



RADIANT GLOBALTECH BERHAD

(Company No. 621297-A)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2018

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RADIANT GLOBALTECH BERHAD (COMPANY NO. 621297-A)
UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2018⁽¹⁾

	CURRENT YEAR QUARTER 31.03.18 RM'000	PRECEDING YEAR QUARTER ⁽²⁾ 31.03.17 RM'000	CURRENT YEAR TO DATE 31.03.18 RM'000	PRECEDING YEAR TO DATE ⁽²⁾ 31.03.17 RM'000
Revenue	13,808	N/A	13,808	N/A
Cost of sales	(8,103)	N/A	(8,103)	N/A
Gross profit	5,705	N/A	5,705	N/A
Other income	414	N/A	414	N/A
	6,119	N/A	6,119	N/A
Selling and distribution expenses	(140)	N/A	(140)	N/A
Administrative expenses	(1,267)	N/A	(1,267)	N/A
Staff costs	(3,939)	N/A	(3,939)	N/A
Other expenses	(346)	N/A	(346)	N/A
Finance costs	(137)	N/A	(137)	N/A
Share of net losses of equity accounted in an associate	(15)	N/A	(15)	N/A
Profit before taxation	275	N/A	275	N/A
Income tax expenses	(86)	N/A	(86)	N/A
Profit after taxation	189	N/A	189	N/A
Other comprehensive income, net of tax				
<i>Item that may be reclassified subsequently to profit or loss</i>				
Foreign currency translation differences	(70)	N/A	(70)	N/A
Total comprehensive income for the financial period	119	N/A	119	N/A
PROFIT AFTER TAXATION ATTRIBUTABLE TO:-				
Owners of the Company	189	N/A	189	N/A
	189	N/A	189	N/A
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-				
Owners of the Company	119	N/A	119	N/A
	119	N/A	119	N/A

RADIANT GLOBALTECH BERHAD (COMPANY NO. 621297-A)

UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2018⁽¹⁾ (CONT'D)

	CURRENT YEAR QUARTER 31.03.18 RM'000	PRECEDING YEAR QUARTER ⁽²⁾ 31.03.17 RM'000	CURRENT YEAR TO DATE 31.03.18 RM'000	PRECEDING YEAR TO DATE ⁽²⁾ 31.03.17 RM'000
Earnings per share (Sen) attributable to owners of the Company:-				
- Basic	0.05 ⁽³⁾	N/A	0.05 ⁽³⁾	N/A
- Diluted	0.05 ⁽³⁾	N/A	0.05 ⁽³⁾	N/A

Notes:

- (1) The basis of preparation of the Unaudited Consolidated Statements 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 of the Company dated 28 June 2018 and the accompanying explanatory notes attached to the interim financial report.
- (2) No comparative figures for the preceding year's quarter and year-to-date is available as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2018 announced by the Company in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements").
- (3) Based on the Company's weighted average number of ordinary shares as at 31 March 2018.
- N/A Not applicable

RADIANT GLOBALTECH BERHAD (COMPANY NO. 621297-A)
UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2018⁽¹⁾

	31.03.2018	31.12.2017
	Unaudited	Audited
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
Investment in an associate	327	342
Property, plant and equipment	11,135	11,107
Deferred tax asset	485	490
	11,947	11,939
CURRENT ASSETS		
Inventories	9,635	9,698
Trade receivables	16,381	22,903
Other receivables, deposits and prepayments	1,725	2,102
Amount owing by related parties	361	53
Current tax assets	1,310	904
Fixed deposits with licensed banks	1,525	1,524
Cash and bank balances	12,830	10,285
	43,767	47,469
TOTAL ASSETS	55,714	59,408
EQUITY AND LIABILITIES		
EQUITY		
Share capital	19,856	19,856
Merger deficit	(13,681)	(13,681)
Foreign exchange translation reserve	(311)	(241)
Retained profits	21,615	21,426
TOTAL EQUITY	27,479	27,360
NON-CURRENT LIABILITIES		
Hire purchase payable	625	667
Term loans	7,970	8,258
Deferred revenue	513	542
	9,108	9,467
CURRENT LIABILITIES		
Trade payables	8,809	12,084
Other payables and accruals	8,246	9,006
Amount owing to related parties	79	49
Bankers' acceptance	628	-
Hire purchase payables	164	161
Term loans	1,135	1,113
Current tax liabilities	66	168
	19,127	22,581
TOTAL LIABILITIES	28,235	32,048
TOTAL EQUITY AND LIABILITIES	55,714	59,408
Number of issued shares ('000)	397,120	397,120
Net asset per share (RM)	0.07	0.07

Note:

- (1) The basis of preparation of the Unaudited Consolidated Statements of Financial Position are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 28 June 2018 and the accompanying explanatory notes attached to the interim financial report.

	Share Capital	----- Non-Distributable ----->		Distributable Retained Profits	Attributable to Owners of the Company
		Merger Deficit	Foreign Exchange Translation Reserve		
	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1.1.2017	1,675	-	(147)	21,816	23,344
Profit after taxation	-	-	-	7,110	7,110
Other comprehensive income for the financial year					
- Foreign currency translation differences	-	-	(94)	-	(94)
Total comprehensive income for the financial year	-	-	(94)	7,110	7,016
Contribution by and distribution to owners of the Company:					
- Bonus issue	4,500	-	-	(4,500)	-
- Issuance of shares	15,206	-	-	-	15,206
- Dividends	-	-	-	(3,000)	(3,000)
- Adjustment on the acquisition of RG Malaysia and its subsidiary, RG Solutions and RG Cambodia	(1,525)	(13,681)	-	-	(15,206)
	18,181	(13,681)	-	(7,500)	(3,000)
Balance as at 31.12.2017 (Audited)	19,856	(13,681)	(241)	21,426	27,360
Balance as at 1.1.2018	19,856	(13,681)	(241)	21,426	27,360
Profit after taxation	-	-	-	189	189
Other comprehensive income for the financial year					
- Foreign currency translation differences	-	-	(70)	-	(70)
	-	-	(70)	189	119
Balance as at 31.03.2018 (Unaudited)	19,856	(13,681)	(311)	21,615	27,479

Notes:

- (1) The basis of preparation of the Unaudited Consolidated Statements of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 28 June 2018 and the accompanying explanatory notes attached to the interim financial report.

RADIANT GLOBALTECH BERHAD (COMPANY NO. 621297-A)
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2018⁽¹⁾

	CURRENT YEAR TO DATE 31.03.2018 RM'000	PRECEDING YEAR TO DATE 31.03.2017⁽²⁾ RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	275	N/A
Adjustments for:		
Depreciation of plant and equipment	162	N/A
Interest income	(10)	N/A
Interest expenses	137	N/A
Share of net losses of equity accounted in an associate	15	N/A
Unrealised loss on foreign exchange	184	N/A
Writeback of impairment losses on trade receivable	(239)	N/A
Operating profit before working capital changes	524	N/A
Decrease in inventories	159	N/A
Decrease in trade and other receivables	7,164	N/A
Decrease in trade and other payables	(4,182)	N/A
Increase in amount owing by related parties	(308)	N/A
Decrease in amount owing to related parties	(30)	N/A
CASH FROM OPERATIONS	3,327	N/A
Income tax paid	(595)	N/A
Interest paid	(137)	N/A
NET CASH FROM OPERATING ACTIVITIES	2,595	N/A
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(184)	N/A
Interest received	10	N/A
Increase in pledged fixed deposits with licensed bank	(577)	N/A
NET CASH FOR INVESTING ACTIVITIES	(751)	N/A
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of bankers' acceptance	628	N/A
Repayment of term loans	(266)	N/A
Repayment of hire purchase obligations	(40)	N/A
NET CASH FROM FINANCING ACTIVITIES	322	N/A
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,166	N/A
EFFECT OF FOREIGN EXCHANGE TRANSLATION	(197)	N/A
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	10,861	N/A
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	12,830	N/A

Notes:

- (1) The basis of preparation of the Unaudited Consolidated Statements of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 28 June 2018 and the accompanying explanatory notes attached to the interim financial report.

**RADIANT GLOBALTECH BERHAD (COMPANY NO. 621297-A)
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE QUARTER AND YEAR-
TO-DATE ENDED 31 MARCH 2018⁽¹⁾**

(2) No comparative figures for the preceding year's corresponding period is available as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2018 announced by the Company in compliance with the Listing Requirements of Bursa Securities.

N/A Not applicable

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2018

A1. Basis of Preparation

The interim financial report of the Group is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting, International Financial Reporting Standards (“IFRS”) 34, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements.

This is the first interim financial report on the Company’s consolidated results for the first quarter ended 31 March 2018 announced in compliance with the Listing Requirements 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 28 June 2018.

A2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report is consistent with those adopted in the audited financial statements for financial year ended 31 December 2017 except for the adoption of the following Malaysian Financial Reporting Standards (“MFRS”) and Amendments to MFRS which came into effect for annual periods beginning on or after 1 January 2018 and are applicable for the Group’s interim financial report for the quarter and year-to-date ended 31 March 2018, as disclosed below:

MFRSs and/or Interpretations (including the Consequential Amendments)

MFRS 9 Financial Instruments (IFRS 9 as issued by IASB in July 2014)

MFRS 15 Revenue from Contracts with Customers

IC Interpretation 22 Foreign Currency Transactions and Advance Consideration

Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions

Amendments to MFRS 4: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts

Amendments to MFRS 15: Effective Date of MFRS 15

Amendments to MFRS 15: Clarifications to MFRS 15 ‘Revenue from Contracts with Customers’

Amendments to MFRS 140 – Transfers of Investment Property

Annual Improvements to MFRS Standards 2014 – 2016 Cycles:

- Amendments to MFRS 1: Deletion of Short-term Exemptions for First-time Adopters
- Amendments to MFRS 128: Measuring an Associate or Joint Venture at Fair Value

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) include MFRS 9 and MFRS 15 which is summarised below on the financial performance and position of the Group upon their initial application.

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2018 (CONT'D)

A2. Changes in Accounting Policies (Cont'd)

MFRS 9 (IFRS issued by IASB in July 2014) replaces the existing guidance in MFRS 139 bringing together all three aspects of accounting for financial instruments as below while retaining certain principles in MFRS 139:

- classification and measurement of financial assets;
- a forward-looking impairment model; and
- a new approach for hedge accounting.

Based on the preliminary assessment of the adoption of MFRS 9, there is no material impact on the financial statements of the Group upon its application of the new impairment model in relation to the Group's financial assets which comprise mainly receivables. The assessment takes into consideration the Group's historical exposure to credit risk as well as the economic environment in which the Group is operating.

MFRS 15 establishes a single comprehensive model for revenue recognition and replaces the guidance in MFRS 111: Construction Contracts, MFRS 118: Revenue, IC Interpretation 13: Customer Loyalty Programmes, IC Interpretation 15: Agreements for Construction of Real Estate, IC Interpretation 18: Transfer of Assets from Customers and IC Interpretation 131: Revenue - Barter Transactions involving Advertising Services. MFRS 15 provides a single model for accounting for revenue arising from contracts with customers, focusing on the identification and satisfaction of performance obligations, i.e. when 'control' of the distinct promised goods or services underlying the particular performance obligation is transferred to the customers. Based on the preliminary assessment of the adoption of MFRS 15, there is no material impact on the financial statements of the adoption of MFRS 15 of the Group upon its application.

The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year ending 31 December 2018:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments) (Cont'd)	Effective for annual periods on or after
IC Interpretation 23 Uncertainty over Income Tax Treatments	1 January 2019
Amendments to MFRS 9: Prepayment Features with Negative Compensation	1 January 2019
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 119: Plan Amendment, Curtailment or Settlement	1 January 2019
Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures	1 January 2019
Annual Improvements to MFRS Standards 2015 - 2017 Cycles	1 January 2019
MFRS 16 Leases	1 January 2019
MFRS 17 Insurance Contracts	1 January 2021

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2018 (CONT'D)

A2. Changes in Accounting Policies (Cont'd)

The adoption of the above accounting standards and interpretations (including the consequential amendments, if any) is not expected to have a material impact on the financial statements of the Group upon their initial application.

A3. Auditors' Report

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2017.

A4. Seasonal or Cyclical Factors

The business operations of the Group during the current financial quarter under review have not been materially affected by any seasonal or cyclical factors.

A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items for the current financial quarter under review.

A6. Changes in Estimates

There were no material changes in estimates for the current financial quarter under review.

A7. Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial quarter under review.

A8. Dividends Paid

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

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2018 (CONT'D)

A9. Segmental Reporting

The Group's operating segments information for the interim financial report to 31 March 2018 was as follows:-

Current year to date ended 31 March 2018	Hardware and Maintenance RM'000	Software RM'000	Group RM'000
Revenue			
External revenue	12,527	1,281	13,808
Inter-segment revenue	161	126	287
	<u>12,688</u>	<u>1,407</u>	<u>14,095</u>
Consolidated adjustments			(287)
Consolidated revenue			<u>13,808</u>
Results			
Segmental profit before interest and taxation	220	197	417
Interest income			10
Share of net losses of equity accounted in an associate			(15)
Finance costs			<u>(137)</u>
Consolidated profit before taxation			275
Income tax expense			<u>(86)</u>
Consolidated profit after taxation			<u>189</u>

No comparative figures for the preceding year's quarter is available as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2018 announced by the Company in compliance with the Listing Requirements.

A10. Significant Events Subsequent to the End of the Interim Financial Period

Save as disclosed in Note B6 "Status of Corporate Proposals", there were no other significant events subsequent to 31 March 2018.

A11. Changes in the Composition of the Group

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

A12. Fair Value of Financial Instruments

There were no gain or losses arising from fair value changes for all financial assets and liabilities for the current financial quarter under review.

A13. Capital Commitments

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

A14. Operating Lease Commitment

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

	Unaudited 31 March 2018 RM'000
Not later than 1 year	210
Later than 1 year and not later than 5 years	28
	<hr/> 238 <hr/>

A15. Contingent Liabilities

The Group has no contingent liabilities as at the date of this report.

A16. Related Party Transactions

During the current financial quarter, the Board of Directors is of the opinion that there were no material related party transactions which would have a significant impact on the financial position and business of the Group.

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Group Performance

For the first quarter ended 31 March 2018 (1Q18), the Group reported revenue of RM13.8 million and profit before tax of RM0.3 million.

Of total 1Q18 revenue, RM12.5 million or 90.7% is contributed by the Hardware and Maintenance segment, while the balance RM1.3 million is derived from the Software segment.

There are no comparative figures for the quarter and cumulative period in the previous year, as this is the Group's first announcement of financial statements on consolidated results in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

Of note, the Group had maintained gross margins in 1Q18. However, the Group also incurred higher operating expenses due to increased administrative expenses, as well as higher labour costs and related expenses from an expanded workforce in 1Q18 compared to a year ago, in preparation for the Group to execute its growth plans.

B2. Comparison with Immediate Preceding Quarter Results

There are no comparative figures for the immediate preceding quarter, as this is the Group's first announcement of financial statements on consolidated results in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

B3. Prospects

With the positive growth in the retail technology solutions industry, driven by growth in the retail industry, the industry prospects for the Group is expected to be optimistic over the forecast period of 2018 to 2019. The Group's standing in the retail technology solutions industry in Malaysia positions the Group well as it embarks on its next phase of expansion.

Further, the Group's prospects in the SEA market will be driven by the continuing growth in the retail technology solutions industries in the emerging markets of Vietnam, Cambodia and Indonesia. As developing countries, the retail technology solutions industries in Vietnam, Cambodia and Indonesia are also developing in tandem with the rest of the economy. As the economies of these countries continue to expand, along with rising urbanisation rates and growing retail industries, the retail technology solutions industry in these countries are expected to grow together. Under such circumstances, retailers will be in need of automating their operations by implementing retail hardware and/or software. Nevertheless, the limited supporting infrastructure and traditional manual practices of retailers may delay or restrict the growth of retail technology solutions in these countries. The growth of online retail in SEA will also pose a threat to the growth of retail technology solutions in the region.

RADIANT GLOBALTECH BERHAD (COMPANY NO. 621297-A)

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B4. Profit Forecast

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

B5. Income Tax Expense

The breakdown of income tax expense are as follows:-

	Quarter Ended		Year-To-Date Ended	
	31.03.18 ⁽³⁾	31.03.17 ⁽¹⁾	31.03.18 ⁽³⁾	31.03.17 ⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
Income tax expense	331	N/A	331	N/A
Deferred tax assets	(245)	N/A	(245)	N/A
	<u>86</u>	<u>N/A</u>	<u>86</u>	<u>N/A</u>
Effective tax rate (%) ⁽²⁾	<u>31.27</u>	<u>N/A</u>	<u>31.27</u>	<u>N/A</u>

Notes:

- (1) No comparative figures for the preceding year's quarter and year-to-date is available as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2018 announced by the Company in compliance with the Listing Requirements.
- (2) The Group's effective tax rate for the first quarter ended 31 March 2018 of 31.27% is higher than the statutory tax rate of 24.00% and is mainly due to non-deductible expenses.
- (3) Income tax expense is recognised based on management's best estimate.

N/A Not applicable

B6. Status of Corporate Proposals

The Company is in the progress to list its entire enlarged issued share capital of RM49.31 million comprising 525,200,000 shares on the Ace Market of Bursa Securities. In conjunction with the Initial Public Offering ("IPO") and listing of Radiant Globaltech on the ACE Market of Bursa Securities in accordance with its Prospectus dated 28 June 2018, the following listing scheme are undertaken by the Company:-

- (a) Public issue of 128,080,000 new shares at an issue price of RM0.23 per share in the following manner:-
 - 11,000,000 new shares made available for application by the Malaysian Public;
 - 21,100,000 new shares made available for application by our eligible Directors, employees and persons who have contributed to the success of the Group; and
 - 95,980,000 new shares made available by way of placement to selected investors
- (b) Offer for sale of 12,000,000 existing shares by way of placement to selected investors.

RADIANT GLOBALTECH BERHAD (COMPANY NO. 621297-A)

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B6. Status of Corporate Proposals (CONT'D)

- (c) The listing of and quotation for the Company's entire enlarged issued share capital of RM49.31 million comprising 525,200,000 shares on the ACE Market of Bursa Securities is expected to be on 24 July 2018.

B7. Utilisation of Proceeds Raised from IPO

The gross proceeds from the IPO of RM29.46 million is intended to be utilised in the following manner:

No.	Purpose	Proposed utilisation RM'000	%	Intended timeframe for utilisation (from the listing date)
i.	Business and Capital expansion:-	11,600	39.38	Within 24 months
	- <i>Malaysia operation</i>	<i>10,000</i>	<i>33.95</i>	
	- <i>RG Vietnam's business</i>	<i>1,600</i>	<i>5.43</i>	
iii.	Working capital:-	4,757	16.15	Within 24 months
	- <i>Operating expenses</i>	<i>1,457</i>	<i>4.95</i>	
	- <i>Payment of inventories</i>	<i>1,500</i>	<i>5.09</i>	
	- <i>Payroll expenses</i>	<i>1,800</i>	<i>6.11</i>	
iii.	Expansion of retail software business:-	3,000	10.18	Within 24 months
	- <i>Advertising and marketing costs</i>	<i>1,200</i>	<i>4.07</i>	
	- <i>Payroll expenses</i>	<i>1,800</i>	<i>6.11</i>	
iv.	Repayment of bank borrowings:-	10,101	34.29	Within 6 months
	- <i>Commodity murabahah term financing: Purchase of Vertical Business Suite 03-08</i>	<i>2,442</i>	<i>8.29</i>	
	- <i>Term loan: Refinancing of Shamelin Office</i>	<i>1,836</i>	<i>6.23</i>	
	- <i>Term loan: Purchase of Vertical Business Suite 03-06</i>	<i>1,651</i>	<i>5.61</i>	
	- <i>Term loan: Purchase of Vertical Business Suite 03-07</i>	<i>672</i>	<i>2.28</i>	
v.	Estimated listing expenses	3,500	11.88	Within 3 months
	Total	29,458	100.00	

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 28 June 2018.

As at the date of this report, the IPO is pending completion and hence there is no utilisation of the proceed.

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B8. Group Borrowings and Debt Securities

The Group's borrowings as at 31 March 2018 are as follows:.

	Unaudited 31 March 2018 RM'000	Audited 31 December 2017 RM'000
Current:		
Bankers' acceptances	628	-
Hire purchase payables	164	161
Term loans	1,135	1,113
	<u>1,927</u>	<u>1,274</u>
Non-current:		
Hire purchase payables	625	667
Term loans	7,970	8,258
	<u>8,595</u>	<u>8,925</u>

All the borrowings are secured and denominated in Ringgit Malaysia.

B9. Material Litigation

As at the date of this report, the Group is not engaged in any material litigation.

B10. Dividend

No dividend has been declared or recommended for payment by the Company during the current financial quarter under review.

B11. Earnings Per Share

The basic and diluted earnings per share for the current financial quarter and year-to-date are computed as follows:

	Quarter Ended		Year-To-Date Ended	
	31 March 2018 RM'000	31 March 2017⁽³⁾ RM'000	31 March 2018 RM'000	31 March 2017⁽³⁾ RM'000
Profit after tax attributable to owners of the Company	<u>189</u>	<u>N/A</u>	<u>189</u>	<u>N/A</u>
Weighted average number of ordinary shares at 1 January / 31 March ('000)	<u>397,120</u>	<u>N/A</u>	<u>397,120</u>	<u>N/A</u>

B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B11. Earnings Per Share (CONT'D)

	Quarter Ended		Year-To-Date Ended	
	31 March 2018 RM'000	31 March 2017 ⁽³⁾ RM'000	31 March 2018 RM'000	31 March 2017 ⁽³⁾ RM'000
Earnings per share (Sen) attributable to owners of the Company				
- Basic ⁽¹⁾	0.05	N/A	0.05	N/A
- Diluted ⁽²⁾	0.05	N/A	0.05	N/A

Notes:

- (1) The basic earnings per share is computed based on profit after tax attributable to the owners of the Company and divided by the weighted average number of ordinary shares in issue as at 31 March 2018.
- (2) The diluted earnings per share is equivalent to the basic earnings per share as the Company does not have convertible securities.
- (3) No comparative figures for the preceding year's quarter and year-to-date is available as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2018 announced by the Company in compliance with the Listing Requirements.

N/A Not applicable

B12. Notes to the Statements of Profit or Loss and Other Comprehensive Income

Profit before taxation is arrived at after charging / (crediting):-

	Quarter Ended		Year-To-Date Ended	
	31.03.18 RM'000	31.03.17 ⁽¹⁾ RM'000	31.03.18 RM'000	31.03.17 ⁽¹⁾ RM'000
Depreciation	162	N/A	162	N/A
Interest income	(10)	N/A	(10)	N/A
Interest expenses	137	N/A	137	N/A
Realised loss on exchange	(158)	N/A	(158)	N/A
Unrealised loss on exchange	184	N/A	184	N/A
Writeback of impairment losses on trade receivable	(239)	N/A	(239)	N/A

Notes:

- (1) No comparative figures for the preceding year's quarter and year-to-date is available as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2018 announced by the Company in compliance with the Listing Requirements.

N/A Not applicable

BY ORDER OF THE BOARD