

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MAY 2020**

	2020 Current Quarter Ended 31-May RM'000	2019 Comparative Quarter Ended 31-May RM'000 Restated	2020 Cumulative Year To Date 31-May RM'000	2019 Cumulative Year To Date 31-May RM'000 Restated
Revenue		2,917	12,276	28,805
Cost of sales		(4,174)	(8,229)	(13,794)
Gross profit	-	(1,257)	4,047	15,011
Other income	479	245	546	785
Selling and distribution	2	(19)	(59)	(126)
Administrative and general expenses	(1,760)	(1,124)	(4,675)	(3,280)
Profit / (Loss) Before Interest, Taxes, Depreciation and Amortisation	(1,279)	(2,155)	(141)	12,390
Amortisation of Intangible Assets	(952)	(932)	(3,748)	(3,712)
Depreciation	(72)	(71)	(286)	(285)
Earnings/(Loss) Before Interest, Taxes, and Impairment	(2,304)	(3,158)	(4,175)	8,393
Impairment on trade receivable	(6,275)	(889)	(14,961)	(1,231)
Impairment on intangible assets	(3,279)	-	(3,279)	-
Profit / (Loss) from Operations	(11,857)	(4,047)	(22,415)	7,162
Finance Cost	(25)	(17)	(83)	(64)
Profit / (Loss) before tax	(11,882)	(4,064)	(22,498)	7,098
Profit / (Loss) before tax is stated after charging/(crediting):-				
Interest income	-	(4)	(25)	(77)
Impairment loss on trade receivables	6,275	889	14,961	1,231
Impairment on intangible asset	3,279	-	3,279	-
ESOS expenses	1,477	-	1,476	-
Depreciation and amortisation	1,024	1,003	4,034	3,997
Foreign exchange (gain) / loss	(126)	(208)	(159)	(670)
Income tax credit / (expense)	2,173	832	2,173	(1,213)
Profit / (Loss) for the period	(9,709)	(3,232)	(20,325)	5,885
Foreign currency translation	-	-	(35)	123
Total comprehensive profit / (loss)	(9,709)	(3,232)	(20,360)	6,008
Attributable to :-				
Owners of the Company	(9,709)	(3,232)	(20,325)	5,885
Non-Controlling Interests	-	-	-	-
	(9,709)	(3,232)	(20,325)	5,885
Total comprehensive profit / (loss) attributable to:-				
Owners of the Company	(9,709)	(3,232)	(20,360)	6,008
Non-Controlling Interests	-	-	-	-
	(9,709)	(3,232)	(20,360)	6,008
Earnings / (Loss) per share - Basic (sen)	(2.09)	(0.88)	(4.38)	1.60
- Diluted (sen)	(2.08)	(0.88)	(4.29)	1.60

Note:

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the period ended 31 May 2019 and the accompanying explanatory notes attached to the interim financial statements.

The initial reversal of project cost provision of RM2 million is restated as the liabilities of the Company towards the customer has not been absolved. The initial reversal as in the earlier announcement was based on verbal confirmation from the customer to absolve the Company from legal responsibility of delivery wrong product specification.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 May 2020

	As At 31 May 2020 RM'000	As At 31 May 2019 RM'000 Restated
<u>ASSETS</u>		
Non-Current Assets		
Property, Plant and Equipment	910	833
Intangible Assets	24,680	31,707
Total Non-Current Assets	<u>25,590</u>	<u>32,540</u>
Current Assets		
Trade Receivables	15,304	18,469
Other Receivables	1,697	1,434
Deposits, cash and bank balances	1,539	2,920
Total Current Assets	<u>18,540</u>	<u>22,823</u>
Total Assets	<u>44,130</u>	<u>55,363</u>
<u>EQUITY AND LIABILITIES</u>		
Capital and Reserves		
Share capital	21,762	21,762
Reserves	(2,611)	16,273
Total Equity	<u>19,151</u>	<u>38,035</u>
Non-Current Liabilities		
Trade and other payables	240	393
Deferred tax liabilities	-	2,080
Leased liabilities	178	-
Total Non-Current Liabilities	<u>418</u>	<u>2,473</u>
Current Liabilities		
Trade and other payables	24,358	14,589
Income tax liabilities	43	266
Leased liabilities	159	-
Bank Overdraft	1	-
Total Current Liabilities	<u>24,561</u>	<u>14,855</u>
Total Liabilities	<u>24,979</u>	<u>17,328</u>
Total Equity and Liabilities	<u>44,130</u>	<u>55,363</u>
Net Assets Per Share Attributable to owners of the Company (Sen)	4	8.20

Note:

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 May 2019 and the accompanying explanatory notes attached to the interim financial statements.

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UCREST BERHAD

(Company No.: 420056-K)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 May 2020**

	Share Capital RM'000	Foreign Currency translation Reserve RM'000	ESOS Reserve	Accumulated profit / (loss) RM'000	Equity Attributable to the Owners of the Company RM'000	Total Equity RM'000
<u>Quarter ended 31 May 2020</u>						
Balance as at 1 June 2019 (Audited), As previously stated	21,762	123	-	16,750	38,635	38,635
Prior Year Adjustment	-	-	-	(600)	(600)	(600)
Balance as at 1 June 2019, As (Restated)	21,762	123	-	16,150	38,035	38,035
Foreign exchange difference	-	-	-	-	-	-
Total Other comprehensive income/(expenses) for the period	-	(35)	-	-	(35)	(35)
Loss for the period	-	-	1,476	(20,325)	(18,849)	(18,849)
Comprehensive profit/(loss) for the period	-	(35)	1,476	(20,325)	(18,884)	(18,884)
Balance as at 31 May 2020 (Unaudited)	21,762	88	1,476	(4,175)	19,151	19,151

Note:

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 May 2019 and the accompanying notes attached to the interim financial statements.

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 MAY 2020**

	12 Months ended 31/05/2020 RM'000	12 Months ended 31/05/2019 RM'000 Restated
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	(22,498)	7,098
Adjustments for:		
Amortisation of intangible assets	3,748	3,712
Depreciation of property, plant and equipment	286	285
Depreciation of Right of use Asset	145	
Impairment loss on intangible assets	3,279	73
Impairment loss on trade receivables	14,961	1,231
ESOS Expenses	1,477	-
Interest Expenses on Lease Liability	11	-
Finance costs	83	64
Inventories written off	-	26
Interest income	(26)	(77)
Foreign Exchange unrealise loss	347	-
Unrealised gain on foreign exchange translation	(506)	(670)
Operating profit / (loss) before changes in working capital	<u>1,307</u>	<u>11,742</u>
Changes in working capital:-		
Trade and other receivables	(13,220)	(15,697)
Trade and other payables	<u>10,817</u>	<u>6,810</u>
Cash generated from / (used in) operations	(1,096)	2,855
Interest paid	(150)	-
Interest received	26	77
Finance costs	(83)	(64)
Tax paid	(170)	(469)
Net cash generated from / (used in) operating activities	<u>(1,473)</u>	<u>2,399</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	(33)	(30)
Purchase of intangible assets	-	(6,053)
Net cash used in investing activities	<u>(33)</u>	<u>(6,083)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of creditor settlement	-	(177)
Net cash generated from financing activities	<u>-</u>	<u>(177)</u>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,506)	(3,861)
CASH AND CASH EQUIVALENTS AT 01 JUNE	2,920	6,205
EFFECTS OF EXCHANGE RATE CHANGES	124	576
CASH AND CASH EQUIVALENTS AS AT END OF THE FINANCIAL PERIOD	<u>1,538</u>	<u>2,920</u>

Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

Deposits	47	1,842
Cash and bank balances	<u>1,491</u>	<u>1,078</u>
	<u>1,538</u>	<u>2,920</u>

Note:

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 May 2019 and the accompanying notes attached to the interim financial statements.

The initial reversal of project cost provision of RM2 million is restated as the liabilities of the Company towards the customer has not been absolved. The initial reversal as in the earlier announcement was based on verbal confirmation from the customer to absolve the Company from legal responsibility of delivery wrong product specification.

SELECTED EXPLANATORY NOTES

1. Accounting Policies and Methods Of Computation

The current quarter financial report ended 31 May 2020 is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 "Interim Financial Reporting" and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the ACE Market.

The report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 May 2019. The explanatory notes attached to the quarterly financial report provide an explanation on events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 May 2019.

The accounting policies and methods of computation adopted by the Group in the quarterly financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 May 2019 except as mentioned below :

MFRS 16, Leases

MFRS 16 replaces the guidance in MFRS 117, Leases, IC Interpretation 4, Determining whether an Arrangement contains a Lease, IC Interpretation 115, Operating Leases - Incentives and IC Interpretation 127, Evaluating the Substance of transaction Involving the Legal Form of a Lease.

In the current financial year the group has effected a prior year adjustment. In the prior financial year, the group had under provided of expenses of RM0.6 million.

The financial impact of the above mentioned prior year adjustment and changes in certain comparative amounts to conform with the current year's financial statements presentation of the Group are as follows:

Statement of Financial Position As At 31 May 2019

	As Previously reported RM'000	Adjustment RM'000	As restated RM'000
Current Liabilities			
Trade and other payable	13,989	600	14,589
Capital and Reserve			
Reserves	16,873	(600)	16,273
Statement of Comprehensive Income			
Administrative and general expenses	(2,680)	(600)	(3,280)
Profit / (Loss) before tax	7,698	(600)	7,098
Profit / (Loss) for the period	6,485	(600)	5,885

2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the year ended 31 May 2019 was not qualified.

3. Segmental Reporting

Geographical information

	<u>Individual Quarter Ended</u>		<u>Individual YTD</u>	
	31-May-20 RM'000	31-May-19 RM'000	31-May-20 RM'000	31-May-19 RM'000
Malaysia	-	65	-	1,606
Singapore	-	-	-	6,100
Russia	-	2,852	12,276	21,097
India	-	-	-	2
Group revenue	-	2,917	12,276	28,805

4. Unusual Items

During the quarter under review, there were no unusual items affecting assets, liabilities, equity, net income, or cash flows of the Group.

5. Changes In Estimates Of Amount Reported Previously Affecting Current Interim Period

There are no changes in estimates of amount reported that will have a material effect in the current interim period.

6. Seasonality or Cyclicity

The operations of the Group are not subject to any seasonality or cyclicity factors.

7. Dividends Paid Or Proposed

Dividends were neither paid nor proposed during the current interim period.

8. Valuation of Property, Plant and Equipment

The Group has not carried out any valuation on its property, plant & equipment.

SELECTED EXPLANATORY NOTES**9. Debts and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities.

10. Change In The Composition of The Group

There has been no change in the composition of the group for the quarter review.

11. Discontinued Operation

There were no discontinued operations within the activities of the Group for the quarter under review.

12. Capital Commitments

There were no capital commitments for the purchase of any property, plant and equipment or any other expenses that were not accounted for in the financial statements of the quarter under review.

13. Changes In Contingent Liabilities & Assets

There are no material contingent liabilities as at the date of this report.

14. Subsequent Events

There were no material events subsequent to the end of the reporting quarter that have not been reflected in the quarter under review.

Additional Information As Per ACE Market Listing Requirement**15. Review Of Performance**

During the current quarter under review, the Group recorded a net loss attributable to Owners of the Company of RM 11.882 million.

16. Material Change In the Profit / (Loss) Before Taxation Compared To The Results of :-

	<u>Immediate Preceding Quarter</u>		<u>Individual Quarter Ended</u>		<u>Individual YTD</u>	
	<u>31-May-20</u>	<u>29-Feb-20</u>	<u>31-May-20</u>	<u>31-May-19</u>	<u>31-May-20</u>	<u>31-May-19</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
PI/(L)BITDA	(10,833)	(1,745)	(10,833)	(3,044)	(18,380)	11,158
Less : Amortisation of Intangible Assets	(952)	(932)	(952)	(932)	(3,748)	(3,712)
Less : Depreciation	(72)	(71)	(72)	(71)	(286)	(285)
Less : Finance cost	(25)	(20)	(25)	(17)	(83)	(64)
Profit / (Loss) before tax	(11,882)	(2,768)	(11,882)	(4,064)	(22,498)	7,098

The Group recorded loss before tax of RM 11.882 million in the current quarter, and loss before tax RM 2.768 million in the immediate preceding quarter.

17. Commentary Of Prospects

While the COVID-19 related business is growing as where all the healthcare resources are drained to, the regular healthcare business was down for the past few months. The Group is actively working on deepening the business with the deals signed in the past few months and is working on boarding more clinics and doctors to the iMedic platform. The Group expects to see recovery of the regular online healthcare business in the near future when the pandemic eases off.

18. Profit Forecast

There was no profit forecast issued by the Group.

19. Taxation

The tax credit / (expense) for the 12 months period ending 31 May 2020 consist of the following :-

	RM'000
Current tax :	
Current tax credit / (expense)	93
Deferred tax credit / (expense)	2,080
	<u>2,173</u>

20. Unquoted Investments / Properties

There were no purchase or sales of unquoted investments or properties during the current interim period under review.

21. Purchase or Disposal of Quoted Securities

There were no purchase or disposal of quoted securities during the current interim period under review.

22. Status of Corporate Proposal

The Company had on 29 June 2020, submitted an application to Bursa Securities seeking its approval for an extension of time of six months until 28 December 2020 to complete the Proposed Private Placement;

There were no other corporate proposal that is still pending, other than the above.

SELECTED EXPLANATORY NOTES**23. Group Borrowings and Debt Securities**

There were no borrowings and debts securities for the financial quarter under review.

24. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this report.

25. Material Litigation

There were no Material Litigation for the financial quarter under review.

26. Realised and Unrealised Profits/Losses

On 25 March 2010, Bursa Securities issued a directive to all listed issuers pursuant to Rules 2.07 and 2.23 of Bursa Securities ACE Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits and losses.

On 20 December 2010, Bursa Securities further issued guidance on the disclose and the format period.

The breakdown of accumulated losses of the Group as at the reporting date, into realised and unrealised losses, pursuant to the directive, is as follows:

	Group	
	<u>Unaudited</u> 31/05/2020 RM'000	<u>Restated</u> 31/05/2019 RM'000
Total accumulated losses of UCrest Berhad and it's subsidiaries:		
- Realised	(4,334)	15,574
- Unrealised - in respect of other items of income and expense	159	576
	(4,175)	16,150
Add: Consolidation adjustments		
Total Group accumulated profit as per consolidated accounts	(4,175)	16,150

The determination of realised and unrealised losses is based on the Guidedance of Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised losses above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

27. Dividends Payable

The Board of Directors does not recommend any interim dividends for the current quarter ended 31 May 2020.

28. Earnings / (Loss) Per Share**(a) Basic**

The basic earnings / (loss) per share for the quarter and cumulative year to date are computed as follow:

	<u>Individual quarter ended</u>		<u>Cumulative YTD</u>	
	<u>Unaudited</u> 31-May-20	<u>Restated</u> 31-May-19	<u>Unaudited</u> 31-May-20	<u>Restated</u> 31-May-19
Net Profit / (Loss) attributable to owners of the company (RM'000)	(9,709)	(3,232)	(20,325)	5,885
Weighted average number of ordinary shares in issue ('000)	464,033	368,844	464,033	368,844
Basic earnings / (loss) Per Share (sen)	(2.09)	(0.88)	(4.38)	1.60

(b) Diluted

For the purpose of calculating diluted earning / (loss) per share, the weighted average number of ordinary shares in issue during the financial year has been adjusted for the dilutive effects of warrants.

The diluted earning / (loss) per share for the quarter and cumulative year to date are computed as follow:

	<u>Individual quarter ended</u>		<u>Cumulative YTD</u>	
	<u>Unaudited</u> 31-May-20	<u>Restated</u> 31-May-19	<u>Unaudited</u> 31-May-20	<u>Restated</u> 31-May-19
Net Profit / (Loss) attributable to owners of the company (RM'000)	(9,709)	(3,232)	(20,325)	5,885
Weighted average number of ordinary shares in issue ('000)	467,428	368,844	473,816	368,844
Diluted earnings / (loss) Per Share (sen)	(2.08)	(0.88)	(4.29)	1.60