



PECCA

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 THIRD QUARTER ENDED 31 MARCH 2026

	Notes	Individual Quarter			Cumulative Quarter		
		Current Year Quarter	Preceding Year Quarter	Variance %	Current Year Quarter	Preceding Year Quarter	Variance %
		31.03.2026 RM'000	31.03.2025 RM'000		31.03.2026 RM'000	31.03.2025 RM'000	
Revenue	A9	44,796	53,100	(15.6%)	170,402	171,656	(0.7%)
Cost of sales		(27,667)	(29,536)	(6.3%)	(100,466)	(96,762)	3.8%
Gross profit		17,129	23,564	(27.3%)	69,936	74,894	(6.6%)
Other Income		255	151	68.9%	745	472	57.8%
Selling and distribution expenses		(809)	(1,248)	(35.2%)	(4,573)	(5,396)	(15.3%)
Administrative expenses		(4,161)	(4,527)	(8.1%)	(14,145)	(14,569)	(2.9%)
Results from operating activities		12,414	17,940	(30.8%)	51,963	55,401	(6.2%)
Finance income		908	946	(4.0%)	2,623	3,159	(17.0%)
Finance costs		(154)	(70)	120.0%	(401)	(215)	86.5%
Profit before taxation	B5	13,168	18,816	(30.0%)	54,185	58,345	(7.1%)
Income tax expense	B6	(3,111)	(4,587)	(32.2%)	(13,195)	(14,212)	(7.2%)
Profit for the period		10,057	14,229	(29.3%)	40,990	44,133	(7.1%)
Other comprehensive income, net of tax							
Items that will be reclassified subsequently to profit or loss							
Foreign currency translation differences on foreign operations		(75)	(145)	(48.3%)	(314)	(292)	7.5%
Total comprehensive income for the financial period		9,982	14,084	-29.1%	40,676	43,841	-7.2%
Profit attributable to:-							
Owners of the company		10,090	14,239	(29.1%)	41,045	44,152	-7.0%
Non-controlling interests		(33)	(10)	230.0%	(55)	(19)	189.5%
Profit for the period		10,057	14,229	-29.3%	40,990	44,133	-7%
Total comprehensive income attributable to:-							
Owners of the Company		10,027	14,124	-29.0%	40,790	43,920	(7.1%)
Non-controlling interests		(45)	(40)	12.5%	(114)	(79)	44.3%
Total comprehensive income for the financial period		9,982	14,084	-29.1%	40,676	43,841	-7.2%
Earnings per share attributable to Owners of the Company (sen) ⁽²⁾							
- Basic	B12	1.39	1.95	-28.6%	5.66	6.05	-6.4%
- Diluted		1.39	1.95	-28.6%	5.66	6.05	-6.4%

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.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	As at 31.03.2026 Unaudited RM'000	As at 30.06.2025 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	43,722	42,538
Right-of-use assets	41,700	23,508
Other investments	418	418
Goodwill	140	140
Deferred tax assets	10	-
	<u>85,990</u>	<u>66,604</u>
Current Assets		
Inventories	20,277	23,824
Trade and other receivables	29,688	45,232
Prepayments	2,724	4,552
Current tax assets	636	74
Cash and cash equivalents	116,930	104,910
	<u>170,255</u>	<u>178,592</u>
Total assets	<u>256,245</u>	<u>245,196</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	135,702	135,702
Treasury shares	(35,125)	(30,986)
Reserves	115,561	103,749
Total equity attributable to owners of the Company	<u>216,138</u>	<u>208,465</u>
Non-controlling interests	454	568
	<u>216,592</u>	<u>209,033</u>
Liabilities		
Non-current liabilities		
Deferred tax liabilities	7,308	7,128
Lease liabilities	173	108
Post-employment benefits	24	25
Borrowings	11,885	4,069
	<u>19,390</u>	<u>11,330</u>
Current Liabilities		
Trade and other payables	12,947	20,144
Current tax liabilities	4,434	3,056
Lease liabilities	590	320
Borrowings	2,292	1,313
	<u>20,263</u>	<u>24,833</u>
Total liabilities	<u>39,653</u>	<u>36,163</u>
Total equity and liabilities	<u>256,245</u>	<u>245,196</u>
Net assets per share attributable to owners of the parents (sen) ⁽²⁾		
	<u>29.83</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 31 March 2026 of 724,454,932 (30 June 2025: 727,275,732).



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 31 MARCH 2026

	← 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			
At 1 July 2025	135,702	(30,986)	(60,822)	(338)	18,965	1	145,943	208,465	568	209,033
Profit after taxation for the financial period	-	-	-	-	-	-	41,045	41,045	(55)	40,990
Other comprehensive income for the financial period:										
- Actuarial loss on post-employment benefits	-	-	-	-	-	*	-	-	-	-
- Foreign currency translation differences on foreign operations	-	-	-	(255)	-	-	-	(255)	(59)	(314)
Transactions with owners										
- Dividend distributions to owners of the Company	-	-	-	-	-	-	(28,978)	(28,978)	-	(28,978)
- Purchase of own shares	-	(4,139)	-	-	-	-	-	(4,139)	-	(4,139)
At 31 March 2026	<u>135,702</u>	<u>(35,125)</u>	<u>(60,822)</u>	<u>(593)</u>	<u>18,965</u>	<u>1</u>	<u>158,010</u>	<u>216,138</u>	<u>454</u>	<u>216,592</u>

* 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 THIRD QUARTER ENDED
31 MARCH 2026**

	9 months ended 31 March	
	2026	2025
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	54,185	58,345
<i>Adjustments for:</i>		
Amortisation of intangible assets	-	1
Depreciation of property, plant and equipment	4,168	3,722
Depreciation of right-of-use assets	993	570
Plant and equipment written off	3	2
Impairment gain on plant and machineries	-	(500)
Impairment gain on trade receivables	(208)	-
Inventories written back	(918)	-
Unrealised loss on foreign exchange	340	40
Finance costs	401	215
Finance income	(2,623)	(3,159)
Gain of derecognition due to lease termination	-	(1)
Gain on lease modification	-	(14)
Gain on disposal of property, plant and equipment	(54)	(2)
Operating profit before working capital changes	<u>56,287</u>	<u>59,219</u>
Changes in inventories	4,402	4,561
Changes in trade and other receivables	15,607	3,693
Changes in contract assets	-	(98)
Changes in prepayments	2,070	(1,917)
Changes in trade and other payables	(7,503)	(5,993)
Changes in post-employment benefits	1	1
Cash generated from operations	<u>70,864</u>	<u>59,466</u>
Net income tax paid	(12,214)	(15,387)
Interest paid	(401)	(215)
Net cash from operating activities	<u>58,249</u>	<u>43,864</u>
CASH FLOWS FOR INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(5,437)	(4,078)
Acquisition of right-of-use assets	(18,240)	(333)
Proceeds from disposal of plant and equipment	54	7
Interests received	2,623	3,159
Net cash for investing activities	<u>(21,000)</u>	<u>(1,245)</u>
CASH FLOWS FOR FINANCING ACTIVITIES		
Payment of lease liabilities	(616)	(727)
Dividends paid	(28,978)	(55,246)
Repayment of advances from a subsidiary shareholders	-	1
Net proceeds/(repayment) of borrowings	8,795	(1,672)
Purchase of own shares	(4,139)	(27,258)
Net cash for financing activities	<u>(24,938)</u>	<u>(84,902)</u>
Net increase/(decrease) in cash and cash equivalents	12,311	(42,283)
Effects of foreign exchange translation	(291)	(191)
Cash and cash equivalents at the beginning of financial period	<u>104,910</u>	<u>153,682</u>
Cash and cash equivalents at the end of financial period	<u>116,930</u>	<u>111,208</u>

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 2025 and the explanatory notes attached to this Condensed Report.



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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 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*
- Amendments to MFRS 121: *Translation to a Hyperinflationary Presentation Currency*

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

- Amendments to MFRS 10 and MFRS 128: *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 and year-to-date ended 31 March 2026.

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 and year-to-date ended 31 March 2026.

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 and year-to-date ended 31 March 2026.

A7. Debt and equity securities

There was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current quarter. As at 31 March 2026, the number of treasury shares held were 27,545,068 ordinary shares at RM35,124,806.

A8. Dividends paid

	30.03.2026	30.03.2025
	RM'000	RM'000
In respect of financial year ending 30 June 2026		
First interim single-tier dividend paid on 19 December 2025*		
- 1.50 sen per ordinary share	10,866	-
Second interim single-tier dividend paid on 27 March 2026*		
- 1.50 sen per ordinary share	10,867	-
In respect of financial year ended 30 June 2025		
First interim single-tier dividend paid on 20 December 2024		
- 1.50 sen per ordinary share	-	10,948
Second interim single-tier dividend paid on 21 March 2025		
- 1.50 sen per ordinary share	-	10,948
Fourth interim single-tier dividend paid on 26 September 2025*		
- 1.00 sen per ordinary share	7,245	-
In respect of financial year ended 30 June 2024		
Third interim single-tier dividend paid on 25 July 2024		
- 1.50 sen per ordinary share	-	11,276
Fourth interim single-tier dividend paid on 20 September 2024		
- 1.50 sen per ordinary share	-	11,126
Special interim single-tier dividend paid on 13 December 2024		
- 1.50 sen per ordinary share	-	10,948
	<u>28,978</u>	<u>55,246</u>

* Dividends declared by the Group during year-to-date ended 31 March 2026.



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: -

	Current / Preceding Quarter Ended		Cumulative Quarter Ended		
	31.03.2026 RM'000	31.03.2025 RM'000	31.03.2026 RM'000	31.03.2025 RM'000	
<u>AUTOMOTIVE (MALAYSIA)</u>					
Car seat covers					
- OEM ⁽¹⁾	33,397	42,751	138,321	142,377	
- REM ⁽¹⁾	1,885	1,702	6,105	5,629	
- PDI ⁽¹⁾	1,486	2,676	4,349	6,440	
Sub-total for car seat covers	36,768	47,129	148,775	154,446	
Sewing of fabric car seat covers					
- OEM ⁽¹⁾	2,309	2,655	8,754	8,604	
Manufacturing of leather/PVC car accessories covers and miscellaneous seat covers, and provision of wrapping and stitching services					
- OEM ⁽¹⁾	335	366	960	993	
- REM ⁽¹⁾	577	575	1,828	1,898	
	912	941	2,788	2,891	
Leather cut pieces supply					
- OEM ⁽¹⁾	49	140	183	272	
- REM ⁽¹⁾	22	1	111	121	
	71	141	294	393	
SUB-TOTAL AUTOMOTIVE (MALAYSIA)	(A)	40,060	50,866	160,611	166,334
<u>AUTOMOTIVE (INDONESIA)</u>					
Car seat covers					
- OEM ⁽¹⁾	972	-	1,335	-	
- REM ⁽¹⁾	10	55	238	140	
- PDI ⁽¹⁾	263	383	899	1,174	
Sub-total for car seat covers	1,245	438	2,472	1,314	
Manufacturing of leather/PVC car accessories covers and miscellaneous seat covers, and provision of wrapping and stitching services					
- OEM ⁽¹⁾	929	879	3,236	2,573	
- REM ⁽¹⁾	58	11	76	16	
	987	890	3,312	2,589	
SUB-TOTAL AUTOMOTIVE (INDONESIA)	(B)	2,232	1,328	5,784	3,903
AVIATION	(C)	729	853	2,109	1,271
OTHERS	(D)	1,775	53	1,898	148
GRAND TOTAL	(E) = A+B+C+D	44,796	53,100	170,402	171,656

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 / Preceding Quarter Ended		Cumulative Quarter Ended	
	31.03.2026 RM'000	31.03.2025 RM'000	31.03.2026 RM'000	31.03.2025 RM'000
Malaysia	40,508	49,926	157,812	161,453
Rest of Asia	2,963	1,847	8,060	5,797
Europe	1,029	859	3,129	2,727
North America	233	386	1,194	1,382
Oceania	63	82	207	297
	<u>44,796</u>	<u>53,100</u>	<u>170,402</u>	<u>171,656</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 31 March 2026, 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 and year-to-date ended 31 March 2026.

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 year-to-date ended 31 March 2026 are as follows: -

	Current Quarter Ended 31.03.2026 RM'000	Cumulative Quarter Ended 31.03.2026 RM'000
Sales to related parties		
- Rentas Health Sdn. Bhd.	37	145
- Pecman Sdn. Bhd.	-	2
- Jacar Sdn. Bhd.	2	2
Rental charges to related parties		
- Tint Auto (M) Sdn. Bhd.	54	162
- Rentas Health Sdn. Bhd.	43	129
Management service to related parties		
- Tint Auto (M) Sdn. Bhd.	60	105
- Rentas Health Sdn. Bhd.	6	18
- Pecman Sdn. Bhd.	2	5

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

3Q 2026 vs 3Q 2025

For the quarter ended 31 March 2026 ("3Q 2026"), the Group recorded revenue of RM44.8 million, compared to RM53.1 million in the corresponding quarter ended 31 March 2025 ("3Q 2025"). The decrease in revenue was mainly due to the decline in sales volume from Automotive segment in Malaysia, as both Total Industry Volume ("TIV") and Total Industry Production ("TIP") declined during the period. The moderation in TIV and TIP was largely attributable to major automotive manufacturers' factory closures for maintenance in conjunction with the Chinese New Year and Hari Raya Aidilfitri celebrations in February and March 2026.

The automotive segment contributed 94.4% of the total Group revenue in 3Q 2026, with OEM contributing 84.8%, REM 5.7%, and PDI 3.9%. The automotive segment encompasses manufacturing of car seat covers, car accessories covers and miscellaneous seat covers, wrapping and stitching services, and supply of leather cut pieces across Malaysia and Indonesia. The aviation segment contributed approximately 1.6% of total Group revenue.

The Group's profit after tax ("PAT") decreased by 29.3% to RM10.1 million from RM14.2 million, primarily attributable to the softening of revenue during that period. However, the impact was partially mitigated by lower selling and distribution expenses, as well as administrative expenses, arising from ongoing cost optimisation initiatives and disciplined cost management.

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

	Current Year Quarter 31.03.2026 ("3Q 2026") RM'000	Immediate Preceding Quarter 31.12.2025 ("2Q 2026") RM'000	Variance	
			RM'000	%
Revenue	44,796	65,013	(20,217)	-31%
Profit after tax	10,057	15,553	(5,496)	-35%

For 3Q 2026, the Group recorded revenue of RM44.8 million, a decrease of RM20.2 million from RM65.0 million recorded in 2Q 2026.

The sequential decline is in line with the general seasonal trend, where 2Q 2026 benefited from stronger year-end consumer demand and heightened promotional campaigns.

The 3Q 2026 performance was further impacted by customers' factory closures for maintenance, in conjunction with the Chinese New Year and Hari Raya Aidilfitri celebrations in February and March 2026, which resulted in lower sales volume.

In tandem with the softer sales volume, the Group recorded a lower PAT of RM10.1 million for 3Q 2026.

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

B3. Prospects

Automotive Segment

The Malaysian automotive industry recorded a Total Industry Volume ("TIV") of 182,113 units for the first three months of 2026, a slight 3.2% moderation against 188,143 units recorded in the corresponding period of 2025. The moderation in quarterly TIV was largely anticipated due to the Chinese New Year and Hari Raya Aidilfitri festive seasons, which resulted in shortened working months and temporary plant shutdowns of automobile manufacturers.

Looking ahead, while broader macroeconomic headwinds, including geopolitical tensions, elevated input costs, and cost-of-living pressures may prompt cautious consumer sentiment, the domestic automotive outlook remains supported by a strong pipeline of new model launches and ongoing promotional campaigns by automobile manufacturers, and the impending introduction of the Hire Purchase (Amendment) Act 2026 effective 1 June 2026. Notwithstanding the above, the Group believes the affordable vehicle segment, which forms a significant portion of the Malaysian automotive market, will remain resilient as consumers prioritise value for money options.

Concurrently, the Group continues to progressively diversify its revenue streams across multiple segments and markets to ensure sustained growth.

- Original Equipment Manufacturer

As part of its strategic expansion toward Tier-1 automotive component manufacturer status, the Group is progressing on its full seat assembly capability as a key milestone. The Group has also expanded its product offerings with the introduction of instrument panel wraps, further positioning itself as a full-solution provider for integrated vehicle interiors and strengthening its value proposition within the OEM supply chain.

To support its long-term growth ambitions across the automotive, aviation and locomotive segments, the Group is making progress on its second manufacturing facility at the UMW High Value Manufacturing Park in Serendah, Selangor.

Regionally, the Group's Indonesian subsidiary, PT Pecca Gemilang Indonesia, is gaining traction in the Indonesian market by actively pursuing new OEM contracts and broadening its customer base across the REM and Pre-Delivery Inspection ("PDI") segments. These efforts will support the Group's initiatives to grow its presence in one of Southeast Asia's largest automotive markets.

- Replacement Equipment Manufacturer

The Group is expanding the reach of its REM products across local and international markets, penetrating new markets including the Netherlands, Singapore and Ireland, while increasing supply to existing markets across the United States, Australia, the United Kingdom, Canada, New Zealand, the Middle East and Europe.

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

B3. Prospects *(continued)*

Aviation Segment

The Malaysian aerospace industry is on a positive growth trajectory, with the National Aerospace Industry Coordinating Office (“NAICO”) projecting a 15% to 20% sector expansion in 2026, underpinned by strong investment momentum and growing capabilities across the ecosystem. Whilst global supply chain constraints persist, Malaysia’s stable ecosystem and excess capacity present unique opportunities to attract regional overflow demand for MRO services, including from the Middle East and Europe.

The Group’s aviation segment is gaining momentum, driven by long-term MRO projects with established customers and a steady pipeline of cabin interior refurbishment work. The Group is also expanding into higher-value offerings including additive manufacturing for aerospace components, non-structural cabin plastic fabrication and integrated In-Flight Entertainment (“IFE”) solutions.

In addition to existing approvals from the Civil Aviation Authority of Malaysia (“CAAM”) and the European Union Aviation Safety Agency (“EASA”), the Group is expanding its capabilities in non-structural plastic parts fabrication under the scope of its EASA Production Organisation Approval (“POA”) and pursuing approvals from regulators in Indonesia, Singapore, and Thailand. These approvals will enhance regional market access and position the Group to capture a larger share of Southeast Asia’s aviation services market.

Group Outlook

While mindful of the dynamic operating environment and macroeconomic headwinds, the Group remains focused on delivering a resilient performance for the financial year ending 30 June 2026. The Group’s long-term outlook remains supported by a strong new model pipeline from key automotive customers and the progressive ramp-up of high-margin segments, including aviation, locomotive, and the REM export market.

The Group’s growth strategy continues to prioritise geographic expansion and diversification across its four key pillars: OEM, REM, Aviation and Emerging Ventures. The Group continues to enhance its manufacturing capabilities, improve efficiency and maintain cost competitiveness through the adoption of automation and technology, as it positions itself for sustainable long-term growth.

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**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)**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): -

	Current Quarter Ended 31.03.2026 RM'000	Cumulative Quarter Ended 31.03.2026 RM'000
Finance income	(908)	(2,623)
Finance cost	154	401
Depreciation of:		
- Property, plant and equipment	1,407	4,168
- Right-of-use assets	338	993
Realised gain on foreign exchange	(69)	(183)
Unrealised loss on foreign exchange	223	340

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

	Current Quarter Ended 31.03.2026 RM'000	Cumulative Quarter Ended 31.03.2026 RM'000
Income tax expense	3,111	13,195

The effective tax rate for the financial year ending is slightly higher of 24.35% 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.

**PECCA GROUP BERHAD**

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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 ("Board") approved the variation of the utilisation of IPO proceeds amounting to RM6.60 million and the extension of time for the utilisation of IPO proceeds amounting to RM2.62 million for a further 24 months, from 19 April 2018 to 19 April 2020. Thereafter, the Board approved a further variation in the utilisation of the proceeds for working capital purposes, together with an extension of the utilisation period for another 24 months, from 19 April 2020 to 19 April 2022. In view of the COVID-19 pandemic and the Movement Control Order enforced by the Government from March 2020 until the transition to the endemic phase announced in April 2022, the Board approved a further extension of the utilisation period for working capital proceeds for another 24 months, from 19 April 2022 to 19 April 2024. A subsequent extension of time for a further 24 months, from 19 April 2024 to 19 April 2026, was approved by the Board in light of the REM segment's expansion into export markets, including countries such as the U.S., the Middle East, and Thailand.

In view of the Group's ongoing REM segment expansion plans, which now extend beyond the Malaysian market to include additional countries such as Saudi Arabia, Australia, the United Kingdom, Canada, New Zealand, and the European region, the Board has approved a further extension of time for another 24 months, from 19 April 2026 to 19 April 2028.

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 31 March 2026 is as follows: -

Purposes	Revised Expected Timeframe for Utilisation (from 19 April 2026)	Revised Amount (RM'000)	Actual Utilisation (RM'000)	Utilised %
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	-	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	-	0	0	100
g) Expansion of aviation business	-	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	(493)	25
- Thailand	-	0	0	100
- Aviation	-	745	(745)	100
Total Public Issue Proceeds		67,870	(66,363)	98

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.

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

	Current Quarter Ended 31.03.2026 RM'000	As at 30.06.2025 Audited RM'000
Short term borrowings		
Secured:		
Hire Purchase Payable	300	683
Term Loan	1,992	630
	<u>2,292</u>	<u>1,313</u>
Long term borrowings		
Secured:		
Hire Purchase Payable	103	289
Term Loan	11,782	3,780
	<u>11,885</u>	<u>4,069</u>
	<u>14,177</u>	<u>5,382</u>

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

As at 31 March 2026, a 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 RM13.8 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 has declared and approved the third 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 June 2026 to shareholders whose names appeared in the Record of Depositors of the Company at the close of business on 8 June 2026. The total dividend declared for the current financial period is 4.50 sen per ordinary share (31 March 2025: 4.00 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: -

	Current Quarter Ended 31.03.2026 RM'000	Cumulative Quarter Ended 31.03.2026 RM'000
Profit attributable to equity holders of the company	<u>10,090</u>	<u>41,045</u>
Weighted average number of ordinary shares in issue excluding Treasury Shares	<u>724,666</u>	<u>724,666</u>
Basic earnings per ordinary share (sen)	<u>1.39</u>	<u>5.66</u>
Diluted earnings per ordinary share (sen)	<u>1.39</u>	<u>5.66</u>

(b) Diluted earnings per ordinary share

There is no dilution in its earnings per ordinary share as at 31 March 2026.

B13. Authorisation for issue

The Condensed Report was authorised for issue by the Board on 21 May 2026.

BY ORDER OF THE BOARD

Kuala Lumpur
21 May 2026