

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended March 31, 2024

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 000-56421

**ASIAFIN HOLDINGS CORP.**

(Exact name of registrant issuer as specified in its charter)

Nevada

(State or other jurisdiction of  
incorporation or organization)

7389

(Primary Standard Industrial  
Classification Number)

37-1950147

(IRS Employer  
Identification Number)

**Suite 30.02, 30th Floor, Menara KH (Promet),  
Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia.**  
(Address of principal executive offices, including zip code)

**+(60)3 2148 7170**

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (section 232.405 of this chapter) during the preceding twelve months (or shorter period that the registrant was required to submit and post such files).

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer

Accelerated Filer

Non-accelerated Filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

**APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE  
PRECEDING FIVE YEARS:**

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

N/A

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name on each exchange on which registered
N/A	N/A	N/A

**APPLICABLE ONLY TO CORPORATE ISSUERS:**

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at May 10, 2024
Common Stock, \$0.0001 par value	81,551,838

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**PART I — FINANCIAL INFORMATION****ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****ASIAFIN HOLDINGS CORP.  
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS  
AS OF MARCH 31, 2024 AND DECEMBER 31, 2023 (audited)****(Currency expressed in United States Dollars (“US\$”), except for number of shares or otherwise stated)**

	<b>As of March 31, 2024</b>	<b>As of December 31, 2023</b>
	<b>Unaudited</b>	<b>Audited</b>
<b><u>ASSETS</u></b>		
Current assets		
Cash and cash equivalents	\$ 1,281,771	\$ 1,234,188
Trade receivables, net	653,290	1,004,690
Prepayment, deposits and other receivables	125,157	114,133
Tax assets	244,439	219,698
Total current assets	<u>\$ 2,304,657</u>	<u>\$ 2,572,709</u>
Non-current Assets		
Right-of-use assets, net	\$ 618,906	\$ 651,853
Property, plant and equipment, net	499,703	520,216
Deferred income tax assets	42	43
Investment in associates	33,795	8,153
Total non-current assets	<u>\$ 1,152,446</u>	<u>\$ 1,180,265</u>
<b>TOTAL ASSETS</b>	<u><b>\$ 3,457,103</b></u>	<u><b>\$ 3,752,974</b></u>
<b><u>LIABILITIES AND STOCKHOLDERS' EQUITY</u></b>		
Current liabilities		
Other payables and accrued liabilities	\$ 678,261	\$ 586,595
Trade payable (including \$18,912 and \$19,467 of trade payable from related party as of March 31, 2024, and December 31, 2023, respectively)	26,056	24,900
Income tax payable	3,358	3,358
Amount due to director	187,959	209,747
Amount due to related parties	748	1,000
Hire purchase – current portion	1,861	4,759
Lease liability – current portion	59,469	60,394
Total current liabilities	<u>\$ 957,712</u>	<u>\$ 890,753</u>
Non-current liabilities		
Lease liability – non-current portion	559,437	591,459
Deferred tax liabilities	11,671	12,013
Total non-current liabilities	<u>\$ 571,108</u>	<u>\$ 603,472</u>
<b>TOTAL LIABILITIES</b>	<u><b>\$ 1,528,820</b></u>	<u><b>\$ 1,494,225</b></u>
<b><u>STOCKHOLDERS' DEFICIT</u></b>		
Preferred shares, \$0.0001 par value; 200,000,000 shares authorized; None issued and outstanding	\$ -	\$ -
Common stock, \$0.0001 par value; 600,000,000 shares authorized; 81,551,838 and 81,551,838 shares issued and outstanding as of March 31, 2024 and December 31, 2023	8,155	8,155
Additional paid-in capital	10,467,687	10,467,687
Accumulated other comprehensive loss	(369,391)	(320,441)
Accumulated deficit	(8,174,134)	(7,896,023)
Non-controlling interest	(4,034)	(629)
<b>TOTAL STOCKHOLDERS' DEFICIT</b>	<u><b>\$ 1,928,283</b></u>	<u><b>\$ 2,258,749</b></u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u><b>\$ 3,457,103</b></u>	<u><b>\$ 3,752,974</b></u>

See accompanying notes to unaudited condensed consolidated financial statements.

**ASIAFIN HOLDINGS CORP.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023**  
(Currency expressed in United States Dollars (“US\$”), except for number of shares or otherwise stated)

	<b>Three months ended March 31, 2024</b>	<b>Three months ended March 31, 2023</b>
REVENUE	519,752	\$ 474,802
COST OF REVENUE (including \$27,234 and \$23,877 of cost of service revenue to related party for the three months ended March 31, 2024 and 2023, respectively)	(33,834)	(53,662)
GROSS PROFIT	485,918	\$ 421,140
SHARE OF LOSS FROM OPERATION OF ASSOCIATE	(9,599)	-
OTHER INCOME	1,994	-
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (including \$22,712 and \$24,202 of selling, general and administrative expenses to related party for the three months ended March 31, 2024 and 2023, respectively)	(759,829)	\$ (755,776)
LOSS BEFORE INCOME TAX	(281,516)	\$ (334,636)
INCOME TAX EXPENSES	-	-
NET LOSS	(281,516)	\$ (334,636)
Net income attributable to non-controlling interest	3,405	-
NET LOSS ATTRIBUTED TO COMMON SHAREHOLDERS OF ASIAFIN HOLDINGS CORP.	(278,111)	(334,636)
Other comprehensive income:		
- Foreign currency translation loss	(48,950)	(4,653)
<b>TOTAL COMPREHENSIVE LOSS</b>	<b>(327,061)</b>	<b>\$ (339,289)</b>
NET LOSS PER SHARE, BASIC AND DILUTED	(0.00)	(0.00)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING, BASIC AND DILUTED	81,551,838	\$ 76,612,615

See accompanying notes to unaudited condensed consolidated financial statements.

**ASIAFIN HOLDINGS CORP.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023**  
(Currency expressed in United States Dollars ("US\$"), except for number of shares or otherwise stated)

**COMMON STOCK**

	<b><u>NUMBER OF SHARES</u></b>	<b><u>AMOUNT</u></b>	<b><u>ADDITIONAL PAID-IN CAPITAL</u></b>	<b><u>ACCUMULATED DEFICIT</u></b>	<b><u>ACCUMULATED OTHER COMPREHENSIVE LOSS</u></b>	<b><u>TOTAL STOCKHOLDERS' EQUITY</u></b>
Balance as of December 31, 2022	73,319,800	\$ 7,332	\$ 1,413,268	\$ (564,072)	\$ -	\$ 856,528
Issuance of share for acquisition of StarFIN Holdings Limited on February 23, 2023	8,232,038	823	9,054,419	(7,351,165)	(260,052)	1,444,025
Net loss for the period	-	-	-	(334,636)	-	(334,636)
Foreign currency translation	-	-	-	-	(4,653)	(4,653)
Balance as of March 31, 2023	<u>81,551,838</u>	<u>\$ 8,155</u>	<u>\$ 10,467,687</u>	<u>\$ (8,249,873)</u>	<u>\$ (264,705)</u>	<u>\$ 1,961,264</u>

**COMMON STOCK**

	<b><u>NUMBER OF SHARES</u></b>	<b><u>AMOUNT</u></b>	<b><u>ADDITIONAL PAID-IN CAPITAL</u></b>	<b><u>ACCUMULATED DEFICIT</u></b>	<b><u>ACCUMULATED OTHER COMPREHENSIVE LOSS</u></b>	<b><u>NON- CONTROLLING INTEREST</u></b>	<b><u>TOTAL STOCKHOLDERS' EQUITY</u></b>
Balance as of December 31, 2023	81,551,838	\$ 8,155	\$ 10,467,687	\$ (7,896,023)	\$ (320,441)	\$ (629)	2,258,749
Net loss for the period	-	-	-	(278,111)	-	(3,405)	(281,516)
Foreign currency translation	-	-	-	-	(48,950)	-	(48,950)
Balance as of March 31, 2024	81,551,838	\$ 8,155	\$ 10,467,687	\$ (8,174,134)	\$ (369,391)	\$ (4,034)	1,928,283

See accompanying notes to unaudited condensed consolidated financial statements

**ASIAFIN HOLDINGS CORP.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023**  
(Currency expressed in United States Dollars (“US\$”), except for number of shares or otherwise stated)

	<b>Three Months Ended March 31, 2024</b>	<b>Three Months Ended March 31, 2023</b>
	<u>                    </u>	<u>                    </u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net loss	\$ (278,111)	\$ (334,636)
Minority interest	(3,405)	-
Share of loss from operation of associate	9,599	-
Adjustments to reconcile net profit to net cash used in operating activities:		
Depreciation and amortization	28,032	44,985
Provision for credit loss allowance	29,278	-
Changes in operating assets and liabilities:		
Account payable	1,862	40,862
Account receivable	291,364	210,521
Prepayment, deposits and other receivables	(7,966)	114,166
Other payables and accrued liabilities	(66,897)	287,725
Deferred revenue	168,309	161,643
Tax assets	(30,942)	(12,811)
Change in lease liability	(14,346)	(22,588)
<b>Net cash provided by operating activities</b>	<b>\$ 126,777</b>	<b>\$ 489,867</b>
	<u>                    </u>	<u>                    </u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	(8,006)	(11,395)
Investment in associate	(35,473)	-
<b>Net cash used in investing activities</b>	<b>\$ (43,479)</b>	<b>\$ (11,395)</b>
	<u>                    </u>	<u>                    </u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Advance to director	(15,846)	(17,077)
Repayment of hire purchase	(2,757)	(2,866)
Advances to related companies	(224)	(177)
Dividend paid	-	(387,076)
<b>Net cash used in financing activities</b>	<b>\$ (18,827)</b>	<b>\$ (407,196)</b>
	<u>                    </u>	<u>                    </u>
Effect of exchange rate changes on cash and cash equivalents	\$ (16,888)	\$ (3,713)
	<u>                    </u>	<u>                    </u>
Net increase in cash and cash equivalents	\$ 47,583	\$ 67,563
Cash and cash equivalents, beginning of year	1,234,188	1,580,170
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 1,281,771</b>	<b>\$ 1,647,733</b>
	<u>                    </u>	<u>                    </u>
<b>SUPPLEMENTAL CASH FLOWS INFORMATION</b>		
Cash paid for income taxes	\$ 29,404	\$ 21,972
Cash paid for interest paid	\$ 776	\$ -
	<u>                    </u>	<u>                    </u>

See accompanying notes to unaudited condensed consolidated financial statements.



**ASIAFIN HOLDINGS CORP.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023**  
**(Currency expressed in United States Dollars (“US\$”), except for number of shares or otherwise stated)**

**1. ORGANIZATION AND BUSINESS BACKGROUND**

AsiaFIN Holdings Corp. (“the Company”) was incorporated under the jurisdiction of Nevada on June 14, 2019. The Company, through its wholly owned subsidiaries, provides information technology services. Details of the Company’s subsidiaries and associate:

No.	Subsidiary Company Name	Domicile and Date of Incorporation	Particulars of Issued Capital	Principal Activities
1	AsiaFIN Holdings Corp.	Labuan at July 15, 2019	1 shares of common stock	Investment holding company
2	AsiaFIN Holdings Limited	Hong Kong at July 5, 2019	1 shares of common stock	Investment holding company
3	StarFIN Holdings Limited	British Virgin Island at August 19, 2021	10,000 shares of common stock	Investment holding company
4	Insite MY Holdings Sdn Bhd (FKA StarFIN Asia Sdn Bhd)	Malaysia at May 24, 2018	11,400,102 shares of common stock	Investment holding company
5	OrangeFIN Academy Sdn Bhd (FKA Insite MY.Com Sdn Bhd)	Malaysia at February 2, 2000	100,000 shares of common stock	Provision of business system integration and management services
6	Insite MY Systems Sdn Bhd	Malaysia at January 18, 2000	500,000 shares of common stock	Provision of information technology services
7	Insite MY Innovations Sdn Bhd	Malaysia at January 18, 2010	540,000 shares of common stock	Provision of information technology services
8	OrangeFIN Asia Sdn Bhd	Malaysia at January 25, 2018	50,000 shares of common stock	Provision of computer programming activities and services
9	TellUS Report Sdn Bhd	Malaysia at September 22, 2023	100 shares of common stock	Provision of information technology services
No.	Associate Company Name	Domicile and Date of Incorporation	Particulars of Issued Capital	Principal Activities
1	Murni StarFIN Sdn Bhd	Malaysia at September 9, 2022	100,000 shares of common stock	Provision of information technology services
2	KSP AsiaFIN Co., Ltd. (FKA KSP StarFIN Co., Ltd.)	Thailand at August 11, 2023	50,000 shares of common stock	Provision of information technology services

Mr. Wong Kai Cheong is the common director of all of aforementioned companies except KSP AsiaFIN Co., Ltd.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

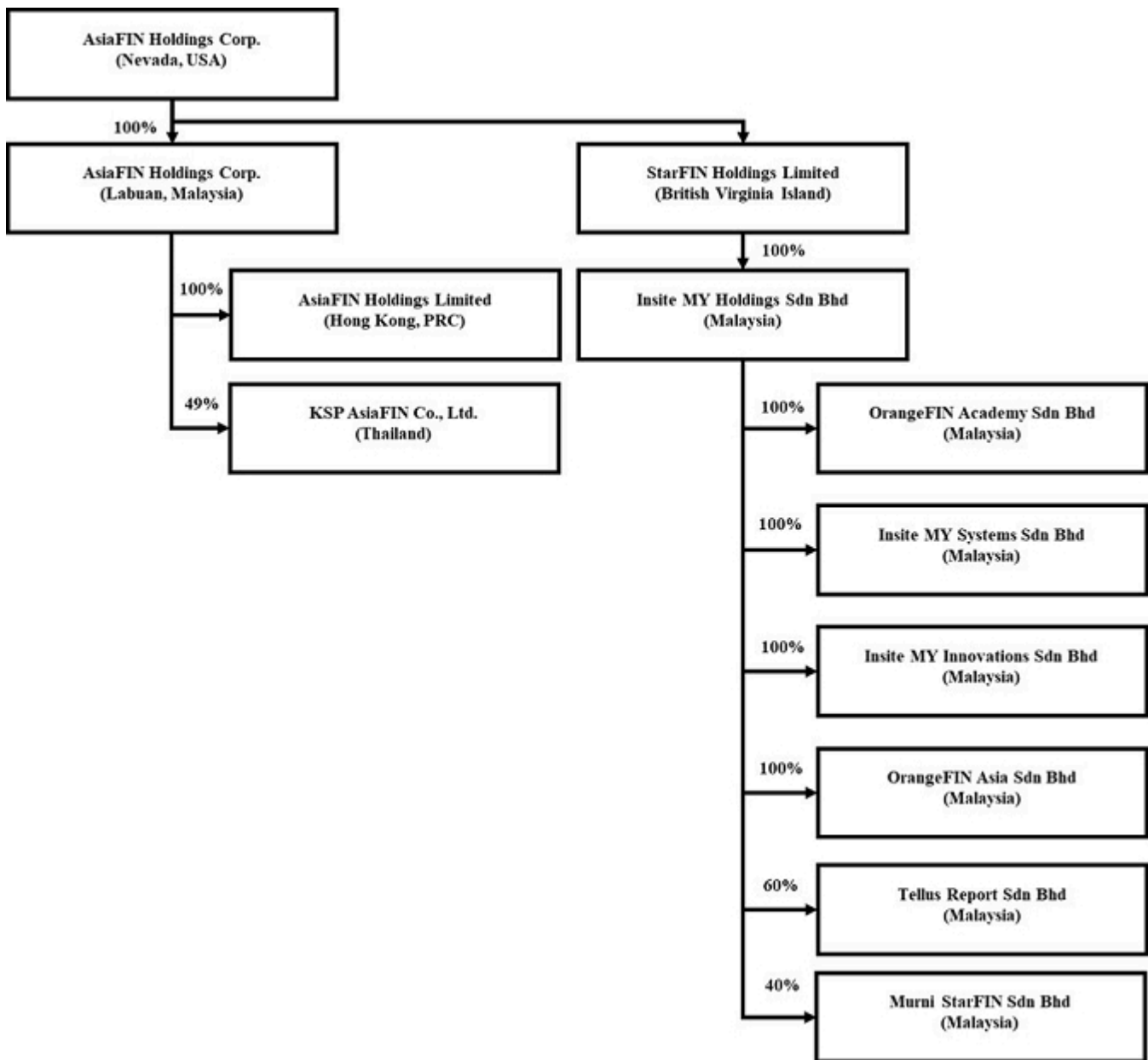
**Basis of Presentation**

These accompanying financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (“US GAAP”).

The accompanying financial statements include the accounts of the Company and its subsidiaries and associates. Intercompany transactions and balances were eliminated in consolidation. The Company has adopted December 31 as its fiscal year end.

The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries and majority-owned subsidiaries which the Company controls and entities for which the Company is the primary beneficiary. For those consolidated subsidiaries where the Company’s ownership is less than 100%, the outside shareholders’ interests are shown as non-controlling interests in equity. Acquired businesses are included in the consolidated financial statements from the date on which control is transferred to the Company. Subsidiaries are deconsolidated from the date that control ceases. All inter-company accounts and transactions have been eliminated in consolidation.

Below is the organization chart of the Group.



**Use of Estimates**

In preparing these financial statements, management makes estimates and assumptions that affect the reported amounts of assets and liabilities in the balance sheets and revenues and expenses during the years reported. Actual results may differ from these estimates.

## **Cash and Cash Equivalents**

The Company considers short-term, highly liquid investments with an original maturity of 90 days or less to be cash equivalents.

Our deposit in Malaysia banks are secured by Perbadanan Insurans Deposit Malaysia, compensating up to a limit of Malaysia Ringgit MYR250,000 per deposit per member bank, which is equivalent to \$52,822, if any of our bank fail.

## **Plant and Equipment**

Plant and equipment are stated at cost, with depreciation and amortization provided using the straight-line method over the following periods:

<b><u>Asset Categories</u></b>	<b><u>Depreciation Periods</u></b>
Renovation	over the remaining lease period
Computer Systems	4 to 5 years
Furniture and Fittings	10 years
Electrical Fittings	10 years
Handphone	5 years
Office Equipment	10 years
Motor Vehicle	5 years
Property	50 years

## **Credit losses**

The Company estimates and records a provision for its expected credit losses related to its financial instruments, including its trade receivables. Management considers historical collection rates, the current financial status of the Company's customers, macroeconomic factors, and other industry-specific factors when evaluating current expected credit losses. Forward-looking information is also considered in the evaluation of current expected credit losses. However, because of the short time to the expected receipt of accounts receivable, management believes that the carrying value, net of expected losses, approximates fair value and therefore, relies more on historical and current analysis of such financial instruments, including its trade receivables.

Credit loss rate is determined by historical collection based on aging schedule, adjusted for current conditions using reasonable and supportable forecasts. Based on the aging categorization and the adjusted loss rate per category, an allowance for credit losses is calculated by multiplying the adjusted loss rate with the amortized cost in the respective age category.

## **Investment in associate**

In accordance with ASC Topic 321, "Investments – Equity Securities", the Company measures the investment in associate without a readily determinable fair value at its cost minus impairment, if any. The Company reassess at each reporting period whether the equity investment without a readily determinable fair value qualifies to be measured at fair value. The measurement of those securities at fair value shall be irrevocable. Any resulting gains or losses on the investment in associate for which that measurement is made shall be recorded in earnings at that time. At each reporting period, the Company makes a qualitative assessment on the investment in associate considering impairment indicators to evaluate whether the investment is impaired. If an equity security without a readily determinable fair value is impaired, the Company shall include an impairment loss in net income equal to the difference between the fair value of the investment and its carrying amount.

## **Revenue recognition**

The Company through subsidiaries generate multiple streams of revenues based on different business model adopted by each subsidiary through provisions of services and recognized upon customer obtained control of promised services and recognized in an amount that reflects the consideration that the Company expects to receive in exchange for those services. In addition, the standard requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The Company applies the following five-step model in order to determine this amount:

- (i) Identify contract with customer;
- (ii) Identify distinct performance obligations in contract, including promises if any;
- (iii) Measurement of the transaction price, including the constraint on variable consideration;
- (iv) Allocation of the transaction price to the performance obligations; and
- (v) Recognition of revenue when (or as) the Company satisfies each performance obligation.

## **Cost of revenue**

Cost of revenue includes direct costs associated with provision of services such as development costs, purchases of third-party software, maintenance fees and consultation fees.

**Income tax expense**

Income taxes are determined in accordance with the provisions of ASC Topic 740, “Income Taxes” (“ASC Topic 740”). Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted income tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Any effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

ASC 740 prescribes a comprehensive model for how companies should recognize, measure, present, and disclosed in their financial statements uncertain tax positions taken or expected to be taken on a tax return. Under ASC 740, tax positions must initially be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. Such tax positions must initially and subsequently be measured as the largest amount of tax benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the tax authority assuming full knowledge of the position and relevant facts.

The Company conducts major businesses in Malaysia and is subject to tax in their own jurisdictions. As a result of its business activities, the Company will file separate tax returns that are subject to examination by the foreign tax authorities.

### **Going concern**

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business.

As reflected in the accompanying financial statements, for the three months ended March 31, 2024, the Company incurred a net loss of \$278,111 and positive operating cash flow of \$126,777. These factors raise substantial doubt about the Company's ability to continue as a going concern within one year of the date that the financial statements are issued.

The Company does not have sufficient revenue to cover its operating cost due to the research and development activities performed in the initial stage. The Company's ability to continue as a going concern is dependent upon improving its profitability and the continuing financial support from its major shareholders. Management believes the existing shareholders or external financing will provide the additional cash to meet the Company's obligations as they become due.

No assurance can be given that any future financing, if needed, will be available. These and other factors raise substantial doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments to reflect the possible future effects on the recoverability in profitability that may result in the Company not being able to continue as a going concern.

### **Foreign currencies translation**

Transactions denominated in currencies other than the functional currency are translated into the functional currency at the exchange rates prevailing at the dates of the transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency using the applicable exchange rates at the balance sheet dates. The resulting exchange differences are recorded in the statement of operations and comprehensive income (loss).

The functional currency of the Company is the United States Dollars ("US\$") and the accompanying financial statements have been expressed in US\$. In addition, the Company's subsidiary maintains its books and record in Malaysia Ringgits ("MYR"), United States Dollars ("US\$"), Hong Kong Dollars ("HK\$") and Thailand Baht ("THB"), which is the respective functional currency as being the primary currency of the economic environment in which the entity operates.

In general, for consolidation purposes, assets and liabilities of its subsidiaries whose functional currency is not US\$ are translated into US\$, in accordance with ASC Topic 830-30, "Translation of Financial Statement", using the exchange rate on the balance sheet date. Revenues and expenses are translated at average rates prevailing during the period. The gains and losses resulting from translation of financial statements of foreign subsidiary are recorded as a separate component of accumulated other comprehensive income.

Translation of amounts from the local currency of the Company into US\$1 has been made at the following exchange rates for the respective periods:

	<b>For the period three months ended March 31</b>	
	<b>2024</b>	<b>2023</b>
Period-end MYR : US\$1 exchange rate	4.72	4.42
Period-average MYR : US\$1 exchange rate	4.73	4.39
Period-end HK\$ : US\$1 exchange rate	7.75	7.75
Period-average HK\$ : US\$1 exchange rate	7.75	7.75
Period-end THB : US\$1 exchange rate	36.37	-
Period-average THB : US\$1 exchange rate	35.86	-

### **Related parties**

Parties, which can be a corporation or individual, are considered to be related if the Company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Companies are also considered to be related if they are subject to common control or common significant influence.

### **Fair value of financial instruments**

The carrying value of the Company's financial instruments: cash and cash equivalents, trade receivable, deposits and other receivables, amount due to related parties and other payables approximate at their fair values because of the short-term nature of these financial instruments.

The Company also follows the guidance of the ASC Topic 820-10, "Fair Value Measurements and Disclosures" ("ASC 820-10"), with respect to financial assets and liabilities that are measured at fair value. ASC 820-10 establishes a three-tier fair value hierarchy that prioritizes the inputs

used in measuring fair value as follows:

Level 1 : Observable inputs such as quoted prices in active markets;

Level 2 : Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and

Level 3 : Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

As of March 31, 2024, the Company did not have any nonfinancial assets and liabilities that are recognized or disclosed at fair value in the financial statements, at least annually, on a recurring basis, nor did the Company have any assets or liabilities measured at fair value on a non-recurring basis.

### **Net Income/(Loss) per Share**

The Company calculates net income/(loss) per share in accordance with ASC Topic 260, "Earnings per Share." Basic income/(loss) per share is computed by dividing the net income/(loss) by the weighted-average number of common shares outstanding during the period. Diluted income per share is computed similar to basic income/(loss) per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common stock equivalents had been issued and if the additional common shares were dilutive.

### **Lease**

The Company offices for fixed periods pre-emptive extension options. The Company recognizes lease payments for its short-term lease on a straight-line basis over the lease term.

Lease liability is initially and subsequently measured at the present value of the unpaid lease payments at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus any initial direct costs incurred less any lease incentives received. Costs associated with operating lease assets are recognized on a straight-line basis within operating expenses over the term of the lease.

In determining the present value of the unpaid lease payments, ASC 842 requires a lessee to discount its unpaid lease payments using the interest rate implicit in the lease or, if that rate cannot be readily determined, its incremental borrowing rate. As most of the Company leases do not provide an implicit rate, the Company uses its incremental borrowing rate as the discount rate for the lease. The Company incremental borrowing rate is estimated to approximate the interest rate on a collateralized basis with similar terms and payments.

### **Acquisition Agreement**

The acquisition of StarFIN Holdings Limited. ("SFHL") has been accounted for under the purchase method of accounting in accordance with Statement of Financial Accounting Standards No. 141, "Business Combinations". Under the purchase method of accounting, the purchase price is allocated to the assets acquired and liabilities assumed based on their estimated fair values.

The allocation of the purchase price has been prepared based on preliminary estimates of fair values. However, actual amounts recorded upon the finalization of estimates of fair values may differ from the information presented in these unaudited pro forma condensed combined consolidated financial statements. The Company estimates of the fair values of the assets and liabilities of SFHL have been combined with the recorded values of the assets and liabilities of SFHL in the audited condensed combined financial information, goodwill was immediately impaired upon recognition.

### **Recently Issued Accounting Standards**

The Company reviews new accounting standards as issued. Management has not identified any other new standards that it believes will have a significant impact on the Company's financial statements.

### **3. BUSINESS COMBINATIONS**

On December 22, 2022, the Company acquired 100% equity interest in StarFIN Holdings Limited in exchange, the Company issued 8,232,038 restricted shares of the Company's common stock, valued at \$9,055,242. The consideration was derived from an agreed valuation of SFHL at \$9,055,242. The acquisition was consummated on January 20, 2023.

The acquisition of SFHL has been accounted for under the purchase method of accounting in accordance with Statement of Financial Accounting Standards No. 141, "Business Combinations." Under the purchase method of accounting, the purchase price is allocated to the assets acquired and liabilities assumed based on their estimated fair values.

The allocation of the purchase price has been prepared based on preliminary estimates of fair values. However, actual amounts recorded upon the finalization of estimates of fair values may differ from the information presented in these unaudited pro forma condensed combined consolidated financial statements. The Company estimates of the fair values of the assets and liabilities of SFHL have been combined with the recorded values of the assets and liabilities of SFHL in the audited condensed combined financial information, goodwill was immediately impaired upon recognition. Allocation of the purchase price is summarized below:

Cash and cash equivalents	\$	705,480
Trade receivables, net		676,396
Deposits paid, prepayments and other receivables		202,414
Tax assets		539,969
Investment in Associates – Murni StarFIN Sdn Bhd		8,657
Property, plant and equipment, net		585,816
Trade payable		(24,736)
Accrued expenses and other payables		(734,476)
Deferred tax liabilities		(213,524)
Hire purchase loan		(16,554)
Amount due to directors		(283,703)
Amount due to related parties		(1,673)
Adjustment for foreign exchange fluctuation		260,052
Fair value of StarFIN Holdings Limited	\$	1,704,118
Fair value of consideration		(9,055,242)
Goodwill	\$	7,351,124
Goodwill impairment		(7,351,124)

### **4. TRADE RECEIVABLE, NET**

	<b>As of March 31, 2024</b>	<b>As of December 31, 2023</b>
Trade receivable, gross	\$ 737,644	\$ 1,059,766
Allowance for expected credit loss	(84,354)	(55,076)
Trade receivable, net	<u>\$ 653,290</u>	<u>\$ 1,004,690</u>

### **5. PREPAYMENT, DEPOSITS AND OTHER RECEIVABLES**

	<b>As of March 31, 2024</b>	<b>As of December 31, 2023</b>
Rental deposits	\$ 2,159	\$ -
Prepaid expenses	49,245	34,717
Other receivables	32,691	33,578
Other deposits	27,242	30,952
Purchase in advance	13,820	14,886
Total	<u>\$ 125,157</u>	<u>\$ 114,133</u>

The rental deposits represent the deposit of the tenancy agreements.

Prepaid expenses include website domain, third party software maintenance and subscription, rental, employee and motor vehicle insurance.

Other receivables include receivables from service tax and management of car park for director and employees.

Other deposits primarily consist of deposit made for security deposit for renovation.

### **6. PROPERTY, PLANT AND EQUIPMENT, NET**



	<b>As of March 31, 2024</b>	<b>As of December 31, 2023</b>
Computer systems	\$ 256,915	\$ 259,798
Furniture and fittings	77,655	79,933
Electrical fittings	9,529	9,808
Handphone	53,048	51,000
Office equipment	90,912	93,578
Renovation	80,729	83,097
Motor vehicle	354,334	364,726
Investment property	391,634	403,120
Total property, plant and equipment	<u>\$ 1,314,756</u>	<u>\$ 1,345,060</u>
Less: Accumulated depreciation	<u>(815,053)</u>	<u>(824,844)</u>
Total property, plant and equipment, net	<u><u>\$ 499,703</u></u>	<u><u>\$ 520,216</u></u>

	<b>For three months ended March 31, 2024</b>	<b>For the year ended December 31, 2023</b>
Investment in computer systems	\$ 4,511	\$ 17,874
Investment in furniture and fittings	-	371
Investment in electrical fittings	-	278
Investment in handphone	3,495	3,393
Investment in office equipment	-	6,497
Investment in renovation	-	4,066
Investment in investment property	-	-
Total investment in property and plant	<u>\$ 8,006</u>	<u>\$ 32,479</u>
Depreciation for the period	13,686	\$ 74,429

For the year ended December 31, 2023, the Company acquired an investment property amounted \$420,225 financed through loan from director which is unsecured, non-interest bearing and payable on demand and cash in hand.

**7. OTHER PAYABLES AND ACCRUED LIABILITIES**

	<b>As of March 31, 2024</b>	<b>As of December 31, 2023</b>
Accrued expenses	\$ 292,096	\$ 351,036
Other payable	44,519	57,503
Receipt in advance	341,646	178,056
Total	<u>\$ 678,261</u>	<u>\$ 586,595</u>

Accrued expenses consist of outstanding audit fee, employee claims and salary, service tax and miscellaneous expenses.

Other payable includes primarily payable to third parties and service tax payable.

Receipt in advance consist of monies received from customer but have yet to satisfied performance obligation.

**8. AMOUNT DUE TO DIRECTOR**

As of March 31, 2024, the company had an outstanding amount due to director amounting \$187,959, mainly consist of a loan from Mr. Wong Kai Cheng for the acquisition of property.

Aforementioned amount is unsecured, interest bearing and payable on demand.

**9. AMOUNT DUE TO RELATED PARTIES**

As of March 31, 2024, the Company has an outstanding amount due to a number of related companies with common director and shareholder pertaining to miscellaneous expenses made by these related parties on behalf in aggregate amounted \$748.

Aforementioned amount is unsecured, non-interest bearing and payable on demand.

**10. HIRE PURCHASE**

On April 30, 2021, the Company through subsidiary acquired a motor vehicle amounted \$69,148 financed by \$36,006 hire purchase loan for 36 months at a fixed flat rate of 1.88% per annum with first installment commencing June 5, 2021 and monthly installment amounted approximately \$1,063. Remaining balance finance through cash in hand.

For the three months ended March 31, 2024, the Company repaid \$2,757 in hire purchase loan with an outstanding \$1,861 as of March 31, 2024.

Maturities of the loan for the remaining one year are as follows:

Year ending December 31	
2024	\$ 1,861
Total	<u>\$ 1,861</u>

## **11. LEASE RIGHT-OF-USE ASSET AND LEASE LIABILITIES**

### **Right-Of-Use Assets**

Balance as of December 31, 2023	\$	651,853
Amortization for the three months ended March 31, 2024		(14,346)
Adjustment for foreign currency translation difference		(18,601)
Balance as of March 31, 2024	\$	618,906

### **Lease Liability**

Balance as of December 31, 2023	\$	651,853
Imputed interest for the three months ended March 31, 2024		8,366
Gross repayment for the three months ended March 31, 2024		(22,712)
Adjustment for foreign currency translation difference	\$	(18,601)
Balance as of March 31, 2024	\$	618,906
Lease liability current portion		59,469
Lease liability non-current portion	\$	<u>559,437</u>

Other information:

	<u>Three months ended March 31, 2024</u>	<u>Three months ended March 31, 2023</u>
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flow to operating lease	\$ 22,712	\$ 24,202
Right-of-use assets obtained in exchange for operating lease liabilities	-	-
Remaining lease term for operating lease (years)	8.46	1.35
Weighted average discount rate for operating lease	<u>5.40%</u>	<u>5.40%</u>

## **12. RELATED PARTY TRANSACTIONS**

For the three months ended March 31, 2024 and 2023, the Company has following transactions with related parties:

	<u>For the three months ended March 31, 2024</u>	<u>For the three months ended March 31, 2023</u>
Purchases		
- Insite MY International, Inc.	\$ 27,234	\$ 23,877
Leasing		
- Office space leasing	22,712	24,202
Total	\$ 49,946	\$ 48,079

Our Chief Executive Officer, Mr. Wong Kai Cheong is a majority shareholder of Insite MY International, Inc.

For the three months ended March 31, 2024 and 2023, the Company has paid \$22,712 and \$24,202 respectively to Ms. Tan Siew Meng, spouse of our Chief Executive Officer, Mr. Wong Kai Cheong pertaining to leasing of office space.

## **13. CONCENTRATION OF RISK**

### (a) Major Customers

For the three months ended March 31, 2024, the Company generated total revenue of \$519,752, of which one customer accounted for more than 10% of the Company's total revenue. For the three months ended March 31, 2023, the Company generated total revenue of \$474,802, of which four customers accounted for more than 10% of the Company's total revenue. The customers who accounted for more than 10% of the Company's total revenue and its outstanding receivable balance at period-end is presented below:

	<u>For the three months ended March 31</u>					
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	<u>Revenue</u>		<u>Percentage of Revenue</u>		<u>Accounts receivable, gross</u>	
Customer A	\$ -	\$ 97,543	-	21%	\$ -	\$ -

Customer B	-	78,464	-%	17%	-	207,487
Customer C	-	72,861	-%	15%	-	-
Customer D	-	54,145	-%	11%	-	56,991
Customer E	61,307	-	12%	-%	33,061	-
Others	458,445	171,789	88%	36%	704,583	264,201
Total	<u>\$ 519,752</u>	<u>\$ 474,802</u>	<u>100%</u>	<u>100%</u>	<u>\$ 737,644</u>	<u>\$ 528,679</u>

(b) Major Suppliers

For the three months ended March 31, 2024, the Company incurred cost of revenue of \$33,834, of which two suppliers accounted for more than 10% of the Company's cost of revenue. For the three months ended March 31, 2023, the Company incurred cost of revenue of \$53,662, of which four suppliers accounted for more than 10% of the Company's cost of revenue. The suppliers who accounted for more than 10% of the Company's cost of revenue and its outstanding payable balance at period-end is presented below:

	For the three months ended March 31							
	2024		2023		2024		2023	
	Cost of revenue		Percentage of Cost of revenue		Accounts payable, trade			
Supplier A	\$ 27,234	\$ 23,877	80%	44%	\$ 18,912	\$ 20,199		
Supplier B	-	13,422	-%	25%	-	40,715		
Supplier C	-	7,286	-%	14%	-	-		
Supplier D	-	6,831	-%	13%	-	-		
Supplier E	5,958	-	18%	-%	3,429	-		
Others	642	2,246	2%	4%	3,715	4,283		
Total	<u>\$ 33,834</u>	<u>\$ 53,662</u>	<u>100%</u>	<u>100%</u>	<u>\$ 26,056</u>	<u>\$ 65,197</u>		

Our Chief Executive Officer, Mr. Wong Kai Cheong is a majority shareholder of Supplier A.

## 14. INCOME TAXES

The loss before income taxes of the Company for the three months ended March 31, 2024 and 2023 were comprised of the following:

	For the three months ended March 31	
	2024	2023
Tax jurisdictions from:		
- Local	\$ (15,868)	\$ (121,039)
- Foreign, representing:		
Hong Kong	(3,893)	(10,189)
British Virginia Island (non-taxable jurisdiction)	(400)	(300)
Labuan, Malaysia (non-taxable jurisdiction)	(10,397)	2,031
Malaysia	(250,958)	(205,139)
Loss before income taxes	<u>\$ (281,516)</u>	<u>\$ (334,636)</u>

Provision for income taxes consisted of the following:

	For the three months ended March 31	
	2024	2023
Current:		
- Local	\$ -	\$ -
- Foreign	\$ -	\$ -
Deferred tax assets:		
- Local	\$ -	\$ -
- Foreign	\$ 42	\$ -
Deferred tax liabilities:		
- Local	\$ -	\$ -
- Foreign	\$ 11,671	\$ 9,250
Income tax payable:		
- Local	\$ -	\$ -
- Foreign	\$ 3,358	\$ 206,643
Income tax assets:		
- Local	\$ -	\$ -
- Foreign	\$ 244,439	\$ 549,319

The effective tax rate in the years presented is the result of the mix of income earned in various tax jurisdictions that apply a broad range of income tax rates. During the period presented, the Company has a number of subsidiaries that operates in various countries: United States, Hong Kong, British Virginia Island and Malaysia that are subject to taxes in the jurisdictions in which they operate, as follows:

### *United States of America*

The Company is registered in the State of Nevada and is subject to the tax laws of the United States of America. As of March 31, 2024, the operations in the United States of America incurred \$740,315 of cumulative net operating losses (NOL's) which can be carried forward to offset future taxable income. The NOL carry forwards begin to expire in 2044, if unutilized. The Company has provided for a full valuation allowance of approximately \$155,466 against the deferred tax assets on the expected future tax benefits from the net operating loss carry forwards as the management believes it is more likely than not that these assets will not be realized in the future.

### *Hong Kong*

AsiaFIN Holdings Corp. is subject to Hong Kong Profits Tax, which is charged at the statutory income tax rate of 8.25% on its assessable income.

### *Labuan*

Under the current laws of the Labuan, AsiaFIN Holdings Corp. is governed under the Labuan Business Activity Act, 1990. The tax charge for such company is based on 24% of net audited profit.

### *Malaysia*

All Malaysia companies are subject to the Malaysia Corporate Tax Laws at a two-tier corporate income tax rate based on amount of paid-up capital. The 2024 tax rate for company with paid-up capital of MYR 2,500,000 (approximately \$529,235) or less and that are not part of a group containing a company exceeding this capitalization threshold is 17% on the first MYR 600,000 (approximately \$126,772) taxable profit with the remaining balance being taxed at 24%.

As of March 31, 2024, the operations in Malaysia incurred \$7,267,980 of cumulative net operating losses which can be carried forward to offset future taxable income. The net operating loss can be carried forward for seven years. The Company has provided for a full valuation allowance against the deferred tax assets of \$1,235,557 on the expected future tax benefits from the net operating loss carry forwards as the management believes it is more likely than not that these assets will not be realized in the future.

## 15. DIVIDEND

For the year ended December 31, 2022, Insite MY Innovations Sdn Bhd and Insite MY Systems Sdn Bhd, passed a board resolution for declaration of dividend amounted MYR1,700,000 (approximately \$385,680) and MYR4,294,000 (approximately \$974,182), respectively to StarFIN Asia Sdn Bhd. Subsequently, StarFIN Asia Sdn Bhd passed a board resolution for declaration of dividend amounted MYR5,794,000 to Mr. Wong Kai Cheong and Mr. Hoo Swee Ping, before acquired by StarFIN Holdings Limited on January 20, 2023.

No dividend was declared for the three months ended March 31, 2024.

## 16. FOREIGN CURRENCY EXCHANGE RATE

The Company cannot guarantee that the current exchange rate will remain stable, therefore there is a possibility that the Company could post the same amount of income for two comparable periods and because of the fluctuating exchange rate post higher or lower income depending on exchange rate converted into US\$ at the end of the financial year. The exchange rate could fluctuate depending on changes in political and economic environments without notice.

## 17. SEGMENT REPORTING

ASC 280, "Segment Reporting" establishes standards for reporting information about operating segments on a basis consistent with the Company's internal organization structure as well as information about services categories, business segments and major customers in financial statements. The Company has single reportable segment based on business unit, information technology business and two reportable segments based on country, Malaysia and Non-Malaysia.

In accordance with the "Segment Reporting" Topic of the ASC, the Company's chief operating decision maker has been identified as the Chief Executive Officer and President, who reviews operating results to make decisions about allocating resources and assessing performance for the entire Company. Existing guidance, which is based on a management approach to segment reporting, establishes requirements to report selected segment information quarterly and to report annually entity-wide disclosures about products and services, major customers, and the countries in which the entity holds material assets and reports revenue. All material operating units qualify for aggregation under "Segment Reporting" due to their similar customer base and similarities in economic characteristics; nature of products and services; and procurement, manufacturing and distribution processes.

	For the Three Months Ended and As of March 31, 2024	
	Information Technology Business	Total
<b>By Business Unit</b>		
Revenue	\$ 519,752	\$ 519,752
Cost of revenue	(33,834)	(33,834)
Gross profit	\$ 485,918	\$ 485,918
Share of loss from operation of associate	(9,599)	(9,599)
Selling, general and administrative expenses and other income	(757,835)	(757,835)
Loss from operations	(281,516)	(281,516)
Total assets	\$ 3,457,103	\$ 3,457,103
Capital expenditure	\$ 43,479	\$ 43,479

**For the Three Months Ended and  
As of March 31, 2024**

**By Country**

	<b>Malaysia</b>	<b>Non-Malaysia</b>	<b>Total</b>
Revenue	\$ 519,752	\$ -	\$ 519,752
Cost of revenue	(33,834)	-	(33,834)
Gross profit	\$ 485,918	\$ -	\$ 485,918
Share of loss from operation of associate	(9,599)	-	(9,599)
Selling, general and administrative expenses and other income	(737,673)	(20,162)	(757,835)
Loss from operations	(261,354)	(20,162)	(281,516)
Total assets	\$ 3,425,055	\$ 32,048	\$ 3,457,103
Capital expenditure	\$ 43,479	\$ -	\$ 43,479

**For the Three Months Ended and  
As of March 31, 2023**

**By Business Unit**

	<b>Information Technology Business</b>	<b>Total</b>
Revenue	\$ 474,802	\$ 474,802
Cost of revenue	(53,662)	(53,662)
Gross profit	\$ 421,140	\$ 421,140
Selling, general and administrative expenses and other income	(755,776)	(755,776)
Loss from operations	(334,636)	(334,636)
Total assets	\$ 3,444,632	\$ 3,444,632
Capital expenditure	\$ 11,395	\$ 11,395

**For the Three Months Ended and  
As of March 31, 2023**

**By Country**

	<b>Malaysia</b>	<b>Non-Malaysia</b>	<b>Total</b>
Revenue	\$ 474,802	\$ -	\$ 474,802
Cost of revenue	(53,662)	-	(53,662)
Gross profit	\$ 421,140	\$ -	\$ 421,140
Selling, general and administrative expenses and other income	(632,279)	(123,497)	(755,776)
Loss from operations	(211,139)	(123,497)	(334,636)
Total assets	\$ 2,708,958	\$ 735,674	\$ 3,444,632
Capital expenditure	\$ 11,395	\$ -	\$ 11,395

**18. SIGNIFICANT EVENTS**

On January 3, 2024, the Malaysia Company, a wholly owned subsidiary of the Company entered into a joint venture agreement (herein referred to as the “Agreement”) with Greenpro KSP Holdings Group Co., Ltd. (herein referred to as the “GPKSP”).

Pursuant to the Agreement, both parties have agreed to incorporate a new company, KSP AsiaFIN Co., Ltd (herein referred to as the “KSP AsiaFIN”). The Company agreed to acquire 49% equity stake in KSP AsiaFIN for THB2,450,000 (approximately \$70,000). KSP AsiaFIN is set to exclusively distribute and implement OrangeWorkforce, Robotic Process Automation (RPA) solution developed by OrangeFIN Asia Sdn Bhd, a wholly subsidiary under the Company for the market in Thailand and Laos.

**19. SUBSEQUENT EVENTS**



In accordance with ASC Topic 855, "Subsequent Events", which establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued, the Company has evaluated all events or transactions that occurred after March 31, 2024 up through the date the Company presented these unaudited financial statements.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The information contained in this quarter report on Form 10-Q is intended to update the information contained in our Form 10-K dated March 22, 2024, for the year ended December 31, 2023 and presumes that readers have access to, and will have read, the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and other information contained in such Form 10-K. The following discussion and analysis also should be read together with our financial statements and the notes to the financial statements included elsewhere in this Form 10-Q.*

*The following discussion contains certain statements that may be deemed "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements appear in a number of places in this Report, including, without limitation, "Management's Discussion and Analysis of Financial Condition and Results of Operations." These statements are not guarantees of future performance and involve risks, uncertainties and requirements that are difficult to predict or are beyond our control. Forward-looking statements speak only as of the date of this quarter report. You should not put undue reliance on any forward-looking statements. We strongly encourage investors to carefully read the factors described in our Form S-1/A registration statement, filed on March 19, 2021, in the section entitled "Risk Factors" for a description of certain risks that could, among other things, cause actual results to differ from these forward-looking statements. We assume no responsibility to update the forward-looking statements contained in this quarter report on Form 10-Q. The following should also be read in conjunction with the unaudited Condensed Consolidated Financial Statements and notes thereto that appear elsewhere in this report.*

### **Company Overview**

Our Company offer range of system solutions in Payment Processing, Robotic Process Automation (RPA), and Regulatory Technology (RegTech) to financial institutions, regulatory agencies, professional service providers and private enterprises from various industries, with existing client in the Asia region with over 60 key bank customers on payment processing and our Robotic Process Automation solution company has more than 100 customers in Asia. Our solutions includes:

#### **Payment Processing**

We have our own web-based payment processing system for check clearing used in central banks, financial institutions and payment system providers. This image-based check truncation system (CTS) is similar to the one used in the United States of America, under the CHECK21 standards. Our CTS systems are sold in Malaysia, Singapore, Indonesia, Philippines, Myanmar, Thailand, Pakistan and Bangladesh.

We also have a ISO20022 compliant payment gateway solutions for central bank and financial institutions that is capable of supporting the Straight Through Processing (STP) of all types of payment transactions (including SWIFT, Real-Time Gross Settlement (RTGS), GIRO (NACHA standards) and FAST payment and extendable to interface with various types of payment gateways. Our STP payment gateway are sold in Malaysia, Myanmar and Indonesia.

#### **RegTech**

We have a regulatory and financial reporting (RegTech) system which conform to XBRL reporting standards and other compliance reporting required by Regulatory agencies such as Central Bank, Securities Commission, Tax Authority Department and Companies Registry. Our reporting platform covers financial statistic reporting, credit risk exposure and analysis, risk management reports, FATCA & CRS reporting, external sector reporting, Goods and Services Tax (GST) reporting for reporting entities. We have more than 20 financial institutions using our platform.

Additionally, the company plans to further develop a RegTech Software as a Service (SaaS) solution for public listed companies and financial institution for Environmental Social and Governance (ESG) compliant reporting. ESG guidelines have already been issued by Bank Negara Malaysia, the central bank of Malaysia and Bursa Malaysia Stock Exchange for their members in reducing carbon footprint.

#### **Robotic Process Automation**

We have our own Artificial Intelligent (AI) based, Robotic Process Automation Software (RPA) solutions for financial institutions, large corporations and small medium enterprises. RPA utilises software Robots for the automation of mundane, labour intensive, manual computer operations. Robots are utilized for the processes where it helps to reduce operational costs and also costs arising from human error. Our system automates the capturing of customer information from identity cards, passports and other identification peripherals. Our solution automatically extract data from customers' identity card, passport, etc. and immediately fill-in the forms, eliminating the friction and errors caused by manual input, through Intelligent Character Recognition technology and other AI based technologies. Information extracted from an official identification document will then be checked against existing financial institutions database for regulatory screening in Internal Blacklist Check, Anti Money Laundering, Credit Scoring Check, FATCA, Common Reporting Standard (CRS) and ESG reporting, etc.

## ***Results of operations***

### **Three months ended March 31, 2024 and 2023**

#### ***Revenues***

For the three months ended March 31, 2024, the Company generated revenue in the amount of \$519,752. The revenue was generated as a result of the Company having provided services related to information technology business to the customers.

For the three months ended March 31, 2023, the Company generated revenue in the amount of \$474,802. The revenue was generated as a result of the Company having provided services related to information technology business to the customers.

#### ***Selling, General and Administrative Expenses***

For the three months ended March 31, 2024, the Company had selling, general and administrative expenses in the amount of \$759,829. These were primarily comprised of salary expenses, audit fees and other professional fees.

For the three months ended March 31, 2023, the Company had selling, general and administrative expenses in the amount of \$755,776. These were primarily comprised of salary expenses, audit fees, insurance and other professional fees.

#### ***Net Loss***

For the three months ended March 31, 2024, the Company has incurred a net loss of \$278,111.

For the three months ended March 31, 2023, the Company has incurred a net loss of \$334,636.

## **Liquidity and Capital Resources**

### **Three months ended March 31, 2024 and 2023**

#### ***Cash Provided By Operating Activities***

For the three months ended March 31, 2024, the Company has received \$126,777 provided by operating activity, of which primarily consist of share of loss from operation of associate, depreciation and amortization, provision for credit loss allowance, increase in account payable, decrease in account receivable, increase in deferred revenue contra by net loss, minority interest, increase in prepayment, deposits and other receivables, decrease in other payables and accrued liabilities, decrease in tax assets and reduction in lease liability.

For the three months ended March 31, 2023, the Company has received \$489,867 provided by operating activity, of which primarily consist of increase in account payable, decrease in account receivable, decrease in prepayment, deposits and other receivables, increase in other payables and accrued liabilities, increase in deferred revenue contra by net loss, decrease in tax assets and reduction in lease liability.

#### ***Cash Used In Investing Activities***

For the three months ended March 31, 2024, the Company has invested \$43,479 in investing activities, for the acquisition of computer systems and mobile phones and investment in associate.

For the three months ended March 31, 2023, the Company has invested \$11,395 in investing activities for the acquisition of computer systems and office equipment.

#### ***Cash Used In Financing Activities***

For the three months ended March 31, 2024, the Company has used \$18,827 in financing activity, primarily consist of advances to director.

For the three months ended March 31, 2023, the Company has used \$407,196 in financing activity, primarily consist of advances to director and dividend paid.

## **Off-balance Sheet Arrangements**

We have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to our stockholders as of March 31, 2024.

## **Contractual Obligations**

As a smaller reporting company, we are not required to provide the aforementioned information.

## **Critical Accounting Policies**

The Company reviews new accounting standards as issued. Management has not identified any other new standards that it believes will have a significant impact on the Company's consolidated financial statements.

## **Item 3 Quantitative and Qualitative Disclosures About Market Risk.**

As a "smaller reporting company" as defined by Item 10 of Regulation S-K, the Company is not required to provide information required by this Item.

## **Item 4 Controls and Procedures.**

### **Disclosure Controls and Procedures**

We maintain disclosure controls and procedures, as defined in Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934 (the "Exchange Act"), that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and that such information is accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure.

We carried out an evaluation, under the supervision and with the participation of our management, including our chief executive officer, of the effectiveness of our disclosure controls and procedures as of March 31, 2024. Based on the evaluation of these disclosure controls and procedures, and in light of the material weaknesses found in our internal controls over financial reporting, our chief executive officer concluded that our disclosure controls and procedures were not effective. The matters involving internal controls and procedures that our management considered to be material weaknesses under the standards of the Public Company Accounting Oversight Board were: (i) lack of a functioning audit committee due to a lack of a majority of independent members and a lack of a majority of outside directors on our board of directors, resulting in ineffective oversight in the establishment and monitoring of required internal controls and procedures; (ii) inadequate segregation of duties and effective risk assessment; (iii) insufficient written policies and procedures for accounting and financial reporting with respect to the requirements and application of both US GAAP and SEC guidelines; and (iv) lack of internal audit function due to the fact that the Company lacks qualified resources to perform the internal audit functions properly and that the scope and effectiveness of the internal audit function are yet to be developed. The aforementioned material weaknesses were identified by our chief executive officer in connection with the review of our financial statements as of March 31, 2024.

## **Management’s Report on Internal Control over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The internal controls for the Company are provided by executive management’s review and approval of all transactions. Our internal control over financial reporting also includes those policies and procedures that:

1. pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. GAAP, and that our receipts and expenditures are being made only in accordance with the authorization of our management; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Company’s internal control over financial reporting as of March 31, 2024. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control-Integrated Framework. Management’s assessment included an evaluation of the design of our internal control over financial reporting and testing of the operational effectiveness of these controls.

As of March 31, 2024, management assessed the effectiveness of our internal control over financial reporting based on the criteria for effective internal control over financial reporting established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) in 2013 and SEC guidance on conducting such assessments. Based on such evaluation, the Company’s management concluded that, during the period covered by this Report, our internal control over financial reporting were not effective due to the presence of material weaknesses.

### **Changes in Internal Control over Financial Reporting:**

There were no changes in our internal control over financial reporting during the three months ending March 31, 2024, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II — OTHER INFORMATION

### Item 1. Legal Proceedings

We are not subjected to nor engaged in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance is known to us to be pending or threatened by or against our Company that would have a material adverse effect on our Company's results of operations or financial condition. Further, there are no proceedings in which any of our directors, officers or affiliates, or any beneficial shareholder are an adverse party or has a material interest adverse to our Company.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

### Item 3. Defaults Upon Senior Securities

None.

### Item 4. Mine Safety Disclosures

Not applicable.

### Item 5. Other Information.

#### Insider Trading Arrangements

During the quarter ended March 31, 2024, none of our directors or officers adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities to satisfy the affirmative defense conditions of "Rule 10b5-1 trading arrangement" or any "non-Rule 10b5-1 trading arrangement".

### ITEM 6. Exhibits

- 31.1 [Rule 13\(a\)-14\(a\)/15\(d\)-14\(a\) Certification of principal executive officer](#)
- 31.2 [Rule 13\(a\)-14\(a\)/15\(d\)-14\(a\) Certification of principal financial officer and principal accounting officer](#)
- 32.1 [Section 1350 Certification of principal executive officer](#)
- 32.2 [Section 1350 Certification of principal financial officer and principal accounting officer](#)
- 101.INS Inline XBRL Instance Document
- 101.SCH Inline XBRL Taxonomy Extension Schema Document
- 101.CAL Inline XBRL Taxonomy Extension Calculation Linkbase Document
- 101.DEF Inline XBRL Taxonomy Extension Definition Linkbase Document
- 101.LAB Inline XBRL Taxonomy Extension Label Linkbase Document
- 101.PRE Inline XBRL Taxonomy Extension Presentation Linkbase Document
- 104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

**AsiaFIN Holdings Corp.**  
(Name of Registrant)

Date: May 10, 2024

By: /s/ *Wong Kai Cheong*  
Title: Chief Executive Officer,  
President, Director, Secretary and Treasurer  
(Principal Executive Officer)

Date: May 10, 2024

By: /s/ *Cham Hui Yin*  
Title: Finance Manager  
(Principal Financial Officer and Principal Accounting Officer)