

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

	INDIVIDUAL QUARTER THREE MONTHS ENDED			CUMULATIVE PERIOD NINE MONTHS ENDED		
	31 DEC 2023 RM'000 Unaudited	31 DEC 2022 RM'000 Unaudited	Variance %	31 DEC 2023 RM'000 Unaudited	31 DEC 2022 RM'000 Unaudited	Variance %
<b><u>Continuing Operations</u></b>						
Revenue	38,783	40,421	(4.1)	90,687	92,593	(2.1)
Cost of sales	(26,174)	(18,974)	37.9	(49,266)	(54,666)	(9.9)
Gross profit	12,609	21,447	(41.2)	41,421	37,927	9.2
Other income	7,661	1,684	NA	15,401	191,906	(92.0)
Other operating expenses	(25,046)	(25,260)	(0.8)	(61,413)	(61,212)	0.3
Finance costs	(4,842)	(6,014)	(19.5)	(14,753)	(17,012)	(13.3)
Share of results of associates, net of tax	(7,517)	2,164	(447.4)	(7,828)	3,428	NA
(Loss) / profit before tax from continuing operations	(17,135)	(5,979)	NA	(27,172)	155,037	(117.5)
Taxation	(199)	162	NA	(810)	162	NA
(Loss) / profit for the financial period from continuing operations	(17,334)	(5,817)	NA	(27,982)	155,199	(118.0)
<b><u>Discontinued Operations</u></b>						
(Loss)/Profit before tax from discontinued operations	-	-	NA	-	7,388	NA
Taxation	-	-	NA	-	(801)	NA
Profit for the financial period from discontinued operations	-	-	NA	-	6,587	NA
<b>(Loss)/ profit for the financial period</b>	<b>(17,334)</b>	<b>(5,817)</b>	NA	<b>(27,982)</b>	<b>161,786</b>	<b>(117.3)</b>
<b>Other comprehensive income, net of tax</b>						
Items that may be reclassified subsequently to profit or loss:						
- Foreign currency translation differences for foreign operations	(1)	100	NA	76	108	(29.6)
- Share of other comprehensive loss of associates	151	(96)	NA	(100)	(96)	NA
<b>Other comprehensive loss, net of tax</b>	<b>150</b>	<b>4</b>	NA	<b>(24)</b>	<b>12</b>	NA
<b>Total comprehensive (loss) / income</b>	<b>(17,184)</b>	<b>(5,813)</b>	NA	<b>(28,006)</b>	<b>161,798</b>	NA
<b>(Loss)/ profit attributable to:-</b>						
Owners of the Parent	(17,090)	(6,024)	NA	(28,314)	158,000	NA
Non-controlling interests	(244)	207	NA	332	3,786	(91.2)
<b>(Loss)/ profit for the financial period</b>	<b>(17,334)</b>	<b>(5,817)</b>	NA	<b>(27,982)</b>	<b>161,786</b>	NA
<b>Total comprehensive (loss)/ income attributable to:-</b>						
Owners of the Parent	(16,941)	(5,924)	NA	(28,338)	158,106	NA
Non-controlling interests	(243)	111	NA	332	3,692	(91.0)
<b>Total comprehensive (loss) / income</b>	<b>(17,184)</b>	<b>(5,813)</b>	NA	<b>(28,006)</b>	<b>161,798</b>	NA
(Loss)/ profit per ordinary share (sen)						
- Basic and diluted	(3.16)	(1.13)		(5.24)	29.57	

(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 2023.)

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023**

	As at 31 DEC 2023 RM'000 Unaudited	As at 31 MAR 2023 RM'000 Audited
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Right-of-Use assets	47,715	26,992
Property, plant and equipment	2,793	1,862
Investment in associates	227,468	309,246
Other intangible assets	159,068	161,909
Other investments	122	1,796
Investment properties	659	674
Goodwill on consolidation	14,099	14,099
Deferred tax assets	728	721
	<u>452,652</u>	<u>517,299</u>
<b>Current Assets</b>		
Inventories	8,465	12,213
Trade receivables	25,418	15,456
Other receivables, deposits and prepayments	12,486	19,777
Non-current Assets Held for Sale	60,056	-
Contract assets	21	38
Amount due from related parties	-	5,584
Amounts owing by associates	404	84
Amount owing by a jointly-controlled entity	747	1,267
Current tax assets	1,921	1,485
Cash and cash equivalents	40,716	49,296
	<u>150,234</u>	<u>105,200</u>
	<u>602,886</u>	<u>622,499</u>
<b>TOTAL ASSETS</b>		
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	279,795	279,795
Other reserves	23,500	23,423
Warrant reserves	27,121	27,121
Retained profits/ Accumulated losses	(37,452)	442
	<u>292,964</u>	<u>330,781</u>
<b>Non-controlling interests</b>	<u>5,696</u>	<u>(4,115)</u>
<b>TOTAL EQUITY</b>	<u>298,660</u>	<u>326,666</u>
<b>Non-Current Liabilities</b>		
Other payables, deposits & accruals	-	439
Borrowings	26,346	16,695
Provision for post employment benefits	116	116
Deferred tax liabilities	32	2
Redeemable Preference shares	93,247	89,222
	<u>119,741</u>	<u>106,474</u>
<b>Current Liabilities</b>		
Trade payables	16,585	7,428
Other payables, deposits and accruals	52,195	42,846
Contract liabilities	24	25
Amount due to related parties	31,987	31,941
Amounts owing to associates	149	1,090
Amount due to joint venture	35	20
Borrowings	83,325	105,989
Current tax payables	185	20
	<u>184,485</u>	<u>189,359</u>
	<u>304,226</u>	<u>295,833</u>
<b>TOTAL LIABILITIES</b>	<u>304,226</u>	<u>295,833</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>602,886</u>	<u>622,499</u>
<b>Net assets per share (RM)</b>	<u>0.5419</u>	<u>0.6192</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 2023.)*

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

Incorporated in Malaysia

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

	----- Non-distributable -----							
	Share capital RM'000	Capital reserve RM'000	Warrant reserve RM'000	Exchange translation reserve RM'000	Retained profits / 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 2023</b>								
<b>Balance as at 1 APRIL 2023</b>	279,795	24,663	27,121	(1,240)	442	330,781	(4,115)	326,666
Profit after tax for the financial period	-	-	-	-	(28,314)	(28,314)	332	(27,982)
Foreign currency translation for foreign operations, net of tax	-	-	-	77	(1)	76	-	76
Share of other comprehensive loss of associates, net of tax	-	-	-	-	(100)	(100)	-	(100)
Total comprehensive profit for the financial period	-	-	-	77	(28,415)	(28,338)	332	(28,006)
<b>Transactions with owners</b>								
Arising from decreation of equity interests in subsidiaries	-	-	-	-	(9,479)	(9,479)	9,479	-
Total transactions with owners	-	-	-	-	(9,479)	(9,479)	9,479	-
<b>Balance as at 31 DECEMBER 2023</b>	<u>279,795</u>	<u>24,663</u>	<u>27,121</u>	<u>(1,163)</u>	<u>(37,452)</u>	<u>292,964</u>	<u>5,696</u>	<u>298,660</u>

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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
 FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023 (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>Unaudited</b>								
<b>Nine Months Financial Period Ended 31 DECEMBER 2022</b>								
<b>Balance as at 1 APRIL 2022</b>	276,949	24,663	27,121	(1,000)	(133,114)	194,619	92,662	287,281
(Loss) / profit after tax for the financial period	-	-	-	-	158,000	158,000	3,786	161,786
Foreign currency translation for foreign operations, net of tax	-	-	-	106	-	106	2	108
Share of other comprehensive loss of associates, net of tax	-	-	-	-	-	-	(96)	(96)
Total comprehensive (loss) / profit for the financial period	-	-	-	106	158,000	158,106	3,692	161,798
<b>Transactions with owners</b>								
Shares issued pursuant to Employee Share Grant Plan ("ESGP")	2,498	-	-	-	-	2,498	513	3,011
Effects arising from disposal of a subsidiary	-	-	-	-	-	-	(106,203)	(106,203)
Arising from accretion of equity interests in subsidiaries	-	-	-	-	6,912	6,912	6,609	13,521
Dividend paid	-	-	-	-	-	-	(225)	(225)
Total transactions with owners	2,498	-	-	-	6,912	9,410	(99,306)	(89,896)
<b>Balance as at 31 DECEMBER 2022</b>	<b>279,447</b>	<b>24,663</b>	<b>27,121</b>	<b>(894)</b>	<b>31,798</b>	<b>362,135</b>	<b>(2,952)</b>	<b>359,183</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 2023.)*

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

	NINE MONTHS ENDED	
	31 DEC 2023 RM'000 Unaudited	31 DEC 2022 RM'000 Unaudited
<b>CASH FLOW USED IN OPERATING ACTIVITIES</b>		
(Loss) / profit before tax from continuing operations	(27,172)	155,037
Profit before tax from discontinued operations	-	7,388
	<u>(27,172)</u>	<u>162,425</u>
Adjustments for:		
Bad debts written off	-	236
Depreciation and amortisation	23,527	23,601
Impairment losses on software development	-	2,511
Impairment loss on receivables	(1)	4,287
Interest expense	13,379	16,396
Interest income	(458)	(431)
Net gain on disposal of quoted investment	(125)	(21)
Deemed gain on disposal of subsidiary	-	(184,772)
Net gain on disposal of subsidiaries	-	(4,291)
Net (gain) / loss on disposal of associates	(9,673)	196
Loss on reclassification of asset held for sale	1,031	-
Net loss on fair value adjustments on other investments	-	124
Dilution loss on equity interest	2,210	-
Provision for gratuity obligations	-	6
Reversal of impairment loss on trade receivables	-	(68)
Provision of stock obsolescence no longer required	-	(107)
Dilution gain on ESGP	-	(421)
Impairment loss on joint venture	100	-
Gain on disposal of a subsidiary	3,616	-
Crystallisation of impairment of an amount due from a disposed subsidiary	(3,672)	-
Gain on disposal of Right-of-Use assets	(3)	-
Gain on disposal of property, plant and equipment	4	-
Unrealised gain on foreign currency	46	-
Share of (gain)/ loss results of associates	7,828	(3,428)
	<u>10,637</u>	<u>16,243</u>
Operating profit before working capital changes	10,637	16,243
Net changes in assets	6,658	(66,007)
Net changes in liabilities	3,317	(10,683)
Net cash from / (used in) operations	20,612	(60,447)
Tax paid	(1,196)	(1,656)
Tax refunded	108	99
Net cash from operating activities	<u>19,524</u>	<u>(62,004)</u>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Acquisitions of additional interests in a subsidiary	-	(475)
Net disposal/(acquisition) of interest in associates	34,977	(21,335)
Addition of software development expenditure	-	(1,215)
Disposal of interest in subsidiaries	-	8,700
Interest received	458	431
Dividend received	-	2,629
Net placement of fixed deposits pledged	-	(499)
Proceeds from disposal of interest in an associate	-	87,020
Acquisition of assets of property, plant and equipment	(46,439)	(1,201)
Purchase of other investments	-	(9,655)
Net proceeds from disposal of quoted securities	1,799	-
Net cash (used in) / from investing activities	<u>(9,205)</u>	<u>64,400</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net (repayment)/ drawdown of borrowings	(25,753)	(31,999)
Shares issued pursuant to Employee Share Grant Plan ("ESGP")	-	2,498
Net proceeds from hire purchase and lease creditors	16,560	-
Interest paid	(13,379)	(12,620)
Net cash (used in) / from financing activities	<u>(22,572)</u>	<u>(42,121)</u>
Net decrease in cash and cash equivalents	(12,253)	(39,725)
Cash and cash equivalents at 1 APRIL 2023/2022*	20,697	61,401
Effect of foreign exchange on opening balance	95	122
Cash and cash equivalents at 30 September 2023/2022*	<u>8,539</u>	<u>21,798</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 2023.)

OMESTI BERHAD (200001028094 (530701 - T))

Incorporated in Malaysia

Notes to the Interim Financial Report

For the Third Quarter Ended 31 December 2023

#### 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 2023. 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 2023.

#### 2 Significant Accounting Policies

The accounting policies and methods of computation adopted by the Group in the interim financial statements are consistent with those adopted in the financial statements for the financial year ended 30 SEPTEMBER 2023:

MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts (Initial Application of MFRS 17 and MFRS 9 – Comparative Information)

Amendments to MFRS 101 Disclosure of Accounting Policies

Amendments to MFRS 108 Definition of Accounting Estimates

Amendments to MFRS 112 Deferred tax related to Assets and Liabilities arising from a Single Transaction

Amendments to MFRS 16 Lease liability in a sale and leaseback

Amendments to MFRS 101 Classification of Liabilities as Current or Non-current

Amendments to MFRS 101 Non-current Liabilities with Covenants

International Tax Reform—Pillar Two Model Rules (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.

#### 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 2023 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 2023</b>							
<b>Unaudited</b>							
<b>Continuing Operations</b>							
External revenue	72,665	-	42	17,189	791	-	90,687
Inter segment revenue	6,819	-	-	-	121	(6,940)	-
<b>Total Revenue</b>	<b>79,484</b>	<b>-</b>	<b>42</b>	<b>17,189</b>	<b>912</b>	<b>(6,940)</b>	<b>90,687</b>
Segment results	(347)	-	(153)	(2,118)	19,629	(23,433)	(6,423)
Share of results of associates	-	-	-	-	(7,828)	-	(7,828)
Share of results of a jointly-controlled entity	-	-	-	-	-	-	-
Interest expense	(9,929)	-	(6)	(216)	(3,228)	-	(13,379)
Interest Income	315	-	-	0	143	-	458
<b>(Loss)/ profit before tax</b>	<b>(9,961)</b>	<b>-</b>	<b>(159)</b>	<b>(2,335)</b>	<b>8,716</b>	<b>(23,433)</b>	<b>(27,172)</b>
Segment assets	618,132	-	3,209	24,330	331,685	(374,470)	602,886

**Nine Months Financial Period Ended 31 DECEMBER 2022**
**Unaudited**
**Continuing Operations**

External revenue	74,816	-	40	17,072	665	-	92,593
Inter segment revenue	7,945	-	-	-	365	(8,310)	-
<b>Total Revenue</b>	<b>82,761</b>	<b>-</b>	<b>40</b>	<b>17,072</b>	<b>1,030</b>	<b>(8,310)</b>	<b>92,593</b>
Segment results	10,228	-	(462)	300	217,980	(60,846)	167,200
Share of results of associates	-	-	-	-	3,428	-	3,428
Share of results of a jointly-controlled entity	-	-	-	-	-	-	-
Interest expense	(10,569)	-	(12)	(109)	(5,184)	-	(15,874)
Interest Income	242	-	-	-	41	-	283
<b>(Loss)/ profit before tax</b>	<b>(99)</b>	<b>-</b>	<b>(474)</b>	<b>191</b>	<b>216,265</b>	<b>(60,846)</b>	<b>155,037</b>
Segment assets	590,750	-	192	25,045	355,667	(327,322)	644,332

**Discontinued Operations**

External revenue	15,303	30,088	-	-	-	-	45,391
Inter segment revenue	13,814	2,540	-	-	-	(16,354)	-
<b>Total Revenue</b>	<b>29,117</b>	<b>32,628</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(16,354)</b>	<b>45,391</b>
Segment results	8,838	(163)	-	-	-	(913)	7,762
Interest expense	(185)	(337)	-	-	-	-	(522)
Interest Income	88	60	-	-	-	-	148
<b>Profit / (loss) before tax</b>	<b>8,741</b>	<b>(440)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(913)</b>	<b>7,388</b>

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

**Incorporated in Malaysia**

**Notes to the Interim Financial Report**

**For the Third Quarter Ended 31 December 2023**

**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 sold net 30,209,900 ordinary shares in Microlink Solutions Berhad ("Microlink") for a total cash consideration of RM23,408,510.50. Following these transactions, OHB now holds 33.511 % equity interest in Microlink.

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:

	<b>As at 31 DEC 2023 RM'000</b>	<b>As at 31 DEC 2022 RM'000</b>
Cash and bank balances	18,529	31,824
Fixed deposits with licensed financial institutions	<u>22,187</u>	<u>19,688</u>
	40,716	51,512
Less: Fixed deposits pledged with licensed banks	(22,187)	(19,688)
Less: Bank overdraft	<u>(9,990)</u>	<u>(10,026)</u>
	<u><u>8,539</u></u>	<u><u>21,798</u></u>



**Additional information required by Bursa Securities Listing Requirements  
For the Third Quarter Ended 31 December 2023**
**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		
	31 DEC 2023	31 DEC 2022	Variance	31 DEC 2023	31 DEC 2022	Variance
	RM'000 Unaudited	RM'000 Unaudited	%	RM'000 Unaudited	RM'000 Unaudited	%
<b>Continuing Operations</b>						
Business Performance Services	34,509	38,104	(9.4)	79,484	82,761	(4.0)
Trading & Distribution Services	-	-	NA	-	-	NA
Digital & Infrastructure Services	14	12	16.7	42	40	5.0
Healthcare Services	6,135	5,593	9.7	17,189	17,072	0.7
Others	297	187	NA	912	1,030	(11.5)
	40,955	43,896	(6.7)	97,627	100,903	(3.2)
Less : Inter Segment Revenue	(2,172)	(3,475)		(6,940)	(8,310)	
Group Revenue from continuing operations	<u>38,783</u>	<u>40,421</u>	(4.1)	<u>90,687</u>	<u>92,593</u>	(2.1)
<b>Discontinued Operations</b>						
Business Performance Services	-	-	NA	-	29,117	NA
Trading & Distribution Services	-	-	NA	-	32,628	NA
	-	-	NA	-	61,745	NA
Less : Inter Segment Revenue	-	-		-	(16,354)	
Group Revenue from discontinued operations	-	-		-	45,391	
<b>Total Group Revenue</b>	<u>38,783</u>	<u>40,421</u>	(4.1)	<u>90,687</u>	<u>137,984</u>	(34.3)

The Group's revenue for the current quarter under review has decreased to RM38.783 million, representing a decrease of 4.1 % as compared to the corresponding quarter of the preceding financial period mainly due to lower order fulfilments and progress billing in the Business Performance Services.

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		
	31 DEC 2023	31 DEC 2022	Variance	31 DEC 2023	31 DEC 2022	Variance
	RM'000 Unaudited	RM'000 Unaudited	%	RM'000 Unaudited	RM'000 Unaudited	%
<b>Continuing Operations</b>						
Business Performance Services	(4,284)	7,472	NA	(9,961)	(99)	NA
Trading & Distribution Services	-	-	NA	-	-	NA
Digital & Infrastructure Services	(40)	(180)	(77.7)	(159)	(474)	(66.4)
Healthcare Services	(1,177)	(244)	NA	(2,335)	191	NA
Others	11,094	(12,758)	NA	8,716	216,265	(96.0)
	5,593	(5,710)	NA	(3,739)	215,883	NA
Less : Elimination	(22,728)	(269)		(23,433)	(60,846)	
(Loss)/ profit before tax from continuing operations	<u>(17,135)</u>	<u>(5,979)</u>	NA	<u>(27,172)</u>	<u>155,037</u>	NA
<b>Discontinued Operations</b>						
Business Performance Services	-	-	NA	-	8,741	NA
Trading & Distribution Services	-	-	NA	-	(440)	NA
	-	-	NA	-	8,301	NA
Less : Elimination	-	-		-	(913)	
Profit before tax from discontinued operations	-	-	NA	-	7,388	NA
<b>Total (Loss)/ Profit before tax</b>	<u>(17,135)</u>	<u>(5,979)</u>	NA	<u>(27,172)</u>	<u>162,425</u>	NA

The Group posted a loss before tax of RM17.135 million for the current financial quarter as compared to loss before tax of RM5.979 million recorded in the previous corresponding quarter. The significant decrease is due to increase in loss of an associate.

**Additional information required by Bursa Securities Listing Requirements  
For the Third Quarter Ended 31 December 2023**
**2 Variation of results against preceding quarter**

	THREE MONTHS ENDED		Variance
	31 DEC 2023 RM'000	30 SEPT 2023 RM'000	
<b>Continuing Operations</b>			
Revenue	<u>38,783</u>	<u>26,881</u>	44.3
(Loss)/ Profit before tax	<u>(17,135)</u>	<u>(5,098)</u>	NA
<b>Discontinued Operations</b>			
Revenue	<u>-</u>	<u>-</u>	NA
Loss before tax	<u>-</u>	<u>-</u>	NA
<b>Total Revenue</b>	<u>38,783</u>	<u>26,881</u>	44.3
<b>Total (Loss)/ Profit before tax</b>	<u>(17,135)</u>	<u>(5,098)</u>	NA

The Group's revenue for the current quarter under review has increased to RM38.783 million, representing a increase of 44.3% as compared to the immediate preceding quarter mainly due to high order fulfilment and progress billing from business performance services.

The Group has registered a increased of loss before tax for the current quarter as compared to the immediate preceding quarter due to increase in loss of an associate.

**Additional information required by Bursa Securities Listing Requirements  
For the Third Quarter Ended 31 December 2023**
**3 Business prospects**

The Group will focus on consolidating its position in the healthcare sector to protect margins and improve cash flows in a competitive environment. In the IT division, the Group continues to pursue growth in certain segments of the IT industry, to ensure that it remains profitable and relevant.

The Group is also looking for avenues to strengthen its balance sheet and its financial position.

**4 Profit forecast**

Not applicable.

**5 Taxation**

	INDIVIDUAL QUARTER THREE MONTHS ENDED		CUMULATIVE PERIOD NINE MONTHS ENDED	
	31 DEC 2023	31 DEC 2022	31 DEC 2023	31 DEC 2022
	RM'000 Unaudited	RM'000 Unaudited	RM'000 Unaudited	RM'000 Unaudited
<b>Continuing Operations</b>				
Current tax expense				
- Malaysian taxation	4	-	616	-
Under/ (over) provision in prior periods				
- Malaysian taxation	-	(162)		(162)
	4	(162)	616	(162)
Deferred taxation				
- origination and reversal of temporary differences				
- Malaysian taxation	195	-	194	-
Under provision in prior periods				
- Malaysian taxation	-	-	-	-
	195	-	194	-
	<u>199</u>	<u>(162)</u>	<u>810</u>	<u>(162)</u>
<b>Discontinued Operations</b>				
Current tax expense				
- Malaysian taxation	-	-	-	801
	<u>-</u>	<u>-</u>	<u>-</u>	<u>801</u>
<b>Total Group Taxation</b>	<u>199</u>	<u>(162)</u>	<u>810</u>	<u>639</u>

The Group has incurred an current tax expense of RM0.199 million in the current quarter under review for certain subsidiaries.

**6 Status of corporate proposals**

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 2023****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 together with Formis Network Services Sdn Bhd ("FNS"), an indirect subsidiary of Omesti (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 had failed to pay the Plaintiff for works done in accordance with a master service agreement dated 20 November 2017 entered into between the Plaintiff, Omesti (as corporate guarantor to guarantee the payment obligation of FNS) and FNS. The works in question related 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 court was informed, on 25 October 2023, of the ongoing settlement negotiations between the Parties. The Parties have since settled this matter amicably via a consent order which provides that:

- a) all further proceedings in this suit shall be stayed upon the terms set out in the settlement agreement;
- b) either party may be permitted to apply to the Court to enforce the terms of the settlement agreement upon which the suit has been stayed without the need to bring a new claim;
- c) Parties have agreed that any claim for breach of contract arising from an alleged breach of the terms set out in the settlement agreement may, unless the Court orders otherwise, be dealt with by way of an application to the Court without the need to start a new claim; and
- d) there is no order as to costs.

On 26 February 2024, FNS and Omesti were notified that the aforesaid consent order dated 6 February 2024 was approved by the Court.

**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

**Additional information required by Bursa Securities Listing Requirements  
For the Third Quarter Ended 31 December 2023**
**8 Changes in material litigation (cont.)**

- 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.

FNS 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 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.

Additionally, the Court heard, on 28 December 2023, the discovery applications filed by both Parties - FNS's application as Enclosure 96 and SSM's application as Enclosure 100. The Court did not grant either application, save for any documents that were voluntarily agreed to be produced. FNS filed an appeal on Enclosure 96 ("Discovery Appeal") on 26 January 2024, based on our solicitor's opinion that the Court did not sufficiently consider the relevance and necessity of Enclosure 96, and no reasons have been provided on the reason for the rejection of FNS's application. There is no date fixed for the Discovery Appeal as yet. Trial dates for this matter have been fixed for 13 to 16 May 2025.

**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 (loss)/ 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 2023	31 DEC 2022	31 DEC 2023	31 DEC 2022
	Unaudited	Unaudited	Unaudited	Unaudited
(Loss)/ profit after tax for owners of the parent (RM'000) from continuing operations	(17,090)	(6,024)	(28,314)	154,759
(Loss)/ profit after tax for owners of the parent (RM'000) from discontinued operations	-	-	-	3,241
(Loss)/ profit after tax for owners of the parent (RM'000)	<u>(17,090)</u>	<u>(6,024)</u>	<u>(28,314)</u>	<u>158,000</u>
Number of shares in issue as at beginning of the period ('000)	540,673	534,190	540,673	534,190
Effect of issuance of ESGP ('000)	-	164	-	164
WA number of ordinary shares in issue ('000)	<u>540,673</u>	<u>534,354</u>	<u>540,673</u>	<u>534,354</u>
Basic / diluted (loss)/ earnings per ordinary share (sen) from continuing operations	(3.16)	(1.13)	(5.24)	28.96
Basic / diluted (loss)/ earnings per ordinary share (sen) from discontinued operations	-	-	-	0.61
Basic / diluted (loss)/ earnings per ordinary share (sen)	<u>(3.16)</u>	<u>(1.13)</u>	<u>(5.24)</u>	<u>29.57</u>