

February 14, 2024



Treasure Global Reports Second Quarter Fiscal Year 2024 Results

Increased Registered Users to Over 2.68 Million as of December 31, 2023

Reported Gross Profit of Approximately \$0.35 Million for Second Quarter Fiscal 2024, up 48% Year-Over-Year

Closed \$4.0 Million Public Offering and Signed Agreement to Retire Convertible Debt Notes

Hosted First-Ever AI Robot for TikTok Live Commerce in Malaysia

Announced Collaboration with AIO Synergy Solutions on Development of Data Center for AI Applications

NEW YORK and KUALA LUMPUR, Malaysia, Feb. 14, 2024 (GLOBE NEWSWIRE) -- Treasure Global Inc (NASDAQ: TGL) ("TGL," "Treasure Global" or the "Company"), an innovative technology solutions provider, today reported its financial results for the second quarter of the 2024 fiscal year ended December 31, 2023, and provided a business update.

"TGL continued to be a leading innovator in our markets, hosting first-ever events on TikTok and Meta Platforms, and signing partnerships with regional leaders like AIO Synergy Solutions to collaborate on the development of a data center for artificial intelligence applications," said Sam Teo, Chief Executive Officer of TGL. "I believe that, by integrating our AI technology into platforms like ZCITY, we are in a stronger position to create offerings for our platforms that will attract both new users and partners as well as deepen our existing relationships, helping us to grow our revenue and increase our profitability."

"Throughout the second quarter, TGL took steps that I believe have strengthened the Company, allowing us to invest in further innovation. These steps included our \$4 million public offering and signing an agreement to retire our corporate debt. These actions allow us to invest in growth opportunities in our key markets and enable our continued expansion into higher-margin revenue channels, including healthcare, computer and food and beverage products as well as activities to increase subscription memberships," Mr. Teo concluded.

Recent Business Highlights

- Over 2.68 million registered users as of December 31, 2023.
- 53% of paid users transacted three or more times in the quarter ended December 31, 2023.
- Quarterly active users for the quarter ended December 31, 2023 were 156,979.
- Paid users down by 64% year-over-year.
- A total of 0.58 million transactions were transacted by our registered users in the quarter ended December 31, 2023.

- Signed a memorandum of understanding between ZCITY and Malaysia's leading healthcare group, UCSI Hospital, to pioneer stem cell healthcare tourism for Indonesia, Hong Kong and China.
- Signed an agreement for Treasure Global's Abe Yus to supply its high-selling curry puffs to the world's largest convenience store chain.
- Announced major shareholder lock-up agreement.
- Unveiled premium store, paving the way for an elevated ZCITY experience and substantial growth.
- Announced closing of \$4.0 million public offering.
- Signed agreement to retire convertible debt notes.
- Hosted historic artificial intelligence ("AI") robot for TikTok Live Commerce in Malaysia.
- Entered booming global gaming market, launching 10 mini games integrated with AI Game Creator in ZCITY's 3D World.
- Launched ZCITY Live Commerce solution on Meta Platforms.
- Collaborated with AIO Synergy Solutions on development of data center for AI applications.

Financial Results for the Second Quarter of Fiscal Year 2024

Total revenues for the second quarter ended December 31, 2023, were \$6.7 million, compared with \$20.4 million for the second quarter of the 2023 fiscal year. The decrease in revenues was primarily due to the Company's focus on increasing growth in higher-margin revenue channels.

Gross profit for the second quarter of the 2024 fiscal year was approximately \$0.35 million, a 48% improvement year-on-year, from approximately \$0.23 million for the second quarter of the 2023 fiscal year. The increase in gross profit was primarily due to initiatives mentioned above that the Company is implementing to grow gross margins.

Net loss of approximately \$1.2 million for the second quarter of the 2024 fiscal year, compared to \$2.0 million for the second quarter of the 2023 fiscal year.

Cash and cash equivalents were approximately \$1.2 million as of December 31, 2023, compared to approximately \$4.7 million as of December 31, 2022.

Outlook for Third Quarter of Fiscal Year 2024

The Company believes it is well-positioned to capitalize on the economic growth of Southeast Asia, and that its focus on AI will allow it to execute on its plans to expand further into Indonesia and throughout the region.

For the second half of the fiscal year 2024, TGL will continue to focus on strengthening the Company by expanding its higher-margin revenue channels like health care, computer and food and beverage products, and its member subscription revenue, allowing the Company to increase gross profit.

Conference Call and Webcast Information

The Company will host a conference call and audio webcast today, Thursday, February 15th at 8:30 a.m. Eastern Time featuring remarks by Sam Teo, Chief Executive Officer of TGL

and Michael Chan, Chief Financial Officer of TGL.

Event: Treasure Global Second Quarter of Fiscal Year 2024 Results Conference Call
Date: Thursday, February 15, 2024
Time: 8:30 a.m. Eastern Time
Live Call: 877-704-4453 (Toll Free) or +1-201-389-0920 (International)
Webcast: https://viaid.webcasts.com/starthere.jsp?ei=1654371&tp_key=065b94d7d1

For interested individuals unable to join the conference call, a replay will be available through February 29, 2024, at 844-512-2921 (U.S. Toll Free) or +1-412-317-6671 (International). Participants must use the following code to access the replay of the call: 13744158. An archived version of the webcast will also be available on TGL's Investor Relations site: <https://ir.treasureglobal.co/>.

About Treasure Global Inc

Treasure Global is a Malaysian solutions provider developing innovative technology platforms. Treasure Global has developed two technology solutions: the ZCITY App, a unique digital ecosystem that transforms and simplifies the e-payment experience for consumers, while simultaneously allowing them to earn rewards; and TAZTE, a digital food and beverage management system providing merchants with a one-stop management and automated solution to digitize their businesses. Treasure Global also acts as a master franchiser in South-East Asia for popular restaurant chains, while providing them with the TAZTE solution. As of December 31, 2023, ZCITY had over 2,680,000 registered users.

For more information, please visit <https://treasureglobal.co/>.

Forward-Looking Statements

This press release may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements are characterized by future or conditional verbs such as "may," "will," "expect," "intend," "anticipate," "believe," "estimate" and "continue" or similar words. You should read statements that contain these words carefully because they discuss future expectations and plans, which contain projections of future results of operations or financial condition or state other forward-looking information. Forward-looking statements are not guarantees of future performance, are based on certain assumptions, and are subject to various known and unknown risks and uncertainties, many of which are beyond the control of the Company, including those set forth in the Risk Factors section of the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2023 and subsequent filings filed with the Securities Exchange Commission ("SEC"). Copies of these documents are available on the SEC's website, www.sec.gov. These forward-looking statements cannot be predicted or quantified and consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. The Company undertakes no obligation to update these statements for revisions or changes after the date of this release, except as required by law.

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TREASURE GLOBAL INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

	December 31, 2023	June 30, 2023
	(Unaudited)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,226,570	\$ 4,593,634
Accounts receivable, net	185,630	163,169
Inventories, net	126,884	400,543
Other receivables and other current assets	426,602	613,125
Other receivable, a related party	12,581	12,379
Prepayments	401,111	248,551
Total current assets	<u>2,379,378</u>	<u>6,031,401</u>
OTHER ASSETS		
Property and equipment, net	233,674	279,600
Intangible assets, net	1,626,449	-
Operating lease right-of-use assets	42,557	61,377
Investment in marketable securities	647,565	-
Total other assets	<u>2,550,245</u>	<u>340,977</u>
TOTAL ASSETS	\$ 4,929,623	\$ 6,372,378
LIABILITIES AND STOCKHOLDERS' DEFICIENCY		
CURRENT LIABILITIES		
Related party loan, current portion	\$ 5,893	\$ 5,323
Insurance loan	-	160,292

Convertible notes payable, net of unamortized discounts of \$0 and \$358,284 as of December 31, 2023 and June 30, 2023, respectively	-	4,791,716
Accounts payable	168,539	42,853
Customer deposits	133,527	161,475
Contract liability	192,506	157,080
Other payables and accrued liabilities	612,988	723,396
Other payables, related parties	14,411	1,660
Amount due to related parties	-	320,960
Operating lease liabilities	33,194	40,274
Income tax payables	65,506	67,546
Total current liabilities	<u>1,226,564</u>	<u>6,472,575</u>
NON-CURRENT LIABILITIES		
Operating lease liabilities, non-current	10,785	22,036
Related party loan, non-current portion	5,564	8,099
Total non-current liabilities	<u>16,349</u>	<u>30,135</u>
TOTAL LIABILITIES	<u>1,242,913</u>	<u>6,502,710</u>
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY (DEFICIENCY)		
Common stock, par value \$0.00001; 170,000,000 shares authorized, 69,239,309 and 17,901,353 shares issued and outstanding as of December 31, 2023 and June 30, 2023, respectively	692	180
Additional paid-in capital	38,638,562	31,485,556
Accumulated deficit	(34,774,677)	(31,443,451)
Accumulated other comprehensive loss	(177,867)	(172,617)
TOTAL STOCKHOLDERS' EQUITY (DEFICIENCY)	<u>3,686,710</u>	<u>(130,332)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIENCY)		
	\$ 4,929,623	\$ 6,372,378

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

TREASURE GLOBAL INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND
COMPREHENSIVE LOSS

	For the Three Months Ended December 31,		For the Six Months Ended December 31,	
	2023	2022	2023	2022
REVENUES	\$ 6,713,805	\$ 20,444,168	\$ 20,177,700	\$ 36,000,508
COST OF REVENUES	(6,368,202)	(20,210,159)	(19,669,463)	(35,729,406)
GROSS PROFIT	345,603	234,009	508,237	271,102
SELLING	(510,640)	(1,266,300)	(1,272,343)	(2,559,330)
GENERAL AND ADMINISTRATIVE	(786,043)	(855,573)	(2,023,210)	(1,666,319)
RESEARCH AND DEVELOPMENT	(138,236)	(167,933)	(220,628)	(297,230)
STOCK-BASED COMPENSATION	-	-	-	(439,332)
TOTAL OPERATING EXPENSES	(1,434,919)	(2,289,806)	(3,516,181)	(4,962,211)
LOSS FROM OPERATIONS	(1,089,316)	(2,055,797)	(3,007,944)	(4,691,109)
OTHER (EXPENSE) INCOME				
Other (expense) income, net	(225,721)	55,187	(197,321)	69,512
Interest expense	(21,593)	(55)	(69,442)	(41,840)
Unrealized holding loss on marketable securities	(412,607)	-	(352,435)	-
Other income from software developing service, net of cost	675,131	-	675,131	-
Amortization of debt discount	(119,402)	-	(358,284)	(998,076)
TOTAL OTHER INCOME (EXPENSE), NET	(104,192)	55,132	(302,351)	(970,404)
LOSS BEFORE INCOME TAXES	(1,193,508)	(2,000,665)	(3,310,295)	(5,661,513)
PROVISION FOR INCOME TAXES	(6,006)	(11,500)	(20,931)	(23,000)
NET LOSS	(1,199,514)	(2,012,165)	(3,331,226)	(5,684,513)

OTHER
COMPREHENSIVE
INCOME (LOSS)

Foreign currency translation adjustment	(5,293)	49,998	(5,250)	(85,278)
COMPREHENSIVE LOSS	\$ (1,204,807)	\$ (1,962,167)	\$ (3,336,476)	\$ (5,769,791)

LOSS PER SHARE

Basic and diluted	\$ (0.03)	\$ (0.12)	\$ (0.12)	\$ (0.36)
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WEIGHTED AVERAGE
NUMBER OF COMMON
SHARES OUTSTANDING

Basic and diluted	37,794,450	17,288,116	28,106,060	15,598,984
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The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.



Source: Treasure Global Inc.