

G NEPTUNE BERHAD
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(Unaudited)	(Audited)
	AS AT	AS AT
	30-Sep-21	30-Jun-21
	RM	RM
ASSETS		
Current assets		
Cash and bank balance	10,039	10,019
TOTAL ASSETS	10,039	10,019
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent:		
Share capital	9,792,835	9,792,835
Reserves	(18,472,978)	(18,038,586)
Total equity	(8,680,143)	(8,245,751)
Current liabilities		
Other payables and accruals	4,764,040	5,318,758
Amount due to directors	3,925,725	2,936,597
Tax payable	417	415
Total liabilities	8,690,182	8,255,770
TOTAL EQUITY AND LIABILITIES	10,039	10,019
Net assets per share attributable to ordinary equity holders of the parent (sen)	(3.01)	(2.86)

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

G NEPTUNE BERHAD
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(The figures have not been audited)

	3 months ended		Cumulative quarters	
	30/9/2021	30/9/2020	30/9/2021	30/9/2020
	RM	RM	RM	RM
Other income	-	-	-	-
Administration and other expenses	(234,976)	(522,166)	(234,976)	(522,166)
Other expenses	-	-	-	-
Finance cost	(49,849)	(50,084)	(49,849)	(50,084)
Operating loss before tax	(284,825)	(572,250)	(284,825)	(572,250)
Income tax expense	-	-	-	-
Loss for the period	(284,825)	(572,250)	(284,825)	(572,250)
Other comprehensive (loss)/income, net of tax	(149,567)	88,848	(149,567)	88,848
Total comprehensive loss for the period	(434,392)	(483,402)	(434,392)	(483,402)
(Loss)/earnings per ordinary share attributable to owners of the parent (sen)				
Basic	(0.10)	(0.20)	(0.10)	(0.20)
Diluted	-	-	-	-

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

G NEPTUNE BERHAD
CONDENSED CONSOLIDATED STATEMENT OF
CHANGES IN EQUITY FOR THE FINANCIAL PERIOD
ENDED 30 SEPTEMBER 2021
(The figures have not been audited)

← Attributable to the owners of the Company →

	Share Capital RM	Foreign Currency Translation Reserve RM	Capital Reserve RM	Accumulated Losses RM	Total RM	Total Equity RM
Balance at 1/7/2021	9,792,835	(740,895)	622,480	(17,920,171)	(18,038,586)	(8,245,751)
Foreign currency translation reserve	-	(149,567)	-	-	(149,567)	(149,567)
Loss for the period	-	-	-	(284,825)	(284,825)	(284,825)
Balance at 30/9/2021	9,792,835	(890,462)	622,480	(18,204,996)	(18,472,978)	(8,680,143)
Balance at 1/7/2020	9,792,835	(838,133)	622,480	(15,928,316)	(16,143,969)	(6,351,134)
Foreign currency translation reserve	-	97,238	-	-	97,238	97,238
Loss for the period	-	-	-	(1,991,855)	(1,991,855)	(1,991,855)
Balance at 30/6/2021	9,792,835	(740,895)	622,480	(17,920,171)	(18,038,586)	(8,245,751)

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

G NEPTUNE BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
(The figures have not been audited)

	3 months ended 30/9/2021 RM	3 months ended 30/9/2020 RM
Cash flow from operating activities		
Loss before taxation	(284,825)	(572,250)
	(284,825)	(572,250)
<i>Adjustment for:</i>		
Interest expenses	49,849	50,084
	(234,976)	(522,166)
Operating loss before working capital changes		
Changes in working capital:-		
Receivables	-	-
Payables	(812,160)	41,496
	(1,047,136)	(480,670)
<i>Cash from (used in) operations</i>		
Tax refund/(paid)	-	-
<i>Net cash (used in) operating activities</i>	(1,047,136)	(480,670)
Cashflow from investing activities		
Interest received	-	-
<i>Net cash (used in)/from investing activities</i>	-	-
Cashflow from financing activities		
Advances from Directors	1,047,154	454,131
	1,047,154	454,131
<i>Net cash from financing activities</i>		
Net changes in cash and cash equivalents	18	(26,539)
Effect of exchange translation differences	2	26,433
Cash and cash equivalents at beginning of period	10,019	10,137
Cash and cash equivalents at end of period	10,039	10,031

The condensed consolidated statement of cashflow should be read in conjunction with the audited financial statements for the year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. **Basis of Preparation**

The interim financial report is unaudited and is prepared in accordance with the requirements of the Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting and Rule 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the ACE Market. The interim financial report does not include all of the information required for full annual financial statements, and should be read in conjunction with the audited financial statements of the Company for the financial year ended 30 June 2021.

The accounting policies, significant accounting estimates and judgements adopted by GNB and its subsidiary (“Group”) in this interim financial report are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 30 June 2021.

2. **Audit report**

There was no opinion expressed by the auditor due to the significance of the matters described in the Basis of Disclaimer Opinion. The auditor has not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis of Disclaimer Opinion (full details are available in GNB’s 30 June 2021 Annual Report):

1. There are outstanding loan payables, accrued interest and Company corporate guarantees which the auditor is not able to confirm the accuracy of the carrying amounts stated or whether further liabilities are required to be provided in relation to the loan payables as no external confirmations have been obtained from the lenders.
2. In addition to the loan payables, accrued interest and corporate guarantee, the auditor was not able to confirm the accuracy of the Group’s payables or whether any further liabilities are required to be provided.
3. The Group continues to incur net losses which has resulted in a negative shareholders funds of RM8,245,751 while the current liabilities exceeded the current assets. The Group has also ceased their operations and recorded zero revenues.

The ability of the Group and of the Company to continue as going concern is dependent on the formalization and successful implementation of the regularisation plan of the Company to restore its financial position and achieving sustainable and viable operations. The auditor was unable to obtain sufficient appropriate audit evidence to evaluate the appropriateness of management’s use of going concern basis of accounting. Therefore, the auditor is not able to form an opinion as to whether the use of going concern assumption in the preparation of the accompanying financial statements of the Group and the Company is appropriate.

3. **Seasonal or Cyclical Factors**

The business of the Company is not affected by any significant seasonal or cyclical factors as the Group has wound down all of its operations.

4. **Unusual items**

There were no unusual items during this quarter affecting assets, liabilities, equity, net income or cash flow.

5. **Valuation of Plant and Equipment**

The Company did not revalue any of its plant and equipment during the quarter.

6. **Taxation**

	Current year quarter 30 Sep 2021 RM	Current year to-date 30 Sep 2021 RM
Provision for current year	-	-

The Company is subject to income tax at Malaysian statutory rate of 24%. Geranium Limited is a subsidiary incorporated in Hong Kong and its taxable profits sourced in Hong Kong is subject to standard profit tax rate of 8.25% for the first HKD2 million and subsequent profits at 16.5%. There was no provision for taxation for the Group and the Company as the Group and the Company have no chargeable income arising from the business source income

7. **Status of corporate proposals**

On 30 November 2017, the Board of Directors of GNB (“Board”) announced that the Company is an affected listed issuer (“First Announcement”) as it had triggered the criteria prescribed under Rules 2.1(a) and (b) pursuant to Guidance Note 3 (“GN3”) of the ACE Market Listing Requirements (“ACE LR”) of Bursa Securities whereby:

- i) the shareholders’ equity of the Company was less than 25% of its share capital; and
- ii) the Company also incurred loss for 1 full financial year after its listing, which exceeded the amount of its shareholders’ equity at the end of the financial period ended 30 September 2017 and the shareholders’ equity was less than 50% of the share capital of the Company at the end of the said financial year.

Accordingly, GNB is to undertake a proposed regularisation plan (“Proposed Regularisation Plan”) and to submit the Proposed Regularisation Plan to Bursa Securities within 12 months from the date of its First Announcement, i.e. by 30 November 2018.

On 14 November 2018, Kenanga Investment Bank Berhad had, on behalf of the Board, submitted an application to Bursa Securities seeking its approval for a proposed extension of time of up to 31 May 2019 for the Company to submit a regularisation plan to Bursa Securities. Bursa Securities had on 28 November 2018, granted an extension of time for the submission of a regularisation plan to 31 May 2019.

On 16 May 2019, Kenanga Investment Bank Berhad had, on behalf of the Board, submitted an application to Bursa Securities seeking its approval for a proposed further extension of time of up to 30 November 2019 for the Company to submit a regularisation plan to Bursa Securities. Bursa Securities had on 25 June 2019, granted a further extension of time for the submission of a regularisation plan to 30 November 2019.

On 19 November 2019, Kenanga Investment Bank Berhad had, on behalf of the Board, submitted an application to Bursa Securities seeking its approval for a proposed further extension of time of up to 31 January 2020 for the Company to submit a regularisation plan to Bursa Securities. Bursa Securities had on 11 December 2019, granted a further extension of time for the submission of a regularisation plan to 31 January 2020.

On 16 January 2020, Kenanga Investment Bank Berhad had, on behalf of the Board, announced that the Company proposed to undertake the Proposed Regularisation Plan to regularise the financial position of the Company. Subsequently, on 30 January 2020, an application in relation to the Proposed Regularisation Plan has been submitted to Bursa Securities.

Subsequently, on 4 December 2020, Kenanga Investment Bank Berhad had, on behalf of the Board, announced that Bursa Securities had, vide its letter dated 4 December 2020, stated that after due consideration of all facts and circumstances of the matter, Bursa Securities has decided to reject the Proposed Regularisation Plan.

G NEPTUNE BERHAD (“GNB” OR “THE COMPANY”)

On 31 December 2020, the Board announced that the Company had entered into a memorandum of understanding with the shareholder of Southern Score Sdn Bhd (“Southern Score”) in relation to the proposed acquisition of 75% equity interest in Southern Score by GNB (“MOU”) and subsequently changed to the acquisition of 100% equity interest.

The purpose of the MOU entered into between the Company and Southern Score is to provide GNB and the vendor (GNB and the vendor are collectively referred to as “Parties”) a non-binding basis for taking discussions forward in relation to the entry of definitive agreement to reflect the terms of this MOU or otherwise agreed by the Parties.

On 31 December 2020, Kenanga Investment Bank Berhad had, on behalf of the Board, submitted an appeal to Bursa Securities on 31 December 2020 to reconsider its decision on the de-listing of GNB from the Official List of Bursa Securities pursuant to Rule 8.04(4) of the ACE LR of Bursa Securities (“Appeal”).

Subsequently, Bursa Securities has vide its letter dated 12 April 2021, informed that after due consideration of all facts and circumstances of the matter including written and oral representations before the appeals committee of Bursa Securities on 29 March 2021, Bursa Securities has decided to allow the appeal and grant GNB a further extension of time of 6 months until 29 September 2021 to submit the regularisation plan to the relevant authorities for approval subject to the requisite announcement being made within 4 months, i.e. by 29 July 2021.

On 9 July 2021, Kenanga Investment Bank Bhd had, on behalf of the Board, made the requisite announcement to Bursa Securities, detailing the proposed acquisition, proposed debt settlement, proposed private placement and proposed exemption.

On 7 September 2021, Kenanga Investment Bank Bhd had, on behalf of the Board, submitted the proposed regularisation plan to Bursa Securities.

8. Changes in the Composition of the Group

There were no changes in the composition during the period.

9. Debt and Equity Securities

There were no issuance and repayment of debt and equity securities during the current quarter under review.

10. Company Borrowings and Debt Securities

There were no additional borrowings during the current quarter under review. GNB’s wholly-owned subsidiary, Geranium Limited (incorporated in Hong Kong), have defaulted on the payment of principal and/or interest in respect of the loan facilities granted to Geranium Limited.

Details of the loans are as follows	Total Principal and Interest (Hong Kong Dollar)	Total Principal and Interest (RM)	Maturity Date
1. Daily Loyal Limited (HK Incorporated)	3,208,055	1,726,061	8 July 2014
2. Giant Master Limited (Samoa Incorporated)	999,753	537,907	1 January 2018
3. Premium Energy International Limited (BVI Incorporated)	87,584	47,124	24 January 2018
Total	4,295,392	2,311,092	

	As at 30 September 2021	
	Secured RM	Unsecured RM
Amount repayable in one year or less, or on demand	-	2,311,092
Total	-	2,311,092

All borrowings are short term borrowings and dominated in Hong Kong Dollar.

G NEPTUNE BERHAD (“GNB” OR “THE COMPANY”)

Of the 3 loans above, GNB is only guarantor to the loan with Giant Master Limited.

On 30 August 2018, the Company had announced that, Geranium Limited (“GL”), a wholly-owned subsidiary of the Company had defaulted the entire repayment of principal sums and interest in respect of the loans granted to GL since 8 July 2014, 1 January 2018 and 24 January 2018 respectively. These loans have been classified as short-term loans, as they are deemed to be payable immediately. As at 30 June 2021, the loans and interest payables of the Group amount to RM1,104,332 and RM1,144,481.

Consequently, this gave rise to a cross default of the corporate guarantee provided by the Company to its subsidiary for 1 of the loans, amounting to RM518,730 (as at 30 June 2021).

Subsequently on 3 September 2018, the Company had announced that it had triggered an additional prescribed criteria pursuant to Paragraph 2.1(h) of GN3 of the ACE LR of Bursa Securities.

11. **Contingent Liabilities and Contingent Assets**

Save as disclosed in Section 10 that the loan from Giant Master Limited is guaranteed by the Company, there were no other contingent liabilities and contingent assets entered into the Company during the quarter under review.

12. **Review of Performance**

(a) **Comparison of current financial quarter ended 30 September 2021 vs preceding financial quarter 30 June 2021**

The Group recorded nil revenue for the current financial quarter ended 30 September 2021 and the preceding financial quarter ended 30 June 2021 as it has wound down all of its operations. The Group recorded loss before tax of RM284,825 in the current financial quarter ended 30 September 2021 as compared to loss before tax of RM421,104 in the preceding financial quarter ended 30 June 2021. The decrease was mainly due to professional fees in relation to the regularisation plan in the current quarter. The professional fees were charged based on the progressive milestones.

(b) **Comparison of current financial quarter / period ended 30 September 2021 vs preceding year corresponding quarter / period ended 30 September 2020**

The Group recorded nil revenue for the current financial quarter ended 30 September 2021 and the preceding year corresponding quarter ended 30 September 2020 as the Group had ceased its operation. The Group recorded a pre-tax loss of RM284,825 in the current financial quarter ended 30 September 2021 which was mainly arising from the professional fees that were charged based on the progressive milestones as well as finance cost incurred. The Group incurred a pre-tax loss of RM572,250 in the preceding year corresponding quarter ended 30 September 2020 which is mainly arising from the professional fees that were charged based on the progressive milestones and finance cost incurred.

The Group recorded nil revenue in the current period ended 30 September 2021 and the preceding period ended 30 September 2020 as the Group had ceased its operation. The Group recorded a pre-tax loss of RM284,825 in the current period ended 30 September 2021 as compared to the pre-tax loss of RM572,250 in the previous period ended 30 September 2020. The lower pre-tax loss was mainly due to lower professional fees incurred in relation to the regularisation plan that were charged based on the progressive milestones.

The pre-tax loss for the current quarter and period ended 30 September 2021 mainly comprise of the professional fees in relation to the regularisation plan and finance cost incurred. Currently, the Group does not have any operation and is dormant.

13. **Current Year’s Prospects**

The Group has wound down all of its existing operations and the Board will continue to focus on the Proposed Regularisation Plan.

As set out in Section 7 of this report, on 31 December 2020, the Board had announced that on 31 December 2020, the Company had entered into a MOU with the shareholder of Southern Score and on the same day,

G NEPTUNE BERHAD (“GNB” OR “THE COMPANY”)

Kenanga Investment Bank Berhad had, on behalf of the Board, submitted an appeal to Bursa Securities on 31 December 2020 to reconsider its decision on the de-listing of GNB from the Official List of Bursa Securities pursuant to Rule 8.04(4) of the ACE LR of Bursa Securities. Subsequently, Bursa Securities has vide its letter dated 12 April 2021, informed that after due consideration of all facts and circumstances of the matter including written and oral representations before the appeals committee of Bursa Securities on 29 March 2021, Bursa Securities has decided to allow the appeal and grant GNB a further extension of time of 6 months until 29 September 2021 to submit the regularisation plan to the relevant authorities for approval subject to the requisite announcement being made within 4 months.

The requisite announcement was made on 9 July 2021 while the proposed regularisation plan was submitted to Bursa Securities on 7 September 2021.

14. **Profit Forecast and Profit Guarantee**

Not applicable.

15. **Changes in Estimates**

There were no changes in estimates of amounts reported during this quarter.

16. **Segmental Information**

Segment Results

The segmental revenue and results for the current quarter and the cumulative ended 30 Sept 2021 are as follows:-

	Revenue		Results	
	Current year quarter 30 Sep 2021 RM	Current year to-date 30 Sep 2021 RM	Current year quarter 30 Sep 2021 RM	Current year to-date 30 Sep 2021 RM
Investment holding, information technology	-	-	(234,976)	(234,976)
Apparel products/Electronic equipment	-	-	-	-
	-	-		
Operating loss			(234,976)	(234,976)
Finance cost			(49,849)	(49,849)
Loss before taxation			(284,825)	(284,825)

Segment Assets

The total of segment assets is measured based on all assets excluding deferred tax assets and cash and cash equivalents.

	Assets	
	30 Sep 2021 RM	30 Sep 2020 RM
Investment holding, information technology and apparel products	-	-
Others	-	-
	-	-

G NEPTUNE BERHAD (“GNB” OR “THE COMPANY”)

17. **Subsequent Events**

The Company announced the dissolution of its subsidiary, Geranium Ltd, on 14 October 2021 through a striking off by the Companies Registry Hong Kong. The impact of the dissolution will be reflected in the 2Q2022 accounts.

18. **Capital Commitments**

There are no material commitments which require disclosure during the quarter.

19. **Material Litigation**

The Company is not engaged in any material litigation either as plaintiff or defendant and the directors do not have any knowledge of any proceedings pending or threatened against the Company as at the date of this report.

20. **Loss per Share**

(i) Basic

The loss per share was calculated by dividing the loss for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	INDIVIDUAL AND CUMULATIVE PERIOD TO DATE	
	Current year Quarter 30 Sept 2021 RM	Current year to Date 30 Sept 2021 RM
Loss attributable to equity holders of the parent (RM)	(284,825)	(284,825)
Weighted average number of ordinary shares	288,750,000	288,750,000
Basic loss per share (sen)	(0.10)	(0.10)

(ii) Diluted

Diluted loss per ordinary share for the financial year/period is calculated by dividing the loss for the financial period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period adjusted for the effects of dilutive potential ordinary shares.

Diluted loss per share is not applicable for the current financial period and previous financial period as there is no dilutive potential equity instruments that would give a diluted effect to the basic loss per ordinary share.

21. **Dividends paid**

There were no dividends paid during the quarter under review.

22. **Dividend payable**

No dividend has been declared for the current quarter.

G NEPTUNE BERHAD (“GNB” OR “THE COMPANY”)

23. **Notes to the statement of comprehensive income**

Loss of the period is arrived at after charging/(crediting):

	Current year quarter 30/9/2021 RM	Current year to date 30/9/2021 RM
Interest expense	49,849	49,849
Interest income	-	-
Other income including investment income	-	-
Depreciation and amortization	-	-
Provision for and write off receivables	-	-
Provision for and write off of inventories	-	-
Gain or loss on disposal of quoted or unquoted investments or properties	-	-
Impairment of assets	-	-
Foreign exchange gain or loss	-	-
Gain or loss on derivatives	-	-

Other than the items highlighted above which have been included in the Condensed Consolidated Statement of Income, no other additional disclosures item in relation to Rule 16 of Appendix 9B Chapter 9 of the ACE LR were incurred for the current quarter and period ended 30 June 2021.