

December 6, 2022



Treasure Global Reports Fiscal Year 2022 Results

Record Total Revenues Of \$79.7 Million, Up 468% Year-Over-Year

Successfully Completed IPO Raising Total Gross Proceeds Of \$9.2 Million

Achieved ZCITY User Milestones Reaching Over 2.3 Million Registered Users As Of November 30, 2022

NEW YORK and KUALA LUMPUR, Malaysia, Dec. 06, 2022 (GLOBE NEWSWIRE) -- Treasure Global Inc (NASDAQ: TGL) ("TGI", or the "Company"), an innovative e-commerce platform providing seamless payment solutions and rewards programs, today reported its financial results for the fiscal year ended June 30, 2022.

"During the fiscal year 2022 and subsequent months, the entire TGI team have worked diligently to grow its innovative e-commerce business while simultaneously preparing to take the Company public. We are extremely proud to report record total revenues of \$79.7 million for the fiscal year 2022, an increase of 468 percent year-over-year. In addition to our proprietary product, ZCITY, reaching over 2.3 million registered users, 230k monthly active users as of November 2022. This growth was achieved despite COVID-19 restrictions in Malaysia, which were only lifted in April 2022," said Sam Teo, Chief Executive Officer of TGI. "In August 2022, we successfully completed our initial public offering raising gross proceeds of \$9.2 million, which included the exercise by the underwriter of their over-allotment option in full, and listing on the Nasdaq Capital Market. This was a significant milestone for the Company as we entered the next chapter of TGI's growth story."

"We are at the beginning of our journey with significant growth opportunities ahead, through the application of our proprietary developed AI technology, we can offer consumers a more personalized and targeted rewards offering/experience. As we continue to grow and refine how we analyze our customer data, we will continue to develop strategies to increase engagement and develop products and services that generate higher margins for our business. TGI is focused on growing our gross profit through fiscal year 2023 and beyond by increasing user engagement through new products and services, such as our first product in our "solutions" strategy, Tazte, to generate increased profit and enhanced margins. We are looking to the future and the next stage of delivering on our growth plans of expanding further into the South-East Asia region and Japan. With a strong balance sheet, year-on-year growth momentum, a large total addressable market and a robust regional expansion strategy, TGI is well placed for the future," concluded Mr. Teo.

Financial Highlights for the Fiscal Year 2022

- Total revenues were approximately \$79.7 million, up 468%
- Gross profit was approximately \$0.5 million, up 240%

- Net loss was approximately \$11.7 million, compared to \$7.9 million

Recent Business Highlights

- Over 2.3 million Registered Users as of November 30, 2022
- Over 234,000 Monthly Active Users as of November 30, 2022
- Quarterly Active Users were up 28%
- 3.9 million total transactions by Registered Users for the fiscal year 2022
- Completed initial public offering (“IPO”), including exercise of over-allotment option in full, raising net proceeds of \$9.2 million in August 2022, and began trading on the Nasdaq Capital Market under the ticker symbol “TGL.”
- Launched open beta version of Tazte at the end of August, further strengthening the TGI ecosystem by improving engagement and stickiness with merchants.
- Signed a Memorandum of Understanding (“MOU”) with iPay88 Holding Sdn Bhd (“iPay88”), a leading payment company that offers e-commerce, retail, online banking, e-wallets solutions and more to its merchants in South-East Asia, to become TGI’s exclusive payment gateway partner for ZCITY, as well as a partner for TGI’s digital food and beverage management platform, Tazte.
- Won numerous awards for TGI’s proprietary product, ZCITY:
 - Dec 2021 – Malaysia Excellence Business Award (MEBA)
 - Dec 2021 – The Brand Laureate World Best Brands e-Branding Award 2020/2021
 - June 2022 – The Asia Pacific Top Excellence Brand

Financial Results for the Fiscal Year 2022

Total revenues for the fiscal year 2022 were approximately \$79.7 million, up 468% from \$14.0 million for the fiscal year 2021. This was primarily due to the substantial growth of ZCITY registered users, in turn enhancing platform traffic and its revenue streams including product revenue, loyalty program revenue, transaction revenue and member subscription revenue.

Gross profit for the fiscal year 2022 was approximately \$0.5 million, a 240% improvement year-on-year from approximately \$0.1 million for the fiscal year 2021. This increase was primarily due to increased product, loyalty and transaction revenue as result of registered user and active user growth.

Net loss was approximately \$11.7 million for the fiscal year 2022 compared to \$7.9 million for the fiscal year 2021.

Cash and cash equivalents were approximately \$1.8 million as of June 30, 2022, compared to approximately \$2.8 million as of June 30, 2021.

Subsequent to the quarter end, TGI completed an upsized IPO raising net proceeds of approximately \$8.2 million after deducting underwriting discounts, commissions, and other offering expenses. Additionally, the Company received drawdowns of approximately \$2.7 million under its existing Tophill Loan Agreement 2 whereby upon the IPO, all principal and accrued and unpaid interest outstanding was automatically converted into shares of TGL common stock at a conversion price equal to 80% of the IPO price. With its strengthened balance sheet, management believes there is sufficient runway to fund its strategic growth

plans and new product developments over the next year and beyond.

Outlook for Fiscal Year 2023

We believe that the outlook for economic growth in the South-East Asian region is positive as the region recovers from the effects of the COVID-19 pandemic. The Company's plans for regional expansion and new product development, including Tazte, remain on track.

Conference Call and Webcast Information

The Company will host a conference call and audio webcast today, Tuesday, December 6th at 8:30 a.m. Eastern Time featuring remarks by Sam Teo, CEO and Jaylvin Chan, CFO.

Event: Treasure Global Fiscal Year 2022 Results Conference Call

Date: Tuesday, December 6, 2022

Time: 8:30 a.m. Eastern Time

Live Call: +1-877-704-4453 (Toll Free) or +1-201-389-0920 (International)

Webcast: https://viaavid.webcasts.com/starthere.jsp?ei=1580994&tp_key=946de8b986

For interested individuals unable to join the conference call, a replay will be available through December 20, 2022, at +1-844-512-2921 (U.S. Toll Free) or +1-412-317-6671 (International). Participants must use the following code to access the replay of the call: 13732768. An archived version of the webcast will also be available on TGI's Investor Relations site: <https://ir.treasureglobal.co/>.

About Treasure Global Inc

TGI is an innovative Malaysian e-commerce platform providing seamless payment solutions for consumers and merchants with instant rebates and affiliate cashback programs. On a mission to bring together the worlds of online e-commerce and offline physical retailers, TGI is developing a portfolio of leading digital platforms for use throughout Southeast Asia and Japan. In June 2020, TGI launched its proprietary product, the ZCITY App, a unique digital ecosystem that transforms and simplifies the e-payment experience for consumers, while simultaneously allowing them to earn rewards. In the ZCITY ecosystem, users can utilize Tazte, a revenue generating digital F&B management system providing merchants with a one-stop touchless management and automated solution to digitalize their businesses. As of November 30, 2022, ZCITY had over 2,300,000 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 subject to numerous conditions, many of which are beyond

the control of the Company, including those set forth in the Risk Factors section of the Company's registration statement and preliminary prospectus for the Company's offering filed with the SEC. Copies of these documents are available on the SEC's website, www.sec.gov. 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 SUBSIDIARY
CONSOLIDATED BALANCE SHEETS**

	June 30, 2022	June 30, 2021
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,845,232	\$ 2,843,398
Accounts receivable, net	-	83,917
Accounts receivable, a related party	-	10,317
Amount due from related parties	-	60,910
Inventories	216,069	392,764
Other receivable and other current assets	8,780	14,812
Prepayments	203,020	179,286
Total current assets	2,273,101	3,585,404
OTHER ASSETS		
Property and equipment, net	337,645	102,648
Deferred offering costs	93,536	-
Total other assets	431,181	102,648
TOTAL ASSETS	\$ 2,704,282	\$ 3,688,052

LIABILITIES AND STOCKHOLDERS' DEFICIENCY

CURRENT LIABILITIES

Related party loan, current portion	\$ 4,505	\$ 5,011
Convertible notes payable, net of unamortized discounts of \$717,260 and \$0 as of June 30, 2022 and 2021, respectively	10,954,042	-
Convertible notes payable, related parties	2,437,574	-
Loans from third parties	1,417,647	-
Account payable	25,397	44,987
Account payable, related parties	14,326	160,701
Customer deposits	73,317	146,479
Customer deposits, related parties	-	195,511
Contract liability	56,757	12,307
Other payables and accrued liabilities	1,161,860	458,599
Other payables, related parties	-	113,402
Amount due to related parties	2,060,088	4,008,785
Income tax payables	16,445	2,000
Total current liabilities	<u>18,221,958</u>	<u>5,147,782</u>
NON-CURRENT LIABILITIES		
Related party loan, non-current portion	13,883	20,070
Senior note	65,000	65,000
Convertible notes payable, net of unamortized discounts of \$0 and \$758,508 as of June 30, 2022 and 2021, respectively	-	3,575,453
Convertible notes payable, related parties	-	1,400,000
Total non-current liabilities	<u>78,883</u>	<u>5,060,523</u>
TOTAL LIABILITIES	<u>18,300,841</u>	<u>10,208,305</u>
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' DEFICIENCY		
Common stock, par value \$0.00001; 150,000,000 shares authorized, 10,545,251 and 10,312,585 shares issued and outstanding as of June 30, 2022 and 2021, respectively	105	103
Additional paid-in capital	4,020,552	1,504,950
Accumulated deficit	(19,715,740)	(7,969,726)
Accumulated other comprehensive income (loss)	98,524	(55,580)
TOTAL STOCKHOLDERS' DEFICIENCY	<u>(15,596,559)</u>	<u>(6,520,253)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIENCY	\$ 2,704,282	\$ 3,688,052

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

TREASURE GLOBAL INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF OPERATION AND COMPREHENSIVE LOSS

	For the Years Ended June 30,	
	2022	2021
REVENUES	\$ 79,674,879	\$ 14,020,353
COST OF REVENUES	<u>(79,198,691)</u>	<u>(13,880,408)</u>
GROSS PROFIT	476,188	139,945
SELLING	(6,282,465)	(3,034,197)
GENERAL AND ADMINISTRATIVE	(2,819,811)	(4,264,265)
RESEARCH AND DEVELOPMENT	(266,716)	(435,471)
STOCK-BASED COMPENSATION	(1,283,994)	-
TOTAL OPERATING EXPENSES	<u>(10,652,986)</u>	<u>(7,733,933)</u>
LOSS FROM OPERATIONS	<u>(10,176,798)</u>	<u>(7,593,988)</u>
OTHER (EXPENSE) INCOME		
Other income, net	54,854	75,270
Interest expense	(341,609)	(163,945)
Amortization of debt discount	(1,266,861)	(238,917)
TOTAL OTHER EXPENSE, NET	<u>(1,553,616)</u>	<u>(327,592)</u>
LOSS BEFORE INCOME TAXES	(11,730,414)	(7,921,580)
PROVISION FOR INCOME TAXES	<u>(15,600)</u>	<u>(2,000)</u>
NET LOSS	(11,746,014)	(7,923,580)
OTHER COMPREHENSIVE INCOME (LOSS)		
Foreign currency translation adjustment	<u>154,104</u>	<u>(43,145)</u>
COMPREHENSIVE LOSS	\$ (11,591,910)	\$ (7,966,725)
LOSS PER SHARE		
Basic and diluted	\$ (1.12)	\$ (0.77)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		
Basic and diluted	10,469,396	10,312,585

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



Source: Treasure Global Inc.