



RAY GO SOLAR HOLDINGS BERHAD
(Registration No.: 201901004963 (1314290-M))
(Incorporated in Malaysia)

**UNAUDITED FINANCIAL STATEMENTS
FOR THE FIRST HALF YEAR ENDED
30 APRIL 2022**

**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 THE MAIN MARKET OF BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR THE SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY RAY GO SOLAR HOLDINGS BERHAD (“RGS” 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.

RAY GO SOLAR HOLDINGS BERHAD
(Registration No.: 201901004963 (1314290-M))
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME FOR THE FIRST HALF YEAR ENDED 30 APRIL
2022⁽¹⁾**

	Individual 6 months ended		Cumulative 6 months ended	
	Unaudited 30.04.2022 RM'000	Unaudited 30.04.2021 ⁽²⁾ RM'000	Unaudited 30.04.2022 RM'000	Unaudited 30.04.2021 ⁽²⁾ RM'000
Revenue	3,126	N/A	3,126	N/A
Cost of sales	(2,395)	N/A	(2,395)	N/A
Gross profit	731	N/A	731	N/A
Other income	39	N/A	39	N/A
Administrative expenses	(15)	N/A	(15)	N/A
Other operating expenses	(2,086)	N/A	(2,086)	N/A
Loss from operations	(1,331)	N/A	(1,331)	N/A
Finance cost	(104)	N/A	(104)	N/A
Loss before tax	(1,435)	N/A	(1,435)	N/A
Income tax expense	18	N/A	18	N/A
Loss after tax	(1,417)	N/A	(1,417)	N/A
Total comprehensive loss for the financial period	(1,417)	N/A	(1,417)	N/A
Loss attributable to:				
- Owners of the Company	(1,417)	N/A	(1,417)	N/A
- Non-controlling Interest	-	N/A	-	N/A
	(1,417)	N/A	(1,417)	N/A
Loss per share:				
Basic/Diluted ⁽³⁾ (sen)	(0.65) ⁽⁴⁾	N/A	(0.65) ⁽⁴⁾	N/A

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the audited financial statements of RGS and its subsidiary companies ("**Group**") for the financial year ended 31 October 2021 and the accompanying explanatory notes attached to this interim financial report.
- (2) No comparative figures for the preceding period are available as this is the Group's first interim financial report announced in compliance with the LEAP Market Listing Requirements of Bursa Securities ("**Listing Requirements**").
- (3) The diluted loss per share of the Company is equivalent to the basic loss per share as the Company does not have any convertible securities at the end of the reporting period.
- (4) Computation of basic/diluted loss per share is based on the loss attributable to owners of the Company divided by the weighted average number of ordinary shares in issue during the financial period of 218,425,910.

N/A Not applicable

RAY GO SOLAR HOLDINGS BERHAD
(Registration No.: 201901004963 (1314290-M))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2022⁽¹⁾

	Unaudited As at 30.04.2022 RM'000	Audited As at 31.10.2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	6,611	320
Right-of-use assets	386	460
Total non-current assets	6,997	780
Current assets		
Inventories	3,983	486
Trade receivables	1,399	1,881
Non-trade receivables, deposit and prepayments	288	1,202
Amount due from a Director	1	-
Tax receivables	47	-
Contract assets	1,140	2,471
Fixed deposits with licensed banks	2,253	1,270
Cash and bank balances	3,525	498
Total current assets	12,636	7,808
TOTAL ASSETS	19,633	8,588
Equity		
Share capital	10,325	4,055
Merger reserve	(934)	(934)
Retained earnings	1,221	2,714
Total equity	10,612	5,835
Non-current liabilities		
Borrowings	5,346	671
Lease liabilities	185	251
Deferred tax	-	18
Total non-current liabilities	5,531	940
Current liabilities		
Trade payables	1,611	534
Non-trade payables, accruals and deposits received	828	403
Contract liabilities	233	310
Amount due to a Director	-	27
Borrowings	697	191
Lease liabilities	121	107
Tax payable	-	241
Total current liabilities	3,490	1,813
TOTAL LIABILITIES	9,021	2,753
TOTAL EQUITY AND LIABILITIES	19,633	8,588
Net assets per share (RM) ⁽²⁾	0.04	0.03

RAY GO SOLAR HOLDINGS BERHAD
(Registration No.: 201901004963 (1314290-M))
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS
AT 30 APRIL 2022⁽¹⁾ (CONT'D)**

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 October 2021 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per share is calculated based on the Company's issued share capital of period of 255,000,000 ordinary shares as at 30 April 2022 and 202,751,300 ordinary shares as at 31 October 2021.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

RAY GO SOLAR HOLDINGS BERHAD
(Registration No.: 201901004963 (1314290-M))
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST HALF YEAR ENDED 30 APRIL 2022⁽¹⁾**

	Share capital RM'000	Merger reserve RM'000	Retained earnings RM'000	Total equity RM'000
Balance at 1 November 2021	4,055	(934)	2,714	5,835
Issue of new ordinary shares	6,270	-	(76)	6,194
Total comprehensive loss for the financial period	-	-	(1,417)	(1,417)
Balance at 30 April 2022	<u>10,325</u>	<u>(934)</u>	<u>1,221</u>	<u>10,612</u>

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 October 2021 and the accompanying explanatory notes attached to this interim financial report.

RAY GO SOLAR HOLDINGS BERHAD
(Registration No.: 201901004963 (1314290-M))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST HALF YEAR ENDED 30 APRIL 2022⁽¹⁾

	6 months ended	
	Unaudited 30.04.2022 RM'000	Unaudited 30.4.2021 ⁽²⁾ RM'000
Cash flows from operating activities		
Loss before taxation	(1,435)	N/A
Adjustments for:		
Gain on disposal of property, plant and equipment	(–)	N/A
Depreciation of property, plant and equipment	58	N/A
Depreciation of right-of-use assets	74	N/A
Interest expenses	94	N/A
Interest received	(16)	N/A
Operating loss before working capital charges	(1,225)	N/A
Increase in inventories	(3,497)	N/A
Decrease in receivables	1,396	N/A
Decrease in contract assets	1,331	N/A
Decrease in contract liabilities	(76)	N/A
Increase in payables	6,558	N/A
Cash generated from operations	4,487	N/A
Interest received	16	N/A
Income tax paid	(121)	N/A
Net cash generated from operating activities	4,382	N/A
Cash flow for investing		
Placement of fixed deposits	(983)	N/A
Proceed from disposal of property, plant and equipment	~	N/A
Acquisition of property, plant and equipment	(6,348)	N/A
Net cash used in investing activities	(7,331)	N/A

RAY GO SOLAR HOLDINGS BERHAD
(Registration No.: 201901004963 (1314290-M))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST HALF YEAR ENDED 30 APRIL 2022⁽¹⁾ (CONT'D)

	6 months ended	
	Unaudited 30.04.2022 RM'000	Unaudited 30.04.2021 ⁽²⁾ RM'000
Cash flows from financing activities		
Proceeds from issuance of new ordinary shares	6,270	N/A
Repayment of term loan	(114)	N/A
Repayment of lease liabilities	(58)	N/A
Repayment of amount due to a Director	(28)	N/A
Interest paid	(94)	N/A
Net cash from financing activities	5,976	N/A
Net increase in cash and cash equivalents	3,027	N/A
Cash and cash equivalents at beginning of the financial period	498	N/A
Cash and cash equivalents at end of the financial period	3,525	N/A

Notes:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 October 2021 and the accompanying explanatory notes attached to this interim financial report.

(2) No comparative figures for the preceding period are available as this is the Group's first interim financial report announced in compliance with the Listing Requirements.

~ Less than RM1,000

N/A Not applicable

RAY GO SOLAR HOLDINGS BERHAD
(Registration No.: 201901004963 (1314290-M))
(Incorporated in Malaysia)

A. EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR ENDED 30 APRIL 2022

A1. Basis of preparation

The Company was incorporated on 13 February 2019 under the Companies Act 2016 as a private limited company under the name Ray Go Solar Holdings Sdn Bhd and subsequently converted to a public limited company on 16 June 2021 and assumed its present name.

As at the date of this interim financial report, Ray Go Solar EPC Sdn Bhd and RGS Power Sdn Bhd which were incorporated on 19 June 2012 and 2 December 2020 respectively are the only subsidiary companies of RGS.

The interim financial statements of the Group have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“**MFRS**”) 134: Interim Financial Reporting and Paragraph 6.12 and Appendix 6A of the Listing Requirements.

This is the first interim financial report on the Group’s unaudited condensed consolidated financial results for the first half year ended 30 April 2022 announced by the Company in compliance with the Listing Requirements. As the company was listed on the LEAP Market of Bursa Securities on 11 March 2022, there are no comparative figures for the corresponding preceding financial period as no interim financial report was prepared for the financial period concerned.

This interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 October 2021 and the accompanying explanatory notes attached to this interim financial report.

A2. Significant accounting policies

The significant accounting policies and presentations adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 October 2022.

- (a) The Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):

MFRSs and/or IC Interpretations (including the consequential amendments)	Effective date
Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement, MFRS 7 Financial Instruments: Disclosures, MFRS 4: Insurance Contracts and MFRS 16 Leases: Interest Rate Benchmark Reform – Phase 2	1 January 2021
Amendments to MFRS 16 Leases: Covid 19-Related rent concession beyond 30 June 2021	1 April 2021

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group’s interim financial report.

RAY GO SOLAR HOLDINGS BERHAD
(Registration No.: 201901004963 (1314290-M))
(Incorporated in Malaysia)

A2. Significant accounting policies (Cont'd)

- (b) The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

MFRSs and/or IC Interpretations (including the consequential amendments)	Effective date
• Amendments to MFRS 3, Business Combinations: Reference to the Conceptual Framework	1 January 2022
• Amendments to MFRS 116, Property, Plant and Equipment – Proceeds before intended use	1 January 2022
• Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets : Onerous Contracts – Cost of fulfilling a contract	1 January 2022
• Annual improvements to MFRSs 2018 – 2020 cycle	
- Amendments to MFRS 1, First-time adoption of Malaysian Financial Reporting Standards	1 January 2022
- Amendments to MFRS 9, Financial Instruments	1 January 2022
- Amendments to MFRS 16, Leases	1 January 2022
- Amendments to MFRS 141, Agriculture	1 January 2022
• MFRS 17, Insurance Contracts	1 January 2023
• Amendments to MFRS 17, Insurance Contracts	1 January 2023
• Amendments to MFRS 17 Insurance Contracts: Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
• Amendments to MFRS 101, Presentation of Financial Statement : Classifications of Liabilities as Current or Non – Current	1 January 2023
• Amendments to MFRS 101, Presentation of Financial Statement L Disclosure of Accounting Policies	1 January 2023
• Amendments to MFRS 108, Accounting Policies, Change in Accounting Estimates and Errors : Definition of Accounting Estimates	1 January 2023
• Amendments to MFRS 112, Income Tax : Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
• Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128 Investment in Associate and Joint Ventures : Sales or Contribution of Assets between and investor and its Associate or Joint Venture	Deferred

The initial application of the abovementioned accounting standards, amendments or interpretations are not expected to have any material impact to the financial statements of the group and of the company.

A3. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the current financial period ended 30 April 2022.

RAY GO SOLAR HOLDINGS BERHAD
(Registration No.: 201901004963 (1314290-M))
(Incorporated in Malaysia)

A4. Material changes in accounting estimates

There were no material changes in accounting estimates and judgements during the current financial period ended 30 April 2022.

A5 Debt and equity securities

There were no issuances, repurchases or repayments of debt and equity securities during the current financial period ended 30 April 2022.

A6. Segmental information

The Group's revenue in respect of its business segments is as follows:

(a) Revenue by business activities and products

	Individual 6 months			
	Unaudited 30.04.2022		Unaudited 30.04.2021	
	RM'000	%	RM'000	%
Engineering, procurement, construction and commissioning ("EPCC"):				
• Industrial	1,850	59.18	N/A	N/A
• Commercial	655	20.95	N/A	N/A
• Residential	525	16.80	N/A	N/A
	3,030	96.93	N/A	N/A
Operations and maintenance :				
• Industrial	71	2.27	N/A	N/A
• Commercial	15	0.48	N/A	N/A
• Residential	10	0.32	N/A	N/A
	96	3.07	N/A	N/A
Total	3,126	100.00	N/A	N/A

(b) Revenue by geographical location

	Individual 6 months			
	Unaudited 30.04.2022		Unaudited 30.04.2021	
	RM'000	%	RM'000	%
Klang Valley	1,526	48.82	N/A	N/A
Johor	1,490	47.66	N/A	N/A
Sabah	74	2.37	N/A	N/A
Perak	36	1.15	N/A	N/A
Total	3,126	100.00	N/A	N/A

Notes:

- (1) No comparative figures for the preceding period are available, as this is the Group's first interim financial report announced in compliance with the Listing Requirements.

RAY GO SOLAR HOLDINGS BERHAD
(Registration No.: 201901004963 (1314290-M))
(Incorporated in Malaysia)

A7. Changes in the composition of the Group

There were no changes in the composition of the Group during the current financial period ended 30 April 2022.

A8. Contingent assets and contingent liabilities

There were no contingent assets and contingent liabilities as at the date of this interim financial report.

A9. Capital commitments

There were no capital commitments as at the date of this interim financial report.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

RAY GO SOLAR HOLDINGS BERHAD
(Registration No.: 201901004963 (1314290-M))
(Incorporated in Malaysia)

B. EXPLANATORY NOTES PURSUANT TO CHAPTER 9, APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Review of performance

For the current 6-month financial period ended 30 April 2022, the Group recorded revenue of RM3.13 million, of which RM3.03 million or 96.93% generated from solar related EPCC and RM0.10 million or approximately 3.07% contributed by operations and maintenance works undertaken by the Group.

The Group registered a loss before tax of RM1.42 million mainly due to the following:

- substantial increase in material cost which eroded the gross profit margin;
- listing expenses of RM 0.56 million incurred in relation to the listing exercise of the Company on the LEAP Market of Bursa Securities has been charged to the profit or loss statement; and
- additional finance costs due to higher utilisation of banking facilities for working capital and acquisition of new office and warehouse.

B2. Prospects

As disclosed in the information memorandum of RGS dated 29 November 2021, the Group has put in place its expansion plan into solar leasing business as well as geographical expansion to Penang and Johor to cover the northern and southern region respectively. These expansion plans are expected to contribute positively to the growth of our Group's business. The board of directors of RGS ("**Board**") is of the view that the renewable energy in Malaysia will continue to be in demand on the back of government's dedication and supportive policies such as NEM3.0 programme and green technology tax incentives. In addition, the Malaysian economy is expected to recover gradually with the easing of restrictions on business activities and opening of borders and this bodes well for the construction industry.

On the other hand, there are business challenges from the impact of the on-going Russia-Ukraine war, foreign currency fluctuations and price volatility in solar-related materials. In this regard, the Board will continue to closely monitor the situation and respond proactively to mitigate the impact on the Group's financial performance and financial position.

The Group currently has an order book of RM12.30 million.

In view of the above, the Board is cautiously optimistic of achieving satisfactory results for the year.

B3. Profit forecast or profit guarantee

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

RAY GO SOLAR HOLDINGS BERHAD
(Registration No.: 201901004963 (1314290-M))
(Incorporated in Malaysia)

C. OTHER INFORMATION

C1. STATUS OF CORPORATE PROPOSALS

There were no corporate proposals announced but pending completion as at the date of this interim financial report.

C2. UTILISATION OF PROCEEDS

As at 30 April 2022, the utilisation of proceeds of RM 6.27 million from the placement of shares in conjunction with the listing of RGS on the LEAP Market of Bursa Securities is as follows:

Purposes	Proposed utilisation of proceeds	Utilisation of proceeds	Re-allocation	Proceeds balances	Estimated timeframe for utilisation upon listing
	RM'000	RM'000	RM'000	RM'000	
Expansion into solar leasing program	2,000	(1,000)	-	1,000	Within 24 months
Operation expansion to Penang and Johor	1,000	-	-	1,000	Within 24 months
Working capital	2,425	(2,520)	95	-	Within 24 months
Estimated listing expenses	845	(750)	(95)	-	Immediate
	<u>6,270</u>	<u>(4,270)</u>	<u>-</u>	<u>2,000</u>	

The unutilised estimated listing expenses of RM 94,983 were reallocated and utilised for working capital.

C3. MATERIAL LITIGATION

There were no material litigation pending as at the date of this interim financial report.

C4. DIVIDEND

The Board does not propose any interim dividend payment for the current financial period.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]