



SMTRACK BERHAD

Reg No.: 200401000918 (639421-X)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT

FOR THE QUARTER ENDED 30 JUNE 2024

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE FORTH QUARTER ENDED 30 JUNE 2024**

	(Unaudited) As at 30/06/2024 RM'000	(Audited) As at 30/06/2023 RM'000
ASSETS		
Non-current assets		
Aircraft, plant and equipment	77,202	66,203
Intangible asset	9,240	9,240
Right of use assets	1,526	1,091
Other receivables, deposits and prepayments	4,944	-
Goodwill on consolidation	9,061	9,030
	<u>101,973</u>	<u>85,564</u>
Current assets		
Trade receivables	36	7,749
Other receivables, deposits and prepayments	17,273	14,036
Inventories	1,919	4,317
Cash and bank balances	664	384
	<u>19,892</u>	<u>26,486</u>
Total Assets	121,865	112,050
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share capital	113,172	108,354
Reserves	959	565
Accumulated losses	(33,275)	(35,915)
Shareholders' funds	<u>80,856</u>	<u>73,004</u>
Non-controlling interests	8,101	6,483
Total Equity	<u>88,957</u>	<u>79,487</u>
LIABILITIES		
Non-current liabilities		
Lease liabilities	1,125	757
Borrowings	16,112	8,055
Deferred tax liabilities	346	346
	<u>17,583</u>	<u>9,158</u>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE FORTH QUARTER ENDED 30 JUNE 2024**

	(Unaudited) As at 30/06/2024 RM'000	(Audited) As at 30/06/2023 RM'000
Current liabilities		
Trade payables	149	3,925
Other payables and accruals	7,385	6,081
Tax payable	5,739	3,870
Borrowings	1,550	9,120
Lease liabilities	502	409
	<u>15,325</u>	<u>23,405</u>
Total Liabilities	32,908	32,563
Total Equity and Liabilities	121,865	112,050
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.07	0.08

Notes:

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended ("FYE") 30 June 2023 and the accompanying notes attached to this interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FORTH QUARTER ENDED 30 JUNE 2024**

	----- Individual Quarter ----		----- Cumulative Quarter ----	
	Current Year Quarter Ended	*Preceding Year Corresponding Quarter Ended	Current Year- To Date	*Preceding Year Corresponding Period
	30/06/2024 RM'000	30/06/2023 RM'000	30/06/2024 RM'000	30/06/2023 RM'000
Revenue	2,542	3,436	17,250	15,970
Cost of sales	(1,114)	(725)	(4,549)	(9,265)
Gross Profit	1,428	2,711	12,701	6,705
Other income	6,660	70	6,765	1,585
Administrative expenses	(1,457)	(7,006)	(13,805)	(21,822)
Operating Profit/(Loss)	6,631	(4,225)	5,661	(13,532)
Finance cost	11	(208)	(599)	(586)
Profit/(Loss) Before Taxation	6,642	(4,433)	5,062	(14,118)
Taxation	(59)	(379)	(984)	(423)
Net Profit/(Loss) After Taxation	6,583	(4,812)	4,078	(14,541)
Other comprehensive loss, net of tax	-	-	-	-
Total Comprehensive Profit/(Loss)	6,583	(4,812)	4,078	(14,541)
Net profit/(loss) attributable to :				
- Owners of the Company	6,667	(4,705)	2,640	(14,742)
- Non-controlling interests	(84)	(107)	1,438	201
Net Profit/(Loss)	6,583	(4,812)	4,078	(14,541)
Total comprehensive income/(loss) attributable to :				
- Owners of the Company	6,667	(4,705)	2,640	(14,742)
- Non-controlling interests	(84)	(107)	1,438	201
Total Comprehensive Income/(Loss)	6,583	(4,812)	4,078	(14,541)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FORTH QUARTER ENDED 30 JUNE 2024**

	----- Individual Quarter ----		---- Cumulative Quarter ----	
	Current Year Quarter Ended	*Preceding Year Corresponding Quarter Ended	Current Year- To Date	*Preceding Year Corresponding Period
	30/06/2024 RM'000	30/06/2023 RM'000	30/06/2024 RM'000	30/06/2023 RM'000
Weighted average no. of ordinary shares in issue ('000)	1,236,151	926,765	1,236,151	926,765
in issue adjusted for the effect of dilutive potential ordinary shares('000)	1,236,151	926,765	1,236,151	926,765
Earnings/(loss) per ordinary share (sen):				
Basic earnings/(loss) per share (sen)	0.54	(0.51)	0.21	(1.59)
Diluted earnings/(loss) per share (sen)	0.54	(0.51)	0.21	(1.59)

Notes:

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended ("FYE") 30 June 2023 and the accompanying notes attached to this interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FORTH QUARTER ENDED 30 JUNE 2024**

	12 Months Ended 30/06/2024 RM'000	12 Months Ended 30/06/2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	5,062	(14,118)
Adjustments for:		
Allowance of impairment of goodwill	-	2,777
Depreciation	1,869	288
Amortisation	565	564
Gain on lease	(15)	-
Interest expenses	678	760
Bargain purchase on consolidation	-	(5)
Allowance of expected credit losses	-	10,911
Reversal of allowance of expected credit losses	(6,655)	(68)
Share option expense	959	4,311
Operating profit/(loss) before working capital changes	2,463	5,420
Changes in working capital		
Decrease/(Increase) in inventories	2,397	(2,820)
Decreased/(Increase) in trade and other receivables	5,361	(16,388)
(Decrease)/ Increase in trade and other payables	(645)	(12,962)
Cash generated from/(used in) operations	9,576	(26,750)
Interest received	-	-
Tax refund	65	-
Net cash generated from/(used in) operating activities	9,641	(26,750)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of goodwill	-	(289)
Addition in intangible asset	-	-
Purchase of aircraft, plant and equipment	(12,867)	(8,794)
Proceed from disposal of aircraft, plant and equipment	-	-
Net cash inflow/(outflow) in acquisition of subsidiary company	(32)	-
Net cash flows (used in) investing activities	(12,899)	(9,083)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FORTH QUARTER ENDED 30 JUNE 2024**

	12 Months Ended 30/06/2024 RM'000	12 Months Ended 30/06/2023 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds/ (Repayment) exercise of Share Issuance Scheme Options	4,253	29,072
Advance from directors	-	1,920
Net increase/(decrease) from borrowings	487	-
Proceeds/ (Repayment) of other borrowings	-	6,220
Proceeds/ (Repayment) of lease liabilities	(524)	(596)
Interest paid	(678)	(760)
Net cash from financing activities	3,538	35,856
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	280	23
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR/PERIOD	(60)	(83)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR/PERIOD	220	(60)

Cash and cash equivalents at end of the financial year/period comprise the following:

Cash and bank balances	664	384
Bank overdraft	(444)	(444)
	220	(60)

Note:

The Unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the FYE 30 June 2023 and the accompanying notes attached to this interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FORTH QUARTER ENDED 30 JUNE 2024**

	Non-distributable		Distributable	Shareholders' Fund RM'000	Non-controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Employee Share Option Reserve RM'000	Accumulated Losses RM'000			
At 1 Jul 2023	108,354	565	(35,915)	73,004	6,483	79,487
Transactions with owners:						
Exercise of Share Issuance Scheme ("SIS") options	4,818	(4,818)	-	-	-	-
Grant of Share Issuance Scheme ("SIS") options	-	5,212	-	5,212	-	5,212
Non-controlling interest arising from disposal of a subsidiary company	-	-	-	-	180	180
	4,818	394	-	5,212	180	5,392
Net loss for the financial period	-	-	2,640	2,640	1,438	4,078
	-	-	2,640	2,640	1,438	4,078
At 30 June 2024	113,172	959	(33,275)	80,856	8,101	88,957
At 1 July 2022	88,284	1,235	(23,504)	66,015	(236)	65,779
Transactions with owners:						
Movement Share Issuance Scheme ("SIS") options	20,070	-	-	20,070	-	20,070
Grant of Share Issuance Scheme ("SIS") options	-	3,239	-	3,239	-	3,239
Acquisition of subsidiaries	-	-	-	-	6,432	6,432
SIS options surrendered	-	(1,235)	-	(1,235)	-	(1,235)
Share issuance expenses	-	(2,674)	-	(2,674)	-	(2,674)
	20,070	(670)	-	19,400	6,432	25,832
Net loss for the financial period	-	-	(12,411)	(12,411)	287	(12,124)
	-	-	(12,411)	(12,411)	287	(12,124)
At 30 June 2023	108,354	565	(35,915)	73,004	6,483	79,487

Note:

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the FYE 30 June 2023 and the accompanying notes attached to this interim financial report.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FORTH QUARTER ENDED 30 JUNE 2024****A: EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134****A1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). These interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the period ended 30 June 2023. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial period ended 30 June 2023.

A2. Auditors' Report of preceding period financial statements

The auditor report on financial statements for the year ended 30 June 2023 of the Group were not qualified by the external auditor.

A3. Seasonal or cyclical factors

The Group's operations are not materially affected by seasonal and/or cyclical factors.

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

There were no other unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the quarter under review.

A5. Material changes in estimates

There were no material changes in estimates in the quarter under review and financial year-to-date.

A6. Debts and equity securities

Saved as disclosed below, there were no issuance of debts and equity securities for the quarter under review:-

(a) 8,951,262 new ordinary shares pursuant to the Shares Issuance Scheme

A7. Dividends

There were no dividends paid or declared for the quarter under review.

A8. Segmental Information

In 2022, SMTrack diversified of the existing business of the group to include providing consultancy services for oil and gas ("O&G") businesses, food and beverage ("F&B") services and trading in F&B businesses and property management and property development businesses.

Further information on the Group's revenue is discussed in Section B1.

A9. Capital commitments

There were no material capital commitments in respect of property, plant and equipment as at the current financial quarter under review.

A10. Other commitments

There were no material other commitments as at the current financial quarter under review.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FORTH QUARTER ENDED 30 JUNE 2024****A: EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134 (CONT'D)****A11. Changes in the composition of the Group**

There were no changes in composition of the Group during the quarter under review.

A12. Contingent assets or liabilities

Save as disclosed in the quarterly reports, the Directors are of the opinion that the Group has no other contingent liabilities which, upon crystallisation would have material impact on the financial position and business performance of the Group as at reporting date.

A13. Material events pending completion

Pursuant to Rule 9.19(51) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, SMTRACK wishes to announce that it has offered options to eligible employees under its SIS, the details of which are as follows:

- a) Date of offer: 27 June 2024
- (b) Exercise price of options offered: RM0.0360 each
- (c) Number of options offered: 22,734,900
- (d) Market price of SMTRACK shares on the date of offer: RM0.035
- (e) Number of options offered to Directors and employees of SMTRACK: 22,734,900
Director: Datuk Azmi Bin Osman (9,000,000)
- (f) Vesting period of options offered: Not applicable

A14. Material events subsequent to the end of the quarter

The Board of Directors of the Company has approved the change of financial year end of the Company from 30 June 2024 to 31 December. Following the change of financial year end, the next set of audited financial statements shall be made up for a period of 18 months from 1 July 2023 to 31 December 2024.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FORTH QUARTER ENDED 30 JUNE 2024**

B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of the performance of the Group

For the quarter ended 30 June 2024, the Group recorded revenue of RM 17.25 million and with a profit before taxation of RM 5.628 million.

B2. Comparison to the Results of the Preceding Quarter

	Current Quarter Ended 30/06/2024 RM'000	Preceeding Corresponding Quarter Ended 30/06/2023 RM'000
Revenue	2,542	3,436
Profit/(Loss) before tax	6,642	(4,433)

B3. Prospects

The Management will continue its efforts on operational efficiency and effective cost management in order to maintain the Group's competitive edge in the RFID industry. Besides maintaining the RFID businesses, the Group will continue to seek new business opportunities and projects in other sector in order to diversify the revenue base. The Group has acquired majority stake in an entity that is involved in the aviation. The Group is positive that with the acquisition, its revenue will be enhanced in future.

The Group is currently in the midst of designing and developing an application based on the above for its air cargo business and is targeting to commence the use of this application the soonest. Additionally, the Group will also introduce the application to other logistics companies. This is expected to provide an additional income stream to the Group. Further to its existing businesses, the Group has been actively identifying other business opportunities to expand its revenue stream. During the financial period, the Group have diversified and acquired among others health and wellness group of companies, property and related venture, Oil and Gas consultancy collaboration as well as food and beverages section such diversification and acquisition have contributed positively to the revenue of the Group. Moving forward, the Group will continue actively seeking to acquire and diversify into new business sectors.

B4. Profit forecast and profit guarantee

The Group did not issue any profit forecast or profit guarantee for the current quarter under review or in any public documents.

B5. Taxation

	Current Quarter Ended 30/06/2024 RM'000	*Preceding Year Corresponding Quarter Ended 30/06/2023 RM'000
Current Tax Expenses	59	379

B6. Status of Corporate Proposal

The Board of Director of SMTrack is pleased to announce that the Company had on 31 October 2023 entered into a Heads of agreement with the vendors with intention to acquires the reminging 70% equity interest in V Ultimate Sdn Bhd.

B7. Group borrowings and debt securities

As at the report date, the Group does not have any borrowings and debt securities.

B8. Off balance sheet financial instruments

As at the report date, the Group does not have any off balance sheet financial instruments.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FORTH QUARTER ENDED 30 JUNE 2024**

B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B9. Material Litigations

There were no material litigations during the quarter under review.

B10. Dividends

The Board of Directors does not recommend any dividends for the current financial quarter under review.

B11. Earnings / (loss) per share

a) Basic earnings/ (loss) per share

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended	Preceding Corresponding Quarter Ended	Current Year To Date	*Preceding Year Corresponding Period
	30/06/2024	30/06/2023	30/06/2024	30/06/2023
Net profit/(loss) attributable to ordinary equity holders of the Company (RM'000)	6,667	(4,705)	2,640	(14,742)
Weighted average number of ordinary shares in issue ('000)	1,236,151	926,765	1,236,151	926,765
Basic earnings/(loss) per share (sen)	0.54	(0.51)	0.21	(1.59)

b) Diluted earnings/ (loss) per share

No diluted earnings/ (loss) per share is disclosed as all potential ordinary shares are anti-dilutive.

B12. Disclosure of realised and unrealised profits or losses

	Current Year Quarter Ended	Preceding Corresponding Quarter Ended
	30/06/2024	30/06/2023
	RM'000	RM'000
Total accumulated profit / (losses) of the Company and its subsidiaries		
- Realised	(33,275)	(35,915)
- Unrealised	-	-
	(33,275)	(35,915)
Total share of accumulated profit/(losses) of a jointly controlled entity		
- Realised	-	-
- Unrealised	-	-
	(33,275)	(35,915)
Add: Consolidation adjustments	-	-
Total Accumulated profit / (losses)	(33,275)	(35,915)

B13. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 31 Aug 2024.

SMTRACK BERHAD

BY ORDER OF THE BOARD