

REVENUE GROUP BERHAD (1248321-D)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST (1<sup>ST</sup>) QUARTER ENDED 30 SEPTEMBER 2018<sup>(1)</sup>

	Note	3-MONTH ENDED		PERIOD-TO-DATE	
		30.09.2018 RM'000	30.09.2017 <sup>(2)</sup> RM'000	30.09.2018 RM'000	30.09.2017 <sup>(2)</sup> RM'000
Revenue	A9	14,836	N/A	14,836	N/A
Cost of sales		(6,512)	N/A	(6,512)	N/A
<b>Gross profit ("GP")</b>		<b>8,324</b>	<b>N/A</b>	<b>8,324</b>	<b>N/A</b>
Other income		18	N/A	18	N/A
Administrative expenses <sup>(3)</sup>		(5,027)	N/A	(5,027)	N/A
Finance costs		(103)	N/A	(103)	N/A
<b>Profit before tax ("PBT")</b>	B12	<b>3,212</b>	<b>N/A</b>	<b>3,212</b>	<b>N/A</b>
Taxation	B6	(935)	N/A	(935)	N/A
<b>Profit after tax ("PAT")</b>		<b>2,277</b>	<b>N/A</b>	<b>2,277</b>	<b>N/A</b>
<b>Profit for the financial period attributable to:</b>					
• Owners of the Company		1,926	N/A	1,926	N/A
• Non-controlling interests		351	N/A	351	N/A
		<u>2,277</u>	<u>N/A</u>	<u>2,277</u>	<u>N/A</u>
<b>Total comprehensive income for the financial period attributable to:</b>					
• Owners of the Company		1,926	N/A	1,926	N/A
• Non-controlling interests		351	N/A	351	N/A
		<u>2,277</u>	<u>N/A</u>	<u>2,277</u>	<u>N/A</u>
<b>Earnings per share attributable to owners of the Company</b>					
• Basic (sen) <sup>(4)</sup>	B11	<u>0.86</u>	<u>N/A</u>	<u>0.86</u>	<u>N/A</u>
• Diluted (sen) <sup>(5)</sup>	B11	<u>0.86</u>	<u>N/A</u>	<u>0.86</u>	<u>N/A</u>

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST (1<sup>ST</sup>) QUARTER ENDED 30 SEPTEMBER 2018<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) This interim financial report for the first (1<sup>st</sup>) quarter ended 30 September 2018 is announced in compliance with the ACE Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”). As the Company was only listed on the ACE Market of Bursa Securities on 18 July 2018, 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) Administration expenses included one-off listing expenses of RM0.64 million. For illustration purposes only, the Company’s normalised financial performance after adjusting for the one-off listing expenses is as follow:

	<b>3-MONTH ENDED</b>		<b>PERIOD-TO-DATE</b>	
	<b>30.09.2018</b>	<b>30.09.2017<sup>(1)</sup></b>	<b>30.09.2018</b>	<b>30.09.2017<sup>(1)</sup></b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>PBT</b>	<b>3,212</b>	<b>N/A</b>	<b>3,212</b>	<b>N/A</b>
Add: Listing expenses	640	N/A	640	N/A
<b>Adjusted PBT</b>	<b>3,852</b>	<b>N/A</b>	<b>3,852</b>	<b>N/A</b>

- (4) Basic earnings per share is calculated based on the enlarged share capital of 222,848,000 shares as at 30 September 2018.
- (5) Diluted earnings per share of the Company for the individual quarter ended 30 September 2018 and period-to-date ended 30 September 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 30 SEPTEMBER 2018<sup>(1)</sup>

	<u>UNAUDITED</u>	<u>AUDITED</u>
	As at 30.09.2018 RM'000	As at 30.06.2018 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	22,812	24,329
Goodwill on consolidation	2,684	2,684
<b>Total non-current assets</b>	<b>25,496</b>	<b>27,013</b>
<b>Current Assets</b>		
Trade receivables	13,620	9,226
Other receivables	2,371	1,835
Tax recoverable	-	290
Fixed deposits with licensed banks	545	545
Cash and bank balances	26,276	14,715
<b>Total current assets</b>	<b>42,812</b>	<b>26,611</b>
<b>TOTAL ASSETS</b>	<b>68,308</b>	<b>53,624</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	35,581	16,714
Merger reserve	(15,694)	(15,694)
Retained earnings	23,989	22,488
<b>Equity attributable to owners of the Company</b>	<b>43,876</b>	<b>23,508</b>
Non-controlling interests	581	230
<b>Total Equity</b>	<b>44,457</b>	<b>23,738</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Bank borrowings	6,785	6,793
Finance lease payables	343	353
Deferred tax liabilities	367	367
<b>Total non-current liabilities</b>	<b>7,495</b>	<b>7,513</b>
<b>Current liabilities</b>		
Trade payables	3,106	3,031
Other payables	11,005	17,005
Amount due to Directors	87	78
Finance lease payables	45	45
Bank borrowings	1,071	1,178
Derivative financial liability	-	19
Tax payable	1,042	1,017
<b>Total current liabilities</b>	<b>16,356</b>	<b>22,373</b>
<b>TOTAL LIABILITIES</b>	<b>23,851</b>	<b>29,886</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>68,308</b>	<b>53,624</b>
<b>Weighted average number of ordinary shares ('000)</b>	222,848	167,136
<b>NET ASSETS PER SHARE (RM)<sup>(2)</sup></b>	0.20	0.14

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2018<sup>(1)</sup> (CONT'D)**

**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) Based on the share capital of 167,136,000 shares in issue as at 30 June 2018 and enlarged share capital of 222,848,000 shares in issue as at 30 September 2018.

*N/A – Not applicable*

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REVENUE GROUP BERHAD (1248321-D)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY  
FOR THE FIRST (1<sup>ST</sup>) QUARTER ENDED 30 SEPTEMBER 2018<sup>(1)(2)</sup>

	Attributable to owners of the parent					Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Non-Distributable Merger Reserve RM'000	Distributable Retained Earnings RM'000	Total RM'000			
<b>As at 1 July 2018</b>							
- as previously stated	16,714	(15,694)	22,488	23,508	230	23,738	
- effect of adoption of MFRS 9	-	-	(425)	(425)	-	(425)	
As at 1 July 2018 (restated)	16,714	(15,694)	22,063	23,083	230	23,313	
Profit for the financial period, representing total comprehensive income for the financial period	-	-	1,926	1,926	351	2,277	
<b>Transactions with owners</b>							
Issuance of shares by the Company	20,613	-	-	20,613	-	20,613	
Share issuance expenses	(1,746)	-	-	(1,746)	-	(1,746)	
<b>As at 30 September 2018</b>	<b>35,581</b>	<b>(15,694)</b>	<b>23,989</b>	<b>43,876</b>	<b>581</b>	<b>44,457</b>	

Notes:

- (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.
- (2) This interim financial report for the first (1<sup>st</sup>) quarter ended 30 September 2018 is announced in compliance with the Listing Requirements of Bursa Securities. As the Company was only listed on the ACE Market of Bursa Securities on 18 July 2018, there are no comparative figures for the preceding quarter available as no interim financial report was prepared for the comparative financial period concerned.

REVENUE GROUP BERHAD (1248321-D)

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE FIRST (1<sup>ST</sup>) QUARTER ENDED 30 SEPTEMBER 2018<sup>(1)</sup>

	PERIOD-TO-DATE	
	30.09.2018 RM'000	30.09.2017 <sup>(2)</sup> RM'000
<b>Cash Flows From Operating Activities</b>		
<b>Profit before tax</b>	<b>3,212</b>	<b>N/A</b>
Adjustments for:		
Depreciation of property, plant and equipment	1,258	N/A
Finance costs	103	N/A
Gain on disposal of property, plant and equipment	(1)	N/A
Expected credit losses on trade receivables	190	N/A
Interest income	(16)	N/A
Unrealised loss on foreign exchange	11	N/A
Operating profit before working capital changes	4,757	N/A
<b>Change in working capital</b>		
Receivables	(5,120)	N/A
Payables	(5,608)	N/A
Amount due to Directors	9	N/A
Derivative financial liabilities	(19)	
	(10,738)	N/A
Cash used in operations	(5,981)	N/A
Interest paid	(103)	N/A
Interest received	16	N/A
Tax paid	(620)	N/A
Tax refund	-	N/A
Net cash used in operating activities	<b>(6,688)</b>	<b>N/A</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of property, plant and equipment	(482)	N/A
Net cash used in investing activities	<b>(482)</b>	<b>N/A</b>
<b>Cash Flows From Financing Activities</b>		
Proceeds from issuance of shares	18,867	N/A
Repayment of finance lease payables	(10)	N/A
Repayment of term loans	(7)	N/A
Net cash from financing activities	<b>18,850</b>	<b>N/A</b>
<b>Net increase in cash and cash equivalents</b>	<b>11,680</b>	<b>N/A</b>
<b>Cash and cash equivalents at the beginning of the financial period</b>	<b>13,846</b>	<b>N/A</b>
<b>Effect of exchange translation differences on cash and cash equivalents</b>	<b>(11)</b>	<b>N/A</b>
<b>Cash and cash equivalents at the end of the financial period</b>	<b>25,515</b>	<b>N/A</b>

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

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FIRST (1<sup>ST</sup>) QUARTER ENDED 30 SEPTEMBER 2018<sup>(1)</sup> (CONT'D)**

	<b>PERIOD-TO-DATE</b>	
	<b>30.09.2018</b>	<b>30.09.2017<sup>(2)</sup></b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash and cash equivalents at the end of the financial period comprises:</b>		
Cash and bank balances	26,276	N/A
Fixed deposits with licensed banks	545	N/A
Bank overdraft	(876)	N/A
	<u>25,945</u>	<u>N/A</u>
Less: Fixed deposits pledged with licensed banks	(430)	N/A
	<u><b>25,515</b></u>	<u><b>N/A</b></u>

**Notes:**

- (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.
- (2) This interim financial report for the first (1<sup>st</sup>) quarter ended 30 September 2018 is announced in compliance with the Listing Requirements of Bursa Securities. As the Company was only listed on the ACE Market of Bursa Securities on 18 July 2018, 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 interim financial statements on the Company’s unaudited condensed consolidated financial results for the first (1<sup>st</sup>) quarter ended 30 September 2018 is announced by the Company in compliance with the Listing Requirements of Bursa Securities. As the Company was only listed on the ACE Market of Bursa Securities on 18 July 2018, there are no comparative figures for the preceding year’s corresponding period.

This interim financial report should be read in conjunction with the audited financial statements for the financial year ended 30 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 audited financial statements for the financial year ended 30 June 2018, except for the adoption of the following MFRSs, Amendments to MFRSs and new Interpretations.

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

The adoption of above new MFRSs, new interpretation and amendments to MFRSs did not have any significant impact on the financial statements of the Group except as stated below.

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

A2. Summary of Significant Accounting Policies (Cont'd)

**MFR 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)**

MFRS 9, *Financial Instruments* sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces MFRS 139 *Financial Instruments: Recognition and Measurement*.

(a) Classification of financial assets

MFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which the assets are managed and their cash flow characteristics.

MFRS 9 contains three (3) principal classification categories for financial assets:

- Amortised Cost (“AC”);
- Fair Value through Other Comprehensive Income (“FVOCI”); and
- Fair Value through Profit or Loss (“FVTPL”)

The standard eliminates the existing MFRS 139 categories of Held-to-Maturity (“HTM”), Loans and Receivables (“L&R”) and Available-for-Sale (“AFS”).

(b) Impairment of financial assets

MFRS 9 replaces the “incurred loss” model in MFRS 139 with a forward-looking “expected credit loss” (“ECL”) model. This will require considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis.

The new impairment model will apply to financial assets measured at AC or FVOCI, except for investment securities.

Under MFRS 9, loss allowances will be measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within 12 months after the reporting date; and
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since initial recognition and 12-month ECL measurement applies if it has not increased significantly. An entity may determine that a financial asset’s credit risk has not increased significantly if the asset has low credit risk at the reporting date. However, the Group has adopted lifetime ECL measurement for loans and receivables due to the expected lifetime period of loans and receivables are generally less than 12 months.

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

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

**A2. Summary of Significant Accounting Policies (Cont'd)**

**MFR 9 Financial Instruments (IFRS 9 issued by IASB in July 2014) (Cont'd)**

(c) Classification of financial liabilities

MFRS 9 largely retains the existing requirements in MFRS 139 for the classification of financial liabilities. However, under MFRS 139 all fair value changes of liabilities designated as FVTPL are recognised in profit or loss, whereas under MFRS 9 these fair value changes are generally presented as follows:

- the amount of change in the fair value that is attributable to change in the credit risk of the liability is presented in Other Comprehensive Income; and
- the remaining amount of change in the fair value is presented in profit or loss.

The Group has applied the new rules retrospectively from 1 July 2018, with the practical expedients permitted under the standard. Comparative for 2018 will not be restated. Effect arising from the application of ECL is as follows:

	<u>As previously stated</u> RM'000	<u>Adjustment due to Adoption of MFRS 9</u> RM'000	<u>As restated</u> RM'000
<b><u>Consolidated Statement of Financial Position</u></b>			
Retained earnings	22,488	(425)	22,063

**Standards issued but not yet effective**

The Group has not adopted the following new MFRSs, Interpretations and amendments to MFRSs that have been issued by the Malaysian Accounting Standard Board which are not yet effective for the Group. The Group intends to adopt the below mentioned MFRSs, Interpretations and Amendments to MFRSs when they become effective.

	<u>Effective dates for financial periods beginning on or after</u>
IC Interpretation 23	1 January 2019
Uncertainty Over Income Tax Treatments	
Amendments to MFRS 9	1 January 2019
Prepayment Features with Negative Compensation	
Amendments to MFRS 119	1 January 2019
Plan Amendment, Curtailment or Settlement	
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

## 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)

The Group has not adopted the following new MFRSs, Interpretations and amendments to MFRSs that have been issued by the Malaysian Accounting Standard Board which are not yet effective for the Group. The Group intends to adopt the below mentioned MFRSs, Interpretations and Amendments to MFRSs when they become effective. (Cont'd)

	<b><u>Effective dates for financial periods beginning on or after</u></b>
Amendments to References to the Conceptual Framework in MFRS Standards	
• Amendments to MFRS 2 <i>Share-Based Payment</i>	1 January 2020
• Amendment 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
• Amendment 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
• Amendment to MFRS 137 <i>Provisions, Contingent Liabilities and Contingent Assets</i>	1 January 2020
• Amendment to MFRS 138 <i>Intangible Assets</i>	1 January 2020
• Amendment to IC Interpretation 12 <i>Service Concession Arrangements</i>	1 January 2020
• Amendment to IC Interpretation 19 <i>Extinguishing Financial Liabilities with Equity Instruments</i>	1 January 2020
• Amendment to IC Interpretation 20 <i>Stripping Costs in the Production Phase of a Surface Mine</i>	1 January 2020
• Amendment 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

## REVENUE GROUP BERHAD (1248321-D)

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

#### 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 2018 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 disclose below, there were no issuances, cancellations, repurchases, resale and repayment of debts and equity during the financial quarter under review.

In conjunction with the Company's listing on the ACE Market of Bursa Securities, the Company had 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.

Thereafter, the Company's enlarged issued share capital comprising 222,848,000 shares was listed on the ACE Market of Bursa Securities on 18 July 2018.

#### A8. Dividends paid

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

## REVENUE GROUP BERHAD (1248321-D)

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

#### A9. Segmental information

The Group's segmental information for the current financial period ended 30 September 2018 is as follows:

(a) Analysis of revenue by business segments

	<b>3-MONTH ENDED</b>		<b>PERIOD-TO-DATE</b>	
	<b>30.09.2018</b>	<b>30.09.2017<sup>(1)</sup></b>	<b>30.09.2018</b>	<b>30.09.2017<sup>(1)</sup></b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Electronic Data Capture ("EDC") terminals	9,605	N/A	9,605	N/A
Electronic transaction processing	4,395	N/A	4,395	N/A
Solutions and services	836	N/A	836	N/A
<b>Total</b>	<b>14,836</b>	<b>N/A</b>	<b>14,836</b>	<b>N/A</b>

(b) Analysis of revenue by geographical location

	<b>3-MONTH ENDED</b>		<b>PERIOD-TO-DATE</b>	
	<b>30.09.2018</b>	<b>30.09.2018<sup>(1)</sup></b>	<b>30.09.2018</b>	<b>30.09.2017<sup>(1)</sup></b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Malaysia	14,650	N/A	14,650	N/A
USA	186	N/A	186	N/A
<b>Total</b>	<b>14,836</b>	<b>N/A</b>	<b>14,836</b>	<b>N/A</b>

**Notes:**

- (1) This interim financial report for the first (1<sup>st</sup>) quarter ended 30 September 2018 is announced in compliance with the Listing Requirements of Bursa Securities. As the Company was only listed on the ACE Market of Bursa Securities on 18 July 2018, 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.

On 11 October 2018, the Company proposed to undertake a bonus issue of 111,424,000 warrants on the basis of one warrant for every two existing REVENUE shares held by the shareholders.

#### A12. Changes in the composition of the Group

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

On 28 August 2018, the Company's subsidiary company, Revenue Harvest Sdn. Bhd., had incorporated a wholly-owned subsidiary company, namely Next Revenue Sdn. Bhd., a company incorporated in Malaysia under the Companies Act, 2016 with an issued share capital of RM5,000,000 divided into 5,000,000 ordinary shares.

On 26 October 2018, the Company had incorporated a wholly-owned subsidiary company, namely Revenue Harvest Pte. Ltd., a company incorporated in Singapore under the Singapore Companies Act, with an issued and paid-up share capital of SGD10,000 comprising of 10,000 ordinary shares.

#### 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 <b>30.09.2018</b> RM'000	<u>UNAUDITED</u> As at <b>30.09.2017<sup>(1)</sup></b> RM'000
<b>Secured</b>		
Bank guarantee given to Payments Network Malaysia Sdn. Bhd. in favour of Revenue Solution Sdn. Bhd.	900	N/A

#### Notes:

- (1) This interim financial report for the first (1<sup>st</sup>) quarter ended 30 September 2018 is announced in compliance with the Listing Requirements of Bursa Securities. As the Company was only listed on the ACE Market of Bursa Securities on 18 July 2018, 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)**

**A14. Capital commitments**

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

	<b>As at 30.09.2018 RM'000</b>
<b>Material commitment</b>	
- Purchase of EDC terminals	<b>3,288</b>

**A15. Operating lease commitments**

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

	<b>UNAUDITED</b>	<b>UNAUDITED</b>
	<b>As at</b>	<b>As at</b>
	<b>30.09.2018</b>	<b>30.09.2017<sup>(1)</sup></b>
	<b>RM'000</b>	<b>RM'000</b>
Not later than 1 year	142	N/A
Later than 1 year and not later than 5 years	91	N/A
	<b>233</b>	<b>N/A</b>

**Notes:**

- (1) This interim financial report for the first (1<sup>st</sup>) quarter ended 30 September 2018 is announced in compliance with the Listing Requirements of Bursa Securities. As the Company was only listed on the ACE Market of Bursa Securities on 18 July 2018, 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*

**A16. Related party transactions**

There were no material related party transactions during 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

#### B1. Review of Performance

##### (a) Results for current quarter

The Group recorded revenue of RM14.84 million for the current financial quarter ended 30 September 2018.

The Group's revenue was principally derived from the EDC terminals and electronic transaction processing segments, accounting for approximately 64.74% and 29.62% of the total revenue for the current financial quarter ended 30 September 2018. The Malaysian market remains the largest market contributing to the Group's revenue accounting for approximately 98.75% of the total revenue for the current financial quarter ended 30 September 2018.

The Group registered a PBT of RM3.21 million in the current financial quarter under review. During the current financial quarter under review, the Group has recognised a one-off listing expenses amounting to RM0.64 million.

##### (b) Results for financial year-to-date

For the financial year-to-date, the Group recorded revenue of RM14.84 million.

The Group's revenue was principally derived from the EDC terminals and electronic transaction processing segments, accounting for approximately 64.74% and 29.62% 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 98.75% of the total revenue for the financial period-to-date.

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

#### B2. Comparison with immediate preceding quarter's results

	<u>3-MONTH ENDED</u>		<u>CHANGES</u>	
	<u>30.09.2018</u>	<u>30.06.2018</u>	<u>RM'000</u>	<u>%</u>
	<u>RM'000</u>	<u>RM'000</u>		
Revenue	14,836	12,026	2,810	23.37%
PBT <sup>(1)</sup>	3,212	2,728	484	17.74%

##### Note:

(1) Included in the PBT is one-off listing expenses of RM0.64 million.

For the current financial quarter ended 30 September 2018, the Group recorded a higher revenue of RM14.84 million and PBT of RM3.22 million as compared to RM12.03 million and RM2.73 million respectively in the immediate preceding financial quarter ended 30 June 2018 mainly due to higher sales of EDC terminals.

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

**B3. Prospects and outlook**

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

- (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. On 8 November 2018, the Group has successfully developed an all-in-one digital payment terminal and will be deploying the new all-in-one digital payment terminal progressively to the Group’s partner banks;
- (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.

Premised on the future plans above and with the implementation of the Payment Card Reform Framework (“PCRF”) by Bank Negara Malaysia (“BNM”) to promote wider acceptance and the usage of electronic payments, the Board of Directors is of the opinion that, barring any unforeseen circumstances, the prospects and outlook of the Group for 2019 will remain favourable.

**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**

	<b>3-MONTH ENDED</b>		<b>PERIOD-TO-DATE</b>	
	<b>30.09.2018<sup>(3)</sup></b>	<b>30.09.2017<sup>(1)</sup></b>	<b>30.09.2018<sup>(3)</sup></b>	<b>30.09.2017<sup>(1)</sup></b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Current tax expense	935	N/A	935	N/A
Deferred tax expense	-	N/A	-	N/A
<b>Total tax expense</b>	<b>935</b>	<b>N/A</b>	<b>935</b>	<b>N/A</b>
Effective tax rate (%) <sup>(2)</sup>	29.11%	N/A	29.11%	N/A

**Notes:**

- (1) This interim financial report for the first (1<sup>st</sup>) quarter ended 30 September 2018 is announced in compliance with the Listing Requirements of Bursa Securities. As the Company was only listed on the ACE Market of Bursa Securities on 18 July 2018, 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 for the current financial quarter is higher than the statutory tax rate due to non-deductible expenses.
- (3) Income tax expense is recognised based on management's best estimate.

*N/A – Not applicable*

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**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:-

<b>Details of utilisation</b>	<b>Proposed Utilisation RM'000</b>	<b>Actual Utilisation RM'000</b>	<b>Estimated timeframe for utilisation upon listing</b>
Capital expenditure	8,100	1,350	24 months
Enhancement of revPAY and expansion of IT team	4,040	-	24 months
Repayment of bank borrowings	2,500	-	3 months
Business expansion	1,500	-	24 months
Working capital	1,773	183	24 months
Listing expenses	2,700	2,700	Immediately
	20,613	4,233	

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 30.09.2018 RM'000	<u>UNAUDITED</u> As at 30.09.2017 <sup>(1)</sup> RM'000
<b>Current:</b>		
Finance lease payable	45	N/A
Term loans	195	N/A
Bank overdraft	876	N/A
	<u>1,116</u>	<u>N/A</u>
<b>Non-current:</b>		
Finance lease payable	343	N/A
Term loans	6,785	N/A
	<u>7,128</u>	<u>N/A</u>
<b>Total bank borrowings</b>	<b><u>8,369</u></b>	<b><u>N/A</u></b>

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

**Notes:**

- (1) This interim financial report for the first (1<sup>st</sup>) quarter ended 30 September 2018 is announced in compliance with the Listing Requirements of Bursa Securities. As the Company was only listed on the ACE Market of Bursa Securities on 18 July 2018, 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 30 September 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:

	<b>3-MONTH ENDED</b>		<b>PERIOD-TO-DATE</b>	
	<b>30.09.2018</b>	<b>30.09.2017<sup>(1)</sup></b>	<b>30.09.2018</b>	<b>30.09.2017<sup>(1)</sup></b>
Profit attributable to ordinary owners of the Company (RM'000)	1,926	N/A	1,926	N/A
Number of ordinary shares ('000)	222,848	N/A	222,848	N/A
Basic EPS (sen) <sup>(2)</sup>	0.86	N/A	0.86	N/A
Diluted EPS (sen) <sup>(3)</sup>	0.86	N/A	0.86	N/A

**Notes:**

- (1) This interim financial report for the first (1<sup>st</sup>) quarter ended 30 September 2018 is announced in compliance with the Listing Requirements of Bursa Securities. As the Company was only listed on the ACE Market of Bursa Securities on 18 July 2018, 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 enlarged share capital of 222,848,000 shares in issue as at 30 September 2018.
- (3) Diluted earnings per share of the Company for the individual quarter ended 30 September 2018 and period-to-date ended 30 September 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*

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

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

	<b>3-MONTH ENDED</b>		<b>PERIOD-TO-DATE</b>	
	<b>30.09.2018</b>	<b>30.09.2017<sup>(1)</sup></b>	<b>30.09.2018</b>	<b>30.09.2017<sup>(1)</sup></b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Depreciation of property, plant and equipment	1,258	N/A	1,258	N/A
Expected credit losses on trade receivables	190	N/A	190	N/A
Unrealised loss on foreign exchange	11	N/A	11	N/A
Rental expenses				
• Office/space	61	N/A	61	N/A
• Leased equipment	65	N/A	65	N/A
Bad debts recovered	(4)	N/A	(4)	N/A
Gain on disposal of property, plant and equipment	(1)	N/A	(1)	N/A
Interest income	(16)	N/A	(16)	N/A

**Note:**

- (1) This interim financial report for the first (1<sup>st</sup>) quarter ended 30 September 2018 is announced in compliance with the Listing Requirements of Bursa Securities. As the Company was only listed on the ACE Market of Bursa Securities on 18 July 2018, 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.

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