

Registration No: 201901014292 (1323620 - A)

REDPLANET BERHAD
(Incorporated in Malaysia)

FINANCIAL REPORT
for the financial year ended 30 June 2023

Registration No: 201901014292 (1323620 - A)

REDPLANET BERHAD

(Incorporated in Malaysia)

TABLE OF CONTENTS

	Page
Directors' Report	1
Statement by Directors	7
Statutory Declaration	7
Independent Auditors' Report	8
Statements of Financial Position	13
Statements of Profit or Loss and Other Comprehensive Income	14
Statements of Changes in Equity	15
Statements of Cash Flows	18
Notes to the Financial Statements	20

Registration No: 201901014292 (1323620 - A)

REDPLANET BERHAD

(Incorporated in Malaysia)

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2023.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are disclosed in Note 5 to the financial statements.

RESULTS

	Group RM	Company RM
Profit after taxation for the financial year	<u>4,160,935</u>	<u>1,754,906</u>
Attributable to:-		
Owners of the Company	<u>4,160,935</u>	<u>1,754,906</u>

DIVIDENDS

Dividends paid or declared by the Company since 30 June 2022 are as follows:-

	RM
Ordinary Share	
<u>In respect of the financial year ended 30 June 2022</u>	
Interim single tier dividend of 0.80 sen per ordinary share, paid on 30 September 2022	1,275,174
<u>In respect of the financial year ended 30 June 2023</u>	
Interim single tier dividend of 0.41 sen per ordinary share, paid on 31 March 2023	<u>653,526</u>
	<u>1,928,700</u>

On 30 August 2023, the Company declared an interim dividend of 0.35 sen per ordinary share amounting to RM557,888 in respect of the current financial year ended 30 June 2023, payable on 29 September 2023, to shareholders whose names appeared in the record of depositors on 15 September 2023. The financial statements for the current financial year do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 30 June 2024.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during financial year other than those disclosed in the financial statements.

Registration No: 201901014292 (1323620 - A)

REDPLANET BERHAD

(Incorporated in Malaysia)

DIRECTORS' REPORT

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there are no known bad debts and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

REDPLANET BERHAD

(Incorporated in Malaysia)

DIRECTORS' REPORT

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:-

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

REDPLANET BERHAD

(Incorporated in Malaysia)

DIRECTORS' REPORT

DIRECTORS

The names of directors of the Company who served during financial year and up to the date of this report are as follows:-

Panjetty Kumaradevan Senthil Kumar
Mohamad Azhar Bin Ahmad
Lian Wah Seng
Phong Hon Wai

The names of directors of the Company's subsidiaries who served during the financial year until the date of this report, not including those directors mentioned above, is Uma Karthikeyan.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:-

	Number of Ordinary Shares			At 30.6.2023
	At 1.7.2022	Bought	Sold	
<u>The Company</u>				
<i>Indirect Interests</i>				
Panjetty Kumaradevan Senthil Kumar ^	48,813,300	-	-	48,813,300
Mohamad Azhar Bin Ahmad @	16,554,900	-	-	16,554,900
Lian Wah Seng #	39,845,800	-	-	39,845,800

Notes:-

- ^ - Deemed interested by virtue of his direct substantial shareholdings in Pksen Ventures Sdn. Bhd.
- @ - Deemed interested by virtue of his direct substantial shareholdings in Fajar Muda Sdn. Bhd.
- # - Deemed interested by virtue of his direct substantial shareholdings in Newventures Equity Sdn. Bhd.

By virtue of their shareholdings in the Company, Panjetty Kumaradevan Senthil Kumar and Lian Wah Seng are deemed to have interests in shares in its subsidiaries during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

The other director holding office at the end of the financial year had no interest in shares of the Company or its related corporations during the financial year.

REDPLANET BERHAD

(Incorporated in Malaysia)

DIRECTORS' REPORT

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:-

	Group RM	Company RM
Fees	69,206	42,000
Salaries, bonuses and other benefits	477,310	-
Defined contribution benefits	18,134	-
	<u>564,650</u>	<u>42,000</u>

INDEMNITY AND INSURANCE COST

During the financial year, the amount of indemnity coverage and insurance premium paid for the directors and officers of the Company were RM5 million and RM15,900 respectively.

SUBSIDIARIES

The details of the subsidiaries name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 5 to the financial statements.

The available auditors' reports on the financial statements of the subsidiaries did not contain any qualification.

SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

The significant events occurring after the reporting period are disclosed in Note 32 to the financial statements.

Registration No: 201901014292 (1323620 - A)

REDPLANET BERHAD

(Incorporated in Malaysia)

DIRECTORS' REPORT

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The auditors' remuneration of the Group and of the Company for the financial year were RM118,653 and RM31,000 respectively.

Signed in accordance with a resolution of the directors dated 16 October 2023.

Panjetty Kumaradevan Senthil Kumar

Mohamad Azhar Bin Ahmad

Registration No: 201901014292 (1323620 - A)

REDPLANET BERHAD

(Incorporated in Malaysia)

**STATEMENT BY DIRECTORS
PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016**

We, Panjetty Kumaradevan Senthil Kumar and Mohamad Azhar Bin Ahmad, being two of the directors of RedPlanet Berhad, state that, in the opinion of the directors, the financial statements set out on pages 13 to 77 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 June 2023 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 16 October 2023.

Panjetty Kumaradevan Senthil Kumar

Mohamad Azhar Bin Ahmad

**STATUTORY DECLARATION
PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016**

I, Panjetty Kumaradevan Senthil Kumar, being the director primarily responsible for the financial management of RedPlanet Berhad, do solemnly and sincerely declare that the financial statements set out on pages 13 to 77 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Panjetty Kumaradevan Senthil Kumar, Passport Number: Z4846726
at Kuala Lumpur
in the Federal Territory
on this 16 October 2023

Panjetty Kumaradevan Senthil Kumar

Before me

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REDPLANET BERHAD

(Incorporated in Malaysia)

Registration No: 201901014292 (1323620 - A)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of RedPlanet Berhad, which comprise the statements of financial position as at 30 June 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 13 to 77.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2023, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
REDPLANET BERHAD (CONT'D)**

(Incorporated in Malaysia)

Registration No: 201901014292 (1323620 - A)

Key Audit Matters (Cont'd)

We have determined the matter disclosed below to be the key audit matters to be communicated in our report.

Revenue and Profit Recognition for Services Contracts	
Refer to Notes 4.1(c), 4.17 and 21 in the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Revenue and profit recognition for services contracts involves significant judgements. This includes the determination of the total budgeted contract costs and the calculation of percentage of completion which affects the quantum of revenue to be recognised.</p> <p>In estimating the revenue to be recognised, the management considers past experience and/or work done certified by customers and/or third parties, where applicable.</p> <p>We determined this to be a key audit matter due to the complexity and judgemental nature of the budgeting of contract costs to completion, calculation of percentage of completion and the determination of revenue and profit to be recognised.</p>	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> • read key contracts and discussed with management to obtain a full understanding of the terms and risks to assess our consideration of whether revenue was appropriately recognised; • tested the operating effectiveness of internal controls over the completeness, accuracy and timing of revenue recognised in the financial statements; • assessed the management's assumptions in determining the percentage of completion of projects, estimations of revenue and costs, provisions for foreseeable losses, liquidated and ascertained damages as well as recoverability of receivables; • assessed the reasonableness of percentage of completion by comparing to certification by customers and/or third parties, where applicable; • reviewed estimated profit and costs to complete and potential contract losses; • assessing whether the amounts recognised in the financial statements were in line with the Group's accounting policy and relevant accounting standards; and • considering the adequacy of the Group's disclosures in respect of the judgements taken with respect to profit recognition and the key risks relating to these amounts.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REDPLANET BERHAD (CONT'D)

(Incorporated in Malaysia)

Registration No: 201901014292 (1323620 - A)

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REDPLANET BERHAD (CONT'D)

(Incorporated in Malaysia)

Registration No: 201901014292 (1323620 - A)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and of the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REDPLANET BERHAD (CONT'D)

(Incorporated in Malaysia)

Registration No: 201901014292 (1323620 - A)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 5 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Kuala Lumpur

16 October 2023

Kaw Hoong Siang
03379/06/2024 J
Chartered Accountant

REDPLANET BERHAD

(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION AT 30 JUNE 2023

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
ASSETS					
NON-CURRENT ASSETS					
Investment in a subsidiary	5	-	-	3,818,044	3,818,044
Equipment	6	855,960	917,184	-	-
Right-of-use assets	7	532,380	642,114	-	-
Deferred tax assets	8	823,539	780,089	-	-
		<u>2,211,879</u>	<u>2,339,387</u>	<u>3,818,044</u>	<u>3,818,044</u>
CURRENT ASSETS					
Contract cost assets	9	1,091,353	978,270	-	-
Trade receivables	10	2,099,956	2,209,436	-	-
Other receivables, deposits and prepayments	11	972,988	1,087,281	4,895	4,895
Contract assets	12	2,917,214	5,092,514	-	-
Current tax assets		15,065	332,543	-	-
Short-term investments	13	5,075	2,265,996	1,170	2,149,881
Fixed deposits with licensed banks	14	888,916	619,482	-	-
Cash and bank balances		15,141,581	7,213,795	3,785,311	1,814,644
		<u>23,132,148</u>	<u>19,799,317</u>	<u>3,791,376</u>	<u>3,969,420</u>
TOTAL ASSETS		<u>25,344,027</u>	<u>22,138,704</u>	<u>7,609,420</u>	<u>7,787,464</u>
EQUITY AND LIABILITIES					
EQUITY					
Share capital	15	5,544,129	5,544,129	5,544,129	5,544,129
Reorganisation deficit	16	(1,318,043)	(1,318,043)	-	-
Foreign exchange translation reserve	17	1,824	(7,285)	-	-
Retained profits		14,622,847	12,390,612	1,979,141	2,152,935
TOTAL EQUITY		<u>18,850,757</u>	<u>16,609,413</u>	<u>7,523,270</u>	<u>7,697,064</u>
NON-CURRENT LIABILITY					
Lease liabilities	18	368,022	497,856	-	-
CURRENT LIABILITIES					
Trade payables	19	571,574	878,762	-	-
Contract liabilities	12	3,787,225	3,153,638	-	-
Other payables and accruals	20	1,384,348	851,400	86,150	90,400
Lease liabilities	18	174,983	147,635	-	-
Current tax liabilities		207,118	-	-	-
		<u>6,125,248</u>	<u>5,031,435</u>	<u>86,150</u>	<u>90,400</u>
TOTAL LIABILITIES		<u>6,493,270</u>	<u>5,529,291</u>	<u>86,150</u>	<u>90,400</u>
TOTAL EQUITY AND LIABILITIES		<u>25,344,027</u>	<u>22,138,704</u>	<u>7,609,420</u>	<u>7,787,464</u>

The annexed notes form an integral part of these financial statements.

REDPLANET BERHAD

(Incorporated in Malaysia)

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
Revenue	21	24,932,843	26,637,344	1,800,000	3,000,000
Cost of sales		(16,042,694)	(15,345,368)	-	-
Gross profit		8,890,149	11,291,976	1,800,000	3,000,000
Other income		721,759	350,405	80,273	48,861
		9,611,908	11,642,381	1,880,273	3,048,861
Administrative expenses		(3,189,132)	(2,457,138)	(125,367)	(148,826)
Other expenses		(624,583)	(842,776)	-	-
Finance costs		(2,589)	(22,553)	-	-
Listing expenses		-	(216,420)	-	(216,420)
Net reversal of impairment losses/ (Impairment losses) on financial assets and contract assets	22	40,109	(1,244,508)	-	-
Profit before taxation	23	5,835,713	6,858,986	1,754,906	2,683,615
Income tax expense	24	(1,674,778)	(1,806,367)	-	-
PROFIT AFTER TAXATION		4,160,935	5,052,619	1,754,906	2,683,615
OTHER COMPREHENSIVE INCOME					
<u>Item that Will be Reclassified Subsequently to Profit or Loss</u>					
Foreign currency translation differences		9,109	(4,619)	-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		4,170,044	5,048,000	1,754,906	2,683,615
PROFIT AFTER TAXATION ATTRIBUTABLE TO:-					
Owners of the Company		4,160,935	5,052,619	1,754,906	2,683,615
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-					
Owners of the Company		4,170,044	5,048,000	1,754,906	2,683,615
EARNINGS PER SHARE (SEN)					
Basic	25	2.61	3.17		
Diluted	25	2.61	3.17		

The annexed notes form an integral part of these financial statements.

Registration No: 201901014292 (1323620 - A)

REDPLANET BERHAD

(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

	Note	← Non-distributable →			Distributable	Total Equity RM
		Share Capital RM	Reorganisation Deficit RM	Foreign Exchange Translation Reserve RM	Retained Profits RM	
Group						
Balance at 1.7.2021		5,544,129	(1,318,043)	(2,666)	9,521,728	13,745,148
Profit after taxation for the financial year		-	-	-	5,052,619	5,052,619
Other comprehensive income for the financial year:						
- Foreign currency translation differences		-	-	(4,619)	-	(4,619)
Total comprehensive income for the financial year		-	-	(4,619)	5,052,619	5,048,000
Distribution to owners of the Company:						
- Dividends	26	-	-	-	(2,183,735)	(2,183,735)
Balance at 30.6.2022		5,544,129	(1,318,043)	(7,285)	12,390,612	16,609,413

The annexed notes form an integral part of these financial statements.

REDPLANET BERHAD

(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONT'D)**

	Note	← Non-distributable →			Distributable	Total Equity RM
		Share Capital RM	Reorganisation Deficit RM	Foreign Exchange Translation Reserve RM	Retained Profits RM	
Group						
Balance at 1.7.2022		5,544,129	(1,318,043)	(7,285)	12,390,612	16,609,413
Profit after taxation for the financial year		-	-	-	4,160,935	4,160,935
Other comprehensive income for the financial year:						
- Foreign currency translation differences		-	-	9,109	-	9,109
Total comprehensive income for the financial year		-	-	9,109	4,160,935	4,170,044
Distribution to owners of the Company:						
- Dividends	26	-	-	-	(1,928,700)	(1,928,700)
Balance at 30.6.2023		5,544,129	(1,318,043)	1,824	14,622,847	18,850,757

The annexed notes form an integral part of these financial statements.

Registration No: 201901014292 (1323620 - A)

REDPLANET BERHAD

(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONT'D)

	Note	Share Capital RM	Distributable Retained Profits RM	Total Equity RM
Company				
Balance at 1.7.2021		5,544,129	1,653,055	7,197,184
Profit after taxation/Total comprehensive income for the financial year		-	2,683,615	2,683,615
Distribution to owners of the Company:				
- Dividends		-	(2,183,735)	(2,183,735)
Balance at 30.6.2022/1.7.2022		5,544,129	2,152,935	7,697,064
Profit after taxation/Total comprehensive income for the financial year		-	1,754,906	1,754,906
Distribution to owners of the Company:				
- Dividends	26	-	(1,928,700)	(1,928,700)
Balance at 30.6.2023		5,544,129	1,979,141	7,523,270

The annexed notes form an integral part of these financial statements.

REDPLANET BERHAD

(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before taxation		5,835,713	6,858,986	1,754,906	2,683,615
Adjustments for:-					
Depreciation:					
- equipment		384,775	333,303	-	-
- right-of-use assets		176,880	215,266	-	-
Equipment written off		252	109,616	-	-
Impairment losses:					
- trade receivables		895,415	55,097	-	-
- contract assets		-	1,189,411	-	-
Reversal of impairment losses:					
- trade receivables		(8,718)	-	-	-
- contract assets		(895,415)	-	-	-
Writeback of impairment losses:					
- trade receivables		(31,391)	-	-	-
Interest expense		2,589	22,553	-	-
Interest expense on lease liabilities		18,769	14,048	-	-
Listing expenses		-	216,420	-	216,420
Gain on lease modification		-	(5,266)	-	-
Income from short-term investments		(22,898)	(69,559)	(5,877)	(28,378)
Interest income		(49,247)	(8,410)	-	-
Unrealised gain on foreign exchange		(149,879)	(184,305)	-	-
Operating profit before working capital changes		6,156,845	8,747,160	1,749,029	2,871,657
(Increase)/Decrease in trade and other receivables		(631,533)	438,927	-	(920)
Increase/(Decrease) in trade and other payables		225,760	(873,711)	(4,250)	54,300
Decrease/(Increase) in contract assets		3,070,715	(1,874,262)	-	-
Increase in contract cost assets		(113,083)	(152,651)	-	-
Increase in contract liabilities		633,587	25,696	-	-
CASH FROM OPERATIONS		9,342,291	6,311,159	1,744,779	2,925,037
Income tax paid		(1,223,203)	(2,441,330)	-	-
Income tax refunded		29,571	23,492	-	-
NET CASH FROM OPERATING ACTIVITIES		8,148,659	3,893,321	1,744,779	2,925,037

The annexed notes form an integral part of these financial statements.

REDPLANET BERHAD

(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONT'D)**

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Addition of fixed deposits with tenure more than 3 months		(54,506)	(10,377)	-	-
Interest income received:					
- short-term investments		22,898	69,559	5,877	28,378
- others		49,247	8,410	-	-
Investment in a subsidiary		-	-	-	(500,000)
Purchase of equipment	27(a)	(323,601)	(545,848)	-	-
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(305,962)	(478,256)	5,877	(471,622)
CASH FLOWS FOR FINANCING ACTIVITIES					
Dividends paid		(1,928,700)	(2,183,735)	(1,928,700)	(2,183,735)
Increase of fixed deposits pledged with licensed banks		(214,928)	(359,105)	-	-
Interest paid		(2,589)	(22,553)	-	-
Listing expenses paid		-	(216,420)	-	(216,420)
Proceeds from issuance of ordinary shares		-	-	-	-
Repayment of lease liabilities	27(b)	(188,401)	(224,400)	-	-
NET CASH FOR FINANCING ACTIVITIES		(2,334,618)	(3,006,213)	(1,928,700)	(2,400,155)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		5,508,079	408,852	(178,044)	53,260
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		9,479,791	8,891,253	3,964,525	3,911,265
EFFECTS OF FOREIGN EXCHANGE TRANSLATION		158,786	179,686	-	-
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	27(d)	15,146,656	9,479,791	3,786,481	3,964,525

The annexed notes form an integral part of these financial statements.

Registration No: 201901014292 (1323620 - A)

REDPLANET BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows:-

Registered office : Unit 30-01, Level 30,
Tower A, Vertical Business Suite,
Avenue 3, Bangsar South No.8,
Jalan Kerinchi,
59200 Kuala Lumpur,
Wilayah Persekutuan.

Principal place of business : No.1-8, Level 8, The Bouevard,
Mid Valley City,
Lingkaran Syed Putra,
59200 Kuala Lumpur,
Wilayah Persekutuan.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 16 October 2023.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are disclosed in Note 5 to the financial statements.

3. BASIS OF PREPARATION

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

3.1 During the current financial year, the Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRS and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 3: Reference to the Conceptual Framework

Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use

Amendments to MFRS 137: Onerous Contracts - Cost of Fulfilling a Contract

Annual Improvements to MFRS Standards 2018 - 2020

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 financial statements.

REDPLANET BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

3. BASIS OF PREPARATION (CONT'D)

- 3.2 The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendment to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 112: International Tax Reform - Pillar Two Model Rules	1 January 2023
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025

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

REDPLANET BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Impairment of Trade Receivables and Contract Assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The contract assets are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables and contract assets.

(b) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default and expected loss rates. It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information.

(c) Revenue Recognition for Services

The Group recognises services revenue by reference to the services progress using the input method, determined based on the proportion of services costs incurred for work performed to date over the estimated total services costs. The total estimated costs are based on approved budgets, which require assessment and judgement to be made on changes in, for example, work scope, changes in costs and costs to completion. In making the judgement, management relies on past experience.

(d) Deferred Tax Assets

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that future taxable profits would be available against which the deductible temporary differences could be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the assessment of the probability of the future taxable profits.

REDPLANET BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT (CONT'D)

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the Group's accounting policies which will have a significant effect on the amounts recognised in the financial statements.

4.2 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the reporting period.

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when accessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

(a) Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 BASIS OF CONSOLIDATION (CONT'D)

(b) Entities Under Common Control

Acquisition of entity under a reorganisation scheme does not result in any change in economic substance. Accordingly, the consolidated financial statements of the Company are a continuation of the acquired entity and is accounted for as follows:-

- (i) the results of entities are presented as if the reorganisation occurred from the beginning of the earliest period presented in the financial statements;
- (ii) the Company will consolidate the assets and liabilities of the acquired entities at their pre-combination carrying amounts. No adjustments are made to reflect fair values, or recognise any new assets or liabilities, at the date of the reorganisation that would otherwise be done under the acquisition method; and
- (iii) no new goodwill is recognised as a result of the reorganisation. The only goodwill that is recognised is the existing goodwill relating to the combining entities. Any difference between the consideration paid/transferred and the equity acquired is reflected within equity as reorganisation reserve or deficit.

(c) Non-controlling Interests

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(d) Changes in Ownership Interests in Subsidiaries Without Change of Control

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity of the Group.

REDPLANET BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 BASIS OF CONSOLIDATION (CONT'D)

(e) Loss of Control

Upon the loss of control of a subsidiary, the Group recognise any gain or loss on disposal in profit or loss which is calculated as the difference between:-

- (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and
- (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the former subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the former subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of (i.e. reclassified to profit or loss or transferred directly to retained profits). The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under MFRS 9 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

4.3 FUNCTIONAL AND FOREIGN CURRENCIES

(a) Functional and Presentation Currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

(b) Foreign Currency Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the exchange rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 FUNCTIONAL AND FOREIGN CURRENCIES (CONT'D)

(c) Foreign Operations

Assets and liabilities of foreign operations (including any goodwill and fair value adjustments arising on acquisition) are translated to the Group's presentation currency at the exchange rates at the end of the reporting period. Income, expenses and other comprehensive income of foreign operations are translated at exchange rates at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity; attributed to the owners of the Company and non-controlling interests, as appropriate.

Goodwill and fair value adjustments arising from the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the end of the reporting period.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign subsidiary, or a partial disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in an associate that includes a foreign operation of which the retained interest becomes a financial assets), all of the exchange differences accumulated in equity in respect of that foreign operation attributable to the owners of the Company are reclassified to profit or loss as part of the gain or loss on disposal. The portion related to non-controlling interests is derecognised but is not reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are reattributed to non-controlling interests and are not recognised in profit or loss. When the Group disposes of only part of its investment in an associate that includes a foreign operation while retaining significant influence, the proportionate share of the accumulative exchange differences is reclassified to profit or loss.

In the consolidated financial statements, when settlement of an intragroup loan is neither planned nor likely to occur in the foreseeable future, the exchange differences arising from translating such monetary item are considered to form part of a net investment in the foreign operation and are recognised in other comprehensive income.

REDPLANET BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the statements of financial position when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as financial assets, financial liabilities or equity instruments in accordance with the substance of the contractual arrangement and their definitions in MFRS 132. Interest, dividends, gains and losses relating to a financial instrument classified as a liability are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially at its fair value (other than trade receivables without significant financing component which are measured at transaction price as defined in MFRS 15 - Revenue from Contracts with Customers at inception). Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments recognised in the statements of financial position are disclosed in the individual policy statement associated with each item.

(a) Financial Assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value (through profit or loss, or other comprehensive income), depending on the classification of the financial assets.

Debt Instruments

(i) Amortised Cost

The financial asset is held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset. When the asset has subsequently become credit-impaired, the interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

REDPLANET BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets (Cont'd)

Debt Instruments (Cont'd)

(i) Amortised Cost (Cont'd)

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest is the rate that discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), excluding expected credit losses, through the expected life of the financial asset or a shorter period (where appropriate).

(ii) Fair Value through Other Comprehensive Income

The financial asset is held for both collecting contractual cash flows and selling the financial asset, where the asset's cash flows represent solely payments of principal and interest. Movements in the carrying amount are taken through other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference which are recognised directly in profit or loss. Interest income is calculated using the effective interest rate method.

(iii) Fair Value through Profit or Loss

All other financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. The fair value changes do not include interest or dividend income.

The Group reclassifies debt instruments when and only when its business model for managing those assets change.

Equity Instruments

All equity investments are subsequently measured at fair value with gains and losses recognised in profit or loss except where the Group has elected to present the subsequent changes in fair value in other comprehensive income and accumulated in the fair value reserve at initial recognition.

The designation at fair value through other comprehensive income is not permitted if the equity investment is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets (Cont'd)

Equity Instruments (Cont'd)

Dividend income from this category of financial assets is recognised in profit or loss when the Group's right to receive payment is established unless the dividends clearly represent a recovery of part of the cost of the equity investments.

(b) Financial Liabilities

(i) Financial Liabilities at Fair Value through Profit or Loss

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. The changes in fair value of these financial liabilities are recognised in profit or loss.

(ii) Other Financial Liabilities

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that from an integral part of the effective interest rate, transaction costs and other premiums or discounts), through the expected life of the financial liability or a shorter period (where appropriate).

(c) Equity Instruments

Equity instruments classified as equity are measured initially at cost and are not remeasured subsequently.

Ordinary shares are classified as equity and recorded at the proceeds received, net of directly attributable transaction costs.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

REDPLANET BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 FINANCIAL INSTRUMENTS (CONT'D)

(d) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the carrying amount of the asset and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity to profit or loss. In contrast, there is no subsequent reclassification of the fair value reserve to profit or loss following the derecognition of an equity investment.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(e) Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specific debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the amount of the credit loss determined in accordance with the expected credit loss model and the amount initially recognised less cumulative amortisation.

4.5 INVESTMENT IN SUBSIDIARIES

Investments in subsidiaries are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investments includes transaction costs.

On the disposal of the investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

REDPLANET BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.6 EQUIPMENT

All items of equipment are initially measured at cost. Cost includes expenditure that are directly attributable to the acquisition of the asset and other costs directly attributable to bringing the asset to working condition for its intended use.

Subsequent to initial recognition, all equipment are stated at cost less accumulated depreciation and any impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of equipment are recognised in profit or loss as incurred.

Depreciation on equipment is charged to profit or loss (unless it is included in the carrying amount of another asset) on a straight-line method to write off the depreciate amount of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:-

Computer hardware and software	20%
Office equipment	10%
Renovation	20%
Telecommunication equipment	20%
Motor vehicles	20%
Furniture and fittings	20%
Signages	20%

The depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period to ensure that the amounts, method and periods of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the equipment. Any changes are accounted for as a change in estimate.

When significant parts of an item of equipment have different useful lives, they are accounted for as separate items (major components) of equipment.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset, being the difference between the net disposal proceeds and the carrying amount, is recognised in profit or loss.

During the financial year, the Group has changed the depreciation rates for the following assets:-

Signages	From 10% per annum to 20% per annum
----------	-------------------------------------

REDPLANET BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.6 EQUIPMENT (CONT'D)

The change in the depreciation rate arose from a review of useful life of the asset concerned. The effect of the change in depreciation rate decrease the profit before taxation of the Group by RM93 in the future.

4.7 LEASES

The Group assesses whether a contract is or contains a lease, at the inception of the contract. The Group recognises a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for low-value assets and short-term leases with 12 months or less. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use assets and the associated lease liabilities are presented as a separate line item in the statements of financial position.

The right-of-use asset is initially measured at cost. Cost includes the initial amount of the corresponding lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs, less any incentives received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses, and adjustment for any remeasurement of the lease liability. The depreciation starts from the commencement date of the lease. If the lease transfers ownership of the underlying asset to the Group or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in the future lease payments (other than lease modification that is not accounted for as a separate lease) with the corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in profit or loss if the carrying amount has been reduced to zero.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.8 CONTRACT COST ASSETS

Costs to Fulfill A Contract

The Group recognises costs that relate directly to a contract (or an anticipated contract) with customer as an asset when the costs generate or enhance resources of the Group, will be used in satisfying performance obligation in the future and are recovered.

The contract cost assets are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates.

An impairment loss is recognised in the profit or loss when the carrying amount of the contract cost assets exceeds the expected revenue less expected cost that will be incurred. Any impairment loss recovered shall be reversed to the extent of the carrying amount of the contract cost assets does not exceed the amount that would have been recognised had there been no impairment loss recognised previously.

4.9 CONTRACT ASSET AND CONTRACT LIABILITY

A contract asset is recognised when the Group's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment requirements of MFRS 9 - Financial Instruments.

A contract liability is stated at cost and represents the obligation of the Group to transfer goods or services to a customer for which consideration has been received (or the amount is due) from the customers.

4.10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturity periods of three months or less. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts.

REDPLANET BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.11 IMPAIRMENT

(a) Impairment of Financial Assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost, trade receivables and contract assets.

The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises lifetime expected credit losses for trade receivables and contract assets using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience and are adjusted for forward-looking information (including time value of money where appropriate).

For all other financial instruments, the Group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve, and does not reduce the carrying amount of the financial asset in the statements of financial position.

(b) Impairment of Non-financial Assets

The carrying values of assets, other than those to which MFRS 136 - Impairment of Assets does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of an asset is the higher of the asset's fair value less costs to sell and its value-in-use, which is measured by reference to discounted future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.11 IMPAIRMENT (CONT'D)

(b) Impairment of Non-financial Assets (Cont'd)

An impairment loss is recognised in profit or loss.

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

4.12 EMPLOYEE BENEFITS

(a) Short-term Benefits

Wages, salaries, paid annual leave and bonuses are measured on an undiscounted basis and are recognised in profit or loss in the period in which the associated services are rendered by employees of the Group.

(b) Defined Contribution Plans

The Group's contributions to defined contribution plans are recognised in profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further liability in respect of the defined contribution plans.

4.13 INCOME TAXES

(a) Current Tax

Current tax assets and liabilities are expected amount of income tax recoverable or payable to the taxation authorities.

Current taxes are measured using tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period and are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss (neither in other comprehensive income or directly in equity).

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.13 INCOME TAXES (CONT'D)

(b) Deferred Tax

Deferred tax are recognised using the liability method for all temporary differences other than those that arise from goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefits will be realised.

Current and deferred tax items are recognised in correlation to the underlying transactions either in profit or loss, other comprehensive income or directly in equity.

Current tax assets and liabilities or deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxable entity (or on different tax entities but they intend to settle current tax assets and liabilities on a net basis) and the same taxation authority.

4.14 OPERATING SEGMENTS

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

REDPLANET BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.15 EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share is calculated by dividing the consolidated profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the reporting period, adjusted for own shares held.

Diluted earnings per ordinary share is determined by adjusting the consolidated profit or loss attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares.

4.16 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market's participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:-

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;

Level 2: Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

The fair value for measurement and disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions (MFRS 2), leasing transactions (MFRS 16) and measurement that have some similarities to fair value but not are fair value, such as net realisable value (MFRS 102) or value in use (MFRS 136).

REDPLANET BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.17 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts.

The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of that asset.

Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time. The Group transfers control of a good or service at a point in time unless one of the following over time criteria is met:-

- The customer simultaneously receives and consumes the benefits provided as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

(a) Rendering of Services

Revenue from geographical information system ("GIS") solutions services is recognised over time in the period in which the services are rendered using the input method, determined based the proportion of project costs incurred for work performed to date over the estimated total project costs. Transaction price is computed based on the price specified in the contract and adjusted for any variable consideration. Past experience is used to estimate and provide for the variable consideration, using most likely method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

Revenue for maintenance and support services is recognised on a straight-line basis over the term of the fixed price contract.

A receivable is recognised when the services are rendered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. If the services rendered exceed the payment received, a contract asset is recognised. If the payments exceed the construction services rendered, a contract liability is recognised.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.17 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONT'D)

(b) Sale of Information and Communication Technology ("ICT") Solutions

Revenue from ICT solutions includes sales of software, licences and hardware. Software and licences may be provided to the customer at a point in time, activated or ready to be activated by the customer at a later stage, therefore revenue is recognised when customer obtains control of the software or licences. Revenue for hardware is recognised where transfer of control is deemed to occur upon delivery of products and customer acceptances.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

4.18 OTHER INCOME

(a) Interest Income

Interest income is recognised on an accrual basis using the effective interest method.

(b) Dividend Income

Dividend income from investment is recognised when the right to receive dividend payment is established.

5. INVESTMENT IN A SUBSIDIARY

	Company	
	2023	2022
	RM	RM
Unquoted shares, at cost:-		
At 1 July 2022/2021	3,818,044	3,318,044
Addition during the financial year	-	500,000
At 30 June	<u>3,818,044</u>	<u>3,818,044</u>

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

5. INVESTMENT IN A SUBSIDIARY (CONT'D)

The details of the subsidiaries are as follows:-

Name of Subsidiary	Principal Place of Business/ Country of	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2023 %	2022 %	
<i>Subsidiary of the Company</i>				
RedPlanet Solutions (M) Sdn. Bhd. ("RPS")	Malaysia	100	100	Provision of GIS solutions, ICT solutions as well as maintenance and support services.
<i>Subsidiaries held through RPS</i>				
Prudentlogic Sdn. Bhd. ("Prudentlogic")	Malaysia	100	100	Provision of GIS solutions, ICT solutions as well as maintenance and support services.
RedPlanet Solutions (Aust) Pty Ltd. # ^	Australia	100	100	Provision of GIS solutions, ICT solutions as well as maintenance and support services.
RedPlanet Spatial Solutions (India) Private Limited ("RPI") #	India	100	100	Provision of GIS solutions, ICT solutions as well as maintenance and support services.

Notes:-

- Audited by other firms of chartered accountants.

^ - The auditors' report on the financial statements of the subsidiary includes a "Material Uncertainty Related to Going Concern" regarding the ability of the subsidiary to continue as a going concern in view of its capital deficiency position as at the end of the current reporting period. The financial statements were prepared on a going concern basis as RPS has undertaken to provide continued financial support to the subsidiary.

In the previous financial year, the Company subscribed for an additional 100,000 new ordinary shares in RPS for a total consideration of RM500,000.

The equity interests in RPS remain unchanged.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

6. EQUIPMENT

Group	At 1.7.2022 RM	Additions (Note 27(a)) RM	Written Off (Note 23) RM	Translation Differences RM	Depreciation Charges (Note 23) RM	At 30.6.2023 RM
<i>Carrying Amount</i>						
Computer hardware and software	561,238	321,101	-	202	(258,073)	624,468
Office equipment	48,398	2,150	-	-	(5,544)	45,004
Renovation	141,325	350	(252)	-	(30,749)	110,674
Telecommunication equipment	1,621	-	-	-	(1,617)	4
Motor vehicles	66,115	-	-	-	(66,114)	1
Furniture and fittings	97,545	-	-	-	(22,472)	75,073
Signages	942	-	-	-	(206)	736
	<u>917,184</u>	<u>323,601</u>	<u>(252)</u>	<u>202</u>	<u>(384,775)</u>	<u>855,960</u>

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

6. EQUIPMENT (CONT'D)

Group	At 1.7.2021 RM	Additions (Note 27(a)) RM	Written Off (Note 23) RM	Depreciation Charges (Note 23) RM	At 30.6.2022 RM
<i>Carrying Amount</i>					
Computer hardware and software	503,786	263,024	-	(205,572)	561,238
Office equipment	13,082	43,080	(5,068)	(2,696)	48,398
Renovation	83,708	142,920	(54,032)	(31,271)	141,325
Telecommunication equipment	3,911	-	-	(2,290)	1,621
Motor vehicles	132,230	-	-	(66,115)	66,115
Furniture and fittings	77,538	95,874	(50,516)	(25,351)	97,545
Signages	-	950	-	(8)	942
	<u>814,255</u>	<u>545,848</u>	<u>(109,616)</u>	<u>(333,303)</u>	<u>917,184</u>

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

6. EQUIPMENT (CONT'D)

Group	At Cost RM	Accumulated Depreciation RM	Accumulated Impairment Losses RM	Carrying Amount RM
2023				
Computer hardware and software	1,437,628	(813,160)	-	624,468
Office equipment	65,214	(11,779)	(8,431)	45,004
Renovation	162,470	(37,511)	(14,285)	110,674
Telecommunication equipment	12,081	(12,077)	-	4
Motor vehicles	330,575	(330,574)	-	1
Furniture and fittings	123,208	(39,838)	(8,297)	75,073
Signages	950	(214)	-	736
	<u>2,132,126</u>	<u>(1,245,153)</u>	<u>(31,013)</u>	<u>855,960</u>
2022				
Computer hardware and software	1,116,229	(554,991)	-	561,238
Office equipment	63,064	(6,235)	(8,431)	48,398
Renovation	162,400	(6,790)	(14,285)	141,325
Telecommunication equipment	12,081	(10,460)	-	1,621
Motor vehicles	330,575	(264,460)	-	66,115
Furniture and fittings	123,208	(17,366)	(8,297)	97,545
Signages	950	(8)	-	942
	<u>1,808,507</u>	<u>(860,310)</u>	<u>(31,013)</u>	<u>917,184</u>

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

7. RIGHT-OF-USE ASSETS

	At 1.7.2022 RM	Modification of Lease Liabilities (Note 18) RM	Depreciation Charge (Note 23) RM	At 30.6.2023 RM	
Group					
2023					
<i>Carrying Amount</i>					
Office premises	<u>642,114</u>	<u>67,146</u>	<u>(176,880)</u>	<u>532,380</u>	
	At 1.7.2021 RM	Addition (Notes 18 and 27(a)) RM	Derecognition of Lease Liabilities (Note 18) RM	Depreciation Charge (Note 23) RM	At 30.6.2022 RM
Group					
2022					
<i>Carrying Amount</i>					
Office premises	<u>375,215</u>	<u>690,075</u>	<u>(207,910)</u>	<u>(215,266)</u>	<u>642,114</u>

(a) The Group leases office premises of which the leasing activities are summarised below:-

Office premises: The Group has leased a number of office premises between 12 and 60 (2022 - 7 and 60) months, with an option to renew the lease after that date. The Group is not allowed to sublease the office premises.

(b) The Group also has leases with lease terms of 12 months or less and leases of office premises and office equipment with low value. The Group has applied 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

8. DEFERRED TAX ASSETS

	Group	
	2023	2022
	RM	RM
At 1 July 2022/2021	780,089	520,543
Recognised in profit or loss (Note 24)	43,450	259,546
At 30 June	823,539	780,089

The deferred tax assets/(liabilities) recognised at the end of the reporting period before appropriate off-setting are as follows:-

Group	At 1.7.2022 RM	Recognised in Profit or Loss (Note 24) RM	At 30.6.2023 RM
2023			
Deferred tax assets:			
- contract liabilities	753,870	(1,268)	752,602
- excess billings from customers	-	33,503	33,503
- excess of depreciation over capital allowances on right-of-use assets	100,043	(97,493)	2,550
- allowance for impairment losses:			
- trade receivables	13,223	205,274	218,497
- contract assets	285,459	(214,900)	70,559
	1,152,595	(74,884)	1,077,711
Deferred tax liabilities:			
- contract cost assets	(234,785)	5,602	(229,183)
- accelerated of capital allowances over depreciation on equipment	(137,721)	112,732	(24,989)
	(372,506)	118,334	(254,172)
	780,089	43,450	823,539

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

8. DEFERRED TAX ASSETS (CONT'D)

Group	At 1.7.2021 RM	Recognised in Profit or Loss (Note 24) RM	At 30.6.2022 RM
2022			
Deferred tax assets:			
- contract liabilities	750,706	3,164	753,870
- excess of depreciation over capital allowances on right-of-use assets	376	99,667	100,043
- allowance for impairment losses:			
- trade receivables	-	13,223	13,223
- contract assets	-	285,459	285,459
	<u>751,082</u>	<u>401,513</u>	<u>1,152,595</u>
Deferred tax liabilities:			
- contract cost assets	(209,147)	(25,638)	(234,785)
- accelerated of capital allowances over depreciation on equipment	(21,392)	(116,329)	(137,721)
	<u>(230,539)</u>	<u>(141,967)</u>	<u>(372,506)</u>
	<u>520,543</u>	<u>259,546</u>	<u>780,089</u>

The deferred tax assets have been recognised by a subsidiary of the Company on the basis of the Company's subsidiary previous history of recording profits and to the extent that it is probable that sufficient future taxable profits will be available against which the temporary differences can be utilised.

At the end of the reporting period, the amounts of deferred tax assets not recognised (stated at gross) due to uncertainty of their realisation are as follows:-

	Group	
	2023 RM	2022 RM
Unabsorbed capital allowances	22,118	20,730
Unused tax losses:		
- expires in year of assessment 2030	39,645	39,645
- expires in year of assessment 2031	261,639	261,639
- expires in year of assessment 2032	191,819	191,819
- expires in year of assessment 2033	53,468	-
Excess of depreciation over capital allowances on equipment	5,552	6,940
	<u>574,241</u>	<u>520,773</u>

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

8. DEFERRED TAX ASSETS (CONT'D)

No deferred tax assets are recognised in respect of these items as it is not probable that sufficient future taxable profits of a subsidiary will be available against which the deductible temporary differences can be utilised.

The unused tax losses is allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment, whereas, the unabsorbed capital allowances is allowed to be carried forward indefinitely.

9. CONTRACT COST ASSETS

	Group	
	2023	2022
	RM	RM
Costs to fulfil a contract	<u>1,091,353</u>	<u>978,270</u>

The costs to fulfil a contract represent the amount charged by the suppliers in advance that is used to fulfil the maintenance and support services contract in future. The costs are to be amortised on a straight-line method over the term of the specific contract it relates to, consistent with the pattern of recognition of the associated revenue.

10. TRADE RECEIVABLES

	Group	
	2023	2022
	RM	RM
Third parties	2,928,329	2,264,533
Unbilled receivables	82,030	-
Trade receivables	<u>3,010,359</u>	<u>2,264,533</u>
Allowance for impairment losses	<u>(910,403)</u>	<u>(55,097)</u>
	<u>2,099,956</u>	<u>2,209,436</u>
Allowance for impairment losses:-		
At 1 July 2022/2021	(55,097)	-
Addition during the financial year (Note 22)	(895,415)	(55,097)
Reversal during the financial year (Note 22)	8,718	-
Writeback during the financial year (Note 22)	31,391	-
At 30 June	<u>(910,403)</u>	<u>(55,097)</u>

The Group's normal trade credit terms ranging from 30 to 120 (2022 - 30 to 120) days.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Other receivables	684,955	943,502	-	-
Deposits	193,346	84,940	920	920
Prepayments	94,687	58,839	3,975	3,975
	<u>972,988</u>	<u>1,087,281</u>	<u>4,895</u>	<u>4,895</u>

12. CONTRACT ASSETS/(LIABILITIES)

	Group	
	2023	2022
	RM	RM
Contract assets relating to service contracts	3,211,210	6,281,925
Allowance for impairment losses	(293,996)	(1,189,411)
	<u>2,917,214</u>	<u>5,092,514</u>
Allowance for impairment losses:-		
At 1 July 2022/2021	(1,189,411)	-
Addition during the financial year (Note 22)	-	(1,189,411)
Reversal during the financial year (Note 22)	895,415	-
At 30 June	<u>(293,996)</u>	<u>(1,189,411)</u>
Contract liabilities relating to services contracts	<u>(3,787,225)</u>	<u>(3,153,638)</u>

- (a) The contract assets primarily relate to the Group's right to consideration for services completed on services contracts but not yet billed as at the reporting date. The amount will be transferred to trade receivables when the Group issues billing in the manner as established in the contracts with customers.

Included in the contract assets are unbilled retention sum receivables amounting to RM459,203 (2022 - RM656,785). The retention sums are expected to be collected within 1 (2022 - 1) year.

- (b) The contract liabilities primarily relate to advance considerations received from few customers of which the amount will be recognised as revenue when the performance obligations are satisfied.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

12. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

- (c) The changes to contract asset and the contract liability balances during the financial year are summarised as below:-

	Group	
	2023	2022
	RM	RM
At 1 July 2022/2021	1,938,876	1,279,721
Contract liabilities at the beginning of the financial year recognised as revenue	3,153,638	3,127,942
Performance obligations performed	16,014,604	17,397,060
Billings to customers during the financial year	(22,872,544)	(18,676,436)
Allowance for impairment losses (Note 22)	895,415	(1,189,411)
At 30 June	<u>(870,011)</u>	<u>1,938,876</u>
Represented by:-		
Contract assets	2,917,214	5,092,514
Contract liabilities	<u>(3,787,225)</u>	<u>(3,153,638)</u>
	<u>(870,011)</u>	<u>1,938,876</u>

- (d) As at the end of the reporting period, the transaction price allocated to the unsatisfied or partially satisfied performance obligations of the long-term contracts is RM9,408,257 (2022 - RM12,428,604). These remaining performance obligation are expected to be recognised within 1 to 2 (2022 - 1 to 3) years.

13. SHORT-TERM INVESTMENTS

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Money market funds, at fair value	<u>5,075</u>	<u>2,265,996</u>	<u>1,170</u>	<u>2,149,881</u>

14. FIXED DEPOSITS WITH LICENSED BANKS

- (a) The fixed deposits with licensed banks of the Group at the end of the reporting period bore effective interest rates ranging from 1.90% to 5.70% (2022 - 1.65% to 1.75%) per annum. The fixed deposits have a maturity period of 12 (2022 - 12) months.
- (b) Included in the fixed deposits with licensed banks of the Group at the end of the reporting period was an amount of RM824,033 (2022 - RM609,105) which has been pledged to a licensed bank as security for revolving financing facility granted to the Group.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

15. SHARE CAPITAL

	Group/Company			
	2023	2022	2023	2022
	Number of shares		RM	RM
Issued and Fully Paid-Up				
Ordinary shares	<u>159,396,700</u>	<u>159,396,700</u>	<u>5,544,129</u>	<u>5,544,129</u>
			Group/Company	
			2023	2022
			RM	RM
Analysed by:-				
Share capital in legal form			5,679,400	5,679,400
Less: Listing expenses			<u>(135,271)</u>	<u>(135,271)</u>
Share capital in the statements of financial position			<u>5,544,129</u>	<u>5,544,129</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company, and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

The new ordinary shares issued rank equally in all respects with the existing ordinary shares of the Company.

16. REORGANISATION DEFICIT

The reorganisation deficit was resulted from the difference between the carrying value of the investment in RPS and the nominal value of the shares of RPS upon consolidation under the reorganisation exercise.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

17. FOREIGN EXCHANGE TRANSLATION RESERVE

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries whose functional currency is different from the Group's presentation currency.

18. LEASE LIABILITIES

	Group	
	2023	2022
	RM	RM
At 1 July 2022/2021	645,491	378,944
Interest expenses recognised in profit or loss (Note 23)	18,769	14,048
Addition (Notes 7 and 27(a))	-	690,075
Changes due to lease modification (Notes 7 and 27(b))	67,146	-
Derecognition due to lease modification (Note 27(b))	-	(213,176)
Repayment of principal	(169,632)	(210,352)
Repayment of interest expense	(18,769)	(14,048)
At 30 June	<u>543,005</u>	<u>645,491</u>
Analysed by:-		
Current liabilities	174,983	147,635
Non-current liabilities	368,022	497,856
	<u>543,005</u>	<u>645,491</u>

19. TRADE PAYABLES

The normal credit terms of trade payables ranging from 30 to 120 (2022 - 30 to 120) days.

20. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Other payables	367,594	147,693	53,000	53,000
Sales and service tax payable	190,030	48,273	-	-
Accruals	826,724	655,434	33,150	37,400
	<u>1,384,348</u>	<u>851,400</u>	<u>86,150</u>	<u>90,400</u>

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

21. REVENUE

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Revenue from Contracts with Customers				
<u>Recognised over time</u>				
GIS solution services	10,499,930	14,027,422	-	-
Maintenance and support services	8,668,312	6,254,680	-	-
	19,168,242	20,282,102	-	-
<u>Recognised at a point in time</u>				
ICT solutions	5,764,601	6,355,242	-	-
	24,932,843	26,637,344	-	-
Revenue from Other Sources				
Dividends income	-	-	1,800,000	3,000,000
	24,932,843	26,637,344	1,800,000	3,000,000

22. NET (REVERSAL OF IMPAIRMENT LOSSES)/IMPAIRMENT LOSSES ON FINANCIAL ASSETS AND CONTRACT ASSETS

	Group	
	2023 RM	2022 RM
Impairment losses:		
- trade receivables (Note 10)	895,415	55,097
- contract assets (Note 12)	-	1,189,411
Reversal of impairment losses:		
- trade receivables (Note 10)	(8,718)	-
- contract assets (Note 12)	(895,415)	-
Writeback of impairment losses:		
- trade receivables (Note 10)	(31,391)	-
	(40,109)	1,244,508

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023****23. PROFIT BEFORE TAXATION**

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Profit before taxation is arrived at after charging/(crediting):-				
Auditors' remuneration:				
- audit fees:				
- for the financial year	118,653	97,121	31,000	35,000
- under/(over)provision in the previous financial year	6,841	-	(5,000)	-
- non-audit fees:				
- auditors of the Company	-	81,000	-	81,000
Depreciation:				
- equipment (Note 6)	384,775	333,303	-	-
- right-of-use assets (Note 7)	176,880	215,266	-	-
Directors' remuneration (Note 28)	564,650	544,982	42,000	42,000
Equipment written off	252	109,616	-	-
Interest expense on financial liabilities that are not at fair value through profit or loss:				
- bank guarantee	1,728	20,195	-	-
- revolving credit	861	2,241	-	-
- others	-	117	-	-
Interest expense on lease liabilities (Notes 18 and 27(b))	18,769	14,048	-	-
Listing expenses	-	216,420	-	216,420
Lease expenses:				
- short-term leases	84,088	20,400	-	-
- low-value assets	6,240	5,338	-	-
Staff costs (#):				
- short-term employee benefits	5,763,119	5,884,786	-	-
- defined contribution benefits	517,778	535,569	-	-
Dividend income	-	-	(1,800,000)	(3,000,000)
(Gain)/Loss on foreign exchange:				
- realised	(204,022)	181,276	-	-
- unrealised	(149,879)	(184,305)	-	-
Fair value gain on short-term investments	(220,915)	(72,986)	(74,396)	(20,483)
Gain on lease modification	-	(5,266)	-	-
Income from short-term investments	(22,898)	(69,559)	(5,877)	(28,378)

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

23. PROFIT BEFORE TAXATION (CONT'D)

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Interest income on financial assets measured at amortised cost	(49,247)	(8,410)	-	-

Note:-

- # - Included in staff costs are wage subsidies from the government, which have been offset against short-term employee benefits:-

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Wage subsidies	-	(128,099)	-	-

24. INCOME TAX EXPENSE

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Current tax:				
- for the financial year	1,718,228	2,091,653	-	-
- overprovision in the previous financial year	-	(25,740)	-	-
	1,718,228	2,065,913	-	-
Deferred tax assets (Note 8):				
- origination and reversal of temporary differences	9,703	(249,034)	-	-
- underprovision in the previous financial year	(53,153)	(10,512)	-	-
	(43,450)	(259,546)	-	-
	1,674,778	1,806,367	-	-

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

24. INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Profit before taxation	5,835,713	6,858,986	1,754,906	2,683,615
Tax at the statutory tax rate of 24% (2022 - 24%)	1,400,571	1,646,157	421,177	644,068
Tax effects of:-				
Non-taxable income	(19,266)	(88,096)	(451,266)	(731,334)
Non-deductible expenses	327,472	239,136	30,089	87,266
Differential in tax rates	6,322	-	-	-
Deferred tax assets not recognised during the financial year	12,832	45,422	-	-
Overprovision of current tax in the previous financial year	-	(25,740)	-	-
Underprovision of deferred tax assets in the previous financial year	(53,153)	(10,512)	-	-
Income tax expense for financial year	1,674,778	1,806,367	-	-

(a) Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2022 - 24%) of the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

(b) Income tax savings during the financial year arising from:-

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Utilisation of current financial year's capital allowances	326,409	363,488	-	-

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

25. EARNINGS PER SHARE

	Group	
	2023	2022
Profit after taxation attributable to owners of the Company (RM)	<u>4,160,935</u>	<u>5,052,619</u>
Weighted average number of ordinary shares in issue	<u>159,396,700</u>	<u>159,396,700</u>
Basic earnings per share (sen)	<u>2.61</u>	<u>3.17</u>

The Company has not issued any dilutive potential ordinary shares and hence, the diluted earnings per share is equal to the basic earnings per share.

26. DIVIDENDS

	Group/Company	
	2023	2022
	RM	RM
<u>In respect of the financial period ended 30 June 2021</u>		
Interim single tier dividend of 0.82 sen per ordinary share	-	1,307,053
<u>In respect of the financial year ended 30 June 2022</u>		
Interim single tier dividend of 0.55 sen per ordinary share	-	876,682
Interim single tier dividend of 0.80 sen per ordinary share	1,275,174	-
<u>In respect of the financial period ended 30 June 2023</u>		
Interim single tier dividend of 0.41 sen per ordinary share	<u>653,526</u>	-
	<u>1,928,700</u>	<u>2,183,735</u>

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

27. CASH FLOW INFORMATION

- (a) The cash disbursed for the purchase of equipment and the addition of right-of-use assets is as follows:-

	Group	
	2023	2022
	RM	RM
Equipment		
Cost of equipment purchased (Note 6)	323,601	545,848
Right-of-use assets		
Cost of right-of-use assets acquired (Note 7)	-	690,075
Less: Additions of new lease liabilities (Note 27(b))	-	(690,075)
	-	-

- (b) The reconciliations of liabilities arising from financing activities are as follows:-

	Group	
	2023	2022
	RM	RM
Lease liabilities		
At 1 July 2022/2021	645,491	378,944
<u>Changes in Financing Cash Flows</u>		
Repayment of principal	(169,632)	(210,352)
Repayment of interests	(18,769)	(14,048)
	(188,401)	(224,400)
<u>Other Changes</u>		
Acquisition of new leases (Notes 18 and 27(a))	-	690,075
Derecognition of leases (Note 18)	-	(213,176)
Modification of leases (Note 18)	67,146	-
Interest expense recognised in profit or loss (Note 23)	18,769	14,048
	85,915	490,947
At 30 June	543,005	645,491

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

27. CASH FLOW INFORMATION (CONT'D)

(c) The total cash outflows for leases as a lessee are as follows:-

	Group	
	2023	2022
	RM	RM
Payment of short-term leases	84,088	20,400
Payment of low-value assets	6,240	5,338
Payment of lease liabilities	169,632	210,352
Interest paid on lease liabilities	18,769	14,048
	<u>278,729</u>	<u>250,138</u>

(d) The cash and cash equivalents comprise the following:-

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Short-term investments (Note 13)	5,075	2,265,996	1,170	2,149,881
Fixed deposits with licensed banks	888,916	619,482	-	-
Cash and bank balances	<u>15,141,581</u>	<u>7,213,795</u>	<u>3,785,311</u>	<u>1,814,644</u>
	16,035,572	10,099,273	3,786,481	3,964,525
Less: Fixed deposits pledged with licensed banks (Note 14(b))	(824,033)	(609,105)	-	-
Fixed deposits with tenure of more than 3 months	<u>(64,883)</u>	<u>(10,377)</u>	-	-
	<u>15,146,656</u>	<u>9,479,791</u>	<u>3,786,481</u>	<u>3,964,525</u>

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

28. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:-

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
<u>Directors of the Company</u>				
Short-term employee benefits:				
- fees	60,000	57,000	42,000	42,000
- salaries, bonuses and other benefits	477,310	459,938	-	-
	537,310	516,938	42,000	42,000
Defined contribution benefits	18,134	18,808	-	-
	<u>555,444</u>	<u>535,746</u>	<u>42,000</u>	<u>42,000</u>
<u>Directors of the Subsidiaries</u>				
Short-term employee benefits:				
- fees	9,206	9,236	-	-
Total directors' remuneration (Note 23)	<u>564,650</u>	<u>544,982</u>	<u>42,000</u>	<u>42,000</u>

29. RELATED PARTY DISCLOSURES

(a) Identities of Related Parties

Parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control.

In addition to the information detailed elsewhere in the financial statements, the Group has related party relationships with its directors, key management personnel and entities within the same group of companies.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

29. RELATED PARTY DISCLOSURES (CONT'D)

(b) Significant Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following transactions with the related parties during the financial year:-

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
A subsidiary				
Advances to	-	-	400,000	-
Dividends income received	-	-	1,800,000	3,000,000
	<u>-</u>	<u>-</u>	<u>1,800,000</u>	<u>3,000,000</u>

30. OPERATING SEGMENTS

30.1 BUSINESS SEGMENTS

Information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment namely "Information and Technology".

30.2 GEOGRAPHICAL INFORMATION

In presenting the information on the basis of geographical segments, segmental information on non-current assets is not presented, as all non-current assets are located in Malaysia. Segmental revenue is based on the geographical location of customers as follows:-

	Group	
	2023	2022
	RM	RM
Geographical Information		
Malaysia	19,398,401	20,677,007
Philippines	1,353,159	821,146
India	1,324,842	407,236
Saudi Arabia	976,232	-
Brunei	676,863	1,725,709
New Zealand	608,370	1,382,132
Others #	594,976	1,624,114
	<u>24,932,843</u>	<u>26,637,344</u>

Note:-

- Comprising Netherlands, United Arab Emirates, Norway, United Kingdom, South Africa, Qatar.

REDPLANET BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

30. OPERATING SEGMENTS (CONT'D)

30.3 MAJOR CUSTOMERS

The following are major customer with revenue equal to or more than 10% of the Group's total revenue:-

	Group	
	2023	2022
	RM	RM
Customer A	17,586,451	19,105,762
Customer B	2,801,671	3,209,378

31. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

31.1 FINANCIAL RISK MANAGEMENT POLICIES

The Group's policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the functional currency of the Group. The currencies giving rise to this risk is primarily United States Dollar ("USD"), Singapore Dollar ("SGD"), Euro ("EUR") and Indian Rupee ("INR"). Foreign currency risk is monitored closely on an going basis to ensure that the net exposure is at an acceptable level. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

The Group's exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

Foreign Currency Exposure

	USD RM	SGD RM	EUR RM	INR RM	Others[#] RM	Ringgit Malaysia RM	Total RM
Group							
2023							
<u>Financial Assets</u>							
Trade receivables	567,359	86,710	40,810	1,200,542	-	204,535	2,099,956
Other receivables	-	-	-	9,008	906	675,041	684,955
Short-term investments	-	-	-	-	-	5,075	5,075
Fixed deposits with licensed banks	-	-	-	54,298	-	834,618	888,916
Cash and bank balances	1,074,696	1,441,511	1,029,740	285,630	333,957	10,976,047	15,141,581
	<u>1,642,055</u>	<u>1,528,221</u>	<u>1,070,550</u>	<u>1,549,478</u>	<u>334,863</u>	<u>12,695,316</u>	<u>18,820,483</u>

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

Group	USD RM	SGD RM	EUR RM	INR RM	Others # RM	Ringgit Malaysia RM	Total RM
2023							
<u>Financial Liabilities</u>							
Trade payables	-	66,996	-	338,352	-	166,226	571,574
Other payables and accruals	-	-	-	120,119	12,486	1,061,713	1,194,318
	<u>-</u>	<u>66,996</u>	<u>-</u>	<u>458,471</u>	<u>12,486</u>	<u>1,227,939</u>	<u>1,765,892</u>
Net financial assets	1,642,055	1,461,225	1,070,550	1,091,007	322,377	11,467,377	17,054,591
Less: Net financial assets denominated in the respective entities' functional currencies	-	-	-	(1,091,007)	(57,602)	(11,467,377)	(12,615,986)
Currency exposure	<u>1,642,055</u>	<u>1,461,225</u>	<u>1,070,550</u>	<u>-</u>	<u>264,775</u>	<u>-</u>	<u>4,438,605</u>

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

Group	USD RM	SGD RM	EUR RM	INR RM	Others[#] RM	Ringgit Malaysia RM	Total RM
2022							
<u>Financial Assets</u>							
Trade receivables	1,160,936	107,924	379,887	101,267	158,557	300,865	2,209,436
Other receivables	-	-	-	38,492	-	905,010	943,502
Short-term investments	-	-	-	-	-	2,265,996	2,265,996
Fixed deposits with licensed banks	-	-	-	-	-	619,482	619,482
Cash and bank balances	3,080,950	640,866	460,318	42,499	29,118	2,960,044	7,213,795
	<u>4,241,886</u>	<u>748,790</u>	<u>840,205</u>	<u>182,258</u>	<u>187,675</u>	<u>7,051,397</u>	<u>13,252,211</u>

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

Group	USD RM	SGD RM	EUR RM	INR RM	Others # RM	Ringgit Malaysia RM	Total RM
2022							
<u>Financial Liabilities</u>							
Trade payables	-	132,107	-	4,027	-	742,628	878,762
Other payables and accruals	-	-	-	83,007	5,464	714,656	803,127
	<u>-</u>	<u>132,107</u>	<u>-</u>	<u>87,034</u>	<u>5,464</u>	<u>1,457,284</u>	<u>1,681,889</u>
Net financial assets	4,241,886	616,683	840,205	95,224	182,211	5,594,113	11,570,322
Less: Net financial assets denominated in the respective entities' functional currencies	-	-	-	(95,224)	(125,713)	(5,594,113)	(5,815,050)
Currency exposure	<u>4,241,886</u>	<u>616,683</u>	<u>840,205</u>	<u>-</u>	<u>56,498</u>	<u>-</u>	<u>5,755,272</u>

Note:-

- Comprising Australian Dollar and British Pound Sterling.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Company

The Company does not have any transactions or balances denominated in foreign currencies and hence, is not exposed to foreign currency risk.

Foreign Currency Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:-

	Group	
	2023	2022
	RM	RM
Effects on Profit After Taxation		
USD/RM		
- strengthened by 5%	62,398	161,192
- weakened by 5%	<u>(62,398)</u>	<u>(161,192)</u>
SGD/RM		
- strengthened by 5%	55,527	23,434
- weakened by 5%	<u>(55,527)</u>	<u>(23,434)</u>
EUR/RM		
- strengthened by 5%	40,681	31,928
- weakened by 5%	<u>(40,681)</u>	<u>(31,928)</u>

(ii) Interest Rate Risk

The Group and the Company does not have any interest-bearing borrowings and hence, is not exposed to interest rate risk.

(iii) Equity Price Risk

The Group does not have any quoted investments and hence, is not exposed to equity price risk.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

(i) Credit Risk Concentration Profile

The Group's major concentration of credit risk relates to the amounts owing by 3 (2022 - 2) customers which constituted approximately 77% (2022 - 74%) of its trade receivables at the end of the reporting period.

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

(iii) Assessment of Impairment Losses

At each reporting date, the Group assesses whether any of financial assets at amortised cost and contract assets are credit impaired.

The gross carrying amounts of those financial assets are written off when there is no reasonable expectation of recovery (i.e. the debtor does not have assets or sources of income to generate sufficient cash flows to repay the debt) despite they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficult of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; and
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than a year past due.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets

The Group applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group considers any receivables having financial difficulty or in default with significant balances outstanding for more than a year are deemed credit impaired and assesses for their risk of loss individually.

The expected loss rates are based on the payment profiles of sales over a period of 12 months (2022 - 12 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Allowance for impairment losses

	Gross Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Amount RM
Group				
2023				
Current (not past due)	1,566,245	-	(3,018)	1,563,227
Past due:				
- 1 to 30 days	223,687	-	(11,970)	211,717
- 31 to 60 days	58,645	-	-	58,645
- 61 to 90 days	130,941	-	-	130,941
- > 90 days	948,811	(895,415)	-	53,396
Trade receivables	<u>2,928,329</u>	<u>(895,415)</u>	<u>(14,988)</u>	<u>2,017,926</u>
Unbilled receivables	82,030	-	-	82,030
Contract assets	<u>3,211,210</u>	<u>(293,996)</u>	<u>-</u>	<u>2,917,214</u>
	<u>6,221,569</u>	<u>(1,189,411)</u>	<u>(14,988)</u>	<u>5,017,170</u>
2022				
Current (not past due)	1,179,287	-	(514)	1,178,773
Past due:				
- 1 to 30 days	531,279	-	(11,872)	519,407
- 31 to 60 days	137,086	-	(2,386)	134,700
- 61 to 90 days	286,027	-	(6,256)	279,771
- > 90 days	130,854	(31,391)	(2,678)	96,785
Trade receivables	<u>2,264,533</u>	<u>(31,391)</u>	<u>(23,706)</u>	<u>2,209,436</u>
Contract assets	<u>6,281,925</u>	<u>(1,189,411)</u>	<u>-</u>	<u>5,092,514</u>
	<u>8,546,458</u>	<u>(1,220,802)</u>	<u>(23,706)</u>	<u>7,301,950</u>

The movements in the loss allowances in respect of trade receivables and contract assets are disclosed in Notes 10 and 12 to the financial statements respectively.

REDPLANET BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables

The Group applies the 3-stage general approach to measuring expected credit losses for other receivables. At the end of the reporting period, there was no indication that the amount owing is not recoverable.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

Under this approach, the Group assesses whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Group considers there has been a significant increase in credit risk when there are changes in contractual terms or delay in payment. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 30 days past due in making a contractual payment.

The Group uses 3 categories to reflect their credit risk and how the loss allowance is determined for each category:-

<u>Category</u>	<u>Definition of Category</u>	<u>Loss Allowance</u>
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-months expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Not performing:	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

The Group measures the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on individual basis. Other receivables are grouped based on shared credit risk characteristics and assessed on collective basis.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables (Cont'd)

Inputs, Assumptions and Techniques used for Estimating Impairment Losses (Cont'd)

Loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group considers the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

There are no significant changes in the estimation techniques and assumptions as compared to previous financial year.

Allowance for Impairment Losses

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group considers the licensed banks have low credit risks. In addition, some of the bank balances are insured by the Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and adequate working capital to meet its obligations as and when they fall due.

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

Group	Weighted Average Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM
2023					
<u>Non-derivative Financial Liabilities</u>					
Trade payables	-	571,574	571,574	571,574	-
Other payables and accruals	-	1,194,318	1,194,318	1,194,318	-
Lease liabilities	3.46	543,005	574,200	190,200	384,000
		<u>2,308,897</u>	<u>2,340,092</u>	<u>1,956,092</u>	<u>384,000</u>

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

Group	Weighted Average Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM
2022					
<u>Non-derivative</u>					
<u>Financial</u>					
<u>Liabilities</u>					
Trade payables	-	878,762	878,762	878,762	-
Other payables and accruals	-	803,127	803,127	803,127	-
Lease liabilities	3.33	645,491	694,200	166,200	528,000
		<u>2,327,380</u>	<u>2,376,089</u>	<u>1,848,089</u>	<u>528,000</u>
Company					
2023					
<u>Non-derivative</u>					
<u>Financial</u>					
<u>Liability</u>					
Other payables and accruals	-	86,150	86,150	86,150	-
2022					
<u>Non-derivative</u>					
<u>Financial</u>					
<u>Liability</u>					
Other payables and accruals	-	90,400	90,400	90,400	-

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders' value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio. As the Group has no external borrowings, the debt-to-equity ratio at the end of the reporting period is not presented as it may not provide a meaningful indicator of the risk of borrowings.

31.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Financial Assets				
<u>Fair Value Through Profit or Loss</u>				
Short-term investments (Note 13)	5,075	2,265,996	1,170	2,149,881
<u>Amortised Cost</u>				
Trade receivables (Note 10)	2,099,956	2,209,436	-	-
Other receivables (Note 11)	684,955	943,502	-	-
Fixed deposits with licensed banks (Note 14)	888,916	619,482	-	-
Cash and bank balances	15,141,581	7,213,795	3,785,311	1,814,644
	<u>18,815,408</u>	<u>10,986,215</u>	<u>3,785,311</u>	<u>1,814,644</u>
Financial Liability				
<u>Amortised Cost</u>				
Trade payables (Note 19)	571,574	878,762	-	-
Other payables and accruals (Note 20)	1,194,318	803,127	86,150	90,400
	<u>1,765,892</u>	<u>1,681,889</u>	<u>86,150</u>	<u>90,400</u>

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

31. FINANCIAL INSTRUMENTS (CONT'D)

31.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Financial Assets				
<u>Fair Value Through Profit or Loss</u>				
Net gains recognised in profit or loss	243,813	142,545	80,273	48,861
<u>Amortised Cost</u>				
Net gains recognised in profit or loss	403,148	11,439	-	-
Financial Liabilities				
<u>Amortised Cost</u>				
Net losses recognised in profit or loss	2,589	-	-	-

31.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value at the end of the reporting period:-

	Fair Value of Financial Instruments			Total Fair Value RM	Carrying Amount RM
	Level 1 RM	Level 2 RM	Level 3 RM		
Group					
2023					
<u>Financial Asset</u>					
Short-term investments:					
- money market funds	5,075	-	-	5,075	5,075

REDPLANET BERHAD

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

31. FINANCIAL INSTRUMENTS (CONT'D)

31.5 FAIR VALUE INFORMATION (CONT'D)

The following table sets out the fair value profile of financial instruments that are carried at fair value at the end of the reporting period (Cont'd):-

	Fair Value of Financial Instruments			Total Fair Value RM	Carrying Amount RM
	Carried At Fair Value				
	Level 1 RM	Level 2 RM	Level 3 RM		
Group					
2022					
<u>Financial Asset</u>					
Short-term investments:					
- money market funds	2,265,996	-	-	2,265,996	2,265,996
Company					
2023					
<u>Financial Asset</u>					
Short-term investments:					
- money market funds	1,170	-	-	1,170	1,170
2022					
<u>Financial Asset</u>					
Short-term investments:					
- money market funds	2,149,881	-	-	2,149,881	2,149,881

Fair Value of Financial Instruments Carried at Fair Value

(i) The fair values of the Group's and the Company's short-term investments are determined by reference to statements provided by the respective financial institutions, with which the investments were entered into.

(ii) There were no transfers between level 1 and level 2 during the financial year.

REDPLANET BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

32. SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

- (a) On 21 July 2023, the Company subscribed for an additional 500,000 new ordinary shares in RPS for a total consideration of RM2,500,000.
- (b) On 30 August 2023, the Company declared an interim dividend of 0.35 sen per ordinary share amounting to RM557,888 in respect of the current financial year ended 30 June 2023, payable on 29 September 2023, to shareholders whose names appeared in the record of depositors on 15 September 2023. The financial statements for the current financial year do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 30 June 2024.
- (c) On 7 September 2023, the Company entered into a Share Purchase Agreement ("SPA") with Lian Wah Seng, Newventures Capital Sdn Bhd and Puncak Prospek Sdn Bhd (collectively referred as the "Vendors") for the acquisition of 1,020,000 ordinary shares in AZTI Technology Sdn Bhd ("AZTI"), representing 51% of the issued and paid-up share capital of AZTI ("Proposed Acquisition"). The total purchase consideration of RM7,650,000 to be satisfied via a combination of cash consideration of RM5,355,000 and share consideration of RM2,295,000 via issuance of 10,928,571 new ordinary shares in the Company at an issue price of RM0.21 per share ("Consideration Shares").

The Proposed Acquisition is conditional upon satisfaction of the conditions precedent as set out in the SPA, which include the following:-

- (i) The approval of Bursa Securities for the listing of and quotation for the Consideration Shares to be issued pursuant to the Proposed Acquisition on the LEAP Market of Bursa Securities;
- (ii) The results of the due diligence review (including but not limited to legal due diligence review) into AZTI and its affairs being satisfactory to the Company;
- (iii) The approval of the board of directors and shareholders of the Vendors for the sales of 1,020,000 ordinary shares in AZTI in accordance with the terms of the SPA;
- (iv) The approval of the board of directors of the Company in respect of the Proposed Acquisition and the issuance of Consideration Shares;
- (v) The approval of the shareholders of the Company at a general meeting of the Company to be convened in respect of the Proposed Acquisition and the issuance of Consideration Shares; and
- (vi) Such other consents or approvals as may be necessary from any governmental or regulatory body or competent authority, or third-party having jurisdiction over the sale of 1,020,000 ordinary shares in AZTI which are mutually agreed on by the parties, having been granted, waived or obtained.

The Proposed Acquisition has not completed at the time the financial statements were authorised for issue.