

# **RADIANT GLOBALTECH BERHAD**

*(Registration No.: 200301018877 (621297-A))  
(Incorporated in Malaysia)*

## **INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2021**

### **CONTENTS**

	<b>Page</b>
Unaudited Consolidated Statements of Profit or Loss and Other Comprehensive Income	1 - 2
Unaudited Consolidated Statements of Financial Position	3 - 4
Unaudited Consolidated Statements of Changes in Equity	5 - 6
Unaudited Consolidated Statements of Cash Flows	7 - 8
Explanatory notes to the Interim Financial Report	9 - 13
Additional Information Required by the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad	14 - 18

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))  
**UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER  
 COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER  
 2021<sup>(1)</sup>****

	<b>UNAUDITED CURRENT YEAR QUARTER 30.09.21 RM'000</b>	<b>UNAUDITED PRECEDING YEAR QUARTER 30.09.20 RM'000</b>	<b>UNAUDITED CURRENT YEAR TO DATE 30.09.21 RM'000</b>	<b>UNAUDITED PRECEDING YEAR TO DATE 30.09.20 RM'000</b>
Revenue	32,401	14,500	94,546	41,039
Cost of sales	(22,829)	(7,723)	(63,034)	(21,726)
Gross profit	9,572	6,777	31,512	19,313
Other income	492	361	921	1,737
	10,064	7,138	32,433	21,050
Selling and distribution expenses	462	(182)	183	(620)
Administrative expenses	(7,699)	(6,639)	(23,560)	(19,543)
Other expenses	(630)	(473)	(1,626)	(1,452)
Finance costs	(18)	(25)	(83)	(113)
Net (impairment) / reversal on financial assets	(194)	203	4	(263)
Profit / (Loss) before taxation	1,985	22	7,351	(941)
Income tax expense	(1,325)	(173)	(3,316)	(349)
<b>Profit / (Loss) after taxation</b>	660	(151)	4,035	(1,290)
Other comprehensive income / (loss), net of tax				
<i>Item that may be reclassified subsequently to profit or loss</i>				
Foreign currency translation differences	84	(74)	167	(23)
<b>Total comprehensive income / (loss) for the financial period</b>	744	(225)	4,202	(1,313)
<b>PROFIT / (LOSS) AFTER TAXATION ATTRIBUTABLE TO:-</b>				
Owners of the Company	504	119	3,694	(367)
Non-controlling interests	156	(270)	341	(923)
	660	(151)	4,035	(1,290)

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))  
**UNAUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER  
 COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER  
 2021<sup>(1)</sup> (CONT'D)****

	<b>UNAUDITED CURRENT YEAR QUARTER 30.09.21 RM'000</b>	<b>UNAUDITED PRECEDING YEAR QUARTER 30.09.20 RM'000</b>	<b>UNAUDITED CURRENT YEAR TO DATE 30.09.21 RM'000</b>	<b>UNAUDITED PRECEDING YEAR TO DATE 30.09.20 RM'000</b>
<b>TOTAL COMPREHENSIVE PROFIT / (LOSS) ATTRIBUTABLE TO:-</b>				
Owners of the Company	554	62	3,798	(368)
Non-controlling interests	190	(287)	404	(945)
	<u>744</u>	<u>(225)</u>	<u>4,202</u>	<u>(1,313)</u>
<b>Earnings / (Loss) per share attributable to owners of the Company:-</b>				
- Basic (Sen)	0.10 <sup>(2)</sup>	0.02	0.70 <sup>(2)</sup>	(0.07)
- Diluted (Sen)	<u>0.10<sup>(2)</sup></u>	<u>0.02</u>	<u>0.70<sup>(2)</sup></u>	<u>(0.07)</u>

**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 audited financial statements for the financial year ended ("FYE") 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.
- (2) The basic earnings / (loss) per share is computed based on earnings / (loss) after taxation attributable to the owners of the Company and divided by the weighted average number of ordinary shares in issue as at 30 September 2021. The diluted earnings / (loss) per share is equivalent to the basic earnings per share as the Company does not have any convertible securities outstanding.

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))  
**UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER  
2021<sup>(1)</sup>****

	<b>Unaudited 30.09.21 RM'000</b>	<b>Audited 31.12.20 RM'000</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	1,516	1,670
Intangible assets	1,329	1,759
Right of use assets	10,836	11,225
Deferred tax assets	881	601
Goodwill on acquisition	11,421	8,152
	<u>25,983</u>	<u>23,407</u>
<b>CURRENT ASSETS</b>		
Inventories	8,726	7,491
Trade receivables	31,238	27,209
Other receivables, deposits and prepayments	2,985	3,699
Current tax assets	2,817	4,286
Short-term investments	17,826	21,280
Fixed deposits with licensed banks	1,151	1,040
Cash and bank balances	10,955	18,751
	<u>75,698</u>	<u>83,756</u>
<b>TOTAL ASSETS</b>	<u>101,681</u>	<u>107,163</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	48,153	48,153
Merger deficit	(13,681)	(13,681)
Foreign exchange translation reserve	(179)	(283)
Retained profits	34,748	31,054
Shareholders' fund	69,041	65,243
Non-controlling interests	1,518	1,220
<b>TOTAL EQUITY</b>	<u>70,559</u>	<u>66,463</u>
<b>NON-CURRENT LIABILITIES</b>		
Provision	368	336
Lease liabilities	314	323
Deferred revenue	230	299
Deferred tax liabilities	12	45
	<u>924</u>	<u>1,003</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	13,124	15,802
Other payables and accruals	12,268	19,921
Amount owing to a related party	2,249	1,857
Amount owing to directors	842	120
Lease liabilities	335	548
Term loans	178	721
Bankers' acceptances	-	728
Current tax liabilities	1,202	-
	<u>30,198</u>	<u>39,697</u>
<b>TOTAL LIABILITIES</b>	<u>31,122</u>	<u>40,700</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>101,681</u>	<u>107,163</u>

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))  
**UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER  
 2021<sup>(1)</sup> (CONT'D)****

	<b>Unaudited 30.09.21</b>	<b>Audited 31.12.20</b>
Number of issued shares ('000)	525,200	525,200
Net assets per ordinary share attributable to owners of the Company (Sen)	<u>13.15</u>	<u>12.42</u>

**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 audited financial statements for the financial year ended ("FYE") 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))**

**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2021<sup>(1)</sup>**

	<---- Non-Distributable ---->			Distributable	Attributable	Non-	Total
	Share	Merger	Foreign	Retained	to	controlling	Equity
	Capital	Deficit	Exchange	Profits	Owners of	interests	
			Translation		the		
			Reserve		Company		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1.1.20	48,153	(13,681)	(245)	29,454	63,681	885	64,566
Profit after taxation	-	-	-	1,600	1,600	(1,243)	357
Other comprehensive income for the financial year:							
- Foreign currency translation differences	-	-	(38)	-	(38)	(22)	(60)
Total comprehensive income for the financial year	-	-	(38)	1,600	1,562	(1,265)	297
Issuance of shares to non-controlling interests by subsidiaries	-	-	-	-	-	738	738
Non-controlling interests on incorporation of subsidiary companies	-	-	-	-	-	862	862
<b>Balance as at 31.12.20 (Audited)</b>	<b>48,153</b>	<b>(13,681)</b>	<b>(283)</b>	<b>31,054</b>	<b>65,243</b>	<b>1,220</b>	<b>66,463</b>
Balance as at 1.1.21	48,153	(13,681)	(283)	31,054	65,243	1,220	66,463
Profit after taxation	-	-	-	3,694	3,694	341	4,035
Other comprehensive income for the financial period:							
- Foreign currency translation differences	-	-	104	-	104	63	167
Total comprehensive income for the financial period	-	-	104	3,694	3,798	404	4,202
Acquisition of subsidiaries	-	-	-	-	-	(106)	(106)
<b>Balance as at 30.09.21 (Unaudited)</b>	<b>48,153</b>	<b>(13,681)</b>	<b>(179)</b>	<b>34,748</b>	<b>69,041</b>	<b>1,518</b>	<b>70,559</b>

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))**

**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2021<sup>(1)</sup>  
(CONT'D)**

**Note:**

- (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 audited financial statements for the financial year ended (“FYE”) 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))  
**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE QUARTER AND YEAR-  
TO-DATE ENDED 30 SEPTEMBER 2021<sup>(1)</sup>****

	<b>CURRENT YEAR TO DATE 30.09.21 RM'000</b>	<b>PRECEDING YEAR TO DATE 30.09.20 RM'000</b>
<b>CASH FLOWS FOR OPERATING ACTIVITIES</b>		
Profit / (Loss) before taxation	7,351	(941)
Adjustments for:		
Amortisation of intangible assets	434	524
Depreciation of property, plant and equipment	343	310
Depreciation of right-of-use assets	623	543
Gain on disposal of property, plant and equipment	(5)	-
Interest income	(257)	(517)
Interest expenses	83	113
Inventories written down	559	-
(Reversal) / Impairment losses on trade receivables	(4)	643
Unrealised gain on foreign exchange	(76)	26
Reversal of impairment losses on trade receivables	-	(380)
Operating profit before working capital changes	<u>9,051</u>	<u>321</u>
Increase in inventories	(1,741)	(2,725)
(Increase) / Decrease in trade and other receivables	(2,892)	10,085
Decrease in trade and other payables	(10,930)	(8,912)
Increase in amount owing to a related party	436	1,370
<b>CASH (FOR) / FROM OPERATIONS</b>	<u>(6,076)</u>	<u>139</u>
Income tax paid	(1,956)	(1,673)
Income tax refund	1,006	-
<b>NET CASH FOR OPERATING ACTIVITIES</b>	<u>(7,026)</u>	<u>(1,534)</u>
<b>CASH FLOWS (FOR) / FROM INVESTING ACTIVITIES</b>		
Acquisition of a subsidiary company	(2,528)	-
Purchase of property, plant and equipment	(54)	(25)
Purchase of right of use assets	-	(127)
Proceed from disposal of property, plant and equipment	5	-
Interest received	257	517
Decrease in fixed deposits with tenure more than 3 months	(11)	2,957
<b>NET CASH (FOR) / FROM INVESTING ACTIVITIES</b>	<u>(2,331)</u>	<u>3,322</u>
<b>CASH FLOWS FOR FINANCING ACTIVITIES</b>		
Repayment to directors	(75)	(16)
Dividend paid	-	(525)
Net changes of banker's acceptance	(728)	-
Interest paid	(83)	(113)
Repayment of term loans	(543)	(504)
Repayment of lease liabilities	(401)	(221)
<b>NET CASH FOR FINANCING ACTIVITIES</b>	<u>(1,830)</u>	<u>(1,379)</u>



**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))  
**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE QUARTER AND YEAR-  
TO-DATE ENDED 30 SEPTEMBER 2021<sup>(1)</sup> (CONT'D)****

	<b>CURRENT YEAR TO DATE 30.09.21 RM'000</b>	<b>PRECEDING YEAR TO DATE 30.09.20 RM'000</b>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(11,187)	409
EFFECT OF FOREIGN EXCHANGE TRANSLATION	36	(47)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	40,031	26,871
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>28,880</u>	<u>27,233</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD COMPRISES:		
Short-term investments	17,826	16,963
Cash and bank balances	10,955	10,270
Fixed deposits with licensed banks	1,151	9,582
	<u>29,932</u>	<u>36,815</u>
Less: Fixed deposits pledged to licensed banks	(485)	(459)
Fixed deposits with tenure of more than 3 months	(567)	(9,123)
	<u>28,880</u>	<u>27,233</u>

**Note:**

- (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 audited financial statements for the financial year ended ("FYE") 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))**

**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2021**

**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 Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

This interim financial report should be read in conjunction with the audited financial statements for the financial year ended (“FYE”) 31 December 2020. These explanatory notes attached to the interim financial report provide explanations of events and transactions that are significant for the understanding of the changes in the financial position and performance of the Group since the FYE 31 December 2020.

**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 FYE 31 December 2020 except for the adoption of the following MFRS and Amendments to MFRS which came into effect for annual periods beginning on or after 1 January 2021 and are applicable for the Group’s interim financial report for the quarter and year-to-date ended 30 September 2021, as disclosed below:

**MFRSs and/or IC Interpretations (including the Consequential Amendments)**

Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmarks Reform – Phase 2

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) do not have any material impact on the financial performance and position of the Group upon their initial 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 period ended 30 September 2021:-

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective for annual periods on or after</b>
MFRS 17 Insurance Contracts	1 January 2023
Amendment to MFRS 3: Reference to the Conceptual Framework	1 January 2022
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 17: Insurance Contracts	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-Current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Policies	1 January 2023
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds Before Intended Use	1 January 2022

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))**

**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2021 (CONT'D)**

**A2. Changes in Accounting Policies (Cont'd)**

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments) (Cont'd)</b>	<b>Effective for annual periods on or after</b>
Amendments to MFRS 137: Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022

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 FYE 31 December 2020.

**A4. Seasonal or Cyclical Factors**

The business operations of the Group during the current financial quarter under review were not 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.

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))**

**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2021 (CONT'D)**

**A9. Segmental Reporting**

The Group's operating segments information are as follows:-

	<b>Hardware and Maintenance RM'000</b>	<b>Software RM'000</b>	<b>Group RM'000</b>
<b>Current year quarter ended 30 September 2021</b>			
<b>Revenue</b>			
External revenue	29,559	2,842	32,401
Inter-segment revenue	47	357	404
	<u>29,606</u>	<u>3,199</u>	<u>32,805</u>
Consolidation adjustments			(404)
Consolidated revenue			<u>32,401</u>
<b>Results</b>			
Segmental profit / (loss) before interest and taxation	2,423	(502)	1,921
Interest income			82
Finance costs			(18)
Consolidated profit before taxation			<u>1,985</u>
Income tax expense			(1,325)
Consolidated profit after taxation			<u>660</u>
<b>Preceding year quarter ended 30 September 2020</b>			
<b>Revenue</b>			
External revenue	11,358	3,142	14,500
Inter-segment revenue	75	86	161
	<u>11,433</u>	<u>3,228</u>	<u>14,661</u>
Consolidation adjustments			(161)
Consolidated revenue			<u>14,500</u>
<b>Results</b>			
Segmental profit / (loss) before interest and taxation	420	(517)	(97)
Interest income			144
Finance costs			(25)
Consolidated loss before taxation			<u>22</u>
Income tax expense			(173)
Consolidated loss after taxation			<u>(151)</u>

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))**

**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2021 (CONT'D)**

**A9. Segmental Reporting**

The Group's operating segments information are as follows:-

	<b>Hardware and Maintenance RM'000</b>	<b>Software RM'000</b>	<b>Group RM'000</b>
<b>Current year to date ended 30 September 2021</b>			
<b>Revenue</b>			
External revenue	85,073	9,473	94,546
Inter-segment revenue	4,611	434	5,045
	<u>89,684</u>	<u>9,907</u>	<u>99,591</u>
Consolidation adjustments			(5,045)
Consolidated revenue			<u>94,546</u>
<b>Results</b>			
Segmental profit /(loss) before interest and taxation	8,655	(1,478)	7,177
Interest income			257
Finance costs			(83)
Consolidated profit before taxation			<u>7,351</u>
Income tax expense			(3,316)
Consolidated profit after taxation			<u>4,035</u>
<b>Preceding year to date ended 30 September 2020</b>			
<b>Revenue</b>			
External revenue	32,712	8,327	41,039
Inter-segment revenue	284	159	443
	<u>32,996</u>	<u>8,486</u>	<u>41,482</u>
Consolidation adjustments			(443)
Consolidated revenue			<u>41,039</u>
<b>Results</b>			
Segmental loss before interest and taxation	(173)	(1,172)	(1,345)
Interest income			517
Finance costs			(113)
Consolidated loss before taxation			<u>(941)</u>
Income tax expense			(349)
Consolidated loss after taxation			<u>(1,290)</u>

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))  
A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND  
YEAR-TO-DATE ENDED 30 SEPTEMBER 2021 (CONT'D)**

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

There were no significant events subsequent to the end of the current financial quarter that have not been reflected in this interim financial report.

**A11. Changes in the Composition of the Group**

On 23 September 2021, the Company acquired 70% of the equity interest comprising 3,000,000 ordinary shares in World Pos Sdn. Bhd. for a cash consideration of RM1.00 and acquired 70% of the equity interest comprising 257,000 ordinary shares in World Portal Sdn. Bhd. for a cash consideration of RM1.12 million.

**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. Contingent Liabilities**

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

**A15. 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.

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))**

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

**B1. Review of Group Performance**

For the quarter ended 30 September 2021 (3Q21)

For the third quarter ended 30 September 2021 (3Q21), the Group reported 123.45% higher revenue of RM32.40 million from RM14.50 million in the preceding year corresponding quarter ended 30 September 2020 (3Q20).

RM29.56 million or 91.23% of the revenue in 3Q21 was contributed by the Hardware and Maintenance segment, while the remaining RM2.84 million or 8.77% was derived from the Software segment.

As a comparison, RM11.36 million or 78.34% of the Group's revenue in 3Q20 was derived from the Hardware and Maintenance segment, while the remaining RM3.14 million or 21.66% was from the Software segment.

The Group recorded 41.15% higher gross profit to RM9.57 million in 3Q21 from RM6.78 million in 3Q20. Notwithstanding the higher gross profit, overall gross profit margin reduced to 29.54% in 3Q21 from 46.76% in 3Q20. The decrease in overall gross profit margin was mainly due to lower gross profit in Hardware and Maintenance and Software segment as well as reclassification of direct staff costs to cost of sales in Software segment to conform with the presentation in the audited financial statement as at 31 December 2020.

The Group recorded profit before taxation of RM1.99 million in 3Q21 as compared to profit before taxation of RM0.02 million in 3Q20. It was in line with the increase in revenue contribution from its business segments despite there was an increase in expenses such as impairment on stocks and impairment on doubtful debts in 3Q21.

For the nine months ended 30 September 2021 (3CQ21)

For 3CQ21, the Group reported 130.38% higher revenue of RM94.55 million from RM41.04 million in the previous corresponding nine months ended 30 September 2020 (3CQ20).

RM85.07 million or 89.97% of the revenue in 3CQ21 was contributed by the Hardware and Maintenance segment, while the remaining RM9.48 million or 10.03% was derived from the Software segment.

As a comparison, RM32.71 million or 79.70% of the Group's revenue in 3CQ20 was derived from the Hardware and Maintenance segment, while the remaining RM8.33 million or 20.30% was from the Software Segment.

The Group recorded 63.18% higher gross profit to RM31.51 million in 3CQ21 from RM19.31 million in 3CQ20. Notwithstanding the higher gross profit, overall gross profit margin reduced to 33.33% in 3CQ21 from 47.05% in 3CQ20. The decrease in overall gross profit margin was mainly due to lower gross profit in Hardware and Maintenance and Software segment as well as reclassification of direct staff costs to cost of sales in Software segment to conform with the presentation in the audited financial statement as at 31 December 2020.

The Group recorded profit before taxation of RM7.35 million in 3CQ21 as compared to a loss before taxation of RM0.94 million in 3CQ20. It was in line with the increase in revenue contribution from its business segments. While in 3CQ20, the loss occurred mainly due to the gross profit margins generated which was insufficient to compensate the Group expenses such as an increase in staff costs and other operating expenses which arose from its expansion plans. Also, the business losses attributable to a subsidiary in Thailand have reduced to RM0.61 million in 3CQ21 from RM1.36 million in 3CQ20 in the Hardware and Maintenance segments.

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))**

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

**B2. Comparison with Immediate Preceding Quarter Results**

	Quarter Ended		<---- Changes ---->	
	30.09.2021 RM'000	30.06.2021 RM'000	RM'000	%
Revenue	32,401	32,907	(506)	(1.54)
Profit before taxation	<u>1,985</u>	<u>2,376</u>	<u>(391)</u>	<u>(16.46)</u>

The Group's revenue of RM32.40 million for the current quarter under review was 1.54% lower than the RM32.91 million recorded in the previous quarter. It was due to projects implemented in Software segment in the previous quarter.

The Group recorded profit before taxation of RM1.99 million in the current quarter as compared to RM2.38 million in the previous quarter. It was mainly due to lower gross profit margin from Hardware and Maintenance segment as well as increase in expenses such as impairment on stocks and impairment on doubtful debts.

**B3. Prospects**

The prospects of the retail industry in the local and regional spheres are expected to remain challenging in the financial year ending 31 December 2021 (FY2021) despite the implementation of the National Recovery Plan from mid-Jun 2021 until end-December 2021.

With the acquisition of subsidiaries, the Group also leveraged on its expanded customer portfolio in the retail and industrial sectors by combining its resources to create synergies and be a one-stop solutions provider for businesses to automate their operations. The Group has introduced its software solutions to neighbouring countries to fulfil the rising demand for digital technologies.

With the current uncertainty in the global and local economies due to the COVID-19 pandemic, the business outlook of the Group for the current financial year ending 31 December 2021 will remain challenging. However, the Board is cautious on the potential impact of the COVID-19 pandemic and will continue to manage the business of our Group with vigilance during this period of uncertainty.

Nonetheless, backed by its strong balance sheet and robustness of its various solutions to capitalize on software, maintenance and support services segments to create a long-term sustainable revenue stream, the Group is optimistic of its long-term prospects and will continue to strengthen its customer base.



**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (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 under review.

**B5. Income Tax Expense**

The breakdown of income tax expense are as follows:-

	Quarter Ended		Year-To-Date Ended	
	30.09.21 RM'000	30.09.20 RM'000	30.09.21 RM'000	30.09.20 RM'000
Income tax expense	1,019	64	3,209	562
Under provision in previous financial year	436	(22)	435	(22)
Deferred tax	(130)	131	(328)	(191)
	<u>1,325</u>	<u>173</u>	<u>3,316</u>	<u>349</u>
Effective tax rate (%) <sup>(1)</sup>	<u>66.75</u>	<u>786.36</u>	<u>45.11</u>	<u>37.09</u>

**Notes:**

(1) The Group's effective tax rate for the second quarter ended 30 September 2021 of 66.75% is higher than the statutory tax rate of 24.00% mainly due to unrecognised deferred tax assets arising from business losses of the subsidiaries and under provision of taxation in previous financial year.

(2) Income tax expense is recognised based on management's best estimate.

**B6. Status of Corporate Proposals**

There were no corporate proposals announced but not completed as at the date of this report.

**B7. Group Borrowings and Debt Securities**

The Group's borrowings are as follows:

	Unaudited 30.09.21 RM'000	Audited 31.12.20 RM'000
<b>Current:</b>		
Banker's acceptance	-	728
Lease liabilities	335	548
Term loans	178	721
	<u>513</u>	<u>1,997</u>
<b>Non-current:</b>		
Lease liabilities	314	323
	<u>314</u>	<u>323</u>

All the borrowings are secured and denominated in Ringgit Malaysia.

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))****B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)****B8. Material Litigation**

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

**B9. Dividend**

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

**B10. Earnings / (Loss) Per Share**

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

	Quarter Ended		Year-To-Date Ended	
	30.09.21	30.09.20	30.09.21	30.09.20
	RM'000	RM'000	RM'000	RM'000
Profit / (Loss) after taxation attributable to owners of the Company	504	119	3,694	(367)
	<u>504</u>	<u>119</u>	<u>3,694</u>	<u>(367)</u>
	Quarter Ended		Year-To-Date Ended	
	30.09.21	30.09.20	30.09.21	30.09.20
Weighted average number of ordinary shares ('000)	525,200	525,200	525,200	525,200
	<u>525,200</u>	<u>525,200</u>	<u>525,200</u>	<u>525,200</u>
Earnings / (Loss) per share attributable to owners of the Company				
- Basic <sup>(1)</sup> (Sen)	0.10	0.02	0.70	(0.07)
- Diluted <sup>(2)</sup> (Sen)	0.10	0.02	0.70	(0.07)
	<u>0.10</u>	<u>0.02</u>	<u>0.70</u>	<u>(0.07)</u>

**Notes:**

- (1) The basic earnings / (loss) per share is computed based on profit / (loss) after taxation attributable to the owners of the Company and divided by the weighted average number of ordinary shares in issue as at 30 September 2021.
- (2) The diluted earnings / (loss) per share is equivalent to the basic earnings per share as the Company does not have any convertible securities.

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))****B. ADDITIONAL INFORMATION REQUIRED BY THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)****B11. Notes to the Statements of Profit or Loss and Other Comprehensive Income**

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

	Quarter Ended		Year-To-Date Ended	
	30.09.21 RM'000	30.09.20 RM'000	30.09.21 RM'000	30.09.20 RM'000
Amortisation of intangible assets	145	167	434	524
Depreciation of property, plant and equipment	116	102	343	310
Depreciation of right-of-use assets	195	185	623	543
Gain on disposal of property, plant and equipment	-	-	(5)	-
Interest income	(82)	(144)	(257)	(517)
Interest expenses	18	26	83	113
Realised loss / (gain) on foreign exchange	85	(102)	158	48
Unrealised (gain) / loss on foreign exchange	(55)	95	(76)	26
Inventories written down	218	-	559	-
Net impairment losses / (reversal) on trade receivables	194	(203)	(4)	263

**BY ORDER OF THE BOARD**