



RADIANT GLOBALTECH BERHAD

*(Registration No.: 200301018877 (621297-A))
(Incorporated in Malaysia)*

INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2024

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RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))

UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2024⁽¹⁾

	UNAUDITED CURRENT YEAR QUARTER 31.12.24 RM'000	UNAUDITED PRECEDING YEAR QUARTER 31.12.23 RM'000	UNAUDITED CURRENT YEAR TO DATE 31.12.24 RM'000	UNAUDITED PRECEDING YEAR TO DATE 31.12.23 RM'000
Revenue	53,567	37,937	141,169	135,389
Cost of sales	(32,950)	(23,384)	(86,556)	(81,803)
Gross profit	20,617	14,553	54,613	53,586
Other income	186	289	845	1,165
	20,803	14,842	55,458	54,751
Selling and distribution expenses	(934)	(615)	(2,157)	(1,662)
Administrative expenses	(10,640)	(8,743)	(36,812)	(38,313)
Other expenses	(1,448)	(721)	(3,434)	(3,214)
Finance costs	(82)	(24)	(159)	(97)
Net impairment on financial assets	(609)	28	(1,547)	(175)
Profit before taxation	7,090	4,767	11,349	11,290
Income tax expense	(2,303)	(1,066)	(3,196)	(3,206)
Profit after taxation	4,787	3,701	8,153	8,084
Other comprehensive income, net of tax				
<u>Item that may be reclassified subsequently to profit or loss</u>				
Foreign currency translation differences	47	(59)	146	(34)
Total comprehensive income for the financial period	4,834	3,642	8,299	8,050
PROFIT/(LOSS) AFTER TAXATION ATTRIBUTABLE TO:-				
Owners of the Company	4,719	3,294	8,007	7,589
Non-controlling interests	68	407	146	495
	4,787	3,701	8,153	8,084

RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))

UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2024⁽¹⁾ (CONT'D)

	UNAUDITED CURRENT YEAR QUARTER 31.12.24 RM'000	UNAUDITED PRECEDING YEAR QUARTER 31.12.23 RM'000	UNAUDITED CURRENT YEAR TO DATE 31.12.24 RM'000	UNAUDITED PRECEDING YEAR TO DATE 31.12.23 RM'000
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-				
Owners of the Company	4,466	3,264	8,131	7,594
Non-controlling interests	368	378	168	456
	<u>4,834</u>	<u>3,642</u>	<u>8,299</u>	<u>8,050</u>
Earnings per share attributable to owners of the Company:-				
- Basic (Sen)	0.90 ⁽²⁾	0.63	1.52 ⁽²⁾	1.44
- Diluted (Sen)	<u>0.90⁽²⁾</u>	<u>0.63</u>	<u>1.52⁽²⁾</u>	<u>1.44</u>

Notes:

- (1) The basis of preparation of the Unaudited Consolidated Statements of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended ("FYE") 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.
- (2) The basic earnings per share is computed based on profit after taxation attributable to the owners of the Company and divided by the weighted average number of ordinary shares in issue as at 31 December 2024. The diluted earnings per share is equivalent to the basic earnings per share as the Company does not have any convertible securities outstanding.

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))
 UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER
 2024⁽¹⁾**

	Unaudited 31.12.24 RM'000	Audited 31.12.23 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	9,922	10,002
Intangible assets	21	49
Right of use assets	10,511	10,587
Deferred tax assets	853	585
Goodwill on acquisition	11,447	11,447
	<u>32,754</u>	<u>32,670</u>
CURRENT ASSETS		
Inventories	7,368	7,353
Trade receivables	47,062	30,756
Other receivables, deposits and prepayments	17,722	3,266
Amount owing by related parties	2,197	1,950
Current tax assets	3,081	3,493
Short-term investments	785	11,886
Fixed deposits with licensed banks	1,252	1,219
Cash and bank balances	18,643	18,493
	<u>98,110</u>	<u>78,416</u>
TOTAL ASSETS	<u>130,864</u>	<u>111,086</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	48,153	48,153
Merger deficit	(13,681)	(13,681)
Foreign exchange translation reserve	(28)	(152)
Retained profits	45,285	39,904
Shareholders' fund	79,729	74,224
Non-controlling interests	(101)	(269)
TOTAL EQUITY	<u>79,628</u>	<u>73,955</u>
NON-CURRENT LIABILITIES		
Provision	340	498
Lease liabilities	221	333
Hire purchase payables	620	824
Deferred revenue	15	34
Deferred tax liabilities	12	5
	<u>1,208</u>	<u>1,694</u>
CURRENT LIABILITIES		
Trade payables	14,053	14,751
Other payables and accruals	18,933	16,685
Amount owing to related parties	2,396	2,467
Amount owing to directors	666	546
Bank overdraft	341	-
Banker acceptance	12,329	-
Lease liabilities	442	457
Hire purchase payables	216	197
Current tax liabilities	652	334
	<u>50,028</u>	<u>35,437</u>
TOTAL LIABILITIES	<u>51,236</u>	<u>37,131</u>
TOTAL EQUITY AND LIABILITIES	<u>130,864</u>	<u>111,086</u>

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))
UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER
2024⁽¹⁾ (CONT'D)**

	Unaudited 31.12.24	Audited 31.12.23
Number of issued shares ('000)	525,200	525,200
Net assets per ordinary share attributable to owners of the Company (Sen)	<u>15.2</u>	<u>14.1</u>

Note:

- (1) The basis of preparation of the Unaudited Consolidated Statements of Financial Position are disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended ("FYE") 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

		<---- Non-Distributable ---->			Distributable	Attributable to Owners of the Company	Non-controlling interests	Total Equity
	Share Capital	Merger Deficit	Foreign Exchange Translation Reserve	Retained Profits				
	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000
Balance as at 1.1.23	48,153	(13,681)	(155)	43,234		77,551	3,478	81,029
Profit after taxation	-	-	-	7,655		7,655	541	8,196
Other comprehensive income for the financial year:								
- Foreign currency translation differences	-	-	3	-		3	(42)	(39)
Total comprehensive income for the financial year	-	-	3	7,655		7,658	499	8,157
Distribution to owners of the Company:								
- Dividends	-	-	-	(2,626)		(2,626)	-	(2,626)
Changes in a subsidiary's ownership interests that do not result in a loss of control	-	-	-	(8,359)		(8,359)	(4,246)	(12,605)
Balance as at 31.12.23 (Audited)	48,153	(13,681)	(152)	39,904		74,224	(269)	73,955
Balance as at 1.1.24	48,153	(13,681)	(152)	39,904		74,224	(269)	73,955
Profit after taxation	-	-	-	8,007		8,007	146	8,153
Other comprehensive income for the financial period:								
- Foreign currency translation differences	-	-	124	-		124	22	146
Total comprehensive income for the financial period	-	-	124	8,007		8,131	168	8,299
Distribution to owners of the Company:								
- Dividends	-	-	-	(2,626)		(2,626)	-	(2,626)
Balance as at 31.12.24 (Unaudited)	48,153	(13,681)	(28)	45,285		79,729	(101)	79,628

RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))

**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2024⁽¹⁾
(CONT'D)**

Note:

- (1) The basis of preparation of the Unaudited Consolidated Statements of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended ("FYE") 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))
 UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE QUARTER AND YEAR-
 TO-DATE ENDED 31 DECEMBER 2024⁽¹⁾**

	CURRENT YEAR TO DATE 31.12.24 RM'000	PRECEDING YEAR TO DATE 31.12.23 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	11,349	11,290
Adjustments for:		
Amortisation of intangible assets	28	554
Bad debts written off	37	-
Depreciation of property, plant and equipment	1,318	968
Depreciation of right-of-use assets	828	816
Gain on disposal of property, plant and equipment	-	(273)
Impairment losses on trade receivables	1,679	716
Interest expenses	159	97
Interest income	(465)	(498)
Inventories written down/(back)	359	(789)
Inventories written off	99	755
Property, plant and equipment written off	-	149
Reversal of impairment losses on trade receivables	(132)	(540)
Unrealised loss/(gain) on foreign exchange	118	(244)
Operating profit before working capital changes	15,377	13,001
(Increase)/Decrease in inventories	(473)	8,908
Increase in trade and other receivables	(20,094)	(2,357)
Increase/(Decrease) in trade and other payables	1,562	(6,755)
Increase in amount owing by related parties	(247)	(1,385)
(Decrease)/Increase in amount owing to related parties	(71)	129
CASH (FOR)/FROM OPERATIONS	(3,946)	11,541
Income tax paid	(4,009)	(3,218)
Income tax refund	1,289	-
NET CASH (FOR)/FROM OPERATING ACTIVITIES	(6,666)	8,323
CASH FLOWS FOR INVESTING ACTIVITIES		
Acquisition of subsidiary company	(12,500)	(12,605)
Proceed from sales of property, plant and equipment	3	276
Purchase of property, plant and equipment	(1,195)	(4,970)
Interest received	465	498
Increase in fixed deposits with tenure more than 3 months	(34)	(27)
NET CASH FOR INVESTING ACTIVITIES	(13,261)	(16,828)
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES		
Dividend paid	(2,626)	(2,626)
Interest paid	(159)	(97)
Drawdown from banker's acceptance	12,329	-
Proceed from hire purchase payables	-	916
Repayment of hired purchase payables	(186)	(57)
Repayment of lease liabilities	(881)	(544)
NET CASH FROM/(FOR) FINANCING ACTIVITIES	8,477	(2,408)

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))
 UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE QUARTER AND YEAR-
 TO-DATE ENDED 31 DECEMBER 2024⁽¹⁾ (CONT'D)**

	CURRENT YEAR TO DATE 31.12.24 RM'000	PRECEDING YEAR TO DATE 31.12.23 RM'000
NET DECREASE IN CASH AND CASH EQUIVALENTS	(11,450)	(10,913)
EFFECT OF FOREIGN EXCHANGE TRANSLATION	157	(19)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	30,379	41,311
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>19,086</u>	<u>30,379</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD COMPRISES:		
Short-term investments	785	11,886
Cash and bank balances	18,643	18,493
Fixed deposits with licensed banks	1,252	1,219
Bank overdrafts	(341)	-
	<u>20,339</u>	<u>31,598</u>
Less: Fixed deposits pledged to licensed banks	(512)	(500)
Less: Fixed deposits with tenure of more than 3 months	(741)	(719)
	<u>19,086</u>	<u>30,379</u>

Note:

- (1) The basis of preparation of the Unaudited Consolidated Statements of Cash Flows are disclosed in Note A1 and should be read in conjunction with the audited financial statements for the financial year ended ("FYE") 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2024

A1. Basis of Preparation

The interim financial report of the Group is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting, International Financial Reporting Standards ("IFRS") 34, Interim Financial Reporting and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

This interim financial report should be read in conjunction with the audited financial statements for the financial year ended ("FYE") 31 December 2023. These explanatory notes attached to the interim financial report provide explanations of events and transactions that are significant for the understanding of the changes in the financial position and performance of the Group since the FYE 31 December 2023.

A2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report is consistent with those adopted in the audited financial statements for FYE 31 December 2023 except for the adoption of the following MFRS and Amendments to MFRS which came into effect for annual periods beginning on or after 1 January 2024 and are applicable for the Group's interim financial report for the quarter and year-to-date ended 31 December 2024, as disclosed below:

MFRSs and/or IC Interpretations (including the Consequential Amendments)

MFRS 17 Insurance Contracts
Amendment 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
Amendment to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) do not have any material impact on the financial performance and position of the Group upon their initial application.

The Group has not applied in advance the following accounting standards and 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 period ended 31 December 2024:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective for annual periods on or after
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7 : Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to MFRS Accounting Standards Volume 11	1 January 2026
MFRS 18 : Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 : Subsidiaries without Public Accountability : Disclosure	1 January 2027

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2024 (CONT'D)**A2. Changes in Accounting Policies (Cont'd)**

The adoption of the above accounting standards and interpretations (including the consequential amendments, if any) is not expected to have a material impact on the financial statements of the Group upon their initial application.

A3. Auditors' Report

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2023.

A4. Seasonal or Cyclical Factors

The business operations of the Group during the current financial quarter under review were not materially affected by any seasonal or cyclical factors.

A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items for the current financial quarter under review.

A6. Changes in Estimates

There were no material changes in estimates for the current financial quarter under review.

A7. Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial quarter under review.

A8. Dividends Paid

There was no payment of dividend during the current financial quarter under review.

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2024 (CONT'D)
A9. Segmental Reporting

The Group's operating segments information are as follows:-

	Hardware and Maintenance RM'000	Software RM'000	Group RM'000
Current year quarter ended 30 December 2024			
Revenue			
External revenue	46,827	6,740	53,567
Inter-segment revenue	25,334	709	26,043
	<u>72,161</u>	<u>7,449</u>	<u>79,610</u>
Consolidation adjustments			(26,043)
Consolidated revenue			<u>53,567</u>
Results			
Segmental profit before interest and taxation	6,847	219	7,066
Interest income			106
Finance costs			(82)
Consolidated profit before taxation			<u>7,090</u>
Income tax expense			(2,303)
Consolidated profit after taxation			<u>4,787</u>
	Hardware and Maintenance RM'000	Software RM'000	Group RM'000
Preceding year quarter ended 31 December 2023			
Revenue			
External revenue	30,306	7,631	37,937
Inter-segment revenue	681	2,146	2,827
	<u>30,987</u>	<u>9,777</u>	<u>40,764</u>
Consolidation adjustments			(2,827)
Consolidated revenue			<u>37,937</u>
Results			
Segmental profit before interest and taxation	2,631	2,017	4,648
Interest income			143
Finance costs			(24)
Consolidated profit before taxation			<u>4,767</u>
Income tax expense			(1,066)
Consolidated profit after taxation			<u>3,701</u>

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 DECEMBER 2024 (CONT'D)
A9. Segmental Reporting

The Group's operating segments information are as follows:-

	Hardware and Maintenance RM'000	Software RM'000	Group RM'000
Current year to date ended 31 December 2024			
Revenue			
External revenue	116,357	24,812	141,169
Inter-segment revenue	26,116	2,964	29,808
	<u>142,473</u>	<u>27,776</u>	<u>170,249</u>
Consolidation adjustments			(29,808)
Consolidated revenue			<u>141,169</u>
Results			
Segmental profit before interest and taxation	10,862	181	11,043
Interest income			465
Finance costs			(159)
Consolidated profit before taxation			<u>11,349</u>
Income tax expense			(3,196)
Consolidated profit after taxation			<u>8,153</u>
	Hardware and Maintenance RM'000	Software RM'000	Group RM'000
Preceding year to date ended 31 December 2023			
Revenue			
External revenue	108,121	27,268	135,389
Inter-segment revenue	11,223	4,771	15,994
	<u>119,344</u>	<u>32,039</u>	<u>151,383</u>
Consolidation adjustments			(15,994)
Consolidated revenue			<u>135,389</u>
Results			
Segmental profit before interest and taxation	7,958	2,931	10,889
Interest income			498
Finance costs			(97)
Consolidated profit before taxation			<u>11,290</u>
Income tax expense			(3,206)
Consolidated profit after taxation			<u>8,084</u>

A10. Significant Events Subsequent to the End of the Interim Financial Period

There were no significant events subsequent to the end of the current financial quarter that have not been reflected in this interim financial report except the event as disclosed in B6 Status of Corporate Proposals.

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial quarter under review.

A12. Fair Value of Financial Instruments

There were no gain or losses arising from fair value changes for all financial assets and liabilities for the current financial quarter under review.

A13. Capital Commitments

There were no capital commitments for the current financial quarter under review.

A14. Contingent Liabilities

The Group has no contingent liabilities as at the date of this report.

A15. Related Party Transactions

The Group had the following transactions during the financial period under review with related parties in which certain directors and major shareholders of the Company have substantial financial interests:

	Unaudited Current Year Quarter 31.12.24 RM'000	Unaudited Current Year to Date 31.12.24 RM'000
Related parties by virtue of common directors		
- Rental expenses	21	108
Related parties by virtue of major shareholders		
- Sales of Hardware and Software	2,437	8,060

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**B1. Review of Group Performance**For the quarter ended 31 December 2024 (4Q24)

For the fourth quarter ended 31 December 2024 (4Q24), the Group reported 41.4% higher revenue of RM53.6 million from RM37.9 million in the preceding year corresponding quarter ended 31 December 2023 (4Q23).

RM46.9 million or 87.5% of the revenue in 4Q24 was contributed by the Hardware and Maintenance segment, while the remaining RM6.7 million or 12.5% was derived from the Software segment.

As a comparison, RM30.3 million or 79.9% of the Group's revenue in 4Q23 was derived from the Hardware and Maintenance segment, while the remaining RM7.6 million or 20.1% was from the Software segment.

The Group recorded 41.1% higher gross profit to RM20.6 million in 4Q24 from RM14.6 million in 4Q23. Overall gross profit margin decreased marginal to 38.4% in 4Q24 from 38.5% in 4Q23. The increase in gross profit was mainly due to completion of projects deployed in hardware and maintenance segments in current quarter compared to 4Q23.

The Group recorded a profit before taxation of RM7.1 million in 4Q24, compared to RM4.8 million in 4Q23. The increase was primarily driven by higher revenue generated in the current quarter, partly offset by an increase in impairment of financial assets compared to 4Q23.

For the year ended 31 December 2024 (FY24)

For FY24, the Group reported 4.3% higher revenue of RM141.2 million from RM135.4 million in the previous corresponding twelve months ended 31 December 2023 (FY24).

RM116.4 million or 82.4% of the revenue in FY24 was contributed by the Hardware and Maintenance segment, while the remaining RM24.8 million or 17.6% was derived from the Software segment.

As a comparison, RM108.1 million or 79.8% of the revenue in FY23 was contributed by the Hardware and Maintenance segment, while the remaining RM27.3 million or 20.2% was derived from the Software segment.

The Group recorded 1.9% higher gross profit to RM54.6 million in FY24 from RM53.6 million in FY23. Overall gross profit margin decreased to 38.7% in FY24 from 39.6% in FY23. The increase was mainly due to completed deployment of projects in hardware and maintenance segments in FY24 compared to FY23.

The Group maintained a profit before taxation of RM11.3 million in both FY24 and FY23. This consistent profit was mainly due to higher revenue generated, partly offset by an increase in expenses, particularly the impairment of financial assets, even though operating expenses reduced compared to FY23.

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
B2. Comparison with Immediate Preceding Quarter Results

	Quarter Ended		<---- Changes ---->	
	31.12.2024 RM'000	30.09.2024 RM'000	RM'000	%
Revenue	53,567	32,566	21,001	64.5
Profit before taxation	<u>7,090</u>	<u>2,293</u>	<u>4,797</u>	<u>209.2</u>

The Group's revenue of RM53.9 million for the current quarter under review was 64.5% higher than the RM32.6 million recorded in the previous quarter due to the completion of hardware project deployments in current quarter.

The Group recorded profit before taxation of RM7.1 million in the current quarter as compared to RM2.3 million in the previous quarter. The increase was in line with the increase in revenue, which was partially offset by impairment of financial assets during the current quarter.

B3. Prospects

The Malaysian economy is stable, with GDP growth expected to range between 4% and 5% for 2024 driven by strong exports, recovering demand, and increased investments. The government support for digital transformation, particularly in areas like e-invoicing, offers significant growth opportunities for the Group.

(Source: Economic and Monetary Review 2023, Bank Negara Malaysia)

The Group is expanding its business across various industries, leveraging its strong track record with prominent retailers and SME companies. By integrating Human Resources (HR) solutions into its existing hardware and software offerings, the Group is enhancing its ability to provide more customised and robust solutions that meet the evolving digital needs of its customers. This strategic move broadens the Group's portfolio, strengthens its existing services and reinforces its market position. Introducing HR solutions makes the Group's services more comprehensive and attractive to businesses across the region, offering flexible solutions to effectively fulfill customer needs.

The Group is focused on providing business enhancement solutions for its existing customers while expanding its market share in Southeast Asia. By offering comprehensive business solutions, the Group is meeting the growing demand for integrated digital solutions. This move aligns with the trend of digital transformation, as businesses increasingly look for complete solutions to streamline operations and improve productivity. With this wide range of services, the Group hopes to strengthen its market position, attract more clients and build long-term relationships.

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B4. Profit Forecast

The Group did not issue any profit forecast or guarantee during the current financial quarter under review.

B5. Income Tax Expense

The breakdown of income tax expense are as follows:-

	Quarter Ended		Year-To-Date Ended	
	31.12.24	31.12.23	31.12.24	31.12.23
	RM'000	RM'000	RM'000	RM'000
Income tax expense	2,590	1,110	3,710	3,204
Over provision in previous financial year	(71)	(30)	(247)	(94)
Deferred tax	(216)	(14)	(267)	96
	<u>2,303</u>	<u>1,066</u>	<u>3,196</u>	<u>3,206</u>
Effective tax rate (%) ⁽¹⁾	<u>32.5</u>	<u>22.4</u>	<u>28.2</u>	<u>28.4</u>

Notes:

(1) The Group's effective tax rate for the fourth quarter ended 31 December 2024 of 32.5% is higher than the statutory tax rate of 24.0% mainly due to increase in non-deductible expenses and unrecognised deferred tax assets arising from business losses of the subsidiaries.

(2) Income tax expense is recognised based on management's best estimate.

B6. Status of Corporate Proposals

On 28 November 2024, the Company held an Extraordinary General Meeting ("EGM") to obtain shareholders' approval for the proposed acquisition by RGTECH of 80% equity interest in Rymnet for a total purchase consideration of RM52.5 million to be fully satisfied via a combination of cash consideration and issuance of 30,303,000 new ordinary shares in RGTECH.

The Proposed Acquisition and issuance and allotment of shares were duly passed by the shareholders of the Company by way of poll via voting at the said EGM of the Company. On 23 January 2025, RGTECH made the balance payment to the Vendor, thereby completing the acquisition of 80% of Rymnet.

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
B7. Group Borrowings and Debt Securities

The Group's borrowings are as follows:

	Unaudited 31.12.24 RM'000	Audited 31.12.23 RM'000
Current:		
Banker acceptance	12,329	-
Lease liabilities	442	457
Hire purchase payables	216	197
	12,987	654
Non-current:		
Lease liabilities	221	333
Hire purchase payables	620	824
	841	1,157

All the borrowings are secured and denominated in Ringgit Malaysia.

B8. Material Litigation

As at the date of this report, the Group is not engaged in any material litigation.

B9. Dividend

No dividend has been declared or recommended for payment by the Company during the current financial quarter under review.

B10. Earnings Per Share

The basic and diluted earnings per share for the current financial quarter and year-to-date are computed as follows:

	Quarter Ended		Year-To-Date Ended	
	31.12.24 RM'000	31.12.23 RM'000	31.12.24 RM'000	31.12.23 RM'000
Profit after taxation attributable to owners of the Company	4,719	3,294	8,007	7,589
	Quarter Ended		Year-To-Date Ended	
	31.12.24	31.12.23	31.12.24	31.12.23
Weighted average number of ordinary shares ('000)	525,200	525,200	525,200	525,200

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
B10. Earnings Per Share (Cont'd)

	Quarter Ended		Year-To-Date Ended	
	31.12.24	31.12.23	31.12.24	31.12.23
Earnings per share attributable to owners of the Company				
- Basic ⁽¹⁾ (Sen)	0.90	0.63	1.52	1.44
- Diluted ⁽²⁾ (Sen)	<u>0.90</u>	<u>0.63</u>	<u>1.52</u>	<u>1.44</u>

Notes:

- (1) The basic earnings per share is computed based on profit after taxation attributable to the owners of the Company and divided by the weighted average number of ordinary shares in issue as at 31 December 2024.
- (2) The diluted earnings per share is equivalent to the basic earnings per share as the Company does not have any convertible securities.

B11. Notes to the Statements of Profit or Loss and Other Comprehensive Income

Profit before taxation is arrived at after charging / (crediting):-

	Quarter Ended		Year-To-Date Ended	
	31.12.24	31.12.23	31.12.24	31.12.23
	RM'000	RM'000	RM'000	RM'000
Amortisation of intangible assets	3	146	28	554
Depreciation of property, plant and equipment	283	135	1,318	968
Depreciation of right-of-use assets	352	255	828	816
Gain on disposal of property, plant and equipment	-	(183)	-	(273)
Interest income	(106)	(143)	(465)	(498)
Interest expenses	82	24	159	97
Inventory written off	20	3	99	755
Realised loss on foreign exchange	884	186	1,079	875
Unrealised (gain)/loss on foreign exchange	(96)	24	118	(244)
Net inventories written down/(back)	374	(30)	359	(789)
Net impairment losses/(reversal of impairments) on trade receivables	<u>609</u>	<u>(28)</u>	<u>1,547</u>	<u>176</u>

BY ORDER OF THE BOARD