



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE QUARTER ENDED 31 MARCH 2022**

| | INDIVIDUAL QUARTER | | | CUMULATIVE QUARTER | | |
|--|--------------------|-----------|-----------|--------------------|-----------|---------|
| | CURRENT | PRECEDING | CHANGES | CURRENT | PRECEDING | CHANGES |
| | YEAR | YEAR | | YEAR | YEAR | |
| | QUARTER | QUARTER | TO DATE | TO DATE | | |
| 31/3/2022 | 31/3/2021 | 31/3/2022 | 31/3/2021 | | | |
| | RM '000 | RM '000 | % | RM '000 | RM '000 | % |
| Continuing Operations: | | | | | | |
| Revenue | 5,453 | 5,543 | -2% | 5,453 | 5,543 | -2% |
| Cost of sales | (5,083) | (4,327) | -17% | (5,083) | (4,327) | -17% |
| Gross profit | 370 | 1,216 | -70% | 370 | 1,216 | -70% |
| Other income/(expenses) | 200 | 299 | -33% | 200 | 299 | -33% |
| Administrative and general expenses | (7,380) | (6,215) | -19% | (7,380) | (6,215) | -19% |
| Operating profit/(loss) | (6,810) | (4,700) | -45% | (6,810) | (4,700) | -45% |
| Finance costs | (29) | (43) | 33% | (29) | (43) | 33% |
| Share of results of associated company | (993) | (696) | -43% | (993) | (696) | -43% |
| Profit/(Loss) before taxation | (7,832) | (5,439) | -44% | (7,832) | (5,439) | -44% |
| Taxation | (22) | (30) | 27% | (22) | (30) | 27% |
| Profit/(Loss) from continuing operations | (7,854) | (5,469) | -44% | (7,854) | (5,469) | -44% |
| Discontinued Operations: | | | | | | |
| Profit/(Loss) from discontinued operations | - | - | 0% | - | - | 0% |
| Profit/(Loss) for the year | (7,854) | (5,469) | -44% | (7,854) | (5,469) | -44% |
| Other comprehensive income: | | | | | | |
| Exchange differences on translation of foreign operations | (59) | (63) | 6% | (59) | (63) | 6% |
| Total comprehensive income | (7,913) | (5,532) | -43% | (7,913) | (5,532) | -43% |
| PROFIT/(LOSS) ATTRIBUTABLE TO: | | | | | | |
| Owners of the parent | (7,854) | (5,469) | -44% | (7,854) | (5,469) | -44% |
| Non-controlling interests | - | - | 0% | - | - | 0% |
| | (7,854) | (5,469) | -44% | (7,854) | (5,469) | -44% |
| TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO: | | | | | | |
| Owners of the parent | (7,913) | (5,532) | -43% | (7,913) | (5,532) | -43% |
| Non-controlling interests | - | - | 0% | - | - | 0% |
| | (7,913) | (5,532) | -43% | (7,913) | (5,532) | -43% |
| Weighted average number of ordinary shares in issue ('000) | 1,477,682 | 783,190 | | 1,477,682 | 783,190 | |
| Earnings per share (sen): | | | | | | |
| (a) Basic | (0.53) | (0.70) | | (0.53) | (0.70) | |
| (b) Fully diluted | (0.53) | (0.70) | | (0.53) | (0.70) | |

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 2021 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022**

| | (UNAUDITED) AS AT 31/3/2022 RM '000 | (AUDITED) AS AT 31/12/2021 RM '000 |
|---|--|---|
| ASSETS | | |
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | 5,602 | 5,846 |
| Right of use assets | 72 | 83 |
| Software development expenditure | 69,922 | 65,039 |
| Intangible assets | 8,943 | 9,478 |
| Investment in associated companies | 65,912 | 66,904 |
| Other investments | 12,000 | 12,000 |
| Lease receivables | 55 | 55 |
| Other receivables | - | - |
| | 162,506 | 159,404 |
| CURRENT ASSETS | | |
| Inventories | 4,417 | 8,637 |
| Other investments | 3 | 3 |
| Trade receivables | 24,183 | 19,510 |
| Lease receivables | 410 | 538 |
| Other receivables, deposits and prepayments | 13,241 | 14,106 |
| Tax recoverable | 48 | 83 |
| Fixed deposits with licensed banks | 760 | 748 |
| Cash and bank balances | 19,124 | 6,195 |
| | 62,186 | 49,819 |
| TOTAL ASSETS | 224,692 | 209,223 |



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022 (Continued)

| | (UNAUDITED) AS AT 31/3/2022 RM '000 | (AUDITED) AS AT 31/12/2021 RM '000 |
|---|--|---|
| EQUITY AND LIABILITIES | | |
| Share capital | 417,472 | 392,936 |
| Foreign currency translation reserve | (251) | (192) |
| Reverse acquisition debit | (36,809) | (36,809) |
| Warrant reserves | 16,715 | 16,715 |
| ESOS reserves | - | - |
| Other reserves | (14,846) | (14,846) |
| Retained earnings | (167,988) | (160,134) |
| EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT | 214,293 | 197,670 |
| NON-CURRENT LIABILITIES | | |
| Lease Liabilities | 42 | 41 |
| Borrowings | 3,404 | 3,404 |
| Other payables | - | - |
| | 3,446 | 3,445 |
| CURRENT LIABILITIES | | |
| Trade payables | 955 | 1,220 |
| Other payables and accrued expenses | 5,653 | 6,553 |
| Lease Liabilities | 30 | 42 |
| Borrowings | 184 | 245 |
| Tax payable | 131 | 47 |
| TOTAL CURRENT LIABILITIES | 6,953 | 8,108 |
| TOTAL LIABILITIES | 10,399 | 11,553 |
| | 224,692 | 209,223 |
| Net assets per share attributable to owners of the parent (sen) | 13.19 | 13.83 |

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 2021 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE QUARTER ENDED 31 MARCH 2022**

| | Share Capital | Foreign Currency Translation Reserve | Reverse Acquisition Debit | ESOS Reserves | 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 2022 | 392,936 | (192) | (36,809) | - | (14,846) | 16,715 | (160,134) | 197,670 | - | 197,670 |
| Issuance of ordinary shares | | | | | | | | | | |
| - Share based settlement | - | - | - | - | - | - | - | - | - | - |
| - Private placement | 24,536 | - | - | - | - | - | - | 24,536 | - | 24,536 |
| - Exercise of ESOS | - | - | - | - | - | - | - | - | - | - |
| | 24,536 | - | - | - | - | - | - | 24,536 | - | 24,536 |
| Profit for the year | - | - | - | - | - | - | (7,854) | (7,854) | - | (7,854) |
| - Exchange translation differences for foreign operations | - | (59) | - | - | - | - | - | (59) | - | (59) |
| Total comprehensive income for the year | - | (59) | - | - | - | - | (7,854) | (7,913) | - | (7,913) |
| Balance as at 31 March 2022 | 417,472 | (251) | (36,809) | - | (14,846) | 16,715 | (167,988) | 214,293 | - | 214,293 |



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE QUARTER ENDED 31 MARCH 2021**

| | Share Capital | Foreign Currency Translation Reserve | Reverse Acquisition Debit | ESOS Reserves | 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 2021 | 290,577 | (140) | (36,809) | 1,200 | (14,846) | 16,715 | (97,703) | 158,994 | - | 158,994 |
| Issuance of ordinary shares | | | | | | | | | | |
| - Private placement | 16,402 | - | - | - | - | - | - | 16,402 | - | 16,402 |
| - Issuance of ESOS | - | - | - | - | - | - | - | - | - | - |
| - Exercise of ESOS | 14,388 | - | - | (1,200) | - | - | - | 13,188 | - | 13,188 |
| | 30,790 | - | - | (1,200) | - | - | - | 29,590 | - | 29,590 |
| Profit/ (Loss) for the year | - | - | - | - | - | - | (5,469) | (5,469) | - | (5,469) |
| Other comprehensive income | - | (63) | - | - | - | - | - | (63) | - | (63) |
| Total comprehensive income for the year | - | (63) | - | - | - | - | (5,469) | (5,532) | - | (5,532) |
| Balance as at 31 March 2021 | 321,367 | (203) | (36,809) | - | (14,846) | 16,715 | (103,172) | 183,052 | - | 183,052 |

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 2021 and the accompanying explanatory notes attached to the interim financial statement.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2022**

| | 3 MONTHS ENDED 31/3/2022 RM '000 | 3 MONTHS ENDED 31/3/2021 RM '000 |
|--|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | (7,832) | (5,439) |
| Adjustments for: | | |
| Amortisation of software development expenditure | 3,307 | 2,233 |
| Bad debts written-off: | | |
| - trade receivables | - | 113 |
| Depreciation of property, plant and equipment | 158 | 245 |
| Interest income | (33) | (22) |
| Interest expense | 19 | 32 |
| Share of results of associated companies | 993 | 696 |
| Unrealised (gain)/loss on foreign exchange | (226) | (292) |
| Operating profit before working capital changes | <u>(3,614)</u> | <u>(2,434)</u> |
| Changes in working capital: | | |
| Net change in current assets | 549 | (2,447) |
| Net change in current liabilities | (836) | 834 |
| Cash used in operations | <u>(3,901)</u> | <u>(4,047)</u> |
| Interest received | 33 | 22 |
| Tax refund | 5 | (3) |
| Tax paid | (30) | (6) |
| Exchange differences | 13 | 25 |
| Net cash used in operating activities | <u>(3,880)</u> | <u>(4,009)</u> |



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2022 (Continued)**

| | 3 MONTHS ENDED 31/3/2022 RM '000 | 3 MONTHS ENDED 31/3/2021 RM '000 |
|--|---|---|
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of intangible assets | - | (4,000) |
| Purchase of software development expenditure | (7,655) | (9,367) |
| Investment in other investment | - | (6,000) |
| Net cash used in investing activities | (7,655) | (19,367) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Interest paid | (28) | (31) |
| Proceeds from private placement of shares | 24,536 | 16,402 |
| ESOS exercise | - | 13,188 |
| Fixed deposit pledged with financial institutions | (11) | - |
| Repayment of finance lease liability | 93 | 22 |
| Repayment of term loan | (61) | (93) |
| Net cash from financing activities | 24,529 | 29,488 |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | 12,994 | 6,111 |
| Effects of exchange rate changes | (64) | (81) |
| CASH AND CASH EQUIVALENT AT BEGINNING OF YEAR | 6,195 | 4,287 |
| CASH AND CASH EQUIVALENT AT END OF YEAR | 19,124 | 10,317 |
| Cash and cash equivalents at end of the financial period comprise: | | |
| Cash and bank balances | 19,124 | 10,317 |
| Fixed deposits with licensed banks | 760 | 737 |
| Bank overdraft | - | - |
| | 19,884 | 11,054 |
| Less: Fixed deposits pledged with licensed banks | (760) | (737) |
| | 19,124 | 10,317 |

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 2021 and the accompanying explanatory notes attached to the interim financial statements.



UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2022

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 2021 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 2021.

The adoption of the following MFRS that came into effect on 1 January 2022 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 | - Reference of the Conceptual Framework |
| Amendments to MFRS 116 | - Property, Plant and Equipment – Proceeds before Intended Use |
| Amendments to MFRS 137 | - Onerous Contracts – Cost of Fulfilling a Contract |
| Annual Improvements to MFRSs 2018 - 2020 Cycle | - Amendments to References to the Conceptual Framework in MFRS Standards |

A3 Audit report of preceding annual financial statements

The auditors' report on the annual financial statements of the Group for the financial year ended 31 December 2021 was qualified and the details of the qualification are as described below:

(a) Details of the qualified opinion disclosed in the external auditors' report

In our opinion, except for the possible effects of the matter described in the Basis For Qualified Opinion section of our report, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021, and of their financial performance and of their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Qualified Opinion

The Group's investment in Pictureworks Holdings Sdn Bhd ("PWHQ") and its subsidiaries ("PW Group"), accounted for by the equity method, is carried at RM34,281,876 on the consolidated statement of financial position as at 31 December 2021 and the Group's share of PW Group's loss after taxation of RM3,940,320 is included in the Group's consolidated statement of profit or loss and other comprehensive income for the financial year then ended. Due to the matters described in Note 8 to the financial statements, we were unable to obtain sufficient appropriate audit evidence on the carrying amount of the Group's investment in PW Group as at 31 December 2021 and the Group's share of PW Group's loss after taxation for the financial year because we were not able to obtain access to the financial information and we are unable to obtain the audit clearance from auditors of PW Group within the audit



A3 Audit report of preceding annual financial statements (Continued)

Basis for Qualified Opinion (Continued)

time period. Consequently, we were unable to determine whether any adjustments might have been found necessary to these balances.

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

(b) Excerpt of Note 8 disclosed in the annual financial statements of the Group for the financial year ended 31 December 2021

"The audit of PWHQ for the financial year ended 31 December 2021 has not been completed as of the date of this report due to the lockdown of the Shanghai area by the Government of China preventing the completion of the audit of PWHQ's subsidiary, Pictureworks Shanghai. The net assets of this subsidiary account for 12% of the net assets of PWHQ and 6% of its loss for the financial year ended 31 December 2021."

The Group will do the needful to ensure that the audited financial statements for PWHQ will be available for consolidation purpose in the future, in accordance with the Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

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 quarter, the Company increased its issued and paid-up share capital by RM24,536,025 through the issuance of 196,288,200 new ordinary shares pursuant to private placement at the issue price of RM0.125 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 31/3/2022 RM '000 | PRECEDING YEAR QUARTER 31/3/2021 RM '000 | CURRENT YEAR TO DATE 31/3/2022 RM '000 | PRECEDING YEAR TO DATE 31/3/2021 RM '000 |
|--|---|---|---|---|
| Continuing Operations: | | | | |
| Revenue: | | | | |
| OmniChannel | 4,974 | 4,156 | 4,974 | 4,156 |
| Presto | 479 | 988 | 479 | 988 |
| Corporate and others | (0) | 398 | (0) | 398 |
| | 5,453 | 5,543 | 5,453 | 5,543 |
| (Loss)/Profit after taxation: | | | | |
| OmniChannel | 52 | (848) | 52 | (848) |
| Presto | (5,113) | (2,686) | (5,113) | (2,686) |
| Corporate and others | (1,801) | (1,240) | (1,801) | (1,240) |
| | (6,861) | (4,773) | (6,861) | (4,773) |
| Share of results of associated companies: | | | | |
| OmniChannel | (805) | (170) | (805) | (170) |
| Presto | (187) | (526) | (187) | (526) |
| | (7,854) | (5,469) | (7,854) | (5,469) |

A10 Valuation of property, plant and equipment

The Group has not carried out a 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 year 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 are likely to substantially affect the results of the operations of the Group.

A13 Changes in the composition of the Group

- On 21 January 2022, Presto Universe Sdn Bhd ("PRUMY") entered into a joint venture agreement with Cover Touch Sdn Bhd and KH Lim Capital Sdn Bhd to undertake the business through Presto Assure Sdn Bhd (formerly known as Founder Qube Sdn Bhd) ("JV Company"). The JV Company is principally involved in carrying out digital marketing aggregation of insurance service providers focusing on online general insurance and online life insurance products and services.
- On 26 January 2022, PRUMY entered into a joint venture agreement with Wang Xi and KH Lim Capital Sdn Bhd to undertake the business through Presto Plus Sdn Bhd (formerly known as Presto Buddy Sdn Bhd) ("JV Company"). The JV Company is principally involved in carrying out services for Presto to centralise, aggregate and integrate the services of third-party logistics, delivery and warehousing services into Presto's digital ecosystem, which will then in turn provide these aggregated services to Presto's and its partners' merchants and consumers.



A13 Changes in the composition of the Group (Continued)

- c) On 25 March 2022, the Group incorporated a new wholly owned subsidiary company in Malaysia, namely Presto Q-Commerce Sdn Bhd (“PRQMY”). The intended principal activity is that of investment holding.

A14 Contingent liabilities and contingent assets

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

A15 Significant related party transactions

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

| | CURRENT YEAR TO DATE 31/3/2022 RM '000 | PRECEDING YEAR TO DATE 31/3/2021 RM '000 |
|---|---|---|
| Rental of premises received/receivable | 21 | 33 |
| Rendering of services received/receivable | 166 | 1,047 |
| Transaction fees received/receivable | 35 | 11 |
| Transaction fees paid/payable | 13 | 4 |

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:

- 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”);
- Presto covers the Group’s Presto digital ecosystem platform businesses which consist of e-commerce and fintech businesses, as well as associated companies Presto Mall Sdn. Bhd. (“PMSB”), the owner and operator of PrestoMall, Presto Power Sdn. Bhd., operator of power bank leasing and related service projects, Presto Color Sdn. Bhd., operator of digital content platform, Presto Assure Sdn. Bhd., aggregator for online insurance products and services, and Presto Plus Sdn. Bhd., provider of third-party logistics, delivery and warehousing solutions to Presto’s digital ecosystem.

The Group recorded a lower revenue of RM5.45 million for the current quarter, as compared to corresponding quarter of the preceding year’s RM5.54 million. The segmental comparisons are as follows:

- the OmniChannel segment recorded a higher revenue in the current quarter, which increased by 20% at RM4.97 million in the current quarter compared to RM4.16 million in the previous corresponding quarter, mainly contributed by a higher revenue in its regional and local advertising business ; and
- the Presto segment recorded a lower revenue in the current quarter, which decreased by 52% at RM0.48 million compared to RM0.99 million in the previous corresponding quarter, mainly due to lower billings of staff cost outsourced to associate company PMSB.

The Group recorded a higher loss after tax of RM7.87 million in the current quarter compared to a loss after tax of RM5.44 million in the previous corresponding quarter. The higher loss resulted from higher software amortisation incurred from additional software acquired and developed in the previous quarters.

PWSB contributed a higher loss of RM0.81 million in the current quarter compared to a loss of RM0.17 million in the previous corresponding quarter, as the company is currently in a transitional phase due to a diversification of the business to other opportunities with better growth potentials in the future. Under the Presto segment, PMSB contributed a lower loss of RM0.19 million in the current quarter, compared to a loss of RM0.45 million in the previous corresponding quarter, mainly due to an increase in revenue activities with higher margins in the current quarter.



B2 Variation of results against preceding quarter

| | CURRENT | PRECEDING | VARIANCE | |
|-------------------------------|-----------|------------|----------|------|
| | QUARTER | QUARTER | | |
| | 31/3/2022 | 31/12/2021 | RM '000 | % |
| | RM '000 | RM '000 | RM '000 | % |
| Revenue | 5,453 | 7,096 | (1,643) | -23% |
| Profit/(Loss) before taxation | (7,832) | (29,112) | 21,280 | -73% |

The Group recorded a lower revenue in the current quarter compared to the immediate preceding quarter mainly due to one-off sales of software under Presto segment in the immediate preceding quarter.

The higher loss before taxation in the immediate preceding quarter are mainly due to the following:

- Impairment on goodwill attributable to entities under the OmniChannel segment including Redhot Media Sdn Bhd of RM2.12 million, AllChina.cn Ltd of RM9.23 million and RH Media Group Sdn Bhd of RM0.91 million, as well as Enovax Pte Ltd of RM4.40 million under the Presto segment. These companies were significantly impacted by the Covid-19 outbreak and may take an extended period to recover.
- Impairment loss of RM1.70 million on software development costs that are no longer commercially viable.
- Additional expected credit loss of RM2.12 million mainly related to debtors under the OmniChannel segment.

B3 Prospects

As Malaysia has entered the 'transition to endemic' phase starting 1 April 2022, economic activities within the country have been revitalised. With all economic sectors allowed to operate from 15 May 2022, most businesses will immediately switch to recovery mode. Similar to other businesses, PUC continues to overcome pandemic-related challenges and ride on economic recovery by focusing on its ongoing expansion plans.

PUC remains focused on transforming the OmniChannel business segment to adapt to the recent trend of digital media and advertising. While traditional media channels remain a major focus, to regain its foothold during the current stage of economy recovery, PUC had also concentrated further efforts in providing digital media and advertising packages to potential companies from both local and international brands, aiming to reach a wider audience via the Presto digital ecosystem.

Despite the consortium led by PUC had not been awarded a digital bank licence as announced by Bank Negara Malaysia on 29 April 2022, PUC will continue to grow its core business under the OmniChannel and Presto business segments while extending its effort to serve the needs of the underprivileged community.

Under the Presto business segment, PUC will continue under Presto Direct business in further enhancing its digital ecosystem and enable more small businesses to sell online with their own dedicated platform. In doing so, PUC will leverage on its own platform of fully integrated logistics suppliers to ensure a complete, one-stop proposition for businesses. Presto Direct will target generating jobs and entrepreneurial opportunities for the B40 and M40 income groups - both of which had been severely impacted by the COVID-19 pandemic.

By further utilising Presto Direct as its backbone, Presto Mall Sdn Bhd through its associate Presto Retail Sdn Bhd is venturing into Q commerce (or quick commerce) by collaborating with its joint venture partners in rolling out PrestoMart Near U outlets throughout Malaysia. The outlets serve as hybrid convenience stores that offer multiple services such as parcel shipping, online-to-offline shopping, ready-to-eat meals, snacks, electronic gadgets etc all at one location. This will be part of PUC's efforts in expanding the e-commerce business to brick and mortar convenient stores, benefitting from both product selling as well as the growth of the membership base in the Presto digital ecosystem.

Apart from above, PUC's focus remains in developing and expanding other Presto related business opportunities, whilst striving to improve and widen the presence of the digital ecosystem for various targeted market segments. These include joint ventures in businesses that help strengthen the core of the Presto digital ecosystem, through enhancement of its services, as well as improving community reach and retention. Some of the ongoing effort includes:



B3 Prospects (Continued)

- Collaboration with RinggitPlus (a financial comparison website by Jirnexu Sdn Bhd, part of the KAF Investment Bank Bhd consortium which was named as one of the five digital banking licensees) to roll out the digital lending services by Presto Credit which leverages on Jirnexu's Lending-as-a-Service (LAAS), enabling Presto Credit to acquire and perform marketing services, digital on-boarding services and credit scoring and advisory services;
- Joint venture through Presto Color Sdn Bhd (formerly known as Presto Play Sdn Bhd) between Presto Universe Sdn Bhd, Colorpixel Sdn Bhd and KH Lim Capital Sdn Bhd to roll out digital content platform that connects a self-sustaining community between audiences, customers, suppliers, and stakeholders of the digital content industry segment to publish, trade, license digital audio-visual content;
- Joint venture through Presto Assure Sdn Bhd (formerly known as Founder Qube Sdn Bhd) between Presto Universe Sdn Bhd, Cover Touch Sdn Bhd and KH Lim Capital Sdn Bhd to roll out its online general and life insurance aggregation services;
- Joint venture through Presto Plus Sdn Bhd (formerly known as Presto Buddy Sdn Bhd) between Presto Universe Sdn Bhd, Wang Xi and KH Lim Capital Sdn Bhd to centralise, aggregate and integrate the services of third-party logistics, delivery and warehousing service providers into the Presto digital ecosystem.

While businesses and operations continue to be challenging in FY2022, we remain cautiously optimistic about the outlook of the Group's performance. Barring any unforeseen circumstances, the Group expects to continue tapping into opportunities in FY2022 and fund its ongoing expansion plans via internally generated funds and / or equity fundraising exercises.

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 |
|-------------------------|---------------------------|-------------------------|---------------------------|
| 31/3/2022 | 31/3/2021 | 31/3/2022 | 31/3/2021 |
| RM '000 | RM '000 | RM '000 | RM '000 |

| | | | | |
|---|----|-----|----|-----|
| Provision for previous and current period | 22 | 30 | 22 | 30 |
| Effective tax rate | 0% | -1% | 0% | -1% |

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

B6 Status of corporate proposals

- a) On 7 September 2021 the Company had entered into conditional subscription agreements with GPVF Sdn Bhd, Matrix Edge Venture Sdn Bhd and KH Lim Capital Sdn Bhd in relation to the proposed share issuance of up to 375,060,200 new ordinary shares in the Company, representing 30% of the existing total number of issued shares ("Share Issuance Exercise"). The Share Issuance Exercise was approved by the Company's shareholders in an Extraordinary General Meeting held on 20 October 2021.

B6 Status of corporate proposals (Continued)

b) As at 13 May 2022, the status of the utilisation of proceeds arising from the Share Issuance Exercise is as follows:

| | Proposed utilisation | Actual utilisation | Deviation | | Balance unutilised | Estimated timeframe for utilisation from the completion of the Share Issuance Exercise |
|---|----------------------|--------------------|-----------|---|--------------------|--|
| | RM '000 | RM '000 | RM '000 | % | RM '000 | |
| Acquisitions and/or investments in suitable and/or complementary businesses and/or assets | 15,000 | 12,350 | - | - | 2,650 | Within 24 months |
| Upgrading of the Presto Digital Platform | 10,000 | 10,000 | - | - | - | Within 12 months |
| Marketing of the Presto Digital Platform | 5,000 | 5,000 | - | - | - | Within 12 months |
| Working capital | 16,428 | 15,756 | - | - | 672 | Within 12 months |
| Estimated expenses for the Share Issuance Exercise | 455 | 198 | - | - | 257 | Immediate |
| | 46,883 | 43,304 | - | | 3,578 | |

B7 Borrowings

The Group's borrowings as at 31 March 2022 were as follows:

| | Long Term | | Short Term | | Total Borrowings | |
|-------------------|------------------|---------------|------------------|---------------|------------------|---------------|
| | Foreign currency | RM equivalent | Foreign currency | RM equivalent | Foreign currency | RM equivalent |
| | '000 | '000 | '000 | '000 | '000 | '000 |
| <u>Secured</u> | | | | | | |
| - Term loan (RM)* | - | 3,404 | - | 184 | - | 3,588 |
| | - | 3,404 | - | 184 | - | 3,588 |

* RM - Ringgit Malaysia

B8 Material litigation

On 11 May 2021, RedHot Media Sdn Bhd ("RHM") filed a suit against Inno Mind Works Sdn Bhd ("1st Defendant"), Yip Chin Hwee ("2nd Defendant"), Dato' Tan Ho ("3rd Defendant") and Teh Kean Thea ("4th Defendant") on a joint and several basis for amongst others, the sum of RM890,659.12 and the late payment interest in the sum of RM187,665.65 as sums due and owing under a repayment agreement entered into between RHM and the 1st Defendant.

Judgment in default of appearance was obtained by RHM against the 1st Defendant on 13 July 2021. On 22 December 2021, the 1st Defendant applied to set aside the judgment in default of appearance dated 13 July 2021 and the same is fixed for hearing at the Kuala Lumpur High Court ('KLHC') on 15 June 2022.

Judgment in default of appearance was obtained by RHM against the 3rd Defendant on 26 July 2021. On 11 August 2021, the 3rd Defendant applied to set aside the judgment in default of appearance dated 26 July 2021 and the same was dismissed by the KLHC on 4 April 2022. The 3rd Defendant had also applied for discovery of documents against RHM on 25 August 2021 and the same was dismissed by the KLHC on 4 April 2022.

B8 Material litigation (Continued)

On 31 March 2022, RHM obtained summary judgment against the 2nd and 4th Defendants respectively for the 2nd and 4th Defendants to pay RHM the following:

- (a) The sum of RM790,659.12;
- (b) The sum of RM187,665.65 being the late payment interest calculated at the rate of 1.5% per month on the outstanding sum due and owing by the 1st Defendant to RHM incurred from 2 July 2019 until 11 May 2021;
- (c) The sum of RM32,592.37 being the late payment interest calculated at the rate of 1.5% per month on the outstanding sum due and owing by the 1st Defendant to RHM incurred from 11 May 2021 until 13 July 2021;
- (d) The sum of RM16,283.31 being interest at the rate of 5% per annum on the sum of RM890,659.12, (b) and (c) above, being RM1,110,917.14 calculated from 13 July 2021 until 27 October 2021;
- (e) Interest at the rate of 5% per annum on the sum of RM790,659.12, (b) and (c) above, being RM1,010,917.14 calculated from 27 October 2021 until the date of full settlement; and
- (f) Costs of RM5,000.00 subject to allocator.

As at 18 May 2022, the solicitors of RHM are of the view that RHM has no exposure to liabilities save and except for costs as may be determined by the Court.

B9 Earnings per share

(a) Basic earnings per share

The basic earnings per share of the Group which is calculated by dividing the profit attributable to owners of the parent for the period by the weighted average number of shares is as follows:

| | 3 months ended 31 March | | Cumulative 3 months ended 31 March | |
|--|-------------------------|---------|------------------------------------|---------|
| | 2022 | 2021 | 2022 | 2021 |
| Profit/(Loss) attributable to owners of the parent (RM '000) | (7,854) | (5,469) | (7,854) | (5,469) |
| Weighted average number of ordinary shares in issue ('000) | 1,477,682 | 783,190 | 1,477,682 | 783,190 |
| Basic earnings per share (sen) | (0.53) | (0.70) | (0.53) | (0.70) |

(b) Diluted earnings per share

The diluted earnings per share of the Group is calculated by dividing the profit attributable to owners of the parent for the period by the weighted average number of ordinary shares plus the weighted average number of ordinary shares that would be issued on the conversion of convertible securities into ordinary shares is as follows:

| | 3 months ended 31 March | | Cumulative 3 months ended 31 March | |
|--|-------------------------|---------|------------------------------------|---------|
| | 2022 | 2021 | 2022 | 2021 |
| Profit/(Loss) attributable to owners of the parent (RM '000) | (7,854) | (5,469) | (7,854) | (5,469) |
| Weighted average number of ordinary shares in issue ('000) | 1,477,682 | 783,190 | 1,477,682 | 783,190 |
| Diluted earnings per share (sen) | (0.53) | (0.70) | (0.53) | (0.70) |



B10 Profit before taxation

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

| | CURRENT YEAR QUARTER 31/3/2022 RM '000 | PRECEDING YEAR QUARTER 31/3/2021 RM '000 | CURRENT YEAR TO DATE 31/3/2022 RM '000 | PRECEDING YEAR TO DATE 31/3/2021 RM '000 |
|----------------------------------|---|---|---|---|
| Interest income | (33) | (22) | (33) | (22) |
| Bad debts written-off: | | | | |
| - Trade receivables | - | 113 | - | 113 |
| Depreciation and amortisation | 3,465 | 2,478 | 3,465 | 2,478 |
| Interest expense | 19 | 32 | 19 | 32 |
| Loss/(Gain) on foreign exchange: | | | | |
| - Realised | 6 | 39 | 6 | 39 |
| - Unrealised | (226) | (292) | (226) | (292) |

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