

# EquitiesTracker

**EQUITIESTRACKER HOLDINGS BERHAD**

(Registration No. 201801018969 (1280985-X))

(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 EQUITIESTRACKER HOLDINGS BERHAD (“ETH” OR THE “COMPANY”). SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024<sup>(1)</sup>

	As at 30/06/2024 Unaudited RM'000	As at 31/12/2023 Audited RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Plant and equipment	799	861
Right-of-use assets	331	455
Intangible assets	270	300
<b>Total non-current assets</b>	<b>1,400</b>	<b>1,616</b>
<b>Current assets</b>		
Trade receivables	210	195
Other receivables, deposits and prepayments	92	43
Short term investment	337	944
Current tax assets	10	-
Fixed Deposist	4,000	4,000
Cash and bank balances	1,384	2,409
<b>Total current assets</b>	<b>6,033</b>	<b>7,591</b>
<b>Total assets</b>	<b>7,433</b>	<b>9,207</b>
<b>EQUITY</b>		
Share capital	17,746	17,746
Accumulated losses	(12,821)	(11,407)
Foreign exchange translation differences	25	(6)
<b>Shareholders' fund</b>	<b>4,951</b>	<b>6,333</b>
Non-controlling interest	(404)	(424)
<b>Total equity</b>	<b>4,547</b>	<b>5,909</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Lease liabilities	100	224
<b>Current liabilities</b>		
Other payables and accruals	473	756
Amount due to directors	11	16
Amount due to shareholders	2,050	2,050
Lease liabilities	252	252
<b>Total current liabilities</b>	<b>2,786</b>	<b>3,074</b>
<b>Total liabilities</b>	<b>2,886</b>	<b>3,297</b>
<b>Total equity and liabilities</b>	<b>7,433</b>	<b>9,207</b>
<b>Net assets per share (sen)<sup>(2)</sup></b>	<b>1.680</b>	<b>2.150</b>

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are detailed in Note A1 and should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per share is calculated based on the Company's number of issued ordinary shares of 294,635,500 ordinary shares as at 31 December 2023 and 30 June 2024 respectively.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED (“FPE”) 30 JUNE 2024<sup>(1)</sup>

	Individual 6 months ended		Cumulative 6 months ended	
	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	1,811	920	1,811	920
Cost of sales	(810)	(661)	(810)	(661)
<b>Gross profit</b>	<b>1,001</b>	<b>259</b>	<b>1,001</b>	<b>259</b>
Other income	195	63	195	63
General and administrative expenses	(2,225)	(1,866)	(2,225)	(1,866)
Depreciation	(320)	(321)	(320)	(321)
Amortisation	(30)	(30)	(30)	(30)
Impairment Loss	-	-	-	-
<b>Operating Loss</b>	<b>(1,380)</b>	<b>(1,895)</b>	<b>(1,380)</b>	<b>(1,895)</b>
Finance Expense	(14)	(21)	(14)	(21)
<b>Loss before tax</b>	<b>(1,394)</b>	<b>(1,916)</b>	<b>(1,394)</b>	<b>(1,916)</b>
Tax expense	-	-	-	-
<b>Net loss for the financial period, representing total comprehensive loss for the financial period</b>	<b>(1,394)</b>	<b>(1,916)</b>	<b>(1,394)</b>	<b>(1,916)</b>
<b>Loss/total comprehensive loss attributable to equity holders of the parent</b>	<b>(1,414)</b>	<b>(1,831)</b>	<b>(1,414)</b>	<b>(1,831)</b>
<b>Non-controlling interest</b>	<b>(21)</b>	<b>(85)</b>	<b>(21)</b>	<b>(85)</b>
<b>Total</b>	<b>(1,393)</b>	<b>(1,916)</b>	<b>(1,393)</b>	<b>(1,916)</b>
<b>Loss per ordinary share (“LPS”) (sen):</b>				
- Basic and diluted <sup>(2)</sup>	(0.48)	(1.45)	(0.48)	(1.45)

Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income are detailed in Note A1 and should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.
- (2) LPS is calculated based on the Company's weighted average number of ordinary shares of 294,635,500 (2023: 281,231,896) ordinary shares for the financial period.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FPE 30 JUNE 2024<sup>(1)</sup>

	Share capital RM'000	Accumulated losses RM'000	Foreign exchange translation differences RM'000	Non-controlling interest RM'000	Total RM'000
<b>At 1 January 2024</b>	17,746	(11,407)	(6)	(425)	5,908
<b>Total comprehensive loss for the financial period</b>					
Loss for the financial period	-	(1,414)	-	21	(1,393)
Foreign exchange translation differences	-	-	31	-	31
<b>At 30 June 2024</b>	17,746	(12,821)	25	404	4,546
<b>At 1 January 2023</b>	12,363	(7,298)	(23)	(277)	4,765
<b>Total comprehensive loss for the financial period</b>					
Loss for the financial period	-	(1,831)	-	(85)	(1,916)
Foreign exchange translation differences	-	-	(8)	-	(8)
Total	12,363	(9,129)	(31)	(362)	2,841
<b>Transaction with owners, recognised directly in equity</b>					
Issuance of shares	1,012	-	-	-	1,012
Total	1,012	-	-	-	1,012
<b>At 30 June 2023</b>	13,375	(9,129)	(31)	(362)	3,853

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are detailed in Note A1 and should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FPE 30 JUNE 2023<sup>(1)</sup>**

	6 months ended	
	30/06/2024	30/06/2023
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Loss before tax	(1,394)	(1,916)
Adjustments for:		
Depreciation of plant and equipment	225	197
Depreciation of right-of-use assets	124	124
Amortisation of intangible assets	30	30
Changes in fair value of cryptocurrency	-	(63)
Impairment of short term investment	-	-
Interest on lease liability	14	21
Operating loss before working capital changes	(1,001)	(1,607)
Changes in:		
Receivables	(63)	(1,499)
Payables	(2,332)	3,793
Tax payment	(10)	-
Net cash from/(used in) operating activities	(3,406)	687
<b>Cash flows from investing activities</b>		
Purchase of plant and equipment	26	(120)
(Placement)/Disposal of short term investments	403	(2,700)
Net cash (used in)/from investing activities	429	(2,820)
<b>Cash flows from financing activities</b>		
Advance from shareholders	2,050	-
Repayment to director	(4)	-
Issuance of shares	-	1,012
Operating lease expenses	(124)	(134)
Net cash from/(used in) financing activities	1,922	878
Net decrease in cash and cash equivalents	(1,055)	(1,255)
Foreign exchange translation differences	31	(8)
Cash and cash equivalents at beginning of the financial period	2,409	3,653
<b>Cash and cash equivalents at end of the financial period</b>	<b>1,385</b>	<b>2,390</b>
Cash and cash equivalents at end of the financial period comprise:		
Cash and bank balances	1,385	2,390

Note:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are detailed in Note A1 and should be read in conjunction with the Audited Consolidated Financial Statement for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FPE 30 JUNE 2024**

**A1. BASIS OF PREPARATION**

ETH was incorporated in Malaysia under the Companies Act, 2016 on 22 May 2018 as a public limited company.

The interim financial statements of ETH and its subsidiaries (“**Group**”) are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards (“**MFRS**”) 134: Interim Financial Reporting.

The interim financial report should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2023 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 Financial Statements for the financial year ended 31 December 2022 except the adoption of the following standards and amendments to standards that are mandatory for the Group for the financial year beginning 1 January 2023:

Amendments to MFRS 1	First-time Adoption of Malaysia Financial Reporting Standards (Annual Improvement to MFRS Standard 2018-2021 Cycle)
Amendments to MFRS 3	Business Combinations
Amendments to MFRS 9	Financial Instruments (Annual Improvement to MFRS Standard 2018-2021 Cycle)
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to MFRS 137	Provisions, Contingent Liabilities and Contingent Assets

The adoption of these new MFRSs and amendments did not have any material impact on the interim financial report of the Group.

**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FPE 30 JUNE 2024 (CONT'D)**

**A2. CHANGES IN ACCOUNTING POLICIES (CONT'D)**

**MFRSs and Amendments to MFRSs that have been issued but are not yet effective**

The Group has not adopted the following MFRSs and amendments that have been issued but are not yet effective:

<u>MFRSs/Amendments to MFRSs</u>	<u>Effective for annual periods beginning on or after</u>
Amendments to MFRS 16 Leases – Lease Liability in a Sales and Leaseback	1 January 2024
Amendments to MFRS 101: Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current	1 January 2024
Amendments to MFRS 101: Presentation of Financial Statements - Non-current Liabilities with Covenants	1 January 2024
MFRS 1: Insurance Contracts	1 January 2023
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: Presentation of Financial Statements – Disclosures of Accounting Estimates	1 January 2023
Amendments to MFRS 101: Presentation of Financial Statements – Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
Amendments to MFRS 112: Income Taxes	1 January 2023
Amendments to MFRS 10: Consolidated Financial Statements – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced
Amendments to MFRS 128: Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced

The Group will adopt the above new MFRSs and amendments when they become effective in the respective financial periods. The adoption of these standards and amendments that have been issued but are not yet effective are not expected to have a material impact to the financial statements of the Group.

**A3. SEASONAL AND CYCLICAL FACTORS**

The Group did not experience any material seasonality or cyclical effects in its business operations for the current financial period and financial year-to-date under review.

**A4. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS**

There were no material unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial period and financial year-to-date under review.

**A5. MATERIAL CHANGES IN ESTIMATES**

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

**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FPE 30 JUNE 2024 (CONT'D)**

**A6. DEBT AND EQUITY SECURITIES**

There was no other material issuance, cancellation, repurchase, resale or repayments of debts or equity securities for the current financial year.

**A7. SEGMENTAL INFORMATION**

The Group's revenue based on its activities is presented as follows:

	Individual 6 months ended				Cumulative 6 months ended			
	30/06/2024		30/06/2023		30/06/2024		30/06/2023	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
<b>Equity investment research platforms</b>								
- Corporate	375	20.7	77	8.4	375	20.7	77	8.4
- Retail	116	6.4	253	27.5	116	6.4	253	27.5
	491	27.1	330	35.9	491	27.1	330	35.9
<b>Investment training services</b>								
- Corporate	242	13.4	365	39.7	242	13.4	365	39.7
- Retail	712	39.3	225	24.4	712	39.3	225	24.4
	954	52.7	590	64.1	954	52.7	590	64.1
<b>Fund Management</b>	366	20.2	-	-	366	20.2	-	-
<b>Total</b>	<b>1,811</b>	<b>100.0</b>	<b>920</b>	<b>100.0</b>	<b>1,811</b>	<b>100.0</b>	<b>920</b>	<b>100.0</b>

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

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

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

There were no changes in the composition of the Group for the current financial period and financial year-to-date.

**A10. CONTINGENT ASSETS AND CONTINGENT LIABILITIES**

There are 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 property, plant and equipment as at the end of the current financial period.



**B ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS**

**B1. REVIEW OF PERFORMANCE**

The Group's performance is presented as follows:

	Individual 6 months ended		Cumulative 6 months ended	
	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	RM'000	RM'000	RM'000	RM'000
Revenue	1,811	920	1,811	920
Gross profit	1,001	259	1,001	259
Loss before tax	(1,394)	(1,916)	(1,394)	(1,916)

**Comparison between FPE 30 June 2024 and FPE 30 June 2023**

The Group's revenue from equity investment research platform recorded an increase of RM0.16 million or approximately 48.8% to RM0.49 million in the FPE 30 June 2024 as compared to the previous financial period mainly attributable to onboarding of new corporate clients due to competitive market conditions in the stock brokers business.

The Group's revenue which is derived from investment training services increased by RM0.36 million or approximately 61.7% to RM0.95 million in the FPE 30 June 2024 as compared to the previous financial period mainly attributable to the repackaging of our products to give out supplementary access to the platform. However, the engagements by corporate clients for education services have lower demand due to the challenging environment in the equities market.

The Group's gross profit increased by RM0.74 million or approximately 286.5% to RM1 million in the FPE 30 June 2024 as compared to the previous financial period mainly due to overall higher engagements by corporate and retail clients for the services as mentioned above.

The Group's loss before tax decreased by RM0.52 million to RM1.39 million in the FPE 30 June 2024 mainly due to increase in corporate and retail sales as mentioned above.

**B ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS (CONT'D)**

**B2. COMMENTARY ON PROSPECTS**

In line with the Group's future plans and strategies, the Group continues to further expand its business which are focused in the following areas:

- (i) Activation of its fund management businesses
  - a) The Group has through its subsidiary, ET Smart Wealth Sdn Bhd received an approval from Securities Commission Malaysia via its letter dated 29 March 2023, for its application for the Capital Markets Services Licence for the regulated activity of fund management in relation to portfolio management pursuant to Section 61 of the Capital Markets and Services Act 2007. Thereafter, the subsidiary commenced its fund management business on 15 August 2023.
  - b) The Group under its fund management business arm has currently launch its 1<sup>st</sup> strategy in private mandate. The Group will continue to develop and research for new strategy and increase clients engagement in this segment.
- (ii) Enhancement of its existing equity investment research platforms
  - a) The Group continues to embark on enhancements to its platforms with the intent of reducing the time for its clients to gain insights from analytical tools from its Proprietary Equity Research Platform.
  - b) Besides, The Group has increase in data points collection to enhance its platform as well as providing value to its clients.
  - c) The Group is making good progress with its backend updates and processes to allow for deeper data-mining of existing data sets.
- (iii) Upgrading of its back-end systems to accommodate future business expansion
  - a) The Group continues to grow and scale its platform to improve both its proposition and services using the infinite scalability of the cloud. The back-end systems continue to operate on both on-premise & cloud-based systems as the migration takes place.
  - b) The Group believes that operating on Cloud-native applications will ease its business expansion as it will facilitate the sharing of information and workflow efficiencies, while ensuring built-in business continuity planning (BCP).
  - c) The Group continues to focus on the enhancement of Cyber-Security to achieve globally recognised standards.
  - d) The Group continues to Improve the processes to allow for data-mining of existing data sets and to enable its Data Warehouse Capabilities.
- (iv) Expand its presence in the investment training services industry
  - a) The Group has embarked on online digital marketing initiatives by creating a new department and have increased its focus on marketing its products digitally mainly through social media.
  - b) The Group continues to work towards the expansion of its investment training coverage. Following the launch of TrackerOne and TrackerX to the retail clients, the sales in retail education segment has seen positive impact.

**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.

**C OTHER INFORMATION**

**C1. STATUS OF CORPORATE PROPOSALS**

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

**C2. UTILISATION OF PROCEEDS**

The intended utilisation of the gross proceeds arising from the proposed placement are as follows:

Purpose	Proposed Utilisation RM'000	Reallocation of Proceeds <sup>(1)</sup> RM'000	Actual Utilisation <sup>(2)</sup> RM'000	Balance RM'000	Estimated timeframe for utilisation upon listing
Initial capital for fund management	4,000	-	4,000	-	Within 24 months
Working capital for fund management	4,071	407	3,937	541	Within 24 months
Estimated listing expenses	500	(407)	93	-	Within 1 month
<b>Total</b>	<b>8,571</b>	<b>-</b>	<b>8,030</b>	<b>541</b>	

Notes:

(1) Part of the proceeds previously earmarked for estimated listing expenses was reallocated to the Group's working capital fund management.

(2) Utilisation of proceeds as at 30 June 2024.

**C3. MATERIAL LITIGATION**

There are no material litigations pending as at the date of this report.

**C4. DIVIDENDS**

The Board does not recommend any dividend for the current FPE 30 June 2024.