

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021**

	INDIVIDUAL QUARTER THREE MONTHS ENDED			CUMULATIVE PERIOD NINE MONTHS ENDED		
	31 DEC 2021 RM'000 Unaudited	31 DEC 2020 RM'000 Restated	Variance %	31 DEC 2021 RM'000 Unaudited	31 DEC 2020 RM'000 Restated	Variance %
Revenue	74,547	66,775	11.6	239,847	184,148	30.2
Cost of sales	(38,753)	(41,552)	(6.7)	(145,260)	(131,759)	10.2
Gross profit	35,794	25,223	41.9	94,587	52,389	80.5
Other income	2,128	549	NA	3,877	10,096	(61.6)
Other operating expenses	(28,274)	(23,551)	20.1	(77,077)	(55,883)	37.9
Finance costs	(5,562)	(3,094)	79.8	(14,176)	(6,971)	NA
Share of results of associates, net of tax	(2,339)	3,067	NA	(2,907)	6,206	NA
Profit before tax	1,747	2,194	(20.4)	4,304	5,837	(26.3)
Taxation	(3,469)	(74)	NA	(4,812)	(1,009)	NA
(Loss) / Profit for the financial period	<u>(1,722)</u>	<u>2,120</u>	NA	<u>(508)</u>	<u>4,828</u>	NA
<b>Other comprehensive (loss) / income, net of tax</b>						
Items that may be reclassified subsequently to profit or loss:						
- Foreign currency translation differences for foreign operations	(82)	(2)	NA	11	(47)	NA
<b>Other comprehensive (loss) / income, net of tax</b>	<u>(82)</u>	<u>(2)</u>	NA	<u>11</u>	<u>(47)</u>	NA
<b>Total comprehensive (loss) / income</b>	<u>(1,804)</u>	<u>2,118</u>	NA	<u>(497)</u>	<u>4,781</u>	NA
<b>(Loss) / Profit attributable to:-</b>						
Owners of the Parent	(4,701)	1,094	NA	(8,337)	2,187	NA
Non-controlling interests	2,979	1,026	NA	7,829	2,641	NA
<b>(Loss) / Profit for the financial period</b>	<u>(1,722)</u>	<u>2,120</u>	NA	<u>(508)</u>	<u>4,828</u>	NA
<b>Total comprehensive (loss) / income attributable to:-</b>						
Owners of the Parent	(4,783)	1,087	NA	(8,330)	2,128	NA
Non-controlling interests	2,979	1,031	NA	7,833	2,653	NA
<b>Total comprehensive (loss) / income</b>	<u>(1,804)</u>	<u>2,118</u>	NA	<u>(497)</u>	<u>4,781</u>	NA
(Loss) / Earnings per ordinary share (sen)						
- Basic and diluted	<u>(0.88)</u>	<u>0.11</u>		<u>(1.56)</u>	<u>0.41</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 2021.)*

**OMESTI BERHAD (200001028094 (530701 - T))**
**Incorporated in Malaysia**
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021**

	As at 31 DEC 2021 RM'000 Unaudited	As at 31 MARCH 2021 RM'000 Restated	As at 1 APR 2020 RM'000 Restated
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Right-of-Use assets	46,860	51,964	18,777
Property, plant and equipment	5,318	6,447	6,274
Investment in associates	86,517	88,738	93,517
Other intangible assets	237,937	180,521	78,442
Other investments	2,895	1,045	2,633
Investment properties	954	954	974
Goodwill on consolidation	38,457	38,027	38,027
Deferred tax assets	3,493	3,493	3,815
	<u>422,431</u>	<u>371,189</u>	<u>243,079</u>
<b>Current Assets</b>			
Other investments	483	99	110
Inventories	5,054	19,149	4,143
Trade receivables	53,748	39,426	78,162
Other receivables, deposits and prepayments	69,899	17,204	37,438
Contract assets	6,090	8,479	8,226
Amounts owing by associates	54	29	88
Amount owing by a jointly-controlled entity	646	705	402
Current tax assets	4,266	3,958	1,831
Cash and cash equivalents	50,547	130,547	40,875
	<u>190,787</u>	<u>219,596</u>	<u>171,275</u>
	<u>613,218</u>	<u>590,785</u>	<u>414,354</u>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Parent</b>			
Share capital	276,692	276,260	275,506
Other reserves	24,460	24,453	24,910
Warrant reserves	27,121	27,121	-
Accumulated losses	(136,390)	(114,392)	(111,881)
	<u>191,883</u>	<u>213,442</u>	<u>188,535</u>
<b>Non-controlling interests</b>	<u>52,138</u>	<u>49,721</u>	<u>10,688</u>
<b>TOTAL EQUITY</b>	<u>244,021</u>	<u>263,163</u>	<u>199,223</u>
<b>Non-Current Liabilities</b>			
Other payables, deposits & accruals	158	158	146
Borrowings	66,920	38,865	12,968
Provision for post employment benefits	5,143	4,798	4,413
Deferred tax liabilities	2	2	2
Redeemable Preference shares	82,896	79,320	-
	<u>155,119</u>	<u>123,143</u>	<u>17,529</u>
<b>Current Liabilities</b>			
Trade payables	23,999	33,161	60,733
Other payables, deposits and accruals	36,290	48,210	40,795
Contract liabilities	21,709	22,379	29,805
Amounts owing to associates	-	3	22
Amount due to joint venture	110	83	14
Borrowings	129,775	99,375	64,300
Current tax payables	2,195	1,268	1,933
	<u>214,078</u>	<u>204,479</u>	<u>197,602</u>
	<u>369,197</u>	<u>327,622</u>	<u>215,131</u>
<b>TOTAL LIABILITIES</b>	<u>369,197</u>	<u>327,622</u>	<u>215,131</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>613,218</u>	<u>590,785</u>	<u>414,354</u>
<b>Net assets per share (RM)</b>	<u>0.3598</u>	<u>0.4008</u>	<u>0.3905</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 2021.)*

**OMESTI BERHAD** (200001028094 (530701 - T))

Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021**

	----- Non-distributable -----							
	Share capital RM'000	Capital reserve RM'000	Warrant reserve RM'000	Exchange translation reserve RM'000	Accumulated losses RM'000	Total attributable to owners of the parent RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>Unaudited</b>								
<b>NINE Months Financial Period Ended 31 December 2021</b>								
<b>Balance as at 1 APRIL 2021</b>	276,260	24,663	27,121	(210)	(112,352)	215,482	49,721	265,203
Effects of adoption of Agenda Decision on IAS 23 Borrowing Costs	-	-	-	-	(2,040)	(2,040)	-	(2,040)
<b>Restated balance</b>	276,260	24,663	27,121	(210)	(114,392)	213,442	49,721	263,163
Profit / (loss) after tax for the financial period	-	-	-	-	(8,337)	(8,337)	7,829	(508)
Foreign currency translation for foreign operations, net of tax	-	-	-	7	-	7	4	11
Total comprehensive profit / (loss) for the financial period	-	-	-	7	(8,337)	(8,330)	7,833	(497)
<b>Transactions with owners</b>								
Shares issued pursuant to Employee Share Grant Plan ("ESGP")	432	-	-	-	-	432	2,944	3,376
Effects arising from acquisition of a subsidiary	-	-	-	-	-	-	116	116
Arising from accretion of equity interests in subsidiaries	-	-	-	-	(13,661)	(13,661)	(8,476)	(22,137)
Total transactions with owners	432	-	-	-	(13,661)	(13,229)	(5,416)	(18,645)
<b>Balance as at 31 DECEMBER 2021</b>	<u>276,692</u>	<u>24,663</u>	<u>27,121</u>	<u>(203)</u>	<u>(136,390)</u>	<u>191,883</u>	<u>52,138</u>	<u>244,021</u>

**OMESTI BERHAD** (200001028094 (530701 - T))

Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (continued)**

	----- Non-distributable -----							
	Share capital RM'000	Capital reserve RM'000	Warrant reserve RM'000	Exchange translation reserve RM'000	Accumulated losses RM'000	Total attributable to owners of the parent RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>Restated NINE Months Financial Period Ended 31 December 2020</b>								
<b>Balance as at 1 APRIL 2020</b>	275,506	24,663	-	247	(107,975)	192,441	10,688	203,129
Effects of adoption of Agenda Decision on IAS 23 Borrowing Costs	-	-	-	-	(3,906)	(3,906)	-	(3,906)
<b>Restated balance</b>	<b>275,506</b>	<b>24,663</b>	<b>-</b>	<b>247</b>	<b>(111,881)</b>	<b>188,535</b>	<b>10,688</b>	<b>199,223</b>
Profit after tax for the financial period	-	-	-	-	2,187	2,187	2,641	4,828
Foreign currency translation for foreign operations, net of tax	-	-	-	(59)	-	(59)	12	(47)
Total comprehensive profit for the financial period	-	-	-	(59)	2,187	2,128	2,653	4,781
<b>Transactions with owners</b>								
Shares issued pursuant to Long Term Incentive Plan ("LTIP")	-	-	-	-	-	-	487	487
Shares issued pursuant to Employee Share Grant Plan ("ESGP")	375	-	-	-	-	375	1,720	2,095
Shares issued pursuant to private placement	-	-	-	-	17,128	17,128	32,952	50,080
Arising from accretion of equity interests in subsidiaries	-	-	-	-	(7,569)	(7,569)	(2,916)	(10,485)
Dividend paid	-	-	-	-	(491)	(491)	-	(491)
Total transactions with owners	375	-	-	-	9,068	9,443	32,243	41,686
<b>Balance as at 31 DECEMBER 2020</b>	<b>275,881</b>	<b>24,663</b>	<b>-</b>	<b>188</b>	<b>(100,626)</b>	<b>200,106</b>	<b>45,584</b>	<b>245,690</b>

*(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 2021.)*

**OMESTI BERHAD** (200001028094 (530701 - T))  
Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021**

**NINE MONTHS ENDED**

	<b>31 DEC 2021</b>	<b>31 DEC 2020</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>Unaudited</b>	<b>Restated</b>
<b>CASH FLOWS USED IN OPERATING ACTIVITIES</b>		
Profit before tax	4,304	5,837
Adjustments for:		
Bad debts written off	2	2
Allowance for Diminution in Value no longer required	-	(3,812)
Depreciation and amortisation	25,655	5,070
Impairment losses on software development	-	(2,417)
Impairment losses on receivables	89	-
Interest expense	13,539	6,749
Interest income	(412)	(405)
Net gain on disposal of quoted investment	(1,131)	-
Net loss on fair value adjustments on other investments	280	-
Net unrealised gain on foreign currency exchange	(27)	(12)
Provision for gratuity	345	-
Share of results of associates	2,907	(6,206)
Operating profit before working capital changes	45,551	4,806
Net changes in assets	(57,096)	(30,340)
Net changes in liabilities	(23,588)	23,014
Net cash used in operations	(35,133)	(2,520)
Tax paid	(3,995)	(2,498)
Tax refunded	-	2
Net cash used in operating activities	(39,128)	(5,016)
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Purchase of additional shares in subsidiaries	(22,375)	(10,484)
Acquisition of interest in a subsidiary	(300)	-
Addition of software development expenditure	(58,175)	(45,639)
Interest received	410	403
Net placement of fixed deposits pledged	(11,748)	598
(Purchase)/ disposal of other investments	(882)	6,340
Purchase of shares in associates	(687)	(1,586)
Addition of Right-of-Use assets	(11,800)	-
Purchase of property, plant and equipment	(685)	(825)
Net cash used in investing activities	(106,242)	(51,193)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net drawdown of borrowings	50,335	15,342
Proceeds from shares issued pursuant to private placement in a subsidiary	-	50,080
Shares issued pursuant to Employee Share Grant Plan ("ESGP")	2,395	375
Interest paid	(9,258)	(6,083)
Net cash from financing activities	43,472	59,714
Net (decrease)/ increase in cash and cash equivalents	(101,898)	3,505
Cash and cash equivalents at 1 APRIL 2021/2020*	116,525	26,065
Effect of foreign exchange on opening balance	18	(68)
Cash and cash equivalents at 31 December 2021/2020*	14,645	29,502

\* 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 2021.)

**Notes to the Interim Financial Report**  
**For the Third Quarter Ended 31 December 2021**
**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 2021. 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 2021.

**2 Significant Accounting Policies**

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the financial statements for the financial year ended 31 March 2021 except for the newly-issued accounting framework - MFRS and IC Interpretations ("IC Int.") to be applied by all Entities Other Than Private Entities for the financial periods beginning on or after 1 January 2021:

Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)  
 Annual Improvements to MFRS Standards 2018 - 2020  
 Amendments to MFRS 3 Reference to the Conceptual Framework  
 Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use  
 Amendments to MFRS 137 Onerous Contracts - Cost of Fulfilling a Contract  
 Amendments to MFRS 101 Classification of Liabilities as Current or Non-current  
 MFRS 17 Insurance Contracts  
 Amendments to MFRS 17 Insurance Contracts  
 Disclosure of Accounting Policies (Amendments to MFRS 101 Presentation of Financial Statements)  
 Definition of Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)  
 Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 Income Taxes)  
 Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

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

**IFRIC Agenda Decision on IAS 23 Borrowing Costs relating to Over time transfer of constructed goods**

The IFRS Interpretations Committee ("IFRIC") in its March 2019 meeting concluded that any receivable, contract asset, inventories that an entity recognises over time are not a qualifying assets. The Malaysia Accounting Standard Board announced on 20 March 2019 that an entity shall apply the change in accounting policy as a result of this Agenda Decision to financial statements of annual reports beginning on or after 1 July 2020.

With the adoption of the IFRIC Agenda Decision, the Group has applied retrospectively in its restatement of financial position as at 1 July 2019 and throughout all comparative interim periods presented, to reflect the new policy.

The impact of the adoption of the IFRIC Agenda Decision are as follows:-

**Effects on Condensed Consolidated Statements of Profit or Loss**

	<----- Quarter ended 31 December 2020 ----->		
	As previously reported RM'000	Effect on adoption of IFRIC Agenda Decision RM'000	As restated RM'000
Share of results of associates, net of tax	1,201	1,865	3,066

	<----- Nine months ended 31 December 2020 ----->		
	As previously reported RM'000	Effect on adoption of IFRIC Agenda Decision RM'000	As restated RM'000
Share of results of associates, net of tax	4,340	1,865	6,205

**Effects on Condensed Consolidated Statements of Financial Position**

	<----- As at 1 April 2020 ----->		
	As previously reported	Effect on adoption of IFRIC Agenda Decision	As restated
<b>Assets</b>			
Investment in associates	97,423	(3,906)	93,517
<b>Equity</b>			
Accumulated losses	(107,975)	(3,906)	(111,881)
Net assets per share (RM)	0.3986	(0.0109)	0.3877

**OMESTI BERHAD (200001028094 (530701 - T))**  
**Incorporated in Malaysia**

**Notes to the Interim Financial Report**  
**For the Third Quarter Ended 31 December 2021**

**2 Significant Accounting Policies (cont'd)**

**Effects on Condensed Consolidated Statements of Financial Position (cont'd)**

	<----- As at 31 March 2021 ----->	
	As previously reported	Effect on adoption of IFRIC Agenda Decision
		As restated
<b>Assets</b>		
Investment in associates	90,778	(2,040)
	<u>90,778</u>	<u>88,738</u>
<b>Equity</b>		
Accumulated losses	(112,352)	(2,040)
Net assets per share (RM)	0.4047	(0.0074)
	<u>0.4047</u>	<u>0.3973</u>

**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 2021 was not qualified.

**4 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.

**5 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.

**6 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.

**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 period under review.

**8 Dividends paid**

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

**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.
- Healthcare Services - Distribution of pharmaceutical products, vaccines and medical devices and provision of various medical 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	Healthcare Services RM'000	Others RM'000	Eliminations RM'000	Total RM'000
<b>NINE Months Financial Period Ended 31 December 2021</b>							
<b>Unaudited</b>							
External revenue	127,628	101,205	42	9,136	1,836	-	239,847
Inter segment revenue	39,306	4,641	-	-	1,676	(45,623)	-
<b>Total Revenue</b>	<b>166,934</b>	<b>105,846</b>	<b>42</b>	<b>9,136</b>	<b>3,512</b>	<b>(45,623)</b>	<b>239,847</b>
Segment results	35,721	2,229	53	892	(20,333)	1,776	20,338
Share of results of associates	-	-	-	-	(2,907)	-	(2,907)
Share of results of a jointly-controlled entity	-	-	-	-	-	-	-
Interest expense	(10,101)	(536)	(17)	-	(2,885)	-	(13,539)
Interest Income	265	69	-	-	78	-	412
<b>Profit / (Loss) before tax</b>	<b>25,885</b>	<b>1,762</b>	<b>36</b>	<b>892</b>	<b>(26,047)</b>	<b>1,776</b>	<b>4,304</b>
Segment assets	909,366	73,137	2,499	11,403	218,896	(602,083)	613,218
<b>NINE Months Financial Period Ended 31 December 2020</b>							
<b>Restated</b>							
External revenue	79,927	102,669	27	-	1,525	-	184,148
Inter segment revenue	24,138	2,549	-	-	1,471	(28,158)	-
<b>Total Revenue</b>	<b>104,065</b>	<b>105,218</b>	<b>27</b>	<b>-</b>	<b>2,996</b>	<b>(28,158)</b>	<b>184,148</b>
Segment results	9,938	2,051	(886)	-	(2,435)	(2,693)	5,975
Share of results of associates	-	-	-	-	6,206	-	6,206
Share of results of a jointly-controlled entity	-	-	-	-	-	-	-
Interest expense	(1,996)	(953)	(22)	-	(3,784)	6	(6,749)
Interest Income	267	67	-	-	71	-	405
<b>Profit / (Loss) before tax</b>	<b>8,209</b>	<b>1,165</b>	<b>(908)</b>	<b>-</b>	<b>58</b>	<b>(2,687)</b>	<b>5,837</b>
Segment assets	415,424	77,979	4,130	-	442,315	(423,791)	516,057



**10 Carrying amount of revalued assets**

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

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

(i) During the financial period under review, Omesti Holdings Berhad ("OHB"), a wholly-owned subsidiary of the Group acquired 22,199,700 ordinary shares in Microlink Solutions Berhad ("Microlink") for a total cash consideration of RM25,007,269. During August 2021, OHB sold 1,820,000 ordinary shares in Microlink for a total cash consideration of RM2,747,802. Following the acquisitions, OHB now holds 59.89% equity interest in Microlink.

(ii) Omesti Berhad proposed acquisition of 20,000 ordinary shares and proposed subscription of 400,000 ordinary shares, representing 70% equity interest of

On 27 July 2021, Omesti Berhad announce that its wholly-owned subsidiary Omesti Holdings Berhad ("OHB") entered into the following agreements:

(a) Share Sale Agreement with Bemed Holding Sdn Bhd ("BHSB") to acquire 20,000 ordinary shares ("Shares") in BTSB for a total cash consideration of RM300,000.00 only ("Proposed Acquisition"); and

(b) Subscription Agreement with BTSB to subscribe for 400,000 Shares in BTSB for a total cash subscription price of RM400,000.00 only ("Proposed Subscription").

collectively referred to as the "Proposals".

This proposed acquisition have been completed on 30 August 2021.

Accordingly, BTSB is now a 70%-owned subsidiary of OHB and consequently an indirect 70%-owned subsidiary of Omesti.

(iii) Omesti Berhad proposed acquisitions of 70% equity interest in each of nine (9) additional Bemed pharmaceutical companies for a total cash consideration of RM15,800,000.

This proposed acquisitions have been completed on 28 January 2022.

Accordingly, the following Target Companies are now 70%-owned subsidiaries of OHB which in turn, indirect 70%-owned subsidiaries of Omesti:

1. BE MED SDN. BHD. ("Bmed")
2. BEMED VENTURES SDN. BHD. ("BVSB")
3. BB BOSS SDN. BHD. ("Bboss")
4. BEMED (ITT) SDN.BHD. ("BITT")
5. BEMED (PTJ) SDN.BHD. ("BPTJ")
6. BEMED PHARMA SDN. BHD. ("BPSB")
7. BEMED HEALTHCARE SDN. BHD. ("Bhealthcare")
8. BEMED LAGENDA SDN. BHD. ("BLSB"); and
9. BEMED MATAHARI SDN.BHD. ("BMSB").

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

**12 Subsequent events**

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

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

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

**14 Capital commitments**

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

**15 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 DEC 2021	As at 31 DEC 2020
	RM'000	RM'000
Cash and bank balances	27,872	29,502
Fixed deposits with licensed financial institutions	22,675	10,425
	<u>50,547</u>	<u>39,927</u>
Less: Fixed deposits pledged with licensed banks	(22,675)	(10,425)
Less: Bank overdraft	(13,227)	-
	<u>14,645</u>	<u>29,502</u>

**Additional information required by Bursa Securities Listing Requirements  
For the Third Quarter Ended 31 December 2021**
**1 Detailed analysis of performance**

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

	INDIVIDUAL QUARTER THREE MONTHS ENDED			CUMULATIVE PERIOD NINE MONTHS ENDED		
			Variance			Variance
	31 DEC 2021 RM'000 Unaudited	31 DEC 2020 RM'000 Restated	%	31 DEC 2021 RM'000 Unaudited	31 DEC 2020 RM'000 Restated	%
Business Performance Services	54,448	47,116	15.6	166,934	104,065	60.4
Trading & Distribution Services	37,814	31,456	20.2	105,846	105,218	0.6
Digital & Infrastructure Services	14	24	(41.7)	42	27	55.6
Healthcare Services	5,130	-	NA	9,136	-	NA
Others	-	2,007	NA	3,512	2,996	17.2
	97,406	80,603	20.8	285,470	212,306	34.5
Less : Inter Segment Revenue	(22,859)	(13,828)		(45,623)	(28,158)	
<b>Total Group Revenue</b>	<b>74,547</b>	<b>66,775</b>	<b>11.6</b>	<b>239,847</b>	<b>184,148</b>	<b>30.2</b>

The Group's revenue for the current quarter under review has increased to RM74.55 million, representing an increase of 11.6% as compared to the corresponding quarter of the preceding financial period mainly due to higher order fulfilments and progress billings in the Business Performance Services and higher order fulfilments in the Trading & Distribution Services.

The Group has also begun to recognise the financial contribution from the Healthcare Services segment since month of September 2021 following the completion of the acquisition into Bemed Tempua Sdn Bhd.

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

	INDIVIDUAL QUARTER THREE MONTHS ENDED			CUMULATIVE PERIOD NINE MONTHS ENDED		
			Variance			Variance
	31 DEC 2021 RM'000 Unaudited	31 DEC 2020 RM'000 Restated	%	31 DEC 2021 RM'000 Unaudited	31 DEC 2020 RM'000 Restated	%
Business Performance Services	10,985	5,505	99.5	25,885	8,209	NA
Trading & Distribution Services	1,338	578	NA	1,762	1,165	51.2
Digital & Infrastructure Services	213	(473)	NA	36	(908)	NA
Healthcare Services	24	-	NA	892	-	NA
Others	(13,034)	(613)	NA	(26,047)	58	NA
	(474)	4,997	NA	2,528	8,524	(70.3)
Less : Elimination	2,221	(2,803)		1,776	(2,687)	
<b>Profit before tax</b>	<b>1,747</b>	<b>2,194</b>	<b>(20.4)</b>	<b>4,304</b>	<b>5,837</b>	<b>(26.3)</b>

The Group posted a profit before tax of RM1.75 million for the current financial quarter against RM2.19 million recorded in the previous corresponding quarter mainly due to higher finance costs.

**2 Variation of results against preceding quarter**

	THREE MONTHS ENDED		Variance
	31 DEC 2021	30 SEPT 2021	
	RM'000	RM'000	
Revenue	74,547	98,768	(24.5)
Profit before tax	1,747	1,956	-10.7%

The Group's revenue for the current quarter under review has decreased to RM74.55 million, representing a decrease of 24.5% as compared to the immediate preceding quarter mainly due to lower order fulfilments from Business Performance Services and Trading & Distribution Services.

The lower profit before tax as compared to the immediate preceding quarter is mainly due to the lower revenue in this quarter.

**Additional information required by Bursa Securities Listing Requirements  
For the Third Quarter Ended 31 December 2021**
**3 Business prospects**

The unprecedented COVID-19 pandemic continues to affect economic and social activities throughout the world, with the imposition of lockdown orders and recovery phases. Although the pandemic has brought about serious challenges, it has also created business opportunities in the healthcare sector.

The Group has continued to expand its presence in the healthcare services segment by acquiring 70% interest in a chain of pharmacies, enabling the Group to establish its presence in the retail market for pharmaceutical goods and medical products. The Group is also committed in further increasing its investments in the healthcare services segment, mainly in medical care and vaccination drives, and also in digitising its operations, to further increase its operational efficiencies.

The Microlink Group of companies continues to register strong results in terms of revenues and profits with the several ongoing projects in hand. The sound performance of the Microlink Group is expected to continue over the foreseeable future.

The Group continues to hold a positive view on the outlook for the future in view of the continued growth of its healthcare services segment, coupled with the expected consistent performance of the Microlink Group.

**4 Profit forecast**

Not applicable.

**5 Taxation**

	INDIVIDUAL QUARTER THREE MONTHS ENDED		CUMULATIVE PERIOD NINE MONTHS ENDED	
	31 DEC 2021	31 DEC 2020	31 DEC 2021	31 DEC 2020
	RM'000 Unaudited	RM'000 Restated	RM'000 Unaudited	RM'000 Restated
Current tax expense				
- Malaysian taxation	3,469	74	4,812	1,009
Under provision in prior periods				
- Malaysian taxation	-	-	-	-
	3,469	74	4,812	1,009
Deferred taxation				
- origination and reversal of temporary differences				
- Malaysian taxation	-	-	-	-
Under provision in prior periods				
- Malaysian taxation	-	-	-	-
	3,469	74	4,812	1,009

The Group has incurred an income tax expense of RM 3.47 million for the financial period under review consists of taxation from certain subsidiaries.

**6 Status of corporate proposals**

On 7 April 2021, the Company announced that the Company has completed its Rights Issue of RPS with Warrants following the listing of and quotation for 106,441,367 RPS and 248,362,936 Warrants in Omesti.

The utilisation of proceeds are as follows:

	Proposed Utilisation	Actual Utilisation	Deviation
Funding for TM Project	56,580,000	56,580,000 Within 6 months	-
Repayment of borrowings	44,400,000	44,400,000 Within 6 months	-
Working capital	4,501,367	4,501,367 Within 12 months	-
Estimated expenses	960,000	960,000 Within 1 month	-
	<u>106,441,367</u>	<u>106,441,367</u>	

On 4 January 2022, the Company announced that the Company has awarded of 659,400 new ordinary shares ("Omesti Shares") at RM0.40 under the Restricted Share Plan ("RSP") under the ESGP ("Award") pursuant to the LTIP to the eligible employee on the vesting date: 10 January 2022.

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 redeemable preference shares, 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 Third Quarter Ended 31 December 2021****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:

- 1) Foster Moore International Limited ("the Plaintiff") vs. Formis Network Services Sdn. Bhd. ("FNS") and Omesti Berhad ("Omesti")  
Omesti Berhad ("OB") together with Formis Network Services Sdn Bhd ("FNS"), an indirect subsidiary of OB (collectively, the "Defendants"), had on 13 May 2020 received a Writ of Summons and Statement of Claim both dated 2 April 2020 from Foster Moore International Limited ("Plaintiff"), alleging that FNS has failed to pay the Plaintiff for works done in accordance with a master service agreement dated 20 November 2017 entered into between the Plaintiff, OB (as corporate guarantor to guarantee the payment obligation of FNS) and FNS. The works in question relate to the provision of services and deliverables by the Plaintiff to FNS in connection with an online register of companies' solution to the Companies Commission of Malaysia ("CCM").

The Plaintiff is seeking for, inter alia, the following orders from the Kuala Lumpur High Court ("the Court"):

- a) that the Defendants jointly and severally pay the Plaintiff an outstanding sum of USD0.8 million;
- b) interest at the rate of 1.5% per month for the sums due and owing amounting to an aggregate sum of USD0.8 million, calculated from the due date, being no later than 30 days after the date of the invoice or the date of issuance of the invoice, until the date of judgment;
- c) 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;
- d) costs; and
- e) any further and other relief as this Court deems appropriate.

The Defendants filed a statement of defence and counterclaim against the Plaintiff on 10 July 2020. In the counterclaim, the Defendants are claiming for, amongst others:

- (i) Damages for overpayment to the Plaintiff; and
- (ii) Licence fees in the approximate sum of USD1.0 million.

Subsequently, the Plaintiff filed its reply and defence to counterclaim on 4 September 2020 and the Defendants filed their reply to the Plaintiff's defence to counterclaim on 16 October 2020. Further the Defendants had received the Plaintiff amended reply to defence and counterclaim on 14 December 2020 and the Defendants had subsequently filed their amended reply to the Counterclaim on 4 January 2021.

The suit is presently fixed for a case management via e-review on 15 February 2022 for parties to file pre-trial documents, further, the suit is fixed for trial from 26 September 2022 to 29 September 2022.

The solicitors acting for and on behalf of the Defendants are of the view that the Defendants have a fair chance of defending the claim and also in succeeding with the counterclaim.

- 2) Formis Network Services Sdn Bhd ("FNS") vs Suruhanjaya Syarikat Malaysia ("SSM")

On 5 August 2019, CCM issued a termination notice ("Termination Notice") to FNS to terminate the outsourcing agreement dated 28 November 2017 entered into between CCM and FNS (which was supplemented by a first supplemental agreement dated 28 March 2019) for the supply, implementation, training, support and maintenance of CCM's Core Digital Registry Solution ("Outsourcing Agreement"). Pursuant to the Termination Notice, CCM alleged that FNS failed and/or neglected to complete the implementation of "Release 1" within the prescribed time frame set out in the notice of default dated 3 June 2019 issued by CCM and to fulfil all its obligations as stipulated in the Outsourcing Agreement. By reason thereof, CCM sought to terminate the Outsourcing Agreement and demanded liquidated ascertained damages in the sum of RM13.2 million from FNS.

FNS in response, via its letter dated 9 August 2019, denied CCM's allegations and took the position, amongst others, that the Termination Notice is unlawful and premature. In this regard, FNS took the position that if CCM continues to breach the Outsourcing Agreement, FNS will be constrained to commence proceedings against CCM and the indicative sum of damages sought (which is provided by the Outsourcing Agreement) would be RM150.0 million.

The parties thereafter engaged in a dispute resolution discussions as provided for under the terms of the Outsourcing Agreement.

On 8 July 2020, CCM via its solicitors issued a letter to FNS confirming that CCM has maintained its decision to terminate the Outsourcing Agreement in accordance with the Termination Notice, as CCM believes that no amicable solution can be reached between the parties.

FNS maintains the position that it is not in default of the Outsourcing Agreement and had filed a writ and statement of claim on 11 February 2021 against CCM. CCM had served their defence and counterclaim on FNS on 30 March 2021, claiming among others:

- a) RM 49,298,651.00 for liquidated ascertained damages ("LAD") allegedly owing by FNS to CCM due to delays and costs for the payment of licensing which CCM would not have had to allegedly incur, had the Core Project been completed as per the agreed timeline under the Outsourcing Agreement.
- b) Damages – to be assessed by Court
- c) Interests on all sums allegedly due
- d) Costs
- e) An order for the delivery of all the content, materials, designs, specifications, records, accounts, detailed report, data, document and any other information belonging to the CCM by FNS.

**Additional information required by Bursa Securities Listing Requirements  
For the Third Quarter Ended 31 December 2021**
**8 Changes in material litigation (cont.)**

FNS had filed and served its reply to CCM's defence and counterclaim on 12 May 2021 denying and disputing CCM's defence and counterclaim. Apart from the writ and statement of claim filed by FNS against CCM, FNS had on 28 April 2021 filed an injunction application against CCM to restrain CCM from, inter alia, using and/or disseminating FNS's intellectual property and/or confidential information including works created and/or products designed and/or developed by FNS in performing its obligations under the Outsourcing Agreement, until the final disposal and/or conclusion of the suit. Consequentially, FNS had subsequently filed a sealing application to ensure all documents in relation to FNS's confidential information and intellectual properties including works created and/or products designed and/or developed by FNS in performing its obligations under the Outsourcing Agreement are sealed and shall only be privy to parties named in the Suit and the Court. A Consent Order for the sealing application was recorded on 23 November 2021 and the Court further fixed 18 February 2022 for the Hearing of FNS's injunction application.

The solicitors acting for and on behalf of the FNS are of the view that FNS has a fair chance of succeeding in the claim and also in defending the counterclaim.

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**
**Basic / diluted (loss) / earnings per ordinary share**

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

	INDIVIDUAL QUARTER THREE MONTHS ENDED		CUMULATIVE PERIOD NINE MONTHS ENDED	
	31 DEC 2021	31 DEC 2020	31 DEC 2021	31 DEC 2020
	Unaudited	Restated	Unaudited	Restated
(Loss) / Profit after tax and non-controlling interests (RM'000)	(4,701)	597	(8,337)	2,187
Number of shares in issue as at beginning of the period ('000)	532,479	530,838	532,479	530,838
Effect of issuance of ESGP ('000)	774	96	257	96
WA number of ordinary shares in issue ('000)	533,253	530,934	532,736	530,934
Basic / diluted (loss) / earnings per ordinary share (sen)	(0.88)	0.11	(1.56)	0.41