

REVENUE GROUP BERHAD (201701034150 (1248321-D))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 30 JUNE 2023<sup>(1)</sup>

	Note	3-MONTH ENDED		PERIOD-TO-DATE	
		30.06.2023 RM'000	30.06.2022 RM'000	30.06.2023 RM'000	30.06.2022 RM'000
Revenue	A9	15,249	28,544	51,066	97,669
Cost of sales		(12,027)	(14,281)	(36,939)	(39,812)
<b>Gross /profit (“GP”)</b>		<b>3,222</b>	<b>14,263</b>	<b>14,127</b>	<b>57,857</b>
Other income		255	357	3,277	1,185
Administrative expenses		(11,892)	(12,981)	(48,941)	(37,092)
Finance costs		(588)	(145)	(2,256)	(668)
Share of results of associate, net of tax		(48)	(522)	(1,256)	(906)
<b>(Loss)/Profit before tax (“LBT/PBT”)</b>	B11	<b>(9,051)</b>	<b>972</b>	<b>(35,049)</b>	<b>20,376</b>
Taxation	B6	(109)	(1,985)	(1,105)	(7,168)
<b>(Loss)/Profit after tax (“LAT/PAT”)</b>		<b>(9,160)</b>	<b>(1,013)</b>	<b>(36,154)</b>	<b>13,208</b>
<b>Other comprehensive (loss)/income for the financial period, net of tax</b>					
<b>Items that are or may be reclassified subsequently to profit or loss</b>					
Exchange translation differences for foreign operations		(3)	(39)	19	(51)
<b>Total comprehensive (loss)/income for the financial period</b>		<b>(9,163)</b>	<b>(1,052)</b>	<b>(36,135)</b>	<b>13,157</b>
<b>(Loss)/Profit for the financial period attributable to:</b>					
• Owners of the Company		(9,034)	566	(36,005)	13,435
• Non-controlling interests		(126)	(1,579)	(149)	(227)
		<b>(9,160)</b>	<b>(1,013)</b>	<b>(36,154)</b>	<b>13,208</b>
<b>Total comprehensive (loss)/income for the financial period attributable to:</b>					
• Owners of the Company		(9,037)	527	(35,986)	13,384
• Non-controlling interests		(126)	(1,579)	(149)	(227)
		<b>(9,163)</b>	<b>(1,052)</b>	<b>(36,135)</b>	<b>13,157</b>
<b>(Loss)/Earnings per share attributable to owners of the Company</b>					
• Basic (sen) <sup>(2)</sup>	B10	(1.75)	0.12	(7.37)	2.89
• Diluted (sen) <sup>(3)</sup>	B10	(1.47)	0.09	(6.13)	2.83

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 30 JUNE 2023<sup>(1)</sup> (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 30 June 2023 is calculated based on the weighted average number of ordinary shares in issue of 516,551,727 and 488,362,693 as at 30 June 2023 respectively. The basic earnings per share for the individual quarter and period-to-date ended 30 June 2022 is calculated based on the weighted average number of ordinary shares in issue of 469,040,577 and 464,685,763 as at 30 June 2022 respectively.
- (3) Diluted loss per share of the Company for the individual quarter and period-to-date ended 30 June 2023 is calculated based on the weighted average number of ordinary shares in issue of 615,717,963 and 587,528,929 as at 30 June 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 30 June 2022 is calculated based on the weighted average number of ordinary shares in issue of 636,071,991 and 475,232,120 as at 30 June 2022 respectively, adjusted for number of shares under warrants.

**REVENUE GROUP BERHAD (201701034150 (1248321-D))**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 2023<sup>(1)</sup>**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>As at</b>	<b>As at</b>
	<b>30.06.2023</b>	<b>30.06.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	29,952	26,366
Intangible assets	11,880	16,078
Right-of-use assets	28,006	28,536
Investment properties	22,000	22,000
Investment in associates	16,147	17,403
Other investment	3,550	-
Goodwill on consolidation	68,448	11,253
<b>Total non-current assets</b>	<b>179,983</b>	<b>121,636</b>
<b>Current Assets</b>		
Inventories	17,459	12,033
Trade receivables	23,006	26,698
Other receivables	10,539	5,192
Other investments	22,890	7,735
Tax recoverable	4,509	3,077
Fixed deposits with licensed banks	9,606	259
Cash and bank balances	21,901	82,523
<b>Total current assets</b>	<b>109,910</b>	<b>137,517</b>
<b>TOTAL ASSETS</b>	<b>289,893</b>	<b>259,153</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	202,030	147,123
Merger reserve	(15,694)	(15,693)
Warrant reserve	51,640	51,640
Other reserves	(88,261)	(88,261)
Foreign currency translation reserve	(51)	(70)
Retained earnings	26,300	62,305
<b>Equity attributable to owners of the Company</b>	<b>175,964</b>	<b>157,044</b>
Non-controlling interests	31,851	2,234
<b>Total Equity</b>	<b>207,815</b>	<b>159,278</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Bank borrowings	39,910	42,138
Lease liabilities	45	564
Deferred tax liabilities	1,114	1,114
<b>Total non-current liabilities</b>	<b>41,129</b>	<b>43,816</b>

**REVENUE GROUP BERHAD (201701034150 (1248321-D))****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2023<sup>(1)</sup> (CONT'D)**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>As at</b>	<b>As at</b>
	<b>30.06.2023</b>	<b>30.06.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>LIABILITIES (CONT'D)</b>		
<b>Current liabilities</b>		
Trade payables	10,269	22,654
Other payables	24,410	26,015
Contract liabilities	934	188
Amount due to an associate	-	38
Amount due to Directors	160	164
Bank borrowings	2,196	2,212
Lease liabilities	411	550
Tax payable	2,596	4,237
<b>Total current liabilities</b>	<b>40,949</b>	<b>56,058</b>
<b>TOTAL LIABILITIES</b>	<b>82,078</b>	<b>99,875</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>289,893</b>	<b>259,153</b>
<b>Number of ordinary shares ('000)</b>	<b>544,787</b>	<b>476,922</b>
<b>NET ASSETS PER SHARE (RM)<sup>(2)</sup></b>	<b>0.38</b>	<b>0.33</b>

**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 544,787,341 as at 30 June 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 FOURTH (4<sup>TH</sup>) QUARTER ENDED 30 JUNE 2023<sup>(1)</sup>

	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	RM'000				
<b>Period ended 30 June 2022</b>									
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	-	-	-	-	-	13,435	13,435	(227)	13,208
Other comprehensive loss for the financial period	-	-	-	-	(51)	-	(51)	-	(51)
<b>Total comprehensive income for the financial period</b>	-	-	-	-	(51)	13,435	13,384	(227)	13,157
<b>Transactions with owners</b>									
Issuance of ordinary shares pursuant to special issue	17,979	-	-	(31,605)	-	-	(13,626)	-	(13,626)
Issuance of ordinary shares pursuant to the exercise of warrants	8,001	-	(3,521)	3,521	-	-	8,001	-	8,001
<b>Total transactions with owners</b>	<b>25,980</b>	-	<b>(3,521)</b>	<b>(28,084)</b>	-	-	<b>(5,625)</b>	-	<b>(5,625)</b>
<b>As at 30 June 2022</b>	<b>147,123</b>	<b>(15,694)</b>	<b>(51,640)</b>	<b>(89,731)</b>	<b>(89)</b>	<b>63,298</b>	<b>156,547</b>	<b>2,284</b>	<b>158,831</b>

REVENUE GROUP BERHAD (201701034150 (1248321-D))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY  
FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 30 JUNE 2023<sup>(1)</sup> (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									Distributable
	Share Capital RM'000	Merger Reserve RM'000	Warrant Reserve RM'000	Other Reserve RM'000	Foreign Currency Translation Reserve RM'000					
<b>Period ended 30 June 2023</b>										
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	-	-	-	-	-	(36,005)	(36,005)	(149)	(36,154)	
Other comprehensive income for the financial period	-	-	-	-	19	-	19	-	19	
<b>Total comprehensive (loss)/income for the financial period</b>	-	-	-	-	19	(36,005)	(35,986)	(149)	(36,135)	
<b>Transactions with owners</b>										
Issuance of ordinary shares pursuant to acquisition of subsidiary company	7,963	-	-	-	-	-	7,963	-	7,963	
Issuance of ordinary shares pursuant to the exercise of warrants	46,944	-	-	-	-	-	46,944	-	46,944	
Net change of non-controlling interests	-	-	-	-	-	-	-	29,765	29,765	
<b>Total transactions with owners</b>	<b>54,907</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54,907</b>	<b>29,765</b>	<b>84,672</b>	
<b>As at 30 June 2023</b>	<b>202,030</b>	<b>(15,694)</b>	<b>51,640</b>	<b>(88,261)</b>	<b>(51)</b>	<b>26,300</b>	<b>175,964</b>	<b>31,851</b>	<b>207,815</b>	

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 FOURTH (4<sup>TH</sup>) QUARTER ENDED 30 JUNE 2023<sup>(1)</sup>**

	<b>PERIOD-TO-DATE</b>	
	<b>30.06.2023</b>	<b>30.06.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash Flows From Operating Activities</b>		
<b>(Loss)/Profit before tax</b>	<b>(35,049)</b>	<b>20,376</b>
Adjustments for:		
Depreciation/Amortisation of property, plant and equipment, right-of-use assets and intangible assets	11,553	10,641
Finance costs	2,212	668
Loss/(Gain) on disposal of property, plant and equipment	(163)	(1)
Bad debts recovered	-	(22)
PPE written off	-	1,157
Impairment losses on trade receivables	740	550
Impairment losses on other receivables	8	-
Reversal of impairment losses on trade receivables	(4)	(15)
Interest income	(296)	(598)
Income from rent concessions	-	(246)
Unrealised (gain)/loss on foreign exchange, net	(10)	680
Fair value gain in other investment	(250)	-
Share of loss in associates	1,256	906
Operating (loss)/profit before working capital changes	<u>(20,003)</u>	<u>34,096</u>
<b>Changes in working capital</b>		
Inventories	(5,426)	(3,540)
Receivables	3,733	(6,251)
Payables	(8,934)	3,568
Amount due to Directors	(4)	(152)
Amount from associate	(38)	-
Contract liabilities	746	(261)
	<u>(9,923)</u>	<u>(6,636)</u>
Cash (used in)/generated from operations	(29,926)	27,460
Interest paid	(2,212)	(668)
Interest received	296	598
Tax paid	(4,165)	(4,244)
Exchange fluctuation adjustment	-	(50)
Net cash (used in)/from operating activities	<u>(36,007)</u>	<u>23,096</u>
<b>Cash Flows From Investing Activities</b>		
Proceeds from disposal of property, plant and equipment	305	-
Purchase of property, plant and equipment	(8,912)	(22,516)
Purchase of investment properties	-	(3,035)
Acquisition of an associate	-	(12,000)
Net cash outflow arising from acquisition of subsidiary company	(32,308)	-
Acquisition of other investment net change	(18,456)	(7,735)
Net cash used in investing activities	<u>(59,371)</u>	<u>(45,286)</u>

**REVENUE GROUP BERHAD (201701034150 (1248321-D))**

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FOURTH (4<sup>TH</sup>) QUARTER ENDED 30 JUNE 2023<sup>(1)</sup> (CONT'D)**

	<b>PERIOD-TO-DATE</b>	
	<b>30.06.2023</b>	<b>30.06.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash Flows From Financing Activities</b>		
Proceeds from issuance of ordinary shares	46,944	8,001
Increase of fixed deposit pledged	-	(364)
Net changes of lease liabilities	(660)	(162)
Repayment of term loans/banker acceptance	(2,211)	(240)
Net cash (used in)/from financing activities	<b>44,073</b>	<b>7,235</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(51,305)</b>	<b>(14,955)</b>
<b>Cash and cash equivalents at the beginning of the financial period</b>	<b>82,782</b>	<b>97,105</b>
<b>Effect of exchange translation differences on cash and cash equivalents</b>	<b>30</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the financial period</b>	<b>31,507</b>	<b>82,150</b>
<b>Cash and cash equivalents at the end of the financial period comprises:</b>		
Cash and bank balances	21,901	82,150
Fixed deposits with licensed banks	9,606	619
Bank overdrafts	-	-
	<b>31,507</b>	<b>82,769</b>
Less: Fixed deposits pledged with licensed banks	-	(619)
	<b>31,507</b>	<b>82,150</b>

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

This interim financial statements on the Company’s unaudited condensed consolidated financial results for the fourth (4<sup>th</sup>) quarter ended 30 June 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:

		<b>Effective dates for financial periods beginning on or after</b>
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) Warrants conversion

The Company had issued 62,592,000 new ordinary shares pursuant to the exercise of Warrants during the financial quarter under review.

<u>Date</u>	<u>Number of new ordinary shares</u>
19 April 2023	10,000,000
26 April 2023	3,489,200
27 April 2023	877,900
3 May 2023	7,600,000
17 May 2023	15,264,900
22 May 2023	15,000,000
25 May 2023	5,000,000
29 May 2023	5,000,000
	<u>62,592,000</u>

#### 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 30 June 2023 is as follows:

## (a) Analysis of revenue by business segments

	<b>3-MONTH ENDED</b>		<b>PERIOD-TO-DATE</b>	
	<b>30.06.2023</b>	<b>30.06.2022</b>	<b>30.06.2023</b>	<b>30.06.2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Electronic Data Capture ("EDC") terminals	9,545	18,663	33,071	49,521
Electronic transaction processing Solutions and services	554	6,446	3,535	32,426
	5,150	3,435	14,460	15,722
<b>Total</b>	<b>15,249</b>	<b>28,544</b>	<b>51,066</b>	<b>97,669</b>

## (b) Analysis of revenue by geographical location

	<b>3-MONTH ENDED</b>		<b>PERIOD-TO-DATE</b>	
	<b>30.06.2023</b>	<b>30.06.2022</b>	<b>30.06.2023</b>	<b>30.06.2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Malaysia	15,249	28,544	51,066	97,669
<b>Total</b>	<b>15,249</b>	<b>28,544</b>	<b>51,066</b>	<b>97,669</b>

**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 in 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.

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

A12. Changes in the composition of the Group

Saved as disclosed below, there were no material changes in the composition of the Group for the current financial quarter under review.

(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”).

The following summarises the major classes of consideration transferred, and the recognised amount of assets and liabilities assumed for the acquisition of Innov8tif:

	<b>RM'000</b>
Property, plant and equipment	1,640
Goodwill	52,175
Trade and other receivables	6,131
Tax recoverable	24
Cash and cash equivalents	3,692
Trade and other payables	(2,904)
Tax payable	(13)
Total identifiable assets and liabilities	<u>60,745</u>

**Net cash outflow arising from the acquisition of subsidiary company**

	<b>RM'000</b>
Purchase consideration settled in cash	36,000
Cash and bank balances acquired	(3,692)
	<u>32,308</u>

**Goodwill arising from business combination**

	<b>RM'000</b>
Goodwill was recognised as a result of the acquisition as follows:	
Fair value of consideration transferred	36,000
Fair value of identifiable assets acquired and liabilities assumed	(30,980)
Goodwill	<u>5,020</u>

**REVENUE GROUP BERHAD (201701034150 (1248321-D))****A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)****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 30.06.2023 RM'000	<u>UNAUDITED</u> As at 30.06.2022 RM'000
Corporate guarantee given by REVENUE to licensed bank for banking facilities granted to a subsidiary of REVENUE	42,139	44,857
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 30.06.2023 RM'000	<u>UNAUDITED</u> As at 30.06.2022 RM'000
<b>Material commitment</b>		
Purchase of software system	-	877
	-	<b>877</b>

**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 RM15.25 million for the current financial quarter ended 30 June 2023 (30 June 2022: RM28.54 million).

The Group's revenue decreased by RM13.29 million from RM28.54 million for financial quarter ended 30 June 2022 to RM15.25 million for the financial quarter ended 30 June 2023. The lower revenue recorded was mainly attributed to the decrease in the revenue from the sale of EDC terminals by approximately RM10.76 million due to lower sale of EDC terminals during the current financial quarter. The income from the electronic transaction processing segment decreased by approximately RM5.89 million mainly due to lower average value per transaction processed. The revenue from the Solutions & Services increased by RM1.75 million due to the revenue contribution from our newly acquired subsidiary company - Innov8tif.

The Group registered a LBT of RM9.05 million in the current financial quarter ended 30 June 2023 as compared to a PBT of RM0.97 million for the financial quarter ended 30 June 2022. The LBT recorded for the current financial quarter ended 30 June 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 and finance costs. However, these costs had been slightly offset by lower share of loss of results of associates.

The lower administrative expense amounting to RM1.09 million mainly drive by lower unrealised foreign exchange loss by approximately RM0.58 million, lower staff cost by approximately RM0.42 million, and lower impairment losses on trade receivables by approximately RM0.33 million.

The Group has embarked on a series of cost rationalisation and cost containment measures from April 2023 onwards, amongst others, re-align and re-organise the Group's structure and streamline the operational workflow and processes in order to achieve better operational efficiency, as well as re-visiting the pricing structure and re-negotiating with key suppliers for key cost components, such as EDC terminals, SIM cards, outsource service providers etc. Such measures and initiatives is expected to improve the Group's financials in a sustainable way.

**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 RM51.07 million for the current financial period ended 30 June 2023 (30 June 2022: RM97.67 million).

The Group's revenue decreased by RM46.60 million from RM97.67 million for the financial period ended 30 June 2022 to RM51.07 million for the financial period ended 30 June 2023. The lower revenue recorded was mainly attributed to the decrease in the revenue from the sale of EDC terminals by approximately RM14.83 million due to lower sale quantity of EDC terminals and 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 RM1.62 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 RM28.89 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 RM1.26 million due to lower revenue from the digital payment and procurement and logistics services by approximately RM1.65 million and RM1.29 million respectively due to lower volume.

The Group registered a LBT of RM35.05 million in the current financial period ended 30 June 2023 as compared to a PBT of RM20.38 million for the financial period ended 30 June 2022. The LBT recorded for the current financial period ended 30 June 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 RM2.09 million.

The higher administrative expense amounting to RM11.85 million mainly driven by higher staff cost by approximately RM4.85 million (due to certain staff cost being expensed off during the current financial period instead of being capitalised as intangible asset (i.e. software development cost) due to lower software development activities, as well as the recognition of 12 months staff cost during the financial period of the operations of the sport facilities and food & beverages under Next Revenue Sdn Bhd (acquired in March 2022) and Aamoni Lifestyle Sdn Bhd (acquired in April 2022)), higher connectivity costs (i.e. sim cards, lease line and server costs) by approximately RM1.43 million due to increase in the number of EDC terminals under our management (increase by an average of approximately 17,000 units per month) and increase in the transaction volume processed (increase by an average of approximately 7.13 million transactions processed per annum), 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 RM0.96 million, higher marketing and promotion campaigns with key partners by approximately RM0.94 million, higher depreciation and amortisation charges by approximately RM0.91 million and higher realised foreign exchange loss by approximately RM0.68 million.

## REVENUE GROUP BERHAD (201701034150 (1248321-D))

### 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	
	30.06.2023	31.03.2023	RM'000	%
Revenue	15,249	10,101	5,148	51.0
LBT	(9,051)	(8,757)	294	3.4

For the current financial quarter ended 30 June 2023, the Group recorded a higher revenue by approximately RM5.15 million, mainly attributed to the higher revenue from the sale of EDC terminals by approximately RM4.72 million but was offset by lower rental and maintenance income by approximately RM1.20 million arising from the downward revision on the rental rate per unit with the partner banks; and higher revenue arising from the contribution of Innov8tif by approximately RM1.66 million.

For the current financial quarter ended 30 June 2023, the Group recorded a LBT of RM9.05 million as compared to a LBT of RM8.76 million in the immediate preceding financial quarter ended 31 March 2022 mainly attributed to lower GP contribution from the EDC terminals segment and lower other income, but was mitigated by lower administrative expenses and share of results of associates.

#### 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, there were no corporate proposals undertaken but not completed as at the date of this interim financial report.

**(1) Proposed Private Placement**

On 7 June 2023, the Company proposed to undertake a private placement of up to 53,321,600 new ordinary shares in REVENUE (“REVENUE Shares”), representing approximately 10% of the total number of issued ordinary shares to independent third-party investors to be identified later at an issue price to be determined later (“Proposed Private Placement”).

**(2) 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**

	<b>3-MONTH ENDED</b>		<b>PERIOD-TO-DATE</b>	
	<b>30.06.2023<sup>(1)</sup></b>	<b>30.06.2022<sup>(1)</sup></b>	<b>30.06.2023<sup>(1)</sup></b>	<b>30.06.2022<sup>(1)</sup></b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Current tax expense	109	1,116	1,105	6,749
Deferred tax expense	-	869	-	869
<b>Total tax expense</b>	<b>109</b>	<b>1,985</b>	<b>1,105</b>	<b>7,168</b>
Effective tax rate (%)	(1.20) <sup>(2)</sup> %	204.22 <sup>(3)</sup> %	(3.15) <sup>(2)</sup> %	35.18 <sup>(3)</sup> %

**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>	<u>UNAUDITED</u>
	As at 30.06.2023 RM'000	As at 30.06.2022 RM'000
<b>Current:</b>		
Lease liabilities	411	569
Term loans	2,196	-
Bank overdraft	-	-
	<u>3,100</u>	<u>569</u>
<b>Non-current:</b>		
Lease liabilities	45	506
Term loans	39,970	44,338
	<u>40,015</u>	<u>44,844</u>
<b>Total bank borrowings</b>	<u><b>43,115</b></u>	<u><b>45,413</b></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 (“1<sup>st</sup> Plaintiff”) and Revenue Harvest Sdn Bhd (“2<sup>nd</sup> Plaintiff”)  
vs  
Ng Shih Chiow (“1<sup>st</sup> Defendant”), Ng Shih Fang (“2<sup>nd</sup> Defendant”) and Safety & Bullet Film Sdn Bhd (“3<sup>rd</sup> 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 1<sup>st</sup> Plaintiff claims against the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant jointly and severally:
- (i) a declaration that the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> 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 1<sup>st</sup> Plaintiff;
  - (ii) a declaration that the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant had breached section 317A of the Capital Markets and Services Act 2007;
  - (iii) an order that the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant be restrained from exercising any voting right or other rights attached to the 1<sup>st</sup> Plaintiff’s shares owned by the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant;
  - (iv) an order that the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant be barred from becoming a director or be involved in the management of the 1<sup>st</sup> 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 1<sup>st</sup> Plaintiff claims against the 2<sup>nd</sup> Defendant:
- (i) an order that the 2<sup>nd</sup> Defendant shall within 14 days from the date of judgment transfer the motor vehicle with the registration number BPR 3108 to the 1<sup>st</sup> Plaintiff free from any encumbrances; and
  - (ii) in the event the 2<sup>nd</sup> 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 1<sup>st</sup> 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 (“1<sup>st</sup> Plaintiff”) and Revenue Harvest Sdn Bhd (“2<sup>nd</sup> Plaintiff”)  
vs  
Ng Shih Chiow (“1<sup>st</sup> Defendant”), Ng Shih Fang (“2<sup>nd</sup> Defendant”) and Safety & Bullet Film Sdn Bhd (“3<sup>rd</sup> Defendant”)  
(High Court Malaya in Kuala Lumpur - Suit No.:WA-22NCC-13-01/2023) (Cont'd)**

- (c) the 2<sup>nd</sup> Plaintiff claims against the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant jointly and severally:
- (i) a declaration that the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant had breached their duties as directors of the 2<sup>nd</sup> Plaintiff;
  - (ii) a declaration that the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant are liable to give account to the 2<sup>nd</sup> Plaintiff for the sum of RM410,343-00 or any sum deemed just by this Honourable Court;
  - (iii) an order that the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant shall pay to the 2<sup>nd</sup> 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 2<sup>nd</sup> Plaintiff is entitled to trace the sum of RM410,343-00 and claims beneficial interest in any assets or properties held by the 1<sup>st</sup> Defendant and 2<sup>nd</sup> Defendant on trust for the benefit of 2<sup>nd</sup> Plaintiff and an order that the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant shall deliver the assets or properties traced to the 2<sup>nd</sup> Plaintiff;
- (d) the 2<sup>nd</sup> Plaintiff claims against the 3<sup>rd</sup> Defendant:
- (i) a declaration that the 3<sup>rd</sup> Defendant is liable to give account to the 2<sup>nd</sup> Plaintiff for the sum of RM410,343-00 or any sum deemed just by this Honourable Court;
  - (ii) an order that the 3<sup>rd</sup> Defendant shall pay to the 2<sup>nd</sup> 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 2<sup>nd</sup> Plaintiff is entitled to trace the sum of RM410,343-00 and claims beneficial interest in any assets or properties held by the 3<sup>rd</sup> Defendant on trust for the benefit of 2<sup>nd</sup> Plaintiff and an order that the 3<sup>rd</sup> Defendant shall deliver the assets or properties traced to the 2<sup>nd</sup> 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 (“1<sup>st</sup> Plaintiff”) and Revenue Harvest Sdn Bhd (“2<sup>nd</sup> Plaintiff”)  
vs  
Ng Shih Chiow (“1<sup>st</sup> Defendant”), Ng Shih Fang (“2<sup>nd</sup> Defendant”) and Safety & Bullet Film Sdn Bhd (“3<sup>rd</sup> 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 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant be restrained from exercising any voting right or other rights attached to the 1<sup>st</sup> Plaintiff’s shares owned by the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant until the final disposal of this action;
- (b) that the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant be restrained from becoming the director of the 1<sup>st</sup> Plaintiff and/or be restrained from exercising any right and/or power as director of the 1<sup>st</sup> Plaintiff and/or be restrained from being involved in the management of the 1<sup>st</sup> Plaintiff directly or indirectly until the final disposal of this action;
- (c) that the 1<sup>st</sup> Defendant and the 2<sup>nd</sup> Defendant be restrained from acquiring, disposing or otherwise dealing in the 1<sup>st</sup> 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 1<sup>st</sup> and 2<sup>nd</sup> 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 (“1<sup>st</sup> Plaintiff”) and Revenue Harvest Sdn Bhd (“2<sup>nd</sup> Plaintiff”)  
vs  
Ng Shih Chiow (“1<sup>st</sup> Defendant”), Ng Shih Fang (“2<sup>nd</sup> Defendant”) and Safety & Bullet Film Sdn Bhd (“3<sup>rd</sup> 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 3<sup>rd</sup> 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 1<sup>st</sup> and 2<sup>nd</sup> Defendants filed their Defence and Counterclaim dated 8 February 2023 in the Suit. In the Counterclaim, the 1<sup>st</sup> and 2<sup>nd</sup> Defendants also named Ng Chee Siong (“NCS”) as a defendant in addition to the Company and Revenue Harvest. The 1<sup>st</sup> and 2<sup>nd</sup> Defendants claimed the following relief in the Counterclaim:

- (a) A Declaration that the suspension of the 1<sup>st</sup> and 2<sup>nd</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> Plaintiff scheduled to be held on 17/2/2023 (at 10 am and 4pm);
- (d) An Injunction to prevent the 1<sup>st</sup> Plaintiff from removing the 1<sup>st</sup> and 2<sup>nd</sup> Defendants as Directors of the 1<sup>st</sup> Plaintiff;
- (e) An injunction against the 1<sup>st</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> and 2<sup>nd</sup> 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 (“1<sup>st</sup> Plaintiff”) and Revenue Harvest Sdn Bhd (“2<sup>nd</sup> Plaintiff”)  
vs  
Ng Shih Chiow (“1<sup>st</sup> Defendant”), Ng Shih Fang (“2<sup>nd</sup> Defendant”) and Safety & Bullet Film Sdn Bhd (“3<sup>rd</sup> Defendant”)  
(High Court Malaya in Kuala Lumpur - Suit No.:WA-22NCC-13-01/2023) (Cont'd)**

- (h) An Order that the 1<sup>st</sup> and 2<sup>nd</sup> 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 1<sup>st</sup> and 2<sup>nd</sup> 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 1<sup>st</sup> and 2<sup>nd</sup> Defendants as this Honourable Court thinks fit.

On 8 February 2023, the 1<sup>st</sup> and 2<sup>nd</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> and 2<sup>nd</sup> Defendants be respectively removed as Directors of the 1<sup>st</sup> Plaintiff, pending the full disposal and/or final determination of this Suit;
- (2) An Interim Injunction Order to prevent and/or restrain the 1<sup>st</sup> 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 1<sup>st</sup> and 2<sup>nd</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> and 2<sup>nd</sup> Defendants as Directors of the 1<sup>st</sup> 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 1<sup>st</sup> Plaintiff to the 1<sup>st</sup> and 2<sup>nd</sup> 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 (“1<sup>st</sup> Plaintiff”) and Revenue Harvest Sdn Bhd (“2<sup>nd</sup> Plaintiff”)  
vs  
Ng Shih Chiow (“1<sup>st</sup> Defendant”), Ng Shih Fang (“2<sup>nd</sup> Defendant”) and Safety & Bullet Film Sdn Bhd (“3<sup>rd</sup> Defendant”)  
**(High Court Malaya in Kuala Lumpur - Suit No.:WA-22NCC-13-01/2023) (Cont'd)****

- (6) Such further and other relief to the 1<sup>st</sup> and 2<sup>nd</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> and 2<sup>nd</sup> Defendants be respectively removed as Directors of the 1<sup>st</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> and 2<sup>nd</sup> 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 (“1<sup>st</sup> Plaintiff”) and Revenue Harvest Sdn Bhd (“2<sup>nd</sup> Plaintiff”) vs Ng Shih Chiow (“1<sup>st</sup> Defendant”), Ng Shih Fang (“2<sup>nd</sup> Defendant”) and Safety & Bullet Film Sdn Bhd (“3<sup>rd</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> and 2<sup>nd</sup> 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 1<sup>st</sup> and 2<sup>nd</sup> Defendants and the counsel for the Company informed that:

- (1) the 1<sup>st</sup> and 2<sup>nd</sup> 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.

At the case management held on 26 June 2023, the Court gave the following directions:

- (1) the next case management is fixed on 28 August 2023; and
- (2) the trial of the Suit fixed on 5 to 8 August 2024 are vacated and rescheduled to 4 to 7 November 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>30.06.2023</u>	<u>30.06.2022</u>	<u>30.06.2023</u>	<u>30.06.2022</u>
(Loss)/Profit attributable to owners of the Company (RM'000)	(9,034)	566	(36,005)	13,435

**Basic EPS**

Weighted average number of ordinary shares ('000)	516,552	469,041	488,364	464,686
Basic (LPS)/EPS (sen)	(1.75)	0.12	(7.37)	2.89

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>30.06.2023</u>	<u>30.06.2022</u>	<u>30.06.2023</u>	<u>30.06.2022</u>
(Loss)/Profit attributable to owners of the Company (RM'000)	(9,034)	566	(36,005)	13,435

**Diluted EPS**

Weighted average number of ordinary shares ('000)	615,718	636,072	587,529	475,232
Diluted (LPS)/EPS (sen) <sup>(1)</sup>	(1.47)	0.09	(6.13)	2.83

**Note:**

- (1) Diluted EPS of the Company for the individual quarter and period-to-date ended 30 June 2023 is calculated based on the weighted average number of ordinary shares in issue of 615,717,963 and 587,528,929 as at 30 June 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 30 June 2022 is calculated based on the weighted average number of ordinary shares in issue of 636,072,991 (adjusted for contingently issuable ordinary shares and number of shares under warrants) and 475,232,120 (adjusted for contingently issuable ordinary shares) as at 30 June 2022 respectively.

**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):

	<b>3-MONTH ENDED</b>		<b>PERIOD-TO-DATE</b>	
	<b>30.06.2023</b>	<b>30.06.2022</b>	<b>30.06.2023</b>	<b>30.06.2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Depreciation/Amortisation of property, plant and equipment, right-of-use assets and intangible assets	2,977	2,381	11,553	10,641
Impairment losses on trade receivables	(137)	121	740	550
Impairment losses on other receivables	8	-	8	-
Reversal of impairment losses on trade receivables	-	210	(4)	(15)
Fair value loss/(gain) in other investment	(68)	-	(250)	-
Loss/(Gain) on foreign exchange, net				
• Realised	63	50	(55)	116
• Unrealised	103	680	(10)	680
Rental expenses				
• Office	108	15	415	149
Bad debts recovered	-	(7)	-	(22)
Loss/(Gain) on disposal of property, plant and equipment	(156)	7	(163)	(1)
Interest income	(33)	(159)	(296)	(598)
Rental income	(165)	(216)	(647)	(246)

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