



REDPLANET BERHAD

Company No.: 201901014292 (1323620-A)
(Incorporated in Malaysia under the Companies Act, 2016)

**INTERIM FINANCIAL STATEMENTS FOR THE FIRST HALF
YEAR ENDED 31 DECEMBER 2019**

**CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES
BERHAD ("BURSA SECURITIES")**

THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE ACE MARKET OR MAIN MARKET OF BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY REDPLANET BERHAD ("REDPLANET" OR THE "COMPANY"). SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.

REDPLANET BERHAD
COMPANY NO.: 201901014292 (1323620-A)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	As at 31.12.19	As at 30.06.19
	RM	RM
NON-CURRENT ASSETS		
Equipment	969,105	N/A
	<u>969,105</u>	<u>N/A</u>
CURRENT ASSETS		
Trade receivables	1,523,422	N/A
Other receivables, deposits and prepayments	3,066,148	N/A
Contract assets	854,660	N/A
Current tax asset	21,600	N/A
Short-term investment	3,979,589	N/A
Cash and bank balances	645,071	N/A
	<u>10,090,490</u>	<u>N/A</u>
TOTAL ASSETS	<u>11,059,595</u>	<u>N/A</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	2,092,000	N/A
Merger deficit	(1,318,043)	N/A
Retained profits	4,671,616	N/A
Foreign exchange translation reserve	(660)	N/A
TOTAL EQUITY	<u>5,444,913</u>	<u>N/A</u>
CURRENT LIABILITIES		
Contract liabilities	3,626,242	N/A
Others payables and accruals	1,947,073	N/A
Current tax liabilities	41,367	N/A
TOTAL LIABILITIES	<u>5,614,682</u>	<u>N/A</u>
TOTAL EQUITY AND LIABILITIES	<u>11,059,595</u>	<u>N/A</u>
NET ASSETS PER ORDINARY SHARE (SEN)*	<u>3.90</u>	

*Based on a total number of 139,466,700 ordinary shares

The unaudited condensed consolidated statements of financial position should be read in conjunction with the accompanying explanatory notes attached to these financial statements.

REDPLANET BERHAD
COMPANY NO.: 201901014292 (1323620-A)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR FIRST HALF YEAR ENDED 31 DECEMBER 2019

	First Half Year ended		Cumulative Half Year Ended	
	31.12.19	31.12.18	31.12.19	31.12.18
	RM	RM	RM	RM
REVENUE	10,326,195	N/A	10,326,195	N/A
Cost of sales	(7,193,762)	N/A	(7,193,762)	N/A
GROSS PROFIT	3,132,433	N/A	3,132,433	N/A
Other income	42,452	N/A	42,452	N/A
	3,174,885	N/A	3,174,885	N/A
Administrative expenses	(1,346,413)	N/A	(1,346,413)	N/A
Other expenses	(113,032)	N/A	(113,032)	N/A
PROFIT BEFORE TAXATION	1,715,440	N/A	1,715,440	N/A
Income tax expense	(113,593)	N/A	(113,593)	N/A
PROFIT AFTER TAXATION	1,601,847	N/A	1,601,847	N/A
Other comprehensive income				
<u>Item that will be reclassified subsequently to profit or loss</u>				
Foreign currency translation differences	(61)	N/A	(61)	N/A
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	1,601,786	N/A	1,601,786	N/A
PROFIT AFTER TAXATION ATTRIBUTABLE TO:-				
Owners of the Company	1,601,847	N/A	1,601,847	N/A
INCOME ATTRIBUTABLE TO:-				
Owners of the Company	1,601,786	N/A	1,601,786	N/A
EARNINGS PER SHARE ATTRIBUTABLE TO:-				
Owners of the Company				
- Basic (sen)*	1.15	N/A	1.15	N/A

*Based on a total number of 139,466,700 ordinary shares

The unaudited condensed consolidated statements of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to these financial statements.

REDPLANET BERHAD
COMPANY NO.: 201901014292 (1323620-A)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FIRST HALF YEAR ENDED 31 DECEMBER 2019

Group	Share Capital	Merger Deficit	Retained Profits	Foreign Exchange Translation Reserve	Total Equity
RM	RM	RM	RM	RM	RM
As at 1 July 2019 (unaudited)	1	-	-	-	1
Total transactions with owners					
- Share issued for acquisition of a subsidiary	2,091,999	-	-	-	2,091,999
- Effect of merger of subsidiary	-	(1,318,043)	3,069,769	(599)	1,751,127
	2,091,999	(1,318,043)	3,069,769	(599)	3,843,126
Profit after taxation/Total comprehensive income for the financial period	-	-	1,601,847	(61)	1,601,786
Balance as at 31 December 2019	2,092,000	(1,318,043)	4,671,616	(660)	5,444,913

The unaudited condensed consolidated statements of changes in equity should be read in conjunction with the accompanying explanatory notes attached to these financial statements.

REDPLANET BERHAD
COMPANY NO.: 201901014292 (1323620-A)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FIRST HALF YEAR ENDED 31 DECEMBER 2019

	First Half Year ended	
	31.12.19	31.12.18
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,715,440	N/A
Adjustments for:-		
Depreciation of equipment	113,031	N/A
Interest income	(42,452)	N/A
Operating profit before working capital changes	1,786,019	N/A
Changes in working capital		
Trade and other receivables	(2,371,839)	N/A
Trade and other payables	1,272,507	N/A
Contract liabilities	3,225,977	N/A
Accrued billing	575,175	N/A
Cash from operations	4,487,839	N/A
Income tax paid	(104,166)	N/A
Net cash from operating activities	4,383,673	N/A
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of equipment	(297,164)	N/A
Interest income received	42,452	N/A
Net cash for investing activities	(254,712)	N/A
CASH FLOWS FROM FINANCING ACTIVITY		
Proceeds from issuance of shares	1	N/A
Net cash from financing activity	1	N/A
Net increase in cash and cash equivalents	4,128,962	N/A
Cash and cash equivalents at beginning of the financial period	495,759	N/A
Exchange rate adjustment	(61)	N/A
Cash and cash equivalents at end of the financial period	4,624,660	N/A

The unaudited condensed consolidated statements of cash flows should be read in conjunction with the accompanying explanatory notes attached to these financial statements.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 DECEMBER 2019

A. NOTES TO THE FINANCIAL STATEMENTS

A1. Corporate Information

RedPlanet Berhad ("**RedPlanet**") was incorporated in Malaysia on 22 April 2019 as a private limited company under the Companies Act, 2016, known as RedPlanet Sdn Bhd with a paid up capital of RM1.00 comprising of 100 ordinary shares. The Company was later converted to a public company on 5 December 2019. The registered office of the Company is located at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur.

A2. Basis of Preparation

The interim financial statements of RedPlanet Berhad (the "Company") and its subsidiary ("**the Group**") are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard ("**MFRS**") 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ("**MASB**") and Rule 6.12 and Appendix 6A of the Listing Requirements.

This is the first interim financial statements of the Group announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year's corresponding period.

The interim financial statements should be read in conjunction with the Auditors' Report as disclosed on the Information Memorandum ("IM") and the accompanying explanatory notes attached to this interim financial statements.

A3. Significant Accounting Policies

The accounting policies and presentation adopted for the interim financial statements are consistent with those adopted as disclosed in the Auditors' Report in the IM.

The accounting policies adopted by the Group in this interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2019, except for the adoption of the following new MFRSs, amendments to MFRSs and IC interpretation that are effective for annual periods beginning on or after 1 January 2019:

Title	Effective Date
MFRS 16 Leases	1 January 2019
IC Interpretation 23 Uncertainty Over Income Tax Treatments	1 January 2019
Amendments to MFRS 9: Prepayment Features with Negative Compensation	1 January 2019
Amendments to MFRS 119: Plan Amendment, Curtailment or Settlement	1 January 2019
Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures	1 January 2019
Annual improvements to MFRS Standards 2015 - 2017 Cycles	1 January 2019

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A3. Significant Accounting Policies (Cont'd)

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) have no material impact on this interim financial statements of the Group upon their initial application.

A4. Seasonal or Cyclical Factors

The Group does not experience significant fluctuations in operations due to seasonal factors or cyclical factors during the current financial period under review.

A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

The Board of Directors of RedPlanet ("**Board**") is not aware of any items or incidence of an unusual nature not otherwise dealt with us in this interim financial statements which may or has substantially affected the value of assets, liabilities, equity, net income or cash flows of the Group for the current financial period under review.

A6. Material Changes in Estimates

There were no changes in estimates that had a material effect in the current financial period under review.

A7. Debt and Equity Securities

Save as disclosed below, there were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current financial period under review.

On 3 September 2019, the Company entered into a conditional share sale agreement with the Vendors of RedPlanet Solutions (M) Sdn Bhd ("**RedPlanet Solutions**") to acquire the entire equity interest of 360,002 ordinary shares of RedPlanet Solutions for a purchase consideration of RM2,091,999 satisfied via the issuance of 139,466,600 shares to the Vendors at an issue price of approximately RM0.015 each. The Company and the Vendors subsequently entered into a supplemental letter agreement dated 1 November 2019 to extend the period for completion. The acquisition was completed on 12 November 2019.

A8. Segmental Information

(i) Analysis of revenue by segment

	First Half Year ended		Cumulative Half Year ended	
	31.12.19	31.12.18 ⁽¹⁾	31.12.19	31.12.18 ⁽¹⁾
	RM	RM	RM	RM
GIS solutions	4,773,856	N/A	4,773,856	N/A
Maintenance and support services	2,361,869	N/A	2,361,869	N/A
ICT solutions	3,190,470	N/A	3,190,470	N/A
	<u>10,326,195</u>	<u>N/A</u>	<u>10,326,195</u>	<u>N/A</u>

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A8. Segmental Information (Cont'd)

(ii) Analysis of revenue by geographical location

	First Half Year ended		Cumulative Half Year ended	
	31.12.19	31.12.18 ⁽¹⁾	31.12.19	31.12.18 ⁽¹⁾
	RM	RM	RM	RM
Malaysia	9,219,014	N/A	9,219,014	N/A
Philippines	665,906	N/A	665,906	N/A
Others ⁽²⁾	441,275	N/A	441,275	N/A
	10,326,195	N/A	10,326,195	N/A

Notes:

(1) No comparative figures for the preceding year as this is the first interim financial statements of the Group.

(2) Comprising Australia and Singapore.

N/A Not applicable

A9. Material Events Subsequent to the End of the Current Period

Save as disclosed below, there were no material events subsequent to the end of the current period.

On 24 December 2019, the Company issued an Information Memorandum for the proposed placement of 19,930,000 new Shares at an indicative issue price of RM0.22 to selected sophisticated investors ("**Proposed Placement**") and submitted an application for the Proposed Listing of RedPlanet on the LEAP Market to Bursa Securities.

On 11 February 2020, Bursa Securities granted the Company the approval to list its entire enlarged issued share capital comprising 159,396,700 shares on the LEAP Market of Bursa Securities. The Company is currently finalising the allotment of shares to the placees and expected to be listed in the LEAP Market of Bursa Securities by March 2020.

A10. Contingent Assets and Contingent Liabilities

There are no contingent assets and contingent liabilities as at the date of this interim financial statements.

A11. Changes in the Composition of the Group

Save as disclosed in the Part I : Section 3.1 of the Information Memorandum and Note A7 above, there were no changes in the composition of the Group for the current financial period.

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B. ADDITIONAL INFORMATION REQUIRED UNDER THE LEAP MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of Performance

The Group recorded revenue of RM10.33 million and gross profit of RM3.13 million, which translated to 30.33% gross profit margin for the first half year ended 31 December 2019. RedPlanet has three (3) revenue segments, namely; GIS solutions segment, maintenance and support services segment as well as ICT solutions segment with revenue contribution of RM4.78 million, RM2.36 million and RM3.19 million respectively.

The Group's profit before tax ("PBT") and profit after tax ("PAT") for the first half year ended 31 December 2019 was RM1.72 million and RM1.60 million respectively, translated to an earnings per share ("EPS") of 1.15 sen for the period.

This is the first interim financial statements of the Group announced in compliance with Listing Requirements and as such, there are no comparative figures for the preceding year's corresponding period.

B2. Prospects

The GIS industry market in the Asia Pacific region stood at an estimated USD102.80 billion in 2018, with Australia contributing USD10.0 billion in the same period. The GIS industry in the Asia Pacific is expected to grow at a CAGR of 18.00% between 2018 and 2020. Increasing use of GIS technology by governments, including for utilities management, as well as increasing urbanisation, supported by government-led initiatives and growing investments in smart cities, are expected to drive the growth of the GIS industry in the region. Government agencies in the Asia Pacific region are also contributing to the growth of the GIS industry by investing in private ventures and space start-ups.

Our Board is positive of the Group's prospects, after taking into consideration the Group's future plans, key competitive strengths as well as the prospects of GIS in Malaysia, Australia and the ASEAN region such as the Philippines as elaborated and disclosed in the IM. The Group plans to strengthen the staff force by recruiting more staff within 24 months from the Proposed Listing date to support business expansion into the identified countries as well as to develop more use cases and 'productise' the solutions and services in the form of Software as a Service ("SaaS").

Barring any unforeseen circumstances, our Board believes that the prospect of the Group's financial performance for the current year will remain favourable.

B3. Variance of Actual Profit from Profit Forecast and Profit Guarantee

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

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C. OTHER INFORMATION

C1. Status of Corporate Proposals

There were no corporate proposals announced as at the date of this financial statements, except for the Proposed Placement as stipulated in Note A9.

C2. Utilisation of Proceeds

The gross proceeds arising from the Proposed Placement of approximately RM4.39 million shall accrue entirely to our Group and will be utilised in the following manner:

Purpose	Proposed Utilisation	Actual Utilisation ⁽¹⁾	Deviation	Balance	Estimated timeframe for utilisation
	RM	RM	RM	RM	RM
General working capital	2,533,000	-	-	2,533,000	Within 24 months
R&D expenses	632,000	-	-	632,000	Within 24 months
Office renovation expenses	220,000	-	-	220,000	Within 12 months
Estimated listing expenses	1,000,000	-	-	1,000,000	Immediately after Proposed Listing
Total	4,385,000	-	-	4,385,000	

Note:

⁽¹⁾ Not actual utilisation as at 31 December 2019, pending proceeds from the Proposed Placement.

C3. Earnings Per Share ("EPS")

	First Half Year ended		Cumulative Half Year ended	
	31.12.19	31.12.18 ⁽¹⁾	31.12.19	31.12.18 ⁽¹⁾
	RM	RM	RM	RM
Profit attributable to owners of the Company	1,601,847	N/A	1,601,847	N/A
Weighted average number of shares at end of period	139,466,700	N/A	139,466,700	N/A
Basic earnings per ordinary share (sen)	1.15	N/A	1.15	N/A

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C3. Earnings Per Share ("EPS") (Cont'd)

The weighted average number of shares in issue is computed as follows:

	First Half Year ended		Cumulative Half Year ended	
	31.12.19	31.12.18 ⁽¹⁾	31.12.19	31.12.18 ⁽¹⁾
Shares issued pursuant to:				
- Incorporation of the Company	100	N/A	100	N/A
- Acquisition of a subsidiary ⁽²⁾	139,466,600	N/A	139,466,600	N/A
	<u>139,466,700</u>	<u>N/A</u>	<u>139,466,700</u>	<u>N/A</u>

Notes:

- (1) No comparative figures for the preceding year as this is the first interim financial statements of the Group.
- (2) Shares arising from the acquisition of a subsidiary is assumed to be issued throughout the first half year ended 31 December 2019 as the acquisition of subsidiary was accounted under common control using merger accounting method of consolidation.

N/A : Not applicable

Diluted earnings per share is the same as the basic earnings per share as there was no potential dilutive instrument.

C4. Material Litigation

There is no material litigations pending as at the date of this interim financial statements.

C5. Dividends

No dividends were declared during the current financial period under review.

BY ORDER OF THE BOARD
 REDPLANET BERHAD
 Kuala Lumpur
 27 February 2020

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