

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2021****(The figures have not been audited)**

	As At End Of Current Quarter (Unaudited) 30.06.21 RM'000	As At Preceding Financial Year Ended (Audited) 31.12.20 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	630	1,448
Intangible assets	130	130
	<u>760</u>	<u>1,578</u>
<b>Current assets</b>		
Inventories	2,996	2,961
Trade receivables	10,045	8,284
Other receivables and deposits	10,388	10,352
Cash and bank balances	12,808	5,761
	<u>36,237</u>	<u>27,358</u>
<b>TOTAL ASSETS</b>	<u><b>36,997</b></u>	<u><b>28,936</b></u>
<b>EQUITY &amp; LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	81,746	74,316
Accumulated losses	(47,712)	(47,885)
	<u>34,034</u>	<u>26,431</u>
Non-controlling interest	27	31
<b>Total equity</b>	<u><b>34,061</b></u>	<u><b>26,462</b></u>
<b>Current liabilities</b>		
Trade payables	530	1,387
Other payables and accruals	2,342	724
Lease liabilities	45	344
Current tax liabilities	19	19
	<u>2,936</u>	<u>2,474</u>
<b>Total liabilities</b>	<u><b>2,936</b></u>	<u><b>2,474</b></u>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<u><b>36,997</b></u>	<u><b>28,936</b></u>
<b>Net Assets per Share (RM)</b>	<b>0.02</b>	<b>0.06</b>

Note :

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2020.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter (Unaudited) 30.06.21 RM'000	Preceding Year Corresponding Quarter (Unaudited) 30.06.20 RM'000	Current Year To Date (Unaudited) 30.06.21 RM'000	Preceding Year Corresponding Quarter (Unaudited) 30.06.20 RM'000
Revenue	769	3,161	1,970	9,995
Operating expenses	(1,986)	(4,889)	(3,350)	(13,895)
Other operating income	1,527	441	1,551	498
Profit / (Loss) from operations	310	(1,287)	171	(3,402)
Finance cost	-	-	-	-
Profit / (Loss) before tax	310	(1,287)	171	(3,402)
Taxation	(2)	-	(2)	-
Total comprehensive Profit / (loss) for the financial year	308	(1,287)	169	(3,402)
Total comprehensive profit / (loss) for the financial year attributable to:-				
Non-controlling interest	(2)	(1)	(4)	(2)
Total comprehensive profit / (loss) for the financial year attributable to owners of the parent	309	(1,286)	173	(3,400)
	307	(1,287)	169	(3,402)
Basic profit / (loss) per share attributable to owners of the parent (sen)	0.01	(0.27)	0.01	(0.73)
Diluted profit / (loss) per share	0.01	(0.21)	0.01	(0.55)

Note :

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2020.

**G3 GLOBAL BERHAD (Company No. 200201002733 (570396-D))****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021****(The figures have not been audited)**

	-----Attributable to owners of the parent-----			Non- controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Accumulated Losses RM'000	Total RM'000		
Financial Year Ended <u>30.06.21</u>					
Balance at 1.1.2021	74,316	(47,885)	26,431	31	26,462
Transactions with owners:					
Issue of new shares	7,430	-	7,430	-	7,430
Total comprehensive profit / (loss) for the financial year	-	173	173	(4)	169
Balance at 30.06.2021	<u>81,746</u>	<u>(47,712)</u>	<u>34,034</u>	<u>27</u>	<u>34,061</u>
Financial Year Ended <u>30.06.20</u>					
Balance at 1.1.2020	74,303	(34,497)	39,806	36	39,842
Transactions with owners:					
Issue of new shares	12	-	12	-	12
Total comprehensive loss for the financial year	-	(3,400)	(3,400)	(2)	(3,402)
Balance at 30.06.2020	<u>74,315</u>	<u>(37,897)</u>	<u>36,418</u>	<u>34</u>	<u>36,452</u>

## Note :

The unaudited Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2020. The accompanying notes are an integral part of this statement.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

(The figures have not been audited)

	Cumulative Current Year Period 30.06.21 RM'000	Cumulative Preceding Year Period 30.06.20 RM'000
<b>Cash flows from operating activities</b>		
Profit / (Loss) before taxation	169	(3,402)
Adjustments for:		
- Non-cash items	663	807
- Non-operating items	(40)	(79)
Operating loss before working capital changes	792	(2,674)
Inventories	(34)	(2,552)
Receivables	(1,798)	8,585
Contract liabilities	(76)	(84)
Payables	836	(3,366)
Cash used in operations	(280)	(91)
Income tax paid	(2)	-
Net cash used in operating activities	(282)	(91)
<b>Cash flows from investing activities</b>		
Interest received	44	79
Proceeds from disposal of property, plant and equipment	1	-
Purchase of property, plant and equipment	(10)	(124)
Net cash used in investing activities	35	(45)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	7,430	12
Interest paid	(3)	-
Repayment of finance lease liabilities	(133)	-
Net cash from financing activities	7,294	12
Net changes in cash and cash equivalents	7,047	(124)
Cash and cash equivalents at beginning	5,761	10,353
Cash and cash equivalents at end	12,808	10,229
<b>Represented by:</b>		
Cash and bank balances	12,808	10,229

Note :

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2020 and the accompanying notes to the interim financial statements.

**A Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting  
30 JUNE 2021**

**A1 Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS"), MFRS 134: Interim Financial Reporting and paragraph 9.22 and Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements are unaudited and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of G3 Global Berhad. ("G3" or "Company") and its subsidiaries (hereinafter referred to as the "Group") since the financial year ended 31 December 2020.

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the financial statements for the financial year ended 31 December 2020.

**A2 Changes in accounting policies**

The significant accounting policies and methods of computation adopted for the interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 December 2020 except for the new standards, amendments to publish standards and interpretations that are mandatory for the Group's financial year beginning on or after 1 January 2021 as set out below:

- a) Amendments to MFRS 101 and MFRS 108- Definition of Material
- b) Amendments to MFRS 3- Reference to the Conceptual Framework
- c) Amendments to MFRS 4, MFRS 7, MFRS 9, MFRS 16 and MFRS 139 - Interest Rate Benchmark Reform
- d) Amendments to MFRS 16 - COVID-19 Related Rent Concessions beyond 30 June 2021

The adoption of the above standards and interpretations does not have significant financial impact to the Group's consolidated financial statements.

The following MFRS have been issued by the MASB and are effective for annual period commencing on or after 1 January 2021, and have yet to be adopted by the Group:

- a) MFRS 17 - Insurance Contracts
- b) Amendments to MFRS 101 - Classification of Liabilities as Current or Non-current
- c) Amendments to MFRS 116 - Property, Plant and Equipment
- d) Amendments to MFRS 137 - Onerous Contracts-Cost of Fulfilling a Contract
- e) Annual Improvement to MFRS Standards 2018-2020

**A3 Audit Report**

The auditors' report on the financial statements for the financial year ended 31 December 2020 was not qualified.

**A4 Seasonality or Cyclicity**

The Group's operations is not affected by any seasonal and cyclical factors.

**A5 Exceptional items**

There were no exceptional items for the financial period under review.

**A6 Estimates**

There were no changes to the estimates that have been used in the preparation of the current financial statements.

**A7 Changes in debt or equity securities**

For the current quarter ended 30 June 2021, 28,044,000 warrants were exercised to 28,044,000 new ordinary shares at the issue price of RM0.03 each being issue. As at 30 June 2021, the total number of Warrants which remained unexercised were 310,753,164.

Other than above, no issuance or repayment of debt or equity securities for the current financial year to date.

**A8 Dividends**

No dividend has been proposed for the current financial period to date.

**G3 GLOBAL BERHAD (Company No. 200201002733 (570396-D))**

**A Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting  
30 JUNE 2021**

**A9 Segmental Reporting**

The analysis of the Group by business activities is as follows:

<u>Period ended 30 June 2021</u>	<u>ICT Division</u> <u>RM'000</u>	<u>Apparel Division *</u> <u>RM'000</u>	<u>Total</u> <u>RM'000</u>
Revenue	1,970	-	1,970
Profit before tax	171	**	171
<u>As at 30 June 2021</u>			
Assets Employed	36,997	-	36,997

\* all companies under Apparel Division are dormant as at 30 June 2021

\*\* Amount below RM1,000

<u>Period ended 30 June 2020</u>	<u>ICT Division</u> <u>RM'000</u>	<u>Apparel Division</u> <u>RM'000</u>	<u>Total</u> <u>RM'000</u>
Revenue	9,995	-	9,995
Loss before tax	(3,383)	(19)	(3,402)
<u>As at 30 June 2020</u>			
Assets Employed	38,917	-	38,917

**Geographical Segments**

The business of the Group is managed principally in Malaysia and its services provided are mainly in Malaysia. Geographical segmental information is not prepared as the Group's revenue, operating profit, assets employed, liabilities, capital expenditure, depreciation and non-cash expenses are mainly confined to one geographical segment.

**A10 Valuation of Property, Plant and Equipment**

There were no changes in the valuation of property, plant and equipment since the last audited financial statements for the financial year ended 31 December 2020.

**A11 Significant and Subsequent Events**

1. G3 announced on 8 December 2020 that G3 Global proposes to undertake a bonus issue of up to 1,856,249,934 Bonus Shares, on the basis of 3 Bonus Shares for each Share held by the shareholders of the Company. On 5 February 2021, the Proposed Bonus Issue in G3 has been approved by G3 shareholders.
2. G3 announced on 20 January 2021 to propose revision of the authority to issue shares as approved by the shareholders at the Eighteenth Annual General Meeting held on 29 July 2020 ("Proposed Revision of the Authority to Allot Shares"). On 5 February 2021, the Proposed revision of the Authority to Issue Shares has been approved by G3 shareholders.
3. As at 6 August 2021, provision of financial assistance ceased following the termination of the Business Development Agreement between AG3 Sdn. Bhd. and KOP Mantap Berhad and it does not have material impact on the share capital, earnings, net assets and gearing of G3 Group. AG3 is a 60% owned subsidiary of G3 and its principal activity is to provide security guards digital platform services.

**A12 Changes In The Composition of The Group**

There were no change in the composition of the Group for the financial year to date.

**A13 Contingent Liabilities and Contingent Assets**

There were no contingent liabilities and contingent assets of a material nature as at the date of this report.

**A14 Capital Commitments**

There are no outstanding capital commitments at the end of the current quarter.

**A15 Group Borrowings and Debt Securities**

There were no borrowings or debt securities as at end of the quarter.

**A16 Off Balance Sheet Financial Instruments**

The Group does not have any financial instruments with off balance sheet risk as at the date of this report.

**A17 Material Litigation**

The Group does not have any material litigation as at the date of this report.

**B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities****B1 Review of the performance of the Group**

Financial review for current quarter and financial period to date:-

	Individual Quarter			% Change	Cumulative Quarter		
	Current Year Quarter 30.06.21 RM'000	Preceding Year Corresponding Quarter 30.06.20 RM'000			Current Year To Date 30.06.21 RM'000	Preceding Year Corresponding Quarter 30.06.20 RM'000	% Change
Revenue	769	3,161	-76%	1,970	9,995	-80%	
Operating Profit / (Loss)	310	(1,287)	124%	171	(3,402)	105%	
Profit / (Loss) Before Tax	310	(1,287)	124%	171	(3,402)	105%	
Profit / (Loss) After Tax	308	(1,287)	124%	169	(3,402)	105%	
Profit / (Loss) Attributable to Owners of the Parent	309	(1,286)	124%	173	(3,400)	105%	

**Group's Segmental Analysis:-**

Revenue contribution comprises the following:-

	Individual Quarter			% Change	Cumulative Quarter		
	Current Year Quarter 30.06.21 RM'000	Preceding Year Corresponding Quarter 30.06.20 RM'000			Current Year To Date 30.06.21 RM'000	Preceding Year Corresponding Quarter 30.06.20 RM'000	% Change
ICT	769	3,161	-76%	1,970	9,995	-80%	

The decrease in revenue in from RM3.16m in Q2, 2020 to RM769k in Q2, 2021 is due to delayed in projects to be awarded in view of current pandemic situation and slower demand for the Group's ICT products and services.

Profit / (Loss) from operations contribution comprises the following:-

	Individual Quarter			% Change	Cumulative Quarter		
	Current Year Quarter 30.06.21 RM'000	Preceding Year Corresponding Quarter 30.06.20 RM'000			Current Year To Date 30.06.21 RM'000	Preceding Year Corresponding Quarter 30.06.20 RM'000	% Change
ICT	310	(1,287)	124%	171	(3,402)	105%	

The improvement from operational loss of RM1.29m in Q2, 2020 to operational profit of RM310k in Q2, 2021 is mainly attributable to refund from discontinued of one of the consultancy services for AI Park.

Profit / (Loss) after tax comprises the following:-

	Individual Quarter			% Change	Cumulative Quarter		
	Current Year Quarter 30.06.21 RM'000	Preceding Year Corresponding Quarter 30.06.20 RM'000			Current Year To Date 30.06.21 RM'000	Preceding Year Corresponding Quarter 30.06.20 RM'000	% Change
ICT	308	(1,287)	124%	169	(3,402)	105%	

The improvement from operational loss after tax of RM1.29m in Q2, 2020 to operational profit of RM308k in Q2, 2021 is mainly attributable to refund from discontinued of one of the consultancy services for AI Park.

**B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities****B2 Material changes in the quarterly results compared to the results of the preceding quarter**

Financial review for current quarter compared with immediate preceding quarter:-

	Individual Quarter		% Change
	Current Year Quarter 30.06.21 RM'000	Immediate Preceding Quarter 31.03.21 RM'000	
Revenue	769	1,201	-36%
Operating Profit / (Loss)	310	(139)	323%
Profit / (Loss) Before Tax	310	(139)	323%
Profit / (Loss) After Tax	308	(139)	322%
Profit / (Loss) Attributable to Owners of the Parent	309	(137)	326%

The revenue in Q2, 2021 and Q1, 2021 remained low due to delayed in projects to be awarded in view of current pandemic situation and slower demand for the Group's ICT products and services. The operational profit for Q2, 2021 of RM310k compared to operational loss of RM139k in Q1,2021 is mainly attributable to refund from discontinued of one of the consultancy services for AI Park.

**Group's Segmental Analysis:-**

Revenue contribution comprises the following:-

	Individual Quarter		% Change
	Current Year Quarter 30.06.21 RM'000	Immediate Preceding Quarter 31.03.21 RM'000	
ICT	<u>769</u>	<u>1,201</u>	-36%

The revenue in Q2, 2021 and Q1, 2021 remained low due to delayed in projects to be awarded in view of current pandemic situation and slower demand for the Group's ICT products and services.

Profit / (Loss) from operations contribution comprises the following:-

	Individual Quarter		% Change
	Current Year Quarter 30.06.21 RM'000	Immediate Preceding Quarter 31.03.21 RM'000	
ICT	<u>310</u>	<u>(139)</u>	323%

Profit / (Loss) after tax contribution comprises the following:-

	Individual Quarter		% Change
	Current Year Quarter 30.06.21 RM'000	Immediate Preceding Quarter 31.03.21 RM'000	
ICT	<u>308</u>	<u>(139)</u>	322%

The operational profit for Q2, 2021 of RM310k compared to operational loss of RM139k in Q1,2021 is mainly attributable to refund from discontinued of one of the consultancy services for AI Park.



**B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities**

**B3 Current prospects and progress on previously announced financial estimates**

G3 Group overall revenue has dropped in Q2, 2021 due to the slower demand for the G3 Group's ICT products and services but with prudent cost management, the company in Q2, 2021 achieved operational profit of RM310k.

The board will continue to focus on the following potential initiatives, notwithstanding the impact from the current pandemic:

1. Pursue and secure key projects
2. Increase business development efforts to boost revenue
3. Optimising the current cost structure
4. Corporate exercise to raise funds
5. Explore new business areas

**Progress and steps to achieve financial estimate, forecast, projection and internal targets previously announced**

There was no financial forecast previously announced by the Group

**B4 Statement of the Board of Directors' opinion on achievability of financial estimate, forecast, projection and internal targets previously announced**

Not applicable.

**B5 Financial estimate, forecast or projection / profit guarantee**

There was no financial estimate, forecast or projection and profit guarantee issued by the Group.

**B6 Income tax expense**

	Financial period ended
	30.06.2021
	RM'000
Current financial year tax expense	2

**B7 Dividends**

No dividend has been declared or recommended in respect of the current financial period under review.

**B8 Earnings per share**

**Basic loss per share**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.21	Preceding Year Corresponding Quarter 30.06.20	Current Year To Date 30.06.21	Preceding Year Corresponding Quarter 30.06.20
Loss attributable to ordinary equity holders of the Company (RM'000)	308	(1,287)	169	(3,402)
Weighted average numbers of ordinary shares in issue ('000)	2,163,927	468,095	2,133,532	468,065
Basic earning per share (sen)	0.01	(0.27)	0.01	(0.73)

**Diluted earnings per share**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.21	Preceding Year Corresponding Quarter 30.06.20	Current Year To Date 30.06.21	Preceding Year Corresponding Quarter 30.06.20
Loss attributable to ordinary equity holders of the Company (RM'000)	308	(1,287)	169	(3,402)
Weighted average numbers of ordinary shares in issue ('000)	2,163,927	468,095	2,133,532	468,065
Adjustment for dilutive effect of warrants ('000)	310,753	150,596	310,753	150,596
	<b>2,474,680</b>	<b>618,691</b>	<b>2,444,285</b>	<b>618,661</b>
Diluted earning per share (sen)	0.01	(0.21)	0.01	(0.55)

**B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities**

**B9 Loss Before Taxation**

This is arrived at:

	Current Year Quarter 30.06.21 RM'000	Current Year To Date 30.06.21 RM'000
After charging :		
Depreciation and amortization	80	244
Interest expense on lease liability	1	3
And crediting :		
Interest income	<u>27</u>	<u>44</u>

**B10 Authorisation for issue**

The interim financials statements were authorised for release by the Board of Directors on 24 August 2021.