FINTEC
GLOBAL BERHAD

ANNUAL REPORT

FINTEC
GLOBAL BERHAD

16th
Annual General Meeting

https://rebrand.ly/FintecAGM

28 November 2023 (Tuesday)
at 10.30 a.m.

INSIDE THIS REPORT

CORPORATE STRUCTURE

FINTEC GLOBAL BERHAD
[200701016619 (774628-U)]
(Incorporated in Malaysia)

- **100%** — **ASIABIO CAPITAL SDN. BHD.** [200801038768 (840116-P)] • Malaysia
- **100%** — **GRO ASIA AGRITECHNOLOGY SDN. BHD.** [200701027439 (785461-H)] • Malaysia
- **100%** — **ARTISAN SEMESTA SDN. BHD.** [201101015150 (943284-W)] • Malaysia
- **100%** — **ASIABIO BUILDERS SDN. BHD.** [201701015036 (1229200-W)] • Malaysia
- **100%** — **FINTEC VENTURES SDN. BHD.** [201701015040 (1229204-D)] • Malaysia
- **100%** — **FINTEC CAPITAL SDN. BHD.** [201401036680 (1112819-D)] • Malaysia
- **50.01%** — **HEXA BONANZA SDN. BHD.** [201001037140 (921063-V)] • Malaysia
- **100%** — **FINTEC GLOBAL LIMITED** (1946247) • BVI
- **100%** — **FINTEC GLOVE SDN. BHD.** [202001025522 (1381842-A)] • Malaysia
- **100%** — **FINTEC GLOBAL (HK) LIMITED** (2679962) • Hong Kong
  - **60%** — **FINTEC NORTH AMERICA LLC** (202030210329) • United States of America

CORPORATE INFORMATION

BOARD OF DIRECTORS

DATO' SERI ABDUL AZIM BIN MOHD ZABIDI
Independent Non-Executive Chairman

ONG TEE KEIN
Senior Independent Non-Executive Director

CHEW SHIN YONG, MARK
Independent Non-Executive Director

ONG SIEW MIN
Independent Non-Executive Director
(Appointed on 31 March 2023)

TAN SIK EEK
Managing Director

AUDIT COMMITTEE

Chairman
Ong Tee Kein

Members
Chew Shin Yong, Mark
Ong Siew Min
(Appointed on 31 March 2023)

REMUNERATION COMMITTEE

Chairman
Ong Siew Min
(Appointed on 31 March 2023)

Members
Ong Tee Kein
Chew Shin Yong, Mark

NOMINATION COMMITTEE

Chairman
Chew Shin Yong, Mark
(Re-designated on 31 March 2023)

Members
Ong Tee Kein
Ong Siew Min
(Appointed on 31 March 2023)

OPTION COMMITTEE

Chairman
Tan Sik Eek

Member
Ong Tee Kein

REGISTERED OFFICE

10th Floor, Menara Hap Seng
No. 1 & 3, Jalan P. Ramlee
50250 Kuala Lumpur
Tel No. : +603-2382 4288
Fax No. : +603-2382 4170
E-mail : tmfkl-cosec@tmf-group.com

PRINCIPAL PLACE OF BUSINESS

Factories
68, Jalan Waja 2
Taman Industri Waja
09000 Kulim, Kedah
Tel No. : +604-402 6350
Fax No. : +604-489 3833

Lot 304994, Jalan Chepor 11/8
Kawasan Perusahaan Seramik Chepor
31200 Mukim Hulu Kinta, Chemor
Perak Darul Ridzuan
Malaysia

Corporate Office
Lot 13.1, Level 13, Menara Lien Hoe
No. 8, Persiaran Tropicana
Tropicana Golf & Country Resort
47410 Petaling Jaya
Selangor Darul Ehsan
Tel No. : +603 - 7622 6988
Fax No. : +603 - 7622 6989
Email : mail@fintec.global

COMPANY SECRETARIES

Ng Sally (MAICSA 7060343 / SSM PC No. 202008002702)

Goh Xin Yee (LS 0010359 / SSM PC No. 202008000375)

AUDITORS

ChengCo PLT
[201806002622
(LLP0017004-LCA) & AF 0886]
Wisma Cheng & Co
No. 8-2, 10-1 & 10-2, Jalan 2/114
Kuchai Business Centre
Off Jalan Klang Lama
58200 Kuala Lumpur
Tel No. : +603-7984 8988
Fax No. : +603-7984 4402

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel No. : +603-2783 9299
Fax No. : +603-2783 9222
E-mail : is.enquiry@my.tricorglobal.com

PRINCIPAL BANKER

CIMB Bank Berhad

LISTING STATUS

ACE Market of
Bursa Malaysia Securities Berhad
Sector : Financial Services
Sub-sector : Other Financials

WEBSITE

http://www.fintec.global/

GROUP FINANCIAL HIGHLIGHTS

	Year Ended 30 June 2023 RM	Year Ended 30 June 2022 RM	Period Ended 30 June 2021 RM	Year Ended 31 March 2020 RM	Year Ended 31 March 2019 RM
OPERATING RESULTS					
Revenue	22,278,247	19,258,564	114,419,864	20,372,349	15,357,478
(Loss)/Profit before taxation	(32,503,568)	(87,154,151)	(313,711,404)	226,032,864	(40,057,372)
Income tax expense	-	(6,420)	(31,876)	-	6,000
(Loss)/Profit after taxation	(32,503,568)	(87,160,571)	(313,743,280)	226,032,864	(40,051,372)
Non-controlling interests	(682,533)	(205,605)	(61,286)	(8,819)	(36,074)
(Loss)/Profit attributable to owners	(31,821,035)	(86,954,966)	(313,681,994)	226,041,683	(40,015,298)
KEY BALANCE SHEET DATA					
Property, plant and equipment	73,669,642	86,741,089	29,150,119	3,847,879	4,769,787
Investment in unquoted shares	977,486	3,848,909	10,765,692	-	-
Right of use assets	114,104	582,008	387,993	9,515,636	-
Marketable securities	69,518,028	88,546,645	94,440,833	358,067,032	97,767,377
Asset held for sale	25,200,000	14,070,000	-	-	-
Current assets	75,932,579	90,928,772	161,400,437	72,056,454	59,781,467
Total Assets	245,411,839	284,717,423	296,145,074	443,487,001	162,318,631
Share capital	368,725,640	368,618,968	325,640,393	119,038,461	96,058,092
Irredeemable convertible preference shares ("ICPS")	17,832,672	7,369,079	7,369,079	27,443,314	43,175,440
Reserves	(172,330,777)	(130,185,727)	(43,405,434)	235,814,254	9,698,914
Total equity attributable to owners	214,227,535	245,802,320	289,604,038	382,296,029	148,932,446
Non-controlling interest	(2,630,538)	(1,948,005)	(1,742,400)	(1,681,114)	(1,672,295)
Total equity	211,596,997	243,854,315	287,861,638	380,614,915	147,260,151
Short term borrowing	-	-	-	28,829,530	-
Other current liabilities	33,687,416	40,197,425	7,868,462	24,168,719	15,058,480
Lease liabilities	127,426	665,683	414,974	9,873,837	-
Total equity and liabilities	245,411,839	284,717,423	296,145,074	443,487,001	162,318,631
FINANCIAL RATIOS					
Net profit margin (%)	(145.90)	(452.58)	(274.20)	1,109.51	(260.79)
Basic earnings/(loss) per share (sen)	(1.61)	(1.61)	(13.92)	33.76	(6.72)
Net assets per share (sen)	3.62	4.12	7.34	46.95	24.68
Return on equity (%)	(14.85)	(35.38)	(108.31)	59.13	(26.87)
Share price as at year/period ended (RM)	0.010	0.010	0.030	0.030	0.050

CHAIRMAN'S LETTER TO SHAREHOLDERS

DEAR VALUED SHAREHOLDERS,

On behalf of the Board of Directors of FINTEC Global Berhad ("FINTEC" or "the Group"), I would like to present the Annual Report and Audited Financial Statements for the financial year ended 30 June 2023 ("FYE 2023").

BUSINESS AND INVESTMENT REVIEW

During the FYE 2023, the global economy continued its recovery following the COVID-19 pandemic. However, this expected economic rebound faced challenges due to several factors, including the ongoing Russia-Ukraine conflict, China's Evergrande debt crisis, persistent inflation, and the escalation of interest rates.

Despite the prevailing headwinds within the operating environment, the Group will continue to focus on identifying new revenue streams and business expansion opportunities to enhance the value of the Group.

In FYE 2023, the Group achieved revenue of RM22.28 million, marking a notable 16% increase compared to FYE 2022. Throughout the year, the Group made significant progress in improving its losses after tax, reducing them to RM32.50 million from RM87.2 million in FYE 2022.

The financial position of the Group remains fundamentally strong, with equity attributable to owners of RM214.2 million despite the decrease in total assets by RM39.3 million primarily influenced by unrealised losses on marketable securities.

We express our sincere gratitude to all our stakeholders for their unwavering support and confidence in the Group during these demanding times.

As at FYE 2023, the Group's four (4) key incubatee companies with their core and diversified businesses are as follows:

Incubatee Companies	Core and Diversified Businesses
Focus Dynamics Group Berhad ("Focus")	• Food and Beverage ("F&B") • Lifestyle and Entertainment
DGB Asia Berhad ("DGB Asia")	• Automated Identification and Data Collection (AIDC) • Leisure and Hospitality • Smart Vending Machines • Logistic Services
NetX Holdings Berhad ("NetX")	• Non-Electronic Payment Services • Electronic Payment Services • GEM's Mobile Application
Seacera Group Berhad ("Seacera")	• Sale and trading of building materials • Property Development

Chairman's Letter to Shareholders (Cont'd)

FINANCIAL PERFORMANCE OF INCUBATEE COMPANIES

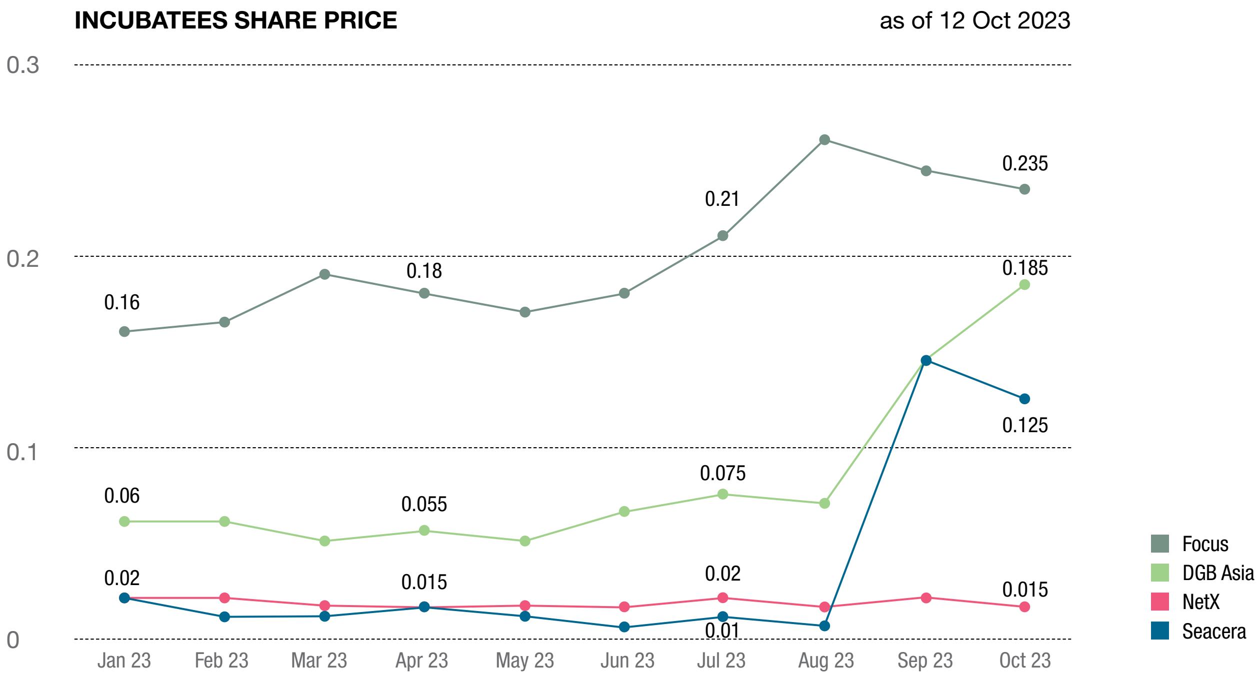
Based on the unaudited financial figures for the six-month period ending on 30 June 2023 ("FPE June 23"), Focus, one of our incubatee companies, has once more achieved the highest gross profit, totaling RM41.1 million over two quarters, driven by revenue from F&B segment of RM66.8 million. Despite these positive results, Focus still incurred a net loss of RM11.8 million, primarily attributed to elevated operating expenses and fair value losses on market securities.

Despite the difficult market conditions, DGB Asia achieved notable results in Q2 2023, with revenues increasing from RM7.1 million to RM15.1 million, and a reduction in the loss before tax (LBT) from RM8.3 million to RM3.2 million compared to Q2 2022.

Based on unaudited financial results of the current year to date ("YTD") of 31 May 2023, NetX reported a revenue of RM6.15 million while having a loss from operations of RM3.23 million compared to the preceding YTD of 2022 with a revenue of RM2.74 million while having an operational loss of RM2.49 million. That is a 224.5% rise in revenue while the loss from operations rose by 130%.

Based on the unaudited financial results for the fourth quarter ended on 30 June 2023, Seacera's revenue increased by RM1.30 million compared to RM15.08 million in revenue for the same quarter in 2022. This increase was primarily driven by higher revenue generated from the trading of building materials during the current quarter. The Group reported a profit net of tax of RM7.58 million which played a significant role in the uplifting of the PN17 status.

SHARE PRICE PERFORMANCE OF INCUBATEE COMPANIES



On the 14 of September 2023, DGB Asia completed a share consolidation of 10:1. Subsequently, the share price spiked from RM0.01 to a peak of RM0.19.

SIGNIFICANT CORPORATE PROPOSALS OR DEVELOPMENTS OF INCUBATEE COMPANIES	
Focus	• N/A
DGB Asia	• Proposed a share consolidation with a ratio of 10:1 share. The corporate exercise was completed on 18 September 2023.
NetX	• A subsidiary, eMicro, entered a Collaboration Agreement on 29 July 2022 with MYISCO Sdn. Bhd. where eMicro will provide Shariah compliant financial products to the customers of MYISCO's digital Islamic financial services platform (MYISCO Wallet.) • Entered a Collaboration Agreement on 22 June 2023 with Meimaii Technology Co. Ltd to operate the Meimaii Application in Malaysia; a leading Social eCommerce Platform in Taiwan. • Entered a Joint Venture Agreement with Saudi Cold Storage Sdn. Bhd. on 3 October 2023, with the aim of establishing a Saudi fast food restaurant under the name SAUDI BURGER.
Seacera	• After considering all relerant facts & circumstances, Bursa Securities granted Seacera a waiver for complying with Paragraph 8.04(3)(a) of the Main Market Listing Requirements, thereby uplifled its PN17 status on 17 August 2023.

SHARE PRICE PERFORMANCE OF INCUBATEE COMPANIES (CONTINUED)

In addition to the Group's four primary incubatee companies, the Group had made several short term investments. Stated below are some of the Group's investee companies' core businesses. The intent behind these investments is to fortify the Group's investment portfolio from their diversified revenue streams across all these businesses.

Short Term Investments	Core and Diversified Businesses
Komarkcorp Berhad	• Label and Packaging Manufacturing • Face Mask Manufacturing
Bioalpha Holdings Berhad	• Integrated Health Supplement
D'Nonce Technology Berhad	• Supply Chain Management & Distribution of Products • End-to-End Packaging and Design Solutions • Cleanroom and Contract Manufacturing • Precision Polymer Engineering
LKL International Berhad	• Provision of medical/healthcare beds, medical equipment, medical peripherals and accessories.
Pasukhas Group Berhad	• Development, Civil Engineering & Construction Services • Mechanical & Electrical Engineering Services • Trading of Power Transformers, Coal, and Sand. • Energy: Mini Hydro Plant in Kelantan

OPERATION REVIEW

Fintec Glove Sdn. Bhd. ("Fintec Glove"), a wholly-owned subsidiary of FINTEC, is engaged in various activities encompassing the manufacturing, distribution, and trade of personal protective healthcare equipment, as well as the provision and leasing of rubber gloves machinery and ancillary equipment. Despite the prevailing bearish outlook in the global and local glove market, Fintec Glove has successfully secured ongoing business partnerships within the domestic F&B sector. Additionally, the company is actively pursuing entry into the American market through its subsidiary, Fintec North America LLC, which has made substantial progress in collaborating with local American distributors and suppliers. These developments present promising opportunities for securing significant glove deals for the FYE 2024.

In addition, Gro Asia Agritechnology Sdn. Bhd. ("Gro Asia"), a wholly-owned subsidiary of FINTEC, is involved in the Biotechnology Segment. During the year, Gro Asia had expanded its operations from B2B of distributing to retail outlets to now also offering B2C which directly sells raw materials to the consumers. Despite these advancements, Gro Asia encounters primary challenges in overseeing productivity and gaining more traction of sales within the sector. Looking ahead, Gro Asia's future prospects involve conducting research and development to create innovative microbial formulations customised for specific crops and soil conditions. This initiative aims to meet the increasing demand for eco-friendly farming practices.

INDUSTRY OVERVIEW AND MEDIUM TERM OUTLOOK

The future of Malaysia is looking slightly more promising as it is recovering slowly but consistently. As of the second quarter of 2023, Malaysia's economy grew by 2.9%, down from 5.6% in the first quarter. Slower external demand was the primary factor contributing to this moderate growth, while domestic demand remained robust, driven by private consumption and investment. Household spending also benefited from increased employment and wages. Lastly, the inbound tourism recovery helped counterbalance slower goods export growth.

As inflation around the globe has continued climbing, domestic inflation during this period continued to decrease, with headline inflation at 2.8%. The moderation was seen in both non-core and core inflation. For non-core inflation, fresh food and fuel contributing to the decline. The moderation in core inflation (2Q 2023 : 3.4%; 1Q 2023 : 3.9%) was largely contributed by specific services such as food away from home, telephone services, and personal transport repair and maintenance.

Exchange rates were influenced by global factors, including concerns about the global economic outlook, China's economy, and the US debt ceiling crisis. The ringgit depreciated by 5.8% in the second quarter but appreciated by 1.1% in the third quarter (as at 15 August 2023), reflecting the US monetary policy tightening is expected to come to an end.

Looking ahead, Malaysia's economy is expected to grow close to the lower end of the 4.0% to 5.0% range in 2023. Growth will continue to be supported by domestic demand, improving employment, income growth as well as implementation of multi-year projects, although it will subject to downside risk stemming from weaker-than-expected global growth. However, the upside risk factors will be stemming from stronger-than-expected tourism activity and faster implementation of projects. Inflation is projected to continue moderating in the second half of 2023, but risks remain due to domestic policy changes, global commodity prices, and financial market developments.

(Source: Economic and Financial Developments in Malaysia in the Second Quarter of 2023, Bank Negara Malaysia).

ACKNOWLEDGEMENT AND APPRECIATION

On behalf of the Board of Directors, I wish to express our deepest appreciation to our shareholders, customers, business partners, regulatory bodies, financial institutions and suppliers for their assistance and continuous support. We will continue to uphold your trust and confidence in the Group. I also want to express my sincere gratitude to the Management and all members of the Group for their unwavering dedication, tireless efforts, and steadfast loyalty that have been instrumental in helping the Group to navigate through its challenges. Additionally the Group's resilience and strength persist as a direct outcome of the collective commitment and teamwork of our entire staff.

DIRECTORS' PROFILE

DATO' SERI ABDUL AZIM BIN MOHD ZABIDI

Independent Non-Executive Chairman

Nationality	Gender	Age
Malaysian	Male	64

Dato' Seri Abdul Azim Bin Mohd Zabidi ("**Dato' Seri Azim**") is an Independent Non-Executive Director/Chairman of FINTEC appointed on 2 December 2015. He graduated with a Master of Arts in Business Law from the London Metropolitan University, United Kingdom in 1983. He is also a Fellow of The Chartered Institute of Secretaries and Administrators, United Kingdom.

Aged 64, Dato' Seri Azim was Chairman of Bank Simpanan Nasional ("**BSN**"), Malaysia's National Savings Bank, a position he held for 10 years from 1999 – 2009. He had quickly risen through the ranks of the Malaysian financial industry, having started his banking career in 1984.

Growing from his work with BSN, Dato' Seri Azim was also active in the work undertaken by the Brussels based World Savings Banks Institute ("**WSBI**"). In 2000, he was appointed President (Asia Pacific) for WSBI and in 2003, he was elevated to its Board of Directors. In 2007, he became the first non-European since WSBI's inception, to be appointed to the dual post of Vice President and Treasurer.

A long association with the unit trusts/mutual funds and fund management industry culminated in Dato' Seri Azim's election as President of the Federation of Malaysian Unit Trust Managers, a post he held from 1998 to 2003. During this period, he was appointed as Member of the Board of Directors of the International Investment Funds Association ("IIFA"), with headquarters in Montreal, Canada, a post he relinquished in 2008. The year prior to that, he was also appointed as Chairman of the Board's Audit Committee.

His love for the arts and being an avid collector of Malaysian art works saw him being appointed as Chairman of the Board of Trustees of the National Art Gallery, Malaysia in March 2009 until 2010.

In the field of sports, he was appointed as Chairman of the National Sports Institute in May 2017 and subsequent to that appointed as Malaysia's Chef-de-Mission to the Asian Games 2018 in Jakarta and Palembang, Indonesia. On 5 May 2018, Dato' Seri Azim was elected Deputy President of the Olympic Council of Malaysia.

He now sits on numerous local and foreign Boards of Companies, both public and private, amongst which are XOX Berhad and Group, LYC Healthcare Berhad and Seacera Group Berhad.

Dato' Seri Azim does not hold any shares in FINTEC. He does not have any family relationship with any Director or major shareholder of the Company and has not been convicted of any offences within the past 5 years and has no conflict or potential conflict of interest, including interest in any competing business or any business arrangement involving the Company and the Group.

ONG TEE KEIN

Senior Independent Non-Executive Director

Malaysian | Male | 66

Ong Tee Kein ("**Mr. Ong**") is an Independent Non-Executive Director of FINTEC appointed on 26 February 2016 and subsequently appointed as the Senior Independent Non-Executive Director of the Company on 31 March 2023. Mr. Ong is a member of the Malaysian Institute of Accountants (MIA). He has experience in accounting and financial restructuring of companies.

Besides FINTEC, Mr. Ong also holds directorships in Sanichi Technology Berhad, DGB Asia Berhad, Mlabs Systems Berhad and Metronic Global Berhad.

Mr. Ong does not hold any shares in FINTEC. He is the Chairman of the Audit Committee and a member of the Nomination Committee, Remuneration Committee and Option Committee respectively. He does not have any family relationship with any Director or major shareholder of the Company and has not been convicted of any offences within the past 5 years other than traffic offences and has no conflict or potential conflict of interest, including interest in any competing business or any business arrangement involving the Company and the Group.

CHEW SHIN YONG, MARK

Independent Non-Executive Director

Singaporean | Male | 55

Mr. Chew Shin Yong, Mark ("**Mr. Mark Chew**") is an Independent Non-Executive Director of FINTEC appointed on 15 March 2022. In 1996, Mr. Mark Chew graduated from Kingston University in United Kingdom ("UK") with a Bachelor of Science (Degree) in Computer Information Systems Design. He then obtained a Master of Business Administration (MBA) from the University of Surrey, also in UK.

In 1997, Mr. Mark Chew joined Malahon Group of Companies in their stockbroking division, i.e. Malahon Securities Limited. He was then appointed as Director of Malahon Securities Limited in 2002, having been a registered dealer with Hong Kong Exchanges and the Securities and Futures Commission of Hong Kong. He currently sits on the Board of Malahon Credit Company Limited, which invests primarily in properties.

Mr. Mark Chew co-founded Mejority Capital Limited in 2012 and as a Principal, was actively involved in the firm's public equity business via Mejority Securities Limited, a participant of the Stock Exchange of Hong Kong. The firm was subsequently acquired by Finexia Financial Group Limited, a company listed on the Australian Stock Exchange.

Mr. Mark Chew was also responsible for setting up Messaging Technologies (H.K.) Limited which is a subsidiary of XOX Technology Berhad and is involved in its daily operations. On 27 February 2008, he was appointed as the Executive Chairman of XOX Technology Berhad. He also has interests in various private limited companies in countries outside Malaysia which are involved in various businesses.

Apart from FINTEC, Mr. Mark Chew also holds directorships in Permaju Industries Berhad, Meridian Berhad, XOX Technology Berhad Group and several private limited companies.

Mr. Mark Chew is the Chairman of Nomination Committee and a member of the Remuneration Committee and Audit Committee of FINTEC. He does not have any family relationship with any Director or major shareholder of the Company and has not been convicted of any offence within the past 5 years other than traffic offences and has no conflict or potential conflict of interest, including interest in any competing business or any business arrangement involving the Company and the Group. He does not hold any shares in FINTEC.

Directors' Profile (Cont'd)

ONG SIEW MIN

Independent Non-Executive Director

Nationality	Gender	Age
Malaysian	Female	58

Ms. Ong Siew Min ("**Ms. Ong**") is an Independent Non-Executive Director of FINTEC appointed on 31 March 2023. She is a fellowship member of the Chartered Institute of Management Accountants, United Kingdom and a registered accountant with the Malaysian Institute of Accountants.

Ms. Ong has more than 25 years of extensive experience ranging from the professional field of auditing, tax and consulting services for large corporations, moving on to the entertainment world of movies and television production, also TV and theatrical commercials.

She has valuable experience in activities such as mergers & acquisition, receivership and due diligence assessment of new business opportunities and corporate restructuring while serving her term in the professional field.

When she was the Chief Financial Officer of the Vision Entertainment Group, she has significantly contributed to the Group's overall performance in attaining its goals and objectives especially in its continuous effort for expansion and listing effort. Work collaboratively with all levels of management team of the group to achieve common goals, while maintaining responsibilities and commitments to the shareholders and business affiliates/partners in Malaysia and across the Asia region. She is currently taking on the role as consultant on a freelance basis.

Apart from FINTEC, Ms. Ong also holds directorships in NetX Holdings Berhad.

Ms. Ong is the Chairman of Remuneration Committee and a member of the Nomination Committee and Audit Committee of FINTEC. She does not have any family relationship with any Director or major shareholder of the Company and has not been convicted of any offences within the past 5 years other than traffic offences and has no conflict or potential conflict of interest, including interest in any competing business or any business arrangement involving the Company and the Group. She does not hold any shares in FINTEC.

TAN SIK EEK

Non-Independent Executive Director/Managing Director

Nationality	Gender	Age
Malaysian	Male	47

Mr. Tan Sik Eek is an Executive Director of FINTEC appointed on 20 June 2013. He was re-designated from Executive Director to Managing Director of the Company on 31 March 2021. He majored in Economics and Political Science from University of Sydney, Australia.

He has more than two decades of experience ranging from corporate finance advisory to private equity investments. He was previously a partner in a private equity firm focused on investing in companies seeking growth funding and pre-IPO capital. Prior to that, he was specialising in securing funding from a series of established North America global opportunity fund, for companies listed on the regional capital markets.

Since 2013, he has been engaged as the Director of several public companies to provide management strategy, day to day operational oversight, fund raising and business development planning of the various companies.

He holds six hundred sixty-six thousand six hundred and sixty six (666,666) ordinary shares and two hundred sixty-six thousand six hundred and sixty-six (266,666) warrants C in FINTEC. He is also a Director of Mlabs Systems Berhad Group, NetX Holdings Berhad Group, Symphony Life Berhad Group and XOX Berhad Group. He is the Chairman of the Option Committee of FINTEC. He does not have any family relationship with any Director or major shareholder of the Company and has not been convicted of any offences within the past 5 years other than traffic offences and has no conflict or potential conflict of interest, including interest in any competing business or any business arrangement involving the Company and the Group.

KEY SENIOR MANAGEMENT PROFILE

ALVIN LIM YAU ZYONG

Associate Director

Malaysian | Male | 41

Mr. Alvin Lim Yau Zyong ("**Mr. Alvin Lim**"), is currently an Associate Director of FINTEC since 18 August 2020. He graduated from Curtin University of Technology, Western Australia with a Bachelor's Degree in Commerce (Double Major in Finance and Marketing) in 2004.

Previously, he was a Group Director for LEJADI Holdings Sdn. Bhd. and a Senior Vice President of LEJADI Solar Sdn. Bhd. since October 2014 and March 2016 respectively. The LEJADI group of companies is principally involved in infrastructure construction, power generation and project management for engineering, procurement, construction and commissioning ("EPCC") contracts. As part of the key management of LEJADI group, Mr. Alvin Lim was tasked to manage, formulate and develop, amongst others, the group's business strategy, annual budget and in-house financial model.

Prior to that, he has been employed in various marketing, customer and relationship management roles over two stints with two major retail banks in Malaysia from 2006 to 2014. As an Assistant Vice President of Affluent Banking in Malayan Banking Berhad, he specialised in, amongst others, segmentation marketing strategies, competitor analysis as well as performance tracking and monitoring. Prior to joining Malayan Banking Berhad, Mr. Alvin Lim was employed with CIMB Bank Berhad where he was exposed to the retail banking industry and garnered branding, strategic marketing and public relations experience.

Mr. Alvin Lim does not hold any directorship in public company or its subsidiary. Apart from that, he does not hold any shares in FINTEC. He does not have any family relationship with any Director or major shareholder of the company and has not been convicted of any offences within the past 5 years other than traffic offences and has no conflict or potential conflict of interest, including interest in any competing business or any business arrangement involving the Company and the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

GROUP BUSINESS OVERVIEW

FINTEC, a technology incubator that employs investment strategies geared towards generating ever-increasing value for our valued shareholders.

Our choice of the name “FINTEC” perfectly encapsulates our guiding principle: “financials before technology.” This means that our primary focus is on thoroughly examining the existing and potential financial performance of the companies in need of capital injection. We prioritise financial viability before considering other factors like technology, business nature, or business plans.

Moreover, our name resonates with our current aspiration and unwavering commitment to continual growth, as well as our enthusiasm for nurturing new incubatees.

FINTEC aims to continually generate sustainable value with its 4 core business sectors as follows:

i) Strategic Investments

- Primarily functions as an investment holding entity with a focus on nurturing businesses. The Group offers comprehensive management and strategic advisory services, conducts research related activities, facilitates business networking, and provides funding support to its incubatee companies.

ii) Healthcare

- This sector encompasses the marketing of gloves under the “Medela” brand, as well as the manufacturing, distribution, and trade of personal protective healthcare equipment and rubber gloves machinery. The Group also engages in leasing rubber gloves machinery and ancillary equipment.

iii) Agriculture Biotechnology

- Within this sector, the Group is involved in the marketing and production of microbial fertilisers and probiotic effective microorganisms used in agriculture and horticulture.

iv) Financial Services

- Providing general loans, corporate financing services and other related credit services.

FINANCIAL REVIEW

GROUP FINANCIAL PERFORMANCE

	FYE 30 June 2023	FYE 30 June 2022	Variance	
	RM’000	RM’000	RM’000	%
Revenue	22,278	19,258	3,020	16
Other Operating Income	5,180	2,444	2,736	112
Operating Expenses	(9,975)	(11,900)	1,925	16
Other Operating Expenses	(27,464)	(75,527)	48,063	64
Loss Before Taxation	(32,504)	(87,154)	54,650	63

FINANCIAL REVIEW (CONTINUED)

Revenue

The majority of the Group's revenue is sourced from the Strategic Investment segment, which accounted for RM19.6 million (88%) of the Group's overall revenue. This segment primarily generated income through the sale of short-term marketable securities. In addition, the Agriculture Biotechnology segment contributed 7% of the total revenue, which was derived from the sale of microbial fertilisers aimed at the agricultural sector.

The Group's revenue improved from RM19.26 million in FYE 30 June 2022 to RM22.28 million in FYE 30 June 2023, the main contributors to this improvement are from higher sales of marketable securities, gloves, and microbial fertilisers.

Other Operating Income

During the FYE 30 June 2023, the Group reported RM5.18 million in other operating income, primarily originating from various sources, including a gain of RM1.06 million on the fair value of short-term investments, an unrealised gain of RM1.42 million on foreign exchange, a reversal of impairment on trade receivables amounting to RM1.75 million, and a gain of RM0.76 million on the disposal of fixed assets.

The Group's other operating income showed a significant increase, rising from RM2.44 million in FYE 30 June 2022 to RM5.18 million in FYE 30 June 2023. The improvement was primarily attributed to:

- Reversal of impairment on trade receivables, amounting to RM1.75 million in FYE 30 June 2023; and
- Gain on the disposal of fixed assets of RM0.76 million in FYE 30 June 2023, compared to none in FYE 30 June 2022.

Operating Expenses

During the FYE 30 June 2023, the Group reported a total of RM9.98 million in operating expenses, primarily attributed to RM4.88 million in employees and directors' remuneration expenses, along with expenditures related to factory maintenance. The Group's operating expenses reduced by 16% as compared to FYE 30 June 2022, as the Group had managed to streamline and reduce some of its head office expenses.

Other Operating Expenses

The Group reported a fair value loss of RM21.65 million on marketable securities and an impairment loss of RM2.87 million on unquoted investments for the FYE 30 June 2023. The primary cause of this stems from the mark to market of our medium to long-term investment portfolio.

In aggregate, the Group recorded operating expenses of RM27.46 million for FYE 30 June 2023, marking a substantial reduction of RM48.06 million (64%) when compared to the RM75.53 million reported for FYE 30 June 2022. The improvement was primarily attributed to:

- A decrease in fair value losses on marketable securities, which amounted to RM42.16 million;
- A reduction in impairment losses in unquoted investments, totaling RM4.05 million; and
- The absence of impairment on receivables and deposits, which amounted to RM4.77 million in the previous financial year.

Loss Before Tax

The Group recorded a loss before tax of RM32.50 million for the FYE 30 June 2023. This was mainly due to the mark to market of our strategic investments that had resulted in a fair value loss of RM21.65 million on marketable securities.

FINANCIAL POSITION OF THE GROUP

	As at 30 June 2023	As at 30 June 2022	Variance	
	RM'000	RM'000	RM'000	%
Marketable securities	88,406	94,486	(6,080)	(6)
Total Assets	245,412	284,717	(39,305)	(14)
Total Liabilities	33,815	40,863	(7,048)	(17)
Shareholders' Equity	214,227	245,803	(31,576)	(13)

Management Discussion and Analysis (Cont'd)

FINANCIAL POSITION OF THE GROUP (CONTINUED)

Marketable Securities

The Group's investment in marketable securities declined by RM6.08 million as compared to RM94.5 million as at 30 June 2022. This reduction primarily stemmed from the disposal of marketable securities and reduction in the value of the investments.

Total Assets

The Group's total assets declined by RM39.3 million primarily attributed to the decrease in short term investments and investments in marketable securities. The decrease in short term investments is mainly due to the payment of outgoings and payment made to creditors during the financial year.

The Group remains prudent in managing its liquidity to ensure it has ample resources for working capital and to meet its financial obligations.

Total Liabilities

The Group's total liabilities mainly consists of payables and accruals. It sunk by RM7.05 million, mainly due to payments made to creditors during the financial year.

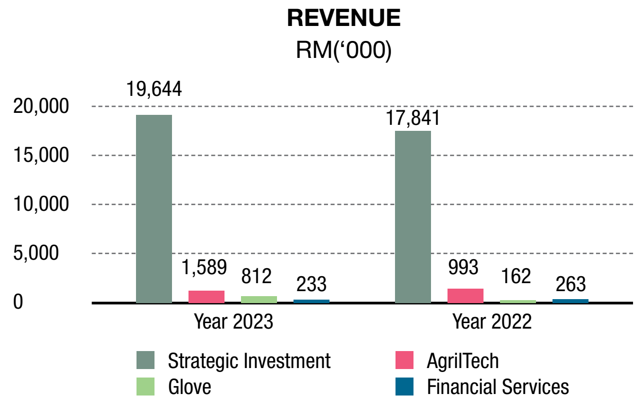
Gearing and Capital Resources

As at 30 June 2023, the Group has no outstanding bank borrowings. Its liabilities are primarily constituted by lease liabilities related to the right-of-use of office premises.

REVIEW OF BUSINESS AND OPERATIONS

The Group manages investments across four distinct business segments, each strategically operated through its subsidiary companies.

The core business segments of the Group comprise of the following:



STRATEGIC INVESTMENTS

FINTEC consistently seeks promising business ventures and opportunities to enhance its current portfolio, which encompasses key sectors including Financial and Information Technology, Food & Beverage, Sales and Trading of Building Materials, Property Development, and Personal Protective Equipment Manufacturing.

Additionally, as part of its investment approach, the Company strategically holds stakes in several publicly traded companies. These investments are considered to have synergistic potential that can be realised through innovative approaches, collaborative efforts, and opportunities for cross-selling.

(a) Technology Incubation

The Group's primary focus has been on nurturing emerging technologies and high growth assets. Consequently, the Group's investments have centred around electronic payment services, renewable energy, agrotechnology, smart vending machines, and more. While these investments remain within the Group's portfolio, the Group has exercised caution in allocating further funding for their commercialisation due to prevailing market conditions and limited opportunities. Nonetheless, the Management will vigilantly monitor developments and will revisit these investments when favourable market conditions emerge.

STRATEGIC INVESTMENTS (CONTINUED)

(a) Technology Incubation (continued)

The key incubatee companies (with FINTEC's long term involvements) with its core and diversified businesses are as follows:

Incubatee Companies	Core and Diversified Businesses
Focus Dynamics Group Berhad ("Focus")	• Food and Beverage • Lifestyle and Entertainment
DGB Asia Berhad ("DGB Asia")	• Automated Identification and Data Collection (AIDC) • Leisure and Hospitality • Smart Vending Machines • Logistic Services
NetX Holdings Berhad ("NetX")	• Non-Electronic Payment Services • Electronic Payment Services • GEM's Mobile Application
Seacera Group Berhad ("Seacera")	• Sale and trading of building materials • Property Development

(b) Portfolio Investment

The Group's decision to diversify its investment portfolio across various industries in FYE 2023 was aimed at mitigating risk and optimising potential returns. By allocating investments across a spectrum of sectors including; lifestyle, entertainment, leisure, hospitality, packaging materials, healthcare equipment, integrated health supplements, and many more. The portfolio is positioned to leverage opportunities within these diverse fields.

The key quoted incubatees within the Group's investment portfolio are involved in business activities as follows:

i) **Focus** has directed its attention toward the Food and Beverage ("F&B") sector, as well as the Property Investment segment. Focus perceives these two areas to offer promising medium-term growth prospects.

Focus continue its diversification initiative to develop a mixed commercial development which will feature retail/ F&B lots, event hall, a Chinese restaurant, a seafood restaurant, a karaoke centre and car parks in a 5-storey building with a basement level to be erected on a piece of land next to TREC KL and the Tun Razak Exchange.

Leveraging on its existing F&B outlets, namely "Chaze", "LAVO", "Bounce", "Lavo Gallery, "FINCH', "Diao Yu Tai' , 'The Lemon Tree', "Spark", "Sushi Mew", "Ferria" and "Alva" to further expand its F&B business including amongst others, opening of additional outlets or launching new F&B brands.

ii) **DGB Asia**

DGB Asia has diversified its business portfolio by venturing into the hospitality business via the Kimpton Da An Hotel in Taipei and by deploying its Smart Vending Machines in strategic locations across the Klang Valley.

Since then, DGB Asia has encountered a challenging business landscape due to ongoing global supply chain disruptions, geopolitical tensions, rising input cost, and the depreciation of the ringgit impacting consumer purchasing power.

Despite the difficult market conditions, DGB Asia achieved notable results in Q2 2023, with revenue increasing from RM 7.1 million to RM 15.1 million, and a reduction in the loss before tax ("LBT") from RM 8.3 million to RM 3.2 million compared to Q2 2022.

Looking ahead, DGB Asia's future prospects involve:

- Enhancing operational efficiencies to mitigate the impact of external economic challenges.
- Conducting a comprehensive review of fulfilment business strategies in response to the highly competitive fulfilment segment.
- Expanding the presence of vending machines and elevating their visibility as effective advertising platforms across the Klang Valley and Malaysia.
- Introducing competitive hotel room rates to attract more bookings, aligning with the Taiwan Government's goal of welcoming 6 million visitors in 2023.

Management Discussion and Analysis (Cont'd)

STRATEGIC INVESTMENTS (CONTINUED)

(b) Portfolio Investment (continued)

iii) NetX

NetX were initially focused on supplying network equipment and infrastructure. NetX has expanded its operations to include the following five segments in attempt to enhance its future earnings:

- Electronic Payment Services and Money Services
  - NetX estimates that the number of tourists visiting Malaysia would be at least half the pre-covid number (more than 25 million tourists.) To then capitalise on this opportunity, NetX has received approvals from Bank Negara Malaysia in order to operate a money changer outlet in Sungei Wang Plaza (the heart of the Golden Triangle,) which is strategically located in front of the KL Hop-On Hop-Off bus ticketing counter.
- Money Lending
  - While Emicro Capital (M) Sdn. Bhd. ("eMicro") successfully maintained a remarkably low default rate in 2022, NetX is proactively preparing for potential economic challenges in 2023, attributed to global inflation and the Russia-Ukraine conflict. To safeguard its interests, NetX has introduced collateral financing for its customers. In cases where borrowers are perceived as high risk, NetX will request collateral from them. Additionally, for SME loan products, NetX will seek corporate and directors' guarantees from borrowers to reduce the risk of default.
- Non-electronic Payment Services
  - NetX provides systems turnkey solutions on the network infrastructure, security management, research and development of software, system design, integration and installation and provision of IT services on a project basis.
- GEM
  - This segment centres around the florist business, known as Miss J Florist, which experienced a notable uptick in revenue during Q2 2023, thanks to various festive celebrations like Hari Raya, Mother's Day, etc. Moreover, 2023 witnessed a substantial surge in demand for wedding events. In response to this demand, Miss J Florist introduced new product series and bouquets tailored for these events. Additionally, the business made increased investments in Google Ads, resulting in a remarkable 56% growth in followers and a consistent rise in new orders.
- Meimaii Technology Co. Ltd
  - A Taiwanese leading Social eCommerce platform, where NetX and MeiMaii entered a collaboration agreement on 22 June 2023, to introduce an online Meimaii platform in Malaysia.
  - Malaysia has witnessed substantial growth in the eCommerce sector, marked by a notable surge in online shopping and digital adoption. Through its collaboration with Meimaii Social eCommerce, NetX intends to tap into Malaysia's burgeoning eCommerce market, target market being tech-savvy consumers who are seeking innovative and engaging shopping experiences.

iv) **Seacera's** primary focus is on providing construction materials to both main contractors and subcontractors, and the performance of its building materials division is intricately connected to the construction industry within the country. The construction sector in Malaysia continued to exhibit favourable growth in the initial quarter of 2023, experiencing a 9.4% increase in the value of completed projects compared to the same quarter in the previous year.

Seacera was uplifted from the PN17 status effective from 17 August 2023. Moving forward, Seacera will focus on expanding its existing business while actively identifying suitable investments when the opportunities arise.

Management Discussion and Analysis (Cont'd)

HEALTHCARE – GLOVE BUSINESS

FINTEC's glove business primarily engages in the following activities:

1. Manufacturing, Distribution, and Trade: This encompasses the production, distribution, and trade of personal protective healthcare equipment. It also involves in providing and leasing rubber gloves machinery and ancillary equipment through its wholly-owned subsidiary, Fintec Glove.

2. Marketing of the Medela Gloves: Under the Medela brand, the business sells nitrile gloves that are an excellent choice for disposable gloves. These gloves are free from natural rubber latex and powder, offering an ergonomic fit for enhanced dexterity. Medela Gloves serve a wide range of purposes, including healthcare, dentistry, veterinary, food preparation, cleaning, automotive, industrial work, dialysis, beauty care, and more.

The name "Medela" is derived from the Latin word for healing, reflecting Fintec Glove's mission to provide protection to those who contribute to the betterment of society through its Medela gloves.

Fintec Glove has managed to build some recurring business in the domestic market especially in the F&B sector. Although the glove industry is still looking very bearish both locally and international. For the past year, Fintec Glove has been trying to break into the American market through our subsidiary Fintec North America LLC that has gained some significant developments with local USA distributors and suppliers. The Management is optimistic that it will lead towards landing some sizeable deals for gloves in 2024. During an annual conference by the Association of Professionals in Infection Control and Epidemiology (APIC) the attending healthcare professionals showed overwhelming positive responses towards Medela gloves, which the Management believes will open channels for new sales.

Fintec Glove's new factory in Ipoh, located in Perak, Malaysia.

AGRICULTURE BIOTECHNOLOGY

FINTEC's Agriculture Biotechnology segment is principally involved in the manufacturing and trading of microbial fertilisers and probiotic effective microorganisms via our subsidiary, Gro Asia. Gro Asia has been operating at its factory in Kulim, located in Kedah, Malaysia.

Management Discussion and Analysis (Cont'd)

AGRICULTURE BIOTECHNOLOGY (CONTINUED)

Gro Asia has effectively launched Microbial Soil Supplements capable of significantly reducing the dosage of fertilisers needed per crop, reducing the use of pesticides and chemicals, all while maintaining a consistent, sustainable, and high crop yield. These supplements facilitate the restoration of the soil's natural nutrient cycle and the enhancement of soil organic matter. Through the utilisation of Microbial Soil Supplements, it becomes possible to cultivate robust, healthy plants while simultaneously promoting the long-term sustainability and vitality of the soil.

Gro Asia has broadened its customer reach by offering their products to not only B2B, but now B2C as well. This new segment began operating in March 2023 and, over the three-month period from March to June 2023 resulting in higher revenue for the company. In order to maintain competitiveness in the sector, Gro Asia is looking to engage in research and development aimed at enhancing nutrient formulas, exploring innovative fertilisation methods, and pinpointing crop varieties that exhibit superior nutrient absorption efficiency.

ANTICIPATED RISK AND MITIGATING FACTORS

The Group is exposed to a number of risks which could impact the Group's business and operational performance. The Group has implemented the processes to identify, assess and manage these risks. An Enterprise Risk Management Committee (ERMC) meets on quarterly basis and key management work closely with the ERMC to:

1. Identify the risks relevant to the Group;
2. Design, implement and monitor the risk management framework and
3. Identify changes to risks or emerging risks, take actions as appropriate and promptly bring these to the attention of the Board.

The risks that are considered material and specific to the Group are set out below:

Investment Risk in Incubatee Companies

Engaging in incubation activities inevitably entails a significant level of business risk for the Group. This is primarily because several of the Group's investments hinge on the successful development and launch of business concepts from the incubated companies. Consequently, the Group may encounter challenges like the absence of a proven track record, unanticipated alterations or delays in the execution of business strategies or objectives and so forth.

To counteract these potential risks, the Group has made substantial investments in publicly listed entities. These investments naturally offer superior liquidity, enhanced governance, and a well-established track record, serving as a strategic measure to mitigate the aforementioned risks.

Fluctuation in the Market Value of Quoted Equity Securities

With the majority of our investments currently allocated to quoted securities, the Group finds itself susceptible to the uncertainties and fluctuations in both local and global economies, which directly impact our capital markets. The profitability of the Group is highly dependent on the market price performance of quoted equity securities which lead to fluctuations in the fair value of the Group's investments. In addition to market volatility, our exposure to liquidity risks has increased due to our substantial holdings in publicly traded securities.

However, these risks can be partially alleviated through effective portfolio management and forward-thinking initiatives led by our investment division. This division is entrusted with the responsibility of ensuring that strategies are executed in alignment with the parameters outlined in the Group's Investment Policy Mandate, thereby contributing to risk mitigation.

ANTICIPATED RISK AND MITIGATING FACTORS (CONTINUED)

Risks Relating to the Supply and Demand of Rubber Gloves

As glove industry leaders continue to close up obsolete or inefficient production lines or decommission plants, the demand for gloves remains sluggish, as consumers are in the midst of depleting their existing inventory reserves. Additionally, the average selling price has remained low and stagnant. Compounding this, long sales cycles with major customers have resulted in the challenge of a sudden influx of numerous large orders simultaneously.

On the bright side, as consumers continue using up their inventories, the demand for gloves are slowly increasing;

"Based on our estimates, the demand-supply situation will only start to head towards equilibrium in 2025, when there is virtually no more new capacity coming on stream, while global demand for gloves continues to rise by 15% per annum underpinned by rising hygiene awareness." — Kenanga Research.

Competition Risks

Intense competition across our agriculture biotechnology and glove segments remains inevitable. The Group faces competition from new entrants, as well as the existing players in these industries that offer similar products.

In order to gain a competitive edge, the Group needs to continuously undertake research & developments on our microbial fertilisers and nitrile examination gloves products, and incur additional costs to undertake marketing, advertising and promotional activities for continuous acquisition of consumers to increase its revenue and market share.

Foreign Exchange Risks

The Group is exposed to foreign currency risk on its glove business in North America and portfolio investments in foreign markets. As such, any fluctuation in foreign exchange rates would have an impact on our profitability and financial performance. To mitigate the impact of currency fluctuation on our financial results, the exposure of foreign currency risk is closely monitored on an on-going basis to ensure that the net exposure is at an acceptable level.

Credit Risks

The Group's exposure to credit risk arises primarily from our financial services or money business segment. The loans provided range from unsecured loans, individual loans, secured loans, to enterprise loans. Due to financial difficulties and limited cash flow, there is a chance that the borrower will postpone or default on the repayment instalments.

The Group manages its credit risk exposure of receivables by assessing counterparties' financial standings on an on-going basis, and credit checks using a more stringent process of vetting customer's profiles. The Group will request for collateral from the borrower if the Group identifies the borrower to be of higher risk.

Political, Economic and Regulatory Considerations

Any developments in political, economic, regulatory and social conditions could impact the Group's financial and business prospects. Non-compliance with relevant laws and regulation such as money lending regulations, personal data protection Act, taxation matters, Bursa Listing and capital market requirements may lead to litigation risk, security breaches, reputation damage and potential financial loss.

The Directors understand and acknowledge the importance of operating its business in a regulated environment. The directors keep abreast of the government policies, rules and regulations and will take necessary action to ensure compliance. The Board has also put in place an effective framework of internal controls and good risk management practices, which ensures that appropriate checks and balances are in place to enable the Group to successfully manage uncertainties in an ever-evolving environment.

Management Discussion and Analysis (Cont'd)

FUTURE OUTLOOK

With the markets still feeling the lingering aftermath of the pandemic. One prominent challenge is the persistent escalation of interest rates worldwide. This phenomenon has cast a shadow over the market's prospects, rendering the outlook for the next 12 months uncertain and bleak. However, the Group will still be managing operations as usual and constantly monitoring the financial performance on a prudent basis for better investment opportunities.

While navigating a complex economic and business landscape, FINTEC remains committed to bolstering our strategic efforts while remaining attuned to prevailing market conditions. This approach serves as a buffer against potential adverse outcomes, minimising the need for investments in non-marketable securities and striving to deliver higher returns to our investors and shareholders. The Group is actively diversifying its investment portfolio by exploring opportunities in other markets that offer potential for collaboration and cross-selling of products and services. With our current strategic partnerships, the Group is strategically positioned to enhance shareholder value in the upcoming financial year.

ACKNOWLEDGEMENT

On behalf of the Management, we wish to extend our greatest appreciation to our Board of Directors for their counsel, as well as to all our stakeholders for their continuous support and their loyalty alongside us.

SUSTAINABILITY STATEMENT

OUR APPROACH AND COMMITMENT TO SUSTAINABILITY

At FINTEC, we highly recognise and are conscious of the need to carry out our operations cautiously, responsibly and sustainably, to safeguard the well-being of our employees, minimising impact to environmental, and ensuring we create value for our shareholders, vendors, clients, business partners and local community in general. We are guided by economic, environmental and social ("EES") considerations, embedded into our day-to day activities, operations and businesses.

With significant impacts across EES areas, we believe in acting towards agenda that is sustainable in our business practices and we dedicated to support and give back to the community. We strive to ensure that our businesses incorporate the EES agendas and conduct our business with good governance to ensure a long-term sustainable value for our shareholders and stakeholders.

ABOUT THIS STATEMENT

In this statement, we shaped our established strategies dedicated to delivering our sustainability agenda, which deliberates our initiatives to integrate sustainable development considerations into our business model and risk management activities, including financial and non-financial aspects, with the goal of creating long-term sustainable value for our stakeholders. This statement also serves as a communication tool to keep our stakeholders informed of our EES approach to managing the relevant risks and opportunities.

REPORTING PERIOD

The contents of this Statement comprise full year data for the financial year ending 2023 from 1 July 2022 to 30 June 2023, unless otherwise specified, which covers our operations in Malaysia.

REPORTING SCOPE

We have aligned our EES disclosures with the following:

- Bursa Malaysia Sustainability Reporting Guide (3rd Edition), 2022;
- Listing Requirements of Bursa Malaysia Securities Berhad [Rule (29) of Appendix 9C of the ACE Market Listing Requirements (supplemented by Guidance Note 11)].

POINT OF CONTACT

To continuously enhance on our sustainability initiatives, we welcome and encourage our stakeholders to provide valuable feedback on our sustainability practices and efforts. Comments can be sent to our designated email address at mail@fintec.global

Sustainability Statement (Cont'd)

SUSTAINABILITY JOURNEY

We are committed for excellence in all areas of our business operations, we strive to integrate sustainability and corporate responsibility into our business strategy that to contribute us to the EES in which we operate and in the communities we are serving. We pledge our full efforts to continuously work towards enhancing both short and long term to grow our business sustainably and creating value for our stakeholders while minimising the impact to the environment.

The Group manages sustainability matters through our established implementation process as summarised below:

Establishment of sustainability goals, policies and strategies → Formalisation of governance structure → Identification of stakeholders → Conduct materiality assessment → Prioritisation of sustainability matters → Validation of sustainability matters → Reporting of sustainability matters

During the financial year, we emphasize on strengthening the Group's sustainability governance which include alignment of sustainability objectives with business goals and strategy, formalisation of reporting structure, roles and responsibilities to ensure effective accountability, oversight and monitoring the sustainability matters within the Group. A materiality assessment exercise is conducted across divisions and companies within the Group to determine the economic, environmental and social matters that are key and relevant to our stakeholders and the Group which enabling more efficient way in sustainability management.

MATERIALITY ASSESSMENT AND KEY SUSTAINABILITY MATTERS

Material sustainability matters are EES related risks and opportunities that are identified as key and relevant to our stakeholders and Group. During the year, we have conducted a materiality assessment to determine the EES material sustainability matters.

PHASE 1

Identification of relevant EES matters

Relevant EES matters are identified through internal discussion between the Board and the Management to establish a list of sustainability matters that are important to Group's business operations.

PHASE 2

Prioritisation of EES matters

The Board and the Management scrutinize the list of sustainability matters and prioritise it based on its significance to the Group's business operations and importance to stakeholders.

PHASE 3

Validation of EES matters

EES matters are validated and approved by the Board to ensure its relevance and significance to the Group.

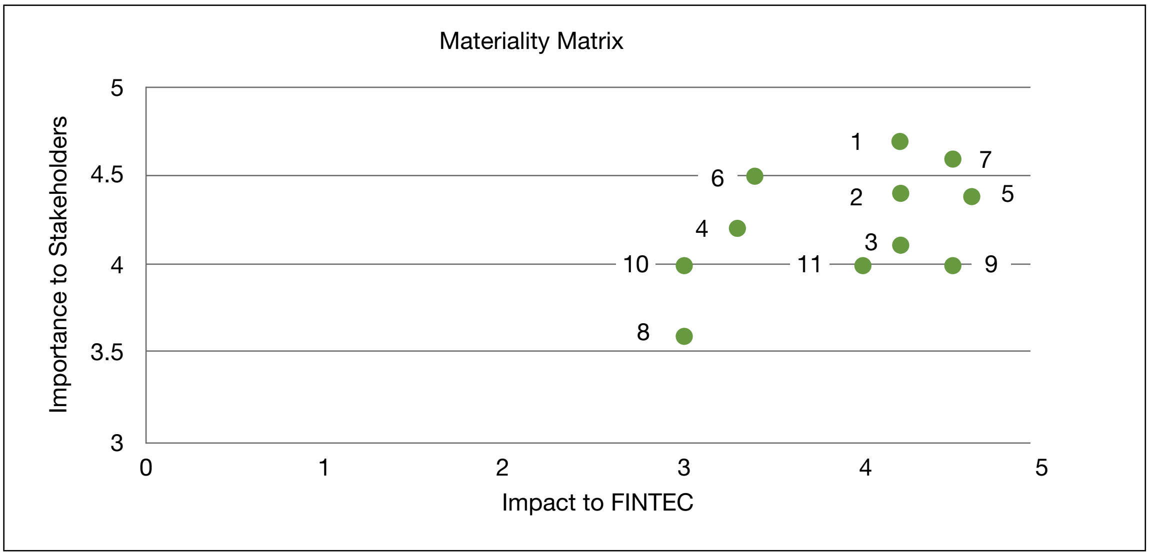
PHASE 4

Reporting of EES matters

The materiality matrix and EES matters are presented to our stakeholders through annual Sustainability Statement.

In FYE 2023, FINTEC identified eleven material issues influence the key stakeholders and their associated EES impacts on FINTEC.

MATERIALITY ASSESSMENT AND KEY SUSTAINABILITY MATTERS (CONTINUED)



1. Occupational safety and health
2. Training and personnel development
3. Diversity and equal opportunity
4. Fair remuneration and benefits
5. Operational and financial performance
6. Anti-Bribery and Anti-Corruption
7. Corporate Governance
8. Supply Chain Management
9. Reuse, reduce and recycle
10. Conservation of Energy and Water
11. Community Contribution and Development

The Group recognizes that sustainability management provides platform as well as opportunities to change mindsets, incorporating sustainability into business strategies for sustainable business growth and serving as a catalyst to influence the lifestyle of its network of employees, and customers, enhancing social well-being and advocating environmental ethics.

SUSTAINABILITY GOVERNANCE

Sustainability Goals

The Board acknowledges the importance of governance in driving the Group to achieve its objectives and therefore, plays an important role in embedding sustainability into the Group's business strategy, accordingly, oversee, and review all sustainability matters and performance. The Board ensures that sufficient resources, systems, and processes are in place for managing sustainability matters. The Group's commitment to sustainable business practices is implemented at every level of our organization.

Sustainability Framework

Our Business	• Healthcare	• Agriculture biotechnology	• Investments
Vision	Leading business incubation in Asia Pacific Region		
Mission	• Increasing and improving shareholders' value for all its subsidiaries and incubatee companies • Creating a fair and equitable workplace/business entities for its stakeholders • Contributing back to the community by organizing Corporate Social Responsibility Programmes		
Stakeholders	• Shareholders • Employees • Customers	• Suppliers and Contractors • Government and Regulators • Communities and Non-Government Organisation	

Sustainability Statement (Cont'd)

SUSTAINABILITY GOVERNANCE (CONTINUED)

Sustainability Framework (continued)

Sustainability Pillars	• Economic	• Environment	• Social
Focus Area	• Sustainable Products and Services	• Green Efforts	• Work Environment
Goals	• Strengthening economic outlook	• Minimising Environment Footprint	• Valuing People and Community
Material Matters	• Operational and financial performance • Anti-Bribery and Anti-Corruption • Corporate governance • Supply chain management	• Reduce, Reuse and Recycle (3R) • Conservation of Energy and Water	• Occupational safety and health • Training and personnel development • Diversity and equal opportunity • Fair remuneration and benefits • Community contribution and development

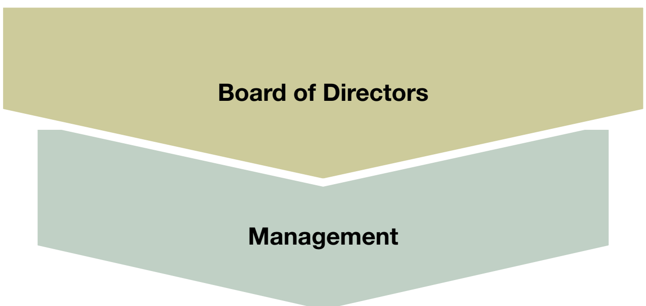
Embedding sustainability into our Group's business operations have always been a great challenge. Nonetheless, we aim to deliver financial value and societal benefits by balancing the commercial objectives with the environment and social needs of our stakeholders underpinned by good governance and ethical business practices. In order to achieve this goal, we have formed a Sustainability Framework based on the Group's Vision and Mission. It outlines the key elements of sustainability administration and management as well as delineating the synergy between the material sustainability matters that fall within three (3) key focus areas towards achieving the Group's sustainability goals to address the EES concerns within the Group's business operations.

The Group's Sustainability Strategic Framework is reviewed periodically with considerations from stakeholder expectations as well as local and global issues. We will also ensure the sustainability initiatives are materialised across all business segments to effectively manage prioritised material sustainability matters, so as to bridge gaps and resolve issues through carefully planned strategic coordination.

Building the ethos of sustainability in our organisation is challenging. We strive to achieve each of the sustainability goals as well as enhance business operations and minimise detrimental impacts towards the EES with the involvement of all our stakeholders to understand their specific needs and requirements. By understanding their expectations and responding to their concerns, we can enhance value creation and strengthen stakeholders' confidence in us.

Governance Structure

The Board is primarily responsible for the sustainability performance of the Group and leads the initiatives to embed sustainability considerations into the Group's strategy. The Board has delegated the task of managing sustainability matters to the Management. The Board, through engagement with the Management, ascertain and develop a formal approach to sustainability so as to provide a more detailed and comprehensive perspective on sustainability initiatives. The management will also report to the Board on material sustainability matters and status of initiatives deployed together with risk management matters.



STAKEHOLDERS ENGAGEMENT

In identifying and prioritising material sustainability matters, FINTEC engages with different stakeholders' groups. These interactions are important to identifying, prioritising, and addressing material sustainability matters. To carry out effective engagement with stakeholders, various methods are applied, including but not limited to the following:

Stakeholders	Channel of Engagement	Frequency of Engagement	Area of Interest
Shareholders and investors	• Annual general meetings • Annual reports • Corporate website • Corporate announcements • Media announcements • Quarterly financial results announcements	• Annually • Annually • As and when needed • As and when needed • As and when needed • Quarterly	• Business strategies and operational efficiency • Operational and financial performance • Branding and reputation • EES practices and commitment • Governance and risk management • Sustainable returns and growth • Transparency and accountability
Employees	• Team building and staff gatherings • Professional development • Learning and development trainings • Meetings • Performance appraisals • Circulation of internal policies/memo	• Periodic • Periodic • Periodic • Weekly • Annually • As and when needed	• Career development and enhancement • Corporate direction and growth plan • Diversity and equal opportunity • Fair remuneration, benefits and welfare • Job security and retention • Labour and human rights • Occupational health and safety
Customers	• Corporate and product brochures • Corporate website • Corporate announcements • Customer feedback and service platform • Public events • Social media	• As and when needed • As and when needed • As and when needed • As and when needed • As and when needed • As and when needed	• Customer support services • EES practices and commitment • Product and service affordability, quality and safety • Timely delivery
Suppliers and Contractors	• Contract and legal discussions • Emails and letters • Letter of awards • Project briefings, updates and meetings • Sites visits and inspection	• As and when needed • As and when needed • As and when needed • As and when needed • As and when needed	• Business ethics and compliance • Contractual terms and selection process • Procurement practices • Product and service quality • Pricing and timely payment

Sustainability Statement (Cont'd)

STAKEHOLDERS ENGAGEMENT (CONTINUED)

Stakeholders	Channel of Engagement	Frequency of Engagement	Area of Interest
Government and regulators	• Audit and inspection • Half yearly internal audit • Emails and letters • Regulatory requirements reporting	• Annually • Half yearly • As and when needed • As and when needed • As and when needed	• Adherence to Covid-19 preventive measures • EES practices and commitment • Corporate Governance and risk management • Environmental impacts • Transparency and accountability
Local communities and non-governmental organisations	• Corporate website • Contribution • Corporate announcements • Social media • Community engagement	• As and when needed • As and when needed • As and when needed • As and when needed • As and when needed	• Branding and reputation • Corporate social responsibility • EES practices and commitments • Environmental impacts • Job and business opportunities

We took into consideration feedback and comments gathered and through these encounters gain valuable inputs on our EES performance. Based on this information, we continuously improve our business processes and operations.

Contribution to the United Nations Sustainable Development Goals ("UN SDGs")

In September 2015, the United Nations ("UN") approved the 2030 Agenda for Sustainable Development as a new roadmap to achieve sustainable development that sets out the Sustainable Development Goals ("SDGs"). SDGs are a total of 17 global goals which designated to be a blueprint to achieve a better and more sustainable future for all global citizens.

The UN Global Compact Council adopted a new three-year strategy (UN Global Compact Strategy 2021-2023) to broaden business ambition in March 2021. The plan motivates global businesses to increase their contribution and work towards achieving the SDGs, the Paris Agreement on Climate Change and the Ten Principals of the UN Global Compact.

As a business incubator, we recognise our role in nation building through our Group's business activities. In order to support the Malaysian government's commitment towards the UN SDGs, we aim to align our business practices with the UN SDGs to improve our awareness to global sustainability practices.

STAKEHOLDERS ENGAGEMENT (CONTINUED)

Contribution to the United Nations Sustainable Development Goals ("UN SDGs") (continued)

To demonstrate our commitment, we have identified thirteen (13) out of 17 UN SDGs that are relevant to FINTEC Group's value chain and nature of businesses. We remain focus on integrating sustainability related practices into our daily business operations taking into consideration the targets outlined in each SDGs which we are committed to achieve.

KEY EES COMMITMENTS

FINTEC contributes to global sustainable development through a sustainability framework that involved Economic, Environment and Social, as presented below:

ECONOMIC

Operational and financial performance

Why It's Important

It is crucial for us to aim achievement of long term business growth and high financial performance in building trust within the community, maintaining shareholders' confidence and maximising our positive brand reputation.

UN SDGs Linkage

Our Responses

We strive to balance value creation for our customers with achievement of financial results to meet the needs of our stakeholders, especially shareholders and investors by implementing strategic initiatives that generate long term value.

Sustainability Statement (Cont'd)

ECONOMIC

Anti-Bribery and Anti-Corruption

Why It's Important

Conflict of interest, bribery and corruption are threats to business development. We believe that our full commitment in anti-bribery and anti-corruption is essential to ensure the sustainability of the Group, as well as to safeguard shareholders' interest, upholding trusts in our stakeholders and maximise long term shareholders' value.

UN SDGs Linkage

Our Responses

We are committed in our efforts in eliminating conflict of interest, bribery and corruptions in all our business operations. We are committed to conducting our businesses with integrity and inculcating a culture of responsibility and ethical behaviour to all our employees. FINTEC has established a culture of zero tolerance approach to corruption and bribery in the Group's procedures and working practices.

The Anti-Bribery and Anti-Corruption Policy and Whistleblowing Policy have been made known to the employees via internal circulation. Electronic version of the said policies are available at the Company's website at https://www.fintec.global.

Complaints and concerns of potential financial or malicious misconduct can be emailed to teekein.ong@fintec.global.

Corporate Governance

Why It's Important

By implementing effective internal controls, we would be able to minimize risks and protect assets, ensure accuracy of records, promote operational efficiency and encourage adherence to policies, rules, regulation and laws.

UN SDGs Linkage

Our Responses

Our Board acknowledges the importance of a sound risk management and internal controls being incorporated into the culture, processes and structures of the Group. We undertake periodic enterprise risk assessment and our internal auditor conduct internal audit in accordance with the international Professional Practices Framework issued by the Institute of Internal Auditors and other internationally recognized framework for internal controls and risk management. Our internal auditor have conducted two internal audit review during FYE 2023 and report to Audit Committee in August 2022 and May 2023.

Customer data and privacy is of utmost importance to FINTEC Group. FINTEC has implemented a cloud-based data and email storage in third party category 3 secured cloud server storage to minimize the potential data loss from unprecedented events. During the FYE 2023, FINTEC has not received any types of sustained complaints concerning breaches of customer privacy and losses of customer personal details and data.

ECONOMIC

Supply Chain Management

Why It's Important

By supporting local business and create a sustainable partnership, we are able to receive an efficient service and prompt support from local supplier, as well as supporting our local economy.

UN SDGs Linkage

Our Responses

FINTEC aim to procure products locally where possible, for Healthcare and Agriculture biotechnology business segments.

Majority of FINTEC procurement orders and operating expenses are awarded to local supplier and local service provider. During the FYE 2023, 95% of purchases and expenses in Malaysia entities are purchased from local supplier or service provider.

ENVIRONMENTAL

Reduce, Reuse and Recycle ("3R")

Why It's Important

Reducing, reusing and recycling wastes helps save landfill space by keeping out reusable materials. With 3R, the amount of energy and natural resources needed to produce or collect the raw materials and manufacture finished product is able to be reduced.

The Group will also gain support from the community, as well as maintaining shareholders' confidence and maximising our positive brand reputation.

UN SDGs Linkage

Our Responses

We are committed in adopting 3R concept in our business operations by encouraging our employees to prioritise electronic means to share and store documents, reduce printing or photocopying, recycle all recyclable items and reduce wastages to conserve energy and natural resources.

The raw materials of our microbial fertilizer supplements in our Agriculture biotechnologi segement are all plant waste residues and post-combustion waste form manufacturers to process and reproduce our products. Our concept is to return to the earth. As such, it has indirectly improved photosynthesis cycle thus reduced environmental and water pollution.

FINTEC is committed to ensure all wastes are appropriately treated and stored or disposed off in compliance with law and regulations and in a proper manner and form. There is no waste-related incident in breach of any regulation in FYE 2023.

Sustainability Statement (Cont'd)

ENVIRONMENTAL

Conservation of Energy and Water

Why It's Important

Reduction in unnecessary energy and water wastage help reduction in production cost and office overheads. These will also help in managing floods and water treatment plants as well as lowering greenhouse gas emissions and other pollutants.

UN SDGs Linkage

Our Responses

FINTEC is aim to minimize our energy consumption through mindful usage of energy and water. We used collaborative conferencing solutions, Webex that enables effective communications and meetings online between factory, corporate office, customer, and supplier without physical travelling to the meeting point. The corporate office has also incorporated energy efficient lighting system to reduce energy consumption.

During FYE 2023, FINTEC Group has consumed 102,388 Kwh electricity and 967 M3 water.

SOCIAL

Occupational Safety and Health

Why It's Important

Maintaining a high level of safety and health standards is of utmost important across the Group. Safety, health and wellness of employees may affect work performance and productivity.

UN SDGs Linkage

Our Responses

The safety and well-being of our people is our priority. We place great emphasis on ensuring good health and safety standards are maintained across the Group. Series of preventive measures are in placed which aim to minimising any potential risk of exposure faced by the employees. In September 2022, FINTEC organized a seminar focusing on mental health as an open forum to address such strain and to assist affected individuals to deal with the issue positively and without being stigmatised.

In the FYE 2023, FINTEC's Occupational Safety & Health tracks:

Key Matters Assessments	FYE 2023
No. of Work-Related Fatalities	0 incident reported
No. of Lost Time Incident	0 incident reported
Number of employees trained on Health & Safety standards	1 first aid trained employee
Number of substantiated complaints concerning human rights violations	0 incident reported

SOCIAL

Training and personnel development

Why It's Important

Training and personnel development will enable us to gain and retain top talent, increase job satisfaction and morale of our employees, which will improve productivity and to ensure business continuity and succession planning in the Group.

UN SDGs Linkage

Our Responses

FINTEC recognizes that employees are the driving force of a strong business culture and growth. This can only be achieved with continual professional training, mindset development and right attitude to build a sustainable, engaging and innovative working environment. Employees in all divisions and business segment receive training in areas pertaining to their function and /or technical discipline.

In the FYE 2023, FINTEC's training and personnel development tracks:

Key Matters Assessments	FYE 2023
Total hours of training for employees	160 hours
Percentage of employees that are contractors or temporary staff	Nil
Total number of employee turnover	40%
Number of substantiated complaints concerning human rights violations	Nil

In FYE 2023, training programmes provided to our employees are:

Month	Topics
Sept 2022	Coping Effectiveness Training Reduces Depression and Anxiety
Nov 2022	Managing Risk Effectively Amidst Uncertainty
Dec 2022	ESG – Role Of The Accountant And Financial Reporting
Dec 2022	MFRS 2022/2023 Updates
Dec 2022	Effective Strategic Planning, Implementation And Management
March 2023	Highlights Of New Budget 2023 & Latest Key Updates On Transfer Pricing, Tax Audit Framework And New Special Voluntary Disclosure Programme (SVDP)
April 2023	Basic Occupational First Aid (BOFA)
June 2023	Appointment, Resignation, And Removal Of Directors
June 2023	5G Introduction for Directors

Sustainability Statement (Cont'd)

SOCIAL

Diversity and equal opportunity

Why It's Important

We believe that embracing diversity and providing equal opportunity are vital in creating a positive and motivating work environment. The differences in background and experiences among our employees stimulate innovative thinking, encourage creative ideas, increase competitiveness and development of our businesses.

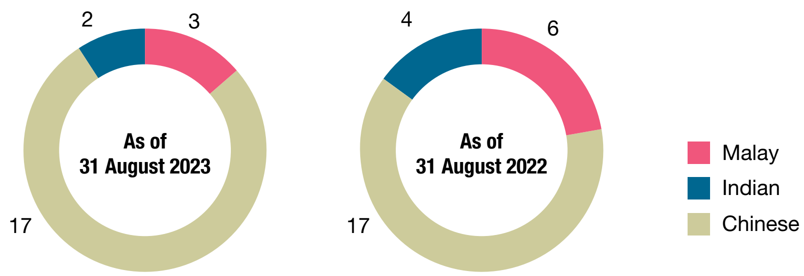
UN SDGs Linkage

Our Responses

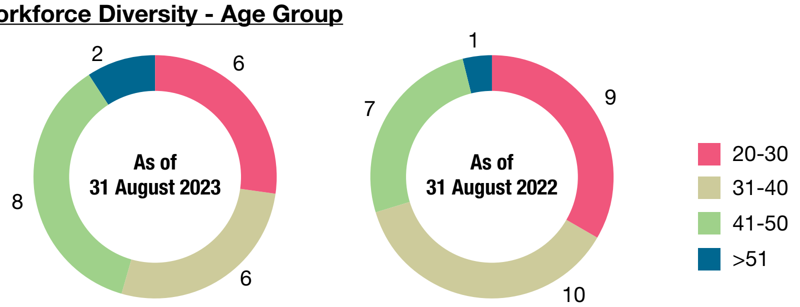
We treat everyone with respect and adopt a consistent, equitable and fair labour practices when hiring, developing and rewarding our employees. We provide equal opportunities regardless of age, gender, identity, ethnicity or religion. Recruitment and promotion of staff are based on merits, capabilities and experience.

	2023	2022
Total employees	22	27

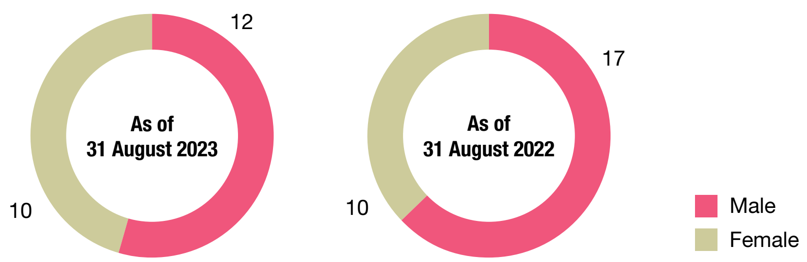
Workforce Diversity - Ethnicity



Workforce Diversity - Age Group



Workforce Diversity - Gender



SOCIAL

Fair remuneration and benefits

Why It's Important

Fair remuneration and benefits is important as it will keep the employees motivated at work to deliver their level best to the company. Unfair remuneration and benefits will result in difficulty in maintaining and attracting good talent for the Group.

UN SDGs Linkage

5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH | 10 REDUCED INEQUALITIES

Our Responses

We are committed in providing fair remuneration and benefits to our employees to ensure we retain and maintain top talent for the Group. We periodically perform market assessments to benchmark the adequacy and competitiveness of employee's benefit on a country-specific basis to formulate the appropriate mix of compensation and benefits to stay attractive.

Community Contributions and Development

Why It's Important

We perceive our Community Contributions and Development Programmes as our commitment in ensuring that people around us be able to grow together with the Group.

The Group will also gain trust and support from the community, as well as maintaining shareholders' confidence and maximising our positive brand reputation.

UN SDGs Linkage

11 SUSTAINABLE CITIES AND COMMUNITIES | 8 DECENT WORK AND ECONOMIC GROWTH | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Our Responses

We are committed in continuing our efforts to be a responsible corporate citizen and will create a corporate culture that will inculcate responsible and caring mentality across the Group and to transform corporate giving efforts into strategies for community development and business improvement.

Through the hard work of our working committee, we organize our CSR activities to provide support to the underserved and charitable institution with focus on distribution of food items, donations, gifts, and wishlist items to help with everyday necessities.

This year, we participated in the AHRMM 2022 (Association for HealthCare Resources & Materials Management (AHRMM)) in support of the global efforts in exploring innovative approaches to building a more connected, resilient, and efficient health care supply chain to remain adaptable in times of continued crisis against combatting the impacts of dangerous global diseases and viruses like Covid-19 pandemic

Sustainability Statement (Cont'd)

EMPLOYEE AND MANAGEMENT GET TOGETHER ACTIVITIES

We believe engagement of our employees promote cohesion and strengthen the relationship between peers. We continued our endeavours to bring closer ties between the employees which promote understanding between each other in order to create harmony and peace in workplace.

During the FYE 2023, the Group have conducted the following activities:

Staff birthday Celebration - 2022-2023

Merdeka Staff Gathering Celebration - 26 August 2022

Lion Dance Celebration - 26 January 2023

Chinese New Year Staff Luncheon - 27 January 2023

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

We recognize and dedicated of giving back to the local community we operate through various contributions, donations and CSR programmes with a hope to create a positive and caring impact to our local community especially those that are underprivileged.

During the FYE 2023, the Group have embarked on the following CSR initiatives:

2022 AHRMM Annual Meeting - 08 August 2022 – 10 August 2022

(Association for HealthCare Resources & Materials Management (AHRMM))

Christmas CSR Charity Programme - 16 December 2022

at IQ70PLUS (Malaysian Association for the Welfare of Mentally Challenged Children) at Petaling Jaya, Selangor.

Sustainability Statement (Cont'd)

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES (CONTINUED)

Ramadan CSR Programme - 14 April 2023

Direct food aid goodies to the needy at KL areas

The Board recognizes that embedding sustainability into the Group's businesses is a continuous and evolving practice which demand commitment, patience, investment and constant actions. As we progress our sustainability journey, we pledge to continue enhance our initiatives towards achieving greater business sustainability and financial performance, in addition in bringing positive impact and strengthen our ability to create meaningful change in community.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("Board") of Fintec Global Berhad (the "Company" or "FINTEC") remains committed in maintaining the highest standards of corporate governance ("CG") within the Company and adhering to the principles and best practices of CG, through observing and practising the core values of the new Malaysian Code on Corporate Governance which was released by the Securities Commission Malaysia on 28 April 2021 ("MCCG 2021") and the Corporate Governance Guide issued by Bursa Malaysia Securities Berhad ("Bursa Securities"). The commitment from the top paves the way for Management and all employees to ensure the Company's businesses and affairs are effectively managed in the best interest of all stakeholders.

The Board is pleased to present an overview on the application of the principles as set out in the MCCG 2021 and the extent to which the Company and the subsidiaries ("Group") have complied with the three (3) key principles and practices of the MCCG 2021 during the financial year.

This statement should be read together with the 2023 CG Report of the Company which is available on the Company's website at https://www.fintec.global/.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS

Part I – Board Responsibilities

1. Board's Leadership on Objectives and Goals

1.1 Strategic Aims, Values and Standards

The Board is responsible for the overall performance of the Group and focuses mainly on the strategic management, performance monitoring and measurement, risk management and internal controls, standards of conduct, shareholder communication, governance of sustainability and critical business decisions. The matters reserved for the collective decision of the Board are listed in Appendix A of the Board Charter which is available on the corporate website.

The Board implements a strategy planning process to oversee the matters delegated to Management and ensure the goals and targets are in line with the Company's strategic plan and long-term objectives.

The key responsibilities of the Board include reviewing and adopting the strategic plan, overseeing the conduct of business, risk management, sustainability policy and practises of the Group, succession planning, overseeing the development and implementation of a shareholder communication policy and reviewing the internal control systems.

The Board delegates and confers some of the Board's authorities and discretion on the Executive/Managing Director as well as on properly constituted Committees comprising Non-Executive Directors which operate within clearly defined terms of reference.

The Board Committees consist of Audit Committee ("AC"), Nomination Committee ("NC"), Remuneration Committee ("RC") and the Option Committee ("OC"). The power delegated to the Board Committees are set out in the Terms of Reference of each of the committees which is available on the corporate website.

Overall, it is the governance responsibilities of the Board to lead and control the Group. The Board plans the strategic direction, development and control of the Group and has embraced the responsibilities listed in the MCCG 2021 to discharge its stewardship and fiduciary responsibilities. The Executive/Managing Director is responsible for making and implementing operational and corporate decisions while the Non-Executive Directors balance the board accountability by providing their independent views, advice and judgment in safeguarding the interests of the shareholders.

1.2 Chairman

The Chairman of the Company leads the Board with a keen focus on governance and compliance and acts as a facilitator at Board meetings to ensure that contributions by Directors are forthcoming on matters being deliberated and that no Board member dominates discussion. Together with the other Non-Executive and Independent Directors, he leads the discussion on the strategies and policies recommended by Management. He chairs the meetings of the Board and the shareholders, and thus ensuring effective communication with the shareholders as well as the relevant stakeholders.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

Part I – Board Responsibilities (continued)

1. Board's Leadership on Objectives and Goals (continued)

1.3 Separation of the Positions of the Chairman and Executive Director/ Managing Director

The Chairman of the Company is an Independent Non-Executive Director. There is a clear division of responsibilities between the Chairman and the Executive/Managing Director to ensure that there is a continuance balance of power and authority. The Chairman of the Board is Dato' Seri Abdul Azim Bin Mohd Zabidi, whilst the Executive/Managing Director during the financial year is Mr Tan Sik Eek, who has the overall responsibilities over the Group's operating units, organisational effectiveness and implementation of Board policies and decisions.

The Chairman is not a member of the Audit Committee, Nomination Committee, Remuneration Committee or the Option Committee of the Company.

The Chairman is primarily responsible for matters pertaining to the Board and the overall conduct of the Group and is committed to good corporate governance practices and has been leading the Board towards high performing culture.

All decisions of the Board are made unanimously or be consensus. To ensure balance of power and authority on the Board, more than half of the Board members are Independent Directors. The Board is satisfied and assured that no individual or group of Directors has unfettered powers of decision that could create a potential conflict of interest.

1.4 Qualified and Competent Secretaries

In performing their duties, all Directors have access to advice and services of Company Secretaries. The Company Secretary acts as a CG counsel and ensures good information flow within the Board, the Board Committees and Management. The Company Secretary attends all meetings of the Board and Board Committees whenever necessary and guides the Directors on the requirements encapsulated in the Company's Constitution and legislative promulgations such as the Companies Act 2016, ACE Market Listing Requirements ("ACE LR") of Bursa Securities, etc.

1.5 Access to Information and Advice

All Directors have access to the advice and services of the Company Secretaries as well as to all information within the Group. In addition, the Board may seek independent professional advice at the Company's expenses to enable it to discharge its duties in relation to the matters being deliberated, where necessary.

Schedule of Board and Committee meetings are determined in advance at the beginning of every year. This enables Management to plan ahead the yearly business and corporate affairs and ensure timely preparation of information for dissemination to the Board. The Board has a defined schedule of matters reserved for Board's decision and that the Board papers for meetings will be circulated to the Board at least five (5) days prior to the meeting. This is to ensure all Directors have sufficient time to obtain further explanation, where necessary, in order to be fully informed of the matters to be discussed during the meeting.

The Company Secretary is entrusted to record the Board's deliberations, in terms of issues discussed, ensures that the deliberations at Board and Board Committee meetings are well documented, and subsequently communicated to Management for appropriate actions. The minutes of the previous Board and Board Committee meetings are distributed to the Directors/ Committee prior to the meeting for their perusal before confirmation of the minutes at the commencement of the following Board/Committees' meeting. The Directors may comment or request clarification before the minutes are tabled for confirmation as a correct record of the proceedings of the meeting. Management provides Directors with complete and timely information prior to meetings and on-going basis to enable them to make informed decisions.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

Part I – Board Responsibilities (continued)

2. Demarcation of Responsibilities

2.1 Board Charter

The Board Charter is reviewed regularly to ensure that it complies with the best practices and regulations and the Board Charter was last reviewed and revised on 27 May 2022.

In discharging its duties, the Board is constantly mindful of the need to safeguard the interests of the Group's stakeholders. In order to facilitate the effective discharge of its duties, the Board is guided by the Board Charter, a copy of which is available on the corporate website.

The Board Charter serves to ensure that all Board members acting on behalf of the Group are aware of their expanding roles and responsibilities. It sets out the strategic intents and specific responsibilities to be discharged by the Board members collectively and individually. It also regulates on how the Board conducts business in accordance with sound CG principles.

The Board Charter would be periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may have impact on the discharge of the Board's responsibilities.

3. Promoting Good Business Conduct and Corporate Structure

3.1 Code of Conduct and Ethics

The Board is committed in maintaining a corporate culture which engenders ethical conduct. The ethical standards are formalised through the Company's Code of Conduct and Ethics, which requires all Directors and Employees to observe high ethical business standards, honesty and integrity and to apply these values to all aspects of the Group's business and professional practice and act in good faith in the best interests of the Group and its shareholders. The Code of Conduct and Ethics has been incorporated into Appendix B of the Board Charter and is available on the corporate website.

3.2 Whistleblowing Policy

The Board has adopted a whistleblowing policy for the Group as a measure to promote the highest standard of CG. The whistleblowing policy outlines the avenues for Directors, employees and stakeholders to raise concerns or disclose in good faith any improper conduct within the Group and to enable prompt corrective actions and measures to resolve them effectively.

Any employee who has reasonable belief that there is serious malpractice relating to the matter disclosed, may direct such complaint and report to the Chairman of the AC in writing. Individuals are able to raise concerns about illegal, unethical or questionable practices in confidence and without the risk of reprisal and Management will ensure that any employee of the Company who raises a genuine complaint in good faith shall not be penalised for such disclosure and the identity of such complainant shall be kept confidential.

The Whistleblowing Policy and Guidelines has been incorporated into the Appendix C of the Board Charter and is available on the corporate website.

3.3 Anti-Bribery and Anti-Corruption Policy ("ABAC Policy")

In line with the amendments to the Malaysian Anti-Corruption Commission Act 2009 to incorporate a new Section 17A on corporate liability for corruption which took effect on 1 June 2020, the Company had on 29 May 2020, adopted an ABAC Policy.

The Company had also conducted briefings and trainings to all employees of the Group to create awareness on the ABAC Policy to foster commitment of the employees to instill the spirit of integrity and avoid all forms of corruption practices within the organisation.

A copy of the ABAC Policy is available on the corporate website.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

Part I – Board Responsibilities (continued)

3. Promoting Good Business Conduct and Corporate Structure (continued)

3.4 Director's Fit and Proper Policy

In line with the amendment to the ACE LR, the Board had on 27 May 2022 approved and adopted the Directors' Fit and Proper Policy which outlines the fit and proper criteria for the appointment and re-appointment of Directors on the Board of the Company.

The said policy is devised to ensure that each of the Directors has the character, experience, integrity, competence and capability, financial soundness and time to effectively discharge his/her role as a Director of the Company and its subsidiary.

In addition, the said policy also serves as a guide to the NC and the Board in their review and assessment of the identified candidates that are to be appointed onto the Board as well as Directors who are seeking for election or re-election at the forthcoming annual general meeting of the Company.

A copy of the Directors' Fit and Proper Policy is available on the corporate website.

3.5 Sustainability measure to support long-term strategy

The Board provides the oversight on the Group's sustainability and is assisted by the Management who oversees the implementation of the Group's sustainability measures.

The Board recognises its responsibility to set the "tone from the top" and ensure good governance within the Group. In this regard, the Board continues to play an active role in providing oversight on all Environmental, Social and Governance ("ESG") topics and KPIs disclosed in the ESG report. Aside from strategic guidance for management of its identified sustainability material matters and climate-related risk, the Board is also committed in advancing the ESG agenda across the organisation.

The Board will proactively consider sustainability issues such as health and safety, data governance and privacy as well as climate action when overseeing the planning, performance and long-term strategy of the company to ensure that the Company remains resilient and is able to deliver durable and sustainable value as well as maintaining the confidence of its stakeholders.

The Company has also ventured into the Green Technology Products Business Segment through its wholly-owned subsidiary, namely Gro Asia Agritechnology Sdn. Bhd. ("Gro Asia"). Gro Asia has successfully introduced Microbial Soil Supplements that are able to substantially reduce the dosage of fertiliser, pesticides and chemical enhances while maintaining a sustainable and stable high yield while restoring the soil's natural nutrient cycle and build soil organic matter.

Management will integrate sustainability considerations in the day-to-day operations of the Company and ensure the effective implementation of the Company's sustainability strategies and plans.

The Board is aware that stakeholder engagement is vital in ensuring continued business sustainability whereby it enables the company to pursue various approaches and valued stakeholders' feedbacks and inputs in shaping the Company business strategy as the Company believed effective communication maintained mutually beneficial relationships with the stakeholders.

Management has carried out sustainability exercise to identify risk issues related to ESG to identify, assess, and prioritise key topics of material concern to the Company's business and the stakeholders within the context of operating environment. The assessment result is then used to inform the Board and Senior Management of the Company's strategy setting and resources allocation for the Group so as to effectively manage the Company's sustainability-related risks.

Further, the Managing Director was tasked in planning of resources, manufacturing, strategic investment planning, and implementation timeline together with the Senior Management to meet the existing global market demands and its portfolio investment, while the Company strives to look more business opportunities in market with high or unmet potential.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

Part I – Board Responsibilities (continued)

3. Promoting Good Business Conduct and Corporate Structure (continued)

3.5 Sustainability measure to support long-term strategy (continued)

Addressing material sustainability risks and opportunities is the responsibility of the Board and Senior Management, the Board is looking into incorporating the evaluations to include the ESG considerations and sustainability yardstick to the Senior Management and their efforts in addressing the company's material sustainability risks and opportunities.

The sustainability efforts and initiatives undertaken and targets set out by the Company have been disclosed in the Corporate Sustainability Statement of the Company's Annual Report for the financial year ended 30 June 2023 ("FY 2023").

The Board had identified and highlighted several of the risks factor that associated with the business such as the rules and regulations, financial and ESG Risks Management, climate change which may affect the Company's core value and competitive advantage in the market. At the same time, the Company remains vigilant in monitoring and mitigating the business, operational, financial, climate-related and other risks that may affect the Group.

Part II – Board Composition

4. Strengthen Board's Objectivity

4.1 Board Composition

The Board comprises one (1) Independent Non-Executive Chairman, three (3) Independent Non-Executive Directors, and one (1) Executive/Managing Director.

The present composition of the Board is in compliance with Rule 15.02 of the ACE LR and MCCG 2021 as four (4) out of the five (5) members are Independent Directors. In addition, the independent directors represented more than 50% or half of the Board members and complied with Practice 5.2 of the MCCG 2021.

In line with the ACE LR, the Company had on 31 March 2023 appointed Ms Ong Siew Min as the first female director of the Company.

4.2 Tenure of Independent Director

No independent director's tenure exceeding a cumulative term of nine (9) years.

4.3 Policy of Independent Director's Tenure

The Board has adopted a twelve-year policy for Independent Directors. Upon completion of the twelve (12) years, an Independent Director may continue to serve on the Board subject to the Director's re-designation as a Non-Independent Director. Otherwise, the Board must justify and explain as to why there is no other eligible candidate, if such individual had cumulatively served as an Independent Director for more than twelve (12) years before and observed the requisite 3-years cooling off period, in the statement accompanying a notice of annual general meeting and the immediate announcement in relation to the appointment of Independent Director.

4.4 Diverse Board and Senior Management Team

The Board acknowledges the importance of diverse Board and Senior Management. The Group strictly adhered to the practice of non-discrimination of any form, whether based on race, age, religion and gender throughout the organisation, which including the selection of Board members as well as its Senior Management. The Board encourages a dynamic and diverse composition by nurturing suitable and potential candidates equipped with competency, skills, experience, character, gender, cultural background, time commitment, integrity and other qualities in meeting the future needs of the Company.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

Part II – Board Composition (continued)

4. Strengthen Board's Objectivity (continued)

4.4 Diverse Board and Senior Management Team (continued)

The Group endeavour to meet the diversity at the senior management level and the composition of the senior management of the Group comprises a mixture of both genders.

The Board would ensure the appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender to promote greater diversity in the board composition, senior management, and the employees of the Group.

4.5 Gender Diversity

The Board acknowledges the importance of boardroom diversity and takes cognisance of the recommendation of the MCCG 2021 to have female director(s). The Board had established a Boardroom Diversity Policy as set out in the Board Charter of the Company, which is available on the corporate website.

On 31 March 2023, the Board had appointed Ms Ong Siew Min as the first female director of the Company.

However, the Board has yet to implement gender diversity policy and target,or has any immediate plans to implement such policy and target as the Board is of the view that gender should not be a basis of evaluation and that candidate should be sought after based on their level of experience and skill set as well as other qualities as stated above.

Nonetheless, it is submitted that the appointment of a new Board member will not be guided solely by gender but will also take into account the fit and proper, skills-set, experience and knowledge of the candidate. The Company's prime responsibility in new appointments is always to select the best candidates available.

Hence, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board remains a priority.

4.6 Re-Election of Directors

Any Director appointed during the year, either to fill a casual vacancy or as an additional Director, shall hold office only until the next Annual General Meeting ("AGM") and shall then be eligible for re-election in accordance with the Company's Constitution.

The Constitution states that one-third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election at the AGM and that each Director shall submit himself/herself for re-election at least once in every three (3) years. A retiring Director is eligible for re-election.

This provides an opportunity for shareholders to renew their mandates. The election of each Director is voted separately.

Dato' Seri Abdul Azim Bin Mohd Zabid and Mr Ong Tee Kein will retire in accordance with Paragraph 97 of the Constitution of the Company and have offered themselves for re-election as Directors of the Company.

Meanwhile, Ms Ong Siew Min will retire in accordance with Paragraph 104 of the Constitution of the Company and being eligible, has offered herself for re-election as Director of the Company.

To assist shareholders to renew their decision, sufficient information such as personal profile, meetings attendance and the shareholdings of each Director standing for election are available in the Annual Report.

In identifying candidates for appointment as Directors, the Board does not solely rely on recommendations from the existing Board members, management or major shareholders. The Board is aware and may also utilise independent sources to identify suitable qualified candidates.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

Part II – Board Composition (continued)

4. Strengthen Board's Objectivity (continued)

4.7 Identification of New Candidates for Appointment of Directors

The Board has entrusted the NC with the responsibility to consider, review and recommend the appointment of potential candidates to the Board proposed by Management or any Director, shareholder taking into consideration the candidates' skills, knowledge, expertise and experience, time commitment, character, professionalism and integrity based on the 'Fit and Proper' Standards/Criteria for Directors and Senior Management staff.

The Board is aware of the guidance to utilise independent sources for future appointment of Non-Executive Director, and to disclose how a Board member is sourced in the Annual Report.

4.8 NC

The NC, which is chaired by the Independent Non-Executive Director, is responsible for identifying and recommending suitable candidates for Board membership and also for assessing the performance of the Directors on an ongoing basis. The Board will have the ultimate responsibility and final decision on the appointment. This process shall ensure that the Board membership accurately reflects the long-term strategic direction and needs of the Company and determine skills matrix to support strategic direction and needs of the Company.

Management shall engage broadly to develop a pool of interested potential candidates meeting the skills, expertise, personal qualities and diversity requirements for both the Board and the Committee appointment.

The NC evaluates and matches the criteria of the candidate against the Director's Fit and Proper Policy, and will consider diversity, including gender, where appropriate, and recommends to the Board for appointment.

Consideration will be given to those individuals possessing the identified skills, talent and experience.

The NC will contact those persons identified to determine interest in serving the Company. This communication will ensure that prospective Board members have clarity regarding the nominating process as well as Director/Board profiles, roles and responsibilities, expectations of time commitments and other information as required.

For any nomination by the shareholders, the NC would also perform the same review process. However, if there is requisition for convening of meeting by the shareholders to move a resolution on the appointment of Director pursuant to the Companies Act, 2016, the NC would carry out its duties whenever possible.

The NC comprises exclusively of Independent Non-Executive Directors as follows:-

- Chew Shin Yong, Mark (Independent Non-Executive Director) – Chairman (Redesignated from a member to Chairman of NC on 31 March 2023)
- Ong Tee Kein (Senior Independent Non-Executive Director) – Member
- Ong Siew Min (Independent Non-Executive Director) – Member (appointed on 31 March 2023)

The Terms of Reference of the NC is available on the corporate website. The Terms of Reference of the NC was last reviewed and revised on 29 August 2022.

A summary of key activities undertaken by the NC in discharging its duties during the financial year under review is set out below:

- Reviewed and assessed annual performance and effectiveness of the Board as a whole, the committees of the Board and contribution of each individual director;
- Reviewed and assessed the independence of the Independent Non-Executive Directors;
- Reviewed and recommended to the Board, the re-election and re-appointment of the Directors who will be retiring at the forthcoming AGM of the Company;
- Reviewed and assessed the term of office and performance of the AC;
- Assessed the level of financial literacy of AC Members;
- Reviewed and recommended the types of trainings suitable for the Board;

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

Part II – Board Composition (continued)

4. Strengthen Board's Objectivity (continued)

4.8 NC (continued)

- Reviewed and revised the Terms of Reference of the NC to ensure its relevance to the NC and recommended to the Board for approval;
- Reviewed the Board/Board Committees' composition and current size of the Board of the Company;
- Reviewed and nominated Ms Ong Siew Min to act as additional independent director in the Company; and
- Reviewed and nominated director to be the member of AC, RC and NC.

The NC had considered and is of the view that the given the needs and size of the Company and the relevant higher cost to be incurred, the NC opined that the utilisation of independent sources to identify suitably qualified candidates was not required at the moment.

5. Overall Board Effectiveness

5.1 Annual Evaluation

The Board undertakes annual evaluation to determine the effectiveness of the Board. The Board evaluation comprises a Board Assessment, Board Committees' Assessment, an Individual Assessment and an Assessment of Independence of Independent Directors, terms of office of the AC and the financial literacy test of the AC Members.

The assessment of the Board is based on specific criteria, covering areas such as the Board structure, Board operations, roles and responsibilities of the Board, the Board Committees and the Chairman's role and responsibilities.

The results of the assessment would form the basis of the NC's recommendation to the Board for the re-election of Directors at the next AGM.

Based on the annual assessment conducted, the NC was satisfied with the existing Board composition and concluded that each Directors has the requisite competence, skills, time commitment and experience to serve on the Board and has sufficiently demonstrated their commitment to the Company in terms of time and participation during the financial year under review, and recommended to the Board the re-election of retiring Directors at the Company's forthcoming AGM. All assessments and evaluations carried out by the NC in discharging its functions were properly documented.

The attendance record of the Directors at Board of Directors and Board Committee meetings during the financial year ended 30 June 2023 is set out as follows:-

Meeting Attendance	Board	AC	NC	RC	AGM	EGM	*OC
Dato' Seri Abdul Azim Bin Mohd Zabidi	5/5	-	-	-	1/1	-	N/A
Ong Tee Kein	5/5	5/5	2/2	2/2	1/1	-	-
Chu Chee Peng *(Resigned on 1 January 2023)*	3/3	3/3	1/1	1/1	1/1	-	N/A
Tan Sik Eek	5/5	-	-	-	1/1	-	-
Chew Shin Yong, Mark	5/5	5/5	2/2	2/2	1/1	-	N/A
Ong Siew Min *(Appointed on 31 March 2023)*	1/1	1/1	N/A	N/A	N/A	-	N/A

*Note: *Option Committee*

To ensure that the Directors have the time to focus and fulfil their roles and responsibilities effectively, the Directors must not hold more than five (5) directorships in public listed companies and shall notify the Chairman before accepting any new directorships.

During the financial year ended 30 June 2023, all the Directors have attended trainings, seminars, conferences and exhibitions which they considered vital in keeping abreast of the changes in laws and regulation, business environment, and corporate government development, as detailed hereunder:-

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

Part II – Board Composition (continued)

5. Overall Board Effectiveness (continued)

5.1 Annual Evaluation (continued)

Name of Director	Course Attended	Date
Dato' Seri Abdul Azim Bin Mohd Zabidi	(1) Origins of the Nation's Capital	12 February 2023
	(2) 5G Introduction for Management	19 June 2023
Ong Tee Kein	(1) An Overview of the Malaysian Private Entities Reporting Standard (MPERS)-Practical approach to recognition and measurement principles including updates	5 & 6 December 2022
	(2) Companies Act 2016 Voluntary - Winding up, Judicial Management & Corporate Voluntary Arrangement	16 December 2022
	(3) 5G Introduction for Management	19 June 2023
Tan Sik Eek	(1) 2023 Budget Seminar	22 March 2023
	(2) 5G Introduction for Management	19 June 2023
Chew Shin Yong, Mark	(1) 5G Introduction for Management	19 June 2023
Ong Siew Min	(1) 5G Introduction for Management	19 June 2023

The Company will continue to identify suitable training for the Directors to equip and update themselves with the necessary knowledge in discharging their duties and responsibilities as Directors.

The Directors are encouraged to attend briefing, conferences, forums, trade fairs (locally and internationally), seminars and training to keep abreast with the latest developments in the industry and to enhance their skills and knowledge.

Part III - Remuneration

6. Level and Composition of Remuneration

6.1 Remuneration Policy

The RC and the Board ensure that the Company's remuneration policy remains supportive of the Company's corporate objectives and is aligned with the interest of shareholders, and further that the remuneration packages of Directors and key Senior Management Officers are sufficiently attractive to attract and to retain persons of high calibre. The remuneration policy is set out in the Board Charter of the Company and it is also available on the corporate website.

Ms Ong Siew Min, the Independent Non-Executive Director, is appointed as the Chairman of the RC, which comprises exclusively of Independent Directors. The RC is guided by its terms of reference, which is available on the corporate website. The Terms of Reference of the RC was last reviewed and revised on 29 August 2022.

7. Remuneration of Directors and Senior Management

7.1 Detailed Disclosure of Directors' Remuneration

The RC reviews annually the Directors' Fees and Directors' Remuneration (including non-executive director) for recommendation and approval by the Board. The Directors' remuneration payable to the Non-Executive Director and the directors of the subsidiaries will be tabled at the AGM for the approval of shareholders.

The Remuneration of the Executive/Managing Director is structured to link to his contributions for the year, which are dependent on the financial performance of the Group, achievement of the goals and/or quantified organisational targets as well as strategic initiatives set at the beginning of each year.

The Directors plays no part in determining his own remuneration and shall abstain from discussion on their own remuneration.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

Part III - Remuneration (continued)

7. Remuneration of Directors and Senior Management (continued)

7.1 Detailed Disclosure of Directors' Remuneration (continued)

The Executive/Managing Director is not entitled to the Directors' Fees. The remuneration package of the Executive/Managing Director consists of monthly salary, bonus and benefits-in-kind.

The remuneration of the Executive/Managing Director should be set at a competitive level to recruit and retain high quality executive directors and senior management. Individual pay levels should reflect the performance of the Company and the individual's skills and experience as well as responsibility undertaken. It is to ensure that the linkage between pay and performance is robust.

Details of the Directors' Remuneration (including benefits-in-kind) during the financial year ended 30 June 2023 are as follows:

i) Aggregate Directors' Remuneration

Categories of Remuneration	Group		Company	
	Executive/ Managing Director	Non-Executive Directors	Executive/ Managing Director	Non-Executive Directors
	RM	RM	RM	RM
Director Fees	-	272,962	-	198,024
Salaries & bonus	738,158	-	359,100	-
Other emoluments	93,158	23,580	47,802	23,580
Total	**831,316**	**296,542**	**406,902**	**221,604**

ii) Analysis of Directors' Remuneration

Total remuneration of Directors in respect of the financial year ended 30 June 2023, in bands of RM50,000 is tabulated below:

Range of Remuneration	Group		Company	
	Executive/ Managing Director	Non-Executive Directors	Executive/ Managing Director	Non-Executive Directors
	RM	RM	RM	RM
Below RM50,000	-	2	-	3
50,001 – 100,000	-	1	-	2
100,001 – 150,000	-	2	-	-
150,001 – 200,000	-	-	-	-
400,001 - 450,000	-	-	1	-
800,001 – 850,000	1	-	-	-

The Directors do receive additional remuneration for services rendered in the subsidiaries (apart from that received at the Company's level).

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

Part III - Remuneration (continued)

7. Remuneration of Directors and Senior Management (continued)

7.1 Detailed Disclosure of Directors' Remuneration (continued)

ii) Analysis of Directors' Remuneration (continued)

Details of the Directors' Remuneration (including benefits-in-kind) of each Director during the financial year ended 30 June 2023 are as follows:

No.	Name	Company ('000)						
		Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Seri Abdul Azim Bin Mohd Zabidi	-	6	-	-	-	-	6
2	Ong Tee Kein	72	6	-	-	-	-	78
3	Tan Sik Eek	-	-	359	-	-	48	407
4	Chew Shin Yong, Mark	72	6	-	-	-	-	78
5	Ong Siew Min *(Appointed on 31 March 2023)*	18	1	-	-	-	-	19
6	Chu Chee Peng*	36	4	-	-	-	-	40

No.	Name	Group ('000)						
		Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Seri Abdul Azim Bin Mohd Zabidi	8	6	-	-	-	-	14
2	Ong Tee Kein	96	6	-	-	-	-	102
3	Tan Sik Eek	-	-	738	-	-	93	831
4	Chew Shin Yong, Mark	97	6	-	-	-	-	103
5	Ong Siew Min *(Appointed on 31 March 2023)*	18	1	-	-	-	-	19
6	Chu Chee Peng*	54	4	-	-	-	-	58

**Note: Chu Chee Peng has resigned as director of the Company on 1 January 2023.*

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

Part III - Remuneration (continued)

7. Remuneration of Directors and Senior Management (continued)

7.2 Remuneration of Top Five (5) Senior Management (continued)

The Company understands the need for transparency in the disclosure of its key senior management remuneration, and is of the opinion that the disclosure of remuneration details may be detrimental to its business interests, given the competitive landscape for key personnel with the requisite knowledge, technical expertise and working experience in the Company's business activities, where intense headhunting is a common industry challenge. Accordingly, such disclosure of specific remuneration information may give rise to recruitment and talent retention issues.

While the Company has set policies and procedures in setting the remuneration of key personnel, such disclosure may also be misconstrued so as to hinder its recruitment and retention of personnel.

The Company is of the view that the interest of the shareholders would not be prejudiced as a result of such non-disclosure of the Company's top five (5) senior management personnel who are not Directors on named basis.

The number of top five (5) senior management whose remuneration (comprising salary, bonus and other emoluments) for the financial year ended 30 June 2023 within the successive bands of RM50,000 is as follows:

Remuneration Band	Number of top five (5) Senior Management
Below RM50,000	-
RM50,001 to RM100,000	-
RM100,001 to RM150,000	-
RM150,001 to RM200,000	-
RM200,001 to RM250,000	1

PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT

Part I – AC

8. AC

The AC is relied upon by the Board to, amongst others, provides advice in the areas of financial reporting, external audit, internal control environment and internal audit process, review of related party transactions as well as conflict of interest situation. The AC also undertakes to provide oversight on the risk management framework of the Group.

The AC is chaired by a Senior Independent Non-Executive Director who is distinct from the Chairman of the Board and all members of the AC are independent directors and financially literate. The composition of the AC, including its roles and responsibilities as well as a summary of its activities carried out during the financial year, are set out in the AC Report on pages 57 to 60 of this Annual Report.

The Company take cognizance that the latest Malaysian Code on Corporate Governance effective 28 April 2021 ("MCCG 2021") has changed and recommended to observe a cooling-off period of at least 3 years before appointing a former key audit partner as a member of the AC. The AC has adopted a policy that requires a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC, and the said policy has been incorporated in the terms of reference of the AC, a copy which is available on the corporate website. The Terms of Reference of the AC was last reviewed and revised on 27 May 2022.

Nevertheless, no former key audit partner of the external auditors of the Company is appointed as a Company Director and a member of the AC.

PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

Part I – AC (continued)

8. AC (continued)

The AC maintains a transparent and professional relationship with the external auditors of the Company. The external auditors fill an essential role by enhancing the reliability of the Company's Annual Audited Financial Statements and giving assurance to stakeholders of the reliability of the Annual Audited Financial Statements. The external auditors have an obligation to bring any significant defects in the Company's system of control and compliance to the attention of the Management; and if necessary, to the AC and the Board.

The AC is empowered by the Board to review any matters concerning the appointment and re-appointment, resignation or dismissal of external auditors and review and evaluate factors relating to the independence of the external auditors. The terms of engagement for services provided by the external auditors are reviewed by the AC prior to submission to the Board for approval. Feedback based on the assessment areas is obtained from the AC, the Executive/Managing Director, the internal auditor and senior management, wherever applicable.

In addition, the AC undertakes an annual assessment of the suitability and independence of the external auditors as well as the performance of the external auditors, including the review of calibre of the audit firm, quality of processes, audit team, independence and objectivity, audit scope and planning, audit fees and audit communications. Further, the Board, through the recommendation of the NC, had evaluated the effectiveness of the AC and members of the AC in August 2023.

On the other hand, the AC has also sought written assurance from the external auditors, confirming that they are, and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the independence criteria set out by the Malaysian Institute of Accountants. The external auditors provided such declaration in their annual audit plan presented to the AC prior to the commencement of audit for a particular financial year.

In this regard, the AC had on 23 May 2023, assessed the independence of ChengCo PLT [201806002622 (LLP0017004-LCA) & AF0886] ["ChengCo"] as external auditors of the Company as well as reviewed the level of non-audit services to be rendered by ChengCo to the Company for the financial year ended 30 June 2023. The AC was satisfied with ChengCo's technical competency and audit independence and took note that the quantum of non-audit fee charged thereto was not material as compared to the total audit fees paid or to be payable to ChengCo. Details of statutory audit, audit-related and non-audit fees paid/payable in the financial year ended 30 June 2023 to the external auditors are set out in the Other Compliance Information of this Annual Report. Having satisfied itself with their performance and fulfilment of criteria as set out in the Non-Audit Services Policy as well as received the assurance from ChengCo as stated above, the AC will recommend their re-appointment to the Board, upon which the shareholders' approval will be sought at the 16th AGM.

Part II – Risk Management and Internal Control Framework

9. Risk Management and Internal Control Framework

The Board oversees, reviews and monitors the operation, adequacy and effectiveness of the Group's system of internal controls. The Board defines the level of risk appetite, approves and oversees the operation of the Group's Risk Management Framework, and assesses its effectiveness and reviews any major/ significant risk facing the Group. The risk framework also includes pertinent risk management policies and guidelines to provide structured guidance to personnel across the Group in addressing risk management. The risk appetite of the Group is articulated via the use of risk parameters in the framework, covering financial and non-financial metrics, to assess the likelihood or risks occurring and the impact thereof should the risks crystallise.

The AC oversees the risk management framework of the Group, reviews the risk assessment and management policies formulated by Management regularly together with the Internal Auditors and makes relevant recommendations to Management to update the Group Risk Profile. The AC also discusses with the Board on areas of high risk faced by the Group and the adequacy of compliance and control throughout the organisation, and makes relevant recommendations to the Board to manage residual risks.

The Board has been integrating the risk issues into their decision-making process whilst maintaining the flexibility to lead the business of the Group through the ever-changing internal and external environments.

The Company continues to maintain and review its internal control procedures to ensure the protection of its assets and its shareholders' investment.

Details of the main features of the Company's risk management and internal controls framework are further elaborated in the AC Report and the Statement on Risk Management and Internal Control on pages 57 to 63 of this Annual Report.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

Part II – Risk Management and Internal Control Framework (continued)

10. Governance, Risk Management and Internal Control Framework

The Board has outsourced the internal audit ("IA") function to an independent assurance provider, namely Wensen Consulting Asia (M) Sdn. Bhd. to provide an independent appraisal over the system of internal control of the Group and reports directly to the AC. The responsibilities of the Internal Auditors include providing independent and objective reports on the state of internal controls and the significant operating units in the Group to the AC, with recommendations for improvement to the control procedures, so that remedial actions can be taken in relation to weaknesses noted in the systems.

The outsourced internal audit function is headed by the Group Managing Director, who is assisted by an audit team comprising of the Engagement Director. The Group Managing Director, is a Practicing Member of the Institute of Singapore Chartered Accountants (ISCA), a Member of the Malaysian Institute of Accountants (MIA), a Fellow Member of the Association of Chartered Certified Accountants (ACCA) of the United Kingdom and a Chartered Member of the Institute of Internal Auditors Malaysia, with more than 20 years of experience in auditing while other team members are accounting graduates with a minimum qualification of a degree obtained from overseas and/or local universities. The number of staffs deployed for the internal audit reviews was 2-3 staffs per visit including the engagement leader.

In addition, the internal audit personnel/team are free from any relationships or conflict of interests with the Company, to ensure the Internal Auditors' objectivity and independence are not impaired and the internal audit function is carried out in accordance with a recognised framework.

During the financial year, the internal auditors have conducted review on the Group in accordance to the Internal Audit Plans, which have been approved by the AC.

The Internal Auditors will perform periodic testing of the internal control systems to ensure that the system is robust.

The Statement on Risk Management and Internal Control as included on page 61 of this Annual Report provides the overview of the internal control framework adopted by the Company during the financial year ended 30 June 2023.

PRINCIPLE C : INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Part I – Communication with Stakeholders

11. Continuous Communication Between Company and Stakeholders

The Group recognises the importance of prompt and timely dissemination of information to the shareholders and the investors, in order for these stakeholders to be able to make informed investment decisions. Towards this, the Company's website at https://www.fintec.global/ incorporates a corporate section which provides all relevant information on the Company and is accessible by the public. This corporate section enhances the investor relations function by including all announcements made, annual reports as well as the corporate and governance structure of the Company.

The Company has put in place a Corporate Disclosure Policy with the objective to ensure communications to the public are timely, factual, accurate, complete, broadly disseminated and where necessary, filed with regulators in accordance with applicable laws. The Executive/Managing Director is the spokesperson of the Company on all matters relating to the Company to ensure compliance with the disclosure obligations as well as overseeing and co-ordinating disclosure of information. The Board delegated the authority to the Executive/Managing Director of the Company to ensure that Corporate Disclosure Policy is being adhered to by senior Management and the Company Secretaries in respect to disclosure obligations. The Executive/Managing Director is also given the authority to approve all announcements.

In addition, the Directors engage with shareholders at least once a year during the AGM to understand their needs and seek their feedback.

The Board is committed to ensuring that the shareholders and other stakeholders are well informed of the major developments of the Company and the information is communicated to them through the publication of the Annual Report, various timely announcements, disclosures made during the financial year and the release of financial results on the quarterly basis to Bursa Securities.

PRINCIPLE C : INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONTINUED)

Part II – Conduct of General Meetings

12. Shareholder Participation at General Meetings

The AGM is the principal forum for shareholder dialogue, allows shareholders to review the Group's performance via the Company's Annual Report and pose questions to the Board for clarification.

The Board encourages the attendance of the shareholders at the Company's AGM. The notice period of the forthcoming 16th AGM given to the shareholders is 28 days in advance, which is in compliance with the minimum of 28 clear days stipulated in the MCCG 2021. The shareholders are thus provided with ample time to review the annual report, to appoint proxies and to collate questions to be asked at the AGM. The Chairman shall ensure the Board is accessible to shareholders and an open channel of communication is cultivated.

All the Directors shall endeavour to present in person to engage directly with, and be accountable to the shareholders for their stewardship of the Company at the AGM. The proceedings of the AGM will include the presentation of the external auditors' unqualified report to the shareholders, and a Q&A session during which the Chairman will invite shareholders to raise questions pertaining to the Company's financial statements and other items for adoption at the meeting, before putting a resolution to vote. The Directors and the external auditors will be in attendance to respond to the shareholders' queries.

In addition, to encourage greater shareholders' participation at the general meetings, the Company have explored to leverage on technology to facilitate hybrid or full virtual general meetings and remote shareholders' participation at general meetings.

The Company does not have meetings in remote locations and the Company had leverage on technology to facilitate shareholders to attend the AGM via virtual meetings. However, the Company did not implement the voting in absentia thus far.

The Company's general meetings have always been held at a venue which is easily accessible previously for physical AGM and the Company had been investing and leverage on technology to facilitate hybrid or full virtual general meetings and remote shareholders' participation at general meetings for its last AGM.

Shareholders who are unable to attend the AGM physically or via virtual AGM are entitled to appoint representatives or proxy/proxies/Chairman to vote on their behalf in their absence.

This CG Overview Statement was approved by the Board on 23 October 2023.

OTHER COMPLIANCE INFORMATION

A. AUDIT AND NON-AUDIT FEES

The audit and non-audit fees paid or payable to the external auditors for the financial year ended 30 June 2023 is as follows:-

Details of fees	Group (RM)	Company (RM)
- Statutory Audit Fees	189,465	71,000
- Non-Audit Fee for review of Statement of Risk Management and Internal Control	5,000	5,000
Total	**194,465**	**76,000**

B. MATERIAL CONTRACTS

During the financial year ended 30 June 2023, there were no material contract entered into by the Company and its subsidiaries involving Directors and major shareholders' interests which was still subsisting at the end of the financial year or since the end of the previous financial year.

C. RECURRENT RELATED PARTY TRANSACTIONS

During the financial year ended 30 June 2023, the Company did not enter into any recurrent related party transactions of revenue or trading nature.

D. UTILISATION OF PROCEEDS

(i) Private Placement of up to 282,144,000 new ordinary shares, representing 30% of the total number of issued shares of the Company ("30% Private Placement")

The Company has undertaken a 30% Private Placement, which was completed on 15 July 2020 following the listing and quotation of 282,144,000 ordinary shares on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). The Private Placement of 30% has raised gross proceeds of RM18,300,000.00.

The Company has yet to fully utilise the proceeds raised from the 30% Private Placement within the stipulated timeframe, i.e. by 14 July 2022 and requires additional time to utilise the balance proceeds amounting to approximately RM1,230,000.00 for the investment in healthcare equipment manufacturing and/or trading business.

Due to the delay in the utilisation of proceeds for the investment in healthcare equipment manufacturing and/or trading business, the Board had resolved to extend the time frame for the utilisation of the said proceeds for another six (6) months period from 15 July 2022 to 14 January 2023 to provide additional time for the Group to utilise the balance of proceeds for the investment in healthcare equipment manufacturing and/or trading business.

Subsequently, the Board had further resolved to extend the time frame for the utilisation of the said proceeds for another twelve (12) months period from 15 January 2023 to 14 January 2024 ("Revised Time Frame").

D. UTILISATION OF PROCEEDS (CONTINUED)

(i) Private Placement of up to 282,144,000 new ordinary shares, representing 30% of the total number of issued shares of the Company ("30% Private Placement") (continued)

As at 31 March 2023, the Group had fully utilised the balance of proceeds. Details of the Revised Time Frame and the status of utilisation of proceeds raised from the 30% Private Placement as at 30 June 2023 are set out in the table below:-

Description	Proposed Utilisation RM'000	Reallocation RM'000	Actual Utilisation RM'000	Balance Unutilised proceeds RM'000	Deviation RM'000	Timeframe for utilisation from receipt of proceeds i.e. from 15 July 2020	Intended timeframe	Proposed Revised timeframe
Investment in healthcare equipment manufacturing and/or trading business	5,000	-	(5,000)	-	-	Within 24 months	14 January 2023	14 January 2024
Working Capital	12,550	-	(13,097)	-	-	Within 24 months	14 July 2022	-
Estimated expenses for the corporate exercise	750	-	(203)	-	-	Immediate	-	-
	18,300	**-**	**(18,300)**	**-**	**-**	**-**	**-**	**-**

*Note: *The balance unutilised proceeds of RM547,000 for the estimated expenses for the corporate exercise had been reclassified into Working Capital.*

(ii) Rights Issue with Warrants C

The Company has undertaken a Rights Issue with Warrants C, which was completed on 28 December 2020 following the listing and quotation of 1,432,718,739 Rights Shares and 1,146,174,828 Warrants C on the ACE Market of Bursa Securities. The Rights Issue with Warrants C has raised gross proceeds of RM114,617,000.00.

During the financial year, the Company has yet to fully utilise the proceeds raised from the Rights Issue with Warrants C within the stipulated timeframe, i.e. by 27 June 2022 and requires additional time to utilise the balance proceeds amounting to approximately RM593,000.00 for the construction of factory building for the gloves business. In view thereof, the Board had resolved to further extend the time frame for the utilisation of the said proceeds for another six (6) months period from 28 June 2022 to 27 December 2022 to provide additional time for the Group to utilise the balance of proceeds for the construction of factory building for the gloves business.

Other Compliance Information (Cont'd)

D. UTILISATION OF PROCEEDS (CONTINUED)

(ii) Rights Issue with Warrants C

The Company had subsequently resolved to vary the utilisation of proceeds raised from the Rights Issue with Warrants C as follows:-

Description	As at 31 March 2022				Proposed Variation of Utilisation	After Proposed Variation of Utilisation
	Proposed Utilisation	Reallocation of Utilisation	Actual Utilisation	Balance Unutilised proceeds		
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Construction of factory building for the Gloves Business	15,232	5,000	(19,639)	593	8,670	9,263
Capital expenditure for the Gloves Business	83,176	#(5,000)	(34,234)	43,942	(13,670)	30,272
Working capital for the Gloves Business	15,498	13	(8,284)	7,227	5,000	12,227
Estimated expenses for the Corporate Exercises	711	*(13)	(698)	-	-	-
Total	**114,617**	**-**	**(62,855)**	**51,762**	**-**	**51,762**

Due to the delay in the utilisation of proceeds for the construction of factory building for the gloves business, the Board had subsequently resolved to extend the time frame for the utilisation of the said proceeds for another twelve (12) months period from 28 December 2022 to 27 December 2023 ("Revised Time Frame").

The status of utilisation of proceeds raised from the Rights Issue with Warrants C as at 30 June 2023 is as follows:-

Description	Proposed Utilisation RM'000	Reallocation RM'000	Actual Utilisation RM'000	Balance Unutilised proceeds RM'000	Deviation RM'000	Timeframe for utilisation from receipt of proceeds i.e. from 28 December 2020	Intended timeframe	Proposed Revised timeframe
Construction of factory building for the Gloves Business	15,232	13,670	(22,558)	6,344	-	Within 6 months	27 December 2022	27 December 2023
Capital expenditure for the Gloves Business	83,176	#(18,670)	(51,662)	12,844	-	Within 24 months	27 December 2022	27 December 2023
Working capital for the Gloves Business	15,498	(687)	(9,293)	5,518	-	Within 24 months	27 December 2022	27 December 2023

D. UTILISATION OF PROCEEDS (CONTINUED)

(ii) Rights Issue with Warrants C (continued)

The status of utilisation of proceeds raised from the Rights Issue with Warrants C as at 30 June 2023 is as follows (continued):-

Description	Proposed Utilisation RM'000	Reallocation RM'000	Actual Utilisation RM'000	Balance Unutilised proceeds RM'000	Deviation RM'000	Timeframe for utilisation from receipt of proceeds i.e. from 28 December 2020	Intended timeframe	Proposed Revised timeframe
Estimated expenses for the corporate exercise	711	*(13)	(698)	-	-	Immediate	-	-
Working Capital for the Group	-	**5,700	(5,319)	381	-	Within 24 months	27 December 2022	27 December 2023
Total	**114,617**	**-**	**(89,530)**	**25,087**	**-**	**-**	**-**	**-**

Note:

The balance unutilised proceeds of RM18,670,000 has been reallocated from Capital expenditure for the Gloves Business to (i) Construction of factory building for the Gloves Business (i.e. RM13,670,000) and (ii) Working capital for the Gloves Business (i.e. RM5,000,000).

* *The balance unutilised proceeds of RM13,000 for the estimated expenses for the corporate exercise had been reclassified into Working Capital.*

** *RM5,700,000 (less than 5% of total proceeds) have been reallocated from working capital for the Glove business to working capital for the Group.*

E. EMPLOYEES' SHARE OPTIONS SCHEME ("ESOS")

The ESOS of the Company was approved by the shareholders at the Extraordinary General Meeting held on 26 October 2020 and is governed by the ESOS By-Laws.

The ESOS was implemented with effect from 25 March 2021 and shall be in force for a period of five (5) years and may be extended for such further period, at the sole and absolute discretion of the Board, provided always that the Initial Scheme Period above and such extension of the scheme made pursuant to the By-Laws shall not in aggregate exceed a duration of ten (10) years from the effective date of the ESOS or such other longer period as may be permitted by Bursa Malaysia Securities Berhad or any other relevant authorities.

As at 29 September 2023, a total of 2,541,678,000 options were offered to eligible employees under the ESOS since 25 March 2021. Notwithstanding this, only 1,622,000,000 options were exercised by the eligible employees and the remaining options had lapsed.

There is one (1) ESOS in existence and no option was granted by the Company during the financial year ended 30 June 2023 as follows:-

Total number of options / shares outstanding as at 1 July 2022	Total number of options exercised during the financial year ended 30 June 2023	Total number of options / shares granted during the financial year ended 30 June 2023	Total number of options / shares lapsed during the financial year ended 30 June 2023	Total options/ shares outstanding as at 30 June 2023
-	-	-	-	-

Other Compliance Information (Cont'd)

E. EMPLOYEES' SHARE OPTIONS SCHEME ("ESOS") (CONTINUED)

Options granted to Directors and Chief Executive

Total number of options / shares outstanding as at 1 July 2022	Aggregate options exercised or vested during the financial year ended 30 June 2023	Aggregate options / shares granted during the financial year ended 30 June 2023	Aggregate options/ shares outstanding as at 30 June 2023
-	-	-	-

Options granted to Directors and Senior Management

	During the financial year ended 30 June 2023	Since commencement of the ESOS on 25 March 2021
Aggregate maximum allocation in percentage	Nil	70%
Actual percentage granted	Nil	48.08%

Breakdown of the options offered to and exercised by non-executive Directors pursuant to ESOS in respect of the financial year are as follows:-

Name of Directors	Amount of Options Granted	Amount of Options Exercised
Dato' Seri Abdul Azim Bin Mohd Zabidi	Nil	Nil
Ong Tee Kein	Nil	Nil
Chu Chee Peng *(Resigned on 1 January 2023)*	Nil	Nil
Chew Shin Yong, Mark	Nil	Nil
Ong Siew Min *(Appointed on 31 March 2023)*	Nil	Nil

F. PROPERTIES

The list of properties of the Company as at 30 June 2023 is as follows:-

Location	Description	Land area	Existing use	Date of Acquisition	Tenure	Approximate age of buildings (years)	Net Book Value as at 30.06.2023 RM'000
Lot 2265, Geran Mukim 6711, Town of Kulim, District of Kulim, Kedah	Factory	1,630 square metres	Manufacturing of Effective microorganism	2014	Freehold	18	847
Lot 2264, Geran Mukim 6710, Town of Kulim, District of Kulim, Kedah	Factory	836 Square metres	Storage	2014	Freehold	18	564
Lot 304994, Mukim Hulu Kinta, Perak	Land	18746 Square metres	Glove business	2020	99 years up to 30 July 2096	2	5,231

AUDIT COMITTEE REPORT

The Board of FINTEC is pleased to present the report of the Audit Committee for the FYE 30 June 2023.

A. COMPOSITION AND MEETINGS

The composition of the Audit Committee and the attendance by each member at the Committee meetings held during the FYE 30 June 2023 are as follows:-

Members	Attendance of meetings	Percentage attendance
Ong Tee Kein *(Chairman)* *Senior Independent Non-Executive Director*	5/5	100%
Chu Chee Peng *Senior Independent Non-Executive Director* *(Resigned on 1 January 2023)*	3/3	100%
Chew Shin Yong, Mark *Independent Non-Executive Director*	5/5	100%
Ong Siew Min *Independent Non-Executive Director* *(Appointed on 31 March 2023)*	1/1	100%

The composition of the Audit Committee complied with the Rule 15.09(1)(a), (b) and (c) which composed of 3 members and all the committee members are independent non-executive directors. The Chairman of the Audit Committee, Mr Ong Tee Kein, a Senior Independent Non-Executive Director of the Company, is a member of Malaysian Institute of Accountant. Further, no alternate director is appointed as a member of the Audit Committee.

B. TERMS OF REFERENCE OF AUDIT COMMITTEE

The full details of terms of reference of the Audit Committee are published on the Company's website at https://www.fintec.global/.

The Board assesses the performance of the Audit Committee through an annual Board Committee evaluation and is satisfied that they are able to discharge their function, duties and responsibilities in accordance with the terms of reference of the Audit Committee revised and adopted on 27 May 2022, which is published on the Company's website.

The terms of reference of the Audit Committee shall be revised from time to time to ensure compliance with the corporate governance, the guidelines and requirements and amongst other, the rights of the Audit Committee shall include:-

a. the authority to investigate any matter within its terms of reference and have the right of direct access to anyone in the Company to conduct a special investigation to be carried out for fraud, violation of code of conduct or an illegal act;
b. the resources which are required to perform its duties;
c. full and unrestricted access to any information pertaining to the Group;
d. direct communication channels with the external auditors and the internal auditors;
e. the right to obtain independent professional or other advice and to invite outside experts or advisors such as valuers, or tax consultants with relevant experience and expertise to attend the Audit Committee meetings (if required) and to brief the Audit Committee at the Company's expense; and
f. the right to convene meetings with the internal auditors and the external auditors, excluding the attendance of the executive board members, Management or employees of the Group, whenever deemed necessary.

Further, the Audit Committee held five (5) meetings during the financial year and the Managing Director and senior management were invited to all the meetings to facilitate direct communication and to provide clarifications on the audit issues, operation matters as well as the risk management and internal controls of the Group. In addition, the Internal Auditors and External Auditors were also invited to attend the Audit Committee meetings held to present their reports, audit findings and recommendations to the Audit Committee to facilitate them in discharging their duties and responsibilities and reporting to the Board on matters which warrants the attention and decisions of the Board.

Audit Comittee Report (Cont'd)

B. TERMS OF REFERENCE OF AUDIT COMMITTEE (CONTINUED)

The Audit Committee met with the External Auditors once without the presence of the Managing Director and senior management to deliberate and raise specific audit matters which required the attention and opinion of the Audit Committee and Management's cooperation with the External Auditors, sharing of information and proficiency and adequacy of the resources in the financial reporting functions.

Discussion and audit issues tabled at Audit Committee meetings, including the decisions made and rationale adopted in arriving at such decisions were recorded. Thereafter, the Minutes of the Audit Committee meetings were tabled for confirmation at the following Audit Committee meeting. Recommendations and decisions made by the Audit Committee were also presented to the Board for approval, whenever necessary, which included but not limited to the quarterly financial results, audited financial statements, audit reports and major audit findings. During the presentation by the Audit Committee Chairman at the Board of Directors' Meetings, the Audit Committee Chairman also conveyed to the Board the significant concerns or major audit issues raised by the Internal Auditors, External Auditors and the Audit Committee itself.

Apart from that, the Audit Committee had adopted the External Auditor Evaluation Form during the financial year and recommended the same to the Board for approval.

C. SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

During the FYE 30 June 2023, the Audit Committee has carried out its duties as set out in terms of reference, which are summarised as follows:-

Ensuring Financial Statements Comply with Applicable Financial Reporting Standards:

a. Reviewed the quarterly financial results, audited financial statements and annual report of the Group and the Company and ensure, amongst others, that they comply with applicable financial reporting standards prior to submission to the Board of Directors for consideration and approval.
b. Reviewed any changes in the implementation of major accounting policies and practices to the Group.

Reviewing the Audit Findings of the External Auditors and Assessing their Performance, Suitability and Independence of External Auditors:

a. Reviewed the external auditors' audit plans, its scope of work and nature for the year and for the Group.
b. Reviewed the external auditors' findings arising from audits and in particular, responses, appropriate action taken by Management.
c. Reviewed the fees (both audit and non-audit) and expenses paid to the external auditors and assessed the independence of the external auditors for the re-appointment as external auditors. The Audit Committee is of the opinion that the independence of the external auditors has not been compromised based on the confirmation provided by the external auditors.
d. Conducted private meeting(s) with the External Auditors without the presence of Managing Director or employees of the Group.

Overseeing the Governance Practices in the Group:

a. Reviewed the minutes of meetings of the Audit Committee.
b. Reviewed the acquisition of major investment, investments in quoted and unquoted securities or fixed assets prior recommending the same to the Board of Directors for approval.
c. Reviewed the Terms of Reference of the Audit Committee.
d. Reviewed the financial status of the Company and its investee companies.
e. Reviewed the potential related party transaction of the Group.
f. Reviewed the Risk Management Framework and Policy.
g. Reviewed the Portfolio Investment of the Group.

C. SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE (CONTINUED)

Reviewing the Audit Findings of the Internal Auditors and Assisting the Board in Reviewing the Effectiveness and Adequacy of Systems of Internal Control in the Key Operation Processes:

a. Reviewed the internal audit reports prepared by the Internal Auditors and the action plans taken by Management to resolve the issues to ensure adequacy of the internal control system.
b. Reviewed the internal audit function of the Group.
c. Reviewed the effectiveness and efficiency of the internal controls system in place and the risk factors affecting the Company.
d. Reviewed the Statement of Sustainability.
e. Reviewed the Risk Management Update Report.

D. INTERNAL AUDIT FUNCTION

The Group's internal audit function which reports directly to the Audit Committee, is outsourced to a professional services firm, namely Wensen Consulting Asia (M) Sdn. Bhd. The Internal Auditors provide the Audit Committee with an independent assessment on the adequacy and effectiveness of the Group's risk management and system of internal control. The professional fees incurred for the internal audit function in respect of the FYE 30 June 2023 amounted to RM12,000.

The role of the internal audit function is independent and not related to the Group's External Auditors. The internal audit function includes evaluation on the processes by which significant risks are identified, assessed and managed and ensures that instituted controls are appropriate and effectively applied and the risk exposures are consistent with the Company's risk management policy.

The internal audit division conducts scheduled internal audits based on the audit plan presented to and approved by the Audit Committee. The audit focuses on areas with high risk and ascertains that the risks are effectively mitigated by controls. Periodic reports are then tabled to the Audit Committee on improvements, recommendations and follow-ups to close the gap.

During the FYE 30 June 2023, the internal auditors carried out duties in areas covering internal audit on the adequacy and integrity of the system of internal controls of Asiabio Capital Sdn. Bhd. and Fintec Global Limited with respect to the portfolio management, as well as the operations of Gro Asia with respect to the inventory management.

The Internal Audit Reports were tabled to the Audit Committee at the Audit Committee Meeting to review and discuss the major concerns and risks including the appropriate actions for improvement to be undertaken by Management.

The outsourced internal audit function is headed by the Group Managing Director, who is assisted by an audit team comprising the Engagement Director. The Group Managing Director is a Practicing Member of the Institute of Singapore Chartered Accountants (ISCA), a member of the Malaysian Institute of Accountants (MIA) and a Fellow Member of the Chartered Association of Certified Accountants (FCCA) as well as a chartered member of Institute of Internal Auditors Malaysia (CMIIA), with more than 20 years of experience in auditing while other team members are accounting graduates with a minimum qualification of a degree obtained from overseas and/or local universities. The number of staffs deployed for the internal audit reviews was 2 to 3 staffs per visit including the engagement leader, and the team are free from any relationships or conflict of interests with the Company, to ensure the Internal Auditors' objectivity and independence are not impaired.

The details of the Internal Audit Function are set out in the Statement on Risk Management and Internal Control of this Annual Report.

Audit Comittee Report (Cont'd)

DIRECTORS' RESPONSIBILITY STATEMENT ON FINANCIAL STATEMENTS

In accordance to the Companies Act 2016, the Directors are obliged to prepare the financial statements for each financial year in accordance with the applicable Malaysian Financial Reporting Standards ("MFRSs"), the International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act 2016 in Malaysia.

The primary aim of the Directors is to present a balanced and understandable assessment of the Group's position and prospects through its annual financial statements and quarterly financial results to its shareholders. In presenting the financial statements, the Group has used appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates. The quarterly financial results were reviewed by the Audit Committee and approved by the Board of Directors before being announced to the public through Bursa Malaysia Securities Berhad.

The Directors of the Company are required to ensure that the financial statements for each financial year are properly drawn up in accordance with the provisions of the Companies Act, 2016 and applicable approved accounting standards in Malaysia as well as the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad so as to give a true and fair view of the state of affairs of the Group and the Company as at the end of the financial year and of the results and cash flows of the Group and the company for that period.

The Directors are satisfied that in preparing the financial statements of the Group for the FYE 30 June 2023, the Group had used appropriate accounting policies and applied them consistently, prudently and reasonably. The Directors also ensure that all applicable approved accounting standards are adhered to in the preparation of the financial statements.

In addition, the Directors are responsible for taking reasonable steps to safeguard the assets of the Company and the Group, to detect and prevent fraud and other irregularities.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

In line with Rule 15.26(b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("ACE LR") the Board of FINTEC is pleased to provide the following Statement on Risk Management and Internal Control ("Statement").

The Statement, which outlines the nature and scope of risk management and internal control of the FINTEC and its subsidiaries (collectively as a Group) during the FYE 2023, is guided by the "Statement on Risk Management and Internal Control - Guidelines for Directors of Listed Issuers" (Para. 32) and with the "Malaysian Code on Corporate Governance 2021" (Practice 10.1 and 10.2).

BOARD RESPONSIBILITY

The Board acknowledges the importance of a sound risk management and internal controls being embedded into the culture, processes and structures of the Group. The system of internal controls covers financial, operational and compliance controls. The Board affirms its overall responsibility for the Group's systems of risk management and internal control and for reviewing the effectiveness and efficiency of these systems to ensure its viability and robustness. It should be noted, however, that such systems are designed to manage, rather than eliminate risks of failure to achieve corporate objectives. Inherently, it can only provide reasonable and not absolute assurance against material misstatements, losses or breaches of laws and regulations.

RISK MANAGEMENT

The risk management process includes the process of identifying, evaluating, assessing, treating, monitoring, reporting and reviewing the risks which include financial, operational and compliance areas. This process is regularly reviewed by the Board in compliance with the relevant guidelines, to ensure a proper balance between risks encountered by the Group and potential returns to shareholders.

KEY PROCESSES OF INTERNAL CONTROL

The Group's internal control system comprises the following key processes:

i. Separation of Functions

The Group maintains a formal organisational structure that includes clear delegation of responsibilities and accountability. The Group's business objectives are communicated to the respective personnel in relation to their respective roles so that they understand and held accountable for the achievement of these objectives. The authority limits, roles and responsibilities and line of reporting are also documented in writing as a formal medium of communication.

Annual review of organisational structure was carried out to ensure proper discharge of duties to enable good business and regulatory governance. Segregation of duties is practised whereby conflicting tasks are assigned to different employees to reduce the scope for error and fraud.

ii. Planning, Monitoring and Reporting

An annual planning and budgetary exercise is undertaken requiring all divisions to prepare plans and budgets for the forthcoming year. These are deliberated to the Managing Director/Board before implemented.

The Board is updated on the Group's performance at the scheduled meetings where the Group's business progress and actual versus budget performance are reviewed by the Board on a half-yearly basis. However, financial performance variances are presented to the Board on a quarterly basis for their review, consideration and approval.

This is a flow of information to the Board on all aspects of the Group's operations to facilitate the monitoring of performance against the Group's corporate strategy and business plans. The Board also plays an active role in discussing and reviewing the business plans, strategies, performance and risks encountered by the Group.

Statement on Risk Management and Internal Control (Cont'd)

KEY PROCESSES OF INTERNAL CONTROL (CONTINUED)

iii. Risk Management

There is active involvement by the Managing Director in the day-to-day business operations of the Group. Scheduled operational and management meetings are held to discuss and review the business plans, budgets, financial and operational performances of the Group.

The Board is committed to identify business and other risks that are inherent in the environment in which the Group operates and to ensure the implementation of appropriate control mechanism to mitigate these risks. In assisting it to discharge its duties and responsibilities, the Board through the Audit Committee ("AC"), senior management and the internal audit ("IA") function, will carry out bi-annually of the adequacy and the integrity of the Group's internal control system and management information system, including system for compliance with applicable laws, regulations, rules, directives and guidelines.

iv. Audits

The Group out-sourced the IA function to an independent professional consultancy firm during the financial year under review to review the risk management and internal control systems of the Group and report directly to the AC. The main objective of this audit is to provide a reasonable assurance that the risk management and internal control systems of the Group are operated adequately, satisfactorily and effectively.

Upon completion of the audit, the internal auditors presented their report and discussed their findings and recommendations for improvement to the AC. All key risks were assessed by using qualitative measures based on the significance of its impact to the Group and the likelihood of its occurrence. An assessment of impact and its likelihood of occurrence are evaluated, indicating the level of attention and mitigation actions required. Areas with higher risk levels are given priority and incorporated into the IA plan. Reviews and recommendations are then carried out based on resources allocated, focusing on areas that required immediate mitigation, remedy and rectification. All agreed management action plans are presented to the Board for approval via the AC.

The AC of the Group reviews the internal control issues identified by the Internal Auditors, the External Auditors and Management, and evaluates the effectiveness and adequacy of the Group's risk management and internal control systems. It also reviews the IA function with particular emphasis on the scope of frequency of audits and the adequacy of resources. The minutes of the AC meetings are presented to the Board of the Company on quarterly basis.

v. Policies and Procedures

Documented policies and procedures for key business processes are formalised and regularly reviewed as well as updated to ensure its effectiveness and able to continually and adequately support the Group's business activities at all times as the Group continues to grow.

vi. Code of Conduct and Ethics

The Group has a set of Code of Conduct and Ethics which outlines the conduct of business and the standards of behaviour/ethical conduct. The Board is guided by the Code of Conduct and Ethics in discharging its oversight role effectively. It requires the Board to observe high ethical business standards, honesty and integrity and to apply these values to all aspects of the Group's business and professional practice.

The Group adopted zero tolerance policy against all forms of bribery and corruption, whereby an Anti-Bribery and Anti-Corruption Policy ("Policy") was established, which was reviewed by the internal auditors and approved by the AC and the Board. It provides an avenue to the employees, directors or external parties to report of any improper conduct as defines in the Policy against any employees or director, in a safe and confidential manner. The Policy set out the stance on area relevant to bribery and corruption, expected conduct by the employees in adhering to the highest levels of integrity and ethics, and guidelines pertaining to governance and risk assessment. AC has the overall responsibility in overseeing the implementation and monitoring of the Policy and ensuring effective administration of the Policy.

CONCLUSION

The Board is of the opinion that the Group's system of internal control and risk management is operating adequately and effectively in all material aspects for the financial year under review up to the date of approval of this statement. The Board has appraised and confirms the effectiveness, adequacy and integrity of the system of internal control in operation during the financial year under review. The Board remains committed towards building a sound system of internal controls within an effective risk management framework. The Board acknowledges that internal controls must continuously improve to support the Group in achieving its key objectives.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Rule 15.23 of ACE LR, the external auditors have reviewed this Statement. Their review was performed in accordance with Recommended Practice Guide 5 (Revised) issued by the Malaysian Institute of Accountants and has reported to the Board that nothing has come to their attention that causes them to believe that this statement is inconsistent with their understanding of the process adopted by the Board in the review of the adequacy and effectiveness of the risk management and internal controls within the Group.

This Statement has been approved by the Board at the meeting held on 23 October 2023.

FINANCIAL STATEMENT

DIRECTORS' REPORT

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2023.

Principal activities

The principal activities of the Company are technology incubation and investment holding, manufacturing and sale of rubber gloves. The principal activities of the subsidiary companies are disclosed in Note 12 to the financial statement.

There have been no significant changes in the nature of these activities during the financial year other than those disclosed in the financial statements.

Results

	Group RM	Company RM
Loss for the financial year	(32,503,568)	(2,996,319)
Loss for the financial year attributable to:		
Owners of the parent	(31,821,035)	(2,996,319)
Non-controlling interest	(682,533)	-
	(32,503,568)	(2,996,319)

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year.

Dividends

No dividend has been paid or declared by the Company since the end of previous financial year. The Directors do not recommend any dividend for the current financial year ended 30 June 2023.

Directors

The Directors of the Company who held office during the financial year and during the period from the end of the financial year to the date of this report are:

Dato' Seri Abdul Azim Bin Mohd Zabidi
Tan Sik Eek*
Ong Tee Kein*
Chu Chee Peng (Resigned on 1 January 2023)
Chew Shin Yong, Mark*
Ong Siew Min (Appointed on 31 March 2023)

* Director of the company and certain subsidiary company

The information required to be disclosed pursuant to Section 253 of the Companies Act 2016 in Malaysia is deemed incorporated herein by such reference to the financial statement of respective subsidiary company and made a part hereof.

Directors' Report (Cont'd)

Directors' interests in shares

The shareholdings in the Company and related corporations of those who were Directors at the end of the financial period, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, are as follows:

	Number of Ordinary Shares			
	As at 01.07.2022	Bought	Sold	As at 30.06.2023
In the Company				
Direct Interest:				
Tan Sik Eek	666,666	-	-	666,666

	Number of Warrants C			
	As at 01.07.2022	Bought	Sold	As at 30.06.2023
In the Company				
Direct Interest:				
Tan Sik Eek	266,666	-	-	266,666

By virtue of Tan Sik Eek's interest in the shares of the Company. Tan Sik Eek is also deemed to be interested in the shares of all the related corporations to the extent the Company has an interest.

The other Directors in office at the end of the financial year, did not hold any interest in the Ordinary Shares of the Company and related corporations during the financial year, according to the register required to be kept under Section 59 of the Companies Act 2016 in Malaysia.

Directors' benefits

Since the end of the previous financial year, no director of the Company has received nor become entitled to receive any benefit (other than a included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements during or at the end of the financial year, which had the object of enabling the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' remuneration and fee

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Executive Directors:-				
- salaries and other emoluments	1,189,818	1,015,325	363,810	408,830
- defined contribution plan	82,548	93,255	43,092	48,735
Total executive directors' remuneration	1,272,366	1,108,580	406,902	457,565
Non-executive Directors:-				
- other emoluments	23,580	24,033	23,580	24,033
- fees	272,962	360,963	198,024	231,318
Total non-executive directors' remuneration	296,542	384,996	221,604	255,351
	1,568,908	1,493,576	628,506	712,916

Indemnity for directors, officers and auditor

There was no indemnity given to effected for any director, officer or auditor of the Group and of the Company.

Issue of shares and debentures

During the financial year ended 30 June 2023, the Company had:

- increased its issued share capital by issuance of 1,018,000 new ordinary shares pursuant to the conversion from Irredeemable Convertible Preference Shares.

The newly issued shares ranked pari passu in all respects with the previously issued shares.

There was no issue of debentures by the Company during the financial year.

Share issuance scheme ("SIS")

The SIS is governed by the By-Laws approved by the shareholders at an Extraordinary General Meeting held on 5 June 2015. The SIS was implemented on 29 July 2015 and is in force for a period of five (5) years. The Company extended its existing SIS for a further five (5) years, to 28 July 2025.

The salient features of the SIS are as follows:

(a) The total number of shares to be issued under the SIS shall not exceed, in aggregate, thirty percent (30%) of the issued share capital (excluding treasury shares, if any) of the Company at any point of time during the tenure of the SIS for the eligible persons of the Company and its subsidiary companies who fulfil the eligibility criteria for participation in the SIS. In addition, not more than ten percent (10%) of the shares available under the SIS shall be allocated to any eligible person who, either individually or collectively through either individually or collectively through persons connected with the eligible person, holds twenty percent (20%) or more in the issued share capital of the Company (excluding treasury shares, if any);

(b) Each share option entitles the eligible person to subscribe for one (1) new ordinary share in the Company at the price to be determined by the Board upon recommendation of the Option Committee, shall be based on the higher of the five (5)-day volume weighted average market price of the share, as quoted on Ace Market of Bursa Malaysia, immediately preceding the date of offer with a discount of not more than ten percent (10%), if deemed appropriate, or such lower or higher limit in accordance with any prevailing guidelines issued by Bursa Malaysia or any other relevant authorities, as amended from time to time;

(c) Any share options which have not been exercised shall automatically lapse and be of no further legal effect if acceptance is not received on or before the exercise period; and

(d) All new ordinary shares issued pursuant to the SIS will rank pari passu in all respects with the then existing issued ordinary shares of the Company, except that the new ordinary shares so issued will not be entitled to any dividends, rights, allotments and/or other distributions declared, made or paid to shareholders prior to the date of allotment of such new ordinary shares, and will be subjected to all the provisions of the Articles of the Company relating to transfer, transmission or otherwise.

During the financial year, the Company did not issue any new ordinary shares pursuant to the SIS.

Directors' Report (Cont'd)

Employees' share option scheme ("ESOS")

The ESOS is governed by the By-Laws approved by the shareholders at an Extraordinary General Meeting held on 26 October 2020. The ESOS was implemented on 25 March 2021 and is in force for a period of five (5) years.

The salient features of the ESOS are as follows:

(a) The total number of shares to be issued under the ESOS shall not exceed, in aggregate, thirty percent (30%) of the issued share capital (excluding treasury shares, if any) of the Company at any point of time during the tenure of the ESOS for the eligible persons of the Company and its subsidiary companies who fulfil the eligibility criteria for participation in the ESOS. In addition, not more than ten percent (10%) of the shares available under the SIS shall be allocated to any eligible person who, either individually or collectively through persons connected with the eligible person, holds twenty percent (20%) or more in the issued share capital of the Company (excluding treasury shares, if any);

(b) Each share option entitles the eligible person to subscribe for one (1) new ordinary share in the Company at the price to be determined by the Board upon recommendation of the Option Committee, shall be based on the higher of the five (5)-day volume weighted average market price of the share, as quoted on Ace Market of Bursa Malaysia, immediately preceding the date of offer with a discount of not more than ten percent (10%), if deemed appropriate, or such lower or higher limit in accordance with any prevailing guidelines issued by Bursa Malaysia or any other relevant authorities, as amended from time to time;

(c) Any share options which have not been exercised shall automatically lapse and be of no further legal effect if acceptance is not received on or before the exercise period; and

(d) All new ordinary shares issued pursuant to the ESOS will rank pari passu in all respects with the then existing issued ordinary shares of the Company, except that the new ordinary shares so issued will not be entitled to any dividends, rights, allotments and/or other distributions declared, made or paid to shareholders prior to the date of allotment of such new ordinary shares, and will be subjected to all the provisions of the Articles of the Company relating to transfer, transmission or otherwise.

During the financial year, the Company did not issue any new ordinary shares pursuant to the ESOS.

Warrants

<u>WARRANT 2014/2024 ("WARRANTS A")</u>

On 28 April 2014, the Company listed and quoted 420,200,000 free detachable Warrants A pursuant to the Rights Issue with Warrants Exercise on the basis of one (1) Warrant A for every one (1) Rights Share subscribed.

The Warrants A are constituted by the Deed Poll dated 17 March 2014 ("Deed Poll A").

The salient features of the Warrants A are as follows:

(a) Each Warrant A entitles the registered holder thereof ("Warrant holder(s)") to subscribe for one (1) new ordinary share in the Company at an exercise price of RM0.10 during the 10-year period expiring on 19 April 2024 ("Exercise Period"), subject to the adjustments as set out in the Deed Poll A;

(b) At the expiry of the Exercise Period, any Warrants A which have not been exercised shall automatically lapse and cease to be valid for any purposes; and

(c) Warrant holders must exercise the Warrants A in accordance with the procedures set out in the Deed Poll A and shares allotted and issued upon such exercise shall rank pari passu in all respects with the then existing shares of the Company, and shall be entitled to any dividends, rights, allotments and/or other distributions after the issue and allotment thereof.

On 5 June 2017, the Company has completed the Proposed Share Consolidation involves the consolidation of every 3 ordinary shares in the Company into 1 ordinary share. Upon completion of the Share Consolidation, the total 393,888,400 outstanding Warrants A in the Company were consolidated into 170,092,838 Warrants A. Subsequently, the total number of outstanding warrants and exercise price were adjusted with effect from 26 November 2020 pursuant to the Rights Issue with Warrants C, which was completed on 28 December 2020.

Warrants (continued)

WARRANT 2017/2022 ("WARRANTS B") - expired on 18 December 2022

On 11 December 2017, the Company listed and quoted of 116,443,428 free detachable Warrants B pursuant to the Rights Issue of Irredeemable Convertible Preference Shares ("ICPS") with Warrants Exercise on the basis of ten (10) ICPS together with one free Warrants B for every 5 existing ordinary shares held by the shareholders of the Company. The total number of warrants issued was 89,928,341 and the total number of outstanding warrants and exercise price were adjusted with effect from 26 November 2020 pursuant to the Rights Issue with Warrants C, which was completed on 28 December 2020.

The warrants B are constituted by the Deed Poll dated 17 October 2017 ("Deed Poll B").

The Salient features of the Warrants B are as follows:

(a) Each Warrant B entitles the registered holder to subscribe for one (1) new ordinary share in the Company at an exercise price of RM0.15 during the five (5)-year period expiring on 4 December 2022 ("Exercise Period"), subject to the adjustments in accordance with the provisions of the Deed Poll B;

(b) At the expiry of the Exercise Period, any Warrants B which have not been exercised will thereafter lapse and cease to be valid;

(c) The exercise price and/or the number of unexercised Warrants B shall be adjusted in the event of any alteration in the share capital of the Company at any time during the tenure of the Warrants B by reason of any issue of shares, consolidation, subdivision or capital reduction in accordance with the provisions of the Deed Poll B; and

(d) Warrant holders must exercise the Warrants B in accordance with the procedures set out in the Deed Poll B and shares allotted and issued upon such exercise shall rank pari passu in all respects with the then existing shares of the Company, and shall be entitled to any dividends, rights, allotments and/or other distributions after the issue and allotment thereof.

WARRANT 2020/2023 ("WARRANTS C")

On 28 December 2020, the Company has listed and quoted 1,146,174,828 free detachable Warrants C pursuant to the Rights Issue with Warrants C on the basis of five (5) Rights Shares together with four (4) free Warrant C for every five (5) existing ordinary shares of the Company.

The warrants C are constituted by the Deed Poll dated 10 November 2020 ("Deed Poll C").

The Salient features of the Warrants C are as follows:

(a) Each Warrant C entitles the registered holder to subscribe for one (1) new ordinary share in the Company at an exercise price of RM0.08 during the three (3)-year period expiring on 20 December 2023 ("Exercise Period"), subject to the adjustments in accordance with the provisions of the Deed Poll C;

(b) At the expiry of the Exercise Period, any Warrants C which have not been exercised will thereafter lapse and cease to be valid;

(c) The exercise price and/or the number of unexercised Warrants C shall be adjusted in the event of any alteration in the share capital of the Company at any time during the tenure of the Warrants C by reason of any issue of shares, consolidation, subdivision or capital reduction in accordance with the provisions of the Deed Poll C; and

(d) Warrant holders must exercise the Warrants C in accordance with the procedures set out in the Deed Poll C and shares allotted and issued upon such exercise shall rank pari passu in all respects with the then existing shares of the Company, and shall be entitled to any dividends, rights, allotments and/or other distributions after the issue and allotment thereof.

The movements in the Warrants A, Warrants B and Warrants C are as follows:

	Entitlement For Ordinary Shares			
	As at 01.07.2022	**Expired**	**Exercised**	**As at 30.06.2023**
Warrants A	170,092,838	-	-	170,092,838
Warrants B	116,443,428	116,443,428	-	-
Warrants C	1,146,126,828	-	-	1,146,126,828
	1,432,663,094	116,443,428	-	1,316,219,666

Directors' Report (Cont'd)

Options granted over unissued shares

No options were granted by the Company to any parties during the financial year to take up unissued shares of the Company.

Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

(i) proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

(ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

(i) which would necessitate the writing off of bad debts or render the amount of the provision for doubtful debts inadequate to any substantial extent; or

(ii) which would render the value attributed to current assets in the financial statements of the Group and of the Company misleading; or

(iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(iv) not otherwise dealt with in this report or the financial statements, which would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

(i) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person; or

(ii) any contingent liability in respect of the Group and of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the results of the operations of the Group and of the Company for the financial year ended 30 June 2023 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of the financial period and the date of this report.

Auditors' remuneration

The auditors' remuneration of the Group and of the Company for the financial year ended 30 June 2023 amounted to RM194,465 and RM76,000 respectively.

Auditors

The auditors, CHENGCO PLT, have indicated their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors,

TAN SIK EEK
Director

ONG TEE KEIN
Director

Kuala Lumpur
Date : 30 October 2023

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016 IN MALAYSIA

In the opinion of the Directors, the accompanying financial statements as set out on pages 75 to 123 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia, so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2023 and of their financial performance and their cash flows for the financial year ended on that date.

Signed on behalf of the Board
in accordance with a resolution of the Directors,

TAN SIK EEK	**ONG TEE KEIN**
Director	Director

Kuala Lumpur
Date : 30 October 2023

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016 IN MALAYSIA

I, TAN SIK EEK, being the director primarily responsible for the financial management of FINTEC GLOBAL BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements as set out on pages 75 to 123 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960 in Malaysia.

Subscribed and solemnly declared by the above-named at)
Puchong, Selangor)
)

TAN SIK EEK
Director

Before me,

Samuel John A/L Ponniah
No : B437

COMMISSIONER FOR OATHS
Date : 30 October 2023

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF FINTEC GLOBAL BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of FINTEC GLOBAL BERHAD, which comprise the statements of financial position as of 30 June 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year ended 30 June 2023, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 75 to 123.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2023 and of their financial performance and their cash flows for the financial year ended 30 June 2023 in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By- Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

(i) Impairment/written off of non-trade receivables, deposits and prepayments

As at 30 June 2023, the Group's gross non-trade receivables, deposits and prepayments amounted to RM25,472,243.

The management has performed an impairment assessment and review on the non-trade receivables, deposits and prepayments made by the Group.

Our procedures included:

(a) Discussed with management to understand their critical judgement used by them for the impairment assessment including the identification of indicator of impairment of prepayment and determination of recoverable amounts of non-trade receivables, deposits and prepayment;

(b) Examination of post year end cash receipts – as evidence of recoverability of recorded receivables;

(c) Examination of aged receivable listing to identify potential irrecoverable balances supplemented by enquiry into the reasons for provision/non-provision and corroboration of explanations received; and

(d) Verified prepayment paid with the relevant supporting documents.

Report on the Audit of the Financial Statements (continued)

Key audit matters (continued)

(ii) Impairment of amount due from subsidiaries

As at 30 June 2023, the gross carrying amount of the amount due from subsidiaries amounted to RM1,098,762. The Company carries significant amount due from subsidiaries which are subject to a high credit risk exposure.

Due to the significance of the amount due from subsidiaries in determining the probability of default we consider this to be an area of audit focus.

Our procedures included:

(a) Assessed and tested reasonableness of the Company's expected credit losses model, and key assumptions made by management; and

(b) Assessed whether financial statements disclosures are adequate and appropriately reflect the Company's exposure to credit risk, arising from subsidiary companies.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this Directors' Report we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditors' Report (Cont'd)

To the members of Fintec Global Berhad

Report on the Audit of the Financial Statements (continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

CHENGCO PLT
201806002622
(LLP0017004-LCA) & AF0886
Chartered Accountants

YAP PENG BOON
02118/12/2024 J
Chartered Accountant

Kuala Lumpur,
Date : 30 October 2023

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

		Group		Company	
	Note	2023 RM	2022 RM	2023 RM	2022 RM
Revenue	3a	22,278,247	19,258,564	-	-
Cost of sales		(22,489,788)	(21,207,767)	-	-
Gross loss		(211,541)	(1,949,203)	-	-
Other operating Income	3b	5,179,906	2,444,317	1,323,925	1,303,281
Administrative expenses		(9,974,832)	(11,900,364)	(4,311,150)	(8,246,353)
Other operating expenses		(27,464,542)	(75,527,237)	-	(65,285,394)
Loss from Operations		(32,471,009)	(86,932,487)	(2,987,225)	(72,228,466)
Finance cost	5	(32,559)	(221,664)	(9,094)	(15,477)
Loss before tax	6	(32,503,568)	(87,154,151)	(2,996,319)	(72,243,943)
Tax expenses	7	-	(6,420)	-	-
Net Loss for the financial year		(32,503,568)	(87,160,571)	(2,996,319)	(72,243,943)
Currency translation differences		246,250	174,673	-	-
Total comprehensive loss for the financial year		(32,257,318)	(86,985,898)	(2,996,319)	(72,243,943)
Net Loss attributable to:					
Owners of the Parent		(31,821,035)	(86,954,966)	(2,996,319)	(72,243,943)
Non-controlling interest		(682,533)	(205,605)	-	-
		(32,503,568)	(87,160,571)	(2,996,319)	(72,243,943)
Total comprehensive loss for the financial year attributable to:					
Owners of the Parent		(31,574,785)	(86,780,293)	(2,996,319)	(72,243,943)
Non-controlling Interest		(682,533)	(205,605)	-	-
		(32,257,318)	(86,985,898)	(2,996,319)	(72,243,943)
Loss attributable to owners of the Company per Ordinary Share (sen)					
- Basic (sen)	8	(0.54)	(1.61)		
- Diluted (sen)	8	(0.43)	(1.23)		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	Group 2023 RM	Group 2022 RM	Company 2023 RM	Company 2022 RM
ASSETS					
Non-current assets					
Property, plant and equipment	9	73,669,642	86,741,089	1,468,763	1,509,990
Right-of-use assets	10	114,104	582,008	114,104	251,048
Intangible assets	11	-	-	-	-
Investment in subsidiaries	12	-	-	101,556,700	10,000,000
Investment in unquoted shares	13	977,486	3,848,909	-	-
Marketable securities	14	69,518,028	88,546,645	-	-
Asset held for sale	15	25,200,000	14,070,000	-	-
		169,479,260	193,788,651	103,139,567	11,761,038
Current assets					
Inventories	16	3,319,274	3,494,626	-	-
Trade receivables	17	274,393	23,902,405	-	-
Non-trade receivables, deposits and prepayments	18	25,472,243	4,165,948	217,855	182,352
Amount due from subsidiaries	19	-	-	1,098,762	58,918,742
Marketable securities	14	18,888,142	5,938,979	-	-
Current tax assets		356,211	309,161	-	-
Short term investment	20	13,215,958	49,612,079	13,215,958	49,612,079
Cash and bank balances		14,406,358	3,505,574	1,101,657	1,587,709
		75,932,579	90,928,772	15,634,232	110,300,882
TOTAL ASSETS		245,411,839	284,717,423	118,773,799	122,061,920
EQUITY AND LIABILITIES					
Share capital	21	368,725,640	368,618,968	368,725,640	368,618,968
Irredeemable convertible preference shares	22	17,832,672	7,369,079	17,832,672	7,369,079
Reserves	23	(172,330,777)	(130,185,727)	(269,280,264)	(255,713,680)
Equity attributable to owners of the parent		214,227,535	245,802,320	117,278,048	120,274,367
Non-controlling interest		(2,630,538)	(1,948,005)	-	-
Total equity		211,596,997	243,854,315	117,278,048	120,274,367
NON-CURRENT LIABILITIES					
Lease liabilities	24	-	325,884	-	127,465
CURRENT LIABILITIES					
Trade payables	25	5,303,097	23,980,166	-	-
Non-trade payables, deposit received and accruals	26	28,384,319	16,217,259	92,403	178,318
Lease liabilities	24	127,426	339,799	127,426	146,926
Amount due to subsidiaries	19	-	-	1,275,922	1,334,844
		33,814,842	40,537,224	1,495,751	1,660,088
Total liabilities		33,814,842	40,863,108	1,495,751	1,787,553
TOTAL EQUITY AND LIABILITIES		245,411,839	284,717,423	118,773,799	122,061,920

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

	Attributable to owners of the company							
	Non-distributable				Distributable			
Group	**Share capital RM**	**Translation reserve RM**	**Irredeemable convertible preference shares RM**	**Warrants reserve RM**	**Accumulated losses RM**	**Sub-total RM**	**Non-controlling interest RM**	**Total equity RM**
2023								
At 1 July 2022	368,618,968	(32,211)	7,369,079	45,810,526	(175,964,042)	245,802,320	(1,948,005)	243,854,315
Transactions with owners:								
Issuance of ordinary shares pursuant to conversion of ICPS	111,980	-	(111,980)	-	-	-	-	-
Adjustment on expiration of Warrant B	(5,308)	-	10,575,573	(10,570,265)	-	-	-	-
Total transaction with owners	106,672	-	10,463,593	(10,570,265)	-	-	-	-
Loss for the year	-	-	-	-	(31,821,035)	(31,821,035)	(682,533)	(32,503,568)
Foreign currency translation differences for foreign operations	-	246,250	-	-	-	246,250	-	246,250
Total comprehensive loss for the year	-	246,250	-	-	(31,821,035)	(31,574,785)	(682,533)	(32,257,318)
Balance at 30 June 2023	368,725,640	214,039	17,832,672	35,240,261	(207,785,077)	214,227,535	(2,630,538)	211,596,997
2022								
At 1 July 2021	325,640,393	(206,884)	7,369,079	45,810,526	(89,009,076)	289,604,038	(1,742,400)	287,861,638
Transactions with owners:								
Issuance of ordinary shares pursuant to ESOS	20,986,800	-	-	-	-	20,986,800	-	20,986,800
Issuance of ordinary shares pursuant to Private Placement	18,040,605	-	-	-	-	18,040,605	-	18,040,605
Share based payment	3,951,170	-	-	-	-	3,951,170	-	3,951,170
Total transaction with owners	42,978,575	-	-	-	-	42,978,575	-	42,978,575
Loss for the year	-	-	-	-	(86,954,966)	(86,954,966)	(205,605)	(87,160,571)
Foreign currency translation differences for foreign operations	-	174,673	-	-	-	174,673	-	174,673
Total comprehensive loss for the year	-	174,673	-	-	(86,954,966)	(86,780,293)	(205,605)	(86,985,898)
Balance at 30 June 2022	368,618,968	(32,211)	7,369,079	45,810,526	(175,964,042)	245,802,320	(1,948,005)	243,854,315

Statements of Changes in Equity (Cont'd)

For The Financial Year Ended 30 June 2023

	← Non-distributable		→	Distributable	
		Irredeemable convertible			
	Share capital	preference shares	Warrants reserve	Accumulated losses	Total equity
Company	**RM**	**RM**	**RM**	**RM**	**RM**
2023					
At 1 July 2022	368,618,968	7,369,079	45,810,526	(301,524,206)	120,274,367
Transactions with owners:					
Issuance of ordinary shares pursuant to conversion of ICPS	111,980	(111,980)	-	-	-
Adjustment on expiration of Warrant B	(5,308)	10,575,573	(10,570,265)	-	-
Total transaction with owners	106,672	10,463,593	(10,570,265)	-	-
Total comprehensive loss for the year	-	-	-	(2,996,319)	(2,996,319)
Balance at 30 June 2023	368,725,640	17,832,672	35,240,261	(304,520,525)	117,278,048
2022					
At 1 July 2021	325,640,393	7,369,079	45,810,526	(229,280,263)	149,539,735
Transactions with owners:					
Issuance of ordinary shares pursuant to ESOS	20,986,800	-	-	-	20,986,800
Issuance of ordinary shares pursuant to Private Placement	18,040,605	-	-	-	18,040,605
Share based payment	3,951,170	-	-	-	3,951,170
Total transaction with owners	42,978,575	-	-	-	42,978,575
Total comprehensive loss for the year	-	-	-	(72,243,943)	(72,243,943)
Balance at 30 June 2022	368,618,968	7,369,079	45,810,526	(301,524,206)	120,274,367

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

	Note	Group 2023 RM	Group 2022 RM	Company 2023 RM	Company 2022 RM
Cash flows from operating activities					
Loss before tax		(32,503,568)	(87,154,151)	(2,996,319)	(72,243,943)
Adjustments for:					
Depreciation of property, plant and equipment		745,764	613,160	50,262	49,804
Depreciation of right use of assets		91,757	196,324	136,944	136,945
Fair value loss on marketable securities		21,649,211	63,813,029	-	-
Gain on short term investment		(1,060,161)	(393,613)	(1,060,161)	(393,613)
Gain on foreign exchange - unrealised		(1,415,218)	(1,000,685)	-	-
Gain on disposal of property, plant and equipment		(762,060)	-	-	-
Gain on derecognition of lease liabilities		(648)	-	-	-
Bad debts recovered		-	(160,534)	-	(160,534)
Impairment/(Reversal) on:					
- trade receivables		(1,751,887)	2,818,202	-	-
- deposit		-	1,955,651	-	-
- non-trade receivables		-	(24,400)	-	-
- other payable and accrual		-	(52,415)	-	-
- amount due from subsidiaries		-	-	-	65,284,965
- investments in unquoted shares		2,871,423	6,916,783	-	-
- investment subsidiaries		-	-	-	427
- asset held for sale		2,940,000	-	-	-
Interest expenses		32,559	221,664	9,094	15,477
Interest income		(234,430)	(703,020)	(816)	(702,984)
Bad debt written off		3,000	23,572	-	-
Property, plant and equipment written off		908	492	-	-
Operating loss before working capital changes		(9,393,350)	(12,929,941)	(3,860,996)	(8,013,456)
Purchase of marketable securities		(15,578,250)	(44,730,451)	-	-
Decrease/(Increase) in inventories		369,921	(187,007)	-	-
Decrease/(Increase) in receivables		5,642,987	(2,708,682)	(34,606,100)	512,203
(Decrease)/Increase in payables		(6,452,815)	32,255,470	689,040	25,341
Cash used in operations		(25,411,507)	(28,300,611)	(37,778,056)	(7,475,912)
Tax paid		(88,050)	(41,000)	-	-
Interest received		1,850	703,020	816	702,984
Net cash used in operating activities		(25,497,707)	(27,638,591)	(37,777,240)	(6,772,928)
Cash flows from investing activities					
Purchase of property, plant and equipment		(1,883,238)	(72,274,622)	(9,035)	(12,389)
Withdrawal of short-term investment		37,456,282	41,297,016	37,456,282	41,297,017
Proceeds on disposal of property, plant and equipment		900,000	-	-	-
Net cash from/(used in) investing activities		36,473,044	(30,977,606)	37,447,247	41,284,628

The accompanying notes form an integral part of the financial statements.

Statements of Cash Flows (Cont'd)
For the Financial Year Ended 30 June 2023

	Note	Group		Company	
		2023	2022	2023	2022
		RM	RM	RM	RM
Cash flows from financing activities					
Advance to subsidiary companies		-	-	-	(90,016,309)
Proceeds from issuance of shares pursuant to Private Placement		-	18,040,605	-	18,040,605
Proceeds from issuance of shares capita under exercised of ESOS/SIS		-	24,937,970	-	24,937,970
Repayment lease liabilities		(161,461)	(139,630)	(146,965)	(140,583)
Interest paid:					
- Loan interest		(28,960)	(199,236)	-	-
- Lease liabilities		(3,599)	(22,428)	(9,094)	(15,477)
Net cash (used in)/from financing activities		(194,020)	42,617,281	(156,059)	(47,193,794)
Net increase/(decrease) in cash and cash equivalents		10,781,317	(15,998,916)	(486,052)	(12,682,094)
Effects of exchange rate changes		119,467	23,501	-	-
Cash and cash equivalents at the beginning of financial year		3,505,574	19,480,989	1,587,709	14,269,803
Cash and cash equivalents at end of financial year	(i)	14,406,358	3,505,574	1,101,657	1,587,709

Notes:

(i) Cash and cash equivalents

Cash and cash equivalents comprise the following:

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Cash and bank balances	14,406,358	3,505,574	1,101,657	1,587,709

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs"), the International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

(b) Adoption of new and amended standards

The Group and the Company has adopted the following MFRS and Interpretations (collectively referred to as "MFRSs"), issued by the Malaysian Accounting Standards Board ("MASB") and effective for the financial periods beginning on or after 1 January 2022;

- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018-2020 Cycle)
- Amendments to MFRS 3, Reference to the Conceptual Framework, (Business Combinations)
- Amendments to MFRS 9, Financial Instruments (Annual Improvements to MFRS Standards 2018-2020 Cycle)
- MFRS 116, Property, Plant and Equipment – Proceeds Before Intended Use
- Amendments to MFRS 137, Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to MFRS 141, Agriculture (Annual Improvements to MFRS Standards 2018-2020 Cycle)

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group's financial statements.

(c) Standards issued but not yet effective

The Company has not adopted the following standards that have been issued as at the reporting date but are not yet effective:

MFRSs, Interpretations 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 (Amendment to MFRS 17)
- 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

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 and Investments in Associates and Joint esVentures - 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.

1. Basis of preparation (continued)

(d) Basis of measurement

The financial statements have been prepared on the historical cost and fair value basis unless otherwise as stated in summary of significant accounting policies.

(e) Significant accounting estimates and judgements

Estimates and judgements are continually evaluated by the Directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's and of the Company's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:

(i) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the year in which such determination is made.

(ii) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Group and the Company anticipate that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(iii) Impairment of Non-financial Assets

When the recoverable amount of an asset is determined based on the estimate of the value in use of the cash-generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

(iv) Fair Value Estimates for Certain Financial Assets and Liabilities

The Group carries certain financial assets and liabilities at fair value, which requires extensive use of accounting estimates and judgement. While significant components of fair value measurement were determined using verifiable objective evidence, the amount of changes in fair value would differ if the Group uses different valuation methodologies. Any changes in fair value of these assets and liabilities would affect profit and/or equity.

(v) Deferred Tax Assets and Liabilities

Deferred tax implications arising from the changes in corporate income tax rates are measured with reference to the estimated realisation and settlement of temporary differences in the future periods in which the tax rates are expected to apply, based on the tax rates enacted or substantively enacted at the end of the reporting year. While management's estimates on the realisation and settlement of temporary differences are based on the available information at the statements of financial position date, changes in business strategy, future operating performance and other factors could potentially impact on the actual timing and amount of temporary differences realised and settled. Any difference between the actual amount and the estimated amount would be recognised in the profit or loss in the period in which actual realisation and settlement occurs.

1. Basis of preparation (continued)

(e) Significant accounting estimates and judgements (continued)

(vi) Lease term

In determining the lease term, management considers all fact and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

(vii) Incremental borrowing rate of leases

In determining the incremental borrowing rate, the Company uses recent third-party financing received by the Company as a starting point and makes adjustments specific to the lease, for e.g. term and security.

(viii) Provision for Liabilities

Provision for liabilities are based on management's judgement on the likelihood of liabilities crystallising and best estimates on the amounts required to settle the liabilities arising from legal and constructive obligations. A change in circumstances which could cause estimates to change include changes in market trends and conditions, regulatory environment, employees' behaviours and other factors that may change the amount of provisions in the statement of financial position. The difference between the actual amount and the estimated amount would be recognised in the profit or loss in the period in which the change occurs.

(ix) Impairment of Goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires management to estimate the expected future cash flows of the cash-generating units to which goodwill is allocated and to apply a suitable discount rate in order to determine the present value of those cash flows. The future cash flows are most sensitive to budgeted gross margins, growth rates estimated and discount rate used. If the expectation is different from the estimation, such difference will impact the carrying value of goodwill.

(x) Impairment of Unquoted Shares

Unquoted shares is tested for impairment annually and at other times when such indicators exist. This requires management to estimate the expected future cash flows of the cash-generating units to which goodwill is allocated and to apply a suitable discount rate in order to determine the present value of those cash flows. The future cash flows are most sensitive to budgeted gross margins, growth rates estimated and discount rate used. If the expectation is different from the estimation, such difference will impact the carrying value of unquoted shares.

2. Summary of significant accounting policies

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Group considers it has de-facto power over an investee when, despite not having the majority of voting rights, it has the current ability in circumstances where the size of the Group's voting rights relative to the size and dispersion of holdings of other shareholders to direct the activities of the investee that significantly affect the investee's return. Potential voting rights are considered when assessing control only when such rights are substantive.

2. Summary of significant accounting policies (continued)

(a) Basis of consolidation (continued)

(i) Subsidiaries (continued)

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Business combinations are accounted for using the acquisition method on the acquisition date. The consideration transferred includes the fair value of assets transferred, equity interest issued by the Group and liabilities assumed. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Acquisition-related costs are recognised in the profit or loss as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recognised as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- The fair value of the consideration transferred; plus
- The recognised amount of any non-controlling interests in the acquiree; plus
- If the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- The net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss. For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities that the Group incurs in connection with a business combination are expensed as incurred.

2. Summary of significant accounting policies (continued)

(a) Basis of consolidation (continued)

(iii) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit and loss and the other comprehensive income for the year between non-controlling interests and the owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so caused the non-controlling interests to have a deficit balance.

(iv) Transactions with non-controlling interests

Transactions with non-controlling interests are accounted for using the entity concept method, whereby, transactions with non-controlling interests are accounted for as transactions with owners.

On acquisition of non-controlling interest, the difference between the consideration and the Group's share of the net assets acquired is recognised directly in equity. Gain or loss on disposal to non-controlling interests is recognised directly in equity.

(v) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity accounted associates are eliminated against the investment to the extent of the Group's interest in the associates and jointly controlled entities. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vii) Associate

An associate is an entity, not being a subsidiary or a joint venture, in which the Group and the Company has significant influence. An associate is equity accounted for from the date the Group and the Company obtains significant influence until the date the Group and the Company ceases to have significant influence over the associate.

The Group's investments in associates are accounted for using the equity method. Under the equity method, the investment in associates is measured in the statement of financial position at cost plus post acquisition changes in the Group's share of net assets of the associates. Goodwill relating to associates is included in the carrying amount of the investments. Any excess of the Group's share of the net fair value of the associates identifiable assets, liabilities and contingent liabilities over the cost of the investments is excluded from the carrying amount of the investments and is instead included as income in the determination of the Group's share of the associates profit or loss for the period in which the investment is acquired.

Investments in associates are measured in the Company's statement of financial position at cost less any impairment losses. The cost of investment includes transaction costs.

Notes to the Financial Statements (Cont'd)
For the Financial Year Ended 30 June 2023

2. Summary of significant accounting policies (continued)

(b) Foreign currencies

(i) Functional and presentation currency

The individual financial statements of the Group and of the Company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which are the Group's and the Company's functional currency.

(ii) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Group and of the Company and its subsidiaries are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's and of the Company's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group and of the Company on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

The principal exchange rates for every unit of foreign currency ruling used at reporting date are as follows:

	2023 RM	**2022 RM**
1 United States Dollar	4.67	4.41
1 Hong Kong Dollar	0.60	0.56
1 Australian Dollar	3.09	3.04

(c) Revenue and other income

(i) Sale of Marketable Securities

The Group and the Company was involved in investing and trading in quoted securities. Revenue recognised at the point in time when the Group and the Company sells the market securities.

Payment of the transaction price is due immediately when the sales of the investment securities was happen.

(ii) Sale of Goods

The Group and the Company is providing business in manufacturing and commercializing fertilizers and medical glove business. The performance obligation is to deliver fertilizers and medical gloves to end users.

As the performance obligation is satisfied at a point in time when the Group and the Company transfers control of the goods to the customers, whereby the goods are delivered to the customers, revenue is lall recognised based on the selling price set by the management.

No element of financing is deemed present as the sales are made with cash term.

2. Summary of significant accounting policies (continued)

(c) Revenue and other income (continued)

(iii) Interest Income

Interest income recognised on an accrual basis, based on effective yield on the investment.

The Group and the Company is engaging in providing inter alia general loans and corporate financing services and any other related credit services.

(iv) Dividend Income

Dividend income recognised when the shareholder's right to receive payment is established.

(d) Employee benefits expenses

(i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the financial period in which the associated services are rendered by employees of the Group and of the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contribution plans

The Group's and the Company's contribution to defined contribution plans are charged to the profit or loss in the period to which they relate. Once the contributions have been paid, the Group and the Company have no further liability in respect of the defined contribution plans.

(e) Borrowing costs

All interest and other costs incurred in connection with borrowings are expensed as incurred as part of finance costs. Finance costs comprise interest paid and payable on borrowings. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, recognised used as part of the cost of those assets.

(f) Tax expense

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(ii) Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Notes to the Financial Statements (Cont'd)
For the Financial Year Ended 30 June 2023

2. Summary of significant accounting policies (continued)

(f) Tax expense (continued)

(ii) Deferred tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

Deferred tax relating to items recognized outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from a business combination is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs.

(g) Impairment

(i) Financial assets

The Group and the Company recognised loss allowances for expected credit losses on financial assets measured at amortised cost, expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for cash and bank balances. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, which 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12-months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group and the Company estimate the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance amount.

2. Summary of significant accounting policies (continued)

(g) Impairment (continued)

(i) Financial assets (continued)

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedures for recovery amounts due.

(ii) Impairment of non-financial assets

The Group and the Company assess at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group and the Company make an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGUs")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

(h) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and to the Company and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group and the Company recognise such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

2. Summary of significant accounting policies (continued)

(h) Property, plant and equipment (continued)

Freehold land has an indefinite useful life and therefore is not depreciated.

Depreciation of other property, plant and equipment is provided for on a straight-line basis, at the following annual rates:

	Method	Useful lives (years)
Leasehold land	Straight line	78
Factory	Straight line	50
Buildings	Straight line	10
Computers	Straight line	3-5
Furniture and fittings	Straight line	10
Lab equipment	Straight line	5-10
Motor vehicles	Straight line	5-10
Office equipment	Straight line	5
Plant and machinery	Straight line	5-10
Renovation	Straight line	5
Signboard	Straight line	5-10

The carrying amount of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

(i) Asset under construction

There is no depreciation of the accumulated costs until the project is completed and the asset is placed into service.

(j) Asset held for sale

Non-current assets for disposal groups are classified as held for sales if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. The condition is regarded as met only when the sale is highly probable and the asset for disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary.

Immediately before classification as held for sale, the measurement of the non-current asset for all the assets and liabilities in a disposal group is brought up-to-date in accordance with applicable of MFRSs. Then, on initial classification as held for sale, non-current assets and inventories are measured in accordance with MFRS 5 that is at the lower of carrying amount and fair value less costs to sell. Any differences are included in the profit or loss.

A component of the Group is classified as a discontinued operation when the criteria to be classified as held for sale have been met or it has been disposed off and such a component represents a separate major line of business or geographical area of operations, is part of a single co-ordinated major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view of resale.

2. Summary of significant accounting policies (continued)

(k) Leases

Definition of a lease

At inception of a contract, the Group and the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group and the Company assesses whether:

(i) the contract involves the use of an identified asset this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified; and

(ii) the Group and the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

(iii) the Group and the Company has the right to direct the use of the asset. The Group and the Company has the right to direct the use of the asset when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group and the Company has the right to direct the use of an asset if either:

- the Group and the Company has the right to operate the asset; or
- the Group and the Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group and the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Recognition and initial measurement

As a leasee

The Group and the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Company's incremental borrowing rate. Generally, the Group and the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

(i) fixed payments; including in-substance fixed payments less any incentives receivable;

(ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

(iii) amounts expected to be payable under a residual value guarantee; and

(iv) payments for purchase or termination options that are reasonably certain to be exercised.

The Group and the Company excludes variable lease payments that linked to future performance or usage of the underlying asset from the lease liability. Instead, these payments are recognized in profit or loss in the period in which the performance or use occurs.

2. Summary of significant accounting policies (continued)

(k) Leases (continued)

Recognition and initial measurement (continued)

As a leasee (continued)

The Group and the Company has elected not recognised right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group and the Company recognises the lease payment associated with these leases as an expense on a straight-line bases over the lease term.

As a lessor

When the Group and the Company act as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group and the Company makes an overall assessment of whether the lease transfer substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

Subsequent measurement

As a lessee

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when:

(i) there is a change in future lease payments arising from the change in an index or rate; or

(ii) there is a change in the Group's and the Company's estimate of the amount expected to be payable under a residual value guarantee; or

(iii) there is a change of its assessment on whether it will exercise a purchase, extension or termination option; or

(iv) there is any lease modifications.

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group and the Company recognised lease payments received under operating leases as income on a straight-line basis over the lease term as part of "revenue".

(l) Intangible assets

(i) Goodwill on consolidation

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date, to each of the Group's cash-generating unit that are expected to benefit from the synergies of the combination.

The cash-generating units to which goodwill has been allocated are tested for impairment annually and whenever there is an indication that the cash-generating units may be impaired, by comparing the carrying amount of the cash-generating units, including the allocated goodwill, with the recoverable amount of the cash-generating units. Where the recoverable amount of the cash-generating units is less than the carrying amount, an impairment loss recognised in the profit or loss. Impairment loss recognised for goodwill are not reversed in subsequent periods.

2. Summary of significant accounting policies (continued)

(l) Intangible assets (continued)

(i) Goodwill on consolidation (continued)

The cash-generating units to which goodwill has been allocated are tested for impairment annually and whenever there is an indication that the cash-generating units may be impaired, by comparing the carrying amount of the cash-generating units, including the allocated goodwill, with the recoverable amount of the cash-generating units. Where the recoverable amount of the cash-generating units is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit retained.

Goodwill and fair value adjustments arising on the acquisition of foreign operation on or after 1 January 2006 are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated in accordance with the accounting policy set out in Note 2(b) to the financial statements.

Goodwill and fair value adjustments which arose on acquisitions of foreign operation before 1 January 2006 are deemed to be assets and liabilities of the Group and the Company and are recorded in RM at the rates prevailing at the date of acquisition.

(m) Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group and the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the reporting year following the change of the business model.

For purposes of subsequent measurement financial assets are classified in four categories:

- Amortised cost
- Fair value through other comprehensive income – debt instruments
- Fair value through other comprehensive income – equity instruments
- Fair value through profit or loss

(i) Amortised costs

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets where the effective interest rate is applied to the amortised cost.

2. Summary of significant accounting policies (continued)

(m) Financial assets (continued)

(ii) Fair value through other comprehensive income

(a) Debt instruments

Fair value through other comprehensive income category comprises debt investment where it is held within a business model whose objective is achieve by both collecting contractual cash flows and selling the debt investment, and its contractual term give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The debt instrument is not designated as at fair value through profit or loss. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets where the effective interest rate is applied to the amortised cost.

(b) Equity instruments

This category comprises investment in equity that is not held for trading, and the Group and the Company irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of investment. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are not reclassified to profit or loss.

(iii) Fair value through profit or loss

All financial assets not measured at amortised cost as described above are measured at fair value through profit or loss. This includes derivative financial assets (except for a derivative that is a designated and effective hedging instrument). On initial recognition, the Group and the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. Financial assets recognised as fair value through profit or loss are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

All financial assets, except for those measured at fair value through profit or loss and equity investments measured at fair value through other comprehensive income, are subject to impairment assessment.

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, deposits with licensed banks at original maturities not exceeding three months, short term and other highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

(o) Financial liabilities

(i) Fair value through profit or loss

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument), contingent consideration in a business combination and financial liabilities that are specifically designated into this category upon initial recognition.

2. **Summary of significant accounting policies (continued)**

(o) Financial liabilities (continued)

(i) Fair value through profit or loss (continued)

On initial recognition, the Group and the Company may irrevocably designate a financial liability that otherwise meets the requirements to be measured at amortised cost as at fair value through profit or loss:

(a) if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise;

(b) a group of financial liabilities or assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the Group's key management personnel; or

(c) if a contract contains one or more embedded derivatives and the host is not a financial asset in the scope of MFRS 9, where the embedded derivative significantly modifies the cash flows and separation is not prohibited.

Financial liabilities recognised as fair value through profit or loss are subsequently measured at their fair value with gains or losses, including any interest expense are recognised in the profit or loss.

For financial liabilities where it is designated as fair value through profit or loss upon initial recognition, the Group and the Company recognises the amount of change in fair value of the financial liability that is attributable to change in credit risk in the other comprehensive income and remaining amount of the change in fair value in the profit or loss, unless the treatment of the effects of changes in the liability's credit risk would create or enlarge an accounting mismatch.

(ii) Amortised cost

Other financial liabilities not recognised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

(p) Provisions

A provision is recognised if, as a result of a past event, the Group and the Company have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(q) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of its liabilities.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised from equity in the period in which they are declared.

Notes to the Financial Statements (Cont'd)
For the Financial Year Ended 30 June 2023

2. Summary of significant accounting policies (continued)

(r) Operating segments

For management purposes, the Group is organised into operating segments based on their products and services. The management of the Company regularly reviews the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in the Note 28 to the financial statements, including the factors used to identify the reportable segments and the measurement basis of segment information.

(s) Contingencies

(i) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability outflow of economic benefits is remote.

(ii) Contingent assets

Where an inflow of economic benefits of an asset is probable where it arises from past events and where existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, the asset is not recognised in the statements of financial position but is disclosed as a contingent asset. When the inflow of benefit is virtually certain, then the related asset recognised.

3. Revenue and other income

(a) Revenue

The revenue of the Group and of the Company consists of the following:

	Group		Company	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
Sale of goods	2,401,464	1,155,438	-	-
Proceeds from sale of marketable securities	19,639,343	17,840,562	-	-
Interest income	232,580	262,564	-	-
Dividend income	4,860	-	-	-
	22,278,247	19,258,564	-	-

Loss on disposal of marketable securities recognised in profit or loss is arrived at based on following:

	Group	
	2023 RM	**2022 RM**
Proceeds from sale of marketable securities	19,639,343	17,840,562
Less: Cost of investments	(19,863,599)	(20,083,024)
Loss on disposal recognised in profit or loss	(224,256)	(2,242,462)

3. Revenue and other income (continued)

(b) Other operating income

	Group 2023 RM	Group 2022 RM	Company 2023 RM	Company 2022 RM
Reversal on impairment on trade receivables	1,751,887	-	-	-
Reversal of impairment of deposits	-	24,400	-	-
Reversal of other payables and accruals	-	52,415	-	-
Bad debts recovered	-	160,534	-	160,534
Interest income	1,850	703,020	816	702,984
Gain on foreign exchange:				
- Unrealised	1,415,218	1,000,685	-	-
- Realised	7,811	-		
Gain on derecognition of lease liabilities	648	-	-	-
Gain on fair value on short term investment	1,060,161	393,613	1,060,161	393,613
Gain on disposal of property, plant and equipment	762,060	-	-	-
Other income	180,271	109,650	262,948	46,150
	5,179,906	2,444,317	1,323,925	1,303,281

(c) Disaggregation of revenue

2023	Sale of goods RM	Proceeds from sale of marketable securities RM	Interest income RM	Total RM
Sale of goods	2,401,464	-	-	2,401,464
Proceeds from sale of marketable securities	-	19,639,343	-	19,639,343
Interest income	-	-	232,580	232,580
Dividend income	-	4,860	-	4,860
	2,401,464	19,644,203	232,580	22,278,247
Time of revenue recognised:				
- At a point in time	2,401,464	19,644,203	232,580	22,278,247
Geographical market				
- Malaysia	2,173,819	3,814,597	232,580	6,220,996
- Hong Kong	-	15,829,606	-	15,829,606
- United States	227,645	-	-	227,645
	2,401,464	19,644,203	232,580	22,278,247

Notes to the Financial Statements (Cont'd)
For the Financial Year Ended 30 June 2023

3. Revenue and other income (continued)

(c) Disaggregation of revenue (continued)

2022	Sale of goods RM	Proceeds from sale of marketable securities RM	Interest income RM	Total RM
Sale of goods	1,155,438	-	-	1,155,438
Proceeds from sale of marketable securities	-	17,840,562	-	17,840,562
Interest income	-	-	262,564	262,564
	1,155,438	17,840,562	262,564	19,258,564
Time of revenue recognised:				
- At a point in time	1,155,438	17,840,562	262,564	19,258,564
Geographical market				
- Malaysia	1,073,500	13,040,580	262,564	14,376,664
- Hong Kong	-	4,799,982	-	4,799,982
- United States	81,938	-	-	81,938
	1,155,438	17,840,562	262,564	19,258,564

4. Employee benefits expenses

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Salaries and wages	2,368,080	2,188,513	1,828,254	1,600,315
Defined contribution plan	285,204	252,222	223,307	196,376
Other employee benefits	662,315	24,288	363,000	18,994
Equity-settled share-based payment	-	3,951,170	-	3,951,170
	3,315,599	6,416,193	2,414,561	5,766,855
Directors' remuneration:				
- fee	272,962	360,963	198,024	231,318
- salaries and other emoluments	1,295,946	1,132,613	430,482	481,598
	1,568,908	1,493,576	628,501	712,916
	4,884,507	7,909,769	3,043,067	6,479,771

5. Finance cost

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Other interest	28,960	199,236	-	-
Interest on lease liabilities	3,599	22,428	9,094	15,477
	32,559	221,664	9,094	15,477

6. Loss before tax

	Group		Company	
	2023	**2022**	**2023**	**2022**
	RM	**RM**	**RM**	**RM**
Loss before tax is arrived after charging:				
Auditors' remunerations				
- statutory	163,465	131,718	45,000	27,000
- non-statutory	31,000	27,500	31,000	27,500
Bad debts written off	3,000	23,572	-	-
Depreciation of property, plant and equipment	745,764	613,160	50,262	49,804
Depreciation of right-of-use assets	91,757	196,324	136,944	136,945
Impairment loss on:				
- trade receivables	-	2,818,202	-	-
- deposit	-	1,955,651	-	-
- asset held for sale	2,940,000	-	-	-
- amount due from subsidiaries	-	-	-	65,284,965
- investments in unquoted shares	2,871,423	6,916,783	-	-
- investment subsidiaries	-	-	-	427
Loss on change of fair value on marketable securities	21,649,211	63,813,029	-	-
Loss on disposal of subsidiary	-	-	-	-
Property, plant and equipment written off	908	492	-	-

7. Tax expenses

	Group		Company	
	2023	**2022**	**2023**	**2022**
	RM	**RM**	**RM**	**RM**
Tax expenses				
- Under provision in prior years	-	6,420	-	-

Reconciliation of tax expense

	Group		Company	
	2023	**2022**	**2023**	**2022**
	RM	**RM**	**RM**	**RM**
Loss before tax	(32,503,568)	(87,154,151)	(2,996,319)	(72,243,943)
Tax calculated at statutory tax rate of 24%	(7,800,856)	(20,916,996)	(719,117)	(17,338,546)
Effect of tax rate in foreign jurisdictions				
Non-deductible expenses	7,938,060	18,423,632	225,438	17,689,160
Non-taxable income	(1,314,523)	(94,318)	(317,742)	(1,965,146)
Utilisation of deferred tax asset not recognized previously	(473,317)	-	-	-
Deferred tax assets not recognised during the year	1,660,636	2,587,682	811,421	1,614,532
	7,800,856	20,916,996	719,117	17,338,546
Under provision of tax expense in prior years	-	6,420	-	-
	-	6,420	-	-

7. Tax expenses (continued)

Reconciliation of tax expense (continued)

The amounts of temporary differences for which no deferred tax assets have been recognized in the statement of financial position are as follows:

	Group		Company	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
Property, plant and equipment	(5,566,891)	(5,165,626)	(19,210)	(23,048)
Unabsorbed capital allowances	43,655,955	39,363,816	32,265	-
Unutilised tax losses	7,172,408	6,116,119	3,344,818	-
	42,261,472	40,314,309	3,357,873	(23,048)

Deferred tax assets have not been recognized in respect of these items as it is not probable that the future taxable profit of the Group and of the Company will be available against which the deductible temporary differences can be utilised.

Unutilised tax losses arising from year of assessment 2021 can be carried forward for a period 10 years for set off against future taxable profits. However, unutilised tax losses which arose up to the year of assessment 2021 to be utilised up to the year of assessment 2031.

8. Loss per share

(a) Basic loss per ordinary share

The basic loss per share amount is calculated by dividing the profit for the year attributable to ordinary shareholders by the number of ordinary shares in issue during the financial year.

	Group	
	2023 RM	**2022 RM**
Loss attributable to owners of the parent	(31,821,035)	(86,954,966)
Weighted average number of ordinary end of financial year	5,922,814,654	5,409,912,989
Basic loss attributable to owners of the Company per ordinary share (sen)	(0.54)	(1.61)

(b) Diluted loss per ordinary share

	Group	
	2023 RM	**2022 RM**
Loss attributable to owners of the parent	(31,821,035)	(86,954,966)
Weighted average number of ordinary shares at end of financial year	7,461,942,706	7,066,884,218
Diluted loss attributable to owners of the Company per ordinary share (sen)	(0.43)	(1.23)

Notes to the Financial Statements (Cont'd)
For the Financial Year Ended 30 June 2023

9. Property, plant and equipment

Group	Freehold Land RM	Leasehold Land RM	Factory RM	Buildings RM	Computers RM	Furniture and fittings RM	Lab equipment RM	Motor vehicles RM	Office equipment RM	Plant and machinery RM	Renovation RM	Signboard and trademark RM	Asset under cons-truction RM	Factory Equipment RM	Total RM
2023															
Cost															
At 1 July 2022	1,000,000	5,434,230	500,000	292,000	3,990,904	75,250	777,298	628,710	123,662	8,049,643	2,828,307	16,036	74,991,292	598,664	99,305,996
Additions	-	-	-	-	78,696	2,945	-	-	-	-	22,500	3,780	1,750,322	24,995	1,883,238
Disposals	-	-	-	-	-	-	-	(459,800)	-	-	-	-	-	-	(459,800)
Written off	-	-	-	-	-	-	-	-	-	-	(1,448)	-	-	-	(1,448)
Transfer to asset held for sale (Note 15)	-	-	-	-	-	-	-	-	-	-	-	-	(14,070,000)	-	(14,070,000)
At 30 June 2023	1,000,000	5,434,230	500,000	292,000	4,069,600	78,195	777,298	168,910	123,662	8,049,643	2,849,359	19,816	62,671,614	623,659	86,657,986
Accumulated depreciation															
At 1 July 2022	-	131,233	79,167	195,901	386,812	36,821	771,260	360,945	96,642	3,119,537	1,371,935	5,465	-	39,911	6,595,629
Disposals	-	-	-	-	-	-	-	(321,860)	-	-	-	-	-	-	(321,860)
Written off	-	-	-	-	-	-	-	-	-	-	(540)	-	-	-	(540)
Charge for the financial year	-	71,582	10,000	-	403,865	667	-	99,252	14,938	8,726	72,574	3,244	-	60,916	745,764
Translation differences	-	-	-	-	73	-	-	-	-	-	-	-	-	-	73
At 30 June 2023	-	202,815	89,167	195,901	790,750	37,488	771,260	138,337	111,580	3,128,263	1,443,969	8,709	-	100,827	7,019,066
Accumulated impairment															
At 1 July 2022 and 30 June 2023	-	-	-	96,099	10,556	33,502	6,000	-	193	4,850,051	971,986	891	-	-	5,969,278
Carrying amount															
At 30 June 2023	1,000,000	5,231,415	410,833	-	3,268,294	7,205	38	30,573	11,889	71,329	433,404	10,216	62,671,614	522,832	73,669,642

Notes to the Financial Statements (Cont'd)
For the Financial Year Ended 30 June 2023

9. Property, plant and equipment (continued)

Group	Freehold Land RM	Leasehold Land RM	Factory RM	Buildings RM	Computers RM	Furniture and fittings RM	Lab equipment RM	Motor vehicles RM	Office equipment RM	Plant and machinery RM	Renovation RM	Signboard and trademark RM	Asset under cons- truction RM	Factory Equipment RM	Total RM
2022															
Cost															
At 1 July 2021	1,000,000	5,434,230	500,000	292,000	197,744	72,479	777,298	628,710	113,689	7,994,043	2,829,031	6,276	21,256,598	-	41,102,098
Additions	-	-	-	-	3,793,160	2,771	-	-	9,973	55,600	-	9,760	67,804,694	598,664	72,274,622
Written off	-	-	-	-	-	-	-	-	-	-	(724)	-	-	-	(724)
Transfer to asset held for sale (Note 15)	-	-	-	-	-	-	-	-	-	-	-	-	(14,070,000)	-	(14,070,000)
At 30 June 2022	1,000,000	5,434,230	500,000	292,000	3,990,904	75,250	777,298	628,710	123,662	8,049,643	2,828,307	16,036	74,991,292	598,664	99,305,996
Accumulated depreciation															
At 1 July 2021	-	59,651	69,167	195,901	111,666	36,414	771,260	238,703	82,189	3,114,078	1,299,630	4,042	-	-	5,982,701
Written off	-	-	-	-	-	-	-	-	-	-	(232)	-	-	-	(232)
Charge for the financial year	-	71,582	10,000	-	275,146	407	-	122,242	14,453	5,459	72,537	1,423	-	39,911	613,160
At 30 June 2022	-	131,233	79,167	195,901	386,812	36,821	771,260	360,945	96,642	3,119,537	1,371,935	5,465	-	39,911	6,595,629
Accumulated impairment															
At 1 July and 30 June 2022	-	-	-	96,099	10,556	33,502	6,000	-	193	4,850,051	971,986	891	-	-	5,969,278
Carrying amount															
At 30 June 2022	1,000,000	5,302,997	420,833	-	3,593,536	4,927	38	267,765	26,827	80,055	484,386	9,680	74,991,292	558,753	86,741,089

9. Property, plant and equipment (continued)

Company	Freehold land RM	Factory RM	Buildings RM	Computers RM	Furniture and fittings RM	Lab equipment RM	Motor vehicles RM	Office equipment RM	Plant and machinery RM	Renovation RM	Signboard RM	Total RM
2023												
Cost												
At 1 July 2022	1,000,000	500,000	292,000	179,863	70,750	759,835	35,000	79,547	850,000	1,873,660	5,228	5,645,883
Additions	-	-	-	7,085	1,950	-	-	-	-	-	-	9,035
At 30 June 2023	1,000,000	500,000	292,000	186,948	72,700	759,835	35,000	79,547	850,000	1,873,660	5,228	5,654,918
Accumulated depreciation												
At 1 July 2022	-	79,166	195,901	120,073	36,368	759,799	27,708	56,917	850,000	1,024,862	4,692	3,155,486
Charge for the financial year	-	10,000	-	21,938	378	-	3,500	13,910	-	-	536	50,262
At 30 June 2023	-	89,166	195,901	142,011	36,746	759,799	31,208	70,827	850,000	1,024,862	5,226	3,205,748
Accumulated impairment												
At 1 July 2022 and 30 June 2023	-	-	96,099	3,366	32,145	-	-	-	-	848,798	-	980,407
Carrying amount												
At 30 June 2023	1,000,000	410,834	-	41,571	3,809	36	3,792	8,720	-	1	-	1,468,763
2022												
Cost												
At 1 July 2021	1,000,000	500,000	292,000	172,304	70,750	759,835	35,000	74,717	850,000	1,873,660	5,228	5,633,494
Additions	-	-	-	7,559	-	-	-	4,830	-	-	-	12,389
At 30 June 2022	1,000,000	500,000	292,000	179,863	70,750	759,835	35,000	79,547	850,000	1,873,660	5,228	5,645,883
Accumulated depreciation												
At 1 July 2021	-	69,166	195,901	98,411	36,039	759,799	24,208	43,410	850,000	1,024,862	3,886	3,105,682
Charge for the financial year	-	10,000	-	21,662	329	-	3,500	13,507	-	-	806	49,804
At 30 June 2022	-	79,166	195,901	120,073	36,368	759,799	27,708	56,917	850,000	1,024,862	4,692	3,155,486
Accumulated impairment												
At 1 July 2021 and 30 June 2022	-	-	96,099	3,366	32,145	-	-	-	-	848,797	-	980,407
Carrying amount												
At 30 June 2022	1,000,000	420,834	-	56,424	2,237	36	7,292	22,630	-	1	536	1,509,990

Notes to the Financial Statements (Cont'd)
For the Financial Year Ended 30 June 2023

10. Right-of-use assets

The following table summarises the carrying amount of the Company's right-of-use asset and the movements during the year:

	Group		Company	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
Cost				
Building				
At beginning of financial year	1,211,979	821,640	821,640	821,640
Addition	-	390,339	-	-
Derecognition	(390,339)	-	-	-
At end of financial year	821,640	1,211,979	821,640	821,640
Accumulated depreciation				
At beginning of financial year	629,971	433,647	570,592	433,647
Depreciation for the financial year	91,757	196,324	136,944	136,945
Derecognition	(14,192)	-	-	-
At end of financial year	707,536	629,971	707,536	570,592
Carrying amount	114,104	582,008	114,104	251,048

The Company leases office and the contract term ranges from three (3) years with an extension option of renewal of contract.

11. Intangible assets

	Group	
	2023 RM	**2022 RM**
Goodwill, at cost		
At beginning of financial year	2,363,549	2,363,549
Less: impairment	(2,363,549)	(2,363,549)
At end of financial year	-	-

The management has reassessed the future economic benefit of the goodwill and determined the recoverable amount to be Nil. Hence, a full impairment loss of RM2,363,549 was recognised in the prior financial years.

12. Investment in subsidiaries

	Company	
	2023 RM	**2022 RM**
Unquoted shares, at cost		
At beginning and at end of financial year	21,103,480	21,103,480
Less: impairment		
At beginning of financial year	(11,103,480)	(11,103,053)
Addition	-	(427)
At end of financial year	(11,103,480)	(11,103,480)
	10,000,000	10,000,000
Equity contribution to subsidiaries	356,503,583	-
Less: Accumulated impairment losses	(264,946,883)	-
	91,556,700	-
	101,556,700	10,000,000

12. Investment in subsidiaries (continued)

Equity contribution to subsidiaries represents amount owing by subsidiaries which is non-trade in nature and interest free. The settlement of the amount is neither planned nor likely to occur in the near foreseeable future as it is the intention of the company to treat the amount as long term source of capital to the subsidiaries. As this amount is, in substance, a part of the net investment in subsidiaries, it is stated at cost less accumulated impairment, if any.

Details of the subsidiary companies are as follows:

Name of subsidiaries	Country of incorporation	Percentage of equity held (%)		Principal activities
		2023	2022	
Gro Asia Agritechnology Sdn. Bhd	Malaysia	100	100	Carrying out research, development, and commercialization of agricultural and farming technologies
Asiabio Capital Sdn. Bhd. ("ACSB")	Malaysia	100	100	Investing and trading in quoted securities and related activities
Hexa Bonanza Sdn. Bhd.	Malaysia	50	50	Contracting works for biomass technologies and manufacturing of peeled lumber using biomass.
Fintec Capital Sdn. Bhd.	Malaysia	100	100	Engage in providing inter alia general loans, micro and corporate financing services and any other credit services in relation.
Artisan Semesta Sdn. Bhd. ("ASSB")	Malaysia	100	100	Manufacturing and trading in agricultural related products and supplying solar photovoltaic (PV) energy
Asiabio Builders Sdn. Bhd. ("ABSB")	Malaysia	100	100	Dormant
Fintec Ventures Sdn. Bhd.	Malaysia	100	100	Dormant
Fintec Global Limited ("FGL")	British Virgin Islands	100	100	Investing and trading in quoted securities and related activities
Fintec Glove Sdn. Bhd. ("FGSB")	Malaysia	100	100	Manufacturing and trading of personal protective healthcare equipments and rubber gloves machinery and leasing of rubber gloves machinery and ancillary equipment
Fintec Global (HK) Limited ("Fintec Global")*	Hong Kong	100	100	Investment and trading
Subsidiary company of Fintec Global :				
Fintec North America LLC*	United States of America	60	60	Medical glove business.

** Not audited by CHENGCO PLT.*

Notes to the Financial Statements (Cont'd)

For the Financial Year Ended 30 June 2023

13. Investment in unquoted shares

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Unquoted shares, at cost				
At beginning of financial year	27,553,247	27,553,247	6,223,341	6,223,341
Write off	(11,922,593)	-	(6,223,341)	-
At end of financial year	15,630,654	27,553,247	-	6,223,341
Less: Accumulated impairment				
At beginning of financial year	(23,704,338)	(16,787,555)	(6,223,341)	(6,223,341)
Addition	(2,871,423)	(6,916,783)	-	-
Write off	11,922,593	-	6,223,341	-
At end of financial year	(14,653,168)	(23,704,338)	-	(6,223,341)
Net carrying amount	977,486	3,848,909	-	-

Impairment testing of investment in unquoted shares

The net carrying amount is referred to the recoverable amount of investment in unquoted shares. The recoverable amount has been determined based on value-in-use calculations using cash flows projection obtained from the invested entities by management covering a ten years period which is in accordance to the lease terms of leasehold building that generating income.

The key assumptions used for value-in-use calculations are:

	Group	
	2023	2022
Occupancy rate	68-75%	38-80%
Growth rate	2%	2%
Discount rate	7.41%	6.5%

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of investment in unquoted shares:

(i) Occupancy rate

The occupancy rate is the average rate experienced over the last year, adjusted for market and economic conditions and internal resource efficiency based on both external and sources, including accounting for near-term cost impact from COVID-19 pandemic.

(ii) Growth rate

Growth rate is the forecasted annual growth rate over the ten years projection period. It is based on weighted average growth rate experienced over the past three to five years, and market outlook over the forecasted years following near-term impact from COVID-19 pandemic.

The weighted average growth rates used are consistent with the long-term growth for the industry. Cash flows beyond the five-year projection period are extrapolated using the long-term growth rates.

13. Investment in unquoted shares (continued)

Impairment testing of investment in unquoted shares (continued)

(iii) Discount rate

Discount rate was estimated based on the industry weighted average cost of capital. The discount rate applied to the cash flow projections is pre-tax and reflects management's estimate of the risks specific to the Group at the date of assessment.

Sensitivity to changes in assumptions

Based on the sensitivity analysis performed, management expects that there is no reasonably possible change in key assumptions that would cause the carrying value of the investment in unquoted shares to exceed its recoverable amount.

14. Marketable Securities

	Group	
	2023 RM	**2022 RM**
Non-current assets		
Quoted shares, in Malaysia	69,518,028	88,546,645
Current assets		
Quoted shares, outside Malaysia	18,888,142	5,938,979
Total marketable securities classified as fair value through profit or loss, stated at market value	88,406,170	94,485,624

The currency exposure profile of marketable securities is as follows:

	Group	
	2023 RM	**2022 RM**
Ringgit Malaysia	87,919,286	93,829,654
Australian Dollar	486,884	655,970
	88,406,170	94,485,624

15. Asset held for sale

	Group	
	2023 RM	**2022 RM**
At Cost		
Property, plant and equipment	28,140,000	14,070,000
Less: Impairment losses	(2,940,000)	-
	25,200,000	14,070,000

Movements of the accumulated impairment losses is as follows:

	Group	
	2023 RM	**2022 RM**
At beginning of financial year	-	-
Addition (Note 6)	2,940,000	-
At end of financial year	2,940,000	-

Notes to the Financial Statements (Cont'd)
For the Financial Year Ended 30 June 2023

16. Inventories

	Group	
	2023	2022
	RM	RM
At Cost		
Beverage	2,087,325	1,967,230
Nitrile glove	826,273	1,247,637
Raw materials	365,139	279,759
Fertiliser	40,537	-
	3,319,274	3,494,626
Recognised in profit or loss:		
Inventories recognised as cost of sales	1,791,487	773,437

17. Trade receivables

The Group's normal trade credit terms range from 30 days (2021: 30 days). Other credit terms are assessed and approved on a case-by-case basis.

	Group	
	2023	2022
	RM	RM
Trade receivables	1,340,708	26,720,607
Less: impairment losses	(1,066,315)	(2,818,202)
	274,393	23,902,405

Movements of the accumulated impairment losses (individually impaired):

	Group	
	2023	2022
	RM	RM
At beginning of financial year	2,818,202	-
Reversal of impairment loss on receivables (Note 3(b))	(1,751,887)	-
Addition (Note 6)	-	2,818,202
At end of financial year	1,066,315	2,818,202

18. Non-trade receivables, deposits and prepayments

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Non-trade receivables	21,085,795	3,265,170	-	602,224
Less: Impairment				
At beginning of financial year	-	(3,069,753)	-	(532,267)
Addition	-	-	-	-
At end of financial year	-	(3,069,753)	-	(532,267)
	21,085,795	195,417	-	69,957
Deposits	5,872,217	4,261,969	112,395	112,395
Less: Impairment				
At beginning of financial year	(2,290,561)	(359,310)	-	-
Addition	-	(1,955,651)	-	-
Reversal	-	24,400	-	-
At end of financial year	(2,290,561)	(2,290,561)	-	-
	3,581,656	1,971,408	112,395	112,395
Accrual Income	-	-	57,456	
Less: Impairment				
At beginning of financial year	-	-	-	-
Addition	-	-	-	-
At end of financial year	-	-	-	-
	-	-	57,456	-
Prepayments	879,848	2,152,449	48,004	-
Less: Impairment				
At beginning of financial year	(75,056)	(153,326)	-	-
Addition	-	-	-	-
At end of financial year	(75,056)	(153,326)	-	-
	804,792	1,999,123	48,004	-
	25,472,243	4,165,948	217,855	182,352

19. Amount due from/(to) subsidiaries

	Company	
	2023 RM	2022 RM
Amount due from subsidiaries	1,568,133	324,334,996
Less: Impairment		
At beginning of financial year	(265,416,254)	(200,131,289)
Additional	-	(65,284,965)
Transfer to equity contribution to subsidiaries	264,946,883	-
At end of financial year	(469,371)	(265,416,254)
	1,098,762	58,918,742
Amount due to subsidiaries	(1,275,922)	(1,334,844)

The amount due from/(to) subsidiaries represented non-trade, unsecured, interest-free advances and is recoverable/(repayable) on demand.

Notes to the Financial Statements (Cont'd)
For the Financial Year Ended 30 June 2023

20 Short term investment

	Group and Company	
	2023	2022
	RM	RM
Fair value through profit or loss		
Current		
Beginning of the year	49,612,079	90,515,482
Addition	46,000,000	-
Interest income	816	702,984
Disposal	(83,371,614)	(42,000,000)
Trustee fee	(85,484)	-
Fair value gain	1,060,161	393,613
End of the year	13,215,958	49,612,079

Highly liquid money market fund, which is readily convertible to known amounts of cash and is subject to an insignificant risk of changes in value.

The short term investment effective interest rates is approximately 3.00% (2022: 2.00%) per annum.

21. Share capital

	Group and Company			
	2023	2022	2023	2022
	Number of Ordinary Shares		RM	RM
Issued share capital				
At 1 July	5,922,797,474	3,945,664,574	368,618,968	325,640,393
- Pursuant to exercise of SIS	-	-	-	-
- Pursuant to exercise of ESOS	-	1,122,000,000	-	20,986,800
- Pursuant to conversion of ICPS	1,018,000	-	111,980	-
- Pursuant to Private Placement	-	855,132,900	-	18,040,605
- Share-based payment	-	-	-	3,951,170
- Warrant Reserve adjustment for Warrant B	-	-	(5,308)	-
At 30 June	5,923,815,474	5,922,797,474	368,725,640	368,618,968

In the previous financial year ended 30 June 2022, the Company had:

(a) increased its issued share capital by issuance of 1,122,000,000 new ordinary shares at issue price of ranging from RM0.010 to RM0.030 per ordinary share, pursuant to the Company's Employees' Share Options Scheme.

(b) increased its issued share capital by issuance of 855,132,900 new ordinary shares pursuant to the Private Placement.

During the financial year ended 30 June 2023, the Company had:

(a) increased its issued share capital by issuance of 1,018,000 new ordinary shares pursuant to the conversion of 1,399,750 ICPS.

The newly issued shares rank pari passu in all respects with the previously issued shares.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regards to the Company's residual assets.

22. Irredeemable convertible preference shares ("ICPS")

	Group and Company			
	2023	2022	2023	2022
	Number of ICPS		RM	RM
ICPS of RM0.08 each				
Issued ICPS				
At beginning of financial year	224,308,135	224,308,135	7,369,079	7,369,079
Conversion of ICPS to ordinary shares	(1,399,750)	-	(111,980)	-
Warrant Reserve adjustment for Warrant B	-	-	10,575,573	-
At end of financial year	222,908,385	224,308,135	17,832,672	7,369,079

On 11 December 2017, the Company listed and quoted of 899,284,472 new ICPS in the Company at an issue price of RM0.08 per ICPS and 89,928,341 free detachable Warrants B on the basis of ten (10) ICPS together with one (1) free Warrants B for every Five (5) existing ordinary shares of the Company. Warrants B has expired on 18 December 2022.

The salient features of the ICPS are as follows:

(a) The ICPS holders will have the right to convert the ICPS into the Company's new ordinary shares at a conversion price of RM0.16 during the ten (10)-year period expiring on 4 December 2027 ("Exercise Period");

(b) At the expiry of the Exercise Period, any ICPS which have not been converted shall be automatically converted into new fully-paid ordinary Shares at the conversion price;

(c) The holders of ICPS shall not be entitled to be paid with any dividends;

(d) Conversion of ICPS into new ordinary shares at the conversion price in the following manner:-

(e) The conversion shares shall rank pari passu in all respects with the then existing shares of the Company except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of conversion of the ICPS; and

(i) By surrendering for cancellation the ICPS with an aggregate issue price of the ICPS equivalent to the Conversion Price, subject to a minimum of 1 ICPS and a maximum of 2 ICPS for every one (1) new ordinary share; and

(ii) By paying the difference between the aggregate issue price of ICPS surrendered and the Conversion Price, if any, in cash, for every 1 new ordinary share;

(f) The ICPS holders shall not be entitled to voting rights except where the rights of ICPS holders are affected or on a resolution for the winding up of the Company.

23. Reserves

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Non-distributable:				
Warrant reserve	35,240,261	45,810,526	35,240,261	45,810,526
Distributable				
Foreign exchange translation	214,039	(32,211)	-	-
Accumulated losses	(207,754,077)	(175,964,042)	(304,489,525)	(301,524,206)
	(172,299,777)	(130,185,727)	(269,249,264)	(255,713,680)

Notes to the Financial Statements (Cont'd)
For the Financial Year Ended 30 June 2023

23. Reserves (continued)

Warrant reserve

The Warrants reserve is in respect of the fair value for free warrants issued pursuant to the Right Issue. Fair value of the Warrants A, Warrants B and Warrants C are RM0.00085, RM0.1176 and RM0.0305 respectively.

24. Lease liabilities

The following table summarises the carrying amount of the Company's right-of-use asset and the movements during the year:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Representing:				
Current	127,426	339,799	127,426	146,926
Non-Current	-	325,884	-	127,465
	127,426	665,683	127,426	274,391
Recognised in profit or loss				
Interest expense on lease liabilities	3,599	22,428	9,094	15,477

The finance lease payables bear effective interest at rates 4.40% (2022: 4.40%) per annum. The Company leases office and the contract term ranges from one (1) year with an extension option of renewal of contract.

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Future minimum lease payment				
Not later than 1 year	130,050	278,244	130,050	156,060
Later than 1 year and not later than 5 years	-	418,602	-	130,050
Total minimum lease payments	130,050	696,846	130,050	286,110
Less: Future finance charges	(2,624)	(31,163)	(2,624)	(11,719)
	127,426	665,683	127,426	274,391

25. Trade payables

The normal trade credit terms granted to the Group range from 60 to 90 days (2022: 60 to 90 days).

26. Non-trade payables, deposit received and accruals

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Non-trade payables	158,092	297,373	31,903	70,099
Deposits received	26,651,275	15,522,576	-	-
Accruals	1,543,952	397,310	29,500	108,219
	28,353,319	16,217,259	61,403	178,318

27. Significant related party transactions

(a) Identities of related parties

Parties are considered to be related to the Group, if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties could be individuals or other parties.

Related parties of the Group include:

(i) Direct and indirect subsidiaries as disclosed in Note 12 to the financial statements;
(ii) Key management personnel, which comprises persons (including the Directors of the Group) having authority and responsibility for planning, deciding and controlling the activities of the Group directly or indirectly; and
(iii) Entities in which certain Directors, who are also the substantial shareholders of the parent, have substantial shareholding interests.

(b) Compensation of Key Management Personnel

The Group considers the directors to be the key management personnel. Disclosure of their remuneration is made in Directors' remuneration to the Directors' report.

28. Operating Segments

(a) Business segments

The Group is organised into five major business segments in the current year:

(i) Technology incubation
(ii) Portfolio investment
(iii) Biotechnology products
(iv) Financial services
(v) Glove business

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss for the financial period, in certain respects as set out below, is measured differently from operating profit or loss in the consolidated financial statements.

Group 2023	Technology incubation RM	Portfolio investment RM	Biotechnology Products RM	Financial services RM	Glove business RM	Elimination RM	Total RM
Revenue							
Sales to external customers	-	19,644,203	1,588,890	232,580	812,574	-	22,278,247
Results							
Segment results	(2,956,224)	(23,775,435)	(771,692)	1,877,960	(6,799,605)	(15,013)	(32,440,009)
Interest expenses	(9,094)	(20,737)	(12,887)	(834)	(8,223)	19,216	(32,559)
Net unallocated expenses	-	-	-	-	-	-	-
Loss before taxation	(2,965,318)	(23,796,172)	(784,579)	1,877,126	(6,807,828)	4,203	(32,472,568)
Income tax expense	-	-	-	-	-	-	-
Loss for the year	(2,965,318)	(23,796,172)	(784,579)	1,877,126	(6,807,828)	4,203	(32,472,568)

Notes to the Financial Statements (Cont'd)
For the Financial Year Ended 30 June 2023

28. Operating Segments (continued)

Group 2023	Technology incubation RM	Portfolio investment RM	Biotechnology Products RM	Financial services RM	Glove business RM	Elimination RM	Total RM
Assets							
Segment assets	16,118,338	124,877,326	909,139	2,728,865	100,943,033	(164,862)	245,411,839
Unallocated assets	-	-	-	-	-	-	-
Total assets	16,118,338	124,877,326	909,139	2,728,865	100,943,033	(164,862)	245,411,839
Liabilities							
Segment liabilities	188,829	74,187	418,876	886,198	32,384,817	(169,065)	33,783,842
Unallocated liabilities	-	-	-	-	-	-	-
Total liabilities	188,829	74,187	418,876	886,198	32,384,817	(169,065)	33,783,842
Other information							
Capital expenditure	9,035	-	27,129	-	1,847,074	-	1,883,238
Depreciation of property, plant and equipment	50,262	-	10,995	-	684,507	-	745,764
Depreciation of right of use assets	136,944	-	161,109	8,515	-	(214,811)	91,757
Impairment loss/(reversal) on							
- trade receivables	-	-	-	(1,751,887)	-	-	(1,751,887)
- non-trade receivable	-	-	-	-	-	-	-
- unquoted shares	-	2,871,423	-	-	-	-	2,871,423
- Property, plant and equipment	-	-	--	-	2,940,000	-	2,940,000
Bad debt written off	-	3,000	-	-	-	-	3,000
Gain on short term investment	(1,060,161)	-	-	-	-	-	(1,060,161)
Gain on foreign exchange - unrealised	-	(1,380,203)	-	-	(35,015)	-	(1,415,218)
Gain on disposal of property, plant and equipment	-	-	-	-	(762,060)	-	(762,060)
Fair value loss on marketable securities	-	21,649,211	-	-	-	-	21,649,211

Group 2022	Technology incubation RM	Portfolio investment RM	Biotechnology Products RM	Financial services RM	Trading RM	Total RM
Revenue						
Sales to external customers	-	17,840,562	993,523	262,564	161,915	19,258,564
Results						
Segment results	(6,943,501)	(72,932,621)	(786,133)	(2,649,471)	(3,620,761)	(86,932,487)
Interest expenses	(15,477)	(199,236)	(6,329)	(622)	-	(221,664)
Net unallocated expenses	-	-	-	-	-	-
Loss before taxation	(6,958,978)	(73,131,857)	(792,462)	(2,650,093)	(3,620,761)	(87,154,151)
Income tax expense	-	(6,420)	-	-	-	(6,420)
Loss for the year	(6,958,978)	(73,138,277)	(792,462)	(2,650,093)	(3,620,761)	(87,160,571)

28. Operating Segments (continued)

Group 2022	Technology incubation RM	Portfolio investment RM	Biotechnology Products RM	Financial services RM	Trading RM	Total RM
Assets						
Segment assets	53,143,178	124,184,878	862,894	1,802,913	104,723,560	284,717,423
Unallocated assets	-	-	-	-	-	-
Total assets	53,143,178	124,184,878	862,894	1,802,913	104,723,560	284,717,423
Liabilities						
Segment liabilities	452,709	53,664	610,577	994,576	38,751,582	40,863,108
Unallocated liabilities	-	-	-	-	-	-
Total liabilities	452,709	53,664	610,577	994,576	38,751,582	40,863,108
Other information						
Capital expenditure	12,390	-	59,743	-	72,203,670	72,275,803
Depreciation of property, plant and equipment	49,804	-	6,570	-	556,786	613,160
Depreciation of right of use assets	136,945	-	53,703	5,676	-	196,324
Impairment loss/(reversal) on						
- trade receivables	-	-	-	2,818,202	-	2,818,202
- non-trade receivable	-	-	-	-	1,955,651	1,955,651
- unquoted shares	-	6,916,784	-	-	-	6,916,784
- other payable	-	(1,915)	(10,500)	(40,000)	-	(52,415)
Fair value gain on marketable securities	-	63,813,029	-	-	-	63,813,029
Gain on short term investment	(393,613)	-	-	-	-	(393,613)
Gain on foreign exchange						
- unrealised	-	(1,000,685)	-	-	-	(1,000,685)
Fair value loss on marketable securities	-	63,813,029	-	-	-	63,813,029

29. Financial instruments

Categories of financial instruments

The table below provides an analysis of the categories of financial instruments categorised as follows:

(a) Financial assets and liabilities measured at fair value through profit or loss ("FVTPL"); and
(b) Financial assets and liabilities measured at amortised cost ("AC").

Group	Carrying amount RM	FVTPL RM	AC RM
2023			
Financial assets			
Marketable securities	88,406,170	88,406,170	-
Trade receivables	274,393	-	274,393
Non-trade receivables, deposits (excluding prepayments)	24,667,451	-	24,667,451
Short term investment	13,215,958	13,215,958	-
Cash and bank balances	14,406,358	-	14,406,358
	140,970,330	101,622,128	39,348,202
Financial liabilities			
Lease liabilities	127,426	-	127,426
Trade payables	5,303,097	-	5,303,097
Non-trade payables and accruals	28,353,319	-	28,353,319
	33,783,842	-	33,783,842

Notes to the Financial Statements (Cont'd)
For the Financial Year Ended 30 June 2023

29. Financial Instruments (continued)

Categories of financial instruments (continued)

The table below provides an analysis of the categories of financial instruments categorised as follows: (continued)

(a) Financial assets and liabilities measured at fair value through profit or loss ("FVTPL"); and
(b) Financial assets and liabilities measured at amortised cost ("AC").

Company	Carrying amount RM	FVTPL RM	AC RM
2023			
Financial assets			
Non-trade receivables, deposits (excluding prepayments)	217,855	-	217,855
Amount due from subsidiaries	1,098,762	-	1,098,762
Short term investment	13,215,958	13,215,958	-
Cash and bank balances	1,101,657	-	1,101,657
	15,634,232	13,215,958	2,418,274
Financial liabilities			
Lease liability	127,426	-	127,426
Non-trade payables and accruals	61,403	-	61,403
Amount due to subsidiaries	1,275,922	-	1,275,922
	1,464,751	-	1,464,751
Group			
2022			
Financial assets			
Marketable securities	94,485,624	94,485,624	-
Trade receivables	23,902,405	-	23,902,405
Non-trade receivables, deposits (excluding prepayments)	2,166,825	-	2,166,825
Short term investment	49,612,079	49,612,079	-
Cash and bank balances	3,505,574	-	3,505,574
	173,672,507	144,097,703	29,574,804
Financial liabilities			
Lease liabilities	665,683	-	665,683
Trade payables	23,980,166	-	23,980,166
Non-trade payables and accruals	16,217,259	-	16,217,259
	40,863,108	-	40,863,108
Company			
2022			
Financial assets			
Non-trade receivables, deposits (excluding prepayments)	182,352	-	182,352
Amount due from subsidiaries	58,918,742	-	58,918,742
Short term investment	49,612,079	49,612,079	-
Cash and bank balances	1,587,709	-	1,587,709
	110,300,882	49,612,079	60,688,803
Financial liabilities			
Lease liability	274,391	-	274,391
Non-trade payables and accruals	178,318	-	178,318
Amount due to subsidiaries	1,334,844	-	1,334,844
	1,787,553	-	1,787,553

29. Financial Instruments (continued)

Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, interest rate risk, market risk and liquidity risk.

The Group's and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's and of the Company's businesses whilst managing its credit risk, market risk, interest rate risk, and liquidity risk.

The following sections provide details regarding the Group's and the Company's exposure to the above mentioned financial risks and the objectives, policies and processes for the management of these risks.

Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's and the Company's exposure to credit risk arises principally from the individual characteristics of each customer.

Trade receivables

At each reporting date, the Group and the Company assess whether any of the trade receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Credit risk concentration profile

The Group's major concentration of credit risk relates to the amounts owing by 5 (2022:4) major customers/broker which constituted approximately 98% (2022: 82%) of its trade receivables as at the end of the reporting period.

Exposure to credit risk

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of the financial assets as at the end of the reporting period.

Recognition and measurement of impairment loss

The Company uses a provision matrix to measure ECLs of trade receivables.

Loss rates are based on actual credit loss experience over the past three (3) years. The Company also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Company's view of economic conditions over the expected lives of the receivables. Nevertheless, the Company believes that these factors are immaterial for the purpose of impairment calculation for the financial period.

Notes to the Financial Statements (Cont'd)
For the Financial Year Ended 30 June 2023

29. Financial instruments (continued)

Credit risk (continued)

Trade receivables (continued)

Ageing analysis

The ageing analysis of the Group trade receivables, as at reporting date is as follows:

Group	Gross carrying amount RM	Credit impaired RM	Carrying amount RM
2023			
Not past due	187,297	-	187,297
Past due:			
- less than 3 months	87,096	-	87,096
- more than 3 months	1,066,315	(1,066,315)	-
	1,340,708	(1,066,315)	274,393
2022			
Not past due	22,143,970	-	22,143,970
Past due:			
- less than 3 months	90,404	-	90,404
- more than 3 months	4,486,233	(2,818,202)	1,668,031
	26,720,607	(2,818,202)	23,902,405

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

As at the end of the reporting period, the Group and the Company did not recognised any allowance for impairment losses.

Deposits

Credit risks on deposits are mainly arising from deposits paid for office buildings rented. These deposits will be refunded at the end of each lease terms. The Company manages the credit risk together with the leasing arrangement.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

As at the end of the reporting period, the Group and the Company did not recognised any allowance for impairment losses.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's financial position or cash flows.

Interest rate risk

The Group's and the Company's primary interest rate risk relates to interest earning from deposits with licensed banks from financial institutions.

		Group and Company	
2023	**Effective interest rate per annum %**	**Within one year**	**Total RM**
Financial asset			
Short term investment	3.00	13,215,958	13,215,958

29. Financial instruments (continued)

Interest rate risk (continued)

		Group and Company	
2023	**Effective interest rate per annum %**	**Within one year**	**Total RM**
2022			
Financial asset			
Short term investment	2.00	49,612,079	49,612,079

Interest rate risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates as at the end of the reporting period, with all other variables held constant:

	Group and Company	
	2023 Increase/ (Decrease) RM	**2022 Increase/ (Decrease) RM**
Effects on profit after taxation		
Increase of 10 basis points ("bp")	10,044	37,705
Decrease of 10 basis points ("bp")	(10,044)	(37,705)

Liquidity risk

The Group and the Company monitor and maintain a level of cash and cash equivalents deemed adequate by management to finance the Group's and the Company's operations and to mitigate the effects of fluctuations in cash flows.

Maturity analysis

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at reporting date based on undiscounted contractual payments:

Group	**Carrying amount RM**	**Contractual interest rate**	**Contractual cash flows RM**	**Within 1 year RM**	**After 1 year RM**
2023					
Lease liabilities	127,426	4.4	130,050	130,050	-
Trade payables	5,303,097	-	5,303,097	5,303,097	-
Non-trade payables and accruals	28,353,319	-	28,353,319	28,353,319	-
	33,783,842		33,786,466	33,786,466	-
2022					
Lease liabilities	665,683	4.4	696,846	278,244	418,602
Trade payables	23,980,166	-	23,980,166	23,980,166	-
Non-trade payables and accruals	16,217,259	-	16,217,259	16,217,259	-
	40,863,108		40,894,271	40,475,669	418,602

Notes to the Financial Statements (Cont'd)
For the Financial Year Ended 30 June 2023

29. Financial instruments (continued)

Maturity analysis (continued)

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at reporting date based on undiscounted contractual payments (continued):

Company	Carrying amount RM	Contractual interest rate	Contractual cash flows RM	Within 1 year RM	After 1 year RM
2023					
Lease liability	127,426	4.4	130,050	130,050	-
Non-trade payables and accruals	61,403	-	61,403	61,403	-
Amount due to subsidiaries	1,275,922	-	1,275,922	1,275,922	-
	1,464,751		1,467,375	1,467,375	-
2022					
Lease liability	274,391	4.4	286,110	156,060	130,050
Non-trade payables and accruals	178,318	-	178,318	178,318	-
Amount due to subsidiaries	1,334,844	-	1,334,844	1,334,844	-
	1,787,553		1,799,272	1,669,222	130,050

Foreign currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instruments as a result of changes in foreign exchange rates. The Group's and the Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's and the Company's operating activities (when sales, purchases and borrowings that are denominated in a foreign currency).

The Group's and the Company's unhedged financial assets that are not denominated in their functional currencies are as follows:

	Group and Company	
	2023 Australia Dollar RM	2022 Australia Dollar RM
Balances recognized in the statement of financial position		
Marketable securities	486,884	655,970

Sensitivity analysis for foreign currency risk
The Group's and the Company's principal foreign currency exposure relates mainly to Australia Dollar ("AUD").

The following table demonstrates the sensitivity to a reasonably possible changes in the AUD, with all other variables held constant on the Group's and the Company's total equity and profit for the financial year.

	Change in percentage	Effect in profit for the financial year RM	Effect on the equity RM
2023	+10	37,003	37,003
	-10	(37,003)	(37,003)
2022	+10	49,854	49,854
	-10	(49,854)	(49,854)

29. Financial instruments (continued)

Fair values

The financial assets maturing within the next 12 months approximated fair values due to the relatively short-term maturity of the financial instruments except for amount due from/(to) subsidiaries as it is not practical to estimate the fair value to principally to a lack of fixed repayment term entered by the parties involved and without incurring excessive costs. The directors are at the opinion that the carrying amounts recorded at the balance sheet date do not differ significantly from the values that would eventually be recovered.

Fair value hierarchy

The table below analyses financial instrument carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

	2023 RM	2022 RM
Group		
Level 1		
Short term investment	13,215,958	49,612,079
Marketable securities	88,406,170	94,485,624

The Group does not have any financial liabilities carried at fair value nor any financial instruments classified as Level 2 and Level 3 as at 30 June 2023.

30. Capital Commitments

	Group 2023 RM	Group 2022 RM
Capital expenditures approved by the directors:		
- Contracted for	-	25,373,341

31. Reconciliation of liabilities arising from financing activities

The table below show the details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes.

	At beginning of the financial year RM	Financing cash flows (i) RM	New lease RM	Other changes (ii) RM	At end of the financial year RM
2023					
Group					
Lease liabilities	665,683	(161,461)	-	(376,796)	127,426
Company					
Lease liabilities	274,391	(146,965)	-	-	127,426

Notes to the Financial Statements (Cont'd)
For the Financial Year Ended 30 June 2023

31. Reconciliation of liabilities arising from financing activities (continued)

The table below show the details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes. (continued)

	At beginning of the financial year RM	Financing cash flows (i) RM	New lease RM	Other changes (ii) RM	At end of the financial year RM
2022					
Group					
Lease liabilities	414,974	(139,630)	390,339	-	665,683
Company					
Lease liabilities	414,974	(140,583)	-	-	274,391

(i) The financing cash flows represent payment of lease liabilities and net proceeds from/repayment of bank borrowings in the statements of cash flows.

(ii) Other changes include derecognition of lease contracts

32. Significant events during the financial year

(a) On 14 July 2022, the Company has resolved to extend the time frame for the utilisation of the balance proceeds of approximately RM 1,233,000 in relation to the 30% private placement for another 6 months period from 15 July 2022 to 14 January 2023 to provide additional time for the Company to utilise the balance of proceeds for the investment in healthcare equipment manufacturing and/or trading business.

(b) On 3 August 2022, the Company has deliberated and resolved to vary the utilisation of proceeds raised from the Rights Issue with Warrants C ("RIWW") which had been completed following the listing and quotation of 1,432,718,739 Rights Shares and 1,146,174,828 Warrants C on the ACE Market of Bursa Malaysia Securities Berhad. The Company has raised gross proceeds of RM114.617 million from the RIWW.

(c) On 3 August 2022, entered into Sale and Purchase Agreement of 2 glove production lines entered into between Fintec Glove Sdn Bhd, a wholly-owned subsidiary of the company and Joe Glove Sdn Bhd on land held under Pajakan Negeri 210005, Lot 304994, Mukim Hulu Kinta, Daerah Kinta, Negeri Perak measuring approximately 18,746 square meters located at Jalan Chepor 11/8, Kawasan Perusahaan Seramik Chepor, 31200 Mukim Hulu Kinta, Daerah Kinta, Perak at a total contract price of RM 14,470,000.

(d) On 3 August 2022, entered into factory rental agreement between Fintec Glove Sdn Bhd, a wholly-owned subsidiary of the company and Joe Glove Sdn Bhd for leasing parts of the glove manufacturing factory and facilities constructed on the property belonging to Fintec Glove Sdn Bhd.

(e) On 30 August 2022, Reference is made to the Company's announcement made on 20 January 2021, 31 March 2021, 30 June 2021, 30 September 2021, 30 November 2021, 28 February 2022 and 31 May 2022 pertaining to the Memorandum of Agreement ("MOA") entered between Fintec Glove Sdn. Bhd. [Registration No. 202001025522 (1381842-A)], a wholly-owned subsidiary of FINTEC, and ROBAYU Corporation sp. z o.o. [NIP: 5311580976] to spearhead its sales and distribution of medical grade nitrile examination gloves in Warsaw, Poland and Eastern Europe. The parties have mutually agreed to terminate the MOA on 18 October 2022.

(f) On 16 December 2022, the Company has resolved to extend the time frame for the utilisation of the balance proceeds of approximately RM 39,850,000 in relation to the right issue with warrants for another 12 months period from 28 December 2022 to 27 December 2023 to provide additional time for the Company to utilise the balance of proceeds for the construction of factory building for the gloves business.

(g) On 10 January 2023, the Company has resolved to extend the time frame for the utilisation of the balance proceeds of approximately RM 646,000 in relation to the 30% private placement for another 12 months period from 15 January 2023 to 14 January 2024 to provide additional time for the Company to utilise the balance of proceeds for the investment in healthcare equipment manufacturing and/or trading business.

33. General information

The Company is a public limited company that is incorporated and domiciled in Malaysia and listed on the ACE Market of Bursa Malaysia Securities Berhad.

The principal activities of the Company are technology incubation and investment holding, manufacturing and sale of rubber gloves. The principal activities of the subsidiary companies are disclosed in note 12 to the financial statements.

There has been no significant change in the nature of these activities during the financial year other than disclosed in the financial statements.

The registered office of the Company is located at 10th Floor, Menara Hap Seng, No. 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur.

The address of the principal place of business of the Company is Lot 13.1, 13th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan.

The financial statements were approved and authorised for issue by the Board of Directors on 23 October 2023.

ANALYSIS OF SHAREHOLDINGS
AS AT 29 SEPTEMBER 2023

Issued and Paid-Up Share Capital	:	RM368,725,640 comprising of 5,923,815,474 ordinary shares
Class of Shares	:	Ordinary shares
Voting Rights	:	One (1) vote per ordinary share

Analysis of Shareholdings

Size of Holdings	No. of shareholders	% of shareholders	No. of shares held	% of shareholdings
1 - 99	1,290	6.45	62,734	0.00
100 - 1,000	829	4.14	392,074	0.01
1,001 - 10,000	2,637	13.18	17,768,079	0.3
10,001 - 100,000	8,494	42.45	434,988,169	7.34
100,001 - 296,190,772*	6,759	33.78	5,470,604,418	92.35
296,190,773 and above**	0	0	0	0
TOTAL	**20,009**	**100.0**	**5,923,815,474**	**100.00**

Note:
* *less than 5 % of issued shares*
** *5% and above of issued shares*

List of Directors' Shareholdings

	Direct		Deemed	
	No. of Shares	**%**	**No. of Shares**	**%**
Dato' Seri Abdul Azim Bin Mohd Zabidi	-	-	-	-
Ong Tee Kein	-	-	-	-
Tan Sik Eek	666,666	0.01	-	-
Chew Shin Yong, Mark	-	-	-	-
Ong Siew Min *(Appointed on 31 March 2023)*	-	-	-	-

List of Substantial Shareholders (based on Register of Substantial Shareholders)

Shareholders	Direct		Deemed	
	No. of Shares	**%**	**No. of Shares**	**%**
CPE Growth Capital Limited	31,838,166	0.54	-	-
Adamas Finance Asia Limited	-	-	31,838,166 [i]	0.54

Note:
[i] *Deemed interest by virtue of the shareholdings in CPE Growth Capital Limited*

Analysis of Shareholdings (Cont'd)
As at 29 September 2023

List of Top 30 Shareholders

	Name	No. of shares held	Percentage (%)
1	Cartaban Nominees (Asing) Sdn. Bhd. *Exempt An for Standard Chartered Bank Singapore (EFGBHK-Asing)*	165,000,000	2.785
2	Choi Khai Chean	121,000,000	2.042
3	Chin Wah Yin	60,000,000	1.012
4	Kenanga Nominees (Tempatan) Sdn. Bhd. *Chin Kiam Hsung*	39,400,000	0.665
5	HLIB Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Ong Kim Leng*	33,500,000	0.565
6	Eng Hong Palm Oil Mill Sdn. Berhad	32,000,000	0.540
7	Chin Kiam Hsung	31,800,000	0.536
8	Choo Kwang Wah	30,000,000	0.506
9	Lim Wee Yang	30,000,000	0.506
10	UOB Kay Hian Nominees (Asing) Sdn. Bhd. *Exempt An for UOB Kay Hian Pte Ltd (A/C Clients)*	28,676,500	0.484
11	Ong Kim Leng	27,329,700	0.461
12	Koh Heok Teo	26,100,000	0.440
13	TA Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Ong Eng Taik*	25,050,000	0.422
14	Ooi Ee How	25,000,000	0.422
15	Geoffrey Lim Fung Keong	24,900,000	0.420
16	AllianceGroup Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Lim Chung Toung (8036111)*	23,500,000	0.396
17	Public Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Lim Chung Toung (E-KKU)*	22,000,000	0.371
18	Kenanga Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Ang Leng*	21,000,000	0.354
19	Amsec Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Quek See Kui*	20,395,800	0.344
20	Maybank Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Teo Ker-Wei*	20,000,000	0.337
21	Maybank Nominees (Tempatan) Sdn. Bhd. *Lim Kah Eng*	17,393,200	0.293
22	Tan Seng Chee	17,000,000	0.286
23	Kenanga Nominees (Tempatan) Sdn. Bhd. *Rakuten Trade Sdn. Bhd. for Lim Mui Hui*	16,600,000	0.280
24	Siah Mun Yee	16,471,400	0.278
25	Ong Kim Leng	16,091,200	0.271
26	Cimsec Nominees (Tempatan) Sdn. Bhd. *CIMB for Boey Tze Nin (PB)*	15,166,800	0.256
27	Kenanga Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Chin Kiam Hsung*	15,100,000	0.254
28	Choi Lai Yee	15,000,000	0.253
29	HLIB Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Ng Hock Lian (CCTS)*	14,280,000	0.241
30	Bo Eng Chee	13,500,000	0.227
	TOTAL	**963,254,600**	**16.247**

ANALYSIS OF PREFERENCE SHAREHOLDINGS
AS AT 29 SEPTEMBER 2023

Type of Securities	:	Irredeemable Convertible Preference Shares ("ICPS")
Total Number of ICPS issued	:	899,284,472
Total Number of Outstanding ICPS	:	224,308,135
Conversion Price	:	RM0.11
Voting Right	:	An ICPS does not carry any right to vote at any general meeting of the Company except for the right to vote in person or by proxy or by attorney at such meeting in each of the following circumstances until and unless the holders of ICPS convert their ICPS into ordinary shares:-

(a) on a proposal considering the reduction of the share capital of the Company (excluding any cancellation of capital which is lost or unrepresented by assets);
(b) on a proposal for the sale of the whole of the Company's property, business and undertaking;
(c) on a proposal that directly affects the rights and privileges attached to the ICPS;
(d) on a proposal to wind-up the Company; and
(e) during the winding-up of the Company.

Where the holders of ICPS are entitled to vote at any general meeting, every ICPS shall on a poll, carry 1 vote for each ordinary share into which the ICPS are convertible upon exercise of the Conversion Right (based on the Conversion Mode) and every ordinary share shall, notwithstanding any other provision of the Constitution, carry 1 vote for each such share.

The holders of ICPS shall have the right to receive notices, reports and accounts and attend meetings, of which shareholders are entitled.

Analysis of ICPS Shareholdings

Size of Holdings	No. of ICPS holders	% of ICPS holders	No. of ICPS held	% of ICPS holdings
1 - 99	45	4.63	1,947	0.00
100 - 1,000	45	4.63	20,559	0.01
1,001 - 10,000	99	10.20	650,327	0.29
10,001 - 100,000	498	51.29	25,592,637	11.48
100,001 - 11,145,418*	283	29.15	181,962,915	81.63
11,145,419 and above**	1	0.10	14,680,000	6.59
TOTAL	**971**	**100.00**	**222,908,385**	**100.00**

Note:
* *less than 5 % of issued ICPS*
** *5% and above of issued ICPS*

List of Directors' ICPS Shareholdings

	Direct		Deemed	
	No. of ICPS	%	No. of ICPS	%
Dato' Seri Abdul Azim Bin Mohd Zabidi	-	-	-	-
Ong Tee Kein	-	-	-	-
Tan Sik Eek	-	-	-	-
Chew Shin Yong, Mark	-	-	-	-
Ong Siew Min *(Appointed on 31 March 2023)*	-	-	-	-

Analysis of Preference Shareholdings (Cont'd)
As at 29 September 2023

List of Top 30 ICPS Holders

	Name	No. of ICPS held	Percentage (%)
1	M & A Nominee (Tempatan) Sdn. Bhd. *Exempt An for Sanston Financial Group Limited (Account Client)*	14,680,000	6.585
2	Ng Yoke Hin	10,105,666	4.533
3	Geoffrey Lim Fung Keong	7,705,000	3.456
4	Kenanga Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Goh Yuan Shen*	7,000,000	3.140
5	Bo Eng Chee	6,480,000	2.907
6	Ong Soi Tat	6,000,000	2.691
7	Affin Hwang Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Tan Leang Kok (M01)*	3,500,000	1.570
8	Chan Chok Kin	3,072,100	1.378
9	Maybank Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Heng Poh Suan*	2,944,000	1.320
10	Tan Leang Kok	2,900,600	1.301
11	Citigroup Nominees (Asing) Sdn. Bhd. *Exempt An for OCBC Securities Private Limited (Client A/C-NR)*	2,666,700	1.196
12	HLIB Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Ong Kim Leng*	2,500,000	1.121
13	Le Chang Low	2,500,000	1.121
14	Ting Seu Nguong	2,345,600	1.052
15	Low Lee Seng	2,133,332	0.957
16	Affin Hwang Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Kong Kok Chuen (KON0167C)*	2,120,000	0.951
17	Liew Cha Wee	2,092,300	0.938
18	Neo Say Yeow	2,050,000	0.919
19	Chin Yam Meng	2,000,000	0.897
20	Tein Yuk Ying	2,000,000	0.897
21	Yong Hock Men	2,000,000	0.897
22	Lim Yaw Yeu	1,966,000	0.881
23	Kenanga Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Wong Lip Ken*	1,700,000	0.762
24	Ng Sze Mooi	1,600,000	0.717
25	Ng Kok Liong	1,505,000	0.675
26	Goh Cheng Foong	1,500,000	0.672
27	Lang Thiam Leong	1,500,000	0.672
28	Lim Chin Hong	1,500,000	0.672
29	Lim E @ Lim Hoon Nam	1,500,000	0.672
30	Teh Bee Khay	1,500,000	0.672
	TOTAL	**103,066,298**	**46.22**

ANALYSIS OF WARRANTHOLDINGS (WARRANT A)
AS AT 29 SEPTEMBER 2023

Type of Securities	:	Warrants A
Total Number of Warrants issued	:	420,200,000#
Total Number of Outstanding Warrants	:	170,092,838#
Exercise Price	:	RM0.19 per warrant#
Voting Right	:	The holder of warrants is not entitled to any voting rights.

The total number of warrants issued was 420,200,000 and the total number of outstanding warrants and exercise price were adjusted as a result of the consolidation of every 3 ordinary shares in the Company into 1 ordinary share, which was completed on 6 June 2017. Subsequently, the total number of outstanding warrants and exercise price were adjusted with effect from 26 November 2020 pursuant to the Rights Issue with Warrants C, which was completed on 28 December 2020.

Analysis of Warrantholdings A

Size of Holdings	No. of warrantholders	% of warrantholders	No. of warrants held	% of warrantholdings
1 - 99	394	26.71	23,152	0.01
100 - 1,000	55	3.73	28,112	0.02
1,001 - 10,000	166	11.25	932,692	0.55
10,001 - 100,000	546	37.02	23,486,489	13.81
100,001 - 8,504,640*	313	21.22	123,520,838	72.62
8,504,641 and above**	1	0.07	22,101,555	12.99
TOTAL	**1,475**	**100.00**	**170,092,838**	**100.00**

Note:
* *less than 5% of issued warrants*
** *5% and above of issued warrants*

List of Directors' Warrantholdings A

	Direct		Indirect	
	No. of Warrants	%	No. of Warrants	%
Dato' Seri Abdul Azim Bin Mohd Zabidi	-	-	-	-
Ong Tee Kein	-	-	-	-
Tan Sik Eek	-	-	-	-
Chew Shin Yong, Mark	-	-	-	-
Ong Siew Min *(Appointed on 31 March 2023)*	-	-	-	-

Analysis of Warrantholdings (Warrant A) (Cont'd)
As at 29 September 2023

List of Top 30 Warrantholders A

	Name	No. of warrants held	Percentage (%)
1	Tan Wei Lai	22,101,555	12.993
2	Affin Hwang Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Leou Thiam Lai (M09)*	4,793,350	2.818
3	Lim Chee Kon	4,145,600	2.437
4	Chua Chin Chyang	3,601,230	2.117
5	Teng Pok Sang @ Teng Fook Sang	2,671,924	1.570
6	Low Choon Nam	2,591,000	1.523
7	Ho Kam Fook	2,560,600	1.505
8	You Shuan Ching	2,526,225	1.485
9	Kenanga Nominees (Tempatan) Sdn. Bhd. *Rakuten Trade Sdn. Bhd. for Jason Kong Wai Kay*	2,494,572	1.466
10	Public Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Ling Su You (E-KKU/BFT)*	2,350,684	1.382
11	Chua Chin Chyang	2,202,350	1.294
12	Yong Siew Tiam	2,000,000	1.175
13	Law Seng Keong	1,950,025	1.146
14	Kenanga Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for R Kogilavani (029)*	1,727,332	1.015
15	AllianceGroup Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Tie Ming Chung (7002470)*	1,700,257	0.999
16	Maybank Nominees (Tempatan) Sdn. Bhd. *Teoh Lee Peng*	1,684,150	0.990
17	Yong Gim Beng	1,555,644	0.914
18	AllianceGroup Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Liaw Ming Kuang (8055879)*	1,317,090	0.774
19	Public Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Yeu Ing Dee (E-KKU/BFT)*	1,295,500	0.761
20	Wong Shin Yi	1,221,625	0.718
21	Liang Kong Fung	1,012,167	0.595
22	Kong Oon Chee	1,000,042	0.587
23	Affin Hwang Investment Bank Berhad *IVT (YKL) Lee Khee Yip*	1,000,000	0.587
24	Koh Lee Mui	1,000,000	0.587
25	Rockwills Trustee Berhad *Si Boon Chong*	918,200	0.539
26	Loh Fu Chong	906,850	0.533
27	Ooi Hong Chiang	906,850	0.533
28	Public Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Lim Kian Deng (E-TAI/TIN)*	867,985	0.510
29	You Ah Chin	845,702	0.497
30	Foo Se Hee	777,300	0.456
	TOTAL	**75,725,809**	**44.506**

ANALYSIS OF WARRANTHOLDINGS (WARRANT C)
AS AT 29 SEPTEMBER 2023

Types of Securities	:	Warrants C
Total Number of Warrants Issued	:	1,146,174,828
Total Number of Outstanding Warrants	:	1,146,126,828
Exercise Price	:	RM0.08 per warrant
Voting Right	:	The holder of warrants is not entitled to any voting rights.

Analysis of Warrantholdings C

Size of Holdings	No. of warrantholders	% of warrantholders	No. of warrants held	% of warrantholdings
1 - 99	195	4.37	9,707	0.00
100 - 1,000	81	1.82	38,121	0.01
1,001 - 10,000	598	13.39	3,589,867	0.31
10,001 - 100,000	2,222	49.76	100,396,289	8.76
100,001 - 57,306,340*	1,369	30.66	1,042,092,844	90.92
57,306,341 and above**	0	0.00	0	0.00
TOTAL	**4,465**	**100.00**	**1,146,126,828**	**100.00**

Note:
* *less than 5% of issued warrants*
** *5% and above of issued warrants*

List of Directors' Warrantholdings C

	Direct		Indirect	
	No. of Warrants	%	No. of Warrants	%
Dato' Seri Abdul Azim Bin Mohd Zabidi	-	-	-	-
Ong Tee Kein	-	-	-	-
Tan Sik Eek	266,666	0.02	-	-
Chew Shin Yong, Mark	-	-	-	-
Ong Siew Min *(Appointed on 31 March 2023)*	-	-	-	-

Analysis of Warrantholdings (Warrant C) (Cont'd)

As at 29 September 2023

List of Top 30 Warrantholders C

	Name	**No. of warrants held**	**Percentage (%)**
1	Public Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Kho Chong Yau (E-TSA)*	30,000,000	2.617
2	Lum Yin Mui	26,247,600	2.290
3	Kenanga Nominees (Tempatan) Sdn. Bhd. *Chin Kiam Hsung*	15,520,000	1.354
4	Amsec Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Quek See Kui*	15,516,640	1.353
5	Er Soon Puay	15,072,400	1.315
6	Md Nor Bin Mansor	15,000,000	1.308
7	Num Song Sdn. Bhd.	15,000,000	1.308
8	Tan Siew Heong	15,000,000	1.308
9	TA Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Ong Eng Taik*	14,400,000	1.256
10	Chin Kiam Hsung	14,160,000	1.235
11	Public Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Choo Kok Poon (E-KBU)*	12,581,760	1.097
12	Choong Kean Cheong	12,041,200	1.050
13	Chee Chee Weng	11,000,000	0.959
14	Chong Me Hong	10,001,000	0.872
15	Tan Kar Ying	10,000,100	0.872
16	M & A Nominee (Tempatan) Sdn. Bhd. *Exempt An for Sanston Financial Group Limited (Account Client)*	10,000,000	0.872
17	Geoffrey Lim Fung Keong	9,240,000	0.806
18	CGS-CIMB Nominees (Asing) Sdn. Bhd. *Exempt An for CGS-CIMB Securities (Singapore) Pte. Ltd. (Retail Clients)*	9,112,080	0.795
19	Chin Kiam Hsung	8,640,000	0.753
20	AllianceGroup Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Heng Kok Lin (7001277)*	8,160,000	0.711
21	Eng Hong Palm Oil Mill Sdn. Berhad	7,999,920	0.697
22	Liew Kwok Cherng	7,800,000	0.680
23	Chan Kon Loong	7,000,200	0.610
24	Farm Meu Fah	7,000,000	0.610
25	Tan Boon Choon	6,028,000	0.525
26	AllianceGroup Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Seaw Wei Tat (7000246)*	6,000,000	0.523
27	Maybank Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Teo Ker-Wei*	6,000,000	0.523
28	Teo Ah Seng	5,899,120	0.514
29	Affin Hwang Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Tan Leang Kok (M01)*	5,570,000	0.485
30	CGS-CIMB Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Tee Geok Poh (MY2016)*	5,160,000	0.450
	TOTAL	**341,150,020**	**29.748**

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Sixteenth Annual General Meeting ("AGM") of the Company will be conducted on a fully virtual basis from the Broadcast Venue at Level 4, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan (https://rebrand.ly/FintecAGM) on Tuesday, 28 November 2023 at 10.30 a.m. for the purpose of considering the following businesses:-

AGENDA

Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 30 June 2023 together with the Reports of the Directors and the Auditors thereon. ***(Please refer to Explanatory Note 1)***

2. To re-elect Dato' Seri Abdul Azim Bin Mohd Zabidi, a Director who is retiring in accordance with Regulation 97 of the Company's Constitution. ***Ordinary Resolution 1***

3. To re-elect Ms Ong Siew Min, a Director who is retiring in accordance with Regulation 104 of the Company's Constitution. ***Ordinary Resolution 2***

4. To approve the payment of Directors' Fees up to RM708,000.00 for the financial period from 1 July 2023 until the conclusion of the next AGM. ***Ordinary Resolution 3***

5. To approve the payment of Directors' Remuneration (excluding Directors' Fees) payable to the Board of the Company and its subsidiaries up to RM50,000.00 for the financial period from 1 January 2024 until the conclusion of the next AGM. ***Ordinary Resolution 4***

6. To re-appoint ChengCo PLT as the Auditors of the Company and to authorise the Directors to determine their remuneration for the ensuing year. ***Ordinary Resolution 5***

As Special Business

To consider and if thought fit, to pass the following resolution, with or without modifications:-

7. **As Ordinary Resolution** ***Ordinary Resolution 6***
   - Proposed Waiver of Statutory Pre-Emptive Rights of the Shareholders and Authority to Issue Shares

   "THAT subject always to the Companies Act 2016, Constitution of the Company and approvals from Bursa Malaysia Securities Berhad and any other governmental/regulatory bodies, where such approval is necessary, authority be and is hereby given to the Directors pursuant to Sections 75 and 76 of the Companies Act 2016 to issue and allot not more than ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company at any time upon any such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit or in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force until the conclusion of the next Annual General Meeting of the Company.

   THAT pursuant to Section 85 of the Companies Act 2016 to be read together with Regulation 54 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered with new shares ranking equally to the existing issued shares of the Company arising from any issuance of new shares in the Company pursuant to this mandate.

   AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares."

8. To transact any other business of which due notice shall have been given.

BY ORDER OF THE BOARD

NG SALLY (MAICSA 7060343 / SSM PC NO. 202008002702)
GOH XIN YEE (LS 0010359 / SSM PC NO. 202008000375)
Company Secretaries

30 October 2023
Kuala Lumpur

NOTES:

1. The Company shall request Bursa Malaysia Depository Sdn. Bhd. in accordance with Regulation 62 of the Company's Constitution to issue a General Meeting Record of Depositors as at 21 November 2023. Only depositor whose name appears on the Record of Depositors as at 21 November 2023 shall be entitled to attend, participate, speak and vote at this meeting.

2. Each member entitled to attend and vote in person may appoint not more than two (2) proxies to attend, speak and vote in its stead but his attendance shall automatically revoke the proxy's authority.

3. A proxy may, but need not, be a Member of the Company and there shall be no restriction as to the qualification of the proxy. Where a Member appoints more than one (1) proxy, he shall specify the proportions of his holdings to be represented by each proxy, failing which the appointment shall be invalid.

4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies in respect of each Securities Account it holds in ordinary shares of the Company standing to the credit of such Securities Account.

5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiples beneficial owners in one (1) Securities Account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.

6. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if such appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. The Directors may, but shall not be bound to require evidence of the authority of any such attorney or officer.

7. The instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office of ShareWorks Sdn. Bhd. at 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the meeting, i.e. before 10.30 a.m., Sunday, 26 November 2023, or at any adjourned thereof.

EXPLANATORY NOTES ON ORDINARY AND SPECIAL BUSINESS:

(i) Item 1 of the Agenda

This agenda item is meant for discussion only, as the provision of Section 248(1) and Section 340(1)(a) of the Companies Act 2016 ("the Act") does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

(ii) Items 2 & 3 of the Agenda

Dato' Seri Abdul Azim Bin Mohd Zabidi is standing for re-election under the retirement by rotation in accordance with Regulation 97 of the Company's Constitution and being eligible, has offered himself for re-election at the Sixteenth AGM.

Ms Ong Siew Min was appointed on 31 March 2023 and is standing for re-election as Director of the Company in accordance with Regulation 104 of the Company's Constitution, and being eligible, has offered herself for re-election at the Sixteenth AGM.

The profiles of the retiring Directors are set out in the Profile of Directors of the 2023 Annual Report.

(iii) Items 4 & 5 of the Agenda

Section 230(1) of the Act provides amongst others, that "the fees" of the directors and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agreed that the shareholders' approval shall be sought at the Sixteenth AGM on the Directors' Remuneration in two (2) separate resolutions as below:-

- Resolution 3 on payment of Directors' Fees for the financial period from 1 July 2023 until the conclusion of the next AGM; and
- Resolution 4 on payment of Directors' Remuneration (excluding Directors' Fees) for the financial period from 1 January 2024 until the conclusion of the next AGM ("Relevant Period").

The payment of the Directors' Fees for the financial period from 1 July 2023 until the conclusion of the next AGM will only be made if the proposed Resolution 3 has been passed at the Sixteenth AGM pursuant to Regulation 105 of the Company's Constitution and Section 230(1) of the Act.

Notice of Annual General Meeting (Cont'd)

EXPLANATORY NOTES ON ORDINARY AND SPECIAL BUSINESS:

(iii) Items 4 & 5 of the Agenda (continued)

The Directors' Remuneration (excluding Directors' Fees) comprises the allowances and other emoluments payable to the Board of the Company and its subsidiaries as follows:-

	Executive/ Managing Director (RM'000)	Independent Non-Executive Directors (RM'000)	Non-Independent Non-Executive Directors (RM'000)	Total (RM'000)
Meeting allowance	-	50	-	50
Other Benefits & Emolument	-	-	-	-
Total	-	50	-	50

The estimated total amount of remuneration (excluding Directors' Fees) for the Relevant Period of RM50,000.00 were determined based on the various factors including the number of scheduled meetings for the Board and Board Committees as well as the extent of involvement of the respective Directors.

Payment of Directors' Fees for the financial period from 1 July 2023 until the conclusion of the next AGM and Directors' Remuneration (excluding Directors' Fees) will be made by the Company and its subsidiaries on a monthly basis and/or as and when incurred if the proposed Resolutions 3 and 4 have been passed at the Sixteenth AGM. The Board is of the view that it is just and equitable for the Directors to be paid the Directors' Fees for the financial period from 1 July 2023 until the conclusion of the next AGM and Directors' Remuneration (excluding Directors' Fees) on a monthly basis and/or as and when incurred, particularly after they have discharged their responsibilities and rendered their services to the Company and its subsidiaries throughout the financial period from 1 January 2024 until the conclusion of the next AGM. In the event where the payment of Directors' Fees for the financial period from 1 July 2023 until the conclusion of the next AGM and Directors' Remuneration (excluding Directors' Fees) payable during the above period exceeded the estimated amount sought at the Sixteenth AGM, a shareholders' approval will be sought at the next AGM.

(iv) Item 6 of the Agenda

The Audit Committee ("AC") has carried out an assessment of the suitability, objectivity and independence of the external auditors, ChengCo PLT ("ChengCo") and was satisfied with the suitability of ChengCo based on the quality of audit, performance, competency and sufficiency of resources that the external audit team had provided to the Group.

The Board therefore approved the AC's recommendation on the re-appointment of ChengCo as the external auditors of the Company and the same be put forward for the shareholders' approval at the forthcoming Sixteenth AGM.

(v) Item 7 of the Agenda

The proposed Ordinary Resolution 6, if passed, will allow the Company to waive the statutory pre-emptive rights of the shareholders of the Company to be offered with new shares ranking equally to the existing issued shares of the Company arising from any issuance of new shares in the Company pursuant to this mandate. Accordingly, the Company wishes to seek approval from the shareholders for the Directors to issue shares to any person, whether a member or not, in such numbers or proportions as the Directors may determine under this mandate.

This mandate, if passed, will also give flexibility to the Directors of the Company to issue shares up to a maximum of ten per centum (10%) of the issued share capital of the Company at the time of such issuance of shares and for such purposes as they consider would be in the best interest of the Company to raise funds quickly and efficiently to ensure the long-term sustainability of the Company without having to convene separate general meetings. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

This is the renewal of mandate obtained from the shareholders at the last AGM held on 8 December 2022 ("the Previous Mandate").

The Company has not issued any new shares under the Previous Mandate that was approved at the last AGM which will lapse at the conclusion of the Sixteenth AGM to be held on 28 November 2023. Accordingly, no proceeds were raised at this juncture.

The purposes of this general mandate is for further possible fund raising exercises including but not limited to placement of shares for the purpose of funding the Group's technology incubation fund, current and/or future investment projects, working capital, repayment of borrowings and/or acquisitons.

ADMINISTRATIVE GUIDE

ADMINISTRATIVE GUIDE FOR THE SIXTEENTH ANNUAL GENERAL MEETING ("16TH AGM")

Date	:	Tuesday, 28 November 2023
Time	:	10.30 a.m.
Broadcast Venue	:	Lot 4, Level 4, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan
Mode of Meeting	:	The 16th AGM will be held on a fully virtual basis and entirely via remote participation and voting via an online meeting platform operated by InsHub Sdn.Bhd at https://rebrand.ly/FintecAGM

1. PRECAUTIONARY MEASURES AGAINST TRANSMISSION DISEASE

In line with the Government's directive and the revised Guidance Note and Frequently Asked Questions ("FAQs") on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 18 April 2020 and revised on 7 April 2022 ("SC Guidance Note"), the 16th AGM of the Company will be conducted **on a fully virtual basis through live streaming from the Broadcast Venue**.

The Broadcast Venue of the 16th AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016, whereby the main venue of the meeting shall be in Malaysia and the Chairman of the meeting shall be present at the main venue of the meeting. Shareholders/proxy(ies) from the public **WILL NOT BE ALLOWED** to attend the 16th AGM in person at the Broadcast Venue on the day of the meeting.

The Company will continue to observe the requirements and guidelines issued by the Government of Malaysia, Ministry of Health, Malaysian National Security Council, Securities Commission Malaysia and/or other relevant authorities and will take all relevant precautionary measures as advised.

2. SHAREHOLDERS' PARTICIPATION AT THE 16th AGM VIA REMOTE PARTICIPATION AND VOTING ("RPV") FACILITIES

Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at the 16th AGM using the RPV facilities via https://rebrand.ly/FintecAGM.

A shareholder who has appointed a proxy or attorney or authorised representative to participate at this 16th AGM via RPV facilities must request his/her proxy or attorney or authorised representative to register himself/herself for RPV at https://rebrand.ly/FintecAGM.

We **strongly encourage** you to participate in the 16th AGM via the RPV facilities. You may also consider appointing the Chairman of the Meeting as your proxy to attend and vote on your behalf at the 16th AGM.

Kindly refer to the Procedures for RPV as set out below for the requirements and procedures.

3. PROCEDURES FOR RPV

Please read and follow the requirements and procedures below to engage in remote participation through live streaming and online remote voting at the 16th AGM using the RPV facilities:-

Procedure		Action
BEFORE THE 16TH AGM DAY		
(a)	Register as a participant in the Virtual 16th AGM	• Using your computer, access to the website at https://rebrand.ly/FintecAGM. Click on the **REGISTER** link to register as a participant for the 16th AGM. • If you are using mobile devices, you can also scan the QR code provided on the left to access the registration page. Click **REGISTER** and enter your email, followed by **NEXT** to fill in your details to register for the 16th AGM. • Upon submission of your registration, you will receive an e-mail notifying you that your registration has been received and is pending verification. • The event is powered by **Cisco Webex**. You are recommended to download and install Cisco Webex Meetings (available for PC, Mac, Android, and iOS).

Administrative Guide (Cont'd)

3. PROCEDURES FOR RPV

Procedure		Action
(b)	Submit your online registration to participate the 16th AGM remotely.	• Registration for the 16th AGM is **open from 30 October 2023 and the registration will be closed on 26 November 2023 at 10.30 a.m.** Shareholder(s) or proxy(ies) or corporate representative(s) or attorney(s) are required to pre-register their attendance for the 16th AGM to ascertain their eligibility to participate the 16th AGM using the RPV facilities. • Clicking on the link will redirect you to the 16th AGM event page. Click on the **REGISTER** link for the online registration form. • Complete your particulars in the registration page. Your name **MUST** match your CDS account name [not applicable to proxy(ies) or corporate representative(s) or attorney(s)]. • Kindly fill in the CDS account number and indicate the number of shares you hold. If you have more than one CDS account, please state the CDS account number and indicate the number of shares held separately with a comma (,). • Read and agree to the Terms & Conditions and confirm the Declaration. • Please review your registration and ensure all information given is accurate before you proceed to click **SUBMIT** to register for your remote participation. Failure to do so will result in your registration being rejected. • System will send an e-mail to notify that your registration for remote participation is received and pending verification. • After verification of your registration against the Record of Depositors as at **21 November 2023**, the system will send you an e-mail **after 21 November 2023** to approve or reject your registration for remote participation. *(Note: Please allow sufficient time for approval of the registration for the RPV.)*

ON THE DAY OF THE 16TH AGM		
(a)	Participating the Virtual 16th AGM	• Two reminder e-mails will be sent to your inbox. First reminder will be sent one day before the 16th AGM day, while the second reminder will be sent an hour before the commencement of the 16th AGM. • Click **JOIN EVENT** in the reminder email for remote participation at the 16th AGM at any time from 9:30 a.m., i.e. an hour before the commencement of the 16th AGM on **Tuesday, 28 November 2023 at 10.30 a.m.** • Please ensure you have downloaded and installed Cisco Webex Meetings application before attending the Virtual 16th AGM.
(b)	Participate through Live Streaming	• You will be given a short briefing on the RPV facilities. • Your microphone will be muted throughout the whole session. • If you have any question for the Chairman/ Board of Directors, you may use the **Q&A PANEL** to transmit your questions. The Chairman/ Board of Directors will endeavour to respond to relevant questions submitted by remote participants during the 16th AGM. If there is time constraint, the responses will be e- mailed to you at the earliest possible, after the meeting. • The meeting session will be recorded. • Please note that the quality of the live streaming is dependent on the bandwidth and stability of the internal connection at your location.
(c)	Online Remote Voting	• The Chairman of the Meeting will announce the commencement of the voting session and the end of the voting session of the 16th AGM. • The voting link will appear at the "chat" box on the right-hand side of your computer screen. You are required to indicate your votes for the resolutions that are tabled for voting within the given time frame. • Confirm and click the **SUBMIT** button upon completion to submit your votes. • The decision of votes cannot be changed once it is submitted.
(d)	End of remote participation	• Upon the announcement by the Chairman on the closure of the 16th AGM, the live streaming will end.

4. ENTITLEMENT TO PARTICIPATE AND APPOINTMENT OF PROXY

Only members whose names appear on the Record of Depositors as at 21 November 2023 shall be eligible to participate in the 16th AGM or appoint proxy(ies) or corporate representative(s) or attorney(s) and/or the Chairman of the Meeting to participate and vote on his/her behalf.

The hard copy of the proxy forms and/or documents relating to the appointment of proxy(ies) or corporate representative(s) or attorney(s) for the 16th AGM shall be deposited by hand or post with the Company's poll administrator, ShareWorks Sdn. Bhd., at 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Malaysia not later than **Sunday, 26 November 2023 at 10.30 a.m.**

All members are strongly encouraged to participate and vote remotely at the 16th AGM using the RPV facilities. The procedures and requisite documents to be submitted by the respective members to facilitate remote participation and voting are summarised as below:-

(I) <u>For Individual Members</u>

If an individual member is unable to participate the 16th AGM, he/she is encouraged to appoint proxy(ies) or the Chairman of the meeting as his/her proxy and indicate the voting instructions in the Proxy Form in accordance with the notes and instructions printed therein.

(II) <u>For Corporate Members</u>

Corporate members [through the appointment of Corporate Representative(s) or proxy(ies)] who wish to participate and vote remotely at the 16th AGM must contact the Company's poll administrator with the details set out below for assistance and is required to deposit the following documents to the Company's poll administrator not later than **Sunday, 26 November 2023 at 10.30 a.m.**:

(a) Certificate of appointment of its Corporate Representative or Proxy Form under the seal of the corporation;
(b) Copy of the Corporate Representative's or proxy's MyKad (front and back)/Passport; and
(c) Corporate Representative's or proxy's email address and mobile phone number.

Upon receipt of such documents, the Company's poll administrator will respond to your remote participation request.

If a corporate member [through the appointment of Corporate Representative(s) or proxy(ies)] is unable to participate the 16th AGM, the corporate member is encouraged to appoint the Chairman of the Meeting as its proxy and indicate the voting instructions in the Proxy Form in accordance with the notes and instructions printed therein.

(III) <u>For Institutional Members</u>

The beneficiaries of the shares under a Nominee Company's CDS account ("Institutional member(s)") who wish to participate and vote remotely at the 16th AGM may request its Nominee Company to appoint him/her as a proxy to participate and vote remotely at the 16th AGM. The Nominee Company must then contact the Company's poll administrator with the details set out below for assistance and is required to deposit the following documents to the Company's poll administrator no later than **Sunday, 26 November 2023** at **10.30 a.m.**:

(a) Proxy Form under the seal of the Nominee Company;
(b) Copy of the proxy's MyKad (front and back)/Passport; and
(c) Proxy's email address and mobile phone number.

Upon receipt of such documents, the Company's poll administrator will respond to your remote participation request.

If an institutional member is unable to participate the 16th AGM, the institutional member is encouraged to appoint the Chairman of the Meeting as its proxy and indicate the voting instructions in the Proxy Form in accordance with the notes and instructions printed therein.

Administrative Guide (Cont'd)

5. REVOCATION OF PROXY

Please note that if a Shareholder has submitted his/her Proxy Form prior to the 16th AGM and subsequently decides to personally participate in the 16th AGM via RPV facilities, the Shareholder must contact the Company's poll administrator to revoke the appointment of his/her proxy no later than **Sunday, 26 November 2023** at **10.30 a.m.**

6. VOTING AT MEETING

The voting at the 16th AGM will be conducted on a poll in accordance with Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The Company has appointed ShareWorks Sdn. Bhd. as the poll administrator to conduct the poll voting electronically and SharePolls Sdn. Bhd. as Independent Scrutineers to verify the poll results.

Shareholders can proceed to vote on the resolutions before the end of the voting session which will be announced by the Chairman of the Meeting and submit your votes at any time from the commencement of the voting session announced by the Chairman of the Meeting. Kindly refer to the "**Procedures for RPV**" provided above for guidance on how to vote remotely via the RPV facilities. The Scrutineers will verify and announce the poll results followed by the Chairman's declaration whether the resolution tabled for voting is duly passed or otherwise.

7. RESULTS OF THE VOTING

The resolutions proposed at the 16th AGM and the results of the voting for the same will be announced at the 16th AGM and subsequently via an announcement made by the Company through Bursa Malaysia at www.bursamalaysia.com.

8. NO RECORDING OR PHOTOGRAPHY

By participating at the 16th AGM, you agree that no part of the 16th AGM proceedings may be recorded, photographed, stored in any retrieval systems, reproduced, transmitted or uploaded in any form, platform or social media or by any means whether it is mechanical, electronical, photocopying, recording or otherwise without the prior written consent of the Company. The Company reserves the rights to take appropriate legal actions against anyone who violates this rule.

9. NO DOOR GIFT/ FOOD PACKS/ ANY VOUCHER

There will be NO distribution of door gifts or food packs or any vouchers.

10. ENQUIRY

If you have any enquiries on the above, please contact the following designated persons during office hours on Mondays to Fridays from 9:00 a.m. to 5:30 p.m. (except on public holidays):-

(i) **For Registration, logging in and system related:**

InsHub Sdn.Bhd
Name : Ms. Eris/ Mr Calvin / Ms Ameera
Contact No. : 03-76881013
Email : vgm@mlabs.com

(ii) **For Proxy Form and other matters:**

ShareWorks Sdn. Bhd.
Name : Mr. Kou / En. Taufiq
Contact No. : +603-6201 1120
Fax No. : +603-6201 3121
Email : ir@shareworks.com.my

FINTEC GLOBAL BERHAD

PROXY FORM

CDS Account No.

No. of shares held

FINTEC GLOBAL BERHAD
[Registration No.: 200701016619 (774628-U)]
(Incorporated in Malaysia)

I/We, ……………………………………………………………………………………Tel. No.: ………………………………………..
[Full name in block and NRIC No. / Company No.]

of ……
[Address]

being a member/members of **FINTEC GLOBAL BERHAD**, hereby appoint:-

Full Name (in block)	NRIC/Passport/Company No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Full Name (in block)	NRIC/Passport/Company No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him, the Chairman of the meeting as my/our proxy to attend and to vote for me/us on my/our behalf and, if necessary, to demand for a poll at the Sixteenth Annual General Meeting of the Company to be conducted on a fully virtual basis from the Broadcast Venue at Level 4, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan (https://rebrand.ly/FintecAGM) on Tuesday, 28 November 2023 at 10.30 a.m. or any adjournment thereof, and to vote as indicated below:-

Item	Agenda	Resolution	FOR	AGAINST
1.	Re-election of Dato' Seri Abdul Azim Bin Mohd Zabidi as Director	Ordinary Resolution 1		
2.	Re-election of Ms Ong Siew Min as Director	Ordinary Resolution 2		
3.	Payment of Directors' Fees for the financial period from 1 July 2023 until the conclusion of the next annual general meeting	Ordinary Resolution 3		
4.	Payment of Directors' Remuneration (excluding Directors' Fees) payable to the Board of the Company and its subsidiaries	Ordinary Resolution 4		
5.	Re-appointment of Auditors	Ordinary Resolution 5		
6.	Proposed Waiver and Authority to Issue Shares	Ordinary Resolution 6		

Please indicate with an 'X' in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy may vote or abstain as he thinks fit.

Signed this ______________________________

____
Signature of Shareholder(s)/Common Seal

Notes:

1. *The Company shall request Bursa Malaysia Depository Sdn. Bhd. in accordance with Regulation 62 of the Company's Constitution to issue a General Meeting Record of Depositors as at 21 November 2023. Only depositor whose name appears on the Record of Depositors as at 21 November 2023 shall be entitled to attend, participate, speak and vote at this meeting.*
2. *Each member entitled to attend and vote in person may appoint not more than two (2) proxies to attend, speak and vote in its stead but his attendance shall automatically revoke the proxy's authority.*
3. *A proxy may, but need not, be a Member of the Company and there shall be no restriction as to the qualification of the proxy. Where a Member appoints more than one (1) proxy, he shall specify the proportions of his holdings to be represented by each proxy, failing which the appointment shall be invalid.*
4. *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies in respect of each Securities Account it holds in ordinary shares of the Company standing to the credit of such Securities Account.*
5. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiples beneficial owners in one (1) Securities Account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.*
6. *The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if such appointer is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. The Directors may, but shall not be bound to require evidence of the authority of any such attorney or officer.*
7. *The instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office of ShareWorks Sdn. Bhd. at 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, not less than forty-eight (48) hours before the time for holding the meeting, i.e. before 10.30 a.m., Sunday, 26 November 2023, or at any adjourned thereof.*

Please fold here to seal

AFFIX
STAMP

FINTEC GLOBAL BERHAD
[Registration No.: 200701016619 (774628-U)]

c/o ShareWorks Sdn. Bhd.
2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur

Please fold here to seal

FINTEC
GLOBAL BERHAD

FINTEC GLOBAL BERHAD
Registration No.: 200701016619 (774628-U)

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