



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 JUNE 2019**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT	PRECEDING	CHANGES	CURRENT	PRECEDING	CHANGES
	YEAR	YEAR		YEAR	YEAR	
	QUARTER	QUARTER		TO DATE	TO DATE	
30/06/2019	30/06/2018	%	30/06/2019	30/06/2018	%	
	RM '000	RM '000	%	RM '000	RM '000	%
Revenue	17,639	16,453	7%	30,498	32,070	-5%
Cost of sales	(8,360)	(7,185)	16%	(13,273)	(16,834)	-21%
Gross profit	9,279	9,268	0%	17,225	15,236	13%
Other income	122	237	-49%	3,554	678	424%
Administrative and general expenses	(7,329)	(8,804)	-17%	(14,454)	(14,692)	-2%
Operating profit	2,072	701	196%	6,325	1,222	418%
Finance costs	(78)	(93)	-16%	(221)	(263)	-16%
Share of results of associated company	670	1,733	-100%	(1,643)	1,733	100%
Profit/(Loss) before taxation	2,664	2,341	14%	4,461	2,692	66%
Taxation	(30)	(19)	-100%	(50)	(19)	-100%
Profit/(Loss) after taxation	2,634	2,322	13%	4,411	2,673	65%
Other comprehensive income:						
Exchange differences on translation of foreign operations	(53)	(27)	96%	(18)	38	-147%
Total comprehensive income	2,581	2,295	12%	4,393	2,711	62%
PROFIT/(LOSS) ATTRIBUTABLE TO:						
Owners of the parent	2,634	2,322	13%	4,411	2,672	65%
Non-controlling interests	-	-	-100%	-	1	-100%
	2,634	2,322	13%	4,411	2,673	65%
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:						
Owners of the parent	2,581	2,295	12%	4,393	2,710	62%
Non-controlling interests	-	-	-100%	-	1	-100%
	2,581	2,295	12%	4,393	2,711	62%
Weighted average number of ordinary shares in issue ('000)	2,116,471	1,485,354		2,116,471	1,485,354	
Earnings per share (sen):						
(a) Basic	0.12	0.16		0.21	0.18	
(b) Fully diluted	0.12	0.11		0.20	0.13	

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 2018 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019**

	(UNAUDITED) AS AT 30/6/2019 RM '000	(AUDITED) AS AT 31/12/2018 RM '000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	18,478	19,954
Software development expenditure	54,475	48,996
Intangible assets	78,899	79,545
Investment in associated companies	91,816	93,459
Other investments	*	*
Deferred tax assets	805	891
Other receivables	-	912
	244,473	243,758
CURRENT ASSETS		
Inventories	12,722	-
Other investments	3	2
Trade receivables	31,313	30,820
Finance lease receivables	1,647	-
Other receivables, deposits and prepayments	6,999	14,671
Tax recoverable	44	51
Fixed deposits with licensed banks	701	733
Cash and bank balances	3,029	4,276
	56,458	50,552
TOTAL ASSETS	300,931	294,309

* Denotes amount less than RM1,000.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019 (Continued)**

	(UNAUDITED) AS AT 30/6/2019 RM '000	(AUDITED) AS AT 31/12/2018 RM '000
EQUITY AND LIABILITIES		
Share capital	251,633	227,908
Foreign currency translation reserve	(174)	(157)
Reverse acquisition debit	(36,809)	(36,809)
Warrant reserves	16,715	20,257
ICULS - equity component	-	14,442
Other reserves	(14,846)	(18,388)
Retained earnings	40,566	37,623
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	257,085	244,877
NON-CURRENT LIABILITIES		
Finance lease liability	-	5
Bank borrowings	4,375	4,254
Deferred tax liabilities	138	-
	4,513	4,259
CURRENT LIABILITIES		
Trade payables	435	2,133
Other payables and accrued expenses	36,839	39,151
Finance lease liability	8	6
Bank borrowings	99	499
ICULS - liability component	-	1,198
Tax payable	1,952	1,990
Bank overdraft	-	196
TOTAL CURRENT LIABILITIES	39,333	45,174
TOTAL LIABILITIES	43,846	49,433
	300,931	294,309
Net assets per share attributable to owners of the parent (sen)	11.91	12.75

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 2018 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 2019**

	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 2019	227,908	(157)	(36,809)	14,442	(18,388)	20,257	37,623	244,877	-	244,877
Issuance of ordinary shares										
- Conversion of ICULS	22,962	-	-	(14,442)	-	-	(1,468)	7,052	-	7,052
- Conversion of Warrants-B	763	-	-	-	3,542	(3,542)	-	763	-	763
- Private placement	-	-	-	-	-	-	-	-	-	-
	23,725	-	-	(14,442)	3,542	(3,542)	(1,468)	7,815	-	7,815
Profit for the year	-	-	-	-	-	-	4,411	4,411	-	4,411
Other comprehensive income	-	(18)	-	-	-	-	-	(18)	-	(18)
Total comprehensive income for the year	-	(18)	-	-	-	-	4,411	4,393	-	4,393
Balance as at 30 June 2019	251,633	(175)	(36,809)	-	(14,846)	16,715	40,566	257,085	-	257,085



**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 year	-	-	-	-	-	-	2,672	2,672	1	2,673
Other comprehensive income	-	38	-	-	-	-	-	38	-	38
Total comprehensive income for the year	-	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

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 2018 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 2019**

	6 MONTHS ENDED 30/06/2019 RM '000	6 MONTHS ENDED 30/06/2018 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	4,461	2,692
Adjustments for:		
Amortisation of software development expenditure	1,645	754
Amortisation of intangible assets	646	1,724
Bad debts written-off:		
- trade receivables	-	1,792
Dividends received from mutual funds	-	(385)
Depreciation of property, plant and equipment	1,028	731
Government grant income	(2)	(90)
Interest income	(14)	(61)
Interest expense	196	263
Inventories written off	-	-
Loss on disposal of a subsidiary	-	-
Loss on ICULS liability component upon maturity	481	-
Prepayments written off	-	-
Property, plant & equipment written off	-	-
Reversal of impairment losses on:		
- trade receivables	(3,926)	(1,892)
Share of results of associated companies	1,643	(1,733)
Unrealised (gain)/loss on foreign exchange	(35)	59
Operating profit before working capital changes	<u>6,123</u>	<u>3,854</u>
Changes in working capital:		
Net change in current assets	(1,873)	(28,205)
Net change in current liabilities	(4,010)	(5,602)
Cash (used in)/generated from operations	<u>240</u>	<u>(29,953)</u>
Interest received	15	61
Tax refund	20	26
Tax paid	(102)	(19)
Exchange differences	38	3
Net cash (used in)/generated from operating activities	<u>211</u>	<u>(29,882)</u>



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 30 JUNE 2019 (Continued)**

	6 MONTHS ENDED 30/06/2019 RM '000	6 MONTHS ENDED 30/06/2018 RM '000
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received from mutual funds	-	385
Purchase of property, plant and equipment	-	(446)
Purchase of software development expenditure	(7,124)	(3,372)
Proceeds from disposals of investment in financial assets at fair value through profit or loss	-	38,005
Investment in other investment	-	(10,000)
Net cash used in investing activities	(7,124)	24,572
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(132)	(141)
Coupon payment for ICULS	(479)	(1,146)
Proceeds from conversion of ICULS to shares	6,013	7,450
Proceeds from conversion of Warrants-A	-	2
Proceeds from conversion of Warrants-B	763	544
Repayment of finance lease liability	(3)	-
Repayment of term loan	(279)	(291)
Net cash from financing activities	5,883	6,418
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,030)	1,108
Effects of exchange rate changes	(52)	36
CASH AND CASH EQUIVALENT AT BEGINNING OF YEAR	4,111	5,950
CASH AND CASH EQUIVALENT AT END OF YEAR	3,029	7,094
Cash and cash equivalents at end of the financial year comprise:		
Cash and bank balances	3,029	7,045
Fixed deposits with licensed banks	701	730
Bank overdraft	-	(1)
	3,730	7,774
Less: Fixed deposits pledged with licensed banks	(701)	(680)
	3,029	7,094

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 2019

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 ("PUC") and its subsidiaries ("Group") for the financial year ended 31 December 2018 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 2018.

The adoption of the following MFRS that came into effect on 1 January 2019 did not have any significant impact of the unaudited condensed consolidated financial statements upon their initial application.

MFRS 16	-	Leases
Amendments to MFRS 9	-	Financial Instruments: Prepayment Features with Negative Compensation
Amendments to MFRS 119	-	Employee Benefits: Plan Amendment, Curtailment or Settlement
Amendments to MFRS 128	-	Investments in Associates and Joint Ventures: Long-term Interest in Associates and Joint Ventures
IC Interpretation 23	-	Uncertainty over Income Tax Treatments

Annual Improvements to MFRSs 2015 - 2017 Cycle

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 2018.

A4 Seasonal or cyclical factors

The business operations of the Group were not significantly affected by seasonal or cyclical factors during the financial year under review other than the effects of Chinese festive holidays during the first financial quarter on the digital imaging business held under the Group's 33% associated company, Pictureworks Holdings Sdn. Bhd.

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 year, the Company increased its issued and paid up share capital:

- (a) by RM22,962,098 through the issuance of 229,620,977 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 RM763,076 through the issuance of 7,630,765 new ordinary shares pursuant to the conversion of Warrants-B at exercise price of RM0.10 per ordinary shares;

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 30/06/2019 RM '000	PRECEDING YEAR QUARTER 30/06/2018 RM '000	CURRENT YEAR TO DATE 30/06/2019 RM '000	PRECEDING YEAR TO DATE 30/06/2018 RM '000
Revenue:				
OmniChannel	14,700	8,636	22,919	22,887
E-Commerce	-	-	-	-
FinTech	1,483	7,509	3,471	8,298
Corporate and others	1,455	307	4,108	885
	17,639	16,453	30,498	32,070
(Loss)/Profit after taxation:				
OmniChannel	6,053	964	13,518	4,791
E-Commerce	(6)	-	(11)	-
FinTech	(1,020)	3,407	(1,397)	1,335
Corporate and others	(3,063)	(3,783)	(6,056)	(5,187)
	1,964	589	6,054	939
Share of results of associated companies:				
OmniChannel	1,920	1,733	1,182	1,733
E-Commerce	(1,251)	-	(2,826)	-
	2,634	2,322	4,411	2,673

A10 Valuation of property, plant and equipment

The Group has not carried out valuation on its property, plant and equipment reported in the current financial quarter under review.

A11 Capital commitments

The Group does not have any material capital commitments in respect of property, plant and equipment as at the end of the current financial quarter under review.



A12 Material events subsequent to the end of the quarter

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

A13 Changes in the composition of the Group

(i) The Company had on 31 December 2018 announced that it intends to acquire all the remaining ordinary shares in Pictureworks Holdings Sdn. Bhd. representing 67% equity interest not already owned by it for a total consideration of up to RM167.50 million to be satisfied by a combination of shares and cash. The Company had applied to Bursa Securities for an extension of time until 31 May 2019 and subsequently another extension until 31 August 2019 to submit the relevant application pertaining to the proposed acquisition. Bursa Securities had approved both applications.

(ii) On 26 June 2019, Wealth Pursuit Sdn Bhd, a wholly owned subsidiary, changed its name to Presto Credit Sdn Bhd.

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 30/06/2019 RM '000	PRECEDING YEAR TO DATE 30/06/2018 RM '000
Rental of premise received/receivable	19	11
Customer service and creative content services received/receivable	2,575	-
IT consultancy and professional services received/receivable received/receivable	1,500	-
Payroll services	51	-



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

B1 Review of performance

The Group has streamlined its businesses into 3 major segments, namely OmniChannel, E-Commerce and FinTech:

- (i) OmniChannel comprises of the Group's media and advertising businesses as well as the digital imaging business managed under associated company Pictureworks Holdings Sdn. Bhd. ("PHSB");
- (ii) E-Commerce covers the Group's social marketing platform businesses as well as associated company Presto Mall Sdn. Bhd. (formerly known as Celcom Planet Sdn. Bhd.), the owner and operator of PrestoMall (formerly 11Street Malaysia); and
- (iii) FinTech houses the Group's electronic money, payment services and technology businesses.

The Group recorded lower revenue of RM30.50 million as compared to preceding year's RM32.07 million. The segmental comparisons are as follows:

- (i) OmniChannel remains a major revenue contributor at 75.1% compared to 71.4% in the corresponding period. This segment achieved a revenue of RM14.70 million compared to RM8.64 million previously largely due to higher sales of out-of-home advertisement spaces. This pushed half year revenue to RM22.92 million compared to RM22.89 million recorded in previous corresponding period;
- (ii) The Group is currently still working towards unlocking PrestoMall's (formerly 11Street Malaysia) potential by integrating it with the Group's Presto platform. The Group is optimistic E-Commerce will begin contributing positively to both the top and bottom lines once the integration process with Presto is completed.
- (iii) FinTech contributes RM1.48 million revenue in the current quarter compared to RM7.51 million in the corresponding period. This segment commercialised those technologies sourced from Shenzhen Institute Of Advanced Technology in the preceding year. Nonetheless the technology business is currently expanding their technical services as well as working towards the provision of more technical solutions through further research and development enhancements for its own technology capabilities.

Despite a lower revenue in the current financial period compared to the corresponding period, the Group recorded a higher profit after tax of RM4.4 million compared to RM2.67 million achieved previously. The higher profit after tax is mainly due to:

- (a) higher sales of out-of-home advertisement spaces recorded by OmniChannel business segment; and
- (b) write-back of impairment losses on trade receivables of RM3.93 million as the Group managed to collect from previously impaired trade customers;

The Group's associated company, PHSB, contributed profit of RM1.92 million in the current quarter under review after business returned to normal after the Chinese festive holidays in the previous quarter. The profit contribution is 11.08% higher than that recorded in previous corresponding year. For the first half of 2019, PHSB contributed profits of RM1.18 million to the Group. Presto Mall Sdn. Bhd. contributed loss of RM1.25 million in the current quarter, bringing the total loss contributed to RM2.82 million for the first half of 2019.

B2 Variation of results against preceding quarter

	CURRENT	PRECEDING	VARIANCE	
	QUARTER	QUARTER		
	30/06/2019	31/03/2019	RM '000	%
	RM '000	RM '000	RM '000	%
Revenue	17,639	12,859	4,780	37%
Profit before taxation	2,664	1,797	867	48%

The Group achieved a higher profit before taxation in the preceding quarter due to the higher sales achieved by OmniChannel segment as well as improved profit contribution from the associated companies. PHSB contributed a profit of RM1.92 million in the current quarter compared to loss of RM0.74 million in previous quarter. At the same time Presto Mall contributed a lower loss of RM1.25 million compared to loss of RM1.57 million in previous quarter due to cost rationalization program undertaken.

B3 Prospects

E-Commerce – In June 2019, the Group rebranded 11Street Malaysia as PrestoMall, and has integrated PrestoMall on to the Group's own proprietary Presto mobile application. On 22 August 2019, PrestoMall signed a Memorandum of Understanding (MoU) with the Companies Commission of Malaysia (SSM) to explore a cooperation to mutually benefit both parties and serve the interest of online businesses in Malaysia. The MoU stated that PrestoMall will support SSM in ensuring all online sellers onboard PrestoMall are SSM-registered sellers, provide support at SSM on-ground events to educate, nurture, and promote eCommerce adoption in the country, and a few other roles. This is expected to enhance Presto's role in driving online businesses in Malaysia. Moving forward, the Group will be marketing the combined Presto platform more aggressively to attract more business partners as well as consumer spending at the combined platform.

FinTech – The payment services business is currently being enhanced to include service offerings that will allow the Group to gradually develop a platform as a digital bank. The immediate service offerings that will be launched first, will focus on existing partnerships to create a platform for micro-lending. The Group's technology arm is enhancing its technology capabilities through on-going research and development in artificial intelligent technologies.

PrestoTravel was launched on 10 August 2019, to entice travellers to enjoy 'richer holidays' through travel bonuses and cashbacks. PrestoTravel is a mini-app which can be accessed through the Presto app which will also connect to other leading online travel booking platform. This enhancement to Presto's service offerings is expected to attract more users to transact on Presto and improve Presto's community development.

Plans are underway to combine the service offerings under FinTech and e-Commerce to form a super app, being the Presto digital ecosystem.

OmniChannel – This business segment will continue to be the major revenue contributor to the Group for the current financial year. The Group is currently enhancing its services by combining digital and traditional media as well as online-to-offline marketing to provide solutions to the advertising clients and to increase audience traffic level to online marketplace, PrestoMall, and social marketing platform, Presto mobile app, as well as other forms of innovative media. This in turn would provide the Group with sizeable consumer database that can be used for targeted marketing as well as allowing the Group to become a media owner.

During the past 3 years, the Group has undertaken efforts to improve its financial and operational performance by realigning existing operations, acquiring suitable businesses and forming partnerships/collaboration to facilitate expansion.

On 8 August 2019, the Group announced a Proposed Private Placement which will enable the Group to raise funds to support the next phase of the Presto Mobile App's growth, without incurring additional interest costs as compared to



bank borrowings. This will minimise any potential cash outflow in respect of interest servicing, which may erode the Group's profitability.

In view thereof, the funds to be raised via equity funding will give the Group more flexibility in terms of cash flow management, which is crucial to support the Group's business operations and expansion. This is expected to benefit the Group in its effort to continuously improve its financial performance.

Further, the enlarged capital base of the Company after completion of the Proposed Private Placement is expected to strengthen its financial position. Moving forward, the successful growth of the Presto Mobile App is expected to contribute positively to the earnings of the Group. This will bolster the Group's effort to improve its financial performance.

The Group will continue to rationalize its operations to achieve better synergies between the business segments.

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 30/06/2019 RM '000	PRECEDING YEAR QUARTER 30/06/2018 RM '000	CURRENT YEAR TO DATE 30/06/2019 RM '000	PRECEDING YEAR TO DATE 30/06/2018 RM '000
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Provision for previous and current period	30	19	50	19
Effective tax rate	1%	1%	1%	1%

The effective tax rate is lower than statutory tax rate due to certain subsidiaries not subject to taxation.

B6 Status of corporate proposals

On 8 August 2019, the Company had announced a proposed placement of up to ten percent (10%) of the issued and paid-up share capital of the Company equivalent to 229,062,800 new shares. Bursa Malaysia approved the proposed placement on 21 August 2019. No placement has taken place as of the date of this report.

B7 Borrowings

The Group's borrowings as at 30 June 2019 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)**	149	456	-	-	149	456
- Term loan (RM)*	-	3,919	-	99	-	4,018
- Finance lease liability (SGD)**	-	-	3	8	3	8
- Bank overdraft (SGD)**	-	-	-	-	-	-
	<u>149</u>	<u>4,375</u>	<u>3</u>	<u>107</u>	<u>152</u>	<u>4,482</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:

	6 months ended 30 June		Cumulative 6 months ended 30 June	
	2019	2018	2019	2018
Profit attributable to owners of the parent (RM '000)	2,634	2,322	4,411	2,672
Weighted average number of ordinary shares in issue ('000)	2,116,471	1,485,354	2,116,471	1,485,354
Basic earnings per share (sen)	0.12	0.16	0.21	0.18

(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:

	6 months ended 30 June		Cumulative 6 months ended 30 June	
	2019	2018	2019	2018
Profit attributable to owners of the parent (RM '000)	2,634	2,322	4,411	2,672
Adjusted for:				
Interest savings on ICULS (RM'000)	93	58	93	58
	2,727	2,380	4,504	2,730
Weighted average number of ordinary shares in issue ('000)	2,116,471	1,485,354	2,116,471	1,485,354
Assuming full conversion of ICULS ('000)	-	262,430	-	262,430
Assuming full exercise of Warrants ('000)	132,764	346,053	132,764	346,053
Weighted average number of ordinary shares diluted ('000)	2,249,235	2,093,837	2,249,235	2,093,837
Diluted earnings per share (sen)	0.12	0.11	0.20	0.13



B10 Profit before taxation

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

	CURRENT YEAR QUARTER 30/06/2019 RM '000	PRECEDING YEAR QUARTER 30/06/2018 RM '000	CURRENT YEAR TO DATE 30/06/2019 RM '000	PRECEDING YEAR TO DATE 30/06/2018 RM '000
Dividend income from mutual funds	-	(98)	-	(385)
Government grant income	-	(45)	(2)	(90)
Interest income	(1)	(41)	(14)	(61)
Bad debts written-off:				
- Trade receivables	-	1,792	-	1,792
Depreciation and amortisation	2,119	1,870	3,319	3,209
Interest expense	66	93	196	263
Loss on ICULS liability component upon maturity	-	-	481	-
Reversal of impairment loss:				
- trade receivables *	-	(1,792)	(3,926)	(1,892)
Loss/(Gain) on foreign exchange:				
- Realised	(25)	-	14	(113)
- Unrealised	(49)	(33)	(35)	59

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 August 2019