

# PUC FOUNDER (MSC) BERHAD

(Company No: 451734-A)  
(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2015

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/06/2015 RM('000)	PRECEDING YEAR CORRESPONDING QUARTER 30/06/2014 RM('000)	CURRENT YEAR TO DATE 30/06/2015 RM('000)	PRECEDING YEAR CORRESPONDING PERIOD 30/06/2014 RM('000)
Revenue	7,244	11,707	15,943	28,288
Cost of sales	(3,382)	(7,003)	(8,538)	(15,823)
Gross profit	3,862	4,704	7,405	12,465
Other income	190	953	381	1,216
Administrative and general expenses	(3,556)	(4,410)	(6,133)	(8,676)
Operating profit	496	1,247	1,653	5,005
Finance cost	(80)	(31)	(102)	(61)
Profit before taxation	416	1,216	1,551	4,944
Taxation	-	(127)	-	(219)
Profit after taxation	416	1,089	1,551	4,725
Other comprehensive (loss) / income	(20)	(22)	96	(77)
Other comprehensive (loss) / income for the financial period	(20)	(22)	96	(77)
Total comprehensive income	396	1,067	1,647	4,648
<b>PROFIT ATTRIBUTABLE TO</b>				
Owners of the parent	447	1,102	1,618	4,735
Non-controlling interests	(31)	(13)	(67)	(10)
	416	1,089	1,551	4,725
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO</b>				
Owners of the parent	427	1,080	1,714	4,658
Non-controlling interests	(31)	(13)	(67)	(10)
	396	1,067	1,647	4,648
Weighted average number of ordinary shares in issue ('000)	1,064,766	845,036	1,064,422	845,036
Earnings per share (Sen)				
(a) Basic	0.04	0.13	0.15	0.56
(b) Fully diluted	0.04	NA	0.13	NA

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements)

# PUC FOUNDER (MSC) BERHAD

(Company No: 451734-A)  
(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015

	Unaudited As At 30/6/2015 RM('000)	Audited As At 31/12/2014 RM('000)
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	7,598	1,318
Software development expenditure	10,424	10,912
Intangible assets	50,011	50,011
Investments in associates	-	-
Other investments	1	1
Deferred tax assets	143	142
Trade receivables	3,313	3,313
	<u>71,490</u>	<u>65,697</u>
<b>CURRENT ASSETS</b>		
Inventories	20	23
Trade receivables	44,124	41,795
Other receivables, deposits and prepayments	8,701	5,672
Tax recoverable	249	39
Amount owing by ultimate holding company	499	587
Fixed deposits with licensed banks	9,874	17,754
Cash and bank balances	7,568	7,198
	<u>71,035</u>	<u>73,068</u>
<b>TOTAL ASSETS</b>	<u>142,525</u>	<u>138,765</u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	106,581	106,233
Share premium	9,343	9,274
Exchange translation reserve	(836)	(932)
Reserve on acquisition	(36,809)	(36,809)
Warrant reserve	16,718	16,718
Other reserves	(14,747)	(14,747)
Retained earnings	47,141	45,523
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b>	<u>127,391</u>	<u>125,260</u>
Non-controlling interests	28	96
<b>TOTAL EQUITY</b>	<u>127,419</u>	<u>125,356</u>
<b>NON-CURRENT LIABILITIES</b>		
Finance lease liability	4,644	103
Deferred tax liabilities	9	9
	<u>4,653</u>	<u>112</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	451	5,667
Other payables and accrued expenses	6,883	6,554
Amount owing to ultimate holding company	-	189
Finance lease liability	127	58
Bank overdraft	2,761	594
Tax payable	231	235
<b>TOTAL CURRENT LIABILITIES</b>	<u>10,453</u>	<u>13,297</u>
<b>TOTAL LIABILITIES</b>	<u>15,106</u>	<u>13,409</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>142,525</u>	<u>138,765</u>
Net assets per share attributable to owners of the parent (sen)	<u>11.95</u>	<u>11.79</u>

\* The cost of investments in associates are less than RM1,000.

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements)

# PUC FOUNDER (MSC) BERHAD

(Company No: 451734-A)  
(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2015

	Share Capital RM('000)	Share Premium RM('000)	Preference Shares RM('000)	Exchange Translation Reserve RM('000)	Reserve on Acquisition RM('000)	Other Reserves RM('000)	Warrants Reserves RM('000)	Retained Earnings RM('000)	Total RM('000)	Non- controlling Interests RM('000)	Total Equity RM('000)
<b>Balance as at 1 January 2015</b>	106,233	9,274	-	(932)	(36,809)	(14,747)	16,718	45,523	125,260	96	125,356
Issuance of shares via exercise of Employees' Share Option Scheme	348	69	-	-	-	-	-	-	417	-	417
Profit for the period	-	-	-	-	-	-	-	1,618	1,618	(67)	1,551
Other comprehensive income	-	-	-	96	-	-	-	-	96	-	96
Total comprehensive income for the period	-	-	-	96	-	-	-	1,618	1,714	(67)	1,647
<b>Balance as at 30 June 2015</b>	<b>106,581</b>	<b>9,343</b>	<b>-</b>	<b>(836)</b>	<b>(36,809)</b>	<b>(14,747)</b>	<b>16,718</b>	<b>47,141</b>	<b>127,391</b>	<b>28</b>	<b>127,419</b>

## FOR THE SECOND QUARTER ENDED 30 JUNE 2014

	Share Capital RM('000)	Share Premium RM('000)	Preference Shares RM('000)	Exchange Translation Reserve RM('000)	Reserve on Acquisition RM('000)	Other Reserves RM('000)	Retained Earnings RM('000)	Total RM('000)	Non- controlling Interests RM('000)	Total Equity RM('000)
<b>Balance as at 1 January 2014</b>	84,504	18,833	-	(2)	-	-	(506)	102,829	-	102,829
Arising from Reverse Acquisition Exercise	-	(3,833)	2,250	(1,004)	(36,809)	1,895	37,605	104	(17)	87
Profit for the period	-	-	-	-	-	-	4,735	4,735	(10)	4,725
Other comprehensive income	-	-	-	(77)	-	-	-	(77)	-	(77)
Total comprehensive income for the period	-	-	-	(77)	-	-	4,735	4,658	(10)	4,648
<b>Balance as at 30 June 2014</b>	<b>84,504</b>	<b>15,000</b>	<b>2,250</b>	<b>(1,083)</b>	<b>(36,809)</b>	<b>1,895</b>	<b>41,834</b>	<b>107,591</b>	<b>(27)</b>	<b>107,564</b>

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements)

# PUC FOUNDER (MSC) BERHAD

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2015

	6 MONTHS ENDED 30/06/2015 RM('000)	6 MONTHS ENDED 30/6/2014 RM('000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,551	4,944
Adjustments for:		
Amortisation of intangible assets	504	536
Depreciation of property, plant and equipment	288	349
Impairment on trade receivables	1,010	18
Loss on disposal of property, plant and equipment	21	3
Loss / (gain) on unrealised foreign exchange	129	(28)
Interest income	(145)	(32)
Interest expense	102	61
Gain on disposal of other investment	(49)	-
Operating profit before working capital changes	<u>3,411</u>	<u>5,851</u>
Changes in working capital:		
Net change in current assets	(6,307)	(4,071)
Net change in current liabilities	<u>(5,081)</u>	<u>(5,919)</u>
Cash used in operations	<u>(7,977)</u>	<u>(4,139)</u>
Interest received	145	32
Tax paid	<u>(215)</u>	<u>(266)</u>
<b>Net cash used in operating activities</b>	<u><b>(8,047)</b></u>	<u><b>(4,373)</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(1,945)	(76)
Proceed from disposal of property, plant and equipment	25	3
Acquisition of subsidiaries, net of cash acquired	-	2,520
<b>Net cash (used in)/from investing activities</b>	<u><b>(1,920)</b></u>	<u><b>2,447</b></u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(102)	(61)
Repayment of hire purchase liabilities	(65)	(27)
Proceeds from issuance of shares under ESOS & Warrants	417	-
<b>Net cash from/(used in) financing activities</b>	<u><b>250</b></u>	<u><b>(88)</b></u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(9,717)</b>	<b>(2,014)</b>
<b>EFFECTS OF EXCHANGE RATE CHANGES</b>	39	(5)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	22,532	5,383
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u><b>12,854</b></u>	<u><b>3,364</b></u>
<b>Cash &amp; cash equivalents at the end of the financial period comprise:</b>		
Cash and bank balances	7,568	4,967
Fixed deposits with licensed banks	9,874	2,015
Bank overdraft	<u>(2,761)</u>	<u>(1,868)</u>
	14,681	5,114
Less: Fixed deposits pledged to licensed banks	<u>(1,827)</u>	<u>(1,750)</u>
	<u><b>12,854</b></u>	<u><b>3,364</b></u>

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements)

# PUC FOUNDER (MSC) BERHAD

(Company No: 451734-A)  
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## UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2015 NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED ("FPE") 30 JUNE 2015

### A. EXPLANATORY NOTES

#### A1 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The interim financial statements are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") 134 - Interim Financial Reporting issued by the Malaysian Accounting Standards Board and Chapter 9, Part K Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements of PUCF Founder (MSC) Berhad ("PUCF") and its subsidiaries ("Group") for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to this interim financial report.

#### A2 Changes in Accounting Policy

The accounting policies and methods of computation adopted by the Group in these unaudited condensed consolidated financial statements are consistent with those of the annual audited financial statements for the financial year ended 31 December 2014.

The adoption of the following MFRS that came into effect on 1 January 2015 did not have any significant impact on the unaudited condensed consolidated financial statements upon their initial application.

Amendments to MFRS 119	Defined Benefits Plans: Employee Contribution
Annual Improvements to MFRSs 2010 - 2012 Cycle	
Annual Improvements to MFRSs 2011 - 2013 Cycle	

#### A3 Audit report of preceding annual financial statements

There were no audit qualifications to the annual audited financial statements of the Group for the financial year ended 31 December 2014.

#### A4 Seasonal or cyclical factors

The business operations of the Group were not significantly affected by seasonal or cyclical factors during the period under review.

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current financial quarter and financial year-to-date under review except for:-

- a) The Group has provided allowance of RM1.0 million for impairment on its trade receivables during the current financial quarter.

#### A6 Material changes in estimates

Not applicable as there were no estimates reported by PUCF in the prior financial years.

#### A7 Debt and equity securities

During the current financial quarter under review, the issued and paid up share capital has increased from RM106,319,729 to RM106,580,549 by the allotment of 2,608,199 new ordinary shares of RM0.10 each pertaining to the exercise of 2,608,199 share options under the Employees' Share Option Scheme ("ESOS").

#### A8 Dividends

There were no dividends declared or paid in the current financial quarter under review.

#### A9 Segmental information

The Group's segmental revenue and profit/(loss) after taxation for the financial period under review is as follows:-

	CURRENT YEAR QUARTER 30/6/2015 RM('000)	PRECEDING YEAR CORRESPONDING QUARTER 30/6/2014 RM('000)	CURRENT YEAR TO DATE 30/6/2015 RM('000)	PRECEDING YEAR CORRESPONDING PERIOD 30/6/2014 RM('000)
<b>Revenue</b>				
<b>Business Segment</b>				
Biometrics	2	3,404	348	8,185
Advertising & Media	7,140	8,135	15,317	19,686
Financial Services	102	168	278	417
	<u>7,244</u>	<u>11,707</u>	<u>15,943</u>	<u>28,288</u>
<b>Profit/(loss) after taxation</b>				
<b>Business Segment</b>				
Biometrics	(859)	551	(1,670)	674
Advertising & Media	1,399	889	3,506	4,300
Financial Services	(124)	(351)	(285)	(249)
	<u>416</u>	<u>1,089</u>	<u>1,551</u>	<u>4,725</u>

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

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

**A11 Capital commitments**

The Group does not have any material capital commitments in respect of property, plant and equipment as at the end of the current financial quarter under review.

**A12 Material events subsequent to the end of the quarter**

The following are the material events subsequent to the current financial quarter under review :-

- (i) On 4 August 2015, the Company announced the proposed renounceable rights issue of up to RM127,589,899.80 nominal value of three (3)-year, 4%, irredeemable convertible unsecured loan stocks ("ICULS") at 100% of the nominal value of RM0.05 each ("Rights ICULS") on the basis of two (2) RM0.05 nominal value of the Rights ICULS for every one (1) existing ordinary share of RM0.10 each in PUCF ("PUCF Share(s)" or "Share(s)") held by the entitled shareholders of PUCF on an entitlement date to be determined later together with up to 318,974,750 free new detachable warrants ("Warrant-B") on the basis of one (1) Warrant-B for every eight (8) Rights ICULS subscribed ; and
- (ii) On 4 August 2015, the Company announced the proposed diversification of the existing business of PUCF Group to include the provision of energy utility services.
- (iii) As of the date of this report, the winding-up of RH Marketing (GZ) Ltd was completed on 6 May 2015 which was announced on 12 May 2015.

**A13 Changes in the composition of the Group**

- (i) On 10 December 2014, RH Media Group Sdn. Bhd. entered into a conditional sale of shares agreement to dispose of its entire equity interest in Redhot Media International (China) Co Ltd, a wholly-owned subsidiary company of PUCF, for a cash consideration of USD146,790. As at the date of this report, the completion of this agreement is subject to the approval of the Foreign Trade & Economy Commission of the PRC.
- (ii) RH Marketing (GZ) Ltd a wholly-owned subsidiary of PUCF was wound up on 6 May 2015.
- (iii) On 24 June 2015, Redhot Media International (Shanghai) Co Ltd, an indirect wholly-owned subsidiary of PUCF, commenced a member's voluntary winding-up in accordance with the Laws in The People's Republic of China. The Winding-Up is part of the restructuring and re-alignment of the existing business exercise of PUCF.
- (iv) On 21 August 2015, the Company announced that MaxGreen Energy Sdn Bhd (formerly known as Ausscar Group Sdn Bhd), a wholly-owned subsidiary of PUCF, entered into a sale of shares agreement for the disposal of its entire equity interest comprising 70,000 shares of RM1.00 each in Ausscar Academy Sdn Bhd ("AASB"), representing 70% of the equity interest in AASB, to Ching Lye Peng and Yap Moy Moy ("Disposal of AASB"). Subsequently on 28 August 2015, the Company announced for the completion of Disposal of AASB.

**A14 Contingent liabilities and contingent assets**

There were no contingent liabilities or contingent assets for the current financial quarter under review.

**A15 Significant related party transactions**

Save as disclosed below, there were no other related party transactions for the current financial quarter under review:-

	CURRENT YEAR QUARTER 30/6/2015 RM('000)	PRECEDING YEAR CORRESPONDING PERIOD 30/6/2014 RM('000)
Supply of a GPS-based geographical navigation application programme	1,200	-

## B ADDITIONAL INFORMATION REQUIRED PURSUANT TO THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

### B1 Review of performance

The Group recorded a revenue of RM7.2 million and profit before taxation of RM0.4 million for the current quarter as compared to revenue of RM11.7 million and profit before taxation of RM1.2 million in the preceding year quarter corresponding quarter. The lower revenue was mainly due to lower revenue contribution from biometric division and advertising and media division. In addition, the Group's financial performance was also affected by global economic uncertainties, political factors and government policies, which include depreciation of the Ringgit Malaysia.

The Group's profit before taxation for the current quarter was RM0.4 million as compared to RM1.2 million in the preceding year quarter corresponding quarter was mainly due to the Group has provided allowance of RM1.0 million for impairment on trade receivables in the current quarter under review.

### B2 Variation of results against preceding quarter

	CURRENT YEAR QUARTER ENDED 30/6/2015 RM('000)	PRECEDING QUARTER ENDED 31/3/2015 RM('000)	Variance	
			RM('000)	%
Revenue	7,244	8,699	(1,455)	-17%
Profit before taxation	416	1,135	(719)	-63%

The Group's revenue for the current quarter is RM7.2 million as compared to RM8.7 million in the preceding quarter. The decrease of RM1.4 million or 17% in revenue was mainly due to the decrease in revenue from biometric division by approximately RM0.3 million and advertising & media division by approximately RM1.1 million.

The Group's profit before taxation for the current quarter was RM0.4 million as compared to RM1.1 million in the preceding quarter was mainly due to the Group has provided allowance of RM1.0 million for impairment on its trade receivables and decrease in cost of sales in the current quarter.

### B3 Prospects

Against this backdrop, the Group had embark on enhancing its revenue streams with the addition of (i) mobile applications technology, (ii) electronic payment services and (iii) renewable energy.

Following the Group's operational restructuring with the intention of achieving greater operational efficiency and unlocking value there from, the Board is cautiously optimistic about the prospects and the financial performance of the Group for the financial year ending 2015. The renewable energy industry is often seen as a sunrise industry with huge potential. The Board believes the Group is poised for growth with its 1MW megawatt solar photovoltaic project, and the Group will continue to explore the potential renewable energy business and intend to have additional solar photovoltaic plant with higher capacity. The announcement made on 4 August 2015 in relation to the Proposed Rights Issue of ICULS with Warrants (as described in A12 above) is part of the Company's effort to raise fund for the capital to be used for the additional solar photovoltaic ("PV") plant with higher capacity.

PUCF had on 18 August 2015 entered into a memorandum of understanding with Bioalpha Holdings Berhad ("Bioalpha") in relation to a collaboration whereby Bioalpha intends to undertake herbs planting activities on the lands owned by PUCF and/or its subsidiary on which PUCF's solar PV plants are to be located and PUCF intends to construct and operate solar PV plants on the lands owned by Bioalpha and/or its subsidiaries on which Bioalpha currently utilised for its herbs planting activities, subject to feasibility studies.

PUCF's wholly-owned subsidiary, Founder Energy Sdn Bhd had on 24 August 2015, entered into a memorandum of understanding with PW Consolidated Bhd in relation to the collaboration and working together to build and operate an ecotype biogas electricity plant.

Besides, the Board believes there is potential for e-content and online shopping mobile applications as consumers demand for digital online experiences continue to grow. The Board also believes the Group will be able to capture additional recurring revenue streams in this industry, and capitalise on the increasing opportunities for e-commerce and related services that has caused an increase in demand for e-commerce payment solutions.

### B4 Profit forecast or profit guarantee

The Group has not issued or disclosed in any public documents any profit forecast or profit guarantee for the current financial quarter under review.

### B5 Taxation

	CURRENT YEAR QUARTER 30/6/2015 RM('000)	PRECEDING YEAR CORRESPONDING QUARTER 30/6/2014 RM('000)	CURRENT YEAR TO DATE 30/6/2015 RM('000)	PRECEDING YEAR CORRESPONDING PERIOD 30/6/2014 RM('000)
<b>Income tax</b>				
- Provision for current period	-	127	-	219
Effective tax rate	0%	10%	0%	4%

The effective tax rates of the Group for the current financial quarter and financial period to date were lower than the statutory tax rate of 25%. This was mainly due to certain subsidiaries of PUCF, namely EPP Solution Sdn Bhd and RedHot Media Sdn Bhd, which were granted pioneer status and are exempted from taxation, as well as PUCF's subsidiaries established in BVI, namely i.e. AllChina.cn Ltd and Red Media Asia Ltd, which are also not subject to taxation.

**B6 Status of corporate proposals**

Save as disclosed below, there is no other outstanding corporate proposal which has been announced but not yet completed as at the date of this announcement:

As disclosed in A12, on 4 August 2015, the Company announced the proposed renounceable rights issue of up to RM127,589,899.80 nominal value of three (3)-year, 4%, irredeemable convertible unsecured loan stocks ("ICULS") at 100% of the nominal value of RM0.05 each ("Rights ICULS") on the basis of two (2) RM0.05 nominal value of the Rights ICULS for every one (1) existing ordinary share of RM0.10 each in PUCF ("PUCF Share(s)" or "Share(s)") held by the entitled shareholders of PUCF on an entitlement date to be determined later ("Entitlement Date") together with up to 318,974,750 free new detachable warrants ("Warrant(s)-B") on the basis of one (1) Warrant-B for every eight (8) Rights ICULS subscribed ("Proposed Rights Issue of ICULS with Warrants"); and the proposed diversification of the existing business of PUCF and its subsidiaries to include the provision of energy utility services.

**Status of utilisation of proceeds from Private Placement**

The status of the utilisation of proceeds arising from the Private Placement as at 14 August 2015 is as follows:-

	Proposed * utilisation RM('000)	Actual Utilisation RM('000)	Deviation		Balance unutilised RM('000)	Expected time for utilisation (from the date of completion of Private Placement)
			RM('000)	%		
Investment in new businesses	11,408	1,369	-	-	10,039	within 18 months
Working capital	4,370	2,000	-	-	2,370	within 18 months
Actual expenses in relation to this exercise	225	225	-	-	-	within 1 month
	<u>16,003</u>	<u>3,594</u>	<u>-</u>	<u>-</u>	<u>12,409</u>	

Note: \*The details of utilisation have been modified to reflect the actual proceeds received.

**B7 Borrowings**

The Group's borrowings as at 30 June 2015 are as follows:-

	Short term RM('000)	Long term RM('000)	Total RM('000)
<b>Secured</b>			
Bank overdraft	2,761	-	2,761
Finance lease liability	127	4,644	4,771
	<u>2,888</u>	<u>4,644</u>	<u>7,532</u>

**B8 Material litigation**

The Group does not have any material litigation as at the date of this interim financial report.

**B9 Dividends**

There were no dividends declared during the current financial quarter under review.

**B10 Earnings per share****a. Basic earnings per share**

The basic earnings per share of the Group is calculated by dividing the profit after taxation for the period by the weighted average number of shares is as follows:-

	3 months ended 30 June		Cumulative 6 months ended 30 June	
	2015	2014	2015	2014
Profit attributable to owners of the parent (RM'000)	447	1,102	1,618	4,735
Weighted average number of shares in issue ('000)	1,064,766	845,036	1,064,422	845,036
Basic earnings per share (sen)	<u>0.04</u>	<u>0.13</u>	<u>0.15</u>	<u>0.56</u>

**b. Diluted earnings per share**

The diluted earnings per share of the Group is calculated by dividing the profit after taxation for the period by the weighted average number of ordinary shares plus the weighted average number of ordinary shares that would be issued on the conversion of convertible securities into ordinary shares is as follows:-

	3 months ended 30 June		Cumulative 6 months ended 30 June	
	2015	2014	2015	2014
Profit attributable to owners of the parent (RM'000)	447	1,102	1,618	4,735
Weighted average number of ordinary shares per basic earnings per share computation ('000)	1,064,766	845,036	1,064,422	845,036
# Effects of conversion of ESOS ('000)	64,873	-	64,873	-
# Effects of conversion of free warrants ('000)	92,858	-	92,858	-
Weighted average number of ordinary shares diluted ('000)	<u>1,222,497</u>	<u>845,036</u>	<u>1,222,153</u>	<u>845,036</u>
Diluted earnings per share (sen)	<u>0.04</u>	<u>0.13</u>	<u>0.13</u>	<u>0.56</u>

Note : # The free warrants and ESOS are assumed to be exercise converted into ordinary shares respectively.



**B11 Breakdown of realised and unrealised profit or losses of the Group**

	As at 30/6/2015 RM('000)	As at 31/12/2014 RM('000)
Total retained earnings of the Group		
- Realised	48,095	46,476
- Unrealised	133	134
	<u>48,228</u>	<u>46,610</u>
Less: Consolidation adjustments	(1,087)	(1,087)
Total retained earnings as per consolidated accounts	<u>47,141</u>	<u>45,523</u>

**B12 Profit for the period**

Profit before taxation is arrived after (crediting)/charging:-

	CURRENT YEAR QUARTER 30/6/2015 RM('000)	PRECEDING YEAR CORRESPONDING QUARTER 30/6/2014 RM('000)	CURRENT YEAR TO DATE 30/6/2015 RM('000)	PRECEDING YEAR CORRESPONDING PERIOD 30/6/2014 RM('000)
Interest expense	80	31	102	61
Interest income	(59)	(24)	(145)	(32)
Depreciation and amortisation	437	440	792	885
Impairment on trade receivables	998	5	1,010	18
Loss/(Gain) on unrealised foreign exchange	69	24	129	(28)
(Gain) / loss on disposal of property, plant and equipment	(5)	-	21	3

By Order of the Board

Cindy Lim Seck Wah  
SecretaryKuala Lumpur  
28 August 2015