

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 31 DECEMBER 2020**

	Notes	Individual Quarter		Changes	Cumulative Quarter		Changes
		Current Year Quarter 31.12.2020 RM'000	Preceding Year Quarter 31.12.2019 RM'000	(%)	Current Year-To-Date 31.12.2020 RM'000	Preceding Year-To-Date 31.12.2019 RM'000	(%)
Revenue	A9	39,462	31,367	25.81	72,608	66,266	9.57
Cost of sales		(27,024)	(22,050)	22.56	(50,448)	(46,618)	8.22
<b>Gross profit</b>		<b>12,438</b>	<b>9,317</b>	<b>33.49</b>	<b>22,160</b>	<b>19,648</b>	<b>12.78</b>
Other Income		376	794	(52.65)	782	1,598	(51.07)
Selling and distribution expenses		(1,438)	(1,862)	(22.78)	(2,835)	(3,676)	(22.88)
Administrative expenses		(3,491)	(2,952)	18.23	(5,987)	(6,455)	(7.26)
<b>Operating Profit</b>		<b>7,885</b>	<b>5,297</b>	<b>48.88</b>	<b>14,120</b>	<b>11,115</b>	<b>27.04</b>
Finance costs		-	-	-	-	-	-
Profit before tax	B5	7,885	5,297	48.88	14,120	11,115	27.04
Income tax expense	B6	(1,834)	(1,212)	51.37	(2,969)	(2,460)	20.71
<b>Profit for the period</b>		<b>6,051</b>	<b>4,085</b>	<b>48.14</b>	<b>11,151</b>	<b>8,655</b>	<b>28.84</b>
<b>Other comprehensive income, net of tax</b>							
Exchange difference on translation of foreign operation		(3)	1	(323.31)	4	(2)	(342.33)
<b>Total comprehensive income for the period</b>		<b>6,048</b>	<b>4,086</b>	<b>48.01</b>	<b>11,155</b>	<b>8,653</b>	<b>28.91</b>
<b>Profit attributable to:</b>							
Owners of the company		6,052	4,145	46.01	11,159	8,762	27.36
Non-controlling interest		(1)	(60)	(99.15)	(8)	(107)	(92.98)
<b>Profit for the period</b>		<b>6,051</b>	<b>4,085</b>	<b>48.14</b>	<b>11,151</b>	<b>8,655</b>	<b>28.84</b>
<b>Total comprehensive income attributable to:</b>							
Owners of the company		6,051	4,146	45.93	11,161	8,761	27.39
Non-controlling interest		(3)	(60)	(95.73)	(6)	(108)	(94.85)
<b>Total comprehensive income for the period</b>		<b>6,048</b>	<b>4,086</b>	<b>48.01</b>	<b>11,155</b>	<b>8,653</b>	<b>28.91</b>
<b>Earnings per share attributable to Owners of the Company<sup>(2)</sup></b>							
- Basic (sen)	B12	3.50	2.26	55.04	6.46	4.78	35.24
- Diluted (sen)	B12	3.50	2.26	55.04	6.46	4.78	35.24

**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 2020 and the explanatory notes attached to this report.

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 31 DECEMBER 2020**

	Notes	Individual Quarter		
		Current Quarter 31.12.2020 RM'000	Immediate Preceding Quarter 30.09.2020 RM'000	Changes (%)
Revenue	A9	39,462	33,146	19.06
Cost of sales		(27,024)	(23,424)	15.37
Gross profit		12,438	9,722	27.94
Other Income		376	406	(7.36)
Selling and distribution expenses		(1,438)	(1,397)	2.89
Administrative expenses		(3,491)	(2,496)	39.86
<b>Operating Profit</b>		7,885	6,235	26.48
Finance costs		-	-	-
Profit before tax	B5	7,885	6,235	26.48
Income tax expense	B6	(1,834)	(1,135)	61.65
<b>Profit for the period</b>		6,051	5,100	18.66
<b>Other comprehensive income, net of tax</b>				
Exchange difference on translation of foreign operation		(3)	7	(148.46)
<b>Total comprehensive income for the period</b>		6,048	5,107	18.44
<b>Profit attributable to:</b>				
Owners of the company		6,052	5,107	18.50
Non-controlling interest		(1)	(7)	(92.94)
<b>Profit for the period</b>		6,051	5,100	18.66
<b>Total comprehensive income attributable to:</b>				
Owners of the company		6,051	5,110	18.40
Non-controlling interest		(3)	(3)	(34.53)
<b>Total comprehensive income for the period</b>		6,048	5,107	18.44
<b>Earnings per share attributable to Owners of the Company<sup>(2)</sup></b>				
- Basic (sen)	B12	3.50	2.96	18.50
- Diluted (sen)	B12	3.50	2.96	18.50

**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 2020 and the explanatory notes attached to this report.

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



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2020**

	<b>(Unaudited) 31.12.2020 RM'000</b>	<b>(Audited) 30.06.2020 RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	39,739	37,490
Right-of-use assets	11,450	11,474
Other investments	418	418
	<u>51,607</u>	<u>49,382</u>
<b>Current Assets</b>		
Inventories	20,639	22,945
Current tax assets	692	1,702
Trade and other receivables	28,197	17,504
Prepayments	8,431	1,686
Cash and bank balances	72,365	78,394
	<u>130,324</u>	<u>122,231</u>
<b>TOTAL ASSETS</b>	<u>181,931</u>	<u>171,613</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	135,702	135,702
Reserves	23,361	19,707
	<u>159,063</u>	<u>155,409</u>
Non-Controlling interest	(65)	(59)
<b>Total Equity</b>	<u>158,998</u>	<u>155,350</u>
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Deferred tax liabilities	5,261	5,261
	<u>5,261</u>	<u>5,261</u>
<b>Current Liabilities</b>		
Trade and other payables	17,603	10,724
Lease Liability	69	28
Contract Liability	-	250
	<u>17,672</u>	<u>11,002</u>
<b>Total Liabilities</b>	<u>22,933</u>	<u>16,263</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>181,931</u>	<u>171,613</u>
<b>Net assets per share attributable to owners of the Company (sen)<sup>(2)</sup></b>	<u>92.11</u>	<u>87.92</u>

*Notes:*

(1) The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020 and the explanatory notes attached to this report.

(2) Based on the number of ordinary shares in issue less Treasury Shares as at 31 December 2020 of 172,679,900 (30 June 2020: 176,761,800).



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2020**

	←————— Attributable to owners of the Company —————→						—————→	Non- controlling Interest	Total Equity
	←————— Non-Distributable			—————→ Distributable					
	Share Capital RM'000	Revaluation Reserve RM'000	Merger Deficit RM'000	Treasury Shares RM'000	Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	RM'000	RM'000
<b>At 01.07.2020</b>									
- as previously stated	135,702	10,899	(60,822)	(12,242)	(4)	81,876	155,409	(59)	155,350
Issuance of new shares	-	-	-	-	-	-	-	-	-
Translation loss	-	-	-	-	2	-	2	2	4
Dividend paid	-	-	-	-	-	(2,843)	(2,843)	-	(2,843)
Share buy-back	-	-	-	(4,664)	-	-	(4,664)	-	(4,664)
Profit for the period	-	-	-	-	-	11,159	11,159	(8)	11,151
<b>At 31.12.2020</b>	135,702	10,899	(60,822)	(16,906)	(2)	90,192	159,063	(65)	158,998

Notes:(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 2020 and the explanatory notes attached to this report.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2020**

	<b>6 months ended 31 December</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	14,120	11,115
Adjustment for:		
Depreciation of property, plant and equipment	2,214	1,825
Amortisation right-of-use assets	107	108
Loss/(Gain) on disposal of property, plant and equipment	17	(35)
(Reversal)/Impairment of inventories	(9)	70
(Reversal)/Impairment of trade receivables	(268)	110
Loss on unrealised foreign exchange	313	117
Interest income	(590)	(1,427)
<b>Operating profit before working capital changes</b>	<b>15,904</b>	<b>11,883</b>
Changes in working capital:		
Inventories	2,315	974
Trade and other receivables	(10,670)	1,931
Prepayments	(6,745)	(44)
Trade and other payables	6,714	776
Cash from operations	7,518	15,520
Income tax paid	(1,959)	(1,952)
<b>Net cash from operating activities</b>	<b>5,559</b>	<b>13,568</b>
<b>Cash flows from/ (for) investing activities</b>		
Proceeds from disposal of plant and equipment	3	38
Purchase of plant and equipment	(4,483)	(1,170)
Interest received	590	1,427
Purchase of shares in subsidiary	-	(200)
<b>Net cash from/ (for) investing activities</b>	<b>(3,890)</b>	<b>95</b>
<b>Cash flows for financing activities</b>		
Repurchase of treasury shares	(4,664)	(84)
Repayment of lease liability	(42)	-
Dividend paid	(2,843)	(6,418)
<b>Net cash for financing activities</b>	<b>(7,549)</b>	<b>(6,502)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(5,880)</b>	<b>7,161</b>
Effect of foreign exchange translation	(149)	(92)
<b>Cash and cash equivalents at beginning of the financial period</b>	<b>78,394</b>	<b>92,847</b>
<b>Cash and cash equivalents at the end of financial period</b>	<b>72,365</b>	<b>99,916</b>

*Notes:*

*(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 2020 and the explanatory notes attached to this report.*



**A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS")  
134: INTERIM FINANCIAL REPORTING**

**A1. Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with the requirements of MFRS 134 - Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

These interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020.

**A2. Significant accounting policies**

The significant accounting policies and methods of computation adopted in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2020. 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 periods commencing on or after 1 January 2021

- Amendments to MFRS 9, Financial Instruments, MFRS 139, Financial Instruments: Recognition and Measurement, MFRS 7, Financial Instruments: Disclosures, MFRS 4, Insurance Contracts and MFRS 16, Leases - Interest Rate Benchmark Reform - Phase 2

Effective for annual periods commencing on or after 1 January 2022

- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)
- Amendments to MFRS 3, Business Combinations – Reference to the Conceptual Framework
- Amendments to MFRS 9, Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)
- Amendments to Illustrative Examples accompanying MFRS 16, Leases (Annual Improvements to MFRS Standards 2018–2020)
- Amendments to MFRS 116, Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to MFRS 141, Agriculture (Annual Improvements to MFRS Standards 2018–2020)



### **A3. Auditors' Report**

There was no qualification to the audited financial statements of the Company and its subsidiaries for the financial year ended 30 June 2020.

### **A4. Seasonal or cyclical factors**

The business operations of the Group are not materially affected by any seasonal or cyclical factors during the current financial quarter under review.

### **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 under review.

### **A6. Changes in estimates**

There were no changes in estimates that have a material effect in the current financial quarter under review.

### **A7. Debt and equity securities**

There were no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current quarter under review. As at 31 December 2020, the number of treasury shares held were 15,320,100 ordinary shares.

### **A8. Dividend paid**

A single tier second interim dividend in respect of the financial year ended 30 June 2020 of 1.64 sen on approximately 173,379,900 ordinary shares (excluding treasury shares) amounting to a dividend payable of approximately RM2,843,430 was approved by the directors at the Board of Directors Meeting on 28 August 2020 and paid on 25 September 2020.

### **A9. Segmental information**

#### **a) Operating segments**

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

	Current		Cumulative	
	Quarter Ended		Quarter Ended	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
	RM'000	RM'000	RM'000	RM'000
<b><u>AUTOMOTIVE</u></b>				
Car seat covers				
- OEM <sup>(1)</sup>	25,496	19,874	49,668	43,403
- REM <sup>(1)</sup>	2,019	3,169	4,709	6,738
- PDI <sup>(1)</sup>	2,798	3,160	5,671	5,829
Sub-total for car seat covers	30,313	26,203	60,048	55,970
Leather cut pieces supply	2,320	3,546	3,031	7,162
<b><u>Others</u></b>				
- Sewing of fabric car seat covers	23	15	34	39
- Manufacturing of leather/PVC car accessories covers and miscellaneous seat covers, provision of wrapping and stitching services and supply of raw materials	1,734	1,428	3,368	2,631
	34,390	31,192	66,481	65,791
<b><u>Others</u></b>				
Healthcare	4,843	-	5,359	
Aviation	121	165	258	386
Furniture	108	10	510	89
<b>Grand Total</b>	<b>39,462</b>	<b>31,367</b>	<b>72,608</b>	<b>66,266</b>

**b) Geographical segments**

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

	Current		Cumulative	
	Quarter Ended		Quarter Ended	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
	RM'000	RM'000	RM'000	RM'000
Malaysia	37,023	25,406	67,418	54,095
Rest of Asia	1,083	4,321	2,241	8,988
Europe	721	708	1,359	1,288
North America	360	383	889	768
Oceania	275	549	700	1,127
Middle East	-	-	1	-
<b>Grand Total</b>	<b>39,462</b>	<b>31,367</b>	<b>72,608</b>	<b>66,266</b>

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



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

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

**A11. Capital commitments**

There were no authorised capital commitment.

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

There were no material changes in the composition of the Group for the current quarter under review.

**A13. Contingent liabilities or contingent assets**

Malaysia Customs Audit Matter:

A subsidiary of the Company, namely Pecca Leather Sdn. Bhd. ("PLSB"), has received bills of demand dated 25 August 2020 from the Royal Malaysian Customs Department ("RMCD") amounting to RM242,000 for excise duty in respect of the period from September 2017 to December 2017.

On 4 January 2021, PLSB received second bills of demand from RMCD amounting to RM706,000 for excise duty in respect of the period from January 2018 to February 2019.

PLSB does not admit to any liability on the bills of demand made by RMCD and is in the discussion with a consultant to determine the next course of action. In view of discussions with RMCD that are still ongoing and as allowed under paragraph 92 of MFRS 137, Provisions, Contingent Liabilities and Contingent Assets, the Company is not in a position to disclose any further information on grounds that it can be prejudicial to the outcome of the discussions.

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

There were no other materials events subsequent to the end of current quarter that have not been reflected in this interim financial report.



**A15. Related Party Transactions**

The Group's related party transactions for the current quarter and the cumulative quarter ended 31 December 2020 are as follows:

	<b>Current Quarter Ended 31.12.2020 RM'000</b>	<b>Cumulative Quarter Ended 31.12.2020 RM'000</b>
Rental charges to related party		
- Tint Auto (M) Sdn Bhd	54	108
- Rentas Health Sdn Bhd	26	34
 Sales to related party		
- Rentas Health Sdn Bhd	4,759	5,275
 Purchase from related party		
- Rentas Health Sdn Bhd	42	98
	<hr/>	<hr/>

*Note:*

*The related party is a company in which certain Directors and substantial shareholders of the Company have interests.*



**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Review of performance**

**Current Quarter**

For the current quarter under review, the Group recorded a revenue of RM39.46 million and profit before taxation of RM7.89 million. In comparison to the preceding year quarter of revenue recorded of RM31.37 million, the Group achieved 25.81% higher revenue for the current quarter.

Revenue from leather car seat covers remained the largest contributor accounting for approximately 76.82% of total revenue followed by healthcare products which is approximately 12.27% of total revenue during the quarter under review.

In terms of business segment, OEM leather car seat continues to be the largest contributor segment accounting for approximately 84.11% of the total revenue for leather car seat covers whilst REM and PDI contributed approximately 6.66% and 9.23% respectively.

**Financial Year-To-Date**

Cumulative Year-To-Date (YTD) performance for the Group garnered a revenue of RM72.61 million with a profit before taxation of RM14.12 million.

Leather car seat cover provides the largest revenue contribution to the Group at 82.70%, with its OEM revenue being the main contributor at 82.71%.

The Group's profit before taxation stands at RM14.12 million.

**B2. Material changes in the quarterly results compared to the immediate preceding quarter**

In comparison to the preceding quarter's revenue performance, the Group recorded a higher revenue performance with 19.06% increase, while profit before taxation recorded an increase of 26.48%.

The increase in revenue mainly from the healthcare business with 839% increase, due to manufacturing of the facemask.

OEM revenue increase marginally by 5.48% with the increase in sales in certain models. REM revenue were lower compared to preceding year quarter by 24.96% due to decrease in revenue orders from North America and Oceania. PDI revenue decrease by 2.62% due to slight slowdown in production. Leather cut pieces revenue increase significantly by 226.21% due to increase demand from local market.

**B3. Prospect**

The Group is heartened by the buoyant outlook of Malaysia's automotive industry in tandem with the Malaysian Government's incentives to boost vehicle sales. These include a 100% sales tax exemption for Complete Knocked-Down vehicle models and 50% on Complete Build-Up vehicle models from 15 June 2020 to 31 December 2020 and is now extended to 30 June 2021.

In line with the announcement, the Malaysian Automotive Association (MAA) revised its TIV forecast upwards to 570,000 units in the full year 2021. The Malaysian Automotive Association (MAA) says it is optimistic that the local automotive market will rebound in 2021, and has confidently forecast that the total industry volume (TIV) will grow by nearly 8% from 2020, in which 529,434 units were shifted in year 2020. With the automotive segment the main driver of group revenue, Pecca stands to benefit from the recovery of the automotive industry.

Pecca has acquired seven lines of face mask production machines, which would provide total production capacity of up to 50 million units of face masks per month. Face masks are manufactured in Pecca's ISO Class 8 cleanroom manufacturing facility. The Group endeavours to fulfil face mask demand in the domestic market and seek opportunities to export overseas.

The Board believes the Group's performance going forward is encouraging with the continued improvement in revenue numbers from car models and new revenue stream from the healthcare products.

**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 Quarter Ended 31.12.2020 RM'000</b>	<b>Cumulative Quarter Ended 31.12.2020 RM'000</b>
Interest income	(268)	(590)
Depreciation of:		
- Property, plant and equipment	1,186	2,214
- Right-of-use assets	53	107
Loss on disposal of property, plant & equipment	17	17
Impairment/(Reversal of impairment) of inventories	12	(9)
Reversal of Impairment of trade receivables	(44)	(268)
Realised foreign exchange loss/(gain)	25	(177)
Unrealised foreign exchange loss	42	313
Covid-19 related expenses	<u>608</u>	<u>608</u>

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 Securities are not applicable.

**B6. Taxation**

	<b>Current Quarter Ended 31.12.2020 RM'000</b>	<b>Cumulative Quarter Ended 31.12.2020 RM'000</b>
Current tax expense	<u>(1,834)</u>	<u>(2,969)</u>

The effective tax rate for the cumulative quarter of 21.03% is less than the statutory tax rate of 24.00%. Under Malaysia Economic Stimulus Package 2020 which announced on 27 February 2020, Companies will be given Accelerated Capita Allowance (“ACA”) on machinery and equipment including ICT equipment at initial allowance and annual allowance rates of 20% and 40% respectively

**B7. Status of Corporate Proposals**

There was no corporate proposal announced but not completed as at the date of this report.

**B8. Utilization 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.

The status of utilisation of the proceeds from the Public Issue of 47,796,000 new ordinary shares at RM1.42 as at 31 December 2020 is as follows:

	Purposes	Revised Expected Timeframe for Utilization (from 19 April 2018)	Revised Amount (RM'000)	Actual Utilization (RM'000)	Utilized %
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	(4,705)	97
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	0
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	(40)	2
	- Thailand	Within 24 months	0	0	0
	- Aviation	Within 24 months	745	(64)	9
	<b>Total Public Issue Proceeds</b>		<b>67,870</b>	<b>(65,063)</b>	<b>96</b>

Note:

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

#### B9. Group borrowings (secured)

The Group has fully settled all the bank borrowings with the proceeds from IPO as disclosed in Note B8 above.

#### 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 report.

#### B11. Dividend

On 26 Jan 2021, The Group have declared Interim single-tier dividend in respect of financial year ended 30 June 2021 via a share dividend distribution of treasury shares on the basis of one (1) treasury share for every sixteen (16) existing ordinary shares held. The treasury shares to be distributed under the share dividend will be credited into the entitled Depositors' securities accounts maintained with Bursa Depository on 26 February 2021.

#### B12. Earnings Per Share ("EPS")

##### a) Basic earnings per share

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

	<b>Current Quarter Ended 31.12.2020 RM'000</b>	<b>Cumulative Quarter Ended 31.12.2020 RM'000</b>
Profit attributable to equity holders	6,052	11,159
Weighted average number of ordinary shares in issue excluding Treasury Shares	172,680	172,680
Basic earnings per shares (sen)	3.50	6.46



**PECCA GROUP BERHAD** (Company No. 909531-D)  
(Incorporated in Malaysia)

Diluted earnings per shares (sen)	<u>3.50</u>	<u>6.46</u>
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(b) Diluted earnings per share

There are no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the financial period ended 31 December 2020.

**BY ORDER OF THE BOARD**  
**26 FEBRUARY 2021**