



# GLOBAL INVESTMENTS LIMITED

## **Condensed Interim Financial Statements For The Half Year And Full Year Ended 31 December 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

		Group			
		Half year ended 31 December 2021	Half year ended 31 December 2020	Full year ended 31 December 2021	Full year ended 31 December 2020
Note		S\$'000	S\$'000	S\$'000	S\$'000
<b>Income</b>					
	Dividend income	830	720	1,736	1,599
	Interest income	6,374	7,485	12,708	14,924
	Net foreign exchange gain	580	-	1,017	1,577
	Net gain/(loss) on financial assets at fair value through profit or loss	13	(6,873)	17,238	6,544
	<b>Total income</b>	<b>911</b>	<b>25,443</b>	<b>22,005</b>	<b>18,766</b>
<b>Expenses</b>					
	Management fees	8	(1,348)	(1,194)	(2,627)
	Incentive fees	8	-	-	(2,335)
	Net foreign exchange loss		-	(107)	-
	Other operating expenses		(1,050)	(1,082)	(2,021)
	<b>Total expenses</b>		<b>(2,398)</b>	<b>(2,383)</b>	<b>(6,983)</b>
	<b>Profit before tax</b>		<b>(1,487)</b>	<b>23,060</b>	<b>15,022</b>
	Income tax expense	9	(60)	(52)	(130)
	<b>Profit after tax</b>		<b>(1,547)</b>	<b>23,008</b>	<b>14,892</b>
	<b>Total comprehensive income for the period attributable to shareholders</b>		<b>(1,547)</b>	<b>23,008</b>	<b>14,892</b>
	<b>Basic earnings per share (cents per share)</b>	12	<b>(0.10)</b>	<b>1.41</b>	<b>0.93</b>
	<b>Diluted earnings per share (cents per share)</b>	12	<b>(0.10)</b>	<b>1.41</b>	<b>0.93</b>

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	Group As at 31 Dec 21 S\$'000	Group As at 31 Dec 20 S\$'000	Company As at 31 Dec 21 S\$'000	Company As at 31 Dec 20 S\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Financial assets at fair value through profit or loss	13	212,051	214,336	212,051	214,336
Right-of-use asset		184	55	184	55
		<u>212,235</u>	<u>214,391</u>	<u>212,235</u>	<u>214,391</u>
<b>Current assets</b>					
Cash and cash equivalents		41,921	26,908	41,921	26,908
Financial assets at fair value through profit or loss	13	53,804	68,244	53,804	68,244
Other assets		2,993	3,908	2,993	3,908
		<u>98,718</u>	<u>99,060</u>	<u>98,718</u>	<u>99,060</u>
<b>Total Assets</b>		<b>310,953</b>	<b>313,451</b>	<b>310,953</b>	<b>313,451</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Lease liabilities		64	61	64	61
Other liabilities		1,377	1,516	1,377	1,516
		<u>1,441</u>	<u>1,577</u>	<u>1,441</u>	<u>1,577</u>
<b>Non-current liabilities</b>					
Lease liabilities		124	-	124	-
		<u>124</u>	<u>-</u>	<u>124</u>	<u>-</u>
<b>Total Liabilities</b>		<b>1,565</b>	<b>1,577</b>	<b>1,565</b>	<b>1,577</b>
<b>Net assets attributable to shareholders</b>		<b>309,388</b>	<b>311,874</b>	<b>309,388</b>	<b>311,874</b>
<b>EQUITY</b>					
Share capital	15	270,837	270,837	270,837	270,837
Treasury shares	15	(18,228)	(12,978)	(18,228)	(12,978)
Capital reserve		742	68	742	68
Retained earnings		56,037	53,947	56,037	53,947
<b>Total Equity</b>		<b>309,388</b>	<b>311,874</b>	<b>309,388</b>	<b>311,874</b>
<b>Net asset value per share (S\$ per share)</b>		<b>0.1933</b>	<b>0.1915</b>	<b>0.1933</b>	<b>0.1915</b>

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY OF THE GROUP**

<b>Changes in shareholders' equity of the Group for the year ended 31 December 2021</b>	<b>Share capital S\$'000</b>	<b>Treasury shares S\$'000</b>	<b>Capital reserve S\$'000</b>	<b>Retained earnings S\$'000</b>	<b>Total S\$'000</b>
Total equity at 1 January 2021	270,837	(12,978)	68	53,947	311,874
Total comprehensive income for the full year ended 31 December 2021	-	-	-	14,892	14,892
Transactions with equity holders in their capacity as equity holders:					
Purchase of treasury shares	-	(12,980)	-	-	(12,980)
Transfer of treasury shares <sup>1</sup>	-	7,730	674	-	8,404
Dividends	-	-	-	(12,802)	(12,802)
<b>Total equity at 31 December 2021</b>	<b>270,837</b>	<b>(18,228)</b>	<b>742</b>	<b>56,037</b>	<b>309,388</b>

<b>Changes in shareholders' equity of the Group for the year ended 31 December 2020</b>	<b>Share capital S\$'000</b>	<b>Treasury shares S\$'000</b>	<b>Capital reserve S\$'000</b>	<b>Retained earnings S\$'000</b>	<b>Total S\$'000</b>
Total equity at 1 January 2020	270,837	(4,203)	2	54,262	320,898
Total comprehensive income for the full year ended 31 December 2020	-	-	-	14,319	14,319
Transactions with equity holders in their capacity as equity holders:					
Purchase of treasury shares	-	(17,624)	-	-	(17,624)
Transfer of treasury shares <sup>1</sup>	-	8,849	66	-	8,915
Dividends	-	-	-	(14,634)	(14,634)
<b>Total equity at 31 December 2020</b>	<b>270,837</b>	<b>(12,978)</b>	<b>68</b>	<b>53,947</b>	<b>311,874</b>

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 CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY OF THE COMPANY**

<b>Changes in shareholders' equity of the Company for the year ended 31 December 2021</b>	<b>Share capital S\$'000</b>	<b>Treasury shares S\$'000</b>	<b>Capital reserve S\$'000</b>	<b>Retained earnings S\$'000</b>	<b>Total S\$'000</b>
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Transfer of treasury shares <sup>1</sup>	-	7,730	674	-	8,404
Dividends	-	-	-	(12,802)	(12,802)
<b>Total equity at 31 December 2021</b>	<b>270,837</b>	<b>(18,228)</b>	<b>742</b>	<b>56,037</b>	<b>309,388</b>

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<b>Total equity at 31 December 2020</b>	<b>270,837</b>	<b>(12,978)</b>	<b>68</b>	<b>53,947</b>	<b>311,874</b>

<sup>1</sup> 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 CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	Full year ended 31 Dec 21 S\$'000	Full year ended 31 Dec 20 S\$'000
<b>Cash flows from operating activities</b>		
Operating costs paid	(7,561)	(6,108)
Interest income received	13,360	15,082
Dividend income received	1,771	1,446
Income tax paid	(133)	(123)
<b>Net cash inflow from operating activities</b>	<u>7,437</u>	<u>10,297</u>
<b>Cash flows from investing activities</b>		
Purchase of financial assets	(32,408)	(64,401)
Redemption/maturity of financial assets	48,053	55,396
Net proceeds from disposal of financial assets	8,238	6,153
<b>Net cash generated from/(used in) investing activities</b>	<u>23,883</u>	<u>(2,852)</u>
<b>Cash flows used in financing activities</b>		
Dividends paid	(4,398)	(5,719)
Purchase of treasury shares	(13,067)	(17,482)
<b>Net cash outflow used in financing activities</b>	<u>(17,465)</u>	<u>(23,201)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	13,855	(15,756)
Cash and cash equivalents at beginning of period	26,908	40,945
Effects of exchange rate changes on cash and cash equivalents	1,158	1,719
<b>Cash and cash equivalents at end of period</b>	<u>41,921</u>	<u>26,908</u>



## 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 half year and full year ended 31 December 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 half year and full year ended 31 December 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 interim financial statements for the period ended 30 June 2021.

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
	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
<b>For the half year ended 31 December 2021</b>														
Total segment income	105	59	(521)	1,719	(75)	1,197	-	(29)	21	(15)	(2,656)	61	1,045	911
Segment profit/(loss) before tax	105	59	(521)	1,719	(75)	1,197	-	(29)	21	(15)	(2,656)	61	1,045	911
<b>Included segment items</b>														
Dividend income	-	-	-	-	-	-	-	-	-	24	803	3	-	830
Interest income	212	-	136	222	402	4,352	-	51	552	-	-	-	447	6,374
Net gain/(loss) on financial assets at fair value through profit or loss	(106)	59	(659)	1,496	(478)	(3,153)	-	(80)	(506)	(39)	(3,466)	59	-	(6,873)
Net foreign exchange gain	(1)	-	2	1	1	(2)	-	-	(25)	-	7	(1)	598	580

<b>For the half year ended 31 December 2020</b>														
Total segment income	1,129	277	1,162	2,223	233	12,301	25	223	799	167	6,763	23	11	25,336
Segment profit/(loss) before tax	1,129	277	1,162	2,223	233	12,301	25	223	799	167	6,763	23	11	25,336
<b>Included segment items</b>														
Dividend income	-	-	-	-	-	-	-	-	-	(1)	721	-	-	720
Interest income	297	31	682	523	401	4,830	35	52	570	-	-	-	64	7,485
Net gain/(loss) on financial assets at fair value through profit or loss	834	246	484	1,712	(158)	7,495	(10)	164	231	166	6,051	23	-	17,238
Net foreign exchange gain	(2)	-	(4)	(12)	(10)	(24)	-	7	(2)	2	(9)	-	(53)	(107)

CONDENSED INTERIM FINANCIAL STATEMENTS  
For The Half Year And Full Year Ended 31 December 2021

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
<b>For the full year ended 31 December 2021</b>														
Total segment income	907	16	262	2,938	58	8,083	47	47	904	235	6,497	342	1,669	22,005
Segment profit/(loss) before tax	907	16	262	2,938	58	8,083	47	47	904	235	6,497	342	1,669	22,005
<b>Included segment items</b>														
Dividend income	-	-	-	-	-	-	-	-	-	45	1,688	3	-	1,736
Interest income	479	-	496	217	797	8,829	26	102	1,080	-	-	-	682	12,708
Net gain/(loss) on financial assets at fair value through profit or loss	428	16	(238)	2,714	(746)	(770)	21	(55)	(154)	190	4,798	340	-	6,544
Net foreign exchange gain/(loss)	-	-	4	7	7	24	-	-	(22)	-	11	(1)	987	1,017
As at 31 December 2021														
<b>Total segment assets</b>	<b>6,959</b>	<b>401</b>	<b>14,385</b>	<b>10,915</b>	<b>11,124</b>	<b>154,124</b>	<b>-</b>	<b>1,462</b>	<b>17,518</b>	<b>1,775</b>	<b>49,318</b>	<b>590</b>	<b>41,921</b>	<b>310,492</b>
<b>Total segment liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

CONDENSED INTERIM FINANCIAL STATEMENTS  
For The Half Year And Full Year Ended 31 December 2021

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
<b>For the full year ended 31 December 2020</b>														
Total segment income	21	340	3,203	(987)	507	13,316	60	162	1,522	(9)	(982)	(306)	1,919	18,766
Segment profit/(loss) before tax	21	340	3,203	(987)	507	13,316	60	162	1,522	(9)	(982)	(306)	1,919	18,766
<b>Included segment items</b>														
Dividend income	-	-	-	-	-	-	-	-	-	36	1,563	-	-	1,599
Interest income	742	72	1,666	1,098	816	8,968	70	105	1,191	-	-	-	196	14,924
Net gain/(loss) on financial assets at fair value through profit or loss	(727)	267	1,525	(2,078)	(319)	4,465	(10)	57	376	(46)	(2,538)	(306)	-	666
Net foreign exchange gain/(loss)	6	1	12	(7)	10	(117)	-	-	(45)	1	(7)	-	1,723	1,577
As at 31 December 2020														
<b>Total segment assets</b>	<b>9,816</b>	<b>385</b>	<b>31,096</b>	<b>10,109</b>	<b>11,866</b>	<b>164,693</b>	<b>1,774</b>	<b>1,517</b>	<b>14,948</b>	<b>1,588</b>	<b>38,356</b>	<b>149</b>	<b>26,987</b>	<b>313,284</b>
<b>Total segment liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 6 Segment and revenue information (Cont'd)

### Reconciliations of reportable segment profit or loss, assets and liabilities

	Group			
	Half year ended 31 December 2021 S\$'000	Half year ended 31 December 2020 S\$'000	Full year ended 31 December 2021 S\$'000	Full year ended 31 December 2020 S\$'000
<b>Segment profits</b>				
Reported profit for reportable segments	911	25,336	22,005	18,766
Management fees	(1,348)	(1,194)	(2,627)	(2,320)
Incentive fees	-	-	(2,335)	-
Other operating expenses	(1,050)	(1,082)	(2,021)	(2,007)
<b>Profit/(loss) before income tax</b>	<b>(1,487)</b>	<b>23,060</b>	<b>15,022</b>	<b>14,439</b>
<b>Segment assets</b>				
Reported assets for reportable segments			310,492	313,284
Other assets (excluding interest and dividend receivables)			461	167
<b>Total assets</b>			<b>310,953</b>	<b>313,451</b>
<b>Segment liabilities</b>				
Reported liabilities for reportable segments			-	-
Management fee payable			(834)	(769)
Lease liabilities			(188)	(61)
Other payables			(543)	(747)
<b>Total liabilities</b>			<b>(1,565)</b>	<b>(1,577)</b>

## 7 Financial assets and financial liabilities

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

	Note	Group		Company	
		31 December 2021 S\$'000	31 December 2020 S\$'000	31 December 2021 S\$'000	31 December 2020 S\$'000
<b>Financial assets</b>					
<b>Non-current assets</b>					
Financial assets at fair value through profit or loss	13	212,051	214,336	212,051	214,336
		<u>212,051</u>	<u>214,336</u>	<u>212,051</u>	<u>214,336</u>
<b>Current assets</b>					
Financial assets at fair value through profit or loss	13	53,804	68,244	53,804	68,244
Cash and cash equivalents		41,921	26,908	41,921	26,908
Other assets		2,978	3,893	2,978	3,893
		<u>98,703</u>	<u>99,045</u>	<u>98,703</u>	<u>99,045</u>
<b>Total financial assets</b>		<b>310,754</b>	<b>313,381</b>	<b>310,754</b>	<b>313,381</b>
<b>Financial liabilities</b>					
<b>Current liabilities</b>					
Lease liabilities		64	61	64	61
Other liabilities		1,377	1,516	1,377	1,516
		<u>1,441</u>	<u>1,577</u>	<u>1,441</u>	<u>1,577</u>
<b>Non-current liabilities</b>					
Lease liabilities		124	-	124	-
		<u>124</u>	<u>-</u>	<u>124</u>	<u>-</u>
<b>Total financial liabilities</b>		<b>1,565</b>	<b>1,577</b>	<b>1,565</b>	<b>1,577</b>

## 8 Related party transactions

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

	Half year ended 31 December 2021 S\$'000	Half year ended 31 December 2020 S\$'000	Full year ended 31 December 2021 S\$'000	Full year ended 31 December 2020 S\$'000
Base management fees	1,348	1,194	2,627	2,320
Incentive fees	-	-	2,335	-
Fixed management fees	327	327	650	650
Other fees and reimbursement of expenses	209	190	402	378
Divestment fees	165	355	545	595
<b>Total</b>	<b>2,049</b>	<b>2,066</b>	<b>6,559</b>	<b>3,943</b>

## 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.

	Half year ended 31 December 2021 S\$'000	Half year ended 31 December 2020 S\$'000	Full year ended 31 December 2021 S\$'000	Full year ended 31 December 2020 S\$'000
Withholding tax	60	52	130	120
<b>Total</b>	<b>60</b>	<b>52</b>	<b>130</b>	<b>120</b>

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

## 10 Dividends

For the financial year ended 31 December 2021, the Directors have recommended the payment of a final dividend of 0.40 Singapore cents per share. The final dividend will be subject to shareholders' approval at the forthcoming Annual General Meeting to be held on 28 April 2022. This dividend will be paid on and about 22 June 2022.

The Company distributed a 2021 interim dividend of 0.40 Singapore cents per share amounting to S\$6.4 million on 7 October 2021. S\$2.1 million was paid in cash and S\$4.3 million was paid in the form of shares issued pursuant to the Scrip Dividend Scheme.

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

The Company has also received confirmation from Inland Revenue Authority of Singapore that it is a tax resident of Singapore for the financial year 2022.

Dividends paid in 2020 and 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)	6,419	6,563
<u>Final dividend</u>		
Dividend per Share (cents)	0.40	0.40
Dividend amount (S\$'000)	6,401	6,383
	<b>12,820</b>	<b>12,946</b>

\* FY21 final dividend is calculated based on the number of outstanding shares as at 31 December 2021.



CONDENSED INTERIM FINANCIAL STATEMENTS  
For The Half Year And Full Year Ended 31 December 2021

### 11 Net Asset Value

	Group		Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Net asset value per ordinary shares (S\$'000)	309,388	311,874	309,388	311,874
Total of ordinary shares in issue used in calculation of net assets value per share ('000)	1,600,291	1,628,928	1,600,291	1,628,928
<b>Net asset value per ordinary share (S\$ per share)</b>	<b>0.1933</b>	<b>0.1915</b>	<b>0.1933</b>	<b>0.1915</b>

### 12 Earnings per share

	Group			
	Half year ended 31 December 2021 S\$'000	Half year ended 31 December 2020 S\$'000	Full year ended 31 December 2021 S\$'000	Full year ended 31 December 2020 S\$'000
<u>Basic earnings per share</u>				
Earnings used in calculation of basic earnings per share (S\$'000)	(1,547)	23,008	14,892	14,319
Weighted average number of ordinary shares in issue used in calculation of basic earnings per share ('000)	1,605,613	1,635,127	1,606,659	1,647,158
<b>Basic earnings per share (cents per share)</b>	<b>(0.10)</b>	<b>1.41</b>	<b>0.93</b>	<b>0.87</b>
<u>Diluted earnings per share</u>				
Earnings used in calculation of diluted earnings per share (S\$'000)	(1,547)	23,008	14,892	14,319
Weighted average number of ordinary shares in issue used in calculation of diluted earnings per share ('000)	1,605,613	1,635,127	1,606,659	1,647,158
<b>Diluted earnings per share (cents per share)</b>	<b>(0.10)</b>	<b>1.41</b>	<b>0.93</b>	<b>0.87</b>

### 13 Financial assets at fair value through profit or loss

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

	Group		Company	
	31 December 2021 S\$'000	31 December 2020 S\$'000	31 December 2021 S\$'000	31 December 2020 S\$'000
Non-current				
Loan portfolio and securitisation assets	6,890	9,725	6,890	9,725
Bonds	34,197	23,931	34,197	23,931
Bank contingent convertibles	170,964	180,680	170,964	180,680
	212,051	214,336	212,051	214,336
Current				
Bonds	2,137	28,253	2,137	28,253
Listed equities	51,667	39,991	51,667	39,991
	53,804	68,244	53,804	68,244
<b>Total financial assets at fair value through profit or loss</b>	<b>265,855</b>	<b>282,580</b>	<b>265,855</b>	<b>282,580</b>

### 13 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:

	Half year ended 31 December 2021 S\$'000	Half year ended 31 December 2020 S\$'000	Full year ended 31 December 2021 S\$'000	Full year ended 31 December 2020 S\$'000
Realised	781	1,803	1,334	1,752
Unrealised	(7,654)	15,435	5,210	(1,086)
<b>Total gain/(loss)</b>	<b>(6,873)</b>	<b>17,238</b>	<b>6,544</b>	<b>666</b>

### 14 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 As at 31 December 2021	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
Financial assets at fair value through profit or loss				
- Loan portfolio and securitisation assets	-	-	6,890	6,890
- Bonds	36,001	333	-	36,334
- Bank contingent convertibles	170,964	-	-	170,964
- Listed equities	51,667	-	-	51,667
	<b>258,632</b>	<b>333</b>	<b>6,890</b>	<b>265,855</b>

Group As at 31 December 2020	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total 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
	<b>272,405</b>	<b>450</b>	<b>9,725</b>	<b>282,580</b>

There was no transfer of financial assets between levels during 31 December 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.

#### 14 Fair value measurement (Cont'd)

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 31 December 2021, there are 2 listed equities which were suspended with no observable price and a nil carrying value (31 December 2020: 1).

(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.

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\$6.9 million (31 December 2020: S\$9.7 million).

The following table presents the changes in Level 3 instruments for the full year ended 31 December 2021 and 31 December 2020.

<b>Group</b>	<b>Level 3 S\$'000</b>
At 1 January 2021	9,725
Disposal/redemption	(3,297)
Net gain on financial assets at fair value through profit or loss	462
At 31 December 2021	<u>6,890</u>
Total gain for the period included in profit or loss for assets held at the end of the period	<u>462</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 31 December 2021, S\$6.9 million (31 December 2020: S\$9.7 million) of these investments were valued based on broker quotes or last available bid price. Assuming a 5% increase (decrease) in such quotes or prices for these investments, the fair value will increase (decrease) by S\$0.3 million (31 December 2020: S\$0.5 million).

## 15 Share Capital

	The Group and the Company			
	31 December 2021		31 December 2020	
	Number of shares '000	Amount S\$'000	Number of shares '000	Amount S\$'000
<b>Issued ordinary shares</b>				
At beginning and end of financial period	1,723,842	270,837	1,723,842	270,837
<b>Treasury shares</b>				
At beginning of financial year	(94,914)	(12,978)	(30,313)	(4,203)
Purchase of treasury shares	(85,611)	(12,980)	(131,097)	(17,624)
Transfer of treasury shares	56,974 <sup>1</sup>	7,730	66,496 <sup>2</sup>	8,849
At end of financial period	(123,551)	(18,288)	(94,914)	(12,978)
<b>Issued ordinary shares net treasury shares</b>	<b>1,600,291</b>	<b>252,609</b>	<b>1,628,928</b>	<b>257,859</b>

<sup>1</sup> On 10 June 2021, 28,280,673 treasury shares were transferred for the purpose of allotment of shares pursuant to the Scrip Dividend Scheme. On 7 October 2021, 28,693,591 treasury shares were transferred for the purpose of allotment of shares pursuant to the Scrip Dividend Scheme.

<sup>2</sup> On 5 August 2020, 35,525,430 treasury shares were transferred for the purpose of allotment of shares pursuant to the Scrip Dividend Scheme. On 7 October 2020, 30,970,355 treasury shares were transferred for the purpose of allotment of shares pursuant to the Scrip Dividend Scheme.

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

As at 31 December 2021, the outstanding number of treasury shares represented 7.7% (31 December 2020: 5.8%) of the total number of issued shares (excluding treasury shares).

## 16 Breakdown of income and operating profit after tax

	Group 2021 S\$'000	Group 2020 S\$'000
Financial period from 1 January to 30 June (unaudited)		
Total income for the financial period from 1 January to 30 June	21,094	(6,570)
Operating profit after tax for the financial period from 1 January to 30 June	16,439	(8,689)
Financial period from 1 July to 31 December (unaudited)		
Total income for the financial period from 1 July to 31 December	911	25,336
Operating profit after tax for the financial period from 1 July to 31 December	(1,547)	23,008
Financial year from 1 January to 31 December (unaudited)		
Total income for the financial period from 1 January to 31 December	22,005	18,766
Operating profit after tax for the financial period from 1 January to 31 December	14,892	14,319

## 17 Subsequent events

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

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## 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 31 December 2021 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in shareholders' 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 half year ended 31 December 2021**

For the six months ended 31 December 2021, the Group reported a net loss after tax of S\$1.5 million as compared to a net profit after tax of S\$23.0 million recorded for the six months ended 31 December 2020.

#### **Income**

The Group reported an income of S\$0.9 million as compared to an income of S\$25.4 million recorded in the same period last year. The main difference in the income level was due to the fluctuation in fair value on financial assets at fair value through profit or loss (FVTPL) of S\$6.9 million losses for the six months ended 31 December 2021 as compared to a S\$17.2 million fair value gain in the comparative period. The Group also reported a lower interest income of S\$6.4 million as compared to S\$7.5 million in the comparative period due to the increase in the redemption/maturity of investments during the half year. The lower income in the current year was cushioned by a net foreign exchange gain of S\$0.6 million.

#### **Expenses**

Expenses for the six months ended 31 December 2021 remain unchanged at S\$2.4 million as compared to the same period last year.

#### **Financial performance for full year ended 31 December 2021**

For the year ended 31 December 2021, the Group reported a higher net profit after tax of S\$14.9 million as compared to a net profit after tax of S\$14.3 million recorded for the year ended 31 December 2020.

#### **Income**

The Group reported an income of S\$22.0 million which is about 17% higher than the S\$18.8 million recorded last year. The higher income was due to the higher fair value gain for financial assets at FVTPL of S\$6.5 million gain versus a gain of S\$0.7 million last year. The higher fair value gain was offset partially by lower interest income of S\$12.7 million due to the increase in the redemption/maturity of investments during the year. For the previous year, interest income was S\$14.9 million. A lower net foreign exchange gain of S\$1.0 million was recorded as compared to S\$1.6 million last year.

#### **Expenses**

Expenses for the year ended 31 December 2021 was S\$7.0 million, higher than the S\$4.3 million recorded last year. This was mainly due to incentive fee of S\$2.3 million charged during the year.

### **Statement of financial position**

#### **Financial assets at fair value through profit or loss**

The financial assets at FVTPL as at 31 December 2021 was S\$265.9 million and was S\$16.7 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\$41.9 million as at 31 December 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 and FY2021 interim dividend.

### Net asset value per share

The net asset value per share of the Group as at 31 December 2021 was 19.33 Singapore cents after the payment of 2020 final dividend of 0.40 Singapore cents per share and 2021 interim 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. After adjusting for the 2021 interim dividend, the net asset value per share as at 31 December 2021 would have been 19.82 Singapore cents and the increase in net asset value per share would be 6.10%.

### Return on equity

The Group achieved a higher return on equity (computed based on net profit after tax over the average total equity) of 4.8% in 2021 as compared to 4.5% in 2020 due to higher profit after tax.

### 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 4.84% and 16.80% over the past 6 and 12 months, respectively, and once again closed the year at record high. Despite global supply chain disruptions and rising commodity prices in early 2021, global equities forged ahead, supported by strong corporate earnings and loose monetary policies. As vaccination rates approached 80% across major western countries, concerns over the pandemic took a back seat.

In geopolitics, US and China maintained their confrontational stance as a broad range of issues remain unresolved. Under the Biden administration, the US deepened multilateral security in the Indo-Pacific with multiple security alliances as it adopted a coordinated strategy against China. Following initial meetings between leaders from both sides, the relationship appeared to have entered a stalemate. Pending the right conditions for further negotiations, the risk of any inadvertent trigger of sensitive red lines remains high.

Major equities markets fell into negative territory after Russian President Putin ordered strikes on Ukraine. For the period from 1 January 2022 to 24 February 2022, S&P 500, Euro STOXX 50 and Nikkei 225 index were down about 10%, 11% and 8% respectively.

#### Bonds

The Bloomberg Barclays Global High Yield Index fell 1.07% and rose 0.99% over the past 6 and 12 months, respectively. Inflation became the dominant theme towards second half of 2021 as policy makers acknowledged the persistent nature of global rising prices. The US Fed in December announced the accelerated tapering of its bond purchases and signalled a much steeper interest rate trajectory. Additionally, liquidity in the market is expected to be drained as the Fed prepares to shrink its balance sheet. Concurrently, the outbreak of the new infectious virus variant, Omicron, threatened to disrupt global economic recovery. A multitude of challenges, from the impending interest rate hikes to supply chain constraints and the shifting landscape in the fight against the coronavirus, weighed on bond market towards the end of 2021.

World central banks have revealed plans to roll back easy monetary policies and started to raise interest rates. In 2H21, bond yields continued their upward trend, pushed higher by the Fed's hawkish policy stance. The 10-year US Treasury topped 1.7% in October, its highest since June and ended the year at 1.5%.

In China, fresh turbulence erupted in the real estate sector, triggered by the bond default by property developer Evergrande. The contagion quickly spread to the rest of the Chinese property developers as liquidity in the sector evaporated. On the back of slowing economic growth and the central government's priority for a more balanced social development, the near-term environment will be marked by heightened uncertainty with frequent bouts of volatility.

#### Bank Contingent Convertibles (CoCos)

CoCos credit spreads widened by 16bps over the past 6 months, but tightened by 55bps over the past 12 months. Spreads

briefly reached pre-pandemic low levels in the third quarter of 2021, before widening slightly in the fourth quarter. This was due to a rise in overall market yields in response to an increasingly hawkish tone from the Fed, as inflation continued to trend higher. While the Fed has already begun tapering, the European Central Bank is expected to be more measured both in the initial timeline as well as the pace of tapering.

European banks' balance sheets are stronger than ever as they improved their capital buffers over the course of the pandemic. However, with most banks looking to reduce their capital buffer to increase distributions to shareholders, and given the current level of credit spreads, further spread compression is unlikely in the short term.

The Bloomberg CoCo USD Total Return Index fell 0.99% over the past 6 months but rose 1.8% over the past 12 months.

#### **Loan Portfolio and Securitisation Assets (LPSA)**

Credit spreads on leveraged loans (based on JP Morgan Leveraged Loan Index) are at a cyclical low of 414bps as it continued its tightening trend from 486bps in 2020. 2021 set a record year for leveraged loan and CLO issuances, as borrowers capitalized on low yields as well as strong demand from investors, in particular for floating rate loans with an eye on policy rate hikes in the horizon.

While spread volatility is likely to be higher with the next 12 months given the uncertainties around the tightening of monetary policy, this is offset by strong credit fundamentals of issuers, and low default rates that are expected to stay below the historical average over the longer term.

The Palmer Square CLO Debt Index rose 1.4% and 5.1% over the past 6 and 12 months, respectively.

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**

For the financial year ended 31 December 2021, the Directors have recommended the payment of a final dividend of 0.40 Singapore cents per share. The final dividend is subject to shareholders' approval at the forthcoming Annual General Meeting.

### **(b) Previous corresponding period**

	2021	Group	2020
<u>Interim dividend</u>			
Dividend per Share (cents)	0.40		0.40
Dividend amount (S\$'000)	6,419		6,563
<u>Final dividend</u>			
Dividend per Share (cents)	0.40		0.40
Dividend amount (S\$'000)	6,401		6,383
	12,820		12,946

\* FY21 final dividend is calculated based on the number of outstanding shares as at 31 December 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**

The proposed final dividend, if approved by the shareholders at the forthcoming Annual General Meeting, will be paid on 22 June 2022.

### **(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**

**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 half and full year ended 31 December 2021 to be false or misleading in any material respect.

**9. Confirmation pursuant to Rule 704(13)**

Pursuant to Rule 704(13) of the Listing Manual, the Company confirms that there are no persons occupying managerial positions in the Company or in any of its principal subsidiaries who are relatives of a director, chief executive officer or substantial shareholder of the Company.

On behalf of the Board of Directors

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Boon Swan Foo  
Chairman  
25 February 2022

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Lay Charlie Nhuc Hiang  
Chairman of Audit and Risk Management Committee  
25 February 2022