

G3 GLOBAL BERHAD (Company No. 200201002733 (570396-D))**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023****(The figures have not been audited)**

	As At End Of Current Quarter (Unaudited) 31.03.2023 RM'000	As At Preceding Financial Year Ended (Audited) 31.12.2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	416	513
Other receivable	-	3,852
	<u>416</u>	<u>4,365</u>
Current assets		
Inventories	747	738
Trade receivables	2,177	1,785
Other receivables and deposits	15,434	13,918
Contract asset	7,790	-
Cash and bank balances	25,301	27,435
	<u>51,449</u>	<u>43,876</u>
TOTAL ASSETS	<u>51,865</u>	<u>48,241</u>
EQUITY & LIABILITIES		
Equity attributable to owners of the parent		
Share capital	108,581	108,581
Accumulated losses	(67,863)	(67,969)
	<u>40,718</u>	<u>40,612</u>
Non-controlling interest	(124)	(112)
Total equity	<u>40,594</u>	<u>40,500</u>
Current liabilities		
Trade payables	7,161	5,478
Other payables and accruals	4,001	2,090
Lease liabilities	109	173
	<u>11,271</u>	<u>7,741</u>
Total liabilities	<u>11,271</u>	<u>7,741</u>
TOTAL EQUITY & LIABILITIES	<u>51,865</u>	<u>48,241</u>
Net Assets per Share (RM)	0.01	0.01

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 2022.

G3 GLOBAL BERHAD (Company No. 200201002733 (570396-D))**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023****(The figures have not been audited)**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter (Unaudited) 31.03.2023 RM'000	Preceding Year Corresponding Quarter (Unaudited) 31.03.2022 RM'000	Current Year To Date (Unaudited) 31.03.2023 RM'000	Preceding Year Corresponding Quarter (Unaudited) 31.03.2022 RM'000
Revenue	12,707	9,535	12,707	9,535
Operating expenses	(14,142)	(10,290)	(14,142)	(10,290)
Other operating income	1,531	8	1,531	8
Profit / (Loss) from operations	96	(747)	96	(747)
Finance cost	(2)	(2)	(2)	(2)
Profit / (Loss) before tax	94	(749)	94	(749)
Taxation	-	(156)	-	(156)
Total comprehensive profit / (loss) for the financial year	94	(905)	94	(905)
Total comprehensive loss for the financial year attributable to:-				
Non-controlling interest	(12)	189	(12)	189
Total comprehensive profit / (loss) for the financial year attributable to owners of the parent	106	(1,094)	106	(1,094)
	94	(905)	94	(905)
Basic profit / (loss) per share attributable to owners of the parent (sen)	0.00	(0.05)	0.00	(0.05)
Diluted profit / (loss) per share (sen)	0.00	(0.04)	0.00	(0.04)

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 2022.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023**
(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 Period Ended					
<u>31.03.23</u>					
Balance at 1.1.2023	108,581	(67,969)	40,612	(112)	40,500
Total comprehensive loss for the financial year	-	106	106	(12)	94
Balance at 31.03.2023	<u>108,581</u>	<u>(67,863)</u>	<u>40,718</u>	<u>(124)</u>	<u>40,594</u>
Financial Period Ended					
<u>31.03.2022</u>					
Balance at 1.1.2022	81,746	(59,182)	22,564	956	23,520
Transactions with owners:					
Issue of new shares	7	-	7	-	7
Total comprehensive profit / (loss) for the financial year		(1,094)	(1,094)	189	(905)
Balance at 31.03.2022	<u>81,753</u>	<u>(60,276)</u>	<u>21,477</u>	<u>1,145</u>	<u>22,622</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 2022. The accompanying notes are an integral part of this statement.

G3 GLOBAL BERHAD (Company No. 200201002733 (570396-D))**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023****(The figures have not been audited)**

	Cumulative Current Year Period 31.03.2023 RM'000 (Unaudited)	Cumulative Preceding Year Period 31.03.2022 RM'000 (Unaudited)
Cash flows from operating activities		
Profit / (Loss) before taxation	94	(749)
Adjustments for:		
- Non-cash items	97	108
- Non-operating items	(9)	(6)
Operating loss before working capital changes	<u>182</u>	<u>(647)</u>
Inventories	(9)	(1,250)
Receivables	1,963	(4,277)
Contract asset	(7,789)	-
Payables	<u>3,594</u>	<u>5,522</u>
Cash used in operations	<u>(2,059)</u>	<u>(652)</u>
Income tax paid	(20)	(100)
Net cash used in operating activities	<u>(2,079)</u>	<u>(752)</u>
Cash flows from investing activities		
Interest received	11	8
Placement of fixed deposit with licensed bank	(11,838)	-
Acquisition of a subsidiary, net of cash acquired	-	6
Net cash from/(used) in investing activities	<u>(11,827)</u>	<u>14</u>
Cash flows from financing activities		
Proceeds from issuance of shares		7
Interest paid	(2)	(2)
Repayment of finance lease liabilities	(64)	(64)
Net cash from financing activities	<u>(66)</u>	<u>(59)</u>
Net changes in cash and cash equivalents	<u>(13,972)</u>	<u>(797)</u>
Cash and cash equivalents at beginning	<u>27,435</u>	<u>9,387</u>
Cash and cash equivalents at end	<u><u>13,463</u></u>	<u><u>8,590</u></u>
Represented by:		
Cash and bank balances	13,463	8,590
Fixed deposit with licensed bank	<u>11,838</u>	-
	<u>25,301</u>	<u>8,590</u>
Less: Fixed deposit pledged	<u>(11,838)</u>	-
	<u><u>13,463</u></u>	<u><u>8,590</u></u>

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 2022 and the accompanying notes to interim financial statements.

**A Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting
31 March 2023**

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 2022. 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 2022.

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 2022.

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 2022. The Group intends to adopt these new and amended standards, if applicable, when they become effective in the respective period.

The following MFRS have been issued by the MASB and are effective for annual period commencing on or after 1 January 2024, and have yet to be adopted by the Group, where applicable:

- a) Amendments to MFRS 16 - Lease liability in a sale and leaseback
- b) Amendments to MFRS 101 - Presentation of financial statements: Non-current liabilities with covenants

The adoption of the above standards are not expected to have significant financial impact to the Group's consolidated financial statements.

A3 Audit Report

The auditors' report on the financial statements for the financial year ended 31 December 2022 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

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.

A Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting 31 March 2023 (Cont'd)**A9 Segmental Reporting**

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

Period ended 31 March 2023	ICT Division RM'000	Healthcare RM'000	Total RM'000
Revenue	12,707	-	12,707
Profit / (Loss) before tax	118	(24)	94
<u>As at 31 March 2023</u>			
Assets Employed	38,013	13,852	51,865

Period ended 31 March 2022	ICT Division RM'000	Healthcare RM'000	Total RM'000
Revenue	75	9,460	9,535
Profit / (Loss) before tax	(1,292)	543	(749)
<u>As at 31 March 2022</u>			
Assets Employed	14,428	19,536	33,964

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 2022.

A11 Utilisation of proceeds

Proceeds amounting to RM18.18 million from the Private Placement Exercise on 24 June 2022 has been utilised as follows as at 12 May 2023:

Utilisation Purpose	Actual proceeds raised from the completion of the Private Placement 2022 RM	Actual proceeds utilised to date RM	Balance proceeds unutilised RM	Expected timeframe for utilisation of proceeds from the date of completion of Private Placement 2022
(i) Healthcare Business	-	-	-	Within 12 months
(ii) Future Business projects / investments	17,664,755.60	8,586,685.00	9,078,070.60	Within 24 months
(iii) Working capital	-	-	-	Within 12 months
(iv) Expenses for the Proposals	514,915.00	514,915.00	-	Within 1 month
	18,179,670.60	9,101,600.00	9,078,070.60	

A Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting 31 March 2023 (Cont'd)

A12 Significant and Subsequent Events

1. On 28 March 2023, G3 through General Meeting has approved the following:
 - a. variation of the utilisation of proceeds raised from the private placement which was completed on 27 June 2022 to the intended utilisation; and
 - b. proposed private placement of up to 870,826,000 new ordinary shares in G3 Global ("G3 Global Shares" or "Shares"), representing not more than 30% of the issued Shares in G3.
2. On 12 May 2023, G3's Private Placement has completed following the listing of the 870,826,000 Placement Shares at the issue price of RM0.0224 per Placement Share. The total of RM19.5million raised from the completion of the Private Placement of 870,826,000 Placement Shares.

A13 Changes In The Composition of The Group

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

A14 Contingent Liabilities and Contingent Assets

Details of contingent liabilities of the Group as at end of the current quarter under review are as follows:

(a) Performance bond

	As at 31.03.2023 RM'000	As at 31.03.2022 RM'000
Performance bond provided in favour of third parties pursuant to the construction and/or development projects of the Group	11,838	-

A15 Capital Commitments

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

A16 Group Borrowings and Debt Securities

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

A17 Cash and Bank Balances

	31.03.2023 RM'000
Cash and Bank Balances	25,301
Less: Deposits with licensed banks restricted in use	<u>(11,838)</u>
	<u><u>13,463</u></u>

A18 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.

A19 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 31.03.2023 RM'000	Preceding Year Corresponding Quarter 31.03.2022 RM'000		Current Year To Date 31.03.2023 RM'000	Preceding Year Corresponding Quarter 31.03.2022 RM'000	
Revenue	12,707	9,535	33%	12,707	9,535	33%
Operating Profit / (Loss)	96	(747)	113%	96	(747)	113%
Profit / (Loss) Before Tax	94	(749)	113%	94	(749)	113%
Profit / (Loss) After Tax	94	(905)	110%	94	(905)	110%
Profit / (Loss) Attributable to Owners of the Parent	106	(1,094)	110%	106	(1,094)	110%

Group's Segmental Analysis:-

a. Revenue contribution comprises the following:-

	Individual Quarter			% Change	Cumulative Quarter			% Change
	Current Year Quarter 31.03.2023 RM'000	Preceding Year Corresponding Quarter 31.03.2022 RM'000			Current Year To Date 31.03.2023 RM'000	Preceding Year Corresponding Quarter 31.03.2022 RM'000		
ICT	12,707	75	>100%	12,707	75	>100%		
Healthcare	-	9,460	-100%	-	9,460	-100%		
	<u>12,707</u>	<u>9,535</u>		<u>12,707</u>	<u>9,535</u>			

The Group revenue has recorded a revenue of RM12.7million in Q1,2023 which represent an increase of RM3.2million or 33% compared to RM9.5million in Q1,2022. The increase is attributable to revenue from ICT Division Artificial Intelligence Solutions, AIS3 project and sale of telematic devices.

No new revenue stream identified for the Group's Healthcare Division which resulted to no revenue in Q1,2023 as compared to RM9.5million in Q1,2022.

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

	Individual Quarter			% Change	Cumulative Quarter			% Change
	Current Year Quarter 31.03.2023 RM'000	Preceding Year Corresponding Quarter 31.03.2022 RM'000			Current Year To Date 31.03.2023 RM'000	Preceding Year Corresponding Quarter 31.03.2022 RM'000		
ICT	120	(1,290)	>100%	120	(1,290)	>100%		
Healthcare	(24)	543	>-100%	(24)	543	>-100%		
	<u>96</u>	<u>(747)</u>		<u>96</u>	<u>(747)</u>			

The Group recorded a profit from operations of RM0.1million in Q1,2023 which represent an increase of RM0.8million or 113% compared to loss from operations of RM0.75million in Q1,2022. The improvement in Q1,2023 results is attributable to profit from ICT Division Artificial Intelligence Solutions, AIS3 project and sale of telematic devices.

B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities (Cont'd)**B1 Review of the performance of the Group (cont'd)**

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

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 31.03.2023 RM'000	Preceding Year Corresponding Quarter 31.03.2022 RM'000	% Change	Current Year To Date 31.03.2023 RM'000	Preceding Year Corresponding Quarter 31.03.2022 RM'000	% Change
ICT	118	(1,292)	>100%	118	(1,292)	>100%
Healthcare	(24)	387	>-100%	(24)	387	>-100%
	<u>94</u>	<u>(905)</u>		<u>94</u>	<u>(905)</u>	

The Group recorded a profit after tax of RM0.09million in Q1,2023 which represent an increase of RM1million or 110% compared to loss after tax of RM0.91million in Q1,2022. The improvement in Q1,2023 results is attributable to profit from ICT Division Artificial Intelligence Solutions, AIS3 project and sale of telematic devices.

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 31.03.2023 RM'000	Immediate Preceding Quarter 31.12.2022 RM'000	
Revenue	12,707	1,261	>100%
Operating Profit / (Loss)	96	(6,923)	>100%
Profit / (Loss) Before Tax	94	(6,926)	>100%
Profit / (Loss) After Tax	94	(6,654)	>100%
Profit / (Loss) Attributable to Owners of the Parent	106	(5,538)	>100%

Group's Segmental Analysis:-

a. Revenue contribution comprises the following:-

	Individual Quarter		% Change
	Current Year Quarter 31.03.2023 RM'000	Immediate Preceding Quarter 31.12.2022 RM'000	
ICT	12,707	644	>100%
Healthcare	-	617	>-100%
	<u>12,707</u>	<u>1,261</u>	

The Group revenue has recorded a revenue of RM12.7million in Q1,2023 which represent an increase of RM11.4million compared to RM1.3million in Q4,2022. The increase in revenue is attributable to revenue from ICT Division Artificial Intelligence Solutions, AIS3 project and sale of telematic devices.

No new revenue stream identified for G3's Healthcare Division which resulted to no revenue in Q1,2023 as compared to RM0.6million in Q4,2022.

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

	Individual Quarter		% Change
	Current Year Quarter 31.03.2023 RM'000	Immediate Preceding Quarter 31.12.2022 RM'000	
ICT	120	(4,487)	>100%
Healthcare	(24)	(2,436)	-99%
	<u>96</u>	<u>(6,923)</u>	

The Group profit from operations of RM0.1million in Q1,2023 is higher by RM7million or 101% compared to loss from operations of RM6.9million in Q4,2022. The improvement in Q1,2023 results is attributable to profit from ICT Division Artificial Intelligence Solutions, AIS3 project and sale of telematic devices.

B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities (Cont'd)

B2 Material changes in the quarterly results compared to the results of the preceding quarter (cont'd)

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

	Individual Quarter		% Change
	Current Year Quarter 31.03.2023 RM'000	Immediate Preceding Quarter 31.12.2022 RM'000	
ICT	118	(4,490)	>100%
Healthcare	(24)	(2,164)	-99%
	<u>94</u>	<u>(6,654)</u>	

B3 Current prospects and progress on previously announced financial estimates

The Group will continue to focus on the following potential initiatives, notwithstanding the impact from the current challenging economic situation:

1. Completing key ICT project and increase order book for ICT Division
2. Venture into collaboration with key industry players to expand the Group's ICT footprint
3. Corporate exercise to raise funds

The Board remained vigilant in view of current challenging economic environment.

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

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.03.2023 RM'000	Preceding Year Corresponding Quarter 31.03.2022 RM'000	Current Year To Date 31.03.2023 RM'000	Preceding Year Corresponding Quarter 31.03.2022 RM'000
Current Tax	-	156	-	156

B7 Dividends

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

B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities (Cont'd)**B8 Earnings per share****a. Basic loss per share**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.03.2023	Preceding Year Corresponding Quarter 31.03.2022	Current Year To Date 31.03.2023	Preceding Year Corresponding Quarter 31.03.2022
Profit / (Loss) attributable to ordinary equity holders of the Company (RM'000)	106	(1,094)	106	(1,094)
Weighted average numbers of ordinary shares in issue ('000)	2,902,754	2,164,295	2,902,754	2,164,295
Basic profit / (loss) per share (sen)	0.00	(0.05)	0.00	(0.05)

b. Diluted earnings per share

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.03.2023	Preceding Year Corresponding Quarter 31.03.2022	Current Year To Date 31.03.2023	Preceding Year Corresponding Quarter 31.03.2022
Profit / (Loss) attributable to ordinary equity holders of the Company (RM'000)	106	(1,094)	106	(1,094)
Weighted average numbers of ordinary shares in issue ('000)	2,902,754	2,164,295	2,902,754	2,164,295
Adjustment for dilutive effect of warrants ('000) **	-	310,529	-	310,529
	<u>2,902,754</u>	<u>2,474,824</u>	<u>2,902,754</u>	<u>2,474,824</u>

** Warrants expired on 30 September 2022

Diluted profit / (loss) per share (sen)	0.00	(0.04)	0.00	(0.04)
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B9 Loss Before Taxation

This is arrived at:

	Current Year Quarter 31.03.2023 RM'000	Current Year To Date 31.03.2023 RM'000
After charging :		
Depreciation and amortization	97	97
Interest expense on lease liability	2	2
And crediting :		
Interest income	<u>11</u>	<u>11</u>

B10 Authorisation for issue

The interim financials statements were authorised for release by the Board of Directors on 23 May 2023.