



RADIANT GLOBALTECH BERHAD

(Registration No.: 200301018877 (621297-A))

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2024

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**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
2024⁽¹⁾**

	UNAUDITED CURRENT YEAR QUARTER 30.09.24 RM'000	UNAUDITED PRECEDING YEAR QUARTER 30.09.23 RM'000	UNAUDITED CURRENT YEAR TO DATE 30.09.24 RM'000	UNAUDITED PRECEDING YEAR TO DATE 30.09.23 RM'000
Revenue	32,566	31,593	87,602	97,452
Cost of sales	(19,030)	(19,612)	(53,606)	(58,419)
Gross profit	13,536	11,981	33,996	39,033
Other income	23	352	659	876
	13,559	12,333	34,655	39,909
Selling and distribution expenses	(487)	(79)	(1,223)	(1,047)
Administrative expenses	(9,614)	(9,609)	(26,172)	(29,570)
Other expenses	(704)	(730)	(1,986)	(2,492)
Finance costs	(20)	(46)	(77)	(73)
Net impairment on financial assets	(441)	(233)	(938)	(204)
Profit before taxation	2,293	1,636	4,259	6,523
Income tax expense	(305)	(628)	(893)	(2,140)
Profit after taxation	1,988	1,008	3,366	4,383
Other comprehensive income, net of tax				
<i>Item that may be reclassified subsequently to profit or loss</i>				
Foreign currency translation differences	(52)	78	99	25
Total comprehensive income for the financial period	1,936	1,086	3,465	4,408
PROFIT/(LOSS) AFTER TAXATION ATTRIBUTABLE TO:-				
Owners of the Company	1,856	1,016	3,288	4,295
Non-controlling interests	132	(8)	78	88
	1,988	1,008	3,366	4,383

**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
2024 ⁽¹⁾ (CONT'D)**

	UNAUDITED CURRENT YEAR QUARTER 30.09.24 RM'000	UNAUDITED PRECEDING YEAR QUARTER 30.09.23 RM'000	UNAUDITED CURRENT YEAR TO DATE 30.09.24 RM'000	UNAUDITED PRECEDING YEAR TO DATE 30.09.23 RM'000
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-				
Owners of the Company	1,799	1,078	3,346	4,330
Non-controlling interests	137	8	119	78
	1,936	1,086	3,465	4,408
Earnings per share attributable to owners of the Company:-				
- Basic (Sen)	0.35 ⁽²⁾	0.19	0.63 ⁽²⁾	0.82
- Diluted (Sen)	0.35 ⁽²⁾	0.19	0.63 ⁽²⁾	0.82

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 2023 and the accompanying explanatory notes attached to this interim financial report.
- (2) The basic earnings per share is computed based on profit 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 2024. The diluted earnings 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
2024⁽¹⁾**

	Unaudited 30.09.24 RM'000	Audited 31.12.23 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	9,683	10,002
Intangible assets	24	49
Right of use assets	10,217	10,587
Deferred tax assets	618	585
Goodwill on acquisition	11,447	11,447
	<u>31,989</u>	<u>32,670</u>
CURRENT ASSETS		
Inventories	6,990	7,353
Trade receivables	24,163	30,756
Other receivables, deposits and prepayments	4,681	3,266
Amount owing by related parties	1,552	1,950
Current tax assets	3,424	3,493
Short-term investments	10,771	11,886
Fixed deposits with licensed banks	1,233	1,219
Cash and bank balances	19,654	18,493
	<u>72,468</u>	<u>78,416</u>
TOTAL ASSETS	<u>104,457</u>	<u>111,086</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	48,153	48,153
Merger deficit	(13,681)	(13,681)
Foreign exchange translation reserve	(94)	(152)
Retained profits	40,566	39,904
Shareholders' fund	74,944	74,224
Non-controlling interests	(150)	(269)
TOTAL EQUITY	<u>74,794</u>	<u>73,955</u>
NON-CURRENT LIABILITIES		
Provision	332	498
Lease liabilities	186	333
Hire purchase payables	663	824
Deferred revenue	19	34
Deferred tax liabilities	5	5
	<u>1,205</u>	<u>1,694</u>
CURRENT LIABILITIES		
Trade payables	10,139	14,751
Other payables and accruals	14,511	16,685
Amount owing to related parties	2,336	2,467
Amount owing to directors	636	546
Lease liabilities	378	457
Hire purchase payables	229	197
Current tax liabilities	229	334
	<u>28,458</u>	<u>35,437</u>
TOTAL LIABILITIES	<u>29,663</u>	<u>37,131</u>
TOTAL EQUITY AND LIABILITIES	<u>104,457</u>	<u>111,086</u>

**RADIANT GLOBALTECH BERHAD ((REGISTRATION NO.: 200301018877 (621297-A))
UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER
2024⁽¹⁾ (CONT'D)**

	Unaudited 30.09.24	Audited 31.12.23
Number of issued shares ('000)	525,200	525,200
Net assets per ordinary share attributable to owners of the Company (Sen)	<u>14.3</u>	<u>14.1</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 2023 and the accompanying explanatory notes attached to this interim financial report.

	Share Capital	<---- Non-Distributable ----> Merger Deficit	Foreign Exchange Translation Reserve	Distributable Retained Profits	Attributable to Owners of the Company	Non-controlling interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1.1.23	48,153	(13,681)	(155)	43,234	77,551	3,478	81,029
Profit after taxation	-	-	-	7,655	7,655	541	8,196
Other comprehensive income for the financial year:							
- Foreign currency translation differences	-	-	3	-	3	(42)	(39)
Total comprehensive income for the financial year	-	-	3	7,655	7,658	499	8,157
Distribution to owners of the Company:							
- Dividends	-	-	-	(2,626)	(2,626)	-	(2,626)
Changes in a subsidiary's ownership interests that do not result in a loss of control	-	-	-	(8,359)	(8,359)	(4,246)	(12,605)
Balance as at 31.12.23 (Audited)	48,153	(13,681)	(152)	39,904	74,224	(269)	73,955
Balance as at 1.1.24	48,153	(13,681)	(152)	39,904	74,224	(269)	73,955
Profit after taxation	-	-	-	3,288	3,288	78	3,366
Other comprehensive income for the financial period:							
- Foreign currency translation differences	-	-	58	-	58	41	99
Total comprehensive income for the financial period	-	-	58	3,288	3,346	119	3,465
Distribution to owners of the Company:							
- Dividends	-	-	-	(2,626)	(2,626)	-	(2,626)
Balance as at 30.09.24 (Unaudited)	48,153	(13,681)	(94)	40,566	74,944	(150)	74,794

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 2024⁽¹⁾
(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 2023 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 2024⁽¹⁾**

	CURRENT YEAR TO DATE 30.09.24 RM'000	PRECEDING YEAR TO DATE 30.09.23 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	4,259	6,523
Adjustments for:		
Amortisation of intangible assets	25	408
Bad debts written off	37	1
Depreciation of property, plant and equipment	1,035	833
Depreciation of right-of-use assets	476	561
Gain on disposal of property, plant and equipment	-	(90)
Impairment losses on trade receivables	1,234	516
Interest expenses	77	73
Interest income	(359)	(355)
Inventories written back	(15)	(759)
Inventories written off	79	752
Reversal of impairment losses on trade receivables	(296)	(312)
Unrealised loss/(gain) on foreign exchange	214	(268)
Operating profit before working capital changes	<u>6,766</u>	<u>7,883</u>
Decrease in inventories	298	8,708
Decrease in trade and other receivables	3,848	6,399
Decrease in trade and other payables	(6,716)	(14,216)
Decrease/(Increase) in amount owing by related parties	397	(707)
(Decrease)/Increase in amount owing to related parties	<u>(131)</u>	<u>23</u>
CASH FROM OPERATIONS	4,462	8,090
Income tax paid	(2,261)	(2,708)
Income tax refund	1,289	-
NET CASH FROM OPERATING ACTIVITIES	<u>3,490</u>	<u>5,382</u>
CASH FLOWS FOR INVESTING ACTIVITIES		
Acquisition of subsidiary company	-	(12,605)
Proceed from sales of property, plant and equipment	-	241
Purchase of property, plant and equipment	(644)	(3,317)
Interest received	359	355
Increase in fixed deposits with tenure more than 3 months	<u>(15)</u>	<u>(8)</u>
NET CASH FOR INVESTING ACTIVITIES	<u>(300)</u>	<u>(15,334)</u>
CASH FLOWS FOR FINANCING ACTIVITIES		
Dividend paid	(2,626)	(2,626)
Interest paid	(77)	(73)
Proceed from hire purchase payables	-	80
Repayment of hired purchase payables	(129)	(39)
Repayment of lease liabilities	<u>(372)</u>	<u>(328)</u>
NET CASH FOR FINANCING ACTIVITIES	<u>(3,204)</u>	<u>(2,986)</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 2024⁽¹⁾ (CONT'D)**

	CURRENT YEAR TO DATE 30.09.24 RM'000	PRECEDING YEAR TO DATE 30.09.23 RM'000
NET DECREASE IN CASH AND CASH EQUIVALENTS	(14)	(12,938)
EFFECT OF FOREIGN EXCHANGE TRANSLATION	59	(121)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	30,380	41,311
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>30,425</u>	<u>28,252</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD COMPRISES:		
Short-term investments	10,771	10,787
Cash and bank balances	19,654	17,464
Fixed deposits with licensed banks	1,233	1,200
	<u>31,658</u>	<u>29,451</u>
Less: Fixed deposits pledged to licensed banks	(512)	(500)
Less: Fixed deposits with tenure of more than 3 months	(721)	(699)
	<u>30,425</u>	<u>28,252</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 2023 and the accompanying explanatory notes attached to this interim financial report.

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2024

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 2023. 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 2023.

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 2023 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 2024 and are applicable for the Group’s interim financial report for the quarter and year-to-date ended 30 September 2024, as disclosed below:

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

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback
 Amendments to MFRS 101: Classification of Liabilities as Current or Non-current
 Amendments to MFRS 101: Non-current Liabilities with Covenants
 Amendments to MFRS 107: Statement of Cash Flows and MFRS 7, Financial Instruments: Disclosures – Supplier Finance Arrangements

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 2024:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective for annual periods on or after
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 121: Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7 : Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to MFRS Accounting Standards Volume 11	1 January 2026
MFRS 18 : Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 : Subsidiaries without Public Accountability : Disclosure	1 January 2027

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 2023.

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.

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2024 (CONT'D)

A9. Segmental Reporting

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

	Hardware and Maintenance RM'000	Software RM'000	Group RM'000
Current year quarter ended 30 September 2024			
Revenue			
External revenue	24,993	7,573	32,566
Inter-segment revenue	387	1,157	1,544
	<u>25,380</u>	<u>8,730</u>	<u>34,110</u>
Consolidation adjustments			(1,544)
Consolidated revenue			<u>32,566</u>
Results			
Segmental profit before interest and taxation	1,530	663	2,193
Interest income			120
Finance costs			(20)
Consolidated profit before taxation			<u>2,293</u>
Income tax expense			(305)
Consolidated profit after taxation			<u>1,988</u>
	Hardware and Maintenance RM'000	Software RM'000	Group RM'000
Preceding year quarter ended 30 September 2023			
Revenue			
External revenue	25,654	5,939	31,593
Inter-segment revenue	272	904	1,176
	<u>25,926</u>	<u>6,843</u>	<u>32,769</u>
Consolidation adjustments			(1,176)
Consolidated revenue			<u>31,593</u>
Results			
Segmental profit/(loss) before interest and taxation	1,829	(287)	1,542
Interest income			140
Finance costs			(46)
Consolidated profit before taxation			<u>1,636</u>
Income tax expense			(628)
Consolidated profit after taxation			<u>1,008</u>

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2024 (CONT'D)

A9. Segmental Reporting

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

	Hardware and Maintenance RM'000	Software RM'000	Group RM'000
Current year to date ended 30 September 2024			
Revenue			
External revenue	69,530	18,072	87,602
Inter-segment revenue	782	2,255	3,037
	<u>70,312</u>	<u>20,327</u>	<u>90,639</u>
Consolidation adjustments			(3,037)
Consolidated revenue			<u>87,602</u>
Results			
Segmental profit/(loss) before interest and taxation	4,015	(38)	3,977
Interest income			359
Finance costs			(77)
Consolidated profit before taxation			<u>4,259</u>
Income tax expense			(893)
Consolidated profit after taxation			<u>3,366</u>
Preceding year to date ended 30 September 2023			
Revenue			
External revenue	77,815	19,637	97,452
Inter-segment revenue	10,542	2,625	13,167
	<u>88,357</u>	<u>22,262</u>	<u>110,619</u>
Consolidation adjustments			(13,167)
Consolidated revenue			<u>97,452</u>
Results			
Segmental profit before interest and taxation	5,327	914	6,241
Interest income			355
Finance costs			(73)
Consolidated profit before taxation			<u>6,523</u>
Income tax expense			(2,140)
Consolidated profit after taxation			<u>4,383</u>

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2024 (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 other than the event as disclosed in B6 Status of Corporate Proposals.

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. Contingent Liabilities

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

A15. Related Party Transactions

The Group had the following transactions during the financial period under review with related parties in which certain directors and major shareholders of the Company have substantial financial interests:

	Unaudited Current Year Quarter 30.09.24 RM'000	Unaudited Current Year to Date 30.09.24 RM'000
Related parties by virtue of common directors		
- Rental expenses	18	87
Related parties by virtue of major shareholders		
- Sales of Hardware and Software	1,871	5,623

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 2024 (3Q24)

For the third quarter ended 30 September 2024 (3Q24), the Group reported 3.2% higher revenue of RM32.6 million from RM31.6 million in the preceding year corresponding quarter ended 30 September 2023 (3Q23).

RM25.0 million or 76.7% of the revenue in 3Q24 was contributed by the Hardware and Maintenance segment, while the remaining RM7.6 million or 23.3% was derived from the Software segment.

As a comparison, RM25.7 million or 81.3% of the Group's revenue in 3Q23 was derived from the Hardware and Maintenance segment, while the remaining RM5.9 million or 18.7% was from the Software segment.

The Group recorded 12.5% higher gross profit to RM13.5 million in 3Q24 from RM12.0 million in 2Q23. Overall gross profit margin increased to 41.4% in 3Q24 from 38.0% in 3Q23. The increase in gross profit was mainly due to projects completed in current quarter were yielding higher gross profit compared to 3Q23 such as implementation of our E-Invoice solutions to our customers.

The Group recorded a profit before taxation of RM2.3 million in 3Q24, compared to RM1.6 million in 3Q23. The increase was primarily driven by higher gross profit contributed to the current quarter, partly offset by an increase in impairment of financial assets compared to 3Q23.

For the nine months ended 30 September 2024 (3CQ24)

For 3CQ24, the Group reported 10.2% lower revenue of RM87.6 million from RM97.5 million in the previous corresponding nine months ended 30 September 2023 (3CQ23).

RM69.5 million or 79.3% of the revenue in 3CQ24 was contributed by the Hardware and Maintenance segment, while the remaining RM18.1 million or 20.7% was derived from the Software segment.

As a comparison, RM77.8 million or 79.8% of the revenue in 3CQ23 was contributed by the Hardware and Maintenance segment, while the remaining RM19.7 million or 20.2% was derived from the Software segment.

The Group recorded 12.8% lower gross profit to RM34.0 million in 3CQ24 from RM39.0 million in 3CQ23. Overall gross profit margin decreased to 38.8% in 3CQ24 from 40.0% in 3CQ23. The decrease in gross profit was mainly due to lesser deployment of projects in Hardware and Maintenance segment compared to 3CQ23.

The Group recorded profit before taxation of RM4.3 million in 3CQ24 as compared to RM6.5 million in 3CQ23. The decrease was mainly due to lower gross profit contributed and an increase in impairment of financial assets, although operating expenses decreased compared to 3CQ23.

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

B2. Comparison with Immediate Preceding Quarter Results

	Quarter Ended		<---- Changes ---->	
	30.09.2024 RM'000	30.06.2024 RM'000	RM'000	%
Revenue	32,566	29,686	2,880	9.7
Profit before taxation	<u>2,293</u>	<u>1,226</u>	<u>1,067</u>	<u>(87.0)</u>

The Group's revenue of RM32.6million for the current quarter under review was 9.7% higher than the RM29.7 million recorded in the previous quarter due to higher revenue generated in current quarter.

The Group recorded profit before taxation of RM2.3 million in the current quarter as compared to RM1.2 million in the previous quarter. The increase was in line with the increase in revenue, although impairment of financial assets increased during the current quarter.

B3. Prospects

Malaysia's economy is stable, with GDP growth expected to range between 4 and 5%, for 2024 driven by strong exports, recovering demand, and increased investments. While inflation remains a concern, government support for digital transformation, particularly in areas like e-invoicing, offers significant growth opportunities for the Group. The strengthening Malaysian Ringgit (MYR) has mixed effects, reducing USD revenue but lowering import costs, helping maintain profit margins.

The Group is expanding its business across various industries, leveraging its strong track record with prominent retailers and industrial companies. By integrating Human Resources (HR) solutions into its existing hardware and software offerings, the Group is enhancing its ability to provide more customisable and robust solutions that meet the evolving digital needs of its customers. This strategic move broadens the Group's portfolio, strengthens its existing services, and reinforces its market position. Introducing HR solutions makes the Group's services more comprehensive and attractive to businesses across the region, offering flexible solutions to effectively fulfill customer needs.

The Group is focused on providing business enhancement solutions for its existing customers while expanding its market share in Southeast Asia. By offering comprehensive business solutions, the Group is meeting the growing demand for integrated digital solutions. This move aligns with the trend of digital transformation, as businesses increasingly look for complete solutions to streamline operations and improve productivity. By offering a wide range of services, the Group hopes to strengthen its market position, attract more clients and build long-term relationships.

With a healthy balance sheet and a portfolio of reliable, scalable solutions that have already proven successful across its industrial and retail sectors, the Group is well-positioned to capitalise on its strengths in software, maintenance, and support services to create sustainable, recurring revenue streams. The Group is cautiously optimistic about its 2025 outlook, expecting continued growth in demand for retail, industrial automation, and HR solutions as businesses increasingly focus on digitalisation and automation.

(Source: Economic and Monetary Review 2023, Bank Negara Malaysia)

B4. Profit Forecast

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

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

B5. Income Tax Expense

The breakdown of income tax expense are as follows:-

	Quarter Ended		Year-To-Date Ended	
	30.09.24 RM'000	30.09.23 RM'000	30.09.24 RM'000	30.09.23 RM'000
Income tax expense	399	766	1,120	2,092
Over provision in previous financial year	(176)	(63)	(176)	(63)
Deferred tax	82	(75)	(51)	111
	<u>305</u>	<u>628</u>	<u>893</u>	<u>2,140</u>
Effective tax rate (%) ⁽¹⁾	<u>13.3</u>	<u>38.4</u>	<u>21.0</u>	<u>32.8</u>

Notes:

- (1) The Group's effective tax rate for the third quarter ended 30 September 2024 of 13.3% is lower than the statutory tax rate of 24.0% mainly due utilisation of unrecognised deferred tax assets arising from business losses of the subsidiaries and over provision of taxation in previous financial year.
- (2) Income tax expense is recognised based on management's best estimate.

B6. Status of Corporate Proposals

On 12 July 2024, Radiant Globaltech Berhad ("RGTECH") entered into a legally binding term sheet ("Term Sheet") with Un Sze Hau ("Vendor"), outlining the transaction structure and mutual understanding between RGTECH and the Vendor (collectively referred to as the "Parties") regarding the proposed acquisition of an 80% equity interest in Rymnet Solutions Sdn. Bhd. ("Rymnet"), consisting of 80,000 ordinary shares, for a total purchase consideration of RM52.50 million ("Purchase Consideration") ("Proposed Acquisition").

The Proposed Acquisition is contingent upon Rymnet's acquisition of the entire equity interest in Rymnet Solutions Pte Ltd ("Rymnet SGP"), which will result in Rymnet SGP becoming a wholly-owned subsidiary of Rymnet. The terms of the Proposed Acquisition will be formalised in a conditional share purchase agreement ("SPA") to be signed by both Parties within 30 days from the date of the Term Sheet or within an extended period mutually agreed upon by both Parties.

On 9 August 2024, the Board of Directors of RGTECH agreed to extend the deadline for signing the SPA from 11 August 2024 (30 days from the Term Sheet signing) to a new date of up to 10 September 2024, as outlined in a supplemental letter dated the same day ("Extension of Time"). This extension provides additional time for both Parties to finalise the SPA terms. Subsequently, the SPA was signed on 9 September 2024, subject to shareholders approval.

On 28 November 2024, the Company held an Extraordinary General Meeting ("EGM") to obtain shareholders approval for the proposed acquisition by RGTECH of 80% equity interest in Rymnet for a total purchase consideration of RM52.5 million to be fully satisfied via a combination of cash consideration and issuance of 30,303,000 new ordinary shares in RGTECH.

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

B6. Status of Corporate Proposals (Cont'd)

The Proposed Acquisition and issuance and allotment of shares were duly passed by the shareholders of the Company by way of poll via voting at the EGM of the Company.

B7. Group Borrowings and Debt Securities

The Group's borrowings are as follows:

	Unaudited 30.09.24 RM'000	Audited 31.12.23 RM'000
Current:		
Lease liabilities	378	457
Hire purchase payables	229	197
	<u>607</u>	<u>654</u>
Non-current:		
Lease liabilities	186	333
Hire purchase payables	663	824
	<u>849</u>	<u>1,157</u>

All the borrowings are secured and denominated in Ringgit Malaysia.

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 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	
	30.09.24 RM'000	30.09.23 RM'000	30.09.24 RM'000	30.09.23 RM'000
Profit after taxation attributable to owners of the Company	<u>1,855</u>	<u>1,016</u>	<u>3,287</u>	<u>4,295</u>
	Quarter Ended		Year-To-Date Ended	
	30.09.24	30.09.23	30.09.24	30.09.23
Weighted average number of ordinary shares ('000)	<u>525,200</u>	<u>525,200</u>	<u>525,200</u>	<u>525,200</u>

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

B10. Earnings Per Share (Cont'd)

Earnings per share
attributable to owners of
the Company

- Basic ⁽¹⁾ (Sen)	0.35	0.19	0.63	0.82
- Diluted ⁽²⁾ (Sen)	<u>0.35</u>	<u>0.19</u>	<u>0.63</u>	<u>0.82</u>

Notes:

- (1) The basic earnings per share is computed based on profit 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 2024.
- (2) The diluted earnings per share is equivalent to the basic earnings per share as the Company does not have any convertible securities.

B11. 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	
	30.09.24 RM'000	30.09.23 RM'000	30.09.24 RM'000	30.09.23 RM'000
Amortisation of intangible assets	4	146	25	408
Depreciation of property, plant and equipment	356	289	1,035	833
Depreciation of right-of-use assets	141	301	476	561
Gain on disposal of property, plant and equipment	-	(207)	-	(90)
Interest income	(120)	(140)	(359)	(355)
Interest expenses	20	46	77	73
Realised (gain)/loss on foreign exchange	(14)	35	195	689
Unrealised loss/(gain) on foreign exchange	382	(106)	214	(268)
Net inventories written down/(back)	70	(11)	64	(7)
Net impairment losses on trade receivables	<u>441</u>	<u>233</u>	<u>938</u>	<u>204</u>

BY ORDER OF THE BOARD