

UCREST BERHAD

(Company No.: 420056-K)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

	Current Quarter Ended 28-Feb-2023 RM'000	Comparative Quarter Ended 28-Feb-2022 RM'000	Cumulative Year To Date 28-Feb-2023 RM'000	Cumulative Year To Date 28-Feb-2022 RM'000
Income				
Revenue	5,009	1,087	7,403	11,136
Cost of sales	(3,121)	(708)	(5,258)	(9,290)
Gross Profit	<u>1,888</u>	<u>379</u>	<u>2,145</u>	<u>1,846</u>
Other income	1,824	24	1,964	233
Total Income	6,833	1,111	9,367	11,369
Expenses				
Selling and distribution	(4)	(6)	(9)	(1,412)
Administrative and general expenses	(798)	(3,479)	(2,030)	(4,715)
Profit / (Loss) from Operations (EBITA)	<u>2,910</u>	<u>(3,082)</u>	<u>2,070</u>	<u>(4,048)</u>
Amortisation of Intangible Assets	(657)	(913)	(1,971)	(2,739)
Depreciation	(45)	(106)	(135)	(317)
Profit / (Loss) Before Interest and Taxes (EBIT)	<u>2,208</u>	<u>(4,101)</u>	<u>(36)</u>	<u>(7,104)</u>
ESOS Expenses	-	-	(1,771)	(361)
Profit / (Loss) Before Interest and Taxes	<u>2,208</u>	<u>(4,101)</u>	<u>(1,807)</u>	<u>(7,465)</u>
Finance Cost	(31)	(25)	(94)	(73)
Profit / (Loss) before Tax	<u>2,177</u>	<u>(4,126)</u>	<u>(1,901)</u>	<u>(7,538)</u>
Profit / (Loss) before tax is stated after charging/(crediting):-				
Interest income	(43)	(17)	(104)	(86)
Reversal of impairment loss on trade receivables	(1,640)	-	(1,640)	-
Depreciation and amortisation	702	1,019	2,106	3,056
ESOS expenses	-	-	1,771	361
Foreign exchange (gain) / loss	(109)	(14)	(60)	43
Income tax expense	-	-	-	-
Profit / (Loss) for the period	<u>2,177</u>	<u>(4,126)</u>	<u>(1,901)</u>	<u>(7,538)</u>
Foreign currency translation	193	(87)	338	437
Total Comprehensive Profit / (Loss)	<u>2,370</u>	<u>(4,213)</u>	<u>(1,563)</u>	<u>(7,101)</u>
Attributable to :-				
Owners of the Company	2,177	(4,126)	(1,901)	(7,538)
Non-Controlling Interests	-	-	-	-
	<u>2,177</u>	<u>(4,126)</u>	<u>(1,901)</u>	<u>(7,538)</u>
Total comprehensive profit / (loss) attributable to:-				
Owners of the Company	2,370	(4,213)	(1,563)	(7,101)
Non-Controlling Interests	-	-	-	-
	<u>2,370</u>	<u>(4,213)</u>	<u>(1,563)</u>	<u>(7,101)</u>
Earnings / (Loss) per share - Basic (sen)	0.31	(0.66)	(0.27)	(1.21)
- Diluted (sen)	0.31	(0.63)	(0.27)	(1.15)

Note:

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the period ended 31 May 2022 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2023

	As At 28 Feb 2023 RM'000	As At 31 May 2022 RM'000
<u>ASSETS</u>		
Non-Current Assets		
Property, Plant and Equipment	40	54
Right-of-use Assets	361	13
Intangible Assets	5,624	7,595
Trade Receivables	6,354	-
Total Non-Current Assets	<u>12,379</u>	<u>7,662</u>
Current Assets		
Trade Receivables	9,733	11,287
Other Receivables	104	101
Tax Recoverable	692	610
Deposits, Cash and Bank Balances	19,305	15,487
Total Current Assets	<u>29,834</u>	<u>27,485</u>
Total Assets	<u>42,213</u>	<u>35,147</u>
<u>EQUITY AND LIABILITIES</u>		
Capital and Reserves		
Share Capital	52,079	45,912
Reserves	(22,075)	(20,512)
Total Equity	<u>30,004</u>	<u>25,400</u>
Non-Current Liabilities		
Trade and Other Payables	-	-
Total Non-Current Liabilities	<u>-</u>	<u>-</u>
Current Liabilities		
Trade Payables	10,530	9,493
Other Payables	1,306	240
Leased Liabilities	374	14
Bank Overdraft	-	-
Total Current Liabilities	<u>12,210</u>	<u>9,747</u>
Total Liabilities	<u>12,210</u>	<u>9,747</u>
Total Equity and Liabilities	<u>42,213</u>	<u>35,147</u>
Net Assets Per Share Attributable to owners of the Company (Sen)	4	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 2022 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 28 FEBRUARY 2023**

	Share Capital RM'000	Foreign Currency translation Reserve RM'000	ESOS Reserve RM'000	Accumulated Loss RM'000	Equity Attributable to the Owners of the Company RM'000	Total Equity RM'000
<u>Quarter ended 28 February 2023</u>						
Balance as at 1 Jun 2022 (Audited), As previously stated	45,912	879	6,595	(27,986)	25,400	25,400
Issuance of shares	-	-	-	-	-	-
Share options granted under ESOS	6,167	-	-	-	6,167	6,167
Lapsed share options	-	-	(6,468)	6,468	-	-
Profit/(loss) for the period	-	338	-	(1,901)	(1,563)	(1,563)
Comprehensive profit/(loss) for the period	6,167	338	(6,468)	4,567	4,604	4,604
Balance as at 28 Feb 2023 (Unaudited)	52,079	1,217	127	(23,419)	30,004	30,004

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

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 28 FEBRUARY 2023**

	9 Months to date ended 28/2/2023 RM'000	12 Months to date ended 31/05/2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	(1,901)	(35,129)
Adjustments for:		
Amortisation of intangible assets	1,971	3,653
Depreciation of property, plant and equipment	17	265
Depreciation of right-of-use asset	118	158
Impairment loss on intangible assets	-	9,779
Impairment loss on trade receivables	-	13,837
Reversal of impairment loss on receivables	(1,640)	(185)
ESOS expenses	1,771	-
Finance costs	94	101
Interest income	(104)	(103)
Bad debts written off	-	(35)
Unrealised gain on foreign exchange translation	(201)	(259)
Unrealised loss on foreign exchange translation	83	259
Operating profit before changes in working capital	<u>208</u>	<u>(7,659)</u>
Changes in working capital:-		
Trade and other receivables	(3,151)	(106)
Trade and other payables	1,940	2,885
Cash used in operations	<u>(1,003)</u>	<u>(4,880)</u>
Interest received	104	103
Tax paid	<u>(82)</u>	<u>(169)</u>
Net cash generated from / (used in) operating activities	<u>(981)</u>	<u>(4,946)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	<u>(4)</u>	<u>(22)</u>
Net cash used in investing activities	<u>(4)</u>	<u>(22)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceed from issuance of share capital		
- pursuant to exercise of ESOS	4,396	-
Repayment to director	-	9
Repayment of lease liability	(105)	(164)
Interest paid	<u>(15)</u>	<u>(3)</u>
Net cash generated from / (used in) financing activities	<u>4,276</u>	<u>(158)</u>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	3,291	(5,126)
CASH AND CASH EQUIVALENTS AT 01 JUNE	15,487	18,646
EFFECTS OF EXCHANGE RATE CHANGES	527	1,967
CASH AND CASH EQUIVALENTS AS AT END OF THE FINANCIAL PERIOD	<u>19,305</u>	<u>15,487</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	4,649	11,439
Cash and bank balances	<u>14,656</u>	<u>4,048</u>
	<u>19,305</u>	<u>15,487</u>

Note:

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 May 2022 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 31 Aug 2022 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 2022. 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 2022.

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 2022.

2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the year ended 31 May 2022 was not qualified.

3. Segmental Reporting

Geographical information

	<u>Individual Quarter Ended</u>		<u>Individual YTD</u>	
	<u>28-Feb-23</u>	<u>28-Feb-22</u>	<u>28-Feb-23</u>	<u>28-Feb-22</u>
	RM'000	RM'000	RM'000	RM'000
Malaysia	-	80	-	208
International	5,009	1,007	7,403	10,928
Group revenue	5,009	1,087	7,403	11,136

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 RM2.177 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>28-Feb-23</u>	<u>30-Nov-22</u>	<u>28-Feb-23</u>	<u>28-Feb-22</u>	<u>28-Feb-23</u>	<u>28-Feb-22</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
P/(L)BITDA	2,910	(537)	2,910	(3,082)	2,070	(4,048)
Less : Amortisation of intangible assets	(657)	(657)	(657)	(913)	(1,971)	(2,739)
Less : Depreciation	(45)	(45)	(45)	(106)	(135)	(317)
Less : ESOS expenses	-	(1,771)	-	-	(1,771)	(361)
Less : Finance cost	(31)	(33)	(31)	(25)	(94)	(73)
Profit / (Loss) before tax	<u>2,177</u>	<u>(3,043)</u>	<u>2,177</u>	<u>(4,126)</u>	<u>(1,901)</u>	<u>(7,538)</u>

The Group recorded profit before tax of RM 2.177 million in the current quarter, and loss before tax of RM 3.043 million in the immediate preceding quarter.

17. Commentary Of Prospects

One of the successful model that the Company has developed is digitalization of Patient Adherence Program (PAP) for the pharmaceutical companies. iMedic has been used by one of the largest pharmaceutical companies successfully in ePAP over the past 3-4 years, managing over 10,000 cancer and cardiovascular disease (CVD) patients in Malaysia. The Company has developed a pipeline of pharmaceutical companies that have plans to digitalize their PAP. The same model can be expanded globally. The number of clinics adopting iMedic platform continues to grow and it is expected to grow more significantly over the next few years. The effort to develop and qualify iMedic as the Intelligent CMS is progressing well, targeting HealthierSG program. iMedic is now, an intelligent Clinical Management System and telemedicine system - 2 in 1 platform. The potential to digitalize the clinics with intelligent CMS and empower clinics to have telemedicine capability is tremendous.

18. Profit Forecast

There was no profit forecast issued by the Group.

SELECTED EXPLANATORY NOTES

19. Taxation

There were no tax provision during the current interim period under review.

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 Annual General Meeting held on 17 November 2020 obtained the shareholders' approval for a private placement exercise to issue up to 126,857,800 new ordinary shares in the Company representing not more than twenty percent (20%) of the issued share capital of the company ("Private Placement"). Subsequently, the Company had at the Annual General Meeting held on 12 November 2021 obtained the shareholders' approval for a general mandate to issued up to ten percent (10%) of its total number of issued shares.

As at the date of this report, 42,700,000 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)
Working capital	20,748	7,898	12,850
Expenses for the proposed private placement	184	90	94

The Company had on 22 November 2022 announced that the Board has decided to withdraw the application to Bursa Securities for an extension of time to complete the Private Placement after taking into consideration the uncertainty of current market conditions.

The Private Placement was completed on 18 September 2022.

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.

SELECTED EXPLANATORY NOTES**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 profit / (losses) of the Group as at the reporting date, into realised and unrealised losses, pursuant to the directive, is as follows:

	Group	
	Unaudited 28/2/2023 RM'000	Audited 31/05/2022 RM'000
Total accumulated profit / (losses) of UCrest Berhad and it's subsidiaries:		
- Realised	(23,359)	(27,727)
- Unrealised - in respect of other items of income and expense	(60)	(259)
Total Group accumulated profit as per consolidated accounts	<u>(23,419)</u>	<u>(27,986)</u>

The determination of realised and unrealised losses is based on the Guidance 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 28 February 2023.

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:

	Individual quarter ended		Cumulative YTD	
	Unaudited 28-Feb-23	Unaudited 28-Feb-22	Unaudited 28-Feb-23	Audited 28-Feb-22
Net profit / (loss) attributable to owners of the company (RM'000)	2,177	(4,126)	(1,901)	(7,538)
Weighted average number of ordinary shares in issue ('000)	691,877	621,877	691,877	621,877
Basic earnings / (loss) per share (sen)	<u>0.31</u>	<u>(0.66)</u>	<u>(0.27)</u>	<u>(1.21)</u>

(b) Diluted

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

	Individual quarter ended		Cumulative YTD	
	Unaudited 28-Feb-23	Unaudited 28-Feb-22	Unaudited 28-Feb-23	Audited 28-Feb-22
Net profit / (loss) attributable to owners of the company (RM'000)	2,177	(4,126)	(1,901)	(7,538)
Dilutive shares on option outstanding ('000)	691,877	652,373	692,102	647,417
Diluted earnings / (loss) per share (sen)	<u>0.31</u>	<u>(0.63)</u>	<u>(0.27)</u>	<u>(1.15)</u>