



FINTEC GLOBAL BERHAD

(Company No. 200701016619 (774628-U))

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 4TH QUARTER AND YEAR ENDED 30 JUNE 2024**

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE 4TH QUARTER AND YEAR ENDED 30 JUNE 2024**

	QUARTER ENDED			YEAR-TO-DATE		
	30.06.2024 RM'000	30.06.2023 RM'000	Changes %	30.06.2024 RM'000	30.06.2023 RM'000	Changes %
Revenue	3,640	1,878	93.8	26,162	22,278	17.4
Cost of Sales	(2,342)	(2,150)	(8.9)	(23,598)	(22,490)	(4.9)
Gross profit / (loss)	1,298	(272)	577.2	2,564	(212)	1,309.4
Other operating income / (expenses)	260	(1,543)	116.9	1,295	(636)	303.6
Administrative expenses	(3,179)	(2,366)	(34.4)	(11,255)	(9,975)	(12.8)
Fair value gain/(loss) on investment securities	15,651	(1,081)	1,547.8	30,333	(21,649)	240.1
Finance cost	(24)	(9)	(166.7)	(27)	(32)	15.6
Profit/(Loss) before tax	14,006	(5,271)	365.7	22,910	(32,504)	170.5
Tax expenses	-	-	-	-	-	-
Net Profit/(Loss) for the financial period	14,006	(5,271)	365.7	22,910	(32,504)	170.5
Currency translation differences	(4)	277	(101.4)	58	246	(76.4)
Total comprehensive profit/(loss) for the period	14,002	(4,994)	380.4	22,968	(32,258)	171.2
Net profit/(loss) attributable to:						
Owners of the Company	14,098	(5,042)	379.6	23,591	(31,821)	174.1
Non-controlling interest	(92)	(229)	59.8	(681)	(683)	0.3
	14,006	(5,271)	365.7	22,910	(32,504)	170.5
Total comprehensive profit/(loss) for the financial period attributable to:						
Owners of the Company	14,094	(4,765)	395.8	23,649	(31,575)	174.9
Non-controlling interest	(92)	(229)	59.8	(681)	(683)	0.3
	14,002	(4,994)	380.4	22,968	(32,258)	171.2
Earning / (loss) per share attributable to the owners of the Company:						
- Basic (sen per share)	7.13	(0.09)		11.94	(0.54)	
- Diluted (sen per share)	6.89	(0.07)		11.54	(0.43)	

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 JUNE 2024

	Unaudited As At 30.06.2024 RM'000	Audited As At 30.06.2023 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	70,206	73,670
Right-of-use asset	1,201	114
Investment in unquoted shares	977	977
Marketable securities	101,161	69,518
Asset held for sale	25,200	25,200
	<u>198,745</u>	<u>169,479</u>
Current Assets		
Inventories	17	3,319
Trade receivables	991	274
Non-trade receivables, deposits and prepayment	33,700	25,474
Marketable securities	21,784	18,888
Current tax assets	63	356
Short term investment	-	13,216
Cash and bank Balances	12,300	14,406
	<u>68,855</u>	<u>75,933</u>
TOTAL ASSETS	<u>267,600</u>	<u>245,412</u>
EQUITY AND LIABILITIES		
Share Capital	404,907	368,726
ICPS	16,559	17,833
Reserves	272	35,454
Accumulated losses	(183,861)	(207,785)
Equity attributable to owners of the Company	<u>237,877</u>	<u>214,228</u>
Non-controlling Interest	(3,312)	(2,631)
TOTAL EQUITY	<u>234,565</u>	<u>211,597</u>
Non-current Liabilities		
Lease Liabilities	911	-
	<u>911</u>	<u>-</u>
Current Liabilities		
Trade payables	2,853	5,303
Payables and Accruals	28,976	28,385
Lease Liabilities	295	127
	<u>32,124</u>	<u>33,815</u>
TOTAL LIABILITIES	<u>33,035</u>	<u>33,815</u>
TOTAL EQUITIES AND LIABILITIES	<u>267,600</u>	<u>245,412</u>
Net Assets per share attributable to equity holders of the Company (sen)	<u>120.24</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 30 JUNE 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	1,274	(1,274)	-	-	-	-	-	-
Conversion of Warrant C	0.3	-	(0.1)	-	-	0.2	-	0.2
Warrant Reserve adjustment for Warrant C	34,907	-	(35,240)	-	333	(0)	-	(0)
Total transaction with owners	36,181	(1,274)	(35,240)	-	333	0.2	-	0.2
Loss after taxation	-	-	-	-	23,591	23,591	(681)	22,910
Foreign Currency translation reserve	-	-	-	58	-	58	-	58
Total Comprehensive loss for the period	-	-	-	58	23,591	23,649	(681)	22,968
Balance as at 30 June 2024	404,907	16,559	(0)	272	(183,861)	237,877	(3,312)	234,565

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.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

	Year-to-date Ended	
	30.06.2024 RM'000	30.06.2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	22,910	(32,504)
Adjustment for:		
Depreciation of property, plant and equipment	3,331	746
Depreciation of right use of assets	153	92
Fair value (gain)/loss on marketable securities	(30,333)	21,649
Gain on short term investment	(260)	(1,060)
(Gain)/Loss on foreign exchange - unrealised	(169)	(1,415)
Gain on derecognition of lease liabilities	-	(1)
Gain on disposal of PPE	-	(762)
Impairment/(Reversal) on:		
- trade receivables	(1,066)	(1,752)
- non-trade receivables	259	-
- investment in unquoted shares	-	2,871
- inventories	93	-
- property, plant and equipment	100	-
- assets held for sale	-	2,940
Interest expense	27	32
Interest income	(341)	(234)
Plant and equipment written off	-	1
Bad debt written off	-	3
Operating loss before working capital changes	(5,296)	(9,394)
Purchase of marketable securities	(4,198)	(15,578)
(Increase) / decrease in inventories	3,248	370
(Increase) / decrease in receivables	(7,804)	5,643
Increase / (Decrease) in payables	(1,767)	(6,453)
Cash used in operations	(15,817)	(25,412)
Interest received	315	2
Tax refunded / (paid)	293	(88)
Net Cash used in operating activities	(15,209)	(25,498)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(89)	(1,883)
Proceeds from disposal of property, plant and equipment	-	900
Withdrawal of short term investment	13,475	37,456
Net cash generated from investing activities	13,386	36,473
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(162)	(162)
Interest paid	(27)	(32)
Net cash used in financing activities	(189)	(194)
Net (decrease) / increase in cash and cash equivalents	(2,012)	10,781
Cash and cash equivalents at the beginning of the period	14,406	3,505
Effect of exchange rate changes	(95)	120
Cash and cash equivalents at the end of the period	12,300	14,406
Cash and cash equivalents comprise:		
Cash and bank balances	12,300	14,406
	12,300	14,406

Notes:

The above unaudited condensed consolidated statements of cash flows 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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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.

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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

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 year ended 30 June 2024.

A5 Material changes in estimates

There were no changes in estimates that have a material effect in the current financial quarter and financial year ended 30 June 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 year ended 30 June 2024.

(A) Equity securities in Fintec Global Bhd

	Quarter Ended 30.06.2024		Year-to-date Ended 30.06.2024	
	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 before shares consol	-	-	3,300,000	363
Share Consolidation	(5,729,554,452)	-	(5,729,554,452)	-
Issuance of new shares pursuant to conversion of ICPS after shares consol	276,000	911	276,000	911

(B) Fintec Capital Sdn Bhd, a wholly owned subsidiary has entered into Redeemable Non-convertible Preference Shares Subscription Agreement with third parties on 28 June 2024 for allotment of RM10 million Redeemable Non-convertible Preference Shares at an issue price of RM1.00 each.

A7 Dividend paid

There were no dividends paid by the Group during the financial quarter and financial year ended 30 June 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 year ended 30 June 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 year ended 30 June 2024, except for the incorporation of a new wholly owned subsidiary in Hong Kong, Gold Champagne (HK) Limited on 8th April 2024. This new subsidiary is currently dormant.

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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

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 30 June 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.

Year Ended 30 June 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	-	24,122	524	136	1,380	-	26,162
Results							
Segment results	(2,858)	31,868	(1,012)	711	(5,763)	(8)	22,938
Interest expenses	(12)	(16)	(3)	-	-	3	(28)
Profit/(Loss) before taxation	(2,870)	31,852	(1,015)	711	(5,763)	(5)	22,910
Income tax expense	-	-	-	-	-	-	-
Profit/(Loss) for the year	(2,870)	31,852	(1,015)	711	(5,763)	(5)	22,910
Assets							
Segment assets	4,090	165,710	278	1,198	96,324	-	267,600
Total assets	4,090	165,710	278	1,198	96,324	-	267,600
Liabilities							
Segment liabilities	1,336	1,480	293	1,229	28,697	-	33,035
Total liabilities	1,336	1,480	293	1,229	28,697	-	33,035

A14 Related party transactions

During the financial year ended 30 June 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.

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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

A15 Additional Disclosure Requirements to the Statements of Comprehensive Income

	Quarter Ended		Year-to-date Ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM'000	RM'000	RM'000	RM'000
Interest income	(140)	(45)	(341)	(234)
Fair value (gain)/loss on short term investment	(16)	(181)	(260)	(1,060)
Gain on derecognition of lease liabilities	-	-	-	(1)
Gain on disposal of property, plant & equipment	-	(762)	-	(762)
Interest expense	24	9	27	32
Depreciation and amortisation	1,085	171	3,331	746
Depreciation of right-of-use asset	50	34	153	92
Amortisation of intangible asset	-	-	-	-
Impairment loss on trade and other receivables	259	-	259	-
Impairment loss on investment in unquoted shares	-	2,871	-	2,871
Impairment loss on asset held for sale	-	2,940	-	2,940
Impairment loss on property, plant & equipment	100	-	100	-
Impairment loss on inventories	93	-	93	-
Reversal on impairment on trade and other receivables	(759)	(1,752)	(1,066)	(1,752)
Bad debts written off	-	3	-	3
Property, plant & equipment written off	-	-	-	1
Fair value (gain)/loss on marketable securities	(15,651)	1,081	(30,333)	21,649
Unrealised foreign exchange (gain)/loss	180	(1,454)	(169)	(1,415)

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

B1 Performance review

a) Current Quarter vs Previous Year Corresponding Quarter Ended

Key Profit or Loss items:	Quarter Ended			
	30.06.2024 RM'000	30.06.2023 RM'000	Changes RM'000 %	
Revenue	3,640	1,878	1,762	93.8
Gross Profit/(Loss)	1,298	(272)	1,570	577.2
Profit / (Loss) before tax	14,006	(5,271)	19,277	365.7
Net profit / (loss) attributable to equity holders	14,098	(5,042)	19,140	379.6

The Group registered a revenue of RM3.64 million for current quarter ended 30 June 2024, increased by RM1.76 million as compared to RM1.88 million in previous year's corresponding quarter ended 30 June 2023. The increase in revenue was mainly due to increased transactions in sales of the marketable securities and increased sales of gloves. The two (2) main revenue contributors were the portfolio investment segment (68%) and the Glove Business Segment (27%).

The profit before tax of RM14.01 million and a net profit attributable to equity holders of RM14.10 million for current quarter has significantly improved compared to loss before tax of RM5.27 million and net loss attributable to equity holders of RM5.04 million respectively in previous year's corresponding quarter, mainly due to the followings:

- Mark-to-market profit of the marketable securities of RM15.65 million in current quarter as opposed to mark-to-market loss of RM1.08 million in previous year's corresponding quarter.
- The Group achieved gross profit in current quarter against gross loss in previous year corresponding quarter.
- Impairment loss on asset held for sale of RM2.94 million in previous year corresponding quarter which is none in current quarter.
- Impairment loss on investment in unquoted shares of RM2.87 million in previous year corresponding quarter which is non in current quarter.
- Lower reversal of impairment loss on trade receivable upon collection from trade receivable (2024:RM0.76 mil, 2023:RM1.75 mil)
- Loss on unrealized foreign exchange of RM0.19 million in current quarter against profit on unrealized foreign exchange of RM1.45 mil.

Performance of the respective operating business segments for the quarter ended 30 June 2024 as compared to the previous year's corresponding quarter is analysed as follows:-

Revenue by Segments	Quarter Ended			
	30.06.2024 RM'000	30.06.2023 RM'000	Changes RM'000 %	
Portfolio investment	2,469	1,485	984	66.3
Biotechnology products	154	300	(146)	(48.7)
Financial services	38	44	(6)	(13.6)
Glove business	979	49	930	1,898.0
Profit/(Loss) Before Tax by Segments				
Portfolio investment	15,647	(2,570)	18,217	708.8
Biotechnology products	(345)	(340)	(5)	(1.5)
Financial services	702	1,773	(1,071)	(60.4)
Glove business	(862)	(3,452)	2,590	75.0

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 RM15.65 million in current quarter, improved as compared to loss before tax of RM2.57 million in previous year's corresponding quarter, mainly due to mark-to-market profit of the marketable securities of RM15.65 million in current quarter as opposed to mark-to-market loss of RM1.08 million in previous year's corresponding quarter, and impairment loss on investment in unquoted shares of RM2.87 million in previous year corresponding quarter which is non in current quarter.

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

B1 Performance review (Cont'd)

a) Current Quarter vs Previous Year Corresponding Quarter Ended

Biotechnology products

This segment reported loss before tax of RM0.35 million in current quarter, compared to RM0.34 million in previous year's corresponding quarter. This business segment has ceased its factory operation and maintain its trading business after taking into account its future prospect and potential. The loss in current quarter of RM0.35 million mainly arrive from impairment loss on fixed assets and inventories of RM0.19 million, some factory maintenance and administrative expense of the segment.

Financial services

This segment reported revenue of RM0.04 million and lower profit before tax of RM0.70 million in current quarter, as compared to revenue of RM0.04 million and profit before tax of RM1.77 million in previous year's corresponding quarter, mainly due to lower reversal of impairment loss on trade receivable of RM0.76 million in current quarter, compared to RM1.75 million in previous year's corresponding quarter.

Glove business

This segment reported a higher revenue of RM0.98 million and lower loss before tax of RM0.86 million in current quarter, compared to revenue of RM0.05 million and loss before tax of RM3.45 million in previous year's corresponding quarter, mainly due to Impairment loss on asset held for sale of RM2.94 million in previous year corresponding quarter which is none in current quarter.

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

Key Profit or Loss items:	Year-To-Date Ended			
	30.06.2024	30.06.2023	Changes	
	RM'000	RM'000	RM'000	%
Revenue	26,162	22,278	3,884	17.4
Gross Profit	2,564	(212)	2,776	1,309.4
Profit / (Loss) before tax	22,910	(32,504)	55,414	170.5
Net profit / (loss) attributable to equity holders	23,591	(31,821)	55,412	174.1

The Group registered a revenue of RM26.16 million for current year ended 30 June 2024, increased by RM3.88 million as compared to RM22.28 million in previous year ended 30 June 2023. The increase in revenue was mainly due to increased transactions in sales of marketable securities and increased sales of gloves. The three (3) main revenue contributors were the portfolio Investment segment (92%), Glove Business Segment (5%) and Biotechnology Products Segment (2%).

The Group recorded a profit before tax of RM22.91 million and a net profit attributable to equity holders of RM23.59 million respectively in current year, has improved significantly as compared to a loss before tax of RM32.50 million and a net loss attributable to equity holders of RM31.82 million, respectively, in the previous year, mainly due to the followings:

- Mark-to-market profit of the marketable securities of RM30.33 million in current year as opposed to mark-to-market loss of RM21.65 million in previous year.
- The Group achieved gross profit in current year against gross loss in previous year.
- Impairment loss on asset held for sale of RM2.94 million in previous year which is none in current year.
- Impairment loss on investment in unquoted shares of RM2.87 million in previous year which is none in current year.
- Lower reversal of impairment loss on trade receivable upon collection from trade receivable (2024:RM1.07 mil , 2023:RM1.75 mil)
- Lower gain on short term investment (2024:RM0.26 mil , 2023:RM1.06 mil)
- Lower gain on unrealized foreign exchange (2024:RM0.17 mil , 2023:RM1.41 mil)

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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

Performance of the respective operating business segments for year ended 30 June 2024 as compared to the previous year is analysed as follows:-

	Year-to-Date Ended			
	30.06.2024	30.06.2023	Changes	
	RM'000	RM'000	RM'000	%
Revenue by Segments				
Portfolio investment	24,122	19,644	4,478	22.8
Biotechnology products	524	1,589	(1,065)	(67.0)
Financial services	136	232	(96)	(41.4)
Glove business	1,380	813	567	69.7
Profit/(Loss) Before Tax by Segments				
Portfolio investment	31,852	(23,796)	55,648	233.9
Biotechnology products	(1,015)	(784)	(231)	(29.5)
Financial services	711	1,877	(1,166)	(62.1)
Glove business	(5,763)	(6,808)	1,045	15.3

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 RM31.85 million in current year, improved by RM55.65 million as compared to loss before tax of RM23.80 million in previous year, mainly due to mark-to-market profit of the marketable securities of RM30.33 million in current year as opposed to mark-to-market loss of RM21.65 million in previous year.

Biotechnology products

This segment reported a lower revenue of RM0.52 million and higher loss before tax of RM1.02 million in current year, as compared to revenue of RM1.59 million and loss before tax of RM0.78 million in previous year, mainly due to impairment loss on fixed assets and inventories of RM0.19 million, lower business transactions and higher cost of production. It was decided to ceased its factory operation and maintain its trading business after take into account its future prospect and potential.

Financial services

This segment reported a lower revenue of RM0.14 million in current year, as compared to RM0.23 million in previous year, mainly due to lesser loan disbursement. The profit before tax was lowered from RM1.88 million in previous year to RM0.71 million in current year mainly due to lower reversal of impairment loss on trade receivable of RM1.07 million in current year, compared to RM1.75 million in previous year.

Glove business

This segment reported a higher revenue of RM1.38 million and lower loss before tax of RM5.76 million in current year, as compared to revenue of RM0.81 million and loss before tax of RM6.81 million in previous year, mainly due to higher revenue and impairment loss on asset held for sale of RM2.94 million in previous year which is none in current year.

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B1 Performance review (Cont'd)

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

	As at		Changes	
	30.06.2024	30.06.2023	RM'000	%
Key Balance Sheet Items:	RM'000	RM'000	RM'000	%
Property, Plant and equipment	70,206	73,670	(3,464)	(4.7)
Asset held for sale	25,200	25,200	-	-
Marketable securities:				
- Non Current	101,161	69,518	31,643	45.5
- Current	21,784	18,888	2,896	15.3
	<u>122,945</u>	<u>88,406</u>	<u>34,539</u>	<u>39.1</u>
Short term investment	-	13,216	(13,216)	(100.0)
Cash and cash equivalents	12,300	14,406	(2,106)	(14.6)
Total Assets	267,600	245,412	22,188	9.0
Total Liabilities	33,035	33,815	(780)	(2.3)

The Group's Total Assets increased by RM22.19 million mainly due to increase in investment in marketable securities, offset against decreased in fixed assets, short term investment and cash and cash equivalents. The investment in marketable securities increased by RM34.54 million mainly due to fair value profit on the quoted securities of RM30.33 million as well as additional quoted securities purchased during current year. The decrease in property, plant and equipment is due to depreciation of RM3.33 million and impairment on fixed assets of RM0.10 million during current year. 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 RM0.78 million mainly due to payments of final progress billing for the construction of Glove's factory.

B2 Variation of results against immediate preceding quarter

	Current	Preceding	Changes	
	Quarter	Quarter	RM'000	%
	30.06.2024	31.03.2024	RM'000	%
Revenue	3,640	16,131	(12,491)	(77.4)
Loss before tax	14,006	(8,616)	22,622	262.6

The Group registered a revenue of RM3.64 million for current quarter ended 30 June 2024, representing an decrease of RM12.49 million or 77.4% as compared to RM16.13 million in preceding quarter ended 31 March 2024. The decrease in revenue was mainly due to lower sales of marketable securities in portfolio investment segment in current quarter.

The Group reported a profit before taxation of RM14.01 million for the current quarter ended 30 June 2024, improved as compared to loss before tax of RM8.62 million in the preceding quarter ended 31 March 2024. The improved profit before taxation was mainly due to fair value gain on the marketable securities of RM15.65 million in current quarter as opposed to fair value loss of RM6.50 million in previous quarter and, also due to higher gross profit in current quarter because of gross loss from clearance of old expiring glove stocks in North America in previous quarter.

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B3 Prospects

The Malaysian economy grew at a higher rate of 4.2% in the first quarter of 2024 (4Q 2023: 2.9%), driven by stronger private expenditure and positive turnaround in exports. Household spending was higher amid continued growth in employment and wages. Better investment activities were supported by higher capital spending by both the private and public sectors. Exports rebounded amid higher external demand. Core inflation moderated to 1.8% (4Q 2023: 2%), largely driven by continued easing in the food and beverages segment. Inflation pervasiveness edged higher, as the share of Consumer Price Index (CPI) items recording monthly price increases rose to 44.2% during the quarter (4Q 2023: 36.3%). Domestic financial markets continued to be driven mainly by shifting financial market expectations over the monetary policy path of major central banks. From the beginning of the year until 15 May 2024, the ringgit has depreciated by 2.4% against the US dollar, in line with the movements of other regional currencies.

Growth in 2024 will be driven by resilient domestic expenditure with additional support from the recovery in external demand. On the domestic front, continued employment and wage growth will support household spending. Improvement in tourist arrivals and spending are expected to continue. Investment activities will be driven by progress in multi-year projects across private and public sectors, alongside catalytic initiatives announced in national master plans, as well as the higher realisation of approved investments. For 2024, headline and core inflation are projected to remain moderate between 2% – 3.5% and 2% – 3%, respectively. These broadly reflect stabilising demand and contained cost pressures, coupled with some potential upside that could arise from the implementation of fuel subsidy rationalisation. The outlook for the rest of the year is dependent on the implementation of 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 First Quarter of 2024 article issued by Bank Negara Malaysia on 17 May 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.

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.businesstoday.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. The announcement by US to on higher tariffs on Chinese medical and surgical rubber gloves from the current 7.5 per cent to 25 per cent effective 2026. Chinese glove makers' decision to shift their target markets from the US to European and Asian markets will result in a near-term trade diversion from the US to Malaysia, which will benefit most Malaysian. 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 Americal 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.

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B5 Income tax

During the financial year ended 30 June 2024, the Group provided a provision for taxation as follows:-

	Quarter and Year-to-Date Ended	
	30.06.2024	30.06.2023
	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	
	30.06.2024	30.06.2023
	RM'000	RM'000
Trade receivables	991	1,340
Less : Allowance for impairment loss	-	(1,066)
	991	274

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

	As at	
	30.06.2024	30.06.2023
	RM'000	RM'000
Neither past due nor impaired	980	187
30 days	-	67
31 - 60 days	-	20
> 181 days	11	-
Impaired	-	1,066
Gross trade receivables	991	1,340
Less: Allowance for impairment loss	-	(1,066)
	991	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 year ended 30 June 2024.

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B10 Earnings per share ("EPS")

	Quarter Ended		Year-to-date Ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
a) Basic EPS				
Profit/(Loss) attributable to the owners of the Company (RM'000)	14,098	(5,042)	23,591	(31,821)
Basic EPS (sen)	7.13	(0.09)	11.94	(0.54)
b) Diluted EPS				
Profit/(Loss) attributable to the owners of the Company (RM'000)	14,098	(5,042)	23,591	(31,821)
Weighted average number of ordinary shares in issue ('000)	197,620	5,922,797	197,507	5,922,797
Effective of dilution from conversion of ICPS ('000)	6,899	224,308	6,899	224,308
Effective of dilution from detachable warrants A ('000)	-	170,093	-	170,093
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)	204,519	7,463,325	204,406	7,463,325
Diluted EPS (sen)	6.89	(0.07)	11.54	(0.43)

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 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 30 June 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)	(13,533)	1,278	By 27 Dec 2024
Corporate Exercises expenses	711	(13)	(698)	-	Immediate
Working capital for the Group	-	18,411	(13,402)	5,009	By 27 Dec 2024
	114,617	-	(105,100)	9,517	

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

	Quarter Ended		Year-to-date Ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM'000	RM'000	RM'000	RM'000
Total Comprehensive profit/(loss) for the period	14,002	(4,994)	22,968	(32,258)
Non-Cash items:				
Depreciation of property, plant and equipment	1,085	171	3,331	746
Depreciation of right-of-use asset	50	34	153	92
Unrealised foreign exchange (gain)/loss	180	(1,454)	(169)	(1,415)
Fair value loss/(gain) on marketable securities	(15,651)	1,081	(30,333)	21,649
Gain on derecognition of lease liabilities	-	-	-	(1)
Property, plant & equipment written off	-	-	-	1
Impairment loss on trade and other receivable	259	-	259	-
Impairment loss on investment in unquoted shares	-	2,871	-	2,871
Impairment loss on property, plant & equipment	100	-	100	-
Reversal on impairment loss on receivables	(759)	(1,752)	(1,066)	(1,752)
Impairment loss on assets held for sale	-	2,940	-	2,940
Impairment loss on inventories	93	-	93	-
Bad debts written off	-	3	-	3
	(14,643)	3,894	(27,632)	25,134
Total Comprehensive loss before non-cash items	(641)	(1,100)	(4,664)	(7,124)

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