



FINTEC
GLOBAL BERHAD

FINTEC GLOBAL BERHAD

(Company No. 200701016619 (774628-U))

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 4TH QUARTER AND PERIOD ENDING 31 MARCH 2021**

Fintec Global Berhad

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

(The figures have not been audited)

	Unaudited As at 31.03.2021 RM'000	Audited As at 31.03.2020 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	14,854	3,848
Right-of-use asset	9,024	9,516
Investment securities	1,071,628	358,067
	<u>1,095,506</u>	<u>371,431</u>
Current assets		
Receivables, deposits and prepayments	25,868	22,253
Investment securities	32,176	27,019
Investment in unquoted shares	15,631	-
Deposit with Financial Institution	90,124	19,853
Inventories	1,925	2,004
Current tax assets	-	374
Cash and cash equivalents	16,738	553
	<u>182,462</u>	<u>72,056</u>
TOTAL ASSETS	<u><u>1,277,968</u></u>	<u><u>443,487</u></u>
EQUITY AND LIABILITIES		
Share capital	340,190	119,038
ICPS	7,397	27,443
Reserves	45,792	11,141
Retained profits	855,880	224,673
Total equity attributable to owners of the Company	<u>1,249,259</u>	<u>382,295</u>
Non-controlling interest	(1,706)	(1,681)
Total equity	<u><u>1,247,553</u></u>	<u><u>380,614</u></u>
Non-current liabilities		
Lease liability	8,973	9,322
Total non-current liabilities	<u><u>8,973</u></u>	<u><u>9,322</u></u>
Current liabilities		
Payables and accruals	7,065	24,170
Borrowing	13,977	28,830
Lease liability	400	551
Total current liabilities	<u><u>21,442</u></u>	<u><u>53,551</u></u>
Total liabilities	<u><u>30,415</u></u>	<u><u>62,873</u></u>
TOTAL EQUITY AND LIABILITIES	<u><u>1,277,968</u></u>	<u><u>443,487</u></u>
Net assets per share attributable to equity holders of the Company (sen)	<u><u>36.26</u></u>	<u><u>35.25</u></u>

Notes:

The condensed consolidated statement of financial position is prepared based on the consolidated results of the Group for the quarter ended 31 March 2021 and is to be read in conjunction with the audited consolidated financial statements for the financial year ended 31 March 2020 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 3,445,410,485 ordinary shares in issue as at 31 March 2021.

Fintec Global Berhad

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDING 31 MARCH 2021

(The figures have not been audited)

	----- Attributable to Owners of the Company -----							
	----- Non-distributable -----				----- Distributable -----			
	Share Capital RM'000	ICPS RM'000	Warrant Reserve RM'000	Exchange Translation Reserve RM'000	(Accumulated losses)/ Retained profits RM'000	Total RM'000	Non- controlling Interest RM'000	Total Equity RM'000
Audited								
Balance as at 1 April 2019	96,058	43,175	10,904	-	(1,205)	148,932	(1,672)	147,260
Initial application of MFRS 16	-	-	-	-	(164)	(164)	-	(164)
At 1 April 2019 (after restated)	96,058	43,175	10,904	-	(1,369)	148,768	(1,672)	147,096
Total comprehensive profit for the period	-	-	-	-	226,042	226,042	(9)	226,033
Foreign currency translation differences for foreign operations	-	-	-	238	-	238	-	238
Transaction with owners of the Company:								
Issuance of ordinary shares pursuant to conversion of ICPS	15,732	(15,732)	-	-	-	-	-	-
Issuance of ordinary shares pursuant to SIS	5,288	-	-	-	-	5,288	-	5,288
Share issuance expenses	1,960	-	-	-	-	1,960	-	1,960
Total transactions with owners of the Company	22,980	(15,732)	-	-	-	7,248	-	7,248
Balance as at 31 March 2020	119,038	27,443	10,904	238	224,673	382,296	(1,681)	380,615
Unaudited								
Balance as at 1 April 2020	119,038	27,443	10,904	238	224,673	382,296	(1,681)	380,615
Profit for the period	-	-	-	-	666,115	666,115	(25)	666,090
Other comprehensive profit	-	-	-	(258)	-	(258)	-	(258)
Total comprehensive profit for the period	-	-	-	(258)	666,115	665,857	(25)	665,832
Transaction with owners of the Company:								
Issuance of ordinary shares pursuant to conversion of ICPS	20,230	(20,046)	-	-	-	184	-	184
Issuance of ordinary shares pursuant to Share Issuance Scheme ("SIS")	51,919	-	-	-	-	51,919	-	51,919
Issuance of ordinary shares pursuant to Private Placement	21,265	-	-	-	-	21,265	-	21,265
Issuance of ordinary shares pursuant to Rights Issue with Warrants ("RIWW")	114,617	-	34,908	-	(34,908)	114,617	-	114,617
Issuance of ordinary shares pursuant to exercise of Warrant C	4	-	-	-	-	4	-	4
Share issuance expenses	13,117	-	-	-	-	13,117	-	13,117
Total transactions with owners of the Company	221,152	(20,046)	34,908	-	(34,908)	201,106	-	201,106
Balance as at 31 March 2021	340,190	7,397	45,812	(20)	855,880	1,249,259	(1,706)	1,247,553

Notes:

The condensed consolidated statement of changes in equity is prepared based on the consolidated results of the Group for the quarter ended 31 March 2021 and is to be read in conjunction with the audited consolidated financial statements for the financial year ended 31 March 2020 and the accompanying explanatory notes attached to these interim financial statements.

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDING 31 MARCH 2021

(The figures have not been audited)

	Year-To-Date Ended	
	31.03.2021	31.03.2020
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	666,090	226,032
Adjustments for :		
Depreciation of property, plant and equipment	484	626
Depreciation on right-of-use asset	137	2,122
Interest income	(320)	(427)
Gain on disposal of PPE	-	(41)
Share-based payment reserve	13,117	1,961
Gain on disposal of investment securities	(49,959)	(252)
Fair value gain on investment securities	(620,001)	(242,207)
Gain on unrealised foreign exchange	(883)	347
Interest expense	945	759
Unrealised loss on other investment	(35)	-
(Reversal of)/impairment loss on other investment	(7,592)	7,592
Impairment loss on PPE	-	1,081
Impairment loss on trade and other receivables	153	654
Reversal of impairment loss on receivables	-	(3,002)
Prepayment written off	-	100
Operating profit before working capital changes	2,136	(4,655)
Changes in working capital:		
Proceeds from disposal of investment securities	91,157	19,224
Purchase of investment securities	(139,915)	(64,161)
Decrease in inventories	79	(1,906)
(Increase)/decrease in trade and other receivables	(3,311)	3,872
(Decrease)/increase in trade and other payables	(16,367)	9,110
Cash used in operations	(66,221)	(38,516)
Income tax paid	(84)	(24)
Interest received	320	427
Net cash used in operating activities	(65,985)	(38,113)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(11,530)	(709)
Proceeds from disposal of PPE	-	41
Acquisition of investment in unquoted shares	(8,039)	-
Return of capital on unquoted shares	-	5,500
Net cash generated from investing activities	(19,569)	4,832
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares pursuant to Private Placement	21,265	-
Proceeds from issuance of shares pursuant to SIS	51,919	5,287
Proceeds from issuance of shares pursuant to conversion of ICPS	184	-
Proceeds from issuance of shares pursuant to RIWW	114,617	-
Proceeds from issuance of shares pursuant to exercise of warrants	4	-
Proceeds from borrowing	-	-
(Repayment of)/proceeds from borrowing	(14,852)	28,830
Repayment of lease liabilities	-	(2,020)
Interest paid	(945)	(759)
Net cash generated from financing activities	172,192	31,338
Net decrease in cash and cash equivalents	86,638	(1,943)
Effect of exchange rate changes	(182)	254
Cash and cash equivalents at beginning of the year	20,406	22,095
Cash and cash equivalents at end of the period	106,862	20,406
<u>Cash and cash equivalents consist of:</u>		
Deposits with licensed financial institution	90,124	19,853
Cash and bank balances	16,738	553
	106,862	20,406

Notes:

The condensed consolidated statements of cash flow for the quarter ended 31 March 2021 is to be read in conjunction with the audited consolidated financial statements for the financial year ended 31 March 2020 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 2020. 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 2020.

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 2020, 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 March 2021.

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. The Group and the Company have applied MFRS 16 in the current financial year ending 31 March 2021.

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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 (cont'd)

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.

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 2020.

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 March 2021.

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 March 2021.

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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

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 March 2021.

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 March 2021.

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 March 2021, the Group has no material capital commitments.

A14 Related party transactions

During the financial quarter ended 31 March 2021, 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	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	RM'000	RM'000	RM'000	RM'000
Interest income	7,982	-	8,187	-
Other income	9,807	-	9,807	427
Interest expense	(119)	(284)	(945)	(294)
Interest expense on lease liability	-	(29)	-	(29)
Depreciation and amortisation	(124)	(170)	(484)	(793)
Depreciation of right-of-use asset	(34)	(137)	(137)	(137)
Impairment loss on trade and other receivables	(153)	-	(153)	(941)
Reversal of impairment loss on other receivables	-	200	-	200
Reversal of impairment loss on investment in unquoted shares	-	-	(7,592)	-
Reversal of allowance for doubtful debt	-	3,028	-	3,028
Impairment of investments	-	(7,592)	-	(7,592)
Impairment of fixed assets	-	(981)	-	(1,081)
Fair value (loss)/gain on marketable securities	(138,190)	63,043	620,001	242,207
Unrealised foreign exchange gain/(loss)	(346)	(402)	883	73

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

B1 Performance review

Current Year-to-date vs. Previous Year-to-date

a) Current Quarter vs. Previous Year Corresponding Quarter

Key Profit or Loss items:	Quarter Ended		Changes	
	31.03.2021 RM'000	31.03.2020 RM'000	RM'000	%
Revenue	6,272	6,235	37	0.6
(Loss)/Profit Before Tax	(143,792)	54,030	(197,822)	(366.1)
Net (loss)/profit attributable to equity holders	(143,778)	54,034	(197,812)	(366.1)

The Group recorded a revenue of RM6.3 million for the quarter ended 31 March 2021, representing a slight increase of RM0.04 million or 0.6% as compared to RM6.2 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 loss before tax of RM143.8 million for the quarter ended 31 March 2021 as compared to a profit before tax of RM54 million in the corresponding quarter ended 31 March 2020 and the net loss attributable to equity holders stood at RM143.8 million, representing a decrease of RM197.8 million or 3.7x lower as compared to a net profit attributable to equity holders of RM54 million in previous year's corresponding quarter.

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

Performance of the respective operating business segments for the 4th quarter ending 31 March 2021 as compared to the previous corresponding quarter is analysed as follows:-

(Loss)/Profit Before Tax by Segments	Quarter Ended		Changes	
	31.03.2021 RM'000	31.03.2020 RM'000	RM'000	%
Portfolio investment	(134,737)	54,132	(188,869)	(348.9)
Green technology products	(140)	(32)	(108)	(337.5)
O & G services	1,807	3,221	(1,414)	(43.9)
Trading	(208)	(357)	149	41.7

Portfolio investment

Profit before tax decreased by RM188.9 million (3.5x) to a loss before tax of RM134.7 million which was mainly due to the sluggish market of the Group's strategic investments in Malaysia.

Green technology products

Loss before tax increased by RM0.1 million (3.4x) to RM0.1 million, mainly due to the increase in operating expenses.

O & G services

Profit before tax decreased by RM1.4 million to RM1.8 million. This was mainly due to the increase in operating expenses.

Trading

Loss before tax decreased by RM0.1 million to RM0.2 million which was mainly due to the decrease in operating expenses, resulted from the limited operation in Hong Kong due to the Covid-19 pandemic.

Current Year-to-date vs. Previous Year-to-date

Key Profit or Loss items:	Year-To-Date Ended		Changes	
	31.03.2021 RM'000	31.03.2020 RM'000	RM'000	%
Revenue	93,101	20,423	72,678	355.9
Profit before tax	666,090	226,683	439,407	193.8
Net profit attributable to equity holders	666,115	226,692	439,423	193.8

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

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			
	31.03.2021 RM'000	31.03.2020 RM'000	Changes RM'000	%
Investment securities :-				
Non-current	1,071,628	358,067	713,561	199.3
Current	32,176	27,019	5,157	19.1
	<u>1,103,804</u>	<u>385,086</u>	<u>718,718</u>	<u>186.6</u>
Trade and other payables	7,065	24,129	17,064	70.7

The Group's revenue for the period ending 31 March 2021 stood at RM93.1 million, an increase of RM72.7 million or 3.6x as compared to RM20.4 million in the previous year's corresponding period. The revenue was mainly generated from the sale of marketable securities.

The Group made a profit before tax of RM666.1 million for the period ending 31 March 2021 as compared to profit before tax of RM226.7 million in the corresponding period ending 31 March 2020 and the net profit attributable to equity holders was RM666.1 million, an increase of RM439.4 million or 1.9x as compared to the net profit attributable to equity holders of RM226.7 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 RM718.7 million or 1.9x to RM1.1 billion as at 31 March 2021 as compared to RM385.1 million as at 31 March 2020, which was mainly due to fair value gain on the quoted securities.

Total trade and other payables decreased by 70.7% or RM17.1 million over the same period to RM7.1 million as at 31 March 2021, which was mainly due to the payables for the medium to long term portfolio investments.

Performance of the respective operating business segments for the period ending 31 March 2021 as compared to the previous corresponding period is analysed as follows:-

Profit/(Loss) Before Tax by Segments	Year-To-Date Ended			
	31.03.2021 RM'000	31.03.2020 RM'000	Changes RM'000	%
Portfolio investment	684,597	233,800	450,797	192.8
Green technology products	(357)	(277)	(80)	(28.9)
O & G services	1,727	3,081	(1,354)	(43.9)
Trading	(1,393)	(2,083)	690	33.1

Portfolio investment

Profit before tax increased by RM450.8 million (1.9x) to RM684.6 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 RM0.1 million (28.9%) to RM0.4 million which was mainly due to the increase in operating expenses.

O & G services

Profit before tax decreased by RM1.4 million (43.9%) to RM1.7 million which was mainly due to the increase in operating expenses.

Trading

Loss before tax decreased by RM0.7 million (33%) to RM1.4 million. This was mainly due to the decrease in operating expenses, resulted from the limited operation in Hong Kong due to the Covid-19 pandemic.

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

B2 Variation of results against immediate preceding quarter

	<u>Current quarter</u>	<u>Preceding quarter</u>	
	31.03.2021	31.12.2020	Changes
	RM'000	RM'000	%
Revenue	6,272	41,209	(84.8)
(Loss)/Profit before taxation	(143,792)	(61,626)	(133.3)

The Group registered a revenue of RM6.3 million for the current quarter ended 31 March 2021, a decrease of RM34.9 million or 84.8% as compared to RM41.2 million for the immediate preceding quarter ended 31 December 2020. The decrease in revenue was mainly due to lower sales quantum in the current quarter, resulted by the market prices of the marketable securities and the limited operations in Hong Kong due to the Covid-19 pandemic.

Loss before taxation incurred by the Group for the 4th quarter ended 31 March 2021 was RM143.8 million, an increase of RM82 million or 1.3x as compared to a loss before tax of RM61.6 million in the preceding quarter. The increase in loss before tax was mainly due to the fair value loss in the Group's marketable securities.

B3 Prospects

Entering into 2021, countries around the world began reopening their market slowly marking the inception of a new economic recovery around the world.

The recovery was driven by strong global consumer spending growth. In the US Real DPI (disposable personal income) increased 23.0 percent in March 2021 and Real PCE (personal consumption expenditure) increased 3.6 percent over the same period. Likewise, EU's March 2021 consumer confidence index rose by 2.8% compared to December 2020.

As effects of strong consumer demand led to renewed growth of global manufacturing sector, with US PMI rose from 56.5 points in March 2020 to 59.2 in February 2021, EU PMI rising from 53.8 to 57.9 and other regions of the world registering similar trends, commodity prices have escalated higher with oil trading above USD 65 a barrel, copper prices and iron ore prices at decade high to say the least.

These developments have led to higher inflation, which have prompted inflation fears over the markets. Meanwhile, new COVID infections have intensified in many parts of the world and shortages of vaccines continues to inhibits business activities. As a result, equity markets have experienced slight softening in recent days.

When looking past these short-term challenges, the light at the end of the tunnel can be found as supply of COVID vaccines increases enabling businesses to return to normal.

At that point, Fintec's investments stands to benefit from a world where pent-up consumer demand for travel, dining and leisure experiences that were restricted due to COVID lockdown. In that world, Focus Dynamics, a company that operates within F&B, entertainment and lifestyle space with notable assets like CHAZE and BOUNCE should see its business activity returning.

In addition, Brahim's Holdings Berhad, previously an in-flight catering services provider for 190 aircraft per day and prepares an average of 35,000 to 40,000 meals per day have shuttered its operations due to restrictions in travel should also experience restoration of its in-flight catering operations as overseas travel restrictions is lifted.

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 March 2021, no provision for taxation is needed as the Group has adequate unabsorbed tax losses brought forward from previous years to offset the profit incurred, if any, in the current financial quarter.

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

B6 Trade Receivables

	As at	
	31.03.2021	31.03.2020
	RM'000	RM'000
Trade receivables	189	6,139
Less: Allowance for impairment loss	-	(26)
	<u>189</u>	<u>6,113</u>

The ageing analysis of the Group's trade receivables to non-related parties as at 31 March 2021 is as follows:

	As at	
	31.03.2021	31.03.2020
	RM'000	RM'000
Neither past due nor impaired	189	6,139
Past due not impaired:		
31 - 60 days	-	-
91 - 180 days	-	-
> 181 days	-	-
Gross trade receivables	<u>189</u>	<u>6,139</u>
Less: Allowance for impairment loss	-	(26)
	<u>189</u>	<u>6,113</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 March 2021 is as follows:

a) Group's Borrowing

	As at		As at	
	31.03.2021		31.03.2020	
	USD	RM	USD	RM
	denomination	equivalent	denomination	equivalent
	'000	'000	'000	'000
<u>Short Term - Unsecured</u>				
Borrowing	<u>3,372</u>	<u>13,977</u>	<u>5,685</u>	<u>28,830</u>

The short term borrowing's effective interest rate stood at 3% per annum (31 March 2020: 3%).

b) Debts securities

The Group has not issue any debts securities as at the reporting date.

B8 Material litigation

As at this reporting date, save as disclosed in B11, 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 March 2021.

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

B10 Earnings per share ("EPS")

a) Basic EPS

	Quarter Ended		Year-To-Date Ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
(Loss)/Profit attributable to the owners of the Company (RM'000)	(143,778)	54,034	666,115	226,692
Weighted average number of ordinary shares in issue ('000)	1,098,880	651,734	1,741,576	669,523
Basic EPS (sen)	(13.08)	8.29	38.25	33.86

b) Diluted EPS

	Quarter Ended		Year-To-Date Ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Profit attributable to the owners of the Company (RM'000)	(143,778)	54,034	666,115	226,692
Weighted average number of ordinary shares in issue ('000)	1,098,880	651,734	1,741,576	669,523
Effective of dilution from conversion of ICPS ('000)	224,658	475,236	224,658	475,236
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
Effective of dilution from detachable warrants C ('000)	1,146,127	-	1,146,127	-
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	2,690,844	1,348,149	3,333,540	1,365,938
Diluted EPS (sen)	N/A	4.01	19.98	16.60

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 20 January 2021, Fintec Glove Sdn. Bhd. ("Fintec Glove"), had entered into a Memorandum of Agreement with ROBAYU Corporation sp. z o.o. from Poland ("Robayu") (collectively referred to as "the Parties") to spearhead its sales and distribution of medical grade nitrile examination gloves in Warsaw, Poland and Eastern Europe. Fintec Glove shall appoint Robayu as the official agent and exclusive distributor for Fintec Glove's medical grade nitrile examination gloves in Poland and Eastern Europe through a formal Sales & Purchase Agreement to be signed by both Parties at a later stage.
- On 27 January 2021, Fintec Glove Sdn. Bhd., a wholly-owned subsidiary of the Company, had granted a letter of award to Pasukhas Sdn. Bhd. for the design and build construction of its glove manufacturing plant with projected construction value of RM60 million.
- On 20 January 2021 and 18 February 2021, Fintec had offered a total of 290,094,500 options to eligible employees under its Share Issuance Scheme ("SIS") at an offer price of RM0.0775 and RM0.075 respectively.
- On 23 March 2021, Eco-Sponge Sdn. Bhd., had entered into a Collaboration Agreement with Ace Edible Oil Industries Sdn. Bhd., a wholly-owned subsidiary of Green Ocean Corporation Berhad, to supply biodiesel and biofuel related products to the end customers in Malaysia and any other countries mutually agreed by the Parties from time to time. The Collaboration Agreement shall be effective for a period of 5 years.
- FINTEC's existing SIS will be terminated with effect from 24 March 2021 in accordance to the By-Laws governing the SIS in view that the Company intends to establish and implement a new Employees' Share Options Scheme ("ESOS") which was approved by the shareholders of the Company at the extraordinary general meeting held on 26 October 2020. The effective date for the implementation of the ESOS is 25 March 2021.

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

B12 Status of Utilisation of Proceeds

a) Status of utilisation of proceeds as at 31 March 2021, pursuant to the 30% Private Placement.

	Proposed Utilisation RM'000	Reallocation RM'000	Actual Utilisation RM'000	Unutilised proceeds RM'000	Timeframe for the utilisation of proceeds
i) Investment in healthcare equipment manufacturing and/or trading business	5,000	-	(2,171)	2,829	Within 24 months
ii) Working Capital	12,550	547	(2,983)	10,114	Within 24 months
iii) Estimated expenses	750	(547)	(203)	-	Immediate
	<u>18,300</u>	<u>-</u>	<u>(5,357)</u>	<u>12,943</u>	

b) Status of utilisation of proceeds as at 31 March 2021, pursuant to the RIWW.

	Proposed Utilisation RM'000	Reallocation RM'000	Actual Utilisation RM'000	Unutilised proceeds RM'000	Timeframe for the utilisation of proceeds
i) Construction of factory building for the Gloves Business	15,232	-	(6,288)	8,944	Within 6 months
ii) Capital expenditure for the Gloves Business	83,176	-	(19,747)	63,429	Within 24 months
iii) Working capital for the Gloves Business	15,496	13	(61)	15,448	Within 24 months
iv) Estimated expenses for the Corporate Exercises	711	(13)	(698)	-	Immediate
	<u>114,615</u>	<u>-</u>	<u>(26,794)</u>	<u>87,821</u>	

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

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

	Quarter Ended		Year-To-Date Ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	RM'000	RM'000	RM'000	RM'000
Total Comprehensive (Loss)/Profit	(143,792)	54,030	666,090	226,683
Non-Cash items:				
Interest expenses	(119)	(284)	(945)	(294)
Interest expense on lease liability	-	(29)	-	(29)
Depreciation of property, plant and equipment	(124)	(170)	(484)	(793)
Depreciation of right-of-use asset	(34)	(137)	(137)	(137)
(Loss)/gain on unrealised foreign exchange	(346)	(402)	883	73
Impairment loss on trade and other receivables	(153)	-	(153)	(941)
Reversal of impairment loss on other receivables	-	200	(7,592)	200
Reversal of allowance for doubtful debt	-	3,028	-	3,028
Impairment loss on other investment	-	(7,592)	-	(7,592)
Impairment loss on property, plant & equipment	-	(981)	-	(1,081)
(Loss)/gain on change in fairvalue	(138,190)	63,043	620,001	242,207
Share-based payment reserve	(9,044)	(932)	(13,117)	(1,961)
	<u>(148,010)</u>	<u>55,744</u>	<u>598,456</u>	<u>232,680</u>
Total Comprehensive gain/(loss) before non-cash items	<u>4,218</u>	<u>(1,714)</u>	<u>67,634</u>	<u>(5,997)</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

Hung Wen Rong
Ng Sally
Company Secretaries