FINTEC
GLOBAL BERHAD

2019

ANNUAL REPORT

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Corporate Structure

FINTEC
GLOBAL BERHAD

100% ASIABIO CAPITAL SDN. BHD.
(840116-P)
Malaysia

100% ASIABIO PETROLEUM SDN. BHD.
(1112819-D)
Malaysia

50.01% HEXA BONANZA SDN. BHD.
(921063-V)
Malaysia

100% ECO-SPONGE SDN. BHD.
(785461-H)
Malaysia

100% ARTISAN SEMESTA SDN. BHD.
(943284-W)
Malaysia

100% ASIABIO BUILDERS SDN. BHD.
(1229200-W)
Malaysia

100% FINTEC GLOBAL LIMITED
(1946247)
BVI

100% FINTEC GLOBAL (HK) LIMITED
(2679962)
Hong Kong

100% E99 LIMITED
(2662278)
Hong Kong

100% Fintec Ventures Sdn. Bhd.
(f.k.a. TENISHA ASIABIO PETROLEUM SDN. BHD.)
(1229204-D)
Malaysia

Corporate Information

BOARD OF DIRECTORS

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

YM TENGKU AHMAD BADLI SHAH BIN RAJA HUSSIN
Non-Independent Non-Executive Director

ONG TEE KEIN
Independent Non-Executive Director

LEUNG KOK KEONG
Executive Director

CHU CHEE PENG
Senior Independent Non-Executive Director

TAN SIK EEK
Executive Director

AUDIT COMMITTEE

Ong Tee Kein
Chairman

YM Tengku Ahmad Badli Shah Bin Raja Hussin

Chu Chee Peng

REMUNERATION COMMITTEE

Chu Chee Peng
Chairman

Ong Tee Kein

YM Tengku Ahmad Badli Shah Bin Raja Hussin

NOMINATION COMMITTEE

Chu Chee Peng
Chairman

Ong Tee Kein

YM Tengku Ahmad Badli Shah Bin Raja Hussin

OPTION COMMITTEE

Tan Sik Eek
Chairman

Leung Kok Keong

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

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

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

COMPANY SECRETARIES

Leung Kok Keong (MIA 8109)
Lim Lee Kuan (MAICSA 7017753)
Ng Sally (MAICSA 7060343)

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

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

PRINCIPAL BANKER

CIMB Bank Berhad

LISTING STATUS

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

WEBSITE

http://www.fintec.global/

Group Financial Highlights

	Year Ended 31 March 2019 RM	Year Ended 31 March 2018 RM	Year Ended 31 March 2017 RM	Period Ended 31 March 2016 RM	Year Ended 31 March 2015 RM
OPERATING RESULTS					
Revenue	15,357,478	30,887,771	5,354,052	9,518,186	53,232,689
(Loss)/Profit before taxation	(40,057,372)	43,370,636	2,122,222	(28,828,097)	(3,961,142)
Tax income/(expense)	6,000	(6,000)	-	-	-
(Loss)/Profit after taxation	(40,051,372)	43,364,636	2,122,222	(28,828,097)	(3,961,142)
Non-controlling interests	(36,074)	(74,518)	(24,425)	(1,396,296)	(186,468)
Profit/(Loss) attributable to owners	**(40,015,298)**	**43,439,154**	**2,146,647**	**(27,431,801)**	**(3,774,674)**
KEY BALANCE SHEET DATA					
Property, plant and equipment	4,769,787	3,154,703	6,832,641	7,869,843	11,345,806
Investments	-	-	-	-	4,963,223
Marketable securities	97,767,377	124,468,604	43,740,371	25,082,345	-
Goodwill	-	-	-	-	1,587,789
Current assets	59,781,467	74,690,384	6,239,805	6,315,390	46,629,448
Total Assets	**162,318,631**	**202,313,691**	**56,812,817**	**39,267,578**	**64,526,266**
Share capital	96,058,092	81,872,991	56,005,130	86,671,160	86,671,160
ICPS	43,175,440	53,227,783	-	-	-
Reserves	9,698,914	50,268,921	(2,996,953)	(46,684,980)	(22,323,379)
Total equity attributable to owners	148,932,446	185,369,695	53,008,177	39,986,180	64,347,781
Non-controlling interest	(1,672,295)	(1,636,221)	(1,561,703)	(1,537,278)	(140,982)
Total equity	147,260,151	183,733,474	51,446,474	38,448,902	64,206,799
Short term borrowing	-	-	3,981,037	-	-
Other current liabilities	15,058,480	18,580,217	1,385,306	818,676	319,467
Total equity and liabilities	**162,318,631**	**202,313,691**	**56,812,817**	**39,267,578**	**64,526,266**
FINANCIAL RATIOS					
Net profit margin (%)	(260.79)	140.39	39.64	(302.87)	(7.44)
Basic earnings/(loss) per share (sen)	(6.72)	9.83	0.22	(3.17)	(0.50)
Net assets per share (sen)	24.68	35.25	4.76	4.61	7.42
Return on equity (%)	(26.87)	23.43	4.05	(68.60)	(5.87)
Share price as at year/period ended (RM)	0.050	0.105	0.055	0.045	0.100

Chairman's Letter to Stakeholders

Dear Stakeholders,

On behalf of the Board of Directors of Fintec Global Berhad ("**FINTEC**"), I present herewith the Annual Report and the Audited Financial Statements of the Group for the financial year ended ("**FYE**") 31 March 2019.

BUSINESS REVIEW

For the FYE 31 March 2019, the Group faced a volatile equities market which resulted in a group loss of RM39.9 million which was principally due to the group's quoted investments being marked to market. This volatility prevailed throughout the financial year which was reflective of the cautious economic sentiment post the country's General Election in May of 2018 ("**GE14**"). The new Malaysian Government continues to be reassuring however their unveiling of Budget 2019 appears to have not provided much stimulus to the economy. This was evident in the drop in the FTSE Bursa Malaysia KLCI (FBMKLCI) to 1,643.63 points from a high of 1,863.46 points at the start of the financial year. As uncertainties continued to prevail during the financial year, the Group adopted a conservative investment approach which resulted in a more restrained investment activity in quoted securities.

In addition, the Group put a temporary halt to further investments in the oil and gas sector and principally focused on collections in recoverable debt which were part of earlier investments made in this venture. Further investments in this sector will be kept in abeyance till the market recovers and prospects in this sector improves.

During the financial year, the Group had incorporated a new wholly-owned subsidiary in Hong Kong SAR, namely Fintec Global (HK) Limited and acquired a wholly-owned subsidiary, namely E99 Limited. The strategy behind the incorporation and acquisition of these two companies is to provide a platform to explore investment and commercial opportunities in the proximate region, namely China and Taiwan. Presently, the Group is exploring trading opportunities for premium lifestyle products via these two companies.

OPERATION AND INVESTMENT REVIEW

The Group recorded a loss after tax of RM40.1 million as compared to the profit after tax of RM43.4 for the previous corresponding financial year. This dip in profitability was principally due to a fair value loss of RM29.44 million on investment securities during the FYE 31 March 2019. In comparison a fair value gain of RM57.55 million was recorded during the previous financial year. As an investment vehicle, such significant fluctuations are inevitable given the requirements of Malaysian Financial Reporting Standards to reflect marketable instruments at market values at time of reporting. Nevertheless, management believes that the underlying value of the Group's investments are still largely intact and management is fervently active in further developing the individual core businesses in these investments.

Impetus for growth appears to be not forthcoming as the new administration struggles with repairing the country's damaged fiscal structure. The local capital market has taken a turn for the worse with only a handful of Initial Public Offerings taking place over the last 12 months. Contraction in liquidity is also affecting the real estate sector and equity market, both of which are the pulse of the Malaysian economy. As the air of policy uncertainty continues to prevail, the country's lacklustre economic performance will continue in the short to medium term. As such, Management will at present concentrate on developing the individual core businesses of its incubatee companies and wait for the market to rebound.

Chairman's Letter to Stakeholders
cont'd

The Group will also continue to explore new investment opportunities in its efforts to maximize shareholders' value. For instance, during the FYE 31 March 2019, the Group deployed its investment funds into unquoted equities with interests in property investment, plantations, entertainment and trading of premium lifestyle products. These include investments in Pinnacle Nexus Sdn. Bhd. (primarily involved in property investment holdings and is the owner and operator of a 316-rooms hotel in Batu Ferringhi, Penang known as DoubleTree Resort that is valued at RM240.16 million), and Genbayu Gemilang Sdn. Bhd., primarily focused in the business of plantations. We believe that these investments would greatly benefit the Group in the long run and are able to assist other public listed incubatee companies of the Group, in particular Focus Dynamics Group Berhad (Focus) which is starting to show improved financial performance in their food and beverage segment. Focus recorded a revenue of RM24.2 million for their FYE 31 December 2018 mainly due to their popular food and beverage ("**F&B**") outlets, Chaze, Lavo and Maze in Petaling Jaya, Selangor. The number of outlets increased during the year with the launching of Liberte, Bounce and Wicked in 2018. Prospects remain positive in the medium term as Focus undertakes diversification initiatives to develop a mixed commercial development on land next to TREC KL and Tun Razak Exchange and further expand its existing F&B outlets via the opening of additional outlets or launching of new F&B brands.

Its investee company, NetX Holdings Berhad, on the other hand, will continue its two-pronged strategy of maintaining its existing system integration and hardware solutions business whilst expanding into disruptive technologies via the provision of electronic mobile payment exchange solutions. The latter is particularly exciting as the world moves towards a cashless society. We are optimistic that the strategies will lead to a sustained growth in the near future in light of Bank Negara Malaysia's Financial Sector Blueprint 2011-2020 to increase the use of electronic payment. Meanwhile, there is an ongoing fund-raising proposal at Vsolar Group Berhad which aims to raise a minimum of RM8.2 million for the development and construction of a biomass/biogass plant to add to the solar farms that it is operating presently.

As at report date, FINTEC has executive board representation in the above incubatee companies that are starting to show improvements in their operations.

INDUSTRY OVERVIEW AND MEDIUM-TERM OUTLOOK

FYE 2019 was undeniably a challenging year, given the heightened uncertainties in the global market throughout 2018 due to escalating trade tensions, geopolitical issues and normalisation of monetary policies in developed economies. All of these have severely affected risk sentiments, increased volatility and induced liquidity tightening in the global financial markets. This has led to slow but highly volatile capital market back in Malaysia.

Although the Group expects such volatility to continue in the short to medium term, we still adopt a positive outlook on the rest of year 2019 as the new government shows signs of encouraging local economic growth with the reinstatement of the previously cancelled high profile projects, i.e. East Coast Rail Link project and the Bandar Malaysia development project. We believe that so long as the new government nurtures and focuses on the local economic growth moving forward, investors' confidence will gradually improve and the capital market, that the Group is dependent upon, will eventually recover and be more robust.

As our core business is in the investment of growth and technology companies, we will, within our risk appetite, 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 the 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 staffs of the Group, past and present, for your continuous perseverance, hard work and dedication to the welfare and success of the Group.

Directors' Profile

DATO' SERI ABDUL AZIM BIN MOHD ZABIDI

Malaysian, 60 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 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, 62 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 and Remuneration 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.

LEUNG KOK KEONG

Malaysian, 52 years old
Non-Independent Executive Director
Male

Leung Kok Keong ("Edward") is an Executive Director of FINTEC appointed on 24 November 2014. Edward obtained his Bachelor's Degree in Accounting from Curtin University of Technology, Australia in December 1989 and is a Certified Practising Accountant and Chartered Accountant, CPA Australia and also a member of the Malaysian Institute of Accountants.

Trained as an investment banker, he has significant experience in corporate finance and business development as well as management. He was the founding member and former Executive Director of Newfields Advisors Sdn. Bhd., a boutique financial and corporate advisory firm from August 2001 to August 2006. He was the Chief Executive Officer, Platinum Energy Group from September 2006 to February 2008. Between September 2013 to February 2015, he briefly served as the Chief Financial Officer of Iskandar Waterfront Holdings Sdn. Bhd.

His wide and vast experience spanned from his earlier years as an Investment & Corporate Planning Manager, Hong Leong Credit Berhad from 1994 to 2001 and was with Coopers & Lybrand Kuala Lumpur since 1990 to 1994.

He has three hundred thirty three thousand three hundred and fifty (333,350) ordinary shares in FINTEC. He is a member of the Option Committee of the Company. Besides, he is also a Director of Vsolar Group Berhad, Focus Dynamics Group Berhad and QSR Brands (M) Holdings Bhd. 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.

Directors' Profile
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YM TENGKU AHMAD BADLI SHAH BIN RAJA HUSSIN
Malaysian, 50 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 but he represents Pelaburan MARA Berhad that holds 2,259,200 direct shares in FINTEC. He is also a Director of NetX Holdings Berhad, Pelaburan MARA Berhad Group, PMB Investment Berhad, PMB Tijari Berhad, D'Nonce Technology Bhd. and PDZ Holdings Bhd. 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.

CHU CHEE PENG
Malaysian, 48 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 and Nomination Committee and a member of the Audit Committee of FINTEC. He does not have any family relationship with any Director or major shareholder of the Company and has not been convicted of any offence within the past 5 years other than traffic offences and has no conflict 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

TAN SIK EEK
Malaysian, 43 years old
Non-Independent Executive Director
Male

Tan Sik Eek is an Executive Director of FINTEC appointed on 20 June 2013. He is the appointed representative of Adamas Finance Asia Limited in FINTEC. He majored in Economics and Political Science from University of Sydney, Australia.

He brings with him more than a decade of experience ranging from corporate finance advisory to private equity investments. He was previously a Partner in corporate finance focused on investing in companies seeking growth funding and pre-IPO capital. Prior to that, he was specializing in securing funding from a series of established North America global opportunity funds, 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 a Director of DGB Asia Berhad, Mlabs Systems Berhad Group, NetX Holdings Berhad Group and XOX Berhad. He also holds the position as 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

COMPANY BACKGROUND

Fintec Global Berhad ("the Company" or "the Group") is a technology incubator that provides management and strategic advisory services, research related services and activities, business networking and funding for its incubatee companies.

The Company is an investment holding company and has, in conformity with the expansive investment strategies adopted by the management, taken strategic stakes in a number of 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 listed companies invested by the Company can be diversified into broad areas of focus as follows.

Energy	Engineering	Food & Beverage	Financial & Information Technology
Vsolar Group Berhad	AT Systematization Berhad	Focus Dynamics Group Berhad	NetX Holdings Berhad MLABS Systems Berhad DGB Asia Berhad

The Company also invested in non-listed companies:

- Asiabio Petroleum Sdn. Bhd. (oil and gas sector)
- 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)
- Pinnacle Nexus Sdn. Bhd. (property investment holdings)
- Genbayu Gemilang Sdn. Bhd. (business of plantation)

GROUP BUSINESS OVERVIEW

This financial year has been a challenging year for the Group. Due to the nature of the Group's business as an investment holding company, the performance is inherently and inextricably linked to the economic outlook, performance and growth of the country.

Whilst in the previous year the Group experienced better performance with total revenue recording and increase by approximately 4.8 times and profit before tax of RM43.37 million, the Group's financial performance in 2019 contracted due to economic and policy uncertainties post 14th General Election (GE14). Investors' confidence fell as the new government put a halt, pending re-negotiations, on projects already granted by the previous administration and put on pause domestic economic development initiatives in favour of fiscal discipline. With the lack of economic drivers, the domestic capital and equities market experience material contraction which was evident when the FTSE Bursa Malaysia KLCI (FBMKLCI) dropped from a high of 1,863.46 at the start of our fiscal year to a low of 1,643.63 at our financial year end.

Management Discussion and Analysis

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GROUP FINANCIAL REVIEW

Financial Result	2019 RM'000	2018 RM'000	Variance RM'000
Revenue	15,357	30,888	(15,566)
Cost of Sales	(14,114)	(28,556)	14,274
Other Operating Income	3,222	57,878	(54,277)
Operating Expenses	(44,522)	(16,839)	2,773
Profit/(Loss) Before Taxation	(40,057)	43,371	(82,387)

Revenue

The Group's revenue is mainly derived from the activities of incubation, portfolio investment, and trading activities, in the sum of RM0.69 million, RM14.45 million and RM0.17 million respectively. Total revenue for financial year ended 31 March 2019 dropped approximately by half to RM15.36 million in comparison to RM30.888 million in 2018. This drop in the revenue was primarily attributable to the significant dip in revenue equity trading as well as the cessation of business in the Oil and Gas segment. As such, the cost of sales for the financial year ended 31 March 2019 also decreased correspondingly by half to RM14.11 million in comparison to RM28.56 million of the previous year.

Other Operating Income

For the financial year ended 31 March 2019 the Group's portfolio investments, principally made up of it's incubatees, was significantly affected by a weak equities market. This resulted in the Group registering a fair value loss on marketable securities of RM29.44 million in 2019 as compared to the fair value gain of RM57.55 million in 2018. As a result the Group recorded a significantly lower other operating income of RM3.22 million in 2019 as compared to RM 57.88 million in 2018.

Operating Expenses

The Group's operating expenses increased by 1.7 times to RM44.52 million in 2019 as compared to RM16.84 million in 2018. The increase in operating expenses was mainly due to fair value loss on marketable securities of RM29.44 million in 2019 as compared to the fair value gain of RM57.55 million in 2018.

Profit/Loss Before Tax

The loss before tax of the Group in the current year mainly arises from the marking to market of Group's strategic investments in Malaysia, temporary cessation of business in the Oil and Gas segment and operating expenses incurred for a new start-up business principally involved in e-commerce trading. The Group reported a loss before tax of RM40.06 million and revenue of RM15.36 million.

Management Discussion and Analysis
cont'd

OPERATIONAL REVIEW

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 six 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 three main Food & Beverage brands continue to contribute substantially to revenue, these mainstays continue to be CHAZE, LAVO and MAZE. During 2018, LIBERTE, BOUNCE and WICKED were launched. LIBERTE provides an added extension to the F&B variety, while BOUNCE is targeted towards a younger demographic whilst WICKED will serve the more affluent clubbing segment.

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. Since its launch in October 2018, 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, expected to be launched by year 2020.

iv. **AT Systematization Berhad** began as 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.

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.

Management Discussion and Analysis
cont'd

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; and
- trading in technological products, computer hardware and software, software applications and related products and services.

(c) Biotechnology product

The private companies that the Group has invested in are principally involved in the production and trading of products as follows:

i. **Eco-Sponge Sdn. Bhd. ("Eco-Sponge")** manufactures and trades in absorbent chemical compound and other related services, and also trades in fertiliser related products. In the present, Eco-Sponge is involved in the production of Effective Microbes (EM) that functions as supplements to chemical fertilisers.

Majority of our EM field tests are conducted in various locations, including Cameron Highlands, Kelantan, and Perak. Among the benefits of EM can be described as:

- Soil remediation
- Improve soil fertility
- Reduce the dosage of fertilisers, pesticides and chemical enhancer
- Cost effective


Strawberry Plantation, Cameron Highlands


Sorghum Plantation in Kampung Tok Rusa, Pasir Mas

ii. **Artisan Semesta Sdn. Bhd. ("Artisan")** manufactures and trades in agricultural related products.

One of the key products is the Artisan Plant Probiotic, made of beneficial soil bacteria and plant growth enzymes. The enzymes believe to promote plant development and metabolism.

iii. **Hexa Bonanza Sdn. Bhd.** is a contractor and technology provider for biomass pelletising and related equipment.

YIELD ACHIEVEMENT USING ARTISAN PLANT PROBIOTICS

CROPS	RESULTS
Vegetable (Lettuce)	+21%
Eggplant	+21%
Palm oil (30 days height)	+7.2%
Paddy	+28%
Sugar cane	+29%
Tomato	+23%

ANTICIPATED RISK AND MITIGATING FACTORS

Reliance on key relationship with incubate companies

The incubation activities that the Group undertakes inevitably expose it to a high degree of 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 on.

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

Management Discussion and Analysis
cont'd

Liquidity risks

As much 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

2018 has been a challenging year for us and as the year progressed, momentum faded and growth trends diverged. The worldwide financial conditions are tightening as a result of the combined effects of rising interest rates and surging equity and commodity market volatility. The global economy will continue to be dotted with challenges and one of the most significant key factors will be the fall out from the trade war between U.S. and China, two of the world's biggest economies.

For Malaysia, the capital markets have faced high market volatility in 2018 following the 14th General Election taking place in May 2018. All these external events have temporarily resulted in the holding back on non-essential spending by Malaysians.

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. The Group also invested in Pinnacle Nexus Sdn. Bhd., the operator of Double Tree Resort with a valuation at RM240.16 million, thereby expanding further the investment portfolios and diversifying investment risks faced by the Group.

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 group's Board and Management are committed to establish and maintain an effective sustainability management system which is supported by underlying, internal controls, risk management practices, clear accountability and reporting process. The Board evaluates the economic, environmental and social ("EES") areas to formulate the overall business strategy and objectives to continue to maintain a high standard of sustainability governance to drive continuous and long-term growth for all of our stakeholders. This Statement has been prepared in accordance with the Sustainability Reporting Guide and Toolkits, issued by Bursa Malaysia Securities Berhad.

ECONOMIC

In the FYE 31 March 2019, our Group has penetrated into Hong Kong via launching of a wholly-owned subsidiary, namely Fintec Global (HK) Limited and E99 Limited, primarily involved in investment holding and trading of F&B. This has contributed to employment creation directly, i.e. hiring of employee and purchase of goods and services, and indirectly, i.e. investing in companies that creates jobs or creating greater job opportunity via subcontracting the job to others. Our selection of suppliers/ subcontractors takes into consideration of the skills that are required to meet our Group's objective and we conduct periodic performance assessment to ensure that their performances are up to standard. The outsourcing of successfully secured projects to local subcontractors has further contributed to the creation of job opportunities within the local community.

The Group has acquired stakes in listed entities that are driving innovation and creating solutions that are valuable to society. One of its investment, NetX Holdings Berhad, is presently focusing on electronic payment solutions that aim to bring about improvement in the payment processes and this in turn will help boost trade and commerce and ultimately our local economy.

We will look out for opportunities to invest in potential incubatees to bring growth to the business. Through future investments, we intend to expand our business operations and contribute towards the development of our nation for greater economic impact.

ENVIRONMENTAL

Environmental sustainability forms an integral part of the Group's sustainability philosophy. We endeavour 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.

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.

Corporate Sustainability Statement
cont'd

SOCIAL

Our employees are one of our most valuable assets. We are committed to fair employment practices, uphold human rights principles and invest in developing and training our people. At the Group, we strive to foster an inclusive and performance driven work environment to attract, retain and develop our talents. We are an equal opportunity employer and have instituted a fair system to ensure equal opportunities and non-preferential treatment for all employees. There is no preference for any religion, age, ethnicity, race or gender. We value diversity and inclusion and are committed to the principle of equal employment opportunity. New hires are considered based on individual competencies as well as organisational and job fit.

To encourage and support our employees to develop their fullest potential and have a fulfilling career, the Group places priority on learning and development programmes. Our learning and development roadmap also account for future skills required to improve the efficiency of the business. We customise and design training and development activities based on employees' training needs and work requirements. The Group will continue to provide trainings and education opportunities through comprehensive development programmes going forward and promote a conducive corporate environment where everyone could achieve their potential.

The Group strive to continuously cultivate a transparent and inclusive environment for all employees, as well as ensure a top-down approach to promote fair and ethical business dealings. We also have an open-door policy whereby employees are encouraged to speak-up or report grievances directly to their superior, head of department, human resource department and/or independent directors of the Company. This is to reinforce our commitment to our employees to provide them with a workplace that is healthy, safe and secure.

Currently, the Group does not have a standard policy or procedure on diversity of workforce in term of gender, age, and ethnicity. Nevertheless, we promote gender equality as we possess a healthy gender balance, whereby 33% of our management team personnel consist of female employees.

During the period under review, there were no incidents of non-compliance with the applicable employment laws and legislations which include among others the requirements as set out in Employment Act 1955 and Industrial Relations Act 1967. The Group will work towards ensuring comprehensive disclosures on the management and monitoring of our sustainability initiatives for continuous improvement.

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 2019 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 are Mr Leung Kok Keong and Mr Tan Sik Eek, 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 be 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"), 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 and adopted on 20 February 2019.

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.

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 two (2) Executive Directors.

The present composition of the Board is in compliance with Rule 15.02 of the ACE LR and MCCG as three (3) out of the six (6) members are Independent Directors.

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*

4.2 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 MCCG to have female directors. On 28 May 2018, the Board established the 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.

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.

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*

4.7 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.

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 2019 is set out as follows:-

Meeting Attendance	Board	AC	NC	RC	AGM
Dato' Seri Abdul Azim Bin Mohd Zabidi	3/5	-	-	-	1/1
YM Tengku Ahmad Badli Shah Bin Raja Hussin	4/5	4/5	1/2	1/2	1/1
Ong Tee Kein	5/5	5/5	2/2	2/2	1/1
Chu Chee Peng	5/5	5/5	2/2	2/2	1/1
Leung Kok Keong	5/5	-	-	-	1/1
Tan Sik Eek	5/5	-	-	-	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.

During the financial year ended 31 March 2019, 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	Post Commonwealth Games: Challenges of Sport in Malaysia	14.05.2018
	Common Pitfalls in Transaction and RPT Rules & Managing Recurrent Related Party Transactions – By Chee Kai Mun	17.07.2018
	Olympic Marketing Seminar	05.09.2018 to 07.09.2018
	Rethinking Melaka in the Long 15th Century	23.02.2019

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*

Name of Director	Course Attended	Date
YM Tengku Ahmad Badli Shah Bin Raja Hussin	Mandatory Accreditation Programme (for Directors of Public Listed Companies)	28.02.2019 to 01.03.2019
	Capital Market Director Programme – By SIDC	12.03.2019 to 14.03.2019
Ong Tee Kein	Common Pitfalls in Transaction and RPT Rules & Managing Recurrent Related Party Transactions – By Chee Kai Mun	17.07.2018
	Blockchain Seminar 2018 – By HongKong Blockchain Society	28.07.2018
Chu Chee Peng	Common Pitfalls in Transaction and RPT Rules & Managing Recurrent Related Party Transactions – By Chee Kai Mun	17.07.2018
	Blockchain Seminar 2018 – By HongKong Blockchain Society	28.07.2018
Leung Kok Keong	Common Pitfalls in Transaction and RPT Rules & Managing Recurrent Related Party Transactions – By Chee Kai Mun	17.07.2018
	Blockchain Seminar 2018 – By HongKong Blockchain Society	28.07.2018
Tan Sik Eek	Common Pitfalls in Transaction and RPT Rules & Managing Recurrent Related Party Transactions – By Chee Kai Mun	17.07.2018
	Blockchain Seminar 2018 – By HongKong Blockchain Society	28.07.2018
	The New Constitution Under The Companies Act 2016	30.11.2018

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

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

Part III - Remuneration

6. Level and Composition of Remuneration

6.1 Remuneration Policy

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

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.

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

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 2019 are as follows:

i) Aggregate Directors' Remuneration

	Group		Company	
Categories of Remuneration	**Executive Directors RM**	**Non-Executive Directors RM**	**Executive Directors RM**	**Non-Executive Directors RM**
Director Fees	-	108,012	-	108,012
Salaries & bonus	757,000	-	757,000	-
Other emoluments	12,006	19,000	-	19,000
Total	**769,006**	**127,012**	**757,000**	**127,012**

ii) Analysis of Directors' Remuneration

Total remuneration of Directors in respect of the financial year ended 31 March 2019, in bands of RM50,000 is tabulated below:

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

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*

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 MCCG.

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 34 to 36 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.

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.

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 had on 20 February 2019 reviewed and recommended the proposed change of the external auditors of the Company from Messrs. Siew Boon Yeong & Associates ("SBY") to Messrs. PKF Malaysia (AF 0911) ["PKF"] to the Board for contemplation and approval. The former external auditors, SBY had served a letter of resignation as external auditors to the Company on 6 March 2019. Upon receipt of the letter of consent to act as external auditors of the Company from PKF on 13 March 2019, the AC had evaluated and assessed the suitability, objectivity, resources, competency and independence of PKF and opined that PKF possess the required and sufficient qualification and competencies to discharge its role as the Company's external auditors and recommended to the Board on their appointment as external auditors. The Board of Directors had subsequently resolved to appoint PKF as the external auditors of the Company for the financial year ended 31 March 2019.

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 May 2019.

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 27 May 2019, assessed the independence of 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 2019. 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 2019 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 12th 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, 37 and 38 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 37 and 38 of this Annual Report provides the overview of the internal control framework adopted by the Company during the financial year ended 31 March 2019.

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 12th 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 24 July 2019.

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 2019 is as follows:-

Details of fees	Group (RM)	Company (RM)
- Statutory Audit Fees	85,000	22,000
- Non-Audit Fee for review of Statement of Risk Management and Internal Control	10,000	-
Total	**95,000**	**22,000**

B. MATERIAL CONTRACTS

During financial year ended 31 March 2019, 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 2019, the Company did not enter into any recurrent related party transactions of revenue or trading nature.

D. UTILISATION OF PROCEEDS

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.

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*

Due to the delay in the utilisation of proceeds for Investment in quoted securities for Focus ICPS and Vsolar Rights Shares, the Board had resolved to extend the time frame for the utilisation of the said proceeds for another 12 months period from 7 December 2018 to 6 December 2019 ("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. Details of the Revised Time Frame are as set out in the table below:-

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. 7 December 2017	Intended timeframe	Proposed Revised timeframe
Investment in quoted securities – Focus ICPS	10,489	-	10,489	-	Within 12 months	6 December 2018	6 December 2019
Investment in quoted securities – Vsolar Rights Shares	8,200	-	8,200	-	Within 12 months	6 December 2018	6 December 2019
Working Capital	5,000	(5,000)	-	-	Within 24 months	6 December 2018	-
Investment in unquoted incubatees and/or start-up companies to be identified	47,410	(29,943)	17,467	-	Within 36 months	6 December 2018	-
Estimated expenses for the corporate exercise	844	(640)	204*	-	Immediate	-	-
	71,943	**(35,583)**	**36,360**	**-**	**-**	**-**	**-**

*Note: * the balance of the unutilised proceeds of RM204,000 for the estimated expenses for the corporate exercise had been reclassified into Working Capital.*

Save for the above, there was no corporate proposal undertaken by the Company during the financial year and hence no additional proceeds being raised accordingly.

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.

As at the date of printing of this Annual Report, a total of 323,184,000 options were offered to eligible employees under the SIS. Pursuant to the share consolidation, the Fifth grant of 83,000,000 options offered had been adjusted to 27,665,500 and fully exercised subsequently.

Other Compliance Information
cont'd

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

There is one (1) SIS in existence and no options were granted by the Company during the financial year ended 31 March 2019:-

Total number of options/ shares outstanding as at 1 April 2018	Total number of options exercised during the financial year ended 31 March 2019	Total number of options/ shares granted during the financial year ended 31 March 2019	Total options/shares outstanding as at 31 March 2019
-	-	-	-

Options granted to Directors and Chief Executive

Total number of options/ shares outstanding as at 1 April 2018	Aggregate options exercised or vested during the financial year ended 31 March 2019	Aggregate options/ shares granted during the financial year ended 31 March 2019	Aggregate options/ shares outstanding as at 31 March 2019
-	-	-	-

Options granted to Directors and Senior Management

	During the financial year ended 31 March 2019	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

Other Compliance Information
cont'd

F. PROPERTIES

The list of properties of the Company as at 31 March 2019 is as follows:-

Location	Description	Land area	Existing use	Date of Acquisition	Tenure	Approximate age of buildings (years)	Net Book Value as at 31.03.2019 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	14	872
Lot 2264, Geran Mukim 6710, Town of Kulim District of Kulim Kedah	Factory	836 Square metres	Storage	2014	Freehold	14	581

Audit Committee Report

The Board of Directors of FINTEC GLOBAL BERHAD is pleased to present the report of the Audit Committee for the financial year ended 31 March 2019.

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 (Chairman) *Independent Non-Executive Director*	5/5	100%
Chu Chee Peng *Senior Independent Non-Executive Director*	5/5	100%
YM Tengku Ahmad Badli Shah Bin Raja Hussin *Non-Independent Non-Executive Director*	4/5	80%

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:-

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

Further, the Audit Committee held five (5) meetings during the financial year and the 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 requires 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, change of auditors, audited financial statements, circular to shareholders, audit reports and major audit findings and etc. 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 or major audit issues concern 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 2019, 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 it complies 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 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 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

C. SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE *cont'd*

Assessing and recommending the change of auditors

a. Assessed the suitability and competency of the new audit firm i.e. Messrs. PKF Malaysia (AF 0911).
b. Proposed and recommended Messrs. PKF Malaysia (AF 0911) as the new external auditors of the Company to the Board of Directors for approval.
c. Reviewed and discussed on the resignation of Messrs. Siew Boon Yeong & Associates as the auditors of the Company and report to the Board of Directors for approval.

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 2019 amounted to RM24,000.

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.

During the financial year ended 31 March 2019, the internal auditors carried out duties in areas covering the investment management of Asiabio Capital Sdn. Bhd., status of compliance of audit finding in respect to Asiabio Petroleum Sdn. Bhd., updates on risk management, key business process of Eco-Sponge Sdn. Bhd. and status of compliance of audit finding in connection to Asiabio Capital Sdn. Bhd.

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 are 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 its 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 provision 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 2019, the Group had used appropriate accounting policies and applied them consistently, prudently and reasonably. The Directors also consider 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 2019 of the Group.

BOARD RESPONSIBILITY

The Board acknowledges its responsibility in maintaining a sound system of internal controls that covers financial, operational and risk management within the Group to meet its business objectives. The Board reviews the adequacy and effectiveness of the Group's risk management and internal control system to safeguard shareholders' investment and the Group's assets.

The Board has established an ongoing process for identifying, evaluating and managing the significant risks faced by the Group and this process includes enhancing the risk management and internal control system as and when there are changes to the business environment or regulatory guidelines.

The Management assists the Board in the implementation of the Board's policies and procedures on risk and control by identifying and assessing the risks faced, and in the design, operation and monitoring of suitable internal controls to mitigate and control these risks. The Board is informed of major issues on internal controls, regulatory compliance and risk taking.

Such systems by their nature, can only provide a reasonable, but not absolute assurance against material misstatement of management and financial losses or fraud as it is established to manage rather than eliminate the risk of failure to achieve the Group's business objectives.

The Board has received assurance from the Executive Directors and the Senior Management that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

The Board is of view that the Risk management and Internal Control system is in place for the year under review and is sound and adequate to safeguard shareholders' investment and the Group's assets.

RISK MANAGEMENT FRAMEWORK

The Board continues to rely on risk management to form the basis of internal plan and for continued profitability and to safeguard shareholders' investment. The key processes that have been established in reviewing the adequacy and effectiveness of the risk management and internal control systems include the following:-

- The Board has established a number of board committees to support the Board and to assist the Board to assess the performance and controls in all areas of operations to ensure that the risk management and control framework is embedded into the structures of the Group.

- 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. The Internal Auditors of the Group check for compliance with policies and procedures and highlight the significant findings in respect of any non-compliance.

- 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:-

- 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.

- 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.

- 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 quarterly review 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.

- 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.

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 24 July 2019.

FINANCIAL STATEMENTS

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 2019.

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
Loss for the financial year	(40,051,372)	(144,058,082)
Loss for the financial year attributable to:		
Owners of the parent	(40,015,298)	(144,058,082)
Non-controlling interest	(36,074)	-
	(40,051,372)	(144,058,082)

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 2019.

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

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

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 1.4.2018	Bought	Sold	Balance as at 31.03.2019
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 24 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 are disclosed in Note 4 to the financial statement.

INDEMNITY AND INSURANCE FOR DIRECTOR, OFFICER 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 85,189,950 new ordinary shares pursuant to the conversion of 125,654,300 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 salient features of the SIS are as follows:

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

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

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

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

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 1.04.2018	Exercised	Lapsed	Exercisable as at 31.3.2019
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	-	-	-	-

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

\# *The SIS exercise price was adjusted following the effect of Share Consolidation taken up by the Company during the financial year.*

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.

Directors' Report
cont'd

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 01.04.2018	**Issued**	**Exercised**	**As at 31.03.2019**
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.

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.

Directors' Report
cont'd

OTHER STATUTORY INFORMATION *cont'd*

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 2019 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 amounted to RM112,020 and RM22,000 respectively as disclosed in Note 6 to the financial statements.

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

LEUNG KOK KEONG
Director

TAN SIK EEK
Director

Kuala Lumpur

24 July 2019

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 51 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 2019 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,

LEUNG KOK KEONG

TAN SIK EEK

Kuala Lumpur

Statutory Declaration

Pursuant to Section 251(1)(b) of the Companies Act 2016 In Malaysia

I, LEUNG KOK KEONG, being the officer 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 51 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.

Subscribed and solemnly declared by the)
above-named at Kuala Lumpur on 24 July 2019)
)

LEUNG KOK KEONG
(MIA No: 8109)

Before me,

KAPT(B) JASNI BIN YUSOF
W465

COMMISSIONER FOR OATHS

Independent Auditors' Report

To the Members of Fintec Global Berhad
(Co. No. 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 2019 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 51 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 2019, 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' *Code of Ethics for Professional Accountants* ("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.

(1) Impairment of amount owing by subsidiary companies

As at 31 March 2019, gross amount owing by subsidiary companies stood at RM141,955,063.

The adoption of MFRS 9 requires the Company to adopt a forward-looking expected credit loss ("ECL") approach to assess impairment loss on amount owing by subsidiary companies.

The measurement of ECL requires application of significant judgement and increased complexity which include assessment of estimated future cash flows, significant judgements made by management and impact of forward-looking macroeconomics factors in deriving such cash flows.

Refer to summary of significant accounting policies in Note 1(e)(v) and Note 16 to the financial statements.

Our audit approach included the following:

- Assessed and tested reasonableness of the Company's ECL model, and key assumptions made by management.
- Assessed whether the Company's historic credit loss experience is representative of current circumstances.
- Assessed reasonableness of management's estimates and assumptions involving forward-looking macroeconomics factors, comparing to external evidence where available.
- Assessed whether financial statements disclosures are adequate and appropriately reflect the Company's exposure to credit risk, arising from subsidiary companies.

Independent Auditors' Report

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

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

Key audit matters *cont'd*

(2) Impairment of investment in unquoted shares	**Our audit approach included the following:**
The Group's investment in unquoted shares stood at RM13,092,050 or 8.1% of total assets of the Group. Impairment assessment of investment in unquoted shares relies on estimated future cash flows of investee and involved significant management judgement and are based on assumptions that are affected by expected future market and economic conditions. *Refer to summary of significant accounting policies in Note 1(e)(iv) and Note*	• Evaluate management's assumptions and methodologies used by the Group in performing impairment assessment on investment in unquoted shares portfolio. • Tested the basis of preparing investees' cash flows forecasts, considering any available external evidence in supporting assumptions used. • Performed sensitivity analysis on inputs to management's impairment assessment to evaluate the impact that reasonable alternative assumptions would have on the overall carrying amounts.

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.

Auditors' Responsibilities for the Audit of the Financial Statements

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

Independent Auditors' Report

To the Members of Fintec Global Berhad
(Co. No. 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 *cont'd*

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 compiled 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, related safeguards.

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
(Co. No. 774628-U) (Incorporated in Malaysia)
cont'd

OTHER MATTERS

1. 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.

2. The comparative figures were audited by another firm of auditors who expressed unqualified opinion on those statement on 27 July 2018.

PKF
AF 0911
CHARTERED ACCOUNTANTS

NGU SIOW PING
03033/11/2019 J
CHARTERED ACCOUNTANT

Kuala Lumpur

24 July 2019

Statements of Profit or Loss and Other Comprehensive Income

For the Financial Year Ended 31 March 2019

		Group		Company	
		2019	2018	2019	2018
	Note	RM	RM	RM	RM
Revenue	3	15,357,478	30,887,771	692,703	445,968
Cost of sales		(14,113,965)	(28,556,407)	-	-
Gross profit		1,243,513	2,331,364	692,703	445,968
Other operating income		3,222,303	57,878,189	-	40,000
Administrative and operating expenses		(6,037,274)	(7,061,284)	(3,909,223)	(4,502,072)
Other operating expenses		(38,333,360)	(9,482,303)	(140,841,562)	(494,488)
(Loss)/Profit from operations		(39,904,818)	43,665,966	(144,058,082)	(4,510,592)
Finance cost	5	(152,554)	(295,330)	-	-
(Loss)/Profit before taxation	6	(40,057,372)	43,370,636	(144,058,082)	(4,510,592)
Tax income/(expenses)	7	6,000	(6,000)	-	-
Total comprehensive (loss)/income for the financial year		(40,051,372)	43,364,636	(144,058,082)	(4,510,592)
Total comprehensive (loss)/income attributable to:					
Owners of the parent		(40,015,298)	43,439,154	(144,058,082)	(4,510,592)
Non-controlling interest		(36,074)	(74,518)	-	-
		(40,051,372)	43,364,636	(144,058,082)	(4,510,592)
(Loss)/Earnings attributable to owners of the Company per Ordinary Share (sen)					
- Basic (sen)	8	(6.72)	9.83		
- Diluted (sen)		N.A.	2.97		

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

Statements of Financial Position

As at 31 March 2019

		Group		Company	
		2019	2018	2019	2018
	Note	RM	RM	RM	RM
ASSETS					
Non-current assets					
Property, plant and equipment	9	4,769,787	3,154,703	2,719,437	2,981,697
Intangible assets	10	-	-	-	-
Investment in subsidiary	11	-	-	802,537	802,488
Marketable securities	12	97,767,377	124,468,604	-	-
		102,537,164	127,623,307	3,521,974	3,784,185
Current assets					
Inventories	13	98,043	320,649	-	-
Trade receivables	14	764,357	3,405,232	-	-
Non-trade receivables, deposits and prepayments	15	23,137,311	7,356,575	8,916,915	2,715,037
Amount owing by subsidiary companies	16	-	-	1,437,341	100,625,368
Marketable securities	12	243,783	234,600	-	-
Investment in unquoted shares	17	13,092,050	-	-	-
Current tax assets		350,529	268,137	-	-
Deposits with licensed financial institutions	18	19,242,158	60,567,840	-	50,275,619
Cash and bank balances		2,853,236	2,537,351	1,770,870	2,452,385
		59,781,467	74,690,384	12,125,126	156,068,409
TOTAL ASSETS		162,318,631	202,313,691	15,647,100	159,852,594
EQUITY AND LIABILITIES					
Share capital	19	96,058,092	81,872,991	95,503,383	81,872,991
Irredeemable convertible preference shares	20	43,175,440	53,227,783	43,175,440	53,227,783
Reserves	21	9,698,914	50,268,921	(127,769,687)	16,288,395
Equity attributable to owners of the parent		148,932,446	185,369,695	10,909,136	151,389,169
Non-controlling interest		(1,672,295)	(1,636,221)	-	-
Total equity		147,260,151	183,733,474	10,909,136	151,389,169
Current liabilities					
Trade payables	22	3,848,385	7,802,359	-	-
Non-trade payables and accruals	23	11,210,095	10,771,858	89,437	90,250
Amount owing to a subsidiary company	16	-	-	4,648,527	8,373,175
Current tax liabilities		-	6,000	-	-
Total liabilities		15,058,480	18,580,217	4,737,964	8,463,425
TOTAL EQUITY AND LIABILITIES		162,318,631	202,313,691	15,647,100	159,852,594

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

Statements of Changes in Equity

For the Financial Year Ended 31 March 2019

	Attributable to owners of the company							
	Non-distributable				Distributable			
Group	Share capital RM	Irredeemable convertible preference shares RM	Share premium RM	Warrants reserve RM	Retained profits RM	Sub-total RM	Non-controlling interest RM	Total equity 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)	-	-	-	-	-
Other comprehensive loss for the year	-	-	-	-	-	-	-	-
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

Statements of Changes in Equity

For the Financial Year Ended 31 March 2019
cont'd

	Attributable to owners of the company							
	Non-distributable				Distributable			
Group	Share capital RM	Irredeemable convertible preference shares RM	Share premium RM	Warrants reserve RM	Retained profits RM	Sub-total RM	Non-controlling interest RM	Total equity RM
2018								
At 1 April 2017	56,005,130	-	1,298,254	333,452	(4,628,659)	53,008,177	(1,561,703)	51,446,474
Transactions with owners:								
Issuance of ICPS with free warrants	-	61,367,184	-	10,575,573	-	71,942,757	-	71,942,757
Issuance of ordinary shares pursuant to conversion of ICPS	12,073,802	(8,139,401)	-	-	-	3,934,401	-	3,934,401
Issuance of ordinary shares pursuant to Shares Issuance Scheme	13,781,981	-	-	-	-	13,781,981	-	13,781,981
Issuance of ordinary shares pursuant to exercise of Warrant B	12,078	-	-	(5,308)	-	6,770	-	6,770
Share issuance expenses	-	-	(743,545)	-	-	(743,545)	-	(743,545)
Total transaction with owners	25,867,861	53,227,783	(743,545)	10,570,265	-	88,922,364	-	88,922,364
Total comprehensive income for the year	-	-	-	-	43,439,154	43,439,154	(74,518)	43,364,636
Balance at 31 March 2018	81,872,991	53,227,783	554,709	10,903,717	38,810,495	185,369,695	(1,636,221)	183,733,474

Statements of Changes in Equity

For the Financial Year Ended 31 March 2019

	← Non-distributable			→	Distributable	
Company	Share capital RM	Irredeemable convertible preference shares RM	Share premium RM	Warrants reserve RM	Retained profits RM	Total equity 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 ICPS with free warrants	-	-	-	-	-	-
Issuance of ordinary shares pursuant to conversion of ICPS	13,630,392	(10,052,343)	-	-	-	3,578,049
Issuance of ordinary shares pursuant to Shares Issuance Scheme	-	-	-	-	-	-
Issuance of ordinary shares pursuant to exercise of Warrant B	-	-	-	-	-	-
Share issuance expenses	-	-	-	-	-	-
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
2018						
At 1 April 2017	56,005,130	-	1,298,254	333,452	9,340,561	66,977,397
Transactions with owners:						
Issuance of ICPS with free warrants	-	61,367,184	-	10,575,573	-	71,942,757
Issuance of ordinary shares pursuant to conversion of ICPS	12,073,802	(8,139,401)	-	-	-	3,934,401
Issuance of ordinary shares pursuant to Shares Issuance Scheme	13,781,981	-	-	-	-	13,781,981
Issuance of ordinary shares pursuant to exercise of Warrant B	12,078	-	-	(5,308)	-	6,770
Share issuance expenses	-	-	(743,545)	-	-	(743,545)
Total transaction with owners	25,867,861	53,227,783	(743,545)	10,570,265	-	88,922,364
Total comprehensive loss for the year	-	-	-	-	(4,510,592)	(4,510,592)
Balance at 31 march 2018	81,872,991	53,227,783	554,709	10,903,717	4,829,969	151,389,169

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

Statements of Cash Flows

For the Financial Year Ended 31 March 2019

		Group		Company	
		2019	**2018**	**2019**	**2018**
	Note	**RM**	**RM**	**RM**	**RM**
Cash flows from operating activities					
(Loss)/Profit before tax:		(40,057,372)	43,370,636	(144,058,082)	(4,510,592)
Adjustments for:					
Depreciation of property, plant and equipment		458,637	936,542	323,840	493,248
Equity-settled share-based payment		-	1,990,174	-	1,990,174
Fair value loss/(gain) on marketable securities		29,438,156	(57,548,788)	-	-
Gain on disposal investment in unquoted shares		-	(40,000)	-	(40,000)
Gain on foreign exchange - unrealised		(265,835)	(261,844)	-	-
Impairment loss on property, plant and equipment		-	2,764,324	-	-
Impairment loss on receivables		5,812,890	6,046,914	-	-
Prepayment written off		275,057	-	-	-
Reversal of impairment loss on receivables		(2,427,915)	-	-	-
Impairment loss on amount due from subsidiaries		-	-	140,517,722	-
Interest expenses		152,554	295,330	-	-
Interest income		(692,851)	(445,968)	(692,703)	(445,968)
Dividend income		(166,606)	-	-	-
Inventories written off		276,556	123,661	-	-
(Gain)/loss on disposal of marketable securities		(410,847)	633,869	-	-
Property, plant and equipment written off		-	1,240	-	1,240
Impairment loss/(reversal) on investments in unquoted shares		2,000,000	(19,000)	-	-
Operating loss before working capital changes		(5,607,576)	(2,152,910)	(3,909,223)	(2,511,898)
Proceeds from disposal of marketable securities		14,454,983	24,514,210	-	-
Purchase of marketable securities		(16,357,807)	(45,700,295)	-	-
(Increase)/Decrease in inventories		(53,950)	(74,015)	-	-
Increase in receivables		(16,799,893)	(13,733,529)	(6,201,878)	(2,654,696)
(Decrease)/increase in payables		(3,515,737)	17,188,911	(813)	(199,397)
Cash used in operations		(27,879,980)	(19,957,628)	(10,111,914)	(5,365,991)
Tax paid		(82,392)	(268,137)	-	-
Interest received		692,851	445,968	692,703	445,968
Net cash used in operating activities		(27,269,521)	(19,779,797)	(9,419,211)	(4,920,023)

Statements of Cash Flows

For the Financial Year Ended 31 March 2019
cont'd

		Group		Company	
		2019	2018	2019	2018
	Note	RM	RM	RM	RM
Cash flows from investing activities					
Purchase of property, plant and equipment		(2,073,607)	(24,168)	(61,580)	(10,047)
Investment in subsidiaries company		-	-	(49)	(429)
Proceeds from disposal of investment in unquoted shares		-	40,000	-	40,000
(Purchase)/disposal of unquoted shares		(15,092,050)	19,000	-	-
Net cash (used in)/from investing activities		(17,165,657)	34,832	(61,629)	29,524
Cash flows from financing activities					
Advance to subsidiary companies		-	-	(45,054,343)	(29,393,642)
Proceeds from issuance of shares pursuant to ICPS		-	71,942,757	-	71,942,757
Proceeds from exercised of warrants		-	6,770	-	6,770
Proceeds from issuance of shares pursuant to conversion of ICPS		3,578,049	3,934,401	3,578,049	3,934,401
Proceeds from issuance of share capital under exercised of SIS		-	11,791,806	-	11,791,806
Repayment of short-term borrowing		-	(3,981,037)	-	-
Share premium expenses		-	(743,545)	-	(743,545)
Interest paid		(152,554)	(295,330)	-	-
Net cash from/(used in) financing activities		3,425,495	82,655,822	(41,476,294)	57,538,547
Net (decrease)/increase in cash and cash equivalents		(41,009,683)	62,910,857	(50,957,134)	52,648,048
Effects of exchange rate changes		(114)	-	-	-
Cash and cash equivalents at 1 April		63,105,191	194,334	52,728,004	79,956
Cash and cash equivalents at 31 March	(i)	22,095,394	63,105,191	1,770,870	52,728,004

Statements of Cash Flows

For the Financial Year Ended 31 March 2019
cont'd

Notes:

(i) Cash and cash equivalents

Cash and cash equivalents comprise the following:

		Group		Company	
		2019	**2018**	**2019**	**2018**
	Note	**RM**	**RM**	**RM**	**RM**
Deposits with licensed financial institutions		19,242,158	60,567,840	-	50,275,619
Cash and bank balances		2,853,236	2,537,351	1,770,870	2,452,385
		22,095,394	63,105,191	1,770,870	52,728,004

Notes to Financial Statements

As at 31 March 2019

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 January 2018, 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 2018.

Description	Effective for annual periods beginning on or after
• Annual improvements to MFRSs 2014 - 2016 cycle	
- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards	1 January 2018
- Amendments to MFRS 128, Investments in Associates and Joint Ventures	1 January 2018
• Amendments to MFRS 2, Share-based Payment: Classification and Measurement of Share-based Payment Transactions	1 January 2018
• Amendments to MFRS 4, Insurance Contracts: Applying MFRS 9 Financial Instrument with MFRS 4 Insurance Contracts	1 January 2018
• MFRS 9, Financial Instruments	1 January 2018
• MFRS 15, Revenue from Contracts with Customers	1 January 2018
• Clarifications to MFRS 15, Revenue from Contracts with Customers	1 January 2018
• Amendments to MFRS 140, Investment Property: Transfer of Investment Property	1 January 2018
• IC Interpretation 22, Foreign Currency Transactions and Advance Consideration	1 January 2018

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. The changes of accounting policies for the Company for the newly effective standards have been stated in Note 1(c).

Notes to Financial Statements

As at 31 March 2019
cont'd

1. **BASIS OF PREPARATION** *cont'd*

(b) **Standards issued but not yet effective**

The Group and the Company have not adopted the following standards and interpretations that have been issued but not yet effective:

Description	**Effective for annual periods beginning on or after**
• Annual improvements to MFRSs 2015 - 2017 cycle	
- Amendments to MFRS 3, Business Combinations	1 January 2019
- Amendments to MFRS 11, Joint Arrangements	1 January 2019
- Amendments to MFRS 112, Income Taxes	1 January 2019
- Amendments to MFRS 123, Borrowing Costs	1 January 2019
• Amendments to MFRS 119, Employee Benefits: Plan Amendment, Curtailment or Settlement	1 January 2019
• Amendments to MFRS 2, Share-based Payment	1 January 2020
• Amendments to MFRS 3, Business Combinations	1 January 2020
• Amendments to MFRS 6, Exploration for and Evaluation of Mineral Resources	1 January 2020
• Amendments to MFRS 14, Regulatory Deferral Accounts	1 January 2020
• Amendments to MFRS 101, Presentation of Financial Statements	1 January 2020
• Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2020
• Amendments to MFRS 134, Interim Financial Reporting	1 January 2020
• Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets	1 January 2020
• Amendments MFRS 138, Intangible Assets	1 January 2020
• MFRS 16, Leases	1 January 2019
• MFRS 17, Insurance Contracts	1 January 2021
• Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128 Investment in Associate and Joint Ventures: Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture	Deferred
• 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
• Amendments to IC Interpretation 12, Service Concession Arrangements	1 January 2020
• Amendments to IC Interpretation 19, Extinguishing Financial Liabilities with Equity Instruments	1 January 2020
• Amendments to IC interpretation 20, Stripping Costs in the Production Phase of a Surface Mine	1 January 2020
• Amendments to IC Interpretation 22, Foreign Currency Transactions and Advance Consideration	1 January 2020
• Amendments to IC Interpretation 132, Intangible Assets - Web Site Costs	1 January 2020

Notes to Financial Statements

As at 31 March 2019
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 Group and the Company except as mentioned below:

MFRS 16 Leases

MFRS 16, which upon the effective date will supersede MFRS 117 *Leases*, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under MFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, MFRS 117.

In respect of the lessor accounting, MFRS 16 substantially carries forward the lessor accounting requirements in MFRS 117. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The Group and the Company do not expect the application of MFRS 16 to have a significant impact on its consolidated financial statements.

(c) Explanation on change in accounting policy

MFRS 15 Revenue from Contracts with Customers

In the current financial year, the Group and the Company have adopted MFRS 15 Revenue from Contracts with Customers ("MFRS 15") effective for the annual financial period beginning on or after 1 January 2018. The date of initial application is as of the beginning of the MFRS reporting period in which the Company first applies MFRS 15, i.e. 1 January 2018.

The core principle in MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is recognised when a customer obtains control of goods or services, i.e. when the customer has the ability to direct the use of (or prevent other entities from directing the use of), and obtain substantially all of the remaining benefits (or prevent other entities from obtaining the benefits) from the goods and services.

The Group and the Company elect to retrospectively apply MFRS 15 to contracts that are not complete at the date of initial application and recognise the cumulative effect of initially applying MFRS 15 as an adjustment to the opening balance of the retained earnings (or other component or equity, as appropriate) of the annual reporting period that includes the date at initial application.

MFRS 9 Financial instrument

In the current financial year, the Group and the Company have adopted MFRS 9 Financial Instruments ("MFRS 9") effective for the annual financial period beginning on or after 1 January 2018. The date of initial application is as of the beginning of the MFRS reporting period in which the Company first applies MFRS 9, i.e. 1 January 2018.

Notes to Financial Statements

As at 31 March 2019
cont'd

1. BASIS OF PREPARATION *cont'd*

(c) Explanation on change in accounting policy *cont'd*

MFRS 9 Financial instrument *cont'd*

(i) Under adoption of MFRS 9, the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments.

In essence, if a financial asset is a simple debt instrument and the objective of the entity's business model within which it is held to collects its contractual cash flows, the financial asset is measured at amortised cost. In contrast, if that asset is held in a business model the objective of which is achieved by both collecting contractual cash flows and selling financial assets, then the financial asset is measured at fair value in the statements of financial position, and amortised cost information is provided through profit or loss. If the business model is neither of these, then fair value information is increasingly important, so it is provided both in the profit or loss and in the statements of financial position.

(ii) New expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, this Standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis. The model requires an entity to recognised expected credit losses at all times and to update the amount of expected credit losses recognised at each reporting date to reflect changes in the credit risk of financial instruments. This model eliminates the threshold for the recognition of expected credit losses, so that it is no longer necessary for a trigger event to have occurred before credit losses are recognised.

The adoption of MFRS 9 resulted in change in accounting policies and the impact arising from adoption of expected credit loss model are disclosed in notes 14,15 and 16 to the financial statements.

(d) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 2 to the financial statements.

(e) Critical 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.

Notes to Financial Statements

As at 31 March 2019
cont'd

1. **BASIS OF PREPARATION** *cont'd*

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

(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) Provision for expected credit losses ("ECLs") of trade receivables

The Group and the Company use a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on the payment profiles of sales over a period of 36 months before the end of the reporting period and the corresponding historical credit losses experienced within this period.

The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The historical observed default rates are updated and changes in the forward-looking estimates are analysed at every end of the reporting period.

(vi) 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.

(vii) 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.

Notes to Financial Statements

As at 31 March 2019
cont'd

1. **BASIS OF PREPARATION** *cont'd*

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

(viii) 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.

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.

Notes to Financial Statements

As at 31 March 2019
cont'd

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

(a) Basis of consolidation *cont'd*

(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.

(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.

Notes to Financial Statements

As at 31 March 2019
cont'd

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

(a) Basis of consolidation *cont'd*

(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.

(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.

Notes to Financial Statements

As at 31 March 2019
cont'd

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

(b) Foreign currencies *cont'd*

(ii) Foreign currency transactions cont'd

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:

	2019 RM	2018 RM
1 Singapore Dollar	-	3.03
1 United States Dollar	4.08	4.14
1 Hong Kong Dollar	0.52	-

(c) Revenue and other income

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of revenue can be measured reliably. Revenue is measured at the fair value of consideration received or receivable.

Income from business activities of the Group and of the Company is recognised using the following bases:

(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.

(ii) Sale Of Goods

The Company 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 and the Company 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.

Notes to Financial Statements

As at 31 March 2019
cont'd

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

(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.

(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.

Notes to Financial Statements

As at 31 March 2019
cont'd

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

(f) Tax expense *cont'd*

(ii) Deferred tax cont'd

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

Unless specifically disclosed below, the Group and the Company generally applied the following accounting policies retrospectively. Nevertheless, as permitted by MFRS 9, Financial Instruments, the Company elected not to restate the comparatives.

Current financial year

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.

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.

Notes to Financial Statements

As at 31 March 2019
cont'd

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

(g) Impairment *cont'd*

Previous financial year

(i) Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

Trade and non-trade receivables and other financial assets carried at amortised cost.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(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.

Notes to Financial Statements

As at 31 March 2019
cont'd

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

(g) Impairment *cont'd*

Previous financial year *cont'd*

(ii) Impairment of non-financial assets cont'd

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

(h) Property, plant and equipment

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

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

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 for prospectively.

Notes to Financial Statements

As at 31 March 2019
cont'd

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

(i) 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.

(j) Financial assets

Current financial year

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

(i) Amortised costs

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

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

Notes to Financial Statements

As at 31 March 2019
cont'd

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

(j) Financial assets *cont'd*

Current financial year *cont'd*

(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 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.

Previous financial year

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets.

(i) Financial assets at fair value through profit or loss ("FVTPL")

Financial assets are classified as financial assets at FVTPL if they are held for trading or are designated as such upon initial recognition.

Subsequent to initial recognition, financial assets at FVTPL are measured at fair value, without any deduction for transaction costs it may incur on sale or other disposal. Changes in fair value are recognised in profit or loss.

Financial assets at FVTPL could be presented as current or non-current. Financial assets that are held primarily for trading purposes are presented as current whereas financial assets that are not held primarily for trading purposes are presented as current or non-current based on the settlement date.

(ii) Loans and receivables

Financial assets that are non-derivative with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

Notes to Financial Statements

As at 31 March 2019
cont'd

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

(j) Financial assets *cont'd*

Previous financial year *cont'd*

(iii) Available-for-sale financial assets ("AFS")

AFS are financial assets that are designated as available for sale or are not classified in any of the two preceding categories.

After initial recognition, AFS are measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on an available-for-sale equity instrument are recognised in profit or loss when the Group's and the Company's right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less accumulated impairment loss, if any.

AFS are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

(k) 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.

(l) Financial liabilities

Current financial year

The categories of financial liabilities at initial recognition are as follows:

(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;

Notes to Financial Statements

As at 31 March 2019
cont'd

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

(l) Financial liabilities *cont'd*

Current financial year *cont'd*

(i) Fair value through profit or loss cont'd

(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.

(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.

Previous financial year

Financial liabilities are classified according to the substance of the contractual agreements entered into and the definitions of a financial liability.

Financial liabilities are recognised on the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities of the Group and the Company are classified as financial liabilities at fair value through profit or loss and other financial liabilities.

(i) Financial liabilities at fair value through profit or loss ("FVTPL")

FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities held for trading include derivatives entered into by the Group and the Company that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

The Group and the Company have not designated any financial liabilities as at fair value through profit or loss.

Notes to Financial Statements

As at 31 March 2019
cont'd

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

(l) Financial liabilities *cont'd*

Previous financial year *cont'd*

(ii) Other financial liabilities measured at amortised cost

The Group's and the Company's other financial liabilities include trade and non-trade payables, accruals and borrowings.

Trade and non-trade payables, accruals and borrowings are recognised initially at fair value plus directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group and the Company have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(m) 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.

(n) 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.

(o) 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.

(p) 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.

Notes to Financial Statements

As at 31 March 2019
cont'd

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

(p) Contingencies *cont'd*

(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.

3. REVENUE

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

	Group		Company	
	2019	**2018**	**2019**	**2018**
	RM	**RM**	**RM**	**RM**
Sale of goods	209,792	5,927,593	-	-
Proceeds from sale of marketable securities	14,454,983	24,514,210	-	-
Interest income	692,703	445,968	692,703	445,968
	15,357,478	30,887,771	692,703	445,968

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

	Group	
	2019	**2018**
	RM	**RM**
Proceeds from sale of marketable securities	14,454,983	24,514,210
Less: Cost of investments	(14,044,136)	(22,410,804)
Gain on disposal	410,847	2,103,406
Add: previously recognised fair value changes	-	(2,737,275)
Gain/(loss) on disposal recognised in profit or loss	410,847	(633,869)

Notes to Financial Statements
As at 31 March 2019
cont'd

3. REVENUE *cont'd*

(a) Disaggregation of revenue

	Sale of goods	Proceeds from sale of marketable securities	Interest income	Total
	RM	RM	RM	RM
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
- Overtime	-	-	692,703	692,703
	209,792	14,454,983	692,703	15,357,478
2018				
Sale of goods	5,927,593	-	-	5,927,593
Proceeds from sale of marketable securities	-	24,514,210	-	24,514,210
Interest income	-	-	445,968	445,968
	5,927,593	24,514,210	445,968	30,887,771
Timing of revenue recognition:				
- At a point in time	5,927,593	24,514,210	-	30,441,803
- Overtime	-	-	445,968	445,968
	5,927,593	24,514,210	445,968	30,887,771

4. EMPLOYEE BENEFITS EXPENSES

	Group		Company	
	2019	2018	2019	2018
	RM	RM	RM	RM
Salaries and wages	1,137,759	1,088,577	884,833	936,227
Defined contribution plan	119,499	140,640	100,384	124,609
Other employee benefits	28,785	400,401	27,111	369,456
Equity-settled share-based payment	-	1,990,174	-	1,990,174
	1,286,043	3,619,792	1,012,328	3,420,466
Directors' remuneration:				
- fee	108,012	105,012	108,012	105,012
- salaries and other emoluments	886,693	325,733	874,687	309,725
	994,705	430,745	982,699	414,737

Notes to Financial Statements

As at 31 March 2019
cont'd

5. FINANCE COST

	Group	
	2019	2018
	RM	RM
Other interest	152,554	295,330

6. (LOSS)/PROFIT FROM OPERATIONS

	Group		Company	
	2019	2018	2019	2018
	RM	RM	RM	RM
(Loss)/Profit before taxation is stated after charging:				
Auditors' remuneration:				
- current year's provision	111,020	65,000	22,000	26,000
- under provision in respect of prior year	1,000	5,000	1,000	1,000
- other services	-	5,000	-	5,000
Depreciation	458,637	936,542	323,840	493,248
Equity-settled shares-based payment	-	1,990,174	-	1,990,174
Employee benefit expense (Note 4)	1,286,043	3,619,792	1,012,328	3,420,466
Impairment losses on				
- property, plant and equipment	-	2,764,324	-	-
- trade receivables	3,036,930	6,046,914	-	-
- non-trade receivables	2,775,960	-	-	-
- investment in unquoted shares	2,000,000	-	-	-
- amount due from subsidiaries	-	-	140,517,722	-
Impairment loss/(reversal) on investments in unquoted shares	2,000,000	(19,000)	-	(19,000)
Inventories written off	276,556	123,661	-	-
Prepayment written off	275,057	-	-	-
Property, plant and equipment written off	-	1,240	-	1,240
Rental of premises	858,839	84,150	191,348	79,600
Fair value loss/(gain) on marketable securities	29,438,156	(57,548,788)	-	-
and (crediting):				
Dividend income	(166,606)	-	-	-
Gain on disposal of investment in unquoted shares	-	(40,000)	-	(40,000)
Gain on foreign exchange - unrealised	(265,835)	(261,844)	-	-
Interest income	(148)			
Reversal of impairment loss on receivables	(2,427,915)	-	-	-

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As at 31 March 2019
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7. TAX (INCOME)/EXPENSES

	Group		Company	
	2019	2018	2019	2018
	RM	RM	RM	RM
Tax expenses				
- current year	-	6,000	-	-
- Over provision in prior years	(6,000)	-	-	-
	(6,000)	6,000	-	-

Reconciliation of tax expense

	Group		Company	
	2019	2018	2019	2018
	RM	RM	RM	RM
(Loss)/Profit before tax	(40,057,372)	43,370,636	(144,058,082)	(4,510,592)
Tax calculated at statutory tax rate of 24%	(9,613,769)	10,408,953	(34,573,939)	(1,082,542)
Adjustments for the following tax effects:				
Non-deductible expenses	9,540,930	1,126,949	34,740,188	1,090,119
Tax exempt income	(848,195)	(13,209,005)	(166,249)	(9,600)
Deferred tax assets not recognised during the year	921,034	2,096,919	-	2,023
Utilisation deferred tax assets not recognised in prior year	-	(417,816)	-	-
	9,613,769	(10,402,953)	34,573,939	1,082,542
Over provision of tax expense in prior years	(6,000)	-	-	-
	(6,000)	6,000	-	-

The Group has unutilised tax losses and unabsorbed capital allowances amounting to approximately RM16,414,815 (2018:RM12,599,272) and RM5,577,270 (2018:RM4,985,965) respectively for set off against future taxable profits, for a period 7 years from year of assessment 2019 onwards.

Notes to Financial Statements

As at 31 March 2019
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8. 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	
	2019	**2018**
	RM	**RM**
(Loss)/Profit attributable to owners of the parent	(40,015,298)	43,439,154
Weighted average number of ordinary shares:		
Issued ordinary shares at 1 April	525,815,172	371,126,001
Effect of new ordinary share pursuant to conversion of ICPS	69,831,886	8,603,099
Effect of new ordinary share pursuant to exercised of SIS	-	62,025,418
Effect of new ordinary share pursuant to conversion of warrants	-	10,881
Weighted average number of ordinary shares at 31 March	595,647,058	441,765,399
Basic (loss)/earnings attributable to owners of the Company per ordinary share (sen)	(6.72)	9.83

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

	Group	
	2019	**2018**
	RM	**RM**
(Loss)/Profit attributable to owners of the parent	(40,015,298)	43,439,154
Weighted average number of ordinary shares at 31 March	595,647,058	441,765,399
Effect of exercise of ICPS	671,887,644	797,541,944
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	1,488,713,535	1,460,486,176
Diluted (loss)/earnings attributable to owners of the Company per ordinary share (sen)	N.A.	2.97

Notes to Financial Statements
As at 31 March 2019
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9. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM	Factory RM	Buildings RM	Computers RM	Furniture and fittings RM	Lab equipment RM	Motor vehicles RM	Office equipment RM	Plant and machinery RM	Renovation RM	Signboard RM	Total RM
2019												
Cost												
At 1 April	1,000,000	500,000	292,000	95,610	69,181	777,298	133,688	48,972	8,019,190	2,103,600	5,228	13,044,767
Additions	-	-	-	17,165	349,051	-	-	58,980	936,932	710,431	1,048	2,073,607
At 31 March	1,000,000	500,000	292,000	112,775	418,232	777,298	133,688	107,952	8,956,122	2,814,031	6,276	15,118,374
Accumulated depreciation												
At 1 April	-	36,667	144,801	54,065	23,616	676,612	90,883	36,557	3,161,719	775,626	868	5,001,414
Charge for the financial year	-	10,000	29,200	15,083	17,359	71,385	22,617	14,159	65,719	212,017	1,098	458,637
At 31 March	-	46,667	174,001	69,148	40,975	747,997	113,500	50,716	3,227,438	987,643	1,966	5,460,051
Accumulated impairment												
At 1 April/31 March	-	-	-	-	-	6,000	-	-	4,850,051	32,599	-	4,888,650
Translation exchanges	-	-	-	2	16	-	-	-	96	-	-	114
Carrying amount												
At 31 March	1,000,000	453,333	117,999	43,629	377,273	23,301	20,188	57,236	878,729	1,793,789	4,310	4,769,787

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

Group	Freehold land RM	Factory RM	Buildings RM	Computers RM	Furniture and fittings RM	Lab equipment RM	Motor vehicles RM	Office equipment RM	Plant and machinery RM	Renovation RM	Signboard RM	Total RM
2018												
Cost												
At 1 April	1,000,000	500,000	292,000	77,200	67,451	777,298	133,688	48,972	8,019,190	2,103,600	3,452	13,022,851
Additions	-	-	-	18,410	1,730	-	-	-	-	-	4,028	24,168
Written off	-	-	-	-	-	-	-	-	-	-	(2,252)	(2,252)
At 31 March	1,000,000	500,000	292,000	95,610	69,181	777,298	133,688	48,972	8,019,190	2,103,600	5,228	13,044,767
Accumulated depreciation												
At 1 April	-	26,667	115,601	39,957	16,756	587,986	67,645	26,763	2,613,820	569,529	1,160	4,065,884
Charge for the financial year	-	10,000	29,200	14,108	6,860	88,626	23,238	9,794	547,899	206,097	720	936,542
Written off	-	-	-	-	-	-	-	-	-	-	(1,012)	(1,012)
At 31 March	-	36,667	144,801	54,065	23,616	676,612	90,883	36,557	3,161,719	775,626	868	5,001,414
Accumulated impairment												
At 1 April	-	-	-	-	-	6,000	-	-	2,085,727	32,599	-	2,124,326
Impairment for the year	-	-	-	-	-	-	-	-	2,764,324	-	-	2,764,324
At 31 March	-	-	-	-	-	6,000	-	-	4,850,051	32,599	-	4,888,650
Carrying amount												
At 31 March	1,000,000	463,333	147,199	41,545	45,565	94,686	42,805	12,415	7,420	1,295,375	4,360	3,154,703

Notes to Financial Statements

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

Company	Freehold land RM	Factory RM	Buildings RM	Computers RM	Furniture and fittings RM	Lab equipment RM	Motor vehicles RM	Office equipment RM	Plant and machinery RM	Renovation RM	Signboard RM	Total RM
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

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

Company	Freehold land RM	Factory RM	Buildings RM	Computers RM	Furniture and fittings RM	Lab equipment RM	Motor vehicles RM	Office equipment RM	Plant and machinery RM	Renovation RM	Signboard RM	Total RM
2018												
Cost												
At 1 April	1,000,000	500,000	292,000	69,700	67,451	759,835	35,000	10,000	850,000	1,873,660	3,452	5,461,098
Additions	-	-	-	6,019	-	-	-	-	-	-	4,028	10,047
Written off	-	-	-	-	-	-	-	-	-	-	(2,252)	(2,252)
At 31 March	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
Accumulated depreciation												
At 1 April	-	26,667	115,601	36,584	16,756	579,757	9,333	5,333	694,166	509,603	1,160	1,994,960
Charge for the financial year	-	10,000	29,200	10,749	6,745	87,133	3,500	2,000	155,834	187,367	720	493,248
Written off	-	-	-	-	-	-	-	-	-	-	(1,012)	(1,012)
At 31 March	-	36,667	144,801	47,333	23,501	666,890	12,833	7,333	850,000	696,970	868	2,487,196
Carrying amount												
At 31 March	1,000,000	463,333	147,199	28,386	43,950	92,945	22,167	2,667	-	1,176,690	4,360	2,981,697

Notes to Financial Statements

As at 31 March 2019
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10. INTANGIBLE ASSETS

	Group	
	2019	**2018**
	RM	**RM**
Goodwill		
Cost		
At 1 April	2,363,549	2,363,549
Accumulated impairment losses		
At 1 January	(2,363,549)	(2,363,549)
Carrying amount		
At 31 December	-	-

11. INVESTMENT IN SUBSIDIARIES

	Company	
	2019	**2018**
	RM	**RM**
Unquoted shares, at cost		
At 1 April	9,103,433	9,103,004
Additions	49	429
At 31 March	9,103,482	9,103,433
Accumulated impairment lossess		
At 1 April/31 March	(8,300,945)	(8,300,945)
Net carrying value	802,537	802,488

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As at 31 March 2019
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11. INVESTMENT IN SUBSIDIARIES *cont'd*

Details of the subsidiary companies are as follows:

Name of subsidiaries	Country of incorporation	Percentage of equity held (%) 2019	2018	Principal activities
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
Asiabio Petroleum Sdn. Bhd. ("APSB")	Malaysia	100	100	Engaged in the business of providing engineering and maintenance services specifically for the oil and gas sector
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 Global Limited ("FGL")	British Virgin Islands	100	100	Investing and trading in quoted securities and related activities
Fintec Ventures Sdn. Bhd. ("FVSB") (Formerly known as Tenisha Asiabio Petroleum Sdn. Bhd. ("TAPSB")	Malaysia	100	-	Dormant
Fintec Global (HK) Limited ("Fintec Global")*	Hong Kong	100	-	Investment and trading
Subsidiary company of Fintec Global:				
E99 Limited ("E99")*	Hong Kong	100	-	Trading of food and beverage, restaurant and bar.

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

(a) Incorporation and acquisition of subsidiaries

(i) On 13 April 2018, the Company incorporated a company in Hong Kong under the name of Fintec Global. The issued and paid-up capital of Fintec Global is HKD100.00 (Hong Kong Dollars One Hundred), which is equivalent to RM49.42, divided into 100 ordinary shares of HKD1.00 each held entirely by the Company.

(ii) On 13 July 2018, the Company announced that its wholly-owned subsidiary, Fintec Global had on 11 July 2018 acquired a total of 100,000 ordinary shares representing 100% of the share capital of E99 for a total cash consideration of HKD100,000 (Hong Kong Dollars One Hundred Thousand), which is equivalent to RM51,344.10. Subsequent to the acquisition, E99 shall become the wholly-owned subsidiary of Fintec Global.

Notes to Financial Statements

As at 31 March 2019
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11. INVESTMENT IN SUBSIDIARIES *cont'd*

(b) Operating lease commitments of subsidiaries

Fintect 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	
	2019	**2018**
	RM	**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	
	2019	**2018**
	RM	**RM**
Non-current assets		
Quoted shares, in Malaysia	97,767,377	124,468,604
Current assets		
Quoted shares, outside Malaysia	243,783	234,600
	243,783	234,600
Total marketable securities classified as fair value through profit or loss, stated at market value	98,011,160	124,703,204

The currency exposure profile of marketable securities is as follows:

	Group	
	2019	**2018**
	RM	**RM**
Ringgit Malaysia	97,767,377	124,468,604
Australian Dollar	243,783	234,600
	98,011,160	124,703,204

13. INVENTORIES

	Group	
	2019	**2018**
	RM	**RM**
At net realisable value:		
Raw materials	44,825	70,158
Finished goods	231,731	374,152
Beverage	98,043	-
	374,599	444,310
Less: Inventories written off	(276,556)	(123,661)
	98,043	320,649

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As at 31 March 2019
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14. TRADE RECEIVABLES

The Group's normal trade credit terms range from 30 days (2018: 30 days). Other credit terms are assessed and approved on a case-by-case basis.

	Group	
	2019	2018
	RM	RM
Trade receivables	3,801,287	9,452,146
Less: impairment losses	(3,036,930)	(6,046,914)
	764,357	3,405,232

Movements of the accumulated impairment losses (individually impaired):

	Group	
	2019	2018
	RM	RM
At 1 April	6,046,914	-
Reversal of impairment loss on receivables	(2,427,915)	-
Written off	(3,618,999)	-
Addition	3,036,930	6,046,914
At 31 March	3,036,930	6,046,914

15. NON-TRADE RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2019	2018	2019	2018
	RM	RM	RM	RM
Non-trade receivables	5,660,039	3,891,030	623,193	293,600
Deposits	9,145,783	2,417,220	2,132,760	2,057,710
Prepayments	11,107,449	1,048,325	6,160,962	363,727
	25,913,271	7,356,575	8,916,915	2,715,037
Less: Impairment				
At 1 April	-	-	-	-
Addition	(2,775,960)	-	-	-
	(2,775,960)	-	-	-
At 31 March	23,137,311	7,356,575	8,916,915	2,715,037

Notes to Financial Statements

As at 31 March 2019
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16. AMOUNT OWING BY/(TO) SUBSIDIARY COMPANIES

	Company	
	2019	2018
	RM	RM
Amount owing by subsidiary companies	141,955,063	100,625,368
Less: Amortised cost adjustment		
At 1 April	-	-
Additional	140,517,722	-
At 31 March	140,517,722	-
	1,437,341	100,625,368

	Company	
	2019	2018
	RM	RM
Amount owing to subsidiary company	4,648,527	8,373,175

The amount owing by/to subsidiaries represents non-trade, unsecured, interest-free advances and is repayable on demand.

17. INVESTMENT IN UNQUOTED SHARES

	Group		Company	
	2019	2018	2019	2018
	RM	RM	RM	RM
Unquoted shares, at cost				
At 1 April	11,922,594	11,941,594	6,223,341	6,242,341
Addition/(Disposal)	15,092,050	(19,000)	-	(19,000)
At 31 March	27,014,644	11,922,594	6,223,341	6,223,341
Accumulated impairment losses				
At 1 April	(11,922,594)	(11,941,594)	(6,223,341)	(6,242,341)
(Addition)/Reversal	(2,000,000)	19,000	-	19,000
At 31 March	(13,922,594)	(11,922,594)	(6,223,341)	(6,223,341)
Net carrying amount				
At 31 March	13,092,050	-	-	-

Group and Company

Investment in unquoted shares designated as financial assets carried at amortised cost, is stated at cost as their fair values cannot be reliably measured using valuation techniques due to lack of marketability of the shares.

Notes to Financial Statements

As at 31 March 2019
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18. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

	Group		Company	
	2019	2018	2019	2018
	RM	RM	RM	RM
Ringgit Malaysia	-	50,275,619	-	50,275,619
United States Dollar	19,242,158	10,292,221	-	-
	19,242,158	60,567,840	-	50,275,619

The Group's and the Company's deposits with financial institutions at the end of the financial year earn interest 3.10% (2018: 3.10%) per annum.

19. SHARE CAPITAL

	Group and Company			
	2019	2018	2019	2018
	Number of Ordinary Shares		RM	RM
Issued share capital				
At 1 April	525,815,172	1,113,382,600	81,872,991	56,005,130
Issued before the share consolidation				
- Pursuant to Exercised of SIS	-	43,000,000	-	2,549,900
Share consolidation	-	(770,923,325)	-	-
Issued after the share consolidation				
- Pursuant to Exercised of SIS	-	64,849,500	-	11,232,081
- Pursuant to conversion of ICPS	85,189,950	75,461,264	13,630,392	12,073,802
- Pursuant to Exercised of Warrant B	-	45,133	-	12,078
- Transfer in accordance with Section 74 of Companies Act 2016	-	-	554,709	-
At 31 March	611,005,122	525,815,172	96,058,092	81,872,991

In the previous financial year ended 31 March 2018, the Company had:

(a) completed the share consolidation of every 3 ordinary shares in the Company into 1 ordinary share following the issuance of 385,459,275 consolidated shares to the shareholders, adjusted number of 131,295,625 Warrant A to the holders of outstanding Warrant A on the ACE Market of Bursa Malaysia.

(b) increased its issued share capital by issuance of 107,849,500 new ordinary shares at issue price of ranging from RM0.05 to RM0.165 per ordinary share, pursuant to the Company's Share Issuance Scheme.

(c) increased its issued share capital by issuance of 75,461,264 new ordinary shares pursuant to the conversion of 101,742,528 ICPS.

(d) increased its issued share capital by issuance of 45,133 new ordinary shares at an exercise price of RM0.15 each pursuant to the exercise of Warrant B.

During the financial year ended 31 March 2019, the Company increased its issued share capital by issuance of 85,189,950 new ordinary shares pursuant to the conversion of 125,654,300 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.

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20. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARE ("ICPS")

	Group and Company			
	2019	2018	2019	2018
	Number of ICPS		RM	RM
ICPS of RM0.08 each				
Issued ICPS				
At 1 April	797,541,944	-	53,227,783	-
Issued during the year	-	899,284,472	-	61,367,184
Conversion of ICPS to ordinary shares	(125,654,300)	(101,742,528)	(10,052,343)	(8,139,401)
At 31 March	671,887,644	797,541,944	43,175,440	53,227,783

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) By surrendering for cancellation the ICPS with an aggregate issue price of the ICPS equivalent to the Conversion Price, subject to a minimum of 1 ICPS and a maximum of 2 ICPS for every one (1) new ordinary share; and

    (ii) By paying the difference between the aggregate issue price of ICPS surrendered and the Conversion Price, if any, in cash, for every 1 new ordinary share;

(e) The conversion shares shall rank pari passu in all respects with the then existing shares of the Company except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of conversion of the ICPS; and

(f) The ICPS holders shall not be entitled to voting rights except where the rights of ICPS holders are affected or on a resolution for the winding up of the Company.

21. RESERVE

	Group		Company	
	2019	2018	2019	2018
	RM	RM	RM	RM
Non-distributable:				
Share premium	554,709	554,709	554,709	554,709
Warrant reserve	10,903,717	10,903,717	10,903,717	10,903,717
	11,458,426	11,458,426	11,458,426	11,458,426
Distributable				
(Accumulated losses)/retained profits	(1,204,803)	38,810,495	(139,228,113)	4,829,969
	10,253,623	50,268,921	(127,769,687)	16,288,395

Share Premium

	Group	
	2019	2018
	RM	RM
At 1 April	554,709	1,298,254
Transfer in accordance with Section 74 of Companies Act 2016	(554,709)	-
Share issuance expenses	-	(743,545)
At 31 March	-	554,709

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. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 60 to 90 days (2018: 60 to 90 days).

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23. NON-TRADE PAYABLES AND ACCRUALS

	Group		Company	
	2019	2018	2019	2018
	RM	RM	RM	RM
Non-trade payables	318,822	265,291	24,662	44,350
Deposits received	8,697,960	8,412,500	-	-
Accruals	2,129,313	2,094,067	64,775	45,900
	11,210,095	10,771,858	89,437	90,250

24. 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	
	2019	2018	2019	2018
	RM	RM	RM	RM
Rental paid to a company where a director of the Company is also the director	52,000	79,600	52,000	79,600
Advisory fee received from a company where a director of the Company is also the director	-	150,000	-	-
Sale of hardware to a company where a director of the Company is also the director	-	300,000	-	-
Direct expenses for other income paid to family member of a director of the Company	-	50,000	-	-

Notes to Financial Statements

As at 31 March 2019
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24. SIGNIFICANT RELATED PARTY TRANSACTIONS *cont'd*

(c) Compensation of Key Management Personnel

	Group		Company	
	2019	**2018**	**2019**	**2018**
	RM	**RM**	**RM**	**RM**
Executive Directors:-				
- salaries and other emoluments	776,853	295,193	764,847	279,185
Non-executive Directors:-				
- other emoluments	19,000	7,500	19,000	7,500
- fees	108,012	105,012	108,012	105,012
	903,865	407,705	891,859	391,697
Executive Directors:-				
- defined contribution plan	90,840	23,040	90,840S	23,040
	994,705	430,745	982,699	414,737

The Group and the Company participates in Employee Provident Fund ("EPF") in Malaysia, which is a national pension scheme established under Malaysian Laws. EPF is a defined contribution pension scheme. Contributions to Executive Directors EPF accounts forms part of their compensation.

Details of directors' emoluments of the Group and of the Company paid/payable for the financial year are as follows:

	Group and company	
	2019	**2018**
	RM	**RM**
Executive Directors:-		
RM50,000 and below	-	-
RM50,001 - RM150,000	2	2
Non-executive Directors:-		
RM50,000 and below	4	4

Key management personnel comprise executive and non-executive directors of the Group and of the Company who have authority and responsibility for planning, directing, and controlling the activities of the Group and of the Company, directly or indirectly.

Notes to Financial Statements

As at 31 March 2019
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25. 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.

Group	Technology incubation	Portfolio investment	Biotechnology products	Oil & gas services	Trading	Total
2019	**RM**	**RM**	**RM**	**RM**	**RM**	**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

Notes to Financial Statements

As at 31 March 2019
cont'd

25. OPERATING SEGMENTS *cont'd*

Group 2019	Technology incubation RM	Portfolio investment RM	Biotechnology products RM	Oil & gas services RM	Trading RM	Total RM
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

Group 2018	Technology incubation RM	Portfolio investment RM	Biotechnology products RM	Oil & gas services RM	Total RM
Revenue					
Sales to external customers	445,968	24,514,210	(30)	5,927,623	30,887,771
Results					
Segment results	-	57,032,730	(3,503,378)	(5,310,483)	48,218,869
Interest expenses	-	(295,330)	-	-	(295,330)
Net unallocated expenses	-	-	-	-	(4,552,903)
Profit before taxation	-	-	-	-	43,370,636
Income tax expense	-	-	-	-	(6,000)
Profit for the year	-	-	-	-	43,364,636
Assets					
Segment assets	58,797,601	138,408,001	1,225,530	3,614,422	202,045,554
Unallocated assets	-	-	-	-	268,137
Total assets	58,797,601	138,408,001	1,225,530	3,614,422	202,313,691
Liabilities					
Segment liabilities	8,506,750	3,974,895	246,910	5,845,662	18,574,217
Unallocated liabilities	-	-	-	-	6,000
Total liabilities	8,506,750	3,974,895	246,910	5,845,662	18,580,217

Notes to Financial Statements

As at 31 March 2019
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25. OPERATING SEGMENTS *cont'd*

Group 2018	Technology incubation RM	Portfolio investment RM	Biotechnology products RM	Oil & gas services RM	Total RM
Other information					
Capital expenditure	10,047	-	-	14,121	24,168
Depreciation of property, plant and equipment	493,248	7,118	434,202	1,974	936,542
Impairment losses on					
- property, plant and equipment	-	-	2,764,324	-	2,764,324
- trade receivables	-	-	-	6,046,914	6,046,914
Inventories written off	-	-	123,661	-	123,661
Property, plant and equipment written off	1,240	-	-	-	1,240
Fair value gain on marketable securities	-	(57,548,788)	-	-	(57,548,788)

26. FINANCIAL INSTRUMENTS

Categories of financial instruments

Current financial year

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

(a) 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)	12,029,862	-	12,029,862
Investment in unquoted shares	13,092,050	-	13,092,050
Deposits with financial institutions	19,242,158	19,242,158	-
Cash and bank balances	2,853,236	2,853,236	-
	145,992,823	120,106,554	25,886,269
Trade payables	3,848,385	-	3,848,386
Non-trade payables and accruals	11,210,095	-	11,210,095
	15,058,480	-	15,100,930

Notes to Financial Statements

As at 31 March 2019
cont'd

26. FINANCIAL INSTRUMENTS *cont'd*

Categories of financial instruments *cont'd*

Current financial year *cont'd*

Company	**Carrying amount RM**	**FVTPL 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	1,770,870	2,755,953
Non-trade payables and accruals	89,437		89,437

Previous financial year

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

(a) Fair value through profit or loss ("FVTPL"); and
- Designated upon initial recognition
(b) Loans and receivables ("L&R").

Group	**Carrying amount RM**	**FVTPL RM**	**L&R RM**
2018			
Financial assets			
Marketable securities	124,703,204	124,703,204	-
Non-trade receivables, deposits (excluding prepayments)	6,308,250	-	6,308,250
Deposits with financial institutions	60,567,840	60,567,840	-
Cash and bank balances	2,357,351	2,357,351	-
	193,936,645	187,628,395	6,308,250
Trade payables	7,802,359	-	7,802,359
Non-trade payables and accruals	10,771,858	-	10,771,858
	18,574,217	-	18,574,217

Notes to Financial Statements

As at 31 March 2019
cont'd

26. FINANCIAL INSTRUMENTS *cont'd*

Categories of financial instruments *cont'd*

Previous financial year *cont'd*

Company	Carrying amount RM	FVTPL RM	L&R RM
2018			
Financial assets			
Non-trade receivables, deposits (excluding prepayments)	2,351,310	-	2,351,310
Cash and bank balances	1,770,870	1,770,870	-
	4,122,180	1,770,870	2,351,310
Non-trade payables and accruals	90,250		90,250

Net (gains)/losses arising from financial instruments

Group 2019	RM
Amortised cost	
Impairment on trade receivables	3,036,930
Impairment on non-trade receivables	2,775,960
Impairment loss on investments in unquoted shares	2,000,000
Interest expenses	152,554
Interest income	(692,851)
Dividend income	(166,606)
Fair value through profit or loss	
Gain on disposal of marketable securities	(410,847)
Fair value loss on marketable securities	29,438,156
Unrealised gain on foreign exchange	(265,835)
	36,419,074

Company ***Financial assets/liabilities at amortised cost***	
Interest income	(692,703)
Impairment loss on amount due from subsidiaries	140,517,722
	139,825,019

Notes to Financial Statements

As at 31 March 2019
cont'd

26. FINANCIAL INSTRUMENTS *cont'd*

Net (gains)/losses arising from financial instruments *cont'd*

Group

2018	**RM**
Loan and receivables	
Gain on disposal of investments in unquoted shares	(40,000)
Interest expenses	295,330
Interest income	(445,968)
Fair value through profit or loss	
Fair value gain on marketable securities	57,548,788
Gain on foreign exchange - unrealised	(261,844)
Impairment on property, plant and equipment	2,764,324
	(55,236,946)

Company

Loan and receivables	
Gain on disposal of investments in unquoted shares	(40,000)

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, 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, interest rate risk, and liquidity risk.

The following sections provide details regarding the Group's and the Company's exposure to the above mentioned financial risks and the objectives, policies and processes for the management of these risks.

Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's and the Company's exposure to credit risk arises principally from the individual characteristics of each customer.

Trade receivables

At each reporting date, the Group and the Company assess whether any of the trade receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Notes to Financial Statements

As at 31 March 2019
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26. FINANCIAL INSTRUMENTS *cont'd*

Credit risk *cont'd*

Trade receivables *cont'd*

Credit risk concentration profile

The Group and the Company have no significant concentration of credit risk that may arise from exposure to a single customer or to a group of customers.

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
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

Comparative information under MFRS 139, Financial instruments: Recognition and Measurement

2018	Gross amount RM	Individual impairment RM	Carrying amount RM
Not past due	3,382,832	-	3,382,832
Past due:			
- less than 3 months	1,327,662	(1,305,262)	22,400
- between 3 to 6 months	4,741,652	(4,741,652)	-
	9,452,146	(6,046,914)	3,405,232

Notes to Financial Statements

As at 31 March 2019
cont'd

26. 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.

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		Company	
	2019	**2018**	**2019**	**2018**
	RM	**RM**	**RM**	**RM**
Deposits with licensed banks	19,242,158	60,567,840	-	50,275,619

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		Company	
	2019	**2018**	**2019**	**2018**
	Increase/ (Decrease)	**Increase/ (Decrease)**	**Increase/ (Decrease)**	**Increase/ (Decrease)**
	RM	**RM**	**RM**	**RM**
Effects on profit after taxation				
Increase of 10 basis points ("bp")	14,624	46,032	-	38,209
Decrease of 10 basis points ("bp")	(14,624)	(46,032)	-	(38,209)

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.

Notes to Financial Statements

As at 31 March 2019
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26. FINANCIAL INSTRUMENTS *cont'd*

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
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	-
	15,058,480		15,058,480	15,058,480	-
2018					
Trade payables	7,802,359	-	7,802,359	7,802,359	-
Non-trade payables and accruals	10,771,858	-	10,771,858	10,771,858	-
	18,574,217		18,574,217	18,574,217	-
Company					
2019					
Non-trade payables and accruals	89,437	-	89,437	89,437	-
Amount owing to a subsidiary company	4,648,527	-	4,648,527	4,648,527	-
	4,737,964	-	4,737,964	4,737,964	-
2018					
Non-trade payables and accruals	90,250	-	90,250	90,250	-
Amount owing to a subsidiary company	8,373,175	-	8,373,175	8,373,175	-
	8,463,425		8,463,425	8,463,425	-

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.

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).

Notes to Financial Statements

As at 31 March 2019
cont'd

26. FINANCIAL INSTRUMENTS *cont'd*

Fair values *cont'd*

Fair value hierarchy *cont'd*

	2019 RM	2018 RM
Group		
2018		
Level 1		
Marketable securities	98,011,160	124,703,204

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 2019.

27. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) On 13 April 2018, the Company incorporated a company in Hong Kong under the name of Fintec Global. The issued and paid-up capital of Fintec Global is HKD100.00 (Hong Kong Dollars One Hundred), which is equivalent to RM49.42, divided into 100 ordinary shares of HKD1.00 each held entirely by the Company.

(b) On 15 February 2017, the Company announced that its wholly-owned subsidiary APSB had entered into a Memorandum of Intent ("MOI") with Acme Chemicals (Malaysia) Sdn. Bhd. ("ACME") and Sejahtera Bumisama Sdn. Bhd. ("SBSB") to cooperate and collaborate to set up an integrated chemical blending and warehousing facilities to be based in Bintulu to specifically target multi-national well service companies supplying oilfield chemicals to oil & gas companies operating in Malaysia, which may include production chemicals, well stimulation and cementing chemicals, and drilling fluids ("Toll Blending business") and to establish collaboration and explore opportunities to develop, support, implement plans and undertake activities to establish the Toll Blending business that is beneficial to APSB, ACME and SBSB.

On 30 May 2018, the Company announced that the MOI has lapsed.

(c) On 13 July 2018, the Company announced that its wholly-owned subsidiary, Fintec Global had on 11 July 2018 acquired a total of 100,000 ordinary shares representing 100% of the share capital of E99 for a total cash consideration of HKD100,000 (Hong Kong Dollars One Hundred Thousand), which is equivalent to RM51,344.10. Subsequent to the acquisition, E99 shall become the wholly-owned subsidiary of Fintec Global.

(d) On 18 October 2018 the Company has undertaken an internal restructuring within the Group via a transfer of one (1) ordinary share representing the entire share capital of FVSB from APSB to the Company for a cash consideration of RM1.00. FVSB is 100% owned by APSB which in turn 100% owned by the Company. Consequent to the Internal Restructuring, FVSB shall become a 100% direct-owned subsidiary of the Company.

(e) 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.

Notes to Financial Statements

As at 31 March 2019
cont'd

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

(f) On 30 November 2018, 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 2019.

(g) On 19 December 2018, the Company announced that its wholly-owned subsidiary, FGL has on 18 December 2018 entered into a Subscription Agreement with Pinnacle Nexus Sdn. Bhd. ("PN") for the subscription of 10,593,000 Redeemable Convertible Preference Shares ("RCPS") of RM1.00 each in PN for a total subscription sum of RM10,593,000 only.

(h) On 15 January 2019, the Company has terminated the Memorandum of Understanding ("MOU") entered on 9 November 2017 between APSB, a wholly-owned subsidiary of FINTEC, and Peri Formwork Malaysia Sdn. Bhd. ("PERI") and AT Engineering Solution Sdn. Bhd. to collaborate in the technology localization of PERI's formwork and scaffolding systems in light of the absence of any further progress on the MOU.

(i) During the financial year, the Company has listed 85,189,950 new ordinary shares pursuant to conversion of 125,654,300 ICPS from 5 April 2018 to 26 March 2019. The newly issued shares rank pari passu in all respects with the previously issued shares.

28. SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

(a) On 3 June 2017, the Company announced that its wholly-owned subsidiary ACSB has entered into a MOU with 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.

On 31 May 2019, the Company announced that the MOU has been terminated.

(b) The Company has listed 2,132,500 new ordinary shares from 8 April 2019 to 3 July 2019, pursuant to conversion of 4,265,000 ICPS. The newly issued shares rank pari passu in all respects with the previously issued shares.

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

The address of the principal place of business of the Company is Lot 13.1, Level 13, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan.

The financial statements were approved and authorised for issue by the Board of Directors on 24 July 2019.

Analysis of Shareholdings

As at 24 June 2019

Issued and Paid-Up Share Capital	:	RM149,809,103.13 comprising of 611,605,122 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	1,136	18.64	55,443	0.01
100 – 1,000	385	6.32	157,863	0.03
1,001 – 10,000	1,165	19.12	7,281,674	1.19
10,001 – 100,000	2,508	41.16	111,401,688	18.21
100,001 – 30,580,255*	898	14.74	455,108,454	74.41
30,580,256 and above**	1	0.02	37,600,000	6.15
TOTAL	**6,093**	**100.00**	**611,605,122**	**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	333,350	0.05	-	-
YM Tengku Ahmad Badli Shah Bin Raja Hussin	-	-	-	-
Chu Chee Peng	-	-	-	-
Tan Sik Eek	333,333	0.05	-	-

LIST OF SUBSTANTIAL SHAREHOLDERS (based on Register of Substantial Shareholders)

	Direct		Deemed	
Shareholders	**No. of shares**	**%**	**No. of shares**	**%**
CPE Growth Capital Limited	31,838,166	5.21	-	-
Adamas Finance Asia Limited	-	-	31,838,166(i)	5.21

Note:

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

Analysis of Shareholdings

As at 24 June 2019
cont'd

LIST OF TOP 30 SHAREHOLDERS

	Name	No. of shares held	Percentage (%)
1	UOBM Nominees (Asing) Sdn. Bhd. *Exempt An for Sanston Financial Group Limited*	37,600,000	6.147
2	HSBC Nominees (Asing) Sdn. Bhd. *Exempt An for Credit Suisse AG (DUB CLT N-TREAT)*	16,600,000	2.714
3	Malacca Equity Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Quek Yong Wah*	14,255,000	2.330
4	UOBM Nominees (Tempatan) Sdn. Bhd. *Exempt An for Sanston Financial Group Limited*	12,500,000	2.043
5	Malacca Equity Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Tai Yok Yen*	11,160,800	1.824
6	LVZU Group Sdn. Bhd.	9,818,166	1.605
7	Loh Kok Wai	8,983,500	1.468
8	Malacca Equity Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Pang Kia Fatt*	8,616,100	1.408
9	M & A Nominee (Tempatan) Sdn. Bhd. *Sanston Financial Group Limited for David Chuah*	7,525,600	1.230
10	Teh Bee Khay	6,500,000	1.062
11	Malacca Equity Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Lai Yee Voon*	5,990,000	0.979
12	Malacca Equity Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Piong Yon Wee*	5,649,700	0.923
13	Citigroup Nominees (Asing) Sdn. Bhd. *UBS AG for Maybank Kim Eng Securities Pte Ltd*	5,017,900	0.820
14	HLIB Nominees (Tempatan) Sdn. Bhd. *Hong Leong Bank Bhd for Ho Ah Chai*	4,350,000	0.711
15	Bo Eng Chee	4,000,000	0.654
16	Maybank Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Ng Kian Boon*	4,000,000	0.654
17	Platimas Sdn. Bhd.	3,751,388	0.613
18.	Foo Lee Fong	3,200,000	0.523
19	Khor Teng Eow	3,177,800	0.519
20	CIMSEC Nominees (Tempatan) Sdn. Bhd. *CIMB Bank for Tay Hock Soon (MY1055)*	3,000,000	0.490
21	Ong Soi Tat	3,000,000	0.490
22	Tung Cheong Seng	3,000,000	0.490
23	HLIB Nominees (Tempatan) Sdn. Bhd. *Hong Leong Bank Bhd for Ling Boon Hua*	2,664,700	0.435
24	Teh Boon Beng	2,550,000	0.416
25	Chin Yam Meng	2,500,000	0.408
26	Koh Chee Meng	2,500,000	0.408
27	Wong Thim Ho	2,395,000	0.391
28	Maybank Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Chew Chen Hong*	2,283,000	0.373
29	Maybank Nominees (Tempatan) Sdn. Bhd. *Chin Chong Huat*	2,270,000	0.371
30	Lee Ming Ha	2,100,000	0.343
	TOTAL	**200,958,654**	**32.842**

Analysis of Preference Shareholdings

As at 24 June 2019

Type of Securities	:	Irredeemable Convertible Preference Shares ("ICPS")
Total Number of ICPS issued	:	899,284,472
Total Number of Outstanding ICPS	:	670,687,644
Conversion Price	:	RM0.16
Voting Right	:	An ICPS does not carry any right to vote at any general meeting of the Company except for the right to vote in person or by proxy or by attorney at such meeting in each of the following circumstances until and unless the holders of ICPS convert their ICPS into ordinary shares:-

(a) on a proposal considering the reduction of the share capital of the Company (excluding any cancellation of capital which is lost or unrepresented by assets);

(b) on a proposal for the sale of the whole of the Company's property, business and undertaking;

(c) on a proposal that directly affects the rights and privileges attached to the ICPS;

(d) on a proposal to wind-up the Company; and

(e) during the winding-up of the Company.

Where the holders of ICPS are entitled to vote at any general meeting, every ICPS shall on a poll, carry 1 vote for each ordinary share into which the ICPS are convertible upon exercise of the Conversion Right (based on the Conversion Mode) and every ordinary share shall, notwithstanding any other provision of the Constitution, carry 1 vote for each such share.

The holders of ICPS shall have the right to receive notices, reports and accounts and attend meetings, of which shareholders are entitled.

ANALYSIS OF ICPS SHAREHOLDINGS

Size of Holdings	No. of ICPS holders	% of ICPS holders	No. of ICPS held	% of ICPS holdings
1 – 99	12	0.67	535	0.00
100 – 1,000	36	2.00	14,784	0.00
1,001 – 10,000	146	8.09	1,074,085	0.16
10,001 – 100,000	921	51.05	50,649,565	7.55
100,001 – 33,534,381*	687	38.08	477,311,575	71.17
33,534,382 and above**	2	0.11	141,637,100	21.12
TOTAL	**1,804**	**100.00**	**670,687,644**	**100.00**

Note:

* *less than 5 % of issued ICPS*
** *5% and above of issued ICPS*

Analysis of Preference Shareholdings

As at 24 June 2019
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	-	-	-	-
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	MIDF Amanah Investment Nominees (Asing) Sdn. Bhd. *For Lazarus Securities Pty Ltd for Members One Ventures Fund*	80,600,000	12.017
2	UOB Kay Hian Nominees (Asing) Sdn. Bhd. *Exempt An for UOB Kay Hian Pte Ltd (A/C Clients)*	61,037,100	9.100
3	Liew Kok Chiang	20,000,000	2.982
4	HSBC Nominees (Asing) Sdn. Bhd. *BNP Paribas Secs SVS Paris For Global Prime Partners Ltd*	19,941,700	2.973
5	UOBM Nominees (Tempatan) Sdn. Bhd. *Exempt An For Sanston Financial Group Limited*	14,680,000	2.188
6	Tan Seng Chee	12,000,000	1.789
7	CIMSEC Nominees (Tempatan) Sdn. Bhd. *CIMB Bank for Ng Wai Yuan (MY0867)*	11,716,600	1.746
8	Ng Yoke Hin	10,105,666	1.506
9	Lim Chin Po	10,000,000	1.491
10	CIMSEC Nominees (Tempatan) Sdn. Bhd. *CIMB for Lee Soi Gek (PB)*	6,500,000	0.969
11	Bo Eng Chee	6,480,000	0.966
12	Ong Soi Tat	6,000,000	0.894
13	CIMSEC Nominees (Tempatan) Sdn. Bhd. *CIMB for Teo Ah Seng (PB)*	5,261,400	0.784
14	Ting Seu Nguong	4,918,700	0.733
15	Teo Ah Seng	4,740,000	0.706
16	Ng Wai Yuan	4,300,000	0.641
17	Public Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Ser Toh Chon Chien (E-BPT)*	4,300,000	0.641
18.	DB (Malaysia) Nominee (Asing) Sdn. Bhd. *Exempt An For Nomura PB Nominees Ltd*	4,246,800	0.633

Analysis of Preference Shareholdings

As at 24 June 2019
cont'd

LIST OF TOP 30 ICPS HOLDERS *cont'd*

	Name	No. of ICPS held	Percentage (%)
19	Ting Ata @ Ting Teong Cheow	4,000,000	0.596
20	Lim Yen Ee	3,800,000	0.566
21	Ong Hoee Siong	3,766,666	0.561
22	Kuay Chian Ing	3,700,000	0.551
23	Teoh Ho Ming	3,400,000	0.506
24	Toh Kian Seng	3,100,000	0.462
25	Public Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Goh Yuan Shen (E-KKU/LBN)*	3,000,000	0.447
26	Maybank Securities Nominees (Asing) Sdn. Bhd. *Exempt An for Maybank Kim Eng Securities Pte Ltd (A/C 648849)*	2,901,000	0.432
27	Chua Chee Liang	2,788,000	0.415
28	Citigroup Nominees (Asing) Sdn. Bhd. *Exempt An for OCBC Securities Private Limited (Client A/C-NR)*	2,733,366	0.407
29	Maybank Securities Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Wan Mohd Zahari Bin Wan Embong (REM 133-Margin)*	2,700,000	0.402
30	Wong Nga Yang	2,620,000	0.390
	TOTAL	**325,336,998**	**48.494**

Analysis of Warrantholdings (Warrant A)

As at 24 June 2019

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 warrantholders	% of warrantholders	No. of warrants held	% of warrantholdings
1 – 99	190	13.77	9,035	0.01
100 – 1,000	37	2.68	17,155	0.01
1,001 – 10,000	249	18.04	1,514,793	1.15
10,001 – 100,000	652	47.25	28,449,168	21.67
100,001 – 6,564,780*	252	18.26	101,305,474	77.16
6,564,781 and above**	0	0.00	0	0.00
TOTAL	**1,380**	**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	-	-	-	-
YM Tengku Ahmad Badli Shah Bin Raja Hussin	-	-	-	-
Chu Chee Peng	-	-	-	-
Tan Sik Eek	-	-	-	-

Analysis of Warrantholdings (Warrant A)

As at 24 June 2019
cont'd

LIST OF TOP 30 WARRANTHOLDERS A

	Name	No. of warrants held	Percentage (%)
1	Affin Hwang Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Leou Thiam Lai (M09)*	3,700,000	2.818
2	Lim Chee Kon	3,200,000	2.437
3	Koay Bee Li	2,700,000	2.056
4	Liew Lang King	2,620,666	1.996
5	AllianceGroup Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Tie Ming Chung (7002470)*	2,400,000	1.827
6	Tan Guan Eng @ Tan Siew Ying	2,050,000	1.561
7	Low Choon Nam	2,000,000	1.523
8	Foong Wai Chee	1,922,100	1.463
9	Kong Oon Chee	1,803,633	1.373
10	Yong Gim Beng	1,674,600	1.275
11	Chong Chee Hau	1,600,000	1.218
12	Chong Kok Lim	1,500,000	1.142
13	Kenanga Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for R Kogilavani (029)*	1,333,333	1.015
14	Maybank Nominees (Tempatan) Sdn. Bhd. *Teoh Lee Peng*	1,300,000	0.990
15	Lau Fui Seng	1,223,333	0.931
16	Chew Jee Sheng	1,188,733	0.905
17	Khoong Kien Meng	1,100,000	0.837
18	Lee Kok Keng	1,100,000	0.837
19	Teng Pok Sang @ Teng Fook Sang	1,062,466	0.809
20	Chin Wui Teng	1,000,000	0.761
21	HLIB Nominees (Tempatan) Sdn. Bhd. *Hong Leong Bank Bhd for Ho Ah Chai*	1,000,000	0.761
22	Tan Li Ta	1,000,000	0.761
23	Teoh Hian Cheau	900,000	0.685
24	Soin Ching Hin	801,600	0.610
25	Tan Pei Fen	798,266	0.607
26	Tiew Kin Gee	780,000	0.594
27	Maybank Nominees (Tempatan) Sdn. Bhd. *Yee Boon Chee*	767,666	0.584
28	Wong Kwai Cho	762,000	0.580
29	Alias Bin Salam	754,600	0.574
30	Anthony Lim Hock Bian	750,000	0.571
	TOTAL	**44,792,996**	**34.101**

Analysis of Warrantholdings (Warrant B)

As at 24 June 2019

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	43	4.51	2,066	0.01
100 – 1,000	88	9.23	53,621	0.06
1,001 – 10,000	413	43.34	1,943,045	2.16
10,001 – 100,000	279	29.28	11,675,746	12.99
100,001 – 4,494,159*	128	13.43	66,382,730	73.85
4,494,160 and above**	2	0.21	9,826,000	10.93
TOTAL	**953**	**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	-	-	-	-
YM Tengku Ahmad Badli Shah Bin Raja Hussin	-	-	-	-
Chu Chee Peng	-	-	-	-
Tan Sik Eek	-	-	-	-

Analysis of Warrantholdings (Warrant B)

As at 24 June 2019
cont'd

LIST OF TOP 30 WARRANTHOLDERS B

	Name	No. of warrants held	Percentage (%)
1	Abdul Shukor Bin Abu Bakar	5,226,000	5.814
2	Tay Tian Sen	4,600,000	5.117
3	Lim Chee Kon	4,200,000	4.672
4	UOBM Nominees (Tempatan) Sdn. Bhd. *Exempt An for Sanston Financial Group Limited*	3,968,000	4.414
5	Lim Chin Po	2,800,000	3.115
6	Lim Fook Giap	2,400,000	2.670
7	Maybank Securities Nominees (Asing) Sdn. Bhd. *Exempt An for Maybank Kim Eng Securities Pte Ltd (A/C 648849)*	2,131,900	2.371
8	HLIB Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Boon Kim Yu (CCTS)*	2,128,200	2.367
9	Maybank Nominees (Tempatan) Sdn. Bhd. *Muhammad Hussainy Yusree Bin Mohd Diah*	1,897,900	2.111
10	Mohd Solahuddin Bin Mohd Kenali	1,500,000	1.668
11	Kenanga Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Tai Hon Keong (001)*	1,200,000	1.335
12	Tan Seng Chee	1,200,000	1.335
13	Ng Yoke Hin	1,010,566	1.124
14	Ler Cheng Boon	1,001,000	1.113
15	Khoong Kien Meng	1,000,000	1.112
16	Ng Yang Hoo @ Ng Peng Lim	1,000,000	1.112
17	Public Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Teoh Chiu Eng (E-KBU)*	1,000,000	1.112
18	Ta Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Ng Yang Hoo @ Ng Peng Lim*	1,000,000	1.112
19	Choong Thian Kian	911,800	1.014
20	Maybank Securities Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Vincent Phua Chee Ee*	878,600	0.977
21	Boon Kim Yu	870,000	0.967
22	Chia Yoke Lian	837,500	0.931
23	UOB Kay Hian Nominees (Asing) Sdn. Bhd. *Exempt An for UOB Kay Hian Pte Ltd (A/C Clients)*	800,200	0.890
24	Public Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Ser Toh Chon Chien (E-BPT)*	800,000	0.890
25	Yek Kim Loong	800,000	0.890
26	Teo Ah Seng	783,800	0.872
27	Chai Ming Teck	780,000	0.867
28	Affin Hwang Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account for Lew Hoon Viee (M03)*	700,000	0.778
29	Maybank Nominees (Tempatan) Sdn. Bhd. *Mok Kah Fatt*	700,000	0.778
30	Ng Sai Man	662,200	0.736
	TOTAL	**48,787,666**	**54.264**

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twelfth Annual General Meeting ("AGM") of the Company will be held at **Level 4, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 22 August 2019 at 11.00 a.m.** for the purpose of considering the following businesses:-

A G E N D A

Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 March 2019 together with the Reports of the Directors and the Auditors thereon. **(Please refer to Explanatory Note 1)**

2. To re-elect Dato' Seri Abdul Azim Bin Mohd Zabidi, a Director who is retiring in accordance with Regulation 97 of the Company's Constitution. **Ordinary Resolution 1**

3. To re-elect Mr Tan Sik Eek, 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 RM108,012 for the financial year ended 31 March 2019. **Ordinary Resolution 3**

5. To approve the payment of Directors' fees of RM216,024 for the financial year ending 31 March 2020. **Ordinary Resolution 4**

6. To approve the payment of Directors' Remuneration (excluding Directors' fees) payable to the Board of the Company and its subsidiaries amounting to RM24,000 for the financial period from 1 October 2019 until 30 September 2020. **Ordinary Resolution 5**

7. 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 6**

As Special Business

To consider and if thought fit, to pass the following resolution, with or without modifications:-

8. **As Ordinary Resolution** **Ordinary Resolution 7**
   - Authority to Issue Shares

   "THAT subject always to the Companies Act 2016, Constitution of the Company and approvals from Bursa Malaysia Securities Berhad and any other governmental/regulatory bodies, where such approval is necessary, authority be and is hereby given to the Directors pursuant to Sections 75 and 76 of the Companies Act 2016 to issue and allot not more than ten percent (10%) of the 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."

9. To transact any other business of which due notice shall have been given.

Notice of Annual General Meeting
cont'd

BY ORDER OF THE BOARD

LEUNG KOK KEONG (MIA 8109)
LIM LEE KUAN (MAICSA 7017753)
NG SALLY (MAICSA 7060343)
Company Secretaries

31 July 2019
Kuala Lumpur

Notes:

1. *The Company shall request Bursa Malaysia Depository Sdn. Bhd. in accordance with Regulation 62 of the Company's Constitution to issue a General Meeting Record of Depositors as at 15 August 2019. Only depositor whose name appears on the Record of Depositors as at 15 August 2019 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. An instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand a poll on behalf of the appointor.*

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 the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the time for holding the meeting, i.e. before 11.00 a.m., Tuesday, 20 August 2019, 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 & 6 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 Twelfth AGM on the Directors' remuneration in three (3) separate resolutions as below:-

- *Resolution 3 on payment of Directors' fees for the financial year ended 31 March 2019;*
- *Resolution 4 on payment of Directors' fees for the financial year ending 31 March 2020; and*
- *Resolution 5 on payment of Directors' remuneration (excluding Directors' fees) for the financial period from 1 October 2019 until 30 September 2020 ("Relevant Period").*

The payment of the Directors' Fees for the financial year ended 31 March 2019 and financial year ending 31 March 2020 will only be made if the proposed Resolutions 3 and 4 have been passed at the Twelfth AGM pursuant to Regulation 105 of the Company's Constitution and Section 230(1) of the Act.

Notice of Annual General Meeting

cont'd

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	-	18	6	24
Other Benefits & Emolument	-	-	-	-
Total	**-**	**18**	**6**	**24**

The estimated total amount of remuneration (excluding Directors' Fees) for the Relevant Period of RM24,000 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 2020 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 4 and 5 have been passed at the Twelfth 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 2020 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 2019 until 30 September 2020. In the event where the payment of Directors' fees for the financial year ending 31 March 2020 and Directors' remuneration (excluding Directors' Fees) payable during the above period exceeded the estimated amount sought at the Twelfth AGM, a shareholders' approval will be sought at the next AGM.

(iii) Item 8 of the Agenda

The proposed Ordinary Resolution 7, if passed, will give flexibility to the Directors of the Company to issue shares up to a maximum of ten per centum (10%) of the issued share capital of the Company at the time of such issuance of shares and for such purposes as they consider would be in the best interest of the Company 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 4 September 2018 ("the Previous Mandate").

The Company has not issued any new shares under the Previous Mandate which was approved at the last AGM which will lapse at the conclusion of the Twelfth AGM to be held on 22 August 2019. Accordingly, no proceeds were raised at this juncture.

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

PROXY FORM

FINTEC GLOBAL BERHAD
(Company No.: 774628-U)
(Incorporated in Malaysia)

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 Twelfth Annual General Meeting of the Company to be held at Level 4, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Thursday, 22 August 2019 at 11.00 a.m. or any adjournment thereof, and to vote as indicated below:-

Item	Agenda	Resolution	FOR	AGAINST
1.	Re-election of Dato' Seri Abdul Azim Bin Mohd Zabidi as Director	Ordinary Resolution 1		
2.	Re-election of Mr Tan Sik Eek as Director	Ordinary Resolution 2		
3.	Payment of Directors' Fees for the financial year ended 31 March 2019	Ordinary Resolution 3		
4.	Payment of Directors' Fees for the financial year ending 31 March 2020	Ordinary Resolution 4		
5.	Payment of Directors' Remuneration (excluding Directors' fees) payable to the Board of the Company and its subsidiaries	Ordinary Resolution 5		
6.	Re-appointment of Auditors	Ordinary Resolution 6		
7.	Authority to Issue Shares	Ordinary Resolution 7		

Please indicate with an 'X' in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy may vote or abstain as he thinks fit.

Signed this ……………………………………….

…………………………………………………………………….
Signature of Shareholder(s)/Common Seal

Notes:

1. *The Company shall request Bursa Malaysia Depository Sdn. Bhd. in accordance with Regulation 62 of the Company's Constitution to issue a General Meeting Record of Depositors as at 15 August 2019. Only depositor whose name appears on the Record of Depositors as at 15 August 2019 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 the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the time for holding the meeting, i.e. before 11.00 a.m., Tuesday, 20 August 2019, or at any adjourned thereof.*

Fold This Flap For Sealing

Then Fold Here

AFFIX
STAMP

FINTEC GLOBAL BERHAD (774628-U)
c/o 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
Malaysia

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