

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

	INDIVIDUAL QUARTER THREE MONTHS ENDED			CUMULATIVE PERIOD SIX MONTHS ENDED		
	30 SEPT 2022 RM'000 Unaudited	30 SEPT 2021 RM'000 Unaudited	Variance %	30 SEPT 2022 RM'000 Unaudited	30 SEPT 2021 RM'000 Unaudited	Variance %
<b>Continuing Operations</b>						
Revenue	20,893	46,605	(55.2)	52,172	71,677	(27.2)
Cost of sales	(18,478)	(35,357)	(47.7)	(35,692)	(48,816)	(26.9)
Gross profit	2,415	11,248	(78.5)	16,480	22,861	(27.9)
Other income	189,551	1,255	NA	190,222	1,542	NA
Other operating expenses	(19,888)	(12,392)	60.5	(35,952)	(28,293)	27.1
Finance costs	(5,721)	(6,337)	(9.7)	(10,998)	(7,707)	42.7
Share of results of associates, net of tax	2,179	8	NA	1,264	(567)	NA
Profit / (loss) before tax	168,536	(6,218)	NA	161,016	(12,164)	NA
Taxation	-	(20)	NA	-	(20)	NA
Profit/ (loss) for the financial period from continuing operations	168,536	(6,238)	NA	161,016	(12,184)	NA
<b>Discontinued Operations</b>						
(Loss)/ profit before tax from discontinued operations	(488)	8,175	NA	7,388	14,722	(49.8)
Taxation	219	(1,024)	NA	(801)	(1,324)	(39.5)
(Loss)/ profit for the financial period from discontinued operations	(269)	7,151	NA	6,587	13,398	(50.8)
<b>Profit for the financial period</b>	<b>168,267</b>	<b>913</b>	<b>NA</b>	<b>167,603</b>	<b>1,214</b>	<b>NA</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	(5)	62	NA	8	93	(91.4)
<b>Other comprehensive (loss)/ income, net of tax</b>	<b>(5)</b>	<b>62</b>	<b>NA</b>	<b>8</b>	<b>93</b>	<b>(91.4)</b>
<b>Total comprehensive income</b>	<b>168,262</b>	<b>975</b>	<b>NA</b>	<b>167,611</b>	<b>1,307</b>	<b>NA</b>
<b>Profit/ (loss) attributable to:-</b>						
Owners of the Parent	167,980	(2,195)	NA	164,024	(3,636)	NA
Non-controlling interests	287	3,108	(90.8)	3,579	4,850	(26.2)
<b>Profit for the financial period</b>	<b>168,267</b>	<b>913</b>	<b>NA</b>	<b>167,603</b>	<b>1,214</b>	<b>NA</b>
<b>Total comprehensive (loss)/ income attributable to:-</b>						
Owners of the Parent	167,975	(2,137)	NA	164,030	(3,547)	NA
Non-controlling interests	287	3,112	(90.8)	3,581	4,854	(26.2)
<b>Total comprehensive income</b>	<b>168,262</b>	<b>975</b>	<b>NA</b>	<b>167,611</b>	<b>1,307</b>	<b>NA</b>
Profit / (loss) per ordinary share (sen)						
- Basic and diluted	31.45	(0.41)		30.71	(0.68)	

(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 2022.)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2022

	As at 30 SEPT 2022 RM'000 Unaudited	As at 31 MARCH 2022 RM'000 Audited
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Right-of-Use assets	32,779	48,397
Property, plant and equipment	3,573	4,621
Investment in associates	385,982	87,683
Other intangible assets	173,280	260,882
Other investments	460	705
Investment properties	684	694
Goodwill on consolidation	14,482	51,196
Deferred tax assets	790	3,497
	612,030	457,675
<b>Current Assets</b>		
Other investments	-	4,475
Inventories	9,380	14,763
Trade receivables	42,002	52,416
Other receivables, deposits and prepayments	11,623	37,719
Contract assets	509	9,502
Amounts owing by associates	3,296	99
Amount owing by a jointly-controlled entity	781	1,111
Current tax assets	1,000	6,547
Cash and cash equivalents	32,251	97,510
	100,842	224,142
	712,872	681,817
<b>TOTAL ASSETS</b>		
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	276,949	276,949
Other reserves	23,669	23,663
Warrant reserves	27,121	27,121
Retained profits/ accumulated (losses)	37,871	(133,114)
	365,610	194,619
<b>Non-controlling interests</b>	(3,111)	92,662
<b>TOTAL EQUITY</b>	362,499	287,281
<b>Non-Current Liabilities</b>		
Other payables, deposits & accruals	-	181
Borrowings	39,574	50,321
Provision for post employment benefits	2,713	4,303
Deferred tax liabilities	2	3,747
Redeemable Preference shares	86,637	84,126
	128,926	142,678
<b>Current Liabilities</b>		
Trade payables	13,775	36,433
Other payables, deposits and accruals	50,634	38,650
Contract liabilities	25	18,722
Amounts owing to associates	19,075	234
Amount due to joint venture	28	135
Borrowings	137,722	154,744
Current tax payables	188	2,462
Provision for post employment benefits	-	478
	221,447	251,858
<b>TOTAL LIABILITIES</b>	350,373	394,536
<b>TOTAL EQUITY AND LIABILITIES</b>	712,872	681,817
<b>Net assets per share (RM)</b>	0.6844	0.3655

(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 2022.)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

	----- 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>Six Months Financial Period Ended 30 September 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
Profit after tax for the financial period	-	-	-	-	164,024	164,024	3,579	167,603
Foreign currency translation for foreign operations, net of tax	-	-	-	6	-	6	2	8
Total comprehensive profit for the financial period	-	-	-	6	164,024	164,030	3,581	167,611
<b>Transactions with owners</b>								
Shares issued pursuant to Employee Share Grant Plan ("ESGP")	-	-	-	-	-	-	513	513
Effects arising from disposal of a subsidiary	-	-	-	-	-	-	(106,203)	(106,203)
Arising from decreation of equity interests in subsidiaries	-	-	-	-	6,961	6,961	6,561	13,522
Dividend paid	-	-	-	-	-	-	(225)	(225)
Total transactions with owners	-	-	-	-	6,961	6,961	(99,354)	(92,393)
<b>Balance as at 30 SEPTEMBER 2022</b>	<u>276,949</u>	<u>24,663</u>	<u>27,121</u>	<u>(994)</u>	<u>37,871</u>	<u>365,610</u>	<u>(3,111)</u>	<u>362,499</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 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
<b>Unaudited</b>								
<b>Six Months Financial Period Ended 30 September 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
(Loss) / profit after tax for the financial period	-	-	-	-	(3,636)	(3,636)	4,850	1,214
Foreign currency translation for foreign operations, net of tax	-	-	-	89	-	89	4	93
Total comprehensive profit/ (loss) for the financial period	-	-	-	89	(3,636)	(3,547)	4,854	1,307
<b>Transactions with owners</b>								
Shares issued pursuant to Employee Share Grant Plan ("ESGP")	-	-	-	-	-	-	2,944	2,944
Effects arising from acquisition of a subsidiary	-	-	-	-	-	-	116	116
Arising from accretion of equity interests in subsidiaries	-	-	-	-	(13,314)	(13,314)	(4,145)	(17,459)
Total transactions with owners	-	-	-	-	(13,314)	(13,314)	(1,085)	(14,399)
<b>Balance as at 30 September 2021</b>	<u>276,260</u>	<u>24,663</u>	<u>27,121</u>	<u>(121)</u>	<u>(129,302)</u>	<u>198,621</u>	<u>53,490</u>	<u>252,111</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 2022.)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022**

	SIX MONTHS ENDED	
	30 SEPT 2022 RM'000 Unaudited	30 SEPT 2021 RM'000 Unaudited
<b>CASH FLOW USED IN OPERATING ACTIVITIES</b>		
Profit/ (loss) before tax from continuing operations	161,016	(12,164)
Profit before tax from discontinued operations	7,388	14,722
	168,404	2,558
Adjustments for:		
Bad debts written off	227	-
Depreciation and amortisation	16,376	16,068
Interest expense	11,154	8,268
Interest income	(287)	(291)
Net gain on disposal of quoted investment	(21)	-
Net gain on disposal of subsidiaries	(189,065)	-
Net loss on disposal of associates	31	-
Net loss on fair value adjustments on other investments	265	(509)
Provision of stock obsolescence no longer required	(107)	-
Share of (gain)/ loss results of associates	(1,264)	568
	5,713	26,662
Operating profit before working capital changes		
Net changes in assets	(71,034)	(61,404)
Net changes in liabilities	1,697	1,716
	(63,624)	(33,026)
Net cash used in operations		
Tax paid	(934)	(3,031)
	(64,558)	(36,057)
Net cash used in operating activities		
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Purchase of additional shares in subsidiaries	(475)	(17,574)
Net purchase of additional shares in an associate	(135)	-
Acquisition of interest in a subsidiaries	-	(300)
Addition of software development expenditure	(1,215)	(47,311)
Disposal of interest in subsidiaries	8,700	-
Disposal of subsidiaries, net of cash	-	-
Interest received	287	290
Net placement of fixed deposits pledged	(335)	(10,899)
Purchase of other investments	(9,655)	(5,936)
Purchase of property, plant and equipment	(563)	(656)
Net placement of deposits pledged to licensed banks	-	-
	(3,391)	(82,386)
Net cash used in investing activities		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net drawdown of borrowings	17,132	22,509
Interest paid	(7,565)	(4,016)
	9,567	18,493
Net cash from financing activities		
Net decrease in cash and cash equivalents	(58,382)	(99,950)
Cash and cash equivalents at 1 APRIL 2022/2021*	61,401	116,525
Effect of foreign exchange on opening balance	19	100
	3,038	16,675
Cash and cash equivalents at 31 March 2022/2021*		

\* 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 2022.)

**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 2022. 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 2022.

**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 2022 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)  
Initial Application of MFRS 17 and MFRS 9 Comparative Information (Amendments to MFRS 17 Insurance Contracts)  
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 2022 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
-------------------	---	---	---	-------------------------------	------------------	------------------------	-----------------

**Six Months Financial Period Ended 30 September 2022**
**Unaudited**
**Continuing Operations**

External revenue	40,128	-	28	11,479	537	-	52,172
Inter segment revenue	4,529	-	-	-	305	(4,834)	-
<b>Total Revenue</b>	<b>44,657</b>	<b>-</b>	<b>28</b>	<b>11,479</b>	<b>842</b>	<b>(4,834)</b>	<b>52,172</b>
Segment results	(836)	-	(286)	505	231,439	(60,577)	170,245
Share of results of associates	-	-	-	-	1,264	-	1,264
Share of results of a jointly-controlled entity	-	-	-	-	-	-	-
Interest expense	(6,851)	-	(8)	(70)	(3,703)	-	(10,632)
Interest Income	116	-	-	-	23	-	139
<b>(Loss)/ profit before tax</b>	<b>(7,571)</b>	<b>-</b>	<b>(294)</b>	<b>435</b>	<b>229,023</b>	<b>(60,577)</b>	<b>161,016</b>
Segment assets	604,613	-	399	22,423	402,225	(316,788)	712,872

**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>

**Six Months Financial Period Ended 30 September 2021**
**Unaudited**
**Continuing Operations**

External revenue	65,296	-	28	4,006	2,347	-	71,677
Inter segment revenue	4,065	-	-	-	1,165	(5,230)	-
<b>Total Revenue</b>	<b>69,361</b>	<b>-</b>	<b>28</b>	<b>4,006</b>	<b>3,512</b>	<b>(5,230)</b>	<b>71,677</b>
Segment results	5,806	-	(162)	868	(11,045)	208	(4,325)
Share of results of associates	-	-	-	-	(567)	-	(567)
Share of results of a jointly-controlled entity	-	-	-	-	-	-	-
Interest expense	(5,940)	-	(15)	-	(1,441)	(6)	(7,402)
Interest Income	89	-	-	-	41	-	130
<b>(Loss)/ profit before tax</b>	<b>(45)</b>	<b>-</b>	<b>(177)</b>	<b>868</b>	<b>(13,012)</b>	<b>202</b>	<b>(12,164)</b>
Segment assets	647,753	-	2,455	10,659	200,924	(493,455)	368,336

**Discontinued Operations**

External revenue	28,677	64,946	-	-	-	-	93,623
Inter segment revenue	14,448	3,086	-	-	-	(17,534)	-
<b>Total Revenue</b>	<b>43,125</b>	<b>68,032</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17,534)</b>	<b>93,623</b>
Segment results	15,334	754	-	-	-	(661)	15,427
Interest expense	(505)	(375)	-	-	-	14	(866)
Interest Income	116	45	-	-	-	-	161
<b>Profit/ (loss) before tax</b>	<b>14,945</b>	<b>424</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(647)</b>	<b>14,722</b>
Segment assets	226,246	81,687	-	-	-	(77,954)	229,979

Notes to the Interim Financial Report  
For the Second Quarter Ended 30 September 2022

#### 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 7,086,372 ordinary shares in Microlink Solutions Berhad ("Microlink") for a total cash consideration of RM3,995,088. On 2 June 2022, OHB sold 15,000,000 ordinary shares in Microlink for a total cash consideration of RM8,700,000. On 2 August 2022, Microlink diluted OHB's equity interest by issuing 512,600 shares as part of its long term incentive plan. Subsequently on 17 August 2022, OHB sold 6,286,372 ordinary shares in Microlink for a total cash consideration of RM3,520,368. Following these acquisitions, OHB now holds 49.18% equity interest in Microlink.

(ii) 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.

On 18 July 2022, the HOA expired and lapsed with no further extension of time has been between the Company, Man Yau Holdings Berhad, a wholly-owned subsidiary of Omesti, and Microlink Solutions Berhad.

(iii) On 4 July 2022, the Company has disposed Formis Lab Singapore Pte Ltd from Continuous Network Advisers Sdn Bhd to Microlink Solutions Berhad ("Microlink").

(iv) On 12 July 2022, Omesti Holdings Berhad ("OHB"), a wholly-owned subsidiary, entered into a Joint Venture and Shareholders' Agreement with 360 Medic Holdings Sdn Bhd ("360MH") for the formation and operation of a joint venture company, namely, Aurora 360 Sdn Bhd.

This joint venture company will establish and undertake the operations of one or more diagnostic and screening centre(s) in Malaysia.

(v) From 18 July 2022 onwards, the Company stopped treating Microlink Solutions Berhad ("Microlink") as a subsidiary of the Company for the following reasons:-

- (i) as at 18 July 2022, the Company through Omesti Holdings Berhad ("OHB"), a wholly-owned subsidiary of Omesti holds a total of 525,594,972 Microlink shares, representing 49.2% equity interest in Microlink; and
- (ii) with the changes to the board compositions of both Omesti and Microlink and the re-designation of a director in Omesti announced on 18 July 2022, and hence Microlink is accounted for as an investment in associate henceforth.

Accordingly, Microlink is now a 49.2%-owned associated company of OHB, and consequently an indirect 49.2%-owned associated company of Omesti with effect from 18 July 2022.

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



**12 Discontinued Operations**

As disclosed in Note 11 (v) above, Microlink is now classified as discontinued operations since 18 July 2022 in accordance with MFRS 5: Non-current Assets Held for Sale and Discontinued Operations whereby the comparative Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income has been presented to show the discontinued operations separately from continuing operations.

**Microlink Solutions Sdn Bhd**

Profit attributable to the discontinued operations were as follows:

	INDIVIDUAL QUARTER THREE MONTHS ENDED			CUMULATIVE PERIOD SIX MONTHS ENDED		
	30 SEPT 2022 RM'000 Unaudited	30 SEPT 2021 RM'000 Unaudited	Variance %	30 SEPT 2022 RM'000 Unaudited	30 SEPT 2021 RM'000 Unaudited	Variance %
Revenue	4,605	62,991	(92.7)	58,462	104,925	(44.3)
Cost of sales	(1,630)	(45,120)	(96.4)	(36,466)	(72,058)	(49.4)
Gross profit	2,975	17,871	(83.4)	21,996	32,867	(33.1)
Other income	155	944	(83.6)	359	1,103	(67.5)
Other operating expenses	(2,639)	(10,386)	(74.6)	(13,727)	(18,281)	(24.9)
Finance costs	(60)	(346)	(82.7)	(536)	(778)	(31.1)
Profit before tax	431	8,083	(94.7)	8,092	14,911	(45.7)
Taxation	219	(1,024)	NA	(801)	(1,324)	(39.5)
Profit for the financial period	<u>650</u>	<u>7,059</u>	(90.8)	<u>7,291</u>	<u>13,587</u>	(46.3)

**13 Gain on Disposal / Deemed Disposal of Subsidiaries**

- (i) The gain on the deemed disposal of Microlink due to its change of status from subsidiary to associate on 18 July 2022, as disclosed in 11 (v):

Gain Arising from Deemed Disposal of Microlink	RM '000
Fair Value of Microlink Shares	296,961
Derecognition of Microlink Net Assets	(209,058)
Derecognition of non-controlling interest of Microlink	104,802
Derecognition of Exchange Translation & Forex Reserve of Microlink	44
Derecognition of Intangible Assets allocated via Purchase Price Allocation of Microlink	(60)
Derecognition of Goodwill recognised in relation to Microlink	(18,304)
Reversal of various elimination for intercompany transactions between the Group (excluding Microlink) and Microlink	10,387
<b>Gain from Deemed Disposal of Microlink</b>	<u>184,772</u>

- (ii) The gain on the disposal of Formis Labs Singapore Pte. Ltd. ("FLS") on 4 July 2022, as disclosed in 11 (iii):

Gain Arising from Disposed of FLS	RM
Consideration	-
Derecognition of FLS Net Assets	4,293
<b>Gain from Disposed of FLS</b>	<u>4,293</u>

**14 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.

**15 Changes in contingent liabilities or contingent assets**

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

**16 Capital commitments**

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

**17 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 30 SEPT 2022 RM'000	As at 30 SEPT 2021 RM'000
Cash and bank balances	12,727	28,746
Fixed deposits with licensed financial institutions	19,524	21,827
	<u>32,251</u>	<u>50,573</u>
Less: Fixed deposits pledged with licensed banks	(19,524)	(21,827)
Less: Bank overdraft	(9,689)	(12,071)
	<u><u>3,038</u></u>	<u><u>16,675</u></u>

Additional information required by Bursa Securities Listing Requirements  
For the Second Quarter Ended 30 September 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 SIX MONTHS ENDED		
	30 SEPT 2022	30 SEPT 2021	Variance	30 SEPT 2022	30 SEPT 2021	Variance
	RM'000 Unaudited	RM'000 Unaudited	%	RM'000 Unaudited	RM'000 Unaudited	%
<b>Continuing Operations</b>						
Business Performance Services	17,624	43,564	(59.5)	44,657	69,361	(35.6)
Trading & Distribution Services	-	-	NA	-	-	NA
Digital & Infrastructure Services	14	14	-	28	28	-
Healthcare Services	5,896	4,006	47.2	11,479	4,006	NA
Others	311	2,440	(87.3)	842	3,512	(76.0)
	23,845	50,024	(52.3)	57,006	76,907	(25.9)
Less : Inter Segment Revenue	(2,952)	(3,419)		(4,834)	(5,230)	
Group Revenue from continuing operations	20,893	46,605	(55.2)	52,172	71,677	(27.2)
<b>Discontinued Operations</b>						
Business Performance Services	2,734	21,883	(87.5)	29,117	43,125	(32.5)
Trading & Distribution Services	1,871	43,824	(95.7)	32,628	68,032	(52.0)
	4,605	65,707	(93.0)	61,745	111,157	(44.5)
Less : Inter Segment Revenue	(5,913)	(13,544)		(16,354)	(17,534)	
Group Revenue from discontinued operations	(1,308)	52,163		45,391	93,623	
<b>Total Group Revenue</b>	<b>19,585</b>	<b>98,768</b>	<b>(80.2)</b>	<b>97,563</b>	<b>165,300</b>	<b>(41.0)</b>

The Group's revenue for the current quarter under review has decreased to RM19.59 million, representing a decrease of 80.2% as compared to the corresponding quarter of the preceding financial period mainly due to discontinued operations of a subsidiary.

The Group has ceased to recognise the financial contribution from Microlink since 18 July 2022 due to its change of status from subsidiary to associate. Accordingly, Microlink is now a 49.18% owned associate company of OHB, a wholly-owned subsidiary of Omesti.

The Group has also begun to recognise the financial contribution from the Healthcare Services segment since 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 acquisition 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 SIX MONTHS ENDED		
	30 SEPT 2022	30 SEPT 2021	Variance	30 SEPT 2022	30 SEPT 2021	Variance
	RM'000 Unaudited	RM'000 Unaudited	%	RM'000 Unaudited	RM'000 Unaudited	%
<b>Continuing Operations</b>						
Business Performance Services	(6,525)	(1,736)	NA	(7,571)	(45)	NA
Trading & Distribution Services	-	1,379	NA	-	-	#DIV/0!
Digital & Infrastructure Services	(124)	(112)	10.7	(294)	(177)	66.1
Healthcare Services	272	868	(68.7)	435	868	(49.9)
Others	185,223	(5,630)	NA	229,023	(13,012)	NA
	178,846	(5,231)	NA	221,593	(12,366)	NA
Less : Elimination	(10,310)	(987)		(60,577)	202	
Profit/ (loss) before tax from continuing operations	168,536	(6,218)	NA	161,016	(12,164)	NA
<b>Discontinued Operations</b>						
Business Performance Services	648	8,248	(92.1)	8,741	14,945	(41.5)
Trading & Distribution Services	(217)	(265)	(18.1)	(440)	424	NA
	431	7,983	(94.6)	8,301	15,369	(46.0)
Less : Elimination	(919)	192		(913)	(647)	
(Loss)/ profit before tax from discontinued operations	(488)	8,175	NA	7,388	14,722	(49.8)
<b>Total Profit before tax</b>	<b>168,048</b>	<b>1,957</b>	<b>NA</b>	<b>168,404</b>	<b>2,558</b>	<b>NA</b>

The Group posted a profit before tax of RM168.05 million for the current financial quarter as compared to profit before tax of RM1.96 million recorded in the previous corresponding quarter. The significant increase is mainly due to the one-time gain from the deemed disposal of subsidiary in accordance with MFRS 5: Non-current Assets Held for Sale and Discontinued Operations.

Additional information required by Bursa Securities Listing Requirements  
For the Second Quarter Ended 30 September 2022

2 Variation of results against preceding quarter

	THREE MONTHS ENDED		Variance %
	30 SEPT 2022 RM'000	30 JUNE 2022 RM'000	
<b><u>Continuing Operations</u></b>			
Revenue	<u>20,893</u>	<u>31,279</u>	(33.2)
Profit/ (loss) before tax	<u>168,536</u>	<u>(7,520)</u>	NA
<b><u>Discontinued Operations</u></b>			
Revenue	<u>(1,308)</u>	<u>46,699</u>	NA
(Loss)/ profit before tax	<u>(488)</u>	<u>7,876</u>	NA
<b>Total Revenue</b>	<u>19,585</u>	<u>77,978</u>	(74.9)
<b>Total Profit before tax</b>	<u>168,048</u>	<u>356</u>	NA

The Group's revenue for the current quarter under review has decreased to RM19.59 million, representing a decrease of 74.9% as compared to the immediate preceding quarter mainly due to discontinued operations of a subsidiary.

The Group has registered a profit before tax for the current quarter as compared to the immediate preceding quarter due to one-time gain from the deemed disposal of subsidiary in accordance with MFRS 5: Non-current Assets Held for Sale and Discontinued Operations.

**Additional information required by Bursa Securities Listing Requirements  
For the Second Quarter Ended 30 September 2022**

**3 Business prospects**

Continued uncertainty in geopolitics around the world, combined with high levels of cost-push inflation globally, resultant from supply-chain issues, have continued to hamper post-pandemic economic recovery. In addition, continued aggressive tightening of monetary policy by major central banks around the world, to contain inflation, has also continued to dampen growth prospects.

In spite of the above, the Group has remained steadfast in its strategy of pursuing growth in the healthcare sector. The Group has opened 2 new pharmacy outlets in Segambut in April 2022 and Sungai Buloh in August 2022 respectively, and has plans to continue increasing its pharmacy retail footprint, by opening more outlets. Besides, the Group would also continue in pursuing its committed pipelines in various healthcare projects, including starting the operations of diagnostic, screening centres and test laboratory.

Microlink Solutions Berhad also changed in status from subsidiary to associate effective on 18 July 2022. Despite the challenges posted from geopolitical uncertainty, elevated inflation levels and monetary tightening from central banks, the Group is cautiously positive of its prospects, given its various growth initiatives, continued focus in optimising costs and also in de-leveraging, so as to manage its financial risks. The Group is in the midst of serious efforts to restructure its loan position to strengthen its balance sheet and enhance efficiency in capital deployment. Going forward, the Group remains committed to improve its margins and also its financial performance.

**4 Profit forecast**

Not applicable.

**5 Taxation**

	INDIVIDUAL QUARTER THREE MONTHS ENDED		CUMULATIVE PERIOD SIX MONTHS ENDED	
	30 SEPT 2022 RM'000 Unaudited	30 SEPT 2021 RM'000 Unaudited	30 SEPT 2022 RM'000 Unaudited	30 SEPT 2021 RM'000 Unaudited
<b><u>Continuing Operations</u></b>				
Current tax expense				
- Malaysian taxation	-	20	-	20
Under provision in prior periods				
- Malaysian taxation	-	-	-	-
	-	20	-	20
Deferred taxation				
- origination and reversal of temporary differences				
- Malaysian taxation	-	-	-	-
Under provision in prior periods				
- Malaysian taxation	-	-	-	-
	-	20	-	20
<b><u>Discontinued Operations</u></b>				
Current tax expense				
- Malaysian taxation	(219)	1,024	801	1,324

The Group has incurred an income tax expense of RM 0.22 million for the financial period under review consists of taxation 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 Second Quarter Ended 30 September 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's 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 Second Quarter Ended 30 September 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 31 October 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 Earnings /(Loss) per ordinary share**

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

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

	INDIVIDUAL QUARTER THREE MONTHS ENDED		CUMULATIVE PERIOD SIX MONTHS ENDED	
	30 SEPT 2022	30 SEPT 2021	30 SEPT 2022	30 SEPT 2021
	Unaudited	Unaudited	Unaudited	Unaudited
Profit/ (loss) after tax and non-controlling interests (RM'000)	167,980	(2,195)	164,024	(3,636)
Number of shares in issue as at beginning of the period ('000)	534,190	532,479	534,190	532,479
Effect of issuance of ESGP ('000)	-	-	-	-
WA number of ordinary shares in issue ('000)	534,190	532,479	534,190	532,479
Basic / diluted earnings/ (loss) per ordinary share (sen)	31.45	(0.41)	30.71	(0.68)