

# PUC FOUNDER (MSC) BERHAD

(Company No: 451734-A)

(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 MARCH 2017

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2016 RM'000	CURRENT YEAR TO DATE 31/03/2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2016 RM'000
Revenue	8,634	8,015	8,634	8,015
Cost of sales	<u>(5,846)</u>	<u>(4,462)</u>	<u>(5,846)</u>	<u>(4,462)</u>
Gross profit	2,788	3,553	2,788	3,553
Other income	530	253	530	253
Administrative and general expenses	<u>(3,070)</u>	<u>(3,194)</u>	<u>(3,070)</u>	<u>(3,194)</u>
Operating profit	248	612	248	612
Finance costs	<u>(125)</u>	<u>(321)</u>	<u>(125)</u>	<u>(321)</u>
Profit before taxation	123	291	123	291
Taxation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit for the period	<u>123</u>	<u>291</u>	<u>123</u>	<u>291</u>
Other comprehensive income/(loss):				
Exchange translation differences for foreign operations	<u>-</u>	<u>(51)</u>	<u>-</u>	<u>(51)</u>
Total comprehensive income for the period	<u>123</u>	<u>240</u>	<u>123</u>	<u>240</u>
<b>PROFIT ATTRIBUTABLE TO:</b>				
Owners of the parent	123	313	123	313
Non-controlling interests	<u>-</u>	<u>(22)</u>	<u>-</u>	<u>(22)</u>
	<u>123</u>	<u>291</u>	<u>123</u>	<u>291</u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
Owners of the parent	123	262	123	262
Non-controlling interests	<u>-</u>	<u>(22)</u>	<u>-</u>	<u>(22)</u>
	<u>123</u>	<u>240</u>	<u>123</u>	<u>240</u>
Weighted average number of ordinary shares in issue ('000)	1,089,055	1,069,190	1,089,055	1,069,190
Earnings per share				
(a) Basic (sen)	0.01	0.03	0.01	0.03
(b) Diluted (sen)	0.01	0.02	0.01	0.02

(The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016 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 STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2017

	Unaudited As At 31/03/2017 RM'000	Audited As At 31/12/2016 RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	17,007	17,209
Software development expenditure	15,555	12,441
Intangible assets	65,203	65,851
Other investments	1	1
Deferred tax assets	1,363	1,351
	<u>99,129</u>	<u>96,853</u>
<b>CURRENT ASSETS</b>		
Inventories	10,374	11,191
Other investments	38,011	39,670
Trade receivables	29,349	33,418
Other receivables, deposits and prepayments	3,974	3,170
Amount due from ultimate holding company	-	490
Amount due from holding company	3	14
Tax recoverable	320	240
Fixed deposits with licensed banks	690	902
Cash and bank balances	5,983	7,185
	<u>88,704</u>	<u>96,280</u>
<b>TOTAL ASSETS</b>	<u>187,833</u>	<u>193,133</u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	118,896	108,284
Share premium	-	9,451
Foreign currency translation reserve	(133)	(133)
Reverse acquisition debit	(36,809)	(36,809)
Warrants reserves	20,983	20,983
ICULS equity component	36,639	37,734
Other reserves	(19,013)	(19,013)
Retained earnings	50,849	50,726
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b>	<u>171,412</u>	<u>171,223</u>
Non-controlling interests	85	85
<b>TOTAL EQUITY</b>	<u>171,497</u>	<u>171,308</u>
<b>NON-CURRENT LIABILITIES</b>		
ICULS liability component	2,888	4,545
Bank borrowings	4,266	4,266
Deferred tax liabilities	34	-
	<u>7,188</u>	<u>8,811</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	1,978	3,103
Other payables and accrued expenses	6,755	9,555
Finance lease liability	26	42
Bank borrowings	124	165
Amount owing to director	66	-
Tax payable	199	149
<b>TOTAL CURRENT LIABILITIES</b>	<u>9,148</u>	<u>13,014</u>
<b>TOTAL LIABILITIES</b>	<u>16,336</u>	<u>21,825</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>187,833</u>	<u>193,133</u>
Net assets per share attributable to owners of the parent (sen)	<u>15.74</u>	<u>16.01</u>

(The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016 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 FIRST QUARTER ENDED 31 MARCH 2017

	Share Capital	Share Premium	Foreign Currency Translation Reserve	Reverse Acquisition Debit	ICULS Equity Component	Other Reserves	Warrants Reserves	Retained Earnings	Total	Non- controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Balance as at 1 January 2017</b>	108,284	9,451	(133)	(36,809)	37,734	(19,013)	20,983	50,726	171,223	85	171,308
Issuance of ordinary shares											
- Conversion of ICULS	1,161	-	-	-	(1,095)	-	-	-	66	-	66
Transfer pursuant to Companies Act 2016	9,451	(9,451)	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	123	123	-	123
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	-	123	123	-	123
<b>Balance as at 31 March 2017</b>	<b>118,896</b>	<b>-</b>	<b>(133)</b>	<b>(36,809)</b>	<b>36,639</b>	<b>(19,013)</b>	<b>20,983</b>	<b>50,849</b>	<b>171,412</b>	<b>85</b>	<b>171,497</b>

## FOR THE FIRST QUARTER ENDED 31 MARCH 2016

	Share Capital	Share Premium	Foreign Currency Translation Reserve	Reverse Acquisition Debit	ICULS Equity Component	Other Reserves	Warrants Reserves	Retained Earnings	Total	Non- controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Balance as at 1 January 2016</b>	106,581	9,451	(135)	(36,809)	-	(14,748)	16,718	47,734	128,792	187	128,979
Issuance of ICULS	-	-	-	-	39,428	-	-	-	39,428	-	39,428
Issuance of ordinary shares											
- Conversion of ICULS	1,280	-	-	-	(1,183)	-	-	-	97	-	97
Change in ownership interest in subsidiary company	-	-	-	-	-	-	-	-	-	20	20
Profit for the period	-	-	-	-	-	-	-	313	313	(22)	291
Other comprehensive loss	-	-	(51)	-	-	-	-	-	(51)	-	(51)
Total comprehensive income for the period	-	-	(51)	-	-	-	-	313	262	(22)	240
<b>Balance as at 31 March 2016</b>	<b>107,861</b>	<b>9,451</b>	<b>(186)</b>	<b>(36,809)</b>	<b>38,245</b>	<b>(14,748)</b>	<b>16,718</b>	<b>48,047</b>	<b>168,579</b>	<b>185</b>	<b>168,764</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 2016 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 FIRST QUARTER ENDED 31 MARCH 2017

	3 MONTHS ENDED 31/03/2017 RM'000	3 MONTHS ENDED 31/03/2016 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	123	291
Adjustments for:		
Amortisation of intangible assets	734	285
Depreciation of property, plant and equipment	242	162
Dividends income from mutual funds	(341)	-
Government grant income	(45)	(45)
Interest income	(6)	(194)
Interest expense	125	321
Loss/(Gain) on disposal of property, plant and equipment	13	(64)
Unrealised gain on foreign exchange	(38)	(51)
Reversal of impairment loss on trade receivables	(46)	-
Operating profit before working capital changes	<u>761</u>	<u>705</u>
Changes in working capital:		
Net change in current assets	1,428	(1,807)
Net change in current liabilities	(3,762)	(661)
Cash used in operations	<u>(1,573)</u>	<u>(1,763)</u>
Interest received	6	194
Tax refund	-	29
Tax paid	(30)	(61)
<b>Net cash used in operating activities</b>	<u><b>(1,597)</b></u>	<u><b>(1,601)</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Dividends received from mutual funds	341	-
Investment in financial assets at fair value through profit or loss	-	(39,179)
Purchase of property, plant and equipment	(54)	(34)
Proceeds from disposals of property, plant and equipment	2	275
Capital contribution from non-controlling interests	-	20
Withdrawal from mutual funds	1,659	-
<b>Net cash from investing activities</b>	<u><b>1,948</b></u>	<u><b>(38,918)</b></u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(48)	(321)
Coupon payment for ICULS	(1,645)	-
Placement on fixed deposits	-	(3)
Fixed deposit released from pledge	212	4,000
Repayment of finance lease liability	(16)	(15)
Repayment of term loan	(41)	(38)
Proceeds from issuance of ICULS	-	42,653
<b>Net cash (used in)/from financing activities</b>	<u><b>(1,538)</b></u>	<u><b>46,276</b></u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,187)</b>	<b>5,757</b>
<b>EFFECTS OF EXCHANGE RATE CHANGES</b>	(15)	-
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	7,215	5,224
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u><b>6,013</b></u>	<u><b>10,981</b></u>
<b>Cash &amp; cash equivalents at the end of the financial period comprise:</b>		
Cash and bank balances	5,983	8,093
Fixed deposits with licensed banks	690	5,499
Bank overdraft	-	(501)
	<u><b>6,673</b></u>	<u><b>13,091</b></u>
Less: Fixed deposits pledged with licensed banks	<u><b>(660)</b></u>	<u><b>(2,110)</b></u>
	<u><b>6,013</b></u>	<u><b>10,981</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 2016 and the accompanying explanatory notes attached to the interim financial statements)

# PUC FOUNDER (MSC) BERHAD

(Company No: 451734-A)

(Incorporated in Malaysia)

## UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2017

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED ("FPE") 31 MARCH 2017

#### 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 PUC Founder (MSC) Berhad ("PUCF") and its subsidiaries ("Group") for the financial year ended 31 December 2016 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 2016.

The adoption of the following MFRS that came into effect on 1 January 2017 did not have any significant impact on the unaudited condensed consolidated financial statements upon their initial application.

Amendments to MFRS 107	Disclosure Initiative
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses
Annual Improvements to MFRSs 2014- 2016 Cycle	Amendments to MFRS 12

##### 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 2016.

##### A4 Seasonal or cyclical factors

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

##### 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 period, the Company increased its issued and paid up share capital by RM1,160,840 through the issuance of 11,608,400 new ordinary shares pursuant to the conversion of RM0.05 nominal value of irredeemable convertible unsecured loan stocks ("ICULS") at RM0.05 per ICULS.

##### 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	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/2017	31/03/2016	31/03/2017	31/03/2016
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>				
<b>Business Segment</b>				
Biometrics	-	243	-	243
Advertising & Media	7,844	7,656	7,844	7,656
Financial Services	284	116	284	116
Renewable Energy	506	-	506	-
Corporate and others	-	-	-	-
	<u>8,634</u>	<u>8,015</u>	<u>8,634</u>	<u>8,015</u>
<b>Profit/(Loss) after taxation</b>				
<b>Business Segment</b>				
Biometrics	-	(9)	-	(9)
Advertising & Media	1,054	2,258	1,054	2,258
Financial Services	(277)	(69)	(277)	(69)
Renewable Energy	245	(215)	245	(215)
Corporate and others	(899)	(1,674)	(899)	(1,674)
	<u>123</u>	<u>291</u>	<u>123</u>	<u>291</u>

# PUC FOUNDER (MSC) BERHAD

(Company No: 451734-A)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2017

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED ("FPE")  
31 MARCH 2017

## A. EXPLANATORY NOTES (CONT'D)

### A9 Segmental information (Cont'd)

The financial performance of corporate office is now shown under "Corporate and others" segment. The comparative figures have been reclassified between segments to be consistent with current year presentation.

### 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

There were no material events subsequent to the financial quarter under review up to the date of this report which is likely to substantially affect the results of the operations of the Group.

### A13 Changes in the composition of the Group

- (i) On 6 March 2017, the Company incorporated a wholly-owned subsidiary company in Singapore under the name of PUC (Singapore) Pte. Ltd. with an initial paid-up share capital of S\$1.00 comprising of one (1) ordinary share.
- (ii) On 3 April 2017, the Group announced that its subsidiary, Ausscar Technology Sdn. Bhd. has changed its name to PUC (Malaysia) Sdn. Bhd. with effect from 29 March 2017.
- (iii) The Group has on 19 April 2017 announced that its' wholly-owned subsidiary, Maxgreen Energy Sdn Bhd, has entered into a conditional share sale agreement to dispose its entire 70% equity interest in Oscar Wealth Advisory Sdn Bhd ("OWA") for RM1,604,240. Upon completion of the exercise, OWA will cease to be a subsidiary of the Group.
- (iv) The Company has on 26 April 2017 entered into a conditional sale agreement to acquire 100% equity interest in Enovax Pte Ltd ("Enovax"), a company incorporated in Singapore. Upon the completion of the acquisition, Enovax will be a wholly-owned subsidiary of the Company.

### 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 TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/2017	31/03/2016
	RM'000	RM'000
Rental of premise received/receivable	1	-
Supply of a GPS-based geographical navigation application programme	-	1,200

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UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2017

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED ("FPE")  
31 MARCH 2017

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

### B1 Review of performance

The Group recorded revenue of RM8.6 million and profit before taxation of RM0.1 million for the current quarter as compared to revenue of RM8.0 million and profit before taxation of RM0.3 million in the preceding year's corresponding period. The higher revenue was mainly due to revenue contribution from the renewable energy segment of RM0.5 million, as the Group's 1MWp plant has commenced operations in the third quarter of year 2016.

The Group's decrease in profit before taxation during the current quarter as compared to the preceding year's corresponding period was mainly due to the decrease in profit contribution from the advertising and media segment in the current quarter. The situation arose mainly due to the discountinuation of supply of GPS-based geographical navigation application to a related party.

### B2 Variation of results against preceding quarter

	CURRENT YEAR QUARTER ENDED 31/03/2017 RM'000	PRECEDING QUARTER ENDED 31/12/2016 RM'000	Variance	
			RM'000	%
Revenue	8,634	8,051	583	7%
Profit before taxation	123	1,076	(953)	-89%

The increase in the Group's revenue as compared to the preceding quarter is mainly due to higher revenue contribution from advertising and media segment as well as the higher revenue contribution from renewable energy segment.

The Group's profit before taxation for the current quarter is RM0.1 million, 91% lower than preceding quarter's profit before taxation of RM1.1 million. The decrease is mainly due to lower profit before taxation in the advertising and media segment by RM0.4 million, as well as loss before taxation reported in financial services segment and other segment amounted to approximately RM0.6 million and RM0.9 million respectively. However, the overall decrease is compensated by profit before taxation of RM0.2 million reported in renewable energy segment as compared to loss before taxation of RM0.6 million in the preceding quarter.

### B3 Prospects

The Group will continue development of its existing e-commerce and financial technology related businesses as it is expected to contribute positively to the growth and development of the Group's business. This direction is in line with the Malaysian government's acknowledgement that the growth of e-commerce is inevitable, and supported by the National E-commerce Strategic Roadmap which aims to double the country's electronic commerce growth from 10.8 % to 20.8 % by 2020. This is supported by the development of the world's first Digital Free Trade Zone which shall be spearheaded by Malaysia's digital economy adviser, and founder of Alibaba, Mr. Jack Ma.

The Digital Free Trade Zone will benefit entrepreneurs by offering a conducive environment for digital companies to carry out businesses which invigorate internet-based businesses and thus catalyse the Malaysian economy.

In addition to continuous development of these businesses, the Group will further expand its technology business, particularly in electronic commerce and payment, advertising and media as well as related businesses which include expenditure in research and development, development and/or acquisition of software and intellectual properties, marketing and other operating costs.

To stay competitive, the Group will continue to enhance and strengthen its value propositions to customers whilst focusing on providing the best quality solutions. Notwithstanding the challenges ahead, the Group remains committed and will continue to seek opportunities in order to optimise the performance of the Group and to ensure its long-term sustainability and profitability.

### 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 31/03/2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2016 RM'000	CURRENT YEAR TO DATE 31/03/2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2016 RM'000
<b>Income tax</b>				
- Provision for previous and current period	-	-	-	-
Effective tax rate	0%	0%	0%	0%

The effective tax rates of the Group for the current financial quarter and year-to-date were lower than the statutory tax rate of 24%. This was mainly as certain subsidiaries of PUCF, namely EPP Solution Sdn Bhd, has been granted pioneer status and are exempted from taxation, as well as PUCF's subsidiaries established in British Virgin Islands, namely AllChina.cn Ltd and Red Media Asia Ltd, which are also not subject to taxation.

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UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2017

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED ("FPE")  
31 MARCH 2017

## B. ADDITIONAL INFORMATION REQUIRED PURSUANT TO THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

### 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 report:-

#### (a) Right issue of ICULS with Warrants

On 18 February 2016, the Group has announced that as at the close of acceptance and payment for the Rights Issue of ICULS with Warrants at 5.00 p.m. on 5 February 2016 ("Closing Date"), the total valid acceptances and excess applications received under the Rights Issue of ICULS with Warrants were RM42,653,286.45 nominal value of the Rights ICULS together with 213,266,257 free Warrants-B. This represents an under-subscription of RM31,953,044.35 nominal value of the Rights ICULS or approximately 42.83% over the total of RM74,606,330.80 nominal value of the Rights ICULS together with 373,031,654 free Warrants-B available for subscription under the Rights Issue of ICULS with Warrants. Notwithstanding the under-subscription for the Rights Issue of ICULS with Warrants, the minimum subscription level of RM28,000,000.00 nominal value of the Rights ICULS for the Rights Issue of ICULS with Warrants was achieved and the Company will proceed with the Rights Issue of ICULS with Warrants.

The Rights ICULS and Warrants-B were listed and quoted on the ACE Market of Bursa Malaysia Securities Berhad on 24 February 2016.

#### Status of utilisation of proceeds raised from the issuance of the ICULS

The status of the utilisation of proceeds arising from the ICULS as at 19 May 2017 is as follows:-

	Proposed utilisation RM'000	Actual Utilisation RM'000	Deviation		Balance unutilised RM'000	Expected time frame for utilisation
			RM'000	%		
Capital expenditure for construction of solar photovoltaic ("PV") plants	35,415	160	-	-	35,255	Within 24 months
Working capital	6,238	4,091	-	-	2,147	Within 24 months
Defrayment of expenses incurred for the Corporate	1,000	1,000	-	-	-	
	<u>42,653</u>	<u>5,251</u>	<u>-</u>	<u>-</u>	<u>37,402</u>	

#### (b) Placement of up to ten percent (10%) of the issued and paid-up share capital

On 3 March 2017, the Company has proposed to undertake the proposed placement of up to ten percent (10%) of the issued and paid-up share capital of the Company. Proceeds totalling RM7.60 million were raised under the first tranche of the placement on 6 April 2017.

#### Status of utilisation of proceeds raised from share placement

The status of the utilisation of proceeds arising from the share placement as at 19 May 2017 is as follows:-

	Proposed utilisation RM'000	Actual Utilisation RM'000	Deviation		Balance unutilised RM'000	Expected time frame for utilisation
			RM'000	%		
Expansion of technology	6,389	998	-	-	5,391	within 24 months
Working capital	1,111	688	-	-	423	within 24 months
Defrayment of expenses in relation to the placement	100	76	-	-	24	within 1 month
	<u>7,600</u>	<u>1,762</u>	<u>-</u>	<u>-</u>	<u>5,838</u>	



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UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2017

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED ("FPE")  
31 MARCH 2017

## B. ADDITIONAL INFORMATION REQUIRED PURSUANT TO THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

### B7 Borrowings

The Group's borrowings as at 31 March 2017 are as follows:-

	Short term RM'000	Long term RM'000	Total RM'000
<b>Secured</b>			
Finance lease liability	26	-	26
Term Loan	124	4,266	4,390
	<u>150</u>	<u>4,266</u>	<u>4,415</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 which is calculated by dividing the profit attributable to owners of the parent for the period by the weighted average number of shares is as follows:-

	3 months ended 31 March		Cumulative 3 months ended 31 March	
	2017	2016	2017	2016
Profit attributable to owners of the parent (RM'000)	123	313	123	313
Weighted average number of ordinary shares in issue	1,089,055	1,069,190	1,089,055	1,069,190
Basic earnings per share (sen)	<u>0.01</u>	<u>0.03</u>	<u>0.01</u>	<u>0.03</u>

#### b. Diluted earnings per share

The diluted earnings per share of the Group is calculated by dividing the profit attributable to owners of the parent 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 31 March		Cumulative 3 months ended 31 March	
	2017	2016	2017	2016
Profit attributable to owners of the parent (RM'000)	123	313	123	313
Adjusted for:				
Interest savings on ICULS	58	-	58	-
	<u>181</u>	<u>313</u>	<u>180</u>	<u>313</u>
Weighted average number of ordinary shares as per basic earnings per share computation ('000)	1,089,055	1,069,190	1,089,055	1,069,190
Assuming full conversion of ICULS ('000)	397,890	-	397,890	-
Assuming full exercise of Warrants ('000)	- *	432,567	- *	432,567
Weighted average number of ordinary shares diluted ('000)	<u>1,486,945</u>	<u>1,501,757</u>	<u>1,486,945</u>	<u>1,501,757</u>
Diluted earnings per share (sen)	<u>0.01</u>	<u>0.02</u>	<u>0.01</u>	<u>0.02</u>

\* The number of shares under Warrants were not taken into account in the computation of diluted earnings per share because the effect on basic earnings per share is antidilutive.

# PUC FOUNDER (MSC) BERHAD

(Company No: 451734-A)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2017

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED ("FPE")  
31 MARCH 2017

## B. ADDITIONAL INFORMATION REQUIRED PURSUANT TO THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

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

	As at 31/03/2017 RM'000	As at 31/03/2016 RM'000
Total retained earnings of the Group		
- Realised	57,247	50,665
- Unrealised	373	1,082
	<u>57,620</u>	<u>51,747</u>
Less: Consolidation adjustments	(6,771)	(3,700)
Total retained earnings as per consolidated accounts	<u>50,849</u>	<u>48,047</u>

### B12 Profit for the period

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

	CURRENT YEAR QUARTER 31/03/2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2016 RM'000	CURRENT YEAR TO DATE 31/03/2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2016 RM'000
Dividends income from mutual funds	(341)	-	(341)	-
(Gain)/Loss on disposal of property, plant and equipment	13	(64)	13	(64)
Government grant income	(45)	(45)	(45)	(45)
Interest income	(6)	(194)	(6)	(194)
Rental income	(1)	-	(1)	-
Depreciation and amortisation	976	447	976	447
Interest expense	125	321	125	321
Reversal of impairment loss on trade receivables	(46)	-	(46)	-
Loss/(Gain) on foreign exchange				
- Realised	45	-	45	-
- Unrealised	(38)	(51)	(38)	(51)

Save as disclosed above and in the Condensed Consolidated Statements of Comprehensive Income, the other items required by Bursa Malaysia Securities Berhad ACE Market Listing Requirements, Chapter 9, Appendix 9B are not applicable to the Group.

By Order of the Board

Cindy Lim Seck Wah  
Secretary

Kuala Lumpur  
26 May 2017