

EZTD Inc  
Form 10-Q  
August 15, 2016

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended June 30, 2016**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from                      to**

**Commission File No. 000-51255**

**EZTD INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of

**98-0374121**

incorporation or organization)

(I.R.S. Employer  
Identification No.)

**6 Yehezkel Koifman Street,**

**Tel-Aviv, Israel**

**68012**

(Address of Principal Executive Offices) (Zip Code)

**+972-73-705-8000**

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer  
Non-accelerated filer Smaller reporting company  
(Do not check if  
smaller reporting  
company)

Edgar Filing: EZTD Inc - Form 10-Q

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act):

Yes No

As of August 15, 2016, the registrant had 4,973,614 shares of common stock outstanding.

When used in this quarterly report, the terms “EZTD,” “the Company,” “we,” “our,” and “us” refer to EZTD Inc., a Delaware corporation.

**EZTD INC.**

**Quarterly Report on Form 10-Q**

**For the Quarter Ended June 30, 2016**

**TABLE OF CONTENTS**

	<b>Page</b>
Cautionary Note Regarding Forward-Looking Statements	1
<b>PART 1 - FINANCIAL INFORMATION (unaudited)</b>	<b>2</b>
Item 1. Condensed Consolidated Financial Statements	2
Condensed Consolidated Balance Sheets	F-1 - F-2
Condensed Consolidated Statements of Comprehensive Income	F-3
Condensed Consolidated Statements of Cash Flows	F-4
Notes to Condensed Consolidated Financial Statements	F-5
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	3
Item 3. Quantitative and Qualitative Disclosures about Market Risk	6
Item 4. Controls and Procedures	6
<b>PART II - OTHER INFORMATION</b>	<b>7</b>
Item 1. Legal Proceedings	7
Item 6. Exhibits	7
<b>SIGNATURES</b>	<b>8</b>

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

The statements contained in this Quarterly Report on Form 10-Q, including in Item 2, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere herein, that are not historical facts are “forward-looking statements”. The business and operations of EZTD are subject to substantial risks, which increase the uncertainty described in the forward-looking statements contained in this Quarterly Report on Form 10-Q. Such forward-looking statements may be identified by, among other things, the use of forward-looking terminology such as “believes,” “intends,” “plan,” “expects,” “may,” “will,” “should,” or “anticipates” or the negative thereof or other variations thereof, comparable terminology, or by discussions of strategy that involve risks and uncertainties. In particular, our statements regarding future financings, possible NASDAQ listing, and the potential growth of our markets and business outlook are examples of such forward-looking statements. The forward-looking statements include risks and uncertainties, including, but not limited to, our future growth being dependent upon the success of our business activity in the field of binary options and other factors, including future financings, and general economic conditions and regulatory developments, not within our control. Further information on potential factors that could cause actual results and developments to be materially different from those expressed in or implied by such statements is described in Item 1A, “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2015 (our “Form 10-K”), and expressed from time to time in our filings with the Securities and Exchange Commission (the “SEC”). The forward-looking statements are made only as of the date of this filing, and, except as required by law, we undertake no obligation to update such forward-looking statements to reflect subsequent events or circumstances. Readers are also urged to carefully review and consider the various disclosures we have made in this Quarterly Report on Form 10-Q and our other filings with the SEC, including our Form 10-K.

**PART I – FINANCIAL INFORMATION**

**Item 1. Financial Statements.**

**EZTD INC.**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**AS OF JUNE 30, 2016**

**IN U.S. DOLLARS**

**UNAUDITED**

**INDEX**

	<b>Page</b>
Condensed Consolidated Balance Sheets	F-1 - F-2
Condensed Consolidated Statements of Comprehensive Income	F-3
Condensed Consolidated Statements of Cash Flows	F-4
Notes to Condensed Consolidated Financial Statements	F-5

**CONDENSED CONSOLIDATED BALANCE SHEETS****U.S. Dollars (in thousands)**

	June 30, 2016	December 31, 2015
	Unaudited	
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Segregated client cash accounts	2,617	1,501
Restricted cash	55	42
Receivable from credit card companies	1,577	1,874
Other current assets	839	856
Total current assets	5,088	4,273
<b>NON-CURRENT ASSETS:</b>		
Property and equipment, net	3,174	2,389
Intangible assets, net	360	380
Total non-current assets	3,534	2,769
Total assets	8,622	7,042

The accompanying notes are an integral part of the condensed consolidated financial statements.

**CONDENSED CONSOLIDATED BALANCE SHEETS**

U.S. Dollars (in thousands, except share and per share data)

	<b>June 30, 2016</b>	<b>December 31, 2015</b>
<b>Note</b>	<b>Unaudited</b>	
<b>LIABILITIES AND EQUITY CURRENT LIABILITIES:</b>		
Short term loan	-	594
Obligation to customers	3,514	3,922
Financial liabilities	1,435	109
Convertible loans	4 4,945	4,943
Accounts payable	1,313	1,235
Accrued expenses and other accounts payable	4,099	1,909
<b>Total current liabilities</b>	<b>15,306</b>	<b>12,712</b>
<b>LONG TERM LIABILITIES:</b>		
Accrued severance pay, net	238	230
<b>Total liabilities</b>	<b>15,544</b>	<b>12,942</b>
<b>EQUITY (DEFICIT):</b>		
Common stock of \$ 0.03 par value:	6	
Authorized: 10,000,000 shares at June 30, 2016 and December 31, 2015; Issued and outstanding: 4,973,614 shares at June 30, 2016 and 3,863,260 shares at December 31, 2015	149	116
Prepayment on account of shares	52	-
Additional paid-in capital	42,075	34,875
Accumulated deficit	(49,198 )	(40,891 )
<b>Equity (deficit)</b>	<b>(6,922 )</b>	<b>(5,900 )</b>
<b>Total liabilities and equity</b>	<b>8,622</b>	<b>7,042</b>

The accompanying notes are an integral part of the condensed consolidated financial statements.



**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

U.S. Dollars (in thousands, except share and per share data)

	Six months ended		Three months ended	
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
Note	Unaudited		Unaudited	
<b>Revenues</b>	11,964	12,545	4,920	5,402
<b>Operating expenses:</b>				
Sales and marketing	11,636	9,178	4,790	3,955
General and administrative	4,236	1,840	2,212	1,090
Research and development	940	884	516	471
Stock-based compensation	569	910	196	453
Expenses related to potential legal settlement	5B 1,500	-	1,500	-
<b>Total operating expenses</b>	18,881	12,812	9,214	5,969
Operating loss	(6,917)	(267)	(4,294)	(567)
Financial expenses, net	(1,390)	(2,270)	(641)	(718)
Net loss before taxes on income	(8,307)			