

February 15, 2023



Treasure Global Reports Second Quarter Fiscal Year 2023 Results

Total Revenues of \$20.4 Million For Q2 2023

Gross Profit Of \$0.23 Million Improved by 68% Year-Over-Year

Game-Changing Online Food & Beverage Management System, TAZTE, Made Available To Users In December 2022, Digitalizing The Food & Beverage ("F&B") Industry

NEW YORK and KUALA LUMPUR, Malaysia, Feb. 15, 2023 (GLOBE NEWSWIRE) -- Treasure Global Inc (NASDAQ: TGL) ("TGI", or the "Company"), an innovative e-commerce platform providing seamless technology enabled solutions for lifestyle needs, today reported its financial results for the second quarter of the fiscal year 2023 ended December 31, 2022.

"The second quarter of fiscal year 2023 was pivotal for TGI as we made our digital F&B management platform, TAZTE, available to all registered users in the ZCITY platform. This product is a key step in our corporate strategy to increase gross profit and improve margins," said Sam Teo, Chief Executive Officer of TGI. "By leveraging our large and growing user base, we focus on providing innovative e-commerce solutions to enable our customers to enhance their lifestyle goals. We are on our way to achieving this as we saw active user retention rate increase by 98.1% year-over-year, and an improvement in gross profit by 68% year-over-year. TAZTE is one of TGI's game changing products – we are excited to provide greater insight on our product pipeline in 2023 and beyond."

"In addition, we made great progress in enhancing our regional partnerships. We entered into a new partnership with Malaysia's leading payment gateway, iPay88, to provide e-commerce and retail payment solutions for ZCITY, not only in Malaysia but also further Southeast Asian countries including Indonesia, Thailand and the Philippines, supporting ZCITY's future regional expansion. Also, we signed an MOU with a leading regional fintech provider, Boost, to onboard Boost Credit's digital financing solutions to TAZTE, increasing our brand exposure and extending our reach to F&B businesses. As the Southeast region continues to re-open after the COVID-19 pandemic, we are well positioned to tap into market trends and further execute our regional expansion plans," added Mr. Teo.

Financial Highlights for the Second Quarter, Fiscal Year 2023

- Total revenues of approximately \$20.4 million
- Gross profit of approximately \$0.23 million
- Net loss was approximately \$2.0 million
- Cash and cash equivalents of \$4.7 million

Recent User Highlights as of December 31, 2022

- Over 2.3 million Registered Users
- Over 240,000 Monthly Active Users
- 45% of Paid Users transacted 3 or more times in a quarter, which is an increase of approximately 30% year-over-year
- Quarterly Active Users were up 8.8% year-over-year
- Active User Retention Rate was up 98.1% year-over-year
- 0.9 million total transactions by Registered Users in the second quarter fiscal year 2023

Recent Business Highlights

- Signed a strategic partnership MOU in Malaysia with Boost, a leading regional full spectrum fintech player
- Launched TAZTE, an automated management system to innovate and streamline the F&B industry
- Signed an MOU with iPay88, for the payment gateway system to become TGI's exclusive partner for ZCITY and TAZTE
- Launched ZCITY app campaign with the leading retail petroleum company In Malaysia

Financial Results for the Second Quarter, Fiscal Year 2023

Total revenues for the second quarter of fiscal year 2023 were approximately \$20.4 million, compared to approximately \$22.4 million for the second quarter of fiscal year 2022. The decrease was mainly attributable to resources being allocated to membership subscriptions that generate revenues with better margins.

Gross profit was approximately \$0.23 million, or gross margin of approximately 1.1%, for the second quarter of fiscal year 2023, compared to \$0.14 million, or gross margin of approximately 0.6%, for the second quarter of fiscal year 2022. The increase in gross profit was primarily due to an increase in membership revenue with better margins.

Net loss was approximately \$2.0 million for the second quarter of fiscal year 2023, compared to \$3.2 million second quarter of fiscal year 2022.

Cash and cash equivalents were approximately \$4.7 million as of December 31, 2022, compared to approximately \$7.0 million as of September 30, 2022.

Outlook for Fiscal Year 2023

For fiscal year 2023, TGI continues to focus on increasing user engagement and margins. The Company expects to achieve this through releases of innovative new products and solutions, as well as executing its regional expansion plans in Southeast Asia. With a solid balance sheet and proven infrastructure, TGI is well placed to achieve its strategic priorities and further develop as a leading innovative e-commerce provider in the Southeast Asia region.

Conference Call and Webcast Information

The Company will host a conference call and audio webcast today, Wednesday, February 15, 2023, at 8:30 a.m. Eastern Time featuring remarks by Sam Teo, CEO and Jaylvyn Chan,

CFO.

Event: Treasure Global Second Quarter Fiscal Year 2023 Results Conference Call
Date: Wednesday, February 15, 2023
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=1595268&tp_key=c840928367

For interested individuals unable to join the conference call, a replay will be available through March 1, 2023, 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: 13735893. An archived version of the webcast will also be available on TGI's Investor Relations site: <https://ir.treasureglobal.co/>.

About Treasure Global Inc

Treasure Global Inc ("TGI") is an innovative Malaysian e-commerce platform providing seamless technology enabled solutions for lifestyle needs 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 ("SEA") 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 December 31, 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 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 registration statement and preliminary prospectus for the Company's initial public offering filed with the 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 SUBSIDIARY
 UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**

	December 31, 2022	June 30, 2022
(Unaudited)		
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 4,720,614	\$ 1,845,232
Accounts receivable, net	53,436	-
Inventories	197,688	216,069
Other receivable and other current assets	216,915	8,780
Prepayments	530,772	203,020
Total current assets	5,719,425	2,273,101
OTHER ASSETS		
Property and equipment, net	347,871	337,645
Other assets, non-current	100,082	-
Operating lease right-of-use asset	72,108	-
Deferred offering costs	-	93,536
Total other assets	520,061	431,181
TOTAL ASSETS	\$ 6,239,486	\$ 2,704,282
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIENCY)		
CURRENT LIABILITIES		
Related party loan, current portion	\$ 5,164	\$ 4,505
Convertible notes payable, net of unamortized discounts of \$0 and \$717,260 as of December 31, 2022 and June 30, 2022, respectively	-	10,954,042

Convertible notes payable, related parties	-	2,437,574
Loans from third parties	-	1,417,647
Account payable	86,545	25,397
Account payable, related parties	-	14,326
Customer deposits	107,604	73,317
Contract liability	139,864	56,757
Other payables and accrued liabilities	288,907	1,161,860
Other payables, related parties	31,393	-
Amount due to related parties	332,188	2,060,088
Operating lease liability	32,320	-
Income tax payables	39,445	16,445
	<u>1,063,430</u>	<u>18,221,958</u>
Total current liabilities		

NON-CURRENT LIABILITIES

Operating lease liability, non-current	36,674	-
Related party loan, non-current portion	11,285	13,883
Senior note	-	65,000
Total non-current liabilities	<u>47,959</u>	<u>78,883</u>
TOTAL LIABILITIES	<u>1,111,389</u>	<u>18,300,841</u>

COMMITMENTS AND CONTINGENCIES

STOCKHOLDERS' EQUITY (DEFICIENCY)

Common stock, par value \$0.00001; 150,000,000 shares authorized, 17,288,116 and 10,545,251 shares issued and outstanding as of December 31, 2022 and June 30, 2022, respectively	173	105
Additional paid-in capital	30,514,931	4,020,552
Accumulated deficit	(25,400,253)	(19,715,740)
Accumulated other comprehensive income	13,246	98,524
TOTAL STOCKHOLDERS' EQUITY (DEFICIENCY)	<u>5,128,097</u>	<u>(15,596,559)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIENCY)	\$ 6,239,486	\$ 2,704,282

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

	For the Three Months Ended December 31,		For the Six Months Ended December 31	
	2022	2021	2022	2021
REVENUES	\$ 20,444,168	\$ 22,362,136	\$ 36,000,508	\$ 42,730,654
COST OF REVENUES	(20,210,159)	(22,222,652)	(35,729,406)	(42,519,595)
GROSS PROFIT	234,009	139,484	271,102	211,059
SELLING	(1,266,300)	(1,867,085)	(2,559,330)	(3,617,050)
GENERAL AND ADMINISTRATIVE	(855,573)	(556,812)	(1,666,319)	(1,065,867)
RESEARCH AND DEVELOPMENT	(167,933)	(124,849)	(297,230)	(193,222)
STOCK-BASED COMPENSATION	-	(321,058)	(439,332)	(641,881)
TOTAL OPERATING EXPENSES	(2,289,806)	(2,869,804)	(4,962,211)	(5,518,020)
LOSS FROM OPERATIONS	(2,055,797)	(2,730,320)	(4,691,109)	(5,306,961)
OTHER (EXPENSE) INCOME				
Other income, net	55,187	26,217	69,512	37,149
Interest expense	(55)	(333,233)	(41,840)	(406,913)
Amortization of debt discount	-	(121,855)	(998,076)	(252,007)
TOTAL OTHER (EXPENSE) INCOME, NET	55,132	(428,871)	(970,404)	(621,771)
LOSS BEFORE INCOME TAXES	(2,000,665)	(3,159,191)	(5,661,513)	(5,928,732)
PROVISION FOR INCOME TAXES	(11,500)	(4,800)	(23,000)	(8,700)
NET LOSS	(2,012,165)	(3,163,991)	(5,684,513)	(5,937,432)
OTHER COMPREHENSIVE INCOME (LOSS)				
Foreign currency translation adjustment	49,998	(24,537)	(85,278)	(37,344)
COMPREHENSIVE LOSS	\$ (1,962,167)	\$ (3,188,528)	\$ (5,769,791)	\$ (5,974,776)

LOSS PER SHARE

Basic and diluted	\$	(0.12)	\$	(0.30)	\$	(0.36)	\$	(0.56)
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WEIGHTED AVERAGE NUMBER OF
COMMON SHARES OUTSTANDING

Basic and diluted	17,288,116	10,545,251	15,598,984	10,543,987
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The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.



Source: Treasure Global Inc.