



SMTRACK BERHAD

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

UNAUDITED INTERIM FINANCIAL REPORT

FOR THE QUARTER ENDED 31 DECEMBER 2024

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE SIXTH QUARTER ENDED 31 DECEMBER 2024**

	(Unaudited) As at 31/12/2024 RM'000	(Audited) As at 30/06/2023 RM'000
ASSETS		
Non-current assets		
Aircraft, plant and equipment	40,920	66,203
Intangible asset	9,240	9,240
Right of use assets	1,181	1,091
Other receivables, deposits and prepayments	4,944	-
Goodwill on consolidation	9,030	9,030
	<u>65,315</u>	<u>85,564</u>
Current assets		
Trade receivables	129	7,749
Other receivables, deposits and prepayments	5,747	14,036
Inventories	171	4,317
Cash and bank balances	373	384
	<u>6,420</u>	<u>26,486</u>
Total Assets	71,735	112,050
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share capital	114,503	108,354
Reserves	-	565
Accumulated losses	(66,440)	(35,915)
Shareholders' funds	48,063	73,004
Non-controlling interests	1,413	6,483
Total Equity	<u>49,476</u>	<u>79,487</u>
LIABILITIES		
Non-current liabilities		
Lease liabilities	932	757
Borrowings	943	8,055
Deferred tax liabilities	-	346
	<u>1,875</u>	<u>9,158</u>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE SIXTH QUARTER ENDED 31 DECEMBER 2024**

	(Unaudited) As at 31/12/2024 RM'000	(Audited) As at 30/06/2023 RM'000
Current liabilities		
Trade payables	164	3,925
Other payables and accruals	12,760	6,081
Tax payable	116	3,870
Borrowings	7,000	9,120
Lease liabilities	344	409
	20,384	23,405
Total Liabilities	22,259	32,563
Total Equity and Liabilities	71,735	112,050
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.04	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 SIXTH QUARTER ENDED 31 DECEMBER 2024**

	----- Individual Quarter -----		----- Cumulative Quarter -----	
	Current Year Quarter Ended	*Preceding Year Corresponding Quarter Ended	Current Year- To Date	*Preceding Year Corresponding Period
	31/12/2024 RM'000	31/12/2023 RM'000	31/12/2024 RM'000	31/12/2023 RM'000
Revenue	2,102	6,272	24,004	11,054
Cost of sales	(623)	(1,233)	(6,494)	(2,406)
Gross Profit	1,479	5,039	17,510	8,648
Other income	2,726	-	11,595	-
Administrative expenses	(23,923)	(5,460)	(63,547)	(8,440)
Operating (Loss)/Profit	(19,718)	(421)	(34,442)	208
Finance cost	(114)	(208)	(1,248)	(395)
(Loss)/Profit Before Taxation	(19,832)	(629)	(35,690)	(187)
Taxation	352	(501)	(984)	(819)
Net (Loss)/Profit After Taxation	(19,480)	(1,130)	(36,674)	(1,006)
Other comprehensive loss, net of tax	-	-	-	-
Total Comprehensive Profit/(Loss)	(19,480)	(1,130)	(36,674)	(1,006)
Net profit/(loss) attributable to :				
- Owners of the Company	(10,663)	(2,218)	(29,141)	(2,454)
- Non-controlling interests	(8,817)	1,088	(7,533)	1,448
Net Profit/(Loss)	(19,480)	(1,130)	(36,674)	(1,006)
Total comprehensive income/(loss) attributable to :				
- Owners of the Company	(10,663)	(2,218)	(29,141)	(2,454)
- Non-controlling interests	(8,817)	1,088	(7,533)	1,448
Total Comprehensive Income/(Loss)	(19,480)	(1,130)	(36,674)	(1,006)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIXTH QUARTER ENDED 31 DECEMBER 2024**

	----- Individual Quarter ----		----- Cumulative Quarter -----	
	Current Year Quarter Ended	*Preceding Year Corresponding Quarter Ended	Current Year- To Date	*Preceding Year Corresponding Period
	31/12/2024 RM'000	31/12/2023 RM'000	31/12/2024 RM'000	31/12/2023 RM'000
Weighted average no. of ordinary shares in issue ('000)	1,236,151	1,210,366	1,236,151	1,210,366
in issue adjusted for the effect of dilutive potential ordinary shares('000)	1,236,151	1,210,366	1,236,151	1,210,366
Earnings/(loss) per ordinary share (sen):				
Basic earnings/(loss) per share (sen)	(0.86)	(0.18)	(2.36)	(0.20)
Diluted earnings/(loss) per share (sen)	(0.86)	(0.18)	(2.36)	(0.20)

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 CHANGES IN EQUITY
FOR THE SIXTH QUARTER ENDED 31 DECEMBER 2024**

	Share Capital RM'000	Non-distributable Employee Share Option Reserve RM'000	Distributable Accumulated Losses RM'000	Shareholders' Fund RM'000	Non-controlling Interest RM'000	Total Equity RM'000
At 1 Jul 2023	108,354	565	(35,915)	73,004	6,483	79,487
Transactions with owners:						
Issuance of shares	1,748	-	-	1,748	-	1,748
Grant of Share Issuance Scheme ("SIS") options	3,836	-	-	3,836	-	3,836
SIS reserve transfer to share capital	565	(565)	-	-	-	-
Non-controlling interest arising from the increase in the percentage of ownership in subsidiary companies.	-	-	(1,384)	(1,384)	2,463	1,079
	6,149	(565)	(1,384)	4,200	2,463	6,663
Net loss for the financial period	-	-	(29,141)	(29,141)	(7,533)	(36,674)
	-	-	(29,141)	(29,141)	(7,533)	(36,674)
At 31 December 2024	114,503	-	(66,440)	48,063	1,413	49,476
At 1 July 2022	88,284	1,235	(23,504)	66,015	(236)	65,779
Transactions with owners:						
Movement Share Issuance Scheme ("SIS") options	20,919	-	-	20,919	-	20,919
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)
	20,919	(670)	-	20,249	6,432	26,681
Net loss for the financial period	-	-	(14,865)	(14,865)	1,735	(13,130)
	-	-	(14,865)	(14,865)	1,735	(13,130)
At 31 December 2023	109,203	565	(38,369)	71,399	7,931	79,330

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.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIXTH QUARTER ENDED 31 DECEMBER 2024**

	18 Months Ended 31/12/2024 RM'000	18 Months Ended 31/12/2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) before taxation	(35,690)	(187)
Adjustments for:		
Allowance of impairment of goodwill	-	2,777
Allowance of expected credit lossess	-	10,911
Amortisation	457	655
Bargain purchase on consolidation	-	(5)
Depreciation	3,172	1,185
Gain on lease	(15)	-
Interest expenses	1,248	1,155
Investment Loss	8,860	-
Loss in Disposal Assets	23,470	-
Reversal of allowance of expected credit losses	(4,944)	(68)
Share option expense	513	4,311
Operating profit/(loss) before working capital changes	(2,929)	20,734
Changes in working capital		
Decrease/(Increase) in inventories	4,145	(2,145)
Decreased/(Increase) in trade and other receivables	15,272	(16,657)
(Decrease)/ Increase in trade and other payables	(5,580)	(8,421)
Cash generated from/(used in) operations	10,908	(6,489)
Interest received	-	-
Tax refund	65	-
Net cash generated from/(used in) operating activities	10,973	(6,489)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of goodwill	-	(289)
Purchase of aircraft, plant and equipment	22,112	(28,900)
Proceed from disposal of right of use assets	(547)	-
Proceed from disposal of aircraft, plant and equipment	(27,778)	-
Net cash flows (used in) investing activities	(6,213)	(29,189)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIXTH QUARTER ENDED 31 DECEMBER 2024**

	18 Months Ended 31/12/2024 RM'000	18 Months Ended 31/12/2023 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds/ (Repayment) exercise of Share Issuance Scheme Options	5,584	29,072
Advance from directors	-	1,920
Net increase/(decrease) from borrowings	(9,232)	6,220
Proceeds/ (Repayment) of lease liabilities	125	(410)
Interest paid	(1,248)	(1,155)
Net cash from financing activities	(4,771)	35,647
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(11)	(31)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR/PERIOD	(60)	(29)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR/PERIOD	(71)	(60)

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

Cash and bank balances	373	384
Bank overdraft	(444)	(444)
	(71)	(60)

Note:

The Unaudited Condensed Consolidated Statement of Cash Flow 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 SIXTH QUARTER ENDED 31 DECEMBER 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.

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.

A11. Changes in the composition of the Group

During Sixth Quarter period under review, the Group underwent an internal restructuring, which included a significant change in the shareholding structure of one of its associates (V Ultimate Sdn Bhd). The Group increased its investment in the associate, raising its stake from 30% to a majority shareholding, effectively making the associate a subsidiary of the Group. This change was achieved through an injection of RM 7.45 million, which further strengthens the Group's control and influence over the subsidiary.

This restructuring is part of the Group's ongoing strategy to enhance operational efficiency and streamline its corporate structure, aligning with the long-term goals of the business.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SIXTH QUARTER ENDED 31 DECEMBER 2024**

A: EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134 (CONT'D)

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

There were no material events pending completion in the quarter under review and financial year-to-date.

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.

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 31 December 2024, the Group recorded revenue of RM 24 million and with a loss before taxation of RM 36.6 million.

B2. Comparison to the Results of the Preceding Quarter

	Current Quarter Ended 31/12/2024 RM'000	Preceding Corresponding Quarter Ended 31/12/2023 RM'000
Revenue	2,102	6,272
(Loss) before tax	(19,832)	(629)

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 31/12/2024 RM'000	*Preceding Year Corresponding Quarter Ended 31/12/2023 RM'000
Current Tax Expenses	(352)	501

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 acquire the remaining 70% equity interest in V Ultimate Sdn Bhd. Additionally, there was an increase in investment shares during the sixth-quarter review period.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SIXTH QUARTER ENDED 31 DECEMBER 2024**

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

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.

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
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Net profit/(loss) attributable to ordinary equity holders of the Company (RM'000)	(10,663)	(2,218)	(29,141)	(2,454)
Weighted average number of ordinary shares in issue ('000)	1,236,151	1,210,366	1,236,151	1,210,366
Basic earnings/(loss) per share (sen)	(0.86)	(0.18)	(2.36)	(0.20)

b) Diluted earnings/ (loss) per share

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SIXTH QUARTER ENDED 31 DECEMBER 2024**

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

B12. Disclosure of realised and unrealised profits or losses

	Current Year Quarter Ended	Preceding Corresponding Quarter Ended
	31/12/2024	31/12/2023
	RM'000	RM'000
Total accumulated profit / (losses) of the Company and its subsidiaries		
- Realised	(66,440)	(38,369)
- Unrealised	-	-
	(66,440)	(38,369)
Total share of accumulated profit/(losses) of a jointly controlled entity		
- Realised	-	-
- Unrealised	-	-
	(66,440)	(38,369)
Add: Consolidation adjustments	-	-
Total Accumulated profit / (losses)	(66,440)	(38,369)

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 28 Feb 2025.

SMTRACK BERHAD

BY ORDER OF THE BOARD