



VSOLAR GROUP BERHAD
Company No. 200301029575 (631995-T)
(Incorporated in Malaysia)

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2023

The Board of Directors of Vsolar Group Berhad is pleased to announce the following unaudited consolidated financial statements for the quarter ended 31 March 2023 which should be read in conjunction with the audited consolidated financial statements for the financial year ended 30 June (“FYE”) 2022 and the accompanying explanatory notes attached to the unaudited consolidated financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
		Quarter Ended		Changes %	Period Ended		Changes %
	31.03.2023 RM'000 (unaudited)	31.03.2022 RM'000 (unaudited)	31.03.2023 RM'000 (unaudited)		31.03.2022 RM'000 (unaudited)		
Revenue	A8	3,374	53	>100	8,111	4,692	73
Cost of sales		(2,897)	(41)	>100	(7,274)	(4,359)	67
Gross profit		477	12	>100	837	333	>100
Other income		63	610	-90	523	1,079	-52
Administrative expenses		5,252	(1,515)	>100	(5,566)	(27,723)	-80
Profit/(Loss) from operations		5,792	(893)	>100	(4,206)	(26,311)	84
Finance costs		(18)	(17)	6	(49)	(54)	-9
Profit/(Loss) before taxation	B11	5,774	(910)	>100	(4,255)	(26,365)	84
Taxation		(285)	(1)	>100	(285)	(28)	>100
Profit/(Loss) for the financial period		5,489	(911)	>100	(4,540)	(26,393)	83
Profit/(Loss) for the financial period attributable to:							
- Owners of the Company		5,488	(910)	>100	(4,539)	(26,391)	83
- Non-controlling interests		1	(1)	>100	(1)	(2)	50
		5,489	(911)	>100	(4,540)	(26,393)	83
Total comprehensive income/(loss) attributable to:							
- Owners of the Company		5,488	(910)	>100	(4,539)	(26,391)	83
- Non-controlling interests		1	(1)	>100	(1)	(2)	50
		5,489	(911)	>100	(4,540)	(26,393)	83
Earnings/(Losses) per share attributable to the owner of the company							
Basic (sen)	B12	0.11	(0.02)		(0.09)	(0.58)	

VSOLAR GROUP BERHAD
Company No. 200301029575 (631995-T)
(Incorporated in Malaysia)

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2023

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As At 31.03.2023 RM'000 (unaudited)	As At 30.06.2022 RM'000 (audited)
ASSETS			
Non-current assets			
Property, plant & equipment		4,583	4,820
Right-of-use assets		1,632	1,643
Other investment		51,028	53,651
Total non-current assets		<u>57,243</u>	<u>60,114</u>
Current assets			
Trade receivables	B13	10,692	3,945
Other receivables, deposits and prepayments		19,914	20,096
Fixed deposit placed with licensed banks		295	295
Cash and cash equivalents		24,605	26,717
Total current assets		<u>55,506</u>	<u>51,053</u>
Total assets		<u>112,749</u>	<u>111,167</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital		177,099	177,099
Reserves		(75,267)	(70,728)
Equity attributable to owners of the parent		<u>101,832</u>	<u>106,371</u>
Non-controlling interest		(39)	(38)
Total equity		<u>101,793</u>	<u>106,333</u>
LIABILITIES			
Non-current liability			
Lease liabilities		1,345	1,473
Current liabilities			
Trade payables		5,871	2,649
Other payables and accruals		3,141	396
Bank overdraft	B8	12	10
Lease liabilities		389	260
Provision for taxation		198	46
Total current liabilities		<u>9,611</u>	<u>3,361</u>
Total liabilities		<u>10,956</u>	<u>4,834</u>
Total equity and liabilities		<u>112,749</u>	<u>111,167</u>
Net asset per share attributable to the owners of the parent (sen)		<u>2.11</u>	<u>2.20</u>

VSOLAR GROUP BERHAD
Company No. 200301029575 (631995-T)
(Incorporated in Malaysia)

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	[----- Non-distributable -----]			Distributable Accumulated losses RM'000	Total RM'000	Non-controlling interests RM'000	Total RM'000
	Share capital RM'000	Warrant reserve RM'000	ESOS reserve RM'000				
As at 1 July 2022	177,099	24,644	3,626	(98,998)	106,371	(38)	106,333
Total comprehensive loss for the financial period	-	-	-	(4,539)	(4,539)	(1)	(4,540)
As at 31 March 2023	177,099	24,644	3,626	(103,537)	101,832	(39)	101,793
As at 1 July 2021	147,029	24,644	3,450	(72,654)	102,469	(35)	102,434
Transactions with owners:							
Grant of equity-settled share options (“ESOS”) to employees	-	-	14,897	-	14,897	-	14,897
Ordinary share issued pursuant to:-							
- ESOS	30,070	-	(14,720)	-	15,350	-	15,350
	30,070	-	177	-	30,247	-	30,247
Total comprehensive loss for the financial period	-	-	-	(26,391)	(26,391)	(2)	(26,393)
As at 31 March 2022	177,099	24,644	3,627	(99,045)	106,325	(37)	106,288

VSOLAR GROUP BERHAD
Company No. 200301029575 (631995-T)
(Incorporated in Malaysia)

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2023

CONSOLIDATED STATEMENT OF CASH FLOWS

	Period Ended	
	31.03.2023	31.03.2022
	RM'000	RM'000
	(unaudited)	(unaudited)
Operating activities		
Loss before tax	(4,255)	(26,365)
Adjustments for:-		
Depreciation of property, plant and equipment	479	470
Depreciation of right-of-use assets	253	202
Fair value loss on other investment	3,090	9,506
Interest expense	49	54
Share-based payments	-	14,897
Bad debts recovered	-	(36)
Interest income	(435)	(403)
Dividend income	-	(165)
Gain on disposal of other investment	-	(182)
Unrealised gain on foreign exchange	(52)	(259)
Operating loss before working capital changes	(871)	(2,281)
Changes in working capital:-		
Payables	5,967	836
Receivables	(6,547)	(15,632)
Cash used in operating activities	(1,451)	(17,077)
Tax refund	-	1
Interest paid	(1)	(1)
Tax paid	(133)	(103)
Net cash used in operating activities	(1,585)	(17,180)
Investing activities		
Purchase of property, plant and equipment	(241)	-
Placement of other investment	-	(19,020)
Interest received	-	403
Dividend received	-	165
Net cash used in investing activities	(241)	(18,452)
Financing activities		
Proceed from issuance of ordinary shares pursuant to		
- ESOS	-	15,350
Interest paid on lease liabilities	(48)	(52)
Repayment of lease liabilities	(240)	(187)
Net cash (used in)/from financing activities	(288)	15,111
Net changes	(2,114)	(20,521)
Cash and cash equivalents at beginning of period	26,707	48,386
Cash and cash equivalents at the end of period	24,593	27,865
Cash and bank balances	24,605	27,875
Fixed deposits placed with licensed banks	295	291
Bank overdrafts	(12)	(10)
	24,888	28,156
Fixed deposits pledged as securities	(295)	(291)
	24,593	27,865

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2023**

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements outlined in MFRS 134 – Interim Financial Reporting, the International Accounting Standard 34 Interim Financial Reporting and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

The interim financial statements should be read in conjunction with the audited financial statements for the FYE 2022 and the accompanying explanatory notes attached to the interim financial statements.

These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the FYE 2022.

The accounting policies and methods of computation used in the interim financial statements are consistent with those adopted in the audited financial statements of the Group for the FYE 2022 except for the changes in accounting policies and presentation resulting from the adoption of new and revised MFRSs and amendments to MFRSs that are effective for financial periods beginning on or after 1 January 2022.

The Group has adopted the following Amendments to Standards during the financial period.

MFRS effective for financial periods beginning on or after 1 January 2022

Amendments to MFRS 1	<i>First time Adoption of Malaysian Financial Reporting Standards - Annual Improvements to MFRS Standards 2018-2020</i>
Amendments to MFRS 3	<i>Business Combinations- Reference to the Conceptual Framework</i>
Amendments to MFRS 9	<i>Financial Instruments - Annual Improvements to MFRS Standards 2018-2020</i>
Amendments to MFRS 116	<i>Property, Plant and Equipment – Proceeds before Intended Use</i>
Amendments to MFRS 137	<i>Provisions, Contingent Liabilities and Contingent Assts – Onerous Contract – Cost of Fulfilling a Contract</i>
Amendments to MFRS 141	<i>Agriculture (Annual Improvements to MFRSs 2018 – 2020 Cycle)</i>

The adoption of the above pronouncements did not have material impact on the financial statements of the Group and of the Company.

VSOLAR GROUP BERHAD
Company No. 200301029575 (631995-T)
(Incorporated in Malaysia)

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2023

A1. Basis of Preparation (cont'd)

The Group has not adopted the following new MFRSs and amendments to MFRSs issued by the Malaysian Accounting Standards Board:

MFRS effective for financial periods beginning on or after 1 January 2023

MFRS 17	<i>Insurance Contracts</i>
Amendments to MFRS 17	<i>Insurance Contracts</i>
Amendments to MFRS 108	<i>Accounting Policies, Changes in Accounting Estimates and Error: – Definition of Accounting Estimates</i>
Amendments to MFRS 112	<i>Income Tax – Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>

MFRS effective for financial periods beginning on or after 1 January 2024

Amendments to MFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to MFRS 101	<i>Presentation of Financial Statements - Classification of liabilities as current or non-current</i>

MFRS effective for financial periods beginning on or after a date yet to be confirmed

Amendments to MFRS 10 and MFRS 128	<i>Consolidated Financial Statements and Investments in Associates and Joint Ventures – Sales or Contribution of Assets between an Investor and its Associate or Joint Venture</i>
---------------------------------------	--

The Group is in the process of assessing the impact of implementing these Standards, since the effects would only be observable for the future financial years.

A2. Qualification of financial statements

The audit report of the Group's financial statements for the FYE 2022 was not subject to any audit qualification.

A3. Seasonal or cyclical factors

The results for the current financial quarter were not affected by any seasonal or cyclical factors.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence during the current financial quarter.

A5. Material changes in estimates

There were no changes in estimates of amounts reported in prior financial periods, which have a material effect in the current financial quarter.

A6. Debt and equity securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares for the current financial quarter and period.

A7. Dividend paid

There were no dividends paid during the current financial quarter.

VSOLAR GROUP BERHAD
Company No. 200301029575 (631995-T)
(Incorporated in Malaysia)

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2023

A8. Segmental information

The reportable business segment of the Group comprise the following:

- Engineering works : Business of engineering solutions provider in connection with renewal energy (“RE”) business and other related engineering works.
- Trading : Trading of computer hardware.
- Solar Energy : Supply of solar energy.
- Others : Other segments comprise investment holding, trading and distribution of software, providing information technology services and dormant companies.

Period Ended			Solar			
31.03.2023	Engineering	Trading	Energy	Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	6,586	-	1,714	-	(189)	8,111
Result:						
Segment result	88	(8)	6	(4,815)	-	(4,729)
Other Income	-	-	20	503	-	523
Finance costs	-	-	(41)	(8)	-	(49)
Profit/(Loss) before taxation	88	(8)	(15)	(4,320)	-	(4,255)
Taxation	(74)	-	(11)	(200)	-	(285)
Profit/(Loss) after taxation	14	(8)	(26)	(4,520)	-	(4,540)
Segment assets	18,719	2,135	23,976	160,302	(92,383)	112,749
Segment liabilities	29,906	1,734	44,935	91,711	(157,330)	10,956
Period Ended			Solar			
31.03.2022	Engineering	Trading	Energy	Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	-	4,220	597	-	(125)	4,692
Result:						
Segment result	(22)	111	(9,506)	(17,973)	-	(27,390)
Other Income	36	-	-	1,044	-	1,080
Finance costs	(1)	-	(41)	(13)	-	(55)
Profit/(Loss) before taxation	13	111	(9,547)	(16,942)	-	(26,365)
Taxation	-	(26)	-	(2)	-	(28)
Profit/(Loss) after taxation	13	85	(9,547)	(16,944)	-	(26,393)
Segment assets	20,629	10,962	12,154	190,750	(125,119)	109,376
Segment liabilities	20,939	10,565	34,935	84,801	(148,152)	3,088

VSOLAR GROUP BERHAD
Company No. 200301029575 (631995-T)
(Incorporated in Malaysia)

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2023

A9. Valuation of property, plant and equipment

The Group did not revalue any of its property, plant and equipment during the current financial quarter.

A10. Material events subsequent to the end of the current quarter

On 8 April 2022, the Company proposed consolidation of every 30 existing ordinary shares in Vsolar into 1 consolidated shares. The consolidation had been completed on 23 May 2023, in which 4,834,933,699 shares had consolidated into 161,158,039 consolidated shares.

There were no other material event subsequent at the end of the current quarter.

A11. Changes in the composition of the Group

There were no changes in the composition of the Group during the current financial quarter and period.

A12. Contingent liabilities

The Company has given corporate guarantee of RM800,000 to Fast Track Solution Sdn Bhd, a subsidiary company as security against banking facility granted to Fast Track Solution Sdn Bhd in the form of bank overdraft.

A13. Capital commitments

There were no capital commitments as at 31 March 2023.

A14. Significant related party transactions

There were no significant related party transactions during the current financial quarter.

A15. Financial Instruments

a) Categories of Financial Instruments

The table below provides an analysis of financial instrument as at 31 March 2023 categorised as follows:

	As At 31.03.2023 Unaudited RM'000	As At 30.06.2022 Audited RM'000
Financial assets		
<u>At amortised cost</u>		
Trade receivables	10,692	3,945
Other receivables and deposits	19,874	20,039
Fixed deposit with licensed banks	295	295
Cash and cash equivalents	24,605	26,717
	<u>55,466</u>	<u>50,996</u>

VSOLAR GROUP BERHAD
Company No. 200301029575 (631995-T)
(Incorporated in Malaysia)

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2023

A15. Financial Instruments (cont'd)

a) Categories of Financial Instruments (cont'd)

The table below provides an analysis of financial instrument as at 31 March 2023 categorised as follows (cont'd):

	As At 31.03.2023 Unaudited RM'000	As At 30.06.2022 Audited RM'000
Financial assets (cont'd)		
<u>At fair value through profit or loss</u>		
Other investment	51,028	53,651
	51,028	53,651
	106,494	104,647
Financial liabilities		
Trade payables	5,871	2,649
Other payables and accruals	3,141	396
Lease liabilities	1,734	1,733
Bank overdrafts	12	10
	10,758	4,788

b) Fair Value Information

The carrying amount of cash and cash equivalents, short term receivables and payables and short term borrowings reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

A16. Fair Value Measurement

The financial assets maturing within the next 12 months reasonably approximate their fair values due to the relatively short-term maturity of the financial instruments.

Fair value hierarchy

The table below analyses financial instrument carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

	As At 31.03.2023 Unaudited RM'000	As At 30.06.2022 Audited RM'000
Level 1:		
Other investment	51,028	53,651
	51,028	53,651

VSOLAR GROUP BERHAD
Company No. 200301029575 (631995-T)
(Incorporated in Malaysia)

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2023**

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES FOR THE ACE MARKET

B1. Review Of Performance

Statement of Profit & Loss and Other Comprehensive Income

Group Results	INDIVIDUAL QUARTER Quarter Ended				CUMULATIVE QUARTER Period Ended			
	31.03.2023	31.03.2022	Changes		31.03.2023	31.03.2022	Changes	
	RM'000 (unaudited)	RM'000 (unaudited)	RM'000	%	RM'000 (unaudited)	RM'000 (unaudited)	RM'000	%
Revenue	3,374	53	3,321	>100	8,111	4,692	3,419	73
Gross profit	477	12	465	>100	837	333	504	>100
Profit/(Loss) before tax	5,774	(910)	6,684	>100	(4,255)	(26,365)	22,110	84
Profit/(Loss) after tax	5,489	(911)	6,400	>100	(4,540)	(26,393)	21,853	83

Revenue

The Group's registered revenue of RM3.37 million for three (3) months ended 31 March 2023, representing an increase of RM3.32 million compared to the preceding corresponding financial quarter of RM0.05 million. The increase in revenue mainly contributed by supply of spare parts for railway vehicle business.

Gross profit and gross profit margin

The Group's gross profit of RM0.48 million for the three (3) months ended 31 March 2023 is higher compared to the preceding corresponding financial quarter gross profit of RM0.01 million. The higher current financial quarter gross profit was mainly contributed higher revenue as explained above.

Profit/(Loss) after tax

The Group recorded a profit after tax of RM5.49 million for the three (3) months ended 31 March 2023 as compared to loss after tax of RM0.91 million for the preceding corresponding financial quarter. The higher profit after tax in current financial quarter was mainly attributable by fair value gain on other investment of RM6.08 million whereas the immediate preceding financial quarter was impacted by share-based payment of RM0.97 million.

VSOLAR GROUP BERHAD
Company No. 200301029575 (631995-T)
(Incorporated in Malaysia)

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2023

B2. Material Changes In Financial Performance For the Quarter Compared with Immediate Preceding Quarter

Group Results	Quarter Ended		Changes (%)	
	31.03.2023 RM'000 (unaudited)	31.12.2022 RM'000 (unaudited)	RM'000	%
Revenue	3,374	3,930	(556)	->100
Gross profit	477	235	242	>100
Profit before tax	5,774	69	5,705	->100
Profit after tax	5,489	69	5,420	->100

Revenue

The Group recorded a decrease of RM0.56 million revenue to RM3.37 million in the current financial quarter as compared to RM3.93 million in the immediate preceding financial quarter. The lower revenue in current financial quarter contributed by lower revenue inflow from supply of spare parts for railway business as compared to immediate preceding financial quarter.

Profit after tax

The Group recorded a profit after tax of RM5.49 million in the current financial quarter as compared to RM0.06 million in the immediate preceding financial quarter. The higher profit after tax for current financial quarter was contributed by the fair value gain on other investment of RM6.08 million.

B3. Current year prospects

With the growing emphasize on Environmental Social and Governance (“ESG”), renewable resource industry will continue to be in demand. As announced in the 12th Malaysia Plan, floating solar projects will be encouraged to meet the 31% renewable target of total installed capacity through solar leasing programmes and power purchase agreements. A new mechanism for green energy will be explored to encourage consumers to buy energy directly from renewable energy generators to meet their environmental, social and governance commitment.

The Group is in the midst of discussions with a few prospective customers who are factory owners to undertake the rooftop Solar PV Projects. At this juncture, The Meru Project has commenced in December 2022 and is expected to complete within 18 months from the commencement date. Then, the Solar PV Rooftop System will begin operations after 3 months from the completion date. Apart from the Meru Project, the Group is in the midst of procuring potential solar leasing contracts with owners of buildings at various locations such as Johor Bahru, Kelantan and Taiwan. In the long run, RE will be providing a recurring source of income through monthly leasing repayment from customers.

Outlook of the rail supporting industry is expected to be positive with the support from the Government through the Malaysian Rail Supporting Industry Roadmap 2030 as well as initiatives to be undertaken under the 12th Malaysian Plan. With the rail projects in the pipeline, supply of rail supporting services are expected to increase accordingly. At this juncture, the main revenue contributor for the Group representing 81% of total revenue with the contract from RA Integration Links Sdn Bhd to be a trading partner for the procurement and supply of spare parts to perform the intermediate overhaul of fifty (50) sets Ampang 6-Car Light Rail Vehicle for Rapid Rail Sdn. Bhd. The Group anticipates that this will be a stable revenue stream for the upcoming year.

VSOLAR GROUP BERHAD
Company No. 200301029575 (631995-T)
(Incorporated in Malaysia)

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2023

B4. Variance on forecast profit/profit guarantee

The Group has not provided any profit forecast or profit guarantee and thus this is not applicable to the Group.

B5. Taxation

Tax charges comprises:-

	Current Quarter Ended 31.03.2023 RM'000	Cumulative Period Ended 31.03.2023 RM'000
Current quarter/period to date	198	198
Underprovision in prior quarter/period	87	87
Tax expense	285	285

B6. Status of corporate proposals

On 8 April 2022, the Company had announced to undertake the following proposals and had submitted to Bursa Securities on 8 June 2022:

- a. Proposed diversification of the business of Vsolar and its subsidiaries (“Vsolar Group” or the “Group”) to include the sales and trading of spare parts for railway vehicles (“Proposed Diversification”);
- b. Proposed renounceable rights issue of up to 791,850,045 new right shares together with up to 395,925,022 free detachable warrants on the basis of 4 rights shares together with 2 Warrants C for every 1 consolidated share held by the entitled shareholders of the Company on an entitlement date to be determined.

Saved for the above, there were no corporate proposals announced but not completed as at the date of this report.

VSOLAR GROUP BERHAD
Company No. 200301029575 (631995-T)
(Incorporated in Malaysia)

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2023

B7. Status of utilisation of proceeds

The Company has on 13 July 2020 completed a Renounceable Rights Issue of 1,232,492,289 Rights Shares and 821,661,526 Warrants on the ACE Market of Bursa Securities. The Renounceable Rights Issue with Warrants has raised a gross proceeds of RM36,974,769. Status of utilisation of proceeds derived from the corporate proposal by the company as follows:-

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Unutilised proceeds RM'000	Utilisation timeframe (from listing of Right Shares)	Deviation Amount	Explanation (if the deviation >5 %)
Capital expenditure for development and construction of biomass/biogas plants	34,085	-	34,085	Between 12 to 36 months	-	N/A
Working Capital	2,040	-	2,040	Within 36 months from the completion of the construction of biomass/biogas plants	-	N/A
Estimated expenses for the Right Issue with Warrants	850	(850)	-	Within 1 month	-	N/A
	<u>36,975</u>	<u>(850)</u>	<u>36,125</u>		<u>-</u>	

The Company has on 18 November 2020 completed a private placement of 210,163,000 new shares. The private placement raised a gross proceeds of RM7,187,574. On 14 December 2023, the Board has resolved to extend the time frame for utilisation of the proceeds for another twelve months period to 17 November 2023. Status of utilisation of proceeds derived from the corporate proposal by the company as follows:-

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Reallocation RM'000	Unutilised proceeds RM'000	Utilisation timeframe (from listing of Right Shares)	Deviation Amount	Explanation (if the deviation >5%)
Working capital for Solar PV Projects	6,885	(1,550)	175	5,510	Within 36 months	-	N/A
Estimated expenses	303	(128)	(175)	-	Immediate	-	N/A
	<u>7,188</u>	<u>(1,444)</u>	<u>-</u>	<u>5,510</u>		<u>-</u>	

The Company has on 11 January 2021 completed a private placement of 245,193,000 new shares. The private placement raised a gross proceeds of RM9,268,295. On 11 January 2023, the Board has resolved to extend the time frame for the utilisation of the proceeds for another twelve months period to 11 January 2024. Status of utilisation of proceeds derived from the corporate proposal by the company as follows:-

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Reallocation RM'000	Unutilised proceeds RM'000	Utilisation timeframe (from listing of Right Shares)	Deviation Amount	Explanation (if the deviation >5%)
Working capital for Solar PV Projects	8,823	-	307	9,130	Within 36 months	-	N/A
Estimated expenses	445	(138)	(307)	-	Immediate	-	N/A
	<u>9,268</u>	<u>(138)</u>	<u>-</u>	<u>9,130</u>		<u>-</u>	

VSOLAR GROUP BERHAD
Company No. 200301029575 (631995-T)
(Incorporated in Malaysia)

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2023

B7. Status of utilisation of proceeds (cont'd)

The Company has on 17 June 2021 completed a private placement of three tranches amounted to 846,215,000 new shares. The private placement raised a gross proceeds of RM14,712,061. Status of utilisation of proceeds derived from the corporate proposal by the company as follows:-

Purpose	Proposed Utilisation	Actual Utilisation	Reallocation	Unutilised proceeds	Utilisation timeframe (from listing of Right Shares)	Deviation Amount	Explanation (if the deviation >5%)
	RM'000	RM'000	RM'000	RM'000			
Working capital for Solar PV Projects	13,642	-	715	14,357	Within 24 months	-	N/A
Estimated expenses	1,070	(355)	(715)	-	Immediate	-	N/A
	<u>14,712</u>	<u>(355)</u>	<u>-</u>	<u>14,357</u>		<u>-</u>	

B8. Borrowings and debt securities

The Group did not issue any debt securities or long term borrowings during the current financial quarter. The Group's borrowings which are denominated in Ringgit Malaysia as at 31 March 2023 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term loans			
Overdraft	12	-	12

B9. Material litigation

There are no pending material litigations involving the Group as at the date of this report.

B10. Dividend

The Board of Directors did not recommend any dividend for the current financial quarter.

B11. Profit/(Loss) before tax

	INDIVIDUAL QUARTER Quarter Ended		CUMULATIVE QUARTER Period Ended	
	31.03.2023 RM'000	31.03.2022 RM'000	31.03.2023 RM'000	31.03.2022 RM'000
Profit/(Loss) before tax is stated after crediting:-				
Bad debts recovered	-	-	-	36
Dividend income	-	-	-	165
Foreign exchange gain	194	197	52	259
Gain on disposal of other investment	-	-	-	182
Interest income	-	403	435	403
Profit/(Loss) before tax is stated after charging:-				
Depreciation of property, plant and equipment	166	157	479	470
Depreciation of right-of-use assets	118	67	253	202
Fair value loss on other investments	(6,078)	(1,189)	3,090	9,506
Interest expense	18	17	49	54
Share-based payments	-	974	-	14,897

VSOLAR GROUP BERHAD
Company No. 200301029575 (631995-T)
(Incorporated in Malaysia)

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2023

B12. Earnings/(Loss) per share

Basic earnings/(loss) per share is calculated by dividing the net profit/(loss) attributable to owners of parent for the period by the number of ordinary shares in issue during the period.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended		Period Ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Net profit/(loss) attributable to owners of the parent (RM'000)	5,488	(910)	(4,539)	(26,391)
Weighted average number of ordinary shares in issue ('000)	4,834,934	4,808,889	4,834,934	4,575,240
Basic & diluted earnings/(loss) per share attributable to owners of the parent (sen)*	0.11	(0.02)	(0.09)	(0.58)

*The diluted loss per share for the financial period is equal to the basic earnings/(loss) per share as the conversion of potential ordinary share would decrease earnings/(loss) per share from continuing operation. Thus, the potential effect of the conversion of warrants would be anti-dilutive.

B13. Trade Receivables

	As at 31.03.2023 RM'000 (unaudited)	As at 30.06.2022 RM'000 (audited)
Trade receivables	10,874	4,127
Less: Impairment losses	(182)	(182)
	<u>10,692</u>	<u>3,945</u>

The aging analysis of the Group's trade receivables as at 31 March 2023 is as follows:

	As at 31.03.2023 RM'000 (unaudited)	As at 30.06.2022 RM'000 (audited)
Neither past due nor impaired	1,582	2,579
Past due but not impaired:		
1 – 30 days	837	736
31 – 60 days	837	812
More than 61 days past due	7,618	-
Gross trade receivables	10,874	4,127
Less: Allowance for impairment loss	(182)	(182)
	<u>10,692</u>	<u>3,945</u>

VSOLAR GROUP BERHAD
Company No. 200301029575 (631995-T)
(Incorporated in Malaysia)

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2023

B14. Authorisation For Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with the resolution of the Board of Directors.

By order of the board

Wong Yuet Chyn
MAICSA 7047163
Company secretary
31 May 2023
Kuala Lumpur