

Radiant Group shareholders approve acquisition of Grand-Flo Spritvest at EGM

- *To expand Group's customer base beyond retail segment into FMCG, electronics and utilities businesses; also increases product offerings to regional clientele*
- *Acquisition to be completed in the fourth quarter of 2020*
- *Cumulative net profit guarantee of RM3.2 million from the completion of share sale agreement to FYE2022*

Selangor, Malaysia, 23 October 2020 - Retail technology solutions provider Radiant Globaltech Berhad (Radiant Group, the Group, 锐腾有限公司, Bloomberg: 0202:MK, Reuters: RADI.KL) announced today that its shareholders approved the acquisition of an 80% stake in Grand-Flo Spritvest Sdn Bhd (GF Spritvest) for a cash consideration of RM11.6 million at the Extraordinary General Meeting today.

In addition to that, shareholders had also approved the variation of the use of proceeds raised from its Initial Public Offering (IPO) to partially finance the purchase of consideration of RM11.6 million, where approximately RM11.5 million would be satisfied through IPO proceeds and the remaining RM0.1 million via internally generated cash or bank borrowings.

The acquisition of GF Spritvest would allow the Group to expand its customer coverage to include non-retail customers such as fast-moving consumer goods (FMCG), electronics, and utilities industries in Malaysia.

“The acquisition of GF Spritvest allows us to expand our customer base beyond the retail segment into the FMCG, electronics and utilities industries. With majority of its clients from the essential services sectors, this provides business sustainability through various economic cycles.

Furthermore, we intend to integrate GF Spritvest’s software offerings to our AX B2B platforms, and combine technical support service teams. This allows us to create a synergistic effect through enhanced solutions and capture a larger market share in the non-retail segments, including the FMCG, electronics and utilities segments.

Once the regional borders are open, we will have the opportunity to bring GF Spritvest’s software offerings to countries where we have established a direct presence, namely Cambodia, Vietnam and Thailand. This would bring us one step closer to reaching our goal of becoming a leading total integrated technology player.”

*Paul Yap Ban Foo (“叶汶富”),
Managing Director of Radiant Globaltech Berhad*

The acquisition is also supported by a service agreement with Cheng Ping Liong, GF Spritvest’s Director and CEO, who will continue to lead GF Spritvest. Further, Cheng Ping Liong would provide a cumulative net profit guarantee of RM3.2 million from the completion date of the Share Sale Agreement (SSA) until the financial year ending 31 December 2022.

The acquisition is expected to be completed in the fourth quarter of 2020, pending the fulfilment of terms of the SSA. Upon completion, Radiant Group would own 80% of issued share capital of GF Spritvest, while the balance 20% will be held by Jejaka 7 Capital Sdn Bhd.

Currently a wholly-owned subsidiary of Grand-Flo Berhad, GF Spritvest provides Electronic Data Capture and Collation (EDCC) solutions, that enable businesses to manage and collate data with barcode and radio-frequency identification technology.

GF Spritvest’s EDCC solutions include assets tracking, sales force automation, warehouse and inventory control software and barcode devices. GF Spritvest’s comprehensive solutions include the supply, installation, and integration of EDCC hardware and devices, distribution and integration of both proprietary and third-party software, as well as technical support and maintenance services.

Commenting on Radiant Group’s overall strategy, Paul said:

“This acquisition is in line with the Group’s long-term goal to diversify our customer base beyond the retail sector. In end-2018, we acquired Infoconnect Commerce Sdn Bhd, which expanded our customer base to include non-retail players such as manufacturing and industrial clients. This latest acquisition of GF Spritvest accelerates this objective by further improving our product offerings to non-retail clients, and opening up new markets for the enlarged Group.”

About Radiant Globaltech Berhad (锐腾有限公司, www.rgtech.com.my)

Founded in 1994, Radiant Group is primarily involved in the provision of retail technology solutions, which consists of providing hardware and software for retail industry, as well as maintenance and technical support services for retail hardware and software. The Group has operational presence in Malaysia, Vietnam and Cambodia.

Radiant Group's retail technology solutions are used in the retail sector to automate customers' operations, in order to increase efficiency and reduce costs. Furthermore, the Group's retail technology solutions are used for capturing and processing payments (i.e. POS), inventory management, analytics and reporting, as well as sales and marketing (i.e. customer loyalty management).

The Group boasts a notable list of customers which includes 99 Speedmart, 7-Eleven Malaysia, Aeon Big, Aeon TopValu, Giant, Parkson, Cold Storage, Guardian and Manjaku Baby Mall.

Issued for and on behalf of RADIANT GLOBALTECH BERHAD by Aquilas Advisory (M) Sdn. Bhd. For media enquiries, please contact:

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