



RAMSSOLGROUP

RAMSSOL GROUP BERHAD  
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

**RAMSSOL GROUP BERHAD**

Company No: 201901001120 (1310446-A)

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME <sup>(1)</sup>

	Notes	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter ended		Period ended	
		30/09/2023	30/09/2022	30/09/2023	30/09/2022
		RM'000	RM'000	RM'000	RM'000
Revenue		6,117	6,896	22,698	21,749
Cost of sales		(1,781)	(2,877)	(8,589)	(10,375)
Gross profit		4,336	4,019	14,109	11,374
Other income		94	81	296	331
		4,430	4,100	14,405	11,705
Administrative expenses		(2,396)	(2,617)	(7,283)	(7,892)
Other expenses		(8)	(31)	(84)	(43)
Depreciation and amortisation		(343)	(180)	(707)	(542)
		(2,747)	(2,828)	(8,074)	(8,477)
Profit from operations		1,683	1,272	6,331	3,228
Finance costs		(356)	(95)	(868)	(192)
Profit before taxation	B5	1,327	1,177	5,463	3,036
Income tax expense	B6	(8)	(4)	(17)	(19)
Profit after taxation		1,319	1,173	5,446	3,017
Other comprehensive income					
Item that will be reclassified					
subsequently to profit or loss:					
Foreign currency translation differences		(135)	(22)	(42)	(17)
Total comprehensive income for					
the financial period/year		1,184	1,151	5,404	3,000

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
(CONTINUED) <sup>(1)</sup>

	Notes	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter ended		Period ended	
		30/09/2023	30/09/2022	30/09/2023	30/09/2022
		RM'000	RM'000	RM'000	RM'000
Profit after taxation attributable to:					
Owners of the Company		1,442	1,363	5,755	3,648
Non-Controlling Interests		(123)	(190)	(309)	(631)
		<u>1,319</u>	<u>1,173</u>	<u>5,446</u>	<u>3,017</u>
Total comprehensive income attributable to:					
Owners of the Company		1,313	1,334	5,696	3,623
Non-Controlling Interests		(129)	(183)	(292)	(623)
		<u>1,184</u>	<u>1,151</u>	<u>5,404</u>	<u>3,000</u>
Earning per share (sen)					
- Basic	B13	0.57	0.73	2.32	1.95
- Diluted	B13	0.48	0.73	1.96	1.95

Note:

- (1) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached in the interim financial report.

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RAMSSOL GROUP BERHAD  
(Company No. 201901001120) (1310446 - A)  
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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION <sup>(1)</sup>

	Notes	Unaudited As at 30/09/2023 RM'000	Audited As at 31/12/2022 RM'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		3,379	3,549
Investment property		722	735
Right-of-use assets		1,045	843
Intangible assets		35,233	15,105
Other Investment		4,000	4,000
Goodwill on consolidation		255	-
Total Non-Current Assets		<u>44,634</u>	<u>24,232</u>
<b>Current Assets</b>			
Trade receivables		20,748	22,720
Other receivables, deposits, and prepayments		6,600	6,392
Contract assets		-	2,520
Fixed deposits and bank balances		26,234	8,376
Total Current Assets		<u>53,582</u>	<u>40,008</u>
<b>TOTAL ASSETS</b>		<u>98,216</u>	<u>64,240</u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital		58,553	37,186
Reserves		23,631	17,935
Equity attributable to owners of the Company		<u>82,184</u>	<u>55,121</u>
Non-controlling interests		(4,009)	(3,856)
<b>TOTAL EQUITY</b>		<u>78,175</u>	<u>51,265</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED) <sup>(1)</sup>

	Notes	Unaudited As at 30/09/2023 RM'000	Audited As at 31/12/2022 RM'000
<b>EQUITY AND LIABILITIES (CONTINUED)</b>			
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Lease liabilities	B9	496	252
Borrowings	B9	5,309	5,817
Employee benefits liability		233	222
<b>Total Non-Current Liabilities</b>		<b>6,038</b>	<b>6,291</b>
<b>Current Liabilities</b>			
Trade payables		952	1,179
Other payables and accruals		3,133	3,660
Lease liabilities	B9	252	297
Borrowings	B9	9,355	1,182
Contract liabilities		219	160
Tax payable		92	206
<b>Total Current Liabilities</b>		<b>14,003</b>	<b>6,684</b>
<b>TOTAL LIABILITIES</b>		<b>20,041</b>	<b>12,975</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>98,216</b>	<b>64,240</b>
<b>Net assets per share attributable to ordinary equity holders (RM)</b>		<b>0.27</b>	<b>0.25</b>

Note:

- (1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached in the interim financial report.

RAMSSOL GROUP BERHAD  
(Company No. 201901001120) (1310446 - A)  
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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY <sup>(1)</sup>

	Share capital RM'000	Merger Deficit RM'000	Foreign Currency Translation Reserve RM'000	Retained Earnings RM'000	Equity attributable to owners of the Company RM'000	Non - Controlling Interests RM'000	Total Equity RM'000
Balance as at 1/1/2023	37,186	(1,074)	217	18,792	55,121	(3,856)	51,265
Profit after taxation	-	-	-	5,755	5,755	(309)	5,446
Other comprehensive income/(loss): Foreign currency translation differences	-	-	(59)	-	(59)	17	(42)
Total comprehensive income/(loss)	-	-	(59)	5,755	5,696	(292)	5,404
Contributions by and distribution to owners of the Company:							
Issuance of shares	21,367	-	-	-	21,367	-	21,367
Additional non-controlling interests arising on business combination	-	-	-	-	-	139	139
Total transactions with owners	21,367	-	-	-	21,367	139	21,506
Balance as at 30/09/2023	58,553	(1,074)	158	24,547	82,184	(4,009)	78,175

Note:

- (1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached in the interim financial report.

RAMSSOL GROUP BERHAD  
(Company No. 201901001120) (1310446 - A)  
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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED) <sup>(1)</sup>

	Share capital RM'000	Merger Deficit RM'000	Foreign Currency Translation Reserve RM'000	Retained Earnings RM'000	Equity attributable to owners of the Company RM'000	Non - Controlling Interests RM'000	Total Equity RM'000
Balance as at 1/1/2022	29,899	(1,073)	131	15,100	44,057	(3,151)	40,906
Profit after taxation	-	-	-	3,648	3,648	(631)	3,017
Other comprehensive income/(loss): Foreign currency translation differences	-	-	(25)	-	(25)	8	(17)
Total comprehensive income/(loss)	-	-	(25)	3,648	3,623	(623)	3,000
Balance as at 30/09/2022	29,899	(1,073)	106	18,748	47,680	(3,774)	43,906

Note:

- (1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached in the interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS <sup>(1)</sup>

	<u>For the 9 months ended</u>	
	30/09/2023 RM'000	30/09/2022 RM'000
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before taxation	5,463	3,036
Adjustments for:		
Amortisation of development costs	177	177
Depreciation of:		
-investment properties	13	13
-property, plant and equipment	194	193
-right-of-use assets	323	159
Interest expense	848	177
Interest expense on lease liabilities	20	15
Unrealised gain on foreign exchange	(122)	(155)
Loss on disposal of property, plant and equipment	47	-
Interest income	(6)	(16)
Operating profit before working capital changes	6,957	3,599
Increase in inventories	-	(357)
Decrease in contract assets	2,520	44
Decrease in trade and other receivables	1,837	12,350
Decrease in trade and other payables	(754)	(2,739)
(Decrease) / Increase in contract liabilities	59	123
Increase in employee benefits liability	11	(2)
Net cash from operations	10,630	13,018
Income tax paid	(111)	(100)
Interest paid	(517)	(29)
Interest received	6	16
Net cash from operating activities	10,008	12,905



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED) <sup>(1)</sup>

	<u>For the 9 months ended</u>	
	30/09/2023	30/09/2022
	RM'000	RM'000
<u>CASH FLOWS USED IN INVESTING ACTIVITIES</u>		
Addition to right-of-use assets	-	(298)
Development costs paid	(20,305)	(4,202)
Purchase of property, plant and equipment	(172)	(1,809)
Proceeds from disposal of property, plant and equipment	123	-
Increase in other investment	-	(4,000)
Acquisition of a subsidiary, net of cash	(218)	-
Net cash for investing activities	<u>(20,572)</u>	<u>(10,309)</u>
<u>CASH FLOWS USED IN FINANCING ACTIVITIES</u>		
Interest paid	(351)	(163)
Drawdown of term loan	-	4,500
Net (repayment)/drawdown of lease liabilities	(320)	(96)
Repayment to a director	-	(114)
Repayment of term loans	(475)	(187)
Repayment of flexi loans	(16)	(20)
Placement of pledged deposits	(230)	-
Proceeds from issuance of ordinary shares	21,367	-
Net cash (for)/from financing activities	<u>19,975</u>	<u>3,920</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	9,411	6,516
Effect of exchange translation differences	61	163
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	7,785	7,605
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>17,257</u>	<u>14,284</u>
Cash and cash equivalents comprise the following:		
Cash and bank balances	25,961	18,962
Deposits with licensed banks	273	-
Less: Bank overdraft	(8,705)	(4,678)
	<u>17,529</u>	<u>14,284</u>
Less: Deposit pledged	(272)	-
	<u>17,257</u>	<u>14,284</u>

Note:

- (1) The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached in the interim financial report.

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

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A. SELECTED EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) NO. 134 - INTERIM FINANCIAL REPORTING

A1. BASIS OF PREPARATION

The interim financial report of Ramssol Group Berhad (“**Ramssol**” or “**Company**”) and its subsidiaries (“**Group**”) have been prepared in accordance with MFRS 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“**MASB**”) and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”). These condensed consolidated interim financial statements also comply with International Accounting Standards (“**IAS**”) 34, *Interim Financial Reporting* issued by the International Accounting Standards Board.

This interim financial report should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

A2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and presentations adopted by the Group in this interim financial report are consistent with those adopted in the audited consolidated financial statements for the financial year ended 31 December 2022, except for the adoption of the following new MFRSs and amendment to MFRSs and interpretation:

- (a) the Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):

<b>MFRSs and/or IC Interpretations (including the consequential amendments)</b>	<b>Effective Date</b>
MFRS 17: <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17: <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17: <i>Initial Application of MFRS 17 and MFRS 9 – Comparative Information</i>	1 January 2023
Amendments to MFRS 101: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to MFRS 101: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108: <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112: <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group’s interim financial report.

A2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- (b) The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by MASB but are not yet effective for the current financial period:

<b>MFRSs and/or IC Interpretations (including the consequential amendments)</b>	<b>Effective Date</b>
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

A3. AUDITORS' REPORT

The audited consolidated financial statements of the Group for the financial year ended 31 December 2022 was not subject to any qualification.

A4. SEASONAL AND CYCLICAL FACTORS

The business of the Group is not affected by any significant seasonal or cyclical factors.

A5. UNUSUAL ITEMS

There was no unusual item affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter under review.

A6. CHANGES IN ESTIMATES

There were no major changes in estimates that have had material effect on the results of the current quarter under review.

A7. DEBT AND EQUITY SECURITIES

Save as disclosed below, there was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current quarter under review:

Private Placement (as defined in Section B8)

The Company had:

- (a) on 19 September 2023, issued 39,822,200 ordinary shares at the issue price of RM0.3252 per ordinary share; and
- (b) on 21 September 2023, issued 21,362,500 ordinary shares at the issue price of RM0.3745 per ordinary share,

pursuant to the Private Placement.

A8. DIVIDEND PAID

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

A9. SEGMENTAL INFORMATION

Operating segments are prepared in a manner consistent with the internal reporting provided to the management as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their geographical region. No segmental analysis by business segment is prepared as the Group operates predominantly in one industry.

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

A9. SEGMENTAL INFORMATION (CONTINUED)

<b>Geographical segment</b>	Malaysia	Singapore	Thailand	Others	Group
9 months ended 30/09/2023	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>					
External customers	16,272	945	3,282	2,199	22,698
Inter-segment	175	-	-	318	493
	<u>16,447</u>	<u>945</u>	<u>3,282</u>	<u>2,517</u>	<u>23,191</u>
Adjustments/eliminations on combination					(493)
Consolidated revenue					<u>22,698</u>
<b>Results</b>					
Segment profit/(loss) before interest and taxation	3,806	46	1,989	490	6,331
Finance costs					(868)
Profit before taxation					<u>5,463</u>
Income tax expense					(17)
Profit after taxation					<u>5,446</u>

A9. SEGMENTAL INFORMATION (CONTINUED)

<b>Geographical segment</b>	Malaysia	Singapore	Thailand	Others	Group
9 months ended 30/09/2023	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Assets</b>					
Non-current assets	44,473	-	125	36	44,634
Segment assets/Consolidated total assets	91,404	1,452	2,987	2,373	98,216
<b>Liabilities</b>					
Segment liabilities	18,650	864	142	293	19,949
Unallocated liabilities:					
- tax payable					92
Consolidated total liabilities					20,041

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

A9. SEGMENTAL INFORMATION (CONTINUED)

<b>Geographical segment</b>	Malaysia	Singapore	Thailand	Others	Group
9 months ended 30/09/2022	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>					
External customers	18,731	1,814	702	502	21,749
Inter-segment	8	-	-	315	323
	<u>18,739</u>	<u>1,814</u>	<u>702</u>	<u>817</u>	<u>22,072</u>
Adjustments/eliminations on combination					(323)
Consolidated revenue					<u>21,749</u>
<b>Results</b>					
Segment profit/(loss) before interest and taxation	4,941	337	(806)	(1,244)	3,228
Finance costs					(192)
Profit before taxation					<u>3,036</u>
Income tax expense					(19)
Profit after taxation					<u>3,017</u>

A9. SEGMENTAL INFORMATION (CONTINUED)

<b>Geographical segment</b>	Malaysia	Singapore	Thailand	Others	Group
9 months ended 30/09/2022	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Assets</b>					
Non-current assets	16,940	-	144	55	17,139
Segment assets/Combined total assets	55,992	892	672	269	57,825
<b>Liabilities</b>					
Segment liabilities	13,241	144	102	389	13,876
Unallocated liabilities:					
- tax payable					43
Consolidated total liabilities					13,919

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## A10. MATERIAL SUBSEQUENT EVENTS TO THE INTERIM FINANCIAL PERIOD

Save for Section A11, there were no material events subsequent to end of the interim financial period that has not been reflected in this interim financial report.

## A11. CHANGES IN THE COMPOSITION OF THE GROUP

Save as disclosed below, there were no other major changes in the composition of the Group during the current quarter under review and up to the date of this interim financial report:

**Incorporation of a new wholly-owned subsidiary, namely Rider Gate Sdn. Bhd.**

On 19 October 2023, the Company announced the incorporation of a new wholly-owned subsidiary, namely Rider Gate Sdn. Bhd. ("**Rider Gate**") in Malaysia ("**Incorporation**"). The issued and paid-up capital of Rider Gate is RM20,000.00 divided into 20,000 ordinary shares of RM1.00 each. Rider Gate will be principally engaged in the business of mobile application, electronic commerce, information systems integration. Rider Gate is also an agent in any branch or aspect for those classes of general insurance and involving in trading of spare parts, provision of repairing services and general trading in all kind of motorcycle related products.

## A12. SIGNIFICANT RELATED PARTY TRANSACTIONS

The related party transactions described below were carried out on terms and conditions negotiated amongst the parties. The significant related party transactions are as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended		Period ended	
	30/09/2023	30/09/2022	30/09/2023	30/09/2022
	RM'000	RM'000	RM'000	RM'000
Fellow directors:				
Rental paid or payable to directors	(92)	(84)	(275)	(240)

The rental paid or payable to directors are derived from office spaces provided by Datuk Seri Tan Chee Seng and Ms. Lee Miew Lan. The office is located at the headquarters as disclosed in the Annual Report of Ramssol for the financial year ended 31 December 2022. The increase in the current quarter is rental paid or payable for additional units from respective directors.

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(Company No. 201901001120) (1310446 - A)

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INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. REVIEW OF PERFORMANCE FOR CURRENT QUARTER AND NINE (9) MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Quarter ended		Changes %	Period ended		Changes %
	30/09/2023 RM'000	30/09/2022 RM'000		30/09/2023 RM'000	30/09/2022 RM'000	
Revenue from:						
Malaysia	6,035	5,533	9.1	16,272	18,731	(13.1)
Singapore	42	717	(94.1)	945	1,814	(47.9)
Thailand	40	467	(91.4)	3,282	702	>100.0
Indonesia	-	179	(100.0)	2,199	502	>100.0
	<u>6,117</u>	<u>6,896</u>		<u>22,698</u>	<u>21,749</u>	

The Group recorded revenue of RM22.70 million for 9 months financial period ended (“9M-FPE”)30 September 2023, which was higher as compared to the comparative period ended 30 September 2022. This was mainly due to higher sales generated from the provision of human capital management (“HCM”) solutions, student management solutions and HCM technology applications in Thailand and Indonesia as a result of new projects secured in Thailand and Indonesia in the 9M-FPE 30 September 2023 as compared to the 9M-FPE 30 September 2022.

Notwithstanding the above, the Group recorded revenue of RM6.12 million for current quarter, which was lower as compared to the comparative quarter ended 30 September 2022. This was mainly due to lower sales generated from the provision of HCM solutions, student management solutions and HCM technology applications in Thailand and Indonesia as most of the project milestones had been achieved in the quarter ended 30 June 2023 (“Q2 2023”).

The Group’s profit before taxation (“PBT”) for the 9M-FPE 30 September 2023 of approximately RM5.46 million is higher as compared to the 9M-FPE 30 September 2022 of approximately RM3.02 million mainly due to certain projects with higher profit margin.

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B2. COMPARATIVE WITH IMMEDIATE PRECEDING QUARTER’S RESULTS

	INDIVIDUAL QUARTER		Changes %
	Quarter ended		
	30/09/2023 RM'000	30/06/2023 RM'000	
Revenue	<u>6,117</u>	<u>10,127</u>	(39.6)
PBT	<u>1,327</u>	<u>2,126</u>	(37.6)

The Group’s revenue in quarter ended 30 September 2023 (“**Q3 2023**”) decreased by approximately RM4.01 million or 39.6% to RM6.12 million as compared to the immediate preceding quarter ended 30 June 2023 (“**Q2 2023**”) mainly due to lower sales generated from the provision of HCM solutions, student management solutions and HCM technology applications in all regions as most of the project milestones had been achieved in the Q2 2023.

The Group recorded a lower PBT of approximately RM1.33 million in Q3 2023 as compared to approximately RM2.13 million in Q2 2023 mainly due to the decrease in revenue as mentioned above.

B3. PROSPECTS AND OUTLOOK

The Group's resilience is rooted in strong fundamentals and effective management. Despite ongoing challenges arising from the conflict in East Europe & Middle East, disruptions in global supply chains, rising interest rates, and inflation, the Board remains vigilant in steering the Group.

These factors have collectively subdued economic growth and impacted investor confidence in global financial markets. Nevertheless, the Group is witnessing positive outcomes, and our performance aligns with the established plans. As project-based revenue expands, there will be a corresponding growth in recurring revenue from professional information technology (IT) services, as clients typically engage in service and maintenance contracts post-project completion.

The Group approaches the business outlook for financial year ending 31 December 2023 with cautious optimism, anticipating ENGO products to enhance our overall revenue and business value.

B4. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST OR PROFIT GUARANTEE

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

B5. PROFIT/(LOSS) BEFORE TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended		Period ended	
	30/9/2023	30/9/2022	30/9/2023	30/9/2022
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) before taxation is arrived at after charging/(crediting):				
Amortisation of development costs	59	59	177	177
Depreciation of:				
-investment properties	5	5	13	13
-property, plant and equipment	62	63	194	193
-right-of-use assets	217	53	323	159
Interest expense:				
-bank overdraft	200	7	517	29
-flexi loan	11	4	27	15
-term loans	131	80	304	133
Interest expense on lease liabilities	14	4	20	15
Short-term leases	109	85	280	272
Net loss/(gain) on foreign exchange:				
-realised	(43)	26	(80)	35
-unrealised	-	(2)	(122)	(155)
COVID-19-related subsidies from government	-	(41)	-	(68)
Interest income	(3)	(1)	(6)	(16)
Rental income from investment property	-	(18)	(9)	(45)

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B6. INCOME TAX EXPENSE

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended 30/09/2023 RM'000	Quarter ended 30/09/2022 RM'000	Period ended 30/09/2023 RM'000	Period ended 30/09/2022 RM'000
Current tax recognised in profit or loss:				
-Malaysian income tax	8	4	17	19
-Foreign income tax	-	-	-	-
Tax expense	<u>8</u>	<u>4</u>	<u>17</u>	<u>19</u>
Effective tax rate	<u>0.60%</u>	<u>0.34%</u>	<u>0.31%</u>	<u>0.63%</u>

B7. UTILISATION OF PROCEEDS

**UTILISATION OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING (“IPO”)**

On 1 September 2023, the Company had announced that the Company has deliberated and resolved to vary and extend the timeframe for the utilisation of proceeds from the IPO for an additional 12 months from the even date (“**Variation and Extension of Utilisation of Proceeds**”). The details and status as at the date of this interim financial report of the Variation and Extension of Utilisation of Proceeds are outlined as follows:

Description	Proposed utilisations (RM'000)	Variation (RM'000)	Revised Utilisation (RM'000)	Actual Utilised (RM'000)	Balance unutilised (RM'000)	Original timeframe for utilisation of proceeds (from 12 July 2021)	Revised timeframe for the utilisation of proceeds
Business expansion into the Philippines	2,503	(2,503)	-	-	-	Within 24 months	-
Expansion of Feet’s and Lark in Southeast Asia	6,348	(1,363)	4,985	4,985	-	Within 24 months	-
R&D Expenditure	4,101	(104)	3,997	3,997	-	Within 24 months	-
Working Capital							
(i) Expansion of IT Staff augmentation services business	787	(689)	98	98	-	Within 24 months	-
(ii) Expansion of the sale of software license	2,252	-	2,252	2,252	-	Within 24 months	-
(iii) General working capital	4,521	4,659	9,180	9,180	-	Within 24 months	Within 12 months from 1 September 2023
Listing expenses	4,580	-	4,580	4,580	-	within 1 month	-
<b>Total:</b>	<b>25,092</b>	<b>-</b>	<b>25,092</b>	<b>25,092</b>	<b>-</b>		

B7. UTILISATION OF PROCEEDS (CONTINUED)

**UTILISATION OF PROCEEDS FROM THE PRIVATE PLACEMENT**

As at the date of this interim financial report, the status of the utilisation of proceeds from the Private Placement is outlined as follows:

Details of Utilisation of Proceeds	Actual gross proceeds raised RM'000	Actual Utilisation RM'000	Balance To Be Utilised RM'000	Estimated Timeframe for Utilisation Upon Listing
Repayment of bank borrowings	12,000	2,000	10,000	Within 3 months
Working Capital	9,000	--	9,000	Within 12 months
Estimating listing expenses	367	367	-	Within 1 month
	<u>21,367</u>	<u>2,367</u>	<u>19,000</u>	

B8. STATUS OF CORPORATE PROPOSAL

On 14 July 2023, Mercury Securities Sdn Bhd ("**Mercury Securities**") had on behalf of the Board of Directors announced that the Company proposes to undertake the following:

- (i) private placement of new ordinary shares in Ramssol representing up to 30% of the total number of issued shares in Ramssol (excluding treasury shares, if any) ("**Private Placement**") ; and
- (ii) establishment of an employees' share option scheme of up to 30% of the total number of issued shares in Ramssol (excluding treasury shares, if any) for eligible directors and employees of the Group ("**ESOS**").

(Collectively referred to as "**Corporate Exercises**")

Bursa Securities had vide its letter dated 9 August 2023, approved the listing of and quotation for the following:

- (i) up to 110,410,400 new shares in the Company ("**Ramssol Shares**") to be issued pursuant to the Private Placement; and
- (ii) such number of new Ramssol Shares, representing up to 30% of the Company's total number of issued shares (excluding treasury shares, if any) to be issued pursuant to the ESOS.

B8. STATUS OF CORPORATE PROPOSAL (CONTINUED)

The Company had obtained its shareholders' approval for the Corporate Exercises at its extraordinary general meeting held on 1 September 2023.

On 26 September 2023, Mercury Securities had on behalf of the Board of Directors announced that the effective date of the implementation of the ESOS is 26 September 2023, being the date on which the Company is in full compliance with Rule 6.44(1) of the Listing Requirements.

B9. BORROWINGS

	<b>Unaudited</b>	<b>Audited</b>
	As at	As at
	30/09/2023	31/12/2022
	RM'000	RM'000
<b>Current</b>		
Secured:		
Bank overdraft	8,705	549
Flexi loan	13	14
Term loans	637	619
Lease liabilities	252	297
	<u>9,607</u>	<u>1,479</u>
<b>Non-current</b>		
Secured:		
Flexi loan	498	513
Term loans	4,811	5,304
Lease liabilities	496	252
	<u>5,805</u>	<u>6,069</u>
<b>Total borrowings:</b>		
Bank overdraft	8,705	549
Flexi loan	511	527
Term loans	5,448	5,923
Lease liabilities	748	549
	<u>15,412</u>	<u>7,548</u>
The currency profile of borrowings is as follows:		
Ringgit Malaysia	15,412	7,548
Singapore Dollar	-	-
Thai Baht	-	-
	<u>15,412</u>	<u>7,548</u>

B10. DERIVATIVES

The Group did not enter into any derivatives during the current quarter under review.

B11. MATERIAL LITIGATION

There are no litigation or arbitration which have a material effect on the financial position of the Group. The Board of Directors is not aware of any pending proceedings or of any fact likely to give rise to any proceedings as at the date of this interim financial report.

B12. DIVIDEND PROPOSED

No dividend was proposed for the current quarter ended 30 September 2023.

B13. EARNING PER SHARES (“EPS”)

**Basic EPS**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended 30/09/2023	Quarter ended 30/09/2022	Period ended 30/09/2023	Period ended 30/09/2022
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) attributable to owners of the Company (RM'000)	1,442	1,363	5,755	3,648
Weighted average number of ordinary shares in issue ('000)	252,873	186,929	247,681	186,929
Basic (sen) <sup>(1)</sup>	0.57	0.73	2.32	1.95

Note:

- (1) The basic EPS is calculated based on the Company’s weighted average number of ordinary shares as at the end of the interim financial period.



B13. EARNING PER SHARES (“EPS”) (CONTINUED)

**Diluted EPS**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended 30/09/2023	Quarter ended 30/09/2022	Period ended 30/09/2023	Period ended 30/09/2022
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) attributable to owners of the Company (RM'000)	1,442	1,363	5,755	3,648
Weighted average number of ordinary shares in issue ('000)	252,873	186,929	247,681	186,929
Effect of dilution on potential exercise of:				
- Warrants A 2023/2028 ('000)	_(1)	-	_(1)	-
- ESOS granted to the employees and directors (‘000)	45,981	-	45,981	-
Adjusted weighted average number of ordinary shares in issue ('000)	298,854	-	293,662	-
Diluted EPS (sen) <sup>(2)</sup>	0.48	0.73	1.96	1.95

Notes:

- (1) The potential conversion is anti-dilutive as the warrant’s exercise price is higher than the average market price of the Company’s ordinary shares during the current quarter under review.
- (2) The diluted EPS is calculated based on the Company’s weighted average number of ordinary shares as at the end of the interim financial period.

B14. APPROVAL OF INTERIM FINANCIAL REPORT

The interim financial report as set out above was approved by the Board of Directors in accordance with their resolution dated 30 November 2023.