

REVENUE GROUP BERHAD (1248321-D)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD (3RD) QUARTER ENDED 31 MARCH 2018⁽¹⁾

	Note	3-MONTH ENDED		PERIOD-TO-DATE	
		31.03.2018 RM'000	31.03.2017 ⁽²⁾ RM'000	31.03.2018 RM'000	31.03.2017 ⁽²⁾ RM'000
Revenue	A9	7,940	N/A	23,337	N/A
Cost of sales		(2,314)	N/A	(7,803)	N/A
Gross profit ("GP")		5,626	N/A	15,534	N/A
Other income		146	N/A	419	N/A
Administrative expenses		(3,420)	N/A	(8,990)	N/A
Finance costs		(102)	N/A	(301)	N/A
Profit before tax ("PBT")	B12	2,250	N/A	6,662	N/A
Taxation	B6	(407)	N/A	(1,462)	N/A
Profit after tax ("PAT")		1,843	N/A	5,200	N/A

Profit for the financial period attributable to:

• Owners of the Company		1,808	N/A	5,120	N/A
• Non-controlling interests		35	N/A	80	N/A
		1,843	N/A	5,200	N/A

Total comprehensive income for the financial period attributable to:

• Owners of the Company		1,808	N/A	5,120	N/A
• Non-controlling interests		35	N/A	80	N/A
		1,843	N/A	5,200	N/A

Earnings per share attributable to owners of the Company

• Basic (sen) ⁽³⁾	B11	1.08	N/A	3.06	N/A
• Diluted (sen) ⁽⁴⁾	B11	1.08	N/A	3.06	N/A

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 should be read in conjunction with the Accountants' Report as disclosed in the Prospectus dated 11 June 2018 and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the first interim financial report announced in compliance with the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"). There are no comparative figures for the preceding quarter and period-to-date available as no interim financial report was prepared for the comparative financial period concerned.
- (3) Basic earnings per share is calculated based on the pro forma enlarged share capital of 167,136,000 shares in issue assuming that the share sale agreement ("SSA") referred to in Note A7 below has been completed as at 31 March 2018.
- (4) Diluted earnings per share of the Company for the individual quarter ended 31 March 2018 and year-to-date ended 31 March 2018 is equivalent to the basic earnings per share as the Company does not have any convertible options as at the end of the reporting period.

N/A – Not applicable

REVENUE GROUP BERHAD (1248321-D)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018⁽¹⁾**

	UNAUDITED	UNAUDITED
	As at 31.03.2018 RM'000	As at 31.03.2017 ⁽²⁾ RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	22,631	N/A
Goodwill on consolidation	2,684	N/A
Total non-current assets	25,315	N/A
Current Assets		
Trade receivables	5,403	N/A
Other receivables	1,796	N/A
Tax recoverable	2	N/A
Fixed deposits with licensed banks	545	N/A
Cash and bank balances	15,373	N/A
Total current assets	23,119	N/A
TOTAL ASSETS	48,434	N/A
EQUITY AND LIABILITIES		
Equity		
Share capital	1,020	N/A
Retained earnings	20,833	N/A
Equity attributable to owners of the Company	21,853	N/A
Non-controlling interests	61	N/A
Total Equity	21,914	N/A
Liabilities		
Non-current liabilities		
Bank borrowings	6,852	N/A
Finance lease payables	69	N/A
Deferred tax liabilities	581	N/A
Total non-current liabilities	7,502	N/A
Current liabilities		
Trade payables	1,920	N/A
Other payables	15,534	N/A
Amount due to Directors	33	N/A
Finance lease payables	16	N/A
Bank borrowings	1,187	N/A
Tax payable	328	N/A
Total current liabilities	19,018	N/A
TOTAL LIABILITIES	26,520	N/A
TOTAL EQUITY AND LIABILITIES	48,434	N/A
Weighted Average number of ordinary shares ('000)	167,136	N/A
NET ASSETS PER SHARE (RM)⁽³⁾	0.13	N/A

REVENUE GROUP BERHAD (1248321-D)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018⁽¹⁾ (CONT'D)**

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus dated 11 June 2018 and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Malaysia. There are no comparative figures for the preceding quarter available as no interim financial report was prepared for the comparative financial period concerned.
- (3) Based on the pro forma enlarged share capital of 167,136,000 shares in issue assuming that the SSA referred to in Note A7 below has been completed as at 31 March 2018.

N/A – Not applicable

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REVENUE GROUP BERHAD (1248321-D)**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY
FOR THE THIRD (3RD) QUARTER ENDED 31 MARCH 2018⁽¹⁾⁽²⁾**

	<u>Attributable to owners of the parent</u>			Non- controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Distributable Retained Earnings RM'000	Total RM'000		
As at 1 July 2017	1,000	15,713	16,713	(19)	16,694
Profit for the financial period, representing total comprehensive income for the financial period	-	5,120	5,120	80	5,200
Transactions with owners					
Issued of ordinary shares	20	-	20	-	20
As at 31 March 2018	1,020	20,833	21,853	61	21,914

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus dated 11 June 2018 and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding quarter available as no interim financial report was prepared for the comparative financial period concerned.

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REVENUE GROUP BERHAD (1248321-D)
**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THIRD (3rd) QUARTER ENDED 31 MARCH 2018⁽¹⁾**

	PERIOD-TO-DATE	
	31.03.2018	31.03.2017⁽²⁾
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit before tax	6,662	N/A
Adjustments for:		
Bad debts written off		
• Trade receivables	209	N/A
• Other receivables	-	N/A
Depreciation of property, plant and equipment	3,278	N/A
Finance costs	301	N/A
Gain on disposal of property, plant and equipment	(15)	N/A
Impairment losses on trade receivables	60	N/A
Reversal of impairment losses on trade receivables	(1)	N/A
Deposits forfeited	(9)	N/A
Interest income	(60)	N/A
Unrealised gain on foreign exchange	(165)	N/A
Operating profit before working capital changes	<u>10,260</u>	<u>N/A</u>
Change in working capital		
Receivables	(1,456)	N/A
Payables	3,447	N/A
Amount due to Directors	(275)	N/A
	<u>1,716</u>	<u>N/A</u>
Cash generated from operations	11,976	N/A
Interest paid	(301)	N/A
Interest received	60	N/A
Tax paid	(1,292)	N/A
Tax refund	34	N/A
Net cash from operating activities	<u>10,477</u>	<u>N/A</u>
Cash Flows From Investing Activities		
Proceeds from disposal of property, plant and equipment	17	N/A
Proceeds from disposal of investment properties	2,181	N/A
Purchase of property, plant and equipment	(4,029)	N/A
Net cash used in investing activities	<u>(1,831)</u>	<u>N/A</u>
Cash Flows From Financing Activities		
Decrease in fixed deposits pledged	75	N/A
Dividends paid	(2,100)	N/A
Proceeds from issuance of shares	20	N/A
Repayment of finance lease payables	(353)	N/A
Repayment of term loans	(142)	N/A
Net cash used in financing activities	<u>(2,500)</u>	<u>N/A</u>
Net increase in cash and cash equivalents	6,146	N/A
Cash and cash equivalents at the beginning of the financial period	8,321	N/A
Effect of exchange translation differences on cash and cash equivalents	28	N/A
Cash and cash equivalents at the end of the financial period	<u>14,495</u>	<u>N/A</u>

REVENUE GROUP BERHAD (1248321-D)

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THIRD (3rd) QUARTER ENDED 31 MARCH 2018⁽¹⁾ (CONT'D)**

	PERIOD-TO-DATE	
	31.03.2018	31.03.2017⁽²⁾
	RM'000	RM'000
Cash and cash equivalents at the end of the financial period comprises:		
Cash and bank balances	15,373	N/A
Fixed deposits with licensed banks	545	N/A
Bank overdraft	(993)	N/A
	<u>14,925</u>	<u>N/A</u>
Less: Fixed deposits pledged with licensed banks	(430)	N/A
	<u>14,495</u>	<u>N/A</u>

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus dated 11 June 2018 and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding period-to-date available as no interim financial report was prepared for the comparative financial period concerned.

N/A – Not applicable

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REVENUE GROUP BERHAD (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 subsidiaries (“**the Group**”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“**MFRS**”) No. 134: Interim Financial Reporting and Rule 9.22 of Listing Requirements of Bursa Securities.

This is the first interim financial statements on the Company’s unaudited condensed consolidated financial results for the third (3rd) quarter ended 31 March 2018 announced by the Company in compliance with the Listing Requirements of Bursa Securities and as such, there are no comparative figures for the preceding year’s corresponding period.

This interim financial report should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus of the Company dated 11 June 2018 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 Accountants’ Report in the Prospectus of the Group dated 11 June 2018, except for the adoption of the following MFRSs, Amendments to MFRSs and new Interpretations effective for the financial periods beginning on or after 1 January 2018.

Standards issued but not yet effective

		Effective dates for financial periods beginning on or after
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 4	Applying MFRS 9 <i>Financial Instruments</i> with MFRS 4 <i>Insurance Contracts</i>	1 January 2018*
Amendments to MFRS 15	Clarifications to MFRS 15	1 January 2018
Amendments to MFRS 140	Transfers of Investment Property	1 January 2018
Annual Improvements to MFRSs 2014 - 2016 Cycle:		
• Amendments to MFRS 1		1 January 2018
• Amendments to MFRS 128		1 January 2018
IC Interpretation 23	Uncertainty Over Income Tax Treatments	1 January 2019
Amendments to MFRS 9	Prepayment Features with Negative Compensation	1 January 2019

REVENUE GROUP BERHAD (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 (Cont'd)

		Effective dates for financial periods beginning on or after
Amendments to MFRS 128	Long Term Interests in Associates and Joint Ventures	1 January 2019
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement	1 January 2019
Annual Improvements to MFRSs 2015 - 2017 Cycle:		
• Amendments to MFRS 3		1 January 2019
• Amendments to MFRS 11		1 January 2019
• Amendments to MFRS 112		1 January 2019
• Amendments to MFRS 123		1 January 2019
Amendments to References to the Conceptual Framework in MFRS Standards		
• Amendments to MFRS 2 <i>Share-Based Payment</i>		1 January 2020
• Amendments to MFRS 3 <i>Business Combination</i>		1 January 2020
• Amendments to MFRS 6 <i>Exploration for and Evaluation of Mineral Resources</i>		1 January 2020
• Amendments to MFRS 14 <i>Regulatory Deferral Accounts</i>		1 January 2020
• Amendments to MFRS 101 <i>Presentation of Financial Statements</i>		1 January 2020
• Amendments to MFRS 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>		1 January 2020
• Amendments to MFRS 134 <i>Interim Financial Reporting</i>		1 January 2020
• Amendments to MFRS 137 <i>Provisions, Contingent Liabilities and Contingent Assets</i>		1 January 2020
• Amendments to MFRS 138 <i>Intangible Assets</i>		1 January 2020
• Amendments to IC Interpretation 12 <i>Service Concession Arrangements</i>		1 January 2020
• Amendments to IC Interpretation 19 <i>Extinguishing Financial Liabilities with Equity Instruments</i>		1 January 2020
• Amendments to IC Interpretation 20 <i>Stripping Costs in the Production Phase of a Surface Mine</i>		1 January 2020
• Amendments to IC Interpretation 22 <i>Foreign Currency Transactions and Advances Consideration</i>		1 January 2020
• Amendments to IC Interpretation 123 <i>Intangible Assets – Website Costs</i>		1 January 2020
MFRS 17	Insurance Contracts	1 January 2021
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

* *Entities that meet the specific criteria in MFRS 4, paragraph 20B, may choose to defer the application of MFRS 9 until the earlier of the forthcoming insurance contracts standard or annual periods beginning before 1 January 2021.*

REVENUE GROUP BERHAD (1248321-D)

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

A3. Auditors' report on preceding annual financial statements

REVENUE was incorporated on 26 September 2017, as such, there was no auditors' report on the preceding annual financial statements. However, the auditors' report for the financial year ended 30 June 2017 of Revenue Harvest Sdn Bhd ("**Revenue Harvest**") was not subject to any qualification.

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-to-date.

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.

On 19 December 2017, the Company had entered into a conditional SSA with the vendors of Revenue Harvest to acquire the entire equity interest in Revenue Harvest comprising 1,000,000 ordinary shares for a total purchase consideration of RM16,693,600. The purchase consideration was satisfied by the issuance of 166,936,000 new shares of the Company to the vendors of Revenue Harvest at an issue price of RM0.10 each. The acquisition of Revenue Harvest was completed on 30 April 2018.

In conjunction with the Company's listing on the ACE Market of Bursa Securities, the Company has undertaken an initial public offering ("**IPO**") comprising:

- (i) Public issue of 55,712,000 new ordinary shares in the Company at an issue price of RM0.37 per share ("**IPO Price**") allocated in the following manner:-
 - 11,142,400 new shares available for application by the Malaysian Public;
 - 11,142,400 new shares available for application by the eligible directors and employees who have contributed to the success of the Group; and
 - 33,427,200 new shares by way of private placement to selected investors.

and

- (ii) Offer for sale of 16,713,600 existing shares by way of private placement to selected investors at the IPO Price.

REVENUE GROUP BERHAD (1248321-D)

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

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 period ended 31 March 2018 is as follows:

(a) Analysis of revenue by business segments

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.03.2018	31.03.2017⁽¹⁾	31.03.2018	31.03.2017⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
Electronic Data Capture ("EDC") terminals	3,273	N/A	9,059	N/A
Electronic transaction processing Solutions and services	3,791	N/A	11,515	N/A
	876	N/A	2,763	N/A
Total	7,940	N/A	23,337	N/A

(b) Analysis of revenue by geographical location

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.03.2018	31.03.2017⁽¹⁾	31.03.2018	31.03.2017⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
Malaysia	7,625	N/A	22,542	N/A
Dubai	-	N/A	480	N/A
China	315	N/A	315	N/A
Total	7,940	N/A	23,337	N/A

Notes:

- (1) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding quarter and period-to-date available as no interim financial report was prepared for the comparative financial period concerned.

N/A – Not applicable

A10. Valuation of property, plant and equipment

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

REVENUE GROUP BERHAD (1248321-D)

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

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

Save as disclosed below, 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) On 19 December 2017, the Company had entered into the SSA with the vendors of Revenue Harvest to acquire the entire equity interest in Revenue Harvest comprising 1,000,000 ordinary shares for a total purchase consideration of RM16,693,600. The acquisition of Revenue Harvest was completed on 30 April 2018.
- (b) On 11 June 2018, the Company issued its Prospectus and undertook an IPO comprising:-
- (i) Public issue of 55,712,000 new ordinary shares in the Company at the IPO Price allocated in the following manner:-
- 11,142,400 new shares available for application by the Malaysian Public;
 - 11,142,400 new shares available for application by the eligible directors and employees who have contributed to the success of the Group; and
 - 33,427,200 new shares by way of private placement to selected investors.

and

- (ii) Offer for sale of 16,713,600 existing shares by way of private placement to selected investors at the IPO Price.

Thereafter, the listing of and quotation for the Company's enlarged issued share capital comprising 222,848,000 shares on the ACE Market of Bursa Securities is expected to be on 18 July 2018.

A12. Changes in the composition of the Group

Save as disclosed in Note A11, there were no material changes in the composition of the Group for the current financial period-to-date under review.

REVENUE GROUP BERHAD (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 31.03.2018 RM'000	<u>UNAUDITED</u> As at 31.03.2017⁽¹⁾ RM'000
Secured		
Bank guarantee given to Payments Network Malaysia Sdn. Bhd. (formerly known as Malaysian Electronic Clearing Corporation Sdn. Bhd.) in favour of Revenue Solution Sdn. Bhd.	900	N/A

Notes:

- (1) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding quarter available as no interim financial report was prepared for the comparative financial period concerned.

N/A – Not applicable

A14. Capital commitments

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

A15. Operating lease commitments

The future minimum lease payments under non-cancellable operating leases are as follows:-

	<u>UNAUDITED</u> As at 31.03.2018 RM'000	<u>UNAUDITED</u> As at 31.03.2017⁽¹⁾ RM'000
Not later than 1 year	69	N/A
Later than 1 year and not later than 5 years	17	N/A
	<u>86</u>	<u>N/A</u>

Notes:

- (1) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding quarter available as no interim financial report was prepared for the comparative financial period concerned.

N/A – Not applicable

REVENUE GROUP BERHAD (1248321-D)

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

A16. Related party transactions

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

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REVENUE GROUP BERHAD (1248321-D)

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

The Group recorded revenue of RM7.94 million for the current financial quarter ended 31 March 2018.

The Group's revenue was principally derived from the EDC terminals and electronic transaction processing segments, accounting for approximately 41.2% and 47.7% of the total revenue for the current financial quarter ended 31 March 2018. The Malaysian market remains the largest market contributing to the Group's revenue accounting for approximately 96.0% of the total revenue for the current financial quarter ended 31 March 2018.

The Group registered a PBT of RM2.25 million in the current financial quarter under review.

(b) Results for financial year-to-date

For the financial year-to-date, the Group recorded revenue of RM23.34 million.

The Group's revenue was principally derived from the EDC terminals and electronic transaction processing segments, accounting for approximately 38.8% and 49.3% of the total revenue for the financial period-to-date. The Malaysian market remains the largest market contributing to the Group's revenue accounting to approximately 96.6% of the total revenue for the financial period-to-date.

There are no comparative figures for the preceding year available as this is the first interim financial report being announced by the Group in compliance with the Listing Requirements.

B2. Comparison with immediate preceding quarter's results

There are no comparative figures for the preceding quarter available as this is the first interim financial report for the first quarter ended 31 March 2018 announcement in compliance with the Listing Requirements.

REVENUE GROUP BERHAD (1248321-D)

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

B3. Prospects and outlook

As disclosed in the Prospectus of the Company dated 11 June 2018, the Group has put in place a series of future plans as follows:

- (i) The Group intends to expand its business presence in Malaysia by deploying new digital EDC terminals with capability to accept Quick Respond (“QR”) Payment to its physical store merchants;
- (ii) The Group intends to upgrade and enhance its revPAY platform and the data centre to cater for higher volume of electronic transactions, as well as recruit additional Information Technology (“IT”) personnel to support its product development and business expansion; and
- (iii) The Group also intends to expand its geographical reach by entering into selected ASEAN countries such as Cambodia and Myanmar.

B4. Profit Forecast or Profit Guarantee

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

B5. Status of corporate proposals

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

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REVENUE GROUP BERHAD (1248321-D)**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)****B6. Income tax expenses**

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.03.2018	31.03.2017⁽¹⁾	31.03.2018	31.03.2017⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
Current tax expense	373	N/A	1,762	N/A
Deferred tax expense	34	N/A	(300)	N/A
Total tax expense	407	N/A	1,462	N/A
Effective tax rate (%)	18.09%	N/A	21.95%	N/A

Notes:

- (1) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding quarter available as no interim financial report was prepared for the comparative financial period concerned.
- (2) The Group's effective tax rate was lower than the statutory income tax rate due to one of the subsidiary, Revenue Techpark Sdn Bhd ("**Revenue Techpark**"), which was granted pioneer status by the Malaysian Investment Development Authority under the provisions of the Promotion of Investment Act 1986 on 13 July 2011, for a period of five (5) years up to 12 July 2016, which was subsequently extended for another 5 years to 12 July 2021. As such, Revenue Techpark's statutory income during this period is exempted from income tax.
- (3) Income tax expense is recognised based on management's best estimate.

N/A – Not applicable

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REVENUE GROUP BERHAD (1248321-D)

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

B7. Utilisation of proceeds from the IPO

Based on the IPO Price, the gross proceeds arising from the Public issue amounting to RM20.61 million is intended to be utilised in the following manner:-

<u>Details of utilisation</u>	<u>Proposed Utilisation</u> RM'000	<u>Actual Utilisation</u> RM'000	<u>Estimated timeframe for utilisation upon listing</u>
Capital expenditure	8,100	N/A	24 months
Enhancement of revPAY and expansion of IT team	4,040	N/A	24 months
Repayment of bank borrowings	2,500	N/A	3 months
Business expansion	1,500	N/A	24 months
Working capital	1,773	N/A	24 months
Listing expenses	2,700	N/A	Immediately
	<u>20,613</u>	<u>N/A</u>	

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 11 June 2018.

Note:

N/A – Not applicable

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REVENUE GROUP BERHAD (1248321-D)**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)****B8. Bank borrowings**

The Group's bank borrowings were as follows:

	<u>UNAUDITED</u> As at 31.03.2018 RM'000	<u>UNAUDITED</u> As at 31.03.2017 ⁽¹⁾ RM'000
Current:		
Finance lease payable	16	N/A
Term loans	194	N/A
Bank overdraft	993	N/A
	<u>1,203</u>	<u>N/A</u>
Non-current:		
Finance lease payable	69	N/A
Term loans	6,852	N/A
	<u>6,921</u>	<u>N/A</u>
Total bank borrowings	<u>8,124</u>	<u>N/A</u>

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

Notes:

- (1) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding quarter available as no interim financial report was prepared for the comparative financial period concerned.

N/A – Not applicable

B9. Material litigation

There were no material litigation involving the Group as at 31 March 2018.

B10. Dividend

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

REVENUE GROUP BERHAD (1248321-D)**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)****B11. Earnings per share**

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

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.03.2018	31.03.2017⁽¹⁾	31.03.2018	31.03.2017⁽¹⁾
Profit attributable to ordinary owners of the Company (RM'000)	1,808	N/A	5,120	N/A
Number of ordinary shares ('000)	167,136	N/A	167,136	N/A
Basic EPS (sen) ⁽²⁾	1.08	N/A	3.06	N/A
Diluted EPS (sen) ⁽³⁾	1.08	N/A	3.06	N/A

Notes:

- (1) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding quarter available as no interim financial report was prepared for the comparative financial period concerned.
- (2) Basic earnings per share is calculated based on the pro forma enlarged share capital of 167,136,000 shares in issue assuming that the SSA has been completed as at 31 March 2018.
- (3) Diluted earnings per share of the Company for the individual quarter ended 31 March 2018 and period-to-date ended 31 March 2018 is equivalent to the basic earnings per share as the Company does not have any convertible options as at the end of the reporting period.

N/A – Not applicable

REVENUE GROUP BERHAD (1248321-D)**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)****B12. Disclosure on selected expense/income items as required by the Listing Requirements**

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

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.03.2018	31.03.2017⁽¹⁾	31.03.2018	31.03.2017⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
Bad debts written off				
• Trade receivables	-	N/A	184	N/A
• Other receivables	-	N/A	25	N/A
Depreciation of property, plant and equipment	1,159	N/A	3,278	N/A
Impairment losses on trade receivables	-	N/A	60	N/A
Incorporation fee	-	N/A	(4)	N/A
Reversal of impairment losses on trade receivables	-	N/A	(1)	N/A
Loss/(Gain) on foreign exchange				
• Realised	117	N/A	181	N/A
• Unrealised	(28)	N/A	(165)	N/A
Rental expenses				
• Office/space	51	N/A	133	N/A
• Leased equipment	65	N/A	97	N/A
Bad debts recovered	(2)	N/A	(2)	N/A
Deposits forfeited	-	N/A	(9)	N/A
Gain on disposal of property, plant and equipment	(9)	N/A	(24)	N/A
Interest income	(37)	N/A	(98)	N/A
Rental income	-	N/A	(21)	N/A

Note:

(1) This is the first interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding quarter and period-to-date available as no interim financial report was prepared for the comparative financial period concerned.

N/A – Not applicable

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