



FINTEC GLOBAL BERHAD

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

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 3RD QUARTER AND PERIOD ENDING 31 DECEMBER 2019**

Fintec Global Berhad

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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 3RD QUARTER AND PERIOD ENDING 31 DECEMBER 2019

(The figures have not been audited)

	Quarter Ended			Year-To-Date Ended		
	31.12.2019 RM'000	31.12.2018 RM'000	Changes %	31.12.2019 RM'000	31.12.2018 RM'000	Changes %
Revenue	4,160	5,477	(24.0)	14,188	14,804	(4.2)
Cost of sales	(4,174)	(4,864)	14.2	(13,548)	(13,012)	(4.1)
Gross profit	(14)	613	(102.3)	640	1,792	(64.3)
Other operating income	685	399	71.7	1,254	2,542	(50.7)
Operating expenses	(3,527)	(4,344)	18.8	(8,395)	(6,899)	(21.7)
Fair value gain/(loss) on investment securities	79,347	(3,927)	2120.6	179,164	(23,878)	850.3
Finance costs	-	-	-	(10)	(125)	92.0
Profit/(Loss) before taxation	76,491	(7,259)	1153.7	172,653	(26,568)	749.9
Tax expense	-	(6)	-	-	(6)	-
Profit/(Loss) for the period	76,491	(7,265)	1152.9	172,653	(26,574)	749.7
Other comprehensive income/(loss):						
<u>Items that may be subsequently reclassified to profit or loss:</u>						
Foreign currency translation differences for foreign operations	(142)	-	-	(38)	(351)	-
Total comprehensive income/(loss) for the period	76,349	(7,265)	1150.9	172,615	(26,925)	741.1
Profit/(Loss) attributable to:						
Owners of the Company	76,492	(7,262)	1153.3	172,658	(26,564)	750.0
Non-controlling interest	(1)	(3)	66.7	(5)	(10)	50.0
	76,491	(7,265)	1152.9	172,653	(26,574)	(749.7)
Total comprehensive income/(loss) attributable to:						
Owners of the Company	76,350	(7,262)	1151.4	172,620	(26,915)	741.4
Non-controlling interest	(1)	(3)	66.7	(5)	(10)	50.0
	76,349	(7,265)	1150.9	172,615	(26,925)	(741.1)

	Quarter Ended		Year-To-Date Ended	
	31.12.2019 Sen per share	31.12.2018 Sen per share	31.12.2019 Sen per share	31.12.2018 Sen per share

Earnings/(Loss) Per Share attributable to equity owners of the Company (sen)

- Basic	11.84	(1.38)	27.37	(4.49)
- Diluted	5.56	N/A	12.69	N/A

Notes:

The condensed consolidated statements of comprehensive income are prepared based on the consolidated results of the Group for the quarter ended 31 December 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 31 DECEMBER 2019

(The figures have not been audited)

	Unaudited As at 31.12.2019 RM'000	Audited As at 31.03.2019 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	5,765	4,770
Investment securities	277,291	97,767
	<u>283,056</u>	<u>102,537</u>
Current assets		
Receivables, deposits and prepayments	17,489	23,901
Investment securities	34,775	244
Investment in unquoted shares	7,592	13,092
Deposit with Financial Institution	25,774	19,242
Inventories	62	98
Current tax assets	-	351
Cash and cash equivalents	2,225	2,853
	<u>87,917</u>	<u>59,781</u>
TOTAL ASSETS	<u><u>370,973</u></u>	<u><u>162,318</u></u>
EQUITY AND LIABILITIES		
Share capital	113,038	96,058
ICPS	30,082	43,175
Reserves	10,866	10,904
Retained profits/(loss)	171,453	(1,205)
Total equity attributable to owners of the Company	<u>325,439</u>	<u>148,932</u>
Non-controlling interest	(1,677)	(1,672)
Total equity	<u>323,762</u>	<u>147,260</u>
Current liabilities		
Payables and accruals	23,955	15,058
Borrowing	23,256	-
Total current liabilities	<u>47,211</u>	<u>15,058</u>
Total liabilities	<u>47,211</u>	<u>15,058</u>
TOTAL EQUITY AND LIABILITIES	<u><u>370,973</u></u>	<u><u>162,318</u></u>
Net assets per share attributable to equity holders of the Company (sen)	<u>43.64</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 31 December 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 745,807,805 ordinary shares in issue as at 31 December 2019.

Fintec Global Berhad

(Company No. 200701016619 (774628-U))

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDING 31 DECEMBER 2019

(The figures have not been audited)

	←----- Attributable to Owners of the Company ----->							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	Total 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	-	-	-	-	-	172,658	172,658	(5)	172,653
Other comprehensive loss	-	-	-	-	(38)	-	(38)	-	(38)
Total comprehensive loss for the period	-	-	-	-	(38)	172,658	172,620	(5)	172,615
Transaction with owners of the Company:									
Issuance of ordinary shares pursuant to conversion of ICPS	13,093	(13,093)	-	-	-	-	-	-	-
Issuance of ordinary shares pursuant to SIS	2,858	-	-	-	-	-	2,858	-	2,858
Share issuance expenses	1,029	-	-	-	-	-	1,029	-	1,029
Total transactions with owners of the Company	16,980	(13,093)	-	-	-	-	3,887	-	3,887
Balance as at 31 December 2019	113,038	30,082	-	10,904	(38)	171,453	325,439	(1,677)	323,762

Notes:

The condensed consolidated statement of changes in equity is prepared based on the consolidated results of the Group for the quarter ended 31 December 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 STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDING 31 DECEMBER 2019

(The figures have not been audited)

	Year-To-Date Ended	
	31.12.2019 RM'000	30.09.2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	172,653	(19,308)
Adjustments for :		
Depreciation of property, plant and equipment	623	188
Interest income	-	(824)
Share-based payment reserve	1,029	-
Gain on disposal of investment securities	(222)	(396)
Fair value (gain)/loss on investment securities	(179,164)	19,951
Gain on unrealised foreign exchange	(475)	(642)
Interest expense	10	125
Impairment loss on PPE	100	-
Impairment loss on receivables	941	-
Operating loss before working capital changes	(4,505)	(906)
Changes in working capital:		
Proceeds from disposal of investment securities	13,356	8,503
Purchase of investment securities	(48,018)	(10,859)
Decrease in inventories	37	27
Decrease/(increase) in trade and other receivables	5,830	(13,269)
Increase/(decrease) in trade and other payables	9,365	(3,765)
Cash used in operations	(23,935)	(20,269)
Income tax paid	(8)	(76)
Net cash used in operating activities	(23,943)	(20,345)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,664)	(6)
Interest received	-	824
Purchase of unquoted shares	-	(2,000)
Return of capital on unquoted shares	5,500	-
Net cash generated from investing activities	3,836	(1,182)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares pursuant to SIS	2,858	-
Proceeds from issuance of shares pursuant to conversion of ICPS	-	3,577
Proceeds from borrowing	23,256	
Interest paid	(10)	(125)
Net cash generated from financing activities	26,104	3,452
Net decrease in cash and cash equivalents	5,997	(18,075)
Effect of exchange rate changes	(93)	479
Cash and cash equivalents at beginning of the year	22,095	63,105
Cash and cash equivalents at end of the period	27,999	45,509
<u>Cash and cash equivalents consist of:</u>		
Deposits with licensed financial institution	25,774	41,062
Cash and bank balances	2,225	4,447
	27,999	45,509

Notes:

The condensed consolidated statements of cash flow for the quarter ended 31 December 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.

Fintec Global Berhad

(Company No. 200701016619 (774628-U))

(Incorporated in Malaysia)

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, except for the following new and amendments to MFRS which are applicable for the Group's interim financial statements for the quarter and period ending 31 December 2019.

MFRSs, Amendments to MFRSs and IC Interpretation

MFRS 16 Leases

Amendments to MFRS 2 Share-based Payment

Annual Improvements to MFRSs 2015 - 2017 cycle

- Amendments to MFRS 3 Business Combination
- Amendments to MFRS 11 Joint Arrangements
- Amendments to MFRS 112 Income Taxes
- Amendments to MFRS 123 Borrowing Costs

Amendments to MFRS 101 Presentation of Financial Statements

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

Amendments to MFRS 134 Interim Financial Reporting

Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets

Amendments to IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments

Amendments to IC Interpretation 22 Foreign Currency Transactions and Advance Consideration

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 16 Leases

MFRS 16, which upon the effective date will supersede MFRS 117 Leases, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under MFRS 16, a lessee is required to recognise a right-of-use asset representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and in interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, MFRS 117.

In respect of the lessor accounting, MFRS 16 substantially carries forward the lessor accounting requirements in MFRS 117. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

Fintec Global Berhad

(Company No. 200701016619 (774628-U))

(Incorporated in Malaysia)

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 31 December 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 31 December 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 31 December 2019.

a) During the financial period ending 31 December 2019, the Company issued new ordinary shares pursuant to the conversion of ICPS are as below:

	Quarter Ended 31.12.2019		Year-To-Date Ended 31.12.2019	
	No. of shares '000	RM'000	No. of shares '000	RM'000
Conversion of ICPS	77,259	12,361	81,832	13,093

Fintec Global Berhad

(Company No. 200701016619 (774628-U))

(Incorporated in Malaysia)

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

A7 Dividend paid

There were no dividends paid by the Group during the financial quarter ended 31 December 2019.

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 31 December 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	-	13,356	-	-	832	-	14,188
Intersegment revenue	-	-	-	-	-	-	-
	-	13,356	-	-	832	-	14,188
Results from operating activities	-	179,678	(245)	(140)	(1,726)		177,567
Finance costs		(10)					(10)
Share of profit of associates							-
Net unallocated expenses							(4,904)
Profit before taxation							172,653
Tax expense		-					-
Profit for the period							172,653
Segment assets	15,567	346,089	4,070	-	4,704		370,430
Unallocated assets							543
Total assets							370,973
Segment liabilities	8,583	32,156	233	5,795	444		47,211
Unallocated liabilities							-
Total liabilities							47,211

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 31 December 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 31 December 2019.

Fintec Global Berhad

(Company No. 200701016619 (774628-U))

(Incorporated in Malaysia)

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

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.

A13 Capital commitments

As at 31 December 2019, the Group has no material capital commitments.

A14 Related party transactions

During the financial quarter ended 31 December 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	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
	RM'000	RM'000	RM'000	RM'000
Interest income	-	530	-	1,354
Other income	187	-	427	-
Interest expense	-	-	(10)	(125)
Depreciation and amortisation	(224)	(100)	(623)	(288)
Impairment loss on and write off of receivables	(859)	(3,037)	(941)	(3,037)
Impairment of fixed assets	(100)	-	(100)	-
Fair value gain/(loss) on marketable securities	79,347	(3,927)	179,164	(23,878)
Unrealised foreign exchange gain	222	-	475	642

Fintec Global Berhad

(Company No. 200701016619 (774628-U))

(Incorporated in Malaysia)

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			
	31.12.2019 RM'000	31.12.2018 RM'000	Changes RM'000 %	
Revenue	4,160	5,477	(1,317)	(24.0)
Profit/(loss) Before Tax	76,491	(7,259)	83,750	1153.7
Net profit/(loss) attributable to equity holders	76,492	(7,262)	83,754	1153.3

The Group recorded a revenue of RM4.2 million for the quarter ended 31 December 2019, representing a decrease of RM1.32 million or 24% lower as compared to RM5.48 million in the previous year's corresponding quarter. The revenue for the quarter was generated from the sale of marketable securities.

The Group recorded a profit before tax of RM76.49 million for the quarter ended 31 December 2019 as compared to a loss before tax of RM7.26 million in the corresponding quarter ended 31 December 2018 and the net profit attributable to equity holders was RM76.49 million, representing an increase of RM83.75 million or 11.5x as compared to a net loss attributable to equity holders of RM7.26 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 3rd quarter ending 31 December 2019 as compared to the previous corresponding quarter is analysed as follows:-

Profit/(Loss) Before Tax by Segments	Quarter Ended			
	31.12.2019 RM'000	31.12.2018 RM'000	Changes RM'000 %	
Portfolio investment	79,250	(3,928)	83,178	2117.6
Green technology products	(236)	(366)	130	35.5
O & G services	(10)	(2,683)	2,673	99.6
Trading	(532)	-	(532)	(100.0)

Portfolio investment

Profit before tax increased by RM83.18 million (21.2x) to RM79.25 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 decreased by RM0.13 million (35.5%) to RM0.24 million, mainly due to an other income received from the disposal of investment in unquoted shares.

O & G services

Loss before tax decreased by RM2.67 million to 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			
	31.12.2019 RM'000	31.12.2018 RM'000	Changes RM'000 %	
Revenue	14,188	14,804	(616)	(4.2)
Profit/(loss) Before Tax	172,653	(26,568)	199,221	749.9
Net profit/(loss) attributable to equity holders	172,658	(26,564)	199,222	750.0

Fintec Global Berhad

(Company No. 200701016619 (774628-U))

(Incorporated in Malaysia)

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			
	31.12.2019 RM'000	31.12.2018 RM'000	Changes RM'000	%
Investment securities :-				
Non-current	277,291	103,331	173,960	168.4
Current	34,775	249	34,526	13,865.9
	<u>312,066</u>	<u>103,580</u>	<u>208,486</u>	<u>201.3</u>
Trade and other payables	23,955	14,684	9,271	(63.1)

The Group's revenue for the period ending 31 December 2019 was RM14.19 million, a decrease of RM0.62 million or 4.2% as compared to RM14.8 million in the previous year's corresponding period. The revenue for the quarter was mainly generated from the sale of marketable securities.

The Group made a profit before tax of RM172.65 million for the period ending 31 December 2019 as opposed to loss before tax of RM26.57 million in the corresponding period ending 31 December 2018 and the net profit attributable to equity holders was RM172.66 million, an increase of profit of RM199.22 million or 7.48x as compared to the net loss attributable to equity holders of RM26.56 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 RM208.49 million or 2.01x to RM312.07 million as at 31 December 2019 as compared to RM103.58 million as at 31 December 2018, which was mainly due to fair value gain on quoted securities.

Total trade and other payables increased by 63.1% or RM9.27 million over the same period to RM23.96 million as at 31 December 2019, which was mainly due to the payables for the medium to long term portfolio investments of approximately RM8.89 million.

Performance of the respective operating business segments for the period ending 31 December 2019 as compared to the previous corresponding period is analysed as follows:-

Profit/(Loss) Before Tax by Segments	Year-To-Date Ended			
	31.12.2019 RM'000	31.12.2018 RM'000	Changes RM'000	%
Portfolio investment	179,668	(23,053)	202,721	879.4
Green technology products	(245)	(194)	(51)	(26.3)
O & G services	(140)	(1,282)	1,142	(89.1)
Trading	(1,726)	-	(1,726)	(100.0)

Portfolio investment

Profit before tax increased by RM202.72 million (8.79x) to RM179.67 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 increased by RM0.05 million (26.3%) to RM0.25 million which was mainly due to impairment loss on fixed assets and other receivables of RM0.09 million and RM0.3 million respectively. This was due to discontinued of operation in the green technology products. However, this was cushioned by an other income received from the disposal of investment in unquoted shares.

O & G services

Loss before tax decreased by RM1.14 million (89.1%) to a loss before tax of RM0.14 million. The decrease in loss was mainly due to the decrease in operating expenses and progress billing written off in the previous year corresponding period.

Trading

Loss before tax was recorded at RM1.73 million. This was mainly due to operating expenses incurred for the new startup business operation involved in e-commerce trading.

Fintec Global Berhad

(Company No. 200701016619 (774628-U))

(Incorporated in Malaysia)

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	
	31.12.2019	30.09.2019	Changes
	RM'000	RM'000	%
Revenue	4,160	339	1,127.1
Profit before taxation	76,491	71,693	6.7

The Group registered a revenue of RM4.16 million for the current quarter ended 31 December 2019, an increase of RM3.82 million or 11.27x higher as compared to RM0.34 million for the immediate preceding quarter ended 30 September 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 3rd quarter ended 31 December 2019 was RM76.49 million, an increase of RM4.8 million or 6.7% as compared to a profit before tax of RM71.69 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 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 has adopted a cautious yet prudent approach and strategised the business initiatives to reassess current market situations. This can be seen from the Group's proposed acquisition of Komarkcorp Berhad, a company listed on the Main Market of Bursa Malaysia, one of the largest converter of pressure sensitive labels and one of Malaysia's pioneer packaging company supplying premium labels to cosmetic market as well as exporting to Asia, South Asia and the Middle East.

The Group has also invested in another company listed on the Main Market of Bursa Malaysia in the form of Seacera Group Berhad, a company primarily involved in the business of manufacturing ceramic tiles and property development. The investment in Seacera Group Berhad is in line with the Group's mission to diversify its investment in marketable securities in order to maximise shareholders' return. The recent increase of Focus Dynamic Group Berhad's shares is evidence that the Group's investment policy in marketable securities is bearing fruits for its shareholders.

In addition to this, The Group has also continued to invest in non-marketable securities such as Pinnacle Nexus Sdn. Bhd., an 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 31 December 2019, the Group provided a provision for taxation as follow:-

	Quarter Ended		Year-To-Date Ended	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
	RM'000	RM'000	RM'000	RM'000
Income tax - Current provision	8	-	8	-

Income tax is calculated at the Malaysian statutory tax rate of 17% of the estimated assessable profit for the current period. The effective tax rates of the Group for the current period was lower than the statutory tax rate due to certain income not subject to tax.

Fintec Global Berhad

(Company No. 200701016619 (774628-U))

(Incorporated in Malaysia)

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

B6 Trade Receivables

	As at	
	31.12.2019	31.12.2018
	RM'000	RM'000
Trade receivables	266	9,190
Less: Allowance for impairment loss	(26)	-
	<u>240</u>	<u>9,190</u>

The ageing analysis of the Group's trade receivables to non-related parties as at 31 December 2019 is as follows:

	As at	
	31.12.2019	31.12.2018
	RM'000	RM'000
Neither past due nor impaired	240	9,164
Past due not impaired:		
31 - 60 days	-	-
91 - 180 days	-	-
> 181 days	26	26
Impaired	-	-
Gross trade receivables	<u>266</u>	<u>9,190</u>
Less: Allowance for impairment loss	<u>(26)</u>	<u>-</u>
	<u>240</u>	<u>9,190</u>

B7 Group's borrowings and debt securities

The details of the Group's borrowing, which is denominated in US Dollar ("USD"), as at 31 December 2019 is as follows:

a) Group's Borrowing

	As at		As at	
	31.12.2019		31.12.2018	
	USD	RM	USD	RM
	denomination	equivalent	denomination	equivalent
	'000	'000	'000	'000
<u>Short Term - Unsecured</u>				
Borrowing	<u>5,685</u>	<u>23,256</u>	<u>-</u>	<u>-</u>

The short term borrowing's effective interest rate stood at 3% per annum (31 December 2018: Nil).

b) Debts securities

The Group has not issue any debts securities as at 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 31 December 2019.

Fintec Global Berhad

(Company No. 200701016619 (774628-U))

(Incorporated in Malaysia)

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

B10 Earnings per share ("EPS")

a) Basic EPS

	Quarter Ended		Year-To-Date Ended	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
(Loss)/Profit attributable to the owners of the Company (RM'000)	76,492	(7,262)	172,658	(26,564)
Weighted average number of ordinary shares in issue ('000)	645,907	526,719	630,801	591,159
Basic EPS (sen)	11.84	(1.38)	27.37	(4.49)

b) Diluted EPS

	Quarter Ended		Year-To-Date Ended	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
(Loss)/Profit attributable to the owners of the Company (RM'000)	76,492	(7,262)	172,658	(26,564)
Weighted average number of ordinary shares in issue ('000)	645,907	526,719	630,801	591,159
Effective of dilution from conversion of ICPS ('000)	508,224	684,674	508,224	684,674
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)	1,375,310	1,432,572	1,360,204	1,497,012
Diluted EPS (sen)	5.56	N/A	12.69	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 1 November 2019, Asiabio Capital Sdn. Bhd. ("ABC"), a wholly-owned subsidiary of Fintec, had accepted a credit facility up to RM29.76 million granted by Lazarus Capital Partners. The cost of the facility is fixed at 3.0% per annum on the debit balance of the ABC USD account.
- On 12 December 2019, Fintec offered 33,777,000 Share Issuance Scheme ("SIS") option at a subscription price of RM0.05 to an eligible employee in accordance to the by-laws of the SIS. The option was accepted by the employee on 13 December 2019 and exercised into new ordinary shares on 20 December 2019.

Fintec Global Berhad

(Company No. 200701016619 (774628-U))

(Incorporated in Malaysia)

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

B12 Status of Utilisation of Proceeds

Status of utilisation of proceeds as at 31 December 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 2020
ii) Investment in quoted securities - Vsolar Rights Shares	8,200	-	8,200	-	by 6 December 2020
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	(44,029)	3,381	-	Within 36 months
v) Estimated expenses	844	(640)	204	(204)	immediate
	<u>71,943</u>	<u>(49,669)</u>	<u>22,274</u>	<u>-</u>	

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

	Quarter Ended		Year-To-Date Ended	
	31.12.2019 RM'000	31.12.2018 RM'000	31.12.2019 RM'000	31.12.2018 RM'000
Total Comprehensive Profit/(Loss)	76,491	(7,265)	172,653	(26,574)
Non-Cash items:				
Interest expenses	-	-	(10)	(125)
Depreciation of property, plant and equipment	(224)	(100)	(623)	(288)
Gain on unrealised foreign exchange	222	-	475	642
Impairment loss on trade receivables	(859)	-	(941)	(3,037)
Impairment loss on property, plant & equipment	(100)	-	(100)	-
Gain/(loss) on change in fairvalue	79,347	(3,927)	179,164	(23,878)
Share-based payment reserve	(1,029)	-	(1,029)	-
	<u>77,357</u>	<u>(4,027)</u>	<u>176,936</u>	<u>(26,686)</u>
Total Comprehensive (loss)/gain before non-cash items	<u>(866)</u>	<u>(3,238)</u>	<u>(4,283)</u>	<u>112</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