



RGT BERHAD

(Incorporated in Malaysia)

Registration No: 198101004909 (71024-T)

**CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

for the financial year ended 30 June 2022

RGT BERHAD

(Incorporated in Malaysia)

Registration No: 198101004909 (71024-T)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	Note	3 months		12 months	
		Individual quarter		Cumulative period	
		30.06.2022	30.06.2021	30.06.2022	30.06.2021
		RM'000	RM'000	RM'000	RM'000
Revenue		35,502	10,954	121,237	130,365
Cost of goods sold		(26,629)	(9,827)	(90,169)	(97,231)
Gross profit		8,873	1,127	31,068	33,134
Interest income		(253)	(313)	82	93
Other income		636	113	1,105	634
Administrative and general expenses		(4,919)	(2,799)	(17,370)	(14,622)
Finance costs		(364)	(173)	(1,078)	(432)
Profit/(Loss) before tax ("PBT"/"LBT")	23	3,973	(2,045)	13,807	18,807
Tax (expense)/income	17	(638)	216	(2,016)	(1,702)
Profit/(Loss) for the financial period/year ("PAT"/"LAT")		3,335	(1,829)	11,791	17,105
Other comprehensive income for the financial period/year		-	-	-	-
Comprehensive income for the financial period/year		3,335	(1,829)	11,791	17,105
Profit/(Loss) for the financial period/year attributable to :-					
- Owners of the Company ("PATMI"/"LATMI")		3,154	(1,361)	10,000	10,014
- Non-controlling interests		181	(468)	1,791	7,091
		3,335	(1,829)	11,791	17,105
Comprehensive income for the financial period/year attributable to:-					
- Owners of the Company		3,154	(1,361)	10,000	10,014
- Non-controlling interests		181	(468)	1,791	7,091
		3,335	(1,829)	11,791	17,105
Earnings per share:-	22				
- Basic (sen)		0.39	(0.22)	1.25	1.61
- Diluted (sen)		0.35	(0.22)	1.11	1.35

The Condensed Consolidated Financial Statements should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the year ended 30 June 2022.

RGT BERHAD

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Registration No: 198101004909 (71024-T)

AUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	As at 30.06.2022 RM'000	As at 30.06.2021 RM'000
NON-CURRENT ASSETS			
Property, plant and equipment		99,941	56,563
Right-of-use assets		23,464	17,783
Goodwill		34,378	17,147
Investment		108	-
Deferred tax assets		765	199
		<u>158,656</u>	<u>91,692</u>
CURRENT ASSETS			
Inventories		19,242	21,801
Receivables		23,288	6,504
Prepayments		2,202	3,381
Current tax assets		2,452	912
Cash and cash equivalents		30,256	56,105
		<u>77,440</u>	<u>88,703</u>
CURRENT LIABILITIES			
Payables		17,191	15,207
Loans and borrowings	19	14,806	2,436
Lease liabilities	19	1,438	1,258
Derivatives	13	155	7
Contract liabilities		2,810	569
Current tax liabilities		1,027	-
		<u>37,427</u>	<u>19,477</u>
NET CURRENT ASSETS		40,013	69,226
NON-CURRENT LIABILITIES			
Payables		2,873	-
Loans and borrowings	19	39,182	15,411
Lease liabilities	19	2,334	2,304
Deferred tax liabilities		7,850	5,338
		<u>52,239</u>	<u>23,053</u>
NET ASSETS		146,430	137,865
EQUITY			
Share capital	5	231,830	78,148
Warrant reserve	5	5,702	7,006
(Accumulated losses)/Retained profits		<u>(98,404)</u>	<u>17,124</u>
Equity attributable to owners of the Company		139,128	102,278
Non-controlling interests		7,302	35,587
TOTAL EQUITY		146,430	137,865
Net assets per ordinary share attributable to owners of the Company (sen)		14.55	15.67

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AUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	<u>Share capital</u> RM'000	<u>Non-distributable</u> Warrant reserve RM'000	<u>Distributable</u> Retained profits/ (Accumulated losses) RM'000	<u>Equity attributable to owners of the Company</u> RM'000	<u>Non-controlling interests ("NCI")</u> RM'000	<u>Total equity</u> RM'000
Balance at 1 July 2021	78,148	7,006	17,124	102,278	35,587	137,865
Acquisition of subsidiaries	-	-	-	-	2,714	2,714
Issue of shares pursuant to exercise of warrants	3,882	(1,304)	-	2,578	-	2,578
Issue of shares to NCI	-	-	-	-	3,900	3,900
Interim single tier dividend of 0.6 sen per share	-	-	(3,918)	(3,918)	-	(3,918)
Dividends to NCI	-	-	-	-	(4,000)	(4,000)
Contribution by/(Distributions to) owners	3,882	(1,304)	(3,918)	(1,340)	(100)	(1,440)
Change in ownership interest in subsidiaries	149,800	-	(121,610)	28,190	(32,690)	(4,500)
Total transactions with owners	153,682	(1,304)	(125,528)	26,850	(32,790)	(5,940)
Profit (representing comprehensive income) for the financial year	-	-	10,000	10,000	1,791	11,791
Balance at 30 June 2022	<u>231,830</u>	<u>5,702</u>	<u>(98,404)</u>	<u>139,128</u>	<u>7,302</u>	<u>146,430</u>
Balance at 1 July 2020	49,352	8,818	7,110	65,280	28,496	93,776
Issue of shares pursuant to private placements	23,400	-	-	23,400	-	23,400
Issue of shares pursuant to exercise of warrants	5,396	(1,812)	-	3,584	-	3,584
Total transactions with owners	28,796	(1,812)	-	26,984	-	26,984
Profit (representing comprehensive income) for the financial year	-	-	10,014	10,014	7,091	17,105
Balance at 30 June 2021	<u>78,148</u>	<u>7,006</u>	<u>17,124</u>	<u>102,278</u>	<u>35,587</u>	<u>137,865</u>

The Audited Condensed Consolidated Financial Statements should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the year ended 30 June 2022.

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AUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	30.06.2022 RM'000	30.06.2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	13,807	18,807
Adjustments for:-		
Depreciation of property, plant and equipment	4,479	3,470
Depreciation of right-of-use assets	1,842	1,546
Fair value gain on financial instruments	(69)	(538)
Gain on disposal of property, plant and equipment	(7)	(16)
Interest expense	1,077	432
Interest income	(82)	(93)
Inventories written down	-	301
Property, plant and equipment written off	84	3
Reversal of inventories written down	(77)	(367)
Unrealised gain on foreign exchange	(347)	(31)
Operating profit before working capital changes	20,707	23,514
Changes in:-		
Inventories	7,593	(8,390)
Receivables and prepayments	(11,552)	11,425
Payables and contract liabilities	(3,849)	(3,705)
Derivatives	(7)	3
Cash generated from operations	12,892	22,847
Tax paid	(2,827)	(2,824)
Tax refunded	-	80
Net cash from operating activities	10,065	20,103
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(40,335)	(32,676)
Acquisition of quoted investment	(20)	-
Acquisition of right-of-use assets	(5,177)	(3,797)
Acquisition of subsidiary, net of cash acquired	(17,713)	-
Interest received	418	638
Proceeds from disposal of property, plant and equipment	7	20
Net cash used in investing activities	(62,820)	(35,815)
CASH FLOWS FROM FINANCING ACTIVITIES		
Acquisition of shares from NCI	(4,500)	-
Dividends paid to owners of the Company	(3,918)	-
Dividends paid to NCI	(4,000)	-
Drawdown of term loans	28,387	18,663
Increase in short-term loans and borrowings (net)	8,577	-
Interest paid	(1,077)	(432)
Issue of shares pursuant to exercise of warrants	2,578	3,584
Issue of shares pursuant to private placement	-	23,400
Issue of shares to NCI	3,900	-
Payment of lease liabilities	(1,481)	(1,122)
Placement of cash and cash equivalents pledged as security (net)	(62)	(53)
Repayment of term loans	(2,806)	(4,303)
Net cash from financing activities	25,598	39,737

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AUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022 (CONT'D)

	Note	30.06.2022 RM'000	30.06.2021 RM'000
Currency translation differences		35	1
Net (decrease)/increase in cash and cash equivalents		(27,122)	24,025
Cash and cash equivalents brought forward		52,868	28,843
Cash and cash equivalents carried forward		<u>25,746</u>	<u>52,868</u>
Analysis of cash and cash equivalents:-			
- Short-term funds - at fair value		15,518	49,592
- Term deposits		4,121	3,237
- Cash and bank balances		<u>10,617</u>	<u>3,276</u>
		30,256	56,105
Less:			
- Cash and cash equivalents pledged		(4,121)	(3,237)
- Bank overdraft		<u>(389)</u>	-
		<u>25,746</u>	<u>52,868</u>

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EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134, INTERIM FINANCIAL REPORTING

1. BASIS OF PREPARATION

The interim financial report has been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements").

This interim financial report should be read in conjunction with the audited financial statements of RGT Berhad ("the Company or "RGTBHD") and its subsidiaries ("the Group") for the financial year ended 30 June 2021.

The Group has not applied the following MFRSs which have been issued as at the end of reporting period but are not yet effective: -

MFRS (Issued as at the end of the reporting period)	Effective for annual periods beginning on or after
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendment 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
Amendments to MFRS 116 <i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022

Management foresees that the initial application of the above MFRSs will not result in any significant changes in the accounting policies of the Group.

2. SEASONALITY OR CYCLICALITY OF OPERATIONS

The business operations of the Group were not materially affected by any seasonal or cyclical factor.

3. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

During the current interim period, there were no unusual items affecting assets, liabilities, equity, net income or cash flows.

4. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates of amounts reported in prior interim period of the current financial period or changes in estimates of amounts reported in prior financial period.

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5. DEBT AND EQUITY SECURITIES

During the year, a total of 293,286,300 new ordinary shares ("Shares") were issued and allotted pursuant to exercise of the warrants 2018/2023 ("Warrants") and acquisition of shares from NCI. Details of the changes to the issued and paid-up capital of the Company are as follows:-

Share Capital

	<u>No. of Shares</u>	<u>RM'000</u>
As at 1 July 2021	652,767,856	78,148
Issue of shares pursuant to exercise of warrants	25,786,300	3,882
Issue of shares pursuant to acquisition of shares from NCI	267,500,000	149,800
As at 30 June 2022	<u>946,054,156</u>	<u>231,830</u>

Warrant

	<u>No. of Warrants</u>	<u>RM'000</u>
As at 1 July 2021	138,561,224	7,006
Exercised	(25,786,300)	(1,304)
As at 30 June 2022	<u>112,774,924</u>	<u>5,702</u>

Other than the above, there were no other issuances, cancellations, repurchases, resale or repayments of debt and equity securities during the current interim period.

6. DIVIDEND PAID

No dividend was paid during the current interim period.

7. SEGMENTAL INFORMATION

Operating Segments

The Group has two reportable segments which comprised its major business segments. These segments and the nature of their activities are as tabulated:

- i. Original Design Manufacturer ("ODM") - Design, manufacture and sale of precision plastic moulded parts including full assembly and related accessories
- ii. Automation and Precision Engineering ("APE") - Design, manufacture and sale of automated machinery, high precision parts and related accessories

12 months ended 30 June 2022

	<u>ODM RM'000</u>	<u>APE RM'000</u>	<u>Adjustment RM'000</u>	<u>Total RM'000</u>
External revenue	<u>102,106</u>	<u>19,135</u>	<u>(4)</u>	<u>121,237</u>
PBT	<u>13,552</u>	<u>2,792</u>	<u>(2,537)*</u>	<u>13,807</u>
Segment assets	<u>161,726</u>	<u>38,937</u>	<u>35,434</u>	<u>236,097</u>
Segment liabilities	<u>73,317</u>	<u>17,097</u>	<u>(748)</u>	<u>89,666</u>

* Comprises net foreign exchange differences, interest income, dividend income, eliminations and adjustments.

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EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

7. SEGMENTAL INFORMATION (CONT'D)

Operating Segments (Cont'd)

12 months ended 30 June 2021

	ODM RM'000	APE RM'000	Adjustment RM'000	Total RM'000
External revenue	<u>130,365</u>	<u>N/A</u>	<u>-</u>	<u>130,365</u>
PBT	<u>19,689</u>	<u>N/A</u>	<u>(882)*</u>	<u>18,807</u>
Segment assets	<u>137,409</u>	<u>N/A</u>	<u>42,986</u>	<u>180,395</u>
Segment liabilities	<u>44,519</u>	<u>N/A</u>	<u>(1,989)</u>	<u>42,530</u>

* Comprises net foreign exchange differences, interest income, dividend income, eliminations and adjustments.

No other operating segments have been aggregated to form the above reportable segments. Investment holding and other activities are not considered as reporting segment and the related financial information has been included under "Adjustment".

Geographical Information

The Group operates in Malaysia and generates revenue from the following geographical locations of customers: -

	3 months Individual quarter		12 months Cumulative period	
	30.06.2022 RM'000	30.06.2021 RM'000	30.06.2022 RM'000	30.06.2021 RM'000
North America	19,047	4,511	67,981	87,999
Malaysia	6,491	1,870	21,864	9,765
Europe	6,828	4,159	19,999	30,870
Others ¹	<u>3,136</u>	<u>414</u>	<u>11,393</u>	<u>1,731</u>
	<u>35,502</u>	<u>10,954</u>	<u>121,237</u>	<u>130,365</u>

¹Comprise countries such as Australia, China, Philippines and Thailand

8. CONTRACTUAL COMMITMENT

The Group has no other material contractual commitment in respect of property, plant and equipment as at the end of current quarter under review except for the followings: -

	30.06.2022 RM'000
Acquisition of property, plant and equipment	7,802
Acquisition of right-of-use assets	<u>387</u>
	<u>8,189</u>

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EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

9. CHANGES IN COMPOSITION

On 28 April 2022, the Company announced the completion of the remaining 30% equity acquisition of RISB for cash consideration of RM4,500,000. RISB is now a wholly owned subsidiary of the Company.

Other than the above, there were no other major changes in the composition of the Group during the period ended 30 June 2022.

10. CONTINGENCIES

There were no significant changes in contingent assets or liabilities since 30 June 2022.

11. SUBSEQUENT EVENT

There were no material event subsequent to 30 June 2022 that have not been reflected in this interim financial report.

12. SIGNIFICANT RELATED PARTY TRANSACTIONS

There were no significant related party transactions during the current interim period.

13. DERIVATIVES

30.06.2022
RM'000

Forward exchange contracts – at fair value 155

Forward exchange contracts are used to hedge the exposure to currency risk. The Group does not apply hedge accounting. As at 30 June 2022, the Group had contracts with financial institutions due within 1 year to deal with following currencies at contractual forward rates.

	To buy	To sell
Contract I	RM6,365,000	USD1,450,000
Contract II	<u>JPY73,240,000</u>	<u>RM2,520,000</u>

The fair values of forward exchange contracts were directly measured using their unadjusted market values quoted by the financial institutions (i.e. Level 1).

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EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

14. REVIEW OF PERFORMANCE

Current Quarter (Q4'22) vs Preceding Year Corresponding Quarter (Q4'21) / Current Year (12M YTD'22) vs Preceding Year (12M YTD'21)

	3 months				12 months			
	Individual Quarter				Cumulative Period			
	30.06.2022	30.06.2021	Variance		30.06.2022	30.06.2021	Variance	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	35,502	10,954	24,548	224%	121,237	130,365	(9,128)	-7%
PBT/ (LBT)	3,973	(2,045)	6,018	294%	13,807	18,807	(5,000)	-27%
PAT/ (LAT)	3,335	(1,829)	5,164	282%	11,791	17,105	(5,314)	-31%
PATMI/ (LATMI)	3,154	(1,361)	4,515	332%	10,000	10,014	(14)	0%

The Group recorded a revenue of RM35.50 million, a growth of RM24.55 million as compared to Q4'21 of RM10.95 million. The significant increase in revenue is mainly due to the revenue increased from the ODM segment and also the inclusion of the newly invested companies in the APE segment. With this significant revenue growth, the Group's PBT increased to RM3.97 million from a LBT of RM2.05 million in Q4'22.

For the full financial year ended 30 June 2022 ("FYE 2022"), the Group reported a revenue of RM121.24 million for this financial year compared to the corresponding preceding year ("FYE 2021") of RM130.37 million. The decrease of RM9.13 million revenue this year is mainly due to softened demand for hygiene care products in the first half of FYE 2022. With this drop in revenue by 9.13 million, the PBT dropped by RM5.00 million to RM13.81 million in this year.

There were a few one-time charge expenses for professional fees on the completion of the acquisition for the remaining 40% equity interest in RGTSB, as well as new acquisition of 70% equity interest in Top Degree (M) Sdn Bhd ("TDSB") and Keenness Precision Engineering Sdn Bhd respectively. Expenses were also higher this year mainly due to the cost associated to the relocation of TDSB to a bigger factory in Bukit Minyak Industrial Park, Penang coupled with the minimum wage implementation from 1 May, 2022 and higher depreciation expenses.

The effective tax rate for this year is lower than the statutory income tax rate as one of our subsidiary company, RGTSB is eligible to claim Reinvestment Tax Incentives from Inland Revenue Board.

Current Quarter (Q4'22) vs Immediate Preceding Quarter (Q3'22)

	30.06.2022	31.03.2022	Variance	
	RM'000	RM'000	RM'000	%
Revenue	35,502	40,190	(4,688)	(12%)
PBT	3,973	4,656	(683)	(15%)
PAT	3,335	4,221	(886)	(21%)
PATMI	3,154	4,212	(1,058)	(25%)

The Group recorded a revenue of RM35.50 million which was lower by RM4.69 million or 12% as compared to Q3'22 of RM40.19 million. The decrease was mainly due to slightly lower sales volume as compare to Q3'22. Overall, the Group reported a lower PBT to RM3.97 million in the current quarter due to the lower revenue.

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EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

15. COMMENTARY ON PROSPECT

Western sanctions on Russia from the recent Russia/Ukraine conflict are spreading worldwide and threatening international trade and the global financial system. This has resulted in significant disruptions to the worldwide supply chain, commerce, and economic activity, as well as global inflation.

The Group faced certain challenges but nevertheless, the Management is optimistic in overcoming it and should secure more business from the global economic recovery, trade war and the opportunity from multinationals diversifying into South East Asia to strengthen their future supply chain.

During the year, the labour shortages and implementation of new minimum wages from 1 May, 2022 has affected our production cost. However, with the arrival of the 1st batch of foreign workers in July, 2022, productivity and efficiency should improve further due to stabilisation of our production workers.

Meanwhile, the Group will continue to invest in research, product development as well as improving its manufacturing capability further in order to be even more competitive, agile and resilient.

Original Design Manufacturer

The current environment has created interruptions, uncertainties and inflationary concerns for North America and EU for our Hygiene customers. However, the underlying demand for our core products remains healthy and will continue to gradually grow in light of the ongoing US-China trade war and global recovery post COVID-19 pandemic. Management is optimistic in growing this segment's customer base as we have received a few new enquiries on our capabilities and capacities for this segment.

Automation and Precision Engineering

The prospects for the Automation and Precision Engineering segment look strong based on the orders/progress we have received from existing and newly set-up multinational companies in this region. The strategy to strengthen the capital base, purchase of new high precision machineries and set up of a new factory in this segment, has positioned the Group with enhanced capabilities to fulfil our Group's vision to design, develop, manufacture and integrate software into the automated machineries.

As the Group begins a new financial year, the Group believes it is entering a period of challenging yet encouraging growth in all its segments.

The Group's newly upgraded facilities to increase production capacity for all segments are fully completed since last quarter.

16. PROFIT FORECAST

The Group did not issue any profit forecast in any form of public documentation and announcement.

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EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

17. TAX EXPENSE/ (INCOME)

	3 months Individual quarter		12 months Cumulative period	
	30.06.2022 RM'000	30.06.2021 RM'000	30.06.2022 RM'000	30.06.2021 RM'000
Tax based on results for the financial period/year: -				
- Current tax	(648)	(183)	899	1,370
- Deferred tax	857	56	794	393
	<u>209</u>	<u>(127)</u>	<u>1,693</u>	<u>1,763</u>
Tax under provided in prior period/year: -				
- Current tax	147	(81)	41	(53)
- Deferred tax	282	(8)	282	(8)
	<u>638</u>	<u>(216)</u>	<u>2,016</u>	<u>1,702</u>

The effective tax rates are lower than the statutory tax rate mainly due to tax incentives enjoyed by the subsidiaries.

18. STATUS OF CORPORATE PROPOSALS

There are no corporate proposals announced or completed as at the date of the report.

19. BORROWINGS

The Group's loans and borrowings as at end of the reporting period were as follows: -

	Short-term RM'000	Long-term RM'000	Total RM'000
Secured			
- Lease liabilities	1,438	2,334	3,772
- Term loans	5,840	39,182	45,022
- Banker acceptance	1,682	-	1,682
Unsecured			
- Banker acceptance	895	-	895
- Bank overdraft	389	-	389
- Revolving credit	6,000	-	6,000
	<u>16,244</u>	<u>41,516</u>	<u>57,760</u>

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20. DIVIDEND

The Board did not propose any dividend during the current quarter.

21. CHANGES IN MATERIAL LITIGATION

As at the latest practicable date, neither the Company nor any of its subsidiary companies is involved in any material litigation which has a material effect on the financial position of the Group.

22. EARNINGS PER SHARE

	3 months Individual quarter		12 months Cumulative period	
	30.06.2022 (‘000)	30.06.2021 (‘000)	30.06.2022 (‘000)	30.06.2021 (‘000)
Profit attributable to owners of the Company (RM)	<u>3,154</u>	<u>(1,361)</u>	<u>10,000</u>	<u>10,014</u>
Weighted average number of ordinary shares in issue	803,142	621,215	803,142	621,215
Number of shares under warrant deemed to have been issued for no consideration	91,329	113,749	95,252	121,593
Weighted average number of shares for computing diluted earnings per share	<u>894,471</u>	<u>734,964</u>	<u>898,394</u>	<u>742,808</u>
Earnings per share: -				
- Basic (sen)	<u>0.39</u>	<u>(0.22)</u>	<u>1.25</u>	<u>1.61</u>
- Diluted (sen)	<u>0.35</u>	<u>(0.22)</u>	<u>1.11</u>	<u>1.35</u>

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23. PROFIT BEFORE TAX

	3 months		12 months	
	Individual quarter		Cumulative period	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at after charging/(crediting): -				
Depreciation of property, plant and equipment	1,426	953	4,479	3,470
Depreciation of right-of-use assets	506	412	1,842	1,546
Fair value gain on financial instruments mandatorily measured at fair value through profit or loss	(73)	(845)	(76)	(535)
Gain on disposal of property, plant and equipment	-	-	(7)	(16)
(Gain)/Loss on foreign exchange: -				
- Realised	(326)	(181)	(645)	409
- Unrealised	(222)	353	(347)	(31)
Interest expense	363	173	1,077	432
Interest income	253	313	(82)	(93)
Inventory written down	-	-	-	301
Property, plant and equipment written off	23	3	84	3
Reversal of inventories written down	-	(11)	(77)	(367)

Save for the above, the other items as required under Paragraph 16 of Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.