



FINTEC GLOBAL BERHAD

(Company No. 200701016619 (774628-U))

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 2ND QUARTER AND PERIOD ENDED 31 DECEMBER 2023**

Fintec Global Berhad

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 2ND QUARTER AND PERIOD ENDED 31 DECEMBER 2023

	QUARTER ENDED			YEAR-TO-DATE		
	31.12.2023 RM'000	31.12.2022 RM'000	Changes %	31.12.2023 RM'000	31.12.2022 RM'000	Changes %
Revenue	3,827	1,083	253.4	6,391	1,807	253.7
Cost of Sales	(3,185)	(385)	(727.3)	(4,921)	(1,378)	(257.1)
Gross profit / (loss)	642	698	(8.0)	1,470	429	(242.7)
Other operating income / (expenses)	(484)	(717)	32.5	87	595	85.4
Administrative expenses	(2,564)	(2,639)	2.8	(5,217)	(4,811)	(8.4)
Fair value gain/(loss) on investment securities	(14,637)	9,298	257.4	21,182	(17,523)	220.9
Finance cost	(1)	(6)	83.3	(2)	(13)	84.6
Profit/(Loss) before tax	(17,044)	6,634	356.9	17,520	(21,323)	182.2
Tax expenses	-	-	-	-	-	-
Net Profit/(Loss) for the financial period	(17,044)	6,634	356.9	17,520	(21,323)	182.2
Currency translation differences	(133)	(271)	(50.9)	(102)	(28)	264.3
Total comprehensive profit/(loss) for the period	(17,177)	6,363	370.0	17,418	(21,351)	181.6
Net profit/(loss) attributable to:						
Owners of the Company	(16,918)	6,780	349.5	17,791	(21,059)	184.5
Non-controlling interest	(126)	(146)	13.7	(271)	(264)	(2.7)
	(17,044)	6,634	356.9	17,520	(21,323)	182.2
Total comprehensive profit/(loss) for the financial period attributable to:						
Owners of the Company	(17,051)	6,509	362.0	17,689	(21,087)	183.9
Non-controlling interest	(126)	(146)	13.7	(271)	(264)	(2.7)
	(17,177)	6,363	370.0	17,418	(21,351)	181.6
Earning / (loss) per share attributable to the owners of the Company:						
- Basic (sen per share)	(0.29)	0.14		0.30	(0.39)	
- Diluted (sen per share)	(0.27)	0.11		0.28	(0.30)	

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 31 DECEMBER 2023

	Unaudited As At 31.12.2023 RM'000	Audited As At 30.06.2023 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	72,130	73,670
Right-of-use asset	46	114
Investment in unquoted shares	977	977
Marketable securities	88,877	69,518
Asset held for sale	25,200	25,200
	<u>187,230</u>	<u>169,479</u>
Current Assets		
Inventories	2,931	3,319
Trade receivables	640	274
Non-trade receivables, deposits and prepayment	23,415	25,474
Marketable securities	25,077	18,888
Current tax assets	64	356
Short term investment	7,695	13,216
Cash and bank Balances	12,508	14,406
	<u>72,330</u>	<u>75,933</u>
TOTAL ASSETS	<u>259,560</u>	<u>245,412</u>
EQUITY AND LIABILITIES		
Share Capital	403,633	368,726
ICPS	17,833	17,833
Reserves	445	35,454
Accumulated losses	(189,994)	(207,785)
Equity attributable to owners of the Company	<u>231,917</u>	<u>214,228</u>
Non-controlling Interest	(2,902)	(2,631)
TOTAL EQUITY	<u>229,015</u>	<u>211,597</u>
Non-current Liabilities		
Lease Liabilities	-	-
	<u>-</u>	<u>-</u>
Current Liabilities		
Trade payables	2,907	5,303
Payables and Accruals	27,586	28,385
Lease Liabilities	52	127
	<u>30,545</u>	<u>33,815</u>
TOTAL LIABILITIES	<u>30,545</u>	<u>33,815</u>
TOTAL EQUITIES AND LIABILITIES	<u>259,560</u>	<u>245,412</u>
Net Assets per share attributable to equity holders of the Company (sen)	<u>3.91</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

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR YEAR TODATE ENDED 31 DECEMBER 2023

	←——— ATTRIBUTABLE TO OWNERS OF THE PARENT ———→							
	←——— 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	Total Equity 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)	10,576	(10,571)	-	-	-	-	-
Total transaction with owners	107	10,464	(10,571)	-	-	-	-	-
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	17,833	35,240	214	(207,785)	214,228	(2,631)	211,597
Unaudited								
Balance as at 1 July 2023	368,726	17,833	35,240	214	(207,785)	214,228	(2,631)	211,597
Transactions with owners of the Company:								
Conversion of Warrant C	0.3	-	(0.1)	-	-	0.2	-	0.2
Warrant Reserve adjustment for Warrant C	34,907	-	(34,907)	-	-	-	-	-
Total transaction with owners	34,907	-	(34,907)	-	-	0.2	-	0.2
Loss after taxation	-	-	-	-	17,791	17,791	(271)	17,520
Foreign Currency translation reserve	-	-	-	(102)	-	(102)	-	(102)
Total Comprehensive loss for the period	-	-	-	(102)	17,791	17,689	(271)	17,418
Balance as at 31 December 2023	403,633	17,833	333	112	(189,994)	231,917	(2,902)	229,015

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))
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR TODATE ENDED 31 DECEMBER 2023

	Year-to-date Ended	
	31.12.2023	31.12.2022
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	17,520	(21,323)
Adjustment for:		
Depreciation of property, plant and equipment	1,499	383
Depreciation of right use of assets	68	158
Fair value (gain)/loss on marketable securities	(21,182)	17,523
Gain on short term investment	(192)	(550)
Loss on foreign exchange - unrealised	534	102
Impairment/(Reversal) on:		
- trade receivables	(307)	-
Interest expense	2	13
Interest income	(155)	(2)
Operating loss before working capital changes	(2,213)	(3,696)
Purchase of marketable securities	(4,360)	(7,158)
(Increase) / decrease in inventories	345	42
(Increase) / decrease in receivables	1,625	7,696
Increase / (Decrease) in payables	(3,146)	(4,710)
Cash used in operations	(7,749)	(7,826)
Interest received	100	2
Tax refunded / (paid)	292	(58)
Net Cash used in operating activities	(7,357)	(7,882)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of peroperty, plant and equipment	(14)	(964)
Withdrawal of short term investment	5,713	9,711
Net cash generated from investing activities	5,699	8,747
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(76)	(160)
Interest paid	(2)	(13)
Net cash used in financing activities	(78)	(173)
Net (decrease) / increase in cash and cash equivalents	(1,736)	692
Cash and cash equivalents at the beginning of the period	14,406	3,505
Effect of exchange rate changes	(162)	(28)
Cash and cash equivalents at the end of the period	<u>12,508</u>	<u>4,169</u>
Cash and cash equivalents comprise:		
Cash and bank balances	12,508	4,169
	<u>12,508</u>	<u>4,169</u>

Notes:

The above unaudited condensed consolidated statements of cash flowis 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

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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 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.

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 31 December 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 31 December 2023.

A6 Debt and equity securities

Save as disclosed in the following, there were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities, share buy backs, share cancellation, shares held as treasury share and resale of treasury shares during the current financial quarter and financial period ended 31 December 2023.

During the financial period ended 31 December 2023, the Company has issued new ordinary shares pursuant to:-

	Quarter Ended 30.12.2023		Year-to-date Ended 31.12.2023	
	NO. of shares	RM'000	NO. of shares	RM'000
Conversion of Warrant C	2,400	0.192	2,400	0.192

A7 Dividend paid

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

A8 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 31 December 2023.

A9 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.

A10 Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter and period ended 31 December 2023.

A11 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.

A12 Capital commitments

There were no material capital commitments as at 31 December 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

A13 Segmental information

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

Cumulative Quarter Ended 31 December 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	-	5,674	370	55	292	-	6,391
Results							
Segment results	(1,152)	21,908	(560)	127	(2,795)	(6)	17,522
Interest expenses	(2)	-	(3)	-	-	3	(2)
Loss before taxation	(1,154)	21,908	(563)	127	(2,795)	(3)	17,520
Income tax expense	-	-	-	-	-	-	-
Loss for the year	(1,154)	21,908	(563)	127	(2,795)	(3)	17,520
Assets							
Segment assets	10,136	149,475	727	840	98,466	(84)	259,560
Total assets	10,136	149,475	727	840	98,466	(84)	259,560
Liabilities							
Segment liabilities	115	357	319	884	28,956	(86)	30,545
Total liabilities	115	357	319	884	28,956	(86)	30,545

A14 Related party transactions

During the financial period ended 31 December 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	
	31.12.2023 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	31.12.2022 RM'000
Interest income	(130)	-	(155)	(2)
Fair value (gain)/loss on short term investment	(85)	(326)	(192)	(550)
Interest expense	1	6	2	13
Depreciation and amortisation	747	191	1,499	383
Depreciation of right-of-use asset	34	75	68	158
Reversal on impairment on trade and other receivables	-	-	(307)	-
Fair value (gain)/loss on marketable securities	14,637	(9,298)	(21,182)	17,523
Unrealised foreign exchange (gain)/loss	683	1,064	534	102

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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

	Quarter Ended			
	31.12.2023	31.12.2022	Changes	
Key Profit or Loss items:	RM'000	RM'000	RM'000	%
Revenue	3,827	1,083	2,744	253.4
Gross Profit	642	698	(56)	(8.0)
(Loss) / Profit before tax	(17,044)	6,634	(23,678)	356.9
Net (loss) / profit attributable to equity holders	(16,918)	6,780	(23,698)	349.5

The Group registered a revenue of RM3.83 million for current quarter ended 31 December 2023, increased by RM2.74 million as compared to RM1.08 million in previous year's corresponding quarter. The increase in revenue was mainly due to increased transactions in sales of the marketable securities. The two (2) main revenue contributors were the portfolio Investment segment (92%) and the Glove Business Segment (6%).

The loss before tax of RM17.04 million and a net loss attributable to equity holders of RM16.92 million respectively for current quarter is higher loss compared to a profit before tax of RM6.63 million and a net profit attributable to equity holders of RM6.78 million, respectively, in previous year's corresponding quarter, mainly due to mark-to-market loss of the marketable securities of RM14.64 million as opposed to mark-to-market profit of RM9.30 million in the previous year's corresponding quarter ended 31 December 2022.

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

	Quarter Ended			
	31.12.2023	31.12.2022	Changes	
Revenue by Segments	RM'000	RM'000	RM'000	%
Portfolio investment	3,506	-	3,506	N/A
Biotechnology products	53	440	(387)	(88.0)
Financial services	30	63	(33)	(52.4)
Glove business	238	580	(342)	(59.0)
Profit/(Loss) Before Tax by Segments				
Portfolio investment	(14,595)	8,190	(22,785)	278.2
Biotechnology products	(380)	262	(642)	245.0
Financial services	(137)	25	(162)	648.0
Glove business	(1,395)	(1,017)	(378)	(37.2)

Portfolio investment

The revenue in this segment derived from sales transactions of marketable securities. The profit or loss of this segment is affected by the gain or loss of fair value of marketable securities. This segment reported a loss before tax of RM14.59 million in current quarter ended 31 December 2023, higher loss as compared to profit before tax of RM8.19 million in previous year's corresponding quarter ended 31 December 2022, mainly due to mark-to-market loss of RM14.64 million in the Group's strategic investments in current quarter as opposed to mark-to-market profit of RM9.30 million in previous year's corresponding quarter.

Biotechnology products

This segment reported a lower revenue of RM0.05 million and loss before tax of RM0.38 million in current quarter ended 31 December 2023, as compared to revenue of RM0.44 million and profit before tax of RM0.26 million in previous year's corresponding quarter ended 31 December 2022, mainly due to lower business and higher cost of production. It was decided to close this business segment after taking into account its future prospect and potential.

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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)

a) Current Quarter vs Previous Year Corresponding Quarter Ended

Financial services

This segment reported a lower revenue of RM0.03 million and higher loss before tax of RM0.14 million in current quarter ended 31 December 2023, as compared to revenue of RM0.06 million and profit before tax of RM0.03 million in previous year's corresponding quarter ended 31 December 2022, mainly due to lesser loan disbursement and increase in staff and administrative expenses.

Glove business

This segment reported a lower revenue of RM0.24 million and higher loss before tax of RM1.39 million in current quarter ended 31 December 2023, as compared revenue of RM0.58 million and loss before tax of RM1.02 million in previous year's corresponding quarter ended 31 December 2022, mainly due to lower sales orders from overseas customers.

b) Current Year-to-Date vs Previous Year-to-Date Ended

	Year-To-Date Ended			
	31.12.2023	31.12.2022	Changes	
Key Profit or Loss items:	RM'000	RM'000	RM'000	%
Revenue	6,391	1,807	4,584	253.7
Gross Profit	1,470	429	1,041	242.7
Profit / (Loss) before tax	17,520	(21,323)	38,843	182.2
Net profit / (loss) attributable to equity holders	17,791	(21,059)	38,850	184.5

The Group registered a revenue of RM6.39 million for current six month ended 31 December 2023, increased by RM4.58 million as compared to RM1.81 million in previous period ended 31 December 2022. The increase in revenue was mainly due to increased transactions in sales of marketable securities. The three (3) main revenue contributors were the portfolio Investment segment (88%), Glove Business Segment (8%) and Biotechnology Products Segment (2%).

The Group recorded a profit before tax of RM17.52 million and a net profit attributable to equity holders of RM17.79 million respectively in current six month ended 31 December 2023, improved significantly as compared to a loss before tax of RM21.32 million and a net loss attributable to equity holders of RM21.06 million, respectively, in the previous period ended 31 December 2022.

The improvement in profit before tax and profit attributable to equity holders as compared to previous year was mainly due to mark-to-market profit of the marketable securities of RM21.18 million in current period ended 31 December 2023 as opposed to mark-to-market loss of RM17.52 million in the previous period ended 31 December 2022.

Performance of the respective operating business segments for period ended 31 December 2023 as compared to the previous period is analysed as follows:-

	Year-to-Date Ended			
	31.12.2023	31.12.2022	Changes	
Revenue by Segments	RM'000	RM'000	RM'000	%
Portfolio investment	5,674	103	5,571	5,408.7
Biotechnology products	370	910	(540)	(59.3)
Financial services	55	126	(71)	(56.3)
Glove business	292	668	(376)	(56.3)
Profit/(Loss) Before Tax by Segments				
Portfolio investment	21,908	(17,744)	39,652	223.5
Biotechnology products	(563)	(232)	(331)	(142.7)
Financial services	127	65	62	(95.4)
Glove business	(2,795)	(1,891)	(904)	(47.8)

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

B1 Performance review (Cont'd)

b) Current Year-to-Date vs Previous Year-to-Date Ended

Portfolio investment

The revenue in this segment derived from sales transactions of marketable securities. This segment reported a profit before tax of RM21.91 million in current six month ended 31 December 2023, improved by RM39.65 million as compared to loss before tax of RM17.74 million in previous period ended 31 December 2022, mainly due to mark-to-market profit of RM21.18 million in the Group's strategic investments in current year as opposed to mark-to-market loss of RM17.52 million in previous year.

Biotechnology products

This segment reported a lower revenue of RM0.37 million and higher loss before tax of RM0.56 million in current six month ended 31 December 2023, as compared to revenue of RM0.91 million and loss before tax of RM0.23 million in previous period ended 31 December 2022. Revenue was mainly from sales of existing inventories as the business from this segment has ceased.

Financial services

This segment reported a lower revenue of RM0.06 million in current six month ended 31 December 2023, as compared to RM0.13 million in previous period ended 31 December 2022, mainly due to lesser loan disbursement. The profit before tax was improved from RM0.07 million in previous period ended 31 December 2022 to RM0.13 million in current period ended 31 December 2023 mainly due to reversal of impairment on receivables of RM0.31 million upon collection from borrowers in current year which was none in the previous year.

Glove business

This segment reported a lower revenue of RM0.29 million and higher loss before tax of RM2.79 million in current six month ended 31 December 2023, as compared to revenue of RM0.67 million and loss before tax of RM1.89 million in previous period ended 31 December 2022, mainly due to lower sales orders from overseas customers.

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

	As at			
	31.12.2023	30.06.2023	Changes	
Key Balance Sheet Items:	RM'000	RM'000	RM'000	%
Property, Plant and equipment	72,130	73,670	(1,540)	(2.1)
Asset held for sale	25,200	25,200	-	-
Marketable securities:				
- Non Current	88,877	69,518	19,359	27.8
- Current	25,077	18,888	6,189	32.8
	<u>113,954</u>	<u>88,406</u>	<u>25,548</u>	<u>28.9</u>
Short term investment	7,695	13,216	(5,521)	(41.8)
Cash and cash equivalents	12,508	14,406	(1,898)	(13.2)
Total Assets	259,560	245,412	14,148	5.8
Total Liabilities	30,545	33,815	(3,270)	(9.7)

The Group's Total Assets increased by RM14.15 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 RM25.55 million mainly due to fair value profit on the quoted securities of RM21.18 million as well as additional quoted securities purchased during six month ended 31 December 2023. 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 RM3.27 million mainly due to payments of final progress billing for the construction of Glove's factory.

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B2 Variation of results against immediate preceding quarter

	Current Quarter	Preceding Quarter	Changes	
	31.12.2023	30.09.2023	RM'000	%
Revenue	3,827	2,564	1,263	49.3
Loss before tax	(17,044)	34,564	(51,608)	149.3

The Group registered a revenue of RM3.83 million for the current quarter ended 31 December 2023, representing an increase of RM1.26 million or 49.3% as compared to RM2.56 million in preceding quarter ended 30 September 2023. The increase in revenue was mainly due to higher sales of marketable securities in portfolio investment segment in current quarter.

The Group reported a loss before taxation of RM17.04 million for the current quarter ended 31 December 2023, higher loss as compared to profit before tax of RM34.56 million in the preceding quarter ended 30 September 2023. The higher loss before taxation was mainly due to fair value loss on the marketable securities of RM14.64 million in current quarter as opposed to fair value profit of RM35.82 million in previous quarter.

B3 Prospects

The Malaysian economy expanded by 3% in the fourth quarter of 2023. Overall, the 2023 Growth for Malaysia economy normalized to 3.7% (2022: 8.7%). Growth moderated amid a challenging external environment, mainly due to slower global trade, the global tech downcycle, geopolitical tensions and tighter monetary policies. On the domestic front, the continued recovery in economy activity and labour market conditions supported the growth in 2023. Domestic financial market continued to be driven by evolving market expectations over the global monetary policy path. In particular, financial market participants viewed that the US policy rate had already peaked and that the US Federal Reserve will start reducing the policy rate in 2024 amid the ongoing disinflation.

Growth in 2024 will be driven by resilient domestic expenditure and improvement in external demand. The IMF is projecting a rebound in global trade growth from 0.4% in 2023 to 3.3% in 2024. Together with tech upcycle, the stronger external demand and continued improvement in the tourism industry will provide support to Malaysia's exports. Household spending will be supported by continued employment and wage growth. Investment activity will be underpinned by further progress of multi-year projects, as well as the implementation of catalytic initiatives under the various national master plans. Improvement in tourist arrivals and spending are expected to continue. The growth outlook remains subject to downside risks stemming from weaker-than-expected external demand and large declines in commodity production. Nonetheless, there are upside risks to growth emanating from greater spillover from the tech upcycle, stronger-than-expected tourism activity and faster implementation of existing and new projects.

Source: Economic and Financial Developments in Malaysia in the Fourth Quarter of 2023 article issued by Bank Negara Malaysia on 16 February 2024

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.

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B3 Prospects (Cont'd)

MIDF gives a rather neutral tone for the rubber glove industry for 2024, as raw material costs and fuel costs likely remained elevated in 2024. MIDF remains cautious about intense competition from Chinese players, which may exert upward pressure on pricing flexibility for all glovemakers under its coverage. On the positive note, the replenishment of inventory following the expiry of pandemic inventory is expected to boost demand for gloves. This, combined with recent permanent and temporary closures of production facilities, could potentially improve production efficiency and reduce production costs per unit. As such, MIDF expects earnings to turn around albeit gradually.

Source: <https://www.businessday.com.my/2023/12/07/outlook-2024-rebound-in-glove-sector>

Industrial nitrile gloves are still facing challenges in the current market situation. 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 North American LLC, a 60% owned subsidiary and 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 31 December 2023, the Group provided a provision for taxation as follows:-

	Quarter and Year-to-Date Ended	
	31.12.2023	31.12.2022
	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	
	31.12.2023	30.06.2023
	RM'000	RM'000
Trade receivables	1,400	1,340
Less : Allowance for impairment loss	(760)	(1,066)
	640	274

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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	527	187
30 days	44	67
31 - 60 days	32	20
61 - 90 days	13	-
91 - 180 days	24	-
> 181 days	-	-
Impaired	760	1,066
Gross trade receivables	1,400	1,340
Less: Allowance for impairment loss	(760)	(1,066)
	640	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 31 December 2023.

B10 Earnings per share ("EPS")

	Quarter Ended		Year-to-date Ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
a) Basic EPS				
Profit/(Loss) attributable to the owners of the Company (RM'000)	(16,918)	6,780	17,791	(21,059)
Basic EPS (sen)	(0.29)	0.14	0.30	(0.39)
b) Diluted EPS				
Profit/(Loss) attributable to the owners of the Company (RM'000)	(16,918)	6,780	17,791	(21,059)
Weighted average number of ordinary shares in issue ('000)	5,923,816	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)	-	-	-	-
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)	6,316,817	6,267,724	6,316,816	6,950,441
Diluted EPS (sen)	(0.27)	0.11	0.28	(0.30)

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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

On 31 January 2024, The Company proposed to undertake a proposed consolidation of every 30 existing ordinary shares in Fintec Global Bhd ("Fintec") held by the shareholders on an entitlement date to be determined and announced later, into 1 Fintec Share. Bursa Securities had, vide its letter dated 26 February 2024, approved the Proposed Share Consolidation.

B12 Status of Utilisation of Proceeds

a) Status of utilisation of proceeds as at 31 December 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	10,159	(25,391)	-	By 27 Dec 2023
Capital expenditure for the Gloves Business	83,176	(27,870)	(52,076)	3,230	By 27 Dec 2024
Working capital for Gloves Business	15,498	(687)	(11,542)	3,269	By 27 Dec 2024
Corporate Exercises expenses	711	(13)	(698)	-	Immediate
Working capital for the Group	-	18,411	(6,107)	12,304	By 27 Dec 2024
	114,617	-	(95,814)	18,803	

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

	Quarter Ended		Year-to-date Ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Total Comprehensive profit/(loss) for the period	(17,177)	6,363	17,418	(21,351)
Non-Cash items:				
Depreciation of property, plant and equipment	747	191	1,499	383
Depreciation of right-of-use asset	34	75	68	158
Unrealised foreign exchange (gain)/loss	683	1,064	534	102
Fair value loss/(gain) on marketable securities	14,637	(9,298)	(21,182)	17,523
Reversal on impairment loss on receivables	-	-	(307)	-
	16,101	(7,968)	(19,388)	18,166
Total Comprehensive loss before non-cash items	(1,076)	(1,605)	(1,970)	(3,185)

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