

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

	As At End Of Current Quarter (Unaudited) 30.09.21 RM'000	As At Preceding Financial Year Ended (Audited) 31.12.20 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	781	1,448
Intangible assets	130	130
	<u>911</u>	<u>1,578</u>
Current assets		
Inventories	3,582	2,961
Trade receivables	12,582	8,284
Other receivables and deposits	6,876	10,352
Cash and bank balances	10,979	5,761
	<u>34,019</u>	<u>27,358</u>
TOTAL ASSETS	<u>34,930</u>	<u>28,936</u>
EQUITY & LIABILITIES		
Equity attributable to owners of the parent		
Share capital	81,746	74,316
Accumulated losses	(50,508)	(47,885)
	<u>31,238</u>	<u>26,431</u>
Non-controlling interest	708	31
Total equity	<u>31,946</u>	<u>26,462</u>
Current liabilities		
Trade payables	351	1,387
Other payables and accruals	2,378	724
Lease liabilities	236	344
Current tax liabilities	19	19
	<u>2,984</u>	<u>2,474</u>
Total liabilities	<u>2,984</u>	<u>2,474</u>
TOTAL EQUITY & LIABILITIES	<u>34,930</u>	<u>28,936</u>
Net Assets per Share (RM)	0.01	0.06

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 SEPTEMBER 2021
(The figures have not been audited)**

	Individual Quarter		Cumulative Quarter	
	Current	Preceding	Current	Preceding
	Year	Year	Year	Year
	Quarter	Corresponding	To Date	Corresponding
	(Unaudited)	Quarter	(Unaudited)	Quarter
	30.09.21	(Unaudited)	30.09.21	(Unaudited)
	RM'000	30.09.20	RM'000	30.09.20
		RM'000		RM'000
Revenue	2,836	2,747	4,806	12,741
Operating expenses	(5,235)	(4,774)	(8,585)	(18,668)
Other operating income	290	63	1,841	562
Profit / (Loss) from operations	(2,109)	(1,964)	(1,938)	(5,365)
Finance cost	(5)	(7)	(5)	(8)
Profit / (Loss) before tax	(2,114)	(1,971)	(1,943)	(5,373)
Taxation	(1)	-	(3)	-
Total comprehensive Profit / (loss) for the financial year	(2,115)	(1,971)	(1,946)	(5,373)
Total comprehensive profit / (loss) for the financial year attributable to:-				
Non-controlling interest	681	(3)	677	(5)
Total comprehensive profit / (loss) for the financial year attributable to owners of the parent	(2,796)	(1,968)	(2,623)	(5,368)
	(2,115)	(1,971)	(1,946)	(5,373)
Basic profit / (loss) per share attributable to owners of the parent (sen)	(0.10)	(0.42)	(0.09)	(1.15)
Diluted profit / (loss) per share	(0.09)	(0.32)	(0.08)	(0.87)

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 SEPTEMBER 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>30.09.21</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
Acquisition of equity interest from non-controlling interes	-	-	-	*	*
Total comprehensive profit / (loss) for the financial year	-	(2,623)	(2,623)	677	(1,946)
Balance at 30.09.2021	<u>81,746</u>	<u>(50,508)</u>	<u>31,238</u>	<u>708</u>	<u>31,946</u>
Financial Year Ended <u>30.09.20</u>					
Balance at 1.1.2020	74,303	(34,497)	39,806	36	39,842
Transactions with owners:					
Issue of new shares	13	-	13	-	13
Total comprehensive loss for the financial year	-	(5,368)	(5,368)	(5)	(5,373)
Balance at 30.09.2020	<u>74,316</u>	<u>(39,865)</u>	<u>34,451</u>	<u>31</u>	<u>34,482</u>

* Item below RM1,000

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 SEPTEMBER 2021**
(The figures have not been audited)

	Cumulative Current Year Period 30.09.21 RM'000	Cumulative Preceding Year Period 30.09.20 RM'000
Cash flows from operating activities		
Profit / (Loss) before taxation	(1,946)	(5,373)
Adjustments for:		
- Non-cash items	771	988
- Non-operating items	(53)	(109)
Operating loss before working capital changes	(1,228)	(4,494)
Inventories	(620)	(2,666)
Receivables	(822)	6,960
Contract liabilities	(76)	(84)
Payables	693	(1,905)
Cash used in operations	(2,053)	(2,189)
Income tax paid	(3)	-
Net cash used in operating activities	(2,056)	(2,189)
Cash flows from investing activities		
Interest received	60	109
Purchase of property, plant and equipment	(12)	(159)
Net cash used in investing activities	48	(50)
Cash flows from financing activities		
Proceeds from issuance of shares	7,430	13
Interest paid	(4)	-
Repayment of finance lease liabilities	(200)	-
Net cash from financing activities	7,226	13
Net changes in cash and cash equivalents	5,218	(2,226)
Cash and cash equivalents at beginning	5,761	10,353
Cash and cash equivalents at end	10,979	8,127
Represented by:		
Cash and bank balances	10,979	8,127

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 SEPTEMBER 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 September 2021, no warrants were exercised. As at 30 September 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 SEPTEMBER 2021****A9 Segmental Reporting**

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

<u>Period ended 30 September</u> <u>2021</u>	ICT Division RM'000	Healthcare RM'000	Apparel Division * RM'000	Total RM'000
Revenue	2,148	2,658	-	4,806
Profit before tax	(3,283)	1,340	**	(1,943)
<u>As at 30 September 2021</u>				
Assets Employed	27,117	7,813	-	34,930

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

** Amount below RM1,000

<u>Period ended 30 September</u> <u>2020</u>	ICT Division RM'000	Healthcare RM'000	Apparel Division RM'000	Total RM'000
Revenue	12,741	-	-	12,741
Loss before tax	(5,347)	-	(26)	(5,373)
<u>As at 30 September 2020</u>				
Assets Employed	38,408	-	-	38,408

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

- 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.
- 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.
- 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

G3 has acquired 51% of shares in Bestinet Healthcare Sdn Bhd ("BHSB") on 8 September 2021 for a consideration of RM51,000 as part of the G3 Group's plan to expand into healthcare sector. As at the date of this report, the share capital of BHSB is RM1,000. The principal activity is to carry on business dealing with pharmaceutical, medicines & health products as well as investment holding company.

The acquisition on the new subsidiary company will not have a material effect on the share capital and net tangible assets of G3 Group for the financial year ending 31 December 2021. However, it is expected to contribute positively to the earnings of the Group for the financial year ending 31 December 2021.

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		% Change
	Current Year Quarter 30.09.21 RM'000	Preceding Year Corresponding Quarter 30.09.20 RM'000		Current Year To Date 30.09.21 RM'000	Preceding Year Corresponding Quarter 30.09.20 RM'000	
Revenue	2,836	2,747	3%	4,806	12,741	-62%
Operating Profit / (Loss)	(2,109)	(1,964)	-7%	(1,938)	(5,365)	64%
Profit / (Loss) Before Tax	(2,114)	(1,971)	-7%	(1,943)	(5,373)	64%
Profit / (Loss) After Tax	(2,115)	(1,971)	-7%	(1,946)	(5,373)	64%
Profit / (Loss) Attributable to Owners of the Parent	(2,796)	(1,968)	-42%	(2,623)	(5,368)	51%

Group's Segmental Analysis:-

Revenue contribution comprises the following:-

	Individual Quarter		% Change	Cumulative Quarter		% Change
	Current Year Quarter 30.09.21 RM'000	Preceding Year Corresponding Quarter 30.09.20 RM'000		Current Year To Date 30.09.21 RM'000	Preceding Year Corresponding Quarter 30.09.20 RM'000	
ICT	178	2,747	-94%	2,148	12,741	-83%
Healthcare	2,658	-	> 100%	2,658	-	> 100%
	<u>2,836</u>	<u>2,747</u>		<u>4,806</u>	<u>12,741</u>	

As part of G3 Group's plan to improve profitability, G3 has acquired BHSB to venture into the potential sale of antigen kits. From business commencement on 8 September 2021, BHSB is able to secure a revenue of RM2.7m in sale of antigen kits. The decrease in ICT business is attributable to delay in projects in view of current pandemic situation.

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

	Individual Quarter		% Change	Cumulative Quarter		% Change
	Current Year Quarter 30.09.21 RM'000	Preceding Year Corresponding Quarter 30.09.20 RM'000		Current Year To Date 30.09.21 RM'000	Preceding Year Corresponding Quarter 30.09.20 RM'000	
Healthcare	1,340	-	>100%	1,340	-	>100%
ICT	(3,449)	(1,964)	-76%	(3,278)	(5,365)	39%
	<u>(2,109)</u>	<u>(1,964)</u>		<u>(1,938)</u>	<u>(5,365)</u>	

In Q3,2021, the RM1.3m profit is attributable to sale of antigen kit via BHSB while the ICT losses in Q3,2021 is higher than Q3,2020 mainly due to impairment of debt amounting to RM2.5m in relation to outstanding balance yet to be received from the acquirer of apparel business.

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

	Individual Quarter		% Change	Cumulative Quarter		% Change
	Current Year Quarter 30.09.21 RM'000	Preceding Year Corresponding Quarter 30.09.20 RM'000		Current Year To Date 30.09.21 RM'000	Preceding Year Corresponding Quarter 30.09.20 RM'000	
Healthcare	1,340	-	>100%	1,340	-	>100%
ICT	(3,455)	(1,971)	-75%	(3,286)	(5,373)	39%
	<u>(2,115)</u>	<u>(1,971)</u>		<u>(1,946)</u>	<u>(5,373)</u>	

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 30.09.21 RM'000	Immediate Preceding Quarter 30.06.21 RM'000	
Revenue	2,836	769	269%
Operating Profit / (Loss)	(2,109)	310	780%
Profit / (Loss) Before Tax	(2,114)	310	782%
Profit / (Loss) After Tax	(2,115)	308	787%
Profit / (Loss) Attributable to Owners of the Parent	(2,796)	309	1005%

The revenue increased from Q2,2021 to Q3,2021 is mainly attributable to the sale of antigen kits ventured into by G3 Group in the month of September 2021. However, the increased losses in Q3,2021 from Q2,2021 are mainly attributable to the impairment of debt amounting to RM2.5m in relation to outstanding balance yet to be received from the acquirer of apparel business.

Group's Segmental Analysis:-

Revenue contribution comprises the following:-

	Individual Quarter		% Change
	Current Year Quarter 30.09.21 RM'000	Immediate Preceding Quarter 30.06.21 RM'000	
Healthcare	2,658	-	>100%
ICT	178	769	-77%
	<u>2,836</u>	<u>769</u>	

The revenue increased from Q2,2021 to Q3,2021 is mainly attributable to the sale of antigen kits ventured into by G3 Group in the month of September 2021.

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

	Individual Quarter		% Change
	Current Year Quarter 30.09.21 RM'000	Immediate Preceding Quarter 30.06.21 RM'000	
Healthcare	1,340	-	> 100%
ICT	(3,449)	310	-1213%
	<u>(2,109)</u>	<u>310</u>	

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

	Individual Quarter		% Change
	Current Year Quarter 30.09.21 RM'000	Immediate Preceding Quarter 30.06.21 RM'000	
Healthcare	1,340	-	> 100%
ICT	(3,455)	308	-1222%
	<u>(2,115)</u>	<u>308</u>	

The losses in Q3,2021 from Q2,2021 are mainly attributable to the impairment of debt amounting to RM2.5m in relation to outstanding balance yet to be received from the acquirer of apparel business.

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 increased in Q3,2021 compared to Q3,2020 due to G3 Group exploring new business area i.e. healthcare which yield positive results for the month of September 2021 through sale of antigen kits.

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

1. Pursue and secure key ICT projects and expand the involvement in healthcare sector
2. Increase business development efforts to boost revenue
3. Optimising the current cost structure
4. Corporate exercise to raise funds

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 30.09.2021 RM'000
Current financial year tax expense	3

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 30.09.21	Preceding Year Corresponding Quarter 30.09.20	Current Year To Date 30.09.21	Preceding Year Corresponding Quarter 30.09.20
Loss attributable to ordinary equity holders of the Company (RM'000)	(2,115)	(1,971)	(1,946)	(5,373)
Weighted average numbers of ordinary shares in issue ('000)	2,164,247	468,158	2,144,466	468,097
Basic earning per share (sen)	(0.10)	(0.42)	(0.09)	(1.15)

Diluted earnings per share

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.21	Preceding Year Corresponding Quarter 30.09.20	Current Year To Date 30.09.21	Preceding Year Corresponding Quarter 30.09.20
Loss attributable to ordinary equity holders of the Company (RM'000)	(2,115)	(1,971)	(1,946)	(5,373)
Weighted average numbers of ordinary shares in issue ('000)	2,164,247	468,158	2,144,466	468,097
Adjustment for dilutive effect of warrants ('000)	310,753	150,596	310,753	150,596
	2,475,000	618,754	2,455,219	618,693
Diluted earning per share (sen)	(0.09)	(0.32)	(0.08)	(0.87)

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 30.09.21 RM'000	Current Year To Date 30.09.21 RM'000
After charging :		
Depreciation and amortization	108	352
Interest expense on lease liability	2	5
And crediting :		
Interest income	<u>16</u>	<u>60</u>

B10 Authorisation for issue

The interim financials statements were authorised for release by the Board of Directors on 19 November 2021.