



**RADIANT GLOBALTECH BERHAD**  
(Registration No. 200301018877 (621297-A))



# ANNUAL REPORT

# 21<sup>st</sup>

## Annual General Meeting



Greens III, Sports Wing  
Tropicana Golf &  
Country Resort  
Jalan Kelab Tropicana  
47410 Petaling Jaya  
Selangor Darul Ehsan



**Friday**  
**14** June 2024



10:00 a.m.

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# Corporate Information



## Dato' Siow Kim Lun

Independent Non-Executive  
Chairman

## Yap Ban Foo

Vice Chairman/  
Senior Executive Director

## Yap Sin Sang

Senior Executive Director

## Tevanaigam Randy Chitty

Independent Non-Executive Director

## Mashitah Binti Osman

Independent Non-Executive Director

## COMPANY SECRETARIES

**Tea Sor Hua**  
(MACS 01324)  
SSM PC No. 201908001272

**Lee Siew Fun**  
(MAICSA 7063623)  
SSM PC No. 202008000735

## AUDIT AND RISK MANAGEMENT COMMITTEE

**Chairman**  
Tevanaigam Randy Chitty

**Members**  
Dato' Siow Kim Lun  
Mashitah Binti Osman

## NOMINATION AND REMUNERATION COMMITTEE

**Chairperson**  
Mashitah Binti Osman

**Members**  
Dato' Siow Kim Lun  
Tevanaigam Randy Chitty

## AUDITORS

**Crowe Malaysia PLT**  
201906000005  
(LLP0018817-LCA) & AF1018  
Level 16, Tower C  
Megan Avenue II  
12, Jalan Yap Kwan Seng  
50450 Kuala Lumpur  
Tel No : (03) 2788 9999  
Fax No. : (03) 2788 9998

## SHARE REGISTRAR

**Tricor Investor & Issuing House Services Sdn. Bhd.**  
Unit 32-01, Level 32, Tower A  
Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Tel No : (03) 2783 9299  
Fax No. : (03) 2783 9222  
Email: is.enquiry@my.tricorglobal.com

## REGISTERED OFFICE

Third Floor, No. 77, 79 & 81  
Jalan SS 21/60, Damansara Utama  
47400 Petaling Jaya  
Selangor Darul Ehsan  
Tel No : (03) 7725 1777  
Fax No. : (03) 7722 3668  
Email: cms\_cospec@yahoo.com

## PRINCIPAL BANKERS

Alliance Bank Malaysia Berhad  
Hong Leong Bank Berhad

## HEAD OFFICE

Unit 03-06 & 03-07, Level 3  
Tower B  
Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Tel No : (03) 2242 2059  
Fax No. : (03) 2732 9979  
Website: www.rgtech.com.my  
Email: ir@rgtech.com.my

## STOCK EXCHANGE LISTING

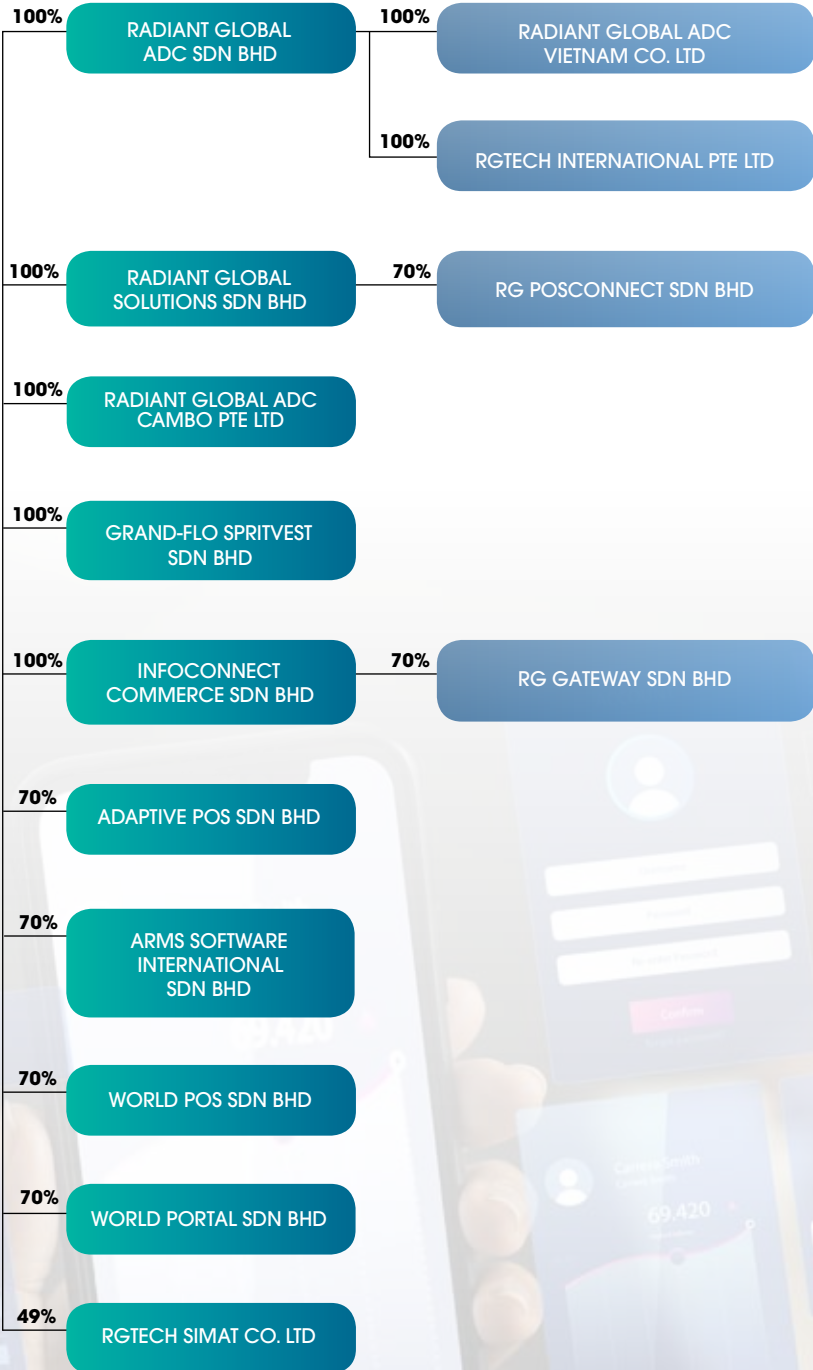
**ACE Market of Bursa Malaysia Securities Berhad**

Stock Name : RGTECH  
Stock Code : 0202

# Corporate Structure

## RADIANT GLOBALTECH

**RADIANT GLOBALTECH BERHAD**  
(Registration No. 200301018877 (621297-A))  
(Incorporated in Malaysia)



## Corporate Profile



### OVERVIEW

Radiant Globaltech Berhad (“Radiant”) and its subsidiaries (“the Group”) are an integrated technology solutions provider, offering end-to-end expertise in digitalising retail and industrial businesses to enhance efficiency and optimize costs.

Our integrated technology solutions cater to a wide range of operational requirements and automating key processes.

Beginning with hardware for retail front-end operations, we progress to providing our customers with a comprehensive range of digital solutions for their business operation automation and digitalisation.



Meanwhile, our integrated industrial solutions cater for our customers to manage their entire sales force from pre-sales to post-sales. Our sales force automation system improves pre-sales efficiency, while our distribution management system streamlines inventory management and stock replenishment. Post-sales functions are also digitalised, including sales performance analysis and delivery performance monitoring.

Overall, our retail and industrial solutions form a comprehensive ecosystem that effectively caters to a wide range of operational needs and industries.

## Corporate Profile (Cont'd)



### Fast Moving Consumer Goods ("FMCG")



### Retail and F&B



### Manufacturers



### Transportation & Logistics



### Public Sector

The Group currently maintains a strong presence in Southeast Asia, encompassing Malaysia, Vietnam, Cambodia, Singapore and Thailand. We serve reputable customers including well-known retail chains, convenience stores, FMCG, Food and Beverage ("F&B") chains, prominent manufacturers, transportation and logistics companies, and utilities providers.



## Corporate Profile (Cont'd)

### HARDWARE

The Group provides hardware to support digitalisation of retail and industrial operations. This includes Point of Sale (POS) equipment, self-checkout equipment, Radio Frequency Identification ("RFID"), electronic shelf labeling and industrial mobile devices. These devices and equipment have increasingly become essential for day-to-day operations for a wide range of retail and industrial customers in our target markets.



### SOFTWARE

Our Group offers proprietary retail management solutions and mobile applications to improve efficiency and reduce manual processes, which distinguish us from our competitors. These include retail and F&B management software, warehouse management system, proof of delivery, payment gateway, and integrated maintenance system.

In addition, our Group provides industrial software solutions, including back-end inventory tracking and management, as well as sales automation systems, all under our ManageSales solutions.

## MAINTENANCE AND TECHNICAL SUPPORT SERVICES

Our Group’s maintenance and technical support services can be categorised as follows:



### Hardware and Software Support

Our Group provides offsite and onsite support for hardware and software issues via maintenance contract and ad-hoc or assignment-based outsourcing. We continue to extend our support coverage, which includes deployment services, asset tagging and stock take support. We are backed by support teams in Malaysia, Vietnam, Cambodia, Thailand and Singapore.



### Preventive and Corrective Maintenance

Our in-house repair and on-site support engineers are on-call seven days a week to provide inspection, on site support, installation, and maintenance services, via customer service offices located in Malaysia, Vietnam, Cambodia, Thailand and Singapore. The services include remote diagnosis and spare part supply. We provide periodic preventive maintenance to ensure smooth operations and minimise unplanned equipment failures.



### Training and Consultancy

Radiant provides user enablement, which is the continuous process of providing our customers with knowledge, resources, and support to derive lifetime value from our products and services. We also offer training and consulting both online and offline to help our customers understand how to use and optimise our solutions.



### Call Centre and Helpdesk

Our Group offers offsite support and troubleshooting to all our maintenance customers via phone or email, as well as a computerised help desk system for logging and tracking cases. Our dedicated call desk teams are constantly monitoring and prepared to provide quick and accurate troubleshooting by call routing.



## Financial Highlights

### SUMMARISED GROUP RESULTS

		2019	2020	2021	2022	2023
Revenue	RM'000	81,959	76,134	134,025	137,632	<b>135,525</b>
Gross Profit	RM'000	30,003	26,676	45,411	49,700	<b>53,560</b>
EBITDA	RM'000	9,649	3,274	14,040	14,239	<b>13,920</b>
Profit Before Tax	RM'000	7,953	1,131	11,975	12,361	<b>11,444</b>
Profit After Tax	RM'000	5,881	358	8,075	9,069	<b>8,196</b>
Profit After Tax Attributable to Owners of the Company	RM'000	5,596	1,600	7,338	7,468	<b>7,655</b>

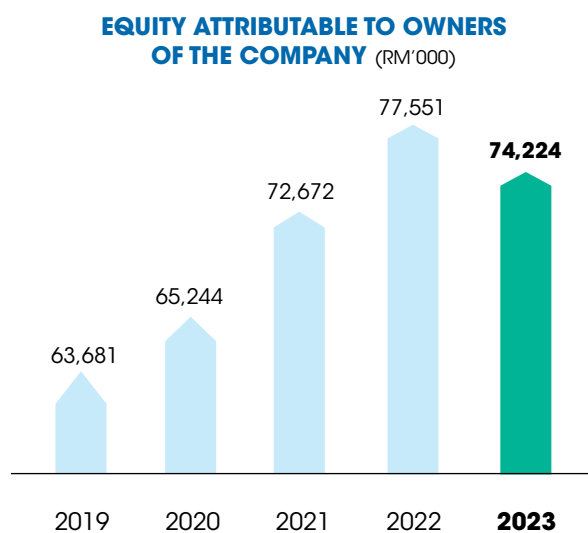
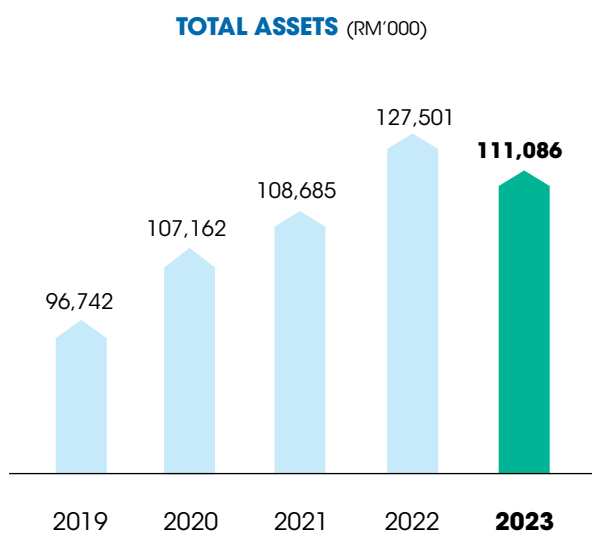
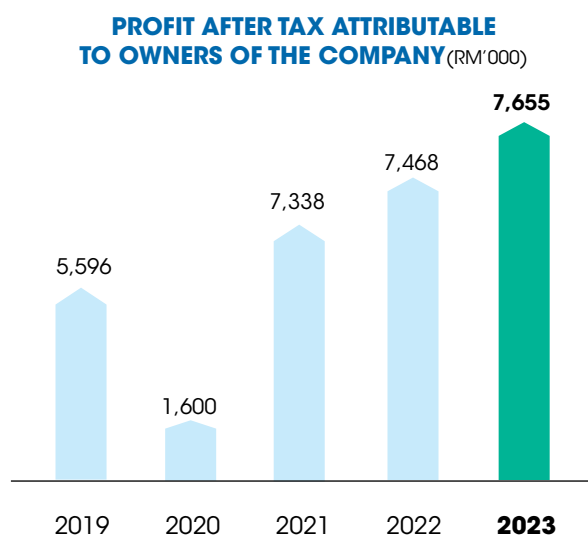
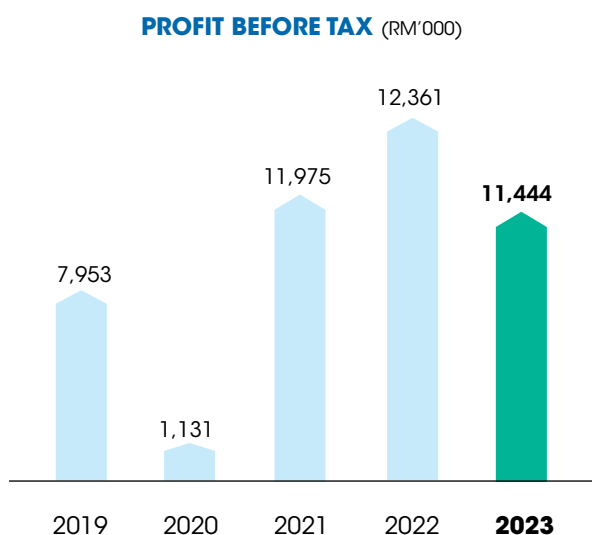
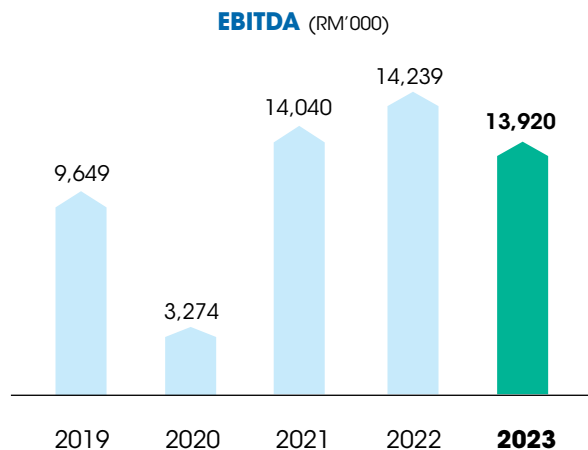
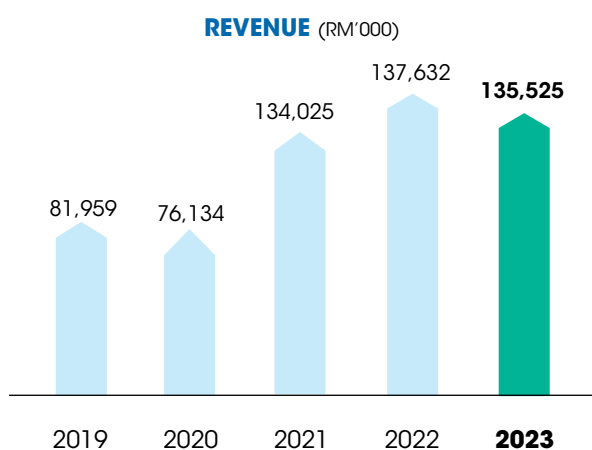
### SUMMARISED GROUP FINANCIAL POSITION

		2019	2020	2021	2022	2023
Non-current Assets	RM'000	15,826	23,407	26,055	29,504	<b>32,670</b>
Current Assets	RM'000	80,916	83,755	82,630	97,997	<b>78,416</b>
<b>Total Assets</b>	RM'000	<b>96,742</b>	<b>107,162</b>	<b>108,685</b>	<b>127,501</b>	<b>111,086</b>
Non-current Liabilities	RM'000	1,738	1,002	1,212	951	<b>1,695</b>
Current Liabilities	RM'000	30,438	39,696	32,910	45,521	<b>35,437</b>
<b>Total Liabilities</b>	RM'000	<b>32,176</b>	<b>40,698</b>	<b>34,122</b>	<b>46,472</b>	<b>37,132</b>
Equity Attributable to Owners of the Company	RM'000	63,681	65,244	72,672	77,551	<b>74,224</b>
Non-controlling Interests	RM'000	885	1,220	1,891	3,478	<b>(270)</b>
<b>Total Equity</b>	RM'000	<b>64,566</b>	<b>66,464</b>	<b>74,563</b>	<b>81,029</b>	<b>73,954</b>
<b>Total Equity and Liabilities</b>	RM'000	<b>96,742</b>	<b>107,162</b>	<b>108,685</b>	<b>127,501</b>	<b>111,086</b>

### FINANCIAL ANALYSIS

		2019	2020	2021	2022	2023
Gross Profit Margin	%	36.6	35.0	33.9	36.1	<b>39.5</b>
PBT Margin	%	9.7	1.5	8.9	9.0	<b>8.4</b>
PAT Margin	%	7.2	0.5	6.0	6.6	<b>6.0</b>
Gearing	%	3.5	3.5	1.5	1.0	<b>2.4</b>
EPS	SEN	1.1	0.3	1.4	1.4	<b>1.5</b>
Cash and Cash Equivalent	RM'000	26,870	40,031	35,034	41,311	<b>30,380</b>

Financial Highlights  
(Cont'd)



## Directors' Profile



### **DATO' SIOW KIM LUN**

*Independent Non-Executive Chairman*

Malaysian | Male | Aged 74

Dato' Siow Kim Lun ("Dato' Siow") is the Independent Non-Executive Chairman of Radiant Globaltech Berhad. He was appointed to the Board on 7 August 2017 and is a member of the Audit and Risk Management Committee and Nomination and Remuneration Committee. He attended all six (6) Board meetings held during the financial year.

Dato' Siow graduated with a degree in Bachelor of Economics (Honours) from Universiti Kebangsaan Malaysia in 1978, followed by a Master Degree in Business Administration from the Catholic University of Leuven, Belgium in 1981. In 1997, he attended the Advanced Management Program at Harvard Business School in the United States.

Dato' Siow has over 30 years of working experience in investment banking, corporate finance and securities market regulation. He started his career in investment banking with Malaysian International Merchant Bankers Berhad in 1981. He later joined Permata Chartered Merchant Corporate Bank Bhd (now known as Affin Hwang Investment Bank Berhad) and served in its Corporate Finance Division from 1985 to 1993. Between 1993 and 2006, he was with the Securities Commission Malaysia where he held several positions including the Director of its Issues and Investment Division and Market Supervision Division.

He is currently a Director of EITA Resources Berhad, Sunway Construction Group Berhad, Eco World International Berhad, RHB Investment Bank Berhad, Malaysian Trustees Bhd. and RHB Trustees Berhad.

Directors' Profile  
(cont'd)

Mr. Yap Ban Foo is our Vice Chairman/Senior Executive Director. He joined the Board on 10 July 2003 and has led the development of the company over the years. He is responsible for overseeing the strategic business planning, development, and operations of the Group. He attended all six (6) Board meetings held during the financial year.

He received his Computer Studies diploma from ICL Training Services in 1988.

He started his career as a Trainee Programmer in Powercomp Automation Sdn. Bhd. in 1988. Building upon his performance, he was first promoted to Programmer, and then Senior Programmer. His career progressed when he became a Senior Programmer at Powercomp Engineering Sdn. Bhd. where he was later promoted to Analyst Programmer in 1993.

He joined Radiant Global ADC Sdn. Bhd. as a Technical Manager in 1994, and he subsequently became a Director and a shareholder of Radiant Global ADC Sdn. Bhd. in 1995. He brings with him more than 30 years of experience in retail technology and point-of-sale solutions to the Group. In July 2017, he became the Managing Director. Subsequently, he has been redesignated as the Vice Chairman/Senior Executive Director.

## Directors' Profile (cont'd)



### **YAP SIN SANG**

*Senior Executive Director*

Malaysian | Male | Aged 61

Mr. Yap Sin Sang is our Senior Executive Director. He was appointed to our Board on 10 July 2003. His responsibility is to oversee the overall operations of the Group. He attended all six (6) Board meetings held during the financial year.

He has over 30 years of experience in retail technology and Point of Sale (POS) industry. He started his career in Syarikat Joo Long, his family retail business. He then joined Paling Industry Sdn. Bhd. in 1984 where he served as a Technical Assistant and was soon promoted to Assistant Supervisor.

His career continued at Kian Joo Can Factory Sdn. Bhd. as a Supervisor from 1986 to 1987, and progressed further when he became an Engineer at Powercomp Automation Sdn. Bhd. in 1988. Leveraging on his industry experience, he co-founded Softone Lite Sdn. Bhd. in 1992.

In 1994, Mr. Yap Sin Sang joined Radiant Global ADC Sdn. Bhd. as a Technical Manager. He was appointed as a Director of Radiant Global ADC Sdn. Bhd. in 1995 and became one of the shareholders of Radiant Global ADC Sdn. Bhd. He assumed his position as Executive Director - Operations in July 2017. In April 2022, he has been redesignated as the Senior Executive Director.

Directors' Profile  
(cont'd)

Mr. Tevanaigam Randy Chitty ("Mr. Randy") was appointed to the Board on 7 August 2017 as an Independent Non-Executive Director. He is the Chairman of the Audit and Risk Management Committee and a member of the Nomination and Remuneration Committee. He attended all six (6) Board meetings held during the financial year.

Mr. Randy is a member of the Malaysian Institute of Certified Public Accountants since 1994. He has over 30 years' experience in areas including Audit, Corporate Finance, Financial & Operational Management, Property Development and Construction, Investor Relations and IT related businesses.

He started his career with Ernst & Young in 1989 and since then has served with various corporations including Arab Malaysian Merchant Bank Berhad, AWC Berhad and Kenanga Investment Bank Berhad.

He is currently the Independent Non-Executive Chairman of IDB Technologies Berhad.

He also serves as the Honorary Treasurer for the Squash Racquets Association of Malaysia, since September 2020.

## Directors' Profile (cont'd)



### **MASHITAH BINTI OSMAN**

*Independent Non-Executive Director*

Malaysian | Female | Aged 66

Puan Mashitah Binti Osman ("Puan Mashitah") was appointed to the Board on 7 August 2017 as an Independent Non-Executive Director. She is the Chairperson of the Nomination and Remuneration Committee and a member of the Audit and Risk Management Committee. She attended all six (6) Board meetings held during the financial year.

Puan Mashitah received a Bachelor's Degree in Business Administration from University Kebangsaan Malaysia in 1982 and a Master's Degree in Business Administration from University College of Wales Aberystwyth in 1992.

With over 30 years of experience in Investment Banking, Puan Mashitah was named as one of the top 15 female trailblazers in the Shariah finance industry by Islamic Finance Asia in 2009.

Her career started in 1983 when she joined Bank Pembangunan Malaysia Berhad as the Project Officer. She then took on important roles in RHB Investment Bank Berhad from 1984 to 2006, supporting the institution in a wide spectrum of financing activities and leading the Islamic Finance department with specialisation in Islamic Debt Capital Market. After Puan Mashitah left RHB Investment Bank Berhad, she established and led the Corporate Investment Banking Division at Bank Islam Malaysia Berhad. Between 2014 and 2016, she was the Chief Operating Officer in Business at Bank Muamalat Malaysia Berhad.

Puan Mashitah is also an Independent Non-Executive Director of Bank Islam Malaysia Berhad and BIMB Investment Management Berhad (a subsidiary of Bank Islam Malaysia Berhad) since 1 October 2020 and 1 April 2023, respectively.

#### Notes:-

1. None of the Directors have any family relationship with any Directors and/or major shareholders of the Company.
2. None of the Directors have any conflict of interests with the Company.
3. None of the Directors have been convicted of any offences in the past five (5) years or been imposed on any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2023, other than traffic offences (if any).
4. Save as disclosed above, none of the Directors have any other directorship in public companies and listed issuers.

## Key Senior Management Profile



### **CHENG PING LIONG**

*Group Chief Executive Officer*

Malaysian | Male | Aged 59

Mr. Cheng Ping Liong is our Group Chief Executive Officer since April 2022. He is also a director and the Chief Executive Officer of Grand-Flo Spritvest Sdn. Bhd., a wholly-owned subsidiary of Radiant Globaltech Berhad.

He graduated with a Bachelor of Business Administration in Finance from University of Iowa, United States of America in 1988. His first employment was with RES Malaysia Sdn. Bhd. where he held the position of Trainee Programmer from 1989 to 1990. In 1990, he was promoted to the position of an Analyst Programmer and this was followed by his ascension to the position of System Analyst in 1991. During the years 1992 to 1995, he took on the role of a Technical Manager in RES Malaysia Sdn. Bhd. He, together with a partner, founded GF Spritvest in 1995.

Mr. Cheng was appointed as an Executive Director of NCT in September 2006 and subsequently resigned from the Board of Directors of NCT in September 2019.

He does not hold directorship in any public company and listed issuer.



## Key Senior Management Profile (Cont'd)

### LIM KIAT HIN

Sales Director

Malaysian | Male | Aged 48

Mr. Lim Kiat Hin is the Group's Sales Director since December 2018 with over two decades' experience in the Automatic Identification and Data Capture technology, sales and business development, and enterprise software solutions. He is responsible for overseeing the sales of software solutions and the overall software project delivery. His key focuses are customer acquisition, c-level engagement, and project delivery management.

He completed his degree in Electrical, Electronics and Communications Engineering at the National University of Malaysia (UKM) in 2000. After graduation, he became a Field Application Engineer for Agilent Technologies Sales (M) Sdn. Bhd. (formerly known as Hewlett Packard Sales (M) Sdn. Bhd.). Following his role in technical consulting for some years, he established a local enterprise in a retail franchise business with his former co-workers.

In 2007, he joined Zebra Technologies Asia Pacific Pte. Ltd. as the Country Territory Manager, responsible for sales and revenue growth in Malaysia. His career continued when he came on board Honeywell as the Regional Business Development Manager in Southeast Asia, with the mission to expand the Productivity and Identification Solution business in the region.

He subsequently joined Datalogic Singapore Asia Pacific Pte. Ltd. and took charge of the business in the Southeast Asian region. Before joining the Group, he also worked for AEB GmbH as the Regional Sales Manager, covering accounts in Southeast Asia, Hong Kong, and China.

He does not hold directorship in any public company and listed issuer but hold directorships in several subsidiaries of Radiant Globaltech Berhad.

### WONG WEI MING

Digital Director

Malaysian | Male | Aged 57

Mr. Wong Wei Ming joined the Group as the Digital Director in January 2020. He is responsible for planning, developing, implementing, managing and improving the overall company strategy for using technological resources.

He holds a Bachelor's Degree in Computing Science from Staffordshire University in the United Kingdom. He has more than 30 years of experience in Computer Science, Information Technology, and Project Management.

His career began at Asia Commercial Finance in 1988, when he was a Programmer. After almost two years of service at the company, he joined ICI Central Toxicology Laboratory as a Trainee Programmer. Between 1993 and 1996 at Malayan Banking Berhad, he was the programmer and system analyst, and thereafter moved up to the position as the Project Manager.

Following his career at Malayan Banking Berhad, he subsequently became the Project Manager at Formis Dialog Sdn. Bhd. in 1996, and the General Manager at Accurate Sdn. Bhd. in 2000. He was also the IT Manager Downstream for the Asia-Pacific region of ProJET Malaysia Sdn. Bhd. from 2002 to 2005.

Having joined Axcelasia Softnex Sdn. Bhd. (previously known as Softnex Sdn. Bhd.) as the Managing Director from 2005 to 2019, he was also the Director for Business Continuity Management Line of Business at Axcelasia Columbus Sdn. Bhd. (previously known as Columbus Advisory Sdn. Bhd.), between 2010 and 2019.

He does not hold directorship in any public company and listed issuer but hold directorships in several subsidiaries of Radiant Globaltech Berhad.

## Key Senior Management Profile (cont'd)



Ms. Lee Sook Kuan is the Head of Accounts & Finance. She is responsible for accounting matters of the Group. Previously, she joined the Group as the Corporate Finance Manager in 2016 and continued ahead to become the Group Accountant in the following year. On April 2022, she has been promoted to Head of Accounts & Finance.

She commenced her career as an Audit Assistant in Kong Cheong & Co in 2007 while she was pursuing her professional studies with the Association of Chartered Certified Accountants ("ACCA"). She was later promoted to the company's Audit Assistant Semi-Senior in the same year. Upon the completion of her professional examinations with the ACCA in 2008, she moved on to advance her career at L M Chan & Associates. She thereupon served as a Senior Finance Executive at Delta China Technologies Limited, a Hong Kong-based company.

Prior to her tenure at the Group, she worked for Pestech Sdn. Bhd, a subsidiary of Pestech International Berhad, from 2010 to 2016. She first served as a Senior Account Executive of the Corporate Finance Department. Then, she was subsequently promoted to different roles: Senior Finance Executive in 2011; Associate Manager of the Corporate Services Department in 2012; and Assistant Manager in 2013.

She acquired multiple professional certifications including Goods and Services Tax Advice Agent from the Royal Customs Department Malaysia in 2014; Fellowship of the ACCA since 2016; and Registered Chartered Accountant of the MIA. She also has a degree in Applied Accounting from Oxford Brookes University in United Kingdom since 2015.

She does not hold directorship in any public company and listed issuer.

### Notes:

1. None of the Key Senior Management personnel have any family relationships with any Directors and/or major shareholders of the Company.
2. None of the Key Senior Management personnel have any conflict of interests with the Company.
3. None of the Key Senior Management personnel have been convicted of any offences in the past five (5) years or been imposed on any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2023, other than traffic offences (if any).

# Management Discussion & Analysis



## INTRODUCTION

**E**stablished in Malaysia in 1994, Radiant Globaltech Berhad (“Radiant”) and its subsidiaries (“the Group”) specialises in serving the retail and industrial sectors with a comprehensive range of hardware, software, and maintenance services. Since our inception, we have been instrumental in streamlining operations for numerous companies through our expertise in these areas.

Expanding beyond our renowned retail solutions, we have diversified our portfolio to encompass F&B software, with solutions tailored for quick service restaurants, cafés, food courts, and restaurants, as well as industrial establishments and warehouse management systems. In addition, we have e-financing module that integrate with financial institution to facilitate the access to financial assistance for our customers. Anticipating our customers future needs, we are currently developing e-Invoice solutions for seamless integration with the Inland Revenue Board of Malaysia (IRBM) portal and customers’ various back-end system.

At the core of our ethos is a commitment to continuously adapting to meet the evolving needs of our customers. Our goal is to provide innovative solutions that not only drive efficiency but also foster growth for each of our customers.

## Management Discussion & Analysis (Cont'd)

Our expansion into overseas markets, new solutions and new sectors stand as a testament to our unwavering dedication to propelling the Company to new heights. In an increasingly digital world, our role in facilitating the success of organisations in their digitalisation process remains a powerful and evergreen growth driver for the Group. As consumer technologies evolve and organisations seek more intelligent solutions to gain a sustainable competitive edge, our relevance becomes even more pronounced. The Group continues to innovate and provide solutions that empower both users and businesses to thrive in the digital age. It is our commitment to stay at the forefront to meet their expectations.

### OPERATIONS REVIEW

The Group has executed three key strategies aimed at enhancing the operational facets of our business. These initiatives encompass expanding our customer base and sector coverage, bolstering our solutions footprint and establishing robust recurring income streams derived from both software solutions and support services. Through strategic acquisitions in recent times, we have bolstered our portfolio significantly, positioning ourselves to capitalise on growth prospects stemming from these ventures.

These are the operational highlights for the financial year ended 31 December 2023 ("FY2023"):

### FINANCIAL OVERVIEW

For the FY2023, the Group reported a small decrease in revenue, amounting to RM135.5 million, compared to RM137.6 million in the previous corresponding twelve-month period (1.5% decrease from last year).

FY2023  
**REVENUE**  
RM **135.5**  
million



## Management Discussion & Analysis (Cont'd)

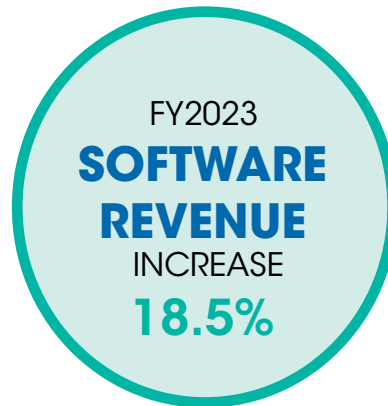
The hardware segment continued to be the largest revenue contributor among our three (3) operational segments, accounting for 60.9% of total revenue. Hardware segment revenue declined slightly from RM87.2 million in FY2022 to RM82.5 million in FY2023. The marginal decrease was due to a delay in deployment caused by the changing demand from our customers.

The software segment accounted for 18.9% of Group's revenue in FY2023, with revenue increasing by 18.5% to RM25.6 million in FY2023 from RM21.6 million previously. This was due to increased software projects implementation and increased contributions from customers on board for our retail software solutions.

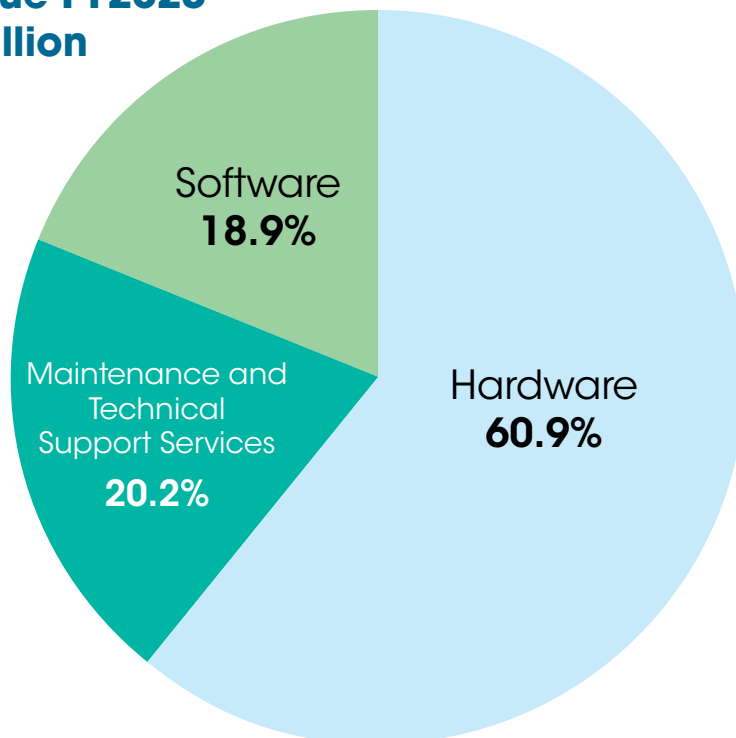
On the other hand, maintenance and technical support services segment saw a marginal decrease in revenue to RM27.4 million this year versus RM28.8 million previously. This segment has consistently benefited from the recurring income contribution.

A favourable mix, resulted in a 7.8% increase in gross profit to RM53.6 million in FY2023, up from RM49.7 million previously. Profit before tax decreased to RM11.4 million from RM12.4 million a year ago, while net profit attributable to shareholders largely maintained at RM7.7 million.

The Group's basic earnings per share improved slightly to 1.46 sen in FY2023 from 1.42 sen in the previous year.



### Total Revenue FY2023 RM135.5 million



## Management Discussion & Analysis (Cont'd)

### ASSETS, LIABILITIES AND EQUITY

Total assets decreased by 12.9% to RM111.1 million in FY2023 from RM127.5 million, primarily driven by a significant decline in cash and bank balances to RM18.5 million from RM26.9 million the previous year due to corporate exercise on acquisition of remaining 20% equity interest in a subsidiary. The reduction in inventories from RM16.3 million in FY2022 to RM7.4 million was partly attributed to delivery of equipments in FY2023.

Meanwhile, total liabilities decreased from RM46.5 million in FY2022 to RM37.1 million in the FY2023, notably due to a decrease in accruals and payables as advances received from customers converted to revenue upon delivery. Consequently, net assets per share stood at 14.1 sen as of FY2023 compared to 14.8 sen previously.

There were borrowings primarily from hire purchase and leases liabilities of RM1.8 million in FY2023 as compared to RM0.8 million in FY2022, while shareholders' equity declined by 4.38% to RM74.2 million in FY2023 from RM77.6 million in the previous year, primarily due to changes in a subsidiary's ownership interests that do not result in a loss of control.

The Group maintained a healthy net cash position as of FY2023, providing healthy and strong financial position for potential organic and inorganic growth.



## Management Discussion & Analysis (Cont'd)

### ANTICIPATED OR KNOWN RISKS

i

#### Change in consumer behaviour towards online retail purchases

In this digital age, there has been a noticeable shift in consumer behavior towards online retail purchases, resulting in increased competition pressures on retailers.

With the convenience of e-commerce platforms, consumers are increasingly opting for online transactions. Consequently, traditional retailers solely reliant on physical storefronts may encounter greater challenges ahead. Consumers now favour businesses that provide an omnichannel experience, adding complexity to the retail landscape.

To mitigate these challenges, our Group is committed to enhancing software solutions, particularly by integrating e-commerce solutions for businesses. By doing so, we proactively adapt to the evolving consumer behavior and effectively support the dynamic needs of businesses. This strategic approach enables us to stay ahead of the curve and align with the latest trends in consumer preferences.

ii

#### Talent acquisition and retention

Retaining talent is paramount in technology organisations like Radiant, as human capital increasingly influences operating costs and business performance. Our Group is actively addressing challenges such as skill shortages, escalating labor expenses, talent acquisition and retention, and evolving labour regulations.

To mitigate these risks, our human resource team is devising effective retention strategies that focus on key drivers across all talent segments. This includes investing in talent through skill development initiatives and performance-based remuneration schemes, aligning with our goal of reducing employee turnover. Additionally, we prioritise modern approaches like automation technology to enhance process efficiency, ultimately fostering business and operational excellence.

iii

#### Currency risk

Radiant faces foreign currency risk on transactions denominated in currencies other than the Ringgit ("RM"), our functional currency. Fluctuations in the US Dollar against the RM present a material threat to the Group's earnings, performance, financial condition, and liquidity. Nevertheless, we employ hedging mechanisms to mitigate this risk, monitoring currency fluctuations closely to uphold the Group's profitability.

iv

#### Cybersecurity risks and data breaches

As reliance on internet-based services grows in business operations, the risk of vulnerabilities in data privacy and security protocols also increases. Data breaches due to hacking or corporate espionage could severely disrupt our operations and affect our customers, leading to significant reputational damage.

To address these risks, the Group implements background checks and closely manages security privileges for employees involved in critical processes. Additionally, we utilize reputable third-party services equipped with robust security infrastructure and protective measures to enhance our overall security posture.

v

#### Risk of slow economic, retail and industrial sector recovery

These risks may arise from factors such as prolonged economic downturns, sluggish consumer spending, and delayed industrial activities.

While the company remains vigilant and cautious regarding these potential risks, it's essential to recognize that a significant portion of our customer base consists of players in the retail industry, encompassing departmental stores, supermarkets, hypermarkets, and convenience stores. Drawing from our experiences navigating the challenges, the company is well-prepared to confront and address any potential impacts on our operations, should these risks materialize.

## Management Discussion & Analysis (Cont'd)

### OUTLOOK AND GROWTH STRATEGIES

The Malaysia Retail Chain Association (MRCA) forecasts a growth rate of 3.3% to 3.5% for Malaysia's retail industry in 2024. The recovery of domestic tourism has bolstered foot traffic in retail stores and shopping centres. Despite prevailing economic challenges, we maintain a cautious yet optimistic outlook for our business in 2024.

We anticipate sustained demand for retail and industrial automation solutions as businesses continue to prioritise digitalisation and automation initiatives to enhance revenue generation and overall business value increase their efficiency as well as improve their bottomline.

In the journey towards achieving our vision, we've set course with clear long-term and short-term goals for each significant segment of our business.

i. Expanding customer base and products offering

Radiant provides comprehensive integrated technologies solutions to retail and industrial customers ranging from hardware and maintenance to software solutions to customers in a variety of industries including the FMCG, manufacturing, transportations and logistics, and utilities companies. We would like to expand our customers base to various other industries, leveraging our strong track record with prominent retailers and industrial companies.

We continue to integrate our hardware and software solutions for both retail and industrial customers that will meet their increasingly demanding technology needs. Anticipating our customers' future demands, we have e-financing module that integrate with financial institution for our retail portal customers to address their business liquidity issues. In the recent government effort to implement Inland Revenue Board of Malaysia (IRBM) e-invoice, we will be launching E-Engage solution for our customers to comply with regulatory requirements and automate their processes.

ii. Growing our solutions presence in overseas markets

We have so far established a presence in Vietnam, Cambodia, Thailand and Singapore. We continue to focus our efforts on securing and implementing business enhancement solutions for our existing customers in the region, as well as capturing new market share. In FY2023, we remained resilient and continued to make gradual new customer acquisition. We continue to enhance our sales and marketing efforts in line with our goal to be a leading integrated solution provider across South East Asia.

iii. Building strong recurring income via software solutions as well as support and services activities

To date, we consistently benefited from recurring income contribution from providing supports and services to our customers as well as software subscriptions. Moving forward, we will undertake various approaches to enlarge our recurring income in this segment for our earnings to be sustainable.



# Sustainability Statement

Radiant Globaltech Berhad (“Radiant”) and its subsidiaries’ (“the Group”) Sustainability Statement covers the Group’s strategies, initiatives and performance in response to Environmental, Social and Governance (“ESG”) risk and opportunities, focusing on the significant ESG matters that are most material to the Group and its key stakeholders.

This statement underscores our steadfast commitment to addressing climate change, upholding human rights, ensuring governance excellence, and embracing other pertinent sustainability facets crucial for the enduring prosperity of our business endeavors. Our aim is to foster industry growth while prioritising sustainability at every turn.

Recognising that sustainability and its disclosure constitute an ongoing journey, we continuously evaluate our impact on the community, workplace, environment, and industry. These endeavors mark a significant evolution for our operations, laying the groundwork for a more comprehensive community investment strategy and sustainability roadmap. In response, we are actively refining our sustainable development strategy to craft more holistic sustainability initiatives that safeguard the interests of all stakeholders, both present and future.

As we endeavor to address industry challenges head-on, we are equally committed to minimising our carbon footprint and fostering social progress by creating job opportunities and delivering quality products to our community. We firmly believe that striking a balance between business profitability and sustainability will inspire greater stakeholder confidence in our Group and solidify our reputation as industry leaders.

## REPORTING FRAMEWORK

The scope of this Sustainability Statement discusses the efforts pertaining to sustainability practices and policies of Radiant throughout the financial year ended 31 December 2023 (“FY2023”). This Sustainability Statement has been prepared in accordance with the Sustainability Reporting Guide issued by Bursa Malaysia Securities Berhad.

This sustainability report outlines the efforts made by our Group during the financial year under review in areas where our Group’s expertise and resources can benefit both the present and the future generations. It provides comprehensive details of our Group’s sustainability activities in relation to the three core areas, namely Economic, Environmental and Social (“EES”) aspects.



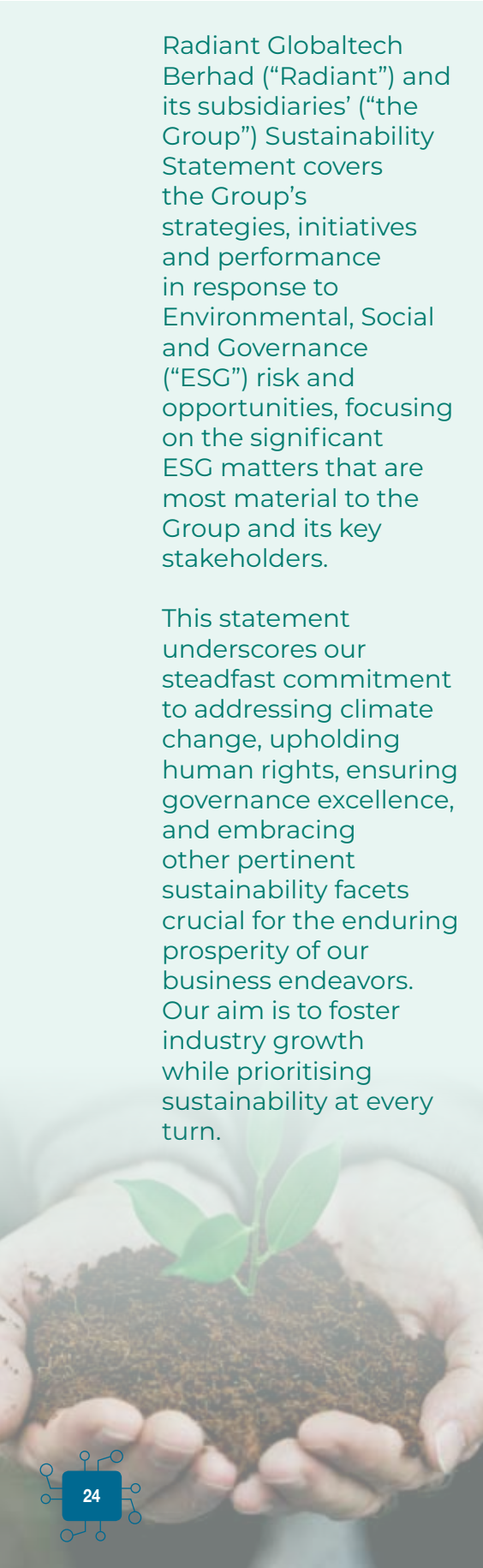
Economic



Environmental



Social




## Sustainability Statement (Cont'd)

### STAKEHOLDER ENGAGEMENT TABLE

Radiant Group recognises the value of regular communication with stakeholders to better understand their needs and address their concerns. This, in our view, is an essential component to achieving results and moving forward in our sustainability journey.

The table below demonstrates our Group’s initiatives in stakeholder engagement:

Stakeholder	Expectations & Interests	Engagement Methods
 Investors	<ul style="list-style-type: none"> <li>Financial performance</li> <li>Sustainable financial returns</li> <li>Business strategy</li> <li>Sustainable dividend policy</li> <li>Corporate governance</li> </ul>	<ul style="list-style-type: none"> <li>Annual general meetings</li> <li>Annual reports</li> <li>Quarterly financial reports</li> <li>Corporate website</li> </ul>
 Customers	<ul style="list-style-type: none"> <li>Good relationship rapport</li> <li>Ensure timely service and product delivery</li> <li>Resolving complaints efficiently</li> <li>Compliant to health and safety standard operating procedure (SOP) when attending meetings</li> </ul>	<ul style="list-style-type: none"> <li>Actively engage and build relationship</li> <li>Regular meetings and feedback</li> <li>Participation in industry networking events</li> </ul>
 Local Communities	<ul style="list-style-type: none"> <li>Impact of operations</li> <li>Interaction with local communities</li> <li>Building good relationships</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Social Responsibility</li> </ul>
 Regulatory Agencies	<ul style="list-style-type: none"> <li>Compliance with corporate governance</li> <li>Compliance with all local laws and regulations</li> <li>Compliance with labour, environmental and health &amp; safety regulations</li> </ul>	<ul style="list-style-type: none"> <li>Annual reports</li> <li>Compliance to relevant government laws and regulations</li> <li>Participation in seminars and information sessions conducted by the authorities</li> <li>Regular updates from company secretary on latest development and changes</li> </ul>
 Suppliers	<ul style="list-style-type: none"> <li>Transparent procurement practices &amp; pricing</li> <li>Regular payment schedule</li> <li>Timely delivery</li> </ul>	<ul style="list-style-type: none"> <li>Timely payments</li> <li>Vendor registration (as needed)</li> <li>Contract engagement (as needed)</li> </ul>
 Industry Peers	<ul style="list-style-type: none"> <li>Industry best practices</li> </ul>	<ul style="list-style-type: none"> <li>Participation in industry networking events</li> </ul>
 Employees	<ul style="list-style-type: none"> <li>Training and development</li> <li>Occupational health and safety</li> <li>Competitive remuneration and rewards</li> </ul>	<ul style="list-style-type: none"> <li>Training and development programmes</li> <li>Safety training and awareness</li> <li>Annual appraisals</li> <li>Whistle-blowing policy</li> </ul>

## Sustainability Statement (Cont'd)



### ECONOMICAL SUSTAINABILITY MATTERS

Radiant Group provides total retail technology solutions along with maintenance and technical support services, enabling our customers to digitalise their operations, and connect people, processes and technology. With our solutions, we are able to help our customers to simplify their business by allowing them to operate faster, more efficiently, and at a lower cost. Accordingly, our Group undertakes the following measures to ensure business sustainability:



#### Operations and cash flow management

The Group maintained a stable net cash position as of FY2023, which underscores our continued financial strength and resilience, positioning us well for potential organic and inorganic growth opportunities. Our cash and cash equivalent for FY2023 stood at RM30.4 million, reflecting a decrease from RM41.3 million in the previous fiscal year. This decline is primarily attributed to strategic investments and purchase of equipment necessary for the company's expansion initiatives. To ensure smooth operations and sustained healthy cash flow throughout the financial year, our Board of Directors works closely with key management.



#### Cost efficiency

As an integrated retail technology player, our Group is dedicated to developing solutions that are as resource-efficient, eco-friendly, and as energy-efficient as possible. By thinking and acting sustainably, our Group enables customers' businesses to operate faster, more efficiently, and at a lower cost by increasing resource efficiency and establishing cost advantages.



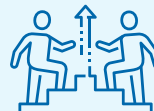
#### Job creation and livelihood of employees

Radiant has always believed that creating jobs with competitive wages will promote economic growth and social inclusion. Our Group generates job opportunities in Malaysia, Vietnam, Cambodia, Thailand and Singapore. The Group intends to upskill our workforce in line with our continued expansion.



#### Customer satisfaction

Radiant's priority will always be customer satisfaction. We strive to provide solutions that not only meet but also exceed our customers' expectations by being proactive in addressing their ever-changing needs in tandem with the industry's rapid growth. Furthermore, we are committed to meeting with our customers on a regular basis to maintain engagement and gather feedback.



#### Employee Remuneration and Retention

Our human resource team is working on effective retention strategies through several key employee retention drivers across every talent segment in the organisation, such as investing in talents by way of skill training, as well as performance-based and skill-oriented remunerations. We also emphasise on modern approaches through new automation technology to mitigate the labour intensive process which will go a long way in driving business and process excellence.

Sustainability Statement  
(Cont'd)



**ENVIRONMENTAL SUSTAINABILITY MATTERS**



**Reduce, Reuse, Recycle**

Our Group adopts the three Rs of sustainability – reduce, reuse and recycle, as part of our corporate culture. We regard efficient use and preservation of other resources – raw material, paper, water, recycling and reusing of plastic materials. We carry out the disposal of unusable parts from our hardware and support services business segments in a responsible and environmentally acceptable manner by rerouting them to local recycling companies. Furthermore, our Group encourages all our employees to turn off power and electricity when they leave the office or workstation and to bring their own tableware or utensils rather than use disposable tableware.



**Digital Transformation**

Employees, suppliers, and customers are encouraged to fully leverage the benefits of digitalisation in line with the Group’s commitment to reduce carbon footprint. For example, for internal and external communications, our Group’s employees and management at all levels use email and instant messaging.



**Electronic Filing System**

Radiant will continue to be focused on providing solutions that assist our customers and us in lowering the environmental impact. To reduce the use of paper in day-to-day business operations, we have implemented digitalisation of various operating procedures such as customer signup and feedback forms. We are committed to continuing to provide digitalisation solutions that support customers’ back-end operations and point of sale in the future.

Sustainability Statement  
(Cont'd)



**SOCIAL SUSTAINABILITY MATTERS**



**Code of Conduct**

Anti-bribery and corruption policy, corporate disclosure policy, whistle blowing policy, and board charter are all in place at Radiant Group and are all posted on our website. These policies are applicable to all employees of the Group, and it reflects the underlying shared values that we uphold.



**Employees**

Recognising that our employees are our greatest asset, Radiant takes a proactive approach to develop and sustain employee engagement and foster positive relationships, through get-together dinners and annual dinner. With the reopening of international borders, we also visit all the regional offices to engage with the team for alignment of goals. We also provided support and assistance to employees suffering from illnesses, reflecting Radiant's commitment to protecting and supporting our employees.



**Workplace**

Radiant Group remains steadfast in improving the workplace in regard to performance, productivity, and culture. To create a well-diversified workforce, our Group has enhanced our recruitment practices by hiring a diverse array of individuals from different cultural backgrounds and with different philosophies and perspectives. We also want to provide our employees with a safe working environment by taking stringent precautions, while safeguarding our operations to ensure that we continue to support our customers.



**Community**

Our Group is committed to contributing to the community's wellbeing and helping one another in times of need, starting with small gestures that can make a big difference in bringing our community together. We made monetary donations to charity homes on several occasions through our business partners.

**CONCLUSION**

Our Group is firmly dedicated to conducting business with a strong ethical, environmental, and social conscience, reflecting the fundamental values of the Radiant Group. We prioritise benefiting not only the planet we inhabit but also our shareholders, business partners, customers, employees, and society at large. Continuously seeking innovative ways to embed sustainability into our day-to-day operations, we are committed to optimising our Group's resources and minimising waste generation. Our sustainability efforts are focused on enhancing value propositions for our stakeholders and customers through the adoption of industry-leading practices.

# Corporate Governance Overview Statement

The Board of Directors ("Board") of Radiant Globaltech Berhad ("Radiant" or the "Company") recognises the importance of maintaining high standards of corporate governance for transparency, accountability, integrity and a well-managed company. As a fundamental part of discharging its duties and responsibilities, the Board is committed towards ensuring good corporate governance practices are implemented and maintained throughout the Company and its subsidiaries ("the Group") to enhance shareholders' value, and to be consistent with the principles and best practices as set out in the Malaysian Code on Corporate Governance ("MCCG").

This Corporate Governance Overview Statement is augmented with a Corporate Governance Report 2023 ("CG Report"), based on a prescribed format as enumerated in Rule 15.25(2) of the ACE Market Listing Requirements ("ACE Market LR") of Bursa Malaysia Securities Berhad ("Bursa Securities") so as to provide a detailed articulation on the application of the Group's corporate governance practices as set out in the MCCG throughout the financial year ended 31 December 2023 ("FY2023"). The CG Report is available on the Company's website at [www.rgtech.com.my](http://www.rgtech.com.my), as well as via an announcement on the website of Bursa Securities.

This Corporate Governance Overview Statement is based on the following three (3) principles of the MCCG:-

- Principle A : Board leadership and effectiveness;  
 Principle B : Effective audit and risk management; and  
 Principle C : Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

### PART I - BOARD RESPONSIBILITIES

#### 1. Board's Leadership on Objective and Goals

- 1.1 The Board is responsible for the overall performance and business affairs of the Group. The Board provides necessary leadership which includes practising a high level of good governance to ensure the long-term success of the Group and the delivery of sustainable value to its stakeholders.

In discharging its fiduciary duties and leadership functions, the Board is guided by the Board Charter, which outlines the Board's duties and responsibilities. The Board also delegates certain responsibilities to the following Board Committees, all of which operate within their respective Terms of Reference which can be accessed via the Company's website, [www.rgtech.com.my](http://www.rgtech.com.my):-

- a. Audit and Risk Management Committee ("ARMC"); and
- b. Nomination and Remuneration Committee ("NRC").

To enable the Board to discharge its responsibilities in meeting the goals and objectives of the Group, the Board has, amongst others:-

- promoted good corporate governance culture within the Group which reinforces ethical, prudent and professional conduct;
- reviewed, challenged and decided on the Management's proposals for the Group, and monitor its implementation;
- ensured that the strategic plan of the Group supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- assessed the performance of the Management;
- ensured there is a sound framework for internal controls and risk management;

## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### PART I - BOARD RESPONSIBILITIES (CONT'D)

##### 1. Board's Leadership on Objective and Goals (CONT'D)

1.1 To enable the Board to discharge its responsibilities in meeting the goals and objectives of the Group, the Board has, amongst others:- (Cont'd)

- recognised the principal risks of the Group's business and that business decisions involve the taking and managing of relevant risks;
- set the risk appetite within which the Board expects the Management to operate and ensured that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;
- ensured that Senior Management has the necessary skills and experience, and measures are in place to provide for the orderly succession of Board and Senior Management;
- ensured that the Group has in place procedures to enable effective communication with shareholders and stakeholders; and
- ensured the integrity of the Group's financial and non-financial reporting.

The Terms of Reference of the ARMC was formalised and adopted by the Board and it was last reviewed, revised and approved on 23 November 2023 and the Terms of Reference of the NRC was formalised and adopted by the Board and it was last reviewed, revised and approved on 18 April 2023.

1.2 The Chairman of the Board, Dato' Siow Kim Lun, holds an Independent Non-Executive position and is primarily responsible for the leadership, governance and conduct of the Board as well as for ensuring the Board's effectiveness.

The responsibilities of the Chairman of the Board, amongst others, are as follows:-

- (a) To provide leadership to the Board.
- (b) To oversee the effective discharge of the Board's supervisory role.
- (c) To facilitate the effective contribution of all Directors.
- (d) To conduct and chair Board meetings and general meetings of the Company.
- (e) To manage Board communications and Board effectiveness and effective supervision over Management.
- (f) To ensure Board meetings and general meetings comply with good conduct and best practices.
- (g) To promote constructive and respectful relations between Board members and between the Board and the Management.
- (h) To ensure that quality information to facilitate decision-making is delivered to the Board in a timely manner.
- (i) Together with the Vice Chairman/Senior Executive Director, to represent the Company and/or Group to external parties such as shareholders, creditors, consumer groups, local communities and federal, state, and local governments.

The Chairman does not assume the position of chairman of the Board Committees but as a member of the Board Committees. Nevertheless, the Chairman also does not chair these Board Committees. Through his participation and corporate experience, it is believed that the Board's objectivity in receiving or reviewing the committees' reports has not been diminished in any way.

## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### PART I - BOARD RESPONSIBILITIES (CONT'D)

##### 1. Board's Leadership on Objective and Goals (CONT'D)

- 1.3 During the FY2023, the position of the Chairman and Vice Chairman/Senior Executive Director are held by two different individuals and each has an accepted division of responsibilities to ensure there is a balance of power and authority to promote accountability, such that no one individual has unfettered decision-making powers.

The Chairman is responsible for ensuring the Board operates efficiently and effectively, promoting constructive deliberation of relevant matters. The Vice Chairman/Senior Executive Director provides guidance to the Group CEO and oversees overall operations. The Group CEO is responsible for the day-to-day management of the business, implementation of Board policies and decisions, and reports to the Vice Chairman/Senior Executive Director.

- 1.4 The corporate secretarial function of the Company is outsourced to Cospec Management Services Sdn. Bhd.

The Board is supported by two (2) qualified and experienced Company Secretaries who are qualified to act as Company Secretaries under Section 235(2) of the Companies Act 2016 ("Act") and are also registered holders of the Practising Certificate issued by the Companies Commission of Malaysia. The new joint Secretary was appointed by the Board on 5 May 2023 for better management of the Company's secretarial and administrative duties.

The Company Secretaries and their team have:

- (a) together with Management, managed all Board and Board Committees meetings' logistics;
- (b) attended and recorded minutes of all Board and Board Committees meetings and facilitated Board communications;
- (c) advised the Board on its roles and responsibilities;
- (d) advised the Board on corporate disclosures and compliance with the Companies Act 2016 and Securities Commission's regulations and ACE Market LR; and
- (e) monitored corporate governance developments and advised the Board on the adoption of corporate governance practices.

Overall, the Board is satisfied with the performance and support rendered by the Company Secretaries and their team to the Board in the discharge of their duties and functions.

- 1.5 To facilitate the Directors' time planning, an annual meeting calendar is prepared and circulated in advance prior to the new calendar year, to enable the Directors to plan ahead and coordinate their respective schedules. The notice of meetings of the Board and Board Committees were sent to the Directors via emails at least five (5) working days prior to the date of the meetings. Meeting materials are also circulated to Directors at least five (5) business days in advance of the Board and Board Committee meetings to ensure they have been given sufficient time to prepare for the meetings. The Management and other advisers are invited to attend the meetings to report and brief on their respective areas of responsibility, if required.

The deliberation and decision on matters discussed in the Board and Board Committees' meetings are duly recorded in the minutes of meetings, including whether any Director abstains from voting or deliberating on a particular matter. The minutes of meetings are circulated to the respective Board and Board Committees for review in a timely manner before it is finalised and tabled at the next meeting for confirmation.

All the records of proceedings and resolutions passed are kept at the registered office of the Company.



## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### PART I - BOARD RESPONSIBILITIES (CONT'D)

#### 2. Demarcation of Responsibilities between the Board, Board Committees and the Management

- 2.1 The Board Charter sets out the roles and responsibilities, composition and balance, operation and processes of the Board. It serves as a reference point for Board activities and is designed to provide guidance and clarity to Directors and Senior Management with regard to the respective roles and responsibilities of the Board, Board Committees, Chairman and Vice Chairman/Senior Executive Director, as well as issues and decisions reserved for the Board, the Board's governance structure and the Board's authority. This is to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities, and the legislations and regulations affecting their conduct.

The Board Charter was formalised and adopted by the Board and it was last reviewed, revised and approved on 18 April 2023.

The Board Charter of the Company is available on the Company's website at [www.rgtech.com.my](http://www.rgtech.com.my).

The Board Charter will be reviewed as and when necessary to ensure that it remains relevant and consistent with the Board's objectives and responsibilities, and reflect the latest compliance requirements as a result of changes in the regulatory framework.

#### 3. Good Business Conduct and Healthy Corporate Culture

- 3.1 All Directors and employees of the Group are to adhere to the Code of Ethics and Conduct and make a necessary declaration if there is any actual, potential or perceived conflict of interests. The Code of Ethics and Conduct is incorporated in the Board Charter of the Company and published on the Company's website at [www.rgtech.com.my](http://www.rgtech.com.my).

The Code of Ethics and Conduct sets out basic principles to guide all the Directors and/or employees of the Group and describes the standards of business conduct and ethical behaviour for Directors and/or employees in the performance and exercise of their duties and responsibilities.

The Board will review the Code of Ethics and Conduct regularly to ensure that it continues to remain relevant and appropriate.

- 3.2 The Group had adopted a Whistle Blowing Policy to promote the highest standards of corporate governance and business integrity. The Whistle Blowing Policy provides an avenue for Directors, employees and external parties to raise genuine concerns or report any misconduct, alleged breach or suspected breach of any law or regulation, including business principles and the Group's policies and guidelines, safely and confidentially.

The Whistle Blowing Policy was revised and approved for adoption by the Board on 18 April 2023. Furthermore, this policy was last reviewed by the Board on 23 November 2023. The Board will review and update the Whistle Blowing Policy at least once every three (3) years to ensure its effectiveness and consistency with the governing legislation and regulatory requirements.

The Whistle Blowing Policy is available on the Company's website at [www.rgtech.com.my](http://www.rgtech.com.my).

## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### PART I - BOARD RESPONSIBILITIES (CONT'D)

#### 3. Good Business Conduct and Healthy Corporate Culture (Cont'd)

- 3.3 In line with the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("MACC Act 2018"), the Company has put in place Anti-Bribery and Corruption Policy and Procedures ("ABC Policy") to encourage a culture of integrity and transparency in all of the Group's activities. This policy which adheres to the ACE Market LR of Bursa Securities and the Guidelines on Adequate Procedures issued pursuant to Section 17A(5) of the MACC Act 2018, generally set out the responsibilities of the Company, and all individuals who work for the Group, in observing and upholding the Group's position on bribery and corruption and provides key anti-bribery and corruption principles that apply to all interactions with the Group's customers, business partners, and other third parties, as well as guidelines for the prevention, management, and remediation of bribery and corruption related risks.

The ABC Policy will be reviewed at least once every three (3) years and in accordance with the needs of the Company. The ABC Policy is published on the Company's website, [www.rgtech.com.my](http://www.rgtech.com.my).

- 3.4 In line with Rule 15.01A of the ACE Market LR, the Board had adopted the Directors' Fit and Proper Policy which serves as a guide to the NRC and the Board in their review and assessment of the potential candidates for appointment to the Board of the Group as well as the retiring Directors who are seeking re-election at the annual general meeting.

The Directors' Fit and Proper Policy shall be reviewed periodically by the Board and be revised at any time as it may deem necessary to ensure that they remain consistent with the Board's objectives, current law and practices. The Directors' Fit and Proper Policy is published on the Company's website at [www.rgtech.com.my](http://www.rgtech.com.my).

The Board has also adopted the Nomination and Appointment of New Directors Process and Procedures to formalise the process for the nomination and appointment of a new Director to be undertaken by the NRC and the Board in discharging their responsibilities in terms of the nomination and appointment of new Directors of the Group.

- 3.5 The Board believes that sustainable business practices are essential to the creation of long-term value and that responsibly running the business is inherently tied to achieving operational excellence.

In terms of structural oversight over sustainability including strategies, priorities and targets, it is vested at the Board level with Management being responsible for operational execution with respect to Environmental, Social and Governance ("ESG") factors as part of the Group's corporate strategy.

In fulfilling its fiduciary duties to the Company's shareholders, the Board is focused on maintaining exemplary corporate governance practices, which include a commitment to ethics, integrity and corporate responsibility. The Board also ensures the Company's internal and external stakeholders are well informed on the sustainability strategies, priorities, targets as well as overall performance which the Sustainability Statement has provided a detailed articulation in this Annual Report.

The Board has conducted a review of the relevant amendments, and after considering the assessment of the Board's understanding of sustainability issues critical to the Company's performance, the amendments were revised and approved as part of the annual performance evaluation.

## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### PART II - BOARD COMPOSITION

##### 4. Board's Objectivity

- 4.1 The composition of the Board complies with Rule 15.02 of the ACE Market LR, which stipulates that the Company must ensure that at least two (2) Directors or 1/3 of the Board, whichever is the higher, are Independent Directors. Currently, the Board has five (5) members as follows:-

	Board Members	Designations
1.	Dato' Siow Kim Lun	Independent Non-Executive Chairman
2.	Yap Ban Foo	Vice Chairman/Senior Executive Director
3.	Yap Sin Sang	Senior Executive Director
4.	Tevanaigam Randy Chitty	Independent Non-Executive Director
5.	Mashitah Binti Osman	Independent Non-Executive Director

- 4.2 The Board composition is also in line with Practice 5.2 of the MCCG of having at least half of the Board comprising Independent Non-Executive Directors. This composition is able to provide independent and objective judgement as well as provide an effective check and balance to safeguard the interest of the minority shareholders and other stakeholders, and ensure high standards of conduct and integrity are maintained.
- 4.3 The Board is fully aware that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years as recommended by the MCCG. However, if the Board intends to retain a Director who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, the Board must justify its decision and seek the shareholders' approval through a two-tier voting process at a general meeting. The Board acknowledges that the tenure of an Independent Director shall not exceed a cumulative term of twelve (12) years pursuant to the Listing Requirements of Bursa Securities. During the financial year under review, none of our Directors has served the Board as an Independent Director of the Company for a cumulative term of more than nine (9) years.

Based on the assessment carried out during the financial year under review, the Board is satisfied with the level of independence demonstrated by each Independent Non-Executive Director and their ability to act in the best interests of the Company.

- 4.4 The Company has not adopted a policy that limits the tenure of its Independent Directors to nine (9) years. Notwithstanding that, the assessment of the independence of Independent Non-Executive Directors will be conducted annually via the Annual Evaluation of Independence of Directors to ensure that they are independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement or the ability to act in the best interests of the Company.
- 4.5 The Board appoints its members via a formal and transparent selection process. The NRC is responsible to consider and nominate new candidates for appointment and make the necessary recommendations to the Board for approval. In this respect, the role of the NRC is detailed in its Terms of Reference, which is accessible on the Company's website, [www.rgtech.com.my](http://www.rgtech.com.my).

The Board, through the NRC, reviews the correct mix of skills, business and professional experience that should be added to the Board annually or as and when required.

## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### PART II - BOARD COMPOSITION (CONT'D)

##### 4. Board's Objectivity (Cont'd)

- 4.6 The Board has established and adopted a Gender Diversity Policy to provides a framework for the Company to improve its gender diversity at the Board level.

The objectives/principles and measures as set out in the Gender Diversity Policy are summarised below:-

##### Objectives/Principles

- (a) The Company acknowledges the importance of promoting gender diversity at the Board level and will actively work towards having more female Directors on the Board. To avoid any mismatch and ineffective appointment of female Directors, the Company does not set any specific target for female Directors in this policy.
- (b) In assessing the Board composition and Board effectiveness, the Board shall accord due consideration to gender diversity, the required mix of skills, experience, independence and other qualities, including core competencies, commitment, integrity and/or other commitments to the Board.

##### Measures

To pursue the objectives of gender diversity, the Board will take into consideration the following measures:

- (a) The NRC and the Board shall nominate or appoint a gender diverse Board with a broad spectrum of perspectives, including but not limited to the educational background, age, ethnicity, skills, knowledge, expertise, experience, competencies, integrity and/or other commitments that the candidate will bring to complement the Board.
- (b) The NRC is responsible for ensuring that the gender diversity objective is adopted in the Board recruitment and succession planning processes.
- (c) The Company shall adopt a more accommodating boardroom culture and environment that is free from discrimination to attract and retain women's participation at the Board level.
- (d) The Company will undertake the following strategies to promote gender diversity at the Board level:
  - recruiting from a diverse pool of candidates for female Directors;
  - reviewing succession plans to ensure an appropriate focus on gender diversity;
  - identifying specific factors to take into account in the recruitment and selection adopting processes to encourage gender diversity; and
  - any other strategies the Board may develop from time to time.

The Board practises non-gender discrimination, endeavours to promote workplace diversity and supports the representation of women in the composition of Board. Currently, there is a female Director on the Board, namely, Pn. Mashitah Binti Osman. Further, there are numerous females in senior management positions within the Group.

Where and when appropriate, the Board, through the NRC, will prioritise female representation when suitable candidates are identified. However, the appointment of a new Board member will not be guided solely by gender but will also take into account the skillsets, experience and knowledge of the candidate. The Company's prime responsibility in new appointments is always to select the best candidates available. Hence, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board remains a priority.

## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### PART II - BOARD COMPOSITION (CONT'D)

#### 4. Board's Objectivity (Cont'd)

- 4.7 The NRC leverages on various sources to gain access to a wider pool of potential candidates. Besides the recommendation from the existing Board members, Management and/or major shareholders, the NRC also identifies potential candidates from external sources available, such as industry and professional associations, as well as independent search firms.
- 4.8 The NRC is chaired by Ph. Mashitah Binti Osman, an Independent Non-Executive Director of the Company. The NRC Chairperson has led the annual review of Board effectiveness, ensuring that the performance of each individual Director is independently assessed. The NRC Chairperson leads efforts in the area of succession planning as well as for the appointment of future board members.

The NRC comprises the following members, all being Independent and Non-Executive as identified by the Board:-

Name of Directors	Designations
Mashitah Binti Osman (Chairperson)	Independent Non-Executive Director
Dato' Siow Kim Lun (Member)	Independent Non-Executive Chairman
Tevanaigam Randy Chitty (Member)	Independent Non-Executive Director

The activities undertaken by the NRC during the FY2023 were as follows:-

- Assessed and evaluated the independence of the Independent Directors.
- Assessed and evaluated the performance of each Independent Director against the criteria as set out in the evaluation form, amongst others, attendance at Board and/or Board Committee meetings, adequate preparation for Board and/or Board Committee meetings, regular contribution to Board and/or Board Committee meetings, personal input to the role and other contributions to the Board and/or Board Committees.
- Assessed and evaluated the performance of the Executive Directors and Group CEO against diverse key performance indicators, amongst others, financial, strategy, sustainability and ESG, conformance and compliance, business acumen, increasing shareholders' wealth, succession planning and personal input to the role.
- Reviewed and assessed the performance of the ARMC.
- Reviewed and assessed the performance of the NRC.
- Reviewed and assessed the effectiveness of the Board and Board Committees as a whole.
- Reviewed the succession planning of the Independent Non-Executive Directors of the Company.
- Reviewed and recommended to the Board the re-election of Dato' Siow Kim Lun and Ph. Mashitah Binti Osman who were due for retirement by rotation pursuant to Clause 85 of the Company's Constitution at the last Annual General Meeting ("AGM") held on 23 June 2023.
- Reviewed and recommended to the Board the proposed acquisition of new company cars for the Vice Chairman/Senior Executive Director and Senior Executive Director.
- Reviewed and recommended to the Board the revision to the retirement clause of the Company's Employees Handbook.
- Noted and received the addendum to the Employees Handbook.
- Reviewed and recommended to the Board, the proposed remuneration packages and Directors' fees and/or benefits of Directors of the Company.
- Noted and received the progress report on the continuous training programmes attended by the Directors.

## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### PART II - BOARD COMPOSITION (CONT'D)

##### 5. Overall Effectiveness of the Board and Individual Directors

5.1 The Board has, through the NRC, conducted the following annual evaluations to determine the effectiveness of the Board, its Board Committees and each individual Director in the FY2023:-

- (a) Performance of Executive Directors and Independent Non-Executive Directors;
- (b) Performance of Group CEO;
- (c) Independence of the Independent Non-Executive Directors;
- (d) Performance of the ARMC;
- (e) Performance of the NRC; and
- (f) Effectiveness of the Board and Board Committees as a whole.

Based on the evaluations conducted in the FY2023, the NRC and the Board were satisfied with the performance of the individual Directors, Group CEO, the Board as a whole, Board Committees as well as the independence and objective judgements that the Independent Directors have brought to the Board.

##### Attendance at Board and Board Committees' Meetings

The Board schedules at least four (4) meetings in a financial year with additional meetings to be convened where necessary. During the FY2023, the Board met six (6) times where they deliberated and approved various reports and matters, including the quarterly financial results of the Group for the announcement to Bursa Securities as well as the Group's strategic, operational and financial performance.

The number of meetings held and attended by each member of the Board and the Board Committees during the FY2023 are as follows:-

Name of Directors (Designations)	Attendance		
	Board	ARMC	NRC
<b>Dato' Siow Kim Lun</b> (Independent Non-Executive Chairman)	6/6	6/6	3/3
<b>Yap Ban Foo</b> (Vice Chairman/Senior Executive Director)	6/6	N/A	N/A
<b>Yap Sin Sang</b> (Senior Executive Director)	6/6	N/A	N/A
<b>Tevanaigam Randy Chitty</b> (Independent Non-Executive Director)	6/6	6/6	3/3
<b>Mashitah Binti Osman</b> (Independent Non-Executive Director)	6/6	6/6	3/3

## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### PART II - BOARD COMPOSITION (CONT'D)

##### 5. Overall Effectiveness of the Board and Individual Directors (Cont'd)

###### Directors' Training

During the FY2023, all Directors had attended the following training programmes, seminars and/or conferences in compliance with Rule 15.08 of the ACE Market LR of Bursa Securities:-

Name of Directors	Training attended
<b>Dato' Siow Kim Lun</b>	<ul style="list-style-type: none"> <li>• Can America Stop China's Rise? Will ASEAN be Damaged?</li> <li>• Keeping the Board Out of Trouble</li> <li>• Key Updates on Malaysian Taxation</li> <li>• Cyber Resilience – Boards' Top 3 Must Knows</li> <li>• Bond &amp; Sukuk Trustees Forum 2023</li> <li>• SC Guidelines on Conduct for Capital Markets Intermediaries for Good Business Conduct and Corporate Culture</li> <li>• ASB CEO Fireside Chat Series</li> <li>• Governance &amp; Risk Management</li> <li>• Key amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad relating to Sustainability Training for Directors, Conflict of Interest, and other amendments</li> <li>• Top &amp; Emerging Risks – Training for Board Members</li> <li>• Audit Committee Conference 2023</li> <li>• AML/ CFT Training</li> <li>• Dialog with the Audit Oversight Board</li> <li>• Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> </ul>
<b>Yap Ban Foo</b>	<ul style="list-style-type: none"> <li>• Foreign Sourced Income: Tax or No Tax?</li> <li>• National e-Invoicing Engagement Session with Service Providers</li> <li>• Key amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad relating to Sustainability Training for Directors, Conflict of Interest, and other amendments</li> <li>• Transfer Pricing Fundamental 101</li> <li>• Pendaftaran Sesi Libat Urus E-Invois Bersama Pemain Industri Retails &amp; E-commerce</li> <li>• Your journey to e-invoicing in Malaysia</li> <li>• Culture Eats Strategy for Breakfast</li> <li>• Board Oversight of Climate Risks and Opportunities</li> </ul>

## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### PART II - BOARD COMPOSITION (CONT'D)

#### 5. Overall Effectiveness of the Board and Individual Directors (Cont'd)

##### Directors' Training (Cont'd)

During the FY2023, all Directors had attended the following training programmes, seminars and/or conferences in compliance with Rule 15.08 of the ACE Market LR of Bursa Securities:- (Cont'd)

Name of Directors	Training attended
<b>Yap Sin Sang</b>	<ul style="list-style-type: none"> <li>• ChatGPT(AI) Creativity Workshop</li> <li>• Accelerate Digital Transformation &amp; Productivity in a Hybrid Era</li> <li>• Mdec E-invoice</li> <li>• Introduction of Bursa Carbon Exchange &amp; Centralised Sustainability Intelligence Platform Webinar</li> <li>• Your Journey to E-invoicing in Malaysia</li> <li>• Key amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad relating to Sustainability Training for Directors, Conflict of Interest, and other amendments</li> <li>• Improve Employee Experiences on Cisco RoomOS devices, Webex, and Microsoft Teams with Thousand Eyes</li> <li>• Self-Healing Network: The Future of Autonomous Operations</li> <li>• Board Oversight of Climate Risks and Opportunities</li> <li>• Economic Outlook 2024</li> <li>• Key Component to Creating a Mature Data ecosystem</li> </ul>
<b>Tevanaigam Randy Chitty</b>	<ul style="list-style-type: none"> <li>• Environmental, Social &amp; Governance (ESG) In Financial Reporting</li> <li>• Your journey to e-invoicing in Malaysia</li> <li>• Key amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad relating to Sustainability Training for Directors, Conflict of Interest, and other amendments</li> <li>• Culture Eats Strategy for Breakfast</li> <li>• Management of Cyber Risk</li> <li>• Board oversight of climate risks and opportunities</li> <li>• Leveraging AI in growing the Digital Economy</li> <li>• Management of Cyber Risk</li> <li>• Unlocking Tomorrow's Financial Horizons: Malaysian Budget 2024 Tax Proposals</li> <li>• Cybersecurity and data privacy: The fight against Financial Crime</li> <li>• SC's AOB Conversation with Audit Committees</li> <li>• Bursa discussion economic outlook</li> </ul>
<b>Mashitah Binti Osman</b>	<ul style="list-style-type: none"> <li>• Key amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad relating to Sustainability Training for Directors, Conflict of Interest, and other amendments</li> <li>• Board Oversight of Climate Risks and Opportunities</li> <li>• Culture Eats Strategy for Breakfast</li> <li>• Economy Outlook by Bursa Malaysia Securities Berhad</li> </ul>



## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### PART II - BOARD COMPOSITION (CONT'D)

##### 5. Overall Effectiveness of the Board and Individual Directors (Cont'd)

###### Directors' Training (Cont'd)

The Board will regularly assess and address the training needs of each Director, ensuring they stay informed about the state of the economy, technological advancements, regulatory updates, management strategies, and other aspects of the business environment. This will enhance the skills and knowledge of the Board, enabling them to better fulfill their responsibilities.

#### Part III - REMUNERATION

##### 6. Level and Composition of Remuneration

6.1 The Board had adopted a formal and transparent Remuneration Policy that set out the principles and guidelines for the Board and the NRC to determine the remuneration of Directors and Senior Management of the Company, which take into account the demands, complexities and performance of the Company as well as skills and experience required.

The Remuneration Policy is guided by the following key principles in remunerating the Directors of the Company:

- (i) fees payable to Directors who hold non-executive office in the Company shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover;
- (ii) fees and/or benefits (including meeting allowance) payable to Directors are subject to annual shareholders' approval at a general meeting, where notice of the proposed fees and/or benefits has been given in the notice convening the meeting;
- (iii) fees payable to an alternate Director (if any) shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of the latter; and
- (iv) salaries and other emoluments payable to Directors who hold an executive office in the Company pursuant to a contract of service need not be determined by the Company in a general meeting but such salaries and emoluments may not include a commission on or percentage of turnover.

The remuneration is reviewed by the NRC on an annual basis prior to making its recommendations to the Board for approval.

The Remuneration Policy was last revised and approved for adoption by the Board on 18 April 2023. The Remuneration Policy of the Company is available on the Company's website at [www.rgtech.com.my](http://www.rgtech.com.my).

6.2 The Board, assisted by the NRC, implements the policy and procedures on remuneration, which includes reviewing and recommending the proposed remuneration packages of the Directors of the Company. The NRC is responsible to ensure that the remuneration packages are benchmarked with industry standards in light of the Group's performance in the industry as well as commensurate with the expected responsibility and contribution by the Directors and link to the strategic objectives of the Group.

The NRC has a detailed Terms of Reference in writing which is accessible on the Company's website at [www.rgtech.com.my](http://www.rgtech.com.my).

## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### Part III - REMUNERATION (CONT'D)

#### 7. Remuneration of Directors and Senior Management

7.1 The remuneration payable to the Directors on Company basis and on Group basis respectively for the FY2023 is as follows:-

##### The Company

Name of Directors	Fees RM	Meeting Allowance RM	Salary RM	Bonus RM	Benefits- in-kind RM	Other emoluments RM	Total RM
<b>Executive Directors</b>							
Yap Ban Foo	-	-	244,057	11,367	-	19,925	275,349
Yap Sin Sang	-	-	183,170	7,132	-	10,186	200,488
<b>Non-Executive Directors</b>							
Dato' Siow Kim Lun	60,000	2,100	-	-	-	-	62,100
Tevanaigam Randy Chitty	54,000	2,100	-	-	-	-	56,100
Mashitah Binti Osman	54,000	2,100	-	-	-	-	56,100
<b>Total</b>	<b>168,000</b>	<b>6,300</b>	<b>427,227</b>	<b>18,499</b>	<b>-</b>	<b>30,111</b>	<b>650,137</b>

##### The Group

Name of Directors	Fees RM	Meeting Allowance RM	Salary RM	Bonus RM	Benefits- in-kind RM	Other emoluments RM	Total RM
<b>Executive Directors</b>							
Yap Ban Foo	-	-	1,215,248	57,093	28,000	98,564	1,398,905
Yap Sin Sang	-	-	1,109,164	53,324	23,950	88,651	1,275,089
<b>Non-Executive Directors</b>							
Dato' Siow Kim Lun	60,000	2,100	-	-	-	-	62,100
Tevanaigam Randy Chitty	54,000	2,100	-	-	-	-	56,100
Mashitah Binti Osman	54,000	2,100	-	-	-	-	56,100
<b>Total</b>	<b>168,000</b>	<b>6,300</b>	<b>2,324,412</b>	<b>110,417</b>	<b>51,950</b>	<b>187,215</b>	<b>2,848,294</b>

Note:

# Other benefits include Defined Contribution Benefits, Social Security Organisation contribution, Employment Insurance System contribution and travelling allowance.

## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### Part III - REMUNERATION (CONT'D)

##### 7. Remuneration of Directors and Senior Management

The Board determines the fees and benefits of all Directors, including the Non-Executive Directors. The Director's fees are endorsed by the Board for approval by the shareholders of the Company at the AGM. Directors do not participate in the decisions regarding their own fees, benefits and/or remuneration packages.

- 7.2 The Board is of the view that the disclosure of the Top Five (5) Key Senior Management's remuneration components on a named basis would not be in the best interests of the Company as it may be detrimental to the Company's human resource management due to the competitive nature of talents within the industry.

The Board also took into consideration the sensitivity and security of the remuneration package of Top Five (5) Key Senior Management, hence, opts not to disclose on a named basis the remuneration or in bands of RM50,000.00 for the Top Five (5) Key Senior Management.

Alternatively, the Board is of the view that the disclosure of Top Five (5) Key Senior Management's aggregated remuneration on an unnamed basis in the bands of RM50,000.00 in this Annual Report is adequate.

The aggregate remuneration and benefits paid to the Top Five (5) Key Senior Management of the Group for the FY2023 as follows:-

Range of Remuneration	No. of Senior Management Officer
RM200,001 to RM250,000	1
RM250,001 to RM300,000	1
RM400,001 to RM450,000	1
RM500,001 to RM550,000	1
RM1,900,001 to RM1,950,000	1
<b>TOTAL</b>	<b>5</b>

## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

#### PART I - ARMC

#### 8. Effective and Independent ARMC

- 8.1 The positions of Chairman of the Board and Chairman of the ARMC are held by two different persons. The Chairman of the Board is Dato' Siow Kim Lun, an Independent Non-Executive Chairman, while the Chairman of the ARMC is Mr. Tevanaigam Randy Chitty, an Independent Non-Executive Director. This separation is to ensure that the Board's review of the ARMC's findings and recommendations are not impaired.

The separation had been set out clearly in the Terms of Reference of the ARMC which is accessible on the Company's website at [www.rgtech.com.my](http://www.rgtech.com.my).

- 8.2 Currently, none of the members of the ARMC were former partners of the present auditors of the Group.

The ARMC has in place a policy that requires a former key partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the ARMC. The policy had been codified in the Terms of Reference of ARMC of the Company.

- 8.3 The Board had established an External Auditors Assessment Policy which set out the guidelines and procedures for the ARMC to review, assess and monitor the performance, suitability and independence of the external auditors.

The ARMC obtained assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The ARMC carried out an annual performance assessment of the external auditors and requested the Executive Directors and Financial Controller to join the assessment.

The ARMC is satisfied with the performance, suitability and independence of the external auditors of the Company. Having assessed their performance, the ARMC is satisfied with the competence and independence of the external auditors and has recommended to the Board, the re-appointment of the external auditors upon which the shareholders' approval will be sought at the forthcoming AGM of the Company.

- 8.4 The ARMC comprises solely of the following Independent Non-Executive Directors:-

- (a) Tevanaigam Randy Chitty (Chairman);
- (b) Dato' Siow Kim Lun (Member); and
- (c) Mashitah Binti Osman (Member).

- 8.5 The Chairman and members of the ARMC are financially literate and able to understand the Group's business and matters under the purview of the ARMC.

The NRC would also review the terms of office and performance of the ARMC members to determine whether they have carried out their duties in accordance with their Terms of Reference.

The ARMC members will continuously keep abreast of relevant industry developments including accounting and auditing standards, business practices and rules, to address any skills or knowledge gaps according to their needs.

## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

#### PART II - RISK MANAGEMENT AND INTERNAL CONTROL

##### 9. Risk Management and Internal Control Framework

9.1 The Board acknowledges its overall responsibility for ensuring that a sound system of risk management and internal control is maintained throughout the Group, as well as the need to review its effectiveness regularly. Risk management and internal control are embedded in various work processes and procedures of the respective operational functions.

The Board has delegated the responsibility of reviewing the adequacy and effectiveness of the risk management and internal control systems to the ARMC.

9.2 The ARMC is assisted by the Management as well as the outsourced internal auditors to identify and assess the relevant risks faced by the Group and to ensure that appropriate risk treatments were in place to mitigate the risks that could be affecting the achievement of the Group's business objectives. The internal auditors report directly to the ARMC and the internal audit plans are tabled to the ARMC every quarter for review to ensure adequate coverage.

Further details on the features of the risk management and internal control framework, and the adequacy and effectiveness of this framework, are disclosed in the Statement on Risk Management and Internal Control of this Annual Report.

The scope and function of the ARMC are set out in the Terms of Reference which is available on the Company's website at [www.rgtech.com.my](http://www.rgtech.com.my).

##### 10. Effective Governance, Risk Management and Internal Control Framework

10.1 The internal audit function is outsourced to an independent professional service firm, i.e., Sterling Business Alignment Consulting Sdn. Bhd. ("Sterling"). Sterling assists the Board and the ARMC in managing the risks and establishing the internal control system and processes of the Group. This is done by providing an independent assessment of the adequacy, efficiency and effectiveness of the Group's risk management and internal control system and processes.

The internal audit function is independent of the operations of the Group and provides reasonable assurance that the Group's system of internal control is satisfactory and operating effectively. The engagement team from Sterling is free from any relationship or conflict of interest, which could impair their objectivity and independence.

The internal audit functions and activities carried out during the FY2023 are as disclosed in the ARMC Report and Statement on Risk Management and Internal Control of this Annual Report.

## Corporate Governance Overview Statement (Cont'd)

### PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

#### PART I – COMMUNICATION WITH STAKEHOLDERS

##### 11. Continuous Communication between Company and Stakeholders

11.1 The Board values the importance of maintaining good communication channels with its stakeholders, including shareholders, potential investors and the general public. This is done via the timely dissemination of information on major developments within the Group to these stakeholders in line with our Corporate Disclosure Policy.

The Corporate Disclosure Policy was last revised and approved for adoption by the Board on 18 April 2023. The Corporate Disclosure Policy of the Company is published on the Company's website at [www.rgtech.com.my](http://www.rgtech.com.my).

The quarterly results, announcements and annual reports serve as primary means of dissemination of information so that the shareholders are constantly kept abreast of the Group's progress and developments. The Company's corporate website, [www.rgtech.com.my](http://www.rgtech.com.my) serves as one of the most convenient ways for shareholders and members of the public to gain access to corporate information, Board Charter and policies, announcements, news and events relating to the Group.

11.2 The Company is not categorised as a "Large Company" under the MCCG and hence, has not adopted integrated reporting based on a globally recognised framework.

#### PART II – CONDUCT OF GENERAL MEETINGS

##### 12. Shareholders' Participation at General Meetings

###### 12.1 Conduct of General Meetings

The Board ensured that the Notice of the AGM was sent out at least 28 days prior to the meeting to allow sufficient time for the shareholders to go through the Annual Report and make necessary attendance and voting arrangements.

In line with Practice 13.1 of MCCG, the notice convening the Twentieth AGM ("20th AGM") of the Company was issued to shareholders at least 28 days before the 20th AGM date, which gave shareholders sufficient time to prepare themselves to attend the 20th AGM or to appoint a proxy to attend and vote on their behalf.

All resolutions set out in the Notice of 20th AGM and Extraordinary General Meeting ("EGM") were put to vote by poll and the votes cast were validated by an independent scrutineer appointed by the Company. The outcome of all resolutions proposed at the general meetings was announced to Bursa Securities on the same day.

The Company made the necessary preparations for poll voting for all resolutions tabled at the AGM and EGM. The Company explored the suitability and feasibility of employing electronic means for poll voting.

## Corporate Governance Overview Statement (Cont'd)

### **PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)**

#### **PART II - CONDUCT OF GENERAL MEETINGS (CONT'D)**

#### **12. Shareholders' Participation at General Meetings (Cont'd)**

##### **12.2 Effective Communication and Proactive Engagement**

All Directors who attended the 20th AGM and EGM held on 23 June 2023 respectively were accountable to the shareholders for their stewardship of the Company. The Chairman of the Board and its Board Committees members were available to respond to shareholders' queries concerning the Company and the Group at the 20th AGM and EGM. During the proceedings of the 20th AGM and EGM, the Board welcomed questions and feedback from the shareholders during the shareholders' meetings and ensures their queries were addressed properly and systematically.

The Senior Management and the external auditors also attended the AGM and EGM and assisted the Board in addressing relevant queries made by the shareholders. From the Company's perspective, the AGM and EGM also served as a forum for Directors to engage with the shareholders personally to understand their views and seek their feedback.

The summary of the key matters discussed at the AGM was made public on the Company's website for the shareholders' information as soon as practicable.

#### **STATEMENT BY THE BOARD ON THE CORPORATE GOVERNANCE OVERVIEW STATEMENT**

The Board has deliberated, reviewed and approved this Statement. The Board considers and is satisfied that to the best of its knowledge, the Company has fulfilled its obligations under the MCCG, the relevant chapters of the ACE Market LR of Bursa Securities on corporate governance and all applicable laws and regulations throughout the FY2023. The Board remains steadfast in upholding the highest standards of corporate governance practices to safeguard the interests of all its stakeholders.

# Audit and Risk Management Committee Report

## A. OBJECTIVES

The primary objective of the Audit and Risk Management Committee ("ARMC") is to assist the Board of Directors ("the Board") in fulfilling its fiduciary duties and responsibilities in accordance with its Terms of Reference, providing additional assurance to the Board by giving an objective and independent review of financial, operational and administrative controls and procedures, as well as establishing and maintaining internal controls.

## B. COMPOSITION OF THE ARMC

The ARMC comprises the following members, all being Independent Non-Executive Directors:

ARMC Members	Designation	Directorship
Mr. Tevanaigam Randy Chitty	Chairman	Independent Non-Executive Director
Dato' Siow Kim Lun	Member	Independent Non-Executive Chairman
Pn. Mashitah Binti Osman	Member	Independent Non-Executive Director

The Company has complied with Rules 15.09(1)(a) and (b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") as well as Practice 9.1 and Practice 9.4 under the Principle B of the Malaysia Code of Corporate Governance 2021 as the ARMC members fulfil the requirements as prescribed.

The ARMC Chairman, Mr. Tevanaigam Randy Chitty is a member of the Malaysian Institute of Certified Public Accountants. Accordingly, the composition of ARMC complies with Rule 15.09(1)(c)(i) of the ACE Market Listing Requirements of Bursa Securities.

The authorities and duties of the ARMC are clearly governed by the Terms of Reference of the ARMC. The Terms of Reference of the ARMC can be accessed from the Company's website at [www.rgtech.com.my](http://www.rgtech.com.my).

## C. ATTENDANCE AT MEETINGS

During the financial year under review, the ARMC convened six (6) meetings and the details of attendance of the ARMC members are as follows:-

ARMC Members	Attendance
Mr. Tevanaigam Randy Chitty	6/6
Dato' Siow Kim Lun	6/6
Pn. Mashitah Binti Osman	6/6

The Committee may request the presence of external auditors and/or internal auditors at its meetings if deemed necessary. Additionally, other members of the Board and officers of the Company and its subsidiaries ("the Group") may attend specific meetings upon invitation from the Committee, based on the relevance of the matters being discussed.



## Audit and Risk Management Committee Report (Cont'd)

### **D. SUMMARY OF WORKS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 ("FY2023")**

The summary of the activities undertaken by the ARMC during FY2023, amongst others, included the following:-

- i. Reviewed the unaudited consolidated quarterly financial results and annual audited financial statements of the Group including the announcements pertaining thereto. Discussion focused particularly on any changes in accounting policy and practices, significant adjustments and unusual events arising from the audit and compliance with accounting standards and other legal requirements before recommending to the Board for approval and release of the announcement to Bursa Securities;
- ii. Met with the external auditors once during the ARMC Meeting without the presence of the Executive Directors and management to discuss any issues arising from the annual statutory audit or any matters the external auditors may wish to discuss. There were no major issues raised during the meeting;
- iii. Reviewed with the external auditors, the Audit Planning Memorandum in respect of the audit of the Group's financial statements for FY2023 to ensure that the scope of the external audit is comprehensive;
- iv. Reviewed with the external auditors, the Audit Review Memorandum covering findings on the results and issues arising from their audit of the financial statements and their resolutions of such issues highlighted in their report to the ARMC;
- v. Reviewed and discussed with the internal auditors, the internal audit plan and internal audit report and considered the findings of internal audit and management responses thereon, and ensured that appropriate actions were taken on the recommendations raised by the Internal Auditors;
- vi. Reviewed the risk registers on the Group's business operations to ensure that appropriate action is being taken by the Management to mitigate the key risks of the Group;
- vii. Considered and recommended the re-appointment of Crowe Malaysia PLT as external auditors and their audit fees of the Group to the Board for consideration based on the competency, efficiency and transparency as demonstrated by the external auditors during their audit;
- viii. Reviewed the ARMC Report, Statement on Risk Management and Internal Control, Additional Compliance Information and Corporate Governance Overview Statement to ensure adherence to legal and regulatory reporting requirements before recommending to the Board for approval for inclusion in the Annual Report;
- ix. Reviewed the Corporate Governance Report before recommending it to the Board for approval;
- x. Reviewed the related party transactions and/or recurrent related party transactions that transpired during the financial year under review to ensure that the transactions entered were at arm's length;
- xi. Self-appraised the performance of the ARMC for FY2023 and submit the evaluation to the Nomination and Remuneration Committee for assessment;
- xii. Evaluated the performance of the external Auditors and Internal Auditors of the Company for FY2023;
- xiii. Reviewed the draft circular on the proposed renewal of existing shareholders' mandate for recurrent related party transactions of a revenue and/or trading nature before recommending it to the Board for approval;

## Audit and Risk Management Committee Report (Cont'd)

### D. SUMMARY OF WORKS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 ("FY2023") (CONT'D)

- xiv. Reviewed and recommended to the Board the proposed Conditional Share Purchase Agreement to be entered into between Radiant Globaltech Berhad ("Radiant Globaltech") and Jejaka 7 Capital Sdn. Bhd. ("Jejaka") for the acquisition by Radiant Globaltech of the remaining 20% equity interest in Grand-Flo Spritvest Sdn. Bhd., an 80% owned subsidiary of Radiant Globaltech, from Jejaka;
- xv. Reviewed and considered the Circular to Shareholders of the Company in relation to the proposed Conditional Share Purchase Agreement to be entered into between Radiant Globaltech and Jejaka for the acquisition by Radiant Globaltech of the remaining 20% equity interest in Grand-Flo Spritvest Sdn. Bhd., an 80% owned subsidiary of Radiant Globaltech, from Jejaka;
- xvi. Reviewed and recommended to the Board the adoption of the revised Related Party Transactions Policy and Procedures;
- xvii. Reviewed the disclosures of actual, potential or perceived conflict of interest ("COI") involving the Directors and key senior management of the Group and concluded that there were no additional examination or mitigation measures were deemed necessary from the COI disclosed; and
- xviii. Reviewed and recommended to the Board the adoption of updated Terms of Reference of ARMC, by incorporating a sustainability component.

### E. INTERNAL AUDIT FUNCTION

#### i. Appointment

The Group's internal audit function is outsourced to an independent professional consulting company, namely Sterling Business Alignment Consulting Sdn. Bhd. ("Sterling"), which is independent of the activities and operations of the Group. The outsourced Internal Auditors report directly to the ARMC, providing the Board with a reasonable assurance of adequacy of the scope, functions and resources of the internal audit function. The purpose of the internal audit function is to review the adequacy and effectiveness of systems, procedures and controls of the Group.

#### ii. Internal audit activities

The internal audit reporting can broadly be segregated into three (3) main areas as follows:-

##### a. Internal Audit Plan for the Group

The internal audit plan for the Group was presented to the ARMC by Sterling for discussion and approval. The ARMC would then recommend the same or any adjustments needed to the Board for adoption.

##### b. Regular Internal Audit Reports

Internal audit reports were reviewed and adopted by the ARMC on a quarterly basis. During the financial year, Sterling has reviewed critical business processes, identified risks and internal control gaps, assessed the effectiveness and adequacy of the existing state of internal control of the Group and recommended possible improvements to the internal control process. This is to provide reasonable assurance that such systems continue to operate satisfactorily and effectively within the Group.

## Audit and Risk Management Committee Report (Cont'd)

### **E. INTERNAL AUDIT FUNCTION (CONT'D)**

#### **ii. Internal audit activities (Cont'd)**

##### **c. Follow-up Reports**

In addition, the Internal Auditors followed-up on the implementation of recommendations from prior internal audit visits and updated the ARMC on the status of Management-agreed action plans.

#### **iii. Total costs incurred for the financial year**

The total costs incurred for the internal audit function of the Group for FY2023 was RM82,761.

#### **iv. Review of internal audit function**

For FY2023, the ARMC is satisfied that the independence of the internal audit function has been maintained as adequate safeguards are in place. Sterling has performed their audit assignments with impartiality, proficiency and due professional care.

## Additional Compliance Information

### 1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

Radiant Globaltech Berhad ("the Company") did not raise any funds through any corporate proposal during the financial year ended 31 December 2023 ("FY2023"). Therefore, there was no utilisation of proceeds to disclose for the FY2023.

### 2. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid or payable to the External Auditors by the Company and its subsidiaries ("the Group") for the FY2023 are as follows:-

	Fee (RM)	
	Company RM'000	Group RM'000
i. Audit		
• Current Year	72	298
• Under-provision in prior year	-	-
ii. Non-audit	6	6
<b>Total</b>	<b>78</b>	<b>304</b>

### 3. MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

There were no material contracts entered into by the Group involving the interest of the Company's Directors and/or major shareholders, either still subsisting at the end of the FY2023, or which were entered into since the end of the previous financial year.

### 4. RECURRENT RELATED PARTY TRANSACTIONS ("RRPT") OF A REVENUE AND/OR TRADING NATURE

The details of the Proposed Shareholders' Mandate for the RRPT are as set out in the Circular to Shareholders dated 30 April 2024 which is available on the website of the Company and Bursa Malaysia Securities Berhad.

Details of RRPT of a Revenue or Trading Nature are disclosed in Note 37 to the Financial Statements of this Annual Report.

# Statement on Risk Management and Internal Control

## INTRODUCTION

The Board of Directors (“the Board”) acknowledges that effective governance, risk management, and internal control processes are indispensable for Radiant Globaltech Berhad (“the Company”) and its subsidiaries (“the Group”) to attain their objectives and uphold their success. Effective governance, risk management and internal control processes will guide the Group to achieve a proper balance between the risks incurred and potential returns to shareholders, in accordance with the Group’s acceptable risk appetite.

The Board is pleased to provide the following Statement on Risk Management and Internal Control (“Statement”) of the Group for the financial year ended 31 December 2023. This has been prepared in accordance with Rule 15.26(b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), Malaysian Code on Corporate Governance (“MCCG”) and “Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers”.

## BOARD’S RESPONSIBILITY

The Board acknowledges its overall responsibility for maintaining a sound system of risk management and internal control, and for reviewing its adequacy and effectiveness to ensure shareholders’ interest and the Group’s assets are safeguarded.

The system of risk management and internal controls not only covers the financial aspect of the Group but also encompasses the operational and compliance aspect. Given the inherent limitations in the risk management and internal control system, such a system, implemented by the Board, is designed to manage rather than eliminate risks that may impede the achievement of the Group’s corporate objectives. Therefore, such a system can only provide reasonable and not absolute assurance against any material misstatement or loss, contingencies, fraud or irregularities.

## RISK MANAGEMENT FRAMEWORK

The underlying objective of an effective risk management framework is to contribute to good corporate governance, enabling the Group to achieve its corporate objectives. Risk management shall be an integral part of the Group’s culture and embedded into the day-to-day management of operations, processes and structures. Thus, it should be extensively applied in all decision-making and strategic planning.

The Group’s Risk Management Committee was established on 7 August 2017 and was merged with the Audit Committee as a single committee and known as the Audit and Risk Management Committee (“ARMC”) with effect from 16 August 2021. Its members are appointed by the Board from among its members. In particular, the roles and responsibilities of the ARMC in relation to risk management are as follows:

- i. to recommend the Group’s risk appetite and its policy for risk management to the Board;
- ii. to recommend and review the implementation of the Group’s internal controls and risk management framework;
- iii. to review the processes and procedures for ensuring that all relevant business risks are properly identified and that appropriate systems of monitoring and control are in place;
- iv. to receive and review risk management reports and make recommendations for changes in policies and procedures as and when required;
- v. to consider material risk factors, risk tolerance levels, review the actions taken in response, mitigation and prevention actions;
- vi. to consider the effect of any material findings on business risks, financial risks, compliance risks and operational risks that may impact the Group’s performance; and
- vii. to consider the effect of the risks of any findings highlighted by the internal auditor (if any) or any independent reviews carried out for the Group.

## Statement on Risk Management and Internal Control (Cont'd)

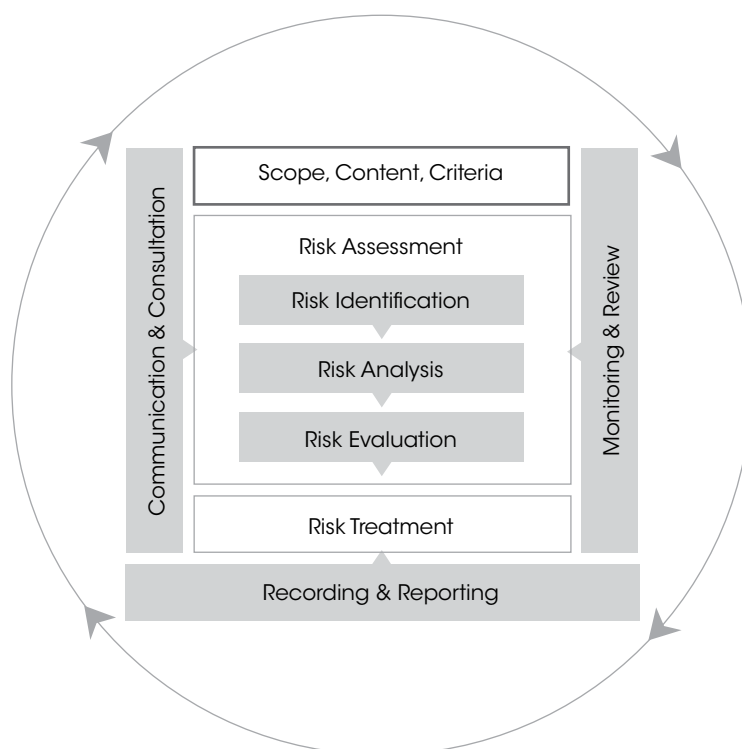
### RISK MANAGEMENT FRAMEWORK (CONT'D)

The Board recognises that risk management should be an integral part of the business operation. On a day-to-day basis, the respective Key Senior Management team is responsible for managing risks related to their functions or departments. The ARMC relies on the Key Senior Management team to support in terms of:

- i. managing the risks of business processes under his/her control;
- ii. identifying risks and evaluating existing risk controls;
- iii. reporting significant risks to the ARMC and the Board at scheduled meetings in a proactive, responsible and accountable manner; and
- iv. providing oversight on the establishment, implementation and review of the effectiveness of the risk management framework and internal control systems to the ARMC and the Board.

Management meetings are held to ensure that the risks faced by the Group are monitored and properly addressed. It is at these meetings that key risks and corresponding controls implemented are deliberated, reviewed, communicated and agreed.

The Group's risk management process can be briefly summarised as follows:



During the ARMC meetings held on 22 February 2023, 26 May 2023 and 23 November 2023, the ARMC had reviewed the Risk Management Report on the Group's business operations, amongst others, the risk parameters, financial and non-financial impact, risk treatment options and the existing risk ratings of the Group.

## Statement on Risk Management and Internal Control (Cont'd)

### INTERNAL AUDIT FUNCTION

The internal audit function of the Group has been outsourced to an external independent professional consulting firm to assist the Board and ARMC in ascertaining the adequacy and effectiveness of the Group's internal control system.

The firm acts as Internal Auditors and reports directly to the ARMC during the ARMC meetings. The firm is free from any relationships or conflict of interest, which could impair its objectivity and independence of the internal audit function. The firm does not have any direct operational responsibility or authority over any of the activities audited. The ARMC is of the opinion that the internal audit function is effective and able to function independently.

The Internal Auditors use the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Control - Integrated Framework as a basis for evaluating the effectiveness of the internal control systems. The internal audit reviews are conducted according to the approved internal audit plan which addresses the critical business processes, internal control gaps, effectiveness and adequacy of the existing state of internal control and recommends possible improvements to the internal control process. The internal audit plan is reviewed and approved by the ARMC, to provide reasonable assurance that such a system continues to operate satisfactorily and effectively within the Group.

On a quarterly basis, the Internal Auditors report to the ARMC on areas for possible improvement and the Management's responses to such recommendations. Follow-up audits were also carried out and the outcome was reported to the ARMC to ensure weaknesses identified have been or are being addressed in a timely manner.

The internal audit function assists the Board and Senior Management team in providing an independent assessment of the effectiveness and adequacy of the Group's system of internal controls.

The assessment of the adequacy and effectiveness of the internal controls established in mitigating risks are carried out through interviews and discussions with key management staff. This includes a review of the relevant policies and procedures as well as authority limits. This discussion also covers the observing and testing of internal controls on a sample basis. Any highlighted issues are followed up closely to determine the extent of the implementation by management of the recommendations put forth.

During the financial year ended 31 December 2023, four (4) internal audit reviews and four (4) follow-up reviews had been carried out and reported by Internal Auditors:

Reporting Month	Name of Entity Audited	Audited Areas
<b>February 2023</b>	<ul style="list-style-type: none"> <li>World Portal Sdn. Bhd.</li> </ul>	<ul style="list-style-type: none"> <li>Project Management</li> <li>Research and Development</li> <li>Management Information Systems/ Information Technology</li> </ul> <p>Follow up actions on previously reported audited findings</p>
<b>May 2023</b>	<ul style="list-style-type: none"> <li>ARMS Software International Sdn. Bhd.</li> </ul>	<ul style="list-style-type: none"> <li>Procurement and Sourcing</li> <li>Inventory and Warehouse Management</li> </ul> <p>Follow up actions on previously reported audit findings</p>

## Statement on Risk Management and Internal Control (Cont'd)

### INTERNAL AUDIT FUNCTION (CONT'D)

Reporting Month	Name of Entity Audited	Audited Areas
August 2023	<ul style="list-style-type: none"> <li>• Rgtech Simat Co. Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>• Service and Maintenance</li> <li>• Procurement and Sourcing</li> <li>• Inventory Management</li> </ul> <p>Follow up actions on previously reported audited findings</p>
November 2023	<ul style="list-style-type: none"> <li>• World Portal Sdn. Bhd.</li> <li>• World POS Sdn. Bhd.</li> <li>• Infoconnect Commerce Sdn. Bhd.</li> <li>• RG Gateway Sdn. Bhd.</li> </ul>	<ul style="list-style-type: none"> <li>• Finance and Accounts</li> </ul> <p>Follow up actions on previously reported audited findings</p>

### INTERNAL CONTROL

The Board acknowledges that a sound system of internal control reduces, but cannot eliminate the possibility of fraud or errors. These include poor decision making, human error, control processes being deliberately circumvented and management overriding controls.

The Group's Senior Management team receives and reviews regular reports on key financial data, performance indicators and regulatory matters. This is to ensure that matters requiring the Board's attention are highlighted for review, deliberation and decision making on a timely basis. The Board will approve the appropriate responses or amendments to the Group's policies.

The internal control matters are reviewed and the Board is updated on the significant control gaps, if any, for the Board's attention and action. Issues relating to the business operations are also highlighted to the Board's attention during the Board meetings and any significant fluctuation or exception noted will be analysed and acted on a timely manner.

The key elements of the Group's internal control systems are as follows:

- **Organisational and Reporting Structure**

A formal organisational structure has also been put in place with well-defined scope of responsibilities, clear lines of accountability and appropriate level of delegated authority. The Group has also put in place consistent human resource practices throughout the Group to ensure the Group's ability to operate in an effective and efficient manner. This is done by employing and retaining adequate competent employees possessing the necessary knowledge, skills and experience in order to carry out their duties and responsibilities effectively and efficiently.

- **Policies and Procedures**

The Group has established internal policies and procedures covering key business units and operations. These policies and procedures are regularly reviewed and updated to ensure it is relevant in addressing the changing environment, operational requirements and changes of risk.

Information pertaining to internal control policies, procedures and processes which are critical to the achievement of the Group's corporate objectives are communicated through established reporting lines across the Group via electronic mail system, internal meetings and briefings. Further, the Group also maintains documented policies, procedures and process flows for its key business operations with the appropriate level of delegated authority. The documented internal policies, procedures and processes are in place to ensure compliance with the internal control and relevant laws and regulations.



## Statement on Risk Management and Internal Control (Cont'd)

### INTERNAL CONTROL (CONT'D)

- **Internal Audit Function**

Periodic management meetings are held to discuss and review the Group's financial data, and operational performance of various operating units according to the internal audit plan approved by the ARMC. Issues and/or matters that require the Board and Senior Management team's attention will be highlighted, deliberated and decided upon on a timely manner. Periodic reviews of adequacy and integrity of selected areas of internal control systems are carried out and reported to the Board for deliberation, decision making and further action. Follow-ups on status of implementation of agreed action plans are also conducted to ensure corrective actions are implemented accordingly. Audit reviews were carried out quarterly.

### ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

The Group adopts a zero-tolerance approach to all forms of bribery and corruption. The Group is committed in conducting its business free from any acts of bribery and corruption by upholding high standards of ethics and integrity. The Group has established an anti-bribery and anti-corruption policy which prohibits all forms of bribery and corruption practices. All employees are required to read and understand the policy and to take an assessment test. All business partners including consultants and contractors are required to acknowledge and agree to comply with the Group's anti-bribery and anti-corruption policy. The said policy is also made available at the Company's website.

### WHISTLE BLOWING POLICY

The Group has put in place a whistle blowing policy which allows, supports and encourages its employees to report and disclose any improper, alleged or illegal activities within the Group.

The Whistle Blowing Policy was revised and approved for adoption by the Board on 18 April 2023. Furthermore, this policy was last reviewed by the Board on 23 November 2023. The Board will review and update the Whistle Blowing Policy at least once every three (3) years to ensure its effectiveness and consistency with the governing legislation and regulatory requirements.

The Whistle Blowing Policy is made available on the Company's website at [www.rgtech.com.my](http://www.rgtech.com.my).

### ASSURANCE

The Group Chief Executive Officer of the Company has provided assurance to the Board that the Group's system of risk management and internal control is operating adequately and effectively for the financial year under review and up to date as of this Statement.

### REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

As required under Rule 15.23 of the ACE Market Listing Requirements of Bursa Securities, the External Auditors have reviewed this Statement on Risk Management and Internal Control to the scope set out in the Audit and Assurance Practice Guide 3 (AAPG 3): Guidance for Auditors on Engagements to Report on Risk Management and Internal Control included in the Annual Report, issued by Malaysian Institute of Accountants (MIA). Based on their review, the External Auditors have reported to the Board that nothing has come to their attention that caused them to believe that the Statement is not prepared, in all material aspects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is it factually inaccurate.

### CONCLUSION

The Board is of the view that the Group's system of risk management and internal control is adequate to safeguard shareholders' investments and the Group's assets. However, the Board is also cognisant of the fact that the Group's system of internal controls and risk management practices must continuously evolve to meet the changing and challenging business environment. Therefore, the Board will, when necessary, put in place appropriate action plans to further enhance the Group's system of risk management and internal controls.

## Statement of Directors' Responsibilities in the Preparation of Financial Statements

The Board of Directors of Radiant Globaltech Berhad ("the Company") is required by the Companies Act 2016 ("CA 2016") to prepare financial statements which give a true and fair view of the state of affairs of the Company and its subsidiaries ("the Group") at the end of the financial year and of the financial performance of the Group for the financial year then ended.

In preparing the financial statements for the financial year ended 31 December 2023, the Directors have:-

- adopted and consistently applied suitable accounting policies;
- made judgements and estimates that are prudent and reasonable;
- ensure applicable financial reporting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared it on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for ensuring that the Group maintain accounting records that disclose with reasonable accuracy, the financial position of the Group, and which enable them to ensure that the financial statements comply with the CA 2016.

The Directors have general responsibilities for taking such steps that the appropriate systems are reasonably available to safeguard the assets of the Group, to prevent and detect fraud and other irregularities and material misstatements.

# FINANCIAL STATEMENTS

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77	<b>Statements of Cash Flows</b>
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## Directors' Report

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2023.

### PRINCIPAL ACTIVITIES

The Company is principally engaged in the provision of retail technology software solutions and investment holding. The principal activities of the subsidiaries are set out in Note 5 to the financial statements.

### RESULTS

	The Group RM	The Company RM
Profit after taxation for the financial year	8,195,572	5,520,413
Attributable to:-		
Owners of the Company	7,655,276	5,520,413
Non-controlling interests	540,296	-
	8,195,572	5,520,413

### DIVIDENDS

Dividends paid or declared by the Company since 31 December 2022 are as follows:-

Ordinary Share	RM
<u>In respect of the financial year 31 December 2023</u>	
A first interim single-tier dividend of 0.5 sen per ordinary share, paid on 30 March 2023	2,626,000
<u>In respect of the financial year 31 December 2024</u>	
A first interim single-tier dividend of 0.5 sen per ordinary share, paid on 18 April 2024	2,626,000
	5,252,000

For the interim single-tier dividend paid on 18 April 2024, the financial statements for the current financial year do not reflect this interim single-tier dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2024.

## Directors' Report (Cont'd)

### RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

### ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

### OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

### BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

### CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

### VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

## Directors' Report (Cont'd)

### CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:-

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

### CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

### ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

### DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Yap Ban Foo  
Yap Sin Sang  
Dato' Siow Kim Lun @ Siow Kim Lin  
Tevanaigam Randy Chitty  
Mashitah Binti Osman

## Directors' Report (Cont'd)

### DIRECTORS (CONT'D)

The names of the directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:-

Tran Phu Vinh  
Lim Kiat Hin  
Wong Wei Ming  
Cheng Ping Liong  
Yap Poh Keong  
Chu Zer-Min  
Tasnaporn Yodmongkol

### DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:-

	← Number of Ordinary Shares →			
	At 1.1.2023	Bought	Sold	At 31.12.2023
<b>The Company</b>				
<i>Direct Interests</i>				
Dato' Siow Kim Lun @ Siow Kim Lin	500,000	-	-	500,000
Tevanaigam Randy Chitty	2,140,000	120,000	60,000	2,200,000
Mashitah Binti Osman	100,000	-	-	100,000
<i>Indirect Interests</i>				
Yap Ban Foo*	129,968,800	-	-	129,968,800
Yap Sin Sang#	97,947,200	-	-	97,947,200

\* Deemed interested by virtue of his interest in Global Merits Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

# Deemed interested by virtue of his interest in Practical Resources Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

By virtue of their shareholdings in the Company, Yap Ban Foo and Yap Sin Sang are deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

## Directors' Report (Cont'd)

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 37 to the financial statements.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

### DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:-

	<b>The Group RM</b>	<b>The Company RM</b>
Fees	168,000	168,000
Salaries, bonuses, incentives, allowances and other benefits	2,445,417	454,170
Defined contribution plans	182,927	27,967
	2,796,344	650,137

The estimated monetary value of benefits-in-kind provided by the Group to the directors of the Company were RM51,950 (2022 - RM51,950).

### INDEMNITY AND INSURANCE COST

During the financial year, the amount of indemnity coverage and insurance premium paid for the directors of the Company were RM5,000,000 and RM14,190 respectively.

### SUBSIDIARIES

The details of the subsidiary name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 5 to the financial statements.

### SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

The significant event during the financial year is disclosed in Note 40 to the financial statements.



## Directors' Report (Cont'd)

### AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:-

	<b>The Group RM</b>	<b>The Company RM</b>
Audit fees	297,823	72,000
Non-audit fees	6,000	6,000
	<hr/> 303,823	<hr/> 78,000

Signed in accordance with a resolution of the directors dated 30 April 2024.

**Yap Ban Foo**

**Yap Sin Sang**

## Statement by Directors

pursuant to section 251(2) of the companies act 2016

We, Yap Ban Foo and Yap Sin Sang, being two of the directors of Radiant Globaltech Berhad, state that, in the opinion of the directors, the financial statements set out on pages 71 to 139 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2023 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 30 April 2024.

**Yap Ban Foo**

**Yap Sin Sang**

## Statutory Declaration

pursuant to section 251(1)(b) of the companies act 2016

I, Lee Sook Kuan, MIA Membership Number: 40568, being the officer primarily responsible for the financial management of Radiant Globaltech Berhad, do solemnly and sincerely declare that the financial statements set out on pages 71 to 139 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned  
Lee Sook Kuan  
at Kuala Lumpur  
in the Federal Territory  
on this 30 April 2024

**Lee Sook Kuan**

Before me

**Yokheswarem A/L M. Thirunadesan (No. W-540)**  
Commissioner for Oaths

# Independent Auditors' Report

To the Members of Radiant Globaltech Berhad

(Incorporated in Malaysia)

Registration No: 200301018877 (621297 - A)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Radiant Globaltech Berhad, which comprise the statements of financial position as at 31 December 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 71 to 139.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

### Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and Other Ethical Responsibilities*

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## Independent Auditors' Report To the Members of Radiant Globaltech Berhad (Cont'd)

### Key Audit Matters (Cont'd)

We have determined the matters described below to be the key audit matters to be communicated in our report.

<b>Impairment assessment of goodwill</b>	
Refer to Note 10 to the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>As at 31 December 2023, the carrying amount of the Group's goodwill from a cash-generating unit ("CGU") amounted to approximately RM11.4 million.</p> <p>We focused on these areas due to the significant amount of the goodwill, and the inherent judgements involved in determining the revenue forecasts, profit margins and discount rates.</p>	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> <li>(a) Reviewed management's estimate of the recoverable amount and test of the cash flows forecast for their accuracy;</li> <li>(b) Reviewed the key business drivers underpinning the cash flows forecast prepared to support the recoverable amount;</li> <li>(c) Evaluated the appropriateness and reasonableness of the key assumptions by considering prior budget accuracy, comparison to recent performance and our understanding of the business and trend analysis;</li> <li>(d) Performed sensitivity analysis over the key assumptions to understand the impact of changes over the valuation model; and</li> <li>(e) Assessing the adequacy of disclosure of goodwill in the financial statements.</li> </ul>

## Independent Auditors' Report To the Members of Radiant Globaltech Berhad (Cont'd)

### Key Audit Matters (Cont'd)

<b>Recoverability of trade receivables</b>	
Refer to Notes 13 and 39.1(b)(iii) to the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>The trade receivables of the Group amounted to approximately RM31.6 million of which approximately RM13.5 million exceeded their credit terms.</p> <p>Management recognised the allowance of impairment losses on trade receivables based on specific known facts or customers' ability to pay.</p> <p>We focused on this area as determination of whether trade receivables are recoverable involves significant management judgement.</p>	<p>Our procedures included, amongst others:-</p> <p>(a) Obtained an understanding of:-</p> <ul style="list-style-type: none"> <li>• the Group's control over the trade receivables collection process;</li> <li>• how the Group identifies and assesses the impairment of trade receivables; and</li> <li>• how the Group makes the accounting estimates for impairment.</li> </ul> <p>(b) Reviewed the ageing analysis of trade receivables and tested its reliability;</p> <p>(c) Reviewed subsequent cash collections for major trade receivables and overdue amounts;</p> <p>(d) Made inquiries of management regarding the action plans to recover overdue amounts;</p> <p>(e) Compared and challenged management's view on the recoverability of overdue amounts to historical patterns of collection; and</p> <p>(f) Evaluated the reasonableness and tested the adequacy of the impairment losses recognised for identified exposures on trade receivables by assessing the relevant assumptions and historical data from the Group's previous collection experience.</p>

### Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Independent Auditors' Report To the Members of Radiant Globaltech Berhad (Cont'd)

### Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As a part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

## Independent Auditors' Report To the Members of Radiant Globaltech Berhad (Cont'd)

### Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 5 to the financial statements.

### OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**Crowe Malaysia PLT**  
201906000005 (LLP0018817-LCA) & AF 1018  
Chartered Accountants

**Gerald Lau Beng Tong**  
03523/08/2024 J  
Chartered Accountant

Kuala Lumpur  
30 April 2024

# Statements of Financial Position

As at 31 December 2023

	Note	The Group		The Company	
		2023 RM	2022 RM	2023 RM	2022 RM
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Investments in subsidiaries	5	-	-	44,511,122	32,556,122
Property, plant and equipment	6	10,002,273	6,109,239	410,574	285,163
Investment property	7	-	-	3,880,652	3,960,528
Right-of-use assets	8	10,587,111	10,661,043	3,921,284	4,011,224
Intangible assets	9	48,461	602,488	-	-
Goodwill	10	11,447,012	11,447,012	-	-
Deferred tax assets	11	585,093	684,267	-	-
		32,669,950	29,504,049	52,723,632	40,813,037
<b>CURRENT ASSETS</b>					
Inventories	12	7,353,168	16,289,526	-	-
Trade receivables	13	30,755,967	31,346,826	2,072,381	1,859,698
Other receivables, deposits and prepayments	14	3,265,730	3,797,663	118,006	131,002
Amount owing by subsidiaries	15	-	-	4,974,687	5,219,269
Amount owing by related parties	16	1,949,819	565,167	-	-
Current tax assets		3,493,001	3,495,369	231,429	314,196
Short-term investments	17	11,886,396	14,417,587	404,439	4,249,296
Fixed deposits with licensed banks	18	1,218,772	1,191,774	-	-
Cash and bank balances		18,493,332	26,892,943	753,184	976,614
		78,416,185	97,996,855	8,554,126	12,750,075
<b>TOTAL ASSETS</b>		<b>111,086,135</b>	<b>127,500,904</b>	<b>61,277,758</b>	<b>53,563,112</b>



Statements of Financial Position  
As at 31 December 2023  
(Cont'd)

	Note	The Group		The Company	
		2023	2022	2023	2022
		RM	RM	RM	RM
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Share capital	19	48,153,374	48,153,374	48,153,374	48,153,374
Merger deficit	20	(13,680,805)	(13,680,805)	-	-
Foreign exchange translation reserve	21	(152,496)	(155,414)	-	-
Retained profits		39,904,200	43,233,870	6,200,499	3,306,086
Equity attributable to owners of the Company		74,224,273	77,551,025	54,353,873	51,459,460
Non-controlling interests	5	(269,703)	3,477,996	-	-
<b>TOTAL EQUITY</b>		<b>73,954,570</b>	<b>81,029,021</b>	<b>54,353,873</b>	<b>51,459,460</b>
<b>NON-CURRENT LIABILITIES</b>					
Provision for employee benefits	22	498,427	428,369	-	-
Lease liabilities	23	332,465	261,610	-	-
Hire purchase payables	24	824,285	129,392	-	-
Deferred revenue	25	34,024	104,568	-	-
Deferred tax liabilities	11	5,100	27,000	5,100	-
		1,694,301	950,939	5,100	-
<b>CURRENT LIABILITIES</b>					
Trade payables	26	14,751,100	13,070,512	768,215	733,988
Other payables and accruals	27	16,685,082	28,753,278	1,200,830	1,341,122
Amount owing to subsidiaries	15	-	-	4,949,740	28,542
Amount owing to related parties	16	2,466,516	2,337,594	-	-
Amount owing to directors	28	546,000	606,000	-	-
Lease liabilities	23	457,489	338,604	-	-
Hire purchase payables	24	197,486	33,884	-	-
Current tax liabilities		333,591	381,072	-	-
		35,437,264	45,520,944	6,918,785	2,103,652
<b>TOTAL LIABILITIES</b>		<b>37,131,565</b>	<b>46,471,883</b>	<b>6,923,885</b>	<b>2,103,652</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>111,086,135</b>	<b>127,500,904</b>	<b>61,277,758</b>	<b>53,563,112</b>

The annexed notes form an integral part of these financial statements.

# Statements of Profit or Loss and Other Comprehensive Income

For the Financial Year Ended 31 December 2023

	Note	The Group		The Company	
		2023 RM	2022 RM	2023 RM	2022 RM
REVENUE	29	135,524,945	137,631,716	9,231,742	8,337,489
COST OF SALES		(81,964,661)	(87,931,919)	(5,725,532)	(5,386,601)
<b>GROSS PROFIT</b>		<b>53,560,284</b>	<b>49,699,797</b>	<b>3,506,210</b>	<b>2,950,888</b>
OTHER INCOME		1,207,960	1,200,049	6,511,686	517,330
SELLING AND DISTRIBUTION EXPENSES		54,768,244	50,899,846	10,017,896	3,468,218
ADMINISTRATIVE EXPENSES		(1,645,111)	(1,635,267)	-	(28,000)
OTHER EXPENSES		(38,108,315)	(34,501,433)	(3,130,193)	(2,718,224)
FINANCE COSTS		(3,292,034)	(1,942,429)	(937,481)	(188,879)
NET (IMPAIRMENT LOSSES)/ REVERSAL OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS	30	(103,347)	(75,500)	-	-
PROFIT BEFORE TAXATION	31	11,443,950	12,360,998	5,909,783	553,915
INCOME TAX EXPENSE	32	(3,248,378)	(3,291,925)	(389,370)	(265,262)
<b>PROFIT AFTER TAXATION</b>		<b>8,195,572</b>	<b>9,069,073</b>	<b>5,520,413</b>	<b>288,653</b>
OTHER COMPREHENSIVE INCOME					
Item that Will be Reclassified Subsequently to Profit or Loss					
Foreign currency translation differences		(39,023)	23,397	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR</b>		<b>8,156,549</b>	<b>9,092,470</b>	<b>5,520,413</b>	<b>288,653</b>
<b>PROFIT AFTER TAXATION ATTRIBUTABLE TO:-</b>					
Owners of the Company		7,655,276	7,467,746	5,520,413	288,653
Non-controlling interests		540,296	1,601,327	-	-
		8,195,572	9,069,073	5,520,413	288,653
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-</b>					
Owners of the Company		7,658,194	7,505,173	5,520,413	288,653
Non-controlling interests		498,355	1,587,297	-	-
		8,156,549	9,092,470	5,520,413	288,653
<b>EARNINGS PER SHARE (SEN)</b>					
Basic	33	1.46	1.42		
Diluted	33	1.46	1.42		

The annexed notes form an integral part of these financial statements.

# Statements of Changes In Equity

For the Financial Year Ended 31 December 2023

	← Non-distributable → Distributable					Total Equity RM	
	Share Capital RM	Merger Deficit RM	Foreign Exchange Translation Reserve RM	Retained Profits RM	Attributable to Owners of the Company RM		Non- controlling Interests RM
<b>The Group</b>							
Balance at 1.1.2022	48,153,374	(13,680,805)	(192,841)	38,392,124	72,671,852	1,890,699	74,562,551
Profit after taxation for the financial year	-	-	-	7,467,746	7,467,746	1,601,327	9,069,073
Other comprehensive income/ (expenses) for the financial year:							
- Foreign currency translation differences	-	-	37,427	-	37,427	(14,030)	23,397
Total comprehensive income for the financial year	-	-	37,427	7,467,746	7,505,173	1,587,297	9,092,470
Dividend	-	-	-	(2,626,000)	(2,626,000)	-	(2,626,000)
Balance at 31.12.2022	48,153,374	(13,680,805)	(155,414)	43,233,870	77,551,025	3,477,996	81,029,021

The annexed notes form an integral part of these financial statements.

Statements of Changes In Equity  
For the Financial Year Ended 31 December 2023  
(Cont'd)

	Share Capital RM	← Non-distributable →			Distributable		Attributable to Owners of the Company RM	Non- controlling Interests RM	Total Equity RM
		Merger Deficit RM	Foreign Exchange Translation Reserve RM	Retained Profits RM					
<b>The Group</b>									
Balance at 31.12.2022/1.1.2023	48,153,374	(13,680,805)	(155,414)	43,233,870	77,551,025	3,477,996	81,029,021		
Profit after taxation for the financial year	-	-	-	7,655,276	7,655,276	540,296	8,195,572		
Other comprehensive income/ (expenses) for the financial year: - Foreign currency translation differences	-	-	2,918	-	2,918	(41,941)	(39,023)		
Total comprehensive income for the financial year	-	-	2,918	7,655,276	7,658,194	498,355	8,156,549		
Dividend	-	-	-	(2,626,000)	(2,626,000)	-	(2,626,000)		
Acquisition of non-controlling interests	-	-	-	(8,358,946)	(8,358,946)	(4,246,054)	(12,605,000)		
Balance at 31.12.2023	48,153,374	(13,680,805)	(152,496)	39,904,200	74,224,273	(269,703)	73,954,570		

The annexed notes form an integral part of these financial statements.

Statements of Changes In Equity  
For the Financial Year Ended 31 December 2023  
(Cont'd)

	Note	Share Capital RM	Distributable Retained Profits RM	Total Equity RM
<b>The Company</b>				
Balance at 1.1.2022		48,153,374	5,643,433	53,796,807
Profit after taxation/Total comprehensive income for the financial year		-	288,653	288,653
Dividend	35	-	(2,626,000)	(2,626,000)
Balance at 31.12.2022/1.1.2023		48,153,374	3,306,086	51,459,460
Profit after taxation/Total comprehensive income for the financial year		-	5,520,413	5,520,413
Dividend	35	-	(2,626,000)	(2,626,000)
Balance at 31.12.2023		48,153,374	6,200,499	54,353,873

The annexed notes form an integral part of these financial statements.

## Statements of Cash Flows

For the Financial Year Ended 31 December 2023

	<b>The Group</b>		<b>The Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>CASH FLOWS FROM/(FOR)</b>				
<b>OPERATING ACTIVITIES</b>				
Profit before taxation	11,443,950	12,360,998	5,909,783	553,915
Adjustments for:-				
Amortisation of intangible assets	584,056	579,034	-	-
Bad debts written off	947	15,551	-	15,551
Depreciation of property, plant and equipment	957,392	559,829	62,939	48,188
Depreciation of right-of-use assets	831,715	663,983	89,940	89,940
Depreciation of investment property	-	-	79,876	33,282
Dividend income	-	-	(6,000,000)	-
Employee benefits expenses	44,822	42,136	-	-
Interest expense on lease liabilities	78,028	57,609	-	-
Interest expenses	25,319	22,465	-	-
Impairment losses:				
- investments in a subsidiary	-	-	650,000	-
- trade receivables	904,497	650,338	40,439	-
Inventories written down	172,705	267,652	-	-
Inventories written off	308,687	145,420	-	-
Interest income	(221,253)	(242,161)	(11,458)	(14,566)
Property, plant and equipment written off	33,464	30,900	-	-
Reversal of impairment losses:				
- trade receivables	(729,010)	(254,619)	-	(20,800)
- related party	-	(11,500)	-	-
(Gain)/Loss on disposal of property, plant and equipment	(157,972)	13	-	-
Unrealised (gain)/loss on foreign exchange	(54,501)	(103,510)	103,610	(6,658)
Operating profit before working capital changes	14,222,846	14,784,138	925,129	698,852
Decrease/(Increase) in inventories	8,454,966	(9,127,126)	-	-
Decrease/(Increase) in trade and other receivables	1,000,859	(300,840)	(343,736)	9,474
(Decrease)/Increase in trade and other payables	(10,458,152)	12,183,001	(106,065)	404,132
Decrease/(Increase) in amount owing by subsidiaries	-	-	244,582	(1,152,747)
Increase in amount owing to subsidiaries	-	-	4,921,198	28,542
(Increase)/Decrease in amount owing by related parties	(1,384,652)	556,040	-	-
Increase in amount owing to related parties	128,922	57,041	-	-

The annexed notes form an integral part of these financial statements.

Statements of Cash Flows  
For the Financial Year Ended 31 December 2023  
(Cont'd)

	Note	The Group		The Company	
		2023 RM	2022 RM	2023 RM	2022 RM
CASH FROM/(FOR) OPERATIONS		11,964,789	18,152,254	5,641,108	(11,747)
Interest paid		(5,000)	(5,000)	-	-
Income tax paid		(3,216,217)	(3,842,524)	(301,503)	(311,665)
<b>NET CASH FROM/(FOR) OPERATING ACTIVITIES</b>		<b>8,743,572</b>	<b>14,304,730</b>	<b>5,339,605</b>	<b>(323,412)</b>
CASH FLOWS FOR INVESTING ACTIVITIES					
Acquisition of subsidiaries	34	(12,605,000)	-	(12,605,000)	-
Dividend received		-	-	6,000,000	-
Proceeds from disposal of plant and equipment		307,015	32	-	-
Purchase of plant and equipment	36(a)	(4,108,837)	(5,054,793)	(188,350)	(1,952)
Purchase of intangible assets		(30,000)	-	-	-
Purchase of investment property		-	-	-	(3,993,810)
Interest received		221,253	242,161	11,458	14,566
Withdrawal/(Additions) of fixed deposits with tenure more than 3 months		94,849	(22,277)	-	-
Increase in pledged fixed deposits with licensed banks		(121,847)	(7,754)	-	-
<b>NET CASH FOR INVESTING ACTIVITIES</b>		<b>(16,242,567)</b>	<b>(4,842,631)</b>	<b>(6,781,892)</b>	<b>(3,981,196)</b>
CASH FLOWS FOR FINANCING ACTIVITIES					
Interest paid	36(b)	(92,615)	(70,500)	-	-
Dividend paid	35	(2,626,000)	(2,626,000)	(2,626,000)	(2,626,000)
Repayment of lease liabilities	36(b)	(568,622)	(427,497)	-	-
Repayment of hire purchase payables	36(b)	(57,305)	(181,054)	-	-
(Repayment to)/Advances from directors	36(b)	(60,000)	94,218	-	-
<b>NET CASH FOR FINANCING ACTIVITIES</b>		<b>(3,404,542)</b>	<b>(3,210,833)</b>	<b>(2,626,000)</b>	<b>(2,626,000)</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(10,903,537)</b>	<b>6,251,266</b>	<b>(4,068,287)</b>	<b>(6,930,608)</b>
EFFECT OF FOREIGN EXCHANGE TRANSLATION		(27,265)	24,923	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		41,310,530	35,034,341	5,225,910	12,156,518
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<b>36(c)</b>	<b>30,379,728</b>	<b>41,310,530</b>	<b>1,157,623</b>	<b>5,225,910</b>

The annexed notes form an integral part of these financial statements.

# Notes to the Financial Statements

## For the Financial Year Ended 31 December 2023

### 1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows:-

Registered office	:	Third floor, No. 77, 79 & 81, Jalan SS 21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan.
Principal place of business	:	Unit 03-06 & 03-07, Level 03, Tower B, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the reporting period.

The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 30 April 2024.

### 2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the provision of retail technology software solutions and investment holding. The principal activities of the subsidiaries are set out in Note 5 to the financial statements.

### 3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

3.1 During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

#### **MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

MFRS 17: Insurance Contracts

Amendments to MFRS 17: Insurance Contracts

Amendment to MFRS 17: 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 112: International Tax Reform – Pillar Two Model Rules

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company.



## Notes to the Financial Statements

### For the Financial Year Ended 31 December 2023 (Cont'd)

### 3. BASIS OF PREPARATION (CONT'D)

- 3.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:-

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendment to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application.

### 4. MATERIAL ACCOUNTING POLICY INFORMATION

#### 4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

##### *Key Sources of Estimation Uncertainty*

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

##### **(a) Depreciation of Property, Plant and Equipment, Investment Property and Right-of-use Assets**

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment, investment property and right-of-use assets are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group and the Company anticipate that the residual values of its property, plant and equipment, investment property and right-of-use assets will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amounts of property, plant and equipment, investment property and right-of-use assets as at the reporting date are disclosed in Notes 6, 7 and 8 to the financial statements respectively.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

#### 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

##### 4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

*Key Sources of Estimation Uncertainty (Cont'd)*

###### **(b) Impairment of Goodwill**

The assessment of whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which the goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill as at the reporting date and the key assumptions and sensitivity analysis are disclosed in Note 10 to the financial statements.

###### **(c) Impairment of Property, Plant and Equipment, Investment Property, Right-of-use Assets and Intangible Assets**

The Group and the Company determine whether an item of its property, plant and equipment, investment property, right-of-use assets and intangible assets are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. The evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. The carrying amounts of property, plant and equipment, investment property, right-of-use assets and intangible assets as at the reporting date are disclosed in Notes 6, 7, 8 and 9 to the financial statements respectively.

###### **(d) Write-down of Inventories**

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 12 to the financial statements.

###### **(e) Impairment of Trade Receivables and Amount Owning by Related Parties**

The Group and the Company use the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and amount owing by related parties. The Group and the Company develop the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying values of trade receivables and amount owing by related parties. The carrying amounts of trade receivables and amount owing by related parties as at the reporting date are disclosed in Notes 13 and 16 to the financial statements respectively.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

#### 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

##### 4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

###### *Key Sources of Estimation Uncertainty (Cont'd)*

###### **(f) Impairment of Non-trade Receivables and Amount Owing by Subsidiaries**

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amounts of other receivables and amount owing by subsidiaries as at the reporting date are disclosed in Notes 14 and 15 to the financial statements respectively.

###### **(g) Income Taxes**

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made. The carrying amounts of the current tax assets and current tax liabilities as at the reporting date are as follows:-

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Current tax assets	3,493,001	3,495,369	231,429	314,196
Current tax liabilities	333,591	381,072	-	-

###### **(h) Deferred Tax Assets**

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that future taxable profits would be available against which the deductible temporary differences could be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the assessment of the probability of the future taxable profits. The carrying amount of deferred tax assets as at the reporting date is disclosed in Note 11 to the financial statements.

###### **(i) Discount Rates used in Leases**

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

#### 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

##### 4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

###### *Critical Judgements Made in Applying Accounting Policies*

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

###### **(a) Classification between Investment Properties and Owner-occupied Properties**

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group and the Company account for the portions separately. If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

###### **(b) Lease Terms**

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

##### 4.2 FINANCIAL INSTRUMENTS

###### **(a) Financial Assets**

###### Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

###### Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

###### Financial Assets Through Other Comprehensive Income

The financial assets are initially measured at fair value plus transaction costs. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes taken up in other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference of a debt instrument which are recognised directly in profit or loss. The fair value changes do not include interest and dividend income.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

#### 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

##### 4.2 FINANCIAL INSTRUMENTS (CONT'D)

###### (b) Financial Liabilities

###### Financial Liabilities Through Profit or Loss

The financial liabilities are initially measured at fair value. Subsequent to the initial recognition, the financial liabilities are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest expense.

###### Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

###### (c) Equity

###### Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

###### (d) Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to the initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

##### 4.3 BASIS OF CONSOLIDATION

The Group applies the acquisition method of accounting for those business combinations which business combinations which were accounted for using merger method of accounting.

Under the merger method of accounting, the assets and liabilities of the merger entities are reflected in the consolidated financial statements at their carrying amounts reported in the individual financial statements. The consolidated statement of profit or loss and other comprehensive income reflects the results of the merger entities for the full reporting period (irrespective of when the combination takes place) and comparatives are presented as if the entities had always been combined since the date for which the entities had come under common control.

The difference between the cost of the merger and the share capital of the merger entities is reflected within equity as merger reserve.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

#### 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

##### 4.4 GOODWILL

Goodwill is initially measured at cost. Subsequent to the initial recognition, the goodwill is measured at cost less accumulated impairment losses, if any. A bargain purchase gain is recognised in profit or loss immediately.

##### 4.5 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries, which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

##### 4.6 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

Subsequent to initial recognition, all property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Freehold building	2%
Motor vehicles	16% - 20%
Furniture and fittings	8% - 25%
Office equipment	10% - 40%
Renovation	8% - 10%
Computers	20% - 33%
Tools and equipment	10%
Point-of-sale ("POS") equipment	17% - 25%

##### 4.7 INVESTMENT PROPERTY

Investment property is initially measured at cost. Subsequent to the initial recognition, the investment property is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on freehold building is calculated using the straight-line method to allocate the depreciable amounts over the estimated useful lives. The principal annual depreciation period and rate is:-

Freehold building	2%
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##### 4.8 INTANGIBLE ASSETS

Intangible assets are initially measured at cost. Subsequent to the initial recognition, the intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

###### Intangible Assets with Definite Useful Lives

The intangible assets are amortised using the straight-line method to allocate their depreciable amounts over the following period:-

Software	20%
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Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

#### 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

##### 4.9 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

###### (a) Short-term Leases and Leases of Low-value Assets

The Group and the Company apply the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

###### (b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

###### (c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

##### 4.10 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out method and comprises all costs of purchase plus other costs incurred in bringing the inventories to their present location and condition.

##### 4.11 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue is recognised by reference to each distinct performance obligation in the contract with customer and is measured at the consideration specified in the contract of which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts.

The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Group transfers control of a good or service at a point in time unless one of the following over time criteria is met:-

- The customer simultaneously receives and consumes the benefits provided as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

#### 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

##### 4.11 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONT'D)

###### (a) Sale of Goods

Revenue from sale of hardware is recognised when the Group has transferred control of the goods to the customer, being when the goods have been delivered to the customer and upon its acceptance. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, and bears the risks of obsolescence and loss in relation to the goods.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

###### (b) Rendering of Services

Revenue from providing services is recognised over time in the period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. As a practical expedient, the Group recognises revenue on a straight-line method over the period of service.

Otherwise, revenue is recognised at a point in time when the services have been rendered to the customers and coincides with the delivery of services and acceptance by customers.

###### (c) Sales of Maintenance and Technical Support Services

Revenue is recognised over time in the period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. As a practical expedient, the Group recognises revenue on a straight-line method over the period of service.

##### 4.12 REVENUE FROM OTHER SOURCES AND OTHER OPERATING INCOME

###### (a) Interest Income

Interest income is recognised on an accrual basis using the effective interest method.

###### (b) Rental income

Rental income from investment property is accounted for on a straight-line method over the lease term.

###### (c) Dividend income

Dividend income from investment is recognised when the right to receive dividend payment is established.



Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

## 5. INVESTMENTS IN SUBSIDIARIES

	<b>The Company</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>
Unquoted shares, at cost	45,161,122	32,556,122
Accumulated impairment losses	(650,000)	-
	<b>44,511,122</b>	<b>32,556,122</b>

The details of the subsidiaries are as follows:-

<b>Name of Subsidiary</b>	<b>Principal Place of Business and Country of Incorporation</b>	<b>Percentage of Issued Share Capital Held by Parent</b>		<b>Principal Activities</b>
		<b>2023</b>	<b>2022</b>	
<i>Subsidiaries of the Company</i>				
Radiant Global ADC Sdn. Bhd. ("RGM")	Malaysia	100%	100%	Trading in retail technology hardware, provision of maintenance and technical support services, and investment holding.
Radiant Global Solutions Sdn. Bhd. ("RGS")	Malaysia	100%	100%	Provision of retail technology software solutions.
Infoconnect Commerce Sdn. Bhd. ("ICC")	Malaysia	100%	100%	Provision of computer consultancy, computer programming activities and wholesale of a variety of goods without any particular specialisation.
Adaptive POS Sdn. Bhd. ("ADP")	Malaysia	70%	70%	Provision of computer consultancy, computer programming activities and wholesale of a variety of goods without any particular specialisation.
Radiant Global ADC Cambo Pte. Ltd. #	Cambodia	100%	100%	Trading in retail technology hardware and provision of retail technology software solutions, maintenance and technical support services.
Rgtech Simat Co. Ltd ("RGSIMAT") #	Thailand	49%	49%	IT services business, hardware distribution, software development and maintenance.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

## 5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows (Cont'd):-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2023	2022	
<i>Subsidiaries of the Company (Cont'd)</i>				
Grand-Flo Spritvest Sdn. Bhd. ("GFS")	Malaysia	100%	80%	Provision of information technology solutions specialising in automated data collection processes and mobile computing.
Arms Software International Sdn. Bhd. ("ARMS")	Malaysia	70%	70%	Developing and selling of software systems, providing web designing services and dealing in all kinds of computer accessories and peripherals.
World Portal Sdn. Bhd. ("WPORTAL")	Malaysia	70%	70%	Computer programming activities and other information technology service activities.
World Pos Sdn. Bhd. ("WPOS")	Malaysia	70%	70%	Business of management consultancy services, computer programming activities and activities of holding companies.
<i>Subsidiary of RGM</i>				
Radiant Global ADC Vietnam Co., Ltd. #^	Vietnam	100%	100%	Trading of retail technology hardware and provision of retail technology software solutions, maintenance and technical support services.
Rgtech International Pte. Ltd ("RGSG") **	Singapore	100%	100%	Retail sale of computer hardware and peripheral equipment, and computer software and development of software and applications.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

## 5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows (Cont'd):-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2023	2022	
<i>Subsidiary of RGS</i>				
RG Posconnect Sdn. Bhd. ("RGP") ^	Malaysia	70%	70%	Provision of retail technology software solutions.
<i>Subsidiary of ICC</i>				
RG Gateway Sdn. Bhd. ("RGGW") ^	Malaysia	70%	70%	Business of retail technology solutions provider.

# *These subsidiaries were audited by member firms of Crowe Global of which Crowe Malaysia PLT is a member.*

^ *The auditors' report on the financial statements of the subsidiary includes a "Material Uncertainty Related to Going Concern" regarding the ability of the subsidiary to continue as a going concern in view of its capital deficiency position as at the end of the current reporting period. The financial statements were prepared on a going concern basis as the Company has undertaken to provide continued financial support to the subsidiaries.*

\* *The consolidation was done based on the management's financial statements.*

(a) On 2 May 2023, the Company has entered into a conditional share purchase agreement ("SPA") with Jejaka 7 Capital Sdn. Bhd. to acquire the remaining 200,000 ordinary shares in GFS, representing 20% equity interest in GFS for a total purchase consideration of RM12,605,000. Following the completion of the acquisition, GFS became a wholly owned subsidiary of the Company.

On 30 June 2023, all the conditions precedent stipulated in the SPA have been fulfilled and the acquisition was completed. The details of the acquisition are disclosed in Note 34 to the financial statements.

(b) Although the Company owns less than half of the voting power in RGSIMAT, the Company controls this subsidiary by virtue of an agreement with other investor of RGSIMAT. Consequently, the Company consolidates its investment in this subsidiary.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

## 5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(c) The non-controlling interests at the end of the reporting period comprise the following:-

	<b>Effective Equity Interest</b>		<b>The Group</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	%	%	RM	RM
ADP	30	30	174,518	194,907
RGSIMAT	51	51	(752,457)	(774,351)
GFS	-	20	-	3,908,478
Other individually immaterial subsidiaries	30	30	308,236	148,962
			(269,703)	3,477,996

(d) The summarised financial information (before intra-group elimination and fair value adjustment) for each subsidiary that has non-controlling interest that is material to the Group is as follows:-

	<b>ADP 2023 RM</b>	<b>RGSIMAT 2023 RM</b>
<u>At 31 December</u>		
Non-current assets	3,030,824	423,245
Current assets	3,101,923	4,085,891
Non-current liabilities	-	(353,087)
Current liabilities	(5,614,042)	(5,591,146)
Net assets/(liabilities)	518,705	(1,435,097)
<u>Financial Year Ended 31 December</u>		
Revenue	3,958,437	4,405,873
(Loss)/Profit for the financial year	(60,979)	125,167
Total comprehensive (expenses)/income	(60,979)	42,930
Total comprehensive (expenses)/income attributable to non-controlling interests	(20,389)	21,894
Net cash flows from operating activities	2,713,454	1,515,602
Net cash flows for investing activities	(2,746,177)	(4,546)
Net cash flows for financing activities	-	(52,885)

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

## 5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (d) The summarised financial information (before intra-group elimination and fair value adjustment) for each subsidiary that has non-controlling interest that is material to the Group is as follows (Cont'd):-

	<b>ADP 2022 RM</b>	<b>RGSIMAT 2022 RM</b>	<b>GFS 2022 RM</b>
<u>At 31 December</u>			
Non-current assets	1,127,679	479,407	272,668
Current assets	1,062,126	3,426,409	40,285,586
Non-current liabilities	-	(282,382)	(87,703)
Current liabilities	(1,610,121)	(5,141,769)	(20,928,159)
Net assets/(liabilities)	579,684	(1,518,335)	19,542,392
<u>Financial Year Ended 31 December</u>			
Revenue	1,977,532	5,242,099	65,948,338
(Loss)/Profit for the financial year	(391,469)	122,635	7,042,056
Total comprehensive (expenses)/income	(391,469)	95,125	7,042,056
Total comprehensive (expenses)/income attributable to non-controlling interests	(117,441)	48,514	1,408,411
Net cash flows from operating activities	690,747	448,963	5,191,668
Net cash flows (for)/from investing activities	(769,148)	(3,138)	105,564
Net cash flows for financing activities	-	(88,371)	(116,760)

Summarised financial information of other non-controlling interests has not been presented as the non-controlling interests of the other subsidiaries are not individually material to the Group.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

**6. PROPERTY, PLANT AND EQUIPMENT**

<b>The Group</b>	<b>At 1.1.2023 RM</b>	<b>Additions RM</b>	<b>Disposals RM</b>	<b>Write Off RM</b>	<b>Depreciation Charges RM</b>	<b>Exchange Fluctuation Differences RM</b>	<b>At 31.12.2023 RM</b>
<i>Carrying Amount</i>							
Freehold building	3,960,528	-	-	-	(79,876)	-	3,880,652
Motor vehicles	157,639	1,126,361	(3)	-	(90,197)	126	1,193,926
Furniture and fittings	231,918	194,674	-	(7,369)	(57,109)	96	362,210
Office equipment	257,489	363,388	-	(19,313)	(100,290)	530	501,804
Renovation	566,103	819,843	-	(6,782)	(132,986)	219	1,246,397
Computers	63,622	80,399	(515)	-	(39,118)	-	104,388
Tools and equipment	225,385	785	(148,525)	-	(65,162)	7,325	19,808
POS equipment	646,555	2,439,187	-	-	(392,654)	-	2,693,088
	<b>6,109,239</b>	<b>5,024,637</b>	<b>(149,043)</b>	<b>(33,464)</b>	<b>(957,392)</b>	<b>8,296</b>	<b>10,002,273</b>
<b>The Group</b>	<b>At 1.1.2022 RM</b>	<b>Additions RM</b>	<b>Disposals RM</b>	<b>Write Off RM</b>	<b>Depreciation Charges RM</b>	<b>Exchange Fluctuation Differences RM</b>	<b>At 31.12.2022 RM</b>
<i>Carrying Amount</i>							
Freehold building	-	3,993,810	-	-	(33,282)	-	3,960,528
Motor vehicles	253,357	-	-	(2)	(96,316)	600	157,639
Furniture and fittings	261,766	17,518	-	(91)	(47,329)	54	231,918
Office equipment	220,081	127,724	(43)	(12,766)	(77,786)	279	257,489
Renovation	463,467	211,252	-	(17,666)	(91,035)	85	566,103
Computers	90,410	13,356	(2)	(375)	(39,767)	-	63,622
Tools and equipment	350,432	3,099	-	-	(132,835)	4,689	225,385
POS equipment	-	688,034	-	-	(41,479)	-	646,555
	<b>1,639,513</b>	<b>5,054,793</b>	<b>(45)</b>	<b>(30,900)</b>	<b>(559,829)</b>	<b>5,707</b>	<b>6,109,239</b>

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

## 6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM	
<b>2023</b>				
Freehold building	3,993,810	(113,158)	3,880,652	
Motor vehicles	1,682,903	(488,977)	1,193,926	
Furniture and fittings	720,610	(358,400)	362,210	
Office equipment	1,109,388	(607,584)	501,804	
Renovation	2,289,403	(1,043,006)	1,246,397	
Computers	655,126	(550,738)	104,388	
Tools and equipment	222,003	(202,195)	19,808	
POS equipment	3,127,221	(434,133)	2,693,088	
	13,800,464	(3,798,191)	10,002,273	
<b>2022</b>				
Freehold building	3,993,810	(33,282)	3,960,528	
Motor vehicles	1,754,531	(1,596,892)	157,639	
Furniture and fittings	548,717	(316,799)	231,918	
Office equipment	783,753	(526,264)	257,489	
Renovation	1,516,286	(950,183)	566,103	
Computers	622,376	(558,754)	63,622	
Tools and equipment	726,640	(501,255)	225,385	
POS equipment	688,034	(41,479)	646,555	
	10,634,147	(4,524,908)	6,109,239	
<b>The Company</b>				
	<b>At 1.1.2023 RM</b>	<b>Additions RM</b>	<b>Depreciation Charges RM</b>	<b>At 31.12.2023 RM</b>
<b>2023</b>				
<i>Carrying Amount</i>				
Furniture and fittings	108,944	2,530	(19,839)	91,635
Office equipment	45,535	14,825	(6,779)	53,581
Renovation	128,830	165,957	(35,511)	259,276
Computer	1,854	5,038	(810)	6,082
	285,163	188,350	(62,939)	410,574

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

**6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

	<b>At 1.1.2022 RM</b>	<b>Additions RM</b>	<b>Depreciation Charges RM</b>	<b>At 31.12.2022 RM</b>
<b>2022</b>				
<i>Carrying Amount</i>				
Furniture and fittings	128,530	-	(19,586)	108,944
Office equipment	50,974	-	(5,439)	45,535
Renovation	151,895	-	(23,065)	128,830
Computer	-	1,952	(98)	1,854
	331,399	1,952	(48,188)	285,163

<b>The Company</b>	<b>At Cost RM</b>	<b>Accumulated Depreciation RM</b>	<b>Carrying Amount RM</b>
<b>2023</b>			
Furniture and fittings	198,390	(106,755)	91,635
Office equipment	69,216	(15,635)	53,581
Renovation	396,603	(137,327)	259,276
Computer	6,990	(908)	6,082
	671,199	(260,625)	410,574

<b>2022</b>			
Furniture and fittings	195,860	(86,916)	108,944
Office equipment	54,391	(8,856)	45,535
Renovation	230,646	(101,816)	128,830
Computer	1,952	(98)	1,854
	482,849	(197,686)	285,163

- (a) Included in the property, plant and equipment of the Group at the end of the reporting period was a motor vehicle held in trust by a director with a carrying amount of RM1 (2022 - RM1).
- (b) Included in the property, plant and equipment of the Group were motor vehicles with a total carrying amount of RM1,191,817 (2022 - RM145,605) held under hire purchase arrangements. These assets have been pledged as security for the hire purchase payables of the Group as disclosed in Note 24 to the financial statements.



Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

## 7. INVESTMENT PROPERTY

	<b>The Company</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>
At Cost:-		
At 1 January	3,993,810	-
Additions	-	3,993,810
At 31 December	3,993,810	3,993,810
Accumulated depreciation:-		
At 1 January	(33,282)	-
Depreciation during the financial year	(79,876)	(33,282)
At 31 December	(113,158)	(33,282)
	3,880,652	3,960,528
Represented by:-		
Freehold building	3,880,652	3,960,528
Fair value	4,688,600	4,051,877

- (a) The investment property of the Company is leased to customers under operating leases with rental payables monthly. The leases contain initial non-cancellable period of 1 year (2022 - 1 year).
- (b) The fair values of the investment property are within level 3 of the fair value hierarchy and are arrived at by reference to market evidence of transaction prices for similar properties. The most significant input into this valuation approach is the price per square foot of comparable properties. Adjustments are then made for differences in location, size, facilities available, market conditions and other factors in order to arrive at a common basis.
- (c) Investment property of the Company comprises freehold building that is leased to companies within the Group to earn rental income. It is accounted for as property, plant and equipment in the financial statements of the Group.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

**8. RIGHT-OF-USE ASSETS**

	At 1.1.2023 RM	Additions RM	Modification of Lease Liabilities RM	Depreciation Charges RM	Exchange Fluctuation Differences RM	At 31.12.2023 RM
<b>The Group</b>						
<b>2023</b>						
<i>Carrying Amount</i>						
Leasehold land and building	3,141,576	-	-	(66,842)	-	3,074,734
Office buildings	6,946,967	-	-	(159,097)	-	6,787,870
Offices	572,500	747,236	-	(605,776)	10,547	724,507
	10,661,043	747,236	-	(831,715)	10,547	10,587,111
<b>The Group</b>						
<b>2022</b>						
<i>Carrying Amount</i>						
Leasehold land and building	3,208,418	-	-	(66,842)	-	3,141,576
Office buildings	7,106,063	-	-	(159,096)	-	6,946,967
Offices	753,717	248,849	(8,804)	(438,045)	16,783	572,500
	11,068,198	248,849	(8,804)	(663,983)	16,783	10,661,043

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

## 8. RIGHT-OF-USE ASSETS (CONT'D)

	<b>At 1.1.2023 RM</b>	<b>Depreciation Charge RM</b>	<b>At 31.12.2023 RM</b>
<b>The Company</b>			
<b>2023</b>			
<i>Carrying Amount</i>			
Office buildings	4,011,224	(89,940)	3,921,284
<hr/>			
	<b>At 1.1.2022 RM</b>	<b>Depreciation Charge RM</b>	<b>At 31.12.2022 RM</b>
<b>2022</b>			
<i>Carrying Amount</i>			
Office buildings	4,101,164	(89,940)	4,011,224
<hr/>			

(a) The Group and the Company leases leasehold land and building, office buildings and various offices of which the leasing activities are summarised below:-

- (i) Leasehold land and building      The Group has entered into a non-cancellable operating lease agreement for the use of land. The lease is for a period of 75 (2022 - 75) years with no renewal or purchase option included in the agreement. The lease does not allow the Group to assign, transfer or sublease or create any charge, lien or trust in respect of or dispose of the whole or any part of the land. A tenancy is, however, allowed with the consent of the lessor.
- (ii) Office buildings                      The Group and the Company have entered into 4 and 2 (2022 - 4 and 2) non-cancellable operating lease agreements for the use of office buildings respectively. The leases are for a period of 99 (2022 - 99) years with no renewal or purchase option included in the agreements. The leases do not allow the Group and the Company to assign, transfer or sublease or create any charge, lien or trust in respect of or dispose of the whole or any part of the office building. A tenancy is, however, allowed with the consent of the lessor.
- (iii) Offices                                      The Group has leased a number of offices that run between 2 to 5 years (2022 - 2 to 5 years), with an option to renew the lease after that date. The Group is not allowed to sublease certain offices.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

## 8. RIGHT-OF-USE ASSETS (CONT'D)

- (b) The Group also has leases with lease terms of 12 months or less and leases of office equipment with low value. The Group has applied the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.
- (c) The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the portfolio of leased asset and align with the Group's business needs. Management exercises judgement in determining whether these extension and termination options are reasonably certain to be exercised.
- (d) The leasehold land and building and office buildings of the Group have been pledged to a licensed bank as security for banking facility granted to the Group.

## 9. INTANGIBLE ASSETS

	<b>The Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>
Cost:-		
At 1 January	3,402,997	3,393,974
Additions during the financial year	30,000	-
Exchange fluctuation difference	28,699	9,023
At 31 December	3,461,696	3,402,997
Accumulated amortisation:-		
At 1 January	(2,393,469)	(1,812,623)
Amortisation during the financial year	(584,056)	(579,034)
Exchange fluctuation difference	(5,780)	(1,812)
At 31 December	(2,983,305)	(2,393,469)
Accumulated impairment losses:-		
At 1 January	(407,040)	(399,843)
Exchange fluctuation difference	(22,890)	(7,197)
At 31 December	(429,930)	(407,040)
	48,461	602,488

The intangible assets are in respect of computer software and customer list and belong to the Group's software and hardware and maintenance reportable segment respectively. Their amortisation charges and impairment loss are recognised in profit or loss under the "Other Expenses" line item.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

## 10. GOODWILL

	<b>The Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>
Cost:-		
At 1 January/31 December	11,447,012	11,447,012

(a) The carrying amounts of goodwill allocated to each cash-generating unit are as follows:-

	<b>The Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>
GFS	8,151,995	8,151,995
ARMS	1,652,757	1,652,757
WPORTAL	1,156,576	1,156,576
WPOS	485,684	485,684
	11,447,012	11,447,012

(b) The Group has assessed the recoverable amounts of goodwill allocated and determined that no impairment is required. The recoverable amount of the cash-generating unit are determined using the value in use approach, and this is derived from the present value of the future cash flows from each cash-generating unit computed based on the projections of financial budgets approved by management covering a period of 5 (2022 - 5) years. The key assumptions used in the determination of the recoverable amount is as follows:-

	<b>Average Gross Margins</b>		<b>Average Net Margins</b>		<b>Discount Rates</b>		<b>Average Growth Rates</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
GFS	32%	31%	-	-	10%	15%	5%	5%
ARMS	53%	68%	-	-	10%	15%	5%	7%
WPORTAL	-	-	21%	40%	10%	15%	5%	35%

- (i) Budgeted gross and net margins      Average gross and net margin achieved on past experience and actual operating results increased for expected efficiency improvements and cost saving measures.
- (ii) Discount rates (pre-tax)      The rate reflects specific risks relating to the relevant cash-generating unit.
- (iii) Growth rates      Based on the expected projection of the hardware, maintenance and software reportable segments. There is no growth rate in perpetuity to arrive at terminal value.

The values assigned to the key assumptions represent management's assessment of future trends in the cash-generating unit and are based on internal historical data.

No impairment testing is done on other cash-generating unit which is considered immaterial to the Group.

(c) The directors believe that there is no reasonably possible change in the above key assumptions applied that is likely to materially cause the respective cash-generating unit carrying amount to exceed its recoverable amount.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
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## 11. DEFERRED TAX ASSETS/(LIABILITIES)

	<b>The Group</b>		<b>The Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<u>Deferred tax assets</u>				
At 1 January	684,267	718,327	-	-
Recognised in profit or loss (Note 32)	(111,743)	(40,429)	-	-
Exchange fluctuation difference	12,569	6,369	-	-
At 31 December	585,093	684,267	-	-
<u>Deferred tax liabilities</u>				
At 1 January	(27,000)	(14,300)	-	-
Recognised in profit or loss (Note 32)	21,900	(12,700)	(5,100)	-
At 31 December	(5,100)	(27,000)	(5,100)	-

The deferred tax assets on deferred revenue have been recognised on the basis of their previous history of recording profits and to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised.

The deferred tax liabilities are relating to the accelerated capital allowance from property, plant and equipment.

## 12. INVENTORIES

	<b>The Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>
Finished goods	7,081,010	9,187,319
Goods-in-transit	272,158	7,102,207
	7,353,168	16,289,526
<u>Recognised in profit or loss:-</u>		
Inventories recognised as cost of sales	77,114,075	77,707,399
Inventories written down	172,205	267,652
Inventories written off	308,687	145,420
Reversal of inventories previously written down	(929,307)	(78,056)

The reversal of write-down was in respect of inventories sold above their carrying amounts during the financial year.

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For the Financial Year Ended 31 December 2023  
(Cont'd)

### 13. TRADE RECEIVABLES

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Trade receivables	31,252,187	31,012,561	1,503,523	1,258,678
Unbilled receivables	1,141,887	1,796,903	703,297	695,020
	32,394,074	32,809,464	2,206,820	1,953,698
Allowance for impairment losses	(1,638,107)	(1,462,638)	(134,439)	(94,000)
	30,755,967	31,346,826	2,072,381	1,859,698

Allowance for impairment losses:-

At 1 January	(1,462,638)	(1,294,211)	(94,000)	(114,800)
Addition during the financial year (Note 30)	(904,497)	(650,338)	(40,439)	-
Reversal during the financial year (Note 30)	729,010	254,619	-	20,800
Written off during the financial year	7,935	231,953	-	-
Exchange fluctuation differences	(7,917)	(4,661)	-	-
At 31 December	(1,638,107)	(1,462,638)	(134,439)	(94,000)

- (a) The Group's normal trade credit terms range from 7 to 90 days (2022 - 7 to 90 days) and the Company's normal trade credit terms range from 7 to 30 days (2022 - 7 to 30 days). Other credit terms are assessed and approved on a case-by-case basis.
- (b) Unbilled receivables represent services provided but not yet billed. The changes to unbilled receivables during the financial year are summarised below:-

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
At 1 January	1,796,903	2,162,430	695,020	591,619
Performance obligations performed	1,139,057	1,795,187	703,297	695,020
Transfer to trade receivables	(1,796,903)	(2,162,430)	(695,020)	(591,619)
Exchange fluctuation differences	2,830	1,716	-	-
At 31 December	1,141,887	1,796,903	703,297	695,020

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#### 14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Other receivables:-				
Third parties	194,908	133,885	864	390
Advances to suppliers	70,099	59,846	-	-
Value added tax, goods and services tax recoverable	55,938	20,725	-	-
	320,945	214,456	864	390
Deposits	323,810	457,513	57,977	107,677
Prepayments	2,620,975	3,125,694	59,165	22,935
	3,265,730	3,797,663	118,006	131,002

The advances to suppliers are unsecured and interest-free. The amount owing will be offset against future purchases from the suppliers.

#### 15. AMOUNTS OWING BY/(TO) SUBSIDIARIES

The amounts owing are non-trade in nature, unsecured, interest-free and repayable on demand. The amounts owing are to be settled in cash.

#### 16. AMOUNTS OWING BY/(TO) RELATED PARTIES

	The Group	
	2023 RM	2022 RM
Amount owing by:-		
Trade balance	1,949,819	565,167
Allowance for impairment losses	-	-
	1,949,819	565,167
Allowance for impairment losses:-		
At 1 January	-	(11,500)
Reversal during the financial year (Note 30)	-	11,500
At 31 December	-	-
Amount owing to:-		
Trade balance	(2,466,516)	(2,337,594)

The trade balances are subjected to the normal credit term of 30 days (2022 - 30 days). The amounts owing are to be settled in cash.



Notes to the Financial Statements  
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## 17. SHORT-TERM INVESTMENTS

The money market funds represent investments in highly liquid money market instruments and deposits with financial institutions in Malaysia which are redeemable with one (1) day notice at known amounts of cash, and are subject to an insignificant risk of changes in value.

## 18. FIXED DEPOSITS WITH LICENSED BANKS

- (a) The fixed deposits with licensed banks of the Group at the end of the reporting period bore effective interest rates ranging from 1.60% to 3.10% (2022 - 1.60% to 2.85%) per annum. The fixed deposits have a maturity period of 365 (2022 - 365) days for the Group.
- (b) Included in the fixed deposits with licensed banks of the Group at the end of the reporting period was an amount of RM614,227 (2022 - RM492,380) which has been pledged to a licensed bank as security for banking facilities granted to the Group.

## 19. SHARE CAPITAL

	<b>The Group/The Company</b>			
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Number Of Shares</b>		<b>RM</b>	<b>RM</b>
<b>Issued and Fully Paid-up</b>				
Ordinary Shares				
At 1 January/31 December	525,200,000	525,200,000	48,153,374	48,153,374

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

## 20. MERGER DEFICIT

The merger deficit arose from the difference between the carrying value of the investment and the nominal value of the shares of subsidiaries upon consolidation under the merger accounting principles.

## 21. FOREIGN EXCHANGE TRANSLATION RESERVE

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from the Group's presentation currency.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
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## 22. PROVISION FOR EMPLOYEE BENEFITS

	<b>The Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>
At 1 January	428,369	374,565
Current service cost	44,822	42,136
Interest cost	5,732	4,574
Exchange fluctuation difference	19,504	7,094
At 31 December	498,427	428,369

- (a) The provision is related to employee benefits. The provision is based on the estimation of the amount of future benefit to be earned by the employee in return for the service provided to the Group through the service period up to the retirement age and the amount is discounted to determine the present value.
- (b) The actuarial assumption of discount rate is estimated from weighted average of yield of government bonds as at the end of reporting date that reflects the estimated timing of benefit payments.

The actuarial assumption of mortality rate for reasonable estimation of probability of retirement in the future is estimated from mortality table.

Principal actuarial assumptions as at the end of reporting date (represented by the weighted average) consisted of:

	<b>The Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>%</b>	<b>%</b>
Discount rate	1.97	1.97
Long term inflation	2.75	2.75
Future monthly salary increase rate	5.00	5.00
Mortality rate in the country of subsidiary	105% of Thai Mortality Ordinary Tables of 2017	
Turnover rate	1.91 - 22.92	1.91 - 22.92

- (c) The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at the end of the reporting date are summarised below:-

	<b>The Group</b>			
	<b>2023</b>		<b>2022</b>	
	<b>Increase</b>	<b>Decrease</b>	<b>Increase</b>	<b>Decrease</b>
	<b>1%</b>	<b>1%</b>	<b>1%</b>	<b>1%</b>
Discount rate	(22,531)	24,681	(19,635)	21,585
Future monthly salary increase rate	61,136	(51,067)	49,696	(41,509)
Turnover rate	(39,702)	48,065	(32,225)	38,908

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For the Financial Year Ended 31 December 2023  
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### 23. LEASE LIABILITIES

	<b>The Group</b>	
	<b>2023 RM</b>	<b>2022 RM</b>
At 1 January	600,214	770,730
Additions	747,236	248,849
Changes due to lease modification	-	(8,804)
Interest expense recognised in profit or loss	78,028	57,609
Repayment of principal	(568,622)	(427,497)
Repayment of interest expense	(78,028)	(57,609)
Exchange fluctuation difference	11,126	16,936
	<hr/>	<hr/>
At 31 December	789,954	600,214
	<hr/>	<hr/>
Analysed by:-		
Current liabilities	457,489	338,604
Non-current liabilities	332,465	261,610
	<hr/>	<hr/>
	789,954	600,214
	<hr/>	<hr/>

### 24. HIRE PURCHASE PAYABLES

	<b>The Group</b>	
	<b>2023 RM</b>	<b>2022 RM</b>
Current liabilities	197,486	33,884
Non-current liabilities	824,285	129,392
	<hr/>	<hr/>
	1,021,771	163,276
	<hr/>	<hr/>

The interest rate profile of the borrowings of the Group are summarised below:-

	<i>Interest Rate</i>	<b>The Group</b>	
		<b>2023</b>	<b>2022</b>
Hire purchase payables	Fixed	3.96% to 6.71%	2.69% to 5.62%
		<hr/>	<hr/>

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

## 25. DEFERRED REVENUE

	<b>The Group</b>		<b>The Company</b>	
	<b>2023 RM</b>	<b>2022 RM</b>	<b>2023 RM</b>	<b>2022 RM</b>
Current liabilities (Note 27)	4,117,667	3,570,105	3,600	9,555
Non-current liabilities	34,024	104,568	-	-
	<b>4,151,691</b>	<b>3,674,673</b>	<b>3,600</b>	<b>9,555</b>

(a) The amount of unearned income from services to be rendered in future financial years is shown as deferred revenue.

(b) The changes to deferred revenue balances during the financial year are summarised below:-

	<b>The Group</b>		<b>The Company</b>	
	<b>2023 RM</b>	<b>2022 RM</b>	<b>2023 RM</b>	<b>2022 RM</b>
At 1 January	3,674,673	3,401,291	9,555	-
Deferred revenue at the beginning of financial year recognised as revenue	(3,570,105)	(3,207,670)	(9,555)	-
Performance obligations performed	(35,535,831)	(44,107,202)	(9,222,187)	(8,337,489)
Amounts billed for unfulfilled performance obligations	39,577,897	47,581,424	9,225,787	8,347,044
Exchange fluctuation differences	5,057	6,830	-	-
At 31 December	<b>4,151,691</b>	<b>3,674,673</b>	<b>3,600</b>	<b>9,555</b>

(c) The transaction price allocated to unsatisfied and/or partially satisfied performance obligations as at the reporting date are as below:-

	<b>The Group</b>		<b>The Company</b>	
	<b>2023 RM</b>	<b>2022 RM</b>	<b>2023 RM</b>	<b>2022 RM</b>
Within 1 year	4,117,667	3,570,105	3,600	9,555
Between 1 and 2 years	34,024	72,281	-	-
More than 2 years	-	32,287	-	-
	<b>4,151,691</b>	<b>3,674,673</b>	<b>3,600</b>	<b>9,555</b>

## 26. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 7 to 60 days (2022 - 7 to 60 days) and the normal trade credit term granted to the Company is 60 days (2022 - 60 days).

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
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## 27. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Other payables:-				
Third parties	846,824	11,001,311	59,345	69,486
Advances from customers	21,139	104,490	-	20,000
Goods and service tax payable	50,806	19,873	-	-
Sales and services tax payable	997,950	991,862	152,214	138,376
	1,916,719	12,117,536	211,559	227,862
Accruals	9,970,483	12,419,885	939,421	1,057,455
Deposits received	680,213	645,752	46,250	46,250
Deferred revenue (Note 25)	4,117,667	3,570,105	3,600	9,555
	16,685,082	28,753,278	1,200,830	1,341,122

The advances from customers are unsecured and interest-free. The amount owing will be offset against future sales to the customers.

## 28. AMOUNT OWING TO DIRECTORS

The amount owing is non-trade in nature, unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

## 29. REVENUE

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<u>Recognised at a point in time</u>				
- Sales of hardware	82,532,148	87,252,543	-	-
- Sales of software	13,886,861	3,064,301	-	-
<u>Recognised over time</u>				
- Sales of software	11,752,591	18,564,391	9,231,742	8,337,489
- Sales of maintenance and technical support services	27,353,345	28,750,481	-	-
	135,524,945	137,631,716	9,231,742	8,337,489

- (a) The information on the disaggregation of revenue by geographical market is disclosed in Note 38.2 to the financial statements.
- (b) The information on transaction price allocated to unsatisfied and/or partially unsatisfied performance obligations as at the reporting date is disclosed in Note 25(c) to the financial statements.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
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### 30. NET (IMPAIRMENT LOSSES)/REVERSAL OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Impairment losses:				
- trade receivables (Note 13)	(904,497)	(650,338)	(40,439)	-
Reversal of impairment losses:				
- trade receivables (Note 13)	729,010	254,619	-	20,800
- amount owing by a related party (Note 16)	-	11,500	-	-
	(175,487)	(384,219)	(40,439)	20,800

### 31. PROFIT BEFORE TAXATION

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Profit before taxation is arrived at after charging/(crediting):-				
Auditors' remuneration:				
- audit fees:				
- current financial year	297,823	278,568	72,000	72,000
- underprovision in the previous financial year	-	5,143	-	-
- non-audit fees	6,000	6,000	6,000	6,000
Directors' fees	168,000	155,500	168,000	155,500
Directors' non-fee emoluments:				
- salaries, bonuses, incentives, allowances and other benefits	3,977,981	3,740,304	454,170	124,176
- defined contribution plans	396,845	373,543	27,967	10,854
<b>Material Expenses/(Income)</b>				
Amortisation of intangible assets	584,056	579,034	-	-
Bad debts written off	947	15,551	-	15,551
Depreciation:				
- property, plant and equipment	957,392	559,829	62,939	48,188
- investment property	-	-	79,876	33,282
- right-of-use assets	831,715	663,983	89,940	89,940
Impairment loss on investment in a subsidiary	-	-	650,000	-
Inventories written down	172,705	267,652	-	-
Inventories written off	308,687	145,420	-	-
Interest expenses on financial liabilities that are not at fair value through profit or loss:				
- hire purchase payables	14,587	12,891	-	-
- overdraft	5,000	5,000	-	-
- interest cost on employee benefit expenses	5,732	4,574	-	-

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

### 31. PROFIT BEFORE TAXATION (CONT'D)

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Profit before taxation is arrived at after charging/(crediting) (Cont'd):-				
<b>Material Expenses/ (Income) (Cont'd)</b>				
Interest expense on lease liabilities (Note 23)	78,028	57,609	-	-
Professional fees	738,222	628,167	436,211	416,181
Property, plant and equipment written off	33,464	30,900	-	-
Employee benefits expenses	44,822	42,136	-	-
Loss/(Gain) on foreign exchange:				
- realised	886,065	85,027	(900)	1,918
- unrealised	(54,501)	(103,510)	103,610	(6,658)
Fair value gain on short-term investments	(473,627)	(439,426)	(48,884)	(168,093)
Lease expenses:				
- short term leases	414,323	452,863	61,440	60,000
- low-value assets	191,134	132,757	38,235	35,354
Staff costs (including other key management personnel as disclosed in Note 37(c)):				
- salaries, bonuses, incentives, allowances and other benefits	28,307,890	26,467,463	2,909,793	3,147,434
- defined contribution plans	3,148,736	2,940,372	333,946	333,470
(Gain)/Loss on disposal of property, plant and equipment	(157,972)	13	-	-
Dividend income from a subsidiary	-	-	(6,000,000)	-
Interest income	(221,253)	(242,161)	(11,458)	(14,566)
Bad debts recovered	(530)	-	(530)	-
Reversal of inventories previously written down	(929,307)	(78,056)	-	-
Management fee income	-	-	(240,000)	(240,000)
Rental income	(171,277)	(172,000)	(256,560)	(88,967)

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
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### 32. INCOME TAX EXPENSE

	<b>The Group</b>		<b>The Company</b>	
	<b>2023 RM</b>	<b>2022 RM</b>	<b>2023 RM</b>	<b>2022 RM</b>
Current tax:				
- for the financial year	3,252,168	3,207,669	410,600	272,701
- (over)/underprovision in the previous financial year	(93,633)	31,127	(26,330)	(7,439)
	3,158,535	3,238,796	384,270	265,262
Deferred tax (Note 11):				
- origination and reversal of temporary differences	140,743	71,729	-	-
- (over)/underprovision in the previous financial year	(50,900)	(18,600)	5,100	-
	89,843	53,129	5,100	-
	3,248,378	3,291,925	389,370	265,262

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	<b>The Group</b>		<b>The Company</b>	
	<b>2023 RM</b>	<b>2022 RM</b>	<b>2023 RM</b>	<b>2022 RM</b>
Profit before taxation	11,443,950	12,360,998	5,909,783	553,915
Tax at the statutory tax rate of 24% (2022 - 24%)	2,746,548	2,966,640	1,418,348	132,940
Tax effects of:-				
Differential in tax rates	21,085	14,359	-	-
Tax-exempt income	-	(132,666)	(1,440,000)	-
Non-taxable income	(66,351)	-	-	-
Non-deductible expenses	868,387	561,300	432,252	139,761
Deferred tax assets not recognised during the financial year	177,242	226,680	-	-
Utilisation of deferred tax assets previously not recognised	(354,000)	(312,720)	-	-
Utilisation of tax incentives	-	(44,195)	-	-
(Over)/Underprovision of current tax in the previous financial year	(93,633)	31,127	(26,330)	(7,439)
(Under)/Overprovision of deferred taxation in the previous financial year	(50,900)	(18,600)	5,100	-
	3,248,378	3,291,925	389,370	265,262

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2022 - 24%) of the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.



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### 32. INCOME TAX EXPENSE (CONT'D)

At the end of the reporting period, the amounts of deferred tax assets not recognised (stated at gross) due to uncertainty of their realisation are as follows:-

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Inventories written down	3,242,000	3,986,000	-	-
Impairment losses on trade receivables	1,496,000	966,000	-	-
Unutilised of tax losses	1,822,000	2,467,000	-	-
Others	269,000	144,000	-	-
	6,829,000	7,563,000	-	-

No deferred tax assets are recognised in respect of these items as it is not probable that taxable profits will be available against which the deductible temporary differences can be utilised.

### 33. EARNINGS PER SHARE

#### (a) Basic Earnings Per Share

The basic earnings per share is calculated by dividing the consolidated profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	The Group	
	2023	2022
Profit after taxation attributable to owners of the Company (RM)	7,655,276	7,467,746
Weighted average number of ordinary shares in issue	525,200,000	525,200,000
Basic earnings per share (sen)	1.46	1.42

#### (b) Diluted Earnings Per Share

The diluted earnings per share is equal to the basic earnings per share because there were no potential ordinary shares as at the end of the reporting period.

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### 34. ACQUISITION OF NON-CONTROLLING INTERESTS

On 30 June 2023, the Company acquired an additional 20% equity interests in GFS for RM12,605,000 in cash, increasing its ownership from 80% to 100%. The carrying amount of GFS's net assets in the Group's financial statements on that date was RM21,230,270. The Group recognised a decrease in non-controlling interests ("NCI") of RM4,246,054 and a decrease in retained profits of RM8,358,946.

The following summarises the effect of changes in the equity interest in GFS that is attributable to owners of the Group:

	<b>The Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>
Equity interest at 30 June	16,984,216	-
Effect of increase in the Company's ownership interest	4,246,054	-
Share of post acquisition profits	3,354,811	-
Dividend paid	(6,000,000)	-
Equity interest at 31 December	18,585,081	-

### 35. DIVIDENDS

	<b>The Group/ The Company</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>
First interim single-tier dividend of 0.5 sen (2022 - 0.5 sen) per ordinary share in respect of the current financial year	2,626,000	2,626,000

### 36. CASH FLOW INFORMATION

(a) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets is as follows:-

	<b>The Group</b>		<b>The Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Property, Plant and Equipment</b>				
Cost of property, plant and equipment purchased (Note 6)	5,024,637	5,054,793	188,350	1,952
Less: Acquired through hire purchase arrangements	(915,800)	-	-	-
	4,108,837	5,054,793	188,350	1,952

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### 36. CASH FLOW INFORMATION (CONT'D)

- (a) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets is as follows (Cont'd):-

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Right-of-use assets</b>				
Cost of right-of-use assets acquired (Note 8)	747,236	248,849	-	-
Less: Addition of new lease liabilities	(747,236)	(248,849)	-	-
	-	-	-	-

- (b) The reconciliations of liabilities arising from financing activities are as follows:-

The Group	Amount owing to directors RM	Hire purchase payables RM	Lease liabilities RM	Total RM
<b>2023</b>				
At 1 January	606,000	163,276	600,214	1,369,490
<u>Changes in Financing Cash Flows</u>				
Repayment of advances	(60,000)	-	-	(60,000)
Repayment of principal	-	(57,305)	(568,622)	(625,927)
Repayment of interests	-	(14,587)	(78,028)	(92,615)
	(60,000)	(71,892)	(646,650)	(778,542)
<u>Other Changes</u>				
Acquisition of new hire purchase (Note 36(a))	-	915,800	-	915,800
Acquisition of new leases (Note 8)	-	-	747,236	747,236
Interest expense recognised in profit or loss (Note 31)	-	14,587	78,028	92,615
Exchange fluctuation differences	-	-	11,126	11,126
At 31 December	546,000	1,021,771	789,954	2,357,725

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
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### 36. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

The Group	Amount owing to directors RM	Hire purchase payables RM	Lease liabilities RM	Total RM
<b>2022</b>				
At 1 January	511,782	344,330	770,730	1,626,842
<u>Changes in Financing Cash Flows</u>				
Advances	94,218	-	-	94,218
Repayment of principal	-	(181,054)	(427,497)	(608,551)
Repayment of interests	-	(12,891)	(57,609)	(70,500)
	94,218	(193,945)	(485,106)	(584,833)
<u>Other Changes</u>				
Acquisition of new leases (Note 8)	-	-	248,849	248,849
Modifications of leases (Note 8)	-	-	(8,804)	(8,804)
Interest expense recognised in profit or loss (Note 31)	-	12,891	57,609	70,500
Exchange fluctuation differences	-	-	16,936	16,936
At 31 December	606,000	163,276	600,214	1,369,490

(c) The cash and cash equivalents comprise the following:-

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Short-term investments	11,886,396	14,417,587	404,439	4,249,296
Fixed deposits with licensed banks	1,218,772	1,191,774	-	-
Cash and bank balances	18,493,332	26,892,943	753,184	976,614
	31,598,500	42,502,304	1,157,623	5,225,910
Less:				
Fixed deposits pledged to licensed banks (Note 18(b))	(614,227)	(492,380)	-	-
Fixed deposits with tenure of more than 3 months	(604,545)	(699,394)	-	-
	30,379,728	41,310,530	1,157,623	5,225,910

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### 36. CASH FLOW INFORMATION (CONT'D)

(d) The total cash outflows for leases as a lessee are as follows:-

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Payment of short-term leases	414,323	452,863	61,440	60,000
Payment of low-value assets	191,134	132,757	38,235	35,354
Interest paid on lease liabilities	78,028	57,609	-	-
Payment of lease liabilities	568,622	427,497	-	-
	1,252,107	1,070,726	99,675	95,354

### 37. RELATED PARTY DISCLOSURES

#### (a) Subsidiaries

The subsidiaries as disclosed in Note 5 to the financial statements.

#### (b) Significant Related Party Transactions

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following transactions with the related parties during the financial year:-

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Sales to subsidiaries	-	-	47,446	-
Sales to a related party	6,914,794	4,491,054	-	-
Purchases from a subsidiary	-	-	845,700	476,747
Advances to subsidiaries	-	-	700,000	884,400
Advances from subsidiaries	-	-	10,154,500	1,200,000
Dividend income from a subsidiary	-	-	6,000,000	-
Rental income from subsidiaries	-	-	184,560	64,967
Management fee from a subsidiary	-	-	240,000	240,000
Rental expenses to a subsidiary	-	-	61,440	60,000
Rental expenses to a director	36,000	36,000	-	-
Back charge by a subsidiary	-	-	147,710	160,969
Payment on behalf for subsidiaries	-	-	9,920	-
Payment on behalf by subsidiaries	-	-	10,512	-

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### 37. RELATED PARTY DISCLOSURES (CONT'D)

#### (c) Key Management Personnel Compensation

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:-

	<b>The Group</b>		<b>The Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<u>Directors of the Company</u>				
Short-term employee benefits:				
- fees	168,000	155,500	168,000	155,500
- salaries, bonuses, incentives, allowances and others benefits	2,445,417	1,711,502	454,170	124,176
Defined contribution plans	182,927	169,592	27,967	10,854
	<b>2,796,344</b>	<b>2,036,594</b>	<b>650,137</b>	<b>290,530</b>
<u>Directors of the Subsidiaries</u>				
Short-term employee benefits:				
- salaries, bonuses, incentives, allowances and others benefits	1,532,564	2,028,802	-	-
Defined contribution plans	213,918	203,951	-	-
	<b>1,746,482</b>	<b>2,232,753</b>	<b>-</b>	<b>-</b>
<b>Total directors' remuneration</b>	<b>4,542,826</b>	<b>4,269,347</b>	<b>650,137</b>	<b>290,530</b>

The estimated monetary value of benefits-in-kind provided by the Group to the directors of the Company were RM51,950 (2022 - RM51,950).

	<b>The Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>
<b>Other Key Management Personnel</b>		
Short-term employee benefits	2,112,581	2,399,103
Defined contribution plans	346,673	376,954
	<b>2,459,254</b>	<b>2,776,057</b>

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### 38. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Vice Chairman/Senior Executive Director as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a quarterly basis. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into 2 main reportable segments as follows:-

- (a) Hardware and maintenance - involved in the marketing, sale and installation of hardware for the retail industry and provide on-going maintenance for the hardware and software products and solutions.
- (b) Software - involved in the design, development, marketing, sales, enhancement, customisation and implementation of third party software and in-house software.

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the operating segments are presented under unallocated items. Unallocated items comprise mainly deferred tax assets/liability, current tax assets/liabilities, lease liabilities and hire purchase payables.

#### 38.1 BUSINESS SEGMENTS

	Hardware and Maintenance RM	Software RM	Group RM
<b>2023</b>			
<b>Revenue</b>			
External revenue	109,885,493	25,639,452	135,524,945
Inter-segment revenue	11,223,357	4,770,436	15,993,793
	<hr/>	<hr/>	<hr/>
	121,108,850	30,409,888	151,518,738
			<hr/>
Consolidation adjustments			(15,993,793)
			<hr/>
Consolidated revenue			135,524,945
			<hr/>
<b>Results</b>			
Segment profit before interest and taxation	8,679,192	8,279,109	16,958,301
Interest income			221,253
Finance costs			(103,347)
			<hr/>
Consolidated profit before taxation			17,076,207
Income tax expense			(3,248,378)
Consolidation adjustments			(5,632,257)
			<hr/>
Consolidated profit after taxation			8,195,572
			<hr/>

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
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### 38. OPERATING SEGMENTS (CONT'D)

#### 38.1 BUSINESS SEGMENTS (CONT'D)

	Hardware and Maintenance RM	Software RM	Group RM
<b>2023</b>			
<u>Other information</u>			
Bad debts written off	936	11	947
Depreciation and amortisation	1,094,207	1,278,956	2,373,163
Fair value gain on short-term investments	(424,743)	(48,884)	(473,627)
Gain on disposal of property, plant and equipment	(157,972)	-	(157,972)
Impairment losses on trade receivables	727,924	176,573	904,497
Interest income	(201,506)	(19,747)	(221,253)
Interest expenses	96,523	6,824	103,347
Inventories written down	172,705	-	172,705
Inventories written off	308,687	-	308,687
Property, plant and equipment written off	33,464	-	33,464
Reversal of impairment losses on trade receivables	(486,962)	(242,048)	(729,010)
Reversal of inventories previously written down	(929,307)	-	(929,307)
Unrealised gain on foreign exchange	(179,816)	125,315	(54,501)
<b>Assets</b>			
Segment assets	78,937,026	81,875,036	160,812,062
Unallocated assets:			
- deferred tax assets			585,093
- current tax assets			3,493,001
Consolidation adjustments			(53,804,021)
Consolidated total assets			<u>111,086,135</u>
<u>Additions to non-current assets other than financial instruments and deferred tax assets are:-</u>			
Property, plant and equipment	2,321,036	2,703,601	5,024,637
Right-of-use assets	747,236	-	747,236
Intangible assets	-	30,000	30,000
<b>Liabilities</b>			
Segment liabilities	29,896,770	24,951,603	54,848,373
Unallocated liabilities:			
- deferred tax liabilities			5,100
- lease liabilities			789,954
- hire purchase payables			1,021,771
- current tax liabilities			333,591
Consolidation adjustments			(19,867,224)
Consolidated total liabilities			<u>37,131,565</u>



Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
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### 38. OPERATING SEGMENTS (CONT'D)

#### 38.1 BUSINESS SEGMENTS (CONT'D)

	Hardware and Maintenance RM	Software RM	Group RM
<b>2022</b>			
<b>Revenue</b>			
External revenue	116,003,024	21,628,692	137,631,716
Inter-segment revenue	2,572,020	4,051,494	6,623,514
	<u>118,575,044</u>	<u>25,680,186</u>	<u>144,255,230</u>
Consolidation adjustments			(6,623,514)
Consolidated revenue			<u>137,631,716</u>
<b>Results</b>			
Segment profit before interest and taxation	10,749,954	1,558,495	12,308,449
Interest income			242,161
Finance costs			(75,500)
Consolidated profit before taxation			12,475,110
Income tax expense			(3,291,925)
Consolidation adjustments			(114,112)
Consolidated profit after taxation			<u>9,069,073</u>
<u>Other information</u>			
Bad debts written off	-	15,551	15,551
Depreciation and amortisation	811,593	991,253	1,802,846
Fair value gain on short-term investments	(271,333)	(168,093)	(439,426)
Impairment losses on trade receivables	320,791	329,547	650,338
Interest income	(221,179)	(20,982)	(242,161)
Interest expenses	74,286	5,248	80,074
Inventories written down	267,652	-	267,652
Inventories written off	145,420	-	145,420
Loss on disposal of property, plant and equipment	3	10	13
Property, plant and equipment written off	30,900	-	30,900
Reversal of impairment losses on trade receivables	(162,660)	(91,959)	(254,619)
Reversal of impairment losses on a related party	-	(11,500)	(11,500)
Reversal of inventories previously written down	(78,056)	-	(78,056)
Unrealised gain on foreign exchange	(44,608)	(58,902)	(103,510)

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
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### 38. OPERATING SEGMENTS (CONT'D)

#### 38.1 BUSINESS SEGMENTS (CONT'D)

	Hardware and Maintenance RM	Software RM	Group RM
<b>2022</b>			
<b>Assets</b>			
Segment assets	95,684,858	68,313,380	163,998,238
Unallocated assets:			
- deferred tax assets			684,267
- current tax assets			3,495,369
Consolidation adjustments			(40,676,970)
Consolidated total assets			<u>127,500,904</u>
<u>Additions to non-current assets other than financial instruments and deferred tax assets are:-</u>			
Property, plant and equipment	54,265	5,000,528	5,054,793
Right-of-use assets	248,849	-	248,849
<b>Liabilities</b>			
Segment liabilities	48,957,825	15,462,656	64,420,481
Unallocated liabilities:			
- deferred tax liabilities			27,000
- lease liabilities			600,214
- hire purchase payables			163,276
- current tax liabilities			381,072
Consolidation adjustments			(19,120,160)
Consolidated total liabilities			<u>46,471,883</u>

#### 38.2 GEOGRAPHICAL INFORMATION

Revenue is based on the country in which the customers are located.

Non-current assets are determined according to the country where these assets are located. The amounts of non-current assets do not include financial instruments and deferred tax assets.

	<b>The Group</b>	
	<b>2023 RM</b>	<b>2022 RM</b>
Malaysia	31,911,970	28,252,152
Cambodia	60,891	135,783
Vietnam	57,561	152,812
Thailand	54,435	279,035
	<u>32,084,857</u>	<u>28,819,782</u>

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For the Financial Year Ended 31 December 2023  
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### 38. OPERATING SEGMENTS (CONT'D)

#### 38.2 GEOGRAPHICAL INFORMATION (CONT'D)

The information on the disaggregation of revenue based on geographical region is summarised below:-

The Group	At A Point in Time		Over Time		Total	
	2023	2022	2023	2022	2023	2022
	RM	RM	RM	RM	RM	RM
Australia	259,467	-	-	26,211	259,467	26,211
Cambodia	875,603	1,004,713	232,826	224,660	1,108,429	1,229,373
China	25,377	8,790	-	-	25,377	8,790
Hong Kong	-	25,504	-	337	-	25,841
Malaysia	85,231,791	80,104,482	37,553,020	45,752,491	122,784,811	125,856,973
Philippines	38,284	-	75,519	56,773	113,803	56,773
Singapore	2,415,453	883,376	1,153,680	1,032,599	3,569,133	1,915,975
Thailand	4,450,160	5,359,831	-	2,537	4,450,160	5,362,368
Vietnam	3,065,499	2,819,661	90,891	95,106	3,156,390	2,914,767
Brunei	-	110,487	-	114,700	-	225,187
Others*	57,375	-	-	9,458	57,375	9,458
	96,419,009	90,316,844	39,105,936	47,314,872	135,524,945	137,631,716

\* Consists of Saudi Arabia, United Kingdom, Chile, Indonesia, United States, Yemen and Mexico.

#### 38.3 MAJOR CUSTOMERS

The following was major customers with revenue equal to or more than 10% of the Group's total revenue.

	The Group Revenue		Segments
	2023	2022	
	RM	RM	
Customer A	*	18,660,369	Hardware and maintenance
Customer B	15,485,654	*	Hardware and maintenance

\* Not applicable.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
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### 39. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

#### 39.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of the major areas of treasury activity are as follows:-

##### (a) Market Risk

###### (i) Foreign Currency Risk

The Group and the Company are exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk are primarily United States Dollar ("USD"), Singapore Dollar ("SGD"), Brunei Dollar ("BND"), Euro ("EUR") and Australian Dollar ("AUD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

##### *Foreign Currency Exposure*

	<b>USD RM</b>	<b>SGD RM</b>	<b>BND RM</b>	<b>EUR RM</b>	<b>AUD RM</b>	<b>Total RM</b>
<b>The Group</b>						
<b>2023</b>						
<i>Financial assets</i>						
Trade receivables	650,000	355,300	-	-	-	1,005,300
Amount owing by related parties	-	209,478	-	-	-	209,478
Cash and bank balances	1,382,426	40,063	-	-	4,415	1,426,904
	2,032,426	604,841	-	-	4,415	2,641,682
<i>Financial liability</i>						
Trade payables	1,925,256	-	-	232,628	-	2,157,884
<i>Net financial assets/(liabilities)/ Currency exposure</i>						
	107,170	604,841	-	(232,628)	4,415	483,798

Notes to the Financial Statements  
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### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (a) Market Risk (Cont'd)

###### (i) Foreign Currency Risk (Cont'd)

###### Foreign Currency Exposure (Cont'd)

	USD RM	SGD RM	BND RM	EUR RM	AUD RM	Total RM
<b>The Group</b>						
<b>2022</b>						
<u>Financial assets</u>						
Trade receivables	1,383,267	355,419	54,215	-	-	1,792,901
Amount owing by related parties	-	218,776	-	-	-	218,776
Cash and bank balances	1,296,549	97,585	-	-	-	1,394,134
	2,679,816	671,780	54,215	-	-	3,405,811
<u>Financial liability</u>						
Trade payables	2,234,959	4,186	-	-	-	2,239,145
Net financial assets/ Currency exposure	444,857	667,594	54,215	-	-	1,166,666
				<b>USD RM</b>	<b>SGD RM</b>	<b>Total RM</b>
<b>The Company</b>						
<b>2023</b>						
<u>Financial asset</u>						
Trade receivables				-	306,598	306,598
Net financial asset/ Currency exposure				-	306,598	306,598
<b>2022</b>						
<u>Financial asset</u>						
Trade receivables			22,498	267,541		290,039
Net financial asset/ Currency exposure			22,498	267,541		290,039

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (a) Market Risk (Cont'd)

###### (i) Foreign Currency Risk (Cont'd)

###### *Foreign Currency Risk Sensitivity Analysis*

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:-

	<b>The Group</b>		<b>The Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Effects on Profit After Taxation</b>				
USD/RM				
- strengthened by 10%	10,717	44,486	-	2,250
- weakened by 10%	(10,717)	(44,486)	-	(2,250)
SGD/RM				
- strengthened by 10%	60,484	66,759	30,660	26,754
- weakened by 10%	(60,484)	(66,759)	(30,660)	(26,754)
BND/RM				
- strengthened by 10%	-	5,422	-	-
- weakened by 10%	-	(5,422)	-	-
EURO/RM				
- strengthened by 10%	(23,263)	-	-	-
- weakened by 10%	23,263	-	-	-
AUD/RM				
- strengthened by 10%	442	-	-	-
- weakened by 10%	(442)	-	-	-

###### (ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group and the Company adopt a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The fixed rate debt instruments of the Group and of the Company are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The sensitivity analysis for fixed rate hire purchase payables at the end of the reporting period is not presented as change in interest rate would not have impact to the profit or loss and equity.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (a) Market Risk (Cont'd)

###### (iii) Equity Price Risk

The Group and the Company do not have any quoted investments and hence is not exposed to equity price risk.

##### (b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group and the Company manage their exposures to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk includes loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

###### (i) Credit Risk Concentration Profile

The Group and the Company's major concentration of credit risk relate to the trade receivables (including related parties) at the end of the reporting period is as follows:-

	The Group		The Company	
	2023	2022	2023	2022
Major concentration of credit risk	31%	14%	14%	14%
Number of customers	2	1	1	1

In addition, the Group and the Company also determine the concentration of credit risk by monitoring the geographical region of its trade receivables (including related parties) on an ongoing basis. The credit risk concentration profile of trade receivables (including related parties) at the end of the reporting period is as follows:-

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Malaysia	30,752,335	29,140,465	1,768,534	1,569,473
Singapore	567,568	584,359	303,847	275,957
Philippines	-	14,268	-	14,268
Vietnam	447,728	392,226	-	-
Thailand	814,937	1,702,687	-	-
Cambodia	111,670	40,274	-	-
Others	11,548	37,714	-	-
	32,705,786	31,911,993	2,072,381	1,859,698

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

###### (ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries. These corporate guarantees have not been recognised in the Company's financial statements since their fair value on initial recognition were not material.

###### (iii) Assessment of Impairment Losses

The Group and the Company have an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the receivables. The Group and the Company closely monitor the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group and the Company evaluate whether any of the financial assets at amortised cost are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty;
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group and the Company consider a receivable to be in default when the receivable is unlikely to repay its debt to the Group and the Company in full or is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. The Group uses a more lagging past due criterion for trade receivables when it is more appropriate to reflect their loss patterns.

##### Trade Receivables

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables.



Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

##### (iii) Assessment of Impairment Losses (Cont'd)

##### Trade Receivables (Cont'd)

##### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

To measure the expected credit losses, trade receivables (including related parties) has been grouped based on shared credit risk characteristics and the days past due.

The Group and the Company measure the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over 12 months (2022 - 12 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts. The Group has identified the unemployment rate, inflation rate and Gross Domestic Product ("GDP") as the key macroeconomic factors of the forward-looking information.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

##### *Allowance for Impairment Losses*

	<b>Gross Amount RM</b>	<b>Lifetime Individual Allowance RM</b>	<b>Lifetime Collective Allowance RM</b>	<b>Carrying Amount RM</b>
<b>The Group</b>				
<b>2023</b>				
Not past due	18,100,003	-	-	18,100,003
Past due:				
- less than 3 months	9,823,779	-	(7,094)	9,816,685
- 3 to 6 months	2,956,530	-	(1,049)	2,955,481
- over 6 months	1,392,178	-	(700,448)	691,730
Credit impaired	929,516	(216,948)	(712,568)	-
Trade receivables	33,202,006	(216,948)	(1,421,159)	31,563,899
Unbilled receivables	1,141,887	-	-	1,141,887
	<b>34,343,893</b>	<b>(216,948)</b>	<b>(1,421,159)</b>	<b>32,705,786</b>

Notes to the Financial Statements  
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(Cont'd)

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables (Cont'd)

*Allowance for Impairment Losses (Cont'd)*

	<b>Gross Amount RM</b>	<b>Lifetime Individual Allowance RM</b>	<b>Lifetime Collective Allowance RM</b>	<b>Carrying Amount RM</b>
<b>The Group</b>				
<b>2022</b>				
Not past due	20,727,953	-	-	20,727,953
Past due:				
- less than 3 months	7,786,210	-	-	7,786,210
- 3 to 6 months	1,063,160	-	-	1,063,160
- over 6 months	940,474	-	(402,707)	537,767
Credit impaired	1,059,931	(111,910)	(948,021)	-
Trade receivables	31,577,728	(111,910)	(1,350,728)	30,115,090
Unbilled receivables	1,796,903	-	-	1,796,903
	33,374,631	(111,910)	(1,350,728)	31,911,993
<b>The Company</b>				
<b>2023</b>				
Not past due	673,260	-	-	673,260
Past due:				
- less than 3 months	329,753	-	-	329,753
- 3 to 6 months	252,421	-	-	252,421
- over 6 months	113,650	-	-	113,650
Credit impaired	134,439	-	(134,439)	-
Trade receivables	1,503,523	-	(134,439)	1,369,084
Unbilled receivables	703,297	-	-	703,297
	2,206,820	-	(134,439)	2,072,381

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(Cont'd)

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

##### Trade Receivables (Cont'd)

##### *Allowance for Impairment Losses (Cont'd)*

	<b>Gross Amount RM</b>	<b>Lifetime Individual Allowance RM</b>	<b>Lifetime Collective Allowance RM</b>	<b>Carrying Amount RM</b>
<b>The Company</b>				
<b>2022</b>				
Not past due	675,510	-	-	675,510
Past due:				
- less than 3 months	398,227	-	-	398,227
- 3 to 6 months	55,501	-	-	55,501
- over 6 months	48,040	-	(12,600)	35,440
Credit impaired	81,400	-	(81,400)	-
Trade receivables	1,258,678	-	(94,000)	1,164,678
Unbilled receivables	695,020	-	-	695,020
	<b>1,953,698</b>	<b>-</b>	<b>(94,000)</b>	<b>1,859,698</b>

The movements in the loss allowances in respect of trade receivables are disclosed in Note 13 to the financial statements.

##### Other Receivables

The Group and the Company apply the 3-stage general approach to measuring expected credit losses for its other receivables.

##### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

Under this approach, the Group and the Company assess whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Group and the Company consider there has been a significant increase in credit risk when there are changes in contractual terms or delay in payment. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 30 days past due in making a contractual payment.

Notes to the Financial Statements  
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(Cont'd)

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

###### (iii) Assessment of Impairment Losses (Cont'd)

###### Other Receivables (Cont'd)

###### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses (Cont'd)*

The Group and the Company use 3 categories to reflect their credit risk and how the loss allowance is determined for each category:-

Category	Definition of Category	Loss Allowance
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-months expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Not performing:	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

The Group and the Company measure the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on individual basis. Other receivables are grouped based on shared credit risk characteristics and assessed on collective basis.

Loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group and the Company consider the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

###### *Allowance for Impairment Losses*

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

###### (iii) Assessment of Impairment Losses (Cont'd)

###### Amount Owing by Subsidiaries (Non-trade Balances)

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances.

###### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

The Company measures the expected credit losses on individual basis, which is aligned with its credit risk management practices on the inter-company balances.

The Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded.

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

For loans and advances that are not repayable on demand, impairment loss is measured using techniques that are similar for estimating the impairment losses of other receivables as disclosed above.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

###### *Allowance for Impairment Losses*

At the end of the reporting period, there was no indication that the amount owing is not recoverable.

###### Fixed Deposits with Licensed Banks, Cash and Bank Balances and Short-term Investments

The Group and the Company consider the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

###### (iii) Assessment of Impairment Losses (Cont'd)

###### Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to subsidiaries are financial guarantee contract.

###### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

The Company closely monitors the subsidiaries' financial strength to reduce the risk of loss.

The Company considers there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:

- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

###### *Allowance for Impairment Losses*

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

**39. FINANCIAL INSTRUMENTS (CONT'D)**  
**39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)**

**(c) Liquidity Risk**

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practise prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

*Maturity Analysis*

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group	Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
<b>2023</b>						
<u>Non-derivative Financial Liabilities</u>						
Trade payables	-	14,751,100	14,751,100	14,751,100	-	-
Other payables and accruals	-	10,817,307	10,817,307	10,817,307	-	-
Amount owing to related parties	-	2,466,516	2,466,516	2,466,516	-	-
Amount owing to directors	-	546,000	546,000	546,000	-	-
Lease liabilities	2.20 - 7.42	789,954	844,460	494,450	350,010	-
Hire purchase payables	3.96 - 6.71	1,021,771	1,145,724	239,726	878,775	27,223
		30,392,648	30,571,107	29,315,099	1,228,785	27,223
<b>2022</b>						
<u>Non-derivative Financial Liabilities</u>						
Trade payables	-	13,070,512	13,070,512	13,070,512	-	-
Other payables and accruals	-	23,421,196	23,421,196	23,421,196	-	-
Amount owing to related parties	-	2,337,594	2,337,594	2,337,594	-	-
Amount owing to directors	-	606,000	606,000	606,000	-	-
Lease liabilities	5.42 - 7.42	600,214	639,121	396,541	242,580	-
Hire purchase payables	2.69 - 5.62	163,276	187,202	41,208	97,836	48,158
		40,198,792	40,261,625	39,873,051	340,416	48,158

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (c) Liquidity Risk (Cont'd)

*Maturity Analysis (Cont'd)*

The Company	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM
<b>2023</b>			
<u>Non-derivative Financial Liabilities</u>			
Trade payables	768,215	768,215	768,215
Other payables and accruals	998,766	998,766	998,766
Amount owing to subsidiaries	4,949,740	4,949,740	4,949,740
Financial guarantee contract in relation to corporate guarantee given to a subsidiary	-	556,750	556,750
	6,716,721	7,273,471	7,273,471
<b>2022</b>			
<u>Non-derivative Financial Liabilities</u>			
Trade payables	733,988	733,988	733,988
Other payables and accruals	1,126,941	1,126,941	1,126,941
Amount owing to subsidiaries	28,542	28,542	28,542
	1,889,471	1,889,471	1,889,471

The contractual undiscounted cash flows represent the outstanding credit facilities of the subsidiaries at the end of the reporting period. The financial guarantees have not been recognised in the financial statements since their fair value on initial recognition were not material.

#### 39.2 CAPITAL RISK MANAGEMENT

The Group and the Company manage their capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholder(s) value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The Group and the Company manage its capital based on debt-to-equity ratio. As the Group and the Company have has insignificant external borrowings, the debt-to-equity ratio may not provide a meaningful indicator of the risk of borrowings.

There was no change in the approach to capital management during the financial year.



Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
<b>Financial Assets</b>				
<u>Fair Value Through Profit or Loss</u>				
Short-term investments	11,886,396	14,417,587	404,439	4,249,296
<u>Amortised Cost</u>				
Trade receivables	30,755,967	31,346,826	2,072,381	1,859,698
Other receivables	194,908	133,885	864	390
Amount owing by subsidiaries	-	-	4,974,687	5,219,269
Amount owing by related parties	1,949,819	565,167	-	-
Fixed deposits with licensed banks	1,218,772	1,191,774	-	-
Cash and bank balances	18,493,332	26,892,943	753,184	976,614
	52,612,798	60,130,595	7,801,116	8,055,971
<b>Financial Liability</b>				
<u>Amortised Cost</u>				
Trade payables	14,751,100	13,070,512	768,215	733,988
Other payables and accruals	10,817,307	23,421,196	998,766	1,126,941
Amount owing to subsidiaries	-	-	4,949,740	28,542
Amount owing to related parties	2,466,516	2,337,594	-	-
Amount owing to directors	546,000	606,000	-	-
Hire purchase payables	1,021,771	163,276	-	-
	29,602,694	39,598,578	6,716,721	1,889,471

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	The Group		The Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Financial Assets</b>				
<u>Fair Value Through Profit or Loss</u>				
Net gains recognised in profit or loss	(474,550)	(449,989)	(48,884)	(168,093)
<u>Amortised Cost</u>				
Net losses/(gains) recognised in profit or loss	38,139	196,232	131,161	(24,555)
<b>Financial Liability</b>				
<u>Amortised Cost</u>				
Net losses recognised in profit or loss	768,586	90,371	-	-

#### 39.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

**39. FINANCIAL INSTRUMENTS (CONT'D)**

**39.5 FAIR VALUE INFORMATION (CONT'D)**

	Fair Value Of Financial Instruments Carried At Fair Value			Fair Value Of Financial Instruments Not Carried At Fair Value			Total Fair Value RM	Carrying Amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM		
<b>The Group</b>								
<b>2023</b>								
<u>Financial Asset</u>								
Short-term investments	-	11,886,396	-	-	-	-	11,886,396	11,886,396
<u>Financial Liability</u>								
Hire purchase payables	-	-	-	-	1,084,332	-	1,084,332	1,021,771
<b>2022</b>								
<u>Financial Asset</u>								
Short-term investments	-	14,417,587	-	-	-	-	14,417,587	14,417,587
<u>Financial Liability</u>								
Hire purchase payables	-	-	-	-	169,066	-	169,066	163,276
<b>The Company</b>								
<b>2023</b>								
<u>Financial Asset</u>								
Short-term investments	-	404,439	-	-	-	-	404,439	404,439
<b>2022</b>								
<u>Financial Asset</u>								
Short-term investments	-	4,249,296	-	-	-	-	4,249,296	4,249,296

Notes to the Financial Statements  
For the Financial Year Ended 31 December 2023  
(Cont'd)

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.5 FAIR VALUE INFORMATION (CONT'D)

**(a) Fair Value of Financial Instruments Carried at Fair Value**

The fair value of money market fund is determined by reference to statement provided by the respective financial institution, with which the investments were entered into.

**(b) Fair Value of Financial Instruments Not Carried at Fair Value**

The fair value of hire purchase payables that carry fixed interest rates is determined by discounting the relevant future contractual cash flow using current market interest rate for similar instruments at the end of the reporting period. The interest rates used to discount the estimated cash flows are as follows:-

	<b>The Group</b>	
	<b>2023</b>	<b>2022</b>
	%	%
Hire purchase payables	3.96 - 6.82	5.62

### 40. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 2 May 2023, the Company has entered into a conditional SPA with Jejaka 7 Capital Sdn. Bhd. to acquire the remaining 200,000 ordinary shares in GFS, representing 20% equity interest in GFS for a total purchase consideration of RM12,605,000. Following the completion of the acquisition, GFS became a wholly owned subsidiary of the Company.

On 30 June 2023, all the conditions precedent stipulated in the SPA have been fulfilled and the acquisition was completed.

# List of Properties

as at 31 December 2023

Registered Owner / Location	Date of Acquisition	Description	Tenure	Age of building (Years)	Gross Built up Area (Sq. ft)	Existing Use	Audited Net Carrying Amount as at 31 December 2023 (RM'000)
<b>Radiant Global ADC Sdn Bhd</b> No. 8, Jalan 3/91A Taman Shamelin Perkasa Batu 3 1/2, Cheras 56100 Kuala Lumpur Wilayah Persekutuan Malaysia	02.05.2008	Two and half (2 1/2)-storey intermediate semi-detached factory	Leasehold expiring on 11.09.2082	40	14,738	Office, warehouse and customer support service office	3,075
<b>Radiant Global ADC Sdn Bhd</b> Unit 03-06, Level 3, Tower B Vertical Business Suite Avenue 3 Bangsar South No. 8, Jalan Kerinchi 59200 Kuala Lumpur Wilayah Persekutuan Malaysia	09.09.2015	An office unit on the 3rd floor of a 32-storey office building	Leasehold expiring on 16.08.2106	16	2,362	Head office	2,038
<b>Radiant Global ADC Sdn Bhd</b> Unit 03-07, Level 3, Tower B Vertical Business Suite Avenue 3 Bangsar South No. 8, Jalan Kerinchi 59200 Kuala Lumpur Wilayah Persekutuan Malaysia	09.09.2015	An office unit on the 3rd floor of a 32-storey office building	Leasehold expiring on 16.08.2106	16	939	Head office	829

List of Properties  
as at 31 December 2023  
(Cont'd)

Registered Owner / Location	Date of Acquisition	Description	Tenure	Age of building (Years)	Gross Built up Area (Sq. ft)	Existing Use	Audited Net Carrying Amount as at 31 December 2023 (RM'000)
<b>Radiant Globaltech Berhad</b> Unit 03-08, Level 3, Tower B Vertical Business Suite Avenue 3 Bangsar South No. 8, Jalan Kerinchi 59200 Kuala Lumpur Wilayah Persekutuan Malaysia	29.06.2016	An office unit on the 3rd floor of a 32-storey office building	Leasehold expiring on 16.08.2106	16	2,659	Head office	2,460
<b>Radiant Globaltech Berhad</b> Unit 03-01, Level 3, Tower B Vertical Business Suite Avenue 3 Bangsar South No. 8, Jalan Kerinchi 59200 Kuala Lumpur Wilayah Persekutuan Malaysia	30.08.2019	An office unit on the 3rd floor of a 32-storey office building	Leasehold expiring on 16.08.2106	16	1,445	Head office	1,461
<b>Radiant Globaltech Berhad</b> No. G-9-1, G-9-2 & G-9-3 Loring Bayan Indah 1 11900 Bayan Lepas Penang	28.07.2022	A ground floor and 1st and 2nd floors office lots within an intermediate unit of three (3)-storey shop office building	Freehold	15	3,939	Office	3,881

# Analysis of Shareholdings

as at 4 April 2024

Total number of issued shares	:	525,200,000 ordinary shares
Class of equity securities	:	Ordinary Shares ("Shares")
Voting rights by poll	:	One vote for every share held

## DISTRIBUTION SCHEDULE OF SHAREHOLDERS

Size of Holdings	No. of Holders	%	No. of Shares	%
Less than 100 shares	1	0.03	12	0.00
100 - 1,000 shares	372	12.22	184,988	0.04
1,001 - 10,000 shares	1,262	41.44	7,790,500	1.48
10,001 - 100,000 shares	1,181	38.78	43,010,700	8.19
100,001 - less than 5% of issued shares	224	7.36	117,680,800	22.41
5% and above of issued shares	5	0.16	356,533,000	67.89
<b>Total</b>	<b>3,045</b>	<b>100.00</b>	<b>525,200,000</b>	<b>100.00</b>

## SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

(As per the Register of Substantial Shareholders)

Name of Substantial Shareholders	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Global Merits Sdn. Bhd.	129,968,800	24.75	-	-
Practical Resources Sdn. Bhd.	97,947,200	18.65	-	-
Global Success Network Sdn. Bhd.	80,905,000	15.40	-	-
AI Capital Sdn. Bhd.	47,712,000	9.08	-	-
Yap Ban Foo	-	-	129,968,800 <sup>(a)</sup>	24.75
Yap Sin Sang	-	-	97,947,200 <sup>(b)</sup>	18.65
Ng Lee Tieng	1,917,300	0.37	80,905,000 <sup>(c)</sup>	15.40
Lee Thiam Wah	-	-	82,822,300 <sup>(d)</sup>	15.77
Tan Chuan Hock	-	-	47,712,000 <sup>(e)</sup>	9.08

### Notes:

- (a) Deemed interested by virtue of his interest in Global Merits Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016 ("CA 2016").
- (b) Deemed interested by virtue of his interest in Practical Resources Sdn. Bhd. pursuant to Section 8(4) of the CA 2016.
- (c) Deemed interested by virtue of her spouse's interest in Global Success Network Sdn. Bhd. pursuant to Section 8(4) of the CA 2016.
- (d) Deemed interested by virtue of the shares held by his spouse, Ng Lee Tieng and his interest in Global Success Network Sdn. Bhd. pursuant to Section 8 of the CA 2016.
- (e) Deemed interested by virtue of his interest in AI Capital Sdn. Bhd. pursuant to Section 8(4) of the CA 2016.

## DIRECTORS' SHAREHOLDINGS

(As per the Register of Directors' Shareholdings)

Name of Directors	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Dato' Siow Kim Lun	500,000	0.10	-	-
Tevanaigam Randy Chitty	1,950,000	0.37	-	-
Mashitah Binti Osman	100,000	0.02	-	-
Yap Ban Foo	-	-	129,968,800	24.75
Yap Sin Sang	-	-	97,947,200	18.65

## Analysis of Shareholdings as at 4 April 2024 (Cont'd)

### THIRTY LARGEST SECURITIES ACCOUNT HOLDERS

(without aggregating the securities from different securities accounts belonging to the same registered holder)

No.	Name	No. of Shares held	%
1.	Practical Resources Sdn. Bhd.	97,947,200	18.65
2.	Maybank Nominees (Tempatan) Sdn. Bhd. <i>Maybank Private Wealth Management for Global Merits Sdn. Bhd. (PW-M01057) (423111)</i>	95,954,133	18.27
3.	IFast Nominees (Tempatan) Sdn. Bhd. <i>Global Success Network Sdn. Bhd.</i>	80,905,000	15.40
4.	AI Capital Sdn. Bhd.	47,712,000	9.08
5.	Global Merits Sdn. Bhd.	34,014,667	6.48
6.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Khor Jan Yeow (8083119)</i>	9,850,300	1.88
7.	Maybank Nominees (Tempatan) Sdn. Bhd. <i>Maybank Private Wealth Management for Cheng Ping Liang (PW-M00974) (422098)</i>	9,500,000	1.81
8.	CIMB Group Nominees (Tempatan) Sdn. Bhd. <i>CIMB Commerce Trustee Berhad for Fortress Opportunistic Growth Fund</i>	9,306,800	1.77
9.	Kenanga Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Chiang Kai Loon (010)</i>	7,096,800	1.35
10.	Tan Gek Toh	2,500,000	0.48
11.	Yap Keong Wah	2,383,600	0.45
12.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Wong Weng Poh (7000353)</i>	1,940,100	0.37
13.	Keoh Git Ngoo	1,938,900	0.37
14.	Ng Lee Tieng	1,917,300	0.37
15.	CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Tan Bak Hong (PB)</i>	1,787,100	0.34
16.	Liew Khin Kheong	1,636,800	0.31
17.	Tran Phu Vinh	1,516,000	0.29
18.	Tay Eng Hui	1,450,000	0.28
19.	Tevanaigam Randy Chitty	1,400,000	0.27
20.	Kueh Chay Seng	1,336,000	0.25
21.	Tan Phan Lieh	1,300,000	0.25
22.	Maybank Nominees (Tempatan) Sdn. Bhd. <i>Exempt An for Tradeview Capital Sdn. Bhd.</i>	1,178,500	0.22
23.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Tee Tian Hock (MY4551)</i>	1,168,500	0.22
24.	Lim Kiat Hin	1,120,000	0.21
25.	Yang Siew Wai	1,100,000	0.21
26.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Wong Weng Poh (7000068)</i>	1,076,900	0.21
27.	Lai Tai Cheang	1,000,000	0.19
28.	Teoh Teong Seng	968,700	0.18
29.	Tan Yau Lam	960,000	0.18
30.	Ong Bok Lim	900,000	0.17



# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN** that the Twenty-First Annual General Meeting ("21<sup>st</sup> AGM" or "Meeting") of RADIANT GLOBALTECH BERHAD ("Radiant Globaltech" or "the Company") will be held at Greens III, Sports Wing, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Friday, 14 June 2024 at 10:00 a.m. or at any adjournment thereof, to transact the following businesses:-

## A G E N D A

### AS ORDINARY BUSINESS :

1. To receive the Audited Financial Statements for the financial year ended 31 December 2023 together with the Reports of the Directors and Auditors thereon.
2. To approve the payment of Directors' fees and benefits of up to RM450,000.00 for the period commencing from the date immediately after this 21<sup>st</sup> AGM until the next Annual General Meeting ("AGM") of the Company.
3. To re-elect the following Directors who retire by rotation pursuant to Clause 85 of the Company's Constitution:-
  - i. Mr. Yap Ban Foo
  - ii. Mr. Yap Sin Sang
4. To re-appoint Crowe Malaysia PLT as Auditors of the Company until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration.

**PLEASE REFER TO  
EXPLANATORY NOTE 1**

**ORDINARY RESOLUTION 1**

**ORDINARY RESOLUTION 2  
ORDINARY RESOLUTION 3**

**ORDINARY RESOLUTION 4**

### AS SPECIAL BUSINESS :

To consider and if thought fit, pass with or without any modifications, the following resolutions:-

5. **GENERAL AUTHORITY FOR THE DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 ("ACT")**

**ORDINARY RESOLUTION 5**

"THAT subject always to the Constitution of the Company, the Act, the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of the relevant governmental/regulatory authorities, where required, the Directors of the Company, be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot new ordinary shares in the Company ("Shares") to such persons, at any time, and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any point in time ("Mandate") AND the Directors be and also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting ("AGM") of the Company held next after the approval was given or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is the earlier.

## Notice of Annual General Meeting (Cont'd)

AND THAT the new Shares to be issued pursuant to the Mandate, shall, upon issuance and allotment, rank pari passu in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new Shares."

6. **PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE AND/OR TRADING NATURE ("PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE")** **ORDINARY RESOLUTION 6**

"THAT, authority be and is hereby given in line with Rule 10.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, for the Company and/or its subsidiaries ("Group") to enter into any of the recurrent related party transactions with the related parties as set out in Section 2.3 of the Circular to Shareholders in relation to the Proposed Renewal of Existing Shareholders' Mandate dated 30 April 2024 which are necessary for the day-to-day operations of the Group within the ordinary course of business of the Group, made on an arm's length basis and on normal commercial terms which are those generally available to the public and are not detrimental to the minority shareholders of the Company;

AND THAT such authority shall commence immediately upon the passing of this resolution and shall continue to be in force until:

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which the ordinary resolution for the Proposed Renewal of Existing Shareholders' Mandate was passed, at which time it shall lapse, unless the authority is renewed by a resolution passed at the next AGM; or
- (ii) the expiration of the period within which the next AGM after that date it is required by law to be held pursuant to Section 340(2) of the Companies Act 2016 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is earlier.

AND FURTHER THAT the Directors of the Company be and are hereby authorised to do all acts, deeds and things as they may be deemed fit, necessary, expedient and/or appropriate in order to implement the Proposed Renewal of Existing Shareholders' Mandate with full power to assent to all or any conditions, variations, modifications and/or amendments in any manner as may be required by any relevant authorities or otherwise and to deal with all matters relating thereto and to take all such steps and to execute, sign and deliver for and on behalf of the Company all such documents, agreements, arrangements and/or undertakings, with any party or parties and to carry out any other matters as may be required to implement, finalise and complete, and give full effect to the Proposed Renewal of Existing Shareholders' Mandate in the best interest of the Company."

## Notice of Annual General Meeting (Cont'd)

7. To transact any other business of which due notice shall have been given.

By order of the Board

**TEA SOR HUA (MACS 01324) (SSM PC No.: 201908001272)**  
**LEE SIEW FUN (MAICSA 7063623) (SSM PC NO. 202008000735)**  
Company Secretaries

Petaling Jaya, Selangor Darul Ehsan  
30 April 2024

### Notes:

- a) A member who is entitled to present, participate, speak and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
- b) A proxy may, but need not, be a member of the Company. A member may appoint any person to be his proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak and vote at the Meeting.
- c) The instrument appointing a proxy shall be in writing signed by the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, either under the common seal or signed by an officer or attorney duly authorised.
- d) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
- f) To be valid, the instrument appointing a proxy may be made in a hard copy form or by an electronic form in the following manner and must be received by the Company not less than forty-eight (48) hours before the time for holding the Meeting or adjourned meeting:-
  - (i) In hard copy form  
In the case of an appointment made in hard copy form, the proxy form must be deposited at the Share Registrar of the Company situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or Tricor Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.
  - (ii) By electronic form  
The proxy form can be electronically lodged via TIIH Online website at <https://tiih.online>. Please refer to the Administrative Notes on the procedure for electronic lodgement of proxy form via TIIH Online.

## Notice of Annual General Meeting (Cont'd)

### Notes: (Cont'd)

- g) For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 63(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 6 June 2024. Only members whose names appear in the General Meeting Record of Depositors as at 6 June 2024 shall be entitled to attend, speak and vote at the Meeting.
- h) All the resolutions set out in this Notice of Meeting will be put to vote by poll.
- i) The members are advised to refer to the Administrative Notes on the registration process for the Meeting.
- j) Kindly check Bursa Securities' website and the Company's website at [www.rgtech.com.my](http://www.rgtech.com.my) for the latest updates on the status of the Meeting.

### EXPLANATORY NOTES TO ORDINARY BUSINESS AND SPECIAL BUSINESS

#### 1. Item 1 of the Agenda - Audited Financial Statements for the financial year ended 31 December 2023

The Agenda is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval of members for the Audited Financial Statements. Hence, this Agenda is not put forward for voting.

#### 2. Item 2 of the Agenda - Directors' Fees and Benefits

Pursuant to Section 230(1) of the Act, the Directors' fees and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved by the shareholders at a general meeting. This resolution is to facilitate payment of Directors' fees and benefits for the period from the date immediately after this 21<sup>st</sup> AGM until the next AGM of the Company. In the event the proposed amount is insufficient due to more meetings or an enlarged Board size, approval will be sought at the next AGM of the Company for such shortfall.

#### 3. Item 3 of the Agenda - Re-election of Directors

Clause 85 of the Company's Constitution provides that one-third (1/3) of the Directors of the Company for the time being or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election PROVIDED ALWAYS that all Directors shall retire from office at least once every three (3) years but shall be eligible for re-election.

Mr. Yap Ban Foo and Mr. Yap Sin Sang will retire by rotation pursuant to Clause 85 of the Company's Constitution ("the Retiring Directors"). The Retiring Directors being eligible, have offered themselves for re-election at the 21<sup>st</sup> AGM.

The Board has endorsed the Nomination and Remuneration Committee's recommendation to seek shareholders' approval to re-elect the Retiring Directors as they possess the required skill sets to facilitate and contribute to the Board's effectiveness and value.

The Retiring Directors had abstained from all deliberations and decisions on their own eligibility to stand for re-election at the Board meeting.

The details and profiles of the said retiring Directors are provided in the Directors' Profile of the Company's Annual Report 2023.

## Notice of Annual General Meeting (Cont'd)

### **EXPLANATORY NOTES TO ORDINARY BUSINESS AND SPECIAL BUSINESS (CONT'D)**

#### **4. Item 5 of the Agenda - General Authority for the Directors to Issue and Allot Shares pursuant to Sections 75 and 76 of the Act**

The Ordinary Resolution 5 proposed under item 5 of the Agenda is to seek a general mandate for issuance and allotment of shares by the Company pursuant to Sections 75 and 76 of the Act. This Ordinary Resolution, if passed, will empower the Directors to issue and allot new Shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total number of issued shares of the Company for such purposes as the Directors consider would be in the interest of the Company. This would avoid any delay and cost involved in convening a general meeting to approve the issuance and allotment of such new Shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

This general mandate will provide flexibility to the Company for issuance and allotment of new Shares for any possible fund-raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s).

As at the date of this Notice, no new shares in the Company were issued and allotted pursuant to the mandate granted to the Directors at the last AGM held on 23 June 2023 which will lapse at the conclusion of the Meeting.

#### **5. Item 6 of the Agenda - Proposed Renewal of Existing Shareholders' Mandate**

The Ordinary Resolution 6 proposed under item 6 of the Agenda, if passed, will renew the authority given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue and/or trading nature pursuant to Rule 10.09 of the Listing Requirements of Bursa Securities. The mandate, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.

Please refer to the Circular to Shareholders dated 30 April 2024 for further details.

# RADIANT GLOBALTECH

## RADIANT GLOBALTECH BERHAD

Registration No. 200301018877 (621297-A)  
(Incorporated in Malaysia)

## PROXY FORM

CDS Account No. (for nominees account only)	No. of Shares Held

I/We \* \_\_\_\_\_ NRIC/Passport/Registration No.\* \_\_\_\_\_  
(Full name in block)

of \_\_\_\_\_  
(full address)

with email address \_\_\_\_\_ mobile phone no. \_\_\_\_\_

being a member/members\* of **RADIANT GLOBALTECH BERHAD** ("the Company") hereby appoint(s):-

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Mobile Phone No.			

and / or\*

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Mobile Phone No.			

or failing him/her\*, the Chairman of the Meeting as my/our\* proxy to vote for me/us\* on my/our\* behalf at the Twenty-First Annual General Meeting ("21<sup>st</sup> AGM" or "Meeting") of the Company will be held at Greens III, Sports Wing, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Friday, 14 June 2024 at 10:00 a.m. or at any adjournment thereof.

Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. If no specific direction as to vote is given, the Proxy will vote or abstain from voting at his/her\* discretion.

No.	Ordinary Resolutions	For	Against
1.	To approve the payment of Directors' fees and benefits of up to RM450,000.00 for the period commencing from the date immediately after this 21 <sup>st</sup> AGM until the next annual general meeting of the Company.		
2.	To re-elect Mr. Yap Ban Foo as a Director of the Company.		
3.	To re-elect Mr. Yap Sin Sang as a Director of the Company.		
4.	To re-appoint Crowe Malaysia PLT as Auditors of the Company.		
5.	To approve the general authority for the Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
6.	To approve the Proposed Renewal of the Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue and/or Trading Nature.		

*\*delete whichever is not applicable*

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024

\_\_\_\_\_  
Signature of Member(s) / Common Seal



Notes:

- a) A member who is entitled to present, participate, speak and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
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- c) The instrument appointing a proxy shall be in writing signed by the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, either under the common seal or signed by an officer or attorney duly authorised.
- d) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.

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AFFIX  
STAMP

The Share Registrar  
**RADIANT GLOBALTECH BERHAD**  
**[200301018877 (621297-A)]**

c/o TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD  
Unit 32-01, Level 32, Tower A,  
Vertical Business Suite  
Avenue 3, Bangsar South,  
No. 8, Jalan Kerinchi,  
59200 Kuala Lumpur

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- f) To be valid, the instrument appointing a proxy may be made in a hard copy form or by an electronic form in the following manner and must be received by the Company not less than forty-eight (48) hours before the time for holding the Meeting or adjourned meeting:-
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- j) Kindly check Bursa Securities' website and the Company's website at [www.rgtech.com.my](http://www.rgtech.com.my) for the latest updates on the status of the Meeting.

Fold This Flap For Sealing

**RADIANT GLOBALTECH BERHAD**

(Registration No. 200301018877 (621297-A))

**UNIT 03-06 & 03-07, LEVEL 3, TOWER B, VERTICAL BUSINESS SUITE, AVENUE 3  
BANGSAR SOUTH, NO. 8, JALAN KERINCHI, 59200 KUALA LUMPUR, MALAYSIA**

**TEL : (03) 2242 2059    EMAIL: INFO@RGTECH.COM.MY**

**[www.rgtech.com.my](http://www.rgtech.com.my)**