the Group.

Policies, procedures and internal controls support the consistent application of these practices across business functions, reinforcing disciplined operational practices and oversight. Governance practices are reviewed periodically to reflect changes in business activities and organisational priorities and maintain their effectiveness.

Our Corporate Governance Policies

Anti-Bribery and Anti-Corruption Policy	Board Charter	Code of Conduct and Ethics
Corporate Disclosure Policy	Directors' Remuneration Policy	Fit and Proper Policy
Succession Planning Policy	Sustainability Policy	Whistleblowing Policy

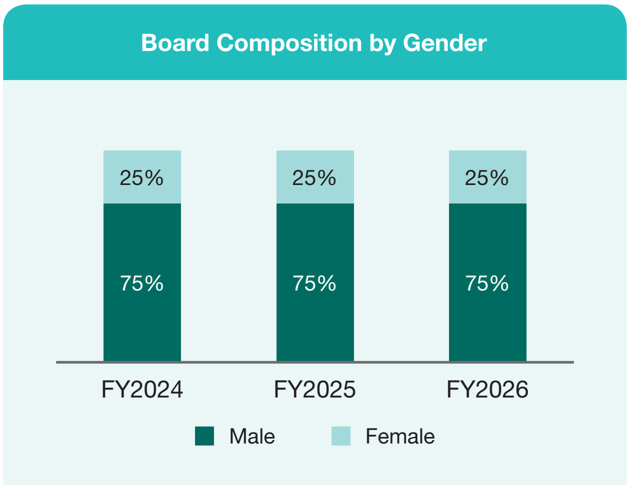
Further details on the Group's corporate governance policies are available on our corporate website at: https://www.pccsgroup.net/lists/48.html

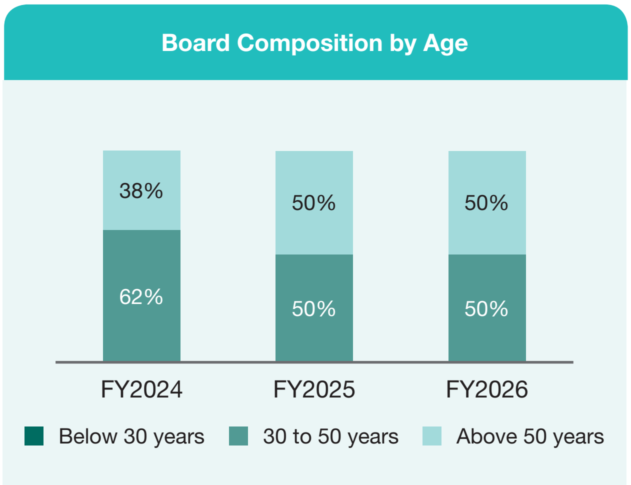
PRIORITISING ETHICAL BUSINESS (CONT'D)

CORPORATE GOVERNANCE AND ANTI-CORRUPTION (CONT'D)

Board Composition

The Board comprises individuals with a range of professional expertise and industry experience, supporting effective oversight and informed decision-making to guide the Group's direction. The composition reflects an appropriate mix of skills, experience, independence and diversity, contributing to balanced perspectives in Board deliberations.





Anti-Bribery and Anti-Corruption ("ABAC")

The Group established an ABAC Policy that sets out expectations on ethical conduct and the prevention of bribery and corruption throughout operations. The Policy is communicated through formal internal channels, including the employee handbook, corporate website and training programmes, to support awareness among employees.

During the financial year, ABAC training was conducted across operating entities, namely SGL, WHD, BSSL and TTAL, with varying attendance across employee categories. Overall, 55% of the Group's employees received anti-corruption training during the financial year, with WHD recording full attendance across all employee groups. Efforts continue to strengthen training coverage across entities and employee groups to promote a consistent understanding of anti-corruption expectations.

Anti-Corruption Training by Employee Category in FY2026

Employee Category	Total Employee by Employee Category	Total Employee who Attended Training	Percentage
Senior Management	18	5	28%
Management	68	31	46%
Executive	245	161	66%
Non-Executive	4,171	2,284	55%

PRIORITISING ETHICAL BUSINESS (CONT'D)

CORPORATE GOVERNANCE AND ANTI-CORRUPTION (CONT'D)

Whistleblowing Policy

We established a Whistleblowing Policy to set out procedures for the submission, review and resolution of reports, while providing protection against retaliation. Confidential reporting channels are available to employees and external stakeholders to raise concerns relating to suspected misconduct, unethical practices or breaches of laws and internal policies.

Reported matters are reviewed and investigated through a structured process to ensure appropriate action is taken, reinforcing accountability and ethical conduct within the Group.

RESPONSIBLE SOURCING

Responsible sourcing remains integral to the Group's manufacturing operations, where a reliable and compliant supply chain supports product quality and delivery commitments. The Group's Cambodian subsidiaries engage suppliers that meet applicable regulatory, environmental and social requirements, supported by ongoing assessments to monitor alignment with these standards.

Sustainable Supply Chain Practices

Our Cambodian subsidiaries in the apparel division utilises the Higg Index, to strengthen supply chain transparency and support ongoing performance improvement among suppliers.

Higg FEM

As part of the Group's use of the Higg Index across selected manufacturing operations, the Higg FEM is applied to assess and monitor environmental performance at the facility level. This includes the evaluation of key areas of environmental management and operational impact. Assessment areas include:

- Environmental Management System
- Energy Consumption
- GHG Emissions
- Water Consumption
- Waste Management
- Air Emissions
- Chemical Management

Higg FSLM

In supporting the Group's application of the Higg Index, the Higg FSLM is used to assess social and labour practices within facilities. This includes the review of key areas relating to working conditions and labour practices. Assessment areas include:

- Recruitment Process
- Working Hours
- Health and Safety
- Wages and Benefits
- Worker Rights

Within the Group's manufacturing operations in Cambodia, WHD is exploring supplier engagement initiatives to improve awareness of climate-related requirements and strengthened the availability of sustainability-related data, including GHG emissions data, across the supply chain. These initiatives take into account evolving climate-related frameworks, including the Science Based Targets initiative ("**SBTi**"), where relevant emissions data and supplier engagement.

The Group conducts supplier assessments to review environmental and social practices across our supply chain. In FY2026, five suppliers from LPM and 14 suppliers from BSSL were assessed for environmental and social impacts.

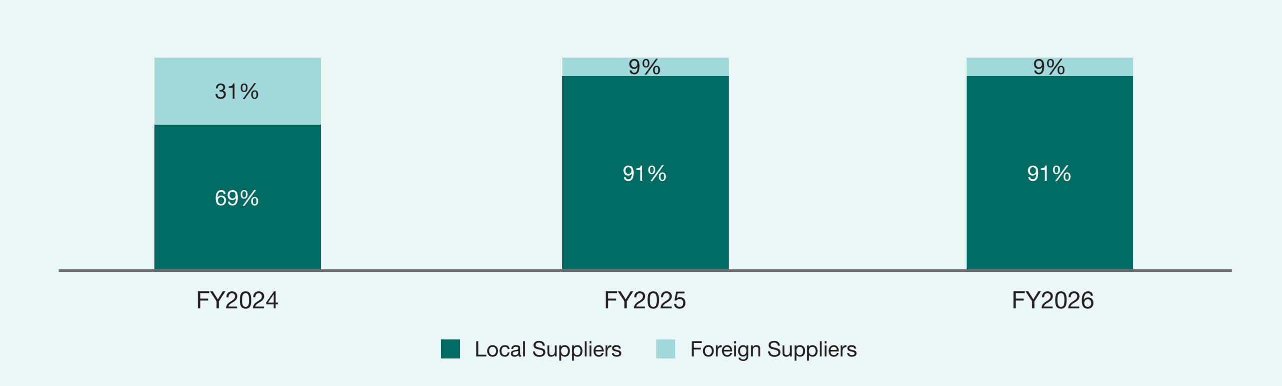
PRIORITISING ETHICAL BUSINESS (CONT'D)

RESPONSIBLE SOURCING (CONT'D)

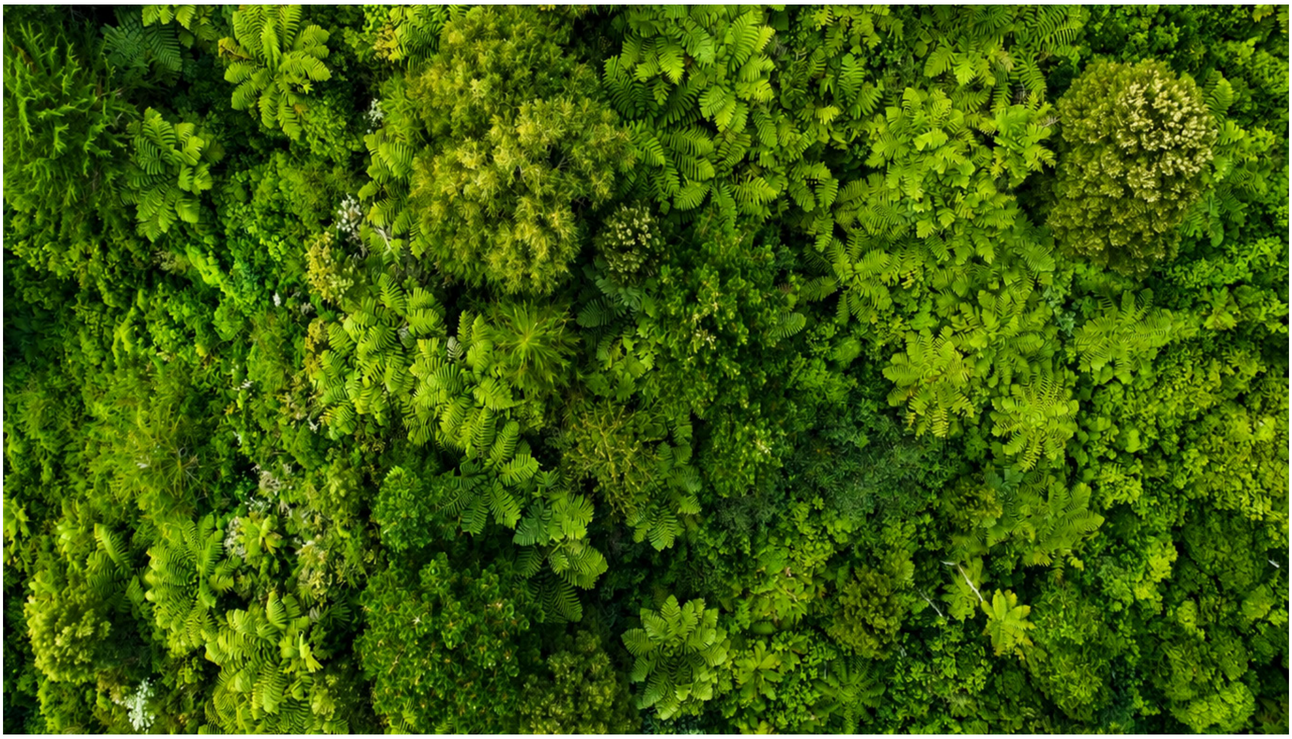
Local Procurement

Local sourcing remains a key component of the Group's procurement approach, supporting operational efficiency while contributing to economic activity in the communities where the Group operates. In FY2026, local suppliers accounted for 91% of total procurement spend, consistent with FY2025 and an increase from 69% in FY2024. The increase since FY2024 reflects a shift towards greater reliance on local supply networks across key operating entities.

Proportion of Procurement Spent on Suppliers



Note:
1. The FY2025 data has been restated to incorporate the inclusion of PSG
2. The data for FY2026 comprises of SGL, WHD, TTAL and LPM



Maintaining Environmental Responsibility

We manage the environmental impacts of our operations by focusing on energy use, GHG emissions, water consumption, waste management and resource efficiency. Environmental management practices are implemented across our manufacturing and operational activities to improve efficiency, reduce environmental impact and support responsible resource use.

Material Sustainability Matters

- Climate Change and Energy Consumption
- Water Consumption
- Waste Management
- Material Consumption

Alignment with the UN SDGs

Key Stakeholders

MAINTAINING ENVIRONMENTAL RESPONSIBILITY (CONT'D)

CLIMATE CHANGE AND ENERGY CONSUMPTION

Climate-related risks present increasing financial and operational implications for the Group's operations, with potential impacts on production continuity, cost structures and long-term asset value. In response, we integrate climate considerations into operational planning while strengthening energy management and emissions monitoring practices to improve efficiency and manage environmental impact.

Energy Policy

During the reporting year, key manufacturing subsidiaries, including SGL, WHD, BSSL and TTAL maintained and implemented energy policies to guide energy management practices within their operations. These policies establish energy performance objectives and outline measures to improve energy efficiency across production activities.

The policies are reviewed periodically to ensure continued relevance to operational requirements and to support ongoing improvements in energy management practices.

Climate-Related Risk and Opportunities

The Group considers climate-related risks and opportunities in our internal planning and decision-making, particularly where operations depend on energy consumption and resource use. During FY2026, we assessed climate-related risks and opportunities across transition and physical categories over short-, medium- and long-term time horizons to understand potential financial implications and identify appropriate response measures.

Transition Risks	Risk Description	Potential Financial Impact	Potential Opportunities
Medium-term (6 to 10 years) to Long-term (>10 years)			
Policy and Legal	• Potential implementation of carbon pricing mechanisms • Increased regulations requiring stricter compliance with environmental requirements	• Increased operating costs arising from the implementation of carbon pricing mechanisms • Potential financial exposure due to regulatory penalties or contractual non-compliance	• Strengthening compliance controls and documentation to manage regulatory risks
Short-term (1 to 5 years) to Long-term (>10 years)			
Technology	• Continued transition towards low-emission and energy-efficient technologies	• Higher costs associated with low-carbon technologies, which may limit the ability to reduce emissions • Continued reliance on conventional energy sources, leading to increased operating costs	• Investment in solar panels to reduce the carbon intensity of operations

MAINTAINING ENVIRONMENTAL RESPONSIBILITY (CONT'D)

CLIMATE CHANGE AND ENERGY CONSUMPTION (CONT'D)

Climate-Related Risk and Opportunities (Cont'd)

Transition Risks	Risk Description	Potential Financial Impact	Potential Opportunities
Short-term (1 to 5 years) to Long-term (>10 years) (Cont'd)			
Market	• Shifts in consumer preferences towards sustainably produced products	• Changes in customer demand that may affect the Group's revenue performance	• Development of more sustainable products • Strengthening sustainability disclosures to meet customer expectations • Progressive integration of circular economy principles across operations
Reputation	• Increasing stakeholder expectations for climate-related action	• Potential reputational impact and implications on revenue growth if expectations are not met	• Enhancing brand reputation through effective communication of climate-related initiatives

Physical Risks	Risk Description	Potential Impact	Potential Opportunities
Short-term (1 to 5 years) to Long-term (>10 years)			
Acute	• Increased frequency and intensity of extreme weather events, including floods and storms	• Severe weather events may disrupt supply chains and delay production, resulting in potential financial losses	• Strengthening supply chain resilience, including diversification of suppliers and partnerships
Long-term (>10 years)			
Chronic	• Changes in precipitation patterns, increased weather variability, rising temperatures and sea-level rise	• Increased operating costs due to higher temperature control requirements and maintenance needs	• Investment in energy-efficient cooling systems • Adoption of renewable energy to support long-term cost management

MAINTAINING ENVIRONMENTAL RESPONSIBILITY (CONT'D)

CLIMATE CHANGE AND ENERGY CONSUMPTION (CONT'D)

Current Mitigation Measures

Our Apparel Division implements energy management initiatives to improve efficiency and reduce overall energy consumption within our operations. These measures support energy conservation efforts within production facilities.

Energy Management Initiatives in the Apparel Division

Energy Efficiency Measures

The Group implements the following energy efficiency initiatives across our operations:

- Replacement of conventional air conditioning units with energy-efficient inverter models at BSSL, PSG, TTAL and WHD
- Upgrading of lighting systems to Light Emitting Diode ("**LED**") technology across BSSL, PSG, TTAL and WHD

Renewable Energy

- SGL and SDL entered into Solar Power Purchase Agreements to procure renewable energy from external providers
- Installation of solar photovoltaic ("**PV**") systems to support on-site renewable energy generation at SGL
- Installation of solar-powered street lighting at WHD facilities

Energy Conservation

Awareness Programmes

- Training programmes for employees at WHD, BSSL and PSG to strengthen awareness of energy conservation practices

Optimising Energy Usage

- Implementation of energy-saving practices, including switching off unused lights and machinery during breaks
- Regular maintenance of machinery to maintain optimal energy performance
- Improvements in logistics planning through route consolidation to reduce fuel consumption

Supporting Climate Commitments

WHD participated in the Supplier Leadership on Climate Transition ("**LOCT**") programme and completed the Supplier LOCT Scope 3 Course in FY2024 to strengthen GHG emissions monitoring. The programme enables organisations to measure Scope 1, Scope 2 and Scope 3 emissions and set reduction targets aligned with SBTi and the GHG Protocol. In FY2026, WHD's emissions reduction targets were validated and approved by SBTi. WHD and TTAL also plan to install solar panels between June and July 2026, which are expected to offset approximately 25% to 30% of grid electricity consumption.

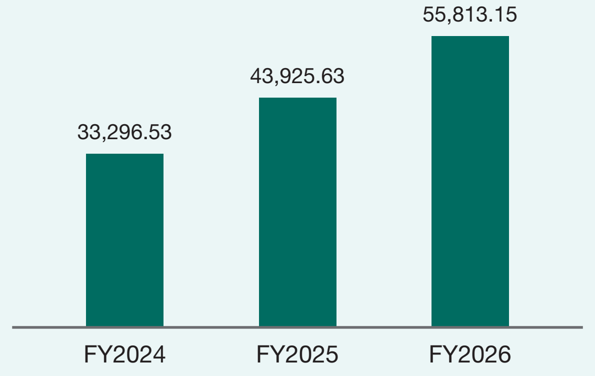
MAINTAINING ENVIRONMENTAL RESPONSIBILITY (CONT'D)

CLIMATE CHANGE AND ENERGY CONSUMPTION (CONT'D)

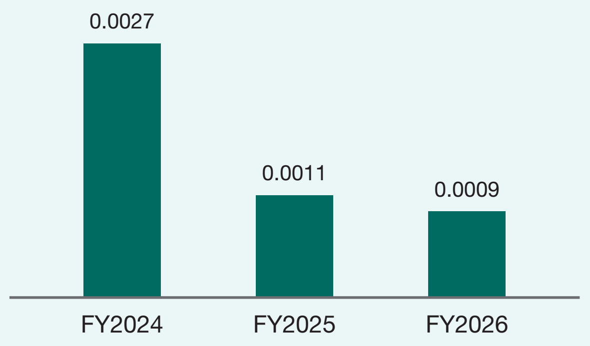
Energy Consumption

The Group recorded total energy consumption of 55,813.15 GJ in FY2026. Energy use within the Apparel Division totalled 55,133.53 GJ, representing the highest consumption among the Group's divisions. This reflects the inherently energy-intensive nature of garment manufacturing operations compared to the Corporate Office and Medical Division.

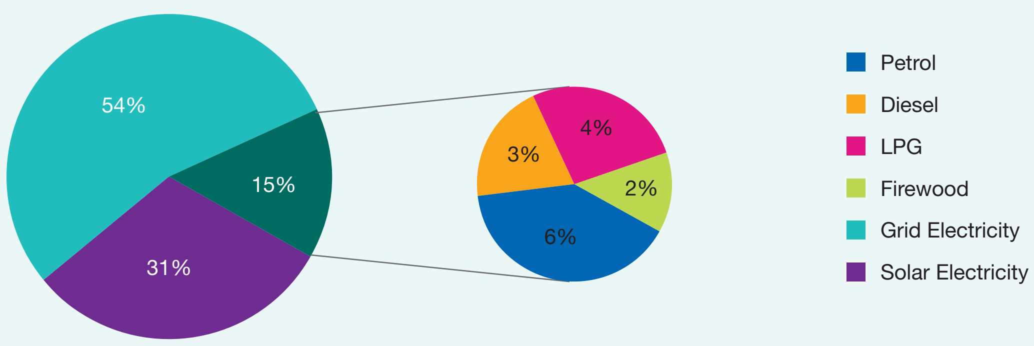
Total Energy Consumption (GJ)



Energy Intensity in the Apparel Division (GJ/garment production)



Composition of Energy Consumption by Source



	Apparel	Corporate	Medical
Energy Consumption by Business Division for FY2026 (GJ)	55,133.53	672.82	6.80

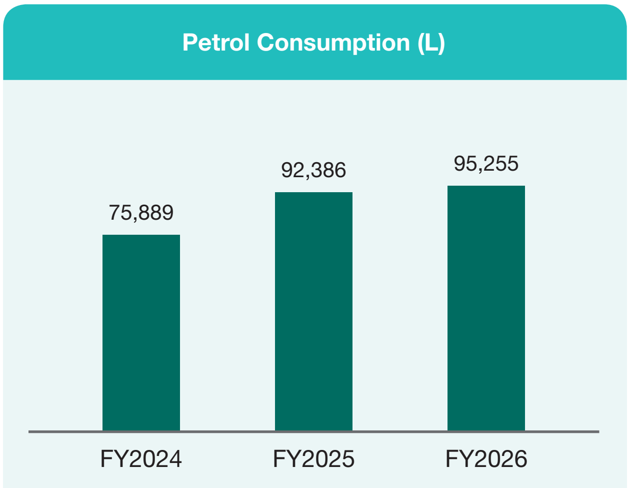
Notes:
1. The energy consumption and corresponding energy intensity for FY2024 and FY2025 have been restated to incorporate energy usage from the Corporate Office and PSG.
2. Total energy consumption for FY2026 reflects an expanded reporting scope following the inclusion of the Medical Division and selected subsidiaries within the Apparel Division.

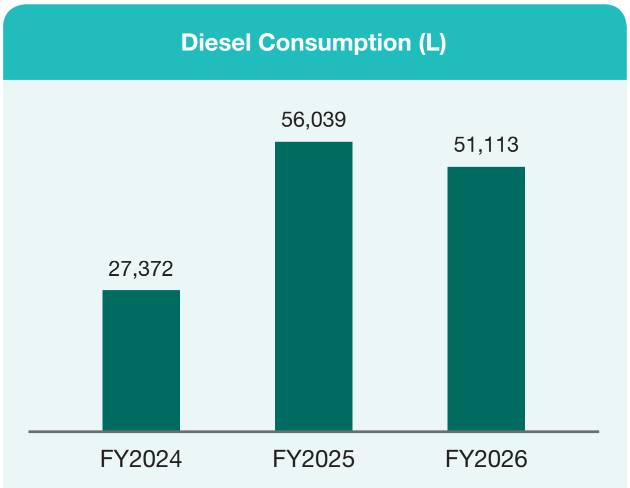
MAINTAINING ENVIRONMENTAL RESPONSIBILITY (CONT'D)

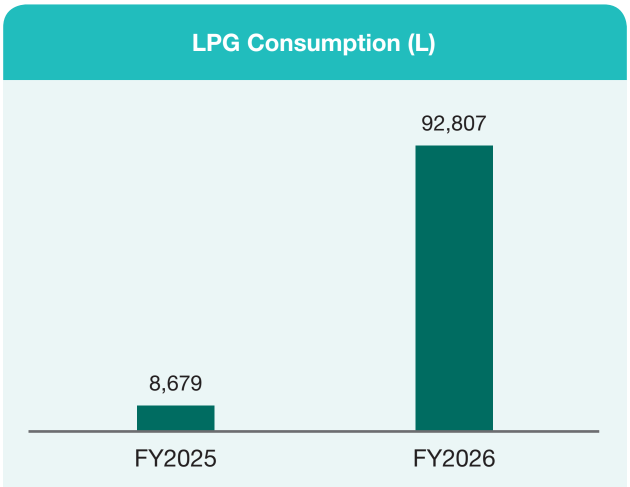
CLIMATE CHANGE AND ENERGY CONSUMPTION (CONT'D)

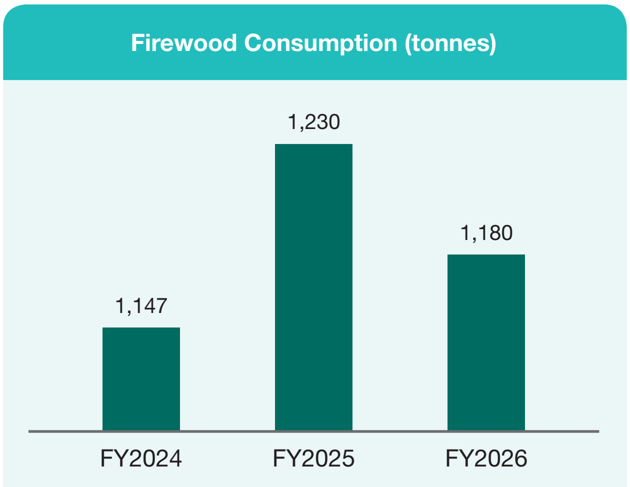
Fuel Consumption

Fuel consumption across the Apparel Division comprises petrol, diesel, firewood and liquefied petroleum gas ("**LPG**"), used across different operational activities. Petrol is consumed by company vehicles within the Apparel Division and Corporate Office, while diesel is used for both vehicles and generators within the Apparel Division. Firewood is used in WHD's operations, and LPG is consumed at BSSL, PSG and SDL.









Notes:
1. The fuel consumption is limited to the Apparel Division and Corporate Office only
2. The subsidiaries in the Apparel Division who consumed petrol in FY2026 include SGL, BSSL, WHD, SDL, PSG and TTAL
3. The subsidiaries in the Apparel Division who consumed diesel in FY2026 include SGL, BSSL, WHD, PSG and TTAL
4. The petrol and diesel consumption for FY2024 and FY2025 were restated to include fuel consumption for Corporate Office and PSG
5. Figures stated may not add up due to rounding of decimals

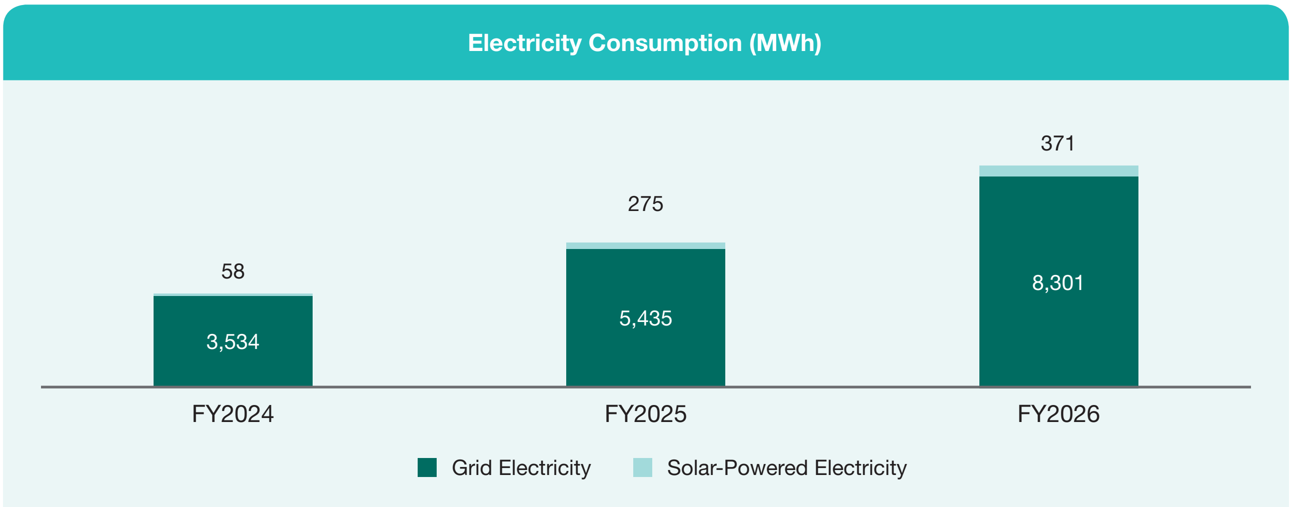
MAINTAINING ENVIRONMENTAL RESPONSIBILITY (CONT'D)

CLIMATE CHANGE AND ENERGY CONSUMPTION (CONT'D)

Electricity Consumption

In FY2026, our total electricity consumption for the Corporate Office, Apparel and Medical Division amounted to 8,672 MWh. Electricity is primarily sourced from the national grid across our operating regions, with 4% generated from on-site solar installations.

Recorded Electricity Intensity of 0.41 kWh per RM'000 revenue for the Medical Division in FY2026



Note:
1. FY2024 solar data was restated to include the solar street light electricity consumption from WHD

GHG Emissions

In FY2026, the Group's total GHG emissions amounted to 4,659.20 tCO_2e, with 63% derived from Scope 2 GHG emissions.

GHG Emission Category	FY2024	FY2025	FY2026
Scope 1	279.39	428.65	554.23
Scope 2	1,415.95	1,794.63	2,938.01
Scope 3	557.01	396.87	1,166.96
Total	**2,252.35**	**2,620.15**	**4,659.20**

Notes:
1. Scope 1 and Scope 3 GHG emissions were calculated using the emission factors sourced from the UK Government's GHG Conversion Factor 2023, 2024 and 2025.
2. Scope 2 GHG emissions factors for FY2023, FY2024 and FY2025 were sourced from the National Energy Commission of Malaysia for Corporate Office and Malaysian subsidiaries, the Ministry of Ecology and Environment of People's Republic of China ("**MEE**") of China for subsidiaries in China, the Grid Emission Factors of Cambodia in 2016 for Cambodian subsidiaries and the Grid Emission Factor from Hong Kong Electric for PCCS HK
3. Scope 1 GHG emissions for FY2024 and FY2025 have been restated to include emissions from the Corporate Office and PSG
4. Scope 2 GHG emissions for FY2024 and FY2025 have been restated to reflect the latest conversion factor changes
5. PCCS HK electricity consumption for the Hong Kong and Malaysia offices was 2,543 kWh and 5,183 kWh, respectively. Following the Hong Kong office relocation in January 2026, electricity consumption data was unavailable as electricity costs were included in the rental fee and no separate meter was provided
6. Total GHG emissions for FY2026 reflects an expanded reporting scope following the inclusion of the Medical Division and selected subsidiaries within the Apparel Division.

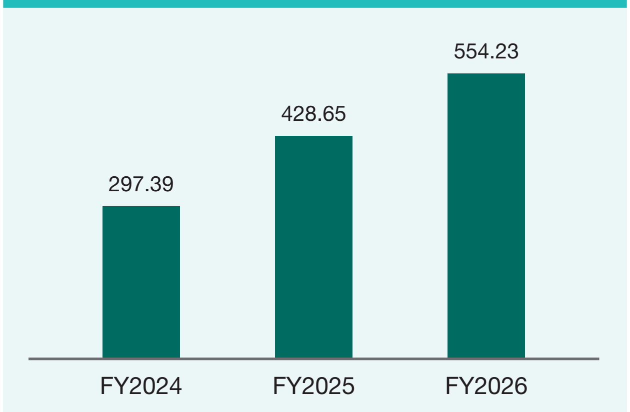
MAINTAINING ENVIRONMENTAL RESPONSIBILITY (CONT'D)

CLIMATE CHANGE AND ENERGY CONSUMPTION (CONT'D)

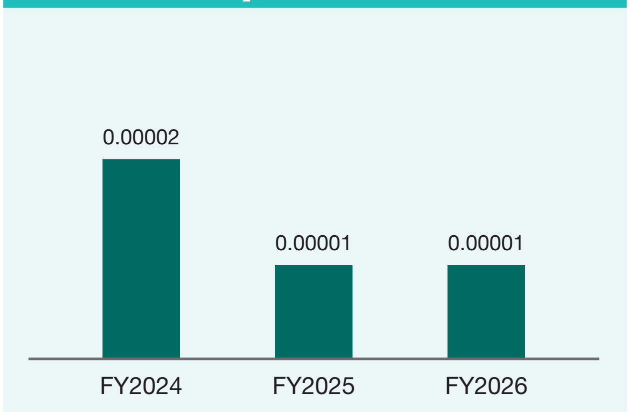
Scope 1 GHG Emissions

Direct GHG emissions primarily arise from fuel consumption in operations, including petrol and diesel used in company-owned vehicles and generators, as well as the use of LPG and firewood. During FY2026, Scope 1 emissions increased to 554.23 tCO_2e, with a corresponding emissions intensity of 0.00001 tCO_2e per garment produced, reflecting fuel consumption across manufacturing and operational activities.

Scope 1 GHG Emissions (tCO_2e)



Scope 1 GHG Emission Intensity in the Apparel Division (tCO_2e per garment produced)



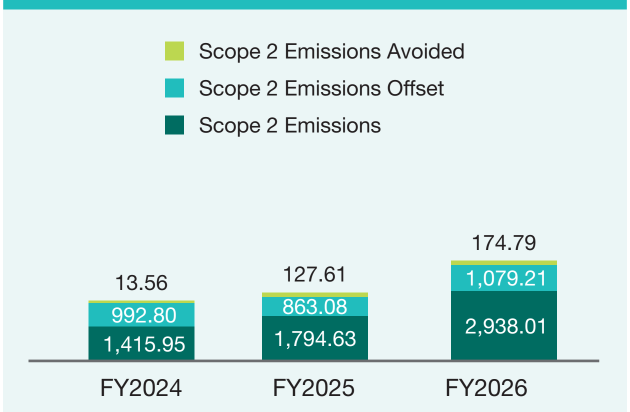
Scope 2 GHG Emissions

Emissions from purchased electricity remain a key component of the Group's overall carbon footprint, amounting to 2,938.01 tCO_2e in FY2026.

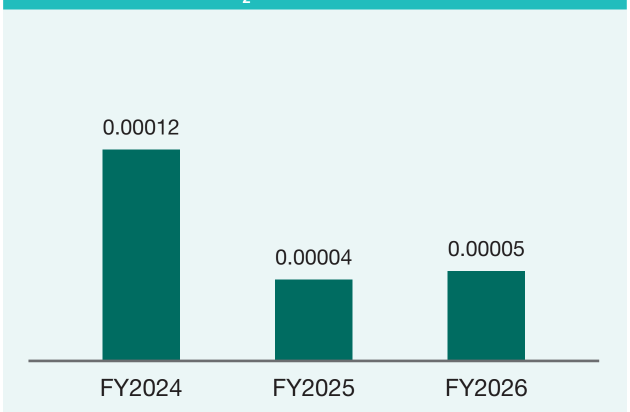
The Group manages these emissions through the integration of renewable energy sources within selected operations. On-site solar installations at SGL and WHD contributed to an estimated emissions avoided of 174.79 tCO_2e. In addition, we reduced our market-based Scope 2 emissions by 1,079.21 tCO_2e through Power Purchase Agreements ("**PPAs**") for solar energy by SGL and SDL.

Recorded Scope 2 GHG Emission Intensity of 0.00031 tCO_2e per RM'000 revenue for the Medical Division in FY2026

Scope 2 Emissions Breakdown (tCO_2e)



Scope 2 GHG Emission Intensity in the Apparel Division (tCO_2e per garment produced)



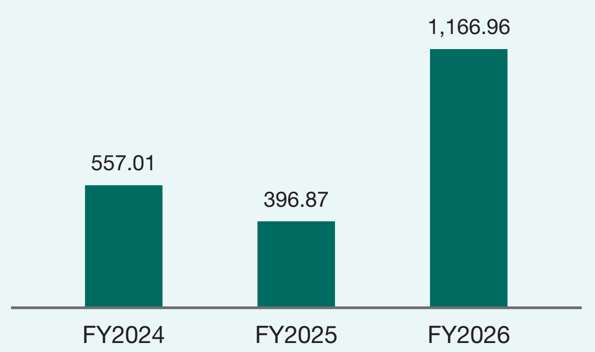
MAINTAINING ENVIRONMENTAL RESPONSIBILITY (CONT'D)

CLIMATE CHANGE AND ENERGY CONSUMPTION (CONT'D)

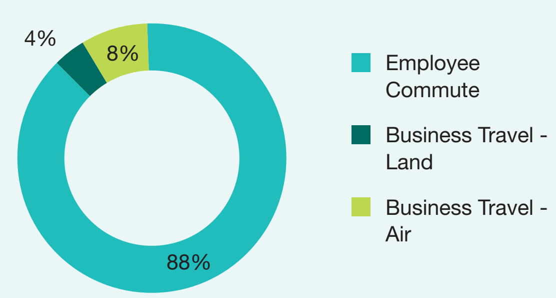
Scope 3 GHG Emissions

Indirect emissions from employee commuting and business travel, including land and air travel, totalled 1,166.96 tCO_2e during the reporting period, with employee commuting accounting for 88% of total emissions.

Scope 3 GHG Emissions (tCO_2e)



Scope 3 GHG Emission Breakdown for FY2026



WATER CONSUMPTION

The Group's garment manufacturing processes are inherently water-intensive, particularly during the dyeing, bleaching and washing stages. Water management measures are implemented across the Apparel Division to support efficient water use and minimise impacts on this vital resource.

Water Management Initiatives in the Apparel Division

Water Efficiency Measures

- Conduct routine inspections to identify and rectify leaks and plumbing malfunctions at WHD
- Installed self-closing faucets at handwashing stations and fitted toilet fixtures with automatic shut-off devices
- Reused water in the facility's cooling pad system
- Utilised treated water recycled from the wastewater treatment plant for toilet flushing and cleaning activities at the production site
- Installed an auto-refill water system by replacing traditional manual valves with automated controls at production floors

MAINTAINING ENVIRONMENTAL RESPONSIBILITY (CONT'D)

WATER CONSUMPTION (CONT'D)

Water Management Initiatives in the Apparel Division (Cont'd)

Rainwater Harvesting

- TTAL implemented a rainwater harvesting system with a total storage capacity of 78 m^3
- WHD continued its rainwater harvesting initiatives, maintaining a total storage capacity of 105 m^3

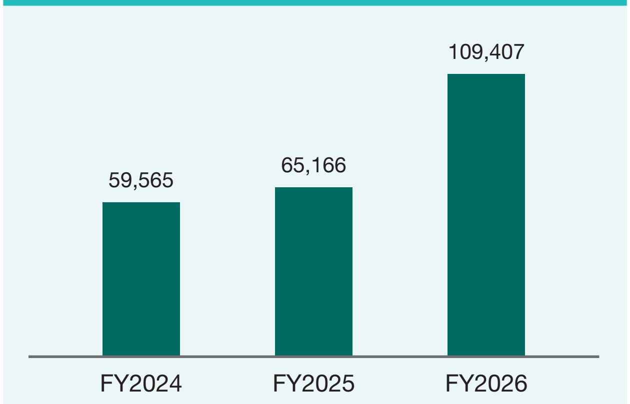
Water Conservation

- Installed signage and posters across WHD, TTAL, BSSL and PSG to raise employee awareness on water conservation
- Conducted training sessions for employees at WHD, TTAL, BSSL and PSG to reinforce responsible water usage practices
- Incorporated water conservation practices into WHD's employee orientation programme as part of onboarding

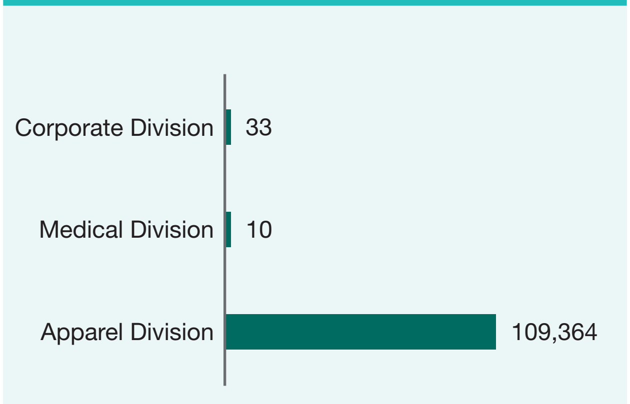
In FY2026, the Group's total water consumption amounted to 109,407 m^3, representing a significant increase from FY2025. This rise is partly attributable to the inclusion of the Medical Division, Corporate Office and additional subsidiaries within the Apparel Division in the reporting scope.

Water consumption in the Medical Division remained minimal at 10 m^3, compared to 109,364 m^3 in the Apparel Division, reflecting the higher water requirements for our manufacturing operations. To support rainwater harvesting efforts, the Apparel Division collected a total of 1,857 m^3 of rainwater in FY2026, comprising 78% from WHD and 22% from TTAL. Notably, WHD recorded a significant increase in rainwater harvested, rising from 723 m^3 in FY2025 to 1,453 m^3 in FY2026. The improvement was primarily driven by the installation of additional rainwater harvesting systems at manufacturing facilities, which increased the division's capacity to capture and utilise rainwater as an alternative water source.

Water Consumption (m^3)



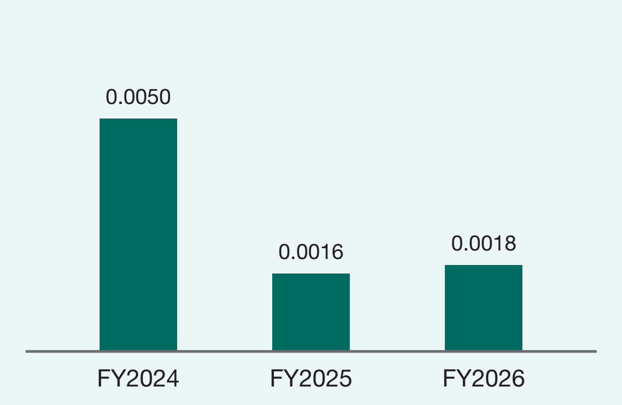
Water Consumption by Business Division in FY2026



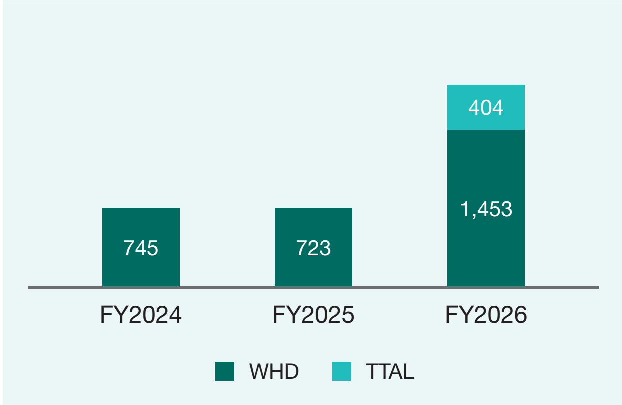
MAINTAINING ENVIRONMENTAL RESPONSIBILITY (CONT'D)

WATER CONSUMPTION (CONT'D)

Water Intensity in the Apparel Division (m^3 per garments produced)



Rainwater Harvesting in the Apparel Division (m^3)



Notes:
1. Water Consumption for FY2024 was restated to include the water consumption for BSSL and consumption from WHD's rainwater harvest for FY2024
2. Water Consumption for FY2025 was restated to include the water consumption for PSG and consumption from WHD's rainwater harvest for FY2024

WASTE MANAGEMENT

Waste generation across the Group arises primarily from garment manufacturing activities within the Apparel Division, where processes such as fabric cutting, dyeing and finishing produce excess fabric, packaging waste and other production-related residues. As these processes form part of our core operations, the Group manages waste streams in a controlled manner to support operational efficiency and comply with applicable regulatory requirements.

During FY2026, WHD, BSSL, PSG and TTAL strengthened waste management practices through targeted initiatives aimed at improving operational efficiency and waste handling processes.

Waste Management Initiatives in the Apparel Division

- Engaged licensed hazardous waste contractors to ensure the safe, compliant handling and disposal of hazardous waste
- Implemented structured waste segregation practices across operations, guided by the 4R principles (Reduce, Reuse, Recycle, Recover)
- Collaborated with licensed recycling contractors for the collection and responsible processing of recyclable materials

MAINTAINING ENVIRONMENTAL RESPONSIBILITY (CONT'D)

WASTE MANAGEMENT (CONT'D)

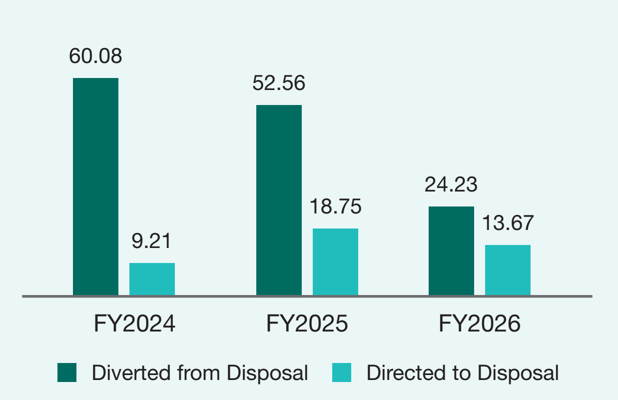
Waste Management Initiatives in the Apparel Division (Cont'd)

- Promoted paper reuse initiatives, including the reuse of A4 paper, to minimise paper waste generation
- Conducted regular employee training to enhance awareness and reinforce proper waste segregation practices across facilities

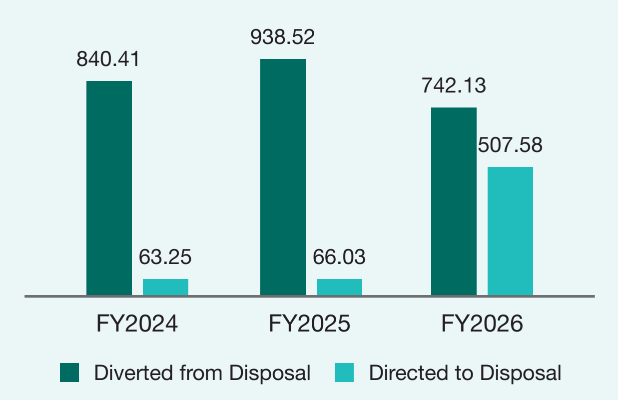
WHD continued to enhance fabric waste segregation and recycling practices, supporting ongoing efforts to reduce textile waste in Cambodia. In line with our zero-waste ambition, WHD also operationalised a zero-landfill target for industrial waste from October 2024, focusing on reducing environmental impact and supporting the transition towards circular practices. Across our operations, production activities generate both hazardous and non-hazardous waste. Hazardous waste includes e-waste, boiler ash, machinery equipment, sludge, unused chemicals and used chemical containers, while non-hazardous waste comprises carton paper, fabric offcuts, general waste and plastics generated from manufacturing processes.

In FY2026, total waste generated amounted to 1,287.61 MT, of which 37.90 MT was classified as hazardous, representing a 47% reduction compared to FY2025. During the same period, approximately 64% of hazardous waste and 59% of non-hazardous waste were diverted from disposal through reuse and recycling initiatives.

Hazardous Waste Disposal (MT)



Non-Hazardous Waste Disposal (MT)



MAINTAINING ENVIRONMENTAL RESPONSIBILITY (CONT'D)

WASTE MANAGEMENT (CONT'D)

	FY2024	FY2025	FY2026
Total Waste Generated	972.96	1,075.86	1,287.61
Total Waste Diverted from Disposal	900.49	991.08	766.36
Total Waste Directed to Disposal	72.46	84.78	521.25

Notes:
1. FY2024 data was restated to include hazardous waste data for PSG
2. FY2025 data was restated to include hazardous and non-hazardous waste for PSG

Effluent

Effluent generated from garment manufacturing processes is managed through on-site treatment systems to ensure compliance with applicable discharge requirements. At BSSL, the Effluent Treatment Plant ("**ETP**") treats process effluent prior to discharge, with effluent quality periodically verified by regulatory authorities and independent third-party assessors in accordance with recognised industry standards, including the Higg FEM.

In FY2026, the Apparel Division recorded total wastewater discharge of 6.73 ML, of which 5% was repurposed for non-potable uses such as cleaning activities, supporting efforts to reduce freshwater consumption and promote water reuse within operations.

MATERIAL CONSUMPTION

Material consumption forms a key component of the Group's production processes within our garment manufacturing operations, with ongoing efforts to improve material efficiency and reduce waste generation.

During the financial year, WHD continued to apply the marker design system introduced in FY2024 to optimise fabric utilisation and minimise cutting waste. In FY2026, WHD consumed 9.8 million yards of recycled materials and 1.34 million yards of non-recycled materials.

Material Used (Yards)	FY2024	FY2025	FY2026
Recycled Material	49,016,483	11,986,653	9,795,416
Non-recycled Material	5,548,862	1,998,622	1,343,923

Additional Material Used (pcs)	FY2026
Recycled Material	6,186
Non-recycled Material	21,666

Notes:
1. Materials considered in this parameter include production materials
2. Additional consumption of 98% polyester 2% elastane flat knit yarn is disclosed separately in pieces ("**pcs**")

Fostering Social Sustainability

People remain central to the Group's operations, particularly across our labour-intensive manufacturing activities and expanding workforce. We emphasise fair labour practices, workplace health and safety and an inclusive work environment, supported by initiatives that strengthen employee well-being and responsible employment practices across our operating locations.

Material Sustainability Matters

- Occupational Health and Safety
- Human Rights and Labour Standards
- Diversity and Talent Management
- Product Quality and Innovation
- Customer Privacy and Data Protection
- Community Engagement

Alignment with the UN SDGs

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Key Stakeholders

FOSTERING SOCIAL SUSTAINABILITY (CONT'D)

OCCUPATIONAL HEALTH AND SAFETY

We manage OHS risks arising from operational activities, including machinery use and chemical handling, through established procedures and compliance with applicable regulatory requirements across operating locations. These measures contribute to a safe working environment throughout the Group.

Group-wide OHS Initiatives

- Development of OHS guidelines and procedures
- Conduct OHS inspections
- OHS awareness programmes
- Provision of personal protective equipment ("**PPE**")

Our OHS Committees oversee workplace safety matters across divisions and subsidiaries. Each committee comprises designated chairpersons, safety officers and employee representatives. The committees meet on a bimonthly basis to review safety issues and implement appropriate measures.

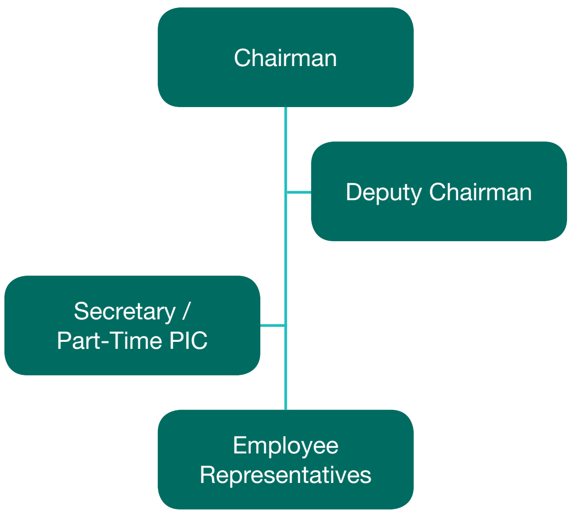
The Group's OHS policies and procedures are applied across manufacturing operations to promote consistent workplace safety practices. Facilities undergo regular assessments by external bodies, including Better Work, relevant Ministries of Labour and regulatory OHS auditors to support compliance with applicable safety requirements.

Within the Medical Division, the subsidiaries operate primarily as corporate offices and therefore apply OHS measures appropriate to their office-based risk profile rather than the full set of controls used in manufacturing operations. Workplace safety in these entities remains under management oversight in line with applicable local requirements, while the Group continues to review the formalisation of OHS practices as these operations expand.

The Group's OHS management system supports hazard identification and risk assessment across operations, with workplace risk assessments conducted regularly to document, categorise and evaluate hazards based on likelihood and potential impact. Risk registers are maintained at each business operation to record and monitor these findings.

Internal Health, Safety and Environment ("**HSE**") Committees complement these efforts by overseeing workplace conditions, conducting routine inspections and implementing corrective action plans where necessary. Their role supports the ongoing risk identification and continuous improvement of safety practices.

OHS Committee Structure



FOSTERING SOCIAL SUSTAINABILITY (CONT'D)

OCCUPATIONAL HEALTH AND SAFETY (CONT'D)

Apparel Division

Within our Apparel Division, OHS risks are managed through annual risk assessments and periodic evaluations that identify and mitigate workplace hazards. Key risk areas include accident and incident management, emergency preparedness, hazardous material handling, occupational health conditions and exposure to heat, noise and workplace hygiene risks. Workplace incidents are addressed through timely reporting, followed by root cause analysis and the implementation of corrective actions to prevent recurrence.

At the facility level, these practices are supported by the application of OHS manuals, the formation of emergency response teams and the implementation of relevant policies.

Key OHS Controls in the Apparel Division

- Accident and Incident Reporting
- Emergency Response Plans
- Hazardous Material Management
- Safety Internal Audits
- Monitoring & Detection of Disease and Safety Hazards
- Occupational Health Conditions
- Proper Waste Disposal
- Emergency Rescue Plans
- Fire Prevention
- Healthcare and Hygiene
- Heatstroke Prevention
- Noise Control
- OHS Discipline Programme
- OHS Reporting Procedure

Medical Division

In our medical division, workplace health and safety risks are primarily associated with office-based activities. Key areas of risk include ergonomic factors arising from prolonged computer use, slips, trips and falls within office premises, as well as fire safety and emergency preparedness. Workplace hygiene and general safety awareness also form part of day-to-day risk considerations.

Management oversees these risks through compliance with applicable local regulatory requirements and the implementation of basic safety practices supported by ongoing awareness efforts. As operations expand, the Group continues to review opportunities to further formalise OHS practices in line with operational needs.

Key OHS Risks in the Medical Division

- Ergonomic risks associated with prolonged computer use
- Slips, trip and falls within office premises
- Fire safety and emergency evacuation risks
- Workplace health and hygiene considerations
- General workplace safety awareness

FOSTERING SOCIAL SUSTAINABILITY (CONT'D)

OCCUPATIONAL HEALTH AND SAFETY (CONT'D)

OHS Performance

The Group recorded nine lost-time injuries during FY2026. Our subsidiary in Cambodia, WHD, accounted for six cases, while our garment manufacturing subsidiary in China SDL, recorded three cases. No work-related fatalities or occupational illness cases were recorded during the year.

OHS Performance	FY2024	FY2025	FY2026
Total number of hours worked	5,447,496	6,657,265	9,164,360
Total number of lost-time injuries	3	4	9
Total number of work-related fatalities or occupational illnesses	0	0	0
Lost Time Injury Rate ("**LTIR**")	0.11	0.12	0.19

Note: LTIR is calculated in accordance with the Bursa Malaysia Sustainability Reporting Guide (3rd Edition), based on 200,000 hours worked.

Health and Safety Training

Employees receive OHS training relevant to their roles, covering areas such as chemical handling, machinery operations, personal protective equipment usage, risk identification, safe work practices and emergency response.

Key OHS Training Programmes FY2026

Chemical Handling and Spillage Management	Equipment and Machineries Operations	PPE Training	Risk Identification and Source Management
Safe Production and Operation Skills	HIV/AIDS Awareness	Lockout/Tagout ("**LOTO**")	First Aid Training

In FY2026, the Group conducted various health and safety training programmes involving 4,204 employees across operations. PSG, TTAL and SDL also commenced OHS data disclosure during the year, reflecting an expansion in reporting scope.

FOSTERING SOCIAL SUSTAINABILITY (CONT'D)

OCCUPATIONAL HEALTH AND SAFETY (CONT'D)

Health and Safety Training (Cont'd)

Electrical Safety and PPE training at WHD

Fire Drill training at SGL

Fire Alarm training at SGL

Note: SDL and TTAL commenced disclosure in FY2026

HUMAN RIGHTS AND LABOUR STANDARDS

The Group is guided by applicable labour laws and recognised human rights principles in managing our workforce across operations. Employment practices are aligned with regulatory requirements in each jurisdiction, with emphasis on fair treatment, safe working conditions and equal access to opportunities.

No substantiated complaints relating to human rights matters were recorded through formal reporting channels over the past three years. This includes matters related to discrimination, harassment, child labour and forced labour. The Group monitors human rights matters through quarterly reporting and confidential discussion sessions between the Human Resource Officer and the Managing Director. Employees may raise concerns, operational issues and improvement opportunities during these sessions, with follow-up actions documented, monitored and implemented, as appropriate, through the Group's grievance management process.

FOSTERING SOCIAL SUSTAINABILITY (CONT'D)

HUMAN RIGHTS AND LABOUR STANDARDS (CONT'D)

Apparel Division

Subsidiaries in China

Within the Group's China operations, labour practices are monitored through annual audits conducted by the relevant Labour Department to assess compliance with the Labour Contract Law and identify areas of potential non-compliance. These reviews provide oversight of employment practices and support follow-up actions where required.

Employees across these operations are provided with channels to raise concerns related to working conditions and remuneration, including suggestion boxes and formal grievance mechanisms. Submissions are managed in accordance with internal confidentiality protocols.

At SGL, labour-related policies guide employment practices. These cover areas such as forced labour, child labour, workplace conduct and discrimination, as well as freedom of association, wages and working hours, supporting compliance with applicable labour requirements.

List of Human Rights Policies	
Anti-Discrimination and Harassment Policy	Zero tolerance for discrimination, bullying, harassment or unfair employment practices.
Child Labour and Juvenile Worker Policy	Protects human rights through the prevention of child labour or employment of underage workers at the factories.
Freedom of Association Policy	Respects the rights of our employees to participate in worker unions or any organisations not involved in criminal activity without fear or repercussion.
Production Working Hours and Compensation Policy	Ensures fair wages and benefits for all employees, complying with legal wage and hour requirements.

FOSTERING SOCIAL SUSTAINABILITY (CONT'D)

HUMAN RIGHTS AND LABOUR STANDARDS (CONT'D)

Apparel Division (Cont'd)

Subsidiaries in Cambodia

Human rights practices across the Group's Cambodia operations are guided by the Group's Human Rights Policy and the UN Guiding Principles on Business and Human Rights. At WHD, these practices cover due diligence processes, grievance mechanisms, participation in the Better Work programme, collective bargaining arrangements and anti-harassment measures, which remained in place during the year.

Due Diligence Activities	Conducts due diligence activities across the value chains of selected subsidiaries to identify and address potential human rights risks.
Grievance Mechanism	Established a Suggestion Box Opening Policy and grievance procedures to provide employees with confidential channels to raise concerns. Submissions are reviewed by the Grievance Handling Committee, which investigates and addresses reported issues.
Better Work Advisory Service	Became an active participant in the Better Work Advisory Service to enhance workplace conditions and promote compliance with both national and international labour standards.
Collective Bargaining Agreement	Addresses key areas concerning employee rights and benefits, including working conditions and compensation, ensuring equitable treatment.
Anti-Harassment Policy	Outlines expectations regarding workplace conduct and addresses multiple forms of harassment, including physical, verbal, sexual, visual, non-verbal and written forms.

At BSSL, a Grievance Solving Committee oversees employee concerns through formal grievance procedures.

Additional measures at BSSL include grievance and dispute handling processes supported by policies covering grievance management, anti-harassment and suggestion box practices. Facility-level committees support the review and escalation of concerns through established procedures.

Annual assessments are conducted at BSSL under the Better Factories Cambodia programme administered by the International Labour Organization, alongside brand partner audits. These assessments provide oversight of labour practices and identify areas for improvement where applicable.

FOSTERING SOCIAL SUSTAINABILITY (CONT'D)

DIVERSITY AND TALENT MANAGEMENT

The Group manages our workforce across operations to support operational requirements and ongoing business expansion. Our employee composition is monitored across key demographic indicators, including gender, age group and employment type, to support workforce planning, talent development and employee management practices.

Employee Demographic and Diversity

In FY2026, the Group employed 4,502 employees, reflecting continued operational expansion. The workforce remains female-majority, with women representing 71% of the total workforce.

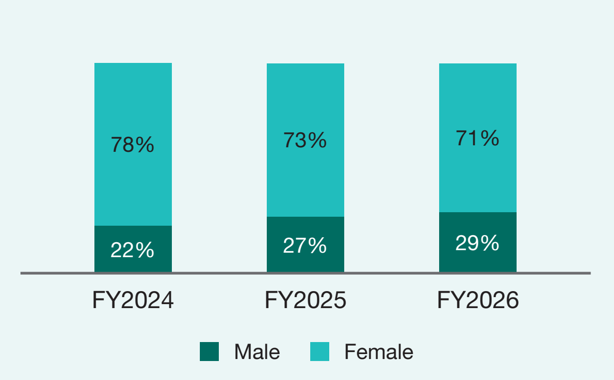
The majority of employees fall within the 30–50 age group, accounting for 59% of the workforce. This is complemented by a growing proportion of employees below 30, while those above 50 represent a smaller segment.

Further details on workforce composition by gender and employment type are presented in the accompanying tables.

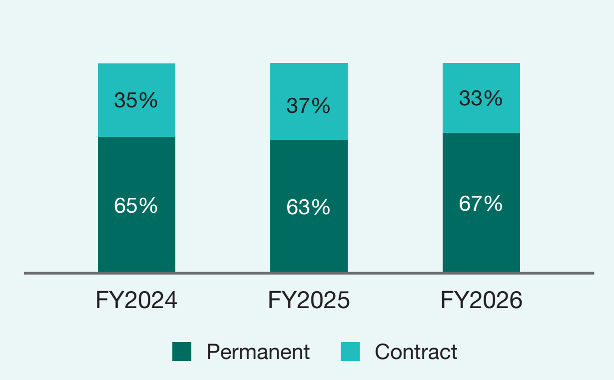
Group Total Employee Strength

FY2026 : 4,502
(FY2025 : 3,285)
(FY2024 : 2,523)

Employment Gender Distribution



Employment Type



Note: Total workforce for FY2026 reflects an expanded reporting scope following the inclusion of the Medical Division and selected subsidiaries within the Apparel Division.

Employee Benefits

The Group provides employee benefits across our operations, taking into account local employment practices and workforce requirements in each location. Core benefits include healthcare coverage, parental leave and retirement-related provisions, complemented by additional leave entitlements such as compassionate leave, marriage leave and study or examination leave to support employees at different stages of employment. Financial incentives, including seniority-based rewards, festive contributions and performance-related bonuses, form part of the overall benefits structure, reflecting the Group's operational arrangements and workforce composition.

FOSTERING SOCIAL SUSTAINABILITY (CONT'D)

DIVERSITY AND TALENT MANAGEMENT (CONT'D)

Employee Benefits (Cont'd)

PCCS's Employee Benefits

Statutory Benefits

- Retirement Provision
- Social Insurance (Pension, Unemployment, Work-Related Injuries)

Healthcare Benefits

- Health (Medical Outpatient Benefits)
- Disability Invalidity Coverage

Leave Entitlements

- Annual Leave
- Compassionate Leave
- Parental Leave
- Study/Examination Leave

Staff Recognition and Awards

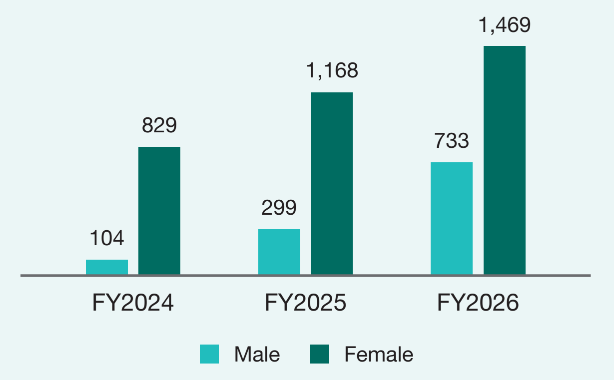
- Festival Gift
- Performance Bonus
- Seniority Bonus

Employee Recruitment

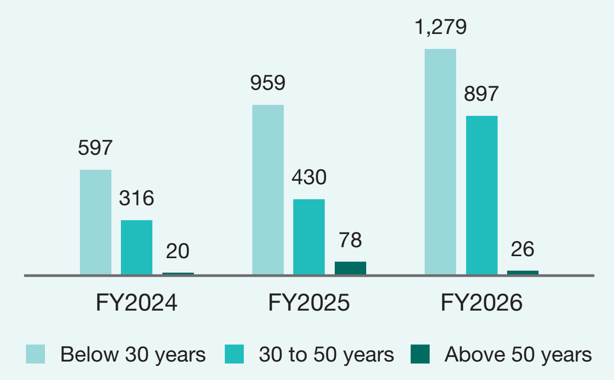
In FY2026, recruitment activity increased, with total new hires reaching 2,202 employees. This trend reflects ongoing operational expansion.

Although employee turnover increased during the year, hiring levels remained higher, resulting in net workforce growth. Recruitment was largely concentrated within the non-executive category, which accounted for 99% of new hires, with smaller proportions across executive and management categories.

New Hires by Gender



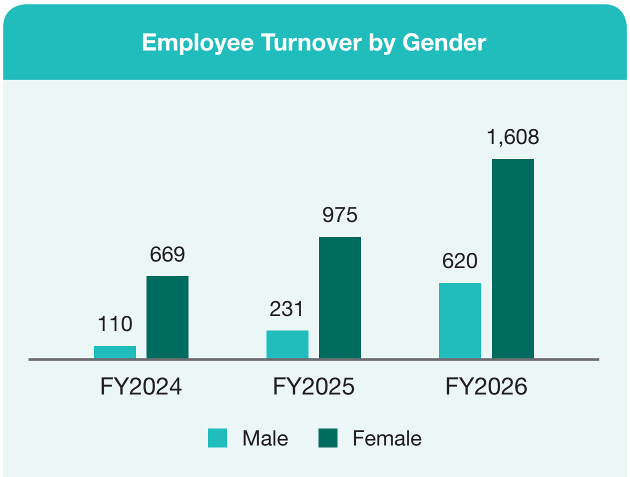
New Hires by Age Category

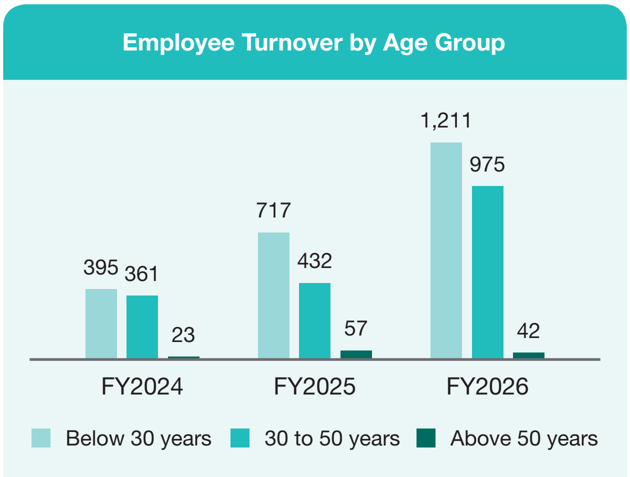


FOSTERING SOCIAL SUSTAINABILITY (CONT'D)

DIVERSITY AND TALENT MANAGEMENT (CONT'D)

Employee Recruitment (Cont'd)





Employee Turnover by Category			
Employee Category	FY2024	FY2025	FY2026
Senior Management	1	0	2
Management	1	2	8
Executive	33	20	25
Non-Executive	744	1,184	2,193

Training and Development

Training and development activities are conducted across our operations to support employee capability and operational requirements.

In FY2026, a total of 9,182.50 training hours were recorded, with contributions primarily from SGL, followed by TTAL and our other subsidiaries. Average training hours per employee stood at 3.01 hours.

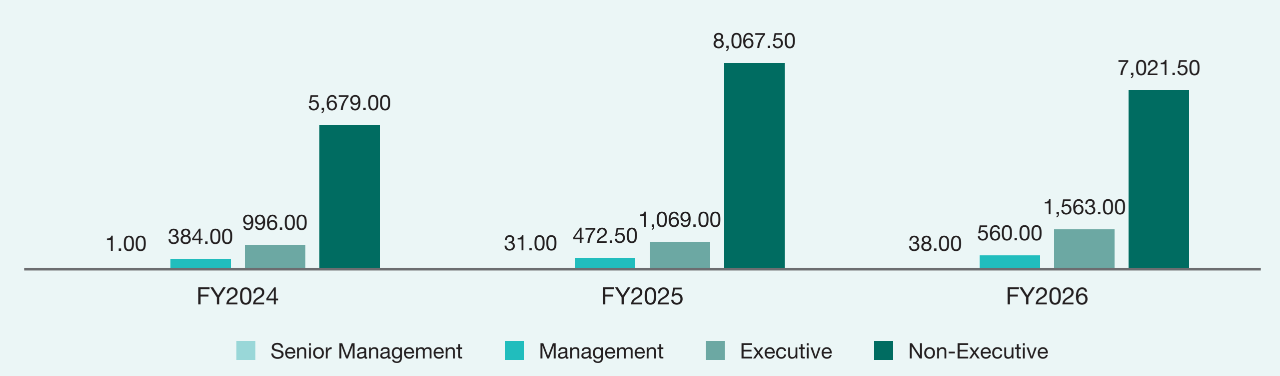
Participation was concentrated within the non-executive category, with additional participation across executive, management and senior management levels. Training topics included occupational health and safety, technical competencies, soft skills and internal policies.

FOSTERING SOCIAL SUSTAINABILITY (CONT'D)

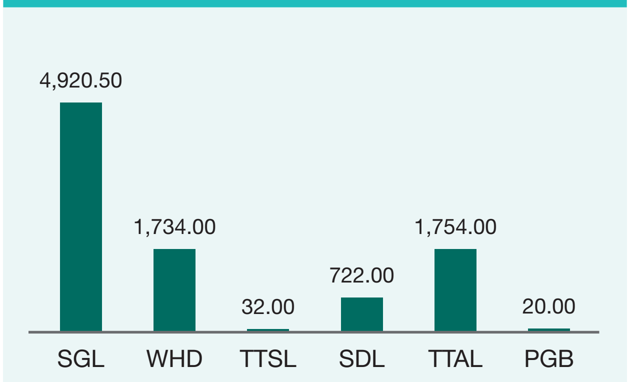
DIVERSITY AND TALENT MANAGEMENT (CONT'D)

Training and Development (Cont'd)

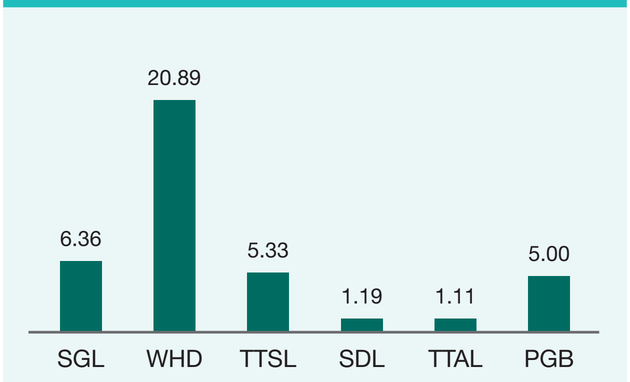
Total Training Hours by Employee Category



Total Training Hours Across Subsidiaries in FY2026



Average Training Hours Across Subsidiaries in FY2026



Note: The total and average training hours across subsidiaries for FY2026 were calculated based on disclosed data only.

FOSTERING SOCIAL SUSTAINABILITY (CONT'D)

DIVERSITY AND TALENT MANAGEMENT (CONT'D)

Employee Engagement Session

Employee engagement sessions were conducted at selected operations, including BSSL, WHD and TTAL, during the reporting period. These sessions provide a platform for communication between management and employees and support alignment with operational priorities.

TTAL - Celebration of Khmer New Year

TTAL – Key Personnel Buffet Gathering

WHD - Celebration of Khmer New Year

WHD – Gender Equality and Returns ("**GEAR**") Programme

BSSL – Environmental and Charity Event

BSSL - Celebration of Khmer New Year

FOSTERING SOCIAL SUSTAINABILITY (CONT'D)

DIVERSITY AND TALENT MANAGEMENT (CONT'D)

Employee Engagement Session (Cont'd)

Employee Engagement Programme	Programme Description	Number of Attendees
Gender Equality and Returns ("**GEAR**") Programme	A programme aimed at empowering and promoting female employees into supervisory and higher-skilled positions within the organisation.	15
Celebration of Khmer New Year	A celebration to promote cultural appreciation, strengthen teamwork and enhance employee engagement. The event included food and beverages, a lucky draw and traditional performances, serving as a token of appreciation for employees' contributions while promoting a positive and cohesive work environment.	2,689
Key Person Buffet Gathering	A buffet gathering for all line leaders, key personnel and shop stewards in recognition of their exemplary hard work, dedication, and their continued contributions.	65

Employee Performance Review

Performance reviews are conducted annually to assess employee performance and identify areas for improvement. In FY2026, a total of 2,895 employees participated in the performance review process across the Group's operations.

PRODUCT QUALITY AND INNOVATION

The Group maintains product quality through controlled manufacturing processes and continuous improvements across production activities to meet customer and buyer requirements. Quality assurance controls are applied across the production lifecycle, from raw material selection to in-process inspections and final quality checks, to ensure products meet required specifications and buyer standards.

Apparel Division

Across the Group's Cambodian operations, quality assurance practices are strengthened through targeted facility-level initiatives focusing on testing capabilities, supplier management and production controls.

WHD enhances product quality through expanded internal testing capabilities and strengthened supplier oversight. The establishment of PUMA MINI Lab enables testing in line with buyer requirements, while improved supplier monitoring and the integration of customer feedback support consistent fabric quality. These efforts are reinforced through performance targets and recognition programmes, including incentives linked to inspection outcomes and recognition of Evaluation and Quality Control ("**QC**") personnel achieving zero rejection rates and zero failed inspections on a monthly basis. Product quality performance is monitored through buyer-specific final inspection targets, with rejection rate thresholds set at 0.80% for PUMA and 2.00% for Carhartt. The targets reinforce continuous improvement and adherence to customer quality requirements.

FOSTERING SOCIAL SUSTAINABILITY (CONT'D)

PRODUCT QUALITY AND INNOVATION (CONT'D)

Apparel Division (Cont'd)

Product Quality Management Initiatives
Investment in PUMA MINI Lab certification to conduct internal testing in accordance with PUMA requirements.
Conducted fabric supplier monitoring and incorporated customer feedback to strengthen partnerships with mills and ensure all fabrics meet required quality standards.
Established quality target achievement initiatives, recognising Evaluation and Quality Control ("**EQC**") personnel who achieved low rejection rates and zero failed inspections on a monthly basis, with rewards and acknowledgement for strong performance.

BSSL manages product quality through internal systems that monitor production processes and address root causes of defects. An internal laboratory supports testing from product development to bulk production, including washing, shrinkage, migration and crocking tests in line with buyer standards. Certified laboratory personnel support consistent testing practices, while production processes incorporate eco-friendly dyes to enhance product durability and reduce environmental impact.

Internal Lab	Established an internal laboratory to conduct testing from development to bulk production, including washing, shrinkage, migration and crocking tests in line with buyer standards (e.g. PUMA, Adidas).
Interlek Certification	All internal laboratory staff were trained and certified by Intertek, a British multinational assurance, inspection and product testing provider.
Eco-Friendly Dyes	Usage of eco-friendly dyes to enhance our product durability while reducing environmental impact.
Quality Control	Both in-line and end-line Quality Control teams perform 100% checks on all cut panels. Any identified defects are documented in our Enterprise Resource Planning ("**ERP**") system for traceability and ongoing quality analysis.

FOSTERING SOCIAL SUSTAINABILITY (CONT'D)

PRODUCT QUALITY AND INNOVATION (CONT'D)

In FY2026, TTAL applied system-based controls to improve oversight of product quality management. The implementation of a Quality Management System aligned with buyer requirements, enhanced traceability and consistency across production stages.

Established quality target achievement initiatives, recognising Evaluation and Quality Control personnel who achieved low rejection rates and zero failed inspections on a monthly basis, with rewards and acknowledgement for strong performance.

Established a Quality Management System ("**QMS**") in alignment with buyer requirements, with enhancements made to strengthen end-to-end process controls across operations.

Regular job training is conducted for QA/QC teams on a daily and weekly basis to enhance their understanding of buyer-specific quality standards and requirements.

No substantiated incidents of product mislabelling were recorded during the reporting period, reflecting the consistent application of quality assurance controls across operations.

CUSTOMER PRIVACY AND DATA PROTECTION

The Group manages customer information through established data governance practices designed to safeguard data across operations. A Data Policy sets out requirements for data storage, access and protection, guiding how information is handled within different operating locations and reducing exposure to data breach risks. The Policy is reviewed periodically to remain aligned with applicable data protection requirements across in the jurisdictions where the Group operates.

To support these controls, the Group carries out routine system maintenance and updates, including enhancements to software and firewall configurations, to maintain the reliability and security of its IT systems. The cybersecurity framework is further supported by an internal data breach investigation protocol, implemented in accordance with Management Information System Control procedures. The Management Information System Department oversees this protocol to coordinate responses and mitigate potential incidents effectively.

Across the Group's operations, these measures are complemented by ongoing system updates and monitoring practices to strengthen cybersecurity resilience. At BSSL, data security practices are reinforced through an annual Worldwide Responsible Accredited Production ("WRAP") audit conducted by an independent third party.

No verified data breach incidents were recorded during the reporting period. The Group safeguards information security through preventive and monitoring controls, including firewall protection, role-based access rights, password authentication requirements and system access management procedures. System activities and security alerts are monitored by the IT department to enable timely identification, investigation and resolution of potential cybersecurity risks and incidents.

FOSTERING SOCIAL SUSTAINABILITY (CONT'D)

COMMUNITY ENGAGEMENT

The Group undertakes community engagement initiatives across our operating locations to support local communities and contribute to broader social development. These efforts are guided by local needs and stakeholder engagement, allowing initiatives to remain relevant to the communities in which the Group operates.

The programmes focus on addressing community priorities while promoting environmental awareness, with activities implemented locally to create meaningful outcomes. In FY2026, the Group carried out ten community engagement initiatives, allocating RM75,238 to support programmes across our operating regions and benefiting 24,702 individuals.

Community Programme	Programme Description
21st Malaysia Cardiovascular Interventional Symposium (MYLIVE 2025)	Sponsorship for University Malaya Medical Centre staff
Clean Up Day Programme	In support of National Environmental Sanitation Day, the factory actively participated in a community clean-up initiative aimed at promoting environmental protection and public health awareness. Activities include waste collection and disposal in areas surrounding the factory compound.
Cambodia-Thailand border conflict Contribution	In response to the humanitarian needs arising from the Cambodia–Thailand border conflict, WHD has provided emergency assistance to support affected communities and vulnerable families.
No-Use-Plastic-Bottle Programme	An initiative to provide vacuum stainless-steel bottles to all employees. This program aims to significantly reduce the use of single-use plastic bottles within the workplace and promote environmentally responsible behaviour among employees
Open Basketball Competition	PCCS contributed to the Open Basketball Competition, organised in collaboration with the Batu Pahat Basketball Association ("**BPBA**"), at Stadium Chan Kok Hiang.
Heart-to-Heart with Chung Hwa & Alumni Homecoming Charity Sale	Sale organised to raise funds for student activities and financial aid for underprivileged students.
PIBG Chern Hwa	A fellowship evening organised to raise funds for upgrading facilities and supporting the Parent-Teacher Association's activities fund.
PIBG Cheng Siu 2	
Comewell Enterprise	Sponsorship of Maroon Polo
Rotary Club of Batu Pahat (Yayasan Amal Rotary Batu Pahat)	Contributed 895 T-shirts to support the End Polio Charity Run
Charity and Environmental Program	Donation of food, materials and construction material to Branch Centre for community programme with the cooperation of the Ministry of Environmental (No-Use-Plastic-Bottle Project).
MYLIVE 2025 and UMMC World Health Day	Promoted continuous medical education, professional knowledge sharing and community health awareness through engagement with healthcare professionals and the public.

Note: The contributions from WHD were converted from USD to MYR using the exchange rates provided by Bank Negara Malaysia at the end of each financial year, as follows: FY2024 (4.74), FY2025(4.49), FY2026 (3.89)

STRENGTHENING OUR COMMITMENT TO SUSTAINABLE GROWTH

PCCS remains committed to strengthening how sustainability considerations are managed across our operations as part of responsible business growth. During the reporting year, efforts focused on strengthening internal practices, improving data coverage and enhancing consistency across operating entities to support more structured sustainability management.

As reporting scope continues to mature, the Group will further refine our approach to managing key sustainability matters, taking into account operational priorities, regulatory developments and stakeholder expectations. These efforts strengthen our ability to manage sustainability risks and opportunities in a more structured and consistent manner.

Moving forward, PCCS will continue enhancing governance practices, strengthening operational controls and advancing responsible business practices to support sustainable and resilient long-term growth.

PERFORMANCE DATA TABLE

PCCS GROUP BHD

BMLR Transition Period

Date & Time: 2026-07-28_15:22:57

Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Corporate Governance and Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category •Senior Management	%	0	28	—	No assurance
Corporate Governance and Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category •Management	%	0	46	—	No assurance
Corporate Governance and Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category •Executive	%	0	66	—	No assurance
Corporate Governance and Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category •Non-Executive	%	0	55	—	No assurance
Corporate Governance and Anti-Corruption	Percentage of operations assessed for corruption related risks	%	0	0	—	No assurance
Corporate Governance and Anti-Corruption	Confirmed incidents of corruption and actions taken	Number	0	0	—	No assurance
Corporate Governance and Anti-Corruption	Percentage of directors by gender and age Men	%	75	75	—	No assurance
Corporate Governance and Anti-Corruption	Percentage of directors by gender and age Women	%	25	25	—	No assurance
Corporate Governance and Anti-Corruption	Percentage of directors by gender and age <30	%	0	0	—	No assurance

This report was generated on the Bursa Malaysia CSI Platform on 2026-07-28_15:22:57

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PERFORMANCE DATA TABLE (CONT'D)

PCCS GROUP BHD
BMLR Transition Period

Date & Time: 2026-07-28_15:22:57
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Corporate Governance and Anti-Corruption	Percentage of directors by gender and age 30-50	%	50	50	—	No assurance
Corporate Governance and Anti-Corruption	Percentage of directors by gender and age >50	%	50	50	—	No assurance
Responsible Sourcing	Procurement budget spent on local suppliers	%	91	91	—	No assurance
Waste Management	Total waste generated	Metric tonnes	1,075.86	1,287.61	—	No assurance
Waste Management	Total waste diverted from disposal	Metric tonnes	991.08	766.36	—	No assurance
Waste Management	Total waste directed to disposal	Metric tonnes	84.78	521.25	—	No assurance
Climate Change and Energy Consumption	Total energy consumption	GJ	43,925.63	55,813.15	—	No assurance
Climate Change and Energy Consumption	Scope 1 emission	tCO2e	428.65	554.23	—	No assurance
Climate Change and Energy Consumption	Scope 2 emissions	tCO2e	1,794.63	2,938.01	—	No assurance
Climate Change and Energy Consumption	Scope 3 emissions in tonnes of CO2e (at least for business travel and employee commuting)	tCO2e	396.87	1,166.96	—	No assurance
Water Consumption	Total water consumption	m3	65,166	109,407	—	No assurance
Occupational Health and Safety	Number of work-related fatalities	Number	0	0	—	No assurance
Occupational Health and Safety	Lost time incident rate ("LTIR")	Rate	0.12	0.19	—	No assurance

PERFORMANCE DATA TABLE (CONT'D)

PCCS GROUP BHD
BMLR Transition Period

Date & Time: 2026-07-28_15:22:57
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Occupational Health and Safety	Number of employees trained on health and safety standards	Number	9,871	4,204	—	No assurance
Human Rights and Labour Standards	Number of substantiated complaints concerning human rights violation	Number	0	0	—	No assurance
Human Rights and Labour Standards	Employees Turnover •Senior Management	Number	0	2	—	No assurance
Human Rights and Labour Standards	Employees Turnover •Management	Number	2	8	—	No assurance
Human Rights and Labour Standards	Employees Turnover •Executive	Number	20	25	—	No assurance
Human Rights and Labour Standards	Employees Turnover •Non-Executive	Number	1,184	2,193	—	No assurance
Customer Privacy and Data Protection	Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	Number	0	0	—	No assurance
Diversity and Talent Management	Gender group by employee category •Senior Management (Men)	%	100	94	—	No assurance
Diversity and Talent Management	Gender group by employee category •Senior Management (Women)	%	0	6	—	No assurance
Diversity and Talent Management	Gender group by employee category •Management (Men)	%	71	63	—	No assurance
Diversity and Talent Management	Gender group by employee category •Management (Women)	%	29	37	—	No assurance

PERFORMANCE DATA TABLE (CONT'D)

PCCS GROUP BHD
BMLR Transition Period

Date & Time: 2026-07-28_15:22:57
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity and Talent Management	Gender group by employee category •Executive (Men)	%	41	42	—	No assurance
Diversity and Talent Management	Gender group by employee category •Executive (Women)	%	59	58	—	No assurance
Diversity and Talent Management	Gender group by employee category •Non-Executive (Men)	%	27	27	—	No assurance
Diversity and Talent Management	Gender group by employee category •Non-Executive (Women)	%	73	73	—	No assurance
Diversity and Talent Management	Age group by employee category •Senior Management (<30)	%	0	0	—	No assurance
Diversity and Talent Management	Age group by employee category •Senior Management (30-50)	%	25	28	—	No assurance
Diversity and Talent Management	Age group by employee category •Senior Management (>50)	%	75	72	—	No assurance
Diversity and Talent Management	Age group by employee category •Management (<30)	%	2	0	—	No assurance
Diversity and Talent Management	Age group by employee category •Management (30-50)	%	63	69	—	No assurance
Diversity and Talent Management	Age group by employee category •Management (>50)	%	35	31	—	No assurance
Diversity and Talent Management	Age group by employee category •Executive (<30)	%	6	8	—	No assurance

PERFORMANCE DATA TABLE (CONT'D)

PCCS GROUP BHD
BMLR Transition Period

Date & Time: 2026-07-28_15:22:57
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity and Talent Management	Age group by employee category •Executive (30-50)	%	84	78	—	No assurance
Diversity and Talent Management	Age group by employee category •Executive (>50)	%	10	14	—	No assurance
Diversity and Talent Management	Age group by employee category •Non-Executive (<30)	%	48	38	—	No assurance
Diversity and Talent Management	Age group by employee category •Non-Executive (30-50)	%	49	57	—	No assurance
Diversity and Talent Management	Age group by employee category •Non-Executive (>50)	%	3	5	—	No assurance
Diversity and Talent Management	Percentage of employees that are contractors or temporary staff •Permanent	%	63	67	—	No assurance
Diversity and Talent Management	Percentage of employees that are contractors or temporary staff •Contract	%	37	33	—	No assurance
Diversity and Talent Management	Total hours of training by employee category •Senior Management	Hours	31	38	—	No assurance
Diversity and Talent Management	Total hours of training by employee category •Management	Hours	473	560	—	No assurance
Diversity and Talent Management	Total hours of training by employee category •Executive	Hours	1,069	1,563	—	No assurance

PERFORMANCE DATA TABLE (CONT'D)

PCCS GROUP BHD
BMLR Transition Period

Date & Time: 2026-07-28_15:22:57
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity and Talent Management	Total hours of training by employee category •Non-Executive	Hours	8,068	7,022	—	No assurance
Community Engagement	Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	115,930	75,238	—	No assurance
Community Engagement	Total number of beneficiaries of the investment in communities	Number	23,298	24,702	—	No assurance

GRI CONTENT INDEX

Statement of use	PCCS Group Berhad has reported the information cited in this GRI content index for the period 1 April 2025 until 31 March 2026 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Location (Page)
GRI 2: General Disclosures 2021	2-1 Organisational details	60
	2-2 Entities included in the organisation's sustainability reporting	60
	2-3 Reporting period, frequency and contact point	60 - 61
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FINANCIAL STATEMENTS

FINANCIALS

DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2026.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services. The principal activities of its subsidiaries include manufacturing and sale of apparels, manufacturing of embroidery, seamless bond, sublimation and silk screen products, provision of general insurance agency, handling and design services for garments, trading of garments, labels and stickers, financial leasing activities, research and development, manufacturing, import and export of medical and healthcare products, wholesale of medical, professional, scientific and precision equipment and investment holding.

There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	14,570	2,109
Attributable to:		
Owners of the Company	14,258	2,109
Non-controlling interests	312	–
	14,570	2,109

DIVIDENDS

The amount of dividend declared and paid by the Company since the end of the previous financial year were as follows:

	RM'000
Single-tier interim dividend of RM0.01 per ordinary share in respect of the financial year ended 31 March 2026, paid on 6 October 2025	2,206

The directors do not recommend the payment of the final dividend in respect of the financial year ended 31 March 2026.

RESERVES OR PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that there were no known bad debts and that adequate allowance had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render the it necessary to write off any bad debts or render the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company, had been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and

(ii) any contingent liabilities in respect of the Group or of the Company which has arisen since the end of the financial year.

In the opinion of the directors, no contingent or other liability of the Group or of the Company has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors,

(i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

AUDITORS' REMUNERATION AND INDEMNITY

The auditors' remuneration of the Group and the Company during the financial year were RM560,000 and RM145,000 respectively.

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

ISSUE OF SHARES AND DEBENTURES

During the financial year, no new issue of shares or debentures were made by the Company.

TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company in accordance with the requirement of Section 127 of the Companies Act 2016 in Malaysia.

There was no repurchase of the Company's issued ordinary shares, nor any resale, cancellation or distribution of treasury shares during the financial year.

As at 31 March 2026, the Company held 2,430,900 treasury shares out of its 223,021,000 issued and paid-up ordinary shares. Such treasury shares are held at the carrying amount of RM1,161,000.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up the unissued shares of the Company during the financial year other than the issue of options pursuant to the ESOS.

At an Extraordinary General Meeting held on 26 August 2019, the Company's shareholders approved the establishment of an ESOS for directors and employees who meet the criteria of eligibility for participation.

The share options are granted to eligible directors and employees. The options granted are vested immediately and settlement is by issuance of fully paid ordinary shares. The exercise price in each grant is set 10% below the weighted average of the market prices of the Company's ordinary shares in the last five trading days before the grant date. The contractual term of each option granted is two years. There are no cash settlement alternatives. The options carry neither rights to dividends nor voting rights. Options may be exercised any time from the date of vesting to the date of expiry.

OPTIONS GRANTED OVER UNISSUED SHARES (CONT'D)

The details of the options over ordinary shares of the Company are as follows:

Option price	Balance as at 1.4.2025	Lapsed	Balance as at 31.3.2026	Exercisable as at 31.3.2026
RM0.39	260,000	(260,000)	–	–
RM0.36	1,308,850	–	1,308,850	1,308,850
	1,568,850	(260,000)	1,308,850	1,308,850

DIRECTORS

The directors in office during the financial year and during the period from the end of the financial year to the date of the report are:

Chan Chow Tek *
Dato' Chan Chor Ngiak
Chan Chor Ang
Piong Yew Peng
Chan Wee Kiang *
Chan Wee Boon *
Joyce Wong Ai May
Goh Wen Ling

* Directors of the Company and certain subsidiaries

Other than as stated above, the names of the directors of the subsidiaries of the Company in office during the financial year and during the period from the end of the financial year to the date of the report are:

Chan Choo Sing
Abdul Muttalib Bin Jasmani
Tan Kwee Kee
Chen TianSheng
Tang Lai Huat
Shi XiaoQun
Wang WenJun
Hooi Toong Wan
Daniel Pua Kian Boon
Sim Sian Ling
Ng Kok Hoe
Ng Beng Hong
Ho Ming How

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial year in shares and share option granted under ESOS in the Company and its related corporations during the financial year were as follows:

Interests in the Company

	Number of ordinary shares			
	At 1 April 2025	**Bought**	**Sold**	**At 31 March 2026**
Direct interests:				
Chan Chow Tek	11,536,142	–	–	11,536,142
Dato' Chan Chor Ngiak	5,089,026	–	–	5,089,026
Chan Chor Ang	4,607,969	–	–	4,607,969
Chan Wee Kiang	2,211,964	744,800	–	2,956,764
Piong Yew Peng	250,000	–	–	250,000
Chan Wee Boon	460,000	–	–	460,000
Joyce Wong Ai May	60,000	–	–	60,000
Indirect interests:				
Dato' Chan Chor Ngiak#	4,665	–	–	4,665
Chan Chor Ang#	100,000	–	–	100,000
Chan Wee Kiang*	90,994,228	411,100	–	91,405,328

* Shares held through Company in which the director has substantial financial interest
\# Shares held through spouse

	Number of ESOS			
	At 1 April 2025	**Granted**	**Lapsed**	**At 31 March 2026**
Direct interest:				
Chan Wee Kiang	738,850	–	(130,000)	608,850

By virtue of his interest in the ordinary shares of the Company and pursuant to Section 8 of the Companies Act 2016 in Malaysia, Chan Wee Kiang is deemed to have an interest in the ordinary shares of the subsidiaries to the extent that the Company has an interest.

Other than as stated above, none of the directors in office at the end of the financial year had any interest in ordinary shares and options over ordinary shares of the Company and its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable, by the directors as shown below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

The directors' benefits of the Group and of the Company are as follows:

	2026	
	Group RM'000	**Company RM'000**
Directors of the Company		
- Fees	540	540
- Other emoluments	1,988	16
	2,528	556

Neither during, nor at the end of the financial year, was the Company a party to any arrangements where the object is to enable the directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate, other than those arising from the share options granted under the ESOS.

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial year, the total amount of indemnity insurance coverage and insurance premium paid for the directors and officers of the Company were RM1,000,000 and RM4,500 respectively.

SUBSIDIARIES

The details of the Company's subsidiaries are as follows:

Name of Company	Country of incorporation	Principal activities	Effective equity interest (%) 2026	Effective equity interest (%) 2025
Subsidiaries of the company				
La Prima Medtech Sdn. Bhd.	Malaysia	Research and development, manufacturing, import and export of medical and healthcare products	100	100
Keza Sdn. Bhd.	Malaysia	Investment holding	100	100
Mega Labels & Stickers Sdn. Bhd.	Malaysia	Temporarily ceased operations	100	100
JIT Textiles Limited	Cambodia	Temporarily ceased operations	100	100
PCCS (Hong Kong) Limited	Hong Kong	Manufacturing and trading of garments	100	100
Thirty Three (Hong Kong) Limited	Hong Kong	Investment holding	100	100

SUBSIDIARIES (CONT'D)

The details of the Company's subsidiaries are as follows (Cont'd):

Name of Company	Country of incorporation	Principal activities	Effective equity interest (%) 2026	Effective equity interest (%) 2025
Subsidiaries of the company (Cont'd)				
La Prima Medicare Pte. Ltd.	Singapore	Wholesale of medical, professional, scientific and precision equipment	70	70
Southern Auto Capital Sdn. Bhd.	Malaysia	Financial leasing activities	100	100
Southern Capital Group Sdn. Bhd.	Malaysia	Investment holding and provision of management services	100	100
Beauty Silk Screen (M) Sdn. Bhd.	Malaysia	Temporarily ceased operations	100	100
Subsidiary of Beauty Silk Screen (M) Sdn. Bhd.				
Beauty Silk Screen Limited	Cambodia	Manufacturing of embroidery, sublimation and silk screen products	100	100
Subsidiary of Thirty Three (Hong Kong) Limited				
Thirty Three (Shanghai) Limited	The People's Republic of China	Trading of brand apparels and provide design service	100	100
Subsidiary of Mega Labels & Stickers Sdn. Bhd.				
Mega Labels & Stickers (Cambodia) Co., Ltd.	Cambodia	Trading of labels and stickers	100	100
Subsidiary of Keza Sdn. Bhd.				
Keza (Cambodia) Limited	Cambodia	Temporarily ceased operations	100	100
Subsidiary of PCCS (Hong Kong) Limited				
Kezanova Sdn. Bhd.	Malaysia	Investment holding and provision of marketing services	100	100
Wan He Da Manufacturing Company Limited	Cambodia	Provision of garment manufacturing and services	100	100
Perfect Seamless Garments (Cambodia) Limited	Cambodia	Manufacturing of seamless bond and silk screen products	100	100
PCCS Garments (Suzhou) Ltd.	The People's Republic of China	Manufacturing and sale of apparels	100	100
Subsidiary of PCCS Garments (Suzhou) Ltd.				
PCCS Garments (Shandong) Ltd.	The People's Republic of China	Manufacturing and sale of apparels	51	51

SUBSIDIARIES (CONT'D)

The details of the Company's subsidiaries are as follows (Cont'd):

Name of Company	Country of incorporation	Principal activities	Effective equity interest (%) 2026	2025
Subsidiary of Wan He Da Manufacturing Company Limited				
Thirty Three Apparels (Cambodia) Co., Ltd.	Cambodia	Provision of garment manufacturing and services	100	100
Subsidiaries of Southern Capital Group Sdn. Bhd.				
Delight Agencies Sdn. Bhd.	Malaysia	General insurance agency	100	–
Mohita Jaya Sdn. Bhd.	Malaysia	General insurance agency	100	–
Team One Agency Sdn. Bhd.	Malaysia	General insurance agency	100	–

The available auditors' reports on the accounts of the subsidiaries did not contain any qualification.

AUDITORS

The auditors, Messrs Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors:

....
DATO' CHAN CHOR NGIAK
Director

....
CHAN CHOW TEK
Director

Date: 10 July 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2026

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	84,247	74,603	922	693
Investment properties	6	12,297	13,905	–	–
Intangible assets	7	44	8	–	–
Investment in subsidiaries	8	–	–	87,514	36,806
Lease receivables	9	41,630	32,529	–	–
Trade and other receivables	11	157	326	3,059	5,634
Deferred tax assets	21	3,633	3,687	–	–
Total non-current assets		142,008	125,058	91,495	43,133
Current assets					
Inventories	10	85,210	105,555	–	–
Trade and other receivables	11	68,479	74,012	9,522	50,774
Lease receivables	9	13,293	10,202	–	–
Contract assets	12	11,404	7,363	–	–
Other current assets	13	10,363	10,692	60	46
Tax assets	14	668	78	–	–
Short-term funds	15	410	2,013	1	1
Deposits, cash and bank balances	16	52,443	40,596	7,786	9,512
Total current assets		242,270	250,511	17,369	60,333
TOTAL ASSETS		384,278	375,569	108,864	103,466

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2026 (CONT'D)

		Group		Company	
		2026	**2025**	**2026**	**2025**
	Note	**RM'000**	**RM'000**	**RM'000**	**RM'000**
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	17	91,453	91,453	91,453	91,453
Treasury shares	18	(1,161)	(1,161)	(1,161)	(1,161)
Foreign exchange reserve	19	2,760	4,210	–	–
Legal reserve fund	19	6,414	5,599	–	–
Share option reserve	19	291	325	291	325
Retained earnings		82,309	71,038	6,713	6,776
		182,066	171,464	97,296	97,393
Non-controlling interests		1,730	1,441	–	–
TOTAL EQUITY		183,796	172,905	97,296	97,393
Non-current liabilities					
Loans and borrowings	20	26,242	14,788	384	405
Total non-current liabilities		26,242	14,788	384	405
Current liabilities					
Loans and borrowings	20	61,703	60,015	304	180
Trade and other payables	22	108,023	123,606	10,848	5,431
Tax liabilities		4,514	4,255	32	57
Total current liabilities		174,240	187,876	11,184	5,668
TOTAL LIABILITIES		200,482	202,664	11,568	6,073
TOTAL EQUITY AND LIABILITIES		384,278	375,569	108,864	103,466

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

		Group		Company	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Revenue	23	560,181	547,770	4,708	4,481
Cost of sales	24	(451,092)	(454,224)	–	–
Gross profit		109,089	93,546	4,708	4,481
Other income	25	2,599	6,467	38	6,150
Administrative expenses		(71,974)	(70,424)	(11,326)	(5,563)
Net (impairment losses)/reversal of impairment losses on:					
- trade and other receivables		–	(6)	7,942	294
- lease receivables		(2,493)	(4,298)	–	–
Selling and marketing expenses		(11,190)	(10,531)	–	–
		(85,657)	(85,259)	(3,384)	(5,269)
Operating profit		26,031	14,754	1,362	5,362
Finance income	26	824	968	944	988
Finance costs	27	(7,609)	(8,259)	(33)	(33)
Profit before tax	28	19,246	7,463	2,273	6,317
Tax expense	30	(4,676)	(2,661)	(164)	(206)
Profit for the financial year		14,570	4,802	2,109	6,111
Other comprehensive (loss)/income, net of tax					
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations		(1,473)	(4,049)	–	–
Total comprehensive income for the financial year		13,097	753	2,109	6,111

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026 (CONT'D)

		Group		Company	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Profit/(Loss) attributable to:					
Owners of the Company		14,258	5,720	2,109	6,111
Non-controlling interests		312	(918)	–	–
		14,570	4,802	2,109	6,111
Total comprehensive income/(loss) attributable to:					
Owners of the Company		12,808	1,770	2,109	6,111
Non-controlling interests		289	(1,017)	–	–
		13,097	753	2,109	6,111
Earnings per share attributable to owners of the the Company (sen):					
- Basic	31	6.46	2.59		
- Diluted	31	6.46	2.59		
		6.46	2.59		

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Note	← Attributable to owners of the Company						→		
		Share capital RM'000	Treasury shares RM'000	Share option reserve RM'000	Foreign exchange reserve RM'000	Legal reserve fund RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Group										
At 1 April 2025		91,453	(1,161)	325	4,210	5,599	71,038	171,464	1,441	172,905
Total comprehensive income/(loss) for the financial year										
Profit for the financial year		–	–	–	–	–	14,258	14,258	312	14,570
Other comprehensive loss for the financial year		–	–	–	(1,450)	–	–	(1,450)	(23)	(1,473)
Total comprehensive income/(loss)		–	–	–	(1,450)	–	14,258	12,808	289	13,097
Transactions with owners										
Lapsed share option		–	–	(34)	–	–	34	–	–	–
Legal reserve fund		–	–	–	–	815	(815)	–	–	–
Dividend paid on shares	32	–	–	–	–	–	(2,206)	(2,206)	–	(2,206)
Total transactions with owners		–	–	(34)	–	815	(2,987)	(2,206)	–	(2,206)
At 31 March 2026		91,453	(1,161)	291	2,760	6,414	82,309	182,066	1,730	183,796

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026 (CONT'D)

	Note	Attributable to owners of the Company								
		Share capital RM'000	Treasury shares RM'000	Share option reserve RM'000	Foreign exchange reserve RM'000	Legal reserve fund RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Group										
At 1 April 2024		91,453	(1,161)	40	8,160	4,633	68,468	171,593	3,765	175,358
Total comprehensive income/(loss) for the financial year										
Profit for the financial year		–	–	–	–	–	5,720	5,720	(918)	4,802
Other comprehensive loss for the financial year		–	–	–	(3,950)	–	–	(3,950)	(99)	(4,049)
Total comprehensive income/(loss)		–	–	–	(3,950)	–	5,720	1,770	(1,017)	753
Transactions with owners										
Changes in ownership interest in a subsidiary		–	–	–	–	–	17	17	(1,307)	(1,290)
Share option issued		–	–	290	–	–	–	290	–	290
Lapsed share option		–	–	(5)	–	–	5	–	–	–
Legal reserve fund		–	–	–	–	966	(966)	–	–	–
Dividend paid on shares	32	–	–	–	–	–	(2,206)	(2,206)	–	(2,206)
Total transactions with owners		–	–	285	–	966	(3,150)	(1,899)	(1,307)	(3,206)
At 31 March 2025		91,453	(1,161)	325	4,210	5,599	71,038	171,464	1,441	172,905

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026 (CONT'D)

	Note	Attributable to owners of the Company				
		Share capital RM'000	Treasury shares RM'000	Share option reserve RM'000	Retained earnings RM'000	Total equity RM'000
Company						
At 1 April 2025		91,453	(1,161)	325	6,776	97,393
Total comprehensive income for the financial year						
Profit for the financial year, representing total comprehensive income		–	–	–	2,109	2,109
Transactions with owners						
Lapsed share option		–	–	(34)	34	–
Dividend paid on shares	32	–	–	–	(2,206)	(2,206)
Total transactions with owners		–	–	(34)	(2,172)	(2,206)
At 31 March 2026		91,453	(1,161)	291	6,713	97,296
Company						
At 1 April 2024		91,453	(1,161)	40	2,871	93,203
Total comprehensive income for the financial year						
Profit for the financial year, representing total comprehensive income		–	–	–	6,111	6,111
Transactions with owners						
Share option issued		–	–	290	–	290
Lapsed share option		–	–	(5)	–	(5)
Dividend paid on shares	32	–	–	–	(2,206)	(2,206)
Total transactions with owners		–	–	285	(2,206)	(1,921)
At 31 March 2025		91,453	(1,161)	325	6,776	97,393

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Cash flows from operating activities					
Profit before tax		19,246	7,463	2,273	6,317
Adjustments for:					
Amortisation of intangible assets		6	1	–	–
Bad debts recovered		(94)	(14)	–	–
Depreciation on investment properties		815	875	–	–
Depreciation on property, plant, and equipment		10,383	9,945	311	232
Fair value gain on short-term funds		(34)	(88)	–*	(2)
Gain on disposal of investment properties		(71)	–	–	–
Gain on disposal of subsidiaries		–	–	–	(6,142)
Income distribution from short-term funds		(3)	(27)	(1)	(6)
Interest expense		7,609	8,259	33	33
Interest income		(824)	(968)	(944)	(988)
Inventories written (back)/down		(20)	11	–	–
Loss/(Gain) on disposal of property, plant and equipment		235	93	(6)	–
Net impairment losses/ (reversal of impairment losses) on:					
- investment in subsidiaries		–	–	3,514	1,200
- intangible assets		17	–	–	–
- lease receivables		(2,493)	4,298	–	–
- trade and other receivables		–	6	–	–
- amounts owing by subsidiaries		–	–	(7,942)	(293)
Property, plant and equipment written off		16	155	–	5
Share-based payments		–	290	–	179
Unrealised loss on foreign exchange		1,547	7,315	797	208
		17,089	30,151	(4,238)	(5,574)
Operating cash flows before changes in working capital, carried forward		36,335	37,614	(1,965)	743

* represents fair value gain on short-term funds of RM44.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026 (CONT'D)

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Cash flows from operating activities (Cont'd)					
Operating cash flows before changes in working capital, brought forward		36,335	37,614	(1,965)	743
Changes in working capital:					
Contract assets		(4,041)	(2,963)	–	–
Inventories		20,365	367	–	–
Lease receivables		(9,605)	(5,503)	–	–
Other current assets		329	(4,170)	(14)	(4)
Trade and other receivables		1,214	(26,786)	(28)	(13)
Trade and other payables		(7,078)	28,022	(790)	(294)
		1,184	(11,033)	(832)	(311)
Net cash from/(used in) operations		37,519	26,581	(2,797)	432
Interest paid		(7,609)	(8,259)	(33)	(33)
Tax paid		(5,139)	(673)	(189)	(235)
Net cash from/(used in) operating activities		24,771	17,649	(3,019)	164
Cash flows from investing activities					
Additional investment in a subsidiary		–	(1,290)	(54,222)	(1,290)
Repayments from/(Advances to) subsidiaries		–	–	51,000	(22,954)
Disposal of a subsidiary, net of cash disposed		–	–	–	30,760
Income distribution from short-term funds		3	27	1	6
Interest received		824	968	944	988
Net change in short-term funds	(c)	1,637	2,432	–**	694
Purchase of property, plant and equipment	5(a)	(17,453)	(14,080)	(219)	(13)
Purchase of intangible assets		(58)	–	–	–
Proceeds from disposal of property, plant and equipment		188	310	17	–
Proceeds from disposal of investment properties		160	–	–	–
Net cash (used in)/from investing activities		(14,699)	(11,633)	(2,479)	8,191

** represents net change in short-term funds of RM1.

STATEMENTS OF CASH FLOWS (CONT'D)

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Cash flows from financing activities	(a)				
Repayments to directors		(128)	(303)	–	–
Repayments to related parties		(184)	(433)	–	–
Advances from a subsidiary		–	–	6,207	21
Dividends paid to:					
- owners of the Company		(2,206)	(2,206)	(2,206)	(2,206)
Net drawdown of block discounting borrowings		11,111	4,327	–	–
Net repayments of short-term borrowings		(2,344)	(6,728)	–	–
Repayments of hire purchase payables		(180)	(162)	(180)	(162)
Repayments of lease liabilities		(2,806)	(2,949)	(49)	–
Net cash from/(used in) financing activities		3,263	(8,454)	3,772	(2,347)
Net increase/(decrease) in cash and cash equivalents		13,335	(2,438)	(1,726)	6,008
Cash and cash equivalents at the beginning of the financial year		40,596	45,371	9,512	3,504
Effects of foreign exchange rate changes		(1,488)	(2,337)	–	–
Cash and cash equivalents at the end of the financial year	16	52,443	40,596	7,786	9,512

(a) Changes in liabilities arising from financing activities:

	Note	1.4.2025 RM'000	Cash flows RM'000	Acquisition RM'000	31.3.2026 RM'000
Group					
Amounts owing to directors	22	3,892	(128)	–	3,764
Amounts owing to related parties	22	5,622	(184)	–	5,438
Block discounting borrowings	20	9,960	11,111	–	21,071
Lease liabilities	20	8,162	(2,806)	7,361	12,717
Hire purchase payables	20	585	(180)	–	405
Short-term borrowings	20	56,096	(2,344)	–	53,752
		84,317	5,469	7,361	97,147

(a) Changes in liabilities arising from financing activities (Cont'd):

	Note	1.4.2024 RM'000	Cash flows RM'000	Acquisition RM'000	31.3.2025 RM'000
Group					
Amounts owing to directors	22	4,195	(303)	–	3,892
Amounts owing to related parties	22	6,055	(433)	–	5,622
Block discounting borrowings	20	5,633	4,327	–	9,960
Lease liabilities	20	9,743	(2,949)	1,368	8,162
Hire purchase payables	20	616	(162)	131	585
Short-term borrowings	20	62,824	(6,728)	–	56,096
		89,066	(6,248)	1,499	84,317

	Note	1.4.2025 RM'000	Cash flows RM'000	Acquisition RM'000	31.3.2026 RM'000
Company					
Amounts owing to a subsidiary	22	21	6,207	–	6,228
Lease liabilities	20	–	(49)	332	283
Hire purchase payables	20	585	(180)	–	405
		606	5,978	332	6,916

	Note	1.4.2024 RM'000	Cash flows RM'000	Acquisition RM'000	31.3.2025 RM'000
Company					
Amounts owing to a subsidiary	22	–	21	–	21
Hire purchase payables	20	616	(162)	131	585
		616	(141)	131	606

(b) Total cash outflows for leases

During the financial year, the Group and the Company had total cash outflows for leases of RM5,174,000 (2025: RM5,083,000) and RM181,000 (2025: RM120,000) respectively.

(c) The short-term funds are integral part of the Group's and the Company's capital management as disclosed in Note 37 to the financial statements.

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

PCCS Group Berhad ("**the Company**") is a public limited company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at Lot 1376, GM 127, Mukim Simpang Kanan, Jalan Kluang, 83000 Batu Pahat, Johor.

The principal place of business of the Company is located at Lot 1376, GM 127, Mukim Simpang Kanan, Jalan Kluang, 83000 Batu Pahat, Johor.

The principal activities of the Company are investment holding and provision of management services. The principal activities of the subsidiaries are as disclosed in Note 8. There have been no significant changes in the nature of these activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 10 July 2026.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("**MFRSs**"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

2.2 Adoption of amendments to MFRS

The Group and the Company have adopted the following applicable amendments to MFRS for the current financial year:

MFRS 121	The Effects of Changes in Foreign Exchange Rates

The adoption of the above amendments to MFRS did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group's and the Company's existing accounting policies.

2. BASIS OF PREPARATION (CONT'D)

2.3 New MFRS and amendments to MFRSs that have been issued, but yet to be effective

The Group and Company have not adopted the following new MFRS and amendments to MFRSs that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
New MFRS		
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to MFRSs		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2026
MFRS 7	Financial Instruments: Disclosures	1 January 2026
MFRS 9	Financial Instruments	1 January 2026
MFRS 10	Consolidated Financial Statements	1 January 2026/ Deferred
MFRS 107	Statements of Cash Flows	1 January 2026
MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2027
MFRS 128	Investments in Associates and Joint Ventures	Deferred

2.3.1 The Group and Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group and the Company are summarised below:

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 replaces MFRS 101 Presentation of Financial Statements. It retains many requirements from MFRS 101 without modification.

MFRS 18 introduces two subtotals which are to be presented in the statement of profit or loss – including "operating profit", which has been specifically defined. Income and expenses shall be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

MFRS 18 requires disclosure of explanations of the entity's company-specific measures that are related to the statement of profit or loss, referred to as management-defined performance measures ("**MPMs**"). The entity is required to reconcile MPMs to a total or subtotal required by MFRS 18 or another MFRS Accounting Standards. MFRS 18 also requires other disclosures, including how each MPM is calculated, what the MPM communication about the entity's financial performance, and any changes made to the MPMs in the year.

MFRS 18 adds new principles for aggregation and disaggregation of information. It requires the entity to classify the expenses in the "operating" category in the profit or loss by nature or function, or both. The entity that classifies operating expenses by functions are required to disclose in the notes to the financial statements, the amount of depreciation, amortisation, employee benefits, impairment losses and write-downs of inventories included in each line in the operating category. Subject to materiality, MFRS 18 requires items presented or disclosed as "other" to be labelled and/or described in as faithfully representative and precise a way as possible.

2. BASIS OF PREPARATION (CONT'D)

2.3 New MFRS and amendments to MFRSs that have been issued, but yet to be effective (Cont'd)

2.3.2 The initial application of the applicable new MFRS and amendments to MFRSs is not expected to have material financial impact to the current and prior years financial statements of the Group and of the Company.

Nevertheless, the Group and the Company are assessing the impact of MFRS 18, which alongs others, may result in changes to how information is grouped in the financial statements, the presentation structure of the statement of profit or loss, on certain items in the statement of cash flows and the additional disclosures required for MPMs, if any.

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate ("**the functional currency**"). The consolidated financial statements are presented in Ringgit Malaysia ("**RM**"), which is also the Company's functional currency and has been rounded to the nearest thousand, unless otherwise stated.

2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis, except as otherwise disclosed in Note 3.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Unless otherwise stated, the following material accounting policy information have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

(a) Subsidiaries and business combination

The Group applies the acquisition method to account for business combinations from the acquisition date when the acquired set of activities meets the definition of a business and control is transferred to the Group.

(b) Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries is measured at cost less any accumulated impairment losses.

Contributions to subsidiaries are amounts for which the settlement is neither planned nor likely to occur in the foreseeable future is, in substance, considered as part of the Company's investment in the subsidiaries.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.3 Financial instruments

Financial assets – subsequent measurement and gains and losses

Financial assets at fair value through profit or loss

The Group and the Company subsequently measure these assets at fair value. Net gains and losses, including any interest and dividend income, are recognised in profit or loss.

Debt instruments at amortised cost

The Group and the Company subsequently measure these assets at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – subsequent measurement and gains and losses

The Group and the Company classify the financial liabilities at amortised cost or fair value through profit or loss. Financial liabilities are classified as fair value through profit or loss if it is classified as held for trading, it is a derivative, it is contingent consideration of an acquirer in a business combination or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

The Group and the Company subsequently measure other financial liabilities at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3.4 Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

All property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

	Useful lives (years)
Buildings	20-50 years
Plant and machinery, air-conditioners, factory equipment and electrical installation	10 years
Renovation, furniture and fittings and office equipment	3-10 years
Motor vehicles	5 years

3.5 Investment properties

Investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

All investment properties are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives of 50 years.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.6 Leases

(a) Lessee accounting

The Group and the Company present right-of-use assets that do not meet the definition of investment property as property, plant and equipment in Note 5 and lease liabilities as loans and borrowings in Note 20.

Short-term leases and leases of low value assets

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Accordingly, the Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use asset

The right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate.

The Group and the Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

(b) Lessor accounting

The Group recognises lease payments received from investment properties under operating leases as income on a straight-line basis over the lease term as part of revenue. Rental income from sublease properties which recognise as other income.

3.7 Inventories

Inventories are measured at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- raw materials: purchase costs on a weighted average cost basis.
- finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on weighted average cost basis.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.8 Intangible assets

Intangible assets, other than goodwill, that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The amortisation methods used and the estimated useful lives are as follows:

	Method	Useful lives (years)
Trademark	Straight-line	10 years

3.9 Revenue and other income

(a) Sale of goods – manufacturing

The Group manufactures and sells a range of garments, labels and stickers to local and foreign customers. Revenue from sale of manufactured goods are recognised at a point in time when control of the products has been transferred, being when the customer accepts the delivery of the goods.

Sales are made with credit terms of 30 to 90 days, which is consistent with market practice, therefore, no element of financing is deemed present. A receivable is recognised when the customer accepts the delivery of the goods as the consideration is unconditional other than the passage of time before the payment is due.

Revenue is recognised based on the price specified in the contract, net of the estimated volume discounts where applicable. The Group uses the expected value method because it is the method that the Group expects to better predict the estimated volume discounts to which it will be provided to the customers.

(b) Lease interest income

Lease interest income is recognised upon commencement of the lease agreement using a constant periodic rate of return over the period of the agreement.

(c) Insurance commission and handling and processing fees

Revenue from insurance commission and handling and processing fees are recognised at a point in time when the services have been rendered to the customers and coincide with the delivery of services acceptance by customers.

(d) Interest income

Interest income is recognised using the effective interest method.

(e) Dividend income

Dividend income is recognised when the right to receive payment is established.

(f) Rental income

Rental income from investment property is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

(a) Valuation of inventories

The review of saleability and valuation of inventories at the lower of cost and net realisable value are an area of significant judgement and estimate. The Group writes down its obsolete or slow-moving inventories based on the assessment of their estimated net selling price. Inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recoverable. The Group analyses expected sales trend when making a judgement to evaluate the adequacy of the write-down of obsolete or slow-moving inventories. Where expectations differ from the original estimates, the differences will impact the carrying amounts of inventories.

The carrying amounts of the Group's inventories are disclosed in Note 10.

(b) Impairment of financial assets and contract assets

The impairment provisions for financial assets and contract assets are based on assumptions about risk of default and expected loss rate. The directors use judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Group's past history and existing market conditions at the end of each reporting period.

The information about the impairment losses on the Group's financial assets are disclosed in Note 35(b)(iv).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5. PROPERTY, PLANT AND EQUIPMENT

Group 2026	Buildings RM'000	Plant and machinery, air-conditioners, factory equipment and electrical installation RM'000	Renovation, furniture and fititngs and office equipment RM'000	Motor vehicles RM'000	Right-of-use assets RM'000	Capital work-in-progress RM'000	Total RM'000
Cost							
At 1 April 2025	46,820	36,331	17,806	5,554	20,787	1,600	128,898
Additions	–	6,405	3,647	851	7,361	6,550	24,814
Disposals	–	(2,721)	(643)	(233)	(1,902)	–	(5,499)
Written off	–	(197)	(1,111)	–	–	(7)	(1,315)
Derecognition	–	–	–	–	(3,203)	–	(3,203)
Reclassification	520	781	6,554	–	–	(7,855)	–
Acquisition of subsidiaries	–	–	2	–	–	–	2
Exchange differences	(2,122)	(2,321)	(945)	(349)	(1,421)	(52)	(7,210)
At 31 March 2026	45,218	38,278	25,310	5,823	21,622	236	136,487
Accumulated depreciation							
At 1 April 2025	18,273	17,189	7,216	3,070	6,595	–	52,343
Depreciation charge for the financial year (Note 28)	2,037	2,836	2,318	787	2,405	–	10,383
Disposals	–	(2,402)	(550)	(222)	(1,902)	–	(5,076)
Written off	–	(197)	(1,102)	–	–	–	(1,299)
Derecognition	–	–	–	–	(3,203)	–	(3,203)
Acquisition of subsidiaries	–	–	2	–	–	–	2
Exchange differences	(667)	(1,092)	(428)	(231)	(444)	–	(2,862)
At 31 March 2026	19,643	16,334	7,456	3,404	3,451	–	50,288
Accumulated impairment losses							
At 1 April 2025/31 March 2026	–	1,575	377	–	–	–	1,952
Net carrying amount							
At 31 March 2026	25,575	20,369	17,477	2,419	18,171	236	84,247

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group 2025	Buildings RM'000	Plant and machinery, air-conditioners, factory equipment and electrical installation RM'000	Renovation, furniture and fititngs and office equipment RM'000	Motor vehicles RM'000	Right-of-use assets RM'000	Capital work-in-progress RM'000	Total RM'000
Cost							
At 1 April 2024	49,889	43,359	31,787	5,052	22,121	–	152,208
Additions	–	5,210	1,571	1,178	1,368	6,252	15,579
Disposals	–	(2,186)	(393)	(264)	–	–	(2,843)
Written off	–	(7,538)	(18,457)	(145)	–	(1)	(26,141)
Derecognition	–	–	–	–	(2,826)	–	(2,826)
Reclassification	–	(255)	4,879	–	–	(4,624)	–
Exchange differences	(3,069)	(2,259)	(1,581)	(267)	124	(27)	(7,079)
At 31 March 2025	46,820	36,331	17,806	5,554	20,787	1,600	128,898
Accumulated depreciation							
At 1 April 2024	17,233	25,334	25,229	2,736	5,601	–	76,133
Depreciation charge for the financial year (Note 28)	2,135	2,728	1,576	790	2,716	–	9,945
Disposals	–	(1,938)	(353)	(149)	–	–	(2,440)
Written off	–	(7,538)	(18,303)	(145)	–	–	(25,986)
Derecognition	–	–	–	–	(2,826)	–	(2,826)
Reclassification	–	(213)	213	–	–	–	–
Exchange differences	(1,095)	(1,184)	(1,146)	(162)	1,104	–	(2,483)
At 31 March 2025	18,273	17,189	7,216	3,070	6,595	–	52,343
Accumulated impairment losses							
At 1 April 2024/31 March 2025	–	1,575	377	–	–	–	1,952
Net carrying amount							
At 31 March 2025	28,547	17,567	10,213	2,484	14,192	1,600	74,603

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company 2026	Air-conditioners RM'000	Furniture and fittings RM'000	Office equipment RM'000	Motor vehicles RM'000	Renovation RM'000	Right-of-use assets RM'000	Total RM'000
Cost							
At 1 April 2025	39	11	140	1,094	–	–	1,284
Additions	–	3	42	–	174	332	551
Disposals	–	–	(24)	–	–	–	(24)
At 31 March 2026	39	14	158	1,094	174	332	1,811
Accumulated depreciation							
At 1 April 2025	37	4	106	444	–	–	591
Depreciation charge for the financial year (Note 28)	–*	2	13	219	24	53	311
Disposals	–	–	(13)	–	–	–	(13)
At 31 March 2026	37	6	106	663	24	53	889
Net carrying amount							
At 31 March 2026	2	8	52	431	150	279	922

* represents depreciation charge during the year of RM148.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company 2025	Air-conditioners RM'000	Furniture and fittings RM'000	Office equipment RM'000	Motor vehicles RM'000	Total RM'000
Cost					
At 1 April 2024	39	11	143	963	1,156
Additions	–	–	13	131	144
Disposals	–	–	(7)	–	(7)
Written off	–	–	(9)	–	(9)
At 31 March 2025	39	11	140	1,094	1,284
Accumulated depreciation					
At 1 April 2024	37	2	102	229	370
Depreciation charge for the financial year (Note 28)	–*	2	15	215	232
Disposals	–	–	(7)	–	(7)
Written off	–	–	(4)	–	(4)
At 31 March 2025	37	4	106	444	591
Net carrying amount					
At 31 March 2025	2	7	34	650	693

* represents depreciation charge of RM148.

(a) During the financial year, the Group and the Company acquired property, plant and equipment with an aggregate cost of RM24,814,000 (2025: RM15,579,000) and RM551,000 (2025: RM144,000) respectively which are satisfied by the following:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Lease arrangements	7,361	1,499	332	131
Cash payments	17,453	14,080	219	13
	24,814	15,579	551	144

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) The Group lease several assets including land use rights and premises.

Group	Land use rights RM'000	Land RM'000	Premises RM'000	Total RM'000
Carrying amount				
1 April 2025	6,426	6,095	1,671	14,192
Additions	–	–	7,361	7,361
Depreciation	(149)	(139)	(2,117)	(2,405)
Exchange differences	(212)	(519)	(246)	(977)
At 31 March 2026	6,065	5,437	6,669	18,171

Group	Land use rights RM'000	Land RM'000	Premises RM'000	Total RM'000
Carrying amount				
1 April 2024	7,013	6,634	2,873	16,520
Additions	–	–	1,368	1,368
Depreciation	(157)	(134)	(2,425)	(2,716)
Exchange differences	(430)	(405)	(145)	(980)
At 31 March 2025	6,426	6,095	1,671	14,192

6. INVESTMENT PROPERTIES

	Group 2026 RM'000	Group 2025 RM'000
At cost		
At beginning of the financial year	19,742	22,402
Disposal	(140)	–
Exchange differences	(1,026)	(2,660)
At end of the financial year	18,576	19,742
Accumulated depreciation		
At beginning of the financial year	5,837	6,714
Depreciation charge during the financial year (Note 28)	815	875
Disposal	(51)	–
Exchange differences	(322)	(1,752)
At end of the financial year	6,279	5,837
Carrying amount	12,297	13,905

6. INVESTMENT PROPERTIES (CONT'D)

(a) The following are recognised in the profit or loss in respect of investment properties:

	Group	
	2026 RM'000	2025 RM'000
Rental income	781	1,037
Direct operating expenses	(305)	(348)

Fair value information

The fair value of investment properties of the Group is categorised as follows:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2026				
Freehold buildings	–	–	2,077	2,077
Leasehold building	–	–	8,210	8,210
Leasehold office lot	–	–	12,171	12,171
	–	–	22,458	22,458
2025				
Freehold buildings	–	–	3,172	3,172
Leasehold building	–	–	8,089	8,089
Leasehold office lot	–	–	22,735	22,735
	–	–	33,996	33,996

The valuation of Level 3 of certain investment properties of the Group as at 31 March 2026 and 31 March 2025 were determined by directors' estimation based on indicative market price of similar properties in the vicinity.

There are no Level 1 investment properties during the financial years ended 31 March 2026 and 31 March 2025. There was no transfer between Level 2 and Level 3 during the financial years ended 31 March 2026 and 31 March 2025.

7. INTANGIBLE ASSETS

Group	Goodwill RM'000	Trademark RM'000	Software RM'000	Total RM'000
Cost				
At 1 April 2024	1,250	15	–	1,265
Exchange differences	–	(1)	–	(1)
At 31 March 2025	1,250	14	–	1,264
Additions	17	4	37	58
Exchange differences	–	(1)	–	(1)
At 31 March 2026	1,267	17	37	1,321
Accumulated amortisation and impairment losses				
At 1 April 2024	(1,250)	(5)	–	(1,255)
Amortisation charge for the financial year (Note 28)	–	(1)	–	(1)
Exchange differences	–	–	–	–
At 31 March 2025	(1,250)	(6)	–	(1,256)
Amortisation charge for the financial year (Note 28)	–	(5)	(1)	(6)
Impairment loss	(17)	–	–	(17)
Exchange differences	–	2	–	2
At 31 March 2026	(1,267)	(9)	(1)	(1,277)
Carrying amount				
At 31 March 2026	–	8	36	44
At 31 March 2025	–	8	–	8

(a) The trademark relates to "La Prima" brand name with logo for the Group. An amortisation amounting to RM1,000 has been recognised during the financial year based on estimated useful life of 10 years.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

8. INVESTMENT IN SUBSIDIARIES

	Company 2026 RM'000	Company 2025 RM'000
Unquoted shares, at cost		
At beginning of the financial year	58,778	103,207
Additions	54,222	1,290
Disposals	–	(24,803)
Strike off	–	(20,916)
At end of the financial year	113,000	58,778
Equity contribution in respect of ESOS	111	111
	111	111
Less: Accumulated impairment losses		
At beginning of the financial year	(22,083)	(41,984)
Impairment losses during the financial year (Note 28)	(3,514)	(1,200)
Disposals	–	185
Strike off	–	20,916
At end of the financial year	(25,597)	(22,083)
	87,514	36,806

During the financial year, an impairment loss of RM3,514,000 (2025: RM1,200,000) is provided for in the cost of investment in subsidiaries as the carrying amount of the cost of investment in the subsidiaries are higher than their recoverable amounts.

Details of the subsidiaries are as follows:

Name of Company	Country of incorporation	Principal activities	Effective equity interest (%) 2026	Effective equity interest (%) 2025
Subsidiaries of the Company				
La Prima Medtech Sdn. Bhd.	Malaysia	Research and development, manufacturing, import and export of medical and healthcare products	100	100
Keza Sdn. Bhd.	Malaysia	Investment holding	100	100
Mega Labels & Stickers Sdn. Bhd.	Malaysia	Temporarily ceased operations	100	100
JIT Textiles Limited^	Cambodia	Temporarily ceased operations	100	100
PCCS (Hong Kong) Limited*	Hong Kong	Manufacturing and trading of garments	100	100
Thirty Three (Hong Kong) Limited*	Hong Kong	Investment holding	100	100

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows (Cont'd):

Name of Company	Country of incorporation	Principal activities	Effective equity interest (%) 2026	2025
Subsidiaries of the Company (Cont'd)				
La Prima Medicare Pte. Ltd.@	Singapore	Wholesale of medical, professional, scientific and precision equipment.	70	70
Southern Auto Capital Sdn. Bhd.	Malaysia	Financial leasing activities	100	95
Southern Capital Group Sdn. Bhd.	Malaysia	Investment holding and provision of management services	100	100
Beauty Silk Screen (M) Sdn. Bhd.	Malaysia	Temporarily ceased operations	100	100
Subsidiary of Beauty Silk Screen (M) Sdn. Bhd.				
Beauty Silk Screen Limited**	Cambodia	Manufacturing of embroidery, sublimation and silk screen products	100	100
Subsidiary of Thirty Three (Hong Kong) Limited				
Thirty Three (Shanghai) Limited*	The People's Republic of China	Trading of brand apparels and provide design service	100	100
Subsidiary of Mega Labels & Stickers Sdn. Bhd.				
Mega Labels & Stickers (Cambodia) Co., Ltd.**	Cambodia	Trading of labels and stickers	100	100
Subsidiaries of Keza Sdn. Bhd.				
Keza (Cambodia) Limited^	Cambodia	Temporarily ceased operations	100	100
Subsidiaries of PCCS (Hong Kong) Limited				
Kezanova Sdn. Bhd.	Malaysia	Investment holding and provision of marketing services	100	100
Wan He Da Manufacturing Company Limited**	Cambodia	Provision of garment manufacturing and services	100	100
Perfect Seamless Garments (Cambodia) Limited**	Cambodia	Manufacturing of seamless bond and silk screen products	100	100
PCCS Garments (Suzhou) Ltd.*	The People's Republic of China	Manufacturing and sale of apparels	100	100

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows (Cont'd):

Name of Company	Country of incorporation	Principal activities	Effective equity interest (%) 2026	2025
Subsidiary of PCCS Garments (Suzhou) Ltd.				
PCCS Garments (Shandong) Ltd.*	The People's Republic of China	Manufacturing and sale of apparels	51	51
Subsidiary of Wan He Da Manufacturing Company Limited				
Thirty Three Apparels (Cambodia) Co., Ltd.**	Cambodia	Provision of garment manufacturing and services	100	100
Subsidiaries of Southern Capital Group Sdn. Bhd.				
Delight Agencies Sdn. Bhd.	Malaysia	General insurance agency	100	–
Mohita Jaya Sdn. Bhd.	Malaysia	General insurance agency	100	–
Team One Agency Sdn. Bhd.	Malaysia	General insurance agency	100	–

* Audited by auditors other than Baker Tilly Monteiro Heng PLT.
** Audited by an independent member firm of Baker Tilly International.
^ Consolidated using unaudited management financial statements, no statutory requirement for the financial statements to be audited at financial year end.
@ Consolidated using unaudited management financial statements.

<u>**2026**</u>

(a) Subscription for additional interests in subsidiaries

(i) On 9 June 2025, the Company further subscribed for an additional 999,900 ordinary shares of Southern Capital Group Sdn. Bhd. ("**SCGSB**") at a price of RM1 each for working capital purpose.

(ii) On 2 July 2025, the Company further subscribed for an additional 6,000,000 ordinary shares of PCCS (Hong Kong) Limited ("**PHKL**") at a price of USD1 each (equivalent to RM26,280,000) by way of capitalising the amount owing by PHKL.

(iii) On 29 December 2025, the Company further subscribed for an additional 2,000,000 ordinary shares of Southern Auto Capital Sdn. Bhd. ("**SACSB**") at a price of RM1 each for working capital purpose.

(iv) On 18 March 2026, the Company further subscribed for an additional 5,400,000 ordinary shares of PCCS (Hong Kong) Limited ("**PHKL**") at a price of USD1 each (equivalent to RM21,114,000) by way of capitalising the amount owing by PHKL.

(v) On 18 March 2026, the Company further subscribed for an additional 780,000 ordinary shares of Thirty Three (Hong Kong) Limited ("**THKL**") at a price of USD1.02 each (equivalent to RM3,118,000) by way of capitalising the amount owing by THKL.

(vi) On 25 March 2026, the Company further subscribed for an additional 710,000 ordinary shares of La Prima Medtech Sdn. Bhd. ("**LPMSB**") at a price of RM1 each by way of capitalising the amount owing by LPMSB.

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

2026 (Cont'd)

(b) Acquisition of subsidiaries

On 30 May 2025, the Company's subsidiary, Southern Capital Group Sdn. Bhd. acquired the following subsidiaries:

a. 60,003 ordinary shares, representing 100% equity interests of Delight Agencies Sdn. Bhd. ("**DASB**") for a cash consideration of RM170,000;

b. 800,000 ordinary shares, representing 100% equity interests of Mohita Jaya Sdn. Bhd. ("**MJSB**") for a cash consideration of RM220,000; and

c. 2 ordinary shares, representing 100% equity interests of Team One Agency Sdn. Bhd. ("**TOASB**") for a cash consideration of RM2.

(i) The fair value of the identifiable assets and liabilities of DASB, MJSB and TOASB as at the date of acquisition were as follows:

	Delight Agencies Sdn. Bhd. RM'000	Mohita Jaya Sdn. Bhd. RM'000	Team One Agency Sdn. Bhd. RM'000	Total RM'000
Assets				
Property, plant and equipment	*–	*–	–	–
Trade and other receivables	16	230	1	247
Cash and cash equivalents	219	198	43	460
Tax recoverable	12	9	4	25
	247	437	48	732
Liabilities				
Deferred tax liabilities	**–	–	–	–
Trade and other payables	(3)	(136)	(212)	(351)
Provision for taxation	(2)	(6)	–	(8)
Total identifiable net assets acquired	242	295	(164)	373
Goodwill arising from acquisition	(72)	(75)	164	17
Fair value of consideration paid	170	220	***–	390

* represent property, plant and equipment of RM35 for Delight Agencies Sdn. Bhd. and RM1 for Mohita Jaya Sdn. Bhd..

** represent deferred tax liabilities of RM35.

*** represent fair value of consideration paid of RM2.

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

2026 (Cont'd)

(b) Acquisition of subsidiaries (Cont'd)

(ii) The effects of the acquisition of DASB, MJSB and TOASB on cashflows of the Group were as follows:

	Delight Agencies Sdn. Bhd. RM'000	Mohita Jaya Sdn. Bhd. RM'000	Team One Agency Sdn. Bhd. RM'000	Total RM'000
Total consideration paid in cash by the Group	170	220	***–	390
Less: Cash and cash equivalents of the subsidiary acquired	(219)	(198)	(43)	(460)
Net cash (inflow)/outflow on acquisition	(49)	22	(43)	(70)

(iii) Effects of acquisition in statements of comprehensive income

From the date of acquisition, the subsidiaries' s contributed revenue and profit net of tax are as follows:

	Delight Agencies Sdn. Bhd. RM'000	Mohita Jaya Sdn. Bhd. RM'000	Team One Agency Sdn. Bhd. RM'000	Total RM'000
Revenue	33	131	51	215
Profit for the financial year	16	19	27	62

If the acquisition had occurred on 1 April 2025, the consolidated results of for the financial year ended 31 March 2026 would have been as follows:

	Delight Agencies Sdn. Bhd. RM'000	Mohita Jaya Sdn. Bhd. RM'000	Team One Agency Sdn. Bhd. RM'000	Total RM'000
Revenue	43	149	51	243
Profit for the financial year	24	26	26	76

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

2025

(c) Changes in ownership interests

(i) On 16 July 2024, the Company acquired additional 1,200,000 ordinary shares representing remaining 5% equity interest in Southern Auto Capital Sdn. Bhd. ("**SAC**") for a total cash consideration of RM1,290,000. The Company's ownership interest in SAC increased from 95% to 100% as a result of the additional shares purchased.

Effect of the increase in the Company's ownership interest is as follows:

	2025 **RM'000**
Fair value of consideration transferred	1,290
Increase in share of net assets	(1,307)
Excess charged directly to equity	(17)

(ii) On 3 June 2024, the Company had disposed of its entire equity interest in PCCS Garments (Suzhou) Ltd. ("**SGL**") for a total cash consideration of RM26,280,000 to its wholly-owned subsidiary, PCCS (Hong Kong) Limited.

(iii) On 13 June 2024, the Company had disposed of its entire equity interest in Perfect Seamless Garments (Cambodia) Limited. ("**PSG**") for a total cash consideration of RM4,480,000 to its wholly-owned subsidiary, PCCS (Hong Kong) Limited.

(iv) On 13 June 2024, Keza Sdn. Bhd., the wholly-owned subsidiary of the Company disposed of its entire equity interest in Wan He Da Manufacturing Company Limited ("**WHD**") for a total cash consideration of RM9,856,000 to its wholly-owned subsidiary, PCCS (Hong Kong) Limited.

(d) Striking off of subsidiaries

On 31 March 2025, the Company's wholly-owned subsidiaries, PCCS Garments Limited and Beauty Apparel (Cambodia) Ltd. had been struck off.

(e) Incorporation of subsidiaries

(i) On 4 September 2024, the Company incorporated a wholly-owned subsidiary, namely Southern Capital Group Sdn. Bhd. with an issued and paid-up share capital of 100 ordinary shares of RM1 each.

(ii) On 21 March 2025, a wholly-owned subsidiary of the Company, PCCS (Hong Kong) Limited incorporated a wholly-owned subsidiary, namely Kezanova Sdn. Bhd. with an issued and paid-up share capital of 100 ordinary shares of RM1 each.

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(f) Non-controlling interests ("NCI") in subsidiaries

The financial information of the Group's and the Company's subsidiaries that have material NCI are as follows:

Equity interest held by NCI:

Name of company	Country of incorporation	Equity interest 2026 %	Equity interest 2025 %
PCCS Garments (Shandong) Ltd.	China	49	49
La Prima Medicare Pte. Ltd.	Singapore	30	30

	PCCS Garments (Shandong) Ltd. RM'000	La Prima Medtech Pte. Ltd. RM'000	Total RM'000
2026			
NCI percentage of ownership interest and voting interest	49%	30%	
Carrying amount of NCI	1,776	(46)	1,730
Profit allocated to NCI	249	63	312

	PCCS Garments (Shandong) Ltd. RM'000	La Prima Medtech Pte. Ltd. RM'000	Southern Auto Capital Sdn. Bhd. RM'000	Total RM'000
2025				
NCI percentage of ownership interest and voting interest	49%	30%	0%	
Carrying amount of NCI	1,558	(117)	–	1,441
(Loss)/Profit allocated to NCI	(1,050)	117	15	(918)

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(g) Summarised financial information of material NCI

The summarised financial information (before intra-group elimination) of the Group's and the Company's subsidiaries that have material NCI are as follows:

	PCCS Garments (Shandong) Ltd. RM'000	La Prima Medtech Pte. Ltd. RM'000	Total RM'000
Summarised statements of financial position			
As at 31 March 2026			
Non-current assets	16,650	6	16,656
Current assets	7,355	390	7,745
Current liabilities	(21,632)	(546)	(22,178)
	2,373	(150)	2,223
Summarised statements of comprehensive income			
Financial year ended 31 March 2026			
Revenue	22,376	1,546	23,922
Profit for the financial year representing total comprehensive income	508	210	718
Summarised cash flow information			
Financial year ended 31 March 2026			
Net cash flows from operating activities	1,524	362	1,886
Net cash flows used in investing activities	(367)	–	(367)
Net cash flows used in financing activities	–	(355)	(355)
Net increase in cash and cash equivalent	1,157	7	1,164
Dividends paid to NCI	–	–	–

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(g) Summarised financial information of material NCI (Cont'd)

The summarised financial information (before intra-group elimination) of the Group's and the Company's subsidiaries that have material NCI are as follows: (Cont'd)

	PCCS Garments (Shandong) Ltd. RM'000	La Prima Medtech Pte. Ltd. RM'000	Total RM'000
Summarised statements of financial position			
As at 31 March 2025			
Non-current assets	19,211	8	19,219
Current assets	5,434	788	6,222
Current liabilities	(22,718)	(1,183)	(23,901)
	1,927	(387)	1,540
Summarised statements of comprehensive income			
Financial year ended 31 March 2025			
Revenue	17,871	1,464	19,335
(Loss)/Profit for the financial year representing total comprehensive (loss)/income	(2,144)	392	(1,752)
Summarised cash flow information			
Financial year ended 31 March 2025			
Net cash flows from operating activities	143	307	450
Net cash flows used in investing activities	(76)	–	(76)
Net cash flows used in financing activities	–	(399)	(399)
Net increase/(decrease) in cash an and cash equivalent	67	(92)	(25)
Dividends paid to NCI	–	–	–

9. LEASE RECEIVABLES

	Group 2026 RM'000	Group 2025 RM'000
Gross lease receivables		
- not later than 1 year	23,340	19,785
- later than 1 year but not later than 5 years	50,209	44,061
- later than 5 years	10,032	2,825
	60,241	46,886
	83,581	66,671
Less: Unearned lease interest income	(24,173)	(17,226)
Net lease receivables	59,408	49,445
Less: Allowance for impairment losses	(4,485)	(6,714)
	54,923	42,731
Receivables are as follows:		
Current:		
- not later than 1 year	13,293	10,202
Non-current:		
- later than 1 year but not later than 5 years	33,634	30,100
- later than 5 years	7,996	2,429
	41,630	32,529
	54,923	42,731

(a) The credit terms of lease receivables of the Group are in accordance with the repayment schedules as contained in the lease agreements.

(b) The effective interest rates of the leases ranging from 12.68% to 18.17% (2025: 15.71% to 18.17%) per annum.

(c) Certain lease agreements of lease receivables with a carrying amounts of RM24,710,000 (2025: RM8,269,000) are assigned to licensed bank for block discounting facilities as disclosed in Note 20(e) to the financial statements.

9. LEASE RECEIVABLES (CONT'D)

(d) The Group's lease receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of lease receivables are as follows:

	Group	
	2026 RM'000	**2025 RM'000**
At the beginning of the financial year	6,714	4,361
Charge/(Reversal) for the financial year		
- Individually assessed	5,166	2,743
- Collectively assessed	(2,673)	1,555
Written off	(4,722)	(1,945)
At the end of the financial year	4,485	6,714

The information about the credit exposures are disclosed in Note 35(b)(iv).

10. INVENTORIES

	Group	
	2026 RM'000	**2025 RM'000**
At lower of cost and net realisable value		
Raw materials	59,318	84,543
Work-in-progress	4,155	7,161
Finished goods	21,737	13,851
	85,210	105,555

Recognised in profit or loss:

	Group	
	2026 RM'000	**2025 RM'000**
Inventories recognised as cost of sales	330,226	327,929
Inventories written (back)/down	(20)	11

The inventories written down are in respect of stock obsolescence.

11. TRADE AND OTHER RECEIVABLES

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Non-current:					
Trade					
External party	(a)	157	326	–	–
Non-trade					
Amount owing by a subsidiary	(b)	–	–	3,059	5,634
Total trade and other receivables (non-current)		157	326	3,059	5,634
Current:					
Trade					
External parties		66,006	72,373	–	–
Less: Impairment losses		(283)	(310)	–	–
	(a)	65,723	72,063	–	–
Non-trade					
Amounts owing by subsidiaries	(b)	–	–	9,605	64,600
Other receivables	(d)	1,640	757	5	8
Deposits		1,116	1,192	62	30
		2,756	1,949	9,672	64,638
Less: Impairment losses	(c)	–	–	(150)	(13,864)
		2,756	1,949	9,522	50,774
Total trade and other receivables (current)		68,479	74,012	9,522	50,774
Total trade and other receivables (non-current and current)		68,636	74,338	12,581	56,408

(a) Trade receivables

The receivables are non-interest bearing and normal credit terms offered by the Group range from 15 to 120 days (2025: 15 to 120 days) from the date of invoices, except for money lending business with credit terms granted up to a period of 36 months and subject to interest rate of 12% per annum. Other credit terms are assessed and approved on a case-by-case basis.

<u>Receivables that are impaired</u>

The Group's and the Company's trade and other receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of trade and other receivables are as follows:

11. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade receivables (Cont'd)

Trade receivables

	Group	
	2026 RM'000	2025 RM'000
At beginning of the financial year	310	324
Charge for financial year		
- Individually assessed	–	6
Exchange difference	(27)	(20)
At end of the financial year	283	310

The information about the credit exposures are disclosed in Note 35(b)(iv).

(b) Amounts owing by subsidiaries represent advances which are unsecured, interest-free, repayable on demand and are expected to be settled in cash and cash equivalents.

Included in current and non-current of amounts owing by subsidiaries is an amount of RM5,634,000 (2025: RM7,999,000) which is unsecured, subject to interest at a rate of 8.5% (2025: 8.5%) per annum, repayable on demand and is expected to be settled in cash and cash equivalents.

(c) The Group's and the Company's other receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of other receivables are as follows:

Other receivables

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
At beginning of the financial year	–	629	13,864	24,871
Charge for financial year				
- Individually assessed	–	–	150	–
Reversal of impairment loss	–	–	(8,092)	(293)
Written off	–	(629)	(5,772)	(10,714)
At end of the financial year	–	–	150	13,864

(d) Included in other receivables is an amount of RM297,000 (2025: RM183,000) owing by a related party in which a director of the Company and a director of subsidiaries have substantial financial interests.

12. CONTRACT ASSETS

	2026 RM'000	2025 RM'000
Group		
Contract assets relating to cut, make and trim ("**CMT**") contracts	11,250	7,363
Contract assets relating to unbilled services	154	–
	11,404	7,363

Significant changes in contract balances

	2026	2025
	Contract assets increase/(decrease)	
	RM'000	RM'000
Group		
Increase due to revenue recognised for unbilled goods	11,404	7,363
Transfers from contract assets recognised at the beginning of the period to receivables	(7,363)	(4,400)

The contract assets represent the Group's rights to consideration for the services rendered but yet to be billed. Contract assets are transferred to receivables when the Group issue invoices to the customers. Typically, the amounts will be billed within 2 to 120 days and payments are expected within 30 to 90 days.

13. OTHER CURRENT ASSETS

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Current				
Prepayments	3,583	4,757	60	46
Value added tax recoverable	6,084	5,232	–	–
Advances to suppliers	696	703	–	–
	10,363	10,692	60	46

14. TAX ASSETS

This is in respect of tax recoverable from the Inland Revenue Board.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

15. SHORT-TERM FUNDS

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Financial assets at fair value through profit or loss ("FVPL")				
At fair value:				
Short-term cash investments				
- Money market funds	410	2,013	1	1

Short-term funds are funds invested in money market which is managed by investment bank and is redeemable at any point in time.

It is an integral part of the Group's and the Company's capital management as disclosed in Note 37.

16. DEPOSITS, CASH AND BANK BALANCES

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash and bank balances	45,492	27,604	4,014	1,090
Deposits placed with licensed banks	6,951	12,992	3,772	8,422
	52,443	40,596	7,786	9,512

The deposits placed with licensed banks bear interests at rates ranging from 0.50% to 4.77% (2025: 0.85% to 5.47%) and mature within 3 months.

17. SHARE CAPITAL

	Group/Company			
	Number of ordinary shares		Amounts	
	2026 Unit'000	2025 Unit'000	2026 RM'000	2025 RM'000
Issued and fully paid (no par value):				
At the beginning/end of the financial year	223,021	223,021	91,453	91,453

The holders of ordinary shares are entitled to receive dividends as and when declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

18. TREASURY SHARES

	Group/Company			
	Number of treasury shares		Amounts	
	2026 Unit'000	2025 Unit'000	2026 RM'000	2025 RM'000
At the beginning/end of the financial year	2,431	2,431	1,161	1,161

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company. The amount consists of the acquisition costs of treasury shares net of the proceeds received on their subsequent sale or issuance.

The shareholders of the Company, by an ordinary resolution passed in a general meeting held on 26 August 2024, renewed their approval for the Company's plan to repurchase its own ordinary shares. The directors of the Company believe that the repurchase plan is applied in the best interests of the Company and its shareholders. The share repurchases made to date were financed by internally generated funds and are being held as treasury shares in accordance with the requirement of Section 127 of the Companies Act 2016 in Malaysia.

There were no resale, cancellation or distribution of treasury shares during the financial year.

19. OTHER RESERVES

(a) Foreign exchange reserve

The foreign exchange reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

(b) Legal reserve fund

This represents a general reserve provided for in respect of subsidiaries incorporated in Cambodia and The People's Republic of China.

Under the Company Statute of subsidiaries in Cambodia, 5% of the net profit after tax in each financial year must be credited to this reserve, until it reaches 10% of the paid up capital.

In The People's Republic of China, a portion of the profit must be credited to this reserve, until the amount of reserve funds equals to 50% of the registered capital of the subsidiaries.

(c) Share option reserve

The share option reserve comprises the cumulative value of services received from directors and employees for the issue of share options. The reserve is recorded over the vesting period commencing from the grant date and is reduced by the expiry or exercise of the share options. When the option is exercised, the amount from the share option reserve is transferred to share capital. When the share options expire, the amount from the share option reserve is transferred to retained earnings.

19. OTHER RESERVES (CONT'D)

(c) Share option reserve (Cont'd)

Share options are granted to eligible directors and employees. The options granted are vested immediately and settlement is by issuance of fully paid ordinary shares. The exercise price in each grant is set 10% below the weighted average of the market prices of the Company's ordinary shares in the last five trading days before the grant date. The contractual term of each option granted is two years. There are no cash settlement alternatives. The options carry neither rights to dividends nor voting rights. Options may be exercised any time from the date of vesting to the date of expiry.

The details of the options over ordinary shares of the Company are as follows:

Option price	Balance as at 1.4.2025	Granted	Exercised	Lapsed	Balance as at 31.3.2026	Exercisable as at 31.3.2026
RM0.39	260,000	–	–	(260,000)	–	–
RM0.36	1,308,850	–	–	–	1,308,850	1,308,850
	1,568,850	–	–	(260,000)	1,308,850	1,308,850

Option price	Balance as at 1.4.2024	Granted	Exercised	Lapsed	Balance as at 31.3.2025	Exercisable as at 31.3.2025
RM0.39	300,000	–	–	(40,000)	260,000	260,000
RM0.36	–	1,308,850	–	–	1,308,850	1,308,850
	300,000	1,308,850	–	(40,000)	1,568,850	1,568,850

The options outstanding at 31 March 2026 have exercise prices of RM0.36 (2025: RM0.36 to RM0.39) and the weighted average remaining contractual life for the share options outstanding as at 31 March 2026 was 3.71 years (2025: 3.97 years).

The fair value of the share options granted were determined using a binomial option pricing model, and the inputs were:

	Granted in 2025
Fair value of share options and assumptions	
Weighted average fair value of share option at grant date (RM)	RM0.2215
Weighted average share price (RM)	0.43
Option life (years)	3
Risk-free rate (%)	3.77
Expected dividends (%)	None
Expected volatility (%)	47.30

The expected volatility reflected the assumption that the historical volatility was an indicative of future trends, which may also not necessarily be the actual outcome.

20. LOANS AND BORROWINGS

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Non-current				
Secured:				
Block discounting borrowings (Note 20(e))	15,180	7,255	–	–
Hire purchase payables (Note 20(f))	216	405	216	405
Unsecured:				
Lease liabilities (Note 20(d))	10,846	7,128	168	–
	26,242	14,788	384	405
Current				
Secured:				
Bill financing	11,060	24,900	–	–
Block discounting borrowings (Note 20(e))	5,891	2,705	–	–
Hire purchase payables (Note 20(f))	189	180	189	180
Trust receipts	11,905	9,943	–	–
Revolving credits	14,975	3,130	–	–
Unsecured:				
Lease liabilities (Note 20(d))	1,871	1,034	115	–
Revolving credits	15,812	18,123	–	–
	61,703	60,015	304	180
Total loans and borrowings				
Bill financing	11,060	24,900	–	–
Block discounting borrowings (Note 20(e))	21,071	9,960	–	–
Hire purchase payables (Note 20(f))	405	585	405	585
Lease liabilities (Note 20(d))	12,717	8,162	283	–
Revolving credits	30,787	21,253	–	–
Trust receipts	11,905	9,943	–	–
	87,945	74,803	688	585

(a) Lease liabilities are secured by charges over certain plant and machinery as disclosed in Note 5(b).

(b) Bill financing, trust receipts and revolving credits are secured by way of corporate guarantee from the Company.

(c) The interest rates of the loans and borrowings at the reporting date are as follows:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Bill financing	5.88%	6.48%	–	–
Block discounting borrowings	3.47% - 4.45%	3.47% - 4.45%	–	–
Hire purchase payables	2.43% - 3.50%	2.43% - 3.50%	2.43% - 3.50%	2.43% - 3.50%
Lease liabilities	4.09% - 8.75%	2.75% - 8.75%	6.40%	–
Revolving credits	3.00% - 3.70%	3.60% - 3.70%	–	–
Trust receipts	2.00% - 3.60%	3.25% - 3.70%	–	–

20. LOANS AND BORROWINGS (CONT'D)

(d) Lease liabilities

Future minimum lease payments together with the present value of the net minimum lease payments are as follows:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Minimum lease payments				
Not later than 1 year	2,794	1,617	129	–
Later than 1 year and not later than 5 years	7,464	2,768	176	–
Later than 5 years	19,642	22,018	–	–
	29,900	26,403	305	–
Less: Future finance charges	(17,183)	(18,241)	(22)	–
Present value of minimum lease payments	12,717	8,162	283	–
Present value of minimum lease payments				
Not later than 1 year	1,871	1,034	115	–
Later than 1 year and not later than 5 years	10,846	684	168	–
Later than 5 years	–	6,444	–	–
	12,717	8,162	283	–
Less: Amounts due within 12 months	(1,871)	(1,034)	(115)	–
Amounts due after 12 months	10,846	7,128	168	–

20. LOANS AND BORROWINGS (CONT'D)

(e) Block discounting borrowings

	Group	
	2026 RM'000	2025 RM'000
Gross block discounting borrowings:		
Not later than 1 year	7,313	3,381
Later than 1 year and not later than 5 years	16,827	8,007
	24,140	11,388
Less: Undue block discounting interest expense	(3,069)	(1,428)
Net block discounting borrowings	21,071	9,960
Repayable as follows:		
Current liabilities		
Not later than 1 year	5,891	2,705
Non-current liabilities		
Later than 1 year and not later than 5 years	15,180	7,255
	21,071	9,960

(i) Block discounting borrowings of the Group are secured by:

(a) the assignments of certain lease agreements as disclosed in Note 9(c);
(b) assignment of Hire-Purchase/Non-Act/Lease Agreement through the power of attorney in favour of a financial institution;
(c) sinking fund of 10% of each block discounting drawdown amount to be built-up progressively up to RM1 million (10% of the block discounting of RM10 million) in the Company's account maintained with a financial institution; and
(d) corporate guarantee by the Company.

(ii) The tenure of the block discounting borrowings of the Group are repayable by equal monthly instalments of 30 to 60 months.

20. LOANS AND BORROWINGS (CONT'D)

(f) Hire purchase payables

Future minimum lease payments together with the present value of the net minimum lease payments are as follows:

	Group/Company	
	2026 RM'000	2025 RM'000
Minimum lease payments		
Not later than 1 year	205	205
Later than 1 year but not later than 5 years	222	427
	427	632
Less: Future finance charges	(22)	(47)
Present value of minimum lease payments	405	585
Present value of minimum lease payments		
Not later than 1 year	189	180
Later than 1 year but not later than 5 years	216	405
	405	585
Less: Amounts due within 12 months	(189)	(180)
Amounts due after 12 months	216	405

21. DEFERRED TAX ASSETS

	Group	
	2026 RM'000	2025 RM'000
At beginning of the financial year	3,687	2,440
Recognised in profit or loss (Note 30)	132	1,332
Exchange differences	(186)	(85)
At end of the financial year	3,633	3,687

(a) Presented after appropriate off-setting as follows:

	Group	
	2026 RM'000	2025 RM'000
Deferred tax assets	3,732	3,715
Deferred tax liabilities	(99)	(28)
	3,633	3,687

21. DEFERRED TAX ASSETS (CONT'D)

(b) The components of deferred tax assets/(liabilities) prior to offsetting are as follows:

	Group	
	2026 RM'000	2025 RM'000
Deferred tax assets		
Unutilised tax losses	2,380	1,811
Others	1,352	1,904
	3,732	3,715
Deferred tax liabilities		
Difference between the carrying amount of property, plant and equipment and their tax base	(99)	(28)
	3,633	3,687

The deferred tax assets and liabilities are not available for set-off as they arise from different taxable entities within the Group.

(c) The estimated amounts of temporary differences for which no deferred tax assets are recognised in the financial statements are as follows:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Unutilised tax losses	10,834	10,360	150	150
Unabsorbed capital allowance	295	250	–	–
Others	–	(47)	–	–
	11,129	10,563	150	150
Potential deferred tax assets not not recognised at 24%	2,671	2,535	36	36

The availability of unutilised tax losses and unabsorbed capital allowances for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to requirements under Income tax Act, 1967 and guidelines issued by the tax authority.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

21. DEFERRED TAX ASSETS (CONT'D)

(c) The estimated amounts of temporary differences for which no deferred tax assets are recognised in the financial statements are as follows: (Cont'd)

The unutilised tax losses in Malaysia are available for offset against future taxable profits of the Group and the Company which will expire in the following financial years:

	Group 2026 RM'000	Company 2026 RM'000
Malaysia		
2026	2,219	–
2027	215	–
2028	3,224	150
2029	474	–
2032	574	–
2033	1,153	–
2034	1,013	–
2035	1,223	–
2036	739	–
	10,834	150

22. TRADE AND OTHER PAYABLES

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Current:					
Trade					
Third parties	(a)	66,508	79,278	–	–
Non-trade					
Amounts owing to directors	(b)	3,764	3,892	–	–
Amounts owing to related parties	(c)	5,438	5,622	–	–
Amounts owing to a subsidiary	(b)	–	–	6,228	21
Accruals		11,527	14,075	312	712
Deposits		42	43	–	–
Other payables		20,744	20,696	4,308	4,698
		41,515	44,328	10,848	5,431
Total trade and other payables		108,023	123,606	10,848	5,431

(a) Trade payables are non-interest bearing and the normal credit terms granted to the Group range from 30 to 90 days (2025: 30 to 90 days).

(b) The amounts owing to directors and a subsidiary are non-trade in nature, interest free and repayable on demand in cash and cash equivalents.

(c) The amounts owing to related parties in which the directors of subsidiaries have financial interest are non-trade in nature, interest free and repayable on demand in cash and cash equivalents.

23. REVENUE

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Revenue from contract customers:				
Sales of goods	548,501	538,102	–	–
Insurance commission	864	558	–	–
Handling and processing fees	545	266	–	–
	549,910	538,926	–	–
Revenue from other source:				
Hire-purchase interest income	9,458	8,275	–	–
Interest income from money lending	64	10	–	–
Others	749	559	–	–
Dividend income	–	–	4,708	4,481
	10,271	8,844	4,708	4,481
	560,181	547,770	4,708	4,481
Timing of revenue recognition:				
At a point in time	549,910	538,926	4,708	4,481
Over time	10,271	8,844	–	–
	560,181	547,770	4,708	4,481

24. COST OF SALES

Cost of sales represent cost of inventories sold and other costs.

25. OTHER INCOME

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Bad debts recovered	94	14	–	–
Gain on foreign exchange				
- realised	–	3,235	–	–
Gain on disposal of property,plant and equipment	–	–	6	–
Gain on disposal of investment property	71	–	–	–
Gain on disposal of subsidiaries	–	–	–	6,142
Government grant	745	812	–	–
Fair value gain on short-term funds	34	88	–	2
Rental income	518	749	–	–
Sales of materials	453	348	–	–
Income distribution from short-term funds	3	27	1	6
Others	681	1,194	31	–
	2,599	6,467	38	6,150

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. FINANCE INCOME

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Interest income	824	968	363	214
Interest income from a subsidiary	–	–	581	774
	824	968	944	988

27. FINANCE COSTS

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Interest expense on:				
- loans and borrowings	6,668	7,580	25	33
- lease liabilities	941	679	8	–
	7,609	8,259	33	33

28. PROFIT BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at profit/(loss) before tax:

		Group		Company	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Auditors' remuneration					
- statutory audit					
- Baker Tilly Monteiro Heng PLT		189	164	128	124
- Member firms of Baker Tilly International		198	185	–	–
- Other auditors		108	112	–	–
Other services					
- Baker Tilly Monteiro Heng PLT		6	5	6	5
- Member firms of Baker Tilly International		31	116	11	5
- Other auditors		28	19	–	–
Depreciation and amortisation:					
- property, plant and equipment	5	10,383	9,945	311	232
- investment properties	6	815	875	–	–
- intangible assets	7	6	1	–	–
Employee benefits expense	29	131,732	122,446	2,032	2,055

28. PROFIT BEFORE TAX (CONT'D)

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at profit/(loss) before tax: (Cont'd)

		Group		Company	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Expenses relating to:					
- short-term leases		743	755	121	120
- low value assets		684	700	3	–
Inventories written (back)/down		(20)	11	–	–
Loss/(Gain) on disposal of property, plant and equipment		235	93	(6)	–
Loss on foreign exchange					
- realised		3,363	–	3,514	880
- unrealised		1,547	7,315	797	208
Net impairment losses/(reversal of impairment losses) on:					
- lease receivables		(2,493)	4,298	–	–
- trade and other receivables		–	6	–	–
- investment in subsidiaries	8	–	–	3,514	1,200
- amounts owing by subsidiaries		–	–	(7,942)	(293)
- intangible assets		17	–	–	–
Property, plant and equipment written off	5	16	155	–	5

29. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Salaries, wages and bonus	118,841	110,092	1,818	1,592
Defined contribution plan	6,949	4,674	148	121
Other staff related expenses	5,932	7,390	66	163
Share-based payments	–	290	–	179
Benefits-in-kind	10	–	–	–
	131,732	122,446	2,032	2,055

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

29. EMPLOYEE BENEFITS EXPENSE (CONT'D)

Included in employee benefits expense are:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Directors of the Company				
Executive directors:				
- fees	156	156	156	156
- other emoluments	1,363	1,129	–	–
- share-based payments	–	135	–	135
	1,519	1,420	156	291
Non-executive directors:				
- fees	384	384	384	384
- other emoluments	625	662	16	16
	1,009	1,046	400	400
Total directors' remuneration	2,528	2,466	556	691

30. TAX EXPENSE

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Current income tax:				
Current income tax charge				
- Malaysian income tax	851	1,493	178	199
- Foreign income tax	3,991	2,707	–	–
- Real property gain tax	5	–	–	–
- (Over)/Under provision in prior financial years	(39)	(207)	(14)	7
	4,808	3,993	164	206
Deferred tax (Note 21):				
Reversal of temporary differences	(141)	(1,333)	–	–
Under provision in prior financial years	9	1	–	–
	(132)	(1,332)	–	–
Total tax expense recognised in profit or loss	4,676	2,661	164	206

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2025: 24%) of the estimated assessable profit for the financial year. Taxation for other jurisdiction is calculated at the rate prevailing in the respective jurisdictions.

30. TAX EXPENSE (CONT'D)

The reconciliations from the tax amount at the statutory income tax rate to the Group's and the Company's tax expense are as follows:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Profit before tax	19,246	7,463	2,273	6,317
Tax at Malaysian statutory income tax rate of 24% (2025: 24%)	4,619	1,791	546	1,516
Effect of different tax rates in other countries	(1,440)	(1,274)	–	–
Income not subject to tax	(6,353)	(8,788)	(3,037)	(2,622)
Expenses not deductible for tax purposes	7,739	11,001	2,669	1,305
Utilisation of previously unrecognised deferred tax assets	(28)	(175)	–	–
Deferred tax assets not recognised during the financial year	164	312	–	–
Real property gain tax	5	–	–	–
(Over)/Under provision in prior financial years				
- income tax	(39)	(207)	(14)	7
- deferred tax	9	1	–	–
Tax expense	4,676	2,661	164	206

31. EARNINGS PER SHARE

(a) Basic earnings per share amounts are based on profit for the financial year attributable to owners of the Company and the weighted average number of ordinary shares in issue during the financial year, calculated as follows:

	Group	
	2026 RM'000	2025 RM'000
Profit attributable to the owners of the Company	14,258	5,720
Weighted average number of ordinary shares for basic earnings per share	220,590	220,590
Basic earnings per share (sen)	6.46	2.59

31. EARNINGS PER SHARE (CONT'D)

(b) Diluted earnings per share are based on the profit for the financial year 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:

	Group 2025 RM'000
Profit attributable to the owners of the Company	5,720
Weighted average number of ordinary shares for basic earnings per share	220,590
Effect of dilution from ESOS	128
Weighted average number of ordinary shares for diluted earnings per share	220,718
Diluted earnings per ordinary share (sen)	2.59

Diluted EPS is equivalent to the basic EPS as the redeemable convertible preference shares had an antidilutive effect of the basic EPS and the Group has no other instruments with potential dilutive effects as at 31 March 2026.

32. DIVIDENDS

	Company	
	2026 RM'000	**2025 RM'000**
Second single-tier interim dividend of RM0.01 per ordinary share in respect of the financial year ended 31 March 2026, paid on 6 October 2025	2,206	–
Second single-tier interim dividend of RM0.01 per ordinary share in respect of the financial year ended 31 March 2024, paid on 5 July 2024	–	2,206

33. CAPITAL COMMITMENTS

The Group has made commitments for the following capital expenditures:

	Group	
	2026 RM'000	**2025 RM'000**
In respect of capital expenditure approved but not contracted for:		
- Property, plant and equipment	3,235	2,523

34. RELATED PARTIES

(a) Identity of related parties

For the purpose of these financial statements, parties are considered to be related to the Group and the Company if the Group and the Company have the ability to directly control the party or exercise significant influence over the party in making financial and operating decision, or vice versa, or where the Group and the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties of the Group and the Company include:

(i) Subsidiaries;
(ii) Entities in which certain directors have substantial financial interests; and
(iii) Key management personnel of the Group's and the Company's holding company, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

(b) Significant related party transactions

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Transactions with subsidiaries are as follows:				
Sales of property, plant and equipment	–	–	(10)	–
Purchase of property, plant and equipment	–	–	16	–
Dividend received	–	–	(4,708)	(4,481)
Interest income	–	–	(581)	(774)
Transactions with related parties are as follows:				
Rental expense	844	686	134	120

(c) Compensation of key management personnel

Key management personnel includes personnel having authority and responsibility for planning, directing and controlling the activities of the entities, directly or indirectly, including any director of the Group and of the Company.

Compensation of key management personnel which includes directors' remuneration as disclosed in Note 29 are as follows:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Short-term employees benefits	4,802	4,695	556	556
Share-based payments	–	135	–	135
	4,802	4,830	556	691

35. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

(i) Amortised cost ("**AC**")
(ii) Fair value through profit or loss ("**FVPL**")

	Carrying amount RM'000	AC RM'000	FVPL RM'000
At 31 March 2026			
Financial assets			
Group			
Lease receivables	54,923	54,923	–
Trade and other receivables	68,636	68,636	–
Short-term funds	410	–	410
Deposits, cash and bank balances	52,443	52,443	–
	176,412	176,002	410
Company			
Trade and other receivables	12,581	12,581	–
Short-term funds	1	–	1
Deposits, cash and bank balances	7,786	7,786	–
	20,368	20,367	1
Financial liabilities			
Group			
Trade and other payables	108,023	108,023	–
Loans and borrowings, excluding lease liabilities	75,228	75,228	–
	183,251	183,251	–
Company			
Trade and other payables	10,848	10,848	–
Loans and borrowings, excluding lease liabilities	405	405	–
	11,253	11,253	–

35. FINANCIAL INSTRUMENTS (CONT'D)

(a) Categories of financial instruments (Cont'd)

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned: (Cont'd)

	Carrying amount RM'000	AC RM'000	FVPL RM'000
At 31 March 2025			
Financial assets			
Group			
Lease receivables	42,731	42,731	–
Trade and other receivables	74,338	74,338	–
Short-term funds	2,013	–	2,013
Deposits, cash and bank balances	40,596	40,596	–
	159,678	157,665	2,013
Company			
Trade and other receivables	56,408	56,408	–
Short-term funds	1	–	1
Deposits, cash and bank balances	9,512	9,512	–
	65,921	65,920	1
Financial liabilities			
Group			
Trade and other payables	123,606	123,606	–
Loans and borrowings, excluding lease liabilities	66,641	66,641	–
	190,247	190,247	–
Company			
Trade and other payables	5,431	5,431	–
Loans and borrowings	585	585	–
	6,016	6,016	–

35. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management

The Group's and the Company's financial risk management policies seek to ensure that adequate financial resources are available for the development of the Group's and of the Company's businesses whilst managing their interest rate risk, foreign exchange risk, liquidity risk and credit risk. The Board of Directors reviews and agrees policies for managing each of these risks and they are summarised below.

(i) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. As the Group and the Company have no significant interest-bearing financial assets, the Group's and the Company's income and operating cash flows are substantially independent of changes in market interest rates. The Group's and the Company's interest-bearing financial assets are mainly short-term in nature and have been mostly placed in deposits with licensed banks.

The Group's and the Company's interest rate risk arises primarily from interest-bearing borrowings. Borrowings at floating rates expose the Group and the Company to cash flow interest rate risk. Borrowings obtained at fixed rates expose the Group and the Company to fair value interest rate risk. The Group and the Company manage their interest rate exposure by maintaining a mix of fixed and floating rate borrowings.

Sensitivity analysis

As at the reporting date, if interest rates had been 10 basis points lower/higher, with all other variables held constant, the Group's profit net of tax would have been RM57,000 (2025: RM51,000) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the current observable market environment.

(ii) Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Exposure to the risk of changes in foreign exchange rates relates primarily to the operating activities when revenue or expense is denominated in a foreign currency other than the functional currency of the operations to which they relate.

The net unhedged financial assets and financial liabilities of the Group that are not denominated in their functional currencies are as follows:

	Cambodian Riel RM'000	United States Dollars RM'000	Hong Kong Dollars RM'000	Total RM'000
Functional Currency of the Group				
At 31 March 2026				
Ringgit Malaysia	–	8,087	–	8,087
Chinese Renminbi	–	2,561	–	2,561
United States Dollars	115	–	152	267
	115	10,648	152	10,915

35. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(ii) Foreign exchange risk (Cont'd)

The net unhedged financial assets and financial liabilities of the Group that are not denominated in their functional currencies are as follows: (Cont'd)

	Cambodian Riel RM'000	United States Dollars RM'000	Hong Kong Dollars RM'000	Total RM'000
Functional Currency of the Group				
At 31 March 2025				
Ringgit Malaysia	–	9,851	–	9,851
Chinese Renminbi	–	4,927	–	4,927
United States Dollars	290	–	(123)	167
	290	14,778	(123)	14,945

	United States Dollars RM'000
Functional Currency of the Company	
At 31 March 2026	
Ringgit Malaysia	7,266
At 31 March 2025	
Ringgit Malaysia	9,122

Sensitivity analysis

The following table illustrates the hypothetical sensitivity of the Group's and the Company's profit/(loss) before tax to a reasonably possible change in the USD, KHR and HKD exchange rates at the reporting date against the functional currency of the Group entities, with all other variables held constant.

		Effect on profit/(loss) before tax for the financial year			
		Group		Company	
	Change in rate	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
USD/RM	+ 5%	404	493	363	456
	- 5%	(404)	(493)	(363)	(456)
USD/RMB	+ 5%	128	246	–	–
	- 5%	(128)	(246)	–	–
KHR/USD	+ 5%	6	15	–	–
	- 5%	(6)	(15)	–	–
HKD/USD	+ 5%	8	(6)	–	–
	- 5%	(8)	6	–	–

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

35. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iii) Liquidity risk

The Group and the Company manage their debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group and the Company maintain sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group and the Company strive to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group and the Company are committed funding from both capital markets and financial institutions and balances its portfolio with some short-term funding so as to achieve overall cost effectiveness.

Maturity analysis

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligations are as follows:

	Carrying amount RM'000	On demand within 1 year RM'000	Between 1 and 5 years RM'000	More than 5 years RM'000	Total RM'000
Group					
2026					
Financial liabilities:					
Trade and other payables	108,023	108,023	–	–	108,023
Loans and borrowings	87,945	64,063	24,514	19,642	108,219
	195,968	172,086	24,514	19,642	216,242
2025					
Financial liabilities:					
Trade and other payables	123,606	123,606	–	–	123,606
Loans and borrowings	74,803	61,299	11,202	22,018	94,519
	198,409	184,905	11,202	22,018	218,125

	Carrying amount RM'000	On demand within 1 year RM'000	Between 1 and 5 years RM'000	Total RM'000
Company				
2026				
Financial liabilities:				
Trade and other payables	10,848	10,848	–	10,848
Hire purchase payables	405	205	222	427
Financial guarantee contracts	–	59,011	–	59,011
	11,253	70,064	222	70,286

35. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iii) Liquidity risk (Cont'd)

Maturity analysis (Cont'd)

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligations are as follows: (Cont'd)

	Carrying amount RM'000	On demand within 1 year RM'000	Between 1 and 5 years RM'000	Total RM'000
Company				
2025				
Financial liabilities:				
Trade and other payables	5,431	5,431	–	5,431
Hire purchase payables	585	205	427	632
Financial guarantee contracts	–	47,933	–	47,933
	6,016	53,569	427	53,996

(iv) Credit risk

The Group's and the Company's credit risk is primarily attributable to trade and other receivables. The Group and the Company trade only with recognised and creditworthy third parties. It is the Group's and the Company's policies that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's and the Company's exposure to bad debts is not significant.

The credit risk of the Group's and of the Company's other financial assets, which comprise deposit, cash and bank balances arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets.

The Group and the Company do not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial assets.

The Group and the Company consider a financial asset to be in default when:

- the counterparty is unable to pay its credit obligations to the Group and the Company in full, without taking into account any credit enhancements held by the Group and the Company; or
- the contractual payment of the financial asset is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

35. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iv) Credit risk (Cont'd)

At the end of the reporting period, the Group and the Company assess whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Those events evidence that a financial asset is a credit-impaired include observable data about the following events:

- significant financial difficulty of the counterparty;
- a breach of contract, including a default event;
- a concession or restructuring of loans granted by the lender of the counterparty relating to the counterparty's financial difficulty; or
- it is probable that the counterparty will enter bankruptcy or other financial reorganisation.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedure for recovery of amounts due.

Trade receivables and contract assets

<u>Exposure to credit risk</u>

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by:
- The carrying amount of each class of financial assets recognised in the statements of financial position; and
- An amount of RM59,011,000 (2025: RM47,933,000) relating to a corporate guarantee provided by the Company to bank for subsidiaries' loans and borrowings.

<u>Credit risk concentration profile</u>

At the reporting date, the Group has significant concentration of credit risk that may arise from exposure three (2025: two) customers who accounted for 76% (2025: 70%) of total trade receivables. The directors believe that this will not create significant credit risk for the Group in view of the length of relationship with these customers and the Group works closely with its customers to provide customer satisfaction through timely delivery and the provision of high quality products and services at competitive cost.

The financial guarantee has not been recognised as the fair value on initial recognition was immaterial since the financial guarantees provided by the Company did not contribute towards credit enhancement of the subsidiaries' borrowings in view of the security pledged by the subsidiaries and it is unlikely that the subsidiaries will default within the guarantee provided.

The Group and the Company apply the simplified approach to providing for expected credit losses prescribed by MFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables and contract assets. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The impairment losses also incorporate forward looking information.

35. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iv) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Credit risk concentration profile (Cont'd)

The information about the credit risk exposure on the Group's trade receivables using the provision matrix are as follows:

	Gross carrying amount at default RM'000
Group	
At 31 March 2026	
Contract assets	11,404
Trade receivables	
Current	62,830
1-30 days past due	2,340
31-60 days past due	694
61-90 days past due	1
91-120 days past due	–
More than 120 days past due	15
	65,880
Impaired - individually	283
	66,163
	77,567
At 31 March 2025	
Contract assets	7,363
Trade receivables	
Current	65,909
1-30 days past due	6,067
31-60 days past due	113
61-90 days past due	181
91-120 days past due	7
More than 120 days past due	112
	72,389
Impaired - individually	310
	72,699
	80,062

35. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iv) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

<u>Receivables that are impaired</u>

The Group's trade receivables that are impaired at the reporting date are disclosed in Note 11(a).

Other receivables and other financial assets

For other receivables and other financial assets (including deposits, cash and bank balances and short-term funds), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

Some intercompany loans between entities within the Group are repayable on demand. For loans that are repayable on demand, expected credit losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower does not have sufficient highly liquid resources when the loan is demanded, the Group and the Company will consider the expected manner of recovery and recovery period of the intercompany loan.

Lease receivables

The credit risk associated with lease receivables is mitigated by way of obtaining security over the leased equipment. At the reporting date, the Group's maximum exposure to credit risk is represented by the carrying amounts recognised in the statements of financial position.

35. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iv) Credit risk (Cont'd)

Lease receivables (Cont'd)

The following table provides information about the expected credit losses for lease receivables as at the end of the reporting period:

	Contractually Undue RM'000	Contractually Due RM'000	Gross carrying amount RM'000	Impaired - collectively RM'000	Impaired - individually RM'000	Net carrying amount RM'000
Group						
31 March 2026						
Not pass due	31,282	–	31,282	(150)	–	31,132
Past due:						
- 1 to 90 days	21,250	2,205	23,455	(414)	–	23,041
- more than 90 days	2,857	1,814	4,671	–	(3,921)	750
	24,107	4,019	28,126	(414)	(3,921)	23,791
	55,389	4,019	59,408	(564)	(3,921)	54,923
31 March 2025						
Not pass due	25,181	–	25,181	(1,517)	–	23,664
Past due:						
- 1 to 90 days	19,146	1,144	20,290	(1,223)	–	19,067
- more than 90 days	2,802	1,172	3,974	–	(3,974)	–
	21,948	2,316	24,264	(1,223)	(3,974)	19,067
	47,129	2,316	49,445	(2,740)	(3,974)	42,731

Financial guarantee contracts

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of loans granted to certain subsidiaries. The Company monitors the results of the subsidiaries and their repayment on an on-going basis. The maximum exposure to credit risks amounts to RM59,011,000 (2025: RM47,933,000) representing the maximum amount the Company could pay if the guarantee is called on as disclosed in Note 35(b)(iii). As at reporting date, there was no loss allowance for expected credit losses as determined by the Company for the financial guarantee.

35. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value measurement

The carrying amounts of deposit, cash and bank balances, short-term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

The carrying amount of long-term and short-term floating rate borrowings approximates their fair values as the borrowings will be re-priced to market interest rate on or near reporting date.

There have been no transfers between Level 1 and Level 2 during the financial year (2025: no transfer in either directions).

The following table provides the fair value measurement hierarchy of the Group's and of the Company's financial instruments:

	Carrying amount	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value			
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM	RM	RM	RM	RM	RM
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group									
31 March 2026									
Financial assets									
Short-term funds	410	410	–	–	410	–	–	–	–
Financial liabilities									
Hire purchase payables	(405)	–	–	–	–	–	–	(405)	(405)
31 March 2025									
Financial assets									
Short-term funds	2,013	2,013	–	–	2,013	–	–	–	–
Financial liabilities									
Hire purchase payables	(585)	–	–	–	–	–	–	(600)	(600)

35. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value measurement (Cont'd)

The following table provides the fair value measurement hierarchy of the Group's and of the Company's financial instruments: (Cont'd)

	Carrying amount	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value			
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM	RM	RM	RM	RM	RM
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Company									
31 March 2026									
Financial assets									
Short-term funds	1	1	–	–	1	–	–	–	–
Financial liabilities									
Hire purchase payables	(405)	–	–	–	–	–	–	(405)	(405)
31 March 2025									
Financial assets									
Short-term funds	1	1	–	–	1	–	–	–	–
Financial liabilities									
Hire purchase payables	(585)	–	–	–	–	–	–	(600)	(600)

Level 3 fair value

Fair value of financial instruments not carried at fair value

The fair value of hire purchase payable is determined using the discounted cash flows method based on discount rates that reflects the issuer's borrowing rate as the end of the reporting period.

36. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has three reportable operating segments as follows:

i)	Apparel	-	manufacturing and marketing of apparels, manufacturing of seamless bonding, embroidering of logos and emblems, printing and marketing of silk screen printing products.
ii)	Credit financing/ Insurance agency and other	-	provision of financial services, including money lending, loan negotiation and various financing solutions and provision of general insurance agency.
iii)	Others	-	printing of labels and stickers, investment holding, provision for management services and medical businesses.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

The directors are of the opinion that all inter-segment transactions have been entered into in the normal ordinary course of business and have been established on negotiated and mutually agreed basis.

36. SEGMENT INFORMATION (CONT'D)

31 March 2026	Apparel RM'000	Credit financing/ Insurance agency and other RM'000	Others RM'000	Adjustments and elimination RM'000	Note	Total RM'000
Revenue:						
External sales	543,856	11,676	4,649	–		560,181
Inter-segment sales	137,224	–	6,012	(143,236)	(a)	–
Total revenue	681,080	11,676	10,661	(143,236)		560,181
Results:						
Bad debts recovered	–	(94)	–	–		(94)
Depreciation and amortisation:						
- property, plant and equipment	10,178	190	370	(355)		10,383
- investment properties	227	–	588	–		815
- intangible assets	–	4	1	–		5
Expenses relating to:						
- short-term leases	613	10	120	–		743
- low value assets	676	3	5	–		684
Finance costs	6,481	1,693	33	(598)		7,609
Interest income	(419)	(38)	(948)	581		(824)
Inventories written back	(20)	–	–	–		(20)
Gain/(Loss) on disposal of property, plant and equipment	250	–	(6)	(9)		235
Net impairment losses/(reversal of impairment losses) on:						
- lease receivables	–	(2,493)	–	–		(2,493)
- intangible assets	–	–	–	17		17
Rental income	(339)	–	(466)	287		(518)
Waiver of debts	(5,718)	–	(2,658)	8,376		–
Segment profit	29,840	4,934	4,347	(19,875)	(b)	19,246
Tax expense	(3,178)	(1,265)	(173)	(60)		(4,676)
Profit/(Loss) for the financial year	26,662	3,669	4,174	(19,935)		14,570
Assets:						
Additions to non-current assets	20,836	2,399	1,679	(100)	(c)	24,814
Segment assets	415,568	66,470	126,289	(224,049)	(d)	384,278
Segment liabilities	(221,974)	(32,345)	(29,769)	83,606	(e)	(200,482)

36. SEGMENT INFORMATION (CONT'D)

31 March 2025	Apparel RM'000	Credit financing RM'000	Others RM'000	Adjustments and elimination RM'000	Note	Total RM'000
Revenue:						
External sales	535,510	9,662	2,598	–		547,770
Inter-segment sales	142,765	–	4,482	(147,247)	(a)	–
Total revenue	678,275	9,662	7,080	(147,247)		547,770
Results:						
Bad debts recovered	–	(14)	–	–		(14)
Depreciation and amortisation:						
- property, plant and equipment	9,990	93	253	(391)		9,945
- investment properties	239	–	636	–		875
- intangible assets	–	–	1	–		1
Expenses relating to:						
- short-term leases	635	–	120	–		755
- low value assets	696	3	1	–		700
Finance costs	7,702	1,328	33	(804)		8,259
Interest income	(733)	(20)	(989)	774		(968)
Inventories written down	11	–	–	–		11
Gain/(Loss) on disposal of property, plant and equipment	145	–	–	(52)		93
Net impairment losses on:						
- lease receivables	–	4,298	-	–		4,298
- trade and other receivables	6	–	-	–		6
Rental income	(573)	–	(485)	309		(749)
Waiver of debts	(30,213)	–	–	30,213		–
Segment profit/(loss)	17,502	2,608	(2,207)	(10,440)	(b)	7,463
Tax expense	(1,647)	(734)	(208)	(72)		(2,661)
Profit/(Loss) for the financial year	15,855	1,874	(2,415)	(10,512)		4,802
Assets:						
Additions to non-current assets	15,379	446	326	(572)	(c)	15,579
Segment assets	415,394	48,217	124,387	(212,429)	(d)	375,569
Segment liabilities	(292,669)	(21,005)	(30,740)	141,750	(e)	(202,664)

36. SEGMENT INFORMATION (CONT'D)

(a) Inter-segment sales are eliminated on consolidation.

(b) The following items are added to/(deducted from) segment profit/(loss) to arrive at profit before tax presented in the statements of comprehensive income.

	2026 RM'000	2025 RM'000
Impairment loss on investment in subsidiaries	3,514	1,200
Profit from inter-segment sales	(23,389)	(11,640)
	(19,875)	(10,440)

(c) Additions to non-current assets consist of:

	Group	
	2026 RM'000	2025 RM'000
Property, plant and equipment	24,814	15,579

(d) Inter-segment assets are deducted from segment assets to arrive at total assets reported in the statements of financial position.

(e) Inter-segment liabilities are deducted from segment liabilities to arrive at total liabilities reported in the statements of financial position.

Geographical Information

(i) The following table provides an analysis of the Group's revenue and non-current assets other than deferred tax assets by geographical segment:

	Revenue		Non-current assets	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Malaysia	14,780	10,796	47,222	34,902
Cambodia	48,550	29,306	40,552	37,739
The People's Republic of China	207,643	183,668	50,581	48,461
Hong Kong	287,662	322,536	14	261
Singapore	1,546	1,464	6	8
	560,181	547,770	138,375	121,371

36. SEGMENT INFORMATION (CONT'D)

(e) Inter-segment liabilities are deducted from segment liabilities to arrive at total liabilities reported in the statements of financial position. (Cont'd)

Geographical Information (Cont'd)

(ii) Non-current assets information (other than deferred tax assets) presented above consist of the following items as presented in the statements of financial position:

	2026 RM'000	**2025 RM'000**
Property, plant and equipment	84,247	74,603
Investment properties	12,297	13,905
Intangible assets	44	8
Trade receivables	157	326
Lease receivables	41,630	32,529
Total non-current assets	138,375	121,371

Information about major customers

Revenue from three (2025: two) major customers amounted to RM413,293,000 (2025: RM377,196,000), arising from sales by the apparel segment.

37. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratio in order to support their business and maximise shareholder value.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payments to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2026 and 31 March 2025.

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt comprises borrowings and trade and other payables, less deposits, cash and bank balances and short-term fund whereas total capital comprises the equity attributable to equity holders of the Group and of the Company.

37. CAPITAL MANAGEMENT (CONT'D)

Other than those disclosed in Note 19(b), the Group and the Company are not subject to any externally imposed capital requirements.

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Loans and borrowings	87,945	74,803	688	585
Trade and other payables	108,023	123,606	10,848	5,431
Short-term funds	(410)	(2,013)	(1)	(1)
Deposits, cash and bank balances	(52,443)	(40,596)	(7,786)	(9,512)
Net debts	143,115	155,800	3,749	(3,497)
Equity attributable to the owners of the Company	182,066	171,464	97,296	97,393
Capital and net debt	325,181	327,264	101,045	93,896
Gearing ratio	44%	48%	4%	*

* Not meaningful as the Company is in net cash position.

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, **DATO' CHAN CHOR NGIAK** and **CHAN CHOW TEK**, being two of the directors of PCCS Group Berhad, do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 127 to 199 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2026 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of directors:

....
DATO' CHAN CHOR NGIAK
Director

....
CHAN CHOW TEK
Director

Date: 10 July 2026

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT 2016

I, **DATO' CHAN CHOR NGIAK**, being the director primarily responsible for the financial management of PCCS Group Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 127 to 199 are correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

....
DATO' CHAN CHOR NGIAK

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 10 July 2026.

Before me,

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PCCS GROUP BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of PCCS Group Berhad, which comprise the statements of financial position as at 31 March 2026 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 127 to 199.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2026, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("**By-Laws**") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("**IESBA Code**"), as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Group

Inventories (Notes 4(a) and 10 to the financial statements)

The Group has significant inventories amounting to RM85,210,000 as at 31 March 2026. The accounting policy for the inventories of the Group is to state inventories at lower of cost and net realisable value. The review of saleability and valuation of inventories at the lower of cost and net realisable value are an area of significant judgement and estimate. The Group writes down its obsolete or slow-moving inventories based on the assessment of their estimated net selling price. Inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recoverable. The Group analyses expected sales trend when making a judgement to evaluate the adequacy of the write-down of obsolete or slow-moving inventories. Where expectations differ from the original estimates, the differences will impact the carrying amounts of inventories.

We focused on the inventories due to significance of the value of inventories as part of the total assets.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key Audit Matters (Cont'd)

Group (Cont'd)

Inventories (Notes 4(a) and 10 to the financial statements) (Cont'd)

Our response:

Our audit procedures included, among others:
- observing year end physical inventory count to examine the physical existence and condition of the inventories;
- understanding the Group's assessment on estimated net realisable values on selected inventory items; and
- discussing with the directors whether the inventories have been written down to their net realisable values for inventory items, if any, with net realisable values lower than their costs.

Trade receivables and lease receivables (Notes 4(b), 9 and 11 to the financial statements)

The Group has significant trade receivables and lease receivables as at 31 March 2026. In making the assumptions about risk of default and expected loss rate of the trade receivables and lease receivables, the directors selected inputs to the impairment calculation, based on the Group's past history and existing market conditions at the end of the reporting period. We focused on this area because the directors made significant judgements over assumptions in this area.

Our response:

Our audit procedures included, among others:
- understanding of significant credit exposures which were significantly overdue or deemed to be in default through analysis of ageing reports;
- obtaining confirmation of balances from selected receivables;
- checking subsequent receipts, customer correspondence, discussing with management and understanding their explanation on recoverability of selected receivables with significantly past due balances; and
- discussing with management the reasonableness and calculation of impairment loss as at the end of the reporting period.

Company

We have determined that there are no key audit matters to be communicated in our report which arise from the audit of the financial statements of the Company.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon. The annual report is expected to be made available to us after the date of the auditors' report.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT
(CONT'D)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 8 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the contents of this report.

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Ng Zu Wei
No. 03545/12/2026 J
Chartered Accountant

Kuala Lumpur

Date: 10 July 2026

GROUP PROPERTIES
AS AT 31 MARCH 2026

No.	Location	Description and Existing Use	Tenure	Land Area (build-up area) sq. ft.	Age of Building No. of Years	Net Book Value RM'000	Date of Acquisition/ Revaluation*
La Prima Medtech Sdn. Bhd.							
1	No. 18, Jalan Keris Naga, Taman Pasifik Selatan, 83000 Batu Pahat, Johor, Malaysia.	4 Storey Building Complex	Freehold	6,056 (13,946)	33	605	04/04/1994*
PCCS Garments (Suzhou) Ltd.							
2	North Side of Road 318, Jin Xing Village, Zhen Ze Town Development Zone, 215231 Zhen Ze ,Wu Jiang City, Jiang Su Province, China.	Office and Factory Building	Leasehold expiring 3/11/2052	162,497 (128,325)	24	7,879	28/08/2008
		1 Block of Dormitory	Leasehold expiring 27/7/2058	23,509 (28,710)	18	1,073	21/08/2008
3	Room 203,205 & 206, 2nd Floor, Shanghai Western Business District C-2, No.31, Lot 1555, Jing Sha Jiang Xi Road, Jia Ding Area, Shanghai, China 201803	3 units Office Lot cum 3 units car park	Leasehold expiring 13/9/2056	10,570 (9,462)	13	5,718	30/04/2013
4	Room 3, 28th Floor, 1st Block, Time Square, Yan Jiang Road No. 159, Jiang An Area, Wuhan City, Hubei Province, China.	1 unit Office Lot	Leasehold expiring 01/03/2053	1,939 (1,939)	22	1,606	09/09/2010
Mega Labels & Stickers (Cambodia) Co., Ltd.							
5	P2-067, Phnom Penh Special Economic Zone, Sangkat Kantouk, Sangkat Phleung Chhe Rotes, and Sangkat Beung Thom, Khan Por Senchey, Phnom Penh, Cambodia.	2 Blocks of 2 Storey Office and Factory Building	Leasehold expiring 22/7/2062	61,785 (42,614)	14	1,762	23/07/2012
6	P2-068, Phnom Penh Special Economic Zone, Sangkat Kantouk, Sangkat Phleung Chhe Rotes, and Sangkat Beung Thom, Khan Por Senchey, Phnom Penh, Cambodia.	Factory Building	Leasehold expiring 12/9/2062	56,145 (25,663)	11	2,605	12/09/2012

GROUP PROPERTIES (CONT'D)

No.	Location	Description and Existing Use	Tenure	Land Area (build-up area) sq. ft.	Age of Building No. of Years	Net Book Value RM'000	Date of Acquisition/ Revaluation*
PCCS Garments (Shandong) Ltd.							
7	ShanDong Province, Shan County YuanYi Street, Lao DingDang Road Off TianYuan Primary School 274300 China.	3 Blocks of 1 Storey Production Floor; 1 Block of 2 Storey Multimedia Room; 1 Block of 1 Storey Staff Canteen; 2 Blocks of 1 Storey Warehouses; 1 Block of 3 Storey Administrative Office; 2 Blocks of 2 Storey Warehouses; and 2 Blocks of 3 Storey Hostel	Leasehold Expiring 16/12/2068	496,076 (252,629)	15	13,639	03/09/2019
Wan He Da Manufacturing Company Limited							
8	National Road No. 4, Phum Ang, Sangkat Chaom Chau, Khan Pou Senchey, Phnom Penh City, Kingdom of Cambodia.	1 Block of 2 Storey Factory Building; 2 Blocks of 4 Storey Factory; and Office Building	Leasehold Expiring 31/12/2075	222,425 (225,217)	18	8,859	10/09/2019

ANALYSIS OF SHAREHOLDINGS
AS AT 30 JUNE 2026

Total Issued Share Capital	:	223,020,907 shares (including 2,430,900 Treasury Shares)
Class of Shares	:	Ordinary Shares
Voting Rights	:	One (1) vote per Ordinary Share

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%^	No. of Shares	%^
1 – 99	310	12.21	14,372	0.01
100 – 1,000	292	11.51	171,974	0.08
1,001 – 10,000	1,280	50.43	5,590,744	2.53
10,001 – 100,000	544	21.43	17,496,161	7.93
100,001 - 11,029,499 (*)	107	4.22	77,008,786	34.91
11,029,500 and above (**)	5	0.20	120,307,970	54.54
TOTAL	**2,538**	**100.00**	**220,590,007^**	**100.00**

Remark: * Less than 5% of issued holdings
** 5% and above of issued holdings
^ Excluding 2,430,900 Treasury Shares

LIST OF SUBSTANTIAL SHAREHOLDERS

The substantial shareholders of PCCS (holding 5% or more of the capital) based on the Register of Substantial Shareholders of the Company are as follows:

	Direct Interest		Indirect Interest	
Substantial Shareholders	No. of Shares	%^	No. of Shares	%^
CCS Capital Sdn. Bhd.	91,405,328	41.44	–	–
Chan Choo Sing	8,376,102	3.80	93,506,828(1)	42.39
Tan Kwee Kee	2,101,500	0.95	99,781,430(2)	45.23
Chan Wee Kiang	3,055,364	1.39	91,405,328(3)	41.44
Federlite Holdings Sdn. Bhd.	16,020,400	7.26	–	–
Soh Chak Boo	702,500	0.32	16,020,400(4)	7.26
Mok Puay Kang	300,000	0.14	16,020,400(4)	7.26
Chan Chow Tek	11,536,142	5.23	–	–

Notes:

^ Calculated based on the total number of issued shares of 220,590,007 ordinary shares excluding Treasury Shares of 2,430,900 ordinary shares
(1) Deemed interested by virtue of his spouse, Madam Tan Kwee Kee's shareholding in the Company and his direct interest of 40% in the equity of CCS Capital Sdn. Bhd.
(2) Deemed interested by virtue of her spouse, Mr. Chan Choo Sing's shareholding in the Company and her direct interest of 20% in the equity of CCS Capital Sdn. Bhd.
(3) Deemed interested by virtue of his direct interest of 30% in the equity of CCS Capital Sdn. Bhd.
(4) Deemed interested by virtue of the shares held by him/her in Federlite Holdings Sdn. Bhd.

ANALYSIS OF SHAREHOLDINGS
(CONT'D)

LIST OF DIRECTORS' SHAREHOLDINGS

The Directors' Shareholdings of PCCS based on the Register of Directors' Shareholdings of the Company are as follows:

Directors	Direct Interest No. of Shares	Direct Interest %^	Indirect Interest No. of Shares	Indirect Interest %^
Chan Wee Kiang	3,055,364	1.39	91,405,328(1)	41.44
Chan Wee Boon	460,000	0.21	–	–
Chan Chow Tek	11,536,142	5.23	–	–
Dato' Chan Chor Ngiak	5,089,026	2.31	4,665(2)	negligible
Chan Chor Ang	4,607,969	2.09	100,000(3)	0.05
Piong Yew Peng	250,000	0.11	–	–
Joyce Wong Ai May	60,000	0.03	–	–
Goh Wen Ling	–	–	–	–

Notes:

^ Calculated based on the total number of issued shares of 220,590,007 ordinary shares excluding Treasury Shares of 2,430,900 ordinary shares
(1) Deemed interested by virtue of his direct interest of 30% in the equity of CCS Capital Sdn. Bhd.
(2) Deemed interested by virtue of his spouse, Datin Mok Gwa Nang's shareholding in the Company.
(3) Deemed interested by virtue of his spouse, Madam Chia Lee Kean's shareholding in the Company.

THIRTY (30) LARGEST SHAREHOLDERS

No.	Shareholders	No. of Shares	%^
1	CCS Capital Sdn. Bhd.	52,705,328	23.89
2	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for CCS Capital Sdn. Bhd.	28,600,000	12.97
3	Federlite Holdings Sdn. Bhd.	16,020,400	7.26
4	Chan Chow Tek	11,536,142	5.23
5	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for See Kok Wah	11,446,100	5.19
6	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for CCS Capital Sdn. Bhd.	10,100,000	4.58
7	Chan Choo Sing	8,376,102	3.80
8	Dato' Chan Chor Ngiak	5,089,026	2.31
9	Chan Chor Ang	4,607,969	2.09
10	Chan Wee Kiang	2,995,364	1.36

THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

No.	Shareholders	No. of Shares	%^
11	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Kong Kok Choy	2,556,100	1.16
12	Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Private Wealth Management for Avia Assets Sdn. Bhd.	2,497,800	1.13
13	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Tan Kwee Kee	2,101,500	0.95
14	PM Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Kong Kok Choy	1,908,000	0.86
15	Ching Gek Lee	1,900,000	0.86
16	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chin Foo Kong	1,602,900	0.73
17	RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ooi Keng Thye	1,547,200	0.70
18	Ban Hock Seng Sdn. Bhd.	1,450,000	0.66
19	Kong Kok Choy	1,300,000	0.59
20	Low Hing Noi	1,300,000	0.59
21	Gek Lee Enterprise Sdn. Bhd.	1,250,000	0.57
22	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Goalkey System Sdn. Bhd.	1,163,000	0.53
23	Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lim King Hua	1,120,000	0.51
24	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chin Shan Shan	1,097,000	0.50
25	RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Gan Seong Liam	1,000,000	0.45
26	Syarikat Rimba Timur (RT) Sdn. Bhd.	1,000,000	0.45
27	IFAST Nominees (Tempatan) Sdn. Bhd. Lim Poh Teot	876,866	0.40
28	Amsec Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Law Goo @ Law Yeow Ching	850,000	0.39
29	Soh Chak Boo	702,500	0.32
30	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ooi Chin Hock	663,350	0.30
		179,362,647	**81.33**

Note:

^ Calculated based on the total number of issued shares of 220,590,007 ordinary shares excluding Treasury Shares of 2,430,900 ordinary shares

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PCCS GROUP BERHAD
[Registration No. 199301026191 (280929-K)]
(Incorporated in Malaysia)

FORM OF PROXY

NUMBER OF SHARES HELD	CDS ACCOUNT NO.

*I/We, ____
(Full Name as per NRIC/Certificate of Incorporation in Capital Letters)

Registration No./NRIC No./Passport No. ______________________ of ______________________

____
(Full Address)

being a *Member/Members of PCCS GROUP BERHAD, do hereby appoint ______________________

______________________________ NRIC No./Passport No. ______________________
(Full Name as per NRIC in Capital Letters)

of ____
(Full Address)

or failing *him/her, ______________________________________ NRIC No./Passport No.
(Full Name as per NRIC in Capital Letters)

______________________ of ______________________________________
(Full Address)

or failing *him/her, the CHAIRMAN OF THE MEETING, as *my/our proxy to attend and vote for *me/us and on *my/our behalf at the Thirty-Second ("**32nd**") Annual General Meeting of the Company to be held at PCCS Group Berhad's Corporate Office, Lot 1376, GM 127, Mukim Simpang Kanan, Jalan Kluang, 83000 Batu Pahat, Johor Darul Takzim on Thursday, 27 August 2026 at 9:30 a.m. or at any adjournment thereof.

Please indicate with an "X" in the spaces provided below how you wish your votes to be casted. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

Resolution No.	Resolutions	For	Against
1.	To re-elect Mr. Chan Wee Kiang.		
2.	To re-elect Mr. Chan Chor Ang.		
3.	To re-elect Mr. Piong Yew Peng.		
4.	To approve the payment of Directors' fees for the period from 28 August 2026 until the next Annual General Meeting of the Company to be held in year 2027.		
5.	To approve the benefits payable to the Independent Non-Executive Directors for the period from 28 August 2026 until the next Annual General Meeting of the Company to be held in year 2027 pursuant to Section 230(1)(b) of the Companies Act 2016.		
6.	To re-appoint Baker Tilly Monteiro Heng PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
7.	Authority to Issue Shares pursuant to the Companies Act 2016 and Waiver of Pre-Emptive Rights.		
8.	Retention of Mr. Piong Yew Peng as an Independent Non-Executive Director.		
9.	Proposed Renewal of Share Buy-Back Authority.		

** Strike out whichever not applicable*

Signed this__________ day of ____________ 2026

____
Signature of Member/Common Seal

Notes:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 18 August 2026 shall be eligible to attend the Meeting.
2. A member entitled to attend and vote at the Meeting, shall be entitled to appoint more than one (1) proxy to attend, participate, speak and vote instead of the member at the Meeting. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to attend, participate, speak and vote at the Meeting and upon appointment, a proxy shall be deemed to confer authority to demand or join in demanding a poll.
3. Where a member appoints more than one (1) proxy in relation to the Meeting, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy, failing which the appointment shall be invalid.
4. Where a member of the Company is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.
6. The instrument appointing a proxy must be deposited at Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time for holding the Meeting or at any adjournment thereof.
7. Any Notice of Termination of Authority to act as Proxy must be received by the Company before the commencement of the Meeting or at any adjournment thereof, failing which, the termination of the authority of a person to act as proxy will not affect the following in accordance with Section 338 of the Companies Act 2016: -
   (a) the constitution of the quorum at such meeting;
   (b) the validity of anything he/she did as chairman of such meeting;
   (c) the validity of a poll demanded by him/her at such meeting; or
   (d) the validity of the vote exercised by him/her at such meeting.

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AFFIX
STAMP

PCCS Group Berhad [199301026191 (280929-K)]
Securities Services (Holdings) Sdn. Bhd.

Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan

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Fold This Flap For Sealing

PCCS GROUP BERHAD
Registration No. 199301026191 (280929-K)
(Incorporated In Malaysia)

Lot 1376, GM 127,
Mukim Simpang Kanan,
Jalan Kluang, 83000 Batu Pahat,
Johor Darul Takzim

Tel No: +607-456 8871 / +6012-794 0574

www.pccsgroup.net