

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	INDIVIDUAL QUARTER THREE MONTHS ENDED			CUMULATIVE PERIOD TWELVE MONTHS ENDED		
	31 MAR 2022 RM'000 Unaudited	31 MAR 2021 RM'000 Restated	Variance %	31 MAR 2022 RM'000 Unaudited	31 MAR 2021 RM'000 Restated	Variance %
Revenue	70,804	56,152	26.1	310,651	235,224	32.1
Cost of sales	(37,758)	(38,747)	(2.6)	(183,018)	(166,435)	10.0
Gross profit	33,046	17,405	89.9	127,633	68,789	85.5
Other income	2,412	42,229	(94.3)	6,289	60,340	(89.6)
Other operating expenses	(32,763)	(55,335)	(40.8)	(109,840)	(117,717)	(6.7)
Finance costs	(5,700)	(2,486)	NA	(19,876)	(9,687)	NA
Share of results of associates, net of tax	(1,703)	2,306	NA	(4,610)	6,575	NA
(Loss) / Profit before tax	(4,708)	4,119	NA	(404)	8,300	NA
Taxation	(3,190)	(1,109)	NA	(8,002)	(1,923)	NA
(Loss) / Profit for the financial period	<u>(7,898)</u>	<u>3,010</u>	NA	<u>(8,406)</u>	<u>6,377</u>	NA
Other comprehensive (loss) / income, net of tax						
Items that may be reclassified subsequently to profit or loss:						
- Foreign currency translation differences for foreign operations	(143)	27	NA	(132)	(483)	(72.7)
- Share of other comprehensive loss of associates	-	-	NA	-	(5,715)	NA
Other comprehensive (loss) / income, net of tax	<u>(143)</u>	<u>27</u>	NA	<u>(132)</u>	<u>(6,198)</u>	(97.9)
Total comprehensive (loss) / income	<u>(8,041)</u>	<u>3,037</u>	NA	<u>(8,538)</u>	<u>179</u>	NA
(Loss) / Profit attributable to:-						
Owners of the Parent	(11,340)	(1,492)	NA	(19,677)	(1,199)	NA
Non-controlling interests	3,442	4,502	(23.5)	11,271	7,576	48.8
(Loss) / Profit for the financial period	<u>(7,898)</u>	<u>3,010</u>	NA	<u>(8,406)</u>	<u>6,377</u>	NA
Total comprehensive (loss) / income attributable to:-						
Owners of the Parent	(11,479)	(1,450)	NA	(19,809)	(7,371)	NA
Non-controlling interests	3,438	4,487	(23.4)	11,271	7,550	49.3
Total comprehensive (loss) / income	<u>(8,041)</u>	<u>3,037</u>	NA	<u>(8,538)</u>	<u>179</u>	NA
(Loss) / Earnings per ordinary share (sen)						
- Basic and diluted	<u>(2.11)</u>	<u>(0.28)</u>		<u>(3.69)</u>	<u>(0.23)</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 MARCH 2022**

	As at 31 MAR 2022 RM'000 Unaudited	As at 31 MARCH 2021 RM'000 Restated	As at 1 APR 2020 RM'000 Restated
ASSETS			
Non-Current Assets			
Right-of-Use assets	40,839	51,964	18,777
Property, plant and equipment	8,137	6,447	6,274
Investment in associates	85,585	88,738	93,517
Other intangible assets	257,967	180,521	78,442
Other investments	1,205	1,045	2,633
Investment properties	694	954	974
Goodwill on consolidation	50,642	38,027	38,027
Deferred tax assets	3,493	3,493	3,815
	<u>448,562</u>	<u>371,189</u>	<u>243,079</u>
Current Assets			
Other investments	3,861	99	110
Inventories	13,344	19,149	4,143
Trade receivables	57,354	39,426	78,162
Other receivables, deposits and prepayments	34,946	17,204	37,438
Contract assets	7,924	8,479	8,226
Amounts owing by associates	72	29	88
Amount owing by a jointly-controlled entity	781	705	402
Current tax assets	6,925	3,958	1,831
Cash and cash equivalents	97,767	130,547	40,875
	<u>222,974</u>	<u>219,596</u>	<u>171,275</u>
	<u>671,536</u>	<u>590,785</u>	<u>414,354</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity attributable to owners of the Parent			
Share capital	276,949	276,260	275,506
Other reserves	24,321	24,453	24,910
Warrant reserves	27,121	27,121	-
Accumulated losses	(133,544)	(114,392)	(111,881)
	<u>194,847</u>	<u>213,442</u>	<u>188,535</u>
Non-controlling interests	<u>93,589</u>	<u>49,721</u>	<u>10,688</u>
TOTAL EQUITY	<u>288,436</u>	<u>263,163</u>	<u>199,223</u>
Non-Current Liabilities			
Other payables, deposits & accruals	158	158	146
Borrowings	60,233	38,865	12,968
Provision for post employment benefits	5,406	4,798	4,413
Deferred tax liabilities	11	2	2
Redeemable Preference shares	84,126	79,320	-
	<u>149,934</u>	<u>123,143</u>	<u>17,529</u>
Current Liabilities			
Trade payables	39,998	33,161	60,733
Other payables, deposits and accruals	30,506	48,210	40,795
Contract liabilities	16,234	22,379	29,805
Amounts owing to associates	304	3	22
Amount due to joint venture	70	83	14
Borrowings	141,462	99,375	64,300
Current tax payables	4,592	1,268	1,933
	<u>233,166</u>	<u>204,479</u>	<u>197,602</u>
	<u>383,100</u>	<u>327,622</u>	<u>215,131</u>
TOTAL LIABILITIES	<u>383,100</u>	<u>327,622</u>	<u>215,131</u>
TOTAL EQUITY AND LIABILITIES	<u>671,536</u>	<u>590,785</u>	<u>414,354</u>
Net assets per share (RM)	<u>0.3628</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 MARCH 2022**

	----- 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
Unaudited								
TWELVE Months Financial Period Ended 31 March 2022								
Balance as at 1 APRIL 2021	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)
Restated balance	276,260	24,663	27,121	(210)	(114,392)	213,442	49,721	263,163
Profit / (loss) after tax for the financial period	-	-	-	-	(19,677)	(19,677)	11,271	(8,406)
Foreign currency translation for foreign operations, net of tax	-	-	-	(132)	-	(132)	-	(132)
Total comprehensive profit / (loss) for the financial period	-	-	-	(132)	(19,677)	(19,809)	11,271	(8,538)
Transactions with owners								
Shares issued pursuant to Employee Share Grant Plan ("ESGP")	689	-	-	-	-	689	2,944	3,633
Shares issued pursuant to private placement	-	-	-	-	-	-	31,341	31,341
Effects arising from acquisition of a subsidiary	-	-	-	-	-	-	1,665	1,665
Arising from accretion of equity interests in subsidiaries	-	-	-	-	525	525	(3,353)	(2,828)
Total transactions with owners	689	-	-	-	525	1,214	32,597	33,811
Balance as at 31 MARCH 2022	<u>276,949</u>	<u>24,663</u>	<u>27,121</u>	<u>(342)</u>	<u>(133,544)</u>	<u>194,847</u>	<u>93,589</u>	<u>288,436</u>

OMESTI BERHAD (200001028094 (530701 - T))

Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022 (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
Restated								
TWELVE Months Financial Period Ended 31 MARCH 2021								
Balance as at 1 APRIL 2020	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)
Restated balance	<u>275,506</u>	<u>24,663</u>	<u>-</u>	<u>247</u>	<u>(111,881)</u>	<u>188,535</u>	<u>10,688</u>	<u>199,223</u>
Profit after tax for the financial period	-	-	-	-	(1,199)	(1,199)	7,576	6,377
Foreign currency translation for foreign operations, net of tax	-	-	-	(457)	-	(457)	(26)	(483)
Share of other comprehensive loss of associates, net of tax	-	-	-	-	(5,715)	(5,715)	-	(5,715)
Total comprehensive profit for the financial period	-	-	-	(457)	(6,914)	(7,371)	7,550	179
Transactions with owners								
Shares issued pursuant to Long Term Incentive Plan ("LTIP")	-	-	-	-	-	-	487	487
Shares issued pursuant to Employee Share Grant Plan ("ESGP")	753	-	-	-	-	753	2,183	2,936
Arising from accretion of equity interests in subsidiaries	-	-	-	-	(12,690)	(12,690)	(3,034)	(15,724)
Arising from dilution of equity interests in subsidiaries	-	-	-	-	17,094	17,094	32,986	50,080
Redeemable preferences shares with warrants	-	-	27,121	-	-	27,121	-	27,121
Dividend paid	-	-	-	-	-	-	(1,139)	(1,139)
Total transactions with owners	<u>753</u>	<u>-</u>	<u>27,121</u>	<u>-</u>	<u>4,404</u>	<u>32,278</u>	<u>31,483</u>	<u>63,761</u>
Balance as at 31 MARCH 2021	<u><u>276,259</u></u>	<u><u>24,663</u></u>	<u><u>27,121</u></u>	<u><u>(210)</u></u>	<u><u>(114,391)</u></u>	<u><u>213,442</u></u>	<u><u>49,721</u></u>	<u><u>263,163</u></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 2021.)

OMESTI BERHAD (200001028094 (530701 - T))

Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022**

	TWELVE MONTHS ENDED	
	31 MAR 2022	31 MAR 2021
	RM'000 Unaudited	RM'000 Restated
CASH FLOWS USED IN OPERATING ACTIVITIES		
Profit before tax	(404)	8,300
Adjustments for:		
Bad debts (recovered) / written off	(25)	24
Depreciation and amortisation	34,859	21,350
Equity settled share-based payment transactions	-	3,423
Impairment losses on software development	1,042	-
Impairment losses on receivables	866	21,167
Impairment loss on investment property	240	-
Interest expense	19,059	9,364
Interest income	(1,006)	(481)
Inventories written off	592	1,312
Net gain on disposal of quoted investment	(1,710)	(4,042)
Loss on disposal of an associate	-	(36)
Net gain on disposal of property, plant and equipment	-	4
Net loss on dilution of equity interest in associates	-	5,643
Net gain on fair value adjustments on other investments	(188)	-
Net unrealised gain on foreign currency exchange	-	(27)
Provision for gratuity obligations	608	386
Reversal of impairment loss on trade receivables	(322)	(3,880)
Reversal of impairment loss on other receivables	-	(394)
Reversal of impairment loss on software development costs	-	(38,744)
Provision for stock obsolete no longer required	(215)	-
Share of loss/ (profit) results of associates	4,610	(6,575)
Operating profit before working capital changes	58,006	16,794
Net changes in assets	(28,035)	24,450
Net changes in liabilities	(30,471)	(27,048)
Net cash used in operations	(500)	14,196
Tax paid	(6,444)	(4,401)
Tax refunded	17	2
Net cash (used in)/ from operating activities	(6,927)	9,797
CASH FLOWS USED IN INVESTING ACTIVITIES		
Acquisition of interests in joint venture	-	(5)
Purchase of additional shares in subsidiaries	(24,860)	(15,724)
Acquisition of interest in a subsidiaries	(11,480)	-
Addition of software development expenditure	(78,245)	-
Interest received	1,005	481
Net placement of fixed deposits pledged	(12,752)	-
Purchase of other investments	(18,136)	(700)
Proceeds from disposal of other investments	16,615	6,341
Purchase of shares in associates	(1,462)	-
Purchase of other intangible assets	-	(65,654)
Purchase of property, plant and equipment	(762)	(2,689)
Net placement of deposits pledged to licensed banks	-	79
Net cash used in investing activities	(130,077)	(77,871)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown of borrowings	61,836	12,986
Net proceeds from Redeemable preference shares arrants with warrants	-	106,441
Shares issued pursuant to Employee Share Grant Plan ("ESGP")	3,633	-
Net proceeds of a private placement exercise in a subsidiary	31,341	50,080
Interest paid	(14,554)	(9,364)
Dividends paid	-	(1,139)
Net cash from financing activities	82,256	159,004
Net (decrease)/ increase in cash and cash equivalents	(54,748)	90,930
Cash and cash equivalents at 1 APRIL 2021/2020*	116,525	26,080
Effect of foreign exchange on opening balance	(120)	(485)
Cash and cash equivalents at 31 March 2022/2021*	61,657	116,525

* 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.)

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 March 2021 ----->		
	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	440	1,866	2,306

	<---- Twelve months ended 31 March 2021 ---->		
	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	4,709	1,866	6,575

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
Assets			
Investment in associates	97,423	(3,906)	93,517
Equity			
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 Fourth Quarter Ended 31 March 2022

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
Assets			
Investment in associates	90,778	(2,040)	88,738
Equity			
Accumulated losses	(112,352)	(2,040)	(114,392)
Net assets per share (RM)	0.4047	(0.0074)	0.3973

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
TWELVE Months Financial Period Ended 31 March 2022							
Unaudited							
External revenue	155,956	135,614	57	15,383	3,641	-	310,651
Inter segment revenue	65,769	9,226	-	-	480	(75,475)	-
Total Revenue	221,725	144,840	57	15,383	4,121	(75,475)	310,651
Segment results	56,960	16,649	(656)	2,187	15,756	(68,637)	22,259
Share of results of associates	-	-	-	-	(4,610)	-	(4,610)
Share of results of							
a jointly-controlled entity	-	-	-	-	-	-	-
Interest expense	(13,896)	(729)	(23)	(37)	(4,374)	-	(19,059)
Interest Income	814	95	-	-	97	-	1,006
Profit / (Loss) before tax	43,878	16,015	(679)	2,150	6,869	(68,637)	(404)
Segment assets	921,684	98,731	2,265	25,566	259,450	(636,160)	671,536
TWELVE Months Financial Period Ended 31 MARCH 2021							
Restated							
External revenue	99,344	131,456	41	-	4,383	-	235,224
Inter segment revenue	38,613	3,664	-	-	3,377	(45,654)	-
Total Revenue	137,957	135,120	41	-	7,760	(45,654)	235,224
Segment results	31,865	(10,681)	(2,050)	-	4,204	(12,730)	10,608
Share of results of associates	-	-	-	-	6,575	-	6,575
Share of results of							
a jointly-controlled entity	-	-	-	-	-	-	-
Interest expense	(2,703)	(1,599)	(30)	-	(5,440)	408	(9,364)
Interest Income	322	100	-	-	72	(13)	481
Profit / (Loss) before tax	29,484	(12,180)	(2,080)	-	5,411	(12,335)	8,300
Segment assets	436,502	73,698	2,537	-	560,293	(482,245)	590,785

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 26,915,700 ordinary shares in Microlink Solutions Berhad ("Microlink") for a total cash consideration of RM27,608,251. 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 50.57% 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 the total enlarged number of issued shares in Bemed Tempua Sdn Bhd ("BTSB") for a total cash consideration of RM 700,000.00.

On 27 July 2021, Omesti Berhad announced 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 was 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 was 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. ("BVS")
3. BB BOSS SDN. BHD. ("Bboss")
4. BEMED (ITT) SDN.BHD. ("BITT")
5. BEMED (PTJ) SDN.BHD. ("BPTJ")
6. BEMED PHARMA SDN. BHD. ("BPSP")
7. BEMED HEALTHCARE SDN. BHD. ("Bhealthcare")
8. BEMED LAGENDA SDN. BHD. ("BLSB"); and
9. BEMED MATAHARI SDN.BHD. ("BMSB").

Provisional goodwill amounting to RM12,614,395 was recognised upon the completion of acquisition for Bemed Tempua Sdn Bhd and all nine (9) additional Bemed pharmaceutical companies as at 31 March 2022. The provisional goodwill will be finalised within 12 months from the date of the completion of the acquisition.

- (iv) Heads Of Agreement ("HOA") Entered Into Between Omesti Berhad, Man Yau Holdings Berhad And Microlink Solutions Berhad

M&A Securities Sdn Bhd, on behalf of the Board of Directors of Omesti wishes to announce that the Company had on 19 January 2022 entered into a Heads of Agreement with Man Yau Holdings Berhad ("MYHB"), a wholly-owned subsidiary of Omesti, and Microlink Solutions Berhad ("Microlink"), wherein Omesti and MYHB on the one hand are desirous of undertaking the transfer of certain information technology projects to Microlink on the other hand, which will comprise and involve the following:

- (i) the proposed sale and transfer by Omesti of its rights and interests under the TMBSSP contracts in respect of a business support system project for Telekom Malaysia Berhad ("TMBSSP"), to Microlink ("Proposed Transfer of TMBSSP");
- (ii) the proposed sale and transfer by Omesti of 250,000 ordinary shares in Formis Research & Development Sdn Bhd, representing 100% of its equity interest, which is carrying out certain electronic services development and maintenance projects, to Microlink ("Proposed Share Sale of FRDSB"); and
- (iii) the proposed sale and transfer by MYHB of 10,000 ordinary shares in Omesti Assist Sdn Bhd, representing 100% of its equity interest, which is also carrying out certain electronic services development and maintenance projects, to Microlink ("Proposed Share Sale of OASB").
- (iv) all parties acknowledge that the definitive agreements shall be executed within 60 days from the date of the HOA, with an automatic extension of 30 days upon the expiry of such 60 days period (i.e. by 18 April 2022), or such further extended date as the parties may mutually agree upon ("Expiry Date").

On 12 April 2022, all parties executed a letter mutually agreeing to extend the Expiry Date for a period of 3 months, commencing from 19 April 2022 and expiring on 18 July 2022, subject to any further extension as may be mutually agreed upon between the parties.

- (v) On 2 March 2022, Omesti Holdings Berhad ("OHB"), a wholly-owned subsidiary has entered into a Joint Venture and Shareholders' Agreement with Tree Med Sdn Bhd ("TMSB") for the purpose of regulating the conditions for and the formation and operation of a joint venture company ("JVC") to be formed between OHB and TMSB ("JVSA").

The purpose of the JVSA is to formalise a collaboration between OHB and TMSB (collectively referred to as the "Parties") to pool resources for the common purpose of participating in and bidding for healthcare-related tenders and/or projects via the JVC.

- (vi) On 7 March 2022, Omesti Holdings Berhad ("OHB"), a wholly-owned subsidiary has entered into a Joint Venture and Shareholders' Agreement with Medical Innovation Ventures Sdn Bhd ("MEDIVEN") to regulate the conditions for the formation and operation of a joint venture company ("JVC") to be formed between OHB and MEDIVEN ("JVSA").

The purpose of the JVSA is to formalise a collaboration between OHB and MEDIVEN (collectively referred to as the "Parties") to pool resources for the common purpose of establishing and operating a test laboratory (which can conduct, amongst others, Polymerase Chain Reaction ("PCR") testing).

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

OMESTI BERHAD (200001028094 (530701 - T))

Incorporated in Malaysia

Notes to the Interim Financial Report

For the Fourth Quarter Ended 31 March 2022

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 MAR 2022	As at 31 MAR 2021
	RM'000	RM'000
Cash and bank balances	74,087	119,620
Fixed deposits with licensed financial institutions	<u>23,680</u>	<u>10,927</u>
	97,767	130,547
Less: Fixed deposits pledged with licensed banks	(23,680)	(10,927)
Less: Bank overdraft	<u>(12,430)</u>	<u>(3,095)</u>
	<u><u>61,657</u></u>	<u><u>116,525</u></u>

**Additional information required by Bursa Securities Listing Requirements
For the Fourth Quarter Ended 31 March 2022**
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 TWELVE MONTHS ENDED		
	Variance			Variance		
	31 MAR 2022 RM'000 Unaudited	31 MAR 2021 RM'000 Restated	%	31 MAR 2022 RM'000 Unaudited	31 MAR 2021 RM'000 Restated	%
Business Performance Services	54,791	38,282	43.1	221,725	137,957	60.7
Trading & Distribution Services	38,994	29,902	30.4	144,840	135,120	7.2
Digital & Infrastructure Services	15	14	7.1	57	41	39.0
Healthcare Services	6,247	-	NA	15,383	-	NA
Others	609	441	38.1	4,121	7,760	(46.9)
	100,656	68,639	46.6	386,126	280,878	37.5
Less : Inter Segment Revenue	(29,852)	(12,487)		(75,475)	(45,654)	
Total Group Revenue	<u>70,804</u>	<u>56,152</u>	26.1	<u>310,651</u>	<u>235,224</u>	32.1

The Group's revenue for the current quarter under review has increased to RM70.80 million, representing an increase of 26.1% 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 of 70% equity interest on 30 August 2021 for Bemed Tempua Sdn Bhd and the completion of acquired 70% interest in additional 9 Bemed pharmaceutical companies.

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

	INDIVIDUAL QUARTER THREE MONTHS ENDED			CUMULATIVE PERIOD TWELVE MONTHS ENDED		
	Variance			Variance		
	31 MAR 2022 RM'000 Unaudited	31 MAR 2021 RM'000 Restated	%	31 MAR 2022 RM'000 Unaudited	31 MAR 2021 RM'000 Restated	%
Business Performance Services	17,993	21,741	(17.2)	43,878	29,484	48.8
Trading & Distribution Services	14,253	(11,938)	NA	16,015	(12,180)	NA
Digital & Infrastructure Services	(715)	(871)	(17.9)	(679)	(2,080)	(67.4)
Healthcare Services	1,258	-	NA	2,150	-	NA
Others	32,916	(1,614)	NA	6,869	5,411	26.9
	65,705	7,318	NA	68,233	20,635	NA
Less : Elimination	(70,413)	(3,199)		(68,637)	(12,335)	
(Loss) / Profit before tax	<u>(4,708)</u>	<u>4,119</u>	NA	<u>(404)</u>	<u>8,300</u>	NA

The Group posted a loss before tax of RM4.71 million for the current financial quarter against profit before tax of RM4.12 million recorded in the previous corresponding quarter mainly due to share of losses contributed by an associate.

2 Variation of results against preceding quarter

	THREE MONTHS ENDED		
	31 MAR 2022	31 DEC 2021	Variance
	RM'000	RM'000	%
Revenue	<u>70,804</u>	<u>74,547</u>	(5.0)
(Loss) / Profit before tax	<u>(4,708)</u>	<u>1,747</u>	-369.5%

The Group's revenue for the current quarter under review has decreased to RM70.80 million, representing a decrease of 5% as compared to the immediate preceding quarter mainly due to lower order fulfilments from external sales in Business Performance Services.

The loss before tax as compared to the profit before tax in the immediate preceding quarter is mainly due to the share of losses contributed by an associate.

**Additional information required by Bursa Securities Listing Requirements
For the Fourth Quarter Ended 31 March 2022**
3 Business prospects

The recent global geopolitical conflicts resulting in war, trade sanctions, political instabilities and international unrest, amidst the tail-end of the covid pandemic era, have continued to impact the global and local economies, and also the Group financially.

Notwithstanding these challenges, the Group remains steadfast in pursuing its growth strategies in the healthcare services segment by completing its acquisition of 70% interest in a chain of pharmacies, and also by entering into a series of Joint Venture arrangements with various partners to offer the services of laboratory testing and participation of various healthcare-related projects. The Group will continue to leverage on this momentum by continuing and increasing its investment in the healthcare services segment, to develop new healthcare products and services and increase its foothold in the market.

The Microlink Group of Companies have registered strong profits and with its momentum achieved in FY2022, the Microlink Group is in a solid position to capitalise on the market opportunities for technology and talent services to spearhead its business growth in the short and medium term.

The Board is cautiously optimistic that with its growth strategies and momentum, the Group would turnaround in FY2023, assisted by the continued contribution of profits from Microlink Group.

4 Profit forecast

Not applicable.

5 Taxation

	INDIVIDUAL QUARTER THREE MONTHS ENDED		CUMULATIVE PERIOD TWELVE MONTHS ENDED	
	31 MAR 2022	31 MAR 2021	31 MAR 2022	31 MAR 2021
	RM'000 Unaudited	RM'000 Restated	RM'000 Unaudited	RM'000 Restated
Current tax expense				
- Malaysian taxation	3,190	1,109	8,002	1,923
Under provision in prior periods				
- Malaysian taxation	-	-	-	-
	3,190	1,109	8,002	1,923
Deferred taxation				
- origination and reversal of temporary differences				
- Malaysian taxation	-	-	-	-
Under provision in prior periods				
- Malaysian taxation	-	-	-	-
	3,190	1,109	8,002	1,923

The Group has incurred an income tax expense of RM 3.19 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	
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 25 October 2021, the Company announced that the Company awarded of 1,051,700 new ordinary shares ("Omesti Shares") at RM0.43 under the Restricted Share Plan ("RSP") under the ESGP ("Award") pursuant to the LTIP to the eligible employee on the vesting date: 29 October 2021.

On 4 January 2022, the Company announced that the Company awarded of 659,400 new ordinary shares ("Omesti Shares") at RM0.3893 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 Fourth Quarter Ended 31 March 2022**
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

- (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 on 15 May 2023 for parties to finalise pre-trial documents, further, the suit now fixed for trial from 5th to 9th June 2023. The previous trial dates that were fixed in September 2022 was vacated due to other high priority cases.

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 Fourth Quarter Ended 31 March 2022**
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 19 May 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 TWELVE MONTHS ENDED	
	31 MAR 2022	31 MAR 2021	31 MAR 2022	31 MAR 2021
	Unaudited	Restated	Unaudited	Restated
(Loss) / Profit after tax and non-controlling interests (RM'000)	(11,340)	(1,492)	(19,677)	(1,199)
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)	4,557	406	599	96
WA number of ordinary shares in issue ('000)	537,036	531,244	533,078	530,934
Basic / diluted (loss) / earnings per ordinary share (sen)	(2.11)	(0.28)	(3.69)	(0.23)