



FINTEC GLOBAL BERHAD

(Company No. 200701016619 (774628-U))
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 2ND QUARTER AND PERIOD ENDING 30 SEPTEMBER 2019**

Fintec Global Berhad

(Company No. 200701016619 (774628-U))
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 2ND QUARTER AND PERIOD ENDING 30 SEPTEMBER 2019

(The figures have not been audited)

	Quarter Ended			Year-To-Date Ended		
	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %
Revenue	339	8,890	(96.2)	10,028	9,327	7.5
Cost of sales	(105)	(8,062)	98.7	(9,374)	(8,148)	(15.0)
Gross profit	234	828	(71.7)	654	1,179	(44.5)
Other operating income	284	1,771	(84.0)	569	2,143	(73.4)
Operating expenses	(2,380)	(1,306)	(82.2)	(4,868)	(2,554)	(90.6)
Fair value gain/(loss) on investment securities	73,555	11,027	(567.0)	99,817	(19,951)	600.3
Finance costs	-	(63)	100.0	(10)	(125)	92.0
Profit/(Loss) before taxation	71,693	12,257	(484.9)	96,162	(19,308)	598.0
Profit/(Loss) for the period	71,693	12,257	(484.9)	96,162	(19,308)	598.0
Other comprehensive income:						
<u>Items that may be subsequently reclassified to profit or loss:</u>						
Foreign currency translation differences for foreign operations	49	8	-	104	7	-
Total comprehensive income/(loss) for the period	71,742	12,265	(484.9)	96,266	(19,301)	598.8
Profit/(Loss) attributable to:						
Owners of the Company	71,695	12,260	(484.8)	96,166	(19,301)	598.2
Non-controlling interest	(2)	(3)	33.3	(4)	(7)	42.9
	71,693	12,257	(484.9)	96,162	(19,308)	(598.0)
Total comprehensive income/(loss) attributable to:						
Owners of the Company	71,744	12,268	(484.8)	96,270	(19,294)	599.0
Non-controlling interest	(2)	(3)	33.3	(4)	(7)	42.9
	71,742	12,265	(484.9)	96,266	(19,301)	(598.8)

	Quarter Ended		Year-To-Date Ended	
	30.09.2019 Sen per share	30.09.2018 Sen per share	30.09.2019 Sen per share	30.09.2018 Sen per share
Earnings/(Loss) Per Share attributable to equity owners of the Company (sen)				
- Basic	13.64	2.30	15.73	(3.30)
- Diluted	5.09	0.85	6.43	N/A

Notes:

The condensed consolidated statements of comprehensive income are prepared based on the consolidated results of the Group for the quarter ended 30 September 2019 and is to be read in conjunction with the audited consolidated financial statements for the financial year ended 31 March 2019 and the accompanying explanatory notes attached to these interim financial statements.

Fintec Global Berhad

(Company No. 200701016619 (774628-U))

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2019

(The figures have not been audited)

	Unaudited As at 30.09.2019 RM'000	Audited As at 31.03.2019 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	5,615	4,770
Investment securities	199,413	97,767
	<u>205,028</u>	<u>102,537</u>
Current assets		
Receivables, deposits and prepayments	21,021	23,901
Investment securities	3,405	244
Investment in unquoted shares	10,092	13,092
Deposit with Financial Institution	19,525	19,242
Inventories	60	98
Current tax assets	-	351
Cash and cash equivalents	756	2,853
	<u>54,859</u>	<u>59,781</u>
TOTAL ASSETS	<u><u>259,887</u></u>	<u><u>162,318</u></u>
EQUITY AND LIABILITIES		
Share capital	98,178	96,058
ICPS	42,443	43,175
Reserves	11,008	10,904
Retained profits/(loss)	94,961	(1,205)
Total equity attributable to owners of the Company	<u>246,590</u>	<u>148,932</u>
Non-controlling interest	(1,676)	(1,672)
Total equity	<u>244,914</u>	<u>147,260</u>
Current liabilities		
Payables and accruals	14,973	15,058
Current tax liabilities	-	-
Total current liabilities	<u>14,973</u>	<u>15,058</u>
Total liabilities	<u>14,973</u>	<u>15,058</u>
TOTAL EQUITY AND LIABILITIES	<u><u>259,887</u></u>	<u><u>162,318</u></u>
Net assets per share attributable to equity holders of the Company (sen)	<u>38.85</u>	<u>35.25</u>

Notes:

The condensed consolidated statement of financial position is prepared based on the consolidated results of the Group for the quarter ended 30 September 2019 and is to be read in conjunction with the audited consolidated financial statements for the financial year ended 31 March 2019 and the accompanying explanatory notes attached to these interim financial statements.

Net assets per share is arrived at based on the total Group's net assets over the 634,771,522 ordinary shares in issue as at 30 September 2019.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDING 30 SEPTEMBER 2019

(The figures have not been audited)

	Attributable to Owners of the Company						Total RM'000	Non- controlling Interest RM'000	Total Equity RM'000
	Non-distributable			Distributable					
	Share Capital RM'000	ICPS RM'000	Share Premium RM'000	Warrant Reserve RM'000	Exchange Translation Reserve RM'000	(Accumulated losses)/ Retained profits RM'000			
Audited									
Balance as at 1 April 2018	81,873	53,228	555	10,904	-	38,810	185,370	(1,636)	183,734
Total comprehensive profit for the period	-	-	-	-	-	(40,015)	(40,015)	(36)	(40,051)
Transaction with owners of the Company:									
Issuance of ordinary shares pursuant to conversion of ICPS	13,630	(10,053)	-	-	-	-	3,577	-	3,577
Share issuance expenses	555	-	(555)	-	-	-	-	-	-
Total transactions with owners of the Company	14,185	(10,053)	(555)	-	-	-	3,577	-	3,577
Balance as at 31 March 2019	96,058	43,175	-	10,904	-	(1,205)	148,932	(1,672)	147,260
Unaudited									
Balance as at 1 April 2019	96,058	43,175	-	10,904	-	(1,205)	148,932	(1,672)	147,260
Loss for the period	-	-	-	-	-	96,166	96,166	(4)	96,162
Other comprehensive loss	-	-	-	-	104	-	104	-	104
Total comprehensive loss for the period	-	-	-	-	104	96,166	96,270	(4)	96,266
Transaction with owners of the Company:									
Issuance of ordinary shares pursuant to conversion of ICPS	732	(732)	-	-	-	-	-	-	-
Issuance of ordinary shares pursuant to SIS	1,000	-	-	-	-	-	1,000	-	1,000
Share issuance expenses	388	-	-	-	-	-	388	-	388
Total transactions with owners of the Company	2,120	(732)	-	-	-	-	1,388	-	1,388
Balance as at 30 September 2019	98,178	42,443	-	10,904	104	94,961	246,590	(1,676)	244,914

Notes:

The condensed consolidated statement of changes in equity is prepared based on the consolidated results of the Group for the quarter ended 30 September 2019 and is to be read in conjunction with the audited consolidated financial statements for the financial year ended 31 March 2019 and the accompanying explanatory notes attached to these interim financial statements.

Fintec Global Berhad

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDING 30 SEPTEMBER 2019

(The figures have not been audited)

	Year-To-Date Ended	
	30.09.2019 RM'000	30.09.2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	96,162	(19,308)
Adjustments for :		
Depreciation of property, plant and equipment	399	188
Interest income	-	(824)
Share-based payment reserve	388	-
Gain on disposal of investment securities	(344)	(396)
Fair value (gain)/loss on investment securities	(99,817)	19,951
Gain on unrealised foreign exchange	(253)	(642)
Interest expense	10	125
Impairment loss on receivables	82	-
Operating loss before working capital changes	(3,373)	(906)
Changes in working capital:		
Proceeds from disposal of investment securities	9,467	8,503
Purchase of investment securities	(14,109)	(10,859)
Decrease in inventories	38	27
Decrease/(increase) in trade and other receivables	3,149	(13,269)
Increase/(decrease) in trade and other payables	165	(3,765)
Cash used in operations	(4,663)	(20,269)
Income tax paid	-	(76)
Net cash used in operating activities	(4,663)	(20,345)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,185)	(6)
Interest received	-	824
Purchase of unquoted shares	-	(2,000)
Return of capital on unquoted shares	3,000	-
Net cash generated from investing activities	1,815	(1,182)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares pursuant to SIS	1,000	-
Proceeds from issuance of shares pursuant to conversion of ICPS	-	3,577
Interest paid	(10)	(125)
Net cash generated from financing activities	990	3,452
Net decrease in cash and cash equivalents	(1,858)	(18,075)
Effect of exchange rate changes	44	479
Cash and cash equivalents at beginning of the year	22,095	63,105
Cash and cash equivalents at end of the period	20,281	45,509
<u>Cash and cash equivalents consist of:</u>		
Deposits with licensed financial institution	19,525	41,062
Cash and bank balances	756	4,447
	20,281	45,509

Notes:

The condensed consolidated statements of cash flow for the quarter ended 30 September 2019 is to be read in conjunction with the audited consolidated financial statements for the financial year ended 31 March 2019 and the accompanying explanatory notes attached to these interim financial statements.

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Part A - Explanatory Notes Pursuant to Malaysia Financial Reporting Standard ("MFRS") 134 and ACE Market Listing Requirements of Bursa Malaysia Securities Berhad

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysia Financial Reporting Standards ("MFRSs") 134: Interim Financial Reporting, International Financial Reporting Standards ("IFRSs") 134: Interim Financial Reporting and paragraph 9.22 of the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the Group's audited consolidated financial statements for the financial year ended 31 March 2019. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2019.

The accounting policies and methods of computation adopted by the Group in this interim financial statements is consistent with those adopted in the audited financial statements for the financial year ended 31 March 2019. On 1 January 2018, the Group has adopted the following amended MFRSs which are mandatory for annual financial periods beginning on or after 1 January 2018 and are applicable for the Group's interim financial statements for the quarter and period ending 30 September 2019.

MFRSs, Amendments to MFRSs and IC Interpretation

MFRS 9	Financial Instruments
MFRS 15	Revenue from Contracts with Customers
Clarifications to MFRS 15	Revenue from Contracts with Customers
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to MFRS 140	Transfer of Investment Property
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration

Annual Improvements to MFRS Standards 2014 - 2016 Cycles:

- Amentmends to MFRS 1 - Deletion of Short-term Exemptions for First-time Adopters
- Amentmends to MFRS 128 - Measuring an Associate or Joint Venture at Fair Value

The adoption of the above standards and interpretation are not expected to have a material impact on the financial statements in the period of application except as discussed below:

MFRS 9 Financial Instruments

MFRS 9 introduces new requirements for classification and measurement of financial assets, impairment of assets and hedge accounting. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The impairment requirements in MFRS 9 are based on expected credit loss model and replace the MFRS 139 Financial Instruments: Recognition and Measurement incurred loss model.

MFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. The Group applied the new standard without restating comparative information and recognises any difference between the previous carrying amount and the carrying amount at the beginning of the annual reporting period at the date of initial application in the opening retained earnings. Based on the preliminary assessment of the adoption of MFRS 9, the Group concluded that the new standard did not have a significant impact to the interim financial statements.

The Group applied the simplified approach and assessed the lifetime expected losses on trade receivable, which did not have a material impact on the impairment allowance.

MFRS 15 Revenue from Contracts with Customers

MFRS 15 establishes a single comprehensive model for revenue recognition. Under MFRS 15, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new standard will supersede all current revenue recognition requirements under MFRS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1 January 2018.

MFRS 15 provides a single model for accounting for revenue arising from contracts with customers, focusing on the identification and satisfaction of performance obligations, i.e. when 'control' of the distinct promised goods or services underlying the particular performance obligation is transferred to the customers.

The adoption of this new MFRS 15 did not have a significant impact on the results and financial position of the Group.

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Part A - Explanatory Notes Pursuant to Malaysia Financial Reporting Standard ("MFRS") 134 and ACE Market Listing Requirements of Bursa Malaysia Securities Berhad

A2 Auditors' report on preceding annual financial

There were no audit qualifications in relation to the audited consolidated financial statements of the Group for the financial year ended 31 March 2019.

A3 Seasonal or cyclical factors

There were no significant seasonal or cyclical factors that will materially affect the business of the Group in current period. However, the Group's results are largely influenced by, amongst others, the market prices of quoted investments as well as the timing of disposal of investments by the Group.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter and financial period ending 30 September 2019.

A5 Material changes in estimates

There were no changes in estimates that have a material effect in the current financial quarter and financial period ending 30 September 2019.

A6 Debt and equity securities

Save as disclosed in the following, there were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities, share buy backs, share cancellation, shares held as treasury share and resale of treasury shares during the current financial quarter and financial period ending 30 September 2019.

- a) During the financial period ending 30 September 2019, the Company issued new ordinary shares pursuant to the conversion of ICPS are as below:

	Quarter Ended 30.09.2019		Year-To-Date Ended 30.09.2019	
	No. of shares '000	RM'000	No. of shares '000	RM'000
Conversion of ICPS	3,973	636	4,573	732

A7 Dividend paid

There were no dividends paid by the Group during the financial quarter ended 30 September 2019.

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Part A - Explanatory Notes Pursuant to Malaysia Financial Reporting Standard ("MFRS") 134 and ACE Market Listing Requirements of Bursa Malaysia Securities Berhad

A8 Segmental information

Segment information based on the Group's activities is set out below. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Cumulative Quarter Ended 30 September 2019

	Incubation RM'000	Portfolio Investment RM'000	Green Technology products RM'000	O & G services RM'000	Trading RM'000	Elimination RM'000	Group RM'000
Revenue							
External sales	-	9,467	-	-	561	-	10,028
Intersegment revenue	-	-	-	-	-	-	-
	-	9,467	-	-	561	-	10,028
Results from operating activities	-	100,428	(9)	(130)	(1,194)		99,095
Finance costs		(10)					(10)
Share of profit of associates							-
Net unallocated expenses							(2,923)
Profit before taxation							96,162
Tax expense		-					-
Profit for the period							96,162
Segment assets	15,137	232,178	6,964	-	5,057		259,336
Unallocated assets							551
Total assets							259,887
Segment liabilities	8,603	31	245	5,801	293		14,973
Unallocated liabilities							-
Total liabilities							14,973

A9 Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment during the current financial quarter and period ending 30 September 2019.

A10 Material events subsequent to the end of the quarter

Save as disclosed in Note B11, there were no material events occurring subsequent to the end of the current quarter.

A11 Changes in the composition of the Group

Save as disclosed in Note B11, there were no changes in the composition of the Group during the current quarter and period ending 30 September 2019.

A12 Contingent liabilities

The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at the reporting date.

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Part A - Explanatory Notes Pursuant to Malaysia Financial Reporting Standard ("MFRS") 134 and ACE Market Listing Requirements of Bursa Malaysia Securities Berhad

A13 Capital commitments

As at 30 September 2019, the Group has no material capital commitments.

A14 Related party transactions

During the financial quarter ended 30 September 2019, the Directors are of the opinion that the Group has no related party transactions which would have a significant impact on the financial position and business of the Group.

A15 Additional Disclosure Requirements to the Statements of Comprehensive Income

	Quarter Ended		Year-To-Date Ended	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
	RM'000	RM'000	RM'000	RM'000
Interest income	-	387	-	824
Other income	120	-	240	-
Interest expense	-	(63)	(10)	(125)
Depreciation and amortisation	(212)	(94)	(399)	(188)
Impairment loss on and write off of receivables	-	-	(82)	-
Fair value gain/(loss) on marketable securities	73,555	11,027	99,817	(19,951)
Unrealised Foreign exchange gain	123	270	253	642

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Part B - Disclosure requirements as set out in Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad

B1 Performance review

a) Current Quarter vs. Previous Year Corresponding Quarter

Key Profit or Loss items:	Quarter Ended			Changes	%
	30.09.2019	30.09.2018			
	RM'000	RM'000	RM'000		
Revenue	339	8,890	(8,551)		(96.2)
Profit Before Tax	71,693	12,257	59,436		484.9
Net profit attributable to equity holders	71,695	12,260	59,435		484.8

The Group recorded a revenue of RM0.34 million for the quarter ended 30 September 2019, representing a decrease of RM8.55 million or 96.2% lower as compared to RM8.89 million in the previous year's corresponding quarter. The revenue for the quarter was generated from the e-commerce trading segment.

The Group recorded a profit before tax of RM71.69 million for the quarter ended 30 September 2019 as compared to a profit before tax of RM12.26 million in the corresponding quarter ended 30 September 2018 and the net profit attributable to equity holders was RM71.70 million, representing an increase of RM59.44 million or 4.85x as compared to a net profit attributable to equity holders of RM12.26 million in previous year's corresponding quarter.

The increase in profit was principally due to mark-to-market gain in the Group's long term marketable securities.

Performance of the respective operating business segments for the 2nd quarter ending 30 September 2019 as compared to the previous corresponding quarter is analysed as follows:-

Profit/(Loss) Before Tax by Segments	Quarter Ended			Changes	%
	30.09.2019	30.09.2018			
	RM'000	RM'000	RM'000		
Portfolio investment	73,567	11,687	61,880		529.5
Green technology products	16	(75)	91		121.3
O & G services	(11)	(1,336)	1,325		99.2
Trading	(528)	-	(528)		(100.0)

Portfolio investment

Profit before tax increased by RM61.88 million (5.3x) to RM73.57 million which was mainly due to the positive performance in market prices of the Group's strategic investments in Malaysia.

Green technology products

Profit before tax increased by RM0.09 million (1.2x) to RM0.02 million, mainly due to a decrease in operating expenses.

O & G services

Loss before tax decreased by RM1.34 million (99.2% lower) to a loss before tax of RM0.01 million. The decrease in loss was mainly due to the decrease in operating expenses in the current quarter.

Trading

Loss before tax was recorded at RM0.53 million. This was mainly due to operating expenses incurred for a new startup business which is principally involved in e-commerce trading.

(b) Current Year-to-date vs. Previous Year-to-date

Key Profit or Loss items:	Year-To-Date Ended			Changes	%
	30.09.2019	30.09.2018			
	RM'000	RM'000	RM'000		
Revenue	10,028	9,327	701		7.5
Profit/(Loss) Before Tax	96,162	(19,308)	115,470		598.0
Net profit/(loss) attributable to equity holders	96,166	(19,301)	115,467		598.2

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Part B - Disclosure requirements as set out in Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad

B1 Performance review (Cont'd)

b) Current Year-to-date vs. Previous Year-to-date (Cont'd)

Key Balance Sheet Items:	Year-To-Date Ended			%
	30.09.2019 RM'000	30.09.2018 RM'000	Changes RM'000	
Investment securities :-				
Non-current	199,413	107,235	92,178	86.0
Current	3,405	272	3,133	1,151.8
	<u>202,818</u>	<u>107,507</u>	<u>95,311</u>	<u>88.7</u>
Trade and other payables	14,973	14,641	332	(2.3)

The Group's revenue for the period ending 30 September 2019 was RM10.03 million, an increase of RM0.70 million or 7.5% as compared to RM9.33 million in the previous year's corresponding period. The increase in revenue for the quarter was mainly due to the sale of short term marketable securities.

The Group made a profit before tax of RM96.16 million for the period ending 30 September 2019 as opposed to loss before tax of RM19.31 million in the corresponding period ending 30 September 2018 and the net loss attributable to equity holders was RM96.17 million, an increase of profit of RM115.47 million or 5.98x as compared to the net loss attributable to equity holders of RM19.30 million in previous year's corresponding period.

The increase of profit was mainly due to mark-to-market gain in the Group's long term marketable securities.

The Group's investment in marketable securities increased by RM95.31 million or 88.7% to RM202.82 million as at 30 September 2019 as compared to RM107.51 million as at 30 September 2018, which was mainly due to fair value gain on quoted securities.

Total trade and other payables increased by 2.3% or RM0.33 million over the same period to RM14.97 million as at 30 September 2019, which was mainly due to the amount payable to the vendors.

Performance of the respective operating business segments for the period ending 30 September 2019 as compared to the previous corresponding period is analysed as follows:-

Profit/(Loss) Before Tax by Segments	Year-To-Date Ended			%
	30.09.2019 RM'000	30.09.2018 RM'000	Changes RM'000	
Portfolio investment	100,418	(19,124)	119,542	625.1
Green technology products	(9)	(128)	119	93.0
O & G services	(130)	1,404	(1,534)	(109.3)
Trading	(1,194)	-	(1,194)	(100.0)

Portfolio investment

Profit before tax increased by RM119.54 million (6.25x) to RM100.42 million which was mainly due to the positive performance in market prices of the Group's strategic investments in Malaysia.

Green technology products

Loss before tax reduced by RM0.12 million (93%) to RM0.01 million which is mainly due to lower operating expenses incurred.

O & G services

Loss before tax increased by RM1.53 million (1.09x) to a loss before tax of RM0.13 million. The increase in loss was mainly due to the impairment loss on the receivables.

Trading

Loss before tax was recorded at RM1.19 million. This was mainly due to operating expenses incurred for the new startup business operation involved in e-commerce trading.

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Part B - Disclosure requirements as set out in Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad

B2 Variation of results against immediate preceding quarter

	Current quarter	Preceding quarter	Changes
	30.09.2019	31.06.2019	%
	RM'000	RM'000	
Revenue	339	9,689	(96.5)
Profit before taxation	71,693	24,469	193.0

The Group registered a revenue of RM0.34 million for the current quarter ended 30 September 2019, a decrease of RM9.35 million or 96.5% lower as compared to RM9.69 million for the immediate preceding quarter ended 30 June 2019. The increase in revenue was mainly due to the sale of short term marketable securities.

Profit before taxation incurred by the Group for the 2nd quarter ended 30 September 2019 was RM71.69 million, an increase of RM47.22 million or 1.93x as compared to a profit before tax of RM24.47 million in the preceding quarter. The increase in profit before tax was mainly due to the positive performance in market prices of the Group's strategic investments in Malaysia.

B3 Prospects

As the Group's performance is principally driven by its investments in marketable securities which is principally represented by its listed incubatees, these results will consequently be subjected to challenging local and global market forces. Despite the challenging economic scene, the Group adopted a cautious yet prudent approach and strategised the business initiatives to reassess market situations. This can be seen from the Group's proposed acquisition in Komarkcorp Berhad, a public limited company listed on the Main Market, one of the largest converter of pressure sensitive labels and one of the Malaysia's top pioneer packaging company supplying premium labels to dosmetic market as well as exporting to Aisa, South Asia and the Middle East. The Group aims to provide a more levelled rate of return to investors and shareholders by investing in non-marketable securities, such as Pinnacle Nexus Sdn. Bhd., the operator of DoubleTree Resort in Penang. Subsequently, the management is still actively examining several potential investments and incubation projects and will be making the relevant disclosures in due course.

B4 Profit forecast, profit guarantee and internal targets

The Group did not provide any profit forecast, profit guarantee or made public any internal targets for the period under review.

B5 Income tax expense

During the financial quarter ended 30 September 2019, no provision for taxation needed to be provided as the Group had adequate unabsorbed tax losses brought forward from previous years to offset the profit incurred, if any, in the current financial quarter.

B6 Trade Receivables

	As at	
	30.09.2019	30.09.2018
	RM'000	RM'000
Trade receivables	1,876	822
Less: Allowance for impairment loss	-	-
	<u>1,876</u>	<u>822</u>

The ageing analysis of the Group's trade receivables to non-related parties as at 30 September 2019 is as follows:

	As at	
	30.09.2019	30.09.2018
	RM'000	RM'000
Neither past due nor impaired	1,850	796
Past due not impaired:		
31 - 60 days	-	-
91 - 180 days	-	-
> 181 days	26	26
Impaired	-	-
Gross trade receivables	<u>1,876</u>	<u>822</u>
Less: Allowance for impairment loss	-	-
	<u>1,876</u>	<u>822</u>

Fintec Global Berhad

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Part B - Disclosure requirements as set out in Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad

B7 Group's borrowings and debt securities

The Group has no borrowing or debt securities as at end of the reporting date.

B8 Material litigation

As at this reporting date, neither the Company nor its subsidiary companies are engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiary companies and the Board is not aware of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiary companies.

B9 Dividends

There were no dividends declared for the financial quarter ended 30 September 2019.

B10 Earnings per share ("EPS")

a) Basic EPS

	Quarter Ended		Year-To-Date Ended	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
(Loss)/Profit attributable to the owners of the Company (RM'000)	71,695	12,260	96,166	(19,301)
Weighted average number of ordinary shares in issue ('000)	525,815	533,201	611,495	584,982
Basic EPS (sen)	13.64	2.30	15.73	(3.30)

b) Diluted EPS

	Quarter Ended		Year-To-Date Ended	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
(Loss)/Profit attributable to the owners of the Company (RM'000)	71,695	12,260	96,166	(19,301)
Weighted average number of ordinary shares in issue ('000)	525,815	533,201	611,495	584,982
Effective of dilution from conversion of ICPS ('000)	662,743	688,811	662,743	688,811
Effective of dilution from detachable warrants A ('000)	131,296	131,296	131,296	131,296
Effective of dilution from detachable warrants B ('000)	89,883	89,883	89,883	89,883
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	1,409,737	1,443,191	1,495,417	1,494,972
Diluted EPS (sen)	5.09	0.85	6.43	N/A

The diluted EPS is computed based on the profit attributable to the owners of the Company divided by the weighted average number of ordinary shares in issue during the financial period and assume the full conversion of the ICPS and warrants into ordinary shares.

B11 Status of corporate proposals

- On 10 September 2019, the Company granted an aggregate of 19,193,900 Share Issuance Scheme ("SIS") option at a subscription price of RM0.0521 to an eligible employee in accordance to with the by-laws of the SIS. The option was accepted by the employee on 11 September 2019 and exercised into new ordinary shares on the same day.
- On 17 September 2019, the Board of Directors of Fintec is pleased to announce that its wholly-owned subsidiary, Asiabio Capital Sdn. Bhd. ("Asiabio") had on the same date entered into a Sale and Purchase of Shares Agreement with Koh Hong Muan @ Koh Gak Siong and Aimas Enterprise Sdn. Bhd. (collectively referred to as "the Vendors"), for the acquisition by Asiabio of 32,800,000 ordinary shares in Komarkcorp Berhad ("KMC"), representing 19.82% equity interest in KMC as at 26 August 2019, from the Vendors for a total cash consideration of RM16.4 million. The Board of Directors of FINTEC further announced that pursuant to the Statement of Financial Position as at 30 April 2019 stipulated in KMC's Annual Report 2019 which was announced on 30 August 2019, KMC recorded a total comprehensive loss of RM9.428 million with a net asset of RM54.47 million.

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B12 Status of Utilisation of Proceeds

Status of utilisation of proceeds as at 30 September 2019.

	Proposed Utilisation RM'000	Actual Utilisation RM'000	Unutilised proceeds RM'000	Reallocation RM'000	Timeframe for the utilisation of proceeds
<u>Rights issue of ICPS with warrants</u>					
i) Investment in quoted securities - Focus ICPS	10,489	-	10,489	-	by 6 December 2019
ii) Investment in quoted securities - Vsolar Rights Shares	8,200	-	8,200	-	by 6 December 2019
iii) Working capital	5,000	(5,000)	-	204	Within 24 months
iv) Investment in unquoted incubatees and/or start-up companies to be identified	47,410	(26,649)	20,761	-	Within 36 months
v) Estimated expenses	844	(640)	204	(204)	immediate
	<u>71,943</u>	<u>(32,289)</u>	<u>39,654</u>	<u>-</u>	

B13 Non-cash items to the Condensed Consolidated Statement of Comprehensive Income

	Quarter Ended		Year-To-Date Ended	
	30.09.2019 RM'000	30.09.2018 RM'000	30.09.2019 RM'000	30.09.2018 RM'000
Total Comprehensive Profit/(Loss)	71,693	12,257	96,162	(19,308)
Non-Cash items:				
Depreciation of property, plant and equipment	(212)	(94)	(399)	(188)
Gain/(Loss) on unrealised foreign exchange	123	270	253	642
Impairment loss on trade receivables	-	-	(82)	-
Gain/(Loss) on change in fairvalue	73,555	11,027	99,817	(19,951)
Share-based payment reserve	(388)	-	(388)	-
	<u>73,078</u>	<u>11,203</u>	<u>99,201</u>	<u>(19,497)</u>
Total Comprehensive loss before non-cash items	<u>(1,385)</u>	<u>1,054</u>	<u>(3,039)</u>	<u>189</u>

B14 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with the resolution of the Board of Directors.

On Behalf of the Board

Leung Kok Keong
Lim Lee Kuan
Ng Sally
Company Secretaries