



FINTEC GLOBAL BERHAD

(Company No. 200701016619 (774628-U))

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 3RD QUARTER AND PERIOD ENDED 31 MARCH 2024**

Fintec Global Berhad

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 3RD QUARTER AND PERIOD ENDED 31 MARCH 2024

	QUARTER ENDED			YEAR-TO-DATE		
	31.03.2024 RM'000	31.03.2023 RM'000	Changes %	31.03.2024 RM'000	31.03.2023 RM'000	Changes %
Revenue	16,131	18,593	(13.2)	22,522	20,400	10.4
Cost of Sales	(16,335)	(18,962)	13.9	(21,256)	(20,340)	(4.5)
Gross profit / (loss)	(204)	(369)	44.7	1,266	60	2,010.0
Other operating income / (expenses)	948	312	203.8	1,035	907	14.1
Administrative expenses	(2,859)	(2,798)	(2.2)	(8,076)	(7,609)	(6.1)
Fair value gain/(loss) on investment securities	(6,500)	(3,045)	(113.5)	14,682	(20,568)	171.4
Finance cost	(1)	(10)	90.0	(3)	(23)	87.0
Profit/(Loss) before tax	(8,616)	(5,910)	(45.8)	8,904	(27,233)	132.7
Tax expenses	-	-	-	-	-	-
Net Profit/(Loss) for the financial period	(8,616)	(5,910)	(45.8)	8,904	(27,233)	132.7
Currency translation differences period	164	(3)	5,566.7	62	(31)	300.0
	<u>(8,452)</u>	<u>(5,913)</u>	<u>(42.9)</u>	<u>8,966</u>	<u>(27,264)</u>	<u>132.9</u>
Net profit/(loss) attributable to:						
Owners of the Company	(8,298)	(5,720)	(45.1)	9,493	(26,779)	135.4
Non-controlling interest	(318)	(190)	(67.4)	(589)	(454)	(29.7)
	<u>(8,616)</u>	<u>(5,910)</u>	<u>(45.8)</u>	<u>8,904</u>	<u>(27,233)</u>	<u>132.7</u>
Total comprehensive profit/(loss) for the financial period attributable to:						
Owners of the Company	(8,134)	(5,723)	(42.1)	9,555	(26,810)	135.6
Non-controlling interest	(318)	(190)	(67.4)	(589)	(454)	(29.7)
	<u>(8,452)</u>	<u>(5,913)</u>	<u>(42.9)</u>	<u>8,966</u>	<u>(27,264)</u>	<u>132.9</u>
Earning / (loss) per share attributable to the owners of the Company:						
- Basic (sen per share)	(0.14)	(0.10)		0.16	(0.45)	
- Diluted (sen per share)	<u>(0.13)</u>	<u>(0.08)</u>		<u>0.15</u>	<u>(0.36)</u>	

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 MARCH 2024

	Unaudited As At 31.03.2024 RM'000	Audited As At 30.06.2023 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	71,391	73,670
Right-of-use asset	11	114
Investment in unquoted shares	977	977
Marketable securities	85,785	69,518
Asset held for sale	25,200	25,200
	<u>183,364</u>	<u>169,479</u>
Current Assets		
Inventories	2,287	3,319
Trade receivables	908	274
Non-trade receivables, deposits and prepayment	24,239	25,474
Marketable securities	22,745	18,888
Current tax assets	70	356
Short term investment	5,246	13,216
Cash and bank Balances	12,000	14,406
	<u>67,495</u>	<u>75,933</u>
TOTAL ASSETS	<u>250,859</u>	<u>245,412</u>
EQUITY AND LIABILITIES		
Share Capital	403,996	368,726
ICPS	17,470	17,833
Reserves	609	35,454
Accumulated losses	(198,292)	(207,785)
Equity attributable to owners of the Company	<u>223,783</u>	<u>214,228</u>
Non-controlling Interest	(3,220)	(2,631)
TOTAL EQUITY	<u>220,563</u>	<u>211,597</u>
Non-current Liabilities		
Lease Liabilities	-	-
	<u>-</u>	<u>-</u>
Current Liabilities		
Trade payables	3,193	5,303
Payables and Accruals	27,090	28,385
Lease Liabilities	13	127
	<u>30,296</u>	<u>33,815</u>
TOTAL LIABILITIES	<u>30,296</u>	<u>33,815</u>
TOTAL EQUITIES AND LIABILITIES	<u>250,859</u>	<u>245,412</u>
Net Assets per share attributable to equity holders of the Company (sen)	<u>3.78</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 MARCH 2024

	←——— 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 ICPS to ordinary shares	363	(363)	-	-	-	-	-	-
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	35,270	(363)	(34,907)	-	-	0.2	-	0.2
Loss after taxation	-	-	-	-	9,493	9,493	(589)	8,904
Foreign Currency translation reserve	-	-	-	62	-	62	-	62
Total Comprehensive loss for the period	-	-	-	62	9,493	9,555	(589)	8,966
Balance as at 31 March 2024	403,996	17,470	333	276	(198,292)	223,783	(3,220)	220,563

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

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	Year-to-date Ended	
	31.03.2024	31.03.2023
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	8,904	(27,233)
Adjustment for:		
Depreciation of property, plant and equipment	2,246	575
Depreciation of right use of assets	103	58
Fair value (gain)/loss on marketable securities	(14,682)	20,568
Gain on short term investment	(244)	(879)
(Gain)/Loss on foreign exchange - unrealised	(349)	39
Gain on derecognition of lease liabilities	-	(1)
Impairment/(Reversal) on:		
- trade receivables	(307)	-
Interest expense	3	23
Interest income	(201)	(189)
Plant and equipment written off	-	1
Operating loss before working capital changes	(4,527)	(7,038)
Purchase of marketable securities	(5,443)	(1,712)
(Increase) / decrease in inventories	1,067	105
(Increase) / decrease in receivables	1,292	1,595
Increase / (Decrease) in payables	(3,364)	(11,413)
Cash used in operations	(10,975)	(18,463)
Interest received	104	1
Tax refunded / (paid)	286	(67)
Net Cash used in operating activities	(10,585)	(18,529)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(20)	(970)
Withdrawal of short term investment	8,215	29,940
Net cash generated from investing activities	8,195	28,970
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(115)	(124)
Interest paid	(3)	(23)
Net cash used in financing activities	(118)	(147)
Net (decrease) / increase in cash and cash equivalents	(2,508)	10,294
Cash and cash equivalents at the beginning of the period	14,406	3,505
Effect of exchange rate changes	102	(35)
Cash and cash equivalents at the end of the period	12,000	13,764
Cash and cash equivalents comprise:		
Cash and bank balances	12,000	13,764
	12,000	13,764

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

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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 March 2024.

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 March 2024.

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 March 2024.

	Quarter Ended 31.03.2024		Year-to-date Ended 31.03.2024	
	No. of shares	RM'000	No. of shares	RM'000
Issuance of new shares pursuant to conversion of Warrant C	-	-	2,400	0.265
Issuance of new shares pursuant to conversion of ICPS	3,300,000	363	3,300,000	363

A7 Dividend paid

There were no dividends paid by the Group during the financial quarter and financial period ended 31 March 2024.

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 March 2024.

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 March 2024.

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.

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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

A12 Capital commitments

There were no material capital commitments as at 31 March 2024.

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 March 2024

	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	-	21,654	370	97	401	-	22,522
Results							
Segment results	(1,732)	16,205	(667)	9	(4,901)	(7)	8,907
Interest expenses	(3)	-	(3)	-	-	3	(3)
Profit/(Loss) before taxation	(1,735)	16,205	(670)	9	(4,901)	(4)	8,904
Income tax expense	-	-	-	-	-	-	-
Profit/(Loss) for the year	(1,735)	16,205	(670)	9	(4,901)	(4)	8,904
Assets							
Segment assets	7,071	144,386	456	1,120	97,826	-	250,859
Total assets	7,071	144,386	456	1,120	97,826	-	250,859
Liabilities							
Segment liabilities	68	64	229	886	29,049	-	30,296
Total liabilities	68	64	229	886	29,049	-	30,296

A14 Related party transactions

During the financial period ended 31 March 2024, 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	
	31.03.2024 RM'000	31.03.2023 RM'000	31.03.2024 RM'000	31.03.2023 RM'000
Interest income	(46)	(60)	(201)	(189)
Fair value (gain)/loss on short term investment	(52)	(329)	(244)	(879)
Gain on derecognition of lease liabilities	-	-	-	(1)
Interest expense	1	10	3	23
Depreciation and amortisation	747	192	2,246	575
Depreciation of right-of-use asset	35	14	103	58
Reversal on impairment on trade and other receivables	-	-	(307)	-
Property, plant & equipment written off	-	1	-	1
Fair value (gain)/loss on marketable securities	6,500	3,045	(14,682)	20,568
Unrealised foreign exchange (gain)/loss	(883)	(63)	(349)	39

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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			
	31.03.2024	31.03.2023	Changes	
Key Profit or Loss items:	RM'000	RM'000	RM'000	%
Revenue	16,131	18,593	(2,462)	(13.2)
Gross Loss	(204)	(369)	165	44.7
(Loss) / Profit before tax	(8,616)	(5,910)	(2,706)	(45.8)
Net (loss) / profit attributable to equity holders	(8,298)	(5,720)	(2,578)	(45.1)

The Group registered a revenue of RM16.13 million for current quarter ended 31 March 2024, decreased by RM2.46 million as compared to RM18.59 million in previous year's corresponding quarter. The decrease in revenue was mainly due to decreased transactions in sales of the marketable securities and closing of biotechnology products segment. The two (2) main revenue contributors were the portfolio Investment segment (99%) and the Glove Business Segment (1%).

The gross loss position in current quarter is due to clearance of old expiring glove stocks in North America. The loss before tax of RM8.62 million and a net loss attributable to equity holders of RM8.30 million for current quarter is higher loss compared to RM5.91 million and RM5.72 million respectively in previous year's corresponding quarter, mainly due to higher mark-to-market loss of the marketable securities of RM6.50 million in current quarter as opposed to RM3.05 million in previous year's corresponding quarter.

Performance of the respective operating business segments for the quarter ended 31 March 2024 as compared to the previous year's corresponding quarter is analysed as follows:-

	Quarter Ended			
	31.03.2024	31.03.2023	Changes	
Revenue by Segments	RM'000	RM'000	RM'000	%
Portfolio investment	15,980	18,056	(2,076)	N/A
Biotechnology products	-	379	(379)	(100.0)
Financial services	42	62	(20)	(32.3)
Glove business	109	96	13	13.5
Profit/(Loss) Before Tax by Segments				
Portfolio investment	(5,703)	(3,457)	(2,246)	(65.0)
Biotechnology products	(107)	(205)	98	47.8
Financial services	(118)	39	(157)	(401.6)
Glove business	(2,106)	(1,243)	(863)	(69.4)

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 held at the end of quarter. This segment reported a loss before tax of RM5.70 million in current quarter ended 31 March 2024, higher loss as compared to RM3.46 million in previous year's corresponding quarter ended 31 March 2023, mainly due to higher mark-to-market loss of the marketable securities of RM6.50 million in current quarter as opposed to RM3.05 million in previous year's corresponding quarter.

Biotechnology products

This segment reported a lower loss before tax of RM0.11 million in current quarter ended 31 March 2024, compared to RM0.21 million in previous year's corresponding quarter ended 31 March 2023. This business segment was closed in previous quarter after taking into account its future prospect and potential. The loss in current quarter of RM0.11 million mainly arrive from the depreciation of right-of-use assets for the remaining two months tenancy and some factory maintenance and administrative expense of the segment.

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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 RM0.04 million and higher loss before tax of RM0.12 million in current quarter ended 31 March 2024, as compared to revenue of RM0.06 million and profit before tax of RM0.04 million in previous year's corresponding quarter ended 31 March 2023, mainly due to lesser loan disbursement and increase in staff and administrative expenses.

Glove business

This segment reported a slightly higher revenue of RM0.11 million and higher loss before tax of RM2.11 million in current quarter ended 31 March 2024, compared to revenue of RM0.10 million and loss before tax of RM1.24 million in previous year's corresponding quarter ended 31 March 2023, mainly due to gross loss position because of clearance of old expiring glove stocks in North America.

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

	Year-To-Date Ended			
	31.03.2024	31.03.2023	Changes	
Key Profit or Loss items:	RM'000	RM'000	RM'000	%
Revenue	22,522	20,400	2,122	10.4
Gross Profit	1,266	60	1,206	2,010.0
Profit / (Loss) before tax	8,904	(27,233)	36,137	132.7
Net profit / (loss) attributable to equity holders	9,493	(26,779)	36,272	135.4

The Group registered a revenue of RM22.52 million for current nine month ended 31 March 2024, increased by RM2.12 million as compared to RM20.40 million in previous period ended 31 March 2023. 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 (96%), Glove Business Segment (2%) and Biotechnology Products Segment (2%).

The Group recorded a profit before tax of RM8.90 million and a net profit attributable to equity holders of RM9.49 million respectively in current nine month ended 31 March 2024, improved significantly as compared to a loss before tax of RM27.23 million and a net loss attributable to equity holders of RM26.78 million, respectively, in the previous period ended 31 March 2024.

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 RM14.68 million in current period ended 31 March 2024 as opposed to mark-to-market loss of RM20.57 million in the previous period ended 31 March 2023.

Performance of the respective operating business segments for period ended 31 March 2024 as compared to the previous period is analysed as follows:-

	Year-to-Date Ended			
	31.03.2024	31.03.2023	Changes	
Revenue by Segments	RM'000	RM'000	RM'000	%
Portfolio investment	21,654	18,159	3,495	19.2
Biotechnology products	370	1,289	(919)	(71.3)
Financial services	97	188	(91)	(48.4)
Glove business	401	764	(363)	(47.5)
Profit/(Loss) Before Tax by Segments				
Portfolio investment	16,205	(21,226)	37,431	176.3
Biotechnology products	(671)	(444)	(227)	(51.1)
Financial services	9	104	(95)	(91.4)
Glove business	(4,901)	(3,355)	(1,546)	(46.1)

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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. The profit or loss of this segment is affected by the gain or loss of fair value of marketable securities held at the end of quarter. This segment reported a profit before tax of RM16.21 million in current nine month ended 31 March 2024, improved by RM37.43 million as compared to loss before tax of RM21.23 million in previous period ended 31 March 2023, mainly due to mark-to-market profit of the marketable securities of RM14.68 in current year as opposed to mark-to-market loss of RM20.57 million in previous year.

Biotechnology products

This segment reported a lower revenue of RM0.37 million and higher loss before tax of RM0.67 million in current nine month ended 31 March 2024, as compared to revenue of RM1.29 million and loss before tax of RM0.44 million in previous period ended 31 March 2023, mainly due to lower business transactions and higher cost of production. It was decided to close this business segment after take into account its future prospect and potential.

Financial services

This segment reported a lower revenue of RM0.10 million in current nine month ended 31 March 2024, as compared to RM0.19 million in previous period ended 31 March 2023, mainly due to lesser loan disbursement. The profit before tax was lowered from RM0.10 million in previous period ended 31 March 2023 to RM0.01 million in current period ended 31 March 2024 mainly due to lower revenue.

Glove business

This segment reported a lower revenue of RM0.40 million and higher loss before tax of RM4.90 million in current nine month ended 31 March 2024, as compared to revenue of RM0.76 million and loss before tax of RM3.36 million in previous period ended 31 March 2023, mainly due to lower revenue and gross loss position because of clearance of old expiring glove stocks in North America.

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

	As at			
	31.03.2024	30.06.2023	Changes	
Key Balance Sheet Items:	RM'000	RM'000	RM'000	%
Property, Plant and equipment	71,391	73,670	(2,279)	(3.1)
Asset held for sale	25,200	25,200	-	-
Marketable securities:				
- Non Current	85,785	69,518	16,267	23.4
- Current	22,745	18,888	3,857	20.4
	108,530	88,406	20,124	22.8
Short term investment	5,246	13,216	(7,970)	(60.3)
Cash and cash equivalents	12,000	14,406	(2,406)	(16.7)
Total Assets	250,859	245,412	5,447	2.2
Total Liabilities	30,296	33,815	(3,519)	(10.4)

The Group's Total Assets increased by RM5.45 million mainly due to increase in investment in marketable securities, reduced by decreased in fixed assets, short term investment and cash and cash equivalents. The investment in marketable securities increased by RM20.12 million mainly due to fair value profit on the quoted securities of RM14.68 million as well as additional quoted securities purchased during nine month ended 31 March 2024. The decrease in property, plant and equipment is due to depreciation of RM2.25 million for nine month ended 31 March 2024. 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 RM3.52 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	
	31.03.2024	31.12.2023	RM'000	%
Revenue	16,131	3,827	12,304	321.5
Loss before tax	(8,616)	(17,044)	8,428	49.4

The Group registered a revenue of RM16.13 million for the current quarter ended 31 March 2024, representing an increase of RM12.30 million or 321.5% as compared to RM3.83 million in preceding quarter ended 31 December 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 RM8.62 million for the current quarter ended 31 March 2024, lower loss as compared to RM17.04 million in the preceding quarter ended 31 December 2023. The lower loss before taxation was mainly due to lower fair value loss on the marketable securities of RM6.50 million in current quarter as opposed to RM14.64 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	
	31.03.2024	31.03.2023
	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	
	31.03.2024	30.06.2023
	RM'000	RM'000
Trade receivables	1,668	1,340
Less : Allowance for impairment loss	(760)	(1,066)
	<u>908</u>	<u>274</u>

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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	
	31.03.2024	30.06.2023
	RM'000	RM'000
Neither past due nor impaired	15	187
30 days	17	67
31 - 60 days	314	20
61 - 90 days	10	-
91 - 180 days	39	-
> 181 days	513	-
Impaired	760	1,066
Gross trade receivables	1,668	1,340
Less: Allowance for impairment loss	(760)	(1,066)
	908	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, 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 March 2024.

B10 Earnings per share ("EPS")

	Quarter Ended		Year-to-date Ended	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a) Basic EPS				
Profit/(Loss) attributable to the owners of the Company (RM'000)	(8,298)	(5,720)	9,493	(26,779)
Basic EPS (sen)	(0.14)	(0.10)	0.16	(0.45)
b) Diluted EPS				
Profit/(Loss) attributable to the owners of the Company (RM'000)	(8,298)	(5,720)	9,493	(26,779)
Weighted average number of ordinary shares in issue ('000)	5,924,398	5,922,797	5,924,008	5,922,797
Effective of dilution from conversion of ICPS ('000)	218,371	224,308	218,371	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)	6,312,862	7,463,325	6,312,472	7,463,325
Diluted EPS (sen)	(0.13)	(0.08)	0.15	(0.36)

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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

The Company earlier proposed to undertake a share consolidation of every 30 existing ordinary shares in Fintec Global Bhd ("Fintec") held by the shareholders into 1 Fintec Share on 31 January 2024. The Share Consolidation has been completed following the listing and quotation of 197,563,422 Consolidated Shares and 7,278,682 Consolidated Irredeemable Convertible Preference Shares on the Ace Market of Bursa Securities with effect from 9.00 am on 9 May 2024.

B12 Status of Utilisation of Proceeds

a) Status of utilisation of proceeds as at 31 March 2024, 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)	(12,443)	2,368	By 27 Dec 2024
Corporate Exercises expenses	711	(13)	(698)	-	Immediate
Working capital for the Group	-	18,411	(7,664)	10,747	By 27 Dec 2024
	114,617	-	(98,272)	16,345	

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

	Quarter Ended		Year-to-date Ended	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	RM'000	RM'000	RM'000	RM'000
Total Comprehensive profit/(loss) for the period	(8,452)	(5,913)	8,966	(27,264)
Non-Cash items:				
Depreciation of property, plant and equipment	747	192	2,246	575
Depreciation of right-of-use asset	35	14	103	58
Unrealised foreign exchange (gain)/loss	(883)	(63)	(349)	39
Fair value loss/(gain) on marketable securities	6,500	3,045	(14,682)	20,568
Gain on derecognition of lease liabilities	-	-	-	(1)
Property, plant & equipment written off	-	1	-	1
Reversal on impairment loss on receivables	-	-	(307)	-
	6,399	3,189	(12,989)	21,240
Total Comprehensive loss before non-cash items	(2,053)	(2,724)	(4,023)	(6,024)

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