



GLOBAL INVESTMENTS LIMITED

Condensed Interim Financial Statements For The Six Months Ended 30 June 2021

Investments in Global Investments Limited (GIL) are not deposits with or other liabilities of Singapore Consortium Investment Management Limited (SICIM), or any of SICIM's related corporations and are subject to investment risk, including possible loss of income and capital invested. Neither SICIM (manager of GIL), nor SICIM's related corporations guarantee the performance of GIL or the payment of a particular rate of return on the shares of GIL.

This financial report is not an offer or invitation for subscription or purchase or recommendation of GIL shares. It does not take into account the investment objectives, financial situation and particular needs of an investor. Before making an investment in GIL, an investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances and consult an investment adviser if necessary.

SICIM, as manager of GIL is entitled to fees for so acting. SICIM and its related corporations, together with their respective officers and directors, may hold shares in GIL from time to time.

This financial report has been prepared to enable the directors to comply with their obligations under the Listing Manual of the Singapore Exchange Securities Trading Limited (Listing Manual) and where relevant, to satisfy the requirements of the Singapore Financial Reporting Standards (International). The responsibility for the preparation of the financial report and any financial information contained in this financial report rests solely with the directors of GIL.

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**CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME**

	Note	Group 6 months ended 30 Jun 21 S\$'000	Group 6 months ended 30 Jun 20 S\$'000
Income			
Dividend income		906	879
Interest income		6,334	7,439
Net foreign exchange gain		437	1,684
Net gain/(loss) on financial assets at fair value through profit or loss	7	13,417	(16,572)
Total income		21,094	(6,570)
Expenses			
Management fees	8	(1,279)	(1,126)
Incentive fees	8	(2,335)	-
Other operating expenses		(971)	(925)
Total expenses		(4,585)	(2,051)
Profit/(loss) before tax		16,509	(8,621)
Income tax expense	9	(70)	(68)
Profit/(loss) after tax		16,439	(8,689)
Total comprehensive income for the period attributable to shareholders		16,439	(8,689)
Basic earnings per share (cents per share)	12	1.02	(0.52)
Diluted earnings per share (cents per share)	12	1.02	(0.52)

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	Group As at 30 Jun 21 S\$'000	Group As at 31 Dec 20 S\$'000	Company As at 30 Jun 21 S\$'000	Company As at 31 Dec 20 S\$'000
ASSETS					
Non-current assets					
Financial assets at fair value through profit or loss	7	216,144	214,336	216,144	214,336
		<u>216,144</u>	<u>214,336</u>	<u>216,144</u>	<u>214,336</u>
Current assets					
Cash and cash equivalents		46,402	26,908	46,402	26,908
Financial assets at fair value through profit or loss	7	60,059	68,244	60,059	68,244
Other assets		3,831	3,963	3,831	3,963
		<u>110,292</u>	<u>99,115</u>	<u>110,292</u>	<u>99,115</u>
Total Assets		<u>326,436</u>	<u>313,451</u>	<u>326,436</u>	<u>313,451</u>
LIABILITIES					
Other liabilities		7,137	1,577	7,137	1,577
Total Liabilities		<u>7,137</u>	<u>1,577</u>	<u>7,137</u>	<u>1,577</u>
Net assets attributable to shareholders		<u>319,299</u>	<u>311,874</u>	<u>319,299</u>	<u>311,874</u>
EQUITY					
Share capital	14	270,837	270,837	270,837	270,837
Treasury shares	14	(15,946)	(12,978)	(15,946)	(12,978)
Capital reserve		405	68	405	68
Retained earnings		64,003	53,947	64,003	53,947
Total Equity		<u>319,299</u>	<u>311,874</u>	<u>319,299</u>	<u>311,874</u>
Net asset value per share (S\$ per share)		<u>0.1981</u>	<u>0.1915</u>	<u>0.1981</u>	<u>0.1915</u>

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Group 6 months ended 30 Jun 21 S\$'000	Group 6 months ended 30 Jun 20 S\$'000
Cash flows from operating activities		
Operating costs paid	(2,624)	(3,596)
Interest income received	6,907	7,301
Dividend income received	520	462
Income tax paid	(70)	(68)
Net cash inflow from operating activities	<u>4,733</u>	<u>4,099</u>
Cash flows from investing activities		
Purchase of financial assets	(15,165)	(49,395)
Redemption/maturity of financial assets	38,313	24,543
Net proceeds from disposal of financial assets	255	1,192
Net cash generated from/(used in) investing activities	<u>23,403</u>	<u>(23,660)</u>
Cash flows used in financing activities		
Dividends paid	(2,282)	-
Purchase of treasury shares	(6,873)	(10,523)
Net cash outflow used in financing activities	<u>(9,155)</u>	<u>(10,523)</u>
Net increase/(decrease) in cash and cash equivalents	18,981	(30,084)
Cash and cash equivalents at beginning of period	26,908	40,945
Effects of exchange rate changes on cash and cash equivalents	513	1,793
Cash and cash equivalents at end of period	<u>46,402</u>	<u>12,654</u>

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Changes in shareholders' equity of the Group for the six months ended 30 June 2021	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Total equity at 1 January 2021	270,837	(12,978)	68	53,947	311,874
Profit for the period	-	-	-	16,439	16,439
Transactions with equity holders in their capacity as equity holders:					
Purchase of treasury shares	-	(6,731)	-	-	(6,731)
Transfer of treasury shares ¹	-	3,763	337	-	4,100
Dividend for the period	-	-	-	(6,383)	(6,383)
Total equity at 30 June 2021	270,837	(15,946)	405	64,003	319,299

Changes in shareholders' equity of the Group for the six months ended 30 June 2020	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Total equity at 1 January 2020	270,837	(4,203)	2	54,262	320,898
Profit for the period	-	-	-	(8,689)	(8,689)
Transactions with equity holders in their capacity as equity holders:					
Purchase of treasury shares	-	(10,584)	-	-	(10,584)
Dividend for the period	-	-	-	(8,071)	(8,071)
Total equity at 30 June 2020	270,837	(14,787)	2	37,502	293,554

¹ This relates to the transfer of treasury shares for the purpose of allotment of shares pursuant to the Scrip Dividend Scheme. Any realised gain or loss will be recognised in the capital reserve.

CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY OF THE COMPANY

Changes in shareholders' equity of the Company for the six months ended 30 June 2021	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Total equity at 1 January 2021	270,837	(12,978)	68	53,947	311,874
Profit for the period	-	-	-	16,439	16,439
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Purchase of treasury shares	-	(6,731)	-	-	(6,731)
Transfer of treasury shares ¹	-	3,763	337	-	4,100
Dividend for the period	-	-	-	(6,383)	(6,383)
Total equity at 30 June 2021	270,837	(15,946)	405	64,003	319,299

Changes in shareholders' equity of the Company for the six months ended 30 June 2020	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Total equity at 1 January 2020	270,837	(4,203)	2	54,262	320,898
Profit for the period	-	-	-	(8,689)	(8,689)
Transactions with equity holders in their capacity as equity holders:					
Purchase of treasury shares	-	(10,584)	-	-	(10,584)
Dividend for the period	-	-	-	(8,071)	(8,071)
Total equity at 30 June 2020	270,837	(14,787)	2	37,502	293,554

¹: This relates to the transfer of treasury shares for the purpose of allotment of shares pursuant to the Scrip Dividend Scheme. Any realised gain or loss will be recognised in the capital reserve.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1 Corporate Information

Global Investments Limited (GIL or the Company) was incorporated in Bermuda on 24 April 2006 as a mutual fund company limited by shares.

The Company is publicly traded on the main board of the Singapore Exchange Securities Trading Limited (the SGX-ST) on 20 December 2006. On 7 January 2019, the Company transferred its domicile from Bermuda to Singapore and it is now registered in Singapore. The address of its registered office is 250 Tanjong Pagar Road #09-01 St Andrew's Centre Singapore 088541.

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2021 comprise the Company and its subsidiaries (together, the Group).

The principal activities of the Group consist of investing in a portfolio of assets in different sectors.

2 Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2021 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2020.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency and rounded to the nearest thousand.

The figures in the consolidated statement of financial position, consolidated statement of comprehensive income, statement of changes in shareholders' equity and consolidated statement of cash flows and explanatory notes have not been audited or reviewed.

3 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

4 Use of judgements and estimates

In preparing the condensed interim financial statements, the Group makes judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future period.

The significant judgements made in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Fair value of securities not quoted in an active market

The fair value of securities not quoted in an active market is usually determined by the Group using broker or dealer quotes, which may be indicative and not executable or binding, or valuation techniques based on inputs which are not quoted in active markets. These financial assets were categorised within Level 3 in the fair value hierarchy.

4 Use of judgements and estimates (Cont'd)

The Group exercises judgement in its assessment of the appropriateness of the quotes obtained, which may consider factors such as the performance of the underlying loan portfolio based on reports obtained from third party managers, assessment of expected future cash flows, recent transactions in the same or similar instrument and the volatility of and spread between broker quotes obtained. When the valuation techniques are used, the Group relies on information such as collateral performance and cash flows of underlying portfolio and applied judgement at best estimates when determining fair value.

5 Seasonal operations

The Group seeks to create a portfolio with diversity across asset class, geography, industry, currency and duration. As a result, the Group was not materially affected by seasonal or cyclical factors during the financial period.

6 Segment and revenue information

The Group's investments are organised into the following main asset classes:

- Loan portfolio and securitisation assets
- Bonds
- Bank contingent convertibles
- Listed equities
- Cash and cash equivalents

	Loan Portfolio and Securitisation Assets	Bonds				Bank Contingent Convertibles				Listed Equities			Cash and cash equivalents	Total
		Europe S\$'000	Asia S\$'000	North America S\$'000	Others S\$'000	Europe S\$'000	Asia S\$'000	North America S\$'000	Others S\$'000	Europe S\$'000	Asia S\$'000	North America S\$'000	S\$'000	S\$'000
2021														
For the six months ended 30 June 2021														
Total segment income	802	(43)	783	1,219	133	6,886	47	76	883	250	9,153	281	624	21,094
Segment profit/(loss) before tax	802	(43)	783	1,219	133	6,886	47	76	883	250	9,153	281	624	21,094
Included segment items														
Dividend income	-	-	-	-	-	-	-	-	-	21	885	-	-	906
Interest income	267	-	360	(5)	395	4,477	26	51	528	-	-	-	235	6,334
Net gain/(loss) on financial assets at fair value through profit or loss	534	(43)	421	1,218	(268)	2,383	21	25	352	229	8,264	281	-	13,417
Net foreign exchange gain	1	-	2	6	6	26	-	-	3	-	4	-	389	437
As at 30 June 2021														
Total segment assets	8,384	342	20,715	9,419	11,602	160,135	-	1,542	15,249	1,816	48,507	1,874	46,510	326,095
Total segment liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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6 Segment and revenue information (Cont'd)

	Loan Portfolio and Securitisation Assets	Bonds				Bank Contingent Convertibles				Listed Equities			Cash and cash equivalents	Total
	S\$'000	Europe S\$'000	Asia S\$'000	North America S\$'000	Others S\$'000	Europe S\$'000	Asia S\$'000	North America S\$'000	Others S\$'000	Europe S\$'000	Asia S\$'000	North America S\$'000	S\$'000	S\$'000
2020														
For the six months ended 30 June 2020														
Total segment income	(1,108)	63	2,041	(3,210)	274	1,015	35	(61)	723	(176)	(7,745)	(329)	1,908	(6,570)
Segment profit/(loss) before tax	(1,108)	63	2,041	(3,210)	274	1,015	35	(61)	723	(176)	(7,745)	(329)	1,908	(6,570)
Included segment items														
Dividend income	-	-	-	-	-	-	-	-	-	37	842	-	-	879
Interest income	445	41	984	575	415	4,138	35	53	621	-	-	-	132	7,439
Net gain/(loss) on financial assets at fair value through profit or loss	(1,561)	21	1,041	(3,790)	(161)	(3,030)	-	(107)	145	(212)	(8,589)	(329)	-	(16,572)
Net foreign exchange gain/(loss)	8	1	16	5	20	(93)	-	(7)	(43)	(1)	2	-	1,776	1,684
As at 30 June 2020														
Total segment assets	9,344	1,688	40,901	11,086	12,036	164,144	1,785	1,354	16,134	1,439	32,994	125	12,654	305,684
Total segment liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-

6 Segment and revenue information (Cont'd)

Reconciliations of reportable segment profit or loss, assets and liabilities

	Group	
	6 months ended 30 June 2021 S\$'000	6 months ended 30 June 2020 S\$'000
Segment profits		
Reported profit for reportable segments	21,094	(6,570)
Management fees	(1,279)	(1,126)
Incentive fees	(2,335)	-
Other operating expenses	(971)	(925)
Profit/(loss) before income tax	16,509	(8,621)
Segment assets		
Reported assets for reportable segments	326,095	305,684
Other assets (excluding interest and dividend receivables)	341	219
Total assets	326,436	305,903
Segment liabilities		
Reported liabilities for reportable segments	-	-
Dividend payable	-	(8,071)
Management fee payable	(819)	(759)
Other payables	(6,318)	(3,519)
Total liabilities	(7,137)	(12,349)

7 Financial assets at fair value through profit or loss

Set out below is an overview of the financial assets of the Group as at 30 June 2021 and 31 December 2020:

	Group		Company	
	30 June 2021 S\$'000	31 December 2020 S\$'000	30 June 2021 S\$'000	31 December 2020 S\$'000
Non-current				
Loan portfolio and securitisation assets	8,312	9,725	8,312	9,725
Bonds	33,109	23,931	33,109	23,931
Bank contingent convertibles	174,723	180,680	174,723	180,680
	216,144	214,336	216,144	214,336
Current				
Bonds	8,335	28,253	8,335	28,253
Listed equities	51,724	39,991	51,724	39,991
	60,059	68,244	60,059	68,244
Total financial assets at fair value through profit or loss	276,203	282,580	276,203	282,580

7 Financial assets at fair value through profit or loss (Cont'd)

Net gain/(loss) on financial assets at fair value through profit or loss breakdown:

	Group		Company	
	6 months ended 30 June 2021 S\$'000	6 months ended 30 June 2020 S\$'000	6 months ended 30 June 2021 S\$'000	6 months ended 30 June 2020 S\$'000
Realised	553	(51)	553	(51)
Unrealised	12,864	(16,521)	12,864	(16,521)
Total gain/(loss)	13,417	(16,572)	13,417	(16,572)

8 Related party transactions

The following transactions were carried out with SICIM (The Manager):

	Group	
	6 months ended 30 June 2021 S\$'000	6 months ended 30 June 2020 S\$'000
Base management fees	1,279	1,126
Incentive fees	2,335	-
Fixed management fees	323	323
Other fees and reimbursement of expenses	193	188
Divestment fees	380	240
Total	4,510	1,877

9 Taxation

The Company is a tax resident in Singapore and has been approved by the Monetary Authority of Singapore for the Enhanced-Tier-Fund Tax Incentive Scheme under Section 13X of the Singapore Income Tax Act. The tax exemption status will allow the Company to enjoy tax exemption on specified income in respect of any designated investment.

	Group	
	6 months ended 30 June 2021 S\$'000	6 months ended 30 June 2020 S\$'000
Income tax expense		
Withholding tax	70	68
Total	70	68

Income tax expense arose mainly from withholding tax relating to dividend income from listed equities.

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For The Six Months Ended 30 June 2021

10 Dividends

The Company has declared an interim dividend of 0.40 Singapore cents per share for the financial year ending 31 December 2021. This dividend will be paid on or about 7 October 2021.

For the financial year ending 31 December 2021, the Company has obtained the Inland Revenue Authority of Singapore's confirmation that it is a tax resident of Singapore.

Dividends paid in 2021 are exempt from tax (one-tier) when received in the hands of Shareholders.

	Group	
	2021	2020
<u>Interim dividend</u>		
Dividend per Share (cents)	0.40	0.40
Dividend amount (S\$'000)	6,446 *	6,563
<u>Final dividend</u>		
Dividend per Share (cents)	-	0.40
Dividend amount (S\$'000)	-	6,383
	6,446	12,946

* FY21 interim dividend is calculated based on the number of outstanding shares as at 30 June 2021.

11 Net Asset Value

	Group		Company	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Net asset value per ordinary shares (S\$'000)	319,299	311,874	319,299	311,874
Total of ordinary shares in issue used in calculation of net assets value per share ('000)	1,611,523	1,628,928	1,611,523	1,628,928
Net asset value per ordinary share (S\$ per share)	0.1981	0.1915	0.1981	0.1915

12 Earnings per share

	Group	
	6 months ended 30 June 2021 S\$'000	6 months ended 30 June 2020 S\$'000
<u>Basic earnings per share</u>		
Earnings used in calculation of basic earnings per share (S\$'000)	16,439	(8,689)
Weighted average number of ordinary shares in issue used in calculation of basic earnings per share ('000)	1,607,722	1,659,310
Basic earnings per share (cents per share)	1.02	(0.52)
<u>Diluted earnings per share</u>		
Earnings used in calculation of diluted earnings per share (S\$'000)	16,439	(8,689)
Weighted average number of ordinary shares in issue used in calculation of diluted earnings per share ('000)	1,607,722	1,659,310
Diluted earnings per share (cents per share)	1.02	(0.52)

13 Fair value measurement

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (Level 2);
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The following table presented the assets measured at fair value:

Group	Level 1	Level 2	Level 3	Total
As at 30 June 2021	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets at fair value through profit or loss				
- Loan portfolio and securitisation assets	-	-	8,312	8,312
- Bonds	41,081	363	-	41,444
- Bank contingent convertibles	174,723	-	-	174,723
- Listed equities	51,724	-	-	51,724
	267,528	363	8,312	276,203

Group	Level 1	Level 2	Level 3	Total
As at 31 December 2021	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets at fair value through profit or loss				
- Loan portfolio and securitisation assets	-	-	9,725	9,725
- Bonds	51,734	450	-	52,184
- Bank contingent convertibles	180,680	-	-	180,680
- Listed equities	39,991	-	-	39,991
	272,405	450	9,725	282,580

There were no transfer of financial assets between levels during 30 June 2021 and 31 December 2020.

The fair value of financial instruments quoted in active markets is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1 and comprise listed equity securities, bonds and bank contingent convertibles.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on estimates. If all significant inputs required to fair value the financial assets are observable, the financial assets are included in Level 2.

Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently. Level 3 instruments include the following investments:

(i) Listed Equity

As at 30 June 2021 and 31 December 2020, the listed equity was still suspended with no observable price and a nil carrying value.

(ii) Loan Portfolio and Securitisation Assets

As there is currently no active market and observable prices are not available for these investments, the Group has used broker or dealer quotes, which may be indicative and not executable or binding, to estimate their fair value.

13 Fair value measurement (Cont'd)

Level 3 valuations are reported on a quarterly basis to the Board. The Board considers a number of factors when assessing the appropriateness of the valuation basis and the valuation result, which may include: the performance of the underlying loan portfolio or underlying assets if available, assessment of expected future cash flows, recent transactions in the same or similar instrument and the volatility of and spread between broker quotes obtained.

As a result of the assessment above, these investments were valued at the lower of broker quotes or internal valuations calculated at S\$8.3 million (31 December 2020: S\$9.7 million).

The following table presents the changes in Level 3 instruments for the six months ended 30 June 2021 and 31 December 2020.

Group	Level 3 S\$'000
At 1 January 2021	9,725
Disposal/redemption	(1,963)
Net gain on financial assets at fair value through profit or loss	550
At 30 June 2021	<u>8,312</u>
Total gain for the period included in profit or loss for assets held at the end of the period	<u>560</u>
At 1 January 2020	15,478
Disposal/redemption	(5,064)
Net loss on financial assets at fair value through profit or loss	(689)
At 31 December 2020	<u>9,725</u>
Total loss for the period included in profit or loss for assets held at the end of the year	<u>(689)</u>

In estimating significance, the Group performed sensitivity analysis based on methodologies applied for fair value adjustment. These adjustments reflect the values which the Group estimates to be appropriate to reflect uncertainties in the inputs used (e.g. based on stress testing methodologies on the unobservable input). The methodologies used can be statistical or based on other relevant approved techniques.

As at 30 June 2021, S\$8.3 million (31 December 2020: S\$9.7 million) of these investments were valued based on broker quotes. Assuming a 5% increase (decrease) in broker quotes for investments valued based on broker quotes, the fair value will increase (decrease) by S\$0.4 million (31 December 2020: S\$0.5 million).

14 Share capital

	The Group and the Company			
	30 June 2021		31 December 2020	
	Number of shares '000	Amount S\$'000	Number of shares '000	Amount S\$'000
Issued ordinary shares				
At beginning and end of financial period	1,723,842	270,837	1,723,842	270,837
Treasury shares				
At beginning of financial year	(94,914)	(12,978)	(30,313)	(4,203)
Purchase of treasury shares	(45,686)	(6,731)	(131,097)	(17,624)
Transfer of treasury shares	28,281	3,763	66,496	8,849
At end of financial period	<u>(112,319)</u>	<u>(15,946)</u>	<u>(94,914)</u>	<u>(12,978)</u>
Issued ordinary shares net treasury shares	<u>1,611,523</u>	<u>254,891</u>	<u>1,628,928</u>	<u>257,859</u>

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2021 and 31 December 2020.

15 Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

1. Review

The condensed consolidated statement of financial position of Global Investments Limited and its subsidiaries as at 30 June 2021 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six month period then ended and explanatory notes have not been audited or reviewed.

2. Review of the performance of the Group

Financial performance for six months ended 30 June 2021

For the six months ended 30 June 2021, the Group reported a net profit after tax of S\$16.4 million as compared to a net loss after tax of S\$8.7 million recorded for the six months ended 30 June 2020.

Income

The Group reported an income of S\$21.1 million as compared to a negative income of S\$6.6 million recorded in the same period last year. The main difference in the income level was due to the fluctuation in fair value movement on financial assets at fair value through profit or loss (FVTPL) of S\$13.4 million gain for the six months ended 30 June 2021 as compared to a S\$16.6 million fair value loss in the comparative period. The Group also reported a lower interest income of S\$6.3 million as compared to S\$7.4 million in the comparative period. This was due to the increase in the redemption/maturity of investments during the half year, resulting in lower interest income recorded. A lower net foreign exchange gain of S\$0.4 million was recorded as compared to S\$1.7 million in the comparative period.

Expenses

Expenses for the six months ended 30 June 2021 was higher at S\$4.6 million as compared to S\$2.1 million recorded in the comparative period. This was mainly due to incentive fee of S\$2.3 million charged during the current period.

Statement of financial position

Financial assets at fair value through profit or loss

The financial assets at FVTPL as at 30 June 2021 was S\$276.2 million and was S\$6.4 million lower than the carrying value of the portfolio of investments of S\$282.6 million as at 31 December 2020. The decrease was mainly due to a net redemption/maturity of investments, partially offset by net fair value gain from higher valuation of investments.

Cash and cash equivalents

Cash and cash equivalents increased to S\$46.4 million as at 30 June 2021 from S\$26.9 million as at 31 December 2020. This was mainly due to the net redemption/maturity of investments, offset by the purchase of treasury shares and payment of FY2020 final dividend.

Net asset value per share

The net asset value per share of the Group as at 30 June 2021 was 19.81 Singapore cents after the payment of 2020 final dividend of 0.40 Singapore cents per share. If the 2020 final dividend was paid and the treasury shares relating to the Scrip Dividend Scheme had been utilised before 31 December 2020, the net asset value per share as at 31 December 2020 would have been 18.68 Singapore cents instead of 19.15 Singapore cents per share. Therefore, the increase in net asset value per share from 18.68 to 19.81 Singapore cents would be 6.0% for the six months ended 30 June 2021.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next twelve months.

Listed Equities

Global equities (represented by the MSCI ACWI Index) rose 11.4% and 37.2% over the past 6 and 12 months, respectively. Driven by Pfizer's first successful Covid-19 vaccine in November 2020, the index closed the year at record high. As vaccination rates crossed 50% in major western countries by July 2021, reopening of developed economies should accelerate through the second half of 2021. With the restart of economic activity, the market's focus increasingly turned to inflation concerns and tapering of asset purchase by central banks. The spike in inflation caused market jitters in early 2021. While central banks attempted to overshoot inflation targets, the market believed in an earlier-than-expected lift-off in rates. The mismatch and resulting uncertainty could stoke turbulence as the year progresses.

Geopolitical risks initially faded with the change in US administration in early 2021. However, as the new Biden administration maintained its pressure on China across all fronts, geopolitical concerns could once again dominate. While the threat of a military showdown remains remote, we are already seeing an acceleration in the decoupling of technology and capital markets as both countries seek to reduce interdependence on national security concerns.

Bonds

The Bloomberg Barclays Global High Yield Index rose 2.1% and 14.6% over the past 6 and 12 months, respectively. Despite heightened volatility in the bond market in 2020, major fixed income sectors ended the year with positive returns as credit spreads retraced much of their widening. Lifted by easy monetary policies and stronger economic outlook in 2021, the benchmark 10-year Treasury yield surged to a high of 1.78% in March 2021. Against the backdrop of recovering oil prices and better-than-expected corporate earnings, high yield credit outpaced the investment-grade debt market. While the US Fed maintained its view that the pickup in inflation is transitory, further improvements in Covid-19 cases and economic reopening may push the central bank to revisit the possibility of tapering its asset purchase program.

In China, corporate bond defaults hit record high in the first half of 2021 as credit conditions tightened. In March, China Huarong's ability to service its debt brought fresh concerns over the implicit government guarantees on SOE debt, casting uncertainties over the perceived safety of Chinese SOEs. As the Chinese economy stabilises in 2021, the PBOC maintained neutral monetary policy stance, maintaining its one-and-five-year loan prime rate unchanged in its July meeting.

Bank Contingent Convertibles (CoCo)

CoCo spreads further tightened by 76bps and 215bps over the past 6 and 12 months, respectively. The search for yield has led to investors taking on a greater degree of subordination risk, driven by negative yields in the senior part of the capital structure, as well as attractive yields that came with greater subordination. Several of the European banks made additional provisions in 2020 and beginning of 2021 in response to the coronavirus outbreak-induced stress. With fiscal support measures in place across the region, asset quality deterioration remained contained for the moment.

These support measures are largely expected to remain in place for the next 6 months, which will maintain asset quality of the European banks. However, the inevitable withdrawal of support measures over the longer term will likely result in some deterioration of credit metrics, but this will be broadly manageable.

Loan Portfolio and Securitisation Assets (LPSA)

The fundamental picture continued to improve within structured credits as most credit metrics continued to improve over the past 6 months following drastically impaired figures at the end of 2020. Issuances were strong, with new supply of \$88 billion of US and European CLOs and \$5.5 billion of Australian RMBS coming into the market in the first half of 2021. Looking back across a 12-month horizon, spreads stayed on a tightening trend as it moved to post-GFC lows, as any credit impact were mitigated by unprecedented government financial support along with measures taken by lenders to address financial difficulties.

Securitisation issuance is expected to remain strong in the second half of 2021 on the back of strong demand from investors, while the improvement in loan issuer credit metrics should accelerate as the economy continues to recover. Financial conditions are expected to remain loose over the longer term with the US FOMC dot plot indicating the first interest hike only in 2023, which in turn will support credit conditions.

Sources include research publications by brokerage house, banks, information service providers, associations and media.

5. Dividend information

(a) Whether an interim / final dividend has been declared / recommended and amount per share

The Company has declared an interim dividend of 0.40 Singapore cents per share for the financial year ending 31 December 2021.

(b) Previous corresponding period

	Group	
	2021	2020
<u>Interim dividend</u>		
Dividend per Share (cents)	0.40	0.40
Dividend amount (S\$'000)	6,446 *	6,563
<u>Final dividend</u>		
Dividend per Share (cents)	-	0.40
Dividend amount (S\$'000)	-	6,383
	<u>6,446</u>	<u>12,946</u>

* FY21 interim dividend is calculated based on the number of outstanding shares as at 30 June 2021.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived.

Dividends paid in 2021 are exempt from tax (one-tier) when received in the hands of Shareholders.

(d) The date the dividend is payable

7 October 2021

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined

26 August 2021

6. Interested person transactions

The Company has not obtained a general mandate from shareholders for interested person transactions.

7. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has no employees or executive officers and has appointed the Manager to manage. The Company confirms that it has procured the undertakings from all its Directors in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Listing Manual.

8. Negative confirmation pursuant to Rule 705(5)

On behalf of the Board of Directors of Global Investments Limited, we, the undersigned hereby confirm to the best of our knowledge that nothing has come to their attention which may render the financial statements for the six months ended 30 June 2021 to be false or misleading in any material respect.

On behalf of the Board of Directors

Boon Swan Foo
Chairman
12 August 2021

Ronald Seah Lim Siang
Lead Independent Director and Chairman of
Audit and Risk Management Committee
12 August 2021