

**PUC BERHAD (Formerly known as 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 2017**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER	PRECEDING YEAR QUARTER	CHANGES	CURRENT YEAR TO DATE	PRECEDING YEAR PERIOD	CHANGES
	30/06/2017 RM '000	30/06/2016 RM '000		30/06/2017 RM '000	30/06/2016 RM '000	%
Revenue	10,127	5,088	99%	18,761	13,103	43%
Cost of sales	(6,147)	(2,154)	185%	(11,993)	(6,616)	81%
Gross profit	3,980	2,934	36%	6,768	6,487	4%
Other income	365	924	-60%	895	1,177	-24%
Administrative and general expenses	(3,803)	(2,990)	27%	(6,873)	(6,184)	12%
Operating profit	542	868	-38%	790	1,480	-47%
Finance costs	(121)	(372)	-67%	(246)	(693)	-64%
Profit before taxation	421	496	-15%	544	787	-31%
Taxation	-	-	-	-	-	-
Profit after taxation	421	496	-15%	544	787	-31%
Other comprehensive (loss)/income:						
Exchange differences on translation of foreign operations	(21)	52	-141%	(21)	1	-2,245%
Total comprehensive income	400	548	-27%	523	788	-34%
<b>PROFIT ATTRIBUTABLE TO:</b>						
Owners of the parent	417	497	-16%	540	810	-33%
Non-controlling interests	4	(1)	-460%	4	(23)	-117%
	421	496	-15%	544	787	-31%
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>						
Owners of the parent	396	549	-28%	519	811	-36%
Non-controlling interests	4	(1)	-460%	4	(23)	-117%
	400	548	-27%	523	788	-34%
Weighted average number of ordinary shares in issue ('000)	1,145,399	1,076,760		1,145,399	1,076,760	
Earnings per share (sen):						
(a) Basic	0.04	0.05		0.05	0.08	
(b) Fully diluted	0.02	0.03		0.03	0.05	

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 2016 and the accompanying explanatory notes attached to the interim financial statements

**PUC BERHAD (Formerly known as PUC Founder (MSC) Berhad)**

Company No. 451734-A

Incorporated in Malaysia

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2017**

	<b>(UNAUDITED) AS AT 30/6/2017</b>	<b>(AUDITED) AS AT 31/12/2016</b>
	RM '000	RM '000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	16,979	17,209
Software development expenditure	15,469	12,441
Intangible assets	73,217	65,851
Other investments	1	1
Deferred tax assets	1,344	1,351
	<u>107,010</u>	<u>96,853</u>
<b>CURRENT ASSETS</b>		
Inventories	9,822	11,191
Other investments	38,343	39,670
Trade receivables	36,165	33,418
Other receivables, deposits and prepayments	9,844	3,170
Amount due from ultimate holding company	-	490
Amount due from holding company	3	14
Tax recoverable	187	240
Fixed deposits with licensed banks	693	902
Cash and bank balances	10,264	7,185
	<u>105,321</u>	<u>96,280</u>
<b>TOTAL ASSETS</b>	<u>212,331</u>	<u>193,133</u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	136,598	108,284
Share premium	-	9,451
Foreign currency translation reserve	(154)	(133)
Reverse acquisition debit	(36,809)	(36,809)
Warrant reserves	20,983	20,983
ICULS - Equity component	35,512	37,734
Other reserves	(19,013)	(19,013)
Retained earnings	51,266	50,726
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b>	<u>188,383</u>	<u>171,223</u>
Non-controlling interests	89	85
<b>TOTAL EQUITY</b>	<u>188,472</u>	<u>171,308</u>
<b>NON-CURRENT LIABILITIES</b>		
ICULS - Liability component	2,870	4,545
Bank borrowings	5,508	4,266
Deferred tax liabilities	34	-
	<u>8,412</u>	<u>8,811</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	3,803	3,103
Other payables and accrued expenses	11,329	9,555
Finance lease liability	35	42
Bank borrowings	83	165
Tax payable	196	-
Bank overdraft	1	149
<b>TOTAL CURRENT LIABILITIES</b>	<u>15,447</u>	<u>13,014</u>
<b>TOTAL LIABILITIES</b>	<u>23,859</u>	<u>21,825</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>212,331</u>	<u>193,133</u>
Net assets per share attributable to owners of the parent (sen)	<u>15.34</u>	<u>15.81</u>

The Unaudited Condensed Consolidated Statement 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 BERHAD (Formerly known as 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 2017**

	Share Capital	Share Premium	Foreign Currency Translation Reserve	Reverse Acquisition Debit	ICULS - Equity Component	Other Reserves	Warrant Reserves	Retained Earnings	Total	Non-controlling Interest	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>	<b>108,284</b>	<b>9,451</b>	<b>(133)</b>	<b>(36,809)</b>	<b>37,734</b>	<b>(19,013)</b>	<b>20,983</b>	<b>50,726</b>	<b>171,223</b>	<b>85</b>	<b>171,308</b>
Issuance of ordinary shares											
- Conversion of ICULS	3,541	-	-	-	(2,222)	-	-	-	1,319	-	1,319
- Private placement	15,322	-	-	-	-	-	-	-	15,322	-	15,322
	18,863	-	-	-	(2,222)	-	-	-	16,641	-	16,641
Transfer pursuant to Companies Act 2016	9,451	(9,451)	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	540	540	4	544
Other comprehensive loss	-	-	(21)	-	-	-	-	-	(21)	-	(21)
Total comprehensive income for the period	-	-	(21)	-	-	-	-	540	519	4	523
<b>Balance as at 30 June 2017</b>	<b>136,598</b>	<b>-</b>	<b>(154)</b>	<b>(36,809)</b>	<b>35,512</b>	<b>(19,013)</b>	<b>20,983</b>	<b>51,266</b>	<b>188,383</b>	<b>89</b>	<b>188,472</b>

**FOR THE SECOND QUARTER ENDED 30 JUNE 2016**

	Share Capital	Share Premium	Foreign Currency Translation Reserve	Reverse Acquisition Debit	ICULS - Equity Component	Other Reserves	Warrant Reserves	Retained Earnings	Total	Non-controlling Interest	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>	<b>106,581</b>	<b>9,451</b>	<b>(135)</b>	<b>(36,809)</b>	<b>-</b>	<b>(14,748)</b>	<b>16,718</b>	<b>47,734</b>	<b>128,792</b>	<b>187</b>	<b>128,979</b>
Issuance of ICULS	-	-	-	-	39,428	-	-	-	39,428	-	39,428
Issuance of ordinary shares											
- Conversion of ICULS	1,703	-	-	-	(1,574)	-	-	-	129	-	129
Capital contribution by non-controlling interest	-	-	-	-	-	-	-	-	-	20	20
Profit for the period	-	-	-	-	-	-	-	810	810	(23)	787
Other comprehensive income	-	-	1	-	-	-	-	-	1	-	1
Total comprehensive income for the period	-	-	1	-	-	-	-	810	811	(23)	788
<b>Balance as at 30 June 2016</b>	<b>108,284</b>	<b>9,451</b>	<b>(134)</b>	<b>(36,809)</b>	<b>37,854</b>	<b>(14,748)</b>	<b>16,718</b>	<b>48,544</b>	<b>169,160</b>	<b>185</b>	<b>169,345</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 statement

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2017**

	<b>6 MONTHS ENDED</b>	<b>6 MONTHS ENDED</b>
	<b>30/6/2017</b>	<b>30/6/2016</b>
	RM '000	RM '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	544	787
Adjustments for:		
Amortisation of intangible assets	1,469	571
Dividend income	(673)	(531)
Depreciation of property, plant and equipment	491	322
Government grant income	(90)	(90)
Interest income	(8)	(92)
Interest expense	246	693
Loss/(Gain) on disposal of property, plant and equipment	13	(64)
Unrealised (gain)/loss on foreign exchange	(41)	179
Reversal of impairment loss on trade receivables	(46)	-
Operating profit before working capital changes	1,905	1,775
Changes in working capital:		
Net change in current assets	(7,108)	(2,081)
Net change in current liabilities	(2,330)	(3,222)
Cash used in operations	(7,533)	(3,528)
Interest received	8	92
Tax refund	100	-
Tax paid	-	(97)
<b>Net cash used in operating activities</b>	<b>(7,425)</b>	<b>(3,533)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Dividends received from mutual funds	673	-
Investment in unquoted share	-	(1,334)
Investment in financial assets at fair value through profit or loss	-	(39,029)
Purchase of property, plant and equipment	(141)	(60)
Proceeds from disposals of property, plant and equipment	2	275
Net cash outflows on acquisition of subsidiary	(6,198)	-
Capital contribution from non-controlling interest	-	20
Withdrawal from mutual funds	1,327	-
<b>Net cash used in investing activities</b>	<b>(4,337)</b>	<b>(40,128)</b>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2017 (Continued)**

	<b>6 MONTHS ENDED</b>	<b>6 MONTHS ENDED</b>
	<b>30/6/2017</b>	<b>30/6/2016</b>
	RM '000	RM '000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(105)	(120)
Coupon payment for ICULS	(1,647)	-
Proceeds from private placement of shares	15,322	-
Proceeds from conversion of ICULS to shares	1,190	-
Fixed deposit released from pledge	212	5,258
Repayment of finance lease liability	(7)	(30)
Repayment of term loan	(79)	(75)
Proceeds from issuance of ICULS	-	42,653
<b>Net cash from financing activities</b>	<b>14,886</b>	<b>47,686</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>3,124</b>	<b>4,025</b>
Effects of exchange rate changes	(43)	-
<b>CASH AND CASH EQUIVALENT AT BEGINNING OF PERIOD</b>	<b>7,215</b>	<b>5,224</b>
<b>CASH AND CASH EQUIVALENT AT END OF PERIOD</b>	<b>10,296</b>	<b>9,249</b>
Cash and cash equivalents at end of the financial period comprise:		
Cash and bank balances	10,264	5,859
Fixed deposits with licensed banks	693	4,238
Bank overdraft	(1)	-
	10,956	10,097
Less: Fixed deposits pledged with licensed banks	(660)	(848)
	<b>10,296</b>	<b>9,249</b>

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

**UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2017**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**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 Berhad (formerly PUC Founder (MSC) Berhad ("PUC") 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 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 of 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 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 PUC 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:

- (a) by RM3,540,840 through the issuance of 35,408,400 new ordinary shares pursuant to the conversion of RM0.05 nominal value of irredeemable convertible loan stocks ("ICULS") at RM0.05 per ICULS.
- (b) By RM15,322,283 through the issuance of 109,444,880 new ordinary shares pursuant to private placement exercise at an issue price of RM0.14 per share.

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**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:

	<b>CURRENT YEAR QUARTER</b>	<b>PRECEDING YEAR QUARTER</b>	<b>CURRENT YEAR TO DATE</b>	<b>PRECEDING YEAR PERIOD</b>
	<b>30/6/2017</b>	<b>30/6/2016</b>	<b>30/6/2017</b>	<b>30/6/2016</b>
	RM '000	RM '000	RM '000	RM '000
<b>Revenue</b>				
Biometrics	-	-	-	243
Advertising and media	9,519	4,900	17,363	12,320
Financial services	248	188	532	540
Renewable energy	301	-	807	-
Technology	59	-	59	-
Corporate and others*	-	-	-	-
	<b>10,127</b>	<b>5,088</b>	<b>18,761</b>	<b>13,103</b>
<b>Profit after taxation</b>				
Biometrics	-	-	-	(2)
Advertising and media	2,390	1,806	3,444	4,254
Financial services	(286)	(18)	(563)	(33)
Renewable energy	90	(313)	335	(779)
Technology	(410)	-	(410)	-
Corporate and others*	(1,363)	(979)	(2,262)	(2,653)
	<b>421</b>	<b>496</b>	<b>544</b>	<b>787</b>

\* 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.

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**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) 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. The exercise was completed on 14 August 2017 and henceforth, OWA ceased 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, for a purchase consideration of SGD2,000,000. The exercise was completed on 13 June 2017 and henceforth Enovax is a wholly-owned subsidiary of the Company.
- (v) The Group's wholly-owned subsidiary, PUC (Singapore) Pte. Ltd. had on 13 June 2017 incorporated a wholly-owned subsidiary in China under the name of Shanghai PUC Network Technology Co. Ltd..
- (vi) On 4 July 2017, the Company announced that it has changed its name to PUC Berhad with effect from 30 June 2017.
- (vii) The Group's wholly-owned subsidiary, Founder Energy Global Ltd. changed its name to PUC International (Hong Kong) Ltd. with effect from 3 August 2017.

**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:

	<b>CURRENT YEAR TO DATE</b>	<b>PRECEDING YEAR PERIOD</b>
	<b>30/6/2017</b>	<b>30/6/2016</b>
	RM '000	RM '000
Rental of premise received/receivable	3	-
Supply of a GPS-based geographical navigation application programme	-	1,200
Advertising and media on the obituary of late Mr. Cheong Chia Chieh	-	34



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

**B1 Review of performance**

The Group recorded higher revenue of RM18.8 million as compared to preceding year period's RM13.1 million. The renewal energy segment which began operation in the third quarter of year 2016 contributed to the improved revenue. Nonetheless advertising and media segment continue to be the major revenue contributor.

Profit before taxation of RM0.5 million achieved in the year to-date June 2017 is 31% lower than that achieved in the same period in year 2016. Advertising and media segment, which continue to be the main profit contributor, recorded a lower profit after tax margin of 20% compared to 34% achieved in 2016. This is due to higher contributions from the lower profit margin sales mix in 2017. Staff costs has also increased as a result of the Group's focus in developing its e-commerce and financial technology related businesses.

**B2 Variation of results against preceding quarter**

	<b>CURRENT QUARTER</b>	<b>PRECEDING QUARTER</b>	<b>VARIANCE</b>	
	<b>30/6/2017</b>	<b>31/3/2017</b>		
	RM '000	RM '000	RM '000	%
Revenue	10,127	8,634	1,493	17%
Profit before taxation	421	123	298	243%

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. The Group's profit before taxation for the current quarter of RM0.4 million, is 243% higher than preceding quarter's profit before taxation of RM0.1 million. This is mainly due to a better profit margin achieved by the advertising and media segment arising from the increased sales on higher margin sales mix. Profit after tax margin for the advertising and media segment was 25% compared to 13% in the preceding quarter.

**B3 Prospects**

The Group will continue development of its e-commerce and financial technology related businesses. With the support of the government's National E-commerce Strategic Roadmap and the development of the world's first Digital Free Trade Zone, the Group is confident that its direction shall continue to contribute positively to the Group's business growth.

In June 2017, the Group completed its acquisition of Enovax Pte. Ltd. which will further expand the Group's technology business reach, and enhance the Group's capabilities in delivering products and services for its e-commerce and payments businesses with the expertise, domain knowledge and talent acquired. The Group has also been exploring development of services that will enhance local payment services through partnerships with regional payment services providers to enable cross-border payments. The Group targets to launch these e-commerce and payments services in the short-term.

The advertising and media business segment remains a key area where innovative solutions, service offerings and business developments are continuously cultivated and enhanced. The Group's expanding partnerships in advertising and media, such as the exclusive agreement with Laputa Ventures Sdn Bhd in June 2017 as its exclusive marketing partner for out-of-home advertising on private vehicles, exemplifies its dedication to enhance value creation for the industry.

The Group remains committed and will continue to seek opportunities in order to optimize the performance of the Group and to ensure its long-term sustainability and profitability.

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**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 quarter under review.

**B5 Taxation**

CURRENT YEAR QUARTER	PRECEDING YEAR QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR PERIOD
30/6/2017	30/6/2016	30/6/2017	30/6/2016
RM '000	RM '000	RM '000	RM '000

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%. Certain subsidiaries of PUC, namely EPP Solution Sdn. Bhd., has been granted pioneer status and are exempted from taxation, as well as PUC's subsidiaries established in British Virgin Islands, namely 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 report:

**(a) Rights 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 proceeded 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 utilization of proceeds raised from the issuance of the ICULS**

The status of the utilization of proceeds arising from the ICULS as at 21 August 2017 is as follows:

	Proposed utilization	Actual utilization	Deviation		Balance unutilized	Expected time frame for utilization from issuance date
	RM '000	RM '000	RM '000	%	RM '000	
Capital expenditure for construction of solar photovoltaic ("PV") plants	35,415	160	-	-	35,255	Within 24 months
Working capital	6,238	5,047	-	-	1,191	Within 24 months
Defrayment of expenses incurred for the Corporate Exercise	1,000	1,000	-	-	-	
	<u>42,653</u>	<u>6,207</u>	<u>-</u>	<u>-</u>	<u>36,446</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 and RM7.72 million were raised under the second tranche of the placement on 28 June 2017.

**Status of utilization of proceeds raised from share placement**

The status of the utilization of proceeds arising from the share placement as at 21 August 2017 is as follows:

	Proposed utilization	Actual utilization	Deviation		Balance unutilized	Expected time frame for utilization from placement date
	RM '000	RM '000	RM '000	%	RM '000	
Expansion of technology business	12,968	8,189	-	-	4,779	Within 24 months
Working capital	2,254	2,120	-	-	134	Within 24 months
Defrayment of expenses in relation to the placement	100	100	-	-	-	
	<u>15,322</u>	<u>10,409</u>	<u>-</u>	<u>-</u>	<u>4,193</u>	

**B7 Borrowings**

The Group's borrowings as at 30 June 2017 are as follows:

	Long Term		Short Term		Total Borrowings	
	Foreign currency	RM equivalent	Foreign currency	RM equivalent	Foreign currency	RM equivalent
	'000	'000	'000	'000	'000	'000
Secured:						
- Term loan (SGD)***	398	1,242	-	-	398	1,242
- Term loan (RM)**	-	4,266	-	83	-	4,349
- Finance lease liability (SGD)	-	-	8	24	8	24
- Finance lease liability (RM)	-	-	-	11	-	11
- Bank overdraft (SGD)	-	-	* -	1	* -	1
	<u>398</u>	<u>5,508</u>	<u>8</u>	<u>119</u>	<u>406</u>	<u>5,627</u>

\* Denotes an amount below SGD1,000 after rounding

\*\* RM - Ringgit Malaysia

\*\*\*SGD - Singapore Dollar

**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.

**PUC BERHAD (Formerly known as PUC Founder (MSC) Berhad)**

Company No. 451734-A

Incorporated in Malaysia

**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 30 June		Cumulative 6 months ended 30 June	
	2017	2016	2017	2016
Profit attributable to owners of the parents (RM '000)	417	497	540	810
Weighted average number of ordinary shares in issue ('000)	1,145,399	1,076,760	1,145,399	1,076,760
Basic earnings per share (sen)	0.04	0.05	0.05	0.08

**(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 30 June		Cumulative 6 months ended 30 June	
	2017	2016	2017	2016
Profit attributable to owners of the parents (RM '000)	417	497	540	810
Adjusted for:				
Interest savings on ICULS (RM '000)	49	-	107	-
	466	497	647	810
Weighted average number of ordinary shares in issue ('000)	1,145,399	1,076,760	1,145,399	1,076,760
Assuming full conversion of ICULS ('000)	385,990	-	385,990	-
Assuming full exercise of Warrants ('000)	346,053	467,640	346,053	467,640
Weighted average number of ordinary shares diluted ('000)	1,877,442	1,544,400	1,877,442	1,544,400
Diluted earnings per share (sen)	0.02	0.03	0.03	0.05

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

	As at 30/6/2017 RM '000	As at 30/6/2016 RM '000
Total retained earnings of the Group		
- Realised	40,701	43,616
- Unrealised	376	1,072
	41,077	44,688
Add: Consolidated adjustments	10,157	3,856
Total retained earnings as per consolidated accounts	51,234	48,544

**PUC BERHAD (Formerly known as PUC Founder (MSC) Berhad)**

Company No. 451734-A

Incorporated in Malaysia

**B12 Profit before taxation**

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

	<b>CURRENT YEAR QUARTER</b>	<b>PRECEDING YEAR QUARTER</b>	<b>CURRENT YEAR TO DATE</b>	<b>PRECEDING YEAR PERIOD</b>
	<b>30/6/2017</b>	<b>30/6/2016</b>	<b>30/6/2017</b>	<b>30/6/2016</b>
	RM '000	RM '000	RM '000	RM '000
Dividend income from mutual funds	(332)	(382)	(673)	(531)
Loss/(Gain) on disposal of property, plant and equipment	-	-	13	(64)
Government grant income	(45)	(45)	(90)	(90)
Interest income	(2)	(47)	(8)	(92)
Rental income	(2)	-	(3)	-
Bad debts written-off	140	-	140	-
Depreciation and amortization	984	445	1,960	893
Interest expense	121	372	246	693
Reversal of impairment loss on trade receivables	(140)	-	(186)	-
Loss/(Gain) on foreign exchange				
- Realised	19	(2)	64	(3)
- Unrealised	(3)	(31)	(41)	179

Save as disclosed above and in the Condensed Consolidated Statement 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  
SecretaryKuala Lumpur  
25 August 2017