



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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 2019 and the accompanying explanatory notes attached to the interim financial statements.

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER 30-09-20 RM '000	PRECEDING YEAR QUARTER 30-09-19 RM '000	CHANGES %	CURRENT YEAR TO DATE 30-09-20 RM '000	PRECEDING YEAR TO DATE 30-09-19 RM '000	CHANGES %
<i>Continuing Operations:</i>						
Revenue	1,188	14,392	-92%	4,207	44,331	-91%
Cost of sales	(706)	(7,374)	-90%	(2,334)	(20,647)	-89%
Gross profit	482	7,018	-93%	1,873	23,684	-92%
Other income/(expenses)	289	(504)	-157%	1,017	3,050	-67%
Administrative and general expenses	(9,406)	(8,712)	8%	(20,873)	(22,769)	-8%
Operating profit/(loss)	(8,635)	(2,198)	293%	(17,983)	3,965	-554%
Finance costs	(7)	(67)	-90%	(347)	(288)	20%
Share of results of associated company	(1,035)	3,702	-128%	(4,174)	2,059	-303%
Profit/(Loss) before taxation	(9,677)	1,437	-773%	(22,504)	5,736	-492%
Taxation	(30)	(29)	3%	(89)	(79)	13%
Profit/(Loss) from continuing operations	(9,707)	1,408	-789%	(22,593)	5,657	-499%
<i>Discontinued Operations:</i>						
Profit/(Loss) from discontinued operations	-	(270)	-100%	80	(108)	-174%
Profit/(Loss) for the year	(9,707)	1,138	-953%	(22,513)	5,549	-506%
Other comprehensive income:						
Exchange differences on translation of foreign operations	79	13	508%	13	(5)	-360%
Total comprehensive income	(9,628)	1,151	-936%	(22,500)	5,544	-506%
PROFIT/(LOSS) ATTRIBUTABLE TO:						
Owners of the parent	(9,707)	1,138	-953%	(22,513)	5,549	-506%
Non-controlling interests	-	-	-	-	-	-
	(9,707)	1,138	-953%	(22,513)	5,549	-506%
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:						
Owners of the parent	(9,628)	1,151	-936%	(22,500)	5,544	-506%
Non-controlling interests	-	-	-	-	-	-
	(9,628)	1,151	-936%	(22,500)	5,544	-506%
Weighted average number of ordinary shares in issue ('000)	952,232	2,135,193		952,232	2,135,193	
Earnings per share (sen):						
(a) Basic	(1.02)	0.05		(2.36)	0.26	
(b) Fully diluted	(1.02)	0.06		(2.36)	0.26	



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020**

	(UNAUDITED) AS AT 30/9/2020 RM '000	(AUDITED) AS AT 31/12/2019 RM '000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	6,991	7,895
Right of use assets	119	444
Software development expenditure	56,148	56,361
Intangible assets	35,175	30,384
Investment in associated companies	92,148	96,322
Lease receivables	1,060	1,060
Other receivables	768	805
	<u>192,409</u>	<u>193,271</u>
CURRENT ASSETS		
Inventories	30,419	25,587
Other investments	3	3
Trade receivables	12,573	21,109
Lease receivables	107	405
Other receivables, deposits and prepayments	4,389	4,941
Assets included in disposal group held for sale and discontinued operation	-	7,500
Tax recoverable	15	51
Fixed deposits with licensed banks	722	722
Cash and bank balances	6,618	1,876
	<u>54,846</u>	<u>62,194</u>
TOTAL ASSETS	<u>247,255</u>	<u>255,465</u>



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020 (Continued)

	(UNAUDITED) AS AT 30/9/2020 RM '000	(AUDITED) AS AT 31/12/2019 RM '000
EQUITY AND LIABILITIES		
Share capital	283,767	265,310
Foreign currency translation reserve	(156)	(169)
Reverse acquisition debit	(36,809)	(36,809)
Warrant reserves	16,715	16,715
Other reserves	(14,846)	(14,846)
Retained earnings	(45,597)	(23,084)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	203,074	207,117
NON-CURRENT LIABILITIES		
Lease Liabilities	-	81
Borrowings	3,844	3,810
	3,844	3,890
CURRENT LIABILITIES		
Trade payables	2,039	1,233
Other payables and accrued expenses	37,765	41,052
Lease Liabilities	126	378
Amount owing to directors	-	-
Borrowings	142	436
Tax payable	265	1,359
TOTAL CURRENT LIABILITIES	40,337	44,458
TOTAL LIABILITIES	44,181	48,349
	247,255	255,465
Net assets per share attributable to owners of the parent (sen)	32.91	8.73

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 2019 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	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 2020	265,310	(169)	(36,809)	-	(14,846)	16,715	(23,084)	207,117	-	207,117
Issuance of ordinary shares										
- Conversion of ICULS	-	-	-	-	-	-	-	-	-	-
- Conversion of Warrants-B	-	-	-	-	-	-	-	-	-	-
- Private placement	18,457	-	-	-	-	-	-	18,457	-	18,457
	18,457	-	-	-	-	-	-	18,457	-	18,457
Profit for the year	-	-	-	-	-	-	(22,513)	(22,513)	-	(22,513)
Other comprehensive income	-	13	-	-	-	-	-	13	-	13
Total comprehensive income for the year	-	13	-	-	-	-	(22,513)	(22,500)	-	(22,500)
Balance as at 30 September 2020	283,767	(156)	(36,809)	-	(14,846)	16,715	(45,597)	203,074	-	203,074



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 30 SEPTEMBER 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	(156)	(36,809)	14,442	(18,388)	20,257	37,623	244,878	-	244,878
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	3,008	-	-	-	-	-	-	3,008	-	3,008
	26,733	-	-	(14,442)	3,542	(3,542)	(1,468)	10,823	-	10,823
Profit for the year	-	-	-	-	-	-	5,549	5,549	-	5,549
Other comprehensive income	-	(5)	-	-	-	-	-	(5)	-	(5)
Total comprehensive income for the year	-	(5)	-	-	-	-	5,549	5,544	-	5,544
Balance as at 30 September 2019	254,641	(161)	(36,809)	-	(14,846)	16,715	41,704	261,245	-	261,245

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 2019 and the accompanying explanatory notes attached to the interim financial statement.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

	9 MONTHS ENDED 30-09-20 RM '000	9 MONTHS ENDED 30-09-19 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	(22,424)	5,628
Adjustments for:		
Amortisation of software development expenditure	5,216	2,545
Amortisation of intangible assets	684	969
Depreciation of property, plant and equipment	1,178	1,542
Government grant income	-	(1)
Intangible assets written-off	(684)	
Interest income	(16)	(17)
Interest expense	334	252
Loss on disposal of a subsidiary	251	-
Loss on ICULS liability component upon maturity	-	481
Property, plant & equipment written off	9	232
Reversal of impairment losses on trade receivables	-	(3,926)
Transfer of disposal group held for sale and discontinued operation	748	-
Share of results of associated companies	4,174	(2,059)
Unrealised (gain)/loss on foreign exchange	40	-
Operating profit before working capital changes	(10,490)	5,646
Changes in working capital:		
Net change in current assets	4,490	(3,064)
Net change in current liabilities	(2,410)	(4,472)
Cash used in operations	(8,410)	(1,890)
Interest received	16	17
Tax refund	36	20
Tax paid	(1,183)	(134)
Exchange differences	93	39
Net cash used in operating activities	(9,448)	(1,948)



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2020 (Continued)**

	9 MONTHS ENDED 30-09-20 RM '000	9 MONTHS ENDED 30-09-19 RM '000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(117)	-
Purchase of software development expenditure	(9,793)	(8,780)
Proceeds from disposals of subsidiary	6,500	-
Net cash used in investing activities	(3,410)	(8,780)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(327)	(189)
Coupon payment for ICULS	-	(479)
Proceeds from private placement of shares	18,457	3,008
Proceeds from conversion of ICULS to shares	-	6,013
Proceeds from conversion of Warrants-B	-	763
Repayment of finance lease liability	(188)	(5)
Repayment of term loan	(260)	(392)
Net cash from financing activities	17,682	8,719
NET DECREASE IN CASH AND CASH EQUIVALENTS	4,825	(2,009)
Effects of exchange rate changes	(83)	(31)
CASH AND CASH EQUIVALENT AT BEGINNING OF YEAR	1,876	4,111
CASH AND CASH EQUIVALENT AT END OF YEAR	6,618	2,072
 Cash and cash equivalents at end of the financial period comprise:		
Cash and bank balances	6,618	2,072
Fixed deposits with licensed banks	722	701
Bank overdraft	-	-
	7,340	2,773
Less: Fixed deposits pledged with licensed banks	(722)	(701)
	6,618	2,072

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 2019 and the accompanying explanatory notes attached to the interim financial statements.



UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

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 2019 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 2019.

The adoption of the following MFRS that came into effect on 1 January 2020 did not have any significant impact of the unaudited condensed consolidated financial statements upon their initial application.

Amendments to References to the Conceptual Framework in MFRS Standards	
Amendments to MFRS 3	- Definition of a Business
Amendments to MFRS 9, MFRS 139 and MFRS 7	- Interest Rate Benchmark Reform
Amendments to MFRS 101 and MFRS 108	- Definition of Material

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 2019.

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 had movements on its issued and paid up share capital, where:

- (a) decreased by 1,898,920,843 ordinary shares through undertaking share consolidation exercise of every 5 existing PUC shares into 1 PUC share
- (b) increased by RM18,457,373 through issuance of 142,418,000 new ordinary shares pursuant to private placement at the issue price of RM0.1296 per ordinary 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 30-09-20 RM '000	PRECEDING YEAR QUARTER 30-09-19 RM '000	CURRENT YEAR TO DATE 30-09-20 RM '000	PRECEDING YEAR TO DATE 30-09-19 RM '000
Continuing Operations:				
Revenue:				
OmniChannel	698	13,017	2,264	35,860
Presto	489	1,343	1,936	8,262
Corporate and others	1	780	7	958
	1,188	15,140	4,207	45,079
(Loss)/Profit after taxation:				
OmniChannel	(555)	5,235	(645)	18,646
Presto	(7,210)	(6,133)	(14,226)	(11,082)
Corporate and others	(907)	(1,507)	(3,546)	(4,075)
	(8,671)	(2,404)	(18,418)	3,489
Share of results of associated companies:				
OmniChannel	(760)	4,532	(3,206)	5,715
Presto	(275)	(830)	(969)	(3,656)
	(9,707)	1,298	(22,593)	5,548
Discontinued Operations:				
Revenue:				
Corporate and others	-	189	437	748
(Loss)/Profit after taxation:				
Corporate and others	-	(98)	80	269

Note: The segregation between continued and discontinued operations is in accordance to MFRS 5 Non-current Assets Held for Disposal and Discontinued Operations.

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 year 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 year under review.

A12 Material events subsequent to the end of the quarter

There were no material events subsequent to the financial year 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 31 December 2018 the Company announced that it intended to acquire all the remaining ordinary shares in Pictureworks Holdings Sdn. Bhd. ("PWSB") 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. On 22 November 2019, the Company announced the signing of the supplemental share sales agreement where the purchase consideration was revised to RM142.04 million. An Extraordinary General Meeting of the Company was held on 19 February 2020 whereby the proposal was approved by majority of the eligible shareholders present. On 16 June 2020, the Board of Directors ("The Board") had reached decision to mutually terminate with the vendors on the supplemental share sales agreement in relation of the acquisition of 67% equity interest in PWSB, after due consideration of the uncertainties surrounding the speed of recovery of the world economy from the Covid-19 pandemic. The Board had also considered in the best interest of the Company not to proceed with the Acquisition during this challenging time, when the accumulation and preservation of the Company's cash flow for PUC's existing business is important.
- (ii) On 5 November 2019, the Company had announced that it has entered into a sales of shares agreement ("SSA") with Sri Lahat Property ("SLP") to dispose the entire 100% equity interest in Maxgreen Energy Sdn. Bhd. ("MG1MY") for RM7.50 million. On 13 April 2020, the Company had entered into a supplemental SSA with SLP to vary and amend certain arrangement, terms and conditions of the SSA, taken into consideration the global economic outlook which has been negatively impacted by Covid-19. Pursuant to the supplemental SSA, both the Company and SLP have mutually agreed to revise total disposal consideration from RM7.50 million to RM6.50 million, and the reduced balance consider RM5.00 million has been received by the Company on the same day. The disposal is deemed completed on 19 June 2020 and MG1MY has ceased to be a subsidiary of PUC.
- (iii) On 8 April 2020, PRUMY, Cheng Lin Holdings Sdn. Bhd. and Instpower Co., Limited have jointly incorporated a company in Malaysia under the name of Presto Power Sdn. Bhd ("PPWMY"). Presto Universe Sdn Bhd ("PRUMY") owned 40% equity interest in PPWMY, and consequently PPWMY became an associate of PRUMY. The incorporation of PPWMY is for the purpose of undertaking power bank leasing and related services project.

A14 Contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets for the current financial year under review.

A15 Significant related party transactions

Save as disclosed below, there were no other related party transactions for the current financial year under review:

	CURRENT YEAR TO DATE 30-09-20 RM '000	PRECEDING YEAR TO DATE 30-09-19 RM '000
Rental of premise received/receivable	186	28
Rendering of services received/receivable	698	4,126
Transaction fees received/receivable	64	-
Transaction fees paid/payable	43	-

A16 Discontinued operations

The following notes are prepared in accordance with MFRS 5 Non-current Assets Held for Disposal and Discontinued Operations, arising from the sale of Maxgreen Energy Sdn. Bhd..

(a) Profit from discontinued operations

	CURRENT YEAR QUARTER	PRECEDING YEAR QUARTER	CHANGES	CURRENT YEAR TO DATE	PRECEDING YEAR TO DATE	CHANGES
	30-09-20 RM '000	30-09-19 RM '000	%	30-09-20 RM '000	30-09-19 RM '000	%
Revenue	-	189	-100%	437	748	-42%
Other income	-	-	-	-	-	-
Administrative and general expenses	-	(83)	-100%	(357)	(479)	-26%
Operating profit/(loss)	-	107	-100%	80	269	-70%
Finance costs	-	-	-	-	-	-
Profit/(Loss) before taxation	-	107	-100%	80	269	-70%
Taxation	-	-	-	-	-	-
Profit/(Loss) for the year	-	107	-100%	80	269	-70%

(b) Asset held for sale

	(UNAUDITED) AS AT 30/9/2020 RM '000	(AUDITED) AS AT 31/12/2019 RM '000
Property, plant and equipment	-	5,364
Right-of-use assets	-	1,423
Other receivables, deposits and prepayments	-	512
Cash and bank balances	-	284
Other payables and accrued expenses	-	(83)
	-	7,500

(c) Net cash flows of discontinued operations

	(UNAUDITED) AS AT 30/9/2020 RM '000	(AUDITED) AS AT 31/12/2019 RM '000
Net cash generated from/(used in) operations	(284)	(192)
Net cash used in investing activities	-	-
Net cash generated from financing activities	-	-
Increase/(Decrease) in cash and cash equivalent	(284)	(192)



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 2 major segments, namely OmniChannel, and Presto:

- (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. (“PWSB”);
- (ii) Presto covers the Group’s Presto platform businesses which consist of e-commerce, electronic money, payment services and technology 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)

In continuation from previous quarters, the Group’s overall financial performances have been significantly impacted by Covid-19 pandemic situation, and recorded a lower revenue of RM1.19 million for the current quarter, as compared to preceding year’s RM14.39 million. The segmental comparisons are as follows:

- (i) OmniChannel segment continued to be affected by Covid-19 pandemic’s significant adverse impact on conventional media and advertising opportunities both locally and regionally, this segment achieved lower revenue of RM0.69 million compared to RM13.02 million in the corresponding quarters.
- (ii) The Presto segment has lower sales compared to previous corresponding quarter by 76.6%, in which previous year sales mainly consisted of short-term outsourcing services rendered by the Presto entities to PrestoMall (formerly 11Street Malaysia). With the upcoming business partnerships expected to transact on the Presto ecosystem, the Group remains optimistic that the Presto segment will contribute positively to both the top and bottom lines once these business activities as transactions increase..

The Group recorded loss after tax of RM9.43 million for current quarter compared to RM1.14 million profit after tax achieved in the corresponding quarter in the previous year. While the current quarter loss is mainly driven by lower revenue as mentioned above, the loss under associated companies had also further contributed to the loss in comparing current quarter with previous corresponding quarter. The higher administrative and general expenses in current quarter by 8% comparing to the corresponding period had included cost arise from increase in marketing effort in promoting the Presto ecosystem.

PWSB contributed loss of RM0.76 million in the current quarter under review compared to RM4.53 million profit in the previous corresponding quarter, mainly due to the ongoing adverse impact from Covid-19 pandemic situations. On the other hand, Presto Mall Sdn. Bhd (“PMSB”) contributed loss of RM0.28 million in current quarter under review, compared to previous corresponding quarter loss at RM0.83 million. The lower share of loss is mainly due to the ongoing cost control measures being taken by PMSB.

B2 Variation of results against preceding quarter

	CURRENT QUARTER 30-09-20 RM '000	PRECEDING QUARTER 30-06-20 RM '000	VARIANCE	
			RM '000	%
Revenue	1,188	1,426	(238)	-17%
Profit before taxation	(9,677)	(5,930)	(3,747)	63%

The Group recorded a lower revenue in current quarter compared to the immediate preceding quarter mainly due to lower revenue resulted from business activities further worsened by the Covid-19 pandemic situation, including impacts from Movement Control Order (“MCO”).

Loss before taxation in the current quarter had been contributed by lower business activities as mentioned above, coupled with additional marketing cost incurred for promoting the Presto ecosystem.

B3 Prospects

In our previous quarterly report, we mentioned that the impact of Covid-19 pandemic continued to plague the economy on all scales domestically, regionally and globally. The situation has not been improved since then. The pandemic continues to be a stumbling block in global economic recovery. Number of infected cases in Malaysia is still on increasing trend and the highest number of daily infected cases was recorded in early November despite the Government's move to reimpose conditional movement control order (CMCO) in certain high-risk areas. That has dampened the economic recovery across all industries in Malaysia.

Whilst we are hopeful that the vaccine to be successfully developed, the economic recovery process will likely take longer. Therefore, in the short to medium term, PUC continues to adopt a prudent approach in its expenditure and expansion plans, and cash reservations remain vital for the company to stay afloat during and post-pandemic.

Apart from the cost cutting measures including group-wide employees rightsizing and salary reduction, PUC also focuses on expanding its footprint in the E-commerce business. As mentioned in the previous quarterly reports, the Group is focusing on developing its partnerships with leaders from various industries to complement the whole Presto ecosystem, in line with the company's vision to develop a faster, cooler and richer community. Some of the existing and new initiatives focused by PUC are as follows:

- CUSTORY – Strategic partnership with Cuscapi and Hungry to offer a fully digitalized and integrated F&B “order-to-delivery” solution to boost F&B sales. This tripartite partnership banks on the expertise of each partner who are key players in their own sectors. F&B operators will be able attract and retain both dine-in and take-away customers with an integrated solution covering order taking to delivery and everything in between; consumers will enjoy an improved customer experience in a fully digital platform, staying contactless, as per the new normal.
- Bonuslink – Gift Supply Agreement allowing for convergence of Bonuslink members as PrestoMall users, which will allow for a tremendous traffic increase, thereby potentially increasing transaction volume in PrestoMall;
- BIG Loyalty (AirAsia Group Berhad's loyalty program) – Issuance and Redemption Agreement to participate in BIG Loyalty as a merchant partner for points issuance and as a redemption partner of BIG Loyalty which will make BIG Loyalty program available in Presto App, thus increasing the number of users in Presto App;
- PrestoPower – joint-venture with InstPower Co., Ltd. (related company to Anker), and Cheng Lin Holdings Sdn Bhd, to develop Malaysian portable battery rental business, thereby enabling PUC to widen its service offerings to its users in the Presto App as well as increase the awareness of our offerings and our footprint in the market;
- Pan Malaysian Pool Sdn Bhd (PMPSB) (the operator of DaMaCai) – Through the MOU signed on 6 October 2020, both parties are desirous to explore strategic collaboration including introducing Presto Pay as an alternative payment solution to PMPSB for its business;
- Sharp Electronics (Malaysia) Sdn Bhd (SEM) – Through the MOU signed on 9 November 2020, both parties are desirous to collaborate and develop an internet-based integrated lifestyle ecosystem for consumers and businesses using artificial intelligence (AI) and internet-of-things (IOT) technologies.
- Presto Credit – Presto Credit Sdn Bhd, a wholly-owned subsidiary of PUC, is one of the eight companies that has obtained conditional approval from the Ministry of Housing and Local Government (KPKT) to provide online loans. By identifying suitable partners, Presto Credit will focus on growing its financial services business by offering micro-financing facility to consumers and businesses.

On the other hand, PUC's OmniChannel business segment continues to see weaker prospects in 2020, as the overall expenditure from the traditional media and advertising sector as well as digital media continues to decline due to economic uncertainty. The Group's traditional advertising business is expected to face increasing challenges and a continued decline in revenue. Despite the fear of the economic impact, businesses and communities have shown more altruistic response in the face of the crisis. Digital media integration will be adopted widely due to customers' expectations in facing the new normal. This will provide opportunities for OmniChannel to capture this new interest.



B3 Prospects (Continued)

The Board believes that based on the speed of overall economic recovery, PUC Group's businesses remains challenging. Despite the positive development of Covid-19 vaccine and several key business initiatives undertaken by the Group, the Board remains cautiously optimistic about the outlook of the Group's performance and is of the view that the improvement of the Group's performance will be seen when the overall economic conditions improves.

B4 Profit forecast or profit guarantee

The Group has not issued or disclosed in any public documents any profit forecast or profit guarantee for the current quarter under review.

B5 Taxation

	CURRENT YEAR QUARTER	PRECEDING YEAR QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR TO DATE
	30-09-20	30-09-19	30-09-20	30-09-19
	RM '000	RM '000	RM '000	RM '000
Provision for previous and current period	30	29	89	79
Effective tax rate	0%	2%	0%	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 19 November 2019, the Company had announced its intention to undertake a share consolidation exercise of every 5 existing PUC shares into 1 PUC share. Shareholders of the Company approved the proposal at an Extraordinary General Meeting held on 19 February 2020. The share consolidation had taken effect on 6 March 2020.
- The Company had on 27 November 2019 announced that it proposes to undertake private placement exercise of up to 166,601,000 new ordinary share, representing up to 30% of the total number of issued shares of PUC to independent third party investors to be identified later and at an issue price to be determined later. The proposal was approved by shareholders of the Company at an Extraordinary General Meeting held on 19 February 2020. On 24 June 2020, the Board had resolved to abort this private placement in view of the termination of acquiring 67% equity interest in PWSB. The Company had then proposed new private placement up to 142,418,000 new ordinary shares in the Company representing 30% of the total number of issued shares of the Company (the "30% PP") to independent third-party investors to be identified later and at an issue price to be determined later. The proceeds from this private placement would be utilised for the purposes of upgrading and marketing of Presto digital platform, as well as working capital. This proposal was approved by shareholders of the Company at an Extraordinary General Meeting held on 30 July 2020. The 30% PP was completed on 10 August 2020.
- On 27 October 2020, the Company had varied the utilisation of proceeds raised from 30% PP, where the balance unutilised funds are varied to be used for upgrading of Presto digital platform, staff cost and other administrative and operating expenses.

B6 Status of corporate proposals (Continued)

- c) As at 27 November 2020, the status of the utilisation of proceeds arising from the 30% PP and including variation as announced on 27 October 2020 is as follows:

	Proposed utilisation	Actual utilisation	Revised utilisation	Deviation		Balance unutilised	Expected time frame for utilisation
	RM '000	RM '000	RM '000	RM '000	%	RM '000	
Upgrading of the Presto digital platform	6,000	4,668	4,668	-	-	-	
Marketing of the Presto Digital Platform	6,000	4,032	4,032	-	-	-	
Working capital	5,632	7,156	8,932	-	-	1,776	Within 6 months
Estimated expenses for the Proposals	825	825	825	-	-	-	
	<u>18,457</u>	<u>16,681</u>	<u>18,457</u>	-	-	<u>1,776</u>	

- d) On 19 June 2020, the Company had proposed employees' share grant scheme of up to 10% of the total number of issued shares of PUC, and employees' share option scheme ("ESOS") of up to 20% of the total number of issued shares of PUC at any point in time for eligible employees of the Company and its non-dormant subsidiaries. This proposal was approved by shareholders of the Company at an Extraordinary General Meeting held on 30 July 2020.
- e) On 25 November 2020, the Company issued a notice of Extraordinary General Meeting ("EGM") to the shareholders which will be conducted on a fully virtual basis on 11 December 2020. The EGM is for the purpose of procuring approval from the shareholders for new issuance of securities of not more than 20% of the total number of issued shares of the Company (excluding treasury shares) under the general mandate. The unutilised 10% general mandate granted by shareholders during the annual general meeting on 30 July 2020 will be revoked. The increase in general mandate limit is one of the additional temporary relief measures granted to listed corporations by Bursa Securities via its letter dated 16 April 2020.

B7 Borrowings

The Group's borrowings as at 30 September 2020 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)**	34	104	-	-	34	104
- Term loan (RM)*	-	3,739	-	142	-	3,881
	<u>34</u>	<u>3,843</u>	<u>-</u>	<u>142</u>	<u>34</u>	<u>3,985</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	
	2020	2019	2020	2019
Profit attributable to owners of the parent (RM '000)	(9,707)	1,138	(22,513)	5,549
Weighted average number of ordinary shares in issue ('000)	952,232	2,135,193	952,232	2,135,193
Basic earnings per share (sen)	(1.02)	0.05	(2.36)	0.26

(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	
	2020	2019	2020	2019
Profit attributable to owners of the parent (RM '000)	(9,707)	1,138	(22,513)	5,549
Adjusted for:				
Interest savings on ICULS (RM'000)	-	48	-	48
	(9,707)	1,186	(22,513)	5,597
Weighted average number of ordinary shares in issue ('000)	952,232	2,135,193	952,232	2,135,193
Assuming full conversion of ICULS ('000)	-	-	-	-
Assuming full exercise of Warrants ('000)	-	-	-	-
Weighted average number of ordinary shares diluted ('000)	952,232	2,135,193	952,232	2,135,193
Diluted earnings per share (sen)	(1.02)	0.06	(2.36)	0.26



B10 Profit before taxation

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

	CURRENT YEAR QUARTER	PRECEDING YEAR QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR TO DATE
	30-09-20 RM '000	30-09-19 RM '000	30-09-20 RM '000	30-09-19 RM '000
Government grant income	-	(1)	-	(1)
Interest income	(15)	(16)	(16)	(17)
Depreciation and amortisation	5,167	2,937	7,078	5,056
Interest expense	322	186	334	252
Loss on ICULS liability component upon Property, plant and equipment written-off	-	481	-	481
Reversal of impairment loss on trade	-	232	9	232
Loss on disposal of a subsidiary	-	(3,926)	-	(3,926)
Loss/(Gain) on foreign exchange:	-	-	251	-
- Realised	(432)	39	(417)	39
- Unrealised	431	48	40	-

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 November 2020