



## **RADIANT GLOBALTECH BERHAD**

**200301018877 (621297-A)**

**(Incorporated in Malaysia)**

**SUMMARY OF KEY MATTERS DISCUSSED AT THE TWENTIETH ANNUAL GENERAL MEETING ("20<sup>TH</sup> AGM") OF RADIANT GLOBALTECH BERHAD ("RADIANT GLOBALTECH" OR "THE COMPANY") HELD AT GREENS III, SPORTS WING, TROPICANA GOLF & COUNTRY RESORT, JALAN KELAB TROPICANA, 47410 PETALING JAYA, SELANGOR DARUL EHSAN ON FRIDAY, 23 JUNE 2023 AT 10:00 A.M.**

---

- Q1. The Malaysian Inland Revenue Board (IRB), has formally announced the implementation of the first stage of the new electronic invoicing (e-invoice) system. This will be mandatory enforced for businesses that reach a sales threshold of RM100 million per year. What is the Company's perspective on this implementation, and how could Radiant Globaltech capitalise on this opportunities from the e-invoice implementation across the country?**

Radiant Globaltech operates a B2B business, offering a comprehensive range of services that go beyond e-invoicing. Radiant Globaltech also handles Delivery Orders, Purchase Orders, and assists retailers with invoice matching activities. Radiant Globaltech is prepared to embrace the government's e-invoice system, as the invoices are already captured and managed within the cloud solution. Currently, the management is engaging in internal discussions regarding the e-invoice criteria and exploring the possibility of collaboration with the government. It's important to note that this implementation is still in its initial stage, and the government has not finalised the procedures yet.

To become a registered vendor with the Government, Radiant Globaltech must obtain certification for their solutions, particularly concerning tax compliance. The crucial aspect lies in how well their solutions integrate with the government's requirements. However, in Vietnam, the process could be a bit challenging as the hardcopy invoice holds significant importance in their country. Even the absence of a single invoice requires reporting to the authorities.

Radiant Globaltech has been proactive in approaching the Vietnam government regarding the implementation of an e-invoice solution. However, one of the challenges faced is Vietnam continues to insist on both softcopy and hardcopy formats. Despite this obstacle, Radiant Globaltech remains committed and is diligently working with the Vietnam authorities to find a resolution and achieve the successful implementation of the e-invoice system.

- Q2. Regarding the significant increase in "goods-in-transit," as mentioned on page 105 in Note 12 of the Annual Report for 2022, what is the underlying reason behind this surge?**

This pertains to certain stocks acquired by the Group. The Company intends to deliver them in the first quarter of 2023. Therefore, the Group had to make early purchases to ensure timely shipment and delivery to customers in 2023.



## **RADIANT GLOBALTECH BERHAD**

**200301018877 (621297-A)**

**(Incorporated in Malaysia)**

**SUMMARY OF KEY MATTERS DISCUSSED AT THE TWENTIETH ANNUAL GENERAL MEETING ("20<sup>TH</sup> AGM") OF RADIANT GLOBALTECH BERHAD ("RADIANT GLOBALTECH" OR "THE COMPANY") HELD AT GREENS III, SPORTS WING, TROPICANA GOLF & COUNTRY RESORT, JALAN KELAB TROPICANA, 47410 PETALING JAYA, SELANGOR DARUL EHSAN ON FRIDAY, 23 JUNE 2023 AT 10:00 A.M.**

---

- Q3. Referring to page 111 of the Annual Report 2022, why was there an increase of RM11 million in other payables by third parties?**

Of this amount, a large portion was the RM7 million deposit received from customers pertaining to the goods in transit.

Radiant Globaltech does not exclusively rely on a single supplier for its purchases. Instead, the company collaborates with multiple partners and principals.

- Q4. Referring to page 112 of the Annual Report 2022, there was an increase in impairment of trade receivables. What are the impairment losses for the trade receivables?**

Some of the trade receivables were impaired in accordance with the Company's policies. This was due to variations in the timing of customers' payment cycles, resulting in delayed payments. However, in 2023, certain impairments were reversed as the Management had successfully collected the outstanding amounts.

- Q5. Referring to page 68 of the Annual Report 2022, please provide further explanation for the increase to approximately RM34.5 million in administrative expenses as compared to the previous financial year.**

The increase in administrative expenses within the group can be attributed to two main factors. Firstly, the growth in the number of employees has led to higher staff costs as the Company expands its workforce to support various functions. Secondly, the management has allocated additional resources to improve and enhance the existing software solutions provided to customers, investing in research and development and technological advancements. These efforts aim to enhance operational efficiency, deliver superior customer service, and drive sustainable growth within the group.

- Q6. Is the Company able to provide customised solutions for a management information system to the customers?**

Our B2B solution involves a comprehensive service aimed at aiding enterprises in establishing an effective Standard Operating Procedure (SOP) framework. This framework facilitates efficient processing of documentation, particularly from an invoicing perspective. Additionally, our solution extends its capabilities to encompass contract management, ensuring smooth operations in that aspect as



## **RADIANT GLOBALTECH BERHAD**

**200301018877 (621297-A)**

**(Incorporated in Malaysia)**

**SUMMARY OF KEY MATTERS DISCUSSED AT THE TWENTIETH ANNUAL GENERAL MEETING ("20<sup>TH</sup> AGM") OF RADIANT GLOBALTECH BERHAD ("RADIANT GLOBALTECH" OR "THE COMPANY") HELD AT GREENS III, SPORTS WING, TROPICANA GOLF & COUNTRY RESORT, JALAN KELAB TROPICANA, 47410 PETALING JAYA, SELANGOR DARUL EHSAN ON FRIDAY, 23 JUNE 2023 AT 10:00 A.M.**

---

well. For instance, if the enterprise deals with numerous suppliers offering rebates to clients, we address the challenge of managing these rebates demanded by retailers from the suppliers. Moreover, we assist customers in managing their cash flow planning and payments. Our focus is not limited to e-invoice implementation. We also cater to various operational needs. RG Business Suite holds a pivotal role in our Company's strategy, demonstrating our dedication to providing our esteemed customers with an all-encompassing, convenient total solution.

- Q7. According to the information on page 68 of the Annual Report 2022, the revenue growth stands at 2%, and the gross profit margin has risen by approximately 9% compared to the previous year. Despite the relaxation of the COVID-19 pandemic, what factors are hindering the Company from achieving higher sales?**

Despite the relaxation of the COVID-19 pandemic, the prevailing economic conditions have influenced consumer spending patterns and business investment decisions. Additionally, the global business market has experienced significant disruptions in the supply chain, leading to delays in procuring raw materials, production constraints, and challenges in distribution. Consequently, these disruptions have hindered the Company's capacity to fulfill the rising demand and impeded its sales growth.

- Q8. How is the performance of our overseas business operations? What strategies does the Company have in place to enhance its performance in the international markets?**

Despite the pandemic-induced challenges leading to slower growth in overseas operations, the Management maintains an optimistic outlook. We believe that as the pandemic situation improves and global markets recover, there will be opportunities for expansion and increased sales. The Management has implemented strategic measures, monitored market trends, and adapted to changing demands to position the Company for future growth in international markets.

- Q9. What is the reason for the hardware business to have contributing a lower revenue compared to the previous year?**

While the hardware business experienced a decrease in sales revenue mainly due to pandemic-related supply chain challenges, it remains noteworthy that this



## **RADIANT GLOBALTECH BERHAD**

**200301018877 (621297-A)**

**(Incorporated in Malaysia)**

**SUMMARY OF KEY MATTERS DISCUSSED AT THE TWENTIETH ANNUAL GENERAL MEETING ("20<sup>TH</sup> AGM") OF RADIANT GLOBALTECH BERHAD ("RADIANT GLOBALTECH" OR "THE COMPANY") HELD AT GREENS III, SPORTS WING, TROPICANA GOLF & COUNTRY RESORT, JALAN KELAB TROPICANA, 47410 PETALING JAYA, SELANGOR DARUL EHSAN ON FRIDAY, 23 JUNE 2023 AT 10:00 A.M.**

---

segment has been a substantial revenue generator and profitable for the Company in the past. However, the group has tactically acknowledged the steady performance and potential of its software solutions. As a result, the strategic decision has been made to prioritise and concentrate on software solutions as a growth area with higher long-term potential and profitability.

**Q10. How does the Company see the business opportunities from artificial intelligence ("AI")?**

The Company views AI as a significant area of interest. The Management actively discusses and investigates the integration of AI capability into the software solutions provided to customers. The Company recognises the potential benefits and opportunities that AI can bring in terms of enhancing the functionality, efficiency, and value of its software offerings.

**Q11. Is the Company contemplating increasing the dividend rate for shareholders in the upcoming period?**

The Management has taken into account shareholders' suggestions to increase dividend payments. In finding a middle ground between the Company's future funding needs and meeting shareholders' expectations, various factors will be assessed, including the Group's financial stability and growth prospects. The Management is committed to conducting a thorough evaluation of these factors to make a well-informed decision that aligns with the Company's goals and financial standing. This approach aims to ensure that dividend payments not only cater to shareholders' interests but also contribute to the long-term sustainability of the Group's business.

**Q12. What is the Group's overall business outlook for both the current financial year and the subsequent financial years?**

Despite the challenges posed by the current global economic conditions and the recent increase in the overnight policy rate in Malaysia, the Group remains optimistic about its ability to adapt to the changing market conditions, implement effective strategies, and seize opportunities for growth in the current financial year ending 31 December 2023.



## **RADIANT GLOBALTECH BERHAD**

**200301018877 (621297-A)**

**(Incorporated in Malaysia)**

**SUMMARY OF KEY MATTERS DISCUSSED AT THE TWENTIETH ANNUAL GENERAL MEETING ("20<sup>TH</sup> AGM") OF RADIANT GLOBALTECH BERHAD ("RADIANT GLOBALTECH" OR "THE COMPANY") HELD AT GREENS III, SPORTS WING, TROPICANA GOLF & COUNTRY RESORT, JALAN KELAB TROPICANA, 47410 PETALING JAYA, SELANGOR DARUL EHSAN ON FRIDAY, 23 JUNE 2023 AT 10:00 A.M.**

---

**Q13. Could the Company provide some details of the Group's customer base? Any growth in the software business?**

We have a broad customer base which significantly contributes to the growth of our business. The 47% growth in our software segment compared to the previous year is a testament to our expanding customer base for our software business.

**Q14. What is the current size or amount of the recurring income, and how does the Group generate it?**

Based on the latest audited financial statements, software solutions contributed 15% of the total revenue for the Group, representing approximately RM21.6 million. The Group's Software As A Service Model (SAAS Model) contributed close to 50% of the revenue in the software solutions segment.

**Q15. What are the amendments which are being proposed to be made to the Constitution of the Company?**

We propose to make the relevant amendments to the Company's Constitution to improve operational efficiency and accommodate the process of Private Placement more effectively. The amendments are primarily geared towards enhancing administrative processes by incorporating electronic/digital signatures.

In the context of Private Placement, the proposed amendment will allow the Company to obtain a waiver on the pre-emptive rights once approval has been granted by shareholders on the 10% General Mandate. This amendment will streamline the Private Placement process and provide the Company with greater flexibility in raising funds by way of private placements which will enable the Group to execute its strategic initiatives more efficiently.

**Q16. Why did the Company consider waiving the pre-emptive right? Can the minority shareholders also participate in the private placement?**

This pre-emptive right amendment is being considered to expedite the fundraising process and ensure compliance with the relevant laws and regulations for fund raising by way of private placement.

This decision is taken in the best interest of the Company and is intended to enhance efficiency for fund raising through private placements. Shareholders



## **RADIANT GLOBALTECH BERHAD**

**200301018877 (621297-A)**

**(Incorporated in Malaysia)**

**SUMMARY OF KEY MATTERS DISCUSSED AT THE TWENTIETH ANNUAL GENERAL MEETING ("20<sup>TH</sup> AGM") OF RADIANT GLOBALTECH BERHAD ("RADIANT GLOBALTECH" OR "THE COMPANY") HELD AT GREENS III, SPORTS WING, TROPICANA GOLF & COUNTRY RESORT, JALAN KELAB TROPICANA, 47410 PETALING JAYA, SELANGOR DARUL EHSAN ON FRIDAY, 23 JUNE 2023 AT 10:00 A.M.**

---

should note that the Company has not undertaken any fundraising activities since its listing on the ACE Market. The waiver amendment is aimed at facilitating timely access to funds when required. The Board of Directors will closely monitor the appropriate utilization of the 10% General Mandate, if and when undertaken.

For those who interested to participate in the Private Placement as a placee, expression of interest can be done by sending an email to the Company for further consideration.