



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT	PRECEDING	CHANGES	CURRENT	PRECEDING	CHANGES
	YEAR	YEAR		YEAR TO	YEAR PERIOD	
	QUARTER	QUARTER	DATE	DATE	PERIOD	
30/09/2017	30/09/2016	30/09/2017	30/09/2016			
	RM '000	RM '000	%	RM '000	RM '000	%
Revenue	13,752	4,599	199%	32,513	17,702	84%
Cost of sales	(9,084)	(1,662)	447%	(21,077)	(8,278)	155%
Gross profit	4,668	2,937	59%	11,436	9,424	21%
Other income	169	836	-80%	1,064	2,013	-47%
Administrative and general expenses	(4,685)	(3,084)	52%	(11,558)	(9,268)	25%
Operating profit	152	689	-78%	942	2,169	-57%
Finance costs	(131)	296	-144%	(377)	(397)	-5%
Profit before taxation	21	985	-98%	565	1,772	-68%
Taxation	94	(116)	-181%	94	(116)	-181%
Profit after taxation	115	869	-87%	659	1,656	-60%
Other comprehensive (loss)/income:						
Exchange differences on translation of foreign operations	(4)	2	-300%	(25)	3	-933%
Total comprehensive income	111	871	-87%	634	1,659	-62%
<b>PROFIT ATTRIBUTABLE TO:</b>						
Owners of the parent	125	906	-86%	665	1,716	-61%
Non-controlling interests	(10)	(37)	-73%	(6)	(60)	-90%
	115	869	-87%	659	1,656	-60%
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>						
Owners of the parent	121	908	-87%	640	1,719	-63%
Non-controlling interests	(10)	(37)	-73%	(6)	(60)	-90%
	111	871	-87%	634	1,659	-62%
Weighted average number of ordinary shares in issue ('000)	1,156,411	1,079,031		1,156,411	1,079,031	
Earnings per share (sen):						
(a) Basic	0.01	0.08		0.06	0.16	
(b) Fully diluted	0.01	0.06		0.05	0.11	

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



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

	(UNAUDITED) AS AT 30/9/2017 RM '000	(AUDITED) AS AT 31/12/2016 RM '000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	16,776	17,209
Software development expenditure	16,266	12,441
Intangible assets	71,229	65,851
Other investments	-	1
Deferred tax assets	1,298	1,351
	<b>105,569</b>	<b>96,853</b>
<b>CURRENT ASSETS</b>		
Inventories	5,444	11,191
Other investments	39,233	39,670
Trade receivables	44,725	33,418
Other receivables, deposits and prepayments	12,733	3,170
Amount due from ultimate holding company	-	490
Amount due from holding company	3	14
Tax recoverable	221	240
Fixed deposits with licensed banks	690	902
Cash and bank balances	4,064	7,185
	<b>107,113</b>	<b>96,280</b>
<b>TOTAL ASSETS</b>	<b>212,682</b>	<b>193,133</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	139,206	108,284
Share premium	-	9,451
Foreign currency translation reserve	(158)	(133)
Reverse acquisition debit	(36,809)	(36,809)
Warrant reserves	20,983	20,983
ICULS - equity component	34,349	37,734
Other reserves	(19,013)	(19,013)
Retained earnings	51,391	50,726
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b>	<b>189,949</b>	<b>171,223</b>
Non-controlling interests	(116)	85
<b>TOTAL EQUITY</b>	<b>189,833</b>	<b>171,308</b>
<b>NON-CURRENT LIABILITIES</b>		
ICULS - liability component	2,739	4,545
Bank borrowings	5,291	4,266
Deferred tax liabilities	1	-
	<b>8,031</b>	<b>8,811</b>
<b>CURRENT LIABILITIES</b>		
Trade payables	2,707	3,103
Other payables and accrued expenses	11,638	9,555
Finance lease liability	22	42
Bank borrowings	171	165
Tax payable	108	149
Bank overdraft	172	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>14,818</b>	<b>13,014</b>
<b>TOTAL LIABILITIES</b>	<b>22,849</b>	<b>21,825</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>212,682</b>	<b>193,133</b>
Net assets per share attributable to owners of the parent (sen)	16.43	15.81

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



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
 FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 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	6,149	-	-	-	(3,385)	-	-	-	2,764	-	2,764
- Private placement	15,322	-	-	-	-	-	-	-	15,322	-	15,322
	21,471	-	-	-	(3,385)	-	-	-	18,086	-	18,086
Transfer pursuant to Companies Act 2016	9,451	(9,451)	-	-	-	-	-	-	-	-	-
Disposal of a subsidiary	-	-	-	-	-	-	-	-	-	(195)	(195)
Profit for the period	-	-	-	-	-	-	-	665	665	(6)	659
Other comprehensive loss	-	-	(25)	-	-	-	-	-	(25)	-	(25)
Total comprehensive income for the period	-	-	(25)	-	-	-	-	665	640	(6)	634
<b>Balance as at 30 September 2017</b>	<b>139,206</b>	<b>-</b>	<b>(158)</b>	<b>(36,809)</b>	<b>34,349</b>	<b>(19,013)</b>	<b>20,983</b>	<b>51,391</b>	<b>189,949</b>	<b>(116)</b>	<b>189,833</b>



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
 FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 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 Warrants	-	-	-	-	-	(4,265)	4,265	-	-	-	-
Issuance of ICULS	-	-	-	-	39,428	-	-	-	39,428	-	39,428
Conversion of ICULS	1,703	-	-	-	(1,694)	-	-	-	9	-	9
Capital contribution by non-controlling interest	-	-	-	-	-	-	-	-	-	20	20
Profit for the period	-	-	-	-	-	-	-	1,716	1,716	(60)	1,656
Other comprehensive income	-	-	3	-	-	-	-	-	3	-	3
Total comprehensive income for the period	-	-	3	-	-	-	-	1,716	1,719	(60)	1,659
<b>Balance as at 30 September 2016</b>	<b>108,284</b>	<b>9,451</b>	<b>(132)</b>	<b>(36,809)</b>	<b>37,734</b>	<b>(19,013)</b>	<b>20,983</b>	<b>49,450</b>	<b>169,948</b>	<b>147</b>	<b>170,095</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 THIRD QUARTER ENDED 30 SEPTEMBER 2017**

	<b>9 MONTHS ENDED 30/09/2017 RM '000</b>	<b>9 MONTHS ENDED 30/09/2016 RM '000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	565	1,772
Adjustments for:		
Amortisation of intangible assets	2,197	856
Bad debts written-off	140	-
Dividends received from mutual funds	(1,016)	(909)
Depreciation of property, plant and equipment	761	455
Government grant income	(135)	(135)
Interest income	(6)	(164)
Interest expense	378	397
Loss/(Gain) on disposal of property, plant and equipment	22	(404)
Loss on disposal of a subsidiary	190	-
Unrealised loss on foreign exchange	17	166
Reversal of impairment loss on trade receivables	(186)	-
Operating profit before working capital changes	<u>2,927</u>	<u>2,034</u>
Changes in working capital:		
Net change in current assets	(13,517)	(6,652)
Net change in current liabilities	(6,932)	(3,265)
Cash used in operations	<u>(17,522)</u>	<u>(7,883)</u>
Interest received	6	164
Tax refund	60	-
Tax paid	-	(133)
<b>Net cash used in operating activities</b>	<b><u>(17,456)</u></b>	<b><u>(7,852)</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Dividends received from mutual funds	1,016	-
Investment in unquoted share	-	(1,334)
Purchase of property, plant and equipment	(228)	(175)
Proceeds from disposals of property, plant and equipment	2	855
Net cash outflows on acquisition of a subsidiary	(3,083)	-
Net cash inflows on disposal of a subsidiary	85	-
Capital contribution from non-controlling interest	-	20
Withdrawal from mutual funds	438	-
<b>Net cash used in investing activities</b>	<b><u>(1,770)</u></b>	<b><u>(634)</u></b>



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017 (Continued)

	9 MONTHS ENDED 30/09/2017 RM '000	9 MONTHS ENDED 30/09/2016 RM '000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(181)	(168)
Coupon payment for ICULS	(1,647)	-
Proceeds from private placement of shares	15,322	-
Proceeds from conversion of ICULS to shares	2,494	-
Fixed deposit pledged with financial institutions	-	(29)
Fixed deposit released from pledge	212	5,257
Increase in other investments	-	(39,026)
Repayment of finance lease liability	(20)	(45)
Repayment of term loan	(208)	(114)
Proceeds from issuance of ICULS	-	42,653
<b>Net cash from financing activities</b>	<b>15,972</b>	<b>8,528</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(3,254)</b>	<b>42</b>
Effects of exchange rate changes	(39)	-
<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>3,922</b>	<b>5,266</b>
Cash and cash equivalents at end of the financial period comprise:		
Cash and bank balances	4,064	2,849
Fixed deposits with licensed banks	690	3,296
Bank overdraft	(172)	-
	4,582	6,145
Less: Fixed deposits pledged with licensed banks	(660)	(879)
	3,922	5,266

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 THIRD QUARTER ENDED 30 SEPTEMBER 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 RM6,149,140 through the issuance of 61,491,400 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 RM15,322,284 through the issuance of 109,444,884 new ordinary shares pursuant to private placement exercise at an issue price of RM0.14 per share.



**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 after taxation for the financial period under review is as follows:

	<b>CURRENT YEAR QUARTER 30/09/2017 RM '000</b>	<b>PRECEDING YEAR QUARTER 30/09/2016 RM '000</b>	<b>CURRENT YEAR TO DATE 30/09/2017 RM '000</b>	<b>PRECEDING YEAR PERIOD 30/09/2016 RM '000</b>
<b>Revenue</b>				
Biometrics	-	-	-	243
Advertising and media	10,176	4,440	27,539	16,760
Financial services	137	159	669	699
Renewable energy	262	-	1,069	-
Technology	3,177	-	3,236	-
Corporate and others	-	-	-	-
	<b>13,752</b>	<b>4,599</b>	<b>32,513</b>	<b>17,702</b>
<b>Profit after taxation</b>				
Biometrics	-	-	-	(2)
Advertising and media	2,076	2,510	5,520	6,765
Financial services	(341)	(591)	(904)	(624)
Renewable energy	(61)	(35)	274	(814)
Technology	(96)	-	(506)	-
Corporate and others	(1,463)	(1,015)	(3,725)	(3,669)
	<b>115</b>	<b>869</b>	<b>659</b>	<b>1,656</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**

Capital expenditure in respect of purchase of property, plant and equipment contracted for but not provided as at 30 September 2017 amounted to RM669,622.

**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 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 30/09/2017 RM '000</b>	<b>PRECEDING YEAR PERIOD 30/09/2016 RM '000</b>
Rental of premise received/receivable	8	-
Consideration received/receivable on disposal of a subsidiary	1,604	-
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 RM32.5 million as compared to preceding year period's RM17.7 million. Enovax Pte. Ltd. that was acquired in June 2017, contributed RM3.2 million to the improved revenue, under the new technology segment. The increase in revenue was also due to RM1.1 million contribution from the renewable energy segment which in 2016 has yet to commenced power generation. Advertising and media segment contributed RM10.8 million increase in revenue compared to the same period in year 2016 and continue to be the major revenue contributor.

Profit before taxation of RM0.6 million achieved in the current year to-date is 68% 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 40% achieved in 2016. This is due to higher contributions from the lower profit margin sales mix in 2017. Staff costs and administrative expenses have increased as a result of the Group's focus in developing its ecommerce and financial technology related businesses in year 2017. The Group also recorded a loss of RM0.2 million arising from the disposal of Oscar Wealth Advisory Sdn. Bhd. in August 2017.

**B2 Variation of results against preceding quarter**

	<b>CURRENT QUARTER 30/09/2017 RM '000</b>	<b>PRECEDING QUARTER 30/06/2017 RM '000</b>	<b>VARIANCE</b>	
			<b>RM '000</b>	<b>%</b>
Revenue	13,752	10,127	3,625	36%
Profit before taxation	21	421	(400)	-95%

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 revenue contribution from technology segment which was newly acquired in June 2017.

The Group's profit before taxation for the current quarter is RM0.02 million, representing a decrease of 95% from preceding quarter's profit before taxation of RM0.4 million. This is due to higher contributions from the lower margin sales mix. Profit after tax margin for the advertising and media segment was 20% compared to 25% in the preceding quarter. Staff costs and administrative expenses have increased as the Group focus in developing its ecommerce and financial technology related businesses. The Group also recorded a loss of RM0.2 million arising from the disposal of Oscar Wealth Advisory Sdn. Bhd. that was completed in August 2017.



### **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.

Key developments:

- Approval received from Bank Negara Malaysia ("BNM") on 6 September 2017, to issue e-money under the large e-money scheme, subject to fulfillment of conditions laid out by BNM. The Group expects to launch its e-money service within the first half of 2018.
- The Group has signed a cross market collaboration with Bersian Technology (M) Sdn Bhd on 19 October 2017 which would give the Group access to a pool of over 3,000 prospective merchant outlets
- The signing with Laputa Ventures Sdn Bhd in June 2017 as its exclusive marketing partner for out-of-home advertising on private vehicles which allows the Group to explore a new mobile advertising channel.
- The Group has entered into an exclusive collaboration with Advwhere Limited on 25 October 2017 where the Group will market Advwhere Limited's proprietary digital media influencer platform ("Cloudbreakr Technology") to implement influencer marketing campaigns which will enhance and gain further business reach and international market presence for brand owners and marketers
- The Group is working towards launching its Social Marketing Platform before end of year 2017.

These developments are at various stages of readiness and are expected to be gradually rolled out in 2018. The Group believes these developments will put the Group in the path of sustainable growth from 2019.

### **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 30/09/2017 RM '000	PRECEDING YEAR QUARTER 30/09/2016 RM '000	CURRENT YEAR TO DATE 30/09/2017 RM '000	PRECEDING YEAR PERIOD 30/09/2016 RM '000
Provision for previous and current period	(94)	116	(94)	116
Effective tax rate	-448%	12%	-17%	7%

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 is due to overprovision of tax for previous year as well as certain subsidiaries, namely EPP Solution Sdn. Bhd., has been granted pioneer status and are exempted from taxation on the pioneer source income, as well as subsidiaries established in British Virgin Islands, namely AllChina.cn Ltd. and Red Media Asia Ltd., which are 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 utilisation of proceeds raised from the issuance of the ICULS

The status of the utilisation of proceeds arising from the ICULS as at 17 November 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 15 months
Working capital	6,238	5,047	-	-	1,191	Within 15 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>	



**B6 Status of corporate proposals (Continued)**

**(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 utilisation of proceeds raised from share placement**

The status of the utilisation of proceeds arising from the share placement as at 17 November 2017 is as follows:

	Proposed utilisation	Actual utilisation	Deviation		Balance unutilised	Expected time frame for utilisation
	RM '000	RM '000	RM '000	%	RM '000	
Expansion of technology business	12,968	10,607	-	-	2,361	Within 19 months
Working capital	2,254	2,174	-	-	80	Within 19 months
Defrayment of expenses in relation to the placement	100	100	-	-	-	
	<u>15,322</u>	<u>12,881</u>	<u>-</u>	<u>-</u>	<u>2,441</u>	

**B7 Borrowings**

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

	Long Term		Short Term		Total Borrowings	
	Foreign Currency '000	RM equivalent '000	Foreign currency '000	RM equivalent '000	Foreign Currency '000	RM equivalent '000
<u>Secured</u>						
- Term loan (SGD)**		371		1,154	371	1,154
- Term loan (RM)*		-		4,137	-	4,308
- Finance lease liability (SGD)**		-		-	7	22
- Finance lease liability (RM)		-		7	-	-
- Bank overdraft (SGD)**		-		-	55	172
	<u>371</u>	<u>5,291</u>	<u>62</u>	<u>365</u>	<u>433</u>	<u>5,656</u>

\* 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 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 September		Cumulative 9 months ended 30 September	
	2017	2016	2017	2016
Profit attributable to owners of the parents (RM '000)	125	906	665	1,716
Weighted average number of ordinary shares in issue ('000)	1,156,411	1,079,031	1,156,411	1,079,031
Basic earnings per share (sen)	0.01	0.08	0.06	0.16

### (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 September		Cumulative 9 months ended 30 September	
	2017	2016	2017	2016
Profit attributable to owners of the parents (RM '000)	125	906	665	1,716
Adjusted for:				
Interest savings on ICULS (RM'000)	42	-	196	-
	167	906	861	1,716
Weighted average number of ordinary shares in issue ('000)	1,156,411	1,079,031	1,156,411	1,079,031
Assuming full conversion of ICULS ('000)	372,948	-	372,948	-
Assuming full exercise of Warrants ('000)	346,053	480,630	346,053	480,630
Weighted average number of ordinary shares diluted ('000)	1,875,412	1,559,661	1,875,412	1,559,661
Diluted earnings per share (sen)	0.01	0.06	0.05	0.11



**B10 Breakdown of realised and unrealised profit or losses of the Group**

	As at 30/9/2017 RM '000	As at 30/9/2016 RM '000
Total retained earnings of the Group		
- Realised	40,639	44,445
- Unrealised	352	947
	40,991	45,392
Add: Consolidated adjustments	10,400	4,058
Total retained earnings as per consolidated accounts	51,391	49,450

**B11 Profit before taxation**

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

	CURRENT YEAR QUARTER 30/09/2017 RM '000	PRECEDING YEAR QUARTER 30/09/2016 RM '000	CURRENT YEAR TO DATE 30/09/2017 RM '000	PRECEDING YEAR PERIOD 30/09/2016 RM '000
Dividend income from mutual funds	(343)	(378)	(1,016)	(909)
Loss/(Gain) on disposal of property, plant and equipment	9	(340)	22	(404)
Government grant income	(45)	(45)	(135)	(135)
Interest income	2	(72)	(6)	(164)
Rental income	11	-	8	-
Bad debts written-off	-	-	140	-
Depreciation and amortisation	998	418	2,958	1,311
Interest expense	132	(296)	378	397
Reversal of impairment loss on trade receivables	-	-	(186)	-
Loss on disposal of a subsidiary	190	-	190	-
Loss/(Gain) on foreign exchange:	-	-	-	-
- Realised	(3)	3	61	(1)
- Unrealised	58	(17)	17	166

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  
Secretary

Kuala Lumpur  
24 November 2017