

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 NOVEMBER 2020

| | 2020 Current Quarter Ended 30-Nov RM'000 | 2019 Comparative Quarter Ended 30-Nov RM'000 | 2020 Cumulative Year To Date 30-Nov RM'000 | 2019 Cumulative Year To Date 30-Nov RM'000 |
|--|--|--|--|--|
| Revenue | 3,631 | 2,508 | 6,906 | 10,022 |
| Cost of sales | <u>(1,226)</u> | <u>(2,222)</u> | <u>(1,478)</u> | <u>(6,277)</u> |
| Gross profit | 2,405 | 286 | 5,428 | 3,745 |
| Other income | 2,771 | 763 | 2,775 | 26 |
| Selling and distribution | (1) | - | (3) | (29) |
| Administrative and general expenses | <u>(1,495)</u> | <u>(1,362)</u> | <u>(2,262)</u> | <u>(2,892)</u> |
| Profit / (Loss) Before Interest, Taxes, Depreciation and Amortisation | 3,680 | (313) | 5,938 | 851 |
| Amortisation of Intangible Assets | (932) | (747) | (1,864) | (1,864) |
| Depreciation | <u>(112)</u> | <u>(256)</u> | <u>(224)</u> | <u>(142)</u> |
| Earnings/(Loss) Before Interest, Taxes and Impairment | 2,636 | (1,316) | 3,850 | (1,155) |
| Finance Cost | <u>(23)</u> | <u>(19)</u> | <u>(45)</u> | <u>(37)</u> |
| Profit / (Loss) before tax | 2,613 | (1,335) | 3,805 | (1,192) |
| Profit / (Loss) before tax is stated after charging/(crediting):- | | | | |
| Interest income | - | (10) | - | (21) |
| Impairment loss on trade receivables | - | 466 | - | 1,464 |
| Reversal of impairment loss on trade receivables | (768) | - | (768) | - |
| Depreciation and amortisation | 1,044 | 1,003 | 2,088 | 2,006 |
| Foreign exchange (gain) / loss | <u>761</u> | <u>(732)</u> | <u>922</u> | <u>(10)</u> |
| Income tax expense | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Profit / (Loss) for the period | 2,613 | (1,335) | 3,805 | (1,192) |
| Foreign currency translation | 565 | - | 565 | - |
| Total comprehensive profit / (loss) | <u>3,178</u> | <u>(1,335)</u> | <u>4,370</u> | <u>(1,192)</u> |
| Attributable to :- | | | | |
| Owners of the Company | 2,613 | (1,335) | 3,805 | (1,192) |
| Non-Controlling Interests | - | - | - | - |
| | <u>2,613</u> | <u>(1,335)</u> | <u>3,805</u> | <u>(1,192)</u> |
| Total comprehensive profit / (loss) attributable to:- | | | | |
| Owners of the Company | 3,178 | (1,335) | 4,370 | (1,192) |
| Non-Controlling Interests | - | - | - | - |
| | <u>3,178</u> | <u>(1,335)</u> | <u>4,370</u> | <u>(1,192)</u> |
| Earnings / (Loss) per share - Basic (sen) | 0.52 | (0.29) | 0.75 | (0.26) |
| - Diluted (sen) | 0.51 | (0.29) | 0.74 | (0.26) |

Note:

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the period ended 31 May 2020 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 NOVEMBER 2020

| | As At 30 November 2020 RM'000 | As At 31 May 2020 RM'000 |
|--|--|---|
| <u>ASSETS</u> | | |
| Non-Current Assets | | |
| Property, Plant and Equipment | 434 | 579 |
| Right-of-use Assets | 251 | 330 |
| Intangible Assets | 22,816 | 24,680 |
| Total Non-Current Assets | <u>23,501</u> | <u>25,589</u> |
| Current Assets | | |
| Trade Receivables | 5,928 | 14,297 |
| Other Receivables | 86 | 509 |
| Tax Recoverable | 446 | 207 |
| Deposits, cash and bank balances | 7,925 | 1,539 |
| Total Current Assets | <u>14,385</u> | <u>16,552</u> |
| Total Assets | <u>37,886</u> | <u>42,141</u> |
| <u>EQUITY AND LIABILITIES</u> | | |
| Capital and Reserves | | |
| Share capital | 27,321 | 21,762 |
| Reserves | 1,002 | (2,892) |
| Total Equity | <u>28,323</u> | <u>18,870</u> |
| Non-Current Liabilities | | |
| Trade and other payables | 195 | 240 |
| Total Non-Current Liabilities | <u>195</u> | <u>240</u> |
| Current Liabilities | | |
| Trade Payables | 8,184 | 16,196 |
| Other Payables | 910 | 6,498 |
| Leased liabilities | 274 | 336 |
| Bank Overdraft | - | 1 |
| Total Current Liabilities | <u>9,368</u> | <u>23,031</u> |
| Total Liabilities | <u>9,563</u> | <u>23,271</u> |
| Total Equity and Liabilities | <u>37,886</u> | <u>42,141</u> |
| Net Assets Per Share Attributable to owners of the Company (Sen) | 6 | 4 |

Note:

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 May 2020 and the accompanying explanatory notes attached to the interim financial statements.

UCREST BERHAD

(Company No.: 420056-K)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 NOVEMBER 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 30 November 2020</u> | | | | | | |
| Balance as at 1 June 2020 (Audited), As previously stated | 21,762 | 88 | 1,477 | (4,457) | 18,870 | 18,870 |
| Issuance of shares | | | | | | |
| - private placement | 4,432 | - | - | - | 4,432 | 4,432 |
| - pursuant to exercise of ESOS | 1,127 | - | (476) | - | 651 | 651 |
| Profit/(loss) for the period | - | 565 | - | 3,805 | 4,370 | 4,370 |
| Comprehensive profit/(loss) for the period | 5,559 | 565 | (476) | 3,805 | 9,453 | 9,453 |
| Balance as at 30 November 2020 (Unaudited) | 27,321 | 653 | 1,001 | (652) | 28,323 | 28,323 |

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 2020 and the accompanying notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 NOVEMBER 2020**

| | 6 Months to date ended 30/11/2020 RM'000 | 12 Months to date ended 31/05/2020 RM'000 |
|--|---|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit / (Loss) before tax | 3,805 | (22,990) |
| Adjustments for: | | |
| Amortisation of intangible assets | 1,864 | 3,748 |
| Depreciation of property, plant and equipment | 145 | 287 |
| Depreciation of Right of use Asset | 79 | 145 |
| Impairment loss on intangible assets | - | 3,279 |
| Impairment loss on trade receivables | - | 15,328 |
| Reversal of impairment loss on trade receivables | (768) | - |
| Reversal of provision of project cost | (2,000) | - |
| ESOS Expenses | - | 1,477 |
| Finance costs | 45 | 94 |
| Interest income | - | (26) |
| Foreign exchange translation | 565 | 423 |
| Unrealised gain on foreign exchange translation | - | (467) |
| Operating profit / (loss) before changes in working capital | <u>3,735</u> | <u>1,298</u> |
| Changes in working capital:- | | |
| Inventories | - | - |
| Trade and other receivables | 9,560 | (9,897) |
| Trade and other payables | (11,645) | 7,597 |
| Cash generated from / (used in) operations | <u>1,650</u> | <u>(1,002)</u> |
| Interest paid | - | 26 |
| Interest received | - | (170) |
| Tax paid | (239) | (170) |
| Net cash generated from / (used in) operating activities | <u>1,411</u> | <u>(1,146)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant & equipment | - | (33) |
| Net cash used in investing activities | <u>-</u> | <u>(33)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceed from Issuance of Share Capital | | |
| - private placement | 4,432 | - |
| - pursuant to exercise of ESOS | 651 | - |
| Repayment of Lease Liability | (63) | (150) |
| Interest paid | (45) | (83) |
| Net cash generated from financing activities | <u>4,975</u> | <u>(233)</u> |
| NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS | 6,386 | (1,412) |
| CASH AND CASH EQUIVALENTS AT 01 JUNE | 1,539 | 2,920 |
| EFFECTS OF EXCHANGE RATE CHANGES | | 31 |
| CASH AND CASH EQUIVALENTS AS AT END OF THE FINANCIAL PERIOD | <u>7,925</u> | <u>1,539</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 | 47 |
| Cash and bank balances | 7,878 | 1,491 |
| | <u>7,925</u> | <u>1,538</u> |

Note:

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 May 2020 and the accompanying notes attached to the interim financial statements.

SELECTED EXPLANATORY NOTES

1. Accounting Policies and Methods Of Computation

The current quarter financial report ended 30 November 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 2020. 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 2020.

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 2020.

2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the year ended 31 May 2020 was not qualified.

3. Segmental Reporting

Geographical information

| | <u>Individual Quarter Ended</u> | | <u>Individual YTD</u> | |
|---------------|---------------------------------|------------------|-----------------------|------------------|
| | <u>30-Nov-20</u> | <u>30-Nov-19</u> | <u>30-Nov-20</u> | <u>30-Nov-19</u> |
| | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> |
| Malaysia | 134 | - | 134 | - |
| Russia | 3,497 | 2,508 | 6,772 | 10,022 |
| Group revenue | 3,631 | 2,508 | 6,906 | 10,022 |

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.

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.

SELECTED EXPLANATORY NOTES**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 profit attributable to Owners of the Company of RM 2.613 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>30-Nov-20</u> | <u>31-Aug-20</u> | <u>30-Nov-20</u> | <u>30-Nov-19</u> | <u>30-Nov-20</u> | <u>30-Nov-19</u> |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| P/(L)BITDA | 3,680 | 2,258 | 3,680 | (313) | 5,938 | 851 |
| Less : Amortisation of Intangible Assets | (932) | (932) | (932) | (747) | (1,864) | (1,864) |
| Less : Depreciation | (112) | (112) | (112) | (256) | (224) | (142) |
| Less : Finance cost | (23) | (22) | (23) | (19) | (45) | (37) |
| Profit / (Loss) before tax | <u>2,613</u> | <u>1,192</u> | <u>2,613</u> | <u>(1,335)</u> | <u>3,805</u> | <u>(1,192)</u> |

The Group recorded profit before tax of RM 2.613 million in the current quarter, and profit before tax RM 1.192 million in the immediate preceding quarter.

17. Commentary Of Prospects

The interest of adopting Artificial Intelligence technology in the detection and recognition of various diseases has increased tremendously in recent months. The market is looking for automation for some medical technology related works currently done repeatedly by doctors such as analysis of X-Ray, CT-Scan, MRI, etc by radiologists and also cells analysis by pathologists. However, this one dimensional data is insufficient to make a conclusive diagnosis. Biochem and clinical data are needed in conjunction with images to enable doctors to have a more complete Electronic Medical Records (EMR) to accurately diagnose a patient. iMedic provides that robust EMR to doctors as well as patients for better healthcare management.

The Group has started to sign up specialists and primary care doctors to develop virtual clinics on iMedic. The interest is strong and the Group is currently in the process of putting these virtual clinics in iMedic that emulate the capabilities of physical clinic such that doctors can conduct most of its business or services online.

18. Profit Forecast

There was no profit forecast issued by the Group.

19. Taxation

The tax expenses for the 6 months period ending 30 November 2020 consist of the following :-

| | RM'000 |
|-----------------------|--------------|
| <u>Current tax :</u> | |
| Deferred Tax expenses | (446) |
| | <u>(446)</u> |

SELECTED EXPLANATORY NOTES

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 at the Extraordinary General Meeting held on 22 January 2018 obtained the shareholders' approval for a private placement exercise to issue up to 106,901,642 new ordinary shares in the Company representing not more than twenty percent (20%) of the issued share capital of the company ("Private Placement").

35,600,000 new Ordinary Shares were issued pursuant to the Private Placement and were subsequently listed and quoted on the Ace Market of Bursa Malaysia Securities Berhad.

The details of the utilisation of proceeds from the Private Placement were as follows:-

| Description | Proposed Utilisation (RM'000) | Actual Utilisation (RM'000) | Balance to be utilized (RM'000) |
|---------------------------|-------------------------------|-----------------------------|---------------------------------|
| Payment for cost of sales | 38,155 | 2 | 38,153 |
| Payment of salaries | 2,640 | 155 | 2,485 |
| Payment of office rentals | 332 | 42 | 290 |

The Proposed Private Placement is deemed completed on 17 December 2020.

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> 30/11/2020 RM'000 | <u>Audited</u> 31/05/2020 RM'000 |
| Total accumulated losses of UCrest Berhad and it's subsidiaries: | | |
| - Realised | (445) | (4,501) |
| - Unrealised - in respect of other items of income and expense | (207) | 44 |
| Total Group accumulated loss as per consolidated accounts | <u>(652)</u> | <u>(4,457)</u> |

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.

SELECTED EXPLANATORY NOTES

27. Dividends Payable

The Board of Directors does not recommend any interim dividends for the current quarter ended 30 November 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> 30-Nov-20 | <u>Audited</u> 30-Nov-19 | <u>Unaudited</u> 30-Nov-20 | <u>Audited</u> 30-Nov-19 |
| Net Profit / (Loss) attributable to owners of the company (RM'000) | 2,613 | (1,335) | 3,805 | (1,192) |
| Weighted average number of ordinary shares in issue ('000) | 507,123 | 464,033 | 507,123 | 464,033 |
| Basic earnings / (loss) Per Share (sen) | 0.52 | (0.29) | 0.75 | (0.26) |

(b) Diluted

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> 30-Nov-20 | <u>Audited</u> 30-Nov-19 | <u>Unaudited</u> 30-Nov-20 | <u>Audited</u> 30-Nov-19 |
| Net Profit / (Loss) attributable to owners of the company (RM'000) | 2,613 | (1,335) | 3,805 | (1,192) |
| Dilutive shares on option outstanding ('000) | 512,862 | 464,033 | 513,327 | 464,033 |
| Diluted earnings / (loss) Per Share (sen) | 0.51 | (0.29) | 0.74 | (0.26) |