



PECCA

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GROUP BERHAD



**PECCA GROUP BERHAD**

(Registration No. 201001025617 (909531-D))  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2025**

		Individual and Cumulative Quarter			
		Current Year Quarter	Preceding Year Quarter	Variance %	
Notes		30.09.2025 RM'000	30.09.2024 RM'000		
	<b>Revenue</b>	A9	60,593	55,911	8.4%
	Cost of sales		(35,055)	(31,841)	10.1%
	<b>Gross profit</b>		25,538	24,070	6.1%
	Other Income		247	275	(10.2%)
	Selling and distribution expenses		(1,530)	(1,760)	(13.1%)
	Administrative expenses		(4,689)	(4,640)	1.1%
	<b>Results from operating activities</b>		19,566	17,945	9.0%
	Finance income		858	1,176	(27.0%)
	Finance costs		(83)	(74)	12.2%
	<b>Profit before taxation</b>	B5	20,341	19,047	6.8%
	Income tax expense	B6	(4,961)	(4,476)	10.8%
	<b>Profit for the period</b>		15,380	14,571	5.6%
	<b>Other comprehensive income, net of tax</b>				
	Actuarial loss on post-employment benefits		-	-	0%
	Foreign currency translation differences on foreign operations		(114)	(229)	(50.2%)
	<b>Total comprehensive income for the financial period</b>		15,266	14,342	6.4%
	<b>Profit attributable to:-</b>				
	Owners of the company		15,385	14,581	5.5%
	Non-controlling interests		(5)	(10)	(50.0%)
	<b>Profit for the period</b>		15,380	14,571	6%
	<b>Total comprehensive income attributable to:-</b>				
	Owners of the Company		15,293	14,398	6.2%
	Non-controlling interests		(27)	(56)	(51.8%)
	<b>Total comprehensive income for the financial period</b>		15,266	14,342	6.4%
	<b>Earnings per share attributable to Owners of the Company (sen) <sup>(2)</sup></b>				
	- Basic	B12	2.12	1.97	7.7%
	- Diluted		2.12	1.97	7.7%

Notes:

(1) The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the explanatory notes attached to this Condensed Report.

(2) Based on the weighted average number of ordinary shares in issue as detailed in Note B12.

**PECCA GROUP BERHAD**

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2025**

	<b>As at 30.09.2025 Unaudited RM'000</b>	<b>As at 30.06.2025 Audited RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	44,196	42,538
Right-of-use assets	42,384	23,508
Other investments	418	418
Goodwill	140	140
Deferred tax assets	11	-
	<u>87,149</u>	<u>66,604</u>
<b>Current Assets</b>		
Inventories	20,654	23,824
Trade and other receivables	40,940	45,232
Prepayments	5,323	4,552
Current tax assets	258	74
Cash and cash equivalents	108,858	104,910
	<u>176,033</u>	<u>178,592</u>
<b>Total assets</b>	<u>263,182</u>	<u>245,196</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	135,702	135,702
Treasury shares	(35,125)	(30,986)
Reserves	111,797	103,749
<b>Total equity attributable to owners of the Company</b>	<u>212,374</u>	<u>208,465</u>
Non-controlling interests	541	568
	<u>212,915</u>	<u>209,033</u>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Deferred tax liabilities	7,151	7,128
Lease liabilities	427	108
Post-employment benefits	25	25
Borrowings	13,030	4,069
	<u>20,633</u>	<u>11,330</u>
<b>Current Liabilities</b>		
Trade and other payables	22,687	20,144
Dividend payable	-	-
Current tax liabilities	3,851	3,056
Lease liabilities	666	320
Borrowings	2,430	1,313
	<u>29,634</u>	<u>24,833</u>
<b>Total liabilities</b>	<u>50,267</u>	<u>36,163</u>
<b>Total equity and liabilities</b>	<u>263,182</u>	<u>245,196</u>
<b>Net assets per share attributable to owners of the parents (sen) <sup>(2)</sup></b>		
	<u>29.32</u>	<u>28.66</u>

**Notes:**

(1) The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the explanatory notes attached to this Condensed Report.

(2) Based on the number of ordinary shares in issue less Treasury Shares as at 30 September 2025 of 724,454,932 (30 June 2025: 727,275,732).



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2025**

	← Attributable to owners of the Company →							Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	← Non-distributable →				Distributable					
	Share Capital RM'000	Treasury Shares RM'000	Merger Deficit RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Other Reserve RM'000	Retained Earnings RM'000			
<b>At 1 July 2025</b>	135,702	(30,986)	(60,822)	(338)	18,965	1	145,943	208,465	568	209,033
<b>Profit after taxation for the financial year</b>	-	-	-	-	-	-	15,385	15,385	(5)	15,380
<b>Other comprehensive income for the financial year:</b>										
- Actuarial loss on post-employment benefits	-	-	-	-	-	*	-	-	-	-
- Foreign currency translation differences on foreign operations	-	-	-	(92)	-	-	-	(92)	(22)	(114)
<b>Transactions with owners</b>										
- Dividend distributions to owners of the Company	-	-	-	-	-	-	(7,245)	(7,245)	-	(7,245)
- Purchase of own shares	-	(4,139)	-	-	-	-	-	(4,139)	-	(4,139)
<b>At 30 September 2025</b>	135,702	(35,125)	(60,822)	(430)	18,965	1	154,083	212,374	541	212,915

\* Amount less than RM1,000

**Note:**

(1) The unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the explanatory notes attached to this Condensed Report.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED  
30 SEPTEMBER 2025**

	<b>3 months ended 30 September</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	20,341	19,047
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	1,357	1,214
Depreciation of right-of-use assets	313	185
Property, plant and equipment written off	-	2
Impairment gain on plant and machineries	-	(500)
Unrealised loss/(gain) on foreign exchange	131	(103)
Finance costs	83	74
Finance income	(858)	(1,176)
Gain on disposal of property, plant and equipment	(11)	(1)
<b>Operating profit before working capital changes</b>	<u>21,356</u>	<u>18,742</u>
Changes in inventories	3,148	198
Changes in trade and other receivables	(3,317)	922
Changes in contract assets	-	(35)
Changes in prepayments	7,444	(1,147)
Changes in trade and other payables	<u>1,823</u>	<u>139</u>
<b>Cash generated from operations</b>	30,454	18,819
Net income tax paid	(4,340)	(5,141)
Interest paid	<u>(83)</u>	<u>(74)</u>
<b>Net cash from operating activities</b>	<u>26,031</u>	<u>13,604</u>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(3,039)	(1,170)
Acquisition of right-of-use assets	(18,236)	(333)
Proceeds from disposal of plant and equipment	11	1
Interests received	<u>858</u>	<u>1,176</u>
<b>Net cash for investing activities</b>	<u>(20,406)</u>	<u>(326)</u>
<b>CASH FLOWS FOR FINANCING ACTIVITIES</b>		
Payment of lease liabilities	(291)	(205)
Dividends paid	(7,245)	(22,403)
Net proceeds/(repayment) of borrowings	10,078	(1,357)
Purchase of own shares	<u>(4,139)</u>	<u>(15,438)</u>
<b>Net cash for financing activities</b>	<u>(1,597)</u>	<u>(39,403)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	4,028	(26,125)
Effects of foreign exchange translation	(80)	(239)
<b>Cash and cash equivalents at the beginning of financial period</b>	<u>104,910</u>	<u>153,682</u>
<b>Cash and cash equivalents at the end of financial period</b>	<u>108,858</u>	<u>127,318</u>

Note:

(1) The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the explanatory notes attached to this Condensed Report.



## **A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING**

### **A1. Basis of preparation**

The Condensed Consolidated Interim Financial Statements ("Condensed Report") are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134 *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This Condensed Report also complies with International Accounting Standard 34 *Interim Financial Reporting* issued by the International Accounting Standards Board. This Condensed Report should be read in conjunction with the audited financial statements of Pecca Group Berhad ("Pecca" or the "Company") and its subsidiaries (the "Group") for the financial year ended 30 June 2025.

The explanatory notes to this Condensed Report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2025.

This Condensed Report is presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

### **A2. Significant accounting policies**

The significant accounting policies and methods of computation adopted in this Condensed Report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2025. The Group has not applied in advance the following accounting standards (including the consequential amendments, if any that have been issued by the Malaysian Accounting Standards Board ("MASB")) but are not yet effective for the current financial year:

#### Effective for annual reporting periods beginning on or after 1 January 2026

- Annual Improvements to MFRS - Volume 11
- Amendments to MFRS 9 *Financial Instruments* and MFRS 7 *Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Instruments*
- Amendments to MFRS 9 *Financial Instruments* and MFRS 7 *Financial Instruments: Disclosures: Contracts Referencing Nature-dependent Electricity*

#### Effective for annual reporting periods beginning on or after 1 January 2027

- MFRS 18 *Presentation and Disclosure in Financial Statements*
- MFRS 19 *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 19: *Subsidiaries without Public Accountability: Disclosures*

#### Effective date of the following Amendments has been deferred to a date to be announced by the MASB

- Amendments to MFRS 10: *Consolidated Financial Statements* and MFRS 128 *Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The above pronouncements are either not relevant or do not have any material impact to the financial statements of the Group.

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**A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING** *(continued)***A3. Auditors' report on preceding financial year financial statements**

There was no qualification to the audited financial statements of the Group for the financial year ended 30 June 2025.

**A4. Seasonal or cyclical factors**

The business operations of the Group are not materially affected by any seasonal or cyclical factors in the current quarter.

**A5. Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no material unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter.

**A6. Changes in estimates**

There were no changes in estimates of amounts reported in prior periods that had a material effect during the current quarter.

**A7. Debt and equity securities**

The Company re-purchased additional 2,820,800 number of shares at an average purchase price of RM1.47 per share for a total consideration of RM4,138,356 in the current quarter.

Other than the above, there was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current quarter.

As at 30 September 2025, the number of treasury shares held were 27,545,068 ordinary shares at RM35,124,806.

**A8. Dividends paid**

	<b>30.09.2025</b>	<b>30.09.2024</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>In respect of financial year ended 30 June 2025</b>		
Fourth interim single-tier dividend paid on 26 September 2025*		
- 1.00 sen per ordinary share	7,245	-
<b>In respect of financial year ended 30 June 2024</b>		
Third interim single-tier dividend paid on 25 July 2024		
- 1.50 sen per ordinary share	-	11,277
Fourth interim single-tier dividend paid on 20 September 2024		
- 1.50 sen per ordinary share	-	11,126
	<u>7,245</u>	<u>22,403</u>

\* Dividends declared by the Group during year-to-date ended 30 September 2025



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**A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING** *(continued)*

**A9. Segmental information**

a) Operating segments

The Group's current business activities comprise of Automotive, Aviation and others. The Automotive segment focuses on styling, manufacturing, distribution and installation of automotive leather upholstery for car seat covers and accessories covers. The Aviation segment provides services in manufacturing, repair, refurbishment, distribution, and installation of aircraft seat covers and parts refurbishment. The breakdown of the Group's total revenue by business activities and products are as follows: -

		<b>Current and Cumulative Quarter Ended</b>	
		<b>30.09.2025</b>	<b>30.09.2024</b>
		<b>RM'000</b>	<b>RM'000</b>
<b><u>AUTOMOTIVE (MALAYSIA)</u></b>			
Car seat covers			
OEM <sup>(1)</sup>		50,416	46,338
REM <sup>(1)</sup>		1,576	2,300
PDI <sup>(1)</sup>		1,606	1,738
Sub-total for car seat covers		53,598	50,376
Sewing of fabric car seat covers			
OEM <sup>(1)</sup>		3,306	2,965
Manufacturing of leather/PVC car accessories covers and miscellaneous seat covers, and provision of wrapping and stitching services			
OEM <sup>(1)</sup>		259	301
REM <sup>(1)</sup>		617	718
		876	1,019
Leather cut pieces supply			
OEM <sup>(1)</sup>		77	82
REM <sup>(1)</sup>		49	51
		126	133
<b>SUB-TOTAL AUTOMOTIVE (MALAYSIA)</b>	<b>(A)</b>	<b>57,906</b>	<b>54,493</b>
<b><u>AUTOMOTIVE (INDONESIA)</u></b>			
Car seat covers			
OEM <sup>(1)</sup>		149	-
REM <sup>(1)</sup>		127	67
PDI <sup>(1)</sup>		302	419
Sub-total for car seat covers		578	486
Manufacturing of leather/PVC car accessories covers and miscellaneous seat covers, and provision of wrapping and stitching services			
OEM <sup>(1)</sup>		1,204	698
REM <sup>(1)</sup>		5	-
		1,209	698
<b>SUB-TOTAL AUTOMOTIVE (INDONESIA)</b>	<b>(B)</b>	<b>1,787</b>	<b>1,184</b>
<b>AVIATION</b>	<b>(C)</b>	791	230
<b>OTHERS</b>	<b>(D)</b>	109	4
<b>RAND TOTAL</b>	<b>(E) = A+B+C+D</b>	<b>60,593</b>	<b>55,911</b>

Note:

- (1) OEM – Original Equipment Manufacturer
- REM – Replacement Equipment Manufacturer
- PDI – Pre-delivery Inspection



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**A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING** *(continued)***A9. Segmental information** *(continued)*b) Geographical segments

The segment information in respect of the Group's geographical segments are as follows: -

	Current and Cumulative Quarter Ended	
	30.09.2025 RM'000	30.09.2024 RM'000
Malaysia	56,969	51,994
Rest of Asia	2,240	2,124
Europe	934	942
North America	354	733
Oceania	96	118
	<u>60,593</u>	<u>55,911</u>

**A10. Valuation of property, plant and equipment**

The Group has not carried out any valuation on its property, plant and equipment in the current quarter.

**A11. Capital commitments**

As at 30 September 2025, there were no authorised capital commitments.

**A12. Changes in the composition of the Group**

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

**A13. Contingent liabilities or contingent assets**

There were no material contingent liabilities or contingent assets as at the date of this Condensed Report.

**A14. Material events subsequent to the end of the current quarter**

There were no other material events subsequent to the end of the current quarter that have not been reflected in this Condensed Report.

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**A. EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING** *(continued)*

**A15. Related party transactions**

The Group's related party transactions for the current quarter and the cumulated quarter ended 30 September 2025 are as follows: -

	<b>Current and Cumulative Quarter Ended 30.09.2025 RM'000</b>
Sales to related parties	
- Rentas Health Sdn. Bhd.	98
- Pecman Sdn. Bhd.	*
Rental charges to related parties	
- Tint Auto (M) Sdn. Bhd.	54
- Rentas Health Sdn. Bhd.	43
Management service to related parties	
- Tint Auto (M) Sdn. Bhd.	15
- Rentas Health Sdn. Bhd.	6
- Pecman Sdn. Bhd.	2

\* Amount less than RM1,000

Note:

(1) The related party is a company in which certain Directors and substantial shareholders of the Group have interests.

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**B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Performance review**

**1Q 2026 vs 1Q 2025**

For the current quarter ended 30 September 2025 ("1Q 2026"), the Group recorded substantially higher revenue of RM60.6 million, compared to RM55.9 million in the preceding year corresponding quarter ended 30 September 2024 ("1Q 2025"). The increase was mainly driven by higher sales volume from the Automotive segment in both Malaysia and Indonesia operations, as well as contributions from the Aviation segment.

The upward revenue trend aligns with the increase in profit after tax ("PAT") for 1Q 2026, which rose by 5.6% to RM15.4 million, as compared to RM14.6 million recorded in 1Q 2025. Continued initiatives to improve production cost efficiency across all segments, combined with disciplined management of selling and distribution expenses, enabled the company to maximise profitability through economies of scale. Nevertheless, the reduction in finance income was primarily due to the utilisation of cash and cash equivalents for dividend payouts, which reward the continued support of shareholders, and for the acquisition of property, plant and equipment to support the Group's ongoing business expansion plan.

The Group's revenue was primarily driven by the manufacturing of car seat covers, the sewing and manufacturing of car accessories covers and miscellaneous seat covers, the provision of wrapping and stitching services, as well as the supply of leather cut pieces within the automotive segment across both Malaysia and Indonesia operations. The automotive segment contributed approximately 98.5% of the total Group's revenue, with OEM accounting for 91.5%, REM for 3.9%, and PDI for 3.1%. Meanwhile, the aviation segment contributed approximately 1.3% of total Group revenue.

**B2. Financial review for the current quarter compared with the immediate preceding quarter**

	<b>Current Year Quarter 30.09.2025 ("1Q 2026") RM'000</b>	<b>Immediate Preceding Quarter 30.06.2025 ("4Q 2025") RM'000</b>	<b>Variance</b>	
			<b>RM'000</b>	<b>%</b>
Revenue	60,593	52,844	7,749	15%
Profit after tax	15,380	13,512	1,868	14%

For 1Q 2026, the Group achieved a solid performance, with revenue increasing by 15% to RM60.6 million from RM52.8 million recorded in 4Q 2025. This growth was primarily driven by higher sales volume for car seat covers in both Malaysia and Indonesia operations, along with contributions from the Aviation segment.

Correspondingly, the Group recorded a higher PAT for 1Q 2026, rising by 14% to RM15.4 million from RM13.5 million in 4Q 2025. The improvement in profitability was supported further by continued production cost efficiencies and effective cost control measures, which together helped increase overall profit.



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**B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD** *(continued)*

**B3. Prospects**

Automotive segment

Malaysia's automotive sector recorded a total industry volume of 579,336 units in the first nine months of 2025, a 2.8% moderation from 595,883 units in the same period of 2024, according to the Malaysian Automotive Association. Vehicle sales are expected to improve towards the year end, supported by promotional campaigns and stronger demand for battery electric vehicles ("BEVs") ahead of the expiry of the tax exemption for completely built-up BEVs.

The Group remains focused on its strategic expansion to achieve Tier-1 automotive component manufacturer status, and continues to make progress on its upcoming second manufacturing facility at the UMW High Value Manufacturing Park in Serendah, Selangor. The facility, with Phase 1 targeted for the second half of 2026, will be vital in supporting the rising demand for aviation and automotive seating, upholstery, and interior components, while enhancing the Group's ability to serve its expanding customer base.

- Original Equipment Manufacturer ("OEM")

In the OEM segment, the Group is expanding its operations to become a full solution provider for integrated interiors, enabling it to offer a wider range of services and venture into more integrated segments across the automotive value chain. The expansion includes full seat assembly and broadening its portfolio of complex components, such as commencing mass production of an innovative instrument panel leather wrap by the end of 2025 for a customer's upcoming electric vehicle model launch.

The Group continues to pursue OEM contracts for the manufacturing of upholstery car seat covers in Indonesia via its subsidiary, PT Pecca Gemilang Indonesia, to increase the Group's market share in the Indonesian automotive sector. Meanwhile, PT Pecca Gemilang Indonesia continues to secure projects from OEM, Replacement Equipment Manufacturer ("REM"), and Pre-Delivery Inspection customers for the sewing and supply of automotive seat and accessory covers.

- Replacement Equipment Manufacturer ("REM")

The Group is strengthening its REM product reach across local and international markets, including the United Kingdom, Saudi Arabia, Netherlands, the United States, Singapore, Australia, New Zealand, as well as the broader Middle East, and Europe. These markets continue to exhibit consistent demand for customised, high-quality REM parts.



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**B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD** *(continued)*

**B3. Prospects** *(continued)*

Aviation segment

Malaysia's aviation sector is poised for sustained growth as the country's aerospace industry revenue is expected to hit RM30.0 billion in 2025 from RM25.1 billion (US\$5.93 billion) in 2024. The positive outlook points to sustained long-term growth in the aerospace and aviation sectors, reinforcing Malaysia's position as a regional Maintenance, Repair, and Overhaul ("MRO") hub and resulting in greater demand for MRO services.

The aviation segment is demonstrating its strong growth momentum, driven by the significant ramp-up of its MRO activities. The Group continues to secure multiple cabin interior refurbishment projects for domestic and international airlines, helicopters, and private aircraft, while actively pursuing new contracts for commercial and general aviation. The Group is also broadening its portfolio beyond MRO services to the application of additive manufacturing and carbon-fibre composite technologies, as well as the supply of aviation-grade consumables.

In addition to certifications obtained from the Civil Aviation Authority of Malaysia and the European Union Aviation Safety Agency, the Group is pursuing certifications from other regional aviation regulators, including the Civil Aviation Authority of Thailand, the Civil Aviation Authority of Singapore, the Directorate General of Civil Aviation of Indonesia, and the Directorate General Technical Airworthiness of Malaysia. These certifications will further enhance the Group's credentials and support its regional expansion across SEA.

Group Outlook

The Group maintains a positive outlook for the financial year ending 30 June 2026. This outlook is supported by the new model pipeline from key customers and the significant ramp-up and contribution from new high-margin segments, including aviation, locomotive, and the REM export market.

The Group's growth strategy continues to prioritise geographic expansion and diversification across four key pillars: OEM, REM, Aviation, and Emerging Ventures. Operationally, the Group's focus is on enhancing its skilled craftsmanship, supported by automation and technology to meet demand for high-quality products, improve efficiency, and maintain cost competitiveness

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**B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD** *(continued)***B4. Variance of actual profit from profit forecast and profit guarantee**

The Group has not issued any profit forecast or profit guarantee in any form of public documentation or announcement.

**B5. Profit before taxation**

The profit before taxation is stated after charging/(crediting): -

	<b>Current and Cumulative Quarter Ended 30.09.2025 RM'000</b>
Finance income	(858)
Finance cost	83
Depreciation of:	
- Property, plant and equipment	1,357
- Right-of-use assets	313
Realised gain on foreign exchange	(81)
Unrealised loss on foreign exchange	131

Save as disclosed above, the other items as required under paragraph 16 of Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

**B6. Taxation**

	<b>Current and Cumulative Quarter Ended 30.09.2025 RM'000</b>
Income tax expense	<u>4,961</u>

The effective tax rate for the financial year ended is slightly higher of 24.39% compared to the statutory tax rate of 24.00%, mainly due to certain expenses which are not deductible for taxation purpose.

**B7. Status of corporate proposals**

There was no corporate proposal announced and not completed as at the date of this Condensed Report.



**B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD** *(continued)*

**B8. Utilisation of proceeds**

As announced on 23 April 2018, the Board of Directors has approved the variation of the utilisation of IPO proceeds amounting to RM6.60 million and the extension of time for utilisation of IPO proceeds amounting to RM2.62 million for another 24 months from 19 April 2018. After due deliberation, the Board intends to undertake the variations to vary the utilization of the proceed for working capital and extend the frame to another 24 months from 19 April 2020 to 19 April 2022. In view of the Covid-19 pandemic and Movement Control Order enforced by the Government in March 2020 until the endemic which as announced in April 2022, the Board has approved to further extended the timeframe for utilisation of the proceeds for working capital for another 24 months from 19 April 2022 to 19 April 2024. Further extension of time for another 24 months from 19 April 2024 to 19 April 2026 has been approved by the Board because the REM segment is expanding to more export markets such as US, Middle East and Thailand.

The status of utilisation of the proceeds from the Public Issue of 47,796,000 new ordinary shares at RM1.42 per share as at 30 September 2025 is as follows: -

<b>Purposes</b>	<b>Revised Expected Timeframe for Utilisation (from 19 April 2018)</b>	<b>Revised Amount (RM'000)</b>	<b>Actual Utilisation (RM'000)</b>	<b>Utilised %</b>
a) Working capital	-	27,859	(27,859)	100
b) Repayment of bank borrowings	-	17,100	(17,100)	100
c) Purchase of machineries for the production of car leather seat covers	Within 24 months	4,871	(4,871)	100
d) Construction of an additional storey of production floor area on the existing factory building	-	5,000	(5,000)	100
e) Opening of retail outlets	-	0	0	100
f) Establishment of market presence in Thailand	Within 24 months	0	0	100
g) Expansion of aviation business	Within 24 months	834	(834)	100
h) Estimated listing expenses	-	4,111	(4,111)	100
g) Purchase of raw material	-	5,350	(5,350)	100
i) Selling and distribution expenses of:				
- Retail	Within 24 months	2,000	(451)	23
- Thailand	Within 24 months	0	0	100
- Aviation	Within 24 months	745	(745)	100
<b>Total Public Issue Proceeds</b>		<b>67,870</b>	<b>(66,321)</b>	<b>98</b>

Note:

(1) The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Group dated 29 March 2016 and the announcement dated 23 April 2018.

**PECCA GROUP BERHAD**

(Registration No. 201001025617 (909531-D))

(Incorporated in Malaysia)

**B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (continued)****B9. Group borrowings**

	As at 30.09.2025 RM'000	As at 30.06.2025 Audited RM'000
<b>Short term borrowings</b>		
<b>Secured:</b>		
Hire Purchase Payable	480	683
Term Loan	1,950	630
	<u>2,430</u>	<u>1,313</u>
<b>Long term borrowings</b>		
<b>Secured:</b>		
Hire Purchase Payable	227	289
Term Loan	12,803	3,780
	<u>13,030</u>	<u>4,069</u>
	<u>15,460</u>	<u>5,382</u>

Banker' Acceptances and term loan are secured by corporate guarantees of the Group.

As at 30 September 2025, an addition term loan of RM10.5 million was drawn down to partially finance the acquisition of the land. The Group has extended corporate guarantees amounting to RM14.75 million to financial institutions for banking facilities granted to the subsidiary. The financial impact of the guarantees is immaterial as the subsidiary concerned is in positive financial standings to meet its obligation and when they fall due.

**B10. Material litigation**

The Group is not engaged in any material litigation either as plaintiff or defendant, which has a material effect on the financial position of the Group, and the Directors do not have any knowledge of any proceeding pending or threatened or of any facts likely to give rise to any proceedings which may materially and adversely affect the financial position or business of the Group, as at the date of this Condensed Report.

**B11. Dividend proposed**

Other than the dividends paid as disclosed in note A8, the Board of Directors has declared and approved the first interim single-tier dividend of 1.50 sen per ordinary share in respect of the financial year ending 30 June 2026. The dividend will be payable on 19 December 2025 to shareholders whose names appeared in the Record of Depositors of the Company at the close of business on 8 December 2025. The total dividend declared for the current financial period is 1.50 sen per ordinary share (30 September 2025: 1.50 sen per ordinary share).



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**B. EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD** *(continued)***B12. Earnings per share**

## (a) Basic earnings per ordinary share

The basic earnings per ordinary share for the current quarter and the financial year-to-date are computed as follows: -

	<b>Current and Cumulative Quarter Ended 30.09.2025 RM'000</b>
Profit attributable to equity holders of the company	<u>15,385</u>
Weighted average number of ordinary shares in issue excluding Treasury Shares	<u>725,083</u>
Basic earnings per ordinary share (sen)	<u>2.12</u>
Diluted earnings per ordinary share (sen)	<u>2.12</u>

## (b) Diluted earnings per ordinary share

There is no dilution in its earnings per ordinary share as at 30 September 2025.

**B13. Authorisation for issue**

The Condensed Report was authorised for issue by the Board of Directors on 20 November 2025.

**BY ORDER OF THE BOARD**

Kuala Lumpur  
20 November 2025