



FINTEC GLOBAL BERHAD

(Company No. 200701016619 (774628-U))

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 3RD QUARTER AND PERIOD ENDING 31 MARCH 2023**

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 MARCH 2023

(The figures have not been audited)

	Quarter Ended			Year-To-Date Ended			
	31.03.2023 RM'000	31.03.2022 RM'000	Changes %	31.03.2023 RM'000	31.03.2022 RM'000	Changes %	
Revenue	18,593	2,133	771.7	20,400	14,950	36.5	
Cost of sales	(18,962)	(2,469)	(668.0)	(20,340)	(13,572)	(49.9)	
Gross profit/(loss)	(369)	(336)	(9.8)	60	1,378	(95.6)	
Other operating (expenses)/income	312	596	(47.7)	907	1,244	(27.1)	
Operating expenses	(2,798)	(1,981)	(41.2)	(7,609)	(8,953)	15.0	
Fair value gain/(loss) on investment securities	(3,045)	(14,743)	79.3	(20,568)	(28,869)	28.8	
Finance costs	(10)	(94)	89.4	(23)	(154)	85.1	
Profit/(Loss) before taxation	(5,910)	(16,558)	64.3	(27,233)	(35,354)	23.0	
Tax expense	-	-	-	-	-	-	
Profit/(Loss) for the period	(5,910)	(16,558)	64.3	(27,233)	(35,354)	23.0	
Other comprehensive profit/(loss):							
<u>Items that may be subsequently reclassified to profit or loss:</u>							
Foreign currency translation differences for foreign operations	(3)	25	(112.0)	(31)	75	(141.3)	
Total comprehensive profit/(loss) for the period	(5,913)	(16,533)	64.2	(27,264)	(35,279)	22.7	
Profit/(Loss) attributable to:							
Owners of the Company	(5,720)	(16,529)	65.4	(26,779)	(35,292)	24.1	
Non-controlling interest	(190)	(29)	(555.2)	(484)	(62)	(632.3)	
	(5,910)	(16,558)	64.3	(27,233)	(35,354)	23.0	
Total comprehensive profit/(loss) attributable to:							
Owners of the Company	(5,723)	(16,504)	65.3	(26,810)	(35,217)	23.9	
Non-controlling interest	(190)	(29)	(555.2)	(454)	(62)	(632.3)	
	(5,913)	(16,533)	64.2	(27,264)	(35,279)	22.7	
				Quarter Ended		Year-To-Date Ended	
	31.03.2023	31.03.2022		31.03.2023	31.03.2022		
	Sen per share	Sen per share		Sen per share	Sen per share		
(Loss)/Earnings Per Share attributable to equity owners of the Company (sen)							
- Basic			(0.10)	(0.41)	(0.45)	(0.68)	
- Diluted			(0.08)	(0.29)	(0.36)	(0.51)	

Notes:

The condensed consolidated statements of comprehensive income are prepared based on the consolidated results of the Group for the quarter ended 31 March 2023 and is to be read in conjunction with the audited consolidated financial statements for the financial year ended 30 June 2022 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 MARCH 2023

(The figures have not been audited)

	Unaudited As at 31.03.2023 RM'000	Audited As at 30.06.2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	87,136	86,741
Right-of-use asset	148	582
Investment securities	68,166	88,546
Investment in unquoted shares	3,849	3,849
Assets held for sale	14,070	14,070
	<u>173,369</u>	<u>193,788</u>
Current assets		
Receivables, deposits and prepayments	27,033	28,378
Investment securities	7,427	5,939
Short term investment	20,551	49,612
Inventories	3,395	3,495
Cash and cash equivalents	13,764	3,505
	<u>72,170</u>	<u>90,929</u>
TOTAL ASSETS	<u>245,539</u>	<u>284,717</u>
EQUITY AND LIABILITIES		
Share capital	368,619	368,619
ICPS	7,369	7,369
Reserves	35,178	45,779
Accumulated losses	(192,173)	(175,964)
Total equity attributable to owners of the Company	218,993	245,803
Non-controlling interest	(2,402)	(1,948)
Total equity	<u>216,591</u>	<u>243,855</u>
Non-current liabilities		
Lease liability	37	326
Total non-current liabilities	<u>37</u>	<u>326</u>
Current liabilities		
Payables and accruals	28,783	40,196
Lease liability	128	340
Current tax liabilities	-	-
Total current liabilities	<u>28,911</u>	<u>40,536</u>
Total liabilities	<u>28,948</u>	<u>40,862</u>
TOTAL EQUITY AND LIABILITIES	<u>245,539</u>	<u>284,717</u>
Net assets per share attributable to equity holders of the Company (sen)	<u>3.66</u>	<u>4.12</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 2023 and is to be read in conjunction with the audited consolidated financial statements for the financial year ended 30 June 2022 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 5,922,797,474 ordinary shares in issue as at 31 March 2023.

Fintec Global Berhad

(Company No. 200701016619 (774628-U))

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDING 31 MARCH 2023

	Attributable to Owners of the Company							Total Equity RM'000
	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	
Audited								
Balance as at 1 April 2021	325,640	7,369	45,811	(207)	(89,009)	289,604	(1,742)	287,862
Transaction with owners of the Company:								
Issuance of ordinary shares pursuant to ESOS	20,987	-	-	-	-	20,987	-	20,987
Issuance of ordinary shares pursuant to Private Placement	18,041	-	-	-	-	18,041	-	18,041
Share issuance expenses	3,951	-	-	-	-	3,951	-	3,951
Total transactions with owners of the Company	42,979	-	-	-	-	42,979	-	42,979
Loss for the period	-	-	-	-	(86,955)	(86,955)	(206)	(87,161)
Foreign currency translation differences for foreign operations	-	-	-	175	-	175	-	175
Balance as at 30 June 2022	368,619	7,369	45,811	(32)	(175,964)	245,803	(1,948)	243,855
Unaudited								
Balance as at 1 July 2022	368,619	7,369	45,811	(32)	(175,964)	245,803	(1,948)	243,855
Transaction with owners of the Company:								
Warrant reserve adjustment for Warrants B	-	-	(10,570)	-	10,570	-	-	-
Total transactions with owners of the Company	-	-	(10,570)	-	10,570	-	-	-
Loss for the period	-	-	-	-	(26,779)	(26,779)	(454)	(27,233)
Foreign currency translation differences for foreign operations	-	-	-	(31)	-	(31)	-	(31)
Balance as at 31 March 2023	368,619	7,369	35,241	(63)	(192,173)	218,993	(2,402)	216,591

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 2023 and is to be read in conjunction with the audited consolidated financial statements for the financial year ended 30 June 2022 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 31 MARCH 2023

(The figures have not been audited)

	Year-To-Date Ended	
	31.03.2023 RM'000	31.03.2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(27,233)	(35,354)
Adjustments for :		
Depreciation of property, plant and equipment	575	239
Depreciation on right-of-use asset	58	103
Fair value loss on investment securities	20,568	28,869
Loss/(Gain) on unrealised foreign exchange	39	(111)
Gain on short term investments	(879)	-
Gain on derecognition of lease liabilities	(1)	-
Property, plant & equipment written off	1	-
Interest income	(189)	(857)
Interest expense	23	154
Operating loss before working capital changes	(7,038)	(6,957)
Changes in working capital:		
Purchase of marketable securities	(1,712)	(41,512)
Decrease/(Increase) in inventories	105	(61)
Decrease/(Increase) in trade and other receivables	1,595	659
(Decrease)/Increase in trade and other payables	(11,413)	18,890
Cash used in operations	(18,463)	(28,981)
Income tax paid	(67)	-
Interest received	1	857
Net cash used in operating activities	(18,529)	(28,124)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(970)	(68,416)
Withdrawal of short term investment	29,940	36,130
Net cash generated from investing activities	28,970	(32,286)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(23)	(154)
Proceeds from issuance of shares pursuant to Private Placement	-	18,041
Proceeds from issuance of shares pursuant to ESOS	-	23,970
Repayment of lease liabilities	(124)	-
Net cash (used in)/generated from financing activities	(147)	41,857
Net increase/(decrease) in cash and cash equivalents	10,294	(18,553)
Effect of exchange rate changes	(35)	75
Cash and cash equivalents at beginning of the year	3,505	19,481
Cash and cash equivalents at end of the period	13,764	1,003
<u>Cash and cash equivalents consist of:</u>		
Cash and bank balances	13,764	1,003
	13,764	1,003

Notes:

The condensed consolidated statements of cash flow for the quarter ended 31 March 2023 is to be read in conjunction with the audited consolidated financial statements for the financial year ended 30 June 2022 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 30 June 2022. 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 30 June 2022.

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 30 June 2022 except for the adoption of the following standards that have been issued as at the reporting date but are not yet effective: -

MFRSs and Amendments to MFRSs

MFRSs, Interpretation and amendments effective for annual periods beginning on or after 1 January 2022

Amendments to MFRS 1 - First-time Adoption of MFRSs (Annual Improvements to MFRS Standards 2018-2020 Cycle)

Amendments to MFRS 3 - Reference to the Conceptual Framework, (Business Combinations)

Amendments to MFRS 9 - Financial Instruments (Annual Improvements to MFRS Standards 2018-2020 Cycle)

Amendments to MFRS 116 - Property, Plant and Equipment - Proceed Before Intended Use

Amendments to MFRS 137 - Onerous Contracts - Cost of Fulfilling a Contract

Amendments to MFRS 141 - Agriculture (Annual Improvements to MFRS Standards 2018-2020 Cycle)

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2023

MFRS 17 and amendments to MFRS 17- Insurance Contracts

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

Amendments to MFRS 101 - Presentation of Financial Statements - Disclosure of Accounting Estimates

Amendments to MFRS 112 - Income Tax - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

Amendments to MFRS 10 - Consolidated Financial Statements

Amendments to MFRS 128 - Investments in Associates and Joint Ventures

(Sale or contribution of assets between an investor and its associate or joint venture)

The Group and the Company plan to adopt the above applicable new standards when they become effective.

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 30 June 2022.

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 2023.

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 2023.

A6 Debt and equity securities

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 March 2023.

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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

A7 Dividend paid

There were no dividends paid by the Group during the financial quarter and financial period ended 31 March 2023.

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 March 2023

	Incubation RM'000	Portfolio Investment RM'000	Bioechnolo gy Products RM'000	Financial Services RM'000	Glove business RM'000	Elimination RM'000	Group RM'000
Revenue							
External sales	-	18,159	1,289	188	764	-	20,400
Intersegment revenue	-	-	-	-	36	(36)	-
	-	18,159	1,289	188	800	(36)	20,400
Results from operating activities	-	(21,168)	(434)	105	(2,986)	(12)	(24,495)
Finance costs	-	(20)	(2)	(1)	-		(23)
Net unallocated expenses							(2,715)
Profit before taxation							(27,233)
Tax expense							-
Profit for the period							(27,233)
Segment assets	23,564	112,750	883	573	106,828		244,598
Unallocated assets							941
Total assets							245,539
Segment liabilities	496	14	304	4	26,191		27,009
Unallocated liabilities							1,939
Total liabilities							28,948

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 2023.

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 2023.

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

Save as disclosed in the following, the Group has no material capital commitments as at 31 March 2023.

	As at	
	31.03.2023	31.03.2022
	RM'000	RM'000
Capital expenditures approved by the directors:-		
- Contracted for	14,928	19,719

A14 Related party transactions

During the financial quarter ended 31 March 2023, 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 the business of the Group.

A15 Additional Disclosure Requirements to the Statements of Comprehensive Income

	Quarter Ended		Year-to-Date Ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
Interest income	(60)	(144)	(189)	(857)
Fair value (gain)/loss on short term investment	(329)	-	(879)	-
Gain on derecognition of lease liabilities	-	-	(1)	-
Interest expense	10	94	23	154
Depreciation and amortisation	192	80	575	239
Depreciation of right-of-use asset	14	35	58	103
Property, plant & equipment written off	1	-	1	-
Fair value (gain)/loss on marketable securities	3,045	14,743	20,568	28,869
Unrealised foreign exchange (gain)/loss	(63)	(179)	39	(111)
Share-based payment	-	-	-	3,183

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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 Ended

Key Profit or Loss items:	Quarter Ended			%
	31.03.2023 RM'000	31.03.2022 RM'000	Changes RM'000	
Revenue	18,593	2,133	16,460	771.7
Profit/(Loss) Before Tax	(5,910)	(16,558)	10,648	64.3
Net profit/(loss) attributable to equity holders	(5,720)	(16,529)	10,809	65.4

The Group registered a revenue of RM18.59 million for the quarter ended 31 March 2023, representing an increase of RM16.46 million as compared to RM2.13 million in the previous year's corresponding quarter. The increase in revenue was mainly due to higher sales quantum of the marketable securities. The three (3) main revenue contributors were the portfolio investment segment (97%), Biotechnology Products Segment (2%) and the Glove Business Segment (1%).

The Group recorded a loss before tax of RM5.91 million and a net loss attributable to equity holders of RM5.72 million respectively for the quarter ended 31 March 2023 as compared to a loss before tax of RM16.56 million and a net loss attributable to equity holders of RM16.53 million, respectively, in the previous year's corresponding quarter ended 31 March 2022.

The improvement in loss before tax and loss attributable to equity holders as compared to previous year's corresponding quarter was mainly due to lower mark-to-market loss of the marketable securities of RM3.05 million in the current quarter ended 31 March 2023 as opposed to RM14.74 million in the previous year's corresponding quarter ended 31 March 2022.

Performance of the respective operating business segments for the 3rd quarter ending 31 March 2023 as compared to the previous year's corresponding quarter is analysed as follows:-

Revenue by Segments	Quarter Ended			%
	31.03.2023 RM'000	31.03.2022 RM'000	Changes RM'000	
Portfolio investment	18,056	1,724	16,332	947.3
Biotechnology products	379	253	126	49.8
Financial services	62	118	(56)	(47.5)
Glove business	96	38	58	152.6
Profit/(Loss) Before Tax by Segments				
Portfolio investment	(3,446)	(15,009)	11,563	77.0
Biotechnology products	(205)	(440)	235	53.4
Financial services	39	80	(41)	(51.3)
Glove business	(1,058)	(80)	(978)	(1,222.5)

Portfolio investment

Loss before tax decreased by RM11.56 million to RM3.45 million mainly due to lower mark-to-market loss of RM3.05 million in the Group's strategic investments in current quarter ended 31 March 2023 as opposed to RM14.74 million in previous year's corresponding quarter.

Biotechnology products

Loss before tax decreased by RM0.24 million to RM0.21 million as compared to the previous year's corresponding quarter, mainly due to the increase in revenue of RM0.13 million in the current quarter ended 31 March 2023.

Financial services

Profit before tax decreased by RM0.04 million in current quarter as compared to previous year's corresponding quarter mainly due to lower loans outstanding and therefore lower interest income charged to borrowers.

Glove business

Loss before tax increased by RM0.98 million to RM1.06 million in current quarter as compared to previous year's corresponding quarter, mainly due to the increase in operating expenses, arose from the glove business operations in the local and new foreign subsidiaries.

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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

Key Profit or Loss items:	Year-To-Date Ended			%
	31.03.2023	31.03.2022	Changes	
	RM'000	RM'000	RM'000	
Revenue	20,400	14,950	5,450	36.5
Loss before tax	(27,233)	(35,354)	8,121	23.0
Net loss attributable to equity holders	(26,779)	(35,292)	8,513	24.1

The Group's revenue for the period ended 31 March 2023 stood at RM20.40 million, an increase of RM5.45 million as compared to RM14.95 million in the previous year's corresponding period, resulted from higher sales quantum of the marketable securities in the current reporting period.

The Group recorded a loss before tax of RM27.23 million for the period ending 31 March 2023 as compared to RM35.35 million in the corresponding period ended 31 March 2022. The Group's net loss attributable to equity holders stood at RM26.78 million, a decrease of RM8.51 million as compared to the net loss attributable to equity holders of RM35.29 million in previous year's corresponding period.

The decrease in loss was mainly due to lower mark-to-market loss of the marketable securities of RM20.57 million in the current nine months period ended 31 March 2023 as opposed to RM28.87 million in the previous year's corresponding period ended 31 March 2022.

Performance of the respective operating business segments for the period ending 31 December 2022 as compared to the previous corresponding period is analysed as follows:-

Revenue by Segments	Year-To-date Ended			%
	31.03.2023	31.03.2022	Changes	
	RM'000	RM'000	RM'000	
Portfolio investment	18,159	11,975	6,184	51.6
Biotechnology products	1,289	2,746	(1,457)	(53.1)
Financial services	188	177	11	6.2
Glove business	764	52	712	1,369.2
Profit/(Loss) Before Tax by Segments				
Portfolio investment	(21,188)	(29,783)	8,595	28.9
Biotechnology products	(444)	1,162	(1,606)	(138.2)
Financial services	104	74	30	40.5
Glove business	(2,986)	(969)	(2,017)	(208.2)

Portfolio investment

Loss before tax decreased by RM8.59 million to RM21.19 million mainly due to lower mark-to-market loss of the marketable securities of RM20.57 million in the current nine months period ended 31 March 2023 as opposed to RM28.87 million in the previous year's corresponding period ended 31 March 2022.

Biotechnology product

Loss before tax increased by RM1.61 million to RM0.44 million mainly due to the decrease in revenue by RM1.46 million.

Financial services

Profit before tax increased by RM0.03 million to RM 0.10 million mainly due to slight increase of interest income and slightly lower operating expenses.

Glove business

Loss before tax increased by RM2.02 million to RM2.99 million mainly due to the increase in operating expenses arose from the glove business operations in the local and new foreign subsidiary.

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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) Balance Sheet - Current Year-to-date vs. Previous Year-end

Key Balance Sheet Items:	As at		Changes	
	31.03.2023 RM'000	30.06.2022 RM'000	RM'000	%
Property, Plant and equipment	87,136	86,741	395	0.5
Investment Securities:				
- Non Current	68,166	88,546	(20,380)	(23.0)
- Current	7,427	5,939	1,488	25.1
	75,593	94,485	(18,892)	(20.0)
Short term investment	20,551	49,612	(29,061)	(58.6)
Cash and cash equivalents	13,764	3,505	10,259	292.7
Total Assets	245,539	284,717	(39,178)	(13.8)
Total Liabilities	28,948	40,862	11,914	29.2

The Group's Total Assets decreased by RM39.18 million mainly due to decrease in short term investment and investment in marketable securities. The short term investment decreased by RM29.06 million mainly due to withdrawal to cash and cash equivalents and for payments of Glove's factory's creditors. The investment in marketable securities decreased by RM18.9 million mainly due to fair value loss on the quoted securities.

Total Group's Total Liabilities mainly consists of payables and accruals. It decreased by RM11.9 million mainly due to the payments of Glove's factory's creditors for its plant and machinery.

B2 Variation of results against immediate preceding quarter

	Current Quarter	Preceding Quarter	Changes %
	31.03.2023 RM'000	31.12.2022 RM'000	
Revenue	18,593	1,083	1,616.8
Profit/(Loss) before taxation	(5,910)	6,634	(189.1)

The Group registered a revenue of RM18.59 million for the current quarter ended 31 March 2023, representing an increase of RM17.51 million or 1,617% higher as compared to RM1.08 million for the immediate preceding quarter ended 31 December 2022. The increase in revenue was mainly due to higher sales of the marketable securities in portfolio investment segment in current quarter.

The Group incurred a loss before taxation of RM5.91 million for the third quarter ended 31 March 2023 as compared to a profit before tax of RM6.63 million in the immediate preceding quarter ended 31 December 2022. The increase in loss before taxation was mainly due to the fair value loss in current quarter of RM3.05 million as opposed to fair value gain of RM9.30 million in the immediate preceding quarter.

B3 Prospects

For 2023, the Malaysian economy is expected to expand at a more moderate pace amid a challenging external environment. Domestic demand will continue to drive growth, supported by the continued recovery in the labour market and the realisation of multi-year investment projects. The services and manufacturing sectors will also continue to support growth. Meanwhile, the slowdown in exports following weaker global demand would be partially cushioned by higher tourism activity. The balance of risks remains tilted to the downside, mainly from weaker global growth, tighter financial conditions, re-escalation of geopolitical conflicts and worsening supply chain disruptions.

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B3 Prospects (Cont'd)

Headline and core inflation are expected to moderate but remain elevated in 2023 amid lingering cost and demand pressures. Core inflation is expected to remain elevated in the near term, in part due to the low base in the first half of 2022. Existing price controls and fuel subsidies, and the remaining spare capacity in the economy, will continue to partly contain the extent of upward pressures to inflation. The inflation outlook remains highly subject to any changes to domestic policy, as well as global commodity price developments.

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 unpredictable market forces. Despite the challenging economic scene, the Group adopted a cautious yet prudent approach and is optimistic that the performance of its incubatees will improve once the market rebounds. To strategize the business initiative under the current market situations, the management is still actively examining several potential investments including the non-marketable securities, aiming to mitigate the downside risks and to provide a more levelled rate of return to shareholders.

The global nitrile gloves market size was estimated at USD 6.55 billion in 2022 and is anticipated to grow at a compounded annual growth rate (CAGR) of 5.7% from 2023 to 2030. The market growth is expected to be driven by growing healthcare expenditure, increased significance of workplace safety, and rising awareness of healthcare-associated infections.

However, Industrial nitrile gloves are facing several challenges in the current market situation. First, the raw material price has spiked since the demand for gloves has increased after COVID-19. Second, rise of new glove market players has created intense competition in the market and excess supply of gloves in the market continues to affect the industry's average selling price, followed by persisting low utilization rates. In short, there is still potential long terms growth in the industrial nitrile glove industrial segment. Innovation has become one of the good driving forces for a glove manufacturing company to continue to grow. Therefore, we will exercise strict cost control and be cautious in our Glove business while continue to market and increase the sales demand for our medela gloves in Fintec Glove Sdn Bhd, a wholly-owned subsidiary of Fintec Group.

Sources:

- 1) *Economic and Financial Developments in Malaysia in the Fourth Quarter of 2022* article issued by Bank Negara Malaysia on 10 February 2023
- 2) *Nitrile Glove Market Size, Share & Trend Analysis Report by Type* issued by [grandviewresearch.com](https://www.grandviewresearch.com) on 1 February 2023

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

During the financial period ended 31 March 2023, the Group provided a provision for taxation as follows:-

	Quarter Ended		Year-To-Date Ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
Income tax - Current provision	-	-	-	-

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the current period.

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B6 Trade receivables

	As at	
	31.03.2023	31.03.2022
	RM'000	RM'000
Trade receivables	25,416	23,231
Less: Allowance for impairment loss	(2,818)	-
	<u>22,598</u>	<u>23,231</u>

The ageing analysis of the Group's trade receivables to non-related parties as at 31 March 2023 is as follows:

	As at	
	31.03.2023	31.03.2022
	RM'000	RM'000
Neither past due nor impaired	21,952	21,083
Past due not impaired:		
30 days	71	-
31 - 60 days	5	140
61 - 90 days	-	-
91 - 180 days	-	2,008
> 181 days	570	-
Impaired	2,818	-
Gross trade receivables	<u>25,416</u>	<u>23,231</u>
Less: Allowance for impairment loss	<u>(2,818)</u>	<u>-</u>
	<u>22,598</u>	<u>23,231</u>

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, 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 period ended 31 March 2023.

B10 Earnings per share ("EPS")

a) Basic EPS

	Quarter Ended		Year-To-Date Ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Profit/(Loss) attributable to the owners of the Company (RM'000)	(5,720)	(16,529)	(26,779)	(35,292)
Basic EPS (sen)	(0.10)	(0.41)	(0.45)	(0.68)

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B10 Earnings per share ("EPS")(Cont'd)

b) Diluted EPS

	Quarter Ended		Year-To-Date Ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Profit/(Loss) attributable to the owners of the Company (RM'000)	(5,720)	(16,529)	(26,779)	(35,292)
Weighted average number of ordinary shares in issue ('000)	5,922,797	3,985,843	5,922,797	5,216,583
Effective of dilution from conversion of ICPS ('000)	224,308	224,308	224,308	224,308
Effective of dilution from detachable warrants A ('000)	170,093	170,093	170,093	170,093
Effective of dilution from detachable warrants B ('000)	-	116,443	-	116,443
Effective of dilution from detachable warrants C ('000)	1,146,127	1,146,127	1,146,127	1,146,127
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	7,463,325	5,642,814	7,463,325	6,873,554
Diluted EPS (sen)	(0.08)	(0.29)	(0.36)	(0.51)

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

There were no significant corporate proposals for the financial period ended 31 March 2023.

B12 Status of Utilisation of Proceeds

a) Status of utilisation of proceeds as at 31 March 2023, 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	-	(5,000)	-	By 14 Jan 2024
ii) Working Capital	12,550	547	(13,097)	-	Within 24 months
iii) Estimated expenses	750	(547)	(203)	-	Immediate
	<u>18,300</u>	<u>-</u>	<u>(18,300)</u>	<u>-</u>	

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B12 Status of Utilisation of Proceeds

b) Status of utilisation of proceeds as at 31 March 2023, 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	13,670	(23,668)	5,234	By 27 Dec 2023
ii) Capital expenditure for the Gloves Business	83,176	(18,670)	(39,491)	25,015	By 27 Dec 2023
iii) Working capital for the Gloves Business	15,498	5,013	(17,622)	2,889	By 27 Dec 2023
iv) Estimated expenses for the Corporate Exercises	711	(13)	(698)	-	Immediate
	114,617	-	(81,479)	33,138	

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

	Quarter Ended		Year-to-Date Ended	
	31.03.2023 RM'000	31.03.2022 RM'000	31.03.2023 RM'000	31.03.2022 RM'000
Total Comprehensive Loss	(5,910)	(16,558)	(27,233)	(35,354)
Non-Cash items:				
Depreciation of property, plant and equipment	192	80	575	239
Depreciation of right-of-use asset	14	35	58	103
Unrealised foreign exchange (gain)/loss	(63)	(179)	39	(111)
Fair value loss on marketable securities	3,045	14,743	20,568	28,869
Gain on derecognition of lease liabilities	-	-	(1)	-
Property, plant & equipment written off	1	-	1	-
Share-based payment reserve	-	-	-	3,183
	3,189	14,679	21,240	32,283
Total Comprehensive loss before non-cash items	(2,721)	(1,879)	(5,993)	(3,071)

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

Ng Sally

Goh Xin Yee

Company Secretaries