



**GO INNOVATE ASIA BERHAD**  
**(Formerly known as Ace Innovate Asia Berhad)**  
**(Registration No. 201901007350 (1316677-U))**  
**(Incorporated in Malaysia under the Companies Act 2016)**

**FINANCIAL STATEMENTS FOR THE HALF-YEAR**  
**ENDED 31 DECEMBER 2023**

**CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”)**

**THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE ACE MARKET AND MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY ACE INNOVATE ASIA BERHAD (“AIAB” OR THE “COMPANY”). INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISK OF INVESTING IN AIAB AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.**



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

	(Unaudited)		(Unaudited)	(Audited)
	Individual 6 months ended		Cumulative 12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Revenue	501,964	618,688	912,908	1,243,627
Cost of sales	(495,592)	(616,787)	(901,349)	(1,235,455)
<b>Gross profit</b>	<b>6,372</b>	<b>1,901</b>	<b>11,559</b>	<b>8,172</b>
Other income	617	347	2,558	674
Administrative expenses	(6,524)	(3,498)	(11,827)	(8,010)
<b>Operating profit/(loss)</b>	<b>465</b>	<b>(1,250)</b>	<b>2,290</b>	<b>836</b>
Finance costs	(109)	(180)	(258)	(470)
Share of results of an associate company	Neg	Neg	Neg	Neg
<b>Profit/(loss) before tax</b>	<b>356</b>	<b>(1,430)</b>	<b>2,032</b>	<b>366</b>
Income tax credit/(expense)	15	185	(501)	(246)
<b>Profit/(loss) for the period, representing total comprehensive income for the period</b>	<b>371</b>	<b>(1,245)</b>	<b>1,531</b>	<b>120</b>
<b>Profit/(loss) attributable to:</b>				
Owners of the Company	380	(1,231)	1,546	136
Non-controlling interests	(9)	(14)	(15)	(16)
	371	(1,245)	1,531	120
Basic earnings/(loss) per ordinary share (sen)	0.13	(0.41)	0.52	0.05

**Notes:**

The unaudited condensed consolidated statements of comprehensive income should be read in conjunction with the Audited Financial Statements of Go Innovate Asia Berhad (formerly known as Ace Innovate Asia Berhad) and its subsidiaries (“Group”) for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

Neg: Negligible amount



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**UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023**

	(Unaudited)	(Audited)
	As at	As at
	31.12.2023	31.12.2022
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	4,649	4,720
Investment in associate company	Neg	Neg
<b>Total non-current assets</b>	<u><b>4,649</b></u>	<u><b>4,720</b></u>
<b>Current Assets</b>		
Inventories	18,281	18,533
Current tax assets	888	1,547
Trade and other receivables	17,964	21,647
Cash and short-term deposits	16,461	10,140
<b>Total current assets</b>	<u><b>53,594</b></u>	<u><b>51,867</b></u>
<b>TOTAL ASSETS</b>	<u><b>58,243</b></u>	<u><b>56,587</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	23,192	23,192
Reorganisation reserve	(12,052)	(12,052)
Retained earnings	14,969	13,423
	26,109	24,563
Non-controlling interests	(31)	(16)
<b>TOTAL EQUITY</b>	<u><b>26,078</b></u>	<u><b>24,547</b></u>



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**UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 (continued)**

	(Unaudited)	(Audited)
	As at	As at
	31.12.2023	31.12.2022
	RM'000	RM'000
<b>Non-current Liabilities</b>		
Loans and borrowings	2,578	2,786
Deferred tax liabilities	113	284
<b>Total non-current liabilities</b>	<b>2,691</b>	<b>3,070</b>
<b>Current Liabilities</b>		
Loan and borrowings	6,270	242
Contract liabilities	105	45
Trade and other payables	23,099	28,683
<b>Total current liabilities</b>	<b>29,474</b>	<b>28,970</b>
<b>TOTAL LIABILITIES</b>	<b>32,165</b>	<b>32,040</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>58,243</b>	<b>56,587</b>
<b>Net assets per ordinary share (RM)</b>	0.09	0.08
<b>Number of ordinary shares ('000)</b>	300,033	300,033

**Notes:**

The unaudited condensed consolidated statements of financial position should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.

Neg: Negligible amount



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**UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

	Attributable to the owners of the Company				Total equity RM'000
	Share capital RM'000	Reorganisation reserve RM'000	Retained earnings RM'000	Non- controlling interests RM'000	
<b>At 1 January 2022 (Audited)</b>	<b>23,192</b>	<b>(12,052)</b>	<b>13,287</b>	<b>(1)</b>	<b>24,426</b>
Profit for the financial year, representing total comprehensive income for the financial year	-	-	136	(15)	121
<b>At 31 December 2022 (Audited)</b>	<b>23,192</b>	<b>(12,052)</b>	<b>13,423</b>	<b>(16)</b>	<b>24,547</b>
Profit for the financial year, representing total comprehensive income for the financial year	-	-	1,546	(15)	1,531
<b>At 31 December 2023 (Unaudited)</b>	<b>23,192</b>	<b>(12,052)</b>	<b>14,969</b>	<b>(31)</b>	<b>26,078</b>

**Note:**

The unaudited condensed consolidated statements of changes in equity should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.



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**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

	(Unaudited) 31.12.2023 RM'000	(Audited) 31.12.2022 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	2,032	366
Adjustments for:		
Bad debts written off	-	2
Depreciation of property, plant and equipment	435	364
Depreciation of right-of-use assets	49	161
Net unrealised foreign exchange gain	(1)	(543)
Finance costs	253	470
Interest income	(149)	(85)
<b>Operating profit before working capital changes</b>	<b>2,619</b>	<b>735</b>
<b><u>Changes in working capital</u></b>		
Contract liabilities	60	20
Inventories	252	225
Trade and other receivables	3,690	(8,289)
Trade and other payables	2,574	2,354
<b>Cash from/(used in) operations</b>	<b>9,195</b>	<b>(4,955)</b>
Income tax paid	(45)	(139)
Income tax refunded	13	-
Interests paid	-	(4)
Interests received	149	85
<b>Net cash from/(used in) operating activities</b>	<b>9,312</b>	<b>(5,013)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(413)	(489)
Net change in pledged deposits	(2,176)	(6)
<b>Net cash used in investing activities</b>	<b>(2,589)</b>	<b>(495)</b>



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**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023 (continued)**

	(Unaudited) 31.12.2023 RM'000	(Audited) 31.12.2022 RM'000
<b>Cash flows from financing activities</b>		
Net change in amount due from holding company	-	1
Net change in amount due to related parties	(8,151)	(1,947)
Net change in amount due to subsidiary company	6	-
Drawdown of term loan	6,044	-
Repayment of lease liabilities	(18)	(140)
Repayment of term loan	(205)	(249)
Interests paid	(253)	(466)
<b>Net cash used in financing activities</b>	<b>(2,577)</b>	<b>(2,801)</b>
Net increase in cash and cash equivalents	4,146	(8,309)
<b>Cash and cash equivalents at the beginning of the financial year</b>		
	<b>9,898</b>	<b>17,909</b>
Effects of exchange rate changes on cash and cash equivalents	-	298
<b>Cash and cash equivalents at the end of the financial year</b>	<b>14,044</b>	<b>9,898</b>

For the purpose of the statements of cash flows, cash and cash equivalents comprise of the following:

	(Unaudited) 31.12.2023 RM'000	(Audited) 31.12.2022 RM'000
Short-term deposits placed with licensed banks	2,417	242
Less: Pledged deposits	(2,417)	(242)
	-	-
Cash and bank balances	14,044	9,898
	<b>14,044</b>	<b>9,898</b>

**Note:**

The unaudited condensed consolidated statements of cash flows should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report.



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**A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

**A1 Compliance with Financial Reporting Standard and Listing Requirements of Bursa Securities**

**Basis of preparation**

The interim financial statements of the Group are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting. This is the interim financial report on the consolidated results for the half-year ended 31 December 2023 announced by the Company in compliance with the LEAP Market Listing Requirements of Bursa Securities.

This report should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 31 December 2022. The explanatory notes attached to this report provide an explanation of events and transactions that are significant to the understanding of changes in the financial position and performance of the Group since the financial year ended 31 December 2022.

**Changes in accounting policies**

The accounting policies adopted by the Group in the interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2022, except for the adoption of the following new and revised MFRSs, Amendments to MFRS and IC interpretations:

New MFRSs

MFRS 17	Insurance Contracts
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Amendments to MFRSs

MFRS 101	Presentation of Financial Statements
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
MFRS 112	Income Taxes

The adoption of the above new MFRS and amendments to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group’s and the Company’s existing accounting policies,

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## **A1 Compliance with Financial Reporting Standard and Listing Requirements of Bursa Securities (continued)**

### **Changes in accounting policies (continued)**

The Group has not adopted the following new MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective:

<u>Amendments/Improvements to MFRSs</u>		<b>Effective for financial periods beginning on or after</b>
MFRS 7	Financial Instruments: Disclosures	1 January 2024
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 16	Leases	1 January 2024
MFRS 101	Presentation of Financial Statements	1 January 2024
MFRS 107	Statements of Cash Flows	1 January 2024
MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2024
MFRS 128	Investment in Associates and Joint Ventures	Deferred

The adoption of the above applicable new MFRSs and amendments/improvements to MFRSs did not expect to have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group's and the Company's existing accounting policies.

## **A2 Seasonal/Cyclical Factors**

The Group does not experience any seasonality in its business as the demand for physical gold products is not subject to major seasonal fluctuations. However, its business is subject to economic conditions and fluctuations in global gold prices, which are affected by factors including, but not limited to, market speculation of future inflation and interest rates, global and regional economic, global gold supply and consumption levels, as well as investment and trading activities in the market.

## **A3 Unusual Items**

There were no material unusual items affecting assets, liabilities, equity, net income and cash flows for the six months ended 31 December 2023.

## **A4 Material Changes in Estimates**

There were no material changes in estimates of amounts reported in prior financial year that have a material effect during the six months ended 31 December 2023.

## **A5 Debt and Equity Securities**

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the six months ended 31 December 2023.

## A6 Segmental Information

Analysis of revenue

(i) By products and services

	(Unaudited)		(Unaudited)	(Audited)
	Individual 6 months ended		Cumulative 12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Scrap gold bar	39,711	38,366	66,473	138,474
Cast gold bar	460,809	579,673	842,718	1,103,191
Minted gold bar	879	418	2,682	1,446
Assay services	168	152	371	319
Information technology services*	363	-	363	-
Others	34	79	301	197
	<u>501,964</u>	<u>618,688</u>	<u>912,908</u>	<u>1,243,627</u>

(ii) By geographical location

	(Unaudited)		(Unaudited)	(Audited)
	Individual 6 months ended		Cumulative 12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Malaysia	501,964	618,688	912,908	1,217,467
Singapore	-	-	-	26,160
	<u>501,964</u>	<u>618,688</u>	<u>912,908</u>	<u>1,243,627</u>

(iii) By sales channels

	(Unaudited)		(Unaudited)	(Audited)
	Individual 6 months ended		Cumulative 12 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Gold Trading Platform (“GTP”) Easy platform	310,591	516,226	608,930	1,023,230
E-commerce	729	576	1,112	998
Banking	190,476	101,730	302,495	218,995
Assay services	168	152	371	319
Others	-	4	-	85
	<u>501,964</u>	<u>618,688</u>	<u>912,908</u>	<u>1,243,627</u>

**Note:**

\* Being provision of technical assistance, maintenance, and support for Gold Trading System.

## A7 Material Events Subsequent to the End of the Financial Period

There were no material events subsequent to the six months ended 31 December 2023 up to the date of this interim financial report.

**A8 Contingent Assets and Contingent Liabilities**

There were no material changes in contingent assets and contingent liabilities during the six months ended 31 December 2023.

**A9 Changes in the Composition of the Group**

There were no changes in the composition of the Group during the six months ended 31 December 2023.

**A10 Capital Commitments**

There were no material capital commitments during the six months ended 31 December 2023.

**A11 Recurrent Related Party Transactions**

The Group has no other recurrent related party transaction which would have a significant impact on the financial position and business of the Group save as disclosed below:

	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>As at</b>	<b>As at</b>
	<b>31.12.2023</b>	<b>31.12.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Interest arising due to short term loan from Gosford Leather Industries Sdn. Bhd.	<u>82</u>	<u>378</u>

The short-term loan from Gosford Leather Industries Sdn. Bhd. and related accrued interest have been fully settled on 3 July 2023.

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## **B ADDITIONAL INFORMATION REQUIRED UNDER THE LEAP MARKET LISTING REQUIREMENTS OF BURSA SECURITIES**

### **B1 Review of Performance**

The Group recorded a total revenue for the six months period ended 31 December 2023 of RM501.96 million compared to preceding year corresponding period of RM618.69 million, which represents a decline of 18.87% or RM116.72 million. The decline in revenue was primarily due to lower volume of gold being sold throughout the current period under review of 1,703,355 grams, which decreased by 761,288 grams or 30.89% as compared to the preceding year corresponding period of 2,464,643 grams.

For the financial year ended 31 December 2023, the total revenue decreased by RM0.33 billion or 26.59% to RM912.91 million as compared to RM1.24 billion for the financial year ended 31 December 2022. The decrease in revenue was mainly attributed to a decrease in trading volume of cast gold bars by 32.24% or 745,242 grams resulting from lower demand for gold traded via GTP Easy platform.

For the financial year ended 31 December 2023, despite the decline in revenue, the gross profit margin improved from 0.66% to 1.27% due to the increase in the average selling price of gold bars from 256 per gram in 2022 to 287 per gram in 2023.

The Group's profit after tax of RM1.53 million for the financial year ended 31 December 2023 was 1,175.83% higher than the profit after tax of RM0.12 million for the financial year ended 31 December 2022, which is in line with the increase in gross profit margin.

### **B2 Prospect of the Group**

The Group continually invests in technology to expand its services and connect to new local financial institutions, Islamic pawnbrokers and co-operatives. On 24 November 2023 and 27 December 2023, the Company's wholly owned subsidiary, Go Capital Growth Sdn. Bhd. (formerly known as Ace Capital Growth Sdn. Bhd.) had entered into a Gold supply and provider agreement with Al Rajhi Banking and Investment Corporation (Malaysia) Berhad and Koperasi Angkatan Tentera Malaysia Berhad, respectively for supplying, selling and providing digital gold trading platform (i.e., via the Company's GTP Easy platform) for digital gold trading.

### **B3 Profit Forecast/Profit Guarantee**

Not applicable as the Group did not publish any profit forecast or profit guarantee.

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**C OTHER INFORMATION****C1 Loans and Borrowings**

The Group's total borrowings as at 31 December 2023 (all denominated in RM) are as follows:

	(Unaudited)	(Audited)
	As at	As at
	31.12.2023	31.12.2022
	RM'000	RM'000
<b>Non-current</b>		
Term loans	2,563	2,768
Lease liabilities	15	18
	<u>2,578</u>	<u>2,786</u>
<b>Current</b>		
Term loans	6,236	193
Lease liabilities	34	49
	<u>6,270</u>	<u>242</u>
<b>Total loans and borrowings</b>		
Term loans	8,799	2,961
Lease liabilities	49	67
	<u><b>8,848</b></u>	<u><b>3,028</b></u>

**C2 Material Litigation**

As at the date of this report, the Group is not engaged in any material litigation.

**C3 Dividend**

There was no dividend declared or proposed as at the date of this report.

**C4 Earnings/(Loss) Per Ordinary Share**

## (a) Basic earnings/(loss) per ordinary share

Basic earnings/(loss) per ordinary share is based on the profit/(loss) after tax for the financial period attributable to owners of the Company and the weighted average number of ordinary shares in issue during the financial period, calculated as follows:

	(Unaudited)		(Unaudited)	(Audited)
	Individual 6 months ended		Cumulative 6 months ended	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Profit/(loss) attributable to owners of the Company (RM'000)	380	(1,231)	1,546	136
Weighted average number of ordinary shares at end of period (RM'000)	300,033	300,033	300,033	300,033
<b>Basic earnings/(loss) per ordinary share (sen)</b>	<b>0.13</b>	<b>(0.41)</b>	<b>0.52</b>	<b>0.05</b>

**C4 Earnings Per Ordinary Share (continued)**

(b) Diluted earnings/(loss) per ordinary share

The diluted earnings/(loss) per ordinary share is equivalent to the basic earnings/(loss) per ordinary share as the Group and the Company do not have any potential ordinary shares outstanding at the end of the reporting period.

This report is dated 29.02.2024.