



GO INNOVATE ASIA BERHAD
(Registration No. 201901007350 (1316677-U))
(Incorporated in Malaysia under the Companies Act 2016)

FINANCIAL STATEMENTS FOR THE HALF-YEAR
ENDED 30 JUNE 2024

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 SECURITIES. 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 GO INNOVATE ASIA BERHAD (“GIAB” OR THE “COMPANY”). INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISK OF INVESTING IN GIAB AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.



GO INNOVATE ASIA BERHAD
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(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2024

| | (Unaudited) | | (Unaudited) | |
|--|---------------------------|--------------|---------------------------|--------------|
| | Individual 6 months ended | | Cumulative 6 months ended | |
| | 30.06.2024 | 30.06.2023 | 30.06.2024 | 30.06.2023 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 875,388 | 410,944 | 875,388 | 410,944 |
| Cost of sales | (863,182) | (405,757) | (863,182) | (405,757) |
| Gross profit | 12,206 | 5,187 | 12,206 | 5,187 |
| Other income | 1,586 | 1,941 | 1,586 | 1,941 |
| Administrative expenses | (16,180) | (5,303) | (16,180) | (5,303) |
| Operating (loss)/profit | (2,388) | 1,825 | (2,388) | 1,825 |
| Finance costs | (66) | (149) | (66) | (149) |
| Share of results of an associated company | Neg | Neg | Neg | Neg |
| (Loss)/profit before tax | (2,454) | 1,676 | (2,454) | 1,676 |
| Income tax expense | (127) | (516) | (127) | (516) |
| (Loss)/profit for the period, representing total comprehensive (loss)/income for the period | (2,581) | 1,160 | (2,581) | 1,160 |
| (Loss)/profit attributable to: | | | | |
| Owners of the Company | (2,776) | 1,166 | (2,776) | 1,166 |
| Non-controlling interests | 195 | (6) | 195 | (6) |
| | (2,581) | 1,160 | (2,581) | 1,160 |
| Basic (loss)/earnings per ordinary share (sen) | (0.92) | 0.39 | (0.92) | 0.39 |

Note:

The unaudited condensed consolidated statements of comprehensive income should be read in conjunction with the Audited Financial Statements of Go Innovate Asia Berhad and its subsidiaries (“Group”) for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.

Neg: Negligible amount



GO INNOVATE ASIA BERHAD
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UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2024

| | (Unaudited) | (Audited) |
|---|--------------------|-------------------|
| | As at | As at |
| | 30.06.2024 | 31.12.2023 |
| | RM'000 | RM'000 |
| ASSETS | | |
| Non-current Assets | | |
| Property, plant and equipment | 4,449 | 4,649 |
| Investment in associate company | Neg | Neg |
| Total non-current assets | 4,449 | 4,649 |
| Current Assets | | |
| Inventories | 46,496 | 18,281 |
| Current tax assets | 888 | 888 |
| Trade and other receivables | 16,769 | 17,964 |
| Cash and short-term deposits | 28,264 | 16,461 |
| Total current assets | 92,417 | 53,594 |
| TOTAL ASSETS | 96,866 | 58,243 |
| EQUITY AND LIABILITIES | | |
| Equity attributable to owners of the Company | | |
| Share capital | 23,192 | 23,192 |
| Reorganisation reserve | (12,052) | (12,052) |
| Retained earnings | 12,193 | 14,969 |
| | 23,333 | 26,109 |
| Non-controlling interests | 164 | (31) |
| TOTAL EQUITY | 23,497 | 26,078 |



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**UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2024
(continued)**

| | (Unaudited) | (Audited) |
|---|---------------------|---------------------|
| | As at 30.06.2024 | As at 31.12.2023 |
| | RM'000 | RM'000 |
| Non-current Liabilities | | |
| Loans and borrowings | 2,463 | 2,578 |
| Deferred tax liabilities | 113 | 113 |
| Total non-current liabilities | 2,576 | 2,691 |
| Current Liabilities | | |
| Loan and borrowings | 251 | 6,235 |
| Contract liabilities | 88 | 105 |
| Trade and other payables | 70,454 | 23,134 |
| Total current liabilities | 70,793 | 29,474 |
| TOTAL LIABILITIES | 73,369 | 32,165 |
| TOTAL EQUITY AND LIABILITIES | 96,866 | 58,243 |
| Net assets per ordinary share (RM) | 0.08 | 0.09 |
| Number of ordinary shares ('000) | 300,033 | 300,033 |

Note:

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 2023 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 30 JUNE 2024

Attributable to the owners of the Company

| | Share capital RM'000 | Reorganisation reserve RM'000 | Retained earnings RM'000 | Non- controlling interests RM'000 | Total equity RM'000 |
|---|-------------------------------------|--|---|--|------------------------------------|
| At 1 January 2023 (Audited) | 23,192 | (12,052) | 13,423 | (16) | 24,547 |
| Profit/(loss) for the financial year, representing total comprehensive income/(loss) for the financial year | - | - | 1,546 | (15) | 1,531 |
| At 31 December 2023 (Audited) | 23,192 | (12,052) | 14,969 | (31) | 26,078 |
| (Loss)/Profit for the financial period, representing total comprehensive (loss)/income for the financial period | - | - | (2,776) | 195 | (2,581) |
| At 30 June 2024 (Unaudited) | 23,192 | (12,052) | 12,193 | 164 | 23,497 |

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 2023 and the accompanying explanatory notes attached to this interim financial report.



GO INNOVATE ASIA BERHAD
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UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE HALF-YEAR ENDED 30 JUNE 2024

| | (Unaudited) 30.06.2024 RM'000 | (Unaudited) 30.06.2023 RM'000 |
|---|--|--|
| Cash flows from operating activities | | |
| (Loss)/profit before tax | (2,454) | 1,676 |
| Adjustments for: | | |
| Depreciation of property, plant and equipment | 173 | 220 |
| Depreciation of right-of-use assets | 31 | 24 |
| Net unrealised gain on foreign exchange | (318) | (857) |
| Finance costs | 66 | 149 |
| Interest income | (193) | (44) |
| Operating (loss)/profit before working capital changes | (2,695) | 1,168 |
| <u>Changes in working capital</u> | | |
| Contract liabilities | (17) | 247 |
| Inventories | (28,216) | (8,499) |
| Trade and other receivables | 1,555 | 10,621 |
| Trade and other payables | 47,162 | 13,251 |
| Cash from operations | 17,789 | 16,788 |
| Income tax paid | (2) | (45) |
| Interests paid | - | (1) |
| Interests received | 193 | 44 |
| Net cash from operating activities | 17,980 | 16,786 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | 32 | (360) |
| Net change in pledged deposits | 982 | (5) |
| Net cash from/(used in) investing activities | 1,014 | (365) |



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UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE HALF-YEAR ENDED 30 JUNE 2024 (continued)

| | (Unaudited) 30.06.2024 RM'000 | (Unaudited) 30.06.2023 RM'000 |
|---|--|--|
| Cash flows from financing activities | | |
| Net change in amount due to related parties | - | (8,146) |
| Repayment of lease liabilities | (36) | 25 |
| Repayment of term loans | (6,101) | (99) |
| Interests paid | (66) | (148) |
| Net cash used in financing activities | (6,203) | (8,368) |
| Net increase in cash and cash equivalents | 12,791 | 8,053 |
| Cash and cash equivalents at the beginning of the financial period | 14,044 | 9,898 |
| Effects of exchange rate changes on cash and cash equivalents | (7) | 716 |
| Cash and cash equivalents at the end of the financial period | 26,828 | 18,667 |

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

| | (Unaudited) 30.06.2024 RM'000 | (Unaudited) 30.06.2023 RM'000 |
|--|--|--|
| Short-term deposits placed with licensed banks | 1,436 | 247 |
| Less: Pledged deposits | (1,436) | (247) |
| | - | - |
| Cash and bank balances | 26,828 | 18,667 |
| | 26,828 | 18,667 |

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 2023 and the accompanying explanatory notes attached to this interim financial report.



GO INNOVATE ASIA BERHAD
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A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2024

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 30 June 2024 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 2023. 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 2023.

Adoption of new MFRS and amendments to MFRSs

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 2023, except for the adoption of the following applicable new MFRS and amendments to MFRS:

New MFRS

MFRS 17 Insurance Contracts

Amendments to MFRS

MFRS 101 Presentation of Financial Statements

MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

MFRS 112 Income Taxes

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

Adoption of new MFRS and amendments to MFRSs (continued)

The adoption of the above new MFRS and amendments to MFRS did not have any significant effect on the financial statements of the Group and did not result in significant changes to the Group's existing accounting policies, except as discussed below:

Amendments to MFRS 101 Presentation of Financial Statements

The amendments require an entity to disclose its material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its financial statements.

Accordingly, the Group disclosed the material accounting policy information in the financial statements. However, the amendments did not result in changes to the accounting policies of the Group.

New MFRS and amendments to MFRS that have been issued, but yet to be effective

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

| | | Effective for financial periods beginning on or after |
|---------------------------|---|--|
| <u>New MFRS</u> | | |
| MFRS 18 | Presentation and Disclosure in Financial Statements | 1 January 2027 |
| <u>Amendments to MFRS</u> | | |
| MFRS 7 | Financial Instruments: Disclosures | 1 January 2024 |
| MFRS 7 | Financial Instruments: Disclosures | 1 January 2026 |
| MFRS 9 | Financial Instruments | 1 January 2026 |
| 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 2025 |
| MFRS 128 | Investment in Associates and Joint Ventures | Deferred |

The adoption of the above applicable new MFRSs and amendments to MFRS is not expected to have any significant effect on the financial statements of the Group and not expected to result in significant changes to the Group'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 30 June 2024.

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 30 June 2024.

A5 Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the six months ended 30 June 2024.

A6 Segmental Information

Analysis of revenue

(i) By products and services

| | (Unaudited) | | (Unaudited) | |
|----------------------|----------------------------------|-----------------------|----------------------------------|-----------------------|
| | Individual 6 months ended | | Cumulative 6 months ended | |
| | 30.06.2024 | 30.06.2023 | 30.06.2024 | 30.06.2023 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Scrap gold bar | 16,079 | 26,762 | 16,079 | 26,762 |
| Cast gold bar | 857,949 | 381,909 | 857,949 | 381,909 |
| Minted gold bar | 439 | 1,803 | 439 | 1,803 |
| Assay services | 201 | 203 | 201 | 203 |
| Information | | | | |
| technology services* | 572 | - | 572 | - |
| Others | 148 | 267 | 148 | 267 |
| | <u>875,388</u> | <u>410,944</u> | <u>875,388</u> | <u>410,944</u> |

(ii) By geographical location

| | (Unaudited) | | (Unaudited) | |
|-----------|----------------------------------|-----------------------|----------------------------------|-----------------------|
| | Individual 6 months ended | | Cumulative 6 months ended | |
| | 30.06.2024 | 30.06.2023 | 30.06.2024 | 30.06.2023 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Malaysia | 874,969 | 410,944 | 874,969 | 410,944 |
| Singapore | 419 | - | 419 | - |
| | <u>875,388</u> | <u>410,944</u> | <u>875,388</u> | <u>410,944</u> |

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A6 Segmental Information (continued)

(iii) By sales channels

| | (Unaudited) | | (Unaudited) | |
|-------------------------------|---------------------------|----------------|---------------------------|----------------|
| | Individual 6 months ended | | Cumulative 6 months ended | |
| | 30.06.2024 | 30.06.2023 | 30.06.2024 | 30.06.2023 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Gold Trading Platform (“GTP”) | | | | |
| Easy platform | 340,713 | 298,339 | 340,713 | 298,339 |
| E-commerce | 461 | 383 | 461 | 383 |
| Banking | 534,012 | 112,019 | 534,012 | 112,019 |
| Assay services | 202 | 203 | 202 | 203 |
| Others | - | - | - | - |
| | <u>875,388</u> | <u>410,944</u> | <u>875,388</u> | <u>410,944</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 30 June 2024 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 30 June 2024.

A9 Changes in the Composition of the Group

There were no material changes in the composition of the Group during the six months ended 30 June 2024.

A10 Capital Commitments

There were no material capital commitments during the six months ended 30 June 2024.

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:

| | (Unaudited) | (Audited) |
|---|-------------------------------|-------------------------------|
| | As at 30.06.2024 RM'000 | As at 31.12.2023 RM'000 |
| Interest arising due to short term loan from Gosford Leather Industries Sdn. Bhd. | <u>-</u> | <u>82</u> |

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

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

B1 Review of Performance

For the current financial period under review, the Group recorded a total revenue of RM875.39 million as compared to the total revenue of RM410.94 million reported in the preceding year corresponding period, representing an increase of 113.02% or RM464.45 million. The increase in revenue is mainly due to higher sales to customers via banking platform as a result of the increase in total volume of gold traded in the current financial period under review by 1.13 million grams or 376.72% as compared to the preceding year corresponding period of 0.4 million grams. The increase in sales is congruent with our business strategies i.e. shift from focusing on revenue growth to profitability growth, as reflected in the Group's improved gross profit margin.

The gross profit margin has improved from 1.26% to 1.39% due to the rise in the average gold selling price from RM279 per gram in the preceding year corresponding period to RM347 per gram in current financial period under review.

Despite the substantial increase in revenue, the Group's profitability declined as the Group recorded a loss after tax of RM2.58 million for current financial period under review, compared to a profit after tax of RM1.16 million in preceding year corresponding period. This was primarily due to increased commission payment, a net loss for paper trade and higher information and technology costs.

B2 Prospect of the Group

Gold prices have continued to hit fresh highs in 2024, driven by the likely gradual interest cuts by the US Federal Reserve, heightened geopolitical risks, central bank buying and inflation hedging. Economic and geopolitical uncertainty often serve as positive drivers for gold as gold is regarded as a safe haven. As technology and digitalisation remain recurring themes in the Group's business strategy, the management has continued to enhance our GTP. This ongoing improvement has enabled us to deliver tailored support to our primary customers, which are local financial institutions.

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 30 June 2024 (all denominated in RM) are as follows:

| | (Unaudited) | (Audited) |
|-----------------------------------|---------------------|---------------------|
| | As at | As at |
| | 30.06.2024 | 31.12.2023 |
| | RM'000 | RM'000 |
| Non-current | | |
| Term loans | 2,457 | 2,563 |
| Lease liabilities | 6 | 15 |
| | <u>2,463</u> | <u>2,578</u> |
| Current | | |
| Term loans | 207 | 201 |
| Lease liabilities | 44 | 34 |
| Revolving credit | - | 6,000 |
| | <u>251</u> | <u>6,235</u> |
| Total loans and borrowings | | |
| Term loans | 2,664 | 2,764 |
| Lease liabilities | 50 | 49 |
| Revolving credit | - | 6,000 |
| | <u><u>2,714</u></u> | <u><u>8,813</u></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.

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C4 (Loss)/Earnings Per Ordinary Share

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

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

| | (Unaudited) | | (Unaudited) | |
|---|----------------------------------|-------------------|----------------------------------|-------------------|
| | Individual 6 months ended | | Cumulative 6 months ended | |
| | 30.06.2024 | 30.06.2023 | 30.06.2024 | 30.06.2023 |
| (Loss)/profit attributable to owners of the Company (RM'000) | (2,838) | 1,166 | (2,838) | 1,166 |
| Weighted average number of ordinary shares in issue at end of period (RM'000) | 300,033 | 300,033 | 300,033 | 300,033 |
| Basic (loss)/earnings per ordinary share (sen) | (0.95) | 0.39 | (0.95) | 0.39 |

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

The diluted (loss)/earnings per ordinary share is equivalent to the basic (loss)/earnings 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 29.08.2024