

REVENUE GROUP BERHAD (201701034150 (1248321-D))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER AND PERIOD ENDED 31 MARCH 2024⁽¹⁾

	Note	3-MONTH ENDED		PERIOD-TO-DATE	
		31.03.2024 RM'000	31.03.2023 RM'000 ⁽²⁾	31.03.2024 RM'000	31.03.2023 RM'000 ⁽²⁾
Revenue	A9	92,219	-	204,888	-
Cost of sales		(82,924)	-	(185,249)	-
Gross profit ("GP")		9,295	-	19,639	-
Other income		766	-	1,958	-
Administrative expenses		(11,428)	-	(21,771)	-
Net gain/(loss) on impairment of financial instruments		(851)	-	(269)	-
Finance costs		(616)	-	(1,247)	-
Share of results of associate, net of tax		(4)	-	(8)	-
(Loss)/Profit before tax ("LPT)/PBT")	B11	(2,838)	-	(1,698)	-
Taxation	B6	(654)	-	(727)	-
(Loss)/Profit after tax ("LAT)/PAT")		(3,492)	-	(2,425)	-
Other comprehensive (loss)/income for the financial period, net of tax					
Items that are or may be reclassified subsequently to profit or loss					
Exchange translation differences for foreign operations		177	-	229	-
Total comprehensive loss for the financial period		(3,315)	-	(2,196)	-
(Loss)/Profit for the financial period attributable to:					
• Owners of the Company		(4,229)	-	(4,634)	-
• Non-controlling interests		737	-	2,209	-
		(3,492)	-	(2,425)	-
Total comprehensive (loss)/income for the financial period attributable to:					
• Owners of the Company		(4,052)	-	(4,405)	-
• Non-controlling interests		737	-	2,209	-
		(3,315)	-	(2,196)	-
Loss per share attributable to owners of the Company					
• Basic (sen) ⁽³⁾	B10	(0.76)	-	(0.84)	-
• Diluted (sen) ⁽⁴⁾	B10	(0.75)	-	(0.83)	-

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER AND PERIOD ENDED 31 MARCH 2024⁽¹⁾ (CONT'D)

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and the accompanying explanatory notes attached to this interim financial report.
- (2) The Group has changed its financial year end from 30 June to 30 September. As such, there will be no comparative financial information available for the financial quarter and period ended 31 March 2024.
- (3) Basic loss per share for the individual quarter and period-to-date ended 31 March 2024 is calculated based on the weighted average number of ordinary shares in issue of 554,859,418 and 553,840,341 as at 31 March 2024 respectively.
- (4) Diluted loss per share of the Company for the individual quarter and period-to-date ended 31 March 2024 is calculated based on the weighted average number of ordinary shares in issue of 560,132,597 and 559,113,520 as at 31 March 2024 respectively, adjusted for contingently issuable ordinary shares.

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REVENUE GROUP BERHAD (201701034150 (1248321-D))

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024⁽¹⁾**

	UNAUDITED	AUDITED
	As at	As at
	31.03.2024	30.09.2023
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	14,844	17,199
Intangible assets	3,831	5,294
Investment properties	22,000	22,000
Right-of-use assets	29,150	29,765
Investment in associates	1,323	1,141
Goodwill on consolidation	45,771	45,771
Total non-current assets	116,919	121,170
Current Assets		
Inventories	5,331	5,912
Trade receivables	21,089	19,996
Other receivables	23,041	15,927
Other investments	7,410	6,840
Tax recoverable	10,326	8,814
Fixed deposits with licensed banks	3,437	3,031
Cash and bank balances	18,575	25,863
Total current assets	89,209	86,383
TOTAL ASSETS	206,128	207,553
EQUITY AND LIABILITIES		
Equity		
Share capital	209,601	208,064
Merger reserve	21,839	21,839
Warrant reserve	-	30,985
Other reserves	(76,479)	(105,138)
Foreign currency translation reserve	20	(209)
Retained earnings	(47,730)	(43,096)
Equity attributable to owners of the Company	107,251	112,445
Non-controlling interests	12,612	11,077
Total Equity	119,863	123,522
LIABILITIES		
Non-current liabilities		
Bank borrowings	38,310	39,418
Lease liabilities	2,167	2,408
Deferred tax liabilities	7	7
Total non-current liabilities	40,484	41,833

REVENUE GROUP BERHAD (201701034150 (1248321-D))**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024⁽¹⁾ (CONT'D)**

	UNAUDITED	AUDITED
	As at	As at
	31.03.2024	30.09.2023
	RM'000	RM'000
LIABILITIES (CONT'D)		
Current liabilities		
Trade payables	11,879	11,167
Other payables	29,231	26,300
Contract liabilities	665	1,018
Amount due to Directors	153	146
Bank borrowings	2,180	2,178
Lease liabilities	550	544
Tax payable	1,123	845
Total current liabilities	45,781	42,198
TOTAL LIABILITIES	86,265	84,031
TOTAL EQUITY AND LIABILITIES	206,128	207,553
Number of ordinary shares ('000)	554,882	552,832
NET ASSETS PER SHARE (RM)⁽²⁾	0.19	0.22

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 554,881,941 as at 31 March 2024 and 552,832,341 as at 30 September 2023.

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REVENUE GROUP BERHAD (201701034150 (1248321-D))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY
FOR THE FINANCIAL QUARTER AND PERIOD ENDED 31 MARCH 2024⁽¹⁾

	Attributable to owners of the parent					Retained Earnings	Total	Non-controlling Interests	Total Equity	
	Non-Distributable									Distributable
	Share Capital	Merger Reserve	Warrant Reserve	Other Reserve	Foreign Currency Translation Reserve					
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
Year ended 31 March 2024										
As at 1 October 2023	208,064	21,839	30,985	(105,138)	(209)	(43,096)	112,445	11,077	123,522	
(Loss)/Profit for the financial period	-	-	-	-	-	(4,634)	(4,634)	2,209	(2,425)	
Other comprehensive income for the financial period	-	-	-	-	229	-	229	-	229	
Total comprehensive (loss)/income for the financial period	-	-	-	-	229	(4,634)	(4,405)	2,209	(2,196)	
Transactions with owners										
Net change of non-controlling interests	-	-	-	(2,326)	-	-	(2,326)	(674)	(3,000)	
Issuance of ordinary shares pursuant to the exercise of warrants	1,537	-	-	-	-	-	1,537	-	1,537	
Expiry of warrants	-	-	(30,985)	30,985	-	-	-	-	-	
Total transactions with owners	1,537	-	(30,985)	28,659	-	-	(789)	(674)	(1,463)	
As at 31 March 2024	209,601	21,839	-	(76,479)	20	(47,730)	107,251	12,612	119,863	

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 FINANCIAL QUARTER AND PERIOD ENDED 31 MARCH 2024⁽¹⁾**

	PERIOD-TO-DATE	
	31.03.2024	31.03.2023
	RM'000	RM'000
Cash Flows From Operating Activities		
Loss before tax	(1,698)	-
Adjustments for:		
Depreciation/Amortisation of property, plant and equipment, right-of-use assets and intangible assets	4,149	-
Finance costs	1,241	-
Reversal of impairment losses on trade receivables	(12)	-
Impairment losses on trade receivables	851	-
Interest income	(70)	-
Unrealised loss on foreign exchange, net	567	-
Loss on disposal of property, plant and equipment	275	-
Fair value gain on financial assets at fair value through profit or loss	(570)	-
Share of loss in associates	8	-
Operating profit before working capital changes	4,741	-
Changes in working capital		
Inventories	581	-
Receivables	(9,356)	-
Payables	3,318	-
Amount due to Directors	7	-
Contract liabilities	(353)	-
	(5,803)	-
Cash used in from operations	(1,062)	-
Interest paid	(1,247)	-
Interest received	70	-
Tax paid	(1,955)	-
Net cash used in operating activities	(4,194)	-
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(358)	-
Proceeds from disposal of property, plant and equipment	368	-
Proceeds from disposal of associate company	120	-
Net cash outflow arising from acquisition of subsidiary company	(3,000)	-
Net cash used in investing activities	(2,870)	-

REVENUE GROUP BERHAD (201701034150 (1248321-D))**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL QUARTER AND PERIOD ENDED 31 MARCH 2024⁽¹⁾ (CONT'D)**

	YEAR-TO-DATE	
	31.03.2024	31.03.2023
	RM'000	RM'000
Cash Flows From Financing Activities		
Net changes of lease liabilities	(234)	-
Proceeds from issuance of ordinary shares	1,537	-
Repayment of term loans	(1,107)	-
Net cash from financing activities	196	-
Net decrease in cash and cash equivalents	(6,868)	-
Cash and cash equivalents at the beginning of the financial year	28,684	-
Effect of exchange translation differences on cash and cash equivalents	(14)	-
Cash and cash equivalents at the end of the financial year	21,802	-
Cash and cash equivalents at the end of the financial year comprises:		
Cash and bank balances	18,575	-
Fixed deposits with licensed banks	3,437	-
Bank overdrafts	-	-
	22,012	-
Less: Fixed deposits pledged with licensed banks	(210)	-
	21,802	-

Note:

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

REVENUE GROUP BERHAD (201701034150 (1248321-D))

A. NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

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

This interim financial statements on the Company’s unaudited condensed consolidated financial results for the quarter and period ended 31 March 2024 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 September 2023 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 September 2023.

During the financial year, 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:

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 101	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Asset and Liabilities arising from a Single Transaction
Amendments to MFRS 112	Income Taxes: International Tax Reform – Pillar Two Model Rules

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

REVENUE GROUP BERHAD (201701034150 (1248321-D))

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

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

Standards issued but not yet effective

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

		Effective dates for financial periods beginning on or after
Amendments to MFRS 16	Lease liability in a sale and lease back	1 January 2024
Amendments to MFRS 101	Classification of Liabilities as Current and Non-current	1 January 2024
Amendments to MFRS 101	Presentation of Financial Statements: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 Statement of Cash Flows and MFRS 7	Financial Instruments: Disclosures – Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability	1 January 2025
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 period ended 30 September 2023 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.

REVENUE GROUP BERHAD (201701034150 (1248321-D))**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)****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, 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 2,049,600 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>
2 January 2024	<u>2,049,600</u>

A8. Dividends paid

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

A9. Segmental information

The Group's segmental information for the current financial quarter and year ended 31 March 2024 is as follows:

(a) Analysis of revenue by business segments

	<u>3-MONTH ENDED</u>		<u>PERIOD-TO-DATE</u>	
	<u>31.03.2024</u>	<u>31.03.2023</u>	<u>31.03.2024</u>	<u>31.03.2023</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Electronic Data Capture ("EDC") terminals	6,604	-	12,802	-
Electronic transaction processing	2,681	-	5,642	-
Digital payment services	73,142	-	166,491	-
Solutions and services	9,792	-	19,953	-
Total	<u>92,219</u>	<u>-</u>	<u>204,888</u>	<u>-</u>

(b) Analysis of revenue by geographical location

	<u>3-MONTH ENDED</u>		<u>PERIOD-TO-DATE</u>	
	<u>31.03.2024</u>	<u>31.03.2023</u>	<u>31.03.2024</u>	<u>31.03.2023</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Malaysia	92,219	-	204,888	-
Total	<u>92,219</u>	<u>-</u>	<u>204,888</u>	<u>-</u>

REVENUE GROUP BERHAD (201701034150 (1248321-D))**A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)****A10. Valuation of property, plant and equipment**

There was no valuation of property, plant and equipment in the current financial period 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.

A12. Changes in the composition of the Group

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

A13. Contingent assets and contingent liabilities

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

	<u>UNAUDITED</u> As at 31.03.2024 RM'000	<u>UNAUDITED</u> As at 31.03.2023 RM'000
Corporate guarantee given by REVENUE to licensed bank for banking facilities granted to a subsidiary of REVENUE	40,490	-
Bank guarantee given to Payments Network Malaysia Sdn. Bhd. In favour of Revenue Harvest and Revenue Solution Sdn. Bhd.	210	-

A14. Capital commitments

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

	<u>UNAUDITED</u> As at 31.03.2024 RM'000	<u>UNAUDITED</u> As at 31.03.2023 RM'000
Authorised and contracted for: Purchase of software	6,790	-

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 a revenue of RM92.22 million for the current financial quarter ended 31 March 2024.

The Group's revenue was principally derived from the Digital Payment Services segment, followed by Solutions & Services segment, EDC terminals segment and Electronic Transaction Processing segment accounting for approximately 79.31%, 10.62%, 7.16% and 2.91% respectively of the total revenue for the current financial quarter ended 31 March 2024.

The Group registered a LBT of RM2.84 million in the current financial quarter ended 31 March 2024. The Digital Payment Services segment remains a key pillar for the Group and had continued to deliver a solid performance. However, during the current financial quarter, the Digital Payment Services recorded a lower revenue due to a change in the procurement strategy on the product mix by the customers. The Group had also invested in IT personnel and development cost to enhance and scale the IT infrastructure which would allow the Group to undertake new projects and initiatives in the future. The Group had also incurred additional compliance and insurance cost amounted to RM0.34 million to strengthen the Group cybersecurity and system independence. The Group had also made provision for doubtful debts amounted to RM0.85 million on a prudence basis and such provision will be reversed if the balances are collected subsequently.

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

The Group recorded a revenue of RM204.89 million for the current financial period ended 31 March 2024.

The Group's revenue was principally derived from the Digital Payment Services segment, followed by Solutions & Services segment, EDC terminals segment and Electronic Transaction Processing segment accounting for approximately 81.26%, 9.74%, 6.25% and 2.75% respectively of the total revenue for the current financial period ended 31 March 2024.

The Group registered a LBT of RM1.70 million in the current financial period ended 31 March 2024. The Digital Payment Services and the IT Solution & Services (Digital ID Assurance business) have contributed positively to the Group. However, during the current financial period, the Digital Payment Services recorded a lower revenue due to a change in the procurement strategy on the product mix by customers. The Group had also invested in IT personnel and development cost to enhance and scale the IT infrastructure which would allow the Group to undertake new projects and initiatives in the future. The Group had also incurred additional compliance and insurance cost amounted to RM0.40 million to strengthen the Group cybersecurity and system independence. The Group had also made provision for doubtful debts amounted to RM0.85 million on a prudence basis and such provision will be reversed if the balances are collected subsequently. A series of cost rationalisation and cost containment measures undertaken by the Group had yielded positive result and this had resulted in the containment of our operating and administrative costs.

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

B2. Comparison with immediate preceding quarter's results

	<u>3-MONTH ENDED</u>		<u>CHANGES</u>	
	<u>31.03.2024</u>	<u>31.12.2023</u>	<u>RM'000</u>	<u>%</u>
Revenue	92,219	112,669	(20,450)	(18.1%)
PBT/(LBT)	(2,838)	1,140	(3,978)	(348.9%)

For the current financial quarter ended 31 March 2024, the Group recorded a lower revenue by approximately RM20.45 million, mainly attributed to the lower revenue from Digital Payment Services amounted to RM20.21 million to a change in the procurement strategy on the product mix by the customers.

For the current financial quarter ended 31 March 2024, the Group recorded a LBT of RM2.84 million as compared to PBT of RM1.14 million in the immediate preceding financial quarter ended 31 December 2023 mainly attributed to lower profit generated from business activities, coupled with the Group invested in IT personnel and development cost to enhance and scale the IT infrastructure which would allow the Group to undertake new projects and initiatives in the future. The Group had also incurred additional compliance and insurance cost amounted to RM0.34 million to strengthen the Group cybersecurity and system independence. The Group had also made provision for doubtful debts amounted to RM0.85 million on a prudence basis and such provision will be reversed if the balances are collected subsequently.

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

B3. Prospects and outlook

The 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 acquisition of Innov8tif Holdings Sdn Bhd (“**Innov8tif**”) in year 2023 and leverage on the readily available digital identity assurance and digital onboarding business of Innov8tif which will complement and enhance the Group’s existing businesses by providing extensive payment solutions to existing and new clientele, and the potential to achieve great synergies between the businesses of each other by combining the resources, expertise and capabilities to enhance and achieve efficiency whereby Innov8tif steady and healthy growth and contribution to the Group had yielded positive result to the Group.

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. The Group had yielded positive result from a series of cost rationalisation and cost containment measures undertaken by the Group and this had resulted in the containment of our operating and administrative costs.

The Group, via its wholly-owned subsidiary company, Revenue Harvest Sdn Bhd, had on 23 October 2023 received the approval from Kementerian Pembangunan dan Kerajaan Tempatan (“**KPKT**”) via an online KPKT moneylending licence dated 17 October 2023 issued under the Moneylenders Act 1951 for RHSB to undertake online moneylending activity in addition to its existing moneylending business (“**Licence**”). The Licence will enable the Group to provide digital loan and microfinancing services to its existing customers database as well as any other potential micro, small and medium enterprises (“**MSMEs**”) and thus, allowing the Group to offer an innovative end-to-end solution by enhancing its business offerings to bridge the payment and credit gap among the financially underserved market.

The Board envisages that the online moneylending business is expected to contribute positively to the overall future earnings of the Group should the potential benefits from the services to be offered by the Group pursuant to the Licence are materialised.

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.

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) 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 (“Placement 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 (“Private Placement”).

On 5 December 2023, Bursa Securities had, vide its letter dated 5 December 2023, approved the listing and quotation of up to 53,321,600 Placement Shares to be issued pursuant to the Proposed Placement.

The approval by Bursa Securities for the Private Placement is subject to, amongst others, the following conditions:

- i. the Private Placement can only be implemented upon the issuance of the audited financial statements of REVENUE for the 15-month Financial Period Ended 30 September 2023;
- ii. appointment of a monitoring accountant to oversee the outgoing payments towards which the proceeds from the Private Placement will be utilised;
- iii. TA Securities Holdings Berhad (“TA Securities”) and REVENUE must fully comply with the relevant provisions under the Main Market Listing Requirements pertaining to the implementation of the Private Placement;
- iv. TA Securities to inform Bursa Securities upon the completion of the Private Placement; and
- v. TA Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities’ approval once the Private Placement is completed.

On 7 May 2024, the Company announced had fixed the issue price on 7 May 2024 (“Price-fixing Date”) for the first tranche of Private Placement at RM0.1710 per Placement Shares (“Issue Price”). The Issue Price represents a discount of RM0.0189 or approximately 9.95% to the 5-day Volume Weighted Average Price of REVENUE Share up to and including 6 May 2024 of RM0.1899 per REVENUE Share, being the last market day immediately preceding to the Price-fixing Date.

On 15 May 2024, the Company announced that 50,215,000 REVENUE Shares were allotted and issued pursuant to the first and final tranche of the Private Placement that was announced on 7 May 2024. The 50,215,000 REVENUE Shares were listed on 16 May 2024 and marks the completion of the Private Placement.

REVENUE GROUP BERHAD (201701034150 (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	
	31.03.2024⁽¹⁾	31.03.2023	31.03.2024⁽¹⁾	31.03.2023
	RM'000	RM'000	RM'000	RM'000
Current tax expense	654	-	727	-
Deferred tax expense	-	-	-	-
Total tax expense	654	-	727	-
Effective tax rate (%)	(21.1)% ⁽²⁾	-	(42.8)% ⁽²⁾	-

Notes:

- (1) Income tax expense is recognised based on management's best estimate.
- (2) The Group's negative effective tax rate for the quarter and period-to-date is due to loss before taxation during the financial quarter and period under review.

B7. Bank borrowings

The Group's bank borrowings were as follows:

	UNAUDITED	UNAUDITED
	As at	As at
	31.03.2024	31.03.2023
	RM'000	RM'000
Current:		
Lease liabilities	550	-
Term loans	2,180	-
Bank overdraft	-	-
	2,730	-
Non-current:		
Lease liabilities	2,167	-
Term loans	38,310	-
	40,477	-
Total bank borrowings	43,207	-

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

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

B8. Material litigation

Save as disclosed below, there were no material litigation involving the Group as at 31 March 2024.

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

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

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

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

B8. Material litigation (cont'd)

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

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

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

B8. Material litigation (cont'd)

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

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

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

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

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

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

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

B8. Material litigation (cont'd)

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

(b) in respect of the Suit –

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

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

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

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

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

B8. Material litigation (cont'd)

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

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

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

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

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

B8. Material litigation (cont'd)

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

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

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

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

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

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

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

B8. Material litigation (cont'd)

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

The learned Judge further directed as follows:

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

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

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

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

Further, the Court gave the following directions:

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

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 per share (“LPS”) 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 and year are as follows:

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Loss attributable to owners of the Company (RM'000)	(4,229)	-	(4,634)	-
<u>Basic LPS</u>				
Weighted average number of ordinary shares ('000)	554,859	-	553,840	-
Basic LPS (sen)	(0.76)	-	(0.84)	-

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

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Loss attributable to owners of the Company (RM'000)	(4,229)	-	(4,634)	-
<u>Diluted EPS</u>				
Weighted average number of ordinary shares ('000)	560,133	-	559,114	-
Diluted LPS (sen) ⁽¹⁾	(0.75)	-	(0.83)	-

Note:

- (1) Diluted LPS of the Company for the individual quarter and period-to-date ended 31 March 2024 is calculated based on the weighted average number of ordinary shares in issue of 560,132,597 and 559,113,520 as at 31 March 2024 respectively, adjusted for contingently issuable ordinary shares.

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 before tax is arrived after charging/(crediting):

	3-MONTH ENDED		PERIOD-TO-DATE	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	RM'000	RM'000	RM'000	RM'000
Depreciation/Amortisation of property, plant and equipment, right-of-use assets and intangible assets	1,975	-	4,149	-
Reversal of impairment losses on trade receivables	-	-	(12)	-
Impairment losses on trade receivables	851	-	851	-
Fair value loss/(gain) on financial assets at fair value through profit or loss	-	-	(570)	-
Loss/(Gain) on foreign exchange, net				
• Realised	(79)	-	(486)	-
• Unrealised	178	-	567	-
Rental expenses				
• Office	72	-	129	-
Interest income	(31)	-	(70)	-
Rental income	(610)	-	(1,072)	-
Dividend income	-	-	(80)	-

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