

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	INDIVIDUAL QUARTER THREE MONTHS ENDED 31 MARCH			CUMULATIVE PERIOD TWELVE MONTHS ENDED 31 MARCH		
	2018 RM'000 Unaudited	2017 RM'000 Unaudited	Changes %	2018 RM'000 Unaudited	2017 RM'000 Audited	Changes %
Revenue	83,751	94,892	(11.7)	353,973	420,207	(15.8)
Cost of sales	<u>(57,762)</u>	<u>(60,654)</u>	(4.8)	<u>(243,902)</u>	<u>(305,684)</u>	(20.2)
Gross profit	25,989	34,238	(24.1)	110,071	114,523	(3.9)
Other income	966	2,309	(58.2)	4,355	4,770	(8.7)
Other operating expenses	(151,984)	(37,621)	NA	(250,119)	(128,650)	94.4
Finance costs	(2,300)	(2,572)	(10.6)	(9,669)	(10,283)	(6.0)
Share of results of associates, net of tax	179	1,669	(89.3)	4,064	8,509	(52.2)
Loss before tax	<u>(127,150)</u>	<u>(1,977)</u>	NA	<u>(141,298)</u>	<u>(11,131)</u>	NA
Tax expense	243	(21)	NA	(1,660)	(3,820)	(56.5)
Loss for the financial year	<u><u>(126,907)</u></u>	<u><u>(1,998)</u></u>	NA	<u><u>(142,958)</u></u>	<u><u>(14,951)</u></u>	NA
<b>Other comprehensive income / (loss), net of tax</b>						
Items that may be reclassified subsequently to profit or loss:						
- Foreign currency translation differences for foreign operations	387	(247)	NA	470	358	31.3
- Share of foreign currency translation of associates	(73)	117	NA	(204)	90	NA
<b>Other comprehensive income / (loss) for the financial year, net of tax</b>	<u>314</u>	<u>(130)</u>	NA	<u>266</u>	<u>448</u>	(40.6)
<b>Total comprehensive loss for the financial year</b>	<u><u>(126,593)</u></u>	<u><u>(2,128)</u></u>	NA	<u><u>(142,692)</u></u>	<u><u>(14,503)</u></u>	NA
<b>(Loss) / profit attributable to:-</b>						
Owners of the Parent	(105,083)	(3,639)	NA	(120,895)	(12,112)	NA
Non-controlling interests	<u>(21,824)</u>	<u>1,641</u>	NA	<u>(22,063)</u>	<u>(2,839)</u>	NA
<b>Loss for the financial year</b>	<u><u>(126,907)</u></u>	<u><u>(1,998)</u></u>	NA	<u><u>(142,958)</u></u>	<u><u>(14,951)</u></u>	NA
<b>Total comprehensive (loss) / income attributable to:-</b>						
Owners of the Parent	(105,257)	(4,084)	NA	(120,312)	(11,521)	NA
Non-controlling interests	<u>(21,336)</u>	<u>1,956</u>	NA	<u>(22,380)</u>	<u>(2,982)</u>	NA
<b>Total comprehensive loss for the financial year</b>	<u><u>(126,593)</u></u>	<u><u>(2,128)</u></u>	NA	<u><u>(142,692)</u></u>	<u><u>(14,503)</u></u>	NA
Loss per ordinary share (sen)						
- Basic and diluted	<u>(24.38)</u>	<u>(0.85)</u>		<u>(28.07)</u>	<u>(2.91)</u>	

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying explanatory notes to the interim financial report and the audited financial statements for the financial year ended 31 March 2017.)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2018

	As at 31.03.2018 RM'000 Unaudited	As at 31.03.2017 RM'000 Audited
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	12,615	31,718
Investment in associates	103,071	85,681
Other intangible assets	8,680	52,116
Other investments	1,930	32,421
Trade receivables	-	6,272
Other receivables	9,279	16,642
Goodwill	36,714	78,240
Deferred tax assets	4,881	6,705
	<u>177,170</u>	<u>309,795</u>
<b>Current Assets</b>		
Other investments	87	120
Inventories	30,803	21,811
Trade receivables	60,329	85,011
Other receivables, deposits and prepayments	56,837	77,916
Amount due from associates	11,307	8
Current tax assets	5,813	9,415
Cash and cash equivalents	39,882	73,389
	<u>205,058</u>	<u>267,670</u>
<b>TOTAL ASSETS</b>	<u><u>382,228</u></u>	<u><u>577,465</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	230,698	230,281
Other reserves	39,120	37,513
(Accumulated losses) / Retained earnings	(104,663)	8,700
	<u>165,155</u>	<u>276,494</u>
<b>Non-controlling interests</b>	11,656	53,415
<b>TOTAL EQUITY</b>	<u>176,811</u>	<u>329,909</u>
<b>Non-Current Liabilities</b>		
Borrowings	15,594	18,012
Provision for post employment benefits	3,686	4,556
Deferred tax liabilities	145	797
	<u>19,425</u>	<u>23,365</u>
<b>Current Liabilities</b>		
Trade payables	29,954	35,013
Other payables, deposits and accruals	78,649	93,397
Amount due to associates	2,570	1,280
Borrowings	74,817	94,097
Current tax payables	2	404
	<u>185,992</u>	<u>224,191</u>
<b>TOTAL LIABILITIES</b>	<u>205,417</u>	<u>247,556</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>382,228</u></u>	<u><u>577,465</u></u>
<b>Net assets per share (RM)</b>	<u>0.3834</u>	<u>0.6632</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes to the interim financial report and the audited financial statements for the financial year ended 31 March 2017.)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
 FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

	←----- Attributable to owners of the Parent ----->						Distributable	Total	Non- controlling interests	Total equity
	←----- Non-distributable ----->									
Unaudited Twelve Months Financial Year Ended 31 March 2018	Ordinary shares RM'000	Share premium RM'000	Capital reserve RM'000	Warrant reserve RM'000	Equity compensation reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	RM'000	RM'000	RM'000
<b>Balance as at 1 April 2017</b>	230,281	-	24,663	11,307	2,493	(950)	8,700	276,494	53,415	329,909
Loss after tax for the financial year	-	-	-	-	-	-	(120,895)	(120,895)	(22,063)	(142,958)
Foreign currency translation for foreign operations	-	-	-	-	-	787	-	787	(317)	470
Share of other comprehensive income of associates, net of tax	-	-	-	-	-	-	(204)	(204)	-	(204)
Total comprehensive income / (loss) for the financial year	-	-	-	-	-	787	(121,099)	(120,312)	(22,380)	(142,692)
<b>Transactions with owners</b>										
Shares issued pursuant to Long Term Incentive Plan ("LTIP")	417	-	-	-	-	-	-	417	-	417
Effects arising from acquisition of a subsidiary	-	-	-	-	-	-	-	-	375	375
Effects arising from disposal of a subsidiary	-	-	-	-	-	-	-	-	(39,247)	(39,247)
Arising from accretion of equity interests in subsidiaries	-	-	-	-	-	-	(3,415)	(3,415)	1,944	(1,471)
Arising from dilution of equity interests in subsidiaries	-	-	-	-	-	-	11,151	11,151	16,955	28,106
Share-based payment transactions in a subsidiary	-	-	-	-	820	-	-	820	594	1,414
Total transactions with owners	417	-	-	-	820	-	7,736	8,973	(19,379)	(10,406)
<b>Balance as at 31 March 2018</b>	<u>230,698</u>	<u>-</u>	<u>24,663</u>	<u>11,307</u>	<u>3,313</u>	<u>(163)</u>	<u>(104,663)</u>	<u>165,155</u>	<u>11,656</u>	<u>176,811</u>

**OMESTI BERHAD** (530701-T)  
Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018 (continued)**

	←----- Attributable to owners of the Parent ----->						Distributable	Total	Non- controlling interests	Total equity
	←----- Non-distributable ----->									
	Ordinary shares RM'000	Share premium RM'000	Capital reserve RM'000	Warrant reserve RM'000	Equity compensation reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	RM'000	RM'000	RM'000
<b>Audited Twelve Months Financial Year Ended 31 March 2017</b>										
<b>Balance as at 1 April 2016</b>	194,631	15,638	24,663	11,307	3,944	(1,451)	16,579	265,311	39,703	305,014
Loss after tax for the financial year	-	-	-	-	-	-	(12,112)	(12,112)	(2,839)	(14,951)
Foreign currency translation for foreign operations	-	-	-	-	-	745	-	745	(143)	602
Share of other comprehensive income of associates, net of tax	-	-	-	-	-	(244)	90	(154)	-	(154)
Total comprehensive income / (loss) for the financial year	-	-	-	-	-	501	(12,022)	(11,521)	(2,982)	(14,503)
<b>Transactions with owners</b>										
Shares issued pursuant to Long Term Incentive Plan ("LTIP")	1,007	10	-	-	-	-	-	1,017	-	1,017
Shares issued pursuant to private placement	19,490	-	-	-	-	-	-	19,490	-	19,490
Share issue expenses	-	(495)	-	-	-	-	-	(495)	-	(495)
Effects arising from acquisition of a subsidiary	-	-	-	-	-	-	-	-	4	4
Arising from accretion of equity interests in subsidiaries	-	-	-	-	-	-	(6,279)	(6,279)	3,413	(2,866)
Arising from dilution of equity interests in subsidiaries	-	-	-	-	-	-	6,478	6,478	11,422	17,900
Share-based payment transactions in a subsidiary	-	-	-	-	2,493	-	-	2,493	1,855	4,348
ESOS lapsed	-	-	-	-	(3,944)	-	3,944	-	-	-
Total transactions with owners	20,497	(485)	-	-	(1,451)	-	4,143	22,704	16,694	39,398
Effects of the new Companies Act, 2016	15,153	(15,153)	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2017</b>	<u>230,281</u>	<u>-</u>	<u>24,663</u>	<u>11,307</u>	<u>2,493</u>	<u>(950)</u>	<u>8,700</u>	<u>276,494</u>	<u>53,415</u>	<u>329,909</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes to the interim financial report and the audited financial statements for the financial year ended 31 March 2017.)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

	<b>TWELVE MONTHS ENDED 31 MARCH</b>	
	<b>2018</b>	<b>2017</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>Unaudited</b>	<b>Audited</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	(141,298)	(11,131)
Adjustment for non-cash items:		
Bad debts written off	149	347
Depreciation and amortisation	8,279	9,191
Equity settled share-based payment transactions	1,413	5,469
Loss on disposal of a subsidiary	17,556	-
Net loss/(gain) on disposal of property, plant and equipment	114	(6)
Loss on dilution of equity interest in associates	2,014	1,147
Gain on disposal of associate	(38)	-
Impairment losses on goodwill	3,746	-
Impairment losses on investment in associates	3,742	-
Impairment losses on other investments	26,670	-
Impairment losses on receivables	11,241	3,800
Impairment losses on slow moving and obsolete stocks	3,116	-
Impairment losses on software development	39,685	-
Impairment loss on property, plant and equipment	16,900	-
Interest expense	9,047	9,921
Interest income	(1,152)	(2,083)
Net loss on fair value adjustments on other investments	1,570	1,445
Net loss on disposal of other investments	250	-
Net unrealised loss/(gain) on foreign currency exchange	442	(660)
Property, plant and equipment written off	-	215
Provision for post-employment benefits	580	138
Reversal of impairment loss on trade receivables	(758)	(262)
Share of results of associates	(4,064)	(8,509)
Software development costs written off	-	27
Write off of deposits	6	-
Operating (loss) / profit before working capital changes	<u>(790)</u>	<u>9,049</u>
Net changes in assets	(30,355)	38,041
Net changes in liabilities	21,382	(17,538)
Net cash (used in) / generated from operations	<u>(9,763)</u>	<u>29,552</u>
Tax paid	(7,346)	(8,517)
Tax refund	421	49
Net cash (used in) / generated from operating activities	<u>(16,688)</u>	<u>21,084</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of subsidiaries, net of cash acquired	-	4
Acquisition of additional shares in subsidiaries	(1,470)	(2,865)
Addition of software development	(540)	(35,483)
Disposal of interest in subsidiaries	28,106	144
Disposal of a subsidiary, net of cash disposed off	(11,513)	-
Interest received	1,145	2,082
Net repayment to associates	-	(331)
Net placement of fixed deposits pledged	8,391	1,264
Proceeds from disposal of interest in an associate	1,653	-
Proceeds from disposal of other investments	2,039	3,062
Proceeds from disposal of property, plant and equipment	60	84
Purchase of other investments	-	(406)
Purchase of property, plant and equipment	(5,304)	(12,564)
Net cash from/(used in) investing activities	<u>22,567</u>	<u>(45,009)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net (repayment)/drawdown of borrowings	(18,685)	1,120
Ordinary share capital contributed by non-controlling interests of a subsidiary	-	17,756
Net proceeds from shares issued pursuant to private placement	-	18,996
Interest paid	(9,047)	(9,921)
Net cash (used in)/from financing activities	<u>(27,732)</u>	<u>27,951</u>
Net (decrease)/increase in cash and cash equivalents	(21,853)	4,026
Cash and cash equivalents at 1 April 2017/2016*	46,954	41,854
Effect of foreign exchange on opening balance	246	1,074
Cash and cash equivalents at 31 March 2018/2017*	<u>25,347</u>	<u>46,954</u>

\* Cash and cash equivalents at the beginning and end of the financial period are net of deposits pledged to banks.

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes to the interim financial report and the audited financial statements for the financial year ended 31 March 2017.)

**Notes to the Interim Financial Report  
For the Fourth Quarter Ended 31 March 2018**
**1 Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard ("FRS") 134, *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 March 2017. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the previous financial year ended 31 March 2017.

**2 Significant Accounting Policies**

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent annual financial statements for the financial year ended 31 March 2017, except for the adoption of the following FRSs and Amendments to FRSs during the current financial year: -

	Effective for financial periods beginning <u>on or after</u>
Amendments to FRS 12 Annual Improvements to FRS Standards 2014 - 2016 Cycle	1 January 2017
Amendments to FRS 107 Disclosure Initiative	1 January 2017
Amendments to FRS 112 Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017

The adoption of the above standards that are applicable from the financial year beginning on 1 April 2017 is not expected to result in any material impact on the financial position and results of the Group.

As stated in our audited financial statements for the financial year ended 31 March 2017, the Group has yet to adopt the Malaysian Financial Reporting Standards ("MFRS") framework, and has elected to be a transitioning entity which will only adopt the MFRS framework for the financial year ending 31 March 2019.

**3 Qualification of independent auditors' report on preceding annual audited financial statements**

The independent auditors' report on the annual audited financial statements for the financial year ended 31 March 2017 was not qualified.

**4 Seasonal and cyclical factors**

The business of the Group was not affected by any significant seasonal and cyclical factors during the current financial year under review.

**5 Unusual items due to their nature, size or incidence**

Saved as disclosed in note 2 and note 6 of this report, there were no unusual items affecting the assets, liabilities, equity, net income, or cash flows due to their nature, size, or incidence during the current financial year under review.

**6 Material changes in estimates**

There were no material changes in estimates of amounts reported in prior financial years. Thus, there is no material effect in the financial statements of the current financial year under review.

**7 Debt and equity securities**

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial year under review except Allotment of 820,600 new ordinary shares pursuant to the exercise of Employee Share Grant Plan ("ESGP").

**8 Dividends paid**

No dividends have been paid during the current financial year under review.

**Notes to the Interim Financial Report  
For the Fourth Quarter Ended 31 March 2018**
**9 Segmental reporting**

The Group's reportable segments were identified as follows: -

- Business Performance Services - Provision of business performance improvement related services.
- Trading & Distribution Services - Distribution and reselling of hardware and software and related services.
- Digital & Infrastructure Services - Provision of a comprehensive range of tele/data communication, networking solutions and related services.

Other operating segments that do not constitute reportable segments comprise operations related to property development and investment holding.

<b>Business Segments</b>	<b>Business Performance Services RM'000</b>	<b>Trading &amp; Distribution Services RM'000</b>	<b>Digital &amp; Infrastructure Services RM'000</b>	<b>Others RM'000</b>	<b>Eliminations RM'000</b>	<b>Total RM'000</b>
<b>Twelve Months Financial Year Ended 31 March 2018</b>						
External sales	186,065	150,954	16,668	286	-	353,973
Inter segment sales	45,972	1,825	2,396	1,809	(52,002)	-
Total Sales	<u>232,037</u>	<u>152,779</u>	<u>19,064</u>	<u>2,095</u>	<u>(52,002)</u>	<u>353,973</u>
Segment results	(49,068)	(4,903)	(16,106)	(33,752)	(33,638)	(137,467)
Share of results of associates	-	-	-	4,064	-	4,064
Interest expense	(1,806)	(1,599)	(743)	(5,350)	451	(9,047)
Interest Income	716	235	175	477	(451)	1,152
Profit / (Loss) before taxation	<u>(50,158)</u>	<u>(6,267)</u>	<u>(16,674)</u>	<u>(34,561)</u>	<u>(33,638)</u>	<u>(141,298)</u>
Segment assets	<u>339,240</u>	<u>116,477</u>	<u>4,970</u>	<u>298,264</u>	<u>(376,723)</u>	<u>382,228</u>
<b>Twelve Months Financial Year Ended 31 March 2017</b>						
External sales	192,649	200,022	27,253	283	-	420,207
Inter segment sales	57,203	7,574	9,778	21,918	(96,473)	-
Total Sales	<u>249,852</u>	<u>207,596</u>	<u>37,031</u>	<u>22,201</u>	<u>(96,473)</u>	<u>420,207</u>
Segment results	3,894	8,161	(6,584)	12,355	(29,628)	(11,802)
Share of results of associates	-	-	-	8,509	-	8,509
Interest expense	(2,228)	(1,306)	(1,441)	(5,930)	984	(9,921)
Interest Income	1,034	252	342	1,357	(902)	2,083
(Loss) / Profit before taxation	<u>2,700</u>	<u>7,107</u>	<u>(7,683)</u>	<u>16,291</u>	<u>(29,546)</u>	<u>(11,131)</u>
Segment assets	<u>424,221</u>	<u>118,944</u>	<u>100,869</u>	<u>461,630</u>	<u>(528,199)</u>	<u>577,465</u>

**10 Carrying amount of revalued assets**

There were no changes to the valuation of property, plant and equipment during the current financial year under review.

**11 Changes in the composition of the group**
**Subsidiary**

During the current financial year under review, Omesti Holdings Berhad ("OHB"), a wholly-owned subsidiary of the Company, disposed off a total of 529,332,292 ordinary shares in Diversified Gateway Solutions Berhad ("DGSB"), a 54.47% owned subsidiary of OHB, for a total cash consideration of RM30,106,387, at a price range of RM0.0355 to RM0.1250 per DGSB share. Following the disposals, OHB holds 15.43% of DGSB and DGSB ceased to be a subsidiary of OHB. However, the Company regards DGSB as its associate as the Group is still able to exercise significant influence over DGSB via Board representations.

**Associates**

During the current financial year under review, OHB disposed off a total of 2,302,200 ordinary shares in Ho Hup Construction Company Berhad ("Ho Hup") for a total cash consideration of RM1,653,129. Following this disposal, OHB's equity interest in Ho Hup has been decreased from 13.88% to 13.26%.

Saved as disclosed above, there were no other changes in the composition of the Group during the current financial year under review.

**Notes to the Interim Financial Report  
For the Fourth Quarter Ended 31 March 2018**

**12 Subsequent events**

There were no material events announced subsequent to the end of the current financial year under review up to the date of this announcement.

**13 Changes in contingent liabilities or contingent assets**

Corporate Guarantee granted by the following Companies during the current financial year under review are as follows:-

	<b>RM'000</b>
Omesti	
- to financial institution for facilities granted to subsidiaries	<u>1,490</u>
- to leasing party for leasing facilities to subsidiaries	<u>13,459</u>

**14 Capital commitments**

There were no capital commitments during the current financial year under review.

**15 Cash and bank balances**

The Group's bank borrowings as at the end of the reporting date can be analysed as follows:

	<b>As at 31.03.2018 RM'000</b>
Cash and bank balances	10,936
Fixed deposits with licensed financial institutions	<u>28,946</u>
	39,882
Less: Fixed deposits pledged with licensed banks	(14,350)
Less: Bank overdraft	<u>(185)</u>
	<u>25,347</u>



**Additional information required by Bursa Securities Listing Requirements  
For the Fourth Quarter Ended 31 March 2018**
**1 Detailed analysis of performance**

The Group's revenue decreased in the current quarter under review by RM11.14 million or 11.7% as compared to the revenue in the corresponding quarter of the preceding financial year due to lower order fulfilments during the quarter under review.

For the financial year under review, the Group recorded a lower revenue, a decrease of 15.8% amounting to RM66.23 million as compared to the preceding financial period.

The detailed breakdown of revenue by business segments of the Group is as follows: -

	INDIVIDUAL QUARTER			CUMULATIVE PERIOD		
	THREE MONTHS ENDED 31 MARCH			TWELVE MONTHS ENDED 31 MARCH		
	2018	2017	Variance	2018	2017	Variance
	RM'000	RM'000	%	RM'000	RM'000	%
Business Performance Services	46,461	80,809	(42.5)	232,037	249,852	(7.1)
Trading & Distribution Services	38,074	38,014	0.2	152,779	207,596	(26.4)
Digital & Infrastructure Services	5,904	7,414	(20.4)	19,064	37,031	(48.5)
Others	753	4,593	(83.6)	2,095	22,201	(90.6)
	91,192	130,830	(30.3)	405,975	516,680	(21.4)
Less : Inter Segment Revenue	(7,441)	(35,938)		(52,002)	(96,473)	
Total Group Revenue	83,751	94,892	(11.7)	353,973	420,207	(15.8)

The detailed breakdown of (loss) / profit before tax by business segments of the Group is as follows: -

	INDIVIDUAL QUARTER			CUMULATIVE PERIOD		
	THREE MONTHS ENDED 31 MARCH			TWELVE MONTHS ENDED 31 MARCH		
	2018	2017	Variance	2018	2017	Variance
	RM'000	RM'000	%	RM'000	RM'000	%
Business Performance Services	(55,458)	6,181	NA	(50,158)	2,700	NA
Trading & Distribution Services	(6,853)	2,281	NA	(6,267)	7,107	NA
Digital & Infrastructure Services	(8,897)	(582)	NA	(16,674)	(7,683)	NA
Others	(25,806)	1,111	NA	(34,561)	16,291	NA
	(97,014)	8,991	NA	(107,660)	18,415	NA
Less : Elimination	(30,136)	(10,968)		(33,638)	(29,546)	
(Loss) / profit before tax	(127,150)	(1,977)	NA	(141,298)	(11,131)	NA

The Group posted a loss before tax of of RM141.30 million for the financial year ended 31 March 2018 as compared to a loss before tax of RM11.13 million recorded in the previous corresponding year. The significant loss before tax was mainly attributable to non-recurring impairments. The impairments made are as follows;

	RM'000
a) DGSB demerger charge & fair value adjustments	19,648
b) Impairment loss on other investments and associate	28,320
c) Impairment loss on goodwill, stocks and work in progress	24,494
d) Provision for doubtful debts and other receivables	10,539
e) Impairment loss on software development costs	39,685
	<u>122,686</u>
Impairments attributable to the Owners of the Parent	<u>99,616</u>

Without the impairments, the Group would have recorded a loss before tax of RM18.61 million for the financial year ended 31 March 2018, of which RM12.10 million was contributed by the start-up businesses.

**2 Variation of results against preceding quarter**

	3 months ended 31.03.2018 RM'000	3 months ended 31.12.2017 RM'000	Variance %
Revenue	<u>83,751</u>	<u>88,515</u>	(5.4)
Loss before tax ("LBT")	<u>(127,150)</u>	<u>(10,498)</u>	NA

The Group posted a decrease in revenue of RM4.76 million due to lower order fulfillment from the Distribution Services Segment, while the loss before tax was significantly impacted by non-operational and non-cash flow impairments.

**Additional information required by Bursa Securities Listing Requirements  
For the Fourth Quarter Ended 31 March 2018**
**3 Business prospects**

The Board has decided to take the painful but prudent steps of making the necessary impairments (and non recurring) which arose from the aggressive foray into several IT-related businesses which did not turn out well.

The Board and the management have undertaken a holistic review of the Group's future direction and operations. We can now articulate that we have realigned our focus and resources back to our core IT businesses which enjoy certain competitive advantages as well as greater clarity and certainty in earnings and cashflows.

We are therefore sanguine that the Group should return to the path of profitability in the medium term .

**4 Profit forecast**

Not applicable.

**5 Income tax expense**

	INDIVIDUAL QUARTER THREE MONTHS ENDED 31 MARCH		CUMULATIVE PERIOD TWELVE MONTHS ENDED 31 MARCH	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Current tax expense				
- Malaysian taxation	1,835	678	3,138	2,911
- Foreign taxation	132	600	618	874
	<u>1,967</u>	<u>1,278</u>	<u>3,756</u>	<u>3,785</u>
Under/(Over) provision in prior period				
- Malaysian taxation	(106)	1,203	246	2,084
- Foreign taxation	-	-	(28)	-
	<u>(106)</u>	<u>1,203</u>	<u>218</u>	<u>2,084</u>
	<u>1,861</u>	<u>2,481</u>	<u>3,974</u>	<u>5,869</u>
Deferred taxation				
- origination and reversal of temporary differences				
- Malaysian taxation	(2,104)	(2,460)	(2,314)	(2,049)
	<u>(243)</u>	<u>21</u>	<u>1,660</u>	<u>3,820</u>

The Group incurred an income tax expense despite recording a loss before tax for the current quarter under review as profits of certain subsidiaries cannot be set-off against losses of other subsidiaries for tax purposes as these subsidiaries are not able to satisfy the conditions for group relief and certain expenses were disallowed for tax deductions. The impairments and provisions made during the FYE 31 March 2018 are also not tax deductible.

**6 Status of corporate proposals**

On 15 November 2017, the Company announced that the Company proposes to implement a private placement of up to 51,401,900 new ordinary shares ("Placement Shares") in Omesti, to independent third party investor(s) to be identified ("Private Placement").

The listing application pursuant to the Private Placement was approved by Bursa Securities on 15 January 2018.

Saved as disclosed above, there were no other corporate proposals announced or outstanding as at the date of this report.

**Additional information required by Bursa Securities Listing Requirements  
For the Fourth Quarter Ended 31 March 2018**
**7 Borrowings and debt securities**

The Group's bank borrowings consist of term loan, invoice financing, lease creditors, trust receipts and bank overdraft, and are denominated in Ringgit Malaysia.

	<b>As at 31.03.2018 RM'000</b>
Short term bank borrowings - secured	74,817
Long term bank borrowings - secured	15,594
	<hr/>
	<b>90,411</b>

**8 Realised and Unrealised Profits or Losses**

The breakdown of retained earnings of the Group as at the reporting date, into realised and unrealised profits or losses, pursuant to the directive issued by Bursa Securities on 25 March 2010 and 20 December 2010, is as follows:

	<b>31.03.2018 RM'000</b>	<b>31.03.2017 RM'000</b>
Total retained earnings of the Group: -		
- Realised	(56,052)	30,613
- Unrealised	3,670	7,211
	<hr/>	<hr/>
	(52,382)	37,824
Less: Consolidation adjustments	(52,281)	(29,124)
Total Group retained earnings as per consolidated financial statements	<hr/> <b>(104,663)</b> <hr/>	<hr/> <b>8,700</b> <hr/>

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

The disclosure of realised and unrealised profits or losses above, is solely compliance with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

**9 Changes in material litigation**

Please refer to the Summary of Material Litigation attached for further details.

**10 Dividends**

No dividends have been paid during the current financial year under review.

**11 (Loss) / earnings per ordinary share**
**Basic (loss) / earnings per ordinary share**

Basic loss per ordinary share for the quarter and financial period under review is calculated based on the Group's loss after tax and non-controlling interests divided by the weighted average ("WA") number of ordinary shares in issue during the financial year.

	<b>INDIVIDUAL QUARTER THREE MONTHS ENDED 31 MARCH</b>		<b>CUMULATIVE PERIOD TWELVE MONTHS ENDED 31 MARCH</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
Loss after tax and non-controlling interests (RM'000)	(105,083)	(3,639)	(120,895)	(12,112)
Number of shares in issue as at beginning of the period/year ('000)	430,877	430,025	430,254	389,262
Effect of Private Placement of Shares ('000)	-	-	-	38,980
Effect of issuance of LTIP ('000)	198	230	821	2,013
Number of shares in issue as at end of the period/year ('000)	<hr/> 431,075 <hr/>	<hr/> 430,255 <hr/>	<hr/> 431,075 <hr/>	<hr/> 430,255 <hr/>
WA number of ordinary shares in issue ('000)	431,075	430,255	430,758	416,878
Basic loss per ordinary share (sen)	<hr/> <b>(24.38)</b> <hr/>	<hr/> <b>(0.85)</b> <hr/>	<hr/> <b>(28.07)</b> <hr/>	<hr/> <b>(2.91)</b> <hr/>

**Additional information required by Bursa Securities Listing Requirements  
For the Fourth Quarter Ended 31 March 2018**

**12 Loss before tax**

	<b>INDIVIDUAL QUARTER THREE MONTHS ENDED 31 MARCH</b>		<b>CUMULATIVE PERIOD TWELVE MONTHS ENDED 31 MARCH</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Loss before tax is arrived at after charging: -				
Bad debts written off	126	347	149	347
Depreciation and amortisation	1,818	2,409	8,279	9,191
Equity settled share-based payment transactions	45	329	1,413	5,469
Impairment losses on:				
- goodwill	3,746	-	3,746	-
- investment in an associate	3,742	-	3,742	-
- other investments	26,670	-	26,670	-
- trade and other receivables	11,374	2,738	11,241	3,800
- slow moving and obsolete stocks	3,115	-	3,116	-
- software development	39,685	-	39,685	-
- property, plant and equipment	16,900	-	16,900	-
Interest expenses	2,026	2,424	9,047	9,921
Loss on disposal of:				
- a subsidiary	17,556	-	17,556	-
- other investments	-	-	250	-
- property, plant and equipment	116	(9)	114	(6)
Loss on dilution of equity interest in associates	-	1,004	2,014	1,147
Net loss on fair value adjustment on other investments	-	-	1,570	1,445
Property, plant and equipment written off	-	70	-	215
Provision for post-employment benefits	369	(27)	580	138
Realised loss on foreign currency transactions	9	116	111	483
Unrealised loss on foreign currency translation	63	-	420	62
	<b>63</b>	<b>-</b>	<b>420</b>	<b>62</b>
	<b>INDIVIDUAL QUARTER THREE MONTHS ENDED 31 MARCH</b>		<b>CUMULATIVE PERIOD TWELVE MONTHS ENDED 31 MARCH</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
And crediting: -				
Interest income	245	429	1,152	2,083
Net gain on fair value adjustment on other investments	-	347	-	-
Reversal of impairment losses on:				
- trade receivables	-	161	758	262
Realised gain on foreign currency transactions	443	17	666	200
Share of profits of associates	179	1,669	4,064	8,509
Unrealised gain on foreign currency translation	-	302	-	564
	<b>-</b>	<b>302</b>	<b>-</b>	<b>564</b>

**SUMMARY OF STATUS OF MATERIAL LITIGATIONS AS AT 31 MAY 2018**
**A. MATERIAL LITIGATION AGAINST THE GROUP**

No.	Parties to the Suit	Case / Summons No.	Court	Latest Status
1	Risk Management and Safety Systems Pty Ltd ("RMSS") vs. 1. Omesti Berhad (formerly known as Formis Resources Berhad) ("Omesti"); 2. Chan Ngow; 3. Tan Sri Megat Najmuddin bin Datuk Seri Dr Haji Megat Khas; 4. Dato' Mah Siew Kwok; 5. Datuk Rahim bin Baba; 6. Dato' Hairuddin bin Mohamed; 7. Ahmad bin Khalid; 8. Dato' Thong Kok Khee; 9. Dato' Gan Nyap Liou @ Gan Nyap Liow; 10. Au Yong Kam Weng; 11. Mah Xian-Zhen; 12. Formis Bass Software Sdn Bhd; and 13. Bioserasi Sdn Bhd ("the Defendants") (collectively, " <b>the Defendants</b> ")	Civil Suit No. 22NCVC-439-04/2012  Court of Appeal Civil Appeal No. W-02(NCVC)(W)-1337-08/2014 Omesti & 8 Others vs. RMSS & 4 Others  Federal Court Civil Appeal No: 02(i)-54-05/2017(W)	Kuala Lumpur High Court  Court of Appeal  Federal Court	The Federal Court had on 15 May 2017 allowed RMSS' Notice of Motion dated 25 August 2016 for leave to appeal to the Federal Court against the decision of the Court of Appeal dated 28 July 2016.  Following the Federal Court's decision on 15 May 2017, RMSS filed a notice of appeal to the Federal Court on 17 May 2017 ("Appeal"). On 15 February 2018, the Federal Court proceeded to hear the Appeal and thereafter adjourned the matter to 27 April 2018 for continued hearing.  Prior to the continued hearing date and pursuant to negotiations between RMSS and Omesti, RMSS and Omesti have agreed to collaborate for the marketing and sale of RMSS' software licenses to Omesti's customers in Malaysia, whereby further details of the terms governing the marketing and sale of RMSS' software licenses will be set out in a separate contract to be negotiated and entered into between RMSS and Omesti. Pursuant thereto, on 10 April 2018, RMSS withdrew the Appeal with no order as to costs.