



REDPLANET BERHAD

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

**UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST HALF
YEAR ENDED 31 DECEMBER 2020**

**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 2020

	As at 31.12.20	As at 30.06.20
	RM	RM
NON-CURRENT ASSETS		
Equipment	950,397	960,798
Right-of-use assets	104,322	202,590
	<u>1,054,719</u>	<u>1,163,388</u>
CURRENT ASSETS		
Trade receivables	1,936,626	251,624
Other receivables, deposits and prepayments	3,485,952	2,971,317
Contract assets	1,805,714	1,861,055
Deposit with a financial institution	10,000	-
Short-term investment	7,456,961	5,718,256
Cash and bank balances	2,049,192	1,459,584
	<u>16,744,445</u>	<u>12,261,836</u>
TOTAL ASSETS	<u>17,799,164</u>	<u>13,425,224</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	5,584,731	2,064,910
Merger deficit	(1,318,043)	(1,318,043)
Retained profits	6,656,097	5,749,304
Foreign exchange translation reserve	1,216	280
TOTAL EQUITY	<u>10,924,001</u>	<u>6,496,451</u>
NON-CURRENT LIABILITIES		
Lease liabilities	50,832	71,992
CURRENT LIABILITIES		
Trade payables	910,978	1,224,570
Contract liabilities	4,606,198	4,449,507
Others payables and accruals	1,213,209	1,019,919
Lease liabilities	55,152	132,821
Current tax liabilities	38,794	29,964
TOTAL LIABILITIES	<u>6,875,163</u>	<u>6,928,773</u>
TOTAL EQUITY AND LIABILITIES	<u>17,799,164</u>	<u>13,425,224</u>
NET ASSETS PER ORDINARY SHARE (SEN)*	<u>6.85</u>	

*Based on a total number of 159,396,700 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 2020

	First Half Year Ended		Cumulative Half Year Ended	
	31.12.20	31.12.19	31.12.20	31.12.19
	RM	RM	RM	RM
REVENUE	9,630,584	10,326,195	9,630,584	10,326,195
Cost of sales	(6,082,235)	(7,193,762)	(6,082,235)	(7,193,762)
GROSS PROFIT	3,548,349	3,132,433	3,548,349	3,132,433
Other income	202,460	42,452	202,460	42,452
	3,750,809	3,174,885	3,750,809	3,174,885
Administrative expenses	(1,017,895)	(1,346,413)	(1,017,895)	(1,346,413)
Other expenses	(251,078)	(113,032)	(251,078)	(113,032)
Listing expenses	(310,306)	-	(310,306)	-
Finance costs	(2,571)	-	(2,571)	-
PROFIT BEFORE TAXATION	2,168,959	1,715,440	2,168,959	1,715,440
Income tax expense	(66,691)	(113,593)	(66,691)	(113,593)
PROFIT AFTER TAXATION	2,102,268	1,601,847	2,102,268	1,601,847
Other comprehensive income				
<u>Item that will be reclassified subsequently to profit or loss</u>				
Foreign currency translation differences	936	(61)	936	(61)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	2,103,204	1,601,786	2,103,204	1,601,786
PROFIT AFTER TAXATION ATTRIBUTABLE TO:-				
Owners of the Company	2,102,268	1,601,847	2,102,268	1,601,847
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-				
Owners of the Company	2,103,204	1,601,786	2,103,204	1,601,786
EARNINGS PER SHARE ATTRIBUTABLE TO:-				
Owners of the Company				
- Basic (sen)*	1.32	1.15	1.32	1.15

*Based on a total number of 159,396,700 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 2020

Group	Share Capital RM	Merger Deficit RM	Retained Profits RM	Foreign Exchange Translation Reserve RM	Total Equity RM
As at 1 July 2020	2,064,910	(1,318,043)	5,749,304	280	6,496,451
Total transactions with owners					
- Issuance of shares	3,587,400	-	-	-	3,587,400
- Listing expenses	(67,579)	-	-	-	(67,579)
- Dividend	-	-	(1,195,475)	-	(1,195,475)
	3,519,821	-	(1,195,475)	-	2,324,346
Profit after taxation/Total comprehensive income for the financial period	-	-	2,102,268	936	2,103,204
Balance as at 31 December 2020	5,584,731	(1,318,043)	6,656,097	1,216	10,924,001

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

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FIRST HALF YEAR ENDED 31 DECEMBER 2020 (CONT'D)

Group	Share Capital RM	Merger Deficit RM	Retained Profits RM	Foreign Exchange Translation Reserve RM	Total Equity RM
As at 1 July 2019	773,956	-	3,069,769	(599)	3,843,126
Total transactions with owners					
- Issuance of shares	2,092,000	-	-	-	2,092,000
- Adjustment on acquisition of a subsidiary under common control	(773,956)	(1,318,043)	-	-	(2,091,999)
- Listing expenses	(27,090)	-	-	-	(27,090)
	1,290,954	(1,318,043)	-	-	(27,089)
Profit after taxation/Total comprehensive income for the financial period/year	-	-	2,679,535	879	2,680,414
Balance as at 30 June 2020	2,064,910	(1,318,043)	5,749,304	280	6,496,451

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
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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FIRST HALF YEAR ENDED 31 DECEMBER 2020

	First Half Year Ended	
	31.12.20	31.12.19
	(Unaudited)	(Unaudited)
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,168,959	1,715,440
Adjustments for:-		
Depreciation of equipment	149,638	113,031
Depreciation of right-of-use assets	95,697	-
Interest expense on lease liabilities	2,571	-
Interest income	(59,337)	(42,452)
Listing expenses	310,306	-
Operating profit before working capital changes	2,667,834	1,786,019
Changes in working capital		
Trade and other receivables	(2,199,637)	(2,371,839)
Trade and other payables	(120,302)	1,272,507
Contract liabilities	156,691	3,225,977
Accrued billing	55,341	575,175
Cash from operations	559,927	4,487,839
Income tax paid	(57,861)	(104,166)
Net cash from operating activities	502,066	4,383,673
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of equipment	(139,237)	(297,164)
Interest income received	59,337	42,452
Placement of fixed deposit with a financial institution	(10,000)	-
Net cash for investing activities	(89,900)	(254,712)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	3,587,400	1
Dividend paid	(1,195,475)	-
Payment of listing expenses	(377,885)	-
Repayment of lease liabilities	(98,829)	-
Net cash from financing activities	1,915,211	1
Net increase in cash and cash equivalents	2,327,377	4,128,962
Cash and cash equivalents at beginning of the financial period	7,177,840	495,759
Exchange rate adjustment	936	(61)
Cash and cash equivalents at end of the financial period	9,506,153	4,624,660

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 UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 31 DECEMBER 2020

A. NOTES TO THE FINANCIAL STATEMENTS

A1. Corporate Information

RedPlanet Berhad ("**RedPlanet**" or "**the Company**") was incorporated in Malaysia on 22 April 2019 as a private limited company under the Companies Act, 2016 under the name of RedPlanet Sdn Bhd. The Company was later converted to a public company on 5 December 2019 and adopted its current name. 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. RedPlanet was listed on the LEAP Market of Bursa Malaysia Securities Berhad on 4 August 2020.

A2. Basis of Preparation

The unaudited financial statements of RedPlanet and its subsidiary ("**the Group**") 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.

The unaudited financial statements of the Group should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to this interim financial statements.

A3. Significant Accounting Policies

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 2020, except for the adoption of the following amendments to MFRSs that are effective for annual periods beginning on or after 1 January 2020:

Title	Effective Date
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 4: Extension of the Temporary Exemption from Applying MFRS 9	At issue date of 17 August 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 16: COVID-19-Related Rent Concessions	1 June 2020
Amendments to MFRS 101 and MFRS 108: Definition of Material	1 January 2020
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020

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.

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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 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 for the current financial period under review.

On 29 July 2020, the Company issued 19,930,000 new ordinary shares at an issue price of RM0.18 per share in conjunction with the Listing. Subsequently, on 4 August 2020, the Company's entire enlarged issued share capital of RM5,679,400 comprising of 159,396,700 shares were listed in the LEAP Market of Bursa Securities.

A8. Segmental Information

(i) Analysis of revenue by segment

	First Half Year Ended		Cumulative Half Year Ended	
	31.12.20	31.12.19	31.12.20	31.12.19
	RM	RM	RM	RM
GIS solutions	5,185,525	4,773,856	5,185,525	4,773,856
Maintenance and support services	2,380,538	2,361,869	2,380,538	2,361,869
ICT solutions	2,064,521	3,190,470	2,064,521	3,190,470
	9,630,584	10,326,195	9,630,584	10,326,195

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A8. Segmental Information (Cont'd)

(ii) Analysis of revenue by geographical location

	First Half Year Ended		Cumulative Half Year Ended	
	31.12.20	31.12.19	31.12.20	31.12.19
	RM	RM	RM	RM
Malaysia	8,228,496	9,219,014	8,228,496	9,219,014
Philippines	729,819	665,906	729,819	665,906
Others ⁽¹⁾	672,269	441,275	672,269	441,275
	9,630,584	10,326,195	9,630,584	10,326,195

Notes:

(1) Comprising Australia, Singapore and New Zealand.

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

There were no material events subsequent to the end of the current financial period.

A10. Contingent Assets and Contingent Liabilities

Save as disclosed below, there are no contingent assets and contingent liabilities as at the date of this unaudited financial statements.

The Company has provided a corporate guarantee to a licensed financial institution for banking facilities totaling RM4.0 million granted to a wholly owned subsidiary company. The facilities are to be used for issuance of security deposit, tender bonds, performance bonds, other guarantee requirements, working capital and capital expenses requirements.

A11. Changes in the Composition of the Group

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 RM9.63 million revenue for the first half year ended 31 December 2020 ("1H2021"), lower by RM0.70 million or 6.7% against the first half year ended 31 December 2019 ("1H2020") mainly due to lower sales contribution from the ICT solutions segment.

The Group's gross profit, however, increased by RM0.42 million or 13.3% for 1H2021 compared to 1H2020 primarily due to completion of higher profit margin projects coupled with cost savings arising from lesser business travelling by the project consultants. This resulting in improved overall Group GP margin of 36.8% for 1H2021 compared to 30.3% for 1H2020.

Administrative expenses decreased by RM0.33 million or 24.4% to RM1.02 million for 1H2021 compared to 1H2020 mainly due to lesser sales and marketing activities and business travelling resulting from travel restriction by the government. A total RM0.78 million listing expenses was incurred to list the Group on the LEAP Market of Bursa Securities of which RM0.47 million was incurred in the previous financial years and balance of RM0.31 million in 1H2021.

In line with the improvement in gross profit, profit after tax ("PAT") increased by RM0.50 million or 31.2% to RM2.10 million for 1H2021 compared to RM1.60 million for 1H2020. Excluding the one-off listing expenses, normalised profit after tax ("PAT") increased by RM0.81 million or 50.6% to RM2.41 million for 1H2021 compared to RM1.60 million for 1H2020.

B2. Prospects

The movement control imposed by the government globally resulting from the Covid-19 pandemic had adversely impacted the global economy. Likewise, in Malaysia, a series of necessary control movement measures undertaken by the government had caused a major disruption to the general economy recovery.

In response to the sluggish economic landscape, the government has reacted appropriately by coordinating multi-pronged policies to support the livelihoods of the population, stabilize domestic financial markets and ensure the flow of credit into the economy through the 2021 budget allocation. The vaccination programme in 2021 in Malaysia and globally should accelerate the economic recovery rate. Real GDP is projected to rebound by 7% in 2021 supported by both domestic and external demands driven by exports.

The Group foresees the business environment will continue to be challenging for the financial year ending 30 June 2021 due to reimposition of movement control order by the government on 13 January 2021.

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 unaudited financial statements.

C2. Utilisation of Proceeds

The gross proceeds arising from the Proposed Placement of approximately RM3.59 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	2,017,000	(949,150)	68,952	1,136,802	Within 24 months
R&D expenses	500,000	-	-	500,000	Within 24 months
Office renovation expenses	220,000	(220,000)	-	-	Within 24 months
Estimated listing expenses ⁽²⁾	850,000	(781,048)	(68,952)	-	Immediately after Proposed Listing
Total	3,587,000	(1,950,198)	-	1,636,802	

Note:

⁽¹⁾ Utilisation as at 31 December 2020.

⁽²⁾ The proceeds amounting to RM0.78 million had been utilised to defray the professional fee, fees payable to the relevant authorities as well as other miscellaneous expenses relating to the listing exercise. Variation to the listing expenses has adjusted to the working capital requirement.

C3. Earnings Per Share ("EPS")

	First Half Year Ended		Cumulative Half Year Ended	
	31.12.20	31.12.19	31.12.20	31.12.19
	RM	RM	RM	RM
Profit attributable to owners of the Company	2,102,268	1,601,847	2,102,268	1,601,847
Number of shares at end of period	159,396,700	139,466,700	159,396,700	139,466,700
Basic earnings per ordinary share (sen)	1.32	1.15	1.32	1.15

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

The number of shares in issue is computed as follows:

	First Half Year Ended		Cumulative Half Year Ended	
	31.12.20	31.12.19	31.12.20	31.12.19
Shares issued pursuant to:				
- Incorporation of the Company	100	100	100	100
- Acquisition of a subsidiary ⁽¹⁾	139,466,600	139,466,600	139,466,600	139,466,600
- Private placement ⁽²⁾	19,930,000	-	19,930,000	-
	<u>159,396,700</u>	<u>139,466,700</u>	<u>159,396,700</u>	<u>139,466,700</u>

Notes:

- (1) Shares arising from the acquisition of a subsidiary was accounted under common control using merger accounting method of consolidation.
- (2) In conjunction of with the Listing, the Company issued new ordinary shares to sophisticated investors.

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

On 25 February 2021, the Board has resolved to declare an interim single tier dividend of 0.57 sen per share on 159,396,700 shares amounting to RM908,561.19 in respect of the financial year ended 30 June 2021, to be paid on 31 March 2021. The entitlement date for the dividend payment is 15 March 2021.

BY ORDER OF THE BOARD
REDPLANET BERHAD
Kuala Lumpur
25 February 2021

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