

### IPO FACT SHEET

## Revenue Group Berhad

### ISSUE STATISTICS

**Offer Size:** a) Public Issue of 55.71m New Ordinary Shares

- Public – 11.14m shares
- Eligible Directors, Employees and Others – 11.14m shares
- Private Placement to Selected Investors – 33.43m shares

b) 16.71m of Offer for Sales

- Private Placement to Selected Investors – 16.71m shares

**Price:** RM0.37

**NA Per Share (post-IPO):** RM0.18

**Historical PE:** 12.1x (Annualised FYE 18)

**Market Cap (post-IPO):** RM82.5m

**Open:** 11 Jun 18

**Close:** 6 July 18

**Listing Date:** 18 July 18

**Adviser, Sponsor, Underwriter and Placement Agent:** M&A Securities Sdn Bhd

	FYE 30 Jun			6-month FPE 31 Dec	
	2015	2016	2017	2016	2017
Revenue (RMm)	14.4	25.7	26.5	12.9	15.4
Gross Profit (RMm)	9.5	14.1	15.7	6.5	9.9
Profit After Tax (RMm)	2.1	4.5	6.9	1.0	3.4
Gross Profit Margin (%)	66.4	54.9	59.4	49.9	64.4
PBT Margin (%)	18.9	23.0	32.3	14.3	28.7
Profit After Tax Margin (%)	14.7	17.5	26.1	7.3	21.8

Source: Prospectus, UOB Kay Hian

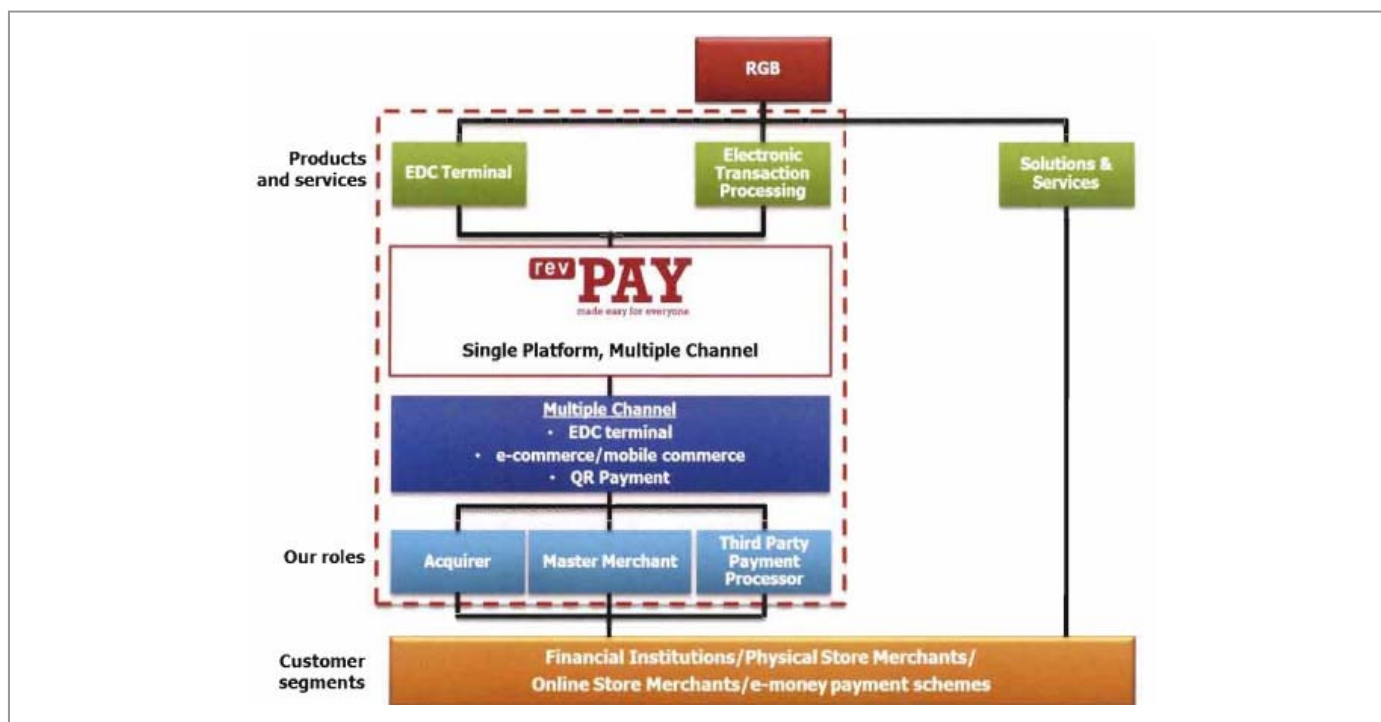
### BACKGROUND

- Revenue Group is a cashless payment solutions provider in Malaysia, offering a wide range of technology-led multi-channel payment solutions to customers. Its product and services can be divided into 3 segments, namely: a) deployment of Electronic Data Capture (EDC) terminals, b) electronic transaction processing and solutions, and c) services related to payments infrastructure. The group's single platform, revPAY, facilitates the acceptance of payment transactions across various payment channels from physical EDC terminals to virtual payments (via e-commerce and mobile commerce channels) to Quick Response (QR) Payment. revPAY is its flagship platform that provides the connectivity between front-end interface to back-end solutions. The group provides products and services principally to local banks and non-bank institutions, physical store merchants and online store merchants.

### COMPETITIVE STRENGTHS

- Offering multi-channel payment solutions via revPAY;
- Partnering an extensive range of international branded card schemes and other forms of e-money payment scheme which enable its merchants to tap into a wide pool of inbound tourists to Malaysia;
- The only partner in Malaysia to Company A to process outbound payments via internet banking for purchase made by Malaysian consumers on their affiliate's China online marketplace since 2013;
- Developed its own proprietary technology platform, which provide the group with significant benefits in terms of flexibility and scalability to integrate new innovations and changing industry standards into its revPAY payment platform without significant incremental cost; and
- Established player in the electronic payments industry and have maintained long working relationships with its customers and partners

### CORPORATE STRUCTURE



Source: Prospectus

### BUSINESS STRATEGY AND FUTURE PLANS

- Development of new products and expansion of IT team:
  - 1) New products – QR Payment system and e-wallet solutions for issuers by 2Q2018 and 4Q2018 respectively.
  - 2) Expansion of IT team – from 35 employees to 50 employees within 24 months after listing.
- Enhancement of revPAY platform and infrastructure to cater for higher volume electronic transactions; and
- Regional business expansion – Cambodia and Myanmar within 24 months after listing.

### KEY RISKS

- Dependent on major customers as they contribute more than 50% of group revenue for FYE2015 to FYE2017. Agreements with its customers are generally non-exclusive and do not prohibit them from working with competitors;
- Dependent on Company A. The group expect Company A to contribute significantly in the future and non-disclosure of Company A's identity may affect investor's ability to assess the impact of Company A on its business;
- Failure to comply with the standards and requirements set by card schemes and payment schemes may result in a revocation or termination of membership with the payment schemes, which in turn would materially affect the revenue contribution from electronic transaction processing division;
- Interruptions, errors or delays with respect to the telecommunication networks in Malaysia may disrupt the performance of its revPAY platform;
- The group may not be able to maintain its certification from the payment schemes if it fails to comply with BNM's guidelines;
- Dependent on its ability to record, process and monitor a large number of electronic transactions; and
- Dependent on its ability to provide secured transmissions of information over revPAY, which is subject to amongst others, breaches of security by computer viruses, sabotage and cyber attacks.

### DIVIDEND POLICY

- The group presently does not have any formal dividend policy.

### USE OF PROCEEDS

- The intended use of the expected gross proceeds from the proposed public issue is as follows:

	(RMm)	(%)	Expected Timeframe for Utilisation from the Date of Listing
Capital Expenditure	8.10	39.30	Within 24 months
Enhancement of revPAY and Expansion of IT team	4.40	19.60	Within 24 months
Repayment of Bank Borrowings	2.50	12.10	Within 3 months
Business Expansion	1.50	7.30	Within 24 months
Working Capital	1.77	8.60	Within 24 months
Estimated Listing Expenses	2.70	13.10	Immediately
<b>Total</b>	<b>20.61</b>	<b>100.00</b>	

Source: Prospectus, UOB Kay Hian

### PEER COMPARISON

Company	Ticker	Rec	Share Price 11 Jun 18 (RM)	Market Cap (RMm)	PE			P/BV		Net Gearing (x)	Dividend Yield (%)
					2018F (x)	2019F (x)	2020F (x)	2018F (x)	2019F (x)		
GHL System	GHLS MK	NOT RATED	1.47	1,061.8	26.7	23.0	19.9	3.2	2.8	Cash	0.4

Source: Bloomberg, UOB Kay Hian

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