

# RED IDEAS

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## HOLDINGS BERHAD

### **RED IDEAS HOLDINGS BERHAD**

[Registration No.: 201701020066 (1234231-M)]

(Incorporated in Malaysia)

## **FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED**

**30 JUNE 2024**

#### **CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”)**

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

# RED IDEAS HOLDINGS BERHAD

[Registration No.: 201701020066 (1234231-M)]  
(Incorporated in Malaysia)



## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2024

	Individual 6 months ended		Cumulative	
	Unaudited	Unaudited	Unaudited	Audited
	Current year	Preceding year corresponding period	18 months ended	12 months ended
	30/06/2024	30/06/2023	30/06/2024	31/12/2022
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>	2,729	2,567	7,997	4,714
Cost of sales	(1,093)	(969)	(3,160)	(1,635)
<b>GROSS PROFIT</b>	1,636	1,598	4,837	3,079
Other operating income	29	73	147	33
Administrative expenses	(1,728)	(2,136)	(7,601)	(3,858)
Finance expenses	(4)	(5)	(13)	(12)
<b>LOSS BEFORE TAX</b>	(68)	(470)	(2,630)	(759)
Income tax expenses	(3)	-	19	(108)
<b>LOSS FOR THE FINANCIAL PERIOD</b>	(71)	(470)	(2,611)	(867)
Other comprehensive income	0	14	19	19
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>	(71)	(456)	(2,592)	(848)
<b>LOSS FOR THE PERIOD ATTRIBUTABLE TO</b>				
Owners of the Company	(71)	(470)	(2,611)	(867)
<b>TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO</b>				
Owners of the Company	(71)	(456)	(2,592)	(848)
<b>EARNINGS / (LOSS) PER ORDINARY SHARE (Sen)</b>				
Basic	(0.07)	(0.45)	(2.49) @	(0.83) #
Diluted	(0.07)	(0.45)	(2.49)	(0.83)

@Total number of ordinary shares of 105,003,340 as at 30 June 2024

# Total number of ordinary shares of 105,003,340 as at 31 December 2022

### Notes:

(1) The Company had on 22 February 2024 announced the change of its financial year end from 31 December 2023 to 30 June 2024.

(2) The basis of preparation of the Unaudited Condensed Consolidated Statements of Comprehensive Income are detailed in Note A1 and should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022 of the Group and the accompanying explanatory notes attached to this interim financial report.

**RED IDEAS HOLDINGS BERHAD**

[Registration No.: 201701020066 (1234231-M)]

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024**

	UNAUDITED	AUDITED
	AS AT	AS AT
	30/06/2024	31/12/2022
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	79	131
Intangible assets	574	2,214
Right of use**	212	165
	<u>866</u>	<u>2,510</u>
<b>Current Assets</b>		
Inventories	145	126
Trade receivables	484	468
Other receivables, deposits and prepayments	140	145
Other investments***	912	1,327
Cash and bank balances	141	582
	<u>1,824</u>	<u>2,648</u>
<b>TOTAL ASSETS</b>	<u>2,690</u>	<u>5,158</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share Capital		
Ordinary shares****	11,653	11,653
Redeemable preference shares	2,200	2,200
Translation reserve	74	55
Merger reserve	266	266
Accumulated losses	(13,923)	(11,312)
	<u>270</u>	<u>2,862</u>
<b>SHAREHOLDERS' EQUITY</b>		
Non-controlling interest	-	-
<b>TOTAL EQUITY</b>	<u>270</u>	<u>2,862</u>
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Lease payables	57	58
	<u>57</u>	<u>58</u>
<b>Current Liabilities</b>		
Trade payables	107	35
Other payables and accruals	633	447
Tax payable	1	102
Lease payables	158	114
Provisions	26	25
Deferred income	1,438	1,516
	<u>2,363</u>	<u>2,239</u>
<b>TOTAL LIABILITIES</b>	<u>2,420</u>	<u>2,296</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>2,690</u>	<u>5,158</u>
<b>NET ASSETS PER ORDINARY SHARE (RM)</b>	@ <u>(0.018)</u>	# <u>0.006</u>

\*\*Lease asset - Rental of office in accordance latest MFRS 16 Leases

\*\*\*Money market fund investment

\*\*\*\*Position as at 31 December 2019 takes into account net investment proceeds from investor amounting to approximately RM 3.94 millions

@ Total number of ordinary shares of 105,003,340 as at 30 June 2024

# Total number of ordinary shares of 105,003,340 as at 31 December 2022

Notes:

(1) The Company had on 22 February 2024 announced the change of its financial year end from 31 December 2023 to 30 June 2024.

(2) The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position are detailed in Note A1 and should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022 of the Group and the accompanying explanatory notes attached to this interim financial report.

# RED IDEAS HOLDINGS BERHAD

[Registration No.: 201701020066 (1234231-M)]

(Incorporated in Malaysia)

**RED IDEAS**  
HOLDINGS BERHAD

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2024

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ENTITY					TOTAL EQUITY RM'000
	Non-distributable			Distributable		
	SHARE CAPITAL	REDEEMABLE PREFERENCE SHARES	TRANSLATION RESERVE	MERGER RESERVE	RETAINED EARNINGS	
	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>At 01.01.2022*</b>	<b>11,653</b>	<b>2,200</b>	<b>36</b>	<b>266</b>	<b>(10,445)</b>	<b>3,710</b>
New ordinary shares subscription	-	-	-	-	-	-
Profit/(Loss) of the financial year	-	-	19	-	(867)	(848)
<b>At 31.12.2022*</b>	<b>11,653</b>	<b>2,200</b>	<b>55</b>	<b>266</b>	<b>(11,312)</b>	<b>2,862</b>
<b>At 01.01.2023</b>	<b>11,653</b>	<b>2,200</b>	<b>55</b>	<b>266</b>	<b>(11,312)</b>	<b>2,862</b>
New ordinary shares subscription	-	-	-	-	-	-
Profit/(Loss) of the financial year	-	-	19	-	(2,611)	(2,592)
<b>At 30.06.2024</b>	<b>11,653</b>	<b>2,200</b>	<b>74</b>	<b>266</b>	<b>(13,923)</b>	<b>270</b>

\*Audited financial statements of financial position as at 31 December 2022

Notes:

(1) The Company had on 22 February 2024 announced the change of its financial year end from 31 December 2023 to 30 June 2024.

(2) The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity are detailed in Note A1 and should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022 of the Group and the accompanying explanatory notes attached to this interim financial report.

**RED IDEAS HOLDINGS BERHAD**

[Registration No.: 201701020066 (1234231-M)]

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE HALF-YEAR ENDED 30 JUNE 2024**

	(Unaudited)	(Audited)
	Current year	Preceding year corresponding period
	30/06/2024 RM'000	31/12/2022 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	(2,630)	(759)
Adjustments for:		
Amortisation of Intangible Assets	621	894
Allowance for expected credit losses	(22)	(74)
Depreciation of Plant and Equipment & Right of Use Assets	242	215
Bad debt waiver	-	-
Inventories written off	-	-
Bad debts written off	47	68
Intangible assets written off	1,522	2
Plant & equipment written off	3	-
Provision for warranty cost	13	21
Changes in fair value of other investment	(19)	(26)
Gain on investment	(66)	-
Gain on disposal of other investments	-	(2)
Gain on disposal of plant and equipment	-	(1)
Unrealized nett loss on foreign exchange	(19)	20
Income distributed from financial assets at fair value through profit or loss	-	-
Income tax paid	(106)	(13)
Interest expense on lease liabilities paid	13	12
Interest income	-	-
Operating (loss) / profit before working capital changes	<u>(400)</u>	<u>357</u>
Change in working capital		
Inventories	(19)	22
Trade and other receivables	(37)	4
Trade and other payables	282	105
Contract liability	(77)	414
Provision	(12)	(11)
Cash generated from operations	<u>136</u>	<u>534</u>
<b>Net cash (used in) / from operating activities</b>	<u>(264)</u>	<u>891</u>
<b>Cash flows from investing activities</b>		
Purchase of intangible assets	(505)	(818)
Purchase of plant and equipment	(30)	(40)
Held for trading investment	-	-
Disposal of fixed asset	-	1
Disposal of investment	500	350
<b>Net cash used in investing activities</b>	<u>(34)</u>	<u>(507)</u>
<b>Cash flows from financing activities</b>		
Advances from/(to) directors	-	-
Interest paid	(2)	(12)
Net proceed from new ordinary shares subscription	-	-
Repayments of lease liabilities	(178)	(112)
<b>Net cash used in financing activities</b>	<u>(180)</u>	<u>(124)</u>
Net (decrease) / increase in cash and cash equivalents	(478)	260
Effect of exchange translation differences on cash and cash equivalents	38	(1)
Cash and cash equivalent at the beginning of the financial period	<u>582</u>	<u>323</u>
Cash and cash equivalents at the end of the financial period	<u>141</u>	<u>582</u>

\* Audited financial statements of financial position as at 31 December 2022

## Notes:

(1) The Company had on 22 February 2024 announced the change of its financial year end from 31 December 2023 to 30 June 2024.

(2) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows are detailed in Note A1 and should be read in conjunction with the Audited Report and Financial Statements for the financial year ended 31 December 2022 of the Group and the accompanying explanatory notes attached to this interim financial report.

A.	EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024
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**A1. BASIS OF PREPARATION**

The interim financial Statements of Red Ideas Holdings Berhad and its subsidiaries (the “Group”) are unaudited and have been prepared in accordance with the requirements of the Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting and Paragraph 6.12 of the Leap Market’s Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

This is the interim financial report on the consolidated results for the half-year ended 30 June 2024 announced by the Company in compliance with Rule 6.12 of the LEAP Market Listing Requirements of Bursa Securities (“**Listing Requirements**”).

The interim financial report should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

**A2. CHANGES IN ACCOUNTING POLICIES**

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited consolidated financial statements for the financial year ended 31 December 2022:

The following standards relevant to the Group that are issued up to the date of the issuance of the half yearly result adopted by the Group are as follow:-

MFRSs	Effective Date
Amendments to MFRS 101 Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108 Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 101 Classification of Liabilities as Current or Non-current	1 January 2024

The adoption of the above did not have any material effects on the financial performance or position of the Group.

**A3. SEASONAL OR CYCLICAL FACTORS**

The Group's operations were not affected by seasonal or cyclical factors for the current financial period under review.

**A4. UNUSUAL ITEMS**

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence for the current financial period under review.

**A5. MATERIAL CHANGES IN ESTIMATES**

There were no material changes in accounting estimates in the current financial period under review.

**A6. DEBT AND EQUITY SECURITIES**

There was no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial period under review.

**A7. SEGMENTAL INFORMATION**

No reporting segment is presented as the Group is predominantly in the business of community security services through mobile applications. The Group activities are predominantly in Malaysia and the international segment does not contribute more than 10% of the consolidated assets and liabilities. The Group does not have significant reliance on a single major customer, with whom the Group transacted 10% or more of its revenue during the current financial period under review.

**A8. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD**

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

**A9. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group that have not been reflected in this interim financial report.

**A10. CHANGES IN CONTINGENT ASSETS AND CONTINGENT LIABILITIES**

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

**A11. CAPITAL COMMITMENTS**

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

<b>B.</b>	<b>ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS</b>
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**B1. REVIEW OF PERFORMANCE**

During the six (6) months period ended 30 June 2024 under review, the Group has recorded the revenue of approximately RM 2.729 million with the loss before tax (“LBT”) of approximately RM 68 thousand as compared to the reported revenue of RM 2.567 million with the LBT of RM 470 thousand in the corresponding Half Yearly Report on Consolidated Results for the financial period ended 30 June 2023.

The increase of approximately RM 0.162 million in revenue was primarily attributable to:

- I. Increase number of total communities/neighbourhoods and service providers;
- II. Increase in the revenue contribution from the up-selling of products to existing sites; and
- III. Increase in Partnership performance for the period.

**B2. PROSPECTS OF THE GROUP**

The management remains focused on the core business of the group, continuing to enhance both its products features and functions and increasing its offerings to both its existing customers and potential customers alike.

The group is committed to continue executing the plans planned for the year and which has already proven to show positive financial impact to the group in the 2024.

**B3. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST AND PROFIT GUARANTEE**

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

**B4. CORPORATE PROPOSALS**

There were no corporate proposals as at the date of this financial report.



**B5. UTILISATION OF PROCEEDS**

There was no any utilisation of proceeds as there were no additional funds raised during the financial period under review.

**B6. MATERIAL LITIGATION**

The Company was not engaged in any material litigation as at the date of this financial report.

**B7. DIVIDEND PROPOSED**

There was no dividend proposed by the Board of Directors of the Company for the current financial period under review.

**B8. EARNINGS / (LOSS) PER SHARE**

The basic and diluted EPS for the current financial period and financial period-to-date are computed as follows:

	Individual 6 months		Cumulative	
	30 Jun 2024	30 Jun 2023	18 months ended	12 months ended
	RM'000	RM'000	30 Jun 2024 RM'000	31 Dec 2022 RM'000
Loss attributable to owners of the parent	(71)	(470)	(2,611)	(867)
Number of ordinary shares in issue ('000)	105,003,340	105,003,340	105,003,340	105,003,340
Basic and diluted EPS (sen)	(0.07)	(0.45)	(2.49)	(0.83)

Diluted EPS is equivalent to the basic EPS as the Company does not have any securities convertible into ordinary shares of the Company at the end of the reporting period.

By the order of the Board  
**Red Ideas Holdings Berhad**

Dato' Yong Lei Choo  
Chairperson  
Date : 30 August 2024

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