



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 JUNE 2018**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT	PRECEDING	CHANGES	CURRENT	PRECEDING	CHANGES
	YEAR	YEAR		YEAR	YEAR	
	QUARTER	QUARTER	TO DATE	TO DATE		
30/06/2018	30/06/2017	30/06/2018	30/06/2017			
	RM '000	RM '000	%	RM '000	RM '000	%
Revenue	16,453	10,127	62%	32,070	18,761	71%
Cost of sales	(7,185)	(6,147)	17%	(16,834)	(11,993)	40%
Gross profit	9,268	3,980	133%	15,236	6,768	125%
Other income	2,029	365	456%	2,470	895	176%
Administrative and general expenses	(10,596)	(3,803)	179%	(16,484)	(6,873)	140%
Operating profit	701	542	29%	1,222	790	55%
Finance costs	(93)	(121)	-23%	(263)	(246)	7%
Share of results of associated company	1,733	-	100%	1,733	-	100%
Profit before taxation	2,341	421	456%	2,692	544	395%
Taxation	(19)	-	-100%	(19)	-	-100%
Profit after taxation	2,322	421	452%	2,673	544	391%
Other comprehensive income:						
Exchange differences on translation of foreign operations	(27)	(21)	29%	38	(21)	-281%
Total comprehensive income	2,295	400	474%	2,711	523	418%
PROFIT ATTRIBUTABLE TO:						
Owners of the parent	2,322	417	457%	2,672	540	395%
Non-controlling interests	-	4	-100%	1	4	-100%
	2,322	421	452%	2,673	544	391%
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:						
Owners of the parent	2,295	396	480%	2,710	519	422%
Non-controlling interests	-	4	-100%	1	4	-100%
	2,295	400	474%	2,711	523	418%
Weighted average number of ordinary shares in issue ('000)	1,513,334	1,076,760		1,513,334	1,089,055	
Earnings per share (sen):						
(a) Basic	0.15	0.04		0.18	0.05	
(b) Fully diluted	0.11	0.03		0.13	0.04	

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 2017 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018**

	(UNAUDITED) AS AT 30/6/2018 RM '000	(AUDITED) AS AT 31/12/2017 RM '000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	21,880	22,149
Software development expenditure	20,727	18,109
Intangible assets	85,646	87,371
Investment in associated company	50,088	-
Other investments	10,000	*
Deferred tax assets	964	1,018
	<u>189,305</u>	<u>128,647</u>
CURRENT ASSETS		
Inventories	-	7,967
Other investments	2,583	40,589
Trade receivables	31,229	9,993
Other receivables, deposits and prepayments	21,010	6,043
Amount due from holding company	3	3
Tax recoverable	19	40
Fixed deposits with licensed banks	730	710
Cash and bank balances	7,045	6,026
	<u>62,619</u>	<u>71,371</u>
TOTAL ASSETS	<u>251,924</u>	<u>200,018</u>
EQUITY AND LIABILITIES		
Share capital	187,344	154,075
Foreign currency translation reserve	(58)	(96)
Reverse acquisition debit	(36,809)	(36,809)
Warrant reserves	20,276	20,983
ICULS - equity component	22,817	27,109
Other reserves	(18,306)	(19,013)
Retained earnings	34,091	31,417
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	<u>209,355</u>	<u>177,666</u>
Non-controlling interests	(118)	(117)
TOTAL EQUITY	<u>209,237</u>	<u>177,549</u>
NON-CURRENT LIABILITIES		
Finance lease liability	-	11
ICULS - liability component	-	1,072
Bank borrowings	4,833	4,743
Deferred tax liabilities	3	-
	<u>4,836</u>	<u>5,826</u>
CURRENT LIABILITIES		
Trade payables	2,816	3,893
Other payables and accrued expenses	33,464	10,514
Finance lease liability	14	6
Bank borrowings	166	654
ICULS - liability component	1,260	1,451
Tax payable	130	125
Bank overdraft	1	-
TOTAL CURRENT LIABILITIES	<u>37,851</u>	<u>16,643</u>
TOTAL LIABILITIES	<u>42,687</u>	<u>22,469</u>
	<u>251,924</u>	<u>200,018</u>
Net assets per share attributable to owners of the parent (sen)	<u>13.15</u>	<u>12.67</u>

* Denotes amount less than RM1,000.

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 2017 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 JUNE 2018**

	Share Capital	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
Balance as at 1 January 2018	154,075	(96)	(36,809)	27,109	(19,013)	20,983	31,417	177,666	(117)	177,549
Issuance of ordinary shares										
- Conversion of ICULS	11,923	-	-	(4,292)	-	-	-	7,631	-	7,631
- Conversion of Warrants-A	2	-	-	-	3	(3)	-	2	-	2
- Conversion of Warrants-B	544	-	-	-	705	(705)	-	544	-	544
- Acquisition of associated company	20,800	-	-	-	-	-	-	20,800	-	20,800
	33,269	-	-	(4,292)	708	(708)	-	28,977	-	28,977
Profit for the period	-	-	-	-	-	-	2,672	2,672	1	2,673
Other comprehensive income	-	38	-	-	-	-	-	38	-	38
Total comprehensive income for the period	-	38	-	-	-	-	2,672	2,710	1	2,711
Balance as at 30 June 2018	187,344	(58)	(36,809)	22,817	(18,305)	20,275	34,089	209,353	(116)	209,237



**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
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	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 income	-	-	(21)	-	-	-	-	-	(21)	-	(21)
Total comprehensive income for the period	-	-	(21)	-	-	-	-	540	519	4	523
Balance as at 30 June 2017	136,598	-	(154)	(36,809)	35,512	(19,013)	20,983	51,266	188,383	89	188,472

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 2017 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 2018

	6 MONTHS ENDED 30/06/2018 RM '000	6 MONTHS ENDED 30/06/2017 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,692	544
Adjustments for:		
Amortisation of software development expenditure	754	172
Amortisation of intangible assets	1,724	1,297
Bad debts written-off:		
- trade receivables	1,792	-
Dividends received from mutual funds	(385)	(673)
Depreciation of property, plant and equipment	731	491
Loss on disposal of property, plant and equipment	-	13
Government grant income	(90)	(90)
Interest income	(61)	(8)
Interest expense	263	246
Reversal of impairment losses on:		
- trade receivables	(1,892)	-
- other receivables	-	(46)
Share of results of associated company	(1,733)	-
Unrealised loss/(gain) on foreign exchange	59	(41)
Operating profit before working capital changes	3,854	1,905
Changes in working capital:		
Net change in current assets	(28,205)	(7,108)
Net change in current liabilities	(5,602)	(2,330)
Cash used in operations	(29,953)	(7,533)
Interest received	61	8
Tax refund	26	100
Tax paid	(19)	-
Exchange differences	3	-
Net cash used in operating activities	(29,882)	(7,425)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 30 JUNE 2018 (Continued)

	6 MONTHS ENDED 30/06/2018 RM '000	6 MONTHS ENDED 30/06/2017 RM '000
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received from mutual funds	385	673
Purchase of property, plant and equipment	(446)	(141)
Purchase of software development expenditure	(3,372)	-
Proceeds from disposals of investment in financial assets at fair value through profit or loss	38,005	1,327
Proceeds from disposals of property, plant and equipment	-	2
Net cash outflows on acquisition of a subsidiary	-	(6,198)
Investment in other investment	(10,000)	-
Net cash from investing activities	24,572	(4,337)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(141)	(105)
Coupon payment for ICULS	(1,146)	(1,647)
Proceeds from private placement of shares	-	15,322
Proceeds from conversion of ICULS to shares	7,450	1,190
Proceeds from conversion of Warrants-A	2	-
Proceeds from conversion of Warrants-B	544	-
Fixed deposit released from pledge	-	212
Repayment of finance lease liability	-	(7)
Repayment of term loan	(291)	(79)
Net cash from/(used in) financing activities	6,418	14,886
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,108	3,124
Effects of exchange rate changes	36	(43)
CASH AND CASH EQUIVALENT AT BEGINNING OF PERIOD	5,950	7,215
CASH AND CASH EQUIVALENT AT END OF PERIOD	7,094	10,296
Cash and cash equivalents at end of the financial period comprise:		
Cash and bank balances	7,045	10,264
Fixed deposits with licensed banks	730	693
Bank overdraft	(1)	(1)
	7,774	10,956
Less: Fixed deposits pledged with licensed banks	(680)	(660)
	7,094	10,296

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 2017 and the accompanying explanatory notes attached to the interim financial statements.



UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2018

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 2017 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 2017.

The adoption of the following MFRS that came into effect on 1 January 2018 did not have any significant impact of the unaudited condensed consolidated financial statements upon their initial application.

MFRS 9	-	Financial Instruments (IFRS 9 issued by IASB in July 2014)
MFRS 15	-	Revenue from Contracts with Customers
IC Interpretation 22	-	Foreign Currency Transactions and Advance Consideration
Amendments to MFRS 2	-	Classification and Measurement of Share-based Payment Transactions
Amendments to MFRS 4	-	Applying MFRS 9 <i>Financial Instruments</i> with MFRS 4 <i>Insurance Contracts</i>
Amendments to MFRS 15	-	Clarifications to MFRS 15
Amendments to MFRS 140	-	Transfers of Investment Property

Annual Improvements to MFRSs 2014 - 2016 Cycle:

- Amendments to MFRS 1
- Amendments to MFRS 128

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 2017.

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 the Group 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 RM8,943,523 through the issuance of 89,435,230 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 RM2,314 through the issuance of 23,142 new ordinary shares pursuant to the conversion of Warrants-A at exercise price of RM0.10 per ordinary shares;
- (c) by RM3,253,210 through the issuance of 32,532,100 new ordinary shares pursuant to the conversion of Warrants-B at exercise price of RM0.10 per ordinary shares; and
- (d) by RM6,459,627 through the issuance of 64,596,273 new ordinary shares pursuant to the acquisition of Pictureworks Holdings Sdn Bhd.

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 30/06/2018 RM '000	PRECEDING YEAR QUARTER 30/06/2017 RM '000	CURRENT YEAR TO DATE 30/06/2018 RM '000	PRECEDING YEAR TO DATE 30/06/2017 RM '000
Revenue				
Advertising and media	8,723	9,519	23,263	17,363
Financial services	219	248	353	532
Renewable energy	220	301	509	807
Technology	7,290	59	7,945	59
Corporate and others	-	-	-	-
	16,452	10,127	32,070	18,761
(Loss)/Profit after taxation				
Advertising and media	727	2,390	4,388	3,444
Financial services	(1,984)	(286)	(3,670)	(563)
Renewable energy	11	90	89	335
Technology	5,576	(410)	5,380	(410)
Corporate and others	(3,742)	(1,363)	(5,248)	(2,262)
	588	421	939	544
Share of results of associated company	1,733	-	1,733	-
	2,321	421	2,672	544

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 June 2018 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) 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 was completed on 6 June 2018.
- (ii) On 12 April 2018, the Company incorporated a wholly-owned subsidiary company in Malaysia under the name of PUC Ventures Sdn. Bhd ("PVNMY"). with an initial paid-up share capital of RM1.00 comprising of one (1) ordinary share.
- (iii) The Company has on 19 April 2018 announced that it has entered into a term sheet with Celcom Planet Sdn. Bhd. ("CPSB" or "11Street Malaysia"), Axiata Digital Services Sdn. Bhd. and SK Planet Global Holdings Pte. Ltd., for an investment of up to RM90 million in CPSB for 24% of the equity interest in CPSB and taking over management control of 11Street Malaysia. The Company had subsequently on 12 June 2018 announced that it has entered into a Share Subscription Agreement with CPSB and PVNMY to subscribe only 12.348% equity interest in CPSB for a total cash consideration of RM40 million instead of of subscribing for up to 24% equity interest for a total cash consideration of up to RM90 million.
- (iv) The Company has on 18 July 2018 incorporated a wholly-owned subsidiary company in Malaysia under the name of Presto Media Sdn. Bhd. With an initial paid-up share capital of RM1.00 comprising of one (1) ordinary share.

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 30/06/2018 RM '000	PRECEDING YEAR TO DATE 30/06/2017 RM '000
Rental of premise received/receivable	11	3



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

B1 Review of performance

The Group recorded higher revenue of RM32.07 million as compared to preceding year's RM18.76 million. The segmental comparison are as follows:

- (i) Advertising and media segment continue to contribute the major part of the revenue, at 72.5% compared to 92.5% in the corresponding period. The higher revenue for this segment compared to preceding year is largely due to contribution from media projects during the preceding quarter.
- (ii) The higher revenue for the renewable energy segment in FY2017 is due to billing adjustments as the solar plant started generating electricity towards Q4 of FY2017. The revenue in FY2018 represents the normalised revenue stream. However, this segment experienced some downtime in June 2018 arising from damages to some of the cables caused by rodents.
- (iii) The technology segment showed a significant increase in revenue of RM7.94 mil as the Group begins to commercialise some of the technologies sourced from Shenzhen Institute Of Advanced Technology.

Despite the higher revenue achieved, the Group only achieved a modest profit after tax of RM0.93 million compared to RM0.54 million in FY2017. This is largely due to higher staff costs and higher marketing expenses incurred during this period. The Group's headcount increased about 100% in FY2018 compared to FY2017 largely arising from the acquisition of Enovax Pte Ltd. The higher marketing expenses arise from advertising and promotion campaigns undertaken to promote our Presto social marketing platform that was launched at middle of December 2017. The Group also incur higher consultancy and advisory expenses arising from the various corporate exercises undertaken.

The Group's investment in its' associated company, Pictureworks Holdings Sdn. Bhd., yield its maiden profit contribution of RM1.73 million in the current quarter.

B2 Variation of results against preceding quarter

	CURRENT QUARTER 30/06/2018 RM '000	PRECEDING QUARTER 31/03/2018 RM '000	VARIANCE	
			RM '000	%
Revenue	16,453	15,617	836	5%
Profit/(Loss) before taxation	2,341	351	1,990	567%

The slight increase in revenue in the current quarter compared to the immediate preceding quarter is mainly due to the Group commercializing some of the facial recognition technology sourced with our partner Shenzhen Institute of Advanced Technology. This in turn contributed to a much higher gross profit margin of 56.3% compared to 38.2% in preceding quarter and consequently a higher profit before tax of RM0.61 million compared to RM0.35 million achieved in the preceding quarter. The Group's associated company, Pictureworks Holdings Sdn. Bhd. yield its maiden profit contribution of RM1.73 million in the current quarter.



B3 Prospects

The Group shall continue to focus on the following core areas:

- The Group's effort to transform its media and advertising services with the evolving media landscape through integration with its Social Marketing Platform has made progress from its collaboration with Advwhere Limited that connects advertisers with a micro social influencer platform known as Cloudbreakr, to bring more advertising visibility for targeted marketing campaigns. The Group's initiative has been enhanced further with the business collaboration with Axiata Digital Advertising Sdn Bhd ("ADA"), a wholly-owned subsidiary of Axiata Group Berhad that provides digital media and advertising services, to jointly cross-sell conventional and non-conventional media and deliver comprehensive all-rounded service to advertisers.
- 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. Though there has been delays in launching its e-money service on Presto, its eventual launch is expected to enhance the Presto platform alongside the various strategic collaborations established during the quarter.
- These include amongst others, collaborations with APAC Ventures Sdn Bhd, the only listed WeChat preferred partner on WeChat.com, to activate electronic shopping options via the WeChat platform; and Axiata Digital eCode Sdn Bhd, a wholly-owned subsidiary of Axiata Group Berhad that operates an electronic wallet mobile application known as Boost, to explore interoperable credit transfer integration that will allow Boost users and Presto users to make and receive payments with each other – and expected to enhance the market growth and presence of Presto App.
- The execution of definitive agreements for the investment and management control in Celcom Planet Sdn Bhd ("CPSB") marks a significant milestone for the Group's overall business. Based on announced statistics as of 31 December 2017, gross merchandising value transacted on www.11street.my amounted to RM427million, with approximately 40,000 registered sellers on its platform and unique visitors of 13.5million. Although CPSB has not been profitable historically and is expected to increase contributions of losses for the short-term, its on-going businesses are expected to contribute to the Group's overall long-term objectives of developing a digital lifestyle platform and drive traffic to Presto through mutually beneficial collaborations.
- The Group will continue to enhance its technology capabilities as it believes that this is a key element for establishing the Group's fundamentals in order to realize expedient business growth. Progressive developments have been made with Shenzhen Institute of Advanced Technology on artificial intelligence and facial recognition services, and the Group shall continue to explore further strategic collaborations that will contribute to its technology capabilities.

The continuous development of Presto is expected to drive revenue growth with a tandem increase in expenditures. Following completion of the investments in PWHSB and CPSB in June, the Group expects substantial synergistic value contributions that will enhance the Group's revenue streams in media and advertising, technology, and financial services.

Subject to the financial performance of CPSB that has yet to be brought into the Group, the Group expects revenue will continue to improve and results to be satisfactory.

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 30/06/2018 RM '000	PRECEDING YEAR QUARTER 30/06/2017 RM '000	CURRENT YEAR TO DATE 30/06/2018 RM '000	PRECEDING YEAR TO DATE 30/06/2017 RM '000
Provision for previous and current period	19	-	19	-
Effective tax rate	1%	0%	1%	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 is due to 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.

B6 Status of corporate proposals (Continued)

(a) Rights issue of ICULS with Warrants and variation of utilisation of part of the proceeds (Continued)

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 August 2018 is as follows:

	Proposed utilisation	Actual utilisation	Deviation		Balance unutilised	Expected time frame for utilisation
	RM '000	RM '000	RM '000	%	RM '000	
IT hardware infrastructure, software, R&D and maintenance in relation to PUC Mobile App	11,200	3,122	-	-	8,078	Within 16 months from 21 August 2018
Sales and marketing	12,850	12,535	-	-	315	
Working capital and expenses for corporate exercises	12,400	9,230	-	-	3,170	
	<u>36,450</u>	<u>24,887</u>	-	-	<u>11,563</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 utilisation of proceeds raised from share placement

The status of the utilisation of proceeds arising from the share placement as at 21 August 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	12,355	-	-	613	Within 16 months from 21 August 2018
Working capital	2,254	2,254	-	-	-	
Defrayment of expenses in relation to the placement	100	100	-	-	-	
	<u>15,322</u>	<u>14,709</u>	-	-	<u>613</u>	

B6 Status of corporate proposals (Continued)

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

On 7 June 2018, the Company has proposed to undertake a placement of up to ten percent (10%) of the issued and paid-up share capital of the Company equivalent to 159,174,900 new shares.

The Company has made 32,000,000 new share placement as at 21 August 2018.

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 2018 is as follows:

	Total proceeds	Actual utilisation	Deviation		Balance unutilised
	RM '000	RM '000	RM '000	%	RM '000
Investments	5,176	5,000	-	-	176
Working capital	47	47	-	-	-
	<u>5,223</u>	<u>5,047</u>	<u>-</u>	<u>-</u>	<u>176</u>

B7 Borrowings

The Group's borrowings as at 30 June 2018 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)**	275	815	-	-	275	815
- Term loan (RM)*	-	4,018	-	166	-	4,184
- Finance lease liability (SGD)**	-	-	5	14	5	14
- Bank overdraft (SGD)**	-	-	#	1	-	1
	<u>275</u>	<u>4,833</u>	<u>5</u>	<u>181</u>	<u>280</u>	<u>5,014</u>

* RM - Ringgit Malaysia

** SGD - Singapore Dollar

Less than SGD1,000

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 June		Cumulative 6 months ended 30 June	
	2018	2017	2018	2017
Profit attributable to owners of the parents (RM '000)	2,322	417	2,672	540
Weighted average number of ordinary shares in issue ('000)	1,513,334	1,076,760	1,513,334	1,076,760
Basic earnings per share (sen)	0.15	0.04	0.18	0.05

(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	
	2018	2017	2018	2017
Profit attributable to owners of the parents (RM '000)	2,322	417	2,672	540
Adjusted for:				
Interest savings on ICULS (RM'000)	16	49	93	49
	2,338	466	2,765	589
Weighted average number of ordinary shares in issue ('000)	1,513,334	1,076,760	1,513,334	1,089,055
Assuming full conversion of ICULS ('000)	253,867	397,890	253,867	397,890
Assuming full exercise of Warrants ('000)	346,053	-	346,053	-
Weighted average number of ordinary shares diluted ('000)	2,113,254	1,474,650	2,113,254	1,486,945
Diluted earnings per share (sen)	0.11	0.03	0.13	0.04



B10 Profit before taxation

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

	CURRENT YEAR QUARTER 30/06/2018 RM '000	PRECEDING YEAR QUARTER 30/06/2017 RM '000	CURRENT YEAR TO DATE 30/06/2018 RM '000	PRECEDING YEAR TO DATE 30/06/2017 RM '000
Dividend income from mutual funds	(98)	(332)	(385)	(673)
Loss on disposal of property, plant and equipment	-	-	-	13
Government grant income	(45)	(45)	(90)	(90)
Interest income	(41)	(2)	(61)	(8)
Bad debts written-off	1,792	-	1,792	-
Depreciation and amortisation	1,870	984	3,209	1,960
Interest expense	93	121	263	246
Reversal of impairment loss:				
- trade receivables	(1,792)	-	(1,892)	-
- other receivables	-	-	-	(46)
Loss/(Gain) on foreign exchange:				
- Realised	-	-	(113)	45
- Unrealised	(33)	(3)	59	(41)

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
30 August 2018