

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020**

	INDIVIDUAL QUARTER 3 MONTHS ENDED			CUMULATIVE PERIOD 12 MONTHS ENDED		
	31 March 2020 RM'000 Unaudited	31 March 2019 RM'000 Unaudited	Variance %	31 March 2020 RM'000 Unaudited	31 March 2019 RM'000 Audited	Variance %
Revenue	78,212	69,009	13.3	255,366	253,050	0.9
Cost of sales	(59,507)	(52,206)	14.0	(178,450)	(189,879)	(6.0)
Gross profit	18,705	16,803	11.3	76,916	63,171	21.8
Other income	1,925	985	95.4	28,541	3,166	>100.0
Other operating expenses	(18,933)	(14,778)	28.1	(70,763)	(78,607)	(10.0)
Finance costs	(2,670)	(1,724)	54.9	(8,504)	(7,984)	6.5
Share of results of associates, net of tax	3,134	950	>100.0	7,740	3,345	>100.0
Share of results of a jointly-controlled entity, net of tax	-	(128)	NA	(22)	(128)	(82.8)
Profit / (Loss) before tax	2,161	2,108	2.5	33,908	(17,037)	NA
Taxation	(1,560)	(513)	>100.0	(4,881)	(1,085)	>100.0
Profit / (Loss) for the financial period	<u>601</u>	<u>1,595</u>	(62.3)	<u>29,027</u>	<u>(18,122)</u>	NA
Other comprehensive income / (loss), net of tax						
Items that may be reclassified subsequently to profit or loss:						
- Foreign currency translation differences for foreign operations	745	50	>100.0	574	(48)	NA
- Share of other comprehensive loss of associates	-	-	NA	(2)	(59)	(96.6)
Other comprehensive income / (loss), net of tax	<u>745</u>	<u>50</u>	>100.0	<u>572</u>	<u>(107)</u>	NA
Total comprehensive income / (loss)	<u>1,346</u>	<u>1,645</u>	(18.2)	<u>29,599</u>	<u>(18,229)</u>	NA
Profit / (Loss) attributable to:-						
Owners of the Parent	(643)	941	NA	24,620	(18,257)	NA
Non-controlling interests	1,244	654	90.2	4,407	135	>100.0
Profit / (Loss) for the financial period	<u>601</u>	<u>1,595</u>	(62.3)	<u>29,027</u>	<u>(18,122)</u>	NA
Total comprehensive income / (loss) attributable to:-						
Owners of the Parent	42	971	(95.7)	25,150	(18,318)	NA
Non-controlling interests	1,304	674	93.5	4,449	89	>100.0
Total comprehensive income / (loss)	<u>1,346</u>	<u>1,645</u>	(18.2)	<u>29,599</u>	<u>(18,229)</u>	NA
(Loss) / Earnings per ordinary share (sen)						
- Basic and diluted	<u>(0.13)</u>	<u>0.20</u>		<u>5.10</u>	<u>(4.01)</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 2019.)

OMESTI BERHAD (530701-T)

Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020**

	As at 31 March 2020 RM'000 Unaudited	As at 31 March 2019 RM'000 Audited
ASSETS		
Non-Current Assets		
Right-of-use assets	8,161	-
Property, plant and equipment	6,765	8,647
Investment in associates	97,423	88,739
Investment in a jointly-controlled entity	-	22
Other intangible assets	78,442	10,555
Other investments	3,134	5,077
Investment properties	974	994
Other receivables	3,547	5,979
Goodwill on consolidation	38,027	38,027
Deferred tax assets	4,048	5,055
	240,521	163,095
Current Assets		
Other investments	110	106
Inventories	2,212	2,852
Trade receivables	75,262	46,114
Other receivables, deposits and prepayments	50,412	95,320
Contract assets	1,288	5,771
Amounts owing by associates	86	1
Amount owing by a jointly-controlled entity	401	77
Current tax assets	1,812	6,772
Cash and cash equivalents	40,875	37,927
	172,458	194,940
	412,979	358,035
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent		
Share capital	275,506	248,723
Other reserves	28,686	27,956
Accumulated losses	(113,785)	(135,345)
	190,407	141,334
Non-controlling interests	13,217	5,893
TOTAL EQUITY	203,624	147,227
Non-Current Liabilities		
Borrowings	5,066	9,983
Provision for post employment benefits	4,413	3,868
Deferred tax liabilities	14	2
	9,493	13,853
Current Liabilities		
Trade payables	60,817	38,257
Other payables, deposits and accruals	39,081	50,398
Contract liabilities	24,626	30,168
Amounts owing to associates	8	378
Amount due to joint venture	14	-
Borrowings	73,731	77,373
Current tax payables	1,585	381
	199,862	196,955
	209,355	210,808
TOTAL LIABILITIES	209,355	210,808
TOTAL EQUITY AND LIABILITIES	412,979	358,035
Net assets per share (RM)	0.3943	0.3104

(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 2019.)

OMESTI BERHAD (530701-T)
Incorporated in Malaysia

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

	----- Attributable to owners of the parent ----->						Total attributable to owners of the parent RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Capital reserve RM'000	Warrant reserve RM'000	Equity compensation reserve RM'000	Exchange translation reserve RM'000	Accumulated losses RM'000			
Unaudited									
12 months ended 31 March 2020									
Balance as at 1 April 2019, as previously reported	248,723	24,663	-	3,577	(284)	(135,345)	141,334	5,893	147,227
Effects of adoption of MFRS 16	-	-	-	-	-	54	54	58	112
Balance as at 1 April 2019	248,723	24,663	-	3,577	(284)	(135,291)	141,388	5,951	147,339
Profit for the financial year	-	-	-	-	-	24,620	24,620	4,407	29,027
Foreign currency translation for foreign operations, net of tax	-	-	-	-	532	-	532	42	574
Share of other comprehensive loss of associates, net of tax	-	-	-	-	(2)	-	(2)	-	(2)
Total comprehensive income	-	-	-	-	530	24,620	25,150	4,449	29,599
Transactions with owners									
Shares issued pursuant to Long Term Incentive Plan ("LTIP")	2,855	-	-	-	-	-	2,855	-	2,855
LTIP lapsed	-	3,777	-	-	-	-	3,777	2,439	6,216
Shares issued pursuant to private placement	23,928	-	-	-	-	-	23,928	-	23,928
Arising from accretion of equity interests in subsidiaries	-	-	-	-	-	(7,220)	(7,220)	(2,082)	(9,302)
Arising from dilution of equity interests in subsidiaries	-	-	-	-	-	4,106	4,106	5,099	9,205
Share-based payment transactions in a subsidiary	-	-	-	(3,577)	-	-	(3,577)	(2,639)	(6,216)
Total transactions with owners	26,783	3,777	-	(3,577)	-	(3,114)	23,869	2,817	26,686
Balance as at 31 March 2020	<u>275,506</u>	<u>28,440</u>	<u>-</u>	<u>-</u>	<u>246</u>	<u>(113,785)</u>	<u>190,407</u>	<u>13,217</u>	<u>203,624</u>

OMESTI BERHAD (530701-T)
Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020 (continued)**

	----- Attributable to owners of the parent ----->						Total attributable to owners of the parent RM'000	Non- controlling interests RM'000	Total equity RM'000
	----- Non-distributable ----->			----- <-Distributable ----->					
	Share capital RM'000	Capital reserve RM'000	Warrant reserve RM'000	Equity compensation reserve RM'000	Exchange translation reserve RM'000	Accumulated losses RM'000			
Audited									
12 months ended 31 March 2019									
Balance as at 1 April 2018, as previously reported	230,698	24,663	11,307	3,313	(251)	(115,411)	154,319	13,088	167,407
Effects of adoption of MFRSs:									
MFRS 9	-	-	-	-	-	(4,244)	(4,244)	(5,998)	(10,242)
MFRS 15	-	-	-	-	-	(4,596)	(4,596)	(3,365)	(7,961)
Balance as at 1 April 2018	230,698	24,663	11,307	3,313	(251)	(124,251)	145,479	3,725	149,204
Loss for the financial year	-	-	-	-	-	(18,257)	(18,257)	134	(18,123)
Foreign currency translation for foreign operations, net of tax	-	-	-	-	(2)	-	(2)	(46)	(48)
Share of other comprehensive loss of associates, net of tax	-	-	-	-	(31)	(28)	(59)	-	(59)
Total comprehensive loss for the financial period	-	-	-	-	(33)	(18,285)	(18,318)	88	(18,230)
Transactions with owners									
Shares issued pursuant to LTIP	608	-	-	-	-	-	608	-	608
Shares issued pursuant to private placement	16,318	-	-	-	-	-	16,318	-	16,318
Effects arising from disposal of a subsidiary	-	-	-	-	-	-	-	(109)	(109)
Arising from accretion of equity interests in subsidiaries	-	-	-	-	-	(3,881)	(3,881)	1,998	(1,883)
Share-based payment transactions in a subsidiary	-	-	-	264	-	-	264	191	455
Issuance of shares pursuant to exercise of warrant	1,099	-	(235)	-	-	-	864	-	864
Warrants lapsed	-	-	(11,072)	-	-	11,072	-	-	-
Total transactions with owners	18,025	-	(11,307)	264	-	7,191	14,173	2,080	16,253
Balance as at 31 March 2019	<u>248,723</u>	<u>24,663</u>	<u>-</u>	<u>3,577</u>	<u>(284)</u>	<u>(135,345)</u>	<u>141,334</u>	<u>5,893</u>	<u>147,227</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 2019.)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020**
12 MONTHS ENDED

	31 March 2020 RM'000 Unaudited	31 March 2019 RM'000 Audited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	33,908	(17,037)
Adjustments for:		
Bad debts recovered	-	(6)
Bad debts written off	6	196
Depreciation and amortisation	7,783	5,511
Equity settled share-based payment transactions	(3,361)	1,063
Impairment losses on receivables	156	6,667
Interest expense	8,253	7,878
Interest income	(910)	(824)
Inventories written off	991	2,516
Net gain on disposal of property, plant and equipment	(3)	-
Net loss on dilution of equity interest in associates	142	1,090
Loss on fair value adjustments on other investments	180	3,175
Net loss on disposal of:		
- investment in subsidiaries	(24,382)	1,497
- investment in an associate	-	2,346
Net unrealised loss / (gain) on foreign currency exchange	17	(1)
Property, plant and equipment written off	-	28
Provision for doubtful debts no longer required	(761)	-
Provision for gratuity obligations	-	182
Reversal of impairment loss on receivables	-	(5,700)
Share of profit of associates	(7,740)	(3,345)
Share of loss of a jointly-controlled entity	22	128
Write off of deposits	9	13
Operating profit before working capital changes	14,310	5,377
Net changes in assets	(43,277)	(14,715)
Net changes in liabilities	7,534	1,565
Cash used in operations	(21,433)	(7,773)
Tax paid	(2,986)	(3,618)
Tax refunded	6,302	1,083
Net cash used in operating activities	(18,117)	(10,308)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of additional interest in:		
- subsidiaries	(9,134)	(1,884)
- associates	-	(24)
- quoted investments	(1,086)	-
Acquisition of a subsidiary, net of cash acquired	-	(931)
Purchase of software development	(227)	-
Disposal of subsidiaries, net of cash disposed off	26,985	(233)
Interest received	906	821
Withdrawal / (Placement) of fixed deposits pledged	9,847	(492)
Proceeds from disposal of interest in an associate	-	8,130
Proceeds from disposal of property, plant and equipment	3	-
Purchase of property, plant and equipment	(901)	(559)
Purchase of investment in a jointly-controlled entity	-	(150)
Purchase of other intangible assets	-	(3,219)
Net cash from investing activities	26,393	1,459

OMESTI BERHAD (530701-T)
Incorporated in Malaysia

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020

12 MONTHS ENDED

	31 March 2020	31 March 2019
	RM'000	RM'000
	Unaudited	Audited
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayments of borrowings	(22,058)	(4,901)
Proceeds from conversion of warrants	-	864
Investment in Redeemable Preference Shares	(500)	-
Proceeds from Private Placement	23,928	-
Net proceeds from shares issued pursuant to private placement	9,205	16,318
Interest paid	(8,253)	(7,878)
Net cash from financing activities	2,322	4,403
Net increase / (decrease) in cash and cash equivalents	10,598	(4,446)
Cash and cash equivalents at beginning of financial year	21,185	25,632
Effect of changes in exchange rates	593	(1)
Cash and cash equivalents at end of financial year	<u>32,376</u>	<u>21,185</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 2019.)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FORTH QUARTER ENDED 31 MARCH 2020**
NOTES TO THE INTERIM FINANCIAL REPORT
1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements outlined in the Malaysian Financial Reporting Standard ("MFRS") 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 March 2019. The explanatory notes attached to the interim financial statements 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 2019.

2 Significant Accounting Policies

The significant accounting policies and methods of computation adopted 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 2019, except for the adoption of the following new MFRSs, amendments to MFRSs and IC interpretations that are effective from 1 January 2019: -

MFRS 16 *Leases*
 IC Interpretation 23 *Uncertainty over Income Tax Treatments*
 Amendments to MFRS 128 *Long-term Interests in Associates and Joint Ventures*
 Amendments to MFRS 9 *Prepayment Features with Negative Compensation*
 Amendments to MFRS 3 *Annual Improvements to MFRS Standards 2015-2017 Cycle*
 Amendments to MFRS 11 *Annual Improvements to MFRS Standards 2015-2017 Cycle*
 Amendments to MFRS 112 *Annual Improvements to MFRS Standards 2015-2017 Cycle*
 Amendments to MFRS 123 *Annual Improvements to MFRS Standards 2015-2017 Cycle*
 Amendments to MFRS 119 *Plan Amendment, Curtailment or Settlement*

The adoption of the above did not have any significant effects on the interim financial statements upon their initial application.

3 First-time adoption of MFRS 16

(i) Impact of first-time adoption of MFRS 16:

MFRS 16 - Leases

MFRS 16 introduces a new model for lessee accounting which eliminates the distinction between finance and operating leases. MFRS 16 requires lessees to recognise right-of-use assets and lease liabilities for all leases with a term more than 12 months. Off-balance sheet lease commitment disclosed previously is required to be accounted based on rights and obligations approach under MFRS 16. For lessors, MFRS 16 requires enhanced disclosure on the information about lessors' risk exposure, particularly to residual value risk.

The adoption of MFRS 16 constitutes a change in accounting policy and the Group has applied this standard to its leases with cumulative effect of initial application of MFRS 16 at 1 April 2019 in accordance with transition requirements. As such, the comparative figure of the report are remained unchanged.

First time adoption adjustments of MFRS 16 to the consolidated statement of financial position as at 1 April 2019 are as below:

Group	First time adoption adjustments		
	As at 31 March 2019	Effects of adoption of MFRS 16	As at 1 April 2019
	RM'000	RM'000	RM'000
Asset			
- Property, plant and equipment	8,647	(571)	8,076
- Right-of-use assets	-	7,033	7,033
- Other receivables	95,320	(13,647)	81,673
- Lease receivables	-	17,714	17,714
- Deferred tax asset	5,055	(35)	5,020
Liabilities			
- Borrowings	87,356	(13,386)	73,970
- Lease liabilities	-	23,768	23,768
Equity			
- Accumulated losses	(135,345)	54	(135,291)
- Non-controlling interests	5,893	58	5,951

OMESTI BERHAD (530701-T)

Incorporated in Malaysia

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FORTH QUARTER ENDED 31 MARCH 2020**

NOTES TO THE INTERIM FINANCIAL REPORT

4 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 2019 was not qualified.

5 Seasonal and cyclical factors

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

6 Unusual items due to their nature, size or incidence

Saved as disclosed in Note 2 and Note 7 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 period under review.

7 Material changes in estimates

There were no changes in estimates of amounts which have a material effect to the financial statements of the current financial period under review.

8 Debt and equity securities

During the current financial period under review, the Company allotted 5,389,910 new ordinary shares pursuant to the exercise of Employee Share Grant Plan ("ESGP").

Saved as disclosed above, there were no other 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 period under review.

9 Dividends paid

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FORTH QUARTER ENDED 31 MARCH 2020**
NOTES TO THE INTERIM FINANCIAL REPORT
10 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.

Business Segments	Business Performance Services RM'000	Trading & Distribution Services RM'000	Digital & Infrastructure Services RM'000	Others RM'000	Eliminations RM'000	Total RM'000
12 months ended 31 March 2020						
Unaudited						
External revenue	112,456	141,908	968	34	-	255,366
Inter segment revenue	47,610	9,043	4	1,960	(58,617)	-
Total revenue	<u>160,066</u>	<u>150,951</u>	<u>972</u>	<u>1,994</u>	<u>(58,617)</u>	<u>255,366</u>
Segment results	33,579	3,556	(508)	6,780	(9,874)	33,533
Share of results of associates	-	-	-	7,740	-	7,740
Share of results of a jointly-controlled entity	-	-	-	(22)	-	(22)
Interest expense	(2,564)	(1,294)	(26)	(4,369)	-	(8,253)
Interest income	624	174	-	112	-	910
Profit / (Loss) before tax	<u>31,639</u>	<u>2,436</u>	<u>(534)</u>	<u>10,241</u>	<u>(9,874)</u>	<u>33,908</u>
Segment assets	<u>273,584</u>	<u>123,085</u>	<u>2,380</u>	<u>237,716</u>	<u>(223,786)</u>	<u>412,979</u>
12 months ended 31 March 2019						
Audited						
External revenue	129,680	119,862	3,068	440	-	253,050
Inter segment revenue	31,304	15,644	50	2,171	(49,169)	-
Total revenue	<u>160,984</u>	<u>135,506</u>	<u>3,118</u>	<u>2,611</u>	<u>(49,169)</u>	<u>253,050</u>
Segment results	(2,163)	1,646	(3,164)	(83,437)	73,918	(13,200)
Share of results of associates	-	-	-	3,345	-	3,345
Share of results of a jointly-controlled entity	-	-	-	(128)	-	(128)
Interest expense	(2)	(3,479)	(114)	(4,388)	105	(7,878)
Interest income	543	264	2	120	(105)	824
Loss before tax	<u>(1,622)</u>	<u>(1,569)</u>	<u>(3,276)</u>	<u>(84,488)</u>	<u>73,918</u>	<u>(17,037)</u>
Segment assets	<u>252,376</u>	<u>100,309</u>	<u>382</u>	<u>172,651</u>	<u>(167,683)</u>	<u>358,035</u>

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FORTH QUARTER ENDED 31 MARCH 2020**
NOTES TO THE INTERIM FINANCIAL REPORT
11 Carrying amount of revalued assets

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

12 Changes in the composition of the Group

Man Yau Holdings Berhad ("MYHB"), a wholly-owned subsidiary of the Group has on 15 July 2019 disposed off 3,000,000 ordinary shares in Formis e Solutions Sdn. Bhd. ("FES"), a company incorporated in Malaysia that remained inactive, representing 100% of the equity interest for a total cash consideration of RM26,880,000 to an unrelated party. Following the disposal, FES ceased to be a subsidiary of the Company.

During the financial period under review, Omesti Holdings Berhad ("OHB"), a wholly-owned subsidiary of the Group acquired 1,529,200 ordinary shares in Microlink Solutions Berhad ("Microlink"), a 61.5% owned subsidiary of OHB, representing 0.9% of the total issued and paid-up share capital of Microlink for a total cash consideration of RM833,665. In December 2019, OHB's equity interest in Microlink has been diluted from 62.4% to 56.8% resulting from the private placement of 16,736,800 ordinary shares of Microlink. Subsequently, OHB acquired 9,864,900 ordinary shares in Microlink, representing 5.4% of the total issued and paid-up share capital of Microlink for a total consideration of RM8,648,613. Following the acquisition, OHB now holds 62.1% equity interest in Microlink.

OHB, a wholly-owned subsidiary of the Group has on 30 December 2019 and 24 February 2020 respectively subscribed to its entitlement of 3 and 2,997 new ordinary shares at an issue price of RM100.00 per share, representing 30% of the enlarged issued share capital of Crif Omesti Sdn. Bhd. ("Crif Omesti"), an existing 30% owned associated Company of OHB, for a total cash subscription price of RM300,000.

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

13 Subsequent events

Subsequent to the quarter end under review and up to the date of this announcement, OHB, a wholly-owned subsidiary of the Group acquired 2,734,700 ordinary shares in Microlink, a 62.1% owned subsidiary of OHB, representing 1.5% of the total issued and paid-up share capital of Microlink. Following the acquisition, OHB now holds 63.6% equity interest in Microlink.

Saved as disclosed above, there were no material events announced subsequent to the end of the current financial period under review up to the date of this announcement.

14 Changes in contingent liabilities or contingent assets

There were no changes in contingent liabilities or contingent assets during the current financial period under review.

15 Capital commitments

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

16 Cash and bank balances

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

	As at 31 March 2020 RM'000	As at 31 March 2019 RM'000
Cash and bank balances	29,853	20,381
Fixed deposits with licensed financial institutions	11,022	17,546
	<hr/>	<hr/>
	40,875	37,927
Less: Fixed deposits pledged with licensed banks	(4,711)	(15,051)
Less: Bank overdraft	(3,788)	(1,691)
	<hr/>	<hr/>
	<u>32,376</u>	<u>21,185</u>

Additional information required by Bursa Securities Listing Requirements
FOR THE FORTH QUARTER ENDED 31 MARCH 2020

1 Detailed analysis of performance

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

	INDIVIDUAL QUARTER 3 MONTHS ENDED			CUMULATIVE PERIOD 12 MONTHS ENDED		
	31 March 2020 RM'000 Unaudited	31 March 2019 RM'000 Unaudited	Variance %	31 March 2020 RM'000 Unaudited	31 March 2019 RM'000 Audited	Variance %
Business Performance Services	39,081	37,915	3.1	160,066	160,984	(0.6)
Trading & Distribution Services	48,311	42,695	13.2	150,951	135,506	11.4
Digital & Infrastructure Services	-	482	NA	972	3,118	(68.8)
Others	489	516	(5.2)	1,994	2,611	(23.6)
	87,881	81,608	7.7	313,983	302,219	3.9
Less : Inter Segment Revenue	(9,669)	(12,599)		(58,617)	(49,169)	
Total Group Revenue	78,212	69,009	13.3	255,366	253,050	0.9

The Group's revenue for the current quarter under review has increased to RM78.2 million or a increase of 13.3% as compared to the corresponding quarter of the preceding financial period mainly due to higher order fulfilments and progress billings in the Trading & Distribution Services segment.

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

	INDIVIDUAL QUARTER 3 MONTHS ENDED			CUMULATIVE PERIOD 12 MONTHS ENDED		
	31 March 2020 RM'000 Unaudited	31 March 2019 RM'000 Unaudited	Variance %	31 March 2020 RM'000 Unaudited	31 March 2019 RM'000 Audited	Variance %
Business Performance Services	2,201	2,514	(12.5)	31,639	(1,622)	NA
Trading & Distribution Services	8,157	(174)	NA	2,436	(1,569)	NA
Digital & Infrastructure Services	(55)	(812)	(93.2)	(534)	(3,276)	(83.7)
Others	(7,913)	(13,663)	(42.1)	10,241	(84,488)	NA
	2,390	(12,135)	NA	43,782	(90,955)	NA
Add : Elimination	(229)	14,243		(9,874)	73,918	
Profit / (Loss) before tax	2,161	2,108	2.5	33,908	(17,037)	NA

The Group posted a profit before tax of RM2.2 million for the current financial quarter as compared to a profit before tax of RM2.1 million as recorded in the previous corresponding quarter. The increase is mainly due to the higher gross profit margin achieved in the Trading & Distribution Services segment.

2 Variation of results against preceding quarter

	3 MONTHS ENDED		Variance %
	31 March 2020 RM'000	31 December 2019 RM'000	
Revenue	78,212	69,009	13.3
Profit before tax	2,161	2,108	2.5

The Group's revenue for the current quarter under review is 13.3% higher than that recorded for the immediate preceding quarter mainly due to higher external order fulfilments and progress billings from the Trading & Distribution segment.

The profit before tax for the current quarter under review is higher than that for the immediate preceding quarter is mainly contributed by higher external order fulfilments and progress billings from the Trading & Distribution segment.

**Additional information required by Bursa Securities Listing Requirements
FOR THE FORTH QUARTER ENDED 31 MARCH 2020**
3 Business prospects

The outbreak of COVID-19 and the subsequent Movement Control Order implemented in Malaysia have impacted all businesses across the nation. This situation has led to significant delays in the award of some projects that were expected to have materialised. Payments from customers have also been slow and are anticipated to remain so as companies strive to rebuild their income streams. The Group is no exception and has implemented a number of measures to conserve cash, including salary reductions across the organisation and cost-cutting initiatives.

Notwithstanding the above, the Board of Directors remain cautiously optimistic that the Group will be able to maintain its profitability in the coming financial year given the positive outlook of the ICT industry with the increased requirement for businesses to transform digitally and automate their operations to ensure long-term sustainability. This trend applies across all sectors of the Group's business portfolio including judiciary, financial institutions, logistics, telecommunications and utilities.

4 Profit forecast

Not applicable.

5 Taxation

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE PERIOD 12 MONTHS ENDED	
	31 March 2020 RM'000 Unaudited	31 March 2019 RM'000 Unaudited	31 March 2020 RM'000 Unaudited	31 March 2019 RM'000 Audited
Current tax expense	1,041	828	3,028	2,182
Under / (Over) provision in prior years	4	128	389	(453)
	1,045	956	3,417	1,729
Deferred taxation				
- Relating to originating and reversal of temporary differences	515	(443)	1,464	(644)
	1,560	513	4,881	1,085

The Group incurred an income tax expense with a higher effective interest rate for the financial period under review. This is because profits of certain subsidiaries cannot be set-off against losses of other subsidiaries for tax purposes.

6 Status of corporate proposals

On 20 December 2019, the Company announced that the Company proposes to implement a private placement of up to 47,856,100 new ordinary shares ("Placement Shares") in Omesti, to independent third party investor(s) to be identified ("Private Placement").

The listing application in relation to the Private Placement was approved by Bursa Securities on 6 February 2020.

On 14 February 2020, the Company announced that the issue price for the Placement Shares is fixed at RM0.50 per Placement Share to be issued pursuant to the Private Placement.

On 2 March 2020, the Company announced that the Private Placement was completed following the listing of and quotation in aggregate of 47,856,100 new shares of the Company.

On 3 June 2020, the Company announced that the Company proposes to implement a renounceable rights issue of up to 119,775,812 new redeemable preference shares ("RPS") in Omesti at an issue price of RM1.00 per RPS together with up to 279,476,894 free detachable warrants ("Warrants") on the basis of 1 RPS for every 5 existing ordinary shares in Omesti held and 7 Warrants for every 3 RPS subscribed at an entitlement date to be determined by the Board at a later date ("Proposed Rights Issue of RPS with Warrants").

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

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 RM.

**Additional information required by Bursa Securities Listing Requirements
FOR THE FORTH QUARTER ENDED 31 MARCH 2020**
8 Changes in material litigation

Save as disclosed below, the Group and its subsidiaries are not engaged in any other material litigations, claims or arbitration, either as plaintiff or defendant as at the date of this report:

Foster Moore International Limited ("the Plaintiff") vs. Formis Network Services Sdn. Bhd. ("FNS") and Omesti Berhad ("Omesti")

On 13 May 2020, the Group announced that the Company, together with FNS an indirect 51% owned subsidiary of Omesti (collectively "the Defendants"), have on 13 May 2020 received a Writ of Summons ("Writ") and Statement of Claim both dated 2 April 2020 filed by the Plaintiff. The amount claimed against the Defendants are as follows :

- i) the Defendants jointly and severally pay the Plaintiff the outstanding sum of USD769,827 (or RM3,204,405 based on the exchange rate of 4.1625 as at 5 March 2020);
- ii) interest at the rate of 1.5% per month on the following sums from the following due dates until the date of judgment:

No.	Invoice No.	Due Date (no later than 30 days after date of invoice or date of issuance)	Invoice Amount (USD)
1	105411	30.01.2019	214,300
2	105435	03.03.2019	214,300
3	105497	04.04.2019	207,270
4	105498	04.04.2019	7,030
5	105539	30.04.2019	143,382

- iii) post-judgment interest at the rate of 5% per annum on the judgment sum from the date of judgment until full and final settlement of the same;

iv) costs; and

v) any further and other relief as this Court deems appropriate.

The Group assessed that the expected losses arising from the litigation are the expenses in engaging advocates and solicitors to address the litigation and the cost of the litigation and litigation proceedings.

9 Dividends

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

10 (Loss) / Earnings per ordinary share
Diluted / Basic (loss) / earnings per ordinary share

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

	INDIVIDUAL QUARTER 3 MONTHS ENDED		CUMULATIVE PERIOD 12 MONTHS ENDED	
	31 March 2020 Unaudited	31 March 2019 Unaudited	31 March 2020 Unaudited	31 March 2019 Audited
Profit / (Loss) after tax and non-controlling interests (RM'000)	(643)	941	24,620	(18,257)
Number of shares in issue as at the beginning of financial year ('000)	478,562	476,955	477,592	431,075
Effect of issuance of LTIP ('000)	362	340	1,104	559
Effect of conversion of Warrant B ('000)	-	-	-	1,439
Effect of private placement ('000)	3,922	-	3,922	22,254
WA number of ordinary shares in issue ('000)	482,846	477,295	482,618	455,327
Basic / diluted (loss) / earnings per ordinary share (sen)	(0.13)	0.20	5.10	(4.01)