

APEX EQUITY HOLDINGS BERHAD
[199001016563 (208232 - A)]

QUARTERLY REPORT

Quarterly report on consolidated results for the financial quarter ended 30 June 2024
The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

	QUARTER ENDED		YEAR ENDED	
	CURRENT YEAR 30-Jun-24 RM' 000	PRECEDING YEAR COMPARATIVE 30-Jun-23 RM' 000	CURRENT YEAR 30-Jun-24 RM' 000	PRECEDING YEAR COMPARATIVE 30-Jun-23 RM' 000
Revenue	14,914	10,476	27,727	20,986
Direct Operating Costs	(3,484)	(2,182)	(6,373)	(4,525)
Gross Profit	11,429	8,294	21,354	16,462
Other Income	1,116	100	1,222	167
Administrative and General Expenses	(7,212)	(5,810)	(14,592)	(11,455)
Finance Costs	(402)	(14)	(613)	(21)
Gain on disposal of an associate company	-	-	-	-
Profit/(Loss) Before Taxation	4,932	2,570	7,371	5,152
Income Tax Expense	(1,762)	(930)	(2,753)	(1,560)
Net Profit/(Loss) After Taxation	3,170	1,641	4,618	3,592
Other Comprehensive Income: <u>Item that will not be reclassified</u> <u>Subsequently to Profit or Loss</u>				
Gain/(loss) on Available For Sale Investments	-	-	-	-
Income Tax Relating To Other Components Of Comprehensive Income	-	-	-	-
Net profit and Total Comprehensive Income For the Financial Period	3,170	1,641	4,618	3,592
Profit/(Loss) After Taxation Attributable to :				
Equity holders of the parent	3,170	1,641	4,618	3,592
Non-controlling interest	-	-	-	-
	3,170	1,641	4,618	3,592
Total Comprehensive Income Attributable to :				
Equity holders of the parent	3,170	1,641	4,618	3,592
Non-controlling interest	-	-	-	-
	3,170	1,641	4,618	3,592
Earning Per Share (sen)				
- Basic	1.56	0.81	2.28	1.77
- Diluted	1.56	0.81	2.28	1.77

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Report for the year ended 31 December 2023)

APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	AS AT 30-Jun-24 (Unaudited) RM' 000	AS AT 31-Dec-23 (Audited) RM' 000
ASSETS		
Non-Current Assets		
Property and Equipment	4,011	3,359
Investment Properties	26,981	26,984
Right-of-use Assets	2,155	2,290
Receivables	32,153	15,000
Deferred Tax Assets	523	1,508
Other assets	4,929	4,794
	70,752	53,935
Current Assets		
Marketable Securities Held for Trading	4,285	4,817
Receivables	289,241	257,174
Current Tax Assets	-	238
Cash and Short Term Funds	33,272	47,023
	326,798	309,252
Non-current Assets Held for Sale	10,825	10,825
Non-current Asset Held for Sale - Development Land	-	-
	337,624	320,077
Non-current Asset Held for Sale	-	-
TOTAL ASSETS	408,376	374,012
EQUITY AND LIABILITIES		
Equity		
Share Capital	221,940	221,940
Reserves	118,849	114,232
Treasury Shares	(7,459)	(7,459)
	333,330	328,713
Minority Interests	-	-
TOTAL EQUITY	333,330	328,713
Non-Current Liabilities		
Lease Liabilities	1,166	1,397
	1,166	1,397
Current Liabilities		
Payables	32,604	38,530
Lease Liabilities	1,090	934
Current Tax Liabilities	882	432
Bank Borrowings	39,304	4,005
	73,880	43,901
TOTAL LIABILITIES	75,046	45,299
TOTAL EQUITY AND LIABILITIES	408,376	374,012
Net assets per share (RM)	1.64	1.62

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Report for the year ended 31 December 2023)

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

	Share Capital RM`000	Non- Distributable Fair Value Reserve RM`000	Distributable		Total Equity RM`000
			Retained Profits RM`000	Treasury Shares RM`000	
6 months ended 30 June 2024					
Balance at 1.1.2024	221,940	2,623	111,609	(7,459)	328,712
Profit after taxation/Total comprehensive income for the financial period	-	-	4,618	-	4,618
Transfer to comprehensive income	-	-	-	-	(0)
Distribution to owners of the Company :					
- Dividends	-	-	-	-	-
Balance at 30.6.2024	<u>221,940</u>	<u>2,623</u>	<u>116,226</u>	<u>(7,459)</u>	<u>333,330</u>
6 months ended 30 June 2023					
Balance at 1.1.2023 As previously stated	221,940	2,407	104,290	(7,459)	321,178
Profit after taxation/Total comprehensive income for the financial period	-	-	3,592	-	3,592
Transfer to comprehensive income	-	-	-	-	-
Distribution to owners of the Company :					
- Dividends	-	-	-	-	-
Balance at 30.6.2023	<u>221,940</u>	<u>2,407</u>	<u>107,882</u>	<u>(7,459)</u>	<u>324,770</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Report for the year ended 31 December 2023)

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

	6 months ended 30-Jun-24 RM' 000	6 months ended 30-Jun-23 RM' 000
CASH FLOWS (FOR) / FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax	7,371	5,152
Adjustments for :-		
Depreciation:		
- Property and equipment	533	440
- Investment properties	2	18
- Right-of-use assets	540	221
Loss on disposal of property, plan and equipments	6	-
Loss/(gain) on marketable securities	-	109
Impairment of receivables	511	-
Provision for doubtful debts	-	3
Dividend income	-	-
Interest expense	613	21
Interest income	(2,387)	(1,323)
Operating profit before changes before working capital	<u>7,189</u>	<u>4,643</u>
Changes in clearing fund	(135)	(1,146)
Changes in marketable securities held for trading	532	1,993
Changes in receivables	(49,731)	(36,497)
Changes in payables	(5,926)	(10,547)
CASH FROM / (FOR) OPERATIONS	<u>(48,071)</u>	<u>(41,555)</u>
Dividend Income	-	-
Interest income	2,387	1,323
Interest expense	(528)	(19)
Income tax paid	(1,081)	(1,068)
NET CASH (FOR) / FROM OPERATING ACTIVITIES	<u>(47,293)</u>	<u>(41,319)</u>
CASH FLOWS FROM / (FOR) INVESTING ACTIVITIES		
Purchase of property, plant & equipment	(1,191)	(1,113)
Proceeds from disposal of property, plant and equipment	-	-
NET CASH FROM / (FOR) INVESTING ACTIVITIES	<u>(1,191)</u>	<u>(1,113)</u>
CASH FLOWS FOR FINANCING ACTIVITIES		
Dividends paid	-	-
Interest paid on lease liabilities	(85)	(2)
Repayment of lease liabilities	(481)	(73)
Bank borrowings drawdown	10,000	-
NET CASH FOR FINANCING ACTIVITIES	<u>9,434</u>	<u>(74)</u>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(39,050)	(42,507)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	43,018	104,020
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u>3,968</u>	<u>61,513</u>
Cash & Cash Equivalents at end of period comprise :		
Cash, Bank Balances and Deposits	33,272	66,519
Bank Overdrafts	(29,304)	(5,007)
	<u>3,968</u>	<u>61,513</u>

(The Condensed Consolidated Statement of Cashflow should be read in conjunction with the Annual Report for the year ended 31 December 2023)

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2024**

Explanatory Notes to the Quarterly Report – 30 June 2024 (“Interim Financial Report”)

EXPLANATORY NOTES

This interim financial report is prepared in accordance with the requirements of paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and complies with the requirements of the Malaysian Financial Reporting Standard (“MFRS”) 134 – Interim Financial Reporting. The interim financial report is unaudited and should be read in conjunction with the Group’s audited annual financial statements for the financial year ended 31 December 2023.

A. EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of Preparation and Group Accounting Policies

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted for the audited annual financial statements for the financial year ended 31 December 2023, except for the adoption of the following Amendments which are effective for the annual periods beginning on or after 1 January 2024.

(a) New accounting pronouncements

(i) Accounting pronouncements adopted for this interim financial report that do not have a material impact on the Group are set out below:

- Amendments to MFRS 16 ‘Lease Liability in a Sale and Leaseback’
- Amendments to MFRS 101 ‘Classification of Liabilities as Current or Non-Current’
- Amendments to MFRS 101 ‘Non-Current Liabilities with Covenants’
- Amendments to MFRS 107 and MFRS 7 ‘Supplier Finance Arrangements’

(b) Accounting pronouncements that are not yet effective are set out below:

Effective for annual reporting periods beginning on or after 1 January 2025

- Amendments to MFRS 121 ‘Lack of Exchangeability’

Effective for financial periods beginning on or after 1 January 2027

- MFRS 18 Presentation and Disclosure in Financial Statements

Accounting pronouncement where the effective date has been deferred to a date to be determined by the Malaysian Accounting Standards Board is set out below:

- Amendments to MFRS 10 ‘Consolidated Financial Statements’ and MFRS 128 ‘Sale or Contribution of Assets between an Investor and its Associate or Joint Venture’.

A2. Seasonal or Cyclical Factors

The Group’s business operations are not subject to any seasonal or cyclical factors. However, its business is influenced largely by the stock market velocity and any retail market cycles and sentiments that may affect its trading volumes and revenue.

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2024**

A3. 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 flow of the Group during the year-to-date ended 30 June 2024.

A4. Material Changes in Estimates

There were no changes in estimates that have had any material effect during the year-to-date ended 30 June 2024.

A5. Debt and Equity Securities

There were no issuance, cancellations, repurchase, resale and repayments of debt and equity securities during the year-to-date ended 30 June 2024.

A6. Dividends Paid

No dividend has been paid during the year-to-date ended 30 June 2024.

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APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2024

A7. Segment Analysis

Operating segments are prepared in a manner consistent with the internal reporting provided to the Directors as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their products and services provided. The Group's operating segments are as follows:

- (i) Investment holdings and others
- (ii) Stock and securities broking
- (iii) Property holding
- (iv) Money lending

The segment information for the current quarter is as follows:

All figures in RM'000					
Quarter ended 30 June 2024	Investment holdings and others	Stock and Securities broking	Property Holding	Money Lending	Total
Revenue					
External	12	12,472	24	2,406	14,914
Inter-Segment	820	-	169	-	989
Total Revenue	832	12,472	193	2,406	15,903
Reportable segment profit/(loss) before tax	(1,659)	4,542	30	2,019	4,932
Less: intra-group elimination					-
Consolidated Profit/(Loss) before tax					4,932
Total segment assets	233,696	272,604	40,936	103,122	650,358
Less: intra-group elimination					(241,982)
Group total assets					408,376

APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2024

A7. Segment Analysis (cont'd)

The segment information for the preceding quarter is as follows:

All figures in RM'000					
Quarter ended 30 June 2023	Investment holdings and others	Stock and Securities broking	Property Holding	Money Lending	Total
<u>Revenue</u>					
External	13	8,664	65	1,734	10,476
Inter-Segment	1,311	-	351	-	1,662
Total Revenue	1,324	8,664	416	1,734	12,138
Reportable segment profit/(loss) before tax	(835)	2,274	154	977	2,570
Less: intra-group elimination					-
Consolidated Profit/(Loss) before tax					2,570
Total segment assets	221,593	244,417	41,878	71,504	578,942
Less: intra-group elimination					(220,978)
Group total assets					357,964

APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2024

A7. Segment Analysis (cont'd)

The segment information for the current year-to-date is as follows:

All figures in RM'000					
Year-to-date ended 30 June 2024	Investment holdings and others	Stock and Securities broking	Property Holding	Money Lending	Total
<u>Revenue</u>					
External	16	23,211	75	4,425	27,727
Inter-Segment	21,641	-	515	-	22,156
Total Revenue	21,657	23,211	590	4,425	49,883
Reportable segment profit/(loss) before tax	17,066	6,473	209	3,623	27,371
Less: intra-group elimination					(20,000)
Consolidated Profit/(Loss) before tax					7,371
Total segment assets	233,696	272,604	40,936	103,122	650,358
Less: intra-group elimination					(241,982)
Group total assets					408,376

APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2024

A7. Segment Analysis (cont'd)

The segment information for the preceding year-to-date is as follows:

All figures in RM'000					
Year-to-date ended 30 June 2023	Investment holdings and others	Stock and Securities broking	Property Holding	Money Lending	Total
<u>Revenue</u>					
External	17	17,492	129	3,348	20,986
Inter-Segment	5,576	-	703	-	6,279
Total Revenue	5,593	17,492	832	3,348	27,265
Reportable segment profit/(loss) before tax	1,497	4,431	372	1,852	8,152
Less: intra-group elimination					(3,000)
Consolidated Profit/(Loss) before tax					5,152
Total segment assets	221,593	244,417	41,878	71,054	578,942
Less: intra-group elimination					(220,978)
Group total assets					357,964

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2024**

A8. Valuation of Property, Plant and Equipment

There were no revaluations of property, plant and equipment during the year-to-date ended 30 June 2024. As at 30 June 2024, all property, plant and equipment were stated at cost less accumulated depreciation and impairment losses.

A9. Material Events Subsequent to Reporting Quarter

Save for those disclosed in note B8 and the event below, there were no other material events subsequent to the end of the financial period up to the date of this report.

In the second quarter of 2024, the Group has become aware of a potential discontinuance of an on-going project awarded to a loan receivable (“Development”) in which the Group had financed an amount of RM23,800,000. The outcome of this Development, which is unascertainable at this juncture, may or may not cause a change in the credit quality of the said loan receivable in the future.

The Group is actively monitoring the matter and shall continuously assess the Development for any financial impact and reporting which will be reflected in the subsequent relevant financial periods, if any.

A10. Changes in Composition of the Group

There were no changes in the composition of the Group during the year-to-date ended 30 June 2024.

A11. Contingent Liabilities or Contingent Assets

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

A12. Significant Related Party Transaction

Significant related party transactions within the Group for the year-to-date ended 30 June 2024 are set out below:

	All figures in RM'000			
	Quarter ended 30 June		Year-to-date ended 30 June	
	2024	2023	2024	2023
Advances:				
- to a subsidiary	(1,970)	(2,000)	(5,370)	(7,000)
Repayment of advances:				
- from a subsidiary	1,850	500	1,850	500

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2024**

A13. Fair Value Information

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

- 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 following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the as at 30 June 2024:

All figures in RM'000									
	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			Total Fair Value	Carrying Amount	
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3			
As at 30 June 2024									
Financial Assets									
At FVPL: Marketable securities held for trading	4,285	-	-	-	-	-	4,285	4,285	
At FVOCI: Other Assets: - Unquoted shares in Malaysia	-	-	3,285	-	-	-	3,285	3,285	
As at 30 June 2023									
Financial Assets									
At FVPL: Marketable securities held for trading	2,322	-	-	-	-	-	2,322	2,322	
At FVOCI: Other Assets: - Unquoted shares in Malaysia	-	-	3,069	-	-	-	3,069	3,069	

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the last financial year ended 31 December 2023. There was no transfer between level 1 and level 2 during the financial period.

The fair value of loan receivables that carry fixed interest rate approximated its carrying amount as the impact of discounting is not material.

There were no transfers between Level 2 and Level 3 during the current financial period and previous financial year for the Group.

At the close of this interim financial period, the movement in the valuation of other assets which is classified as Level 3, if any, is expected to be insignificant to the Group.

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2024**

**EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B1. Review of Group Results

All figures in RM'000						
Quarter ended 30 June		% +/(-)	Year-to-date ended 30 June		% +/(-)	
2024	2023		2024	2023		
Segment revenue:						
Stock and securities broking	12,472	8,664	44.0	23,211	17,492	32.7
Property holding and development	193	416	(53.6)	590	832	(29.1)
Moneylending	2,406	1,734	38.8	4,425	3,348	32.2
Investment holdings and others	832	1,324	(37.2)	21,657	5,593	100
(-) Elimination	(989)	(1,662)	(40.5)	(22,156)	(6,279)	>100
	14,914	10,476	42.4	27,727	20,986	32.1
Segment results:						
Stock and securities broking	4,542	2,274	99.7	6,473	4,431	46.1
Property holding and development	30	154	(>80.5)	209	372	(43.8)
Moneylending	2,019	977	>100	3,623	1,852	95.6
Investment holdings and others	(1,659)	(835)	(98.7)	17,066	1,497	>100
(-) Elimination	-	-	-	(20,000)	(3,000)	>100
	4,932	2,570	91.9	7,371	5,152	43.1

Quarter ended 30 June 2024 (“Q2 2024”) compared with quarter ended 30 June 2023 (“Q2 2023”)

Overall revenue for the Group increased by 42.4% to RM14.91 million in Q2 2024 (Q2 2023: RM10.48 million).

The Group has recorded higher profit before tax (“PBT”) of RM4.93 million in Q2 2024 (Q2 2023: RM2.57 million), increase by RM2.36 million.

The operating analysis is explained in the respective business segments.

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2024**

B1. Review of Group Results (Cont'd)

Quarter ended 30 June 2024 (“Q2 2024”) compared with quarter ended 30 June 2023 (“Q2 2023”)(Cont'd)

The operating segment analysis are as follows:

i. Stock and securities broking

Overall revenue for this segment increased by 44.0% to RM12.47 million in Q2 2024 (Q2 2023: RM8.66 million), mainly due to the following:

- a) Increase in brokerage income by 73.8% to RM7.12 million in Q2 2024 (Q2 2023: RM4.10 million) due to higher volume and value of stockbroking activities; and
- b) Increase in margin and other interest income arising from better margin utilisation and interest rates, resulting an increase in revenue of 14.1% to RM4.54 million in Q2 2024 (Q2 2023: RM3.98 million).

Consequently, PBT for this segment increased by 99.7% or RM2.27 million to RM4.54 million in the Q2 2024 (Q2 2023: RM2.27 million) due to the above revenue and lower operating expenses incurred.

ii. Property holding

Overall revenue for this segment dropped to RM0.19 million in Q2 2024 (Q2 2023: RM0.42 million).

Consequently, this segment has recorded lower profit before tax of RM0.03 million in Q2 2024 (Q2 2023: RM0.15 million).

iii. Money lending

Revenue for this segment increased by 38.8% to RM2.41 million in Q2 2024 (Q2 2023: RM1.73 million) due to higher interest income generated.

Consequently, this segment has resulted higher PBT of RM2.02 million in Q2 2024 (Q2 2023: RM0.98 million), furthermore lower operating expenses incurred for the quarter.

iv. Investment holdings and others

Overall revenue for this segment, decreased to RM0.83 million in Q2 2024 (Q2 2023: RM1.32 million).

Consequently, this segment has recorded higher loss before tax of RM1.66 million in Q2 2024 (Q2 2023: RM0.84 million).

**APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2024**

B1. Review of Group Results (Cont'd)

Year-to-date ended 30 June 2024 (“YTD 2024”) compared with year-to-date ended 30 June 2023 (“YTD 2023”)

Overall revenue registered for the Group was higher by 32.1% to RM27.73 million in YTD 2024 (YTD 2023: RM20.99 million).

Consequently, PBT has increased by 43.1% to RM7.37 million in YTD 2024 (YTD 2023: RM5.15 million).

The operating segment analysis are as follows:

v. Stock and securities broking

Overall revenue for this segment increased by 32.7% to RM23.21 million in YTD 2024 (YTD 2023: RM17.49 million), mainly due to the following:

- a) Increase in brokerage income by 49.6% to RM12.92 million in YTD 2024 (YTD 2023: RM8.63 million) due to higher volume and value of stockbroking activities; and
- b) Increase in margin and other interest income arising from better margin utilisation and interest rates, resulting an increase in revenue of 15.2% to RM8.80 million in YTD 2024 (YTD 2023: RM7.64 million).

Consequently, PBT for this segment increased by 46.1% or RM2.04 million to RM6.47 million in the YTD 2024 (YTD 2023: RM4.43 million).

vi. Property holding

Overall revenue for this segment dropped to RM0.59 million in YTD 2024 (YTD 2023: RM0.83 million).

Consequently, this segment has recorded lower profit before tax of RM0.21 million in YTD 2024 (YTD 2023: RM0.37 million).

vii. Money lending

Revenue for this segment increased by 32.2% to RM4.43 million in YTD 2024 (YTD 2023: RM3.35 million) due to higher interest income generated.

Consequently, this segment has resulted higher PBT of RM3.62 million in YTD 2024 (YTD 2023: RM1.85 million), furthermore lower operating expenses incurred to-date.

viii. Investment holdings and others

Overall revenue for this segment, increased to RM21.66 million in YTD 2024 (YTD 2023: RM5.59 million) mainly due to higher dividend income received of RM20.0 million in YTD 2024 (YTD 2023: RM3.00 million).

Consequently, this segment has recorded higher profit before tax of RM17.07 million in YTD 2024 (YTD 2023: RM1.50 million).

APEX EQUITY HOLDINGS BERHAD [199001016563 (208232-A)]
NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2024

B2. Material Changes in Profit for the Current Quarter as Compared to the Results of the Preceding Quarter

	Current Quarter	Preceding Quarter	Change	
	30-June-2024	31-Mar-2024	RM'000	%
Revenue	14,914	12,813	2,101	16.4
Profit before tax	4,932	2,439	2,493	>100

The Group recorded higher quarterly revenue by 16.4% in Q2 2024 as compared to Q1 2024, mainly due to the following:

- i. Stock and securities broking activities increased by 16.1% to RM12.47 million in Q2 2024 (Q1 2024: RM10.74 million), mainly due to:
 - a. Higher volume in stockbroking activities leading to better brokerage income of RM7.12 million (Q1 2024: RM5.79 million); and
 - b. Higher margin and interest income of RM4.54 million (Q1 2024: RM4.25 million).
- ii. Moneylending activities increased by 19.1% to RM2.41 million in Q2 2024 (Q1 2024: RM2.02 million).

Consequently, the Group recorded higher PBT of RM4.93 million in Q2 2024 (Q1 2024: RM2.44 million).

B3. Prospects

Malaysia's advance reading of gross domestic product (GDP) grew at a rate of 5.9% in the second quarter of 2024, an increase from 4.2% growth in the preceding quarter and marked the strongest pace of growth rate since fourth quarter of 2022. The improvement the economy was bolstered by all major sectors alongside with the better external demand, increase in tourist arrivals, stronger household consumption that was spurred by festive and school holidays as well as payment of Sumbangan Tunai Rahmah's Phase 2 in April and withdrawal of Account 3 of the Employees Provident Fund.

The growth exceeded expectations of 4.0-5.0% year-on-year increase put forward in an advance estimate by the National Statistics Department as well as in a Bloomberg survey of economists. In its latest outlook, Bank Negara said growth in 2024 will be driven by resilient domestic expenditure with additional support from the recovery in external demand.

Moving into second half of 2024, the Group expect prospects to remain firm for remainder of the year, proactively strengthening its position by broadening products range and services tailored to market demands. Barring unforeseen circumstances, the Group are cautiously optimistic of the Group's performance for the remaining financial year.

B4. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee for the year.

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B5. Taxation

	All figures in RM'000			
	Quarter ended 30-June		Year-to-date ended 30-June	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
a) Income Tax				
Current year tax expense	1,052	660	1,805	1,290
Previous years under/(over) provision	-	-	-	-
	1,052	660	1,806	1,290
b) Deferred Tax				
Relating to origination and reversal of temporary differences arising from unutilised business loss	710	270	948	270
Tax expense/(credit) for the financial year	1,762	930	2,753	1,560

The Group's effective tax rate for the current quarter and year ended 30 June 2024 is higher than the statutory income tax rate mainly due to expenses not deductible for tax purposes and deferred tax assets not recognised for losses incurred by the Company.

B6. Status of Corporate Proposals

The corporate proposals announced but not completed as at 27 August 2024 is as per below event.

On 15 November 2023, Apex Development Sdn. Bhd., a wholly-owned subsidiary of the Group entered into a Sale and Purchase Agreement ("SPA") with New Era Edu Sdn. Bhd. to dispose 0.4737 hektar freehold land in Kajang, Negeri Selangor together with One (1) unit of Eleven (11) Storey Commercial Building known as "Menara Apex" bearing postal address of No. 1, Jalan Semenyih, Kajang, 43000 Selangor (collectively referred to as "the Property") for a total sales consideration of RM55.0 million.

Initially, the proposed disposal is expected to be completed within six (6) months from the Unconditional date, which is the date where all conditions precedent of the SPA are being fulfilled, subject to further extension.

On 28 May 2024, both parties have mutually agreed to further extend the Conditional Period of the SPA until 15 December 2024.

B7. Group Borrowings

The Group's borrowings as at 30 June 2024 : -

	RM'000
Bank Overdraft - Secured	29,304
Revolving Credit - Secured	10,000
Total short-term borrowings	39,304

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B8. Material Litigation

There was no material litigation till 20 August 2024, being the date not earlier than 7 days from the date of announcement of this interim financial report, which in the opinion of the directors would have a material adverse effect on the financial results of the Group.

B9. Dividends

The Board of Directors does not recommend payment of dividend in respect of the year-to-date ended 30 June 2024.

B10. Earnings per Share

The basic earnings per share have been calculated based on the following:

	Quarter ended 30-June		Year-to-date ended 30-June	
	2024	2023	2024	2023
Net profit/(loss) attributable to equity holders of the parent (RM'000)	3,170	1,641	4,618	3,592
No of ordinary shares in issued ('000)	213,563	213,563	213,563	213,563
Less: treasury shares ('000)	(10,923)	(10,923)	(10,923)	(10,923)
Adjusted number of ordinary shares ('000)	202,640	202,640	202,640	202,640
Basic earnings per share (Sen)	1.56	0.81	2.28	1.77

Diluted earnings per share:

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.

B11. Audit Report

The Audit Report of the Company's preceding Annual Financial Statements for the year ended 31 December 2023 was subjected to qualified "except for" opinion.

Kindly refer to note A9 and the Group's financial statement for the year ended 31 December 2023 for more detail on the auditors' report as well as the relevant announcement to Bursa relating to the Audit for more details.

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B12. Profit before tax is arrived at after (charging)/crediting:

	All figures in RM'000			
	Quarter ended 30-June		Year-to-date ended 30-June	
	2024	2023	2024	2023
- Interest expenses	(402)	(14)	(613)	(21)
- Depreciation	(546)	(332)	(1,069)	(651)
- Dividend income	-	1	-	8
- Gain/(loss) on marketable securities	1,067	(242)	645	(237)
- Interest income	1,171	546	2,387	1,323
- Provision/(write-back) of impairment loss for receivables	511	(2)	511	(3)
- Provision/(reversal) of diminution in marketable securities	(176)	(114)	(68)	(109)
- Foreign exchange gain/(loss)	14	42	31	45

[End of Interim Financial Report]