



FINTEC GLOBAL BERHAD

(Company No. 200701016619 (774628-U))

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 1ST QUARTER AND PERIOD ENDED 30 SEPTEMBER 2023**

Fintec Global Berhad

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 1ST QUARTER AND PERIOD ENDED 30 SEPTEMBER 2023

	QUARTER ENDED			YEAR-TO-DATE ENDED		
	30.09.2023 RM'000	30.09.2022 RM'000	Changes %	30.09.2023 RM'000	30.09.2022 RM'000	Changes %
Revenue	2,564	724	254.1	2,564	724	254.1
Cost of Sales	(1,736)	(993)	(74.8)	(1,736)	(993)	(74.8)
Gross profit / (loss)	828	(269)	407.8	828	(269)	407.8
Other operating income / (expenses)	571	1,312	(56.5)	571	1,312	(56.5)
Administrative expenses	(2,653)	(2,172)	(22.1)	(2,653)	(2,172)	(22.1)
Fair value gain/(loss) on investment securities	35,819	(26,821)	233.5	35,819	(26,821)	233.5
Finance cost	(1)	(7)	85.7	(1)	(7)	85.7
Profit/(Loss) before tax	34,564	(27,957)	223.6	34,564	(27,957)	223.6
Tax expenses	-	-	-	-	-	-
Net Profit/(Loss) for the financial period	34,564	(27,957)	223.6	34,564	(27,957)	223.6
Currency translation differences	31	243	(87.2)	31	243	(87.2)
Total comprehensive profit/(loss) for the	34,595	(27,714)	224.8	34,595	(27,714)	224.8
Net Profit/(loss) attributable to:						
Owners of the Company	34,709	(27,839)	224.7	34,709	(27,839)	224.7
Non-controlling interest	(145)	(118)	(22.9)	(145)	(118)	(22.9)
	34,564	(27,957)	223.6	34,564	(27,957)	223.6
Total comprehensive profit/(loss) for the financial period attributable to:						
Owners of the Company	34,740	(27,596)	225.9	34,740	(27,596)	225.9
Non-controlling interest	(145)	(118)	(22.9)	(145)	(118)	(22.9)
	34,595	(27,714)	224.8	34,595	(27,714)	224.8
Earning / (loss) per share attributable to the owners of the Company:						
- Basic (sen per share)	0.59	(0.59)		0.59	(0.51)	
- Diluted (sen per share)	0.47	(0.44)		0.47	(0.39)	

Notes:

The above unaudited condensed consolidated statements of comprehensive income is to be read in conjunction with the audited consolidated financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to these interim financial statements.

Fintec Global Berhad

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

	Unaudited As At 30.09.2023 RM'000	Audited As At 30.06.2023 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	72,932	73,670
Right-of-use asset	80	114
Investment in unquoted shares	977	977
Marketable securities	105,273	69,518
Asset held for sale	25,200	25,200
	<u>204,462</u>	<u>169,479</u>
Current Assets		
Inventories	3,243	3,319
Trade receivables	711	274
Non-trade receivables, deposits and prepayment	27,890	25,474
Marketable securities	19,645	18,888
Current tax assets	54	356
Short term investment	9,115	13,216
Cash and bank Balances	11,483	14,406
	<u>72,141</u>	<u>75,933</u>
TOTAL ASSETS	<u>276,603</u>	<u>245,412</u>
EQUITY AND LIABILITIES		
Share Capital	368,726	368,726
ICPS	17,832	17,832
Reserves	35,486	35,455
Accumulated losses	(173,076)	(207,785)
Equity attributable to owners of the Company	<u>248,968</u>	<u>214,228</u>
Non-controlling Interest	(2,776)	(2,631)
TOTAL EQUITY	<u>246,192</u>	<u>211,597</u>
Non-current Liabilities		
Lease Liabilities	-	-
	<u>-</u>	<u>-</u>
Current Liabilities		
Trade payables	2,950	5,303
Payables and Accruals	27,371	28,385
Lease Liabilities	90	127
	<u>30,411</u>	<u>33,815</u>
TOTAL LIABILITIES	<u>30,411</u>	<u>33,815</u>
TOTAL EQUITIES AND LIABILITIES	<u>276,603</u>	<u>245,412</u>
Net Assets per share attributable to equity holders of the Company (sen)	<u>4.20</u>	<u>3.62</u>

Notes:

The above unaudited condensed consolidated statement of financial position is to be read in conjunction with the audited consolidated financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to these interim financial statements.

Fintec Global Berhad

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR YEAR TODATE ENDED 30 SEPTEMBER 2023

	←——— ATTRIBUTABLE TO OWNERS OF THE PARENT ———→							Total Equity RM'000
	←——— NON - DISTRIBUTABLE ———→			DISTRIBUTABLE				
	Share Capital RM'000	ICPS RM'000	Warrant Reserve RM'000	Translation Reserve RM'000	Accumulated Lossess RM'000	Total RM'000	Non-controlling Interest RM'000	
Audited								
Balance as at 1 July 2022	368,619	7,369	45,811	(32)	(175,964)	245,803	(1,948)	243,855
Transactions with owners of the Company:								
Issuance of ordinary shares pursuant to Private Placement	112	(112)	-	-	-	-	-	-
Warrant Reserve adjustment for Warrant B	(5)	10,575	(10,570)	-	-	-	-	-
Total transaction with owners	107	10,463	(10,570)	-	-	-	-	-
Loss after taxation	-	-	-	-	(31,821)	(31,821)	(683)	(32,504)
Foreign Currency translation reserve	-	-	-	246	-	246	-	246
Total Comprehensive loss for the period	-	-	-	246	(31,821)	(31,575)	(683)	(32,258)
Balance as at 30 June 2023	368,726	17,832	35,241	214	(207,785)	214,228	(2,631)	211,597
Unaudited								
Balance as at 1 July 2023	368,726	17,832	35,241	214	(207,785)	214,228	(2,631)	211,597
Total transaction with owners	-	-	-	-	-	-	-	-
Loss after taxation	-	-	-	-	34,709	34,709	(145)	34,564
Foreign Currency translation reserve	-	-	-	31	-	31	-	31
Total Comprehensive loss for the period	-	-	-	31	34,709	34,740	(145)	34,595
Balance as at 30 September 2023	368,726	17,832	35,241	245	(173,076)	248,968	(2,776)	246,192

The above unaudited condensed consolidated statement of changes in equity is to be read in conjunction with the audited consolidated financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to these interim financial statements.

Fintec Global Berhad

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Year-to-date Ended	
	30.09.2023 RM'000	30.09.2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	34,564	(27,957)
Adjustment for:		
Depreciation of property, plant and equipment	752	192
Depreciation of right use of assets	34	83
Fair value (gain)/loss on marketable securities	(35,819)	26,821
Gain on short term investment	(107)	(224)
Gain on foreign exchange - unrealised	(149)	(962)
Impairment/(Reversal) on:		
- trade receivables	(307)	-
Interest expense	1	7
Interest income	(25)	(2)
Operating loss before working capital changes	(1,056)	(2,042)
Purchase of marketable securities	(701)	(6,173)
(Increase) / decrease in inventories	92	223
(Increase) / decrease in receivables	(2,393)	6,605
Increase / (Decrease) in payables	(3,371)	(5,520)
Cash used in operations	(7,429)	(6,907)
Interest received	-	2
Tax refunded / (paid)	302	(50)
Net Cash used in operating activities	(7,127)	(6,955)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(14)	(46)
Withdrawal of short term investment	4,209	9,681
Net cash generated from investing activities	4,195	9,635
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(38)	(126)
Interest paid	(1)	(7)
Net cash used in financing activities	(39)	(133)
Net (decrease) / increase in cash and cash equivalents	(2,971)	2,547
Cash and cash equivalents at the beginning of the period	14,406	3,505
Effect of exchange rate changes	48	243
Cash and cash equivalents at the end of the period	11,483	6,295
Cash and cash equivalents comprise:		
Cash and bank balances	11,483	6,295
	11,483	6,295

Notes:

The above unaudited condensed consolidated statements of cash flows to be read in conjunction with the audited consolidated financial statements for the financial year ended 30 June 2023 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 30 June 2023. 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 2023.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2023 except for the adoption of the following standards that have been issued as at the reporting date: -

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

- MFRS 17 – Insurance Contracts
- Amendments to MFRS 17 – Insurance Contracts
- Amendments to MFRS 17, initial Application of MFRS 17 and MFRS 9 – Comparative Information
- Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
- Amendments to MFRS 101, Presentation of Financial Statements – Disclosures of Accounting Estimates
- Amendments to MFRS 112, Income Tax – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The adoption of the above pronouncements did not have material impact on the financial statements of the Group.

The following MFRS and Amendments to MFRS have been issued by MASB but are not yet effective to the Group:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2024

- Amendments to MFRS 16 – Lease liability in a sale and leaseback
- Amendments to MFRS 101 – Non-current liabilities with covenants
- Amendments to MFRS 107 and MFRS 7 – Supplier finance arrangements

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

Amendments to MFRS 10 and MFRS 128, Consolidated Financial Statements Amendments and 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 MFRS and amendments/improvements to MFRS 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 2023.

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

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 ended 30 September 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 ended 30 September 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 ended 30 September 2023.

A7 Dividend paid

There were no dividends paid by the Group during the financial quarter and financial period ended 30 September 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 30 September 2023

	Technology incubation RM'000	Portfolio Investment RM'000	Biotechnology Products RM'000	Financial Services RM'000	Glove business RM'000	Elimination RM'000	Total RM'000
Revenue							
Sales to external customers	-	2,168	317	25	54	-	2,564
Results							
Segment results	(618)	36,503	(181)	264	(1,400)	(3)	34,565
Interest expenses	(1)	-	(2)	-	-	2	(1)
Loss before taxation	(619)	36,503	(183)	264	(1,400)	(1)	34,564
Income tax expense	-	-	-	-	-	-	-
Loss for the year	(619)	36,503	(183)	264	(1,400)	(1)	34,564
Assets							
Segment assets	11,179	163,729	1,110	980	99,685	(80)	276,603
Unallocated assets	-	-	-	-	-	-	-
Total assets	11,179	163,729	1,110	980	99,685	(80)	276,603
Liabilities							
Segment liabilities	207	95	358	887	28,948	(84)	30,411
Unallocated assets	-	-	-	-	-	-	-
Total liabilities	207	95	358	887	28,948	(84)	30,411

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

A9 Valuation of property, plant and equipment

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

There were no changes in the composition of the Group during the current quarter and period ended 30 September 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.

A13 Capital commitments

There were no material capital commitments as at 30 September 2023.

A14 Related party transactions

During the financial period ended 30 September 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 and Year-to-date Ended	
	30.09.2023	30.09.2022
	RM'000	RM'000
Interest income	(25)	(2)
Fair value (gain)/loss on short term investment	(107)	(224)
Interest expense	1	7
Depreciation and amortisation	752	192
Depreciation of right-of-use asset	34	83
Reversal on impairment on trade and other receivables	(307)	-
Fair value (gain)/loss on marketable securities	(35,819)	26,821
Unrealised foreign exchange (gain)/loss	(149)	(962)

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 and Year-to-Date Ended vs Previous Year Corresponding Quarter and Previous Year-to-Date Ended

Key Profit or Loss items:	Quarter and Year-to-Date Ended			
	30.09.2023 RM'000	30.09.2022 RM'000	Changes	
			RM'000	%
Revenue	2,564	724	1,840	254.1
Loss before tax	34,564	(27,957)	62,521	223.6
Net loss attributable to equity holders	34,709	(27,839)	62,548	224.7

The Group registered a revenue of RM2.56 million for current quarter ended 30 September 2023, increased by RM1.84 million as compared to RM0.72 million in 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 (85%), Biotechnology Products Segment (12%) and the Glove Business Segment (2%).

The Group recorded a profit before tax of RM34.56 million and a net profit attributable to equity holders of RM34.71 million respectively for the quarter ended 30 September 2023, improved significantly as compared to a loss before tax of RM27.96 million and a net loss attributable to equity holders of RM27.84 million, respectively, in the previous year's corresponding quarter ended 30 September 2022.

The improvement in profit before tax and profit attributable to equity holders as compared to previous year's corresponding quarter was mainly due to mark-to-market profit of the marketable securities of RM35.82 million in current quarter as opposed to mark-to-market loss of RM26.82 million in the previous year's corresponding quarter ended 30 September 2022.

Performance of the respective operating business segments for the quarter ended 30 September 2023 as compared to the previous year's corresponding quarter is analysed as follows:-

Revenue by Segments	Quarter and Year-to-Date Ended			
	30.09.2023 RM'000	30.09.2022 RM'000	Changes	
			RM'000	%
Portfolio investment	2,168	103	2,065	2,004.9
Biotechnology products	317	470	(153)	(32.6)
Financial services	25	63	(38)	(60.3)
Glove business	54	88	(34)	(38.6)
Profit/(Loss) Before Tax by Segments				
Portfolio investment	36,503	(25,947)	62,450	240.7
Biotechnology products	(183)	(498)	315	63.3
Financial services	264	40	224	(560.0)
Glove business	(1,400)	(986)	(414)	(42.0)

Portfolio investment

This segment reported a profit before tax of RM36.50 million in current quarter ended 30 September 2023, improved by RM62.45 million as compared to loss before tax of RM25.95 million in previous year's corresponding quarter ended 30 September 2022, mainly due to mark-to-market profit of RM35.82 million in the Group's strategic investments in current quarter as opposed to mark-to-market loss of RM26.82 million in previous year's corresponding quarter.

Biotechnology products

This segment reported a lower revenue of RM0.32 million in current quarter ended 30 September 2023, as compared to RM0.47 million in previous year's corresponding quarter ended 30 September 2022. However, the loss before tax lowered by RM0.32 million to RM0.18 million as compared to previous year's corresponding quarter, mainly due to lower operating and admin expenses.

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)

a) Current Quarter and Year-to-Date Ended vs Previous Year Corresponding Quarter and Previous Year-to-Date Ended

Financial services

This segment reported a profit before tax of RM0.26 million in current quarter ended 30 September 2023, improved by RM0.22 million as compared to RM0.04 million in previous year's corresponding quarter ended 30 September 2022, mainly due to reversal of impairment on receivables of RM0.31 million upon collection from borrowers in current quarter which is none in previous year's corresponding quarter.

Glove business

Loss before tax increased by RM0.41 million to RM1.40 million in current quarter as compared to previous year's corresponding quarter ended 30 September 2022, mainly due to increase in operating expenses arose from the glove business operations in the local and foreign subsidiary.

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

	As at		Changes	
	30.09.2023	30.06.2023	RM'000	%
Key Balance Sheet Items:	RM'000	RM'000	RM'000	%
Property, Plant and equipment	72,932	73,670	(738)	(1.0)
Asset held for sale	25,200	25,200	-	-
Marketable securities:				
- Non Current	105,273	69,518	35,755	51.4
- Current	19,645	18,888	757	4.0
	<u>124,918</u>	<u>88,406</u>	<u>36,512</u>	<u>41.3</u>
Short term investment	9,115	13,216	(4,101)	(31.0)
Cash and cash equivalents	11,483	14,406	(2,923)	(20.3)
Total Assets	276,603	245,412	31,191	12.7
Total Liabilities	30,411	33,815	(3,404)	(10.1)

The Group's Total Assets increased by RM31.19 million mainly due to increase in investment in marketable securities, reduced by decreased in short term investment and cash and cash equivalents. The investment in marketable securities increased by RM36.51 million mainly due to fair value profit on the quoted securities of RM35.82 million as well as additional quoted securities purchased during current quarter. The decrease in short-term investment and cash and cash equivalent mainly due to payments of operating expenses and Glove's factory's final progress billing.

Total Group's Total Liabilities mainly consists of payables and accruals. It decreased by RM3.40 million mainly due to payments of final progress billing for the construction of its factory.

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 30.09.2023 RM'000	Preceding Quarter 30.06.2023 RM'000	Changes	
Revenue	2,564	1,878	686	36.5
Loss before tax	34,564	(5,271)	39,835	755.7

The Group registered a revenue of RM2.56 million for the current quarter ended 30 September 2023, representing an increase of RM0.69 million or 36.5% as compared to RM1.88 million in preceding quarter ended 30 June 2023. The increase in revenue was mainly due to higher sales of marketable securities in portfolio investment segment in current quarter.

The Group achieved a profit before taxation of RM34.56 million for the current quarter ended 30 September 2023, improved by RM39.84 million as compared to loss before tax of RM5.27 million in the preceding quarter ended 30 June 2023. The improvement in results before taxation was mainly due to fair value profit on the marketable securities of RM35.82 million as opposed to fair value loss of RM1.08 million, impairment on production line of RM2.94 million and impairment on investment in unquoted shares of RM2.87 million in previous quarter which is none in current quarter. These improvements were mitigated by lower reversal of impairment on receivables of RM0.31 million in current quarter against RM1.75 million in previous quarter, gain on disposal of fixed assets of RM0.76 million in previous quarter and lower gain on foreign exchange by 1.31 million.

B3 Prospects

The Malaysian economy expanded by 3.3% in the third quarter of 2023. Growth was anchored by resilient domestic demand. Exports remained soft amid prolonged weakness in external demand. This, however, was partially offset by the recovery in inbound tourism. Going forward, growth will remain resilient despite external headwinds on account of firm domestic demand. Improvements in tourist arrivals and spending are expected to continue. Investment will be supported by further progress of multi-year infrastructure projects and the implementation of catalytic initiatives.

BNM Governor Datuk Abdul Rasheed Ghaffour says, "Despite the challenging global environment, the Malaysian economy is projected to expand by around 4% in 2023 and 4% – 5% in 2024. Growth will continue to be driven by the expansion in domestic demand amid steady employment and income prospects, particularly in domestic-oriented sectors. This growth performance along with other favourable economic developments would provide support to the ringgit."

Headline inflation continued to moderate at 2% during the third quarter of 2023. Overall, headline inflation is expected to average between 2.5% and 3% in 2023. Going forward, risks to the inflation outlook remain highly subject to changes to domestic policy on subsidies and price controls, as well as global commodity prices and financial market developments.

Source: Economic and Financial Developments in Malaysia in the Third Quarter of 2023 article issued by Bank Negara Malaysia on 17 November 2023

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.

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

B3 Prospects (Cont'd)

The Global Nitrile Gloves Market is expected to generate USD 14.36 billion by the end of 2029, up from USD 5.89 billion in 2022. A favourable growth element for the Global Nitrile Gloves market is the increasing demand in the healthcare sector, growing awareness or self-care and hygiene, COVID-19 outbreak, stringent regulations and standards, rising prevalence of chronic disease, and shift from latex to nitrile. During the forecast period, 2024-2029, Global Nitrile Gloves is expected to expand at a CAGR of 13.3%. The market has seen a rise in the development of innovative technological products over the years. These advancements in manufacturing technologies have improved the quality and efficiency of nitrile glove production.

Source: Global Nitrile Gloves Market Factbook (2023 Edition): Analysis by Type, Texture, By End Use Industry, By Region, By Country: Drivers, Trends and Forecast to 2029 issued by www.researchandmarkets.com in August 2023

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.

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 30 September 2023, the Group provided a provision for taxation as follows:-

	Quarter and Year-to-Date Ended	
	30.09.2023	30.09.2022
	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 period under review.

B6 Trade receivables

	As at	
	30.09.2023	30.06.2023
	RM'000	RM'000
Trade receivables	1,471	1,340
Less : Allowance for impairment loss	(760)	(1,066)
	711	274

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 (Cont'd)

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

	As at	
	30.09.2023	30.06.2023
	RM'000	RM'000
Neither past due nor impaired	99	187
30 days	559	67
31 - 60 days	15	20
61 - 90 days	26	-
91 - 180 days	12	-
> 181 days	-	-
Impaired	760	1,066
Gross trade receivables	1,471	1,340
Less: Allowance for impairment loss	(760)	(1,066)
	711	274

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 material 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 30 September 2023.

B10 Earnings per share ("EPS")

	Quarter Ended		Year-to-date Ended	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
a) Basic EPS				
Profit/(Loss) attributable to the owners of the Company (RM'000)	34,709	(27,839)	34,709	(27,839)
Basic EPS (sen)	0.59	(0.59)	0.59	(0.51)
b) Diluted EPS				
Profit/(Loss) attributable to the owners of the Company (RM'000)	34,709	(27,839)	34,709	(27,839)
Weighted average number of ordinary shares in issue ('000)	5,923,815	4,727,196	5,923,815	5,409,913
Effective of dilution from conversion of ICPS ('000)	222,908	224,308	222,908	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)	7,462,943	6,384,167	7,462,943	7,066,884
Diluted EPS (sen)	0.47	(0.44)	0.47	(0.39)

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") (Cont'd)

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 30 September 2023.

B12 Status of Utilisation of Proceeds

a) Status of utilisation of proceeds as at 30 September 2023, pursuant to the RIWW.

	Proposed Utilisation	Reallocation	Actual Utilisation	Unutilised proceeds	Timeframe for the utilisation of proceeds
	RM'000	RM'000	RM'000	RM'000	
Construction of factory building for the Gloves Business	15,232	13,670	(25,391)	3,511	By 27 Dec 2023
Capital expenditure for the Gloves Business	83,176	(18,670)	(52,007)	12,499	By 27 Dec 2023
Working capital for Gloves Business	15,498	(687)	(10,496)	4,315	By 27 Dec 2023
Corporate Exercises expenses	711	(13)	(698)	-	Immediate
Working capital for the Group	-	5,700	(5,600)	100	By 27 Dec 2023
	114,617	-	(94,192)	20,425	

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

	Quarter and Year-to-date Ended	
	30.09.2023	30.09.2022
	RM'000	RM'000
Total comprehensive profit/(loss) for the period:	34,595	(27,714)
Non-Cash items:		
Depreciation of property, plant and equipment	752	192
Depreciation of right-of-use asset	34	83
Unrealised foreign exchange (gain)/loss	(149)	(962)
Fair value (gain)/loss on marketable securities	(35,819)	26,821
Reversal on impairment loss on receivables	(307)	-
	(35,489)	26,134
Total Comprehensive loss before non-cash items	(894)	(1,580)

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