



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE QUARTER ENDED 30 JUNE 2023**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER	PRECEDING YEAR QUARTER	CHANGES	CURRENT YEAR TO DATE	PRECEDING YEAR TO DATE	CHANGES
	30/6/2023	30/6/2022	%	30/6/2023	30/6/2022	%
	RM '000	RM '000	%	RM '000	RM '000	%
Continuing Operations:						
Revenue	1,639	5,758	-71.5%	3,090	11,211	-72%
Cost of sales	(1,336)	(5,583)	76%	(2,328)	(10,666)	78%
Gross profit	303	175	73%	762	545	40%
Other income/(expenses)	5,611	494	1036%	6,200	694	793%
Administrative and general expenses	(7,396)	(8,808)	16%	(14,748)	(16,188)	9%
Operating profit/(loss)	(1,482)	(8,139)	82%	(7,786)	(14,949)	48%
Finance costs	(36)	(29)	-24%	(71)	(58)	-22%
Share of results of associated & joint venture companies	332	419	-21%	(159)	(574)	72%
Profit/(Loss) before taxation	(1,186)	(7,749)	85%	(8,016)	(15,581)	49%
Taxation	-	(25)	100%	-	(47)	100%
Profit/(Loss) from continuing operations	(1,186)	(7,774)	85%	(8,016)	(15,628)	49%
Discontinued Operations:						
Profit/(Loss) from discontinued operations	-	-	0%	-	-	0%
Profit/(Loss) for the year	(1,186)	(7,774)	85%	(8,016)	(15,628)	49%
Other comprehensive income:						
Exchange differences on translation of foreign operations	(337)	(164)	-105%	(676)	(223)	-203%
Total comprehensive income	(1,523)	(7,938)	81%	(8,692)	(15,851)	45%
PROFIT/(LOSS) ATTRIBUTABLE TO:						
Owners of the parent	(1,186)	(7,774)	85%	(8,016)	(15,628)	49%
Non-controlling interests	-	-	0%	-	-	0%
	(1,186)	(7,774)	85%	(8,016)	(15,628)	49%
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:						
Owners of the parent	(1,523)	(7,938)	81%	(8,692)	(15,851)	45%
Non-controlling interests	-	-	0%	-	-	0%
	(1,523)	(7,938)	81%	(8,692)	(15,851)	45%
Weighted average number of ordinary shares in issue ('000)	1,787,563	1,551,879		1,787,563	1,551,879	
Earnings per share (sen):						
(a) Basic	(0.07)	(0.50)		(0.45)	(1.01)	
(b) Fully diluted	(0.07)	(0.50)		(0.45)	(1.01)	

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 2022 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

	(UNAUDITED) AS AT 30/6/2023 RM '000	(AUDITED) AS AT 31/12/2022 RM '000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	4,640	4,781
Right of use assets	18	40
Software development expenditure	81,900	76,091
Intangible assets	1,126	1,420
Investment in associated & joint venture companies	63,229	63,209
Other investments	11,666	11,666
	<u>162,579</u>	<u>157,207</u>
CURRENT ASSETS		
Other investments	3	3
Trade receivables	7,306	14,122
Lease receivables	(0)	55
Other receivables, deposits and prepayments	14,620	7,279
Tax recoverable	57	152
Fixed deposits with licensed banks	762	762
Cash and bank balances	1,301	1,501
	<u>24,049</u>	<u>23,873</u>
TOTAL ASSETS	<u><u>186,628</u></u>	<u><u>181,080</u></u>



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023 (Continued)

	AS AT 30/6/2023	AS AT 31/12/2022
	RM '000	RM '000
EQUITY AND LIABILITIES		
Share capital	423,630	420,510
Foreign currency translation reserve	(1,340)	(708)
Reverse acquisition debit	(36,809)	(36,809)
Warrant reserves	16,715	16,715
Other reserves	(14,846)	(14,846)
Fair Value reserve	(334)	(334)
Retained earnings	(221,713)	(213,697)
TOTAL EQUITY	165,303	170,832
NON-CURRENT LIABILITIES		
Lease Liabilities	-	-
Borrowings	3,145	3,145
	3,145	3,145
CURRENT LIABILITIES		
Trade payables	721	936
Other payables and accrued expenses	9,190	5,767
Redeemable Preference Shares	5,000	-
Amount due to directors	-	43
Lease Liabilities	19	41
Borrowings	3,109	268
Tax payable	141	48
TOTAL CURRENT LIABILITIES	18,180	7,103
TOTAL LIABILITIES	21,325	10,249
	186,628	181,080
Net assets per share attributable to owners of the parent (sen)	9.08	9.92

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 2022 and the accompanying explanatory notes attached to the interim financial statements.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE QUARTER ENDED 30 JUNE 2023**

	Share Capital	Foreign Currency Translation Reserve	Reverse Acquisition Debit	Fair Value Reserves	Other Reserves	Warrant Reserves	Retained Earnings	Total	Total Equity
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Balance as at 1 January 2023	420,510	(708)	(36,809)	(334)	(14,846)	16,715	(213,697)	170,832	170,832
Issuance of ordinary shares									
- Exercise of ESGS	3,120	44	-	-	-	-	-	3,164	3,164
	3,120	44	-	-	-	-	-	3,164	3,164
Profit for the year	-	-	-	-	-	-	(8,016)	(8,016)	(8,016)
- Exchange translation differences for foreign operations	-	(676)	-	-	-	-	-	(676)	(676)
Total comprehensive income for the year	-	(676)	-	-	-	-	(8,016)	(8,692)	(8,692)
Balance as at 30 June 2023	423,630	(1,340)	(36,809)	(334)	(14,846)	16,715	(221,713)	165,303	165,303



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

	Share Capital	Foreign Currency Translation Reserve	Reverse Acquisition Debit	Fair Value Reserves	Other Reserves	Warrant Reserves	Retained Earnings	Total	Total Equity
	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									
- Private placement	24,536	-	-	-	-	-	-	24,536	24,536
	24,536	-	-	-	-	-	-	24,536	24,536
Profit/ (Loss) for the year	-	-	-	-	-	-	(15,628)	(15,628)	(15,628)
Other comprehensive income	-	(223)	-	-	-	-	-	(223)	(223)
Total comprehensive income for the year	-	(223)	-	-	-	-	(15,628)	(15,851)	(15,851)
Balance as at 30 June 2022	417,472	(415)	(36,809)	-	(14,846)	16,715	(175,762)	206,355	206,355

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 2022 and the accompanying explanatory notes attached to the interim financial statement.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 JUNE 2023**

	6 MONTHS ENDED 30/6/2023 RM '000	6 MONTHS ENDED 30/6/2022 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/ (Loss) before taxation	(8,016)	(15,581)
Adjustments for:		
Amortisation of software development expenditure	5,568	6,622
Depreciation of property, plant and equipment	66	413
Gain on disposal of property, plant and equipment	(1)	-
Interest income	(322)	(152)
Interest expense	61	48
Reversal of impairment losses on trade receivables	(577)	(214)
Share of results of associated & joint venture companies	159	574
Unrealised (gain)/loss on foreign exchange	(809)	(410)
Operating profit / (loss) before working capital changes	(3,871)	(8,700)
Changes in working capital:		
Net change in current assets	1,165	72
Net change in current liabilities	3,138	(1,402)
Cash used in operations	432	(10,030)
Interest received	322	152
Tax refund	(33)	28
Tax paid	(3)	13
Exchange differences	(616)	(154)
Net cash used in operating activities	102	(9,991)



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 JUNE 2023 (Continued)**

	6 MONTHS ENDED 30/6/2023 RM '000	6 MONTHS ENDED 30/6/2022 RM '000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of intangible assets	-	(3,500)
Purchase of software development expenditure	(11,082)	(12,869)
Investment in associated company	(180)	-
Net cash used in investing activities	(11,262)	(16,369)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(70)	(56)
Proceeds from private placement of shares	-	24,536
ESGS exercise	3,164	-
Loan from Third Party	2,960	-
Proceeds from placement of Redeemable Preference Shares	5,000	-
Fixed deposit pledged with financial institutions	-	(11)
Repayment of finance lease liability	81	81
Repayment of term loan	(119)	(122)
Net cash from financing activities	11,016	24,428
NET DECREASE IN CASH AND CASH EQUIVALENTS	(144)	(1,932)
Effects of exchange rate changes	(55)	(61)
CASH AND CASH EQUIVALENT AT BEGINNING OF PERIOD	1,501	6,195
CASH AND CASH EQUIVALENT AT END OF PERIOD	1,301	4,202
Cash and cash equivalents at end of the financial period comprise:		
Cash and bank balances	1,301	4,202
Fixed deposits with licensed banks	762	760
	2,063	4,962
Less: Fixed deposits pledged with licensed banks	(762)	(760)
	1,301	4,202

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 2022 and the accompanying explanatory notes attached to the interim financial statements.



UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2023

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 2022 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 2022.

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

There were no audit qualifications to the annual financial statements of the Group for the financial year ended 31 December 2022.

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 share capital had increased by RM3,120,000 through issuance of 100,000,000 new ordinary shares through Employee Share Grant Scheme.

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 30/6/2023 RM '000	PRECEDING YEAR QUARTER 30/6/2022 RM '000	CURRENT YEAR TO DATE 30/6/2023 RM '000	PRECEDING YEAR TO DATE 30/6/2022 RM '000
Continuing Operations:				
Revenue:				
OmniChannel	1,468	5,282	2,516	10,255
Presto	172	477	574	956
Corporate and others	0	0	(0)	(0)
	1,639	5,759	3,090	11,211
(Loss)/Profit after taxation:				
OmniChannel	5,771	220	6,594	272
Presto	(7,131)	(6,994)	(11,777)	(12,107)
Corporate and others	(157)	(1,418)	(2,673)	(3,219)
	(1,517)	(8,192)	(7,856)	(15,054)
Share of results of associated & joint venture companies:				
OmniChannel	582	678	293	(128)
Presto	(250)	(259)	(452)	(447)
	(1,186)	(7,774)	(8,016)	(15,628)

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 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 are likely to substantially affect the results of the operations of the Group.

A13 Changes in the composition of the Group

There were no material changes in the composition of the Group for the current financial quarter under review.

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 30/6/2023 RM '000	PRECEDING YEAR TO DATE 30/6/2022 RM '000
Rental of premises received/receivable	71	43
Rendering of services received/receivable	307	296
Transaction fees received/receivable	22	10
Transaction fees paid/payable	2	15

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

B1 Review of performance

The Group has streamlined its businesses into 2 major segments, namely OmniChannel and Presto:

- (i) OmniChannel comprises the Group's media, advertising and digital imaging business;
- (ii) Presto covers the Group's digital ecosystem platform businesses which consist of e-commerce, fintech, online aggregation service and online content creation businesses.

The Group recorded lower revenue of RM1.64 million for the current quarter, as compared to corresponding quarter of the preceding year's RM5.76 million. The segmental comparisons are as follows:

- (i) the OmniChannel segment recorded lower revenue in the current quarter, decreasing by 71.5% to RM1.47 million from RM5.28 million in the previous year's corresponding quarter. This is mainly due to a delay in the execution of clients' media campaigns, which have been rescheduled to take place in subsequent quarters; and
- (ii) the Presto segment recorded lower revenue in the current quarter, decreasing by 64.0% to RM0.17 million from RM0.48 million in the previous year's corresponding quarter. This is mainly caused by an absence of software project sales to external clients during the current quarter, as software developments were focused on Presto's internal digital ecosystem.

The Group recorded a lower loss after tax of RM1.19 million in the current quarter compared to a loss after tax of RM7.77 million in the previous year's corresponding quarter. This is mainly due to the reversal of a provision for doubtful debts, the Group having received settlement from long outstanding receivables under the OmniChannel segment.

The share of profits of associated companies, PWSB under the OmniChannel segment, contributed a profit of RM0.58 million in the current quarter compared to a profit of RM0.68 million in the previous year's corresponding quarter. The higher profit in the previous year's corresponding quarter is mainly due to revenue arising from one off projects billings, while profit in the current quarter is driven by revenue generated from ongoing operational activities. This result is offset by the share of losses under the Presto segment, where the current quarter's loss of RM0.25 million from Presto Mall Sdn Bhd improved slightly when compared with the loss of RM0.26 million in the previous year's corresponding quarter. The improvement is mainly due to overall better cost control under Presto Mall Sdn Bhd.



B2 Variation of results against preceding quarter

	CURRENT QUARTER	PRECEDING QUARTER	VARIANCE	
	30/6/2023 RM '000	31/3/2023 RM '000	RM '000	%
Revenue	1,639	1,451	188	13%
Profit/(Loss) before taxation	(1,186)	(6,830)	5,644	-83%

The Group recorded higher revenue in the current quarter when compared with the immediate preceding quarter. This is mainly due to higher local media and advertising activities under the OmniChannel segment in the current quarter.

The lower loss in the current quarter when compared with the immediate preceding quarter is mainly due to the reversal of a provision for doubtful debts, the Group having received settlement from long outstanding receivables under the OmniChannel segment.

B3 Prospects

Throughout the first half of 2023, PUC focused on developing various loyalty-to-redemption business models under the Presto segment, at the same time expanding its network of business partners including Bonuslink, Airasia, Rise Advisory (Manulife) and VSing. These strategic partnerships provide customers an avenue to redeem their loyalty points within the Presto digital ecosystem. This network is expected to continue to grow through engaging more partnerships with similar business opportunities.

The ongoing effort in recapturing lost market share, adversely affected by the Covid-19 pandemic, is evident from the current year's growth of local media and advertising revenue under the OmniChannel segment. PUC will continue to focus on developing the digital media business to align it closer with the Presto segment through providing digital media and advertising packages to companies with local and international brands that aim to reach a wider audience via Presto's digital ecosystem. PUC will continue to strive to maintain the momentum of profits under Pictureworks through organic business growth, while widening its collaboration with business partners.

Looking ahead to the remaining part of the FY2023, PUC expects the newly formed partnerships to not only strengthen top-line growth but also bring in complementary resources, technology, and expertise that strengthen PUC's competitive position.

We remain cautiously optimistic about the outlook of the Group's performance. The Group will continue to tap into opportunities in FY2023 and fund its ongoing expansion plans through internally generated funds and/or equity fundraising exercises.

B4 Profit forecast or profit guarantee

The Group has not issued nor disclosed in any public document 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
	30/6/2023 RM '000	30/6/2022 RM '000	30/6/2023 RM '000	30/6/2022 RM '000
Provision for previous and current period	-	25	-	47
Effective tax rate	0%	0%	0%	0%

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

There are no pending corporate proposals in the current quarter under review.

B7 Borrowings

The Group's borrowings as at 30 June 2023 were 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 (RM)*	-	3,145	-	3,109	-	6,254
	-	3,145	-	3,109	-	6,254

* RM - Ringgit Malaysia

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, calculated by dividing the profit attributable to owners of the parent for the period by the weighted average number of shares in issue, is as follows:

	3 months ended 30 June		Cumulative 6 months ended 30 June	
	2023	2022	2023	2022
Profit/(Loss) attributable to owners of the parent (RM '000)	(1,186)	(7,774)	(8,016)	(15,628)
Weighted average number of ordinary shares in issue ('000)	1,787,563	1,551,879	1,787,563	1,551,879
Basic earnings per share (sen)	(0.07)	(0.50)	(0.45)	(1.01)

(b) Diluted earnings per share

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

	3 months ended 30 June		Cumulative 6 months ended 30 June	
	2023	2022	2023	2022
Profit/(Loss) attributable to owners of the parent (RM '000)	(1,186)	(7,774)	(8,016)	(15,628)
Weighted average number of ordinary shares in issue ('000)	1,787,563	1,551,879	1,787,563	1,551,879
Diluted earnings per share (sen)	(0.07)	(0.50)	(0.45)	(1.01)



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
	30/6/2023 RM '000	30/6/2022 RM '000	30/6/2023 RM '000	30/6/2022 RM '000
Gain on disposal of property, plant and equipment	(1)	-	(1)	-
Interest income	(180)	(119)	(322)	(152)
Depreciation and amortisation	2,898	3,570	5,634	7,035
Interest expense	36	29	61	48
Intangible assets written-off	11,890	-	-	-
Reversal of impairment loss on trade receivables	-	(214)	(577)	(214)
Loss/(Gain) on foreign exchange:				
- Realised	40	(125)	68	(119)
- Unrealised	(1,342)	(184)	(809)	(410)

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