



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT	PRECEDING	CHANGES	CURRENT	PRECEDING	CHANGES
	YEAR	YEAR		YEAR TO	YEAR TO	
	QUARTER	QUARTER	DATE	DATE		
31/12/2017	31/12/2016	31/12/2017	31/12/2016			
	RM '000	RM '000	%	RM '000	RM '000	%
Revenue	10,519	8,051	31%	43,032	25,753	67%
Cost of sales	(1,955)	(2,958)	-34%	(23,032)	(11,236)	105%
Gross profit	8,564	5,093	68%	20,000	14,517	38%
Other income	484	647	-25%	1,548	2,660	-42%
Administrative and general expenses	(28,560)	(4,712)	506%	(40,118)	(13,980)	187%
Operating profit	(19,512)	1,028	-1998%	(18,570)	3,197	-681%
Finance costs	(119)	(135)	-12%	(496)	(532)	-7%
(Loss)/Profit before taxation	(19,631)	893	-2298%	(19,066)	2,665	-815%
Taxation	(417)	321	-230%	(323)	205	-258%
(Loss)/Profit after taxation	(20,048)	1,214	-1751%	(19,389)	2,870	-776%
Other comprehensive income/(loss):						
Exchange differences on translation of foreign operations	64	(1)	-6500%	39	2	1850%
Total comprehensive income	(19,984)	1,213	-1747%	(19,350)	2,872	-774%
(LOSS)/PROFIT ATTRIBUTABLE TO:						
Owners of the parent	(20,047)	1,179	-1800%	(19,382)	2,895	-769%
Non-controlling interests	(1)	35	-103%	(7)	(25)	-72%
	(20,048)	1,214	-1751%	(19,389)	2,870	-776%
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:						
Owners of the parent	(19,983)	1,178	-1796%	(19,343)	2,897	-768%
Non-controlling interests	(1)	35	-103%	(7)	(25)	-72%
	(19,984)	1,213	-1747%	(19,350)	2,872	-774%
Weighted average number of ordinary shares in issue ('000)	1,204,492	1,078,915		1,204,492	1,078,915	
Earnings per share (sen):						
(a) Basic	(1.66)	0.11		(1.61)	0.27	
(b) Fully diluted	(1.08)	0.10		(1.04)	0.22	

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 31 DECEMBER 2017**

	(UNAUDITED) AS AT 31/12/2017 RM '000	(AUDITED) AS AT 31/12/2016 RM '000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	22,266	17,209
Software development expenditure	18,109	12,441
Intangible assets	87,371	65,851
Other investments	-	1
Deferred tax assets	1,021	1,351
	<u>128,767</u>	<u>96,853</u>
CURRENT ASSETS		
Inventories	7,967	11,191
Other investments	40,589	39,670
Trade receivables	9,994	33,418
Other receivables, deposits and prepayments	5,887	3,170
Amount due from ultimate holding company	-	490
Amount due from holding company	3	14
Tax recoverable	53	240
Fixed deposits with licensed banks	710	902
Cash and bank balances	6,026	7,185
	<u>71,229</u>	<u>96,280</u>
TOTAL ASSETS	<u>199,996</u>	<u>193,133</u>
EQUITY AND LIABILITIES		
Share capital	154,075	108,284
Share premium	-	9,451
Foreign currency translation reserve	(94)	(133)
Reverse acquisition debit	(36,809)	(36,809)
Warrant reserves	20,983	20,983
ICULS - equity component	27,109	37,734
Other reserves	(19,013)	(19,013)
Retained earnings	31,344	50,726
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	<u>177,595</u>	<u>171,223</u>
Non-controlling interests	(117)	85
TOTAL EQUITY	<u>177,478</u>	<u>171,308</u>
NON-CURRENT LIABILITIES		
ICULS - liability component	1,072	2,900
Bank borrowings	5,118	4,266
Deferred tax liabilities	3	-
	<u>6,193</u>	<u>7,166</u>
CURRENT LIABILITIES		
Trade payables	3,907	3,103
Other payables and accrued expenses	10,529	9,555
Finance lease liability	20	42
Bank borrowings	173	165
ICULS - liability component	1,451	1,645
Tax payable	138	149
Bank overdraft	107	-
TOTAL CURRENT LIABILITIES	<u>16,325</u>	<u>14,659</u>
TOTAL LIABILITIES	<u>22,518</u>	<u>21,825</u>
	<u>199,996</u>	<u>193,133</u>
Net assets per share attributable to owners of the parent (sen)	<u>14.74</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.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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
Balance as at 1 January 2017	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	21,018	-	-	-	(10,625)	-	-	-	10,393	-	10,393
- Private placement	15,322	-	-	-	-	-	-	-	15,322	-	15,322
	36,340	-	-	-	(10,625)	-	-	-	25,715	-	25,715
Transfer pursuant to Companies Act 2016	9,451	(9,451)	-	-	-	-	-	-	-	-	-
Disposal of a subsidiary	-	-	-	-	-	-	-	-	-	(195)	(195)
Loss for the year	-	-	-	-	-	-	-	(19,382)	(19,382)	(7)	(19,389)
Other comprehensive loss	-	-	39	-	-	-	-	-	39	-	39
Total comprehensive income for the year	-	-	39	-	-	-	-	(19,382)	(19,343)	(7)	(19,350)
Balance as at 31 December 2017	154,075	-	(94)	(36,809)	27,109	(19,013)	20,983	31,344	177,595	(117)	177,478



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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
Balance as at 1 January 2016	106,581	9,451	(135)	(36,809)	-	(14,748)	16,718	47,734	128,792	187	128,979
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	-	-	-	-	-	-	-	97	97	(77)	20
											-
Profit for the year	-	-	-	-	-	-	-	2,895	2,895	(25)	2,870
Other comprehensive income	-	-	2	-	-	-	-	-	2	-	2
Total comprehensive income for the year	-	-	2	-	-	-	-	2,895	2,897	(25)	2,872
Balance as at 31 December 2016	108,284	9,451	(133)	(36,809)	37,734	(19,013)	20,983	50,726	171,223	85	171,308

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 FOURTH QUARTER ENDED 31 DECEMBER 2017

	31/12/2017 RM '000	31/12/2016 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	(19,066)	2,665
Adjustments for:		
Amortisation of software development expenditure	325	347
Amortisation of intangible assets	2,736	1,381
Bad debts written-off:		
- trade receivables	143	27
- other receivables	10	607
Deposits forfeited	-	65
Dividends received from mutual funds	(1,372)	(1,271)
Depreciation of property, plant and equipment	1,054	736
Finance income on trade receivables	-	(105)
Gain on disposal of property, plant and equipment	(72)	(409)
Gain on disposal of software development expenditure	-	(8)
Gain on winding up of a subsidiary	-	(136)
Government grant income	(180)	(180)
Impairment losses on:		
- other investments	-	1,334
- trade receivables	20,193	29
- other receivables	49	45
Interest income	(28)	(201)
Interest expense	496	532
Inventories written off	1	-
Loss on disposal of a subsidiary	190	-
Prepayments written off	10	397
Property, plant & equipment written off	106	13
Reversal of impairment losses on:		
- trade receivables	(186)	(30)
- other receivables	-	(2)
Unrealised (gain)/loss on foreign exchange	63	177
Operating profit before working capital changes	4,472	6,013
Changes in working capital:		
Net change in current assets	5,366	(6,631)
Net change in current liabilities	(5,755)	3,727
Cash generated from operations	4,083	3,109
Interest received	28	201
Tax refund	60	39
Tax paid	-	(147)
Exchange differences	-	(176)
Net cash from operating activities	4,171	3,026



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017 (Continued)

	12 MONTHS ENDED 31/12/2017 RM '000	12 MONTHS ENDED 31/12/2016 RM '000
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received from mutual funds	1,372	1,271
Investment in financial assets at fair value through profit or loss	(918)	(39,670)
Purchase of intangible assets	(17,110)	(3,637)
Purchase of property, plant and equipment	(6,134)	(1,271)
Purchase of software development expenditure	(2,896)	(6,930)
Proceeds from disposals of investment in financial assets at fair value through profit or loss	-	844
Proceeds from disposals of property, plant and equipment	119	636
Proceeds from disposals of software development expenditure	-	246
Net cash outflows on acquisition of a subsidiary	85	-
Net cash inflows on disposal of a subsidiary	(3,083)	-
Capital contribution from non-controlling interest	-	20
Net cash used in investing activities	(28,565)	(48,491)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(259)	(218)
Coupon payment for ICULS	(1,647)	-
Proceeds from private placement of shares	15,322	-
Proceeds from conversion of ICULS to shares	9,927	-
Proceeds from issuance of ICULS	-	42,653
Fixed deposit released from pledge	192	5,235
Repayment of finance lease liability	(22)	(61)
Repayment of term loan	(379)	(153)
Net cash from financing activities	23,134	47,456
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,260)	1,991
Effects of exchange rate changes	(6)	-
CASH AND CASH EQUIVALENT AT BEGINNING OF PERIOD	7,215	5,224
CASH AND CASH EQUIVALENT AT END OF PERIOD	5,949	7,215
Cash and cash equivalents at end of the financial period comprise:		
Cash and bank balances	6,026	7,185
Fixed deposits with licensed banks	710	902
Bank overdraft	(107)	-
	6,629	8,087
Less: Fixed deposits pledged with licensed banks	(680)	(872)
	5,949	7,215

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 FOURTH QUARTER ENDED 31 DECEMBER 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 known as 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 year-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 year, the Company increased its issued and paid up share capital:

- by RM21,017,760 through the issuance of 210,177,600 new ordinary shares pursuant to the conversion of RM0.05 nominal value of irredeemable convertible loan stocks ("ICULS") at RM0.05 per ICULS.
- by RM15,322,283 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:

	CURRENT YEAR QUARTER 31/12/2017 RM '000	PRECEDING YEAR QUARTER 31/12/2016 RM '000	CURRENT YEAR TO DATE 31/12/2017 RM '000	PRECEDING YEAR TO DATE 31/12/2016 RM '000
Revenue				
Biometrics	-	-	-	243
Advertising and media	8,933	7,530	36,472	24,290
Financial services	135	213	804	912
Renewable energy	275	308	1,344	308
Technology	1,176	-	4,412	-
Corporate and others	-	-	-	-
	10,519	8,051	43,032	25,753
(Loss)/Profit after taxation				
Biometrics	-	-	-	(2)
Advertising and media	(7,569)	1,780	(2,049)	8,545
Financial services	(6,760)	162	(7,664)	(462)
Renewable energy	75	(499)	349	(1,313)
Technology	(962)	-	(1,468)	-
Corporate and others	(4,832)	(229)	(8,557)	(3,898)
	(20,048)	1,214	(19,389)	2,870

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 31 December 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.
- (viii) The Company has on 27 December 2017 announced that it has entered into a conditional share sale agreement for the proposed acquisition of 6,076,081 ordinary shares in Pictureworks Holdings Sdn. Bhd. ("PWHSB"), representing 33% of the total number of issued shares in PWHSB, for a total purchase consideration of RM52.80 million. The exercise has not completed as at date of this announcement.

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 31/12/2017 RM '000	PRECEDING YEAR TO DATE 31/12/2016 RM '000
Rental of premise received/receivable	13	-
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
	<u> </u>	<u> </u>



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

B1 Review of performance

The Group recorded higher revenue of RM43.0 million as compared to preceding year's RM25.8 million. The higher revenue is due to the following:

- (i) full year contribution of RM1.3 million from the renewable energy segment as compared to revenue of RM0.3 million in year 2016;
- (ii) Enovax Pte. Ltd. that was acquired in June 2017, contributed RM4.4 million of revenue, under the technology segment; and
- (iii) Advertising and media segment contributed RM12.2 million increase in revenue compared to year 2016.

Advertising and media segment continues to be the major revenue contributor to the Group.

The Group incurred a loss before tax of RM19.1 million in the current financial year as compared to profit before tax of RM2.7 million earned in year 2016. The loss is due to an impairment loss of RM20.2 million made against trade receivables after taking into consideration the following:

- (i) accounts being outstanding for more than 12 months and are slow in making payments despite having negotiated settlement;
- (ii) adoption of MFRS 9 with effect from 1 January 2018.

Notwithstanding the impairment loss made, efforts are still on-going to collect these receivables.

Earnings before interest, tax, depreciation and amortisation ("EBITDA") for the year and excluding the impairment loss on trade receivables stands at RM4.3 million, an improvement over year 2016's RM4.2 million backed by the full year's contribution from the renewable energy segment. Net cash from operating activities is RM4.2 mil, a 38% improvement from previous year's RM3.0 million.

B2 Variation of results against preceding quarter

	CURRENT QUARTER 31/12/2017 RM '000	PRECEDING QUARTER 30/09/2017 RM '000	VARIANCE	
			RM '000	%
Revenue	10,519	13,752	(3,233)	-24%
(Loss)/Profit before taxation	(19,631)	21	(19,652)	-93581%

The decrease in the Group's current quarter revenue as compared to the preceding quarter is mainly due to lower revenue contribution from advertising and media segment as well as from technology segment in current quarter.

The Group's loss before taxation for the current quarter is RM19.6 million is due to the impairment loss of RM20.2 million made against trade receivables. Excluding the impairment loss on trade receivables, the Group would reflect a profit before tax of RM0.6 million.



B3 Prospects

Following shareholders' approval on the variation of the utilisation of ICULS proceeds on 21 December 2017, the Group will be able to leverage on the available funds to further drive its continued business growth and development of its (i) media & advertising, (ii) e-commerce, and (iii) financial technology related businesses.

The Group shall continue to focus on the following core areas within the above mentioned business segments:

- As part of the Group's effort to continuously transform its media and advertising services with the evolving media landscape, the Group will focus on aggregating out-of-home media in the form of digital screens, and increasing interactivity and user experience through integration with its Social Marketing Platform;
- The successful launch of Presto on 13 December 2017, marked a new beginning for the Group's foray into e-commerce and financial technology related businesses. The Group expects to introduce its e-money service on Presto within the first half of 2018, as well as continuously rolling out a wide range of services that focuses on enhancing Malaysian lifestyle in the digital age;
- The Group believes that its business growth can be propelled and expedited with meticulous selection and formation of strategic partnerships that helps to drive its market reach as well as enhance its technology capabilities, and 2018 will continue to focus on development and forging stronger ties with strategic partners.

In 2017, the Group focused on laying the foundations for propelling its business growth and the Group expects increased traction of business growth and revenue contributions in 2018.

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 31/12/2017 RM '000	PRECEDING YEAR QUARTER 31/12/2016 RM '000	CURRENT YEAR TO DATE 31/12/2017 RM '000	PRECEDING YEAR TO DATE 31/12/2016 RM '000
Provision for previous and current period	417	(321)	323	(205)
Effective tax rate	-2%	-36%	-2%	-8%

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 and variation of utilisation of part of the proceeds

At the Extraordinary General Meeting held on 29 December 2015, our shareholders approved the Rights Issue of ICULS with Warrants. Subsequently, the Rights Issue of ICULS with Warrants was completed on 24 February 2016 and had raised total gross proceeds of RM42.65 million following the issuance of 853,065,729 ICULS and 213,266,257 Warrants-B.

On 30 August 2017, the Group announced the proposal to vary the utilisation of the remaining proceeds to further expand its technology business, particularly in e-payment and e-commerce, advertising and media as well as related businesses to enable the Group to tap into future growth opportunities within the technology business which provides value creation to the Group.

Approximately RM36.45 million of the ICULS proceeds remain unutilized as of 29 November 2017.

An Extraordinary General Meeting and ICULS Holders' Meeting were convened on 21 December 2017 where our shareholders and the ICULS Holders approved the variation of utilization of the remaining proceeds raised from the issuance of the ICULS.

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

The status of the utilisation of the remaining proceeds as at 21 February 2018 is as follows:

	Proposed utilisation RM '000	Actual utilisation RM '000	Deviation		Balance unutilised RM '000	Expected time frame for utilisation
			RM '000	%		
IT hardware infrastructure, software, R&D and maintenance in relation to PUC Mobile App	11,200	139	-	-	11,061	} Within 24 months from 16 January 2018
Sales and marketing	12,850	1,495	-	-	11,355	
Working capital and expenses for corporate exercises	12,400	1,115	-	-	11,285	
	<u>36,450</u>	<u>2,749</u>	<u>-</u>	<u>-</u>	<u>33,701</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 21 February 2018 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	11,344	-	-	1,624	Within 16 months
Working capital	2,254	2,254	-	-	-	
Defrayment of expenses in relation to the placement	100	100	-	-	-	
	<u>15,322</u>	<u>13,698</u>	-	-	<u>1,624</u>	

B7 Borrowings

The Group's borrowings as at 31 December 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)**	338	1,024	-	-	338	1,024
- Term loan (RM)*	-	4,094	-	173	-	4,267
- Finance lease liability (SGD)**	-	-	7	20	7	20
- Bank overdraft (SGD)**	-	-	35	107	35	107
	<u>338</u>	<u>5,118</u>	<u>42</u>	<u>300</u>	<u>380</u>	<u>5,418</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 31 December		Cumulative 12 months ended 31 December	
	2017	2016	2017	2016
Profit attributable to owners of the parents (RM '000)	(20,047)	1,179	(19,382)	2,895
Weighted average number of ordinary shares in issue ('000)	1,204,492	1,078,915	1,204,492	1,078,915
Basic earnings per share (sen)	(1.66)	0.11	(1.61)	0.27

(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 December		Cumulative 12 months ended 31 December	
	2017	2016	2017	2016
Profit attributable to owners of the parents (RM '000)	(20,047)	1,179	(19,382)	2,895
Adjusted for:				
Interest savings on ICULS (RM'000)	41	238	237	238
	(20,006)	1,417	(19,145)	3,133
Weighted average number of ordinary shares in issue ('000)	1,204,492	1,078,915	1,204,492	1,078,915
Assuming full conversion of ICULS ('000)	298,595	347,961	298,595	347,961
Assuming full exercise of Warrants ('000)	346,053	-	346,053	-
Weighted average number of ordinary shares diluted ('000)	1,849,140	1,426,876	1,849,140	1,426,876
Diluted earnings per share (sen)	(1.08)	0.10	(1.04)	0.22



B10 Profit before taxation

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

	CURRENT YEAR QUARTER 31/12/2017 RM '000	PRECEDING YEAR QUARTER 31/12/2016 RM '000	CURRENT YEAR TO DATE 31/12/2017 RM '000	PRECEDING YEAR TO DATE 31/12/2016 RM '000
Dividend income from mutual funds	(356)	(362)	(1,372)	(1,271)
Gain on disposal of property, plant and equipment	(94)	(5)	(72)	(409)
Gain on disposal of software development expenditure	-	(8)	-	(8)
Gain on winding up of a subsidiary	-	(136)	-	(136)
Government grant income	(45)	(45)	(180)	(180)
Interest income	(22)	(37)	(28)	(201)
Bad debts written-off	13	634	153	634
Depreciation and amortisation	1,157	1,153	4,115	2,464
Impairment loss on:				
- Other investments	-	1,334	-	1,334
- Trade receivables	20,193	29	20,193	29
- Other receivables	49	45	49	45
Interest expense	118	135	496	532
Inventories written-off	1	-	1	-
Prepayment written-off	10	397	10	397
Property, plant and equipment written-off	106	13	106	13
Reversal of impairment loss:				
- Trade receivables	-	(30)	(186)	(30)
- Other receivables	-	(2)	-	(2)
Loss on disposal of a subsidiary	-	-	190	-
Loss/(Gain) on foreign exchange:				
- Realised	222	133	283	132
- Unrealised	46	11	63	177

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
 28 February 2018