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Headline: PUC CEO looks beyond brother's unfinished business



## PUC CEO looks beyond brother's unfinished business

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KUALA LUMPUR: It's hardly surprising that continuing his late brother's legacy was foremost in his mind as Cheong Chia Chou took over the posts of managing director (MD) and chief executive officer at PUC Founder (MSC) Bhd.

His brother — the company's founder and former MD Cheong Chia Chieh — died in February last year at the age of 44 due to hemophagocytic lymphohistiocytosis.

Chia Chou, an entrepreneur with strong technology expertise, assumed the MD's post on Dec 1 last year and was made CEO from May 1.

In an interview with *The Edge Financial Daily*, the 41-year old "technopreneur" said he sees his role in PUC as going beyond completing the unfinished business of his late brother, who had taken the information technology solutions company into new sectors such as renewable energy (RE), e-payment services and the development of mobile applications.

"Actually, I am coming on board PUC not just to finish the unfinished business of my late brother, but because I have a lot of respect for my late brother for what he had built," said Chia Chou.

"We constantly shared ideas and I am fortunate to know lots of his great friends. I am glad that PUC has strong fundamentals, and I am always thankful for what he has actually left for PUC and family. We are very proud of him," he added.

Chia Chou's appointment as CEO came along with a slew of boardroom changes which PUC said were aimed at establishing a board with a majority of independent directors to improve the group's corporate governance.

After the reshuffle, PUC's new management team, now led by Chia Chou, comprises group chief financial officer Michelle Lee, group chief strategy officer Kelvin Cheong, group chief technology officer Erwin Foo, group chief commercial officer Kenneth Hiew and group chief marketing officer Christina Tse.

Currently, under the RE feed-in tariff programme, PUC operates a one megawatt peak

(1mwp) capacity solar photovoltaic (PV) power plant in Sungai Petani, Kedah.

"It took us about two years to do the 1mwp [plant] and now we are more experienced. We had bid for the 6mwp [plant and] although we were not awarded that, our focus on RE will remain," said Chia Chou.

"We are looking at expanding the capacity to up to 50mwp. It's not just confined to Kedah as we are open to all locations and will be exploring how technology can help us with that," he added.

PUC in October 2015 proposed the issuance of irredeemable convertible unsecured loan stocks with warrants to raise up to

RM83.9 million, but the group only managed to raise RM42.65 million of which it cannot use for any purpose other than to expand its RE business.

"However, under the approved utilisation of proceeds, the RM4.7 million is to be used for the overall working capital of the group and its other existing businesses, other than renewable energy.

"The money is not something we cannot spend and I think the money is not stranded. We can use the funds once we have been awarded [new contracts]," said Chia Chou, adding that the company will continue to bid for power plants.

Chia Chou, who has about 18 years of experience in the technology field, said PUC must change from time to time.

"We (PUC) need to evolve, to change and to provide more alternatives to reach out to our target consumers, hence technology evolution would be needed in the place," he said.

Besides RE, the ACE Market-listed company is also involved in sectors such as integrated media service and e-commerce.

PUC has completed the first tranche of a private placement exercise on April 6, raising a total of RM7.6 million to develop its

technology business, specifically covering e-commerce, payment and integrated media services.

Chia Chou said PUC will continue to explore potential business opportunities after acquiring Singapore-based IT business solutions provider Enovax Pte Ltd which is expected to play a contributing role in the group's next phase of growth.

"This year we will foresee a double-digit growth in terms of revenue and the introduction of new products and services very soon which focuses back on our core segments — integrated media service, e-commerce and technology and RE.

"These are all very positive news, and after we announced a new management team I believe that the future of PUC is very bright," he said.

For the financial year ended Dec 31, 2016, PUC's net profit grew 20% to RM2.67 million from RM2.21 million a year earlier, due to better sales margin in the advertising and media segment. Revenue, however, slipped 6% to RM25.75 million from RM27.3 million due to slower market conditions that affected the same segment.

PUC's share price closed at 14 sen last Friday, bringing a market capitalisation of RM163.93 million.

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Photo by Sam Fong

