



FINTEC

GLOBAL BERHAD



ANNUAL REPORT 2020

CONTENTS

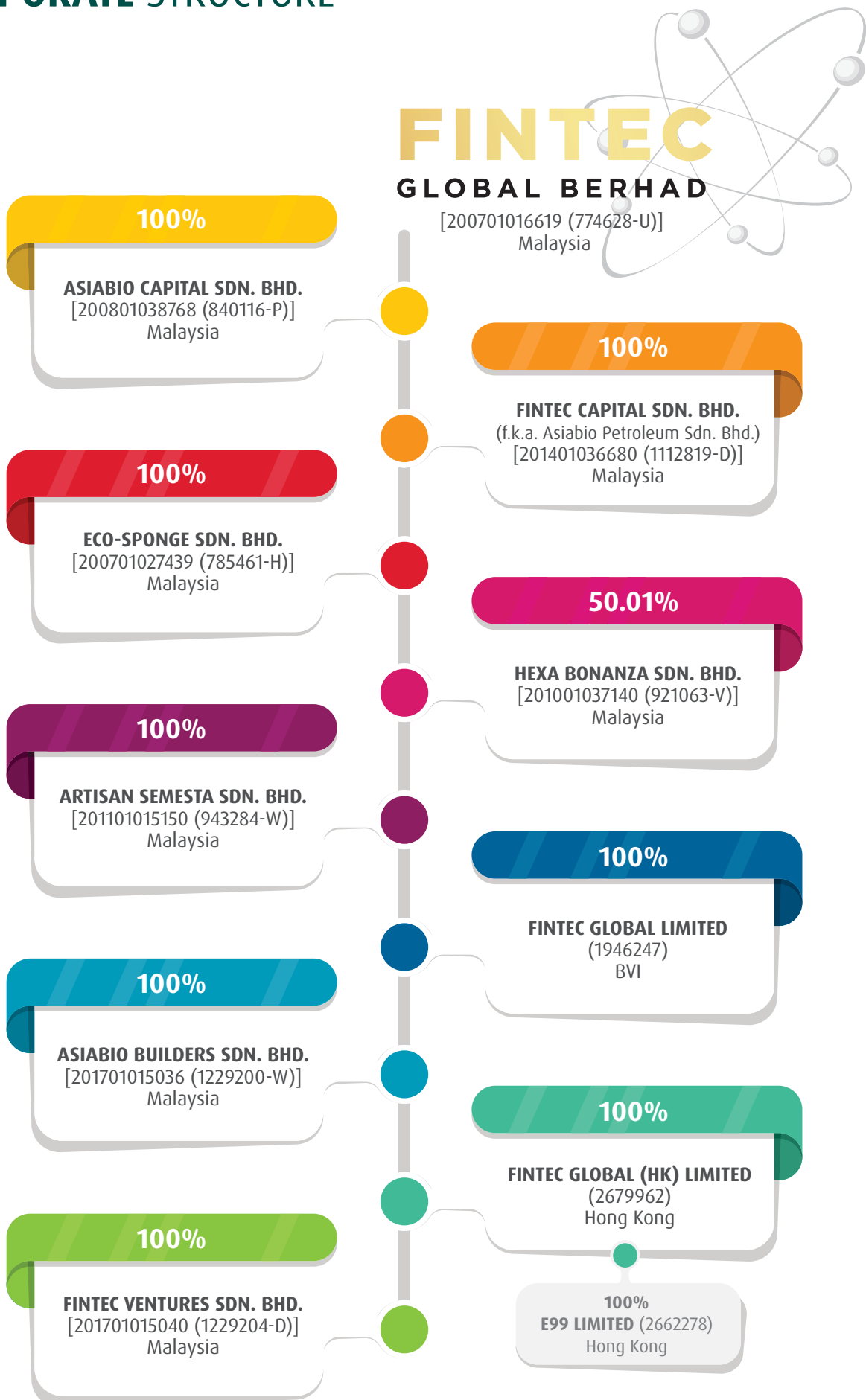
Corporate Section

Group Structure	02
Corporate Information	03
Group Financial Highlights	04
Chairman's Letter to Shareholders	05
Directors' Profile	07
Management Discussion and Analysis	10
Corporate Sustainability Statement	14
Corporate Governance Overview Statement	17
Other Compliance Information	29
Audit Committee Report	33
Statement on Risk Management and Internal Control	36
Financial Statements	38

Financial Section

Directors' Report	39
Statement by Directors and Statutory Declaration	45
Independent Auditors' Report	46
Statements of Profit or Loss and Other Comprehensive Income	50
Statements of Financial Position	51
Statements of Changes in Equity	53
Statements of Cash Flows	56
Notes to Financial Statements	59
Analysis of Shareholdings	107
Analysis of Preference Shareholdings	109
Analysis of Warrantholdings (Warrant A)	112
Analysis of Warrantholdings (Warrant B)	114
Notice of Annual General Meeting	116
Proxy Form	

CORPORATE STRUCTURE



CORPORATE INFORMATION

BOARD OF DIRECTORS

DATO' SERI ABDUL AZIM BIN MOHD ZABIDI

Independent Non-Executive Chairman

YM TENGGU AHMAD BADLI SHAH BIN RAJA HUSSIN

Non-Independent Non-Executive Director

ONG TEE KEIN

Independent Non-Executive Director

TAN SIK EEK

Executive Director

CHU CHEE PENG

Senior Independent Non-Executive Director

AUDIT COMMITTEE

Ong Tee Kein
Chairman

YM Tengku Ahmad Badli Shah
Bin Raja Hussin

Chu Chee Peng

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

AUDITORS

PKF Malaysia (AF: 0911)
Level 33, Menara 1MK,
Kompleks 1 Mont' Kiara
No. 1, Jalan Kiara, Mont' Kiara
50480 Kuala Lumpur
Tel No. : +603-6203 1888
Fax No. : +603-6201 8880

REMUNERATION COMMITTEE

Chu Chee Peng
Chairman

Ong Tee Kein

YM Tengku Ahmad Badli Shah
Bin Raja Hussin

PRINCIPAL PLACE OF BUSINESS

Factory

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

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

NOMINATION COMMITTEE

Chu Chee Peng
Chairman

Ong Tee Kein

YM Tengku Ahmad Badli Shah
Bin Raja Hussin

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. : +03 - 7622 6988
Fax No. : +03 - 7622 6989
Email : mail@fintec.global

PRINCIPAL BANKER

CIMB Bank Berhad

OPTION COMMITTEE

Tan Sik Eek
Chairman

Ong Tee Kein
(appointed on 25 June 2020)

Chu Chee Peng
(appointed on 25 June 2020)

COMPANY SECRETARIES

Ng Sally
(MAICSA 7060343/PC No. 202008002702)
Hung Wen Rong
(MAICSA 7072291/PC No. 202008001225)

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 31 March 2020	Year Ended 31 March 2019	Year Ended 31 March 2018	Year Ended 31 March 2017	Period Ended 31 March 2016
	RM	RM	RM	RM	RM
OPERATING RESULTS					
Revenue	20,372,349	15,357,478	30,887,771	5,354,052	9,518,186
Profit/(Loss) before taxation	226,032,864	(40,057,372)	43,370,636	2,122,222	(28,828,097)
Income tax expense	-	6,000	6,000	-	-
Profit/(Loss) after taxation	226,032,864	(40,051,372)	43,364,636	2,122,222	(28,828,097)
Non-controlling interests	8,819	36,074	(74,518)	(24,425)	(1,396,296)
Profit/(Loss) attributable to owners	226,041,683	(40,015,298)	43,439,154	2,146,647	(27,431,801)
KEY BALANCE SHEET DATA					
Property, plant and equipment	3,847,879	4,769,787	3,154,703	6,832,641	7,869,843
Right of use assets	9,515,636				
Marketable securities	358,067,032	97,767,377	124,468,604	43,740,371	25,082,345
Current assets	72,056,454	59,781,467	74,690,384	6,239,805	6,315,390
Total Assets	443,487,001	162,318,631	202,313,691	56,812,817	39,267,578
Share capital	119,038,461	96,058,092	81,872,991	56,005,130	86,671,160
Irredeemable convertible preference shares ("ICPS")	27,443,314	43,175,440	53,227,783	-	-
Reserves	235,814,254	9,698,914	50,268,921	(2,996,953)	(46,684,980)
Total equity attributable to owners	382,296,029	148,932,446	185,369,695	53,008,177	39,986,180
Non-controlling interest	(1,681,114)	(1,672,295)	(1,636,221)	(1,561,703)	(1,537,278)
Total equity	380,614,915	147,260,151	183,733,474	51,446,474	38,448,902
Short term borrowing	28,829,530	-	-	3,981,037	-
Other current liabilities	24,168,719	15,058,480	18,580,217	1,385,306	818,676
Lease liabilities	9,873,837	-	-	-	-
Total equity and liabilities	443,487,001	162,318,631	202,313,691	56,812,817	39,267,578
FINANCIAL RATIOS					
Net profit margin (%)	1,109.51	(260.79)	140.39	39.64	(302.87)
Basic earnings/(loss) per share (sen)	33.76	(6.72)	9.83	0.22	(3.17)
Net assets per share (sen)	46.95	24.37	35.25	4.76	4.61
Return on equity (%)	59.13	(26.87)	23.43	4.05	(68.60)
Share price as at year/period ended (RM)	0.030	0.050	0.105	0.055	0.045

CHAIRMAN'S LETTER TO SHAREHOLDERS

“ Dear Shareholders,

On behalf of the Board of Directors of Fintec Global Berhad (“FINTEC”), it is my great pleasure and honour to present to you the Annual Report and the Audited Financial Statements of the Group for the financial year ended (“FYE”) 31 March 2020. ”

BUSINESS REVIEW

Despite the continued challenging business environment, the Group adopted a cautious yet prudent approach and strategised the business initiatives to reassess market situations. We have grown from a Group with net assets of RM148.9 million in 2019 to RM382.3 million as at the end of our financial year 2020. This is very much due to the support given by our stakeholders and it is a measure of confidence in our Company and we would like to thank our stakeholders for it.

For the FYE 31 March 2020, in addition to the existing investment portfolio in solar energy (Vsolar Group Berhad), engineering (AT Systematization Berhad), food & beverages [Focus Dynamics Group Berhad (“Focus”)] and financial & information technology (NetX Holdings Berhad, MLABS Systems Berhad & DGB Asia Berhad), the Group has also broadened its investment in quoted securities to include Seacera Group Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad, primarily involved in the business of manufacturing ceramic tiles and property development.

The Group is also seeking opportunities to invest into the trading of sensitive labels segment vide a proposed acquisition in Komarkcorp Berhad, a public limited company listed on the Main Market. Komarkcorp Berhad is one of the largest converter of pressure sensitive labels and one of Malaysia’s pioneer packaging company supplying premium labels to the domestic market as well as exporting to Asia, South Asia and the Middle East.

In view of the increase in demand in Personal Protective Equipment (“PPE”) since the outbreak of COVID-19, the Group also intends to take advantage of this opportunity to tap into this growing segment to maximize shareholders’ return and hence the Group intends to focus on the healthcare equipment manufacturing and/or trading business.

OPERATION AND INVESTMENT REVIEW

During our FYE 31 March 2020, the Group generated a total revenue of RM20.4 million and profit attributable to owners of RM226.0 million.

The Group recorded a 33% surge in revenue from the RM15.4 million recorded in our previous financial year to RM20.4 million in the current year from the sale of the quoted securities held by the Group. Likewise, our PBT had surged by almost 6 times from a loss before tax (“LBT”) of RM40.06 million reported in the previous year to profit before tax (“PBT”) RM226.0 million this year. The increase in PBT is mainly due to the marking to market of our strategic investments that had resulted in a fair value gain on marketable securities of RM242.2 million, from a fair value loss on marketable securities of RM29.4 million in 2019.

In terms of individual investment companies’ performances, our highest returning investment is Focus. Focus has recorded more than 61.4% increase in revenue for their FYE 31 December 2019 mainly due to their popular food and beverage outlets, LAVO, LIBERTE and BOUNCE in Petaling Jaya, Selangor. It had reported a turnaround PBT of RM0.7 million for the year, from a LBT of RM2.2 million. Focus also established a joint venture and completed the set-up of Wicked located at the W Hotel in Kuala Lumpur. This outlet created a presence for the group in Kuala Lumpur area which catered to the clubbing scene of two segments of the market namely the younger clientele and foreign visitors. Wicked is designed as a lifestyle club, offering international DJ events and premium beverage offerings. Wicked is the first of its kind venture between W Hotel and a third party operator. We remain bullish about its performance in the near future as new outlets are being developed to boost business growth.

CHAIRMAN'S LETTER TO SHAREHOLDERS

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NetX, on the other hand, launched the lifestyle mobile application GEM in October 2018, upgraded to GemSpot and GemSpot Pro in December 2019, which is catered to the needs of the F&B merchants. This is in line with the growth of Malaysia's digital economy as digital payment options are rapidly becoming commonplace today and it plays a major role in propelling the marketplace towards a digitalized future. We expect that this will be a driver in NetX's growth.

Meanwhile, Vsolar has completed its Rights Issue with Warrants in July 2020. The proceeds raised are mainly for the development and construction of a biomass/biogass plant to add to the solar farms that it is operating presently. The utilisation of Renewable Energy ("RE") sources in Malaysia has been increasing over the years. In 2017, the renewable energy sources contributed 3.74% to the total electricity generation installed capacity of 33,528.08 megawatts ("MW") in Malaysia. This is in comparison to 2010 where RE sources contributed 2.47% to the total electricity generation installed capacity of 27,179 MW (Source: Energy Commission Malaysia). Besides, there is continuous positive support from government with tax and non-tax incentives in producing value added products and RE has gathered a positive environment for the biomass industry. With all these positive outlook and support, we are confident that this will bear fruit to the shareholders in the near future.

INDUSTRY OVERVIEW AND MEDIUM-TERM OUTLOOK

The Malaysian economy moderated sharply to 0.7% in the first quarter of 2020 (4Q 2019: 3.6%). On the supply side, the services and manufacturing sectors moderated while the other sectors contracted. In terms of expenditure, external demand and investments declined, while private consumption growth moderated. On a quarter-on-quarter seasonally-adjusted basis, the economy contracted by 2.0%.

The moderation reflected the impact of measures taken both globally and domestically to contain the spread of the COVID-19 pandemic. Domestically, it mainly reflected the implementation of the Movement Control Order ("MCO"). After a steady expansion in the first two months of the quarter, economic activity came to a sharp downshift with the implementation of the MCO on 18 March 2020 and this has significantly curtailed economic activity. (Source: Economic and Financial Developments in the Malaysian Economy in the First Quarter of 2020, Bank Negara Malaysia ("BNM")).

As these containment measures eased and the domestic MCO is lifted, economic activity is expected to gradually improve in second half of 2020. The Government's stimulus package will help to cushion the economic fallout. Both Pakej Rangsangan Ekonomi 2020 and Pakej Rangsangan Ekonomi Prihatin Rakyat as well as Bank Negara Malaysia's financial measures will provide sizable support to households and businesses. These measures are expected to add 2.8 percentage points to 2020 GDP growth. Also, supporting growth is the ongoing large-scale infrastructure projects, which are expected to provide an additional 1 percentage point lift to growth in 2020. BNM expects the Malaysian economy to rebound in 2021, in line with the projected global recovery. (Source: BNM's Press Statement dated 3 April 2020: "BNM Publishes Annual report 2019, Economic and Monetary Review 2019 and Financial Stability Review for Second Half 2019").

We will continue to maintain our core business in the investment of technology companies with strong growth potential and, we will continue to identify new investment initiatives to further develop our investment portfolio and maintain our investment strategy to invest in quoted and unquoted securities that have prospects to generate investment returns.

ACKNOWLEDGEMENT AND APPRECIATION

On behalf of the Board of Directors, I hereby extend my sincere thanks and appreciation to our shareholders for your continued support throughout and during this difficult time. Our thanks and appreciation also go to our business partners and stakeholders, which includes all our investment and incubatee companies, for the hard work and effort amidst trying circumstances. And lastly, but certainly not the least, I would like to extend my gratitude to my colleagues on the Board and to management and staff of the Group, past and present, for their continuous perseverance, hard work and dedication to the welfare and success of the Group.

We would also like to thank Mr. Leung Kok Keong, who resigned on 17 June 2020, for services he contributed to the organisation, and we wish him well in his future endeavors.

DIRECTORS' PROFILE



DATO' SERI ABDUL AZIM BIN MOHD ZABIDI

*Malaysian, 61 years old
Independent Non-Executive Chairman
Male*

Dato' Seri Abdul Azim Bin Mohd Zabidi ("Dato' Seri Azim") is an Independent Non-Executive Director/Chairman of Fintec Global Berhad ("FINTEC") appointed on 2 December 2015.

Dato' Seri Azim is a Fellow of the Chartered Institute of Secretaries and Administrators, United Kingdom and holds a Master of Arts in Business Law from London Metropolitan University, United Kingdom. He was Chairman of Bank Simpanan Nasional ("BSN"), Malaysia's National Savings Bank for the period from July 1999 until June 2009.

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 year 2000, he was appointed as President (Asia Pacific) for WSBI and in year 2003, he was elevated to its Board of Directors. In addition, he was elected as Vice President and Treasurer of WSBI from September 2006 until April 2009.

A long association with the unit trusts/mutual funds and fund management industry culminated in his election as President of the Federation of Malaysian Unit Trust Managers, a post held from year 1998 to year 2003. During this period, he was appointed as Member of the Steering Committee of the International Investment Funds Association ("IIFA"), Montreal, Canada, a post held by him until 2008. From year 2007 to year 2008, he was elected as a member of the Board of Directors and Chairman of the Audit Committee of IIFA.

He was also a member of the National Economic Consultative Council II, where he served on the Islamic Banking and Finance Committee. He was also selected by the Securities Commission to be a member of its Capital Market Advisory Council. He was invited by Bursa Malaysia Berhad to be a member of its Index Committee and Deputy Chairman of its Board of Advisors for the Malaysian Central Depository.

His long involvement in sports led to his appointment as Chairman of the National Sports Institute in May 2017 until July 2018 and subsequent to that, appointed as Malaysia's Chef-de-Mission to the Asian Games 2018 in Jakarta, Indonesia. On 5 May, 2018, Dato' Seri Azim was elected as Deputy President of the Olympic Council of Malaysia.

Dato' Seri Azim is also a Director of XOX Berhad and Group, Timberwell Berhad, Anzo Holdings Berhad, DGB Asia Berhad and several private limited companies.

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 of interest with FINTEC.

DIRECTORS' PROFILE

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ONG TEE KEIN

*Malaysian, 63 years old
Independent Non-Executive Director
Male*

Ong Tee Kein ("Mr Ong") is an Independent Non-Executive Director of FINTEC appointed on 26 February 2016. Mr Ong holds a MBA degree from the University of Miami and is an Associate of the Institute of Chartered Secretaries & Administrators (ICSA). He is an Associate of the Institute of Chartered Accountants in England and Wales (ICAEW) and a Fellow of the Chartered Institute of Management Accountants, United Kingdom (CIMA) as well as a member of the Malaysian Institute of Accountants (MIA).

Mr Ong has several years of experience in industry and consultancy practice. After qualifying as an accountant in the United Kingdom, he joined a management consultancy practice specializing in providing advisory services to governments and international funding agencies. From 1994 until 2011, he was a principal consultant in the corporate advisory division of an international accounting firm.

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 of interest with FINTEC.



CHU CHEE PENG

*Malaysian, 49 years old
Senior Independent Non-Executive Director
Male*

Chu Chee Peng ("Mr Chu") is appointed by FINTEC as an Independent Non-Executive Director since 21 August 2015. He graduated from the Coventry University in Business Administration and Post Graduate Diploma from Chartered Institute of Marketing, United Kingdom.

Mr Chu was formerly the Vice President of Agensi Inovasi Malaysia (AIM), a statutory body set up by the Malaysian government, since 2012. Prior to joining AIM, he was heading the Properties Division at a public listed company in Malaysia.

He has extensive experiences in the investment sector, covering activities such as identification of new business opportunities, development and execution of investment that will significantly contribute to the company and Nation's income, development of new funding structure/ecosystem and creation of high value jobs. He is an entrepreneur with an inclination towards innovation and high technology commercial industries.

He is the Chairman of the Remuneration Committee and Nomination Committee, and also a member of the Audit Committee and 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 offence within the past 5 years other than traffic offences and has no conflict of interest with FINTEC. He does not hold any shares in FINTEC.

Mr. Chu also holds the position as a Director of NetX Holdings Berhad.

DIRECTORS' PROFILE

cont'd



YM TENGKU AHMAD BADLI SHAH BIN RA JA HUSSIN

Malaysian, 51 years old
Non-Independent Non-Executive Director
Male

YM Tengku Ahmad Badli Shah Bin Raja Hussin ("YM Tengku Badli") is a Non-Independent Non-Executive Director of FINTEC appointed on 7 October 2014. He graduated with a Bachelor of Law degree (LLB Hons) from University of East Anglia, United Kingdom. He is a Fellow Member of Institute of Corporate Directors Malaysia (ICDM). He also attended Leadership Program at Cornell University in 2012 and Islamic Leadership Development Program at University Of Cambridge, United Kingdom in 2017.

YM Tengku Badli has extensive years of exposure in the financial industry sector. He started his career as a Management Trainee in Hong Kong and Shanghai Banking Corporation, Hong Kong ("HSBC") in 1994 and continued his stint with HSBC Group in various senior positions covering both corporate and commercial as well as retail & consumer banking division. He later pursued his career with Kuwait Finance House (Malaysia) Berhad in February 2008 as Head of Branch Management prior to joining Pelaburan MARA Berhad in September 2013. He is currently the Group Chief Operating Officer of Pelaburan MARA Berhad.

He does not hold any shares in FINTEC. He is also a Director of NetX Holdings Berhad and Dolphin International Berhad. YM Tengku Badli is a member of the Audit Committee, Remuneration Committee and Nomination 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 of interest with FINTEC.



TAN SIK EEK

Malaysian, 44 years old
Non-Independent Executive Director
Male

Tan Sik Eek is an Executive director of FINTEC appointed on 20 June 2013. He majored in Economics and Political Science from University of Sydney, Australia.

He has more than a decade 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.

He holds three hundred thirty three thousand three hundred and thirty three (333,333) shares in FINTEC. He is also a Director of DGB Asia Berhad, Mlabs Systems Berhad Group, NetX Holdings Berhad Group and XOX Berhad. 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 of interest with FINTEC.

MANAGEMENT DISCUSSION AND ANALYSIS

GROUP BUSINESS OVERVIEW

Fintec Global Berhad (“FINTEC”), as a technology incubator is primarily an investment holding company providing management and strategic advisory services, research related activities, business networking and funding for its incubatee companies.

The Company also holds, as part of its investment strategies, strategic stakes in several public listed companies. These are investments that the Company regards as having unlocked value, which can be unlocked through inventiveness, collaboration and cross-selling opportunities.

The investment in the public listed companies can be broken down into several broad areas of focus as follows:-

Energy	Vsolar Group Berhad
Engineering	AT Systematization Berhad
Food & Beverages	Focus Dynamics Group Berhad
Financial and Information Technology	NetX Holdings Berhad MLABS Systems Berhad DGB Asia Berhad
Manufacturing & Property Development	Seacera Group Berhad
Automotive Distribution, Property Development & Timber	Permaju Industries Berhad

FINTEC also holds several investments in non-listed companies as follows:-

- Artisan Semesta Sdn. Bhd. (marketing and production of microbial fertiliser supplements)
- Eco-Sponge Sdn. Bhd. (marketing and production of microbial fertiliser supplements)
- Hexa Bonanza Sdn. Bhd. (contractor and technology provider for biomass pelletising and related equipment)
- Fintec Global (HK) Limited (investment holding)
- E99 Limited (operation of bar, trading of food and beverage)

FINANCIAL REVIEW

For the financial year ended 31 March 2020, the Group reported a profit before tax of RM226.0 million on the back of a RM20.4 million revenue. The variance of the financial results for the year ended 31 March 2020 against the preceding year ended 31 March 2019 is provided in the table as follows:-

Financial Results	2020 RM'000	2019 RM'000	Variance RM'000
Revenue	20,372	15,357	5,066
Cost of Sales	(19,791)	(14,114)	(5,677)
Other Operating Income	242,703	794	244,471
Operating Expenses	(17,251)	(42,095)	22,880
Profit/(Loss) before Taxation	226,033	(40,057)	266,740

Revenue

The Group’s revenue is mainly derived from two business segments, which are Portfolio Investment and Trading. The two business segments registered revenue of RM19.5 million (95.32%) and RM1.0 million (4.68%) respectively. Total revenue was increased by approximately of 33% to RM20.4 million in 2020 as compared to RM15.4 million in 2019 mainly due to a higher quantum of short term quoted securities sold during the financial year. Likewise, the increase in the cost of sales of RM5.7 million to RM19.8 million is due to a higher quantum of short term quoted securities sold.

MANAGEMENT DISCUSSION AND ANALYSIS

cont'd

Other Operating Income

Due to the positive performance in market prices of the Group's strategic investments in Malaysia, Group registered a fair value gain on marketable securities of RM242.2 million in 2020 as opposed to the fair value loss of RM29.40 million in 2019. This resulted in the Group recording an increase in Other Operating Income of RM0.7 million to RM242.7 million in 2020.

Operating Expenses

The Group's operating expenses decreased by approximately half to RM17.3 million in 2020 as compared to RM42.1 million in 2019. The operating expenses incurred in 2020 was mainly due to impairment of other receivables of RM8.2 million, impairment of plant & machineries of RM1.0 million, depreciation of property, plant and equipment of RM0.6 million and unrealized loss of foreign exchange of RM0.3 million.

Profit/(Loss) Before Tax

The Group recorded a 33% surge in revenue from the RM15.4 million recorded in our previous financial year to RM20.4 million in the current year from the sale of the quoted securities held by the Group. Likewise, our PBT had surged up 663.6% from a loss before tax ("LBT") of RM40.1 million reported in the previous year to RM226.0 million this year. The increase in PBT is mainly due to the marking to market of our strategic investments that had resulted in a fair value gain on marketable securities of RM242.2 million, from a fair value loss on marketable securities of RM29.4 million in 2019.

OPERATIONAL REVIEW

As at the FYE 31 March 2020, our investment in quoted securities was amounted to RM385.1 million in total. During the financial year, the Group's Investment in marketable securities grew by RM287.1 million or 2.9x to RM385.1 million as at 31 March 2020 as compared to RM98.0 million as at 31 March 2019, which was mainly driven by an improvement in value of these investments by approximately RM242.2 million.

Performance by business segment

The Group's present investments cover three business segments that are strategically operated through its subsidiaries and incubatees. The core business segments of the Group comprise of the following:-

(a) Technology incubation

The Group's core activities have been to incubate developing technologies and high growth assets. Under this premise, the group's legacy investments have been in the areas of renewable energy & fuels, aggrotech and agriculture waste recycling. These investments are still within the group's portfolio, however, as commercialisation opportunities have proved limited due to market conditions and opportunities, the group has exercised restraint in additional funding to commercialise these assets pending improvements in market conditions within their respective segments. Nevertheless, Management will continue to monitor developments and will re-activate these investments when opportunity arises.

(b) Portfolio investment

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

- i. **Vsolar Group Berhad ("Vsolar")** is principally involved in solar energy generation and trading of Information Technology products. Our investment in Vsolar represents our exposure in the growing Renewable Energy ("RE") sector. The long-term goal for this investment is to increase Vsolar's RE assets which we believe is sustainable and will provide a long term stable income base.
- ii. **Focus Dynamics Group Berhad ("Focus")** - With all the F&B brands having been positioned as a trendy and hip venue with excellent food for casual dining, business lunches and dinners as well as corporate and family celebrations, Focus's main Food & Beverage brands continue to contribute substantially to revenue, these mainstays continue to be LAVO, LIBERTE and BOUNCE.

MANAGEMENT DISCUSSION AND ANALYSIS

cont'd

- iii. Our investee, **NetX Holdings Berhad** has ventured into the mobile application space via the development of a lifestyle application known as GEM. The mobile application allows users to stay connected to their favourite restaurants, entertainment outlets, bars and clubs as well as entertainment events like concerts, musicals and comedy shows, all under a single platform. The application has been undergoing upgrading and enhancement with additional features continually being added. This include GEM's own payment platform, which will replace the current third-party payment gateway.
 - iv. **AT Systematization Berhad** is a designer of industrial automation systems and machinery, and has now expanded into the manufacturing of industrial automation systems and machinery, fabrication of industrial and engineering parts as well as provision of industrial support services. The Group owns and operates three (3) manufacturing plants which are strategically located within the area of Bayan Lepas Industrial Park, Penang, serving customers from various sub-sectors including hard disk drive manufacturing, semiconductor, medical and other manufacturing industries.
 - v. **Mlabs Systems Berhad ("Mlabs")** invested in the research and development of its flagship software known as Multimedia Conferencing System (MCS), and is now focused in the promotion of MCS as the best high-tech communication tool of today. Our investment in Mlabs has ventured into multimedia video conferencing industry complemented by peripheral advanced mobile application that has vision, voice, facial recognition and file sharing capabilities.
 - vi. **DGB Asia Berhad** is an investment holding company that is principally involved in the following business activities through its subsidiaries:
 - development and provision of software solution, engineering consultancy services and distribution of Automated Identification and Data Collection products;
 - business wholesale and retail dealers in digital scan equipment and related products;
 - trading in technological products, computer hardware and software, software applications and related products and services.
 - vii. **Seacera Group Berhad** is principally involved in manufacturing of ceramics tiles, property development and construction activities.
 - viii. **Permaju Industries Berhad** is involved in automobile distribution of the Volkswagen and Ford franchises and the provision of their related services, property development activities and timber.
- (c) **E99 Limited**, a wholly-owned subsidiary of the Group, incorporated in 2018 situated in the strategic location in Central, Hong Kong, is involved in the operation of bar, trading of food and beverages. This business segment has contributed 4.68% to the total revenue of the Group. We believe that there will be a growth prospect in this segment once the economy is stabilised.

ANTICIPATED RISK AND MITIGATING FACTORS

Reliance on key relationship with incubatee companies

The incubation activities that the Group undertakes inevitably expose it to a high degree of business risk. This is due to the fact that a number of the Group's investments are dependent upon the success of the origination and commercialisation of the business ideas of the incubatee companies. This means, the Group will have to grapple with issues such as lack of track record, unexpected changes or delay in the implementation of the business strategies or deliverables and so forth.

As a strategy to risk-manage the aforesaid, the Group invested in listed entities that naturally have superior liquidity, better governance and track record.

MANAGEMENT DISCUSSION AND ANALYSIS

cont'd

Liquidity risks

As such, the major bulk of our investments are now in quoted securities, the Group is now exposed to uncertainties and fluctuations in the local and global economies that directly affect our capital market. Besides volatility, the Group is also exposed to liquidity risks that are associated with holding sizable stakes in quoted securities.

These risks will be somewhat mitigated with proper portfolio management and planning ahead by our investment division which is tasked to ensure strategies are carried out in accordance to the Group's investment Policy Mandate parameters.

FUTURE OUTLOOK

In January 2020, the World Bank projected a modest rebound in the global growth for 2020 amid a fragile outlook. The World Bank expects global growth to improve at a restrained pace of 2.5% in 2020 from the post-crisis low of 2.4% estimated for 2019 amid the awakening trade and investment. Downside risks are expected to dominate. This includes the possibility of re-escalation of global trade tensions, sharp downturns in major economies and financial disruptions in emerging market and developing economies. The World Bank projected for the Malaysian economy to grow by 4.5% in 2020. (Source: World Bank <https://apenknowledge.worldbank.org/bistream/handle/10986/33044/211468-Ch01.pdf>)

BNM forecasts that in the first quarter of 2020, growth will be impacted by the COVID-19 outbreak. Implications on the Malaysian economy will be dependent on the duration and severity of the outbreak as well as policy responses. On a whole, growth is expected to be supported by household spending, and modest recovery in investment underpinned by the realisation of approved private investment projects and higher public sector capital spending. (Source: Bank Negara Malaysia https://www.bnm.gov.my/index.php?ch=en_press&pg=en_press&ac=4992&lang=en)

Despite the challenging economic scene, at FINTEC we adopt a cautious yet prudent approach and strategised the business initiatives to reassess market situations. This strategy mitigates downside risks for the group of having to invest in non-marketable securities, aiming to provide a more levelled rate of return to investors and Shareholders. The Group is also emphasising on diversifying its investment in other markets where opportunities for collaboration or cross selling of products and services are made available. With the current strategic partnership, the Company is well positioned to seize bigger opportunities in this financial year.

ACKNOWLEDGEMENT

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

CORPORATE SUSTAINABILITY STATEMENT

INTRODUCTION

The Board acknowledges the importance of embedding sustainability into the operations of the Group in order to fulfill the expectation and requirement of its stakeholders, to provide better understanding on the Group's business approaches in managing economic, environment and social risk and opportunities ("EES"). This Statement has been prepared in accordance with the Sustainability Reporting Guide and Toolkits, issued by Bursa Malaysia Securities Berhad.

SUSTAINABILITY FRAMEWORK

It is of utmost importance for doing business in a sustainable way with integrity, responsibility and transparency and as we move forward, we shall emphasise and participate in sustainability efforts in the areas of EES to the benefit of our stakeholders. Using the EES principles, the Group strives to sustain economic and social growth while ensuring minimal impact on the environment in which we operate. In this regard, the Group ensures high standards of governance across our business to promote responsible and ethical business practices, minimise negative environmental impacts, and meet social needs of the community.

OUR APPROACH

The Group is committed to focus on sound corporate culture and ethic practices by using EES. The Group assess the impacts on our business model on a regular basis and also ensures to minimise negative impact on the environment over the period of medium and long term.

ECONOMIC

i) Shareholders' Interest

Our shareholders are the ultimate owners of the Company and as such, the Group is committed to ensure that the shareholders' interests are taken care of. In this regard, the shareholders are entitled to timely and quality information on the Group's financial performance and position. Besides Annual General Meeting where shareholders raise questions to the Board and Executive Management, the Group's corporate website at www.fintec.global also provides a link on investor relations where quarterly and annual financial statements announcements, financial information, annual reports, circulars/statements to shareholders and other pertinent information are uploaded on a timely basis when available.

ii) Local Hiring

In considering new business ventures, we strive to create business activities locally, as well as regionally. New collaborations and ventures create employment opportunities in our Group. We seek to hire local employees to fill in the job openings because we believe that it is easier for the locals to assimilate into the work culture and are able to understand better the needs of the local and communities. As most of our subsidiaries are located within the geographical region of Malaysia, we are able to prioritise local sourcing of goods and services to reduce the use of carbon miles from transporting goods and help stimulate the growth of our local economy.

CORPORATE SUSTAINABILITY STATEMENT

cont'd

ENVIRONMENTAL

Environmental sustainability forms an integral part of the Group's sustainability philosophy. We endeavor to integrate the best sustainability practices across business operations to reduce adverse environmental impact on the ecosystem. In our daily operations, the Group continues to be committed on recycling, energy-saving practices and undertaking measures to reduce wastage, pollution and harmful emissions. FINTEC is committed and strive to improve resource efficiency and reduce our environmental impact.

i) Recycling Initiatives

We continue to pursue the initiatives in reducing the negative impact on the environment. We practice reusing and recycling of papers by encouraging printing both sides of papers and having proper separation of used papers with other waste.

ii) Energy Saving Management

We constantly educate our employees the importance of conserving energy by practicing good habits of switching off unused lights and air conditioning. We converted into energy saving LED light-bulbs not only to minimise further energy usage, but also to produce virtually zero harmful UV emissions.

Water is a limited resource, and as the world continues to advance and the global population continues to grow, an increasing strain is being placed on the supply of clean water. Water conservation is therefore an area that our Group is working hard on, both improving the efficiency with which we use our water, as well as working to educate our employees and the public about the need to conserve it.

iii) Waste Management

We aimed at practicing proper waste management by encouraging our staff to fully maximise the benefits of technology like emails and instant messaging for mode of communication wherever possible. We conducted our weekly meetings via video conferencing and the meeting materials are in the form of digital to promote paperless working environment. In addition, other initiatives including digitalised file sharing with our overseas subsidiaries in Hong Kong. We would strive better to reduce the use of papers in our organisation.

During the reporting period, there were no incidents of non-compliance and penalties pertaining to environmental-related issues. To maintain the highest standard of environmental compliance and to prevent future occurrence of incidence, Management will continue to review and improve current environmental management system and practices and ensure that all our activities and operations comply with existing regulatory requirements.

SOCIAL

i) Our Employees

We are made up of people with vast experience and industry background. Building capability is key, hence we proactively provide opportunities for growth and development for talent in the organisation. In ensuring our long-term sustainability, we continuously invest time and effort in recruiting new employees, upskilling, engaging and rewarding talents/employees of the organisation accordingly.

The Group recognised that the safety and well-being of its employees is the foundation of its success. Hence, we strive to provide a safe and healthy environment for our employees and to ensure safe practices in all aspects of our business operations. Maintaining a healthy and work-life balance is important for employee well-being and it can contribute towards greater productivity and performance. In this context, motivation and recreational is also an essential part of the Group's responsibility to our employees. The Group has organised monthly birthday party, Chinese New Year celebrations, movie day, team building, townhall and staffs lunches to promote harmonious culture in the workplace, as well as mingle around amongst our employees.

In FINTEC, employees are our greatest assets. We will continue to focus on human capital development to nurture our employees to their full potential. Training programs for skill development and improvement are conducted for our employees so that they can execute their roles and responsibilities efficiently as well as for their personal career development.

CORPORATE SUSTAINABILITY STATEMENT

cont'd

SOCIAL *cont'd*

ii) Community

Our Group strongly believes in giving back to society. Pursuant to this, we have made donation in kind to an orphanage house during the Christmas time. We have from time to time made donations to various charitable organisation, helping the less fortunate members of our community is our way of giving back to society.



OUR COMMITMENT

As a responsible corporate citizen, the Group shall endeavour to undertake sustainable and responsible practices to add value to sustainable economic growth, environmental stewardship and social responsibility.

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 2017 (“MCCG”) which was released by the Securities Commission on 26 April 2017 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 and the extent to which the Company and the subsidiaries (“Group”) have complied with the three (3) key principles and practices of the MCCG during the financial year under review.

This statement should be read together with the 2020 CG Report of the Company which is available on the Company’s website at <http://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 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, 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 Directors as well as on properly constituted Committees comprising Non-Executive Directors which operate within clearly defined terms and 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 to discharge its stewardship and fiduciary responsibilities. The Executive Directors are 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 *cont'd*

Part I – Board Responsibilities *cont'd*

1. Board's Leadership on Objectives and Goals *cont'd*

1.3 Separation of the Positions of the Chairman and Executive Directors

The Chairman of the Company is an Independent Non-Executive Director. There is a clear division of responsibilities between the Chairman and the Executive Directors 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 Directors during the financial year under review are Mr Tan Sik Eek and Mr Leung Kok Keong (who has resigned on 17 June 2020), who have the overall responsibilities over the Group's operating units, organisational effectiveness and implementation of Board policies and decisions.

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 by consensus. To ensure balance of power and authority on the Board, 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 time information prior to meetings and on-going basis to enable them to make informed decisions.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part I – Board Responsibilities *cont'd*

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 on 25 November 2019 and no amendment is required.

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 Whistle Blowing 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 Whistle Blowing Policy and Guidelines has been incorporated into 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 a 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part II – Board Composition

4. Strengthen Board's Objectivity

4.1 Board Composition

The Board comprises one (1) Independent Non-Executive Chairman, two (2) Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director and one (1) Executive Director.

The present composition of the Board is in compliance with Rule 15.02 of the ACE LR and MCGG as three (3) out of the five (5) members are Independent Directors.

4.2 Tenure of Independent Director

No independent Directors have exceeded a cumulative terms of nine (9) years.

4.3 Policy of Independent Director's Tenure

The Board has adopted a nine-year policy for Independent Directors. 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 seek shareholders' approval at the Annual General Meeting ("AGM") in the event it retains the director as an Independent Director. If the Board continues to retain the Independent Director after twelve (12) years, the Board would seek shareholders' approval through a two-tier voting process.

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. The Board encourages a dynamic and diverse composition by nurturing suitable and potential candidates equipped with competency, skills, experience, character, time commitment, integrity and other qualities in meeting the future needs of the Company.

The Group will endeavor to meet the diversity at the Senior Management level and when the need arises, the Board will consider appointment of female to the senior management.

4.5 Gender Diversity

The Board acknowledges the importance of boardroom diversity and takes cognisance of the recommendation of the MCGG to have female directors. 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.

However, the Board has yet to implement gender diversity policies and targets, or has any immediate plans to implement such policies and targets 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.

Nevertheless, in the event of a vacancy in the Board, the Board, through the NC has been tasked to consider the female representation when a vacancy arises and/or suitable candidates are identified. However, the appointment of a new Board member will not be guided solely by gender but will also take into account the 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part II – Board Composition *cont'd*

4. Strengthen Board's Objectivity *cont'd*

4.6 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 appointments of Non-Executive Director, and to disclose how a Board member is sourced in the Annual Report.

4.7 NC

The NC, which is chaired by the Senior 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 appointments.

The NC evaluates and matches the criteria of the candidate, 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 Non-Executive Directors and with a majority of Independent Directors, as follows:-

- Chu Chee Peng (Senior Independent Non-Executive Director) – Chairman
- Ong Tee Kein (Independent Non-Executive Director) – Member
- YM Tengku Ahmad Badli Shah Bin Raja Hussin (Non-Independent Non-Executive Director) – Member

The Terms of Reference of the NC is available on the corporate website.

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 assessment of the 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; and
- Reviewed 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 board size of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part II – Board Composition *cont'd*

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 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 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 by the NC in discharge of its functions were properly documented.

The attendance record of the Directors at Board of Directors and Board Committee meetings during the financial year ended 31 March 2020 is set out as follows:-

Meeting Attendance	Board	AC	NC	RC	AGM
Dato' Seri Abdul Azim Bin Mohd Zabidi	4/5	-	-	-	1/1
YM Tengku Ahmad Badli Shah Bin Raja Hussin	5/5	5/5	2/2	3/3	1/1
Ong Tee Kein	5/5	5/5	2/2	3/3	1/1
Chu Chee Peng	5/5	5/5	2/2	3/3	1/1
Leung Kok Keong (<i>Resigned on 17 June 2020</i>)	5/5	-	-	-	1/1
Tan Sik Eek	3/5	-	-	-	1/1

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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part II – Board Composition *cont'd*

5. Overall Board Effectiveness *cont'd*

5.1 Annual Evaluation *cont'd*

During the financial year ended 31 March 2020, 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:-

Name of Director	Course Attended	Date
Dato' Seri Abdul Azim Bin Mohd Zabidi	Strategic Forum on Strengthening Governance and the Influence in Human Rights and Social Change by Commonwealth Games Federation	4 September 2019
	Indonesia's Political Economy Outlook in Asean by Mr Sandiaga Salahuddin Uno, former Vice Governor of Jakarta by Asean Business Club	3 October 2019
YM Tengku Ahmad Badli Shah Bin Raja Hussin	International Directors Summit 2019 by ICDM	14 & 15 October 2019
	OIC International Investment Conference 2019, Istanbul Turkey	8 & 9 December 2019
Ong Tee Kein	MIA Public Practice Programme 2019	19 & 20 August 2019
	Transaction and Related Party Transaction Rules	17 January 2020
Chu Chee Peng	The 2018/2019 Global Investor Week	14 April 2019
	Understanding China - A country the world needs versus one that needs the world - Icapital	14 April 2019
	Stock Market Outlook by Public Mutual	24 August 2019
	Transaction and Related Party Transaction Rules	17 January 2020
Leung Kok Keong (Resigned on 17 June 2020)	Transaction and Related Party Transaction Rules	17 January 2020
Tan Sik Eek	Key Amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad Relating to Continuing Disclosure Obligations and Other Amendments	30 May 2019
	Financial Reporting & Disclosure Obligations What Directors & Management Need to Know	18 June 2019
	Transaction and Related Party Transaction Rules	17 January 2020

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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

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.

Mr Chu Chee Peng, the Senior Independent Non-Executive Director, is the Chairman of the RC, which comprises a majority of Independent Directors. The RC is guided by its terms of reference, which is available on the corporate website.

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 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.

The Executive Directors are not entitled to the Director's fee. The remuneration package of the Executive Directors consists of monthly salary, bonus and benefits-in-kind such as company car and the benefit of Directors and Officers Liability Insurance in respect of any liabilities arising from acts committed in their capacity as Directors and Officers of the Company. The Directors and principal officers are required to contribute jointly towards the premium of the said policy.

Details of the Directors' remuneration (including benefits-in-kind) during the financial year ended 31 March 2020 are as follows:

i) Aggregate Directors' Remuneration

Categories of Remuneration	Group		Company	
	Executive Directors	Non-Executive Directors	Executive Directors	Non-Executive Directors
	RM	RM	RM	RM
Director Fees	-	357,990	-	216,024
Salaries & bonus	798,000	-	798,000	-
Other emoluments	97,607	25,803	97,607	21,000
Total	895,607	383,793	895,607	237,024

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part III - Remuneration *cont'd*

7. Remuneration of Directors and Senior Management *cont'd*

7.1 Detailed Disclosure of Directors' Remuneration *cont'd*

ii) Analysis of Directors' Remuneration

Total remuneration of Directors in respect of the financial year ended 31 March 2020, in bands of RM50,000 is tabulated below:

Range of Remuneration (RM)	Group		Company	
	Executive Directors	Non-Executive Directors	Executive Directors	Non-Executive Directors
Below RM50,000	-	5	-	4
100,001 – 150,000	-	-	-	-
150,001 – 200,000	2	-	2	-

The Directors do not receive any additional remuneration for services rendered in the subsidiaries (apart from that received at the Company's level).

Details of the individual Director's remuneration are not disclosed in this report as the Board is of the view that the above remuneration disclosure by bands and analysis between Executive and Non-executive Directors satisfies the accountability and transparency aspects of the MCGG.

7.2 Remuneration of Top Five (5) Senior Management

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.

Notwithstanding the above, the Company does not have key senior management during the financial year.

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 an Independent Non-Executive Director who is distinct from the Chairman of the Board and all members of the AC are 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 33 to 35 of this Annual Report.

The AC has adopted a policy that requires a former key audit partner to observe a cooling-off period of at least two (2) 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT *cont'd*

Part I – AC *cont'd*

8. AC *cont'd*

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 Directors, 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 June 2020.

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 25 June 2020, assessed the independence of Messrs. PKF Malaysia (AF 0911) ["PKF"] as external auditors of the Company as well as reviewed the level of non-audit services to be rendered by PKF to the Company for the financial year ended 31 March 2020. The AC was satisfied with PKF'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 PKF. Details of statutory audit, audit-related and non-audit fees paid/payable in the financial year ended 31 March 2020 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 PKF as stated above, the AC will recommend their re-appointment to the Board, upon which the shareholders' approval will be sought at the 13th 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT *cont'd*

Part II – Risk Management and Internal Control Framework *cont'd*

9. Risk Management and Internal Control Framework *cont'd*

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 36 and 37 of this Annual Report.

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 engaging partner and team are free from any relationships or conflict of interests with the Company, to ensure the Internal Auditors' objectivity and independence are not impaired.

During the financial year under review, 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 pages 36 and 37 of this Annual Report provides the overview of the internal control framework adopted by the Company during the financial year ended 31 March 2020.

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 <http://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 Directors are the spokespersons 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 Directors 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 Directors are 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

PRINCIPLE C : INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS *cont'd*

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 13th AGM is given to the shareholders in compliance with the minimum of 21 clear days. 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.

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 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.

This CG Overview Statement was approved by the Board on 21 August 2020.

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 31 March 2020 is as follows:-

Details of fees	Group (RM)	Company (RM)
- Statutory Audit Fees	93,000	28,000
- Non-Audit Fee for review of Statement of Risk Management and Internal Control	5,000	-
Total	98,000	28,000

B. MATERIAL CONTRACTS

During financial year ended 31 March 2020, there was 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 31 March 2020, the Company did not enter into any recurrent related party transactions of revenue or trading nature.

D. UTILISATION OF PROCEEDS

(i) Renounceable Rights Issue of Irredeemable Convertible Preference Shares with Warrants B

The Company has undertaken a Renounceable Rights Issue of Irredeemable Convertible Preference Shares ("ICPS") with Warrants B, which was completed on 11 December 2017 following the listing and quotation of 899,284,472 ICPS and 89,928,341 Warrants B on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). The Renounceable Rights Issue of ICPS with Warrants B has raised a gross proceeds of RM71,942,758.

During the financial year under review, the Company has yet to utilise the proceeds raised from the Renounceable Rights Issue of ICPS with Warrants B within the stipulated timeframe, i.e. 6 December 2018 and requires additional time to utilise the balance proceeds amounting to approximately RM18,689,000 for investment in quoted securities, i.e. ICPS in Focus Dynamics Group Berhad ("Focus ICPS"). and Rights Shares in Vsolar Group Berhad ("Vsolar Rights Shares").

OTHER COMPLIANCE INFORMATION

cont'd

D. UTILISATION OF PROCEEDS *cont'd*

(i) Renounceable Rights Issue of Irredeemable Convertible Preference Shares with Warrants B *cont'd*

Due to the further delay in the utilisation of proceeds for Investment in quoted securities for Focus ICPS and Vsolar Rights Shares, the Board had resolved to further extend the time frame for the utilisation of the said proceeds for another 12 months period from 7 December 2019 to 6 December 2020 ("Revised Time Frame") to provide additional time for the Group to utilise the balance of proceeds for Investment in quoted securities i.e. Focus ICPS and Vsolar Rights Shares.

Description	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Unutilised proceeds RM'000	Deviation RM'000	Timeframe for utilisation from receipt of proceeds i.e. from 7 December 2018	Intended timeframe	Proposed Revised timeframe
Investment in quoted securities – Focus ICPS	10,489	-	10,489	-	Within 12 months	6 December 2019	6 December 2020
Investment in quoted securities – Vsolar Rights Shares	8,200	-	8,200	-	Within 12 months	6 December 2019	6 December 2020
Working Capital	5,000	(5,000)	-	-	Within 24 months	6 December 2019	-
Investment in unquoted incubates and/or start-up companies to be identified	47,410	(42,403)	5,007	-	Within 36 months	6 December 2020	-
Estimated expenses for the corporate exercise	844	(844)	-	-	Immediate	-	-
	71,943	(48,247)	23,696	-	-	-	-

E. SHARE ISSUANCE SCHEME ("SIS")

The SIS of the Company was approved by the shareholders at the Extraordinary General Meeting held on 5 June 2015 and is governed by the Bylaws.

The SIS was implemented on 29 July 2015 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 upon the recommendation by the Option Committee, provided always that the Initial Scheme Period above and such extension of the scheme made pursuant to the Bylaws shall not in aggregate exceed a duration of ten (10) years or such other period as may be prescribed by Bursa Malaysia Securities Berhad or any other relevant authorities from the effective date of the SIS.

The Company had on 25 June 2020 extended the existing SIS, which expired on 28 July 2020, for a further period of five (5) years, i.e. from 29 July 2020 to 28 July 2025, in accordance with the terms of the SIS By-Laws.

As at the date of printing of this Annual Report, a total of 569,512,800 options were offered to eligible employees under the SIS.

OTHER COMPLIANCE INFORMATION

cont'd

E. SHARE ISSUANCE SCHEME ("SIS") *cont'd*

There is one (1) SIS in existence during the financial year ended 31 March 2020 with information as follows:-

Total number of options/ shares outstanding as at 1 April 2019	Total number of options exercised during the financial year ended 31 March 2020	Total number of options/ shares granted during the financial year ended 31 March 2020	Total options/shares outstanding as at 31 March 2020
-	104,970,900	104,970,900	-

There is one (1) SIS in existence during the financial year ended 31 March 2020 with information as follows:- *cont'd*

Options granted to Directors and Chief Executive

Total number of options/ shares outstanding as at 1 April 2019	Aggregate options exercised or vested during the financial year ended 31 March 2020	Aggregate options/ shares granted during the financial year ended 31 March 2020	Aggregate options/shares outstanding as at 31 March 2020
-	-	-	-

Options granted to Directors and Senior Management

	During the financial year ended 31 March 2020	Since commencement of the SIS on 29 July 2015
Aggregate maximum allocation in percentage	Nil	Nil
Actual percentage granted	Nil	Nil

Breakdown of the options offered to and exercised by non-executive Directors pursuant to SIS 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
YM Tengku Ahmad Badli Shah Bin Raja Hussin	Nil	Nil
Chu Chee Peng	Nil	Nil
Leung Kok Keong (<i>resigned on 17 June 2020</i>)	Nil	Nil

OTHER COMPLIANCE INFORMATION

cont'd

F. PROPERTIES

The list of properties of the Company as at 31 March 2020 is as follows:-

Location	Description	Land area	Existing use	Date of Acquisition	Tenure	Approximate age of buildings (years)	Carrying amount as at 31.03.2020 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	15	866
Lot 2264, Geran Mukim 6710, Town of Kulim District of Kulim Kedah	Factory	836 Square metres	Storage	2014	Freehold	15	577

AUDIT COMMITTEE REPORT

The Board of Directors of FINTEC GLOBAL BERHAD is pleased to present the report of the Audit Committee for the FYE 31 March 2020.

A. COMPOSITION AND MEETINGS

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

Members	Attendance of meetings	Percentage attendance
Ong Tee Kein (<i>Chairman</i>) <i>Independent Non-Executive Director</i>	5/5	100%
Chu Chee Peng <i>Senior Independent Non-Executive Director</i>	5/5	100%
YM Tengku Ahmad Badli Shah Bin Raja Hussin <i>Non-Independent Non-Executive Director</i>	5/5	100%

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 <http://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, which is published on the Company's website.

Taken into consideration of the Malaysian Code on Corporate Governance 2017 and the amendments to the listing requirements of Bursa Malaysia Securities Berhad, the Audit Committee and the Board had also reviewed the terms of reference of the Audit Committee and had revised the same in ensuring appropriate corporate governance and compliance with the guidelines and requirements and amongst other, the rights of the Audit Committee shall include:-

- 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;
- the resources which are required to perform its duties;
- full and unrestricted access to any information pertaining to the Group;
- direct communication channels with the external auditors and the internal auditors;
- 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
- 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 Executive Directors 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.

The Audit Committee met with the External Auditors twice without the presence of the Executive Directors 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.

AUDIT COMMITTEE REPORT

cont'd

B. TERMS OF REFERENCE OF AUDIT COMMITTEE *cont'd*

Discussion and audit issues tabled at Audit Committee meetings, including the decisions made and rationale adopted in arriving to 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, circular to shareholders, 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.

C. SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

During the financial year ended 31 March 2020, 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 meetings with the External Auditors without the presence of Executive Directors 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 securities or fixed assets prior recommending the same to the Board of Directors for approval.
- c. Reviewed the corporate proposals to be undertaken by the Company.
- d. Reviewed the Terms of Reference of the Audit Committee.
- e. Reviewed the financial status of the Company and its investee companies.
- f. Reviewed the potential related party transaction of the Group.
- g. Reviewed the Risk Management Framework and Policy.

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.

AUDIT COMMITTEE REPORT

cont'd

D. INTERNAL AUDIT FUNCTION

The Group's internal audit function which reports directly to the Audit Committee, is outsourced to a professional services firm. 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. Cost incurred for the internal audit function in respect of the financial year ended 31 March 2020 amounted to RM16,000.

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 31 March 2020, the internal auditors carried out duties in areas covering the updates on risk management and key business process in connection with E99 Limited.

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

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 their release to 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 financial year ended 31 March 2020, 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

Pursuant to Rule 15.26(b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“ACE Market LR”) and 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 2017” (Practice 9.1 and 9.2), the Board of Directors of the Company (“The Board”) is pleased to present this Statement on Risk Management and Internal Control for the year ended 31 March 2020 of the Group.

BOARD RESPONSIBILITY

The Board acknowledges its responsibility for maintaining a sound system of internal controls and in seeking regular assurance on the adequacy, effectiveness and integrity of the risk management and internal control system to meet Group’s objectives and strategies, safeguard shareholders’ investments and the Group’s assets.

Board meetings are conducted on a periodic basis to review the Group’s risk management and internal control activities. The Board through its Audit Committee supported by the Group Internal Audit that is independent of the activities it audits, conducted periodic assessments as to whether risks that may hinder the Group from achieving its objectives are being adequately evaluated, managed and controlled. Issues as well as actions agreed by the Management to address them were tabled and deliberated during the Audit Committee meetings, the minutes of which are then presented to the Board. The Board recognizes the need to embed risk management in all aspects of the Company’s activities and setting levels of acceptable risk to aid decision-making and governance processes.

The Board of Directors acknowledges the need for a more formal risk management framework and process that is capable in providing a reasonable assurance that risk is managed within tolerable ranges. The Board have received assurance from the Executive Directors that the Group will continuously improve and maintain a sound and effective system of risk management and internal control. In pursuing objectives, the role of Management is to implement the Board’s policies, decisions and guidelines on risks and controls that include the identification, evaluation and treatment of risks with appropriate counter measures.

The Board also acknowledges that due to the limitations that are inherent in any system of internal controls, the internal control system can only reduce but cannot totally eliminate risks that impede the achievement of the Group’s business objective. Therefore, the internal control system can only provide reasonable and not absolute assurance against material misstatement or loss or fraud.

RISK MANAGEMENT FRAMEWORK

The Group has in place an on-going process for identifying, evaluating, monitoring and managing/mitigating the significant risks faced by the Group. This process is regularly reviewed by the Board in compliance to relevant guidelines, to achieve a proper balance between risks incurred and potential returns to shareholders.

The Group out-sourced the internal audit function to an independent professional consultancy firm during the financial year to review the risk management and internal control systems of the Group and report directly to the Audit Committee. The main objective of these audits is to provide a reasonable assurance that they are operated satisfactorily and effectively.

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

The Audit Committee 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 risk management and internal control systems. It also reviews the internal audit function with particular emphasis on the scope of frequency of audits and the adequacy of resources. The minutes of the Audit Committee meetings are tabled to the Board of Directors of the Company on quarterly basis.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

KEY PROCESSES OF INTERNAL CONTROL

Salient features of the key processes of the system of internal control of the Group are as follows:-

- i) The Group has an organisational structure with defined lines of responsibility, delegation of authority, segregation of duties and flow of information are effectively communicated to all levels to ensure that the Group's operations are in accordance with the corporate objectives, strategies and the annual budget as well as the policies and the business directions.
- ii) There is active involvement by the Executive Directors in the day-to-day business operations of the Group including monthly dialogue with senior management. Scheduled operational and management meetings are held monthly to identify, discuss and resolve business and operational issues as well as significant risks faced. Significant matters identified during these meetings are highlighted to the Board on a timely basis.
- iii) 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 manage these risks. In assisting it to discharge its duties and responsibilities, the Board through the Audit Committee, senior management and the internal audit 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) During the current financial year, internal audit was carried out on the business management process. Based on the findings of the internal audit carried out and after the Audit Committee had reviewed the recommendations made by the Internal Auditor on the weaknesses that were identified, Management has put in place additional controls based on Internal Auditor's recommendation.

CONCLUSION

The Board opines that the system of internal control and risk management is operating adequately and effectively in all material aspects for the financial period 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. The Board remains committed toward 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 Market LR, the external auditors have reviewed this Statement on Risk Management and Internal Control. 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 of Risk Management and Internal Control has been approved by the Board of Directors at the meeting held on 21 August 2020.

FINANCIAL STATEMENTS

Directors' Report	39
Statement by Directors and Statutory Declaration	45
Independent Auditors' Report	46
Statements of Profit or Loss and Other Comprehensive Income	50
Statements of Financial Position	51
Statements of Changes in Equity	53
Statements of Cash Flows	56
Notes to Financial Statements	59

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 31 March 2020.

PRINCIPAL ACTIVITIES

The principal activities of the Company are technology incubation and investment holding. The principal activities of the subsidiary companies are disclosed in Note 11 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.

RESULTS

	Group RM	Company RM
Profit for the financial year	226,032,864	1,877,486
Profit for the financial year attributable to:		
Owners of the parent	226,041,683	1,877,486
Non-controlling interest	(8,819)	-
	<u>226,032,864</u>	<u>1,877,486</u>

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 31 March 2020.

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
 YM Tengku Ahmad Badli Shah Bin Raja Hussin
 Ong Tee Kein
 Chu Chee Peng
 Leung Kok Keong

- Resigned on 17 June 2020

The name of the Director of the Company's subsidiaries since the beginning of the financial year to the date of this report, excluding those who already disclosed is:

Beh Seng Kee
 Wong Kwong Sum

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 year, 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			Balance as at 31.03.2020
	Balance as at 1.4.2019	Bought	Sold	
In the Company				
Direct Interest:				
Leung Kok Keong	333,350	-	-	333,350
Tan Sik Eek	333,333	-	-	333,333

By virtue of Leung Kok Keong's and Tan Sik Eek's interest in the shares of the Company, Leung Kok Keong and Tan Sik Eek are 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 benefit 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 except for those disclosed in Note 26 to the financial statements.

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

Director's remuneration and fees of the Group and of the Company for the financial year ended 31 March 2020 are disclosed amounted to RM1,279,400 and RM1,132,631 respectively.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITOR

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

ISSUE OF SHARES AND DEBENTURES

On 11 December 2017, the Company listed and quoted 899,284,472 new irredeemable convertible preference share ("ICPS") in the Company at an issue price of RM0.08 per ICPS and 89,928,341 free detachable Warrant B on the basis of ten (10) ICPS together with one (1) free Warrant B for every five (5) existing ordinary shares of the Company. The salient features of the ICPS is disclosed in Note 20 to the financial statements.

During the financial year, the Company increased its issued share capital by issuance of 98,325,783 new ordinary shares pursuant to the conversion of 196,651,566 ICPS.

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.

Directors' Report

cont'd

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:

- 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 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);
- 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;
- 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
- 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.

Details of share options granted and exercised under the SIS are as follows:

	Grant date	Exercise/ vesting period	RM/option	Number of share options	Outstanding as at 1.04.2019	Exercised	Lapsed	Exercisable as at 31.3.2020
SIS First Grant	05.08.2015	Lapsed	0.100	171,000,000	-	-	-	-
SIS Second Grant	05.10.2016	27.10.2016 - 29.03.2017	0.050	120,000,000	-	-	-	-
SIS Third Grant	14.10.2016	24.11.2016	0.050	40,000,000	-	-	-	-
SIS Fourth Grant	04.04.2017	04.05.2017	0.050	43,000,000	-	-	-	-
SIS Fifth Grant	17.05.2017	07.06.2017	0.165 [#]	27,665,500 [*]	-	-	-	-
SIS Sixth Grant	06.07.2017	11.07.2017	0.140	28,600,000	-	-	-	-
SIS Seventh Grant	28.07.2017	01.08.2017	0.125	8,584,000	-	-	-	-
SIS Eighth Grant	10.09.2019	11.09.2019	0.052	19,193,900	-	19,193,900	-	-
SIS Ninth Grant	12.12.2019	20.12.2019	0.055	33,777,000	-	33,777,000	-	-
SIS Tenth Grant	14.01.2020	21.01.2020	0.050	35,000,000	-	35,000,000	-	-
SIS Eleventh Grant	25.02.2020	27.02.2020	0.040	17,000,000	-	17,000,000	-	-

* The number of share options granted have taken into consideration the effect of Share Consolidation taken up by the Company.

The SIS exercise price was adjusted following the effect of Share Consolidation taken up by the Company.

Directors' Report

cont'd

SHARE ISSUANCE SCHEME ("SIS") *cont'd*

During the financial year, the Company increased its issued share capital by issuance of 104,970,900 new ordinary shares pursuant to the SIS.

Other than SIS First Grant, all the share options offered were accepted by all the eligible employee on the offer date and were fully exercised within the exercise/vesting period.

WARRANTS

WARRANT 2014/2024 ("WARRANTS A")

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 131,295,625 Warrants A.

WARRANT 2017/2022 ("WARRANTS B")

On 11 December 2017, the Company listed and quoted of 89,928,341 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 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.

Directors' Report

cont'd

WARRANTS *cont'd*

WARRANT 2017/2022 ("WARRANTS B") *cont'd*

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

	Entitlement For Ordinary Shares			
	As at 01.04.2019	Issued	Exercised	As at 31.03.2020
Warrants A	131,295,625	-	-	131,295,625
Warrants B	89,883,208	-	-	89,883,208
	221,178,833	-	-	221,178,833

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 there are no known bad debts 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.

Directors' Report

cont'd

OTHER STATUTORY INFORMATION *cont'd*

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 31 March 2020 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 year and the date of this report.

AUDITORS

The auditors, Messrs PKF, have indicated their willingness to continue in office.

The auditors' remuneration of the Group and of the Company for the financial year ended 31 March 2020 amounted to RM93,000 and RM28,000 respectively.

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

TAN SIK EEK

ONG TEE KEIN

Kuala Lumpur

28 August 2020

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 50 to 106 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 31 March 2020 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

Kuala Lumpur

28 August 2020

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 50 to 106 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 Kuala Lumpur in Wilayah)
Persekutuan on 28 August 2020)

TAN SIK EEK

Before me,

KAPT(B) JASNI BIN YUSOFF
W465

COMMISSIONER FOR OATHS

Independent Auditors' Report

To the Members of Fintec Global Berhad
Registration No.: 200701016619 (774628-U) (Incorporated in Malaysia)

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 at 31 March 2020 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 then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 50 to 106.

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 31 March 2020, and of their financial performance and their cash flows for the financial year then ended 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 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 and International 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 year. 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.

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

(Refer to Note 1(e)(iii), 2(g), 2(k) and 15 to the financial statements)

As at 31 March 2020, the Group's gross non-trade receivables, deposits and prepayments amounted to RM27,160,991.

The management has performed an impairment assessment and review on the non-trade receivables, deposits and prepayments made by the Group and concluded that there is an additional impairment of non-trade receivables (included advance for subscription of share for Pinnacle Nexus Sdn. Bhd.) and deposits amounted to RM8,245,153 during the financial year resulted in total impairment of RM11,021,113 as at the financial year ended and prepayment written off of RM100,248 during the financial year.

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 relevant supporting documents.

Independent Auditors' Report

To the Members of Fintec Global Berhad
Registration No.: 200701016619 (774628-U) (Incorporated in Malaysia)
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *cont'd*

Key audit matters *cont'd*

(ii) Impairment of amount due from subsidiaries
(Refer to Note 2(g)(i), 2(k) and 16 to the financial statements)

The gross carrying amount of the amount due from subsidiaries amounted to RM152,618,210. 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 are responsible for the other information. The other information comprises the Management Discussion and Analysis, Audit Committee Report, Corporate Governance Overview Statement and Statement on Risk Management and Internal Control and Sustainability 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 other information 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 other information identified and, in doing so, consider whether the information 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 the other information, 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 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 are 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 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.

Independent Auditors' Report

To the Members of Fintec Global Berhad

Registration No.: 200701016619 (774628-U) (Incorporated in Malaysia)

cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS *cont'd*

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.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement 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 of 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 and 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 and 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 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.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguard applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditors' Report

To the Members of Fintec Global Berhad
Registration No.: 200701016619 (774628-U) (Incorporated in Malaysia)
cont'd

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 11 to the financial statements.

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.

PKF
AF 0911
CHARTERED ACCOUNTANTS

NG CHEW PEI
03373/06/2022 J
CHARTERED ACCOUNTANT

Kuala Lumpur

28 August 2020

Statements of Profit or Loss and Other Comprehensive Income

For the Financial Year Ended 31 March 2020

	Note	Group		Company	
		2020 RM	2019 RM	2020 RM	2019 RM
Revenue	3a	20,372,349	15,357,478	-	692,703
Cost of sales		(19,791,288)	(14,113,965)	-	-
Gross profit		581,061	1,243,513	-	692,703
Other operating income	3b	242,702,869	794,388	1,235,548	-
Administrative expenses		(6,957,646)	(6,037,274)	(6,552,364)	(3,909,223)
Net (loss)/gain on financial assets at amortised cost		(5,243,233)	(5,660,032)	7,596,171	(140,517,722)
Other operating expenses		(4,285,355)	(30,245,413)	(373,194)	(323,840)
Profit/(Loss) from operations		226,797,696	(39,904,818)	1,906,161	(144,058,082)
Finance cost	5	(764,832)	(152,554)	(28,675)	-
Profit/(Loss) before tax		226,032,864	(40,057,372)	1,877,486	(144,058,082)
Tax income	6	-	6,000	-	-
Profit/(Loss) for the financial year		226,032,864	(40,051,372)	1,877,486	(144,058,082)
Other comprehensive income/(loss), net of tax					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Currency translation differences		237,619	-	-	-
Total comprehensive (loss)/income for the financial year		226,270,483	(40,051,372)	1,877,486	(144,058,082)
Profit/(Loss) attributable to:					
Owners of the parent		226,041,683	(40,015,298)		
Non-controlling interest		(8,819)	(36,074)		
		226,032,864	(40,051,372)		
Total comprehensive income/(loss) for the financial year attributable to:					
Owners of the parent		226,279,302	(40,015,298)		
Non-controlling interest		(8,819)	(36,074)		
		226,270,483	(40,051,372)		
Earnings/(loss) attributable to owners of the Company per Ordinary Share (sen)					
- Basic (sen)	7	33.76	(6.72)		
- Diluted (sen)	7	16.55	(2.69)		

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

Statements of Financial Position

As at 31 March 2020

	Note	Group		Company	
		2020 RM	2019 RM	2020 RM	2019 RM
ASSETS					
Non-current assets					
Property, plant and equipment	8	3,847,879	4,769,787	1,573,110	2,719,437
Right of use assets	9	9,515,636	-	559,172	-
Intangible assets	10	-	-	-	-
Investment in subsidiaries	11	-	-	4,013,326	802,537
Marketable securities	12	358,067,032	97,767,377	-	-
		371,430,547	102,537,164	6,145,608	3,521,974
Current assets					
Inventories	13	2,004,380	98,043	-	-
Trade receivables	14	6,113,048	764,357	-	-
Non-trade receivables, deposits and prepayments	15	16,139,878	33,729,361	8,476,448	8,916,915
Amount due from subsidiaries	16	-	-	20,228,926	1,437,341
Marketable securities	12	27,018,834	243,783	-	-
Investment in unquoted shares	17	-	2,500,000	-	-
Current tax assets		374,453	350,529	-	-
Deposits with licensed financial institutions	18	19,852,759	19,242,158	-	-
Cash and bank balances		553,102	2,853,236	401,729	1,770,870
		72,056,454	59,781,467	29,107,103	12,125,126
TOTAL ASSETS		443,487,001	162,318,631	35,252,711	15,647,100

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

Statements of Financial Position

As at 31 March 2020
cont'd

	Note	Group		Company	
		2020 RM	2019 RM	2020 RM	2019 RM
EQUITY AND LIABILITIES					
Share capital	19	119,038,461	96,058,092	119,038,461	96,058,092
Irredeemable convertible preference shares	20	27,443,314	43,175,440	27,443,314	43,175,440
Reserves	21	235,814,254	9,698,914	(126,460,436)	(128,324,396)
Equity attributable to owners of the parent		382,296,029	148,932,446	20,021,339	10,909,136
Non-controlling interest		(1,681,114)	(1,672,295)	-	-
Total equity		380,614,915	147,260,151	20,021,339	10,909,136
Non-current liabilities					
Lease liabilities	22	9,322,493	-	485,149	-
Current liabilities					
Trade payables	23	6,301,571	3,848,385	-	-
Non-trade payables and accruals	24	17,867,148	11,210,095	143,137	89,437
Lease liabilities	22	551,344	-	97,104	-
Borrowings	25	28,829,530	-	-	-
Amount due to subsidiaries	16	-	-	14,505,982	4,648,527
		53,549,593	15,058,480	14,746,223	4,737,964
Total liabilities		62,872,086	15,058,480	15,231,372	4,737,964
TOTAL EQUITY AND LIABILITIES		443,487,001	162,318,631	35,252,711	15,647,100

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

Statements of Changes in Equity

For the Financial Year Ended 31 March 2020

Group	Attributable to owners of the company							
	Share capital	Translation reserve	Irredeemable convertible preference shares	Warrants reserve	(Accumulated losses)/ Retained profits	Sub-total	Non-controlling interest	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM
2020								
At 31 March 2019 (before restated)	96,058,092	-	43,175,440	10,903,717	(1,204,803)	148,932,446	(1,672,295)	147,260,151
Initial application of MFRS 16	-	-	-	-	(163,962)	(163,962)	-	(163,962)
At 1 April 2019 (after restated)	96,058,092	-	43,175,440	10,903,717	(1,368,765)	148,768,484	(1,672,295)	147,096,189
Transactions with owners:								
Issuance of ordinary shares pursuant to conversion of ICPS	15,732,126	-	(15,732,126)	-	-	-	-	-
Issuance of ordinary shares pursuant to Shares Issuance Scheme	5,287,737	-	-	-	-	5,287,737	-	5,287,737
Share based payment	1,960,506	-	-	-	-	1,960,506	-	1,960,506
Total transaction with owners	22,980,369	-	(15,732,126)	-	-	7,248,243	-	7,248,243
Total comprehensive income for the year	-	-	-	-	226,041,683	226,041,683	(8,819)	226,032,864
Foreign currency translation differences for foreign operations	-	237,619	-	-	-	237,619	-	237,619
Balance at 31 March 2020	119,038,461	237,620	27,443,314	10,903,717	224,672,918	382,296,029	(1,681,114)	380,614,915

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

Statements of Changes in Equity

For the Financial Year Ended 31 March 2020
cont'd

Group	← Attributable to owners of the company →					Sub-total	Non-controlling interest	Total equity
	Share capital	Irredeemable convertible preference shares	Share premium	Warrants reserve	Retained profits/ (Accumulated losses)			
	RM	RM	RM	RM	RM	RM	RM	RM
2019								
At 1 April 2018	81,872,991	53,227,783	554,709	10,903,717	38,810,495	185,369,695	(1,636,221)	183,733,474
Transactions with owners:								
Issuance of ordinary shares pursuant to conversion of ICPS	13,630,392	(10,052,343)	-	-	-	3,578,049	-	3,578,049
Total transaction with owners	13,630,392	(10,052,343)	-	-	-	3,578,049	-	3,578,049
Total comprehensive loss for the year	-	-	-	-	(40,015,298)	(40,015,298)	(36,074)	(40,051,372)
Transfer in accordance with Section 74 of Companies Act 2016	554,709	-	(554,709)	-	-	-	-	-
Balance at 31 March 2019	96,058,092	43,175,440	-	10,903,717	(1,204,803)	148,932,446	(1,672,295)	147,260,151

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

Statements of Changes in Equity

For the Financial Year Ended 31 March 2020
cont'd

Company	Non-distributable			Distributable		Total equity RM
	Share capital RM	Irredeemable convertible preference shares RM	Warrants reserve RM	Accumulated losses RM		
2020						
At 31 March 2019 (before restated)	96,058,092	43,175,440	10,903,717	(139,228,113)		10,909,136
Initial application of MFRS 16	-	-	-	(13,526)		(13,526)
A1 1 April 2019 (after restated)	96,058,092	43,175,440	10,903,717	(139,241,639)		10,895,610
Transactions with owners:						
Issuance of ordinary shares pursuant to conversion of ICPS	15,732,126	(15,732,126)	-	-		7,248,243
Issuance of ordinary shares pursuant to Shares Issuance Scheme	5,287,737	-	-	-		5,287,737
Share based payment	1,960,506	-	-	-		1,960,506
Total transaction with owners	22,980,369	(15,732,126)	-	-		7,248,243
Transfer in accordance with Section 74 of Companies Act 2016						
Total comprehensive income for the year	-	-	-	1,877,486		1,877,486
Balance at 31 March 2020	119,038,461	27,443,314	10,903,717	(137,364,153)		20,021,339

Company	Non-distributable			Distributable		Total equity RM
	Share capital RM	Irredeemable convertible preference shares RM	Share premium RM	Warrants reserve RM	Retained profits/ (Accumulated losses) RM	
2019						
At 1 April 2018	81,872,991	53,227,783	554,709	10,903,717	4,829,969	151,389,169
Transactions with owners:						
Issuance of ordinary shares pursuant to conversion of ICPS	13,630,392	(10,052,343)	-	-	-	3,578,049
Total transaction with owners	13,630,392	(10,052,343)	-	-	-	3,578,049
Transfer in accordance with Section 74 of Companies Act 2016	554,709	-	(554,709)	-	-	-
Total comprehensive loss for the year	-	-	-	-	(144,058,082)	(144,058,082)
Balance at 31 March 2019	96,058,092	43,175,440	-	10,903,717	(139,228,113)	10,909,136

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

Statements of Cash Flows

For the Financial Year Ended 31 March 2020

	Note	Group		Company	
		2020 RM	2019 RM	2020 RM	2019 RM
Cash flows from operating activities					
Profit/(Loss) before tax:		226,032,864	(40,057,372)	1,877,486	(144,058,082)
Adjustments for:					
Depreciation of property, plant and equipment		625,880	458,637	236,254	323,840
Depreciation of right use of assets		2,122,378	-	136,940	-
Fair value (gain)/loss on marketable securities		(242,207,243)	29,438,156	-	-
(Loss)/Gain on foreign exchange - unrealised		346,628	(267,634)	-	-
Gain on disposal of marketable securities		(251,530)	(410,847)	-	-
Gain on disposal of property, plant and equipment		(41,000)	-	-	-
Impairment/(Reversal) on:					
- property, plant and equipment		1,080,628	-	980,407	-
- trade receivables		(3,001,920)	609,015	-	-
- deposit		81,750	277,560	-	-
- non-trade receivables		571,353	2,498,400	532,267	-
- amount due from subsidiaries		-	-	(8,128,438)	140,517,722
- investments in unquoted shares		-	2,000,000	-	-
- advances for subscription of shares		7,592,050	-	-	-
- investment subsidiaries		-	-	(1,210,790)	-
Prepayment written off		100,248	275,057	-	-
Interest expenses		758,637	152,554	28,675	-
Interest income		(427,220)	(1,052,851)	-	(692,703)
Dividend income		-	(166,606)	-	-
Inventories written off		-	276,556	-	-
Operating loss before working capital changes		(6,616,497)	(5,969,375)	(5,547,199)	(3,909,223)
Proceeds from disposal of marketable securities		19,223,750	14,454,983	-	-
Purchase of marketable securities		(64,160,882)	(16,357,807)	-	-
Increase in inventories		(1,906,337)	(53,950)	-	-
Decrease/(Increase) in receivables		3,871,882	(16,799,893)	(91,800)	(6,201,878)
Increase/(Decrease) in payables		9,110,239	(3,515,737)	53,700	(813)
Cash used in operations		(40,477,845)	(28,241,779)	(5,585,299)	(10,111,914)
Tax paid		(23,924)	(82,392)	-	-
Interest received		427,220	1,052,851	-	692,703
Net cash used in operating activities		(40,074,549)	(27,271,320)	(5,585,299)	(9,419,211)

Group

Company

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

Statements of Cash Flows

For the Financial Year Ended 31 March 2020
cont'd

	2020	2019	2020	2019
Note	RM	RM	RM	RM
Cash flows from investing activities				
Purchase of property, plant and equipment	(709,268)	(2,073,607)	(70,334)	(61,580)
Investment in subsidiaries	-	-	(1,999,998)	(49)
(Purchase)/Disposal of unquoted shares	5,500,000	(15,092,050)	-	-
Proceed on disposal of property, plant and equipment	41,000	-	-	-
Net cash from/(used in) investing activities	4,831,732	(17,165,657)	(2,070,332)	(61,629)
Cash flows from financing activities				
Advance to subsidiary companies	-	-	(805,691)	(45,054,343)
Proceeds from issuance of shares pursuant to conversion of ICPS	-	3,578,049	-	3,578,049
Proceeds from issuance of shares capital under exercised of SIS	7,248,243	-	7,248,242	-
Drawdown of borrowings	28,829,530	-	-	-
Repayment lease liabilities	(2,020,000)	-	(127,385)	-
Interest paid:				
- Loan interest	-	(152,554)	-	-
- Lease liabilities	(465,017)	-	(28,675)	-
- Borrowings	(293,620)	-	-	-
Net cash from/(used in) financing activities	33,299,136	3,425,495	6,286,491	(41,476,294)
Net decrease in cash and cash equivalents	(1,943,681)	(41,011,482)	(1,369,140)	(50,957,134)
Effects of exchange rate changes	254,148	1,685	-	-
Cash and cash equivalents at 1 April	22,095,394	63,105,191	1,770,870	52,728,004
Cash and cash equivalents at 31 March	(i) 20,405,861	22,095,394	401,730	1,770,870

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

Statements of Cash Flows

For the Financial Year Ended 31 March 2020
cont'd

Notes:

(i) Cash and cash equivalents

Cash and cash equivalents comprise the following:

	Group		Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Deposits with licensed financial institutions	19,852,759	19,242,158	-	-
Cash and bank balances	553,102	2,853,236	401,730	1,770,870
	<u>20,405,861</u>	<u>22,095,394</u>	<u>401,730</u>	<u>1,770,870</u>

(ii) Reconciliation of liabilities arising from financing activities:

Group	1 April (before restated) RM	Initial application of MFRS 16 RM	1 April (after restated) RM	Cash flows RM	31 March RM
2020					
Borrowings	-	-	-	28,829,530	28,829,530
Lease liabilities	-	11,893,837	11,893,837	(2,020,000)	9,873,837
	-	<u>11,893,837</u>	<u>40,723,367</u>	<u>(2,020,000)</u>	<u>38,703,367</u>

Company	1 April (before restated) RM	Initial application of MFRS 16 RM	1 April (after restated) RM	Cash flows RM	31 March RM
2020					
Lease liability	-	709,638	709,638	(127,385)	582,253
Amount due to subsidiaries	4,648,527	-	4,648,527	9,857,455	14,505,982
	<u>4,648,527</u>	<u>709,638</u>	<u>5,358,165</u>	<u>9,730,070</u>	<u>15,088,235</u>

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

Notes to Financial Statements

As at 31 March 2020

1. BASIS OF PREPARATION

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

The accompanying financial statements have been prepared assuming that the Group and the Company will continue as going concerns which contemplates the realisation of assets and settlement of liabilities in the normal course of business.

These financial statements are presented in the Ringgit Malaysia ("RM"), which is the Group's and the Company's functional and presentation currency.

(a) Standards issued and effective

On 1 April 2019, the Group and the Company have also adopted the following amended MFRSs which are mandatory for annual financial periods beginning on or after 1 January 2019.

Description	Effective for annual periods beginning on or after
<ul style="list-style-type: none"> ● Annual Improvements to MFRS 2015 - 2017 cycle <ul style="list-style-type: none"> - Amendments to MFRS 3, Business Combinations - Amendments to MFRS 11, Joint Arrangements - Amendments to MFRS 112, Income Taxes - Amendments to MFRS 123, Borrowing Costs 	1 January 2019 1 January 2019 1 January 2019 1 January 2019
● Amendments to MFRS 119, Employee Benefits: Plan Amendment, Curtailment and Settlement	1 January 2019
● MFRS 16, Leases	1 January 2019
● Amendments to MFRS 9, Financial Instruments: Prepayment Features with Negative Compensation	1 January 2019
● Amendments to MFRS 128, Investment in Associates and Joint Ventures: Long-term Interests in Associates and Joint Ventures	1 January 2019
● IC Interpretation 23, Uncertainty over Income Tax Treatments	1 January 2019

The Directors expect that the adoption of the new and amended MFRSs and interpretation above will have no impact on the financial statements of the Company except as disclosed in Note 1(c) to the financial statements.

Notes to Financial Statements

As at 31 March 2020
cont'd

1. BASIS OF PREPARATION *cont'd*

(b) Standards issued but not yet effective *cont'd*

The initial application of the abovementioned accounting standards, amendments or interpretations are not expected to have any material impacts to the financial statement of the Company.

(c) Explanation on change in accounting policy

MFRS 16 Leases

In the current financial year, the Group and the Company has adopted MFRS 16 Leases ("MFRS 16") effective for the annual financial period beginning on or after 1 January 2019. The date of initial application is as of the beginning of the reporting period, in which the Company first applies MFRS 16 i.e. 1 April 2019.

The standard introduces a single lease accounting for lessees on statements of financial position. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payment. There are recognition exemptions for short term leases and leases of low-value items. Lessor accounting remains similar to the current standard which continues to be classified as finance or operating leases.

Right-of-use assets and lease liabilities are disclosed as a single line in the statement of financial position.

The Group and the Company elects to apply MFRS 16 retrospectively with no restatement of comparative and cumulative adjustments resulting from the initial application of MFRS 16 are recognised in retained profits and reserves as at 1 April 2019.

The impact on the changes to the accounting policies applied to lease contracts entered into by the Group and the Company as compared to those applied in previous financial statements are disclosed as below:

	As reported at 31 March 2019 RM	Estimated adjustments due to adoption of MFRS 16 RM	Estimated adjusted opening balance at 1 April 2019 RM
Group			
Right-of-use assets	-	13,222,898	13,222,898
Accumulated depreciation of right-of-use assets	-	(1,449,153)	(1,449,153)
Lease liabilities	-	(11,893,837)	(11,893,837)
Foreign exchange different	-	(43,870)	(43,870)
Accumulated losses	(1,204,803)	(163,962)	(1,368,765)
Company			
Right-of-use assets	-	821,640	821,640
Accumulated depreciation of right-of-use assets	-	(125,528)	(125,528)
Lease liabilities	-	(709,638)	(709,638)
Accumulated losses	(139,228,113)	(13,526)	(139,241,639)

(d) Basis of measurement

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

Notes to Financial Statements

As at 31 March 2020
cont'd

1. BASIS OF PREPARATION *cont'd*

(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.

Notes to Financial Statements

As at 31 March 2020
cont'd

1. BASIS OF PREPARATION *cont'd*

(e) Significant accounting estimates and judgements *cont'd*

(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.

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.

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.

Notes to Financial Statements

As at 31 March 2020

cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(a) Basis of consolidation *cont'd*

(i) Subsidiaries *cont'd*

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.

(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.

Notes to Financial Statements

As at 31 March 2020
cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(a) Basis of consolidation *cont'd*

(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 Financial Statements

As at 31 March 2020
cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(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:

	2020	2019
	RM	RM
1 United States Dollar	4.30	4.08
1 Hong Kong Dollar	0.55	0.52
1 Australian Dollar	2.66	2.89

(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 is 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.

Notes to Financial Statements

As at 31 March 2020
cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(c) Revenue and other income *cont'd*

(ii) *Sale of Goods*

The Group is providing business in operation of bar, trading food and beverage. The performance obligation is to deliver foods and beverages to end users.

As the performance obligation is satisfied at a point in time when the Group transfers control of the goods to the customers, whereby the goods are delivered to the customers, revenue is also 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.

(iii) *Interest Income*

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

(iv) *Dividend Income*

Dividend income is 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 year 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, are capitalised 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.

Notes to Financial Statements

As at 31 March 2020

cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(f) Tax expense *cont'd*

(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.

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 recognised 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 recognise 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.

Notes to Financial Statements

As at 31 March 2020
cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(g) Impairment *cont'd*

(i) Financial assets *cont'd*

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 is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance amount.

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.

Notes to Financial Statements

As at 31 March 2020
cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(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.

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:

Factory	2%
Buildings	10%
Computers	20% - 33.33%
Furniture and fittings	10%
Lab equipment	10% - 20%
Motor vehicles	10% - 20%
Office equipment	20%
Plant and machinery	10% - 20%
Renovation	20%
Signboard	10% - 20%

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) Leases

The Group has applied MFRS 117 *Leases* until financial year ended 31 March 2019. From 1 April 2019, MFRS 16 *Leases* has been applied.

Current financial year

(i) *Initial measurement*

(a) *As a lessee*

The Group 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.

Notes to Financial Statements

As at 31 March 2020
cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(i) Leases *cont'd*

Current financial year *cont'd*

(i) Initial measurement *cont'd*

(a) As a lessee *cont'd*

The lease liability is initially measure 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 readily determined, the respective Group entities' incremental borrowing rate. Generally, the Group entities use their incremental borrowing rate as the discount rate.

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

- fixed payments, including in-substance fixed payments less any incentives receivables;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement rate;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Group is reasonably certain to exercise; and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

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

The Group has elected not to recognise 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 recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(b) As a lessor

When the Group acts as a lessor, the Group makes an overall assessment of whether the lease transfers substantially all of the risk 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.

If an arrangement contains lease and non-lease components, the Group applies MFRS 15 to allocate the consideration in the contract based on the stand-alone selling prices.

(ii) Subsequent measurement

(a) 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 there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Notes to Financial Statements

As at 31 March 2020

cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(i) Leases *cont'd*

Current financial year *cont'd*

(ii) *Subsequent measurement* *cont'd*

(b) *As a lessor*

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of "revenue".

The Group recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the Group's net investment in the lease. The Group aims to allocate finance income over the lease term on a systematic and rational basis. The Group applies the lease payments relating to the period against the gross investment in the lease to reduce both the principal and the unearned finance income. The net investment in the lease is subject to impairment requirements in MFRS 9, Financial Instruments.

Previous financial year

(i) *Classification*

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incidental to ownership. Leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets and the land and buildings elements of a lease of land and buildings are considered separately for the purpose of lease classification. All leases that do not transfer substantially all the risks and rewards are classified as operating leases, with the following exceptions:

- Property held under operating leases that would otherwise meet the definition of an investment property is classified as an investment property, is accounted for as if held under a finance lease as described in Note 2(h) to the financial statements; and
- Land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease.

(ii) *Finance Leases - the Group as Lessee*

Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less accumulated depreciation and impairment losses. The corresponding liability is in the statements of financial position as borrowings. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Company's incremental borrowing rate is used. Any initial direct costs are also added to the carrying amounts of such assets.

Lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised as an expense in the profit or loss over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

The depreciation policy for leased assets is in accordance with that for the depreciable property, plant and equipment as described in Note 2(h) to the financial statements.

Notes to Financial Statements

As at 31 March 2020
cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(i) Leases *cont'd*

Previous financial year cont'd

(iii) Operating Leases - the Group as Lessee

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

In the case of a lease of land and buildings, the minimum lease payments or the up-front payments made are allocated, whenever necessary, between the land and the buildings element in proportion to the relative fair values for leasehold interests in the land element and buildings element of the lease at the inception of the lease. The up-front payment represents prepaid lease payments and are amortised on a straight-line basis over the lease term.

(j) 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 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.

(k) Financial assets

(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.

Notes to Financial Statements

As at 31 March 2020

cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(k) Financial assets *cont'd*

(i) Amortised costs *cont'd*

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.

(ii) 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 categorised 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.

(l) 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.

(m) 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.

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 categorised 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 recognise 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.

Notes to Financial Statements

As at 31 March 2020
cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

(m) Financial liabilities *cont'd*

(ii) *Amortised cost*

Other financial liabilities not categorised 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.

(n) 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.

(o) 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.

(p) 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 26 to the financial statements, including the factors used to identify the reportable segments and the measurement basis of segment information.

(q) 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 is recognised.

Notes to Financial Statements

As at 31 March 2020
cont'd

3. REVENUE AND OTHER INCOME

(a) Revenue

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

	Group		Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Sale of goods	1,148,599	209,792	-	-
Proceeds from sale of marketable securities	19,223,750	14,454,983	-	-
Interest income	-	692,703	-	692,703
	<u>20,372,349</u>	<u>15,357,478</u>	<u>-</u>	<u>692,703</u>

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

	Group	
	2020 RM	2019 RM
Proceeds from sale of marketable securities	19,223,750	14,454,983
Less: Cost of investments	(18,972,220)	(14,044,136)
Gain on disposal recognised in profit or loss	<u>251,530</u>	<u>410,847</u>

(b) Other operating income

	Group		Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Reversal on impairment of investment in subsidiaries	-	-	1,210,790	-
Coupon interest	427,162	360,000	-	-
Interest income	58	148	-	-
Dividend income	-	166,606	-	-
Gain change in fair value	242,207,243	-	-	-
Gain on foreign exchange:				
- Realised	24,758	-	24,758	-
- Unrealised	-	267,634	-	-
Gain on disposal of Property, plant and equipment	41,000	-	-	-
Other income	2,648	-	-	-
	<u>242,702,869</u>	<u>794,388</u>	<u>1,235,548</u>	<u>-</u>

Notes to Financial Statements

As at 31 March 2020
cont'd

3. REVENUE AND OTHER INCOME *cont'd*

(c) Disaggregation of revenue

	Sale of goods RM	Proceeds from sale of marketable securities RM	Interest income RM	Total RM
2020				
Sale of goods	1,148,599	-	-	1,148,599
Proceeds from sale of marketable securities	-	19,223,750	-	19,223,750
	1,148,599	19,223,750	-	20,372,349
Timing of revenue recognition:				
- At a point in time	1,148,599	19,223,750	-	20,372,349
- Over time	-	-	-	-
	1,148,599	19,223,750	-	20,372,349
2019				
Sale of goods	209,792	-	-	209,792
Proceeds from sale of marketable securities	-	14,454,983	-	14,454,983
Interest income	-	-	692,703	692,703
	209,792	14,454,983	692,703	15,357,478
Timing of revenue recognition:				
- At a point in time	209,792	14,454,983	-	14,664,775
- Over time	-	-	692,703	692,703
	209,792	14,454,983	692,703	15,357,478

Notes to Financial Statements

As at 31 March 2020
cont'd

4. EMPLOYEE BENEFITS EXPENSES

	Group		Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Salaries and wages	1,347,713	1,137,759	872,623	884,833
Defined contribution plan	122,364	119,499	95,044	100,384
Other employee benefits	9,256	28,785	8,412	27,111
Equity-settled share-based payment	1,960,506	-	1,960,506	-
	3,439,839	1,286,043	2,936,585	1,012,328
Directors' remuneration:				
- fee	357,990	108,012	216,024	108,012
- salaries and other emoluments	921,410	886,693	916,607	874,687
	1,279,400	994,705	1,132,631	982,699
	4,719,239	2,280,748	4,069,216	1,995,027

5. FINANCE COST

	Group		Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Other interest	299,815	152,554	-	-
Interest on lease liabilities	465,017	-	28,675	-
	764,832	152,554	28,675	-

Notes to Financial Statements

As at 31 March 2020
cont'd

6. TAX INCOME

	Group		Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Tax expenses				
- Over provision in prior years	-	(6,000)	-	-

Reconciliation of tax expense

	Group		Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Profit/(Loss) before tax	226,032,864	(40,057,372)	1,877,486	(144,058,082)
Tax calculated at statutory tax rate of 24%	54,247,888	(9,613,769)	450,597	(34,573,939)
Effect of tax rate in foreign jurisdictions	203,123	87,598	-	-
Non-deductible expenses	14,637,906	9,453,332	(444,655)	34,740,188
Non-taxable income	(69,156,182)	(848,195)	(5,942)	(166,249)
Deferred tax assets not recognised during the year	67,265	921,034	-	-
	(54,451,011)	9,526,171	(450,597)	34,573,939
Over provision of tax expense in prior years	-	(6,000)	-	-
	-	(6,000)	-	-

The Group has unutilised tax losses and unabsorbed capital allowance amounting to RM13,916,352 and RM3,751,946 (2019: RM13,641,254 and RM3,745,019) respectively available for offset against future taxable profits.

Unutilised tax losses arising from year of assessment 2020 can be carried forward for a period 7 years for set off against future taxable profits. However, unutilised tax losses which arose up to the year of assessment 2018 to be utilised up to the year of assessment 2025.

Notes to Financial Statements

As at 31 March 2020
cont'd

7. EARNINGS PER SHARE

(a) Basic earnings per ordinary share

The basic earnings 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	
	2020	2019
	RM	RM
Profit/(Loss) attributable to owners of the parent	226,041,683	(40,015,298)
Weighted average number of ordinary shares:		
Issued ordinary shares at 1 April	611,005,122	525,815,172
Effect of new ordinary share pursuant to conversion of ICPS	30,016,763	69,831,886
Effect of new ordinary share pursuant to exercised of SIS	28,500,990	-
Weighted average number of ordinary shares at 31 March	669,522,875	595,647,058
Basic earnings/(loss) attributable to owners of the Company per ordinary share (sen)	33.76	(6.72)

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

	Group	
	2020	2019
	RM	RM
Profit/(loss) attributable to owners of the parent	226,041,683	(40,015,298)
Weighted average number of ordinary shares at 31 March	669,522,875	595,647,058
Effect of exercise of ICPS	475,236,078	671,887,644
Effect of exercise of Warrants A	131,295,625	131,295,625
Effect of exercise of Warrants B	89,883,208	89,883,208
Weighted average number of ordinary shares at 31 March	1,365,937,786	1,488,713,535
Diluted earnings/(loss) attributable to owners of the Company per ordinary share (sen)	16.55	(2.69)

Notes to Financial Statements

As at 31 March 2020
cont'd

8. PROPERTY, PLANT AND EQUIPMENT *cont'd*

Company	Freehold land	Factory	Buildings	Computers	Furniture and fittings	Lab equipment	Motor vehicles	Office equipment	Plant and machinery	Renovation	Signboard	Total
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
2019												
Cost												
At 1 April	1,000,000	500,000	292,000	75,719	67,451	759,835	35,000	10,000	850,000	1,873,660	5,228	5,468,893
Additions	-	-	-	-	2,600	-	-	58,980	-	-	-	61,580
At 31 March	1,000,000	500,000	292,000	75,719	70,051	759,835	35,000	68,980	850,000	1,873,660	5,228	5,530,473
Accumulated depreciation												
At 1 April	-	36,667	144,801	47,333	23,501	666,890	12,833	7,333	850,000	696,970	868	2,487,196
Charge for the financial year	-	10,000	29,200	9,703	6,767	69,892	3,500	6,365	-	187,367	1,046	323,840
At 31 March	-	46,666	174,001	57,036	30,268	736,783	16,333	13,698	850,000	884,337	1,914	2,811,036
Carrying amount												
At 31 March	1,000,000	453,334	117,999	18,683	39,783	23,052	18,667	55,282	-	989,323	3,314	2,719,437

Notes to Financial Statements

As at 31 March 2020
cont'd

9. 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	
	2020 RM	2019 RM	2020 RM	2019 RM
Cost				
Building				
At 1 April (before restated)	-	-	-	-
Initial application of MFRS 16	13,222,898	-	821,640	-
At 1 April (after restated)/31 March	13,222,898	-	821,640	-
Accumulated depreciation				
At 1 April (before restated)	-	-	-	-
Initial application of MFRS 16	1,449,153	-	125,528	-
At 1 April (after restated)	1,449,153	-	125,528	-
Depreciation for the financial year	2,122,378	-	136,940	-
Translation exchanges	135,731	-	-	-
At 31 March	3,707,262	-	262,468	-
Carrying amount				
As at 31 March	9,515,636	-	559,172	-

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

10. INTANGIBLE ASSETS

	Group	
	2020 RM	2019 RM
Goodwill		
Cost		
At 1 April	2,363,549	2,363,549
Less: impairment	(2,363,549)	(2,363,549)
At 31 March	-	-

Notes to Financial Statements

As at 31 March 2020
cont'd

11. INVESTMENT IN SUBSIDIARIES

	Company	
	2020	2019
	RM	RM
<i>Unquoted shares, at cost</i>		
At 1 April	9,103,482	9,103,433
Additions	1,999,998	49
At 31 March	11,103,480	9,103,482
Less: impairment		
At 1 January	(8,300,945)	-
Addition	(2,037,154)	(8,300,945)
Reversal	3,247,944	-
31 March	(7,090,155)	(8,300,945)
	<u>4,013,325</u>	<u>802,537</u>

Details of the subsidiary companies are as follows:

Name of subsidiaries	Country of incorporation	Percentage of equity held (%)		Principal activities
		2020	2019	
Eco-Sponge Sdn. Bhd.	Malaysia	100	100	Engaged in the manufacturing and trading of absorbent chemical compound and other related services and trading of fertilizer related products
Asiabio Capital Sdn. Bhd. ("ACSB")	Malaysia	100	100	Investing and trading in quoted securities and related activities
Hexa Bonanza Sdn. Bhd.	Malaysia	50	50	Contractor and technology provider for biomass pelletizing and related equipment
Fintec Capital Sdn. Bhd. (Formerly known as Asiabio Petroleum Sdn. Bhd. ("APSB"))	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. ("FVSB")	Malaysia	100	100	Dormant
Fintec Global Limited ("FGL")	British Virgin Islands	100	100	Investing and trading in quoted securities and related activities

Notes to Financial Statements

As at 31 March 2020
cont'd

11. INVESTMENT IN SUBSIDIARIES *cont'd*

Details of the subsidiary companies are as follows: *cont'd*

Name of subsidiaries	Country of incorporation	Percentage of equity held (%)		Principal activities
		2020	2019	
Fintec Global (HK) Limited ("Fintec Global")*	Hong Kong	100	100	Investment and trading
Subsidiary company of Fintec Global:				
E99 Limited ("E99")*	Hong Kong	100	100	Trading of food and beverage, restaurant and bar.

* Not audited by PKF Malaysia or member firm of PKF International

Operating lease commitments of subsidiaries

Fintec Global and E99 have total commitments under operating leases in respect of non-cancellable operating lease for premises to make payment in the future years as follows:

	Group	
	2020 RM	2019 RM
Within one year	-	2,196,480
In the second to fifth year inclusive	-	3,017,207
At 31 March	-	5,213,687

12. MARKETABLE SECURITIES

	Group	
	2020 RM	2019 RM
Non-current assets		
Quoted shares, in Malaysia	358,067,032	97,767,377
Current assets		
Quoted shares, outside Malaysia	27,018,834	243,783
Total marketable securities classified as fair value through profit or loss, stated at market value	385,085,866	98,011,160

The currency exposure profile of marketable securities is as follows:

	Group	
	2020 RM	2019 RM
Ringgit Malaysia	358,067,032	97,767,377
Australian Dollar	27,018,834	243,783
	385,085,866	98,011,160

Notes to Financial Statements

As at 31 March 2020
cont'd

13. INVENTORIES

	Group	
	2020	2019
	RM	RM
At cost		
Beverage	2,004,380	98,043
Recognised in cost of sales:		
Inventories written off	-	(276,556)

14. TRADE RECEIVABLES

The Group's normal trade credit terms range from 30 days (2019: 30 days). Other credit terms are assessed and approved on a case-by-case basis.

	Group	
	2020	2019
	RM	RM
Trade receivables	6,139,348	3,801,287
Less: impairment losses	(26,300)	(3,036,930)
	6,113,048	764,357

Movements of the accumulated impairment losses (individually impaired):

	Group	
	2020	2019
	RM	RM
At 1 April	3,036,930	6,046,914
Reversal of impairment loss on receivables	(3,028,220)	(2,427,915)
Written off	(8,710)	(3,618,999)
Addition	26,300	3,036,930
At 31 March	26,300	3,036,930

Notes to Financial Statements

As at 31 March 2020
cont'd

15. NON-TRADE RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Non-trade receivables	4,983,748	5,660,039	601,143	623,193
Less: Impairment				
At 1 April	(2,498,400)	-	-	-
Addition	(571,353)	(2,498,400)	(532,267)	-
At 31 March	(3,069,753)	(2,498,400)	(532,267)	-
	1,913,995	3,161,639	68,876	623,193
Deposits	6,303,703	9,145,783	2,111,095	2,132,760
Less: Impairment				
At 1 April	(277,560)	-	-	-
Addition	(81,750)	(277,560)	-	-
At 31 March	(359,310)	(277,560)	-	-
	5,944,393	8,868,223	2,111,095	2,132,760
Advance for subscription of share	7,592,050	10,592,050	-	-
Less: Impairment				
At 1 April	-	-	-	-
Addition	(7,592,050)	-	-	-
At 31 March	(7,592,050)	-	-	-
	-	10,592,050	-	-
Prepayments	8,281,490	11,107,449	6,296,477	6,160,962
At 31 March	16,139,878	33,729,361	8,476,448	8,916,915

16. AMOUNT DUE FROM/(TO) SUBSIDIARIES

	Company	
	2020 RM	2019 RM
Amount due from subsidiaries	152,618,210	141,955,063
Less: Impairment		
At 1 April	140,517,722	-
Additional	(2,307,315)	140,517,722
Reversal	10,435,753	-
At 31 March	(132,389,284)	(140,517,722)
	20,228,926	1,437,341

Notes to Financial Statements

As at 31 March 2020
cont'd

16. AMOUNT DUE FROM/(TO) SUBSIDIARIES *cont'd*

	Company	
	2020	2019
	RM	RM
Amount due to subsidiaries	14,505,983	4,648,527

The amount due from/(to) subsidiaries represented non-trade, unsecured, interest-free advances and is repayable on demand.

17. INVESTMENT IN UNQUOTED SHARES

	Group		Company	
	2020	2019	2020	2019
	RM	RM	RM	RM
Unquoted shares, at cost				
At 1 April	14,422,594	11,922,594	6,223,341	6,223,341
(Redemption)/Addition	(2,500,000)	2,500,000	-	-
At 31 March	11,922,594	14,422,594	6,223,341	6,223,341
Accumulated impairment losses				
At 1 April/31 March	(11,922,594)	(11,922,594)	(6,223,341)	(6,223,341)
Net carrying amount				
At 31 March	-	2,500,000	-	-

18. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

	Group		Company	
	2020	2019	2020	2019
	RM	RM	RM	RM
United States Dollar	19,852,759	19,242,158	-	-

The Group's deposits with financial institutions at the end of the financial year earn interest 4.1% (2019: 3.10%) per annum.

Notes to Financial Statements

As at 31 March 2020
cont'd

19. SHARE CAPITAL

	Group and Company			
	2020	2019	2020	2019
	Number of Ordinary Shares		RM	RM
Issued share capital				
At 1 April	611,005,122	525,815,172	96,058,092	81,872,991
- Pursuant to Exercised of SIS	104,970,900	-	5,287,737	-
- Pursuant to conversion of ICPS	98,325,783	85,189,950	15,732,126	13,630,392
- Transfer in accordance with Section 74 of Companies Act 2016	-	-	-	554,709
- Share-based payment	-	-	1,960,506	-
At 31 March	814,301,805	611,005,122	119,038,461	96,058,092

In the previous financial year ended 31 March 2019, the Company had:

- (a) increased its issued share capital by issuance of 85,189,950 new ordinary shares pursuant to the conversion of 125,654,300 ICPS.

During the financial year ended 31 March 2020, the Company had:

- (a) increased its issued share capital by issuance of 104,970,900 new ordinary shares at issue price of ranging from RM0.04 to RM0.055 per ordinary share, pursuant to the Company's Share Issuance Scheme.
- (b) increased its issued share capital by issuance of 98,325,783 new ordinary shares pursuant to the conversion of 196,651,566 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.

20. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARE ("ICPS")

	Group and Company			
	2020	2019	2020	2019
	Number of ICPS		RM	RM
ICPS of RM0.08 each				
Issued ICPS				
At 1 April	671,887,644	797,541,944	43,175,440	53,227,783
Conversion of ICPS to ordinary shares	(196,651,566)	(125,654,300)	(15,732,126)	(10,052,343)
At 31 March	475,236,078	671,887,644	27,443,314	43,175,440

Notes to Financial Statements

As at 31 March 2020
cont'd

20. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARE ("ICPS") *cont'd*

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.

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:-
 - (i) 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
 - (ii) 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
 - (iii) 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;
- (e) 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.

21. RESERVE

	Group		Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Non-distributable:				
Warrant reserve	10,903,717	10,903,717	10,903,717	10,903,717
Distributable				
Foreign exchange translation	237,619	-	-	-
Retained profits/(Accumulated losses)	224,672,918	(1,204,803)	(137,364,153)	(139,228,113)
	<u>235,814,254</u>	<u>9,698,914</u>	<u>(126,460,436)</u>	<u>(128,324,396)</u>

Notes to Financial Statements

As at 31 March 2020
cont'd

21. RESERVE *cont'd*

Share Premium

	Group	
	2020 RM	2019 RM
At 1 April	-	554,709
Transfer in accordance with Section 74 of Companies Act 2016	-	(554,709)
At 31 March	-	-

Companies Act 2016 ("Act") which become effective from 31 January 2017 abolished the concept of authorised share capital and par value of share capital. The share premium amount can be utilised for purposes as set out in Section 618(3) of the Act within 24 months upon commencement of the Act. Pursuant to the aforesaid, the Company utilised RM743,545 from share premium account for share issuance expenses in the previous financial year. Share premium of RM554,709 was transferred to share capital account and formed part of the share capital of the Company upon expiry of the 24 months transition period on 31 January 2019.

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 and Warrants B are RM0.00085 and RM0.1176 respectively.

22. 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	
	2020 RM	2019 RM	2020 RM	2019 RM
Representing:				
Current	551,344	-	97,104	-
Non-Current	9,322,493	-	485,149	-
	<u>9,873,837</u>	-	<u>582,253</u>	-
Recognised in profit or loss				
Interest expense on lease liabilities	<u>465,017</u>	-	<u>28,675</u>	-

The total cash outflow for leases for the financial year ended 31 March 2020 is RM2,020,000 (2019: RM Nil).

23. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 60 to 90 days (2019: 60 to 90 days).

Notes to Financial Statements

As at 31 March 2020
cont'd

24. NON-TRADE PAYABLES AND ACCRUALS

	Group		Company	
	2020	2019	2020	2019
	RM	RM	RM	RM
Non-trade payables	1,761,882	382,822	44,665	24,662
Deposits received	15,737,989	8,697,960	-	-
Accruals	367,277	2,129,313	98,472	64,775
	<u>17,867,148</u>	<u>11,210,095</u>	<u>143,137</u>	<u>89,437</u>

25. BORROWING

	Group		Company	
	2020	2019	2020	2019
	RM	RM	RM	RM
Short term borrowing	<u>28,829,530</u>	-	-	-

The short term borrowing's effective interest rate stood at 3% (2019: Nil) per annum.

26. 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 11 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) Transactions with related parties

	Group		Company	
	2020	2019	2020	2019
	RM	RM	RM	RM
Rental paid to a company where a director of the Company is also the director	-	52,000	-	52,000

Notes to Financial Statements

As at 31 March 2020
cont'd

26. SIGNIFICANT RELATED PARTY TRANSACTIONS *cont'd*

(c) Compensation of Key Management Personnel

	Group		Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Executive Directors:-				
- salaries and other emoluments	802,803	776,853	798,000	764,847
Non-executive Directors:-				
- other emoluments	21,000	19,000	21,000	19,000
- fees	357,990	108,012	216,024	108,012
	<u>1,181,793</u>	<u>903,865</u>	<u>1,035,024</u>	<u>891,859</u>
Executive Directors:-				
- defined contribution plan	97,607	90,840	97,607	90,840
	<u>1,279,400</u>	<u>994,705</u>	<u>1,132,631</u>	<u>982,699</u>

27. 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) Oil & gas services
- (v) Trading of food & beverages

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 year, in certain respects as set out below, is measured differently from operating profit or loss in the consolidated financial statements.

Notes to Financial Statements

As at 31 March 2020
cont'd

27. OPERATING SEGMENTS *cont'd*

(a) Business segments *cont'd*

Group 2020	Technology incubation RM	Portfolio investment RM	Biotechnology products RM	Oil & gas services RM	Trading RM	Total RM
Revenue						
Sales to external customers	-	19,468,250	-	-	904,099	20,372,349
Results						
Segment results	-	234,093,701	(303,978)	2,946,855	(2,708,312)	234,028,266
Interest expenses	(28,675)	(293,620)	-	-	(442,537)	(764,832)
Net unallocated expenses	-	-	-	-	-	(7,230,570)
Profit before taxation	(28,675)	233,800,081	(303,978)	2,946,855	(3,150,849)	226,032,864
Income tax expense	-	-	-	-	-	-
Profit for the year	(28,675)	233,800,081	(303,978)	2,946,855	(3,150,849)	226,032,864
Assets						
Segment assets	3,437,499	416,428,148	9,209,828	280,635	13,756,438	443,112,548
Unallocated assets	-	-	-	-	-	374,453
Total assets	3,437,499	416,428,148	9,209,828	280,635	13,756,438	443,487,001
Liabilities						
Segment liabilities	60,212,956	1,543,915	104,462	816,160	194,593	62,872,086
Unallocated liabilities	-	-	-	-	-	-
Total liabilities	60,212,956	1,543,915	104,462	816,160	194,593	62,872,086
Other information						
Capital expenditure	70,334	-	-	-	638,934	709,268
Depreciation of property, plant and equipment	236,254	876	16,170	1,326	371,254	625,880
Depreciation of right of use assets	136,940	-	-	-	1,985,438	2,122,378
Impairment loss/reversal on						
- trade and non-trade receivables	532,267	-	326,598	(3,207,682)	-	(2,348,817)
- unquoted shares	-	7,592,050	-	-	-	7,592,050
- property, plant and equipment	980,408	-	92,050	8,170	-	1,080,628
Fair value gain on marketable securities	-	242,207,243	-	-	-	242,207,243

Notes to Financial Statements

As at 31 March 2020
cont'd

27. OPERATING SEGMENTS *cont'd*

(a) Business segments *cont'd*

Group 2019	Technology incubation RM	Portfolio investment RM	Biotechnology products RM	Oil & gas services RM	Trading RM	Total RM
Revenue						
Sales to external customers	692,703	14,454,983	-	-	209,792	15,357,478
Results						
Segment results	-	(32,873,805)	(549,030)	(1,597,882)	(1,167,967)	(36,188,684)
Interest expenses	-	(152,554)	-	-	-	(152,554)
Net unallocated expenses	-	-	-	-	-	(3,716,134)
Profit before taxation	-	(33,026,359)	(549,030)	(1,597,882)	(1,167,967)	(40,057,372)
Income tax expense	-	-	-	6,000	-	6,000
Profit for the year	-	(33,026,359)	(549,030)	(1,591,882)	(1,167,967)	(40,051,372)
Assets						
Segment assets	19,998,905	128,989,780	6,959,019	383,985	5,636,413	161,968,102
Unallocated assets	-	-	-	-	-	350,529
Total assets	19,998,905	128,989,780	6,959,019	383,985	5,636,413	162,318,631
Liabilities						
Segment liabilities	8,598,295	48,915	244,545	5,800,417	366,308	15,058,480
Unallocated liabilities	-	-	-	-	-	-
Total liabilities	8,598,295	48,915	244,545	5,800,417	366,308	15,058,480
Other information						
Capital expenditure	61,580	-	1,638	-	2,010,389	2,073,607
Depreciation of property, plant and equipment	323,840	6,497	45,389	2,651	80,260	458,637
Impairment losses on						
- trade and non-trade receivables				5,812,890	-	5,812,890
- unquoted shares	-	2,000,000	-	-	-	2,000,000
Inventories written off	-	-	276,556	-	-	276,556
Fair value loss on marketable securities	-	29,438,156	-	-	-	29,438,156

Notes to Financial Statements

As at 31 March 2020
cont'd

28. 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
2020			
Financial assets			
Marketable securities	385,085,866	385,085,866	-
Trade receivables	6,113,048	-	6,113,048
Non-trade receivables, deposits (excluding prepayments)	7,858,388	-	7,858,388
Deposits with financial institutions	19,852,759	-	19,852,759
Cash and bank balances	553,102	-	553,102
	419,463,163	385,085,866	34,377,297
Financial liabilities			
Lease liabilities	9,873,837	-	9,873,837
Trade payables	6,301,571	-	6,301,571
Non-trade payables and accruals	17,867,148	-	17,867,148
Borrowings	28,829,530	-	28,829,530
	62,872,086	-	62,872,086

The table below provides an analysis of the categories of financial instruments categorised as follows:

Financial assets and liabilities measured at amortised cost ("AC").

Company	Carrying amount RM	AC RM
2020		
Financial assets		
Non-trade receivables, deposits (excluding prepayments)	2,179,971	2,179,971
Amount due from subsidiaries	20,228,926	20,228,926
Cash and bank balances	401,730	401,730
	22,810,627	22,810,627
Financial liabilities		
Lease liability	582,253	582,253
Non-trade payables and accruals	143,137	143,137
Amount due to subsidiaries	14,505,983	14,505,983
	15,231,373	15,231,373

Notes to Financial Statements

As at 31 March 2020
cont'd

28. FINANCIAL INSTRUMENTS *cont'd*

Categories of financial instruments *cont'd*

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
2019			
Financial assets			
Marketable securities	98,011,160	98,011,160	-
Trade receivables	764,357	-	764,357
Non-trade receivables, deposits (excluding prepayments)	33,213,962	-	33,213,962
Investment in unquoted shares	2,500,000	-	2,500,000
Deposits with financial institutions	19,242,158	-	19,242,158
Cash and bank balances	2,853,236	-	2,853,236
	156,584,873	98,011,160	58,573,713
Financial liabilities			
Trade payables	3,848,385	-	3,848,386
Non-trade payables and accruals	11,210,095	-	11,210,095
	15,058,480	-	15,058,481
Company			
		Carrying amount RM	AC RM
2019			
Financial assets			
Non-trade receivables, deposits (excluding prepayments)		2,755,953	2,755,953
Cash and bank balances		1,770,870	1,770,870
		4,526,823	4,526,823
Financial liabilities			
Non-trade payables and accruals		89,437	89,437
Amount due to subsidiaries		4,648,527	4,648,527
		4,737,964	4,737,964

Notes to Financial Statements

As at 31 March 2020
cont'd

28. FINANCIAL INSTRUMENTS *cont'd*

Net (gains)/losses arising from financial instruments

	2020 RM	2019 RM
Group		
Financial assets/liabilities at amortised cost		
Impairment loss on trade receivables	26,300	3,036,930
Impairment loss on non-trade receivables	571,353	2,498,400
Reversal on loss on non-trade receivables	(3,028,220)	(2,427,915)
Impairment loss on deposit	81,750	277,560
Impairment loss on investments in unquoted shares	7,592,050	2,000,000
Interest expenses	758,637	152,554
Interest income	(427,220)	(692,851)
Dividend income	-	(166,606)
	5,574,650	4,678,072
Fair value through profit or loss		
Gain on disposal of marketable securities	(251,530)	(410,847)
Fair value (gain)/loss on marketable securities	(242,207,243)	29,438,156
Unrealised loss/(gain) on foreign exchange	346,628	(265,835)
	(242,112,145)	28,761,474
	(236,537,495)	33,439,546
Company		
Financial assets/liabilities at amortised cost		
Impairment loss on non-trade receivables	532,267	-
(Reversal)/Impairment on amount due from subsidiaries	(8,128,438)	140,517,722
Interest income	-	(692,703)
Realised gain on foreign exchange	24,758	-
	(7,571,413)	139,825,019

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.

Notes to Financial Statements

As at 31 March 2020
cont'd

28. FINANCIAL INSTRUMENTS *cont'd*

Credit risk *cont'd*

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 6 major broker which constituted approximately 100% (2019: 100%) 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 year.

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
2020			
Not past due	6,113,048	-	6,113,048
Past due:			
- less than 3 months	-	-	-
- between 3 to 6 months	26,300	(26,300)	-
	6,139,348	(26,300)	6,113,048
2019			
Not past due	764,357	-	764,357
Past due:			
- less than 3 months	-	-	-
- between 3 to 6 months	3,036,930	(3,036,930)	-
	3,801,287	(3,036,930)	764,357

Notes to Financial Statements

As at 31 March 2020
cont'd

28. FINANCIAL INSTRUMENTS *cont'd*

Credit risk *cont'd*

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	Effective interest rate per annum %	Within one year	Total RM
2020			
Financial asset			
Deposits with licensed banks	-	19,852,759	19,852,759
Financial liabilities			
Borrowings	3.0	28,829,530	28,829,530
2019			
Financial asset			
Deposits with licensed banks	-	19,242,158	19,242,158

Notes to Financial Statements

As at 31 March 2020
cont'd

28. FINANCIAL INSTRUMENTS *cont'd*

Interest rate risk *cont'd*

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	
	2020	2019
	Increase/ (Decrease)	Increase/ (Decrease)
	RM	RM
Effects on profit after taxation		
Increase of 10 basis points ("bp")	36,998	14,624
Decrease of 10 basis points ("bp")	(36,998)	(14,624)

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
2020					
Lease liabilities	9,873,837	4.4	11,740,058	205,289	7,740,410
Trade payables	6,301,571	-	6,301,571	6,301,571	-
Non-trade payables and accruals	17,867,148	-	17,867,148	17,867,148	-
Borrowings	28,829,530	3.0	28,829,530	28,829,530	-
	<u>62,872,086</u>		<u>64,738,307</u>	<u>53,203,538</u>	<u>7,740,410</u>
2019					
Trade payables	3,848,385	-	3,848,385	3,848,385	-
Non-trade payables and accruals	11,210,095	-	11,210,095	11,210,095	-
	<u>15,058,480</u>		<u>15,058,480</u>	<u>15,058,480</u>	<u>-</u>

Notes to Financial Statements

As at 31 March 2020
cont'd

28. FINANCIAL INSTRUMENTS *cont'd*

Maturity analysis *cont'd*

Company	Carrying amount RM	Contractual interest rate	Contractual cash flows RM	Within 1 year RM	After 1 year RM
2020					
Lease liability	582,253	4.4	692,237	28,453	426,416
Non-trade payables and accruals	143,137	-	143,137	143,137	-
Amount due to subsidiaries	14,505,982	-	14,505,982	14,505,982	-
	<u>15,231,372</u>		<u>15,341,356</u>	<u>14,677,572</u>	<u>426,416</u>
2019					
Non-trade payables and accruals	89,437	-	89,437	89,437	-
Amount due to subsidiaries	4,648,527	-	4,648,527	4,648,527	-
	<u>4,737,964</u>		<u>4,737,964</u>	<u>4,737,964</u>	<u>-</u>

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 a 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 no 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).

	2020 RM	2019 RM
Group		
2019		
<u>Level 1</u>		
Marketable securities	385,085,866	98,011,160

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 31 March 2020.

Notes to Financial Statements

As at 31 March 2020
cont'd

29. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) On 31 May 2019, the Company announced that in light of the absent of any material progress on the Memorandum of Understanding ("MOU") entered between Asiabio Capital Sdn. Bhd., a wholly-owned subsidiary of Fintec Hong Kong YRZC International Group Co., Ltd, Shan Xi Hong Hui Food Limited Liability Company, and Shan Dong Wang Jia Yuan Zi Halal Food Brewing Co., Ltd, to form a collaboration between Malaysia and China to produce and export Halal-certified food products to global marketplace, the Company has decided to terminate the MOU with immediate effect.

(b) 2 November 2018, the Company announced that its wholly-owned subsidiary, FVSB has accepted the terms in the letter of offer dated 31 October 2018 from the vendors of Zouk Club (KL) Sdn. Bhd. ("ZCKL"), namely Zouk Management Pte Ltd ("ZMPL"), AMS Lifestyle Pte Ltd ("AMS"), Circuit AIM Sdn. Bhd. ("CIRCUIT") and Wong Chi Yin @ Anthony Wong ("AW") (collectively referred to as the "Vendors"), for the purchase of 750,000 ordinary shares in Zouk KL, representing 75% equity stake, from the vendors respectively, for a total cash consideration of RM30,000,000.

On 19 March 2019, FVSB has entered into a Sale and Purchase Agreement with the vendors of ZCKL for a consideration amount of RM28,950,000.

On 26 June 2019, FVSB has terminated the Sale and Purchase Agreement ("Agreement") with the vendors of ZCKL due to failure to obtain written consent from Zouk Holdings Pte.Ltd to complete the transaction.

(c) On 17 September 2019, FINTEC announced that its wholly-owned subsidiary, Asiabio Capital Sdn. Bhd. ("Asiabio" or "the Purchaser") had on 17 September 2019 entered into a Sale and Purchase of Shares Agreement ("Agreement") with Koh Hong Muan @ Koh Gak Siong ("KOH") and Aimas Enterprise Sdn. Bhd. ("AIMAS") (collectively referred to as "the Vendors"), for the acquisition by Asiabio of 32,800,000 ordinary shares in Komarkcorp Berhad ("KMC") ("Sale Shares"), representing 19.82% equity interest in KMC as at 26 August 2019, from the Vendors for a total cash consideration of RM16,400,000.00 ("Purchase Consideration") ("Proposed Acquisition").

On 11 February 2020, FINTEC announced that its wholly-owned subsidiary, Asiabio Capital Sdn. Bhd. ("Asiabio" or "the Purchaser") had entered into a supplemental agreement ("**Supplemental Agreement**") with the Vendors for the acquisition by Asiabio of an additional 8,080,000 KMC Shares ("**Second Sale Shares**") from AIMAS at RM0.50 per KMC Share for a total cash consideration of RM4,040,000.00.

(d) On 1 November 2019, FINTEC announced that, Asiabio Capital Sdn. Bhd. ("ABC"), its wholly-owned subsidiary, had accepted a credit facility of up to RM29,760,000 granted by Lazarus Capital Partners ("LCP") ("the facility"). The facility shall be utilized for acquisition of up to 19.35% equity stake or 93,000,000 ordinary shares in Seacera Group Berhad. The cost of the facility is fixed at 3.0% per annum on the debit balance of ABC's USD account with LCP.

(e) On 4 December 2019, the Company has resolved to extend the time frame for the utilisation of proceeds raised from the Rights Issue of ICPS with Warrants. The Board requires additional time to utilise the balance proceeds amounting to RM18.69 million for Investment in quoted securities - Focus ICPS and Vsolar Rights Shares due to delays of Focus Rights Issue of ICPS with Warrants, and Vsolar Rights Issue with Warrants. The time frame has been extended for another 12 months period from 7 December 2018 to 6 December 2020.

(f) On 17 February 2020, FINTEC announced that the Company proposes to undertake the private placement of up to 235,481,000 new ordinary shares in Fintec ("**Fintec Shares**" or "**Shares**"), representing up to 30% of the total number of issued shares of Fintec, to independent third party investors to be identified later, at an issue price to be determined later ("Placement Shares") ("Proposed Private Placement").

On 6 March 2020, Bursa Securities has, vide its letter dated 6 March 2020, approved the listing and quotation of up to 235,481,000 Placement Shares to be issued pursuant to the Proposed Private Placement.

On 27 March 2020, FINTEC announced that in view of the 14 days Movement Control Order from 18 March 2020 to 31 March 2020, announced by the Government of Malaysia, the Board of the Company wishes to inform that the Extraordinary General Meeting shall be deferred to a later date which will be announced in due course.

Notes to Financial Statements

As at 31 March 2020
cont'd

29. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR *cont'd*

- (g) During the financial year, the Company has listed 104,970,900 new ordinary shares pursuant to SIS from 18 September 2019 to 2 March 2020. The newly issued shares rank pari passu in all respects with the previously issued shares.
- (h) During the financial year, the Company has listed 98,325,783 new ordinary shares pursuant to conversion of 196,651,566 ICPS from 5 April 2019 to 24 March 2020. The newly issued shares rank pari passu in all respects with the previously issued shares.

30. PRIOR YEARS ADJUSTMENT

The Group has made a prior years adjustment due to wrong classification of account.

The following adjustments arising therefrom have been adjusted as a prior period adjustment in accordance with the requirements of MFRS 108 – Accounting Policies, Changes in Accounting Estimates and Errors.

The summary of these adjustments are set out below:

Statement of Financial Position	As previously reported RM	Adjustment RM	As restated RM
Represented by:			
Investment in unquoted shares	13,092,050	(10,592,050)	2,500,000
Non-trade receivables, deposit and prepayments	23,137,311	10,592,050	33,729,361
Other operating income	3,222,303	(2,427,915)	794,388
Other operating expenses	(38,333,360)	8,087,947	(30,245,413)
Net (loss)/gain of financial assets at amortised cost	-	(5,660,032)	(5,660,032)

31. 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. The principal activities of the subsidiary companies are disclosed in note 11 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 are 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.

The financial statements were approved and authorised for issue by the Board of Directors on 28 August 2020.

Analysis of Shareholdings

As at 3 August 2020

Issued and Paid-Up Share Capital : RM189,372,856.41 comprising of 1,339,703,455 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	1,239	12.10	60,127	0.00
100 – 1,000	472	4.61	207,970	0.02
1,001 – 10,000	1,679	16.40	11,221,671	0.84
10,001 – 100,000	4,810	46.98	238,976,292	17.84
100,001 – 66,985,171*	2,039	19.91	1,089,237,395	81.30
66,985,172 and above**	0	0	0	0
TOTAL	10,239	100.0	1,339,703,455	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	-	-	-	-
Leung Kok Keong (resigned on 17 June 2020)	333,350	0.02	-	-
YM Tengku Ahmad Badli Shah Bin Raja Hussin	-	-	-	-
Chu Chee Peng	-	-	-	-
Tan Sik Eek	333,333	0.02	-	-

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	2.38	-	-
Adamas Finance Asia Limited	-	-	31,838,166 ⁽ⁱ⁾	2.38

Note:

(i) Deemed interest by virtue of the shareholdings in CPE Growth Capital Limited

Analysis of Shareholdings

As at 3 August 2020
cont'd

LIST OF TOP 30 SHAREHOLDERS

Name	No. of shares held	Percentage (%)
1 M & A Nominee (Tempatan) Sdn. Bhd. <i>Exempt An for Sanston Financial Group Limited (Account Client)</i>	30,854,600	2.303
2 M & A Securities Sdn. Bhd. <i>Exempt An CLR for Sanston Financial Group Limited (Tempatan)</i>	18,440,300	1.376
3 TA Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Ong Eng Taik</i>	14,270,000	1.065
4 UOBM Nominees (Tempatan) Sdn. Bhd. <i>Exempt An for Sanston Financial Group Limited</i>	12,500,000	0.933
5 Tan Seng Chee	12,000,000	0.895
6 UOB Kay Hian Nominees (Asing) Sdn. Bhd. <i>Exempt An for UOB Kay Hian Pte Ltd (A/C Clients)</i>	11,801,000	0.880
7 HLIB Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Ong Kim Leng</i>	10,586,800	0.790
8 Malacca Equity Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Piong Yon Wee</i>	10,200,000	0.761
9 Bu Yaw Seng	9,000,000	0.671
10 HLIB Nominees (Tempatan) Sdn. Bhd. <i>Hong Leong Bank Bhd for Ho Ah Chai</i>	6,600,000	0.492
11 Eng Hong Palm Oil Mill Sdn. Berhad	6,500,000	0.485
12 Teh Bee Khay	6,500,000	0.485
13 Low Min Hing	6,400,000	0.477
14 CGS-CIMB Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Tay Hock Soon (MY1055)</i>	6,200,000	0.462
15 Low Meng Kee	6,000,000	0.447
16 TA Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Ang Joo Meng</i>	6,000,000	0.447
17 Krishna Moorthy A/L Nookannah	5,700,000	0.425
18. Lee Ming Ha	5,550,000	0.414
19 Chong Mee Fah @ Frederick Chong	5,500,000	0.410
20 Kenanga Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Chin Kian Fong</i>	5,400,000	0.403
21 Ong Kim Leng	5,329,600	0.397
22 CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Chow Chong Chek (PB)</i>	5,166,900	0.385
23 CGS-CIMB Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Lee Chong Choon (MP0059)</i>	5,000,000	0.373
24 CGS-CIMB Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Loong Ding Tong (MY3120)</i>	5,000,000	0.373
25 Tan Guat Kee	5,000,000	0.373
26 RHB Capital Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Soo Siew Seng (CEB)</i>	4,800,000	0.358
27 Kenanga Investment Bank Berhad <i>IVT (EDSP-KCA)</i>	4,500,000	0.335
28 Chin Kiam Hsung	4,200,000	0.313
29 Public Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Poh Seng Kian (TJJ/KEN)</i>	4,000,000	0.298
30 Teoh Kook Seng	4,000,000	0.298
TOTAL	242,999,200	18.124

Analysis of Preference Shareholdings

As at 3 August 2020

Type of Securities	:	Irredeemable Convertible Preference Shares ("ICPS")
Total Number of ICPS issued	:	899,284,472
Total Number of Outstanding ICPS	:	406,598,578
Conversion Price	:	RM0.16
Voting Right	:	<p>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:-</p> <ul style="list-style-type: none"> (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	24	1.58	1,029	0.00
100 – 1,000	36	2.37	17,375	0.00
1,001 – 10,000	130	8.54	945,721	0.23
10,001 – 100,000	798	52.43	43,632,413	10.73
100,001 – 20,329,927*	533	35.02	341,502,040	84.00
20,329,928 and above**	1	0.06	20,500,000	5.04
TOTAL	1,522	100.00	406,598,578	100.00

Note:

* less than 5 % of issued ICPS

** 5% and above of issued ICPS

Analysis of Preference Shareholdings

As at 3 August 2020
cont'd

LIST OF DIRECTORS' SHAREHOLDINGS

	Direct		Deemed	
	No. of ICPS	%	No. of ICPS	%
Dato' Seri Abdul Azim Bin Mohd Zabidi	-	-	-	-
Ong Tee Kein	-	-	-	-
Leung Kok Keong (<i>Resigned on 17 June 2020</i>)	N/A	N/A	N/A	N/A
YM Tengku Ahmad Badli Shah Bin Raja Hussin	-	-	-	-
Chu Chee Peng	-	-	-	-
Tan Sik Eek	-	-	-	-

LIST OF TOP 30 ICPS HOLDERS

Name	No. of ICPS held	Percentage (%)
1 Liew Kok Chiang	20,500,000	5.041
2 UOBM Nominees (Tempatan) Sdn. Bhd. <i>Exempt An for Sanston Financial Group Limited</i>	14,680,000	3.610
3 Tan Seng Chee	12,000,000	2.951
4 Ng Yoke Hin	10,105,666	2.485
5 Leong Su Fern Joyce	8,526,600	2.097
6 UOB Kay Hian Nominees (Asing) Sdn. Bhd. <i>Exempt An for UOB Kay Hian Pte Ltd (A/C Clients)</i>	8,002,000	1.968
7 CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Lee Soi Gek (PB)</i>	6,500,000	1.598
8 Bo Eng Chee	6,480,000	1.593
9 Ong Soi Tat	6,000,000	1.475
10 CIMSEC Nominees (Tempatan) Sdn. Bhd. <i>CIMB for Teo Ah Seng (PB)</i>	5,261,400	1.294
11 Kenanga Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Goh Yuan Shen</i>	5,164,300	1.270
12 Teo Ah Seng	4,740,000	1.165
13 Ong Hooe Siong	3,766,666	0.926
14 Kuay Chian Ing	3,700,000	0.909
15 Teoh Ho Ming	3,400,000	0.836
16 Wong Nga Yang	3,120,000	0.767
17 HLIB Nominees (Tempatan) Sdn. Bhd. <i>Hong Leong Bank Bhd for Tee Tian Hock</i>	3,000,000	0.737
18 Public Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Goh Yuan Shen (E-KKU/LBN)</i>	3,000,000	0.737

Analysis of Preference Shareholdings

As at 3 August 2020
cont'd

LIST OF TOP 30 ICPS HOLDERS *cont'd*

Name	No. of ICPS held	Percentage (%)
19 Citigroup Nominees (Asing) Sdn. Bhd. <i>Exempt An for OCBC Securities Private Limited (Client A/C-NR)</i>	2,733,366	0.672
20 Geoffrey Lim Fung Keong	2,620,000	0.644
21 Pang Shiew Wai	2,600,000	0.639
22 Le Chang Low	2,500,000	0.614
23 Kenanga Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Wong Lip Ken</i>	2,400,000	0.590
24 Public Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Lee Peng Leong (E-TWU)</i>	2,400,000	0.590
25 Ting Seu Nguong	2,383,400	0.586
26 Kenanga Nominees (Tempatan) Sdn. Bhd. <i>Lee Kim Hooi</i>	2,260,000	0.555
27 Loh Choon Ong	2,200,000	0.541
28 Low Lee Seng	2,133,332	0.524
29 Kenanga Nominees (Tempatan) Sdn. Bhd. <i>Exempt An for Phillip Securities Pte Ltd (Client Account)</i>	2,130,000	0.523
30 Affin Hwang Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Kong Kok Chuen (KON0167C)</i>	2,120,000	0.521
TOTAL	156,426,730	38.458

Analysis of Warrantholdings (Warrant A)

As at 3 August 2020

Types of Securities	:	Warrants A
Total Number of Warrants Issued	:	420,200,000 [#]
Total Number of Outstanding Warrants	:	131,295,625 [#]
Exercise Price	:	RM0.30 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.

ANALYSIS OF WARRANTHOLDINGS A

Size of Holdings	No. of warrant holders	% of warrant holders	No. of warrants held	% of warrant holdings
1 - 99	257	17.63	12,335	0.01
100 - 1,000	43	2.95	20,197	0.01
1,001 - 10,000	247	16.94	1,521,750	1.16
10,001 - 100,000	661	45.34	30,696,123	23.38
100,001 - 6,564,780 [*]	250	17.14	99,045,220	75.44
6,564,781 and above ^{**}	0	0	0	0
TOTAL	1,458	100.00	131,295,625	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	-	-	-	-
Leung Kok Keong (Resigned on 17 June 2020)	N/A	N/A	N/A	N/A
YM Tengku Ahmad Badli Shah Bin Raja Hussin	-	-	-	-
Chu Chee Peng	-	-	-	-
Tan Sik Eek	-	-	-	-

Analysis of Warrantholdings (Warrant A)

As at 3 August 2020
cont'd

LIST OF TOP 30 WARRANTHOLDERS A

Name	No. of warrants held	Percentage (%)
1 Affin Hwang Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Leou Thiam Lai (M09)</i>	3,700,000	2.818
2 Lim Chee Kon	3,200,000	2.437
3 Chua Chin Chyang	2,779,800	2.117
4 Lee Kok Keng	2,614,000	1.990
5 AllianceGroup Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Tie Ming Chung (7002470)</i>	2,400,000	1.827
6 Low Choon Nam	2,000,000	1.523
7 Anthony Lim Hock Bian	1,700,000	1.294
8 Chua Chin Chyang	1,700,000	1.294
9 Yong Gim Beng	1,674,600	1.275
10 Chong Chee Hau	1,600,000	1.218
11 Nordin Bin Latip	1,590,000	1.211
12 Kenanga Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for R Kogilavani (029)</i>	1,333,333	1.015
13 Maybank Nominees (Tempatan) Sdn. Bhd. <i>Teoh Lee Peng</i>	1,300,000	0.990
14 Lau Fui Seng	1,223,333	0.931
15 Chew Jee Sheng	1,188,733	0.905
16 Teoh Hian Cheau	1,150,000	0.875
17 Liew Lang King	1,100,566	0.838
18 Teng Pok Sang @ Teng Fook Sang	1,062,466	0.809
19 HLIB Nominees (Tempatan) Sdn. Bhd. <i>Hong Leong Bank Bhd for Ho Ah Chai</i>	1,000,000	0.761
20 Wong Shin Yi	1,000,000	0.761
21 Leong Hui Cheng	996,600	0.759
22 Yau Kok Keong	900,000	0.685
23 Tan Pei Fen	898,266	0.684
24 Loh Fu Chong	778,100	0.592
25 Yap Kiam Fuong	766,666	0.583
26 Wong Kwai Cho	762,000	0.580
27 Ee Swee Chan	750,000	0.571
28 Teh Swee Loke	729,633	0.555
29 Ooi Leng Hwa	700,000	0.533
30 Public Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Low Piang Woon (E-TJJ)/BBP</i>	700,000	0.533
TOTAL	43,298,096	32.964

Analysis of Warrantholdings (Warrant B)

As at 3 August 2020

Types of Securities	:	Warrants B
Total Number of Warrants Issued	:	89,928,341
Total Number of Outstanding Warrants	:	89,883,208
Exercise Price	:	RM0.15 per warrant
Voting Right	:	The holder of warrants is not entitled to any voting rights.

ANALYSIS OF WARRANTHOLDINGS B

Size of Holdings	No. of warrantholders	% of warrantholders	No. of warrants held	% of warrantholdings
1 – 99	56	6.05	2,680	0.00
100 – 1,000	80	8.64	49,022	0.05
1,001 – 10,000	365	39.41	1,716,871	1.91
10,001 – 100,000	281	30.35	13,150,321	14.63
100,001 – 4,494,159*	143	15.44	70,364,314	78.29
4,494,160 and above**	1	0.11	4,600,000	5.12
TOTAL	926	100.00	89,883,208	100.00

Note:

* less than 5% of issued warrants

** 5% and above of issued warrants

LIST OF DIRECTORS' WARRANTHOLDINGS B

	Direct		Indirect	
	No. of Warrants	%	No. of Warrants	%
Dato' Seri Abdul Azim Bin Mohd Zabidi	-	-	-	-
Ong Tee Kein	-	-	-	-
Leung Kok Keong (Resigned on 17 June 2020)	N/A	N/A	N/A	N/A
YM Tengku Ahmad Badli Shah Bin Raja Hussin	-	-	-	-
Chu Chee Peng	-	-	-	-
Tan Sik Eek	-	-	-	-

Analysis of Warrantholdings (Warrant B)

As at 3 August 2020
cont'd

LIST OF TOP 30 WARRANTHOLDERS B

Name	No. of warrants held	Percentage (%)
1 Tay Tian Sen	4,600,000	5.117
2 Abdul Shukor Bin Abu Bakar	4,226,000	4.701
3 Lim Chee Kon	4,200,000	4.672
4 M & A Nominee (Tempatan) Sdn. Bhd. <i>Sanston Financial Group Limited for Wong Chun Keen</i>	3,968,000	4.414
5 Chua Chin Chyang	3,450,000	3.838
6 HLIB Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Boon Kim Yu (CCTS)</i>	2,400,000	2.670
7 Tham Kok Teng	1,850,000	2.058
8 Mohd Solahuddin Bin Mohd Kenali	1,500,000	1.668
9 Khoo Kok Keong	1,335,000	1.485
10 Lian Jiann Fwu	1,160,000	1.290
11 Ler Cheng Boon	1,001,000	1.113
12 Chua Jui Meng	1,000,000	1.112
13 Kenanga Nominees (Tempatan) Sdn. Bhd. <i>Rakuten Trade Sdn. Bhd. for Anthony Lee Gui Shun</i>	1,000,000	1.112
14 Ng Yang Hoo @ Ng Peng Lim	1,000,000	1.112
15 Public Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Teoh Chiu Eng (E-KBU)</i>	1,000,000	1.112
16 Tan See Hui	1,000,000	1.112
17 Teoh Ah Bee	1,000,000	1.112
18 Chia Yoke Lian	837,500	0.931
19 Public Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Ser Toh Chon Chien (E-BPT)</i>	800,000	0.890
20 Yek Kim Loong	800,000	0.890
21 Teo Ah Seng	783,800	0.872
22 Chai Ming Teck	780,000	0.867
23 Maybank Nominees (Tempatan) Sdn. Bhd. <i>Mok Kah Fatt</i>	745,000	0.828
24 Lee Quee Chiow	725,000	0.806
25 Choong Thian Kian	700,000	0.778
26 Chooi Kim Choong	695,400	0.773
27 Chen Chung Ping	600,000	0.667
28 Cheng Hin Soo	600,000	0.667
29 Lee King Hock	600,000	0.667
30 Ong Soi Tat	600,000	0.667
TOTAL	44,956,700	50.001

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Thirteenth Annual General Meeting (“AGM”) of the Company will be conducted on a hybrid basis from the Broadcast and Meeting Venue held at Level 4, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 30 September 2020 at 11.00 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 31 March 2020 together with the Reports of the Directors and the Auditors thereon. | (Please refer to Explanatory Note 1) |
| 2. | To re-elect YM Tengku Ahmad Badli Shah Bin Raja Hussin, a Director who is retiring in accordance with Regulation 97 of the Company’s Constitution. | Ordinary Resolution 1 |
| 3. | To re-elect Mr Chu Chee Peng, a Director who is retiring in accordance with Regulation 97 of the Company’s Constitution. | Ordinary Resolution 2 |
| 4. | To approve the payment of Directors’ fees of RM216,024 for the financial year ending 31 March 2021. | Ordinary Resolution 3 |
| 5. | To approve the payment of Directors’ Remuneration (excluding Directors’ fees) payable to the Board of the Company and its subsidiaries amounting to RM28,000 for the financial period from 1 October 2020 until 30 September 2021. | Ordinary Resolution 4 |
| 6. | To re-appoint Messrs. PKF Malaysia 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
- Authority to Issue Shares | Ordinary Resolution 6 |
|----|---|------------------------------|

“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 twenty percent (20%) of the issued capital (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 and that the Directors be and are hereby further authorised to make or grant offers, agreements or options which would or might require shares to be issued after the expiration of the approval hereof.”

- | | | |
|----|---|--|
| 8. | To transact any other business of which due notice shall have been given. | |
|----|---|--|

BY ORDER OF THE BOARD

NG SALLY (MAICSA 7060343 / PC NO. 202008002702)
HUNG WEN RONG (MAICSA 7072291 / PC NO. 202008001225)
Company Secretaries

29 August 2020
Kuala Lumpur

Notice of Annual General Meeting

cont'd

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 23 September 2020. Only depositor whose name appears on the Record of Depositors as at 23 September 2020 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 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 11.00 a.m., Monday, 28 September 2020, 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 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 Thirteenth AGM on the Directors' remuneration in two (2) separate resolutions as below:-

- Resolution 3 on payment of Directors' fees for the financial year ending 31 March 2021; and
- Resolution 4 on payment of Directors' remuneration (excluding Directors' fees) for the financial period from 1 October 2020 until 30 September 2021 ("Relevant Period").

The payment of the Directors' Fees for the financial year ending 31 March 2021 will only be made if the proposed Resolution 3 has been passed at the Thirteenth AGM pursuant to Regulation 105 of the Company's Constitution and Section 230(1) of the Act.

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 Directors (RM'000)	Independent Non-Executive Directors (RM'000)	Non-Independent Non-Executive Directors (RM'000)	Total (RM'000)
Meeting allowance	-	21	7	28
Other Benefits & Emolument	-	-	-	-
Total	-	21	7	28

Notice of Annual General Meeting

cont'd

The estimated total amount of remuneration (excluding Directors' Fees) for the Relevant Period of RM28,000 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 year ending 31 March 2021 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 Thirteenth 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 year ending 31 March 2021 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 October 2020 until 30 September 2021. In the event where the payment of Directors' fees for the financial year ending 31 March 2021 and Directors' remuneration (excluding Directors' Fees) payable during the above period exceeded the estimated amount sought at the Thirteenth AGM, a shareholders' approval will be sought at the next AGM.

(iii) Item 7 of the Agenda

Bursa Malaysia Securities Berhad has on 16 April 2020, issued a letter on the additional temporary relief measures to listed corporation which included the increased general mandate limit for new issuance of securities from the existing 10% to 20% ("20% General Mandate").

The proposed Ordinary Resolution 6, if passed, will give flexibility to the Directors of the Company to issue shares up to a maximum of twenty per centum (20%) 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 22 August 2019 ("the Previous Mandate").

The Company had utilised the mandate for the issuance of 82,110,000 new shares at an issue price of RM0.0361 per share under the Previous Mandate which was approved by the shareholders at the last AGM held on 22 August 2019 and total proceeds of RM2.96 million was raised accordingly.

For further information, please refer to the Statement Accompanying Notice of AGM of the 2020 Annual Report.

The purposes of this new general mandate is for further possible fund raising exercises including but not limited to placement of shares for purpose of funding the Group's technology incubation fund, current and/or future investment projects, working capital, repayment of borrowings and/or acquisitions.

Statement Accompanying Notice of AGM

Pursuant to Rule 8.29 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities")

- **General Mandate for issue of securities in accordance with Rule 6.04(3) of the ACE Market Listing Requirements of Bursa Securities**

The Company has obtained the mandate for issue of shares from the shareholders at the last AGM held on 22 August 2019 ("The Previous Mandate"). The Previous Mandate has been utilised for the private placement of 10% of the issued shares of the Company ("Private Placement"). Pursuant to the Previous Mandate, the Company has undertaken a private placement exercise which has been completed on 4 May 2020 where 82,110,000 new shares had been issued at an issue price of RM0.0361 per share. The Private Placement has raised a gross proceed of RM2.96 million and that the details of the utilisation of the proceeds raised from the Private Placement, as at 30 June 2020, are as follows:-

Utilisation of proceeds	Status of Utilisation (RM'000)	Actual Utilisation (RM'000)	Amount Unutilised (RM'000)
(i) Working capital	2,824	(838)	1,986
(ii) Estimated expenses for the Proposed Private Placement	140	(33)	107
Total	2,964	(871)	2,093



FINTEC GLOBAL BERHAD

FINTEC GLOBAL BERHAD
[Registration No.: 200701016619 (774628-U)]
(Incorporated in Malaysia)

PROXY FORM

CDS Account No.

No. of shares held

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 Thirteenth Annual General Meeting of the Company to be conducted on a hybrid basis from the Broadcast and Meeting Venue held at Level 4, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 30 September 2020 at 11.00 a.m. or any adjournment thereof, and to vote as indicated below:-

Item	Agenda	Resolution	FOR	AGAINST
1.	Re-election of YM Tengku Ahmad Badli Shah Bin Raja Hussin as Director	Ordinary Resolution 1		
2.	Re-election of Mr Chu Chee Peng as Director	Ordinary Resolution 2		
3.	Payment of Directors' Fees for the financial year ending 31 March 2021	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.	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:

- 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 23 September 2020. Only depositor whose name appears on the Record of Depositors as at 23 September 2020 shall be entitled to attend, participate, speak and vote at this meeting.
- 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.
- 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 1 proxy, he shall specify the proportions of his holdings to be represented by each proxy, failing which the appointment shall be invalid.
- 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.
- 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.
- 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.
- 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 11.00 a.m., Monday, 28 September 2020, or at any adjourned thereof.

Fold This Flap For Sealing

Then Fold Here

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

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WWW.FINTEC.GLOBAL

FINTEC GLOBAL BERHAD

[Registration No.: 200701016619 (774628-U)]

10th Floor, Menara Hap Seng, No. 1 & 3, Jalan P. Ramlee, 50250 Kuala Lumpur

Tel No. : +603-2382 4288 Fax No. : +603-2382 4170