

REVENUE GROUP BERHAD (201701034150 (1248321-D))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND (2ND) QUARTER ENDED 31 DECEMBER 2022⁽¹⁾

	Note	3-MONTH ENDED		PERIOD-TO-DATE	
		31.12.2022 RM'000	31.012.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000
Revenue	A9	4,898	27,443	25,716	46,281
Cost of sales		(6,181)	(12,362)	(18,848)	(18,310)
Gross (loss)/profit (“(GL)/GP”)		(1,283)	15,081	6,868	27,971
Other income		675	281	2,033	707
Administrative expenses		(13,256)	(7,946)	(24,238)	(15,844)
Finance costs		(570)	(199)	(1,083)	(336)
Share of results of associate, net of tax		(339)	(58)	(820)	(28)
(Loss)/Profit before tax (“LBT/PBT”)	B12	(14,773)	7,159	(17,240)	12,470
Taxation	B6	266	(1,746)	(523)	(3,043)
(Loss)/Profit after tax (“LAT/PAT”)		(14,507)	5,413	(17,763)	9,427
Other comprehensive income/(loss) for the financial period, net of tax Items that are or may be reclassified subsequently to profit or loss					
Exchange translation differences for foreign operations		19	(4)	(16)	1
Total comprehensive (loss)/income for the financial period		(14,488)	5,409	(17,779)	9,428
(Loss)/Profit for the financial period attributable to:					
• Owners of the Company		(14,273)	4,558	(17,607)	8,018
• Non-controlling interests		(234)	855	(156)	1,409
		(14,507)	5,413	(17,763)	9,427
Total comprehensive (loss)/income for the financial period attributable to:					
• Owners of the Company		(14,254)	4,554	(17,607)	8,019
• Non-controlling interests		(234)	855	(156)	1,409
		(14,488)	5,409	(17,763)	9,428
(Loss)/Earnings per share attributable to owners of the Company					
• Basic (sen) ⁽²⁾	B11	(2.99)	0.98	(3.69)	1.74
• Diluted (sen) ⁽³⁾	B11	(2.23)	0.73	(2.75)	1.29

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND (2ND) QUARTER ENDED 31 DECEMBER 2022⁽¹⁾ (CONT'D)

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.
- (2) Basic loss per share for the individual quarter and period-to-date ended 31 December 2022 is calculated based on the weighted average number of ordinary shares in issue of 477,953,871 and 477,438,016 as at 31 December 2022 respectively. The basic earnings per share for the individual quarter and period-to-date ended 31 December 2021 is calculated based on the weighted average number of ordinary shares in issue of 464,772,699 and 461,926,074 as at 31 December 2021 respectively.
- (3) Diluted loss per share of the Company for the individual quarter and period-to-date ended 31 December 2022 is calculated based on the weighted average number of ordinary shares in issue of 639,712,107 and 639,196,252 as at 31 December 2022 respectively, adjusted for contingently issuable ordinary shares and number of shares under warrants as the warrants have a dilutive effect on the weighted average number of ordinary shares. Diluted earnings per share of the Company for the individual quarter and period-to-date ended 31 December 2021 is calculated based on the weighted average number of ordinary shares in issue of 622,073,626 and 619,227,001 as at 31 December 2021 respectively, adjusted for contingently issuable ordinary shares and number of shares under warrants as the warrants have a dilutive effect on the weighted average number of ordinary shares.

REVENUE GROUP BERHAD (201701034150 (1248321-D))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022⁽¹⁾

	UNAUDITED	AUDITED
	As at	As at
	31.12.2022	30.06.2022
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	30,386	26,366
Intangible assets	13,931	16,078
Right-of-use assets	28,025	28,536
Investment properties	22,000	22,000
Investment in associates	16,583	17,403
Other investment	3,550	-
Goodwill on consolidation	11,253	11,253
Total non-current assets	125,728	121,636
Current Assets		
Inventories	20,248	12,033
Trade receivables	23,741	26,698
Other receivables	5,414	5,192
Other investments	5,688	7,735
Tax recoverable	4,077	3,077
Fixed deposits with licensed banks	8,622	259
Cash and bank balances	50,670	82,523
Total current assets	118,460	137,517
TOTAL ASSETS	244,188	259,153
EQUITY AND LIABILITIES		
Equity		
Share capital	155,086	147,123
Merger reserve	(15,694)	(15,693)
Warrant reserve	51,640	51,640
Other reserves	(88,261)	(88,261)
Foreign currency translation reserve	(86)	(70)
Retained earnings	44,698	62,305
Equity attributable to owners of the Company	147,383	157,044
Non-controlling interests	2,079	2,234
Total Equity	149,462	159,278
LIABILITIES		
Non-current liabilities		
Bank borrowings	41,048	42,138
Lease liabilities	361	564
Deferred tax liabilities	1,114	1,114
Total non-current liabilities	42,523	43,816

REVENUE GROUP BERHAD (201701034150 (1248321-D))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022⁽¹⁾ (CONT'D)

	<u>UNAUDITED</u>	<u>AUDITED</u>
	As at 31.12.2022 RM'000	As at 30.06.2022 RM'000
LIABILITIES (CONT'D)		
Current liabilities		
Trade payables	26,594	22,654
Other payables	17,393	26,015
Contract liabilities	1,441	188
Amount due to an associate	1	38
Amount due to Directors	151	164
Bank borrowings	2,196	2,212
Lease liabilities	512	550
Tax payable	3,915	4,237
Total current liabilities	52,203	56,058
TOTAL LIABILITIES	94,726	99,875
TOTAL EQUITY AND LIABILITIES	244,188	259,153
Number of ordinary shares ('000)	482,195	476,922
NET ASSETS PER SHARE (RM)⁽²⁾	0.31	0.33

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.
- (2) The net assets per share is calculated based on the number of shares in issue of 482,195,162 as at 31 December 2022 and 476,922,162 as at 30 June 2022.

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REVENUE GROUP BERHAD (201701034150 (1248321-D))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY
FOR THE SECOND (2ND) QUARTER ENDED 31 DECEMBER 2022⁽¹⁾

	Attributable to owners of the parent					Retained Earnings RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Non-Distributable				Distributable				
	Share Capital RM'000	Merger Reserve RM'000	Warrant Reserve RM'000	Other Reserve RM'000	Foreign Currency Translation Reserve RM'000				
Period ended 31 December 2021									
As at 1 July 2021	121,143	(15,694)	55,161	(61,647)	(38)	49,863	148,788	2,511	151,299
Profit for the financial period	-	-	-	-	-	8,018	8,018	1,409	9,427
Other comprehensive income for the financial period	-	-	-	-	1	-	1	-	1
Total comprehensive income for the financial period	-	-	-	-	1	8,018	8,019	1,409	9,428
Transactions with owners									
Issuance of ordinary shares pursuant to special issue	1,225	-	-	-	-	-	1,225	-	1,225
Issuance of ordinary shares pursuant to the exercise of warrants	7,887	-	(3,470)	3,470	-	-	7,887	-	7,887
Total transactions with owners	9,112	-	(3,470)	3,470	-	-	9,112	-	9,112
As at 31 December 2021	130,255	(15,694)	51,691	(58,177)	(37)	57,881	165,919	3,920	169,839

REVENUE GROUP BERHAD (201701034150 (1248321-D))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY
FOR THE SECOND (2ND) QUARTER ENDED 31 DECEMBER 2022⁽¹⁾ (CONT'D)

	Attributable to owners of the parent					Retained Earnings RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Non-Distributable				Foreign Currency Translation Reserve				
	Share Capital RM'000	Merger Reserve RM'000	Warrant Reserve RM'000	Other Reserve RM'000	Foreign Currency Translation Reserve RM'000				
<u>Period ended 31 December 2022</u>									
As at 1 July 2022	147,123	(15,694)	51,640	(88,261)	(70)	62,305	157,043	2,235	159,278
Loss for the financial period	-	-	-	-	-	(17,607)	(17,607)	(156)	(17,763)
Other comprehensive loss for the financial period	-	-	-	-	(16)	-	(16)	-	(16)
Total comprehensive (loss)/income for the financial period	-	-	-	-	(16)	(17,607)	(17,623)	(156)	(17,779)
<u>Transactions with owners</u>									
Issuance of ordinary shares pursuant to acquisition of subsidiary company	7,963	-	-	-	-	-	7,963	-	7,963
Total transactions with owners	7,963	-	-	-	-	-	7,963	-	7,963
As at 30 September 2022	155,086	(15,694)	51,640	(88,261)	(86)	44,698	147,383	2,079	149,462

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.

REVENUE GROUP BERHAD (201701034150 (1248321-D))

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND (2ND) QUARTER ENDED 31 DECEMBER 2022⁽¹⁾**

	PERIOD-TO-DATE	
	31.12.2022	31.12.2021
	RM'000	RM'000
Cash Flows From Operating Activities		
(Loss)/Profit before tax	(17,240)	12,470
Adjustments for:		
Depreciation/Amortisation of property, plant and equipment, right-of-use assets and intangible assets	5,749	5,971
Finance costs	1,083	336
(Gain)/Loss on disposal of property, plant and equipment	(3)	1
Bad debts recovered	(8)	(13)
Impairment losses on trade receivables	822	79
Reversal of impairment losses on trade receivables	-	(225)
Interest income	(156)	(410)
Unrealised loss on foreign exchange, net	238	2
Realised (gain)/loss on foreign exchange, net	(441)	145
Fair value gain in quoted shares	(312)	-
Share of loss in associates	820	28
Operating (loss)/profit before working capital changes	(9,448)	18,384
Changes in working capital		
Inventories	(8,215)	(6,521)
Receivables	1,920	(1,007)
Payables	(4,478)	1,372
Amount due to Directors	(12)	(121)
Amount from associate	(38)	-
Contract liabilities	1,253	(261)
	(9,570)	(6,538)
Cash (used in)/generated from operations	(19,018)	11,846
Interest paid	(1,083)	(336)
Interest received	156	410
Tax paid	(1,843)	(1,928)
Exchange fluctuation adjustment	(16)	1
Net cash (used in)/from operating activities	(21,804)	9,993
Cash Flows From Investing Activities		
Proceeds from disposal of property, plant and equipment	3	-
Purchase of property, plant and equipment	(7,112)	(8,531)
Acquisition of other investment	(1,192)	(12,000)
Net cash used in investing activities	(8,301)	(20,531)

REVENUE GROUP BERHAD (201701034150 (1248321-D))**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND (2ND) QUARTER ENDED 31 DECEMBER 2022⁽¹⁾ (CONT'D)**

	PERIOD-TO-DATE	
	31.12.2022	31.12.2021
	RM'000	RM'000
Cash Flows From Financing Activities		
Proceeds from issuance of ordinary shares	7,963	9,111
Increase of fixed deposit pledged	-	(560)
Net changes of lease liabilities	(242)	(36)
Repayment of term loans/banker acceptance	(1,106)	(292)
Net cash from financing activities	6,615	8,223
Net decrease in cash and cash equivalents	(23,490)	(2,315)
Cash and cash equivalents at the beginning of the financial period	82,782	97,324
Cash and cash equivalents at the end of the financial period	59,292	95,009
Cash and cash equivalents at the end of the financial period comprises:		
Cash and bank balances	50,670	95,009
Fixed deposits with licensed banks	8,622	815
Bank overdrafts	-	-
	59,292	95,824
Less: Fixed deposits pledged with licensed banks	-	(815)
	59,292	95,009

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.

A. NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial report of Revenue Group Berhad (“**REVENUE**” or “**the Company**”) and its subsidiary companies (“**the Group**”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“**MFRS**”) 134: Interim Financial Reporting and Rule 9.22 of Listing Requirements of Bursa Securities.

This interim financial statements on the Company’s unaudited condensed consolidated financial results for the second (2nd) quarter ended 31 December 2022 is announced by the Company in compliance with the Main Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

This interim financial report should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying notes attached to this interim financial report.

A2. Summary of significant accounting policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted as disclosed in the audited financial statements for the financial year ended 30 June 2022.

During the financial period, the Group have adopted the following new standards and amendments issued by the Malaysian Accounting Standards Board (“**MASB**”) that are mandatory for current financial period:

Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform – Phase 2
Amendment to MFRS 16	Covid-19 Related Rent Concessions beyond 30 June 2021

The adoption of the new standards and amendments to standards did not have any significant impact on the financial statements of the Group.

REVENUE GROUP BERHAD (201701034150 (1248321-D))

A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A2. Summary of significant accounting policies (Cont'd)

Standards issued but not yet effective

The Group has not applied the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group:

		<u>Effective dates for financial periods beginning on or after</u>
Amendments to MFRS 3	Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137	Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvement to MFRS Standards 2018 – 2020		1 January 2022
• Amendments to MFRS 1		
• Amendments to MFRS 9		
• Amendments to MFRS 16		
• Amendments to MFRS 141		
MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 101	Classification of Liabilities as Current and Non-current	1 January 2023
Amendments to MFRS 101	Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimate	1 January 2023
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128	Sale of Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group intends to adopt the above new standards and amendments to standards, if applicable, when they become effective.

The initial application of the above-mentioned new standards and amendments to standards are not expected to have any significant impacts on the financial statements of the Group.

A3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements of the Group for the financial year ended 30 June 2022 was not subject to any qualification.

REVENUE GROUP BERHAD (201701034150 (1248321-D))

A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A4. Seasonal or cyclical factors

During the festive seasons such as Chinese New Year, Hari Raya Puasa and Christmas, as well as specific dates such as double 11 (i.e. 11 November) and double 12 (i.e. 12 December), the Group typically records higher transaction volume.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter and financial period.

A6. Material changes in estimates

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

A7. Debt and equity securities

Save as disclosed below, there were no issuances, cancellations, repurchases, resale and repayment of debts and equity during the financial quarter under review.

(a) Acquisition of remaining of 49% Revenue Secure Sdn Bhd (“Revenue Secure”)(“Acquisition”)

On 8 April 2022, the Board of Directors (“**Board**”) announced that Revenue Harvest Sdn Bhd had entered into a conditional share sale agreement (“**SSA**”) with Ho Ee Lock and Chang Chew Soon (“**the Vendors**”) to acquire the remaining 245,000 ordinary shares, representing 49% of equity interest in Revenue Secure for a purchase consideration of RM31,850,000 to be satisfied via the issuance of 21,092,715 new ordinary shares in the Company (“Revenue Secure Consideration Shares”) at an issue price of RM1.51 per share.

On 7 June 2022, the Board announced the listing of the first tranche of Revenue Secure Consideration Shares (10,546,357 REVENUE Shares) on Bursa Securities.

On 15 December 2022, the Board announced that the listing of the second tranche of Revenue Secure Consideration Shares (5,273,179 REVENUE Shares) on Bursa Securities.

A8. Dividends paid

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

REVENUE GROUP BERHAD (201701034150 (1248321-D))

A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A9. Segmental information

The Group's segmental information for the current financial quarter/period ended 31 December 2022 is as follows:

(a) Analysis of revenue by business segments

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Electronic Data Capture ("EDC") terminals	5,922	14,257	17,509	21,924
Electronic transaction processing	(4,330)	8,920	1,724	15,216
Solutions and services	3,306	4,266	6,483	9,141
Total	4,898	27,443	25,716	46,281

(b) Analysis of revenue by geographical location

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Malaysia	4,898	27,443	25,716	46,281
Total	4,898	27,443	25,716	46,281

A10. Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment in the current financial quarter under review.

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A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A11. Material events subsequent to the end of the current financial quarter

Save as disclosed below and Note B9, there were no other material events subsequent to the end of the current financial quarter that have not been reflected in this interim financial report.

(1) Proposed Bonus Issue of Warrants

On 14 October 2022, the Board of Directors (“**Board**”) announced that the Company is proposing to undertake a bonus issue of up to 105,567,870 warrants (“**Warrant B**”) on the basis of 1 Warrant B for every 6 existing ordinary shares in REVENUE held by the shareholders whose names appear on the Company’s record of depositors on an entitlement date, to be determine later.

On 15 November 2022, the Board announced that the Bursa Securities had vide its letter dated 14 November 2022 approved in-principal the following:

- (a) admission to the Official List and listing of and quotation for up to 105,567,870 Warrants B to be issued pursuant to the Proposed Bonus Issue of Warrants; and
- (b) listing of and quotation for up to 105,567,870 new REVENUE Shares to be issued from the exercise of Warrants B,

on the Main Market of Bursa Securities.

On 16 November 2022, the Company had given the notice for an extraordinary general meeting for the Proposed Bonus Issue of Warrants which will be held on 6 December 2022.

On 6 December 2022, the shareholders of REVENUE had approved the Proposed Bonus Issue of Warrants.

(2) Proposed Share Buy-Back

On 20 October 2022, the Board announced that the Company intends to seek its shareholders’ approval on the Proposed Share Buy-Back of up to ten percent (10%) of the total number of issued shares of the Company at the forthcoming Fifth (“**5th**”) Annual General Meeting (“**AGM**”) of the Company to be convened.

On 28 October 2022, the Company had given the notice for the 5th AGM which will be held on 6 December 2022.

On 6 December 2022, the shareholders of REVENUE had approved the Proposed Share Buy-Back.

REVENUE GROUP BERHAD (201701034150 (1248321-D))

A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

A12. Changes in the composition of the Group

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

A13. Contingent assets and contingent liabilities

Save as disclosed below, there were no other contingent assets and contingent liabilities as at the date of this interim report.

	<u>UNAUDITED</u> As at 31.12.2022 RM'000	<u>UNAUDITED</u> As at 31.12.2021 RM'000
Corporate guarantee given by REVENUE to licensed bank for banking facilities granted to a subsidiary of REVENUE	43,244	5,074
Bank guarantee given to Payments Network Malaysia Sdn. Bhd. In favour of Revenue Harvest and Revenue Solution Sdn. Bhd.	360	560

A14. Capital commitments

Save as disclosed below, there were no capital commitments during the current financial quarter under review.

	<u>UNAUDITED</u> As at 31.12.2022 RM'000	<u>UNAUDITED</u> As at 31.12.2021 RM'000
Material commitment		
Purchase of software system	32	877
	<u>32</u>	<u>877</u>

A15. Related party transactions

There were no material related party transactions during the current financial quarter under review.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of performance

(a) Results for current quarter and preceding year corresponding quarter

The Group recorded revenue of RM4.90 million for the current financial quarter ended 31 December 2022 (31 December 2021: RM27.44 million).

The Group's revenue decreased by RM22.54 million from RM27.44 million for financial quarter ended 31 December 2021 to RM4.90 million for the financial quarter ended 31 December 2022. The lower revenue recorded was mainly attributed to the decrease in the revenue from the sale of EDC terminals by approximately RM7.47 million due to no sale of EDC terminals during the current financial quarter. Despite the increase in the number of EDC terminals managed by the Group, the revenue from the rental and maintenance of EDC terminals recorded a drop by approximately RM0.87 million arising from the downward revision on the rental rate per unit with the partner banks. The income from the electronic transaction processing segment decreased by approximately RM13.25 million mainly due to lower average value per transaction processed and the accrual and repayment of outstanding transaction settlement to an oversea online merchant amounted to RM9.16 million. The revenue from the Solutions & Services decreased by RM0.96 million due to lower revenue from the procurement and logistic services by approximately RM0.39 million due to lower volume and lower revenue from the IT solutions & services by approximately RM0.55 million.

The Group registered a LBT of RM14.77 million in the current financial quarter ended 31 December 2022 as compared to a PBT of RM7.16 million for the financial quarter ended 31 December 2021. The LBT recorded for the current financial quarter ended 31 December 2022 was mainly due to the lower revenue generated from the business activities which was unable to cover the Group's fixed operating cost coupled with higher administrative expenses, finance costs and share of loss of results of associates. However, these costs had been slightly offset by the increase in other income by approximately RM0.39 million.

The higher administrative expense amounting to RM5.31 million mainly due to increase in staff cost by approximately RM1.35 million due to salary increment and increase in the headcount, higher connectivity costs (i.e. sim cards, lease line and server costs) by approximately RM1.20 million due to the increase in the number of EDC terminals and increase in the transaction volume processed, impairment of trade receivables by approximately RM0.73 million, non-recurring professional fee (such as legal fee, due diligence and valuation services, stamping fee, advisory fee) incurred in relation to corporate exercises (such as the proposed bonus issue of warrants and proposed acquisitions) by approximately RM0.40 million and marketing and promotion campaigns with key partners by approximately RM0.30 million.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B1. Review of performance (Cont'd)

(b) Results for financial period-to-date and preceding year corresponding period

The Group recorded a revenue of RM25.72 million for the current financial period ended 31 December 2022 (31 December 2021: RM46.28 million).

The Group's revenue was principally derived from the EDC terminals segment, followed by the Solutions & Services segment and electronic transaction processing segment accounting for approximately 68.1%, 25.2% and 6.7% respectively of the total revenue for the current financial quarter ended 31 December 2022. The Malaysian market is the single largest market accounted for the entire total revenue for the current financial period ended 31 December 2022.

The Group's revenue decreased by RM20.56 million from RM46.28 million for the financial period ended 31 December 2021 to RM25.72 million for the financial period ended 31 December 2022. The lower revenue recorded was mainly attributed to the decrease in the revenue from the sale of EDC terminals by approximately RM2.67 million due to lower sale of EDC terminals due to lower average selling price per EDC terminal. Despite the increase in the number of EDC terminals managed by the Group, the revenue from the rental and maintenance of EDC terminals recorded a drop by approximately RM1.74 million arising from the downward revision on the rental rate per unit with the partner banks. The income from the electronic transaction processing segment decreased by approximately RM13.49 million mainly due to lower average value per transaction processed and the accrual and repayment of outstanding transaction settlement to an overseas online merchant amounted to RM9.16 million. The revenue from the Solutions & Services segment decreased by approximately RM2.66 million due to lower revenue from the digital payment and procurement and logistics services by approximately RM1.35 million and RM0.74 million respectively due to lower volume.

The Group registered a LBT of RM17.24 million in the current financial period ended 31 December 2022 as compared to a PBT of RM12.47 million for the financial period ended 31 December 2021. The LBT recorded for the current financial period ended 31 December 2022 was mainly due to the lower gross profit generated from the business activities which was unable to cover the Group's fixed operating cost coupled with higher administrative expenses, finance costs and share of loss of results of associates. However, these costs had been offset by the increase in other income by RM1.33 million.

The higher administrative expense amounting to RM8.39 million mainly due to increase in staff cost by approximately RM2.16 million due to salary increment and increase in headcount, higher connectivity costs (i.e. sim cards, lease line and server costs) by approximately RM1.22 million due to increase in the number of EDC terminals and increase in the transaction volume processed, impairment of trade receivables by approximately RM0.82 million, unrealised foreign exchange losses by RM0.57 million, depreciation and amortisation charges by approximately RM0.56 million, marketing and promotion campaigns with key partners by approximately RM0.53 million, non-recurring professional fee (such as legal fee, due diligence and valuation services, stamping fee, advisory fee) incurred in relation to corporate exercises (such as the proposed bonus issue of warrants and proposed acquisitions) by approximately RM0.40 million and compliance expenses by approximately RM0.16 million.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B2. Comparison with immediate preceding quarter's results

	3-MONTH ENDED		CHANGES	
	31.12.2022	30.09.2022	RM'000	%
Revenue	4,898	20,818	(15,920)	(76.5)
LBT	(14,773)	(2,467)	(12,306)	(498.8)

For the current financial quarter ended 31 December 2022, the Group recorded a lower revenue by approximately RM15.92 million, mainly attributed to the decrease in the revenue from the EDC segment by approximately RM4.79 million driven by the lower revenue from the sale of EDC terminals due to no sale of EDC terminals during the current financial quarter, lower rental income by approximately RM0.87 million arising from the downward revision on the rental rate per unit with the partner banks and lower income from the electronic transaction processing segment by approximately RM10.38 million due to the accrual and repayment of outstanding transaction settlement amounted to approximately RM9.19 million during the current financial quarter under review.

For the current financial quarter ended 31 December 2022, the Group recorded a LBT of RM14.77 million as compared to a LBT of RM2.47 million in the immediate preceding financial quarter ended 30 September 2022 mainly attributed to the lower revenue generated from the business activities which was unable to cover the Group's fixed operating cost coupled with higher administrative expenses, finance costs and lower other income.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B3. Prospects and outlook

The Group has put in place a series of future plans as follows:

(a) Expansion of our electronic payment network

Our Group is continuously looking to expand our electronic payment network in Malaysia and will continue to purchase and deploy additional new digital payment terminals with the capability to accept payment cards and Quick Response (“QR”) Payment. The Group is currently working with our partner banks on the development, testing and certification on the new digital payment terminals, which will be rolled out and deployed to the market in various stages. Besides that, the Group is also working closely with different e-wallet issuers to bring the payment acceptance into digital payment terminals.

(b) Value-added solutions and services

The acquisition of Wannapay Sdn Bhd (formerly known as Scanpay Sdn Bhd) (“WannaPay”), Wannatalk Malaysia Sdn Bhd (“Wannatalk”), as well as Vsure will enable the Group to provide additional value-added solutions and services to our customers which will complement the Group’s existing business and provide a more robust Business-to-Business-Consumer (“B2B2C”) solution.

(c) Research & Development (“R&D”)

Our Group continuously researching and developing more electronic solutions to be integrated with our revPAY. Such solutions will enable our customers to digitalise loyalty programme, rewards redemption, discount coupons and gift cards, bill payment, purchase of on-demand insurance, goods pick up via our digital payment terminals and via our WannaPay e-wallet. Our Group is also researching and developing issuing technology encompassing issuing payment security by leveraging on artificial intelligence to enhance the payment security features.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B3. Prospects and outlook (Cont'd)

As part of the Group's plans to enhance its electronic payment network by expanding its electronic transaction processing and digital payment services, the Group has embarked on a series of business strategies such as collaborating with "Buy Now, Pay Later" providers to offer deferred payment services to merchants and develop an Easy Payment Plan ("EPP") solution which is an interest-free instalment payment plan for a predetermined period of time. These new solution and services are able to provide greater payment flexibility to both merchants and consumers.

Arising from the COVID-19 pandemic, the Government is prioritising the development of e-commerce and digital adoption. As such, the Group has continued to invest in research and development and information technology initiatives to allow the Group to strengthen its competitive advantages.

Looking at the positive growth in the e-commerce industry and the digital adoption, the Group believes that its prospects and future plans in this industry remains favourable. However, with the global uncertainty due to the geopolitical tension in Europe and with the volatile fluctuation in the RM against the US Dollar, Malaysia economy will still heavily rely on domestic market for growth. Premised on the above, the Board is cautious on the lingering impact of the COVID-19 pandemic and the potential onset of global recession. As such, the Group has and will continue to embark on its business strategies to manage the Group's business with vigilance during this period.

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REVENUE GROUP BERHAD (201701034150 (1248321-D))

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B4. Profit forecast or profit guarantee

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

B5. Status of corporate proposals

Save as disclosed in A11 and below, there were no corporate proposals undertaken but not completed as at the date of this interim financial report.

B6. Income tax expenses

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.12.2022⁽¹⁾	30.12.2021⁽¹⁾	31.12.2022⁽¹⁾	31.12.2021⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
Current tax expense	(266)	1,746	523	3,043
Deferred tax expense	-	-	-	-
Total tax expense	(266)	1,746	523	3,043
Effective tax rate (%)	1.80 ⁽²⁾ %	24.40 ⁰ %	(3.03) ⁽³⁾ %	24.40%

Notes:

- (1) Income tax expense is recognised based on management's best estimate.
- (2) The Group's effective tax rate for the individual quarter is lower due to the overprovision of current tax expense in prior quarter.
- (3) The Group's effective tax rate for the period-to-date is lower due to the loss before taxation during the financial period under review.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B7. Utilisation of proceeds

(1) Utilisation of proceeds from the private placement (Special Issue)

The gross proceeds arising from the Special Issue amounting to RM58.49 million is intended to be utilised in the following manner:-

<u>Details of utilisation</u>	<u>Proposed Utilisation</u> RM'000	<u>Actual Utilisation</u> RM'000	<u>Balance Utilisation</u> RM'000	<u>Estimated timeframe for utilisation upon listing</u>
Capital expenditure	44,968	(44,968)	-	24 months
Enhancement of revPAY and expansion of IT team	8,670	(8,670)	-	24 months
Working capital	3,399	(3,399)	-	24 months
Expenses in relation to the Special Issue	1,450	(1,450)	-	Immediately
	<u>58,487</u>	<u>(58,487)</u>	<u>-</u>	

B8. Bank borrowings

The Group's bank borrowings were as follows:

	<u>UNAUDITED</u> As at 30.12.2022 RM'000	<u>UNAUDITED</u> As at 30.12.2021 RM'000
Current:		
Lease liabilities	512	606
Term loans	2,196	400
	<u>2,708</u>	<u>1,006</u>
Non-current:		
Lease liabilities	361	622
Term loans	41,048	4,674
	<u>41,409</u>	<u>5,296</u>
Total bank borrowings	<u>44,117</u>	<u>6,302</u>

All the Group's borrowings are denominated in Ringgit Malaysia.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B9. Material litigation

Save as disclosed below, there were no material litigation involving the Group as at 31 December 2022.

**(a) Revenue Group Berhad (“1st Plaintiff”) and Revenue Harvest Sdn Bhd (“2nd Plaintiff”)
vs
Ng Shih Chiow (“1st Defendant”), Ng Shih Fang (“2nd Defendant”) and Safety & Bullet Film Sdn Bhd (“3rd Defendant”)
(High Court Malaya in Kuala Lumpur - Suit No.:WA-22NCC-13-01/2023)**

On 16 January 2023, the Company and Revenue Harvest have filed an action against Mr. Ng Shih Chiow, Mr. Ng Shih Fang and Safety & Bullet Film Sdn Bhd in the Kuala Lumpur High Court via Suit No. WA-22NCC-13-01/2023 (“**Suit**”) for the following relief:

- (a) The 1st Plaintiff claims against the 1st Defendant and the 2nd Defendant jointly and severally:
- (i) a declaration that the 1st Defendant and the 2nd Defendant had breached the Listing Requirements of the Main Market in relation to the reports on the unaudited consolidated quarterly results for financial period ending 31.12.2020, 31.03.2021, 30.06.2021, 30.09.2021, 31.12.2021, 31.03.2022, 30.06.2022 and 30.09.2022 which was announced by the 1st Plaintiff;
 - (ii) a declaration that the 1st Defendant and the 2nd Defendant had breached section 317A of the Capital Markets and Services Act 2007;
 - (iii) an order that the 1st Defendant and the 2nd Defendant be restrained from exercising any voting right or other rights attached to the 1st Plaintiff’s shares owned by the 1st Defendant and the 2nd Defendant;
 - (iv) an order that the 1st Defendant and the 2nd Defendant be barred from becoming a director or be involved in the management of the 1st Plaintiff directly or indirectly for such period of time as may be determined by this Honourable Court;
 - (v) general damages and the amount of general damages be assessed by this Honourable Court; and
 - (vi) any order or relief under section 360 of the Capital Markets and Services Act 2007 that this Honourable Court may think just and expedient.
- (b) the 1st Plaintiff claims against the 2nd Defendant:
- (i) an order that the 2nd Defendant shall within 14 days from the date of judgment transfer the motor vehicle with the registration number BPR 3108 to the 1st Plaintiff free from any encumbrances; and
 - (ii) in the event the 2nd Defendant fails, refuses or neglects to deliver, execute and/or complete any document necessary and/or do anything to give full effect to the order of this Honourable Court, this Honourable Court is duly authorised to execute and/or complete any document necessary and/or do anything necessary on the part of the 1st Plaintiff to give full effect to the order of this Honourable Court;

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B9. Material litigation (cont'd)

**(a) Revenue Group Berhad (“1st Plaintiff”) and Revenue Harvest Sdn Bhd (“2nd Plaintiff”)
vs
Ng Shih Chiow (“1st Defendant”), Ng Shih Fang (“2nd Defendant”) and Safety & Bullet Film Sdn Bhd (“3rd Defendant”)
(High Court Malaya in Kuala Lumpur - Suit No.:WA-22NCC-13-01/2023) (Cont'd)**

- (c) the 2nd Plaintiff claims against the 1st Defendant and the 2nd Defendant jointly and severally:
- (i) a declaration that the 1st Defendant and the 2nd Defendant had breached their duties as directors of the 2nd Plaintiff;
 - (ii) a declaration that the 1st Defendant and the 2nd Defendant are liable to give account to the 2nd Plaintiff for the sum of RM410,343-00 or any sum deemed just by this Honourable Court;
 - (iii) an order that the 1st Defendant and the 2nd Defendant shall pay to the 2nd Plaintiff a sum of RM410,343-00 or any sum deemed just by this Honourable Court; and
 - (iv) further or alternatively, a declaration that the 2nd Plaintiff is entitled to trace the sum of RM410,343-00 and claims beneficial interest in any assets or properties held by the 1st Defendant and 2nd Defendant on trust for the benefit of 2nd Plaintiff and an order that the 1st Defendant and the 2nd Defendant shall deliver the assets or properties traced to the 2nd Plaintiff;
- (d) the 2nd Plaintiff claims against the 3rd Defendant:
- (i) a declaration that the 3rd Defendant is liable to give account to the 2nd Plaintiff for the sum of RM410,343-00 or any sum deemed just by this Honourable Court;
 - (ii) an order that the 3rd Defendant shall pay to the 2nd Plaintiff a sum of RM410,343-00 or any sum deemed just by this Honourable Court; and
 - (iii) further or alternatively, a declaration that the 2nd Plaintiff is entitled to trace the sum of RM410,343-00 and claims beneficial interest in any assets or properties held by the 3rd Defendant on trust for the benefit of 2nd Plaintiff and an order that the 3rd Defendant shall deliver the assets or properties traced to the 2nd Plaintiff;
- (e) interest from the date of judgment until full and final settlement;
- (f) costs; and
- (g) any further or other relief that this Honourable Court may think just and expedient.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B9. Material litigation (cont'd)

- (a) **Revenue Group Berhad (“1st Plaintiff”) and Revenue Harvest Sdn Bhd (“2nd Plaintiff”)
vs
Ng Shih Chiow (“1st Defendant”), Ng Shih Fang (“2nd Defendant”) and Safety & Bullet Film Sdn Bhd (“3rd Defendant”)
(High Court Malaya in Kuala Lumpur - Suit No.:WA-22NCC-13-01/2023) (Cont'd)**

The Company had also filed an application for an interim order under section 360 of the Capital Markets and Services Act 2007 (“**Application**”) under the Suit for an Order that –

- (a) that the 1st Defendant and the 2nd Defendant be restrained from exercising any voting right or other rights attached to the 1st Plaintiff's shares owned by the 1st Defendant and the 2nd Defendant until the final disposal of this action;
- (b) that the 1st Defendant and the 2nd Defendant be restrained from becoming the director of the 1st Plaintiff and/or be restrained from exercising any right and/or power as director of the 1st Plaintiff and/or be restrained from being involved in the management of the 1st Plaintiff directly or indirectly until the final disposal of this action;
- (c) that the 1st Defendant and the 2nd Defendant be restrained from acquiring, disposing or otherwise dealing in the 1st Plaintiff's shares until the final disposal of this action;
- (d) that the costs of this application be costs in the cause; and
- (h) any further or other relief that this Honourable Court may think just and expedient.

The Suit and the Application are fixed for case management via e-Review before the learned Senior Assistant Registrar ("**SAR**") on 30 January 2023.

On 30 January 2023, at the case management, the SAR had directed as follows:

- (a) in respect of the Application –
 - (i) the 1st and 2nd Defendants are required to file and serve their affidavit in reply on or before 10 February 2023;
 - (ii) the Company is required to file and serve its affidavit in reply on or before 16 February 2023;
 - (iii) parties to file and serve written submissions simultaneously on or before 23 February 2023; and
 - (iv) hearing of the Application is fixed on 24 February 2023 at 4 p.m. via Zoom application before the Honourable Mr. Justice Atan Mustaffa Yussof Ahmad; and

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B9. Material litigation (cont'd)

(a) Revenue Group Berhad (“1st Plaintiff”) and Revenue Harvest Sdn Bhd (“2nd Plaintiff”) vs Ng Shih Chiow (“1st Defendant”), Ng Shih Fang (“2nd Defendant”) and Safety & Bullet Film Sdn Bhd (“3rd Defendant”) (High Court Malaya in Kuala Lumpur - Suit No.:WA-22NCC-13-01/2023) (Cont'd)

(b) in respect of the Suit –

- (i) the Defendants are required to file and serve their respective defences on or before 15 February 2023;
- (ii) the Plaintiffs are required to file and serve its reply to defence on or before 1 March 2023; and
- (iii) a case management via e-Review is fixed on 6 March 2023 before the learned SAR.

On 7 February 2023, the 3rd Defendant’s solicitors had served a Notice to Produce Documents Referred to in the Pleadings and Affidavits dated 7 February 2023 on the Plaintiffs’ solicitors.

On 8 February 2023, the 1st and 2nd Defendants filed their Defence and Counterclaim dated 8 February 2023 in the Suit. In the Counterclaim, the 1st and 2nd Defendants also named Ng Chee Siong (“NCS”) as a defendant in addition to the Company and Revenue Harvest. The 1st and 2nd Defendants claimed the following relief in the Counterclaim:

- (a) A Declaration that the suspension of the 1st and 2nd Defendants on 4/1/2023 pursuant to the Special Board of Directors' Meeting held on 4/1/2023 is invalid, null and void and/or of no effect whatsoever;
- (b) A Declaration that the said 1st Plaintiff's Notice of Meeting dated 19/1/2023 and the Special Board of Directors' Meeting held on 26/1/2023 are invalid, null and void and/or of no effect whatsoever;
- (c) An Injunction to prevent the holding and/or convening of both Extraordinary General Meetings of the 1st Plaintiff scheduled to be held on 17/2/2023 (at 10 am and 4pm);
- (d) An Injunction to prevent the 1st Plaintiff from removing the 1st and 2nd Defendants as Directors of the 1st Plaintiff;
- (e) An injunction against the 1st Plaintiff and NCS prohibiting them from publishing the Defamatory Words or words which carry substantially the same meaning to third parties;
- (f) A mandatory injunction against the 1st Plaintiff and NCS directing them to take the necessary steps to have the Announcements removed from the Bursa Malaysia platform;
- (g) An Order that the Plaintiffs reinstate the 1st and 2nd Defendants as bank signatories of the bank accounts of the said Plaintiffs respectively and the bank signatories of the Plaintiffs shall be reinstated to the bank signatories prior to the Special Board of Directors' Meeting on 4/1/2023;

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B9. Material litigation (cont'd)

**(a) Revenue Group Berhad (“1st Plaintiff”) and Revenue Harvest Sdn Bhd (“2nd Plaintiff”)
vs
Ng Shih Chiow (“1st Defendant”), Ng Shih Fang (“2nd Defendant”) and Safety & Bullet Film Sdn Bhd (“3rd Defendant”)
(High Court Malaya in Kuala Lumpur - Suit No.:WA-22NCC-13-01/2023) (Cont'd)**

- (h) An Order that the 1st and 2nd Defendants be allowed to inspect the accounting and/or other records of the Plaintiffs respectively by an approved Company Auditor acting for and/or appointed by the 1st and 2nd Defendants pursuant to Section 245(8) of the Companies Act 2016;
- (i) Damages to be assessed and paid by the Plaintiffs to the said Defendants respectively;
- (j) Interests on the damages amount in (i) above at the rate of 5% per annum to be paid by the Plaintiffs to the said Defendants;
- (k) Costs; and
- (l) Such further and/or other relief in favour of the 1st and 2nd Defendants as this Honourable Court thinks fit.

On 8 February 2023, the 1st and 2nd Defendants also filed an application pursuant to Order 29 of the Rules of Court 2012 ("**Interim Injunction Application**") for the following orders:

- (1) an interim injunction Order to prevent and/or restrain the 1st Plaintiff, including its Directors, nominees and/or agents and/or any of them from proceeding with the Extraordinary General Meeting scheduled on 17/2/2023 at 10:00am with the Agenda that the 1st and 2nd Defendants be respectively removed as Directors of the 1st Plaintiff, pending the full disposal and/or final determination of this Suit;
- (2) An Interim Injunction Order to prevent and/or restrain the 1st Plaintiff, including its Directors, nominees and/or agents and/or any of them from proceeding with the Extraordinary General Meeting scheduled on 17/2/2023 at 4:00pm with the Agenda to inter-alia remove 9 other Directors (except the 1st and 2nd Defendants) and other resolutions, pending the full disposal and/or final determination of this Suit;
- (3) An Interim Injunction Order to prevent and/or restrain the 1st Plaintiff, including its Directors, nominees and/or agents and/or any of them from calling any other further General Meetings with an agenda to remove the 1st and 2nd Defendants as Directors of the 1st Plaintiff, pending the full disposal and/or final determination of this Suit;
- (4) Pending the disposal of Prayer (1), (2) and/or (3) above, an Ad Interim Injunction based on the terms in Prayer (1), (2) and/or (3) aforesaid be granted;
- (5) Costs to be paid by the 1st Plaintiff to the 1st and 2nd Defendants; and

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B9. Material litigation (cont'd)

- (a) **Revenue Group Berhad (“1st Plaintiff”) and Revenue Harvest Sdn Bhd (“2nd Plaintiff”)
vs
Ng Shih Chiow (“1st Defendant”), Ng Shih Fang (“2nd Defendant”) and Safety & Bullet Film Sdn Bhd (“3rd Defendant”)
(High Court Malaya in Kuala Lumpur - Suit No.:WA-22NCC-13-01/2023) (Cont'd)**

- (6) Such further and other relief to the 1st and 2nd Defendants as this Honourable Court think fit and/or fair.

The Interim Injunction Application is fixed for hearing before the Honourable Mr. Justice Atan Mustaffa Yussof Ahmad on 13 February 2023 at 4.15 p.m.

The Interim Injunction Application was fixed for hearing on 13 February 2023 (“**Hearing**”) before the Honourable Mr. Justice Atan Mustaffa Yussof Ahmad (“**Judge**”).

At the Hearing, the learned Judge granted an Ad Interim Order on the following terms pending the full disposal and/or final determination of the Interim Injunction Application:

- (1) An Ad Interim Injunction Order to prevent and/or restrain the 1st Plaintiff, including its Directors, nominees and/or agents and/or any of them from proceeding with the Extraordinary General Meeting scheduled on 17.02.2023 at 10:00 a.m. with the Agenda that the 1st and 2nd Defendants be respectively removed as Directors of the 1st Plaintiff is granted pending the full disposal and/or final determination of Enclosure 13 or until further order;
- (2) An Ad Interim Injunction Order to prevent and/or restrain the 1st Plaintiff, including its Directors, nominees and/or agents and/or any of them from proceeding with the Extraordinary General Meeting scheduled on 17.02.2023 at 4:00pm with the Agenda to inter-alia remove 9 other Directors (except the 1st and 2nd Defendants) and other resolutions is granted pending the full disposal and/or final determination of Enclosure 13 or until further order; and
- (3) the parties’ agreement and consent to the Ad Interim Order is given without any admission of liability and without prejudice to any of the parties’ rights in respect of the original action, counterclaim, Enclosure 13 and any of the cause papers filed herein. Nothing contained in this Order shall be deemed to be a waiver, concession or abandonment of the rights of the parties in the original action, counterclaim, Enclosure 13 and any of the cause papers filed herein.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B9. Material litigation (cont'd)

- (a) **Revenue Group Berhad (“1st Plaintiff”) and Revenue Harvest Sdn Bhd (“2nd Plaintiff”)
vs
Ng Shih Chiow (“1st Defendant”), Ng Shih Fang (“2nd Defendant”) and Safety & Bullet Film Sdn Bhd (“3rd Defendant”)
(High Court Malaya in Kuala Lumpur - Suit No.:WA-22NCC-13-01/2023) (Cont'd)**

The learned Judge further directed as follows:

- (a) all directions in respect of the Application given by the SAR on 30 January 2023 are vacated;
- (b) the 1st Plaintiff is required to file its affidavit in reply in respect of the Application and Interim Injunction Application on or before 27 February 2023;
- (c) the 1st and 2nd Defendants are required to file their affidavit in reply in respect of the Application and Interim Injunction Application on or before 13 March 2023;
- (d) parties are required to file written submissions on or before 27 March 2023;
- (e) parties are required to file submissions in reply on or before 10 April 2023; and
- (f) the Application and Interim Injunction Application are both fixed for hearing on 30 May 2023 at 9 a.m.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B10. Dividend

The Board of Directors does not recommend any dividend for the current financial quarter under review.

B11. Earnings per share

The basic (loss)/earnings per share (“(LPS)/EPS”) are calculated by dividing the profit for the period attributable to owners of the Company by weighted average number of ordinary shares of the Company during the financial period as follows:

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
(Loss)/Profit attributable to owners of the Company (RM'000)	(14,273)	4,558	(17,607)	8,018

Basic EPS

Weighted average number of ordinary shares ('000)	477,953	464,773	477,438	461,926
Basic (LPS)/EPS (sen)	(2.99)	0.98	(3.69)	1.74

The diluted EPS are calculated by dividing the profit for the period attributable to owners of the Company by weighted average number of shares that would have been in issued upon full exercise of the remaining warrants:

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
(Loss)/Profit attributable to owners of the Company (RM'000)	(14,273)	4,558	(17,607)	8,018

Diluted EPS

Weighted average number of ordinary shares ('000)	639,712	622,074	639,196	619,227
Diluted (LPS)/EPS (sen) ⁽¹⁾	(2.23)	0.73	(2.75)	1.29

Note:

- (1) Diluted EPS of the Company for the individual quarter and period-to-date ended 31 December 2022 is calculated based on the weighted average number of ordinary shares in issue of 639,712,107 and 639,196,252 respectively, adjusted for contingently issuable ordinary shares and number of shares under warrants as the warrants have a dilutive effect on the weighted average number of ordinary shares.

REVENUE GROUP BERHAD (201701034150 (1248321-D))

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B12. Disclosure on selected expense/income items as required by the Listing Requirements

Profit before tax is arrived after charging/(crediting):

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Depreciation/Amortisation of property, plant and equipment, right-of-use assets and intangible assets	2,514	2,973	5,749	5,971
Impairment losses on trade receivables	822	-	822	79
Reversal of impairment losses on trade receivables	-	95	-	(225)
Fair value gain in quoted shares	(124)	-	(312)	-
(Gain)/Loss on foreign exchange, net				
• Realised	(72)	4	238	145
• Unrealised	(791)	(3)	(441)	2
Rental expenses				
• Office	156	52	200	79
Bad debts recovered	(5)	(8)	(8)	(13)
(Gain)/Loss on disposal of property, plant and equipment	(3)	-	(3)	1
Interest income	(102)	(208)	(156)	(410)
Rental income	(165)	(10)	(317)	(20)

Other disclosure items pursuant to Appendix 9B, Note 16 of the Listing Requirements of Bursa Securities are not applicable.