

REVENUE GROUP BERHAD (201701034150 (1248321-D))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD (3RD) QUARTER ENDED 31 MARCH 2023⁽¹⁾

	Note	3-MONTH ENDED		PERIOD-TO-DATE	
		31.03.2023 RM'000	31.03.2022 RM'000	31.03.2023 RM'000	31.03.2022 RM'000
Revenue	A9	10,101	22,844	35,817	69,125
Cost of sales		(6,064)	(7,222)	(24,912)	(25,532)
Gross /profit (“GP”)		4,037	15,622	10,905	43,593
Other income		990	121	3,023	828
Administrative expenses		(12,811)	(8,267)	(37,049)	(24,111)
Finance costs		(585)	(186)	(1,668)	(522)
Share of results of associate, net of tax		(388)	(356)	(1,208)	(384)
(Loss)/Profit before tax (“LBT/PBT”)	B11	(8,757)	6,934	(25,997)	19,404
Taxation	B6	(473)	(2,140)	(996)	(5,183)
(Loss)/Profit after tax (“LAT/PAT”)		(9,230)	4,794	(26,993)	14,221
Other comprehensive (loss)/income 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		38	(13)	22	(12)
Total comprehensive (loss)/income for the financial period		(9,192)	4,781	(26,971)	14,209
(Loss)/Profit for the financial period attributable to:					
• Owners of the Company		(9,362)	4,656	(26,969)	12,674
• Non-controlling interests		132	138	(24)	1,547
		(9,230)	4,794	(26,993)	14,221
Total comprehensive (loss)/income for the financial period attributable to:					
• Owners of the Company		(9,324)	4,643	(26,947)	12,662
• Non-controlling interests		132	138	(24)	1,547
		(9,192)	4,781	(26,971)	14,209
(Loss)/Earnings per share attributable to owners of the Company					
• Basic (sen) ⁽²⁾	B10	(1.94)	1.00	(5.63)	2.74
• Diluted (sen) ⁽³⁾	B10	(1.45)	0.75	(4.21)	2.04

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD (3RD) QUARTER ENDED 31 MARCH 2023⁽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 March 2023 is calculated based on the weighted average number of ordinary shares in issue of 482,195,341 and 479,000,641 as at 31 March 2023 respectively. The basic earnings per share for the individual quarter and period-to-date ended 31 March 2022 is calculated based on the weighted average number of ordinary shares in issue of 465,924,595 and 463,239,457 as at 31 March 2022 respectively.
- (3) Diluted loss per share of the Company for the individual quarter and period-to-date ended 31 March 2023 is calculated based on the weighted average number of ordinary shares in issue of 644,096,977 and 640,902,277 as at 31 March 2023 respectively, adjusted for contingently issuable ordinary shares and number of shares under warrants. Diluted earnings per share of the Company for the individual quarter and period-to-date ended 31 March 2022 is calculated based on the weighted average number of ordinary shares in issue of 622,553,052 and 619,867,914 as at 31 March 2022 respectively, adjusted for contingently issuable ordinary shares and number of shares under warrants.

REVENUE GROUP BERHAD (201701034150 (1248321-D))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023⁽¹⁾

	<u>UNAUDITED</u>	<u>AUDITED</u>
	As at 31.03.2023 RM'000	As at 30.06.2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	29,837	26,366
Intangible assets	12,895	16,078
Right-of-use assets	27,773	28,536
Investment properties	22,000	22,000
Investment in associates	16,195	17,403
Other investment	3,550	-
Goodwill on consolidation	11,253	11,253
Total non-current assets	123,503	121,636
Current Assets		
Inventories	19,042	12,033
Trade receivables	17,504	26,698
Other receivables	7,506	5,192
Other investments	4,666	7,735
Tax recoverable	4,519	3,077
Fixed deposits with licensed banks	8,623	259
Cash and bank balances	35,827	82,523
Total current assets	97,687	137,517
TOTAL ASSETS	221,190	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	(48)	(70)
Retained earnings	35,336	62,305
Equity attributable to owners of the Company	138,059	157,044
Non-controlling interests	2,211	2,234
Total Equity	140,270	159,278
LIABILITIES		
Non-current liabilities		
Bank borrowings	40,503	42,138
Lease liabilities	259	564
Deferred tax liabilities	1,114	1,114
Total non-current liabilities	41,876	43,816

REVENUE GROUP BERHAD (201701034150 (1248321-D))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023⁽¹⁾ (CONT'D)

	<u>UNAUDITED</u>	<u>AUDITED</u>
	As at 31.03.2023 RM'000	As at 30.06.2022 RM'000
LIABILITIES (CONT'D)		
Current liabilities		
Trade payables	14,416	22,654
Other payables	18,300	26,015
Contract liabilities	496	188
Amount due to an associate	-	38
Amount due to Directors	159	164
Bank borrowings	2,196	2,212
Lease liabilities	493	550
Tax payable	2,984	4,237
Total current liabilities	39,044	56,058
TOTAL LIABILITIES	80,920	99,875
TOTAL EQUITY AND LIABILITIES	221,190	259,153
Number of ordinary shares ('000)	482,195	476,922
NET ASSETS PER SHARE (RM)⁽²⁾	0.29	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 March 2023 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 THIRD (3RD) QUARTER ENDED 31 MARCH 2023⁽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 March 2022										
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	-	-	-	-	-	12,674	12,674	1,547	14,221	
Other comprehensive loss for the financial period	-	-	-	-	(12)	-	(12)	-	(12)	
Total comprehensive income for the financial period	-	-	-	-	(12)	12,674	12,662	1,547	14,209	
Transactions with owners										
Issuance of ordinary shares pursuant to special issue	2,054	-	-	-	-	-	2,054	-	2,054	
Issuance of ordinary shares pursuant to the exercise of warrants	7,894	-	(3,473)	3,473	-	-	7,894	-	7,894	
Total transactions with owners	9,948	-	(3,473)	3,473	-	-	9,948	-	9,948	
As at 31 March 2022	131,091	(15,694)	51,688	(58,174)	(50)	62,537	171,398	4,058	175,456	

REVENUE GROUP BERHAD (201701034150 (1248321-D))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY
FOR THE THIRD (3RD) QUARTER ENDED 31 MARCH 2023⁽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				
Period ended 31 March 2023									
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	-	-	-	-	-	(26,969)	(26,969)	(24)	(26,993)
Other comprehensive income for the financial period	-	-	-	-	22	-	22	-	22
Total comprehensive (loss)/income for the financial period	-	-	-	-	22	(26,969)	(26,947)	(24)	(26,971)
Transactions with owners									
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 31 March 2023	155,086	(15,694)	51,640	(88,261)	(48)	35,336	138,059	2,211	140,270

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 THIRD (3RD) QUARTER ENDED 31 MARCH 2023⁽¹⁾

	PERIOD-TO-DATE	
	31.03.2023 RM'000	31.03.2022 RM'000
Cash Flows From Operating Activities		
(Loss)/Profit before tax	(25,997)	19,404
Adjustments for:		
Depreciation/Amortisation of property, plant and equipment, right-of-use assets and intangible assets	8,576	8,260
Finance costs	1,668	522
Loss/(Gain) on disposal of property, plant and equipment	7	(8)
Bad debts recovered	-	(15)
Impairment losses on trade receivables	877	429
Reversal of impairment losses on trade receivables	(4)	(225)
Interest income	(263)	(439)
Unrealised loss on foreign exchange, net	113	-
Realised loss on foreign exchange, net	-	66
Fair value gain in other investment	(182)	-
Share of loss in associates	1,208	384
Operating (loss)/profit before working capital changes	(13,997)	28,378
Changes in working capital		
Inventories	(7,008)	(2,998)
Receivables	6,007	10,326
Payables	(8,113)	(5,785)
Amount due to Directors	(4)	(163)
Amount from associate	(38)	-
Contract liabilities	308	(261)
	(8,848)	1,119
Cash (used in)/generated from operations	(22,845)	29,497
Interest paid	(1,668)	(522)
Interest received	263	439
Tax paid	(3,690)	(3,276)
Exchange fluctuation adjustment	-	(12)
Net cash (used in)/from operating activities	(27,940)	26,126
Cash Flows From Investing Activities		
Proceeds from disposal of property, plant and equipment	23	8
Purchase of property, plant and equipment	(8,131)	(15,115)
Purchase of investment properties	-	(3,005)
Acquisition of an associate	-	(12,000)
Acquisition of other investment	(300)	-
Net cash used in investing activities	(8,408)	(30,112)

REVENUE GROUP BERHAD (201701034150 (1248321-D))

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THIRD (3RD) QUARTER ENDED 31 MARCH 2023⁽¹⁾ (CONT'D)**

	PERIOD-TO-DATE	
	31.03.2023	31.03.2022
	RM'000	RM'000
Cash Flows From Financing Activities		
Proceeds from issuance of ordinary shares	-	9,947
Increase of fixed deposit pledged	-	(560)
Net changes of lease liabilities	(364)	(160)
Repayment of term loans/banker acceptance	(1,650)	(59)
Net cash (used in)/from financing activities	(2,014)	9,168
Net decrease in cash and cash equivalents	(38,362)	5,182
Cash and cash equivalents at the beginning of the financial period	82,782	97,324
Effect of exchange translation differences on cash and cash equivalents	30	-
Cash and cash equivalents at the end of the financial period	44,450	102,506
Cash and cash equivalents at the end of the financial period comprises:		
Cash and bank balances	35,827	102,627
Fixed deposits with licensed banks	8,623	815
Bank overdrafts	-	(121)
	44,450	103,321
Less: Fixed deposits pledged with licensed banks	-	(815)
	44,450	102,506

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.

REVENUE GROUP BERHAD (201701034150 (1248321-D))

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 Main Market Listing Requirements (“**Listing Requirements**”) of Bursa Securities.

This interim financial statements on the Company’s unaudited condensed consolidated financial results for the third (3rd) quarter ended 31 March 2023 is announced by the Company in compliance with the 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:

		Effective dates for financial periods beginning on or after
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

There were no issuances, cancellations, repurchases, resale and repayment of debts and equity during the financial quarter under review.

A8. Dividends paid

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

A9. Segmental information

The Group's segmental information for the current financial quarter/period ended 31 March 2023 is as follows:

(a) Analysis of revenue by business segments

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
Electronic Data Capture ("EDC") terminals	6,016	8,934	23,526	30,858
Electronic transaction processing	1,257	10,764	2,980	25,980
Solutions and services	2,828	3,146	9,311	12,287
Total	10,101	22,844	35,817	69,125

(b) Analysis of revenue by geographical location

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
Malaysia	10,101	22,844	35,817	69,125
Total	10,101	22,844	35,817	69,125

REVENUE GROUP BERHAD (201701034150 (1248321-D))

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

A10. Valuation of property, plant and equipment

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

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

Save as disclosed below and Note B5 and Note B8, 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 Acquisitions of Innov8tif Holdings Sdn Bhd (“Innov8tif”) (“Proposed Acquisition of Innov8tif”)

On 12 May 2023, the Board announced that the Company had entered into a conditional share sale agreement (“SSA”) with Hong Seng Consolidated Berhad (“Vendor”) for the purchase of 51.0% equity interest in Innov8tif, for a total cash purchase consideration of RM36.00 million (“Purchase Consideration”).

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.

	UNAUDITED	UNAUDITED
	As at	As at
	31.03.2023	31.03.2022
	RM'000	RM'000
Corporate guarantee given by REVENUE to licensed bank for banking facilities granted to a subsidiary of REVENUE	42,699	44,857
Bank guarantee given to Payments Network Malaysia Sdn. Bhd. In favour of Revenue Harvest and Revenue Solution Sdn. Bhd.	360	560

REVENUE GROUP BERHAD (201701034150 (1248321-D))

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

A14. Capital commitments

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

	UNAUDITED	UNAUDITED
	As at	As at
	31.03.2023	31.03.2022
	RM'000	RM'000
Material commitment		
Purchase of software system	32	877
	32	877

A15. Related party transactions

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

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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 RM10.10 million for the current financial quarter ended 31 March 2023 (31 March 2022: RM22.84 million).

The Group's revenue decreased by RM12.74 million from RM22.84 million for financial quarter ended 31 March 2022 to RM10.10 million for the financial quarter ended 31 March 2023. The lower revenue recorded was mainly attributed to the decrease in the revenue from the sale of EDC terminals by approximately RM1.39 million due to lower 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 RM1.52 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 RM9.51 million mainly due to lower average value per transaction processed. The revenue from the Solutions & Services decreased by RM0.32 million due to lower revenue from the procurement and logistic services by approximately RM0.32 million due to lower volume.

The Group registered a LBT of RM8.76 million in the current financial quarter ended 31 March 2023 as compared to a PBT of RM6.93 million for the financial quarter ended 31 March 2022. The LBT recorded for the current financial quarter ended 31 March 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 RM0.87 million.

The higher administrative expense amounting to RM4.54 million mainly drive by higher staff cost by approximately RM3.30 million, higher realised foreign exchange loss by approximately RM0.57 million, higher connectivity costs (i.e. sim cards, lease line and server costs) by approximately RM0.53 million due to the increase in the number of EDC terminals and increase in the transaction volume processed, higher marketing and promotion campaigns with key partners by approximately RM0.39 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 RM35.82 million for the current financial period ended 31 March 2023 (31 March 2022: RM69.13 million).

The Group's revenue decreased by RM33.31 million from RM69.13 million for the financial period ended 31 March 2022 to RM35.82 million for the financial period ended 31 March 2023. The lower revenue recorded was mainly attributed to the decrease in the revenue from the sale of EDC terminals by approximately RM4.07 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 RM3.27 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 RM23.00 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 RM9.26 million. The revenue from the Solutions & Services segment decreased by approximately RM2.98 million due to lower revenue from the digital payment and procurement and logistics services by approximately RM1.40 million and RM1.06 million respectively due to lower volume.

The Group registered a LBT of RM26.00 million in the current financial period ended 31 March 2023 as compared to a PBT of RM19.40 million for the financial period ended 31 March 2022. The LBT recorded for the current financial period ended 31 March 2023 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 RM2.20 million.

The higher administrative expense amounting to RM12.94 million mainly driven by higher staff cost by approximately RM5.46 million, higher realised foreign exchange loss by approximately RM1.15 million, higher non-recurring professional fee (such as legal fee, due diligence and valuation services, stamping fee, advisory fee, project management fee) incurred in relation to corporate exercises (such as the proposed bonus issue of warrants and proposed acquisitions) by approximately RM1.04 million, higher connectivity costs (i.e. sim cards, lease line and server costs) by approximately RM1.02 million due to increase in the number of EDC terminals and increase in the transaction volume processed, higher marketing and promotion campaigns with key partners by approximately RM0.99 million, higher impairment of trade receivables by approximately RM0.44 million, depreciation and amortisation charges by approximately RM0.32 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

	<u>3-MONTH ENDED</u>		<u>CHANGES</u>	
	<u>31.03.2023</u>	<u>31.12.2022</u>	<u>RM'000</u>	<u>%</u>
Revenue	10,101	4,898	5,203	106.2
LBT	(8,757)	(14,773)	(6,016)	(40.7)

For the current financial quarter ended 31 March 2023, the Group recorded a higher revenue by approximately RM5.20 million, mainly attributed to the higher electronic transaction processing income by approximately RM5.59 million due to the absence of the accrual and repayment of outstanding transaction settlement to an oversea online merchant amounted approximately RM9.19 million which was recorded in the quarter ended 31 December 2022, higher revenue from the sale of EDC by approximately RM0.58 million but was offset by lower rental and maintenance income by approximately RM0.48 million arising from the downward revision on the rental rate per unit with the partner banks; and lower revenue from digital payment and procurement and logistics services by approximately RM0.32 million and RM0.70 million respectively due to lower volume.

For the current financial quarter ended 31 March 2023, the Group recorded a LBT of RM8.76 million as compared to a LBT of RM14.77 million in the immediate preceding financial quarter ended 31 December 2022 mainly attributed to the higher revenue generated from the business activities.

B3. Prospects and outlook

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 and solutions to allow the Group to strengthen its competitive advantages.

Moving forward, the Group will continue to seek market opportunities either through business collaboration, joint venture or acquisition to strengthen the Group's market presence, as well as improving its products and services offering to improve the Group's earnings.

The Board is cautious on the lingering impact of the COVID-19 pandemic and the potential onset of global recession and the Group has since embarked on multiple initiatives in an effort to contain both the direct and indirect cost, as well as conducting strategic review on its business model and group structure in order to allow the Group to remain competitive.

As part of the business expansion plan to expand the revenue stream, the Group has made a strategic move to undertake the Proposed Acquisition of Innov8tif to acquire the readily available digital identity assurance and digital onboarding business of Innov8tif to complement and enhance the Group's existing businesses by providing extensive payment solutions and such proposed move will create a potential good synergies between the businesses of each other and with the combined resources, expertise and capabilities to achieve greater efficiency, as well as enhance the business by leveraging on each other clientele base and platform.

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 below and in A11, there were no corporate proposals undertaken but not completed as at the date of 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.

On 12 May 2023, the Company announced that the Proposed Bonus Issue of Warrants will lapse upon its expiry on 13 May 2023.

B6. Income tax expenses

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.03.2023⁽¹⁾	31.03.2022⁽¹⁾	31.03.2023⁽¹⁾	31.03.2022⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
Current tax expense	473	2,140	996	5,183
Deferred tax expense	-	-	-	-
Total tax expense	473	2,140	996	5,183
Effective tax rate (%)	(5.40) ⁽²⁾ %	30.86 ⁽³⁾ %	(3.83) ⁽²⁾ %	26.71 ⁽³⁾ %

Notes:

- (1) Income tax expense is recognised based on management’s best estimate.
- (2) 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.
- (3) The Group’s effective tax rate for the is higher due to the expiry of the pioneer status granted by Malaysian Investment Development Authority under the provisions of the Promotion of Investment Act 1986 on 12 July 2021.

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

B7. Bank borrowings

The Group's bank borrowings were as follows:

	<u>UNAUDITED</u> As at 31.03.2023 RM'000	<u>UNAUDITED</u> As at 31.03.2022 RM'000
Current:		
Lease liabilities	493	542
Term loans	2,196	489
Bank overdraft	-	121
	<u>2,689</u>	<u>1,152</u>
Non-current:		
Lease liabilities	259	563
Term loans	40,503	44,368
	<u>40,762</u>	<u>44,931</u>
Total bank borrowings	<u>43,451</u>	<u>46,083</u>

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

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

B8. Material litigation

Save as disclosed below, there were no material litigation involving the Group as at 31 March 2023.

(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)

B8. 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)

B8. 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
- (e) 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)

B8. 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)

B8. 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)

B8. 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)

B8. 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.

At the case management held on 26 April 2023, the counsel for the 1st and 2nd Defendants and the counsel for the Company informed that:

- (1) the 1st and 2nd Defendants agreed to withdraw the Interim Injunction Application with no order as to costs; and
- (2) the Company agreed to withdraw the Application with no order as to costs.

After hearing the parties, the Court ordered the Interim Injunction Application and the Application be struck out with no order as to costs.

Further, the Court gave the following directions:

- (1) parties are required to file pre-trial documents before the next case management;
- (2) the next case management is fixed on 26 June 2023; and
- (3) the trial of the Suit is fixed on 5 to 8 August 2024.

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

B9. Dividend

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

B10. 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:

	<u>3-MONTH ENDED</u>		<u>PERIOD-TO-DATE</u>	
	<u>31.03.2023</u>	<u>31.03.2022</u>	<u>31.03.2023</u>	<u>31.03.2022</u>
(Loss)/Profit attributable to owners of the Company (RM'000)	(9,362)	4,656	(26,969)	12,674

Basic EPS

Weighted average number of ordinary shares ('000)	482,195	465,925	479,001	463,239
Basic (LPS)/EPS (sen)	(1.94)	1.00	(5.63)	2.74

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:

	<u>3-MONTH ENDED</u>		<u>PERIOD-TO-DATE</u>	
	<u>31.03.2023</u>	<u>31.03.2022</u>	<u>31.03.2023</u>	<u>31.03.2022</u>
(Loss)/Profit attributable to owners of the Company (RM'000)	(9,362)	4,656	(26,969)	12,674

Diluted EPS

Weighted average number of ordinary shares ('000)	644,097	622,553	640,902	619,868
Diluted (LPS)/EPS (sen) ⁽¹⁾	(1.45)	0.75	(4.21)	2.04

Note:

- (1) Diluted EPS of the Company for the individual quarter and period-to-date ended 31 March 2023 is calculated based on the weighted average number of ordinary shares in issue of 644,096,977 and 640,902,277 respectively, adjusted for contingently issuable ordinary shares and number of shares under warrants. Diluted earnings per share of the Company for the individual quarter and period-to-date ended 31 March 2022 is calculated based on the weighted average number of ordinary shares in issue of 622,553,052 and 619,867,914 as at 31 March 2022 respectively, adjusted for contingently issuable ordinary shares and number of shares under warrants.

REVENUE GROUP BERHAD (201701034150 (1248321-D))

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

B11. Disclosure on selected expense/income items as required by the Listing Requirements

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

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
Depreciation/Amortisation of property, plant and equipment, right-of-use assets and intangible assets	2,827	2,289	8,576	8,260
Impairment losses on trade receivables	55	350	877	429
Reversal of impairment losses on trade receivables	(3)	95	(4)	(225)
Fair value loss/(gain) in other investment	130	-	(182)	-
(Gain)/Loss on foreign exchange, net				
• Realised	356	(79)	(118)	66
• Unrealised	328	(2)	(113)	-
Rental expenses				
• Office	107	52	307	134
Bad debts recovered	-	(2)	-	(15)
Loss/(Gain) on disposal of property, plant and equipment	10	(8)	7	(8)
Interest income	(107)	(29)	(263)	(439)
Rental income	(165)	(10)	(482)	(30)

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