



Condensed Interim Financial Information for the Six Months Ended 30 June 2024

A. Condensed interim consolidated statement of profit or loss and other comprehensive income

		Group		
		1-Jan-24 to	1-Jan-23 to	(1)
		30-Jun-24	30-Jun-23	Change
	Note	US\$'000	US\$'000	%
Revenue	4	18,481	21,077	(12)
Cost of sales		<u>(15,445)</u>	<u>(16,560)</u>	<u>(7)</u>
Gross profit		3,036	4,517	(33)
Other operating income		577	328	76
Distribution costs		(572)	(465)	23
(Increase)/Decrease in allowance for expected credit loss		(1)	13	NM
Administration expenses		(1,431)	(1,361)	5
Other operating expenses		(489)	(489)	0
Finance costs		<u>(10)</u>	<u>(2)</u>	<u>400</u>
Profit before taxation	5	1,110	2,541	(56)
Income tax expense	6	<u>(199)</u>	<u>(352)</u>	<u>(43)</u>
Net profit for the period attributable to equity holders of the Company		<u><u>911</u></u>	<u><u>2,189</u></u>	<u><u>(58)</u></u>
Earnings per share for profit for the period attributable to equity holders of the Company (US Cents)				
- Basic		<u>2.62</u>	<u>6.27</u>	<u>(58)</u>
- Diluted		<u>2.62</u>	<u>6.27</u>	<u>(58)</u>



B. Condensed interim statements of financial position

	Note	Group		Company	
		30-Jun-24	31-Dec-23	30-Jun-24	31-Dec-23
		US\$'000	US\$'000	US\$'000	US\$'000
Current Assets					
Cash and cash equivalents		13,058	10,996	265	30
Financial assets at amortized cost		4,500	9,016	-	-
Trade receivables		8,420	7,524	-	-
Other receivables and prepayments		705	683	54	38
Total current assets		26,683	28,219	319	68
Non-current Assets					
Investment in subsidiary		-	-	36,820	38,246
Property, plant and equipment	8	26,942	26,396	-	-
Other receivables and prepayments		591	773	-	-
Deferred tax assets		610	786	-	-
Total non-current assets		28,143	27,955	36,820	38,246
Total Assets		54,826	56,174	37,139	38,314
Current Liabilities					
Trade payables		1,962	2,677	-	-
Other payables		8,071	7,691	5,647	4,782
Lease liabilities	9	62	71	-	-
Income tax payable		119	410	-	-
Total current liabilities		10,214	10,849	5,647	4,782
Non-current Liabilities					
Lease liabilities	9	72	108	-	-
Deferred tax liabilities		103	32	-	-
Total non-current liabilities		175	140	-	-
Capital and Reserves					
Share capital	10	29,376	30,810	29,376	30,810
Treasury shares	10	(243)	(18)	(243)	(18)
Legal reserve		3,903	3,509	-	-
Merger reserve		(764)	(764)	-	-
Contributed surplus		-	-	2,295	2,295
Accumulated profits		12,165	11,648	64	445
Net shareholders' equity		44,437	45,185	31,492	33,532
Total Liabilities and Shareholders' Equity		54,826	56,174	37,139	38,314

C. Condensed interim statements of changes in equity

Group	Note	Share capital	Treasury shares	Legal reserve	Merger reserve	Accumulated profits	Net
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 1 Jan 2024		30,810	(18)	3,509	(764)	11,648	45,185
Profit for the period, representing total comprehensive income for the period		-	-	-	-	911	911
Capital reduction		(1,276)	-	-	-	-	(1,276)
Appropriation to legal reserve		-	-	394	-	(394)	-
Repurchase of shares		-	(383)	-	-	-	(383)
Cancellation of shares		(158)	158	-	-	-	-
Balance at 30 Jun 2024		29,376	(243)	3,903	(764)	12,165	44,437
Balance at 1 Jan 2023		33,644	(257)	2,157	(764)	9,579	44,359
Profit for the period, representing total comprehensive income for the period		-	-	-	-	2,189	2,189
Capital reduction		(2,577)	-	-	-	-	(2,577)
Appropriation to legal reserve		-	-	1,352	-	(1,352)	-
Balance at 30 Jun 2023		31,067	(257)	3,509	(764)	10,416	43,971

Company	Note	Share capital	Treasury shares	Contributed surplus	Accumulated profits	Net
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 1 Jan 2024		30,810	(18)	2,295	445	33,532
Loss for the period, representing total comprehensive loss for the period		-	-	-	(381)	(381)
Capital reduction		(1,276)	-	-	-	(1,276)
Repurchase of shares		-	(383)	-	-	(383)
Cancellation of shares		(158)	158	-	-	-
Balance at 30 Jun 2024		29,376	(243)	2,295	64	31,492
Balance at 1 Jan 2023		33,644	(257)	2,295	1,124	36,806
Loss for the period, representing total comprehensive loss for the period		-	-	-	(338)	(338)
Capital reduction		(2,577)	-	-	-	(2,577)
Balance at 30 Jun 2023		31,067	(257)	2,295	786	33,891

D. Condensed interim consolidated statement of cash flows

	Group 1-Jan-24 to 30-Jun-24 US\$'000	Group 1-Jan-23 to 30-Jun-23 US\$'000
Note		
Operating activities		
Profit before income tax	1,110	2,541
Adjustments for :		
Depreciation expense	2,926	3,169
Increase/(Decrease) in allowance for expected credit losses	1	(13)
Interest income	(386)	(277)
Interest expense	10	2
Operating profit before working capital changes	3,661	5,422
Trade receivables	(897)	(523)
Other receivables and prepayments	172	(97)
Trade payables	(715)	7
Other payables	(320)	(602)
Cash generated from operations	1,901	4,207
Income tax paid	(243)	(31)
Interest received	374	245
Net cash generated from operating activities	2,032	4,421
Investing activities		
Settlement of financial assets at amortized cost	4,516	-
Purchase of property, plant and equipment	A (2,772)	(2,509)
Net cash from/(used in) investing activities	1,744	(2,509)
Financing activities		
Proceeds from bank loans	1,918	-
Repayment of bank loans	(1,918)	-
Repayment of lease liabilities	(45)	(146)
Purchase of treasury shares	(383)	-
Interest paid	(10)	(2)
Cash distribution from capital reduction	(1,276)	(2,577)
Net cash used in financing activities	(1,714)	(2,725)
Net increase/(decrease) in cash and cash equivalents	2,062	(813)
Cash and cash equivalents at the beginning of the period	10,996	17,783
Cash and cash equivalents at the end of the period	13,058	16,970

Note A : During the financial period, the Group entered into lease arrangements for certain plant and equipment amounting to US\$Nil (30 June 2023: US\$155,000) and purchased property plant and equipment with an aggregated cost of US\$3,472,000 (30 June 2023: US\$2,833,000), of which US\$2,253,000 (31 December 2023: US\$1,553,000) remained unpaid at end of period.

E. Notes to the condensed interim financial information**1. Corporate information**

The Company (Registration number 200409582R) is incorporated in Singapore with its registered office at 9 Straits View, #06-07 Marina One West Tower, Singapore 018937 and its principal place of business at No. 75 Guangfu Rd., Hu-Kou, Hsin-Chu Industrial Park, Hsin-Chu County, 303 Taiwan, Republic of China. The Company is listed on the Singapore Exchange Securities Trading Limited. There were no changes to the Group structure or the principal activities of the Company and its subsidiary.

2. Basis of preparation

- 2.1** The condensed interim consolidated financial information for the six months ended 30 June 2024 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial information 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 consolidated financial statements for the year ended 31 December 2023.

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 consolidated financial statements are presented in United States dollar which is the Company's functional currency.

- 2.2** 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.
- 2.3** In preparing the condensed interim financial information, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended 31 December 2023.

Management has determined that there is no impairment loss for the Group's property, plant and equipment and investment in subsidiaries as at 30 June 2024.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal factors during the financial period.

4. Segment and revenue information

Products and services from which reportable segments derive their revenues

Information is reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance. The Group's sole operating segment is the provision of testing services to customers in the semi-conductor industry.

As there is only one principal operating segment, the information regarding its revenue and result, assets and other information is represented by the financial statements as a whole. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of the Group's performance.

Disaggregation of revenue

	Group	
	1-Jan-24 to 30-Jun-24	1-Jan-23 to 30-Jun-23
	US\$'000	US\$'000
Type of services:		
Rendering of services	18,481	21,076
Lease of equipment	-	1
Total	<u>18,481</u>	<u>21,077</u>
Timing of revenue recognition:		
At a point in time	18,481	21,076
Over time	-	1
Total	<u>18,481</u>	<u>21,077</u>

Geographical information

The Group's operations and its assets are located mainly in Taiwan, Republic of China. Its key customers are located mainly in Japan, Taiwan, Republic of China, Singapore, Thailand and United States of America. The Group's revenue from external customers and information about its non-current assets by geographical location are detailed below:

Revenue from external customers

	Group	
	1-Jan-24 to	1-Jan-23 to
	30-Jun-24	30-Jun-23
	US\$'000	US\$'000
Japan	8,312	7,730
Taiwan, Republic of China	6,966	5,545
Singapore	1,149	3,755
Thailand	916	1,870
United States of America	366	966
Others	772	1,211
Total	18,481	21,077

Non-current assets by geographical location

	30-Jun-24	31-Dec-23
	US\$'000	US\$'000
Taiwan	27,042	26,681

5. Profit before taxation

Profit before taxation includes the following items:

	Group	
	1-Jan-24 to	1-Jan-23 to
	30-Jun-24	30-Jun-23
	US\$'000	US\$'000
Income		
Interest income	386	277
Expenses		
Interest expense	10	2
Depreciation expense	2,926	3,169
Foreign currency exchange gain	(166)	(37)
Increase/(Decrease) in allowance for expected credit losses	1	(13)

There were no related parties transactions other than the following:

Compensation of directors and other key management personnel^(a)

	Group	
	1-Jan-24 to 30-Jun-24	1-Jan-23 to 30-Jun-23
	US\$'000	US\$'000
Director's fees	96	97
Salaries and other short-term benefits	119	131
Total	215	228

^(a) Other key management personnel refers to the Group's Acting Chief Executive Officer and Chief Financial Officer.

The remuneration of directors and other key management personnel are determined by the Remuneration Committee having regard to the performance of the individuals and the performance of the Group.

6. Income tax expense

	Group	
	1-Jan-24 to 30-Jun-24	1-Jan-23 to 30-Jun-23
	US\$'000	US\$'000
Income tax expense recognized in profit or loss		
Current tax benefit	59	71
Deferred tax expense	(247)	(417)
Withholding tax	(11)	(6)
Net	(199)	(352)

Deferred tax expense relates to the net utilisation of deferred tax asset arising from tax losses and capital allowances for the period and remeasurement of defined benefit obligation.

7. Net asset value

	30-Jun-24	30-Jun-23
Net asset value per share (US dollars)		
-The Group	1.29	1.26
-The Company	0.92	0.97

8. Property, plant and equipment

During the six months ended 30 June 2024, the Group acquired assets amounting to US\$3,472,000 (30 June 2023:US\$2,988,000) and disposed of assets amounting to US\$Nil (30 June 2023: US\$Nil).

9. Borrowings

	Group	Group
	30-Jun-24	31-Dec-23
	US\$'000	US\$'000
<u>Lease liabilities - secured</u>		
Amount repayable in one year or less, or on demand	62	71
Amount repayable after one year	72	108
	<u>134</u>	<u>179</u>

Details of loans, borrowings and collateral

The Group obtained rights of use for certain plant and equipment under lease arrangements amounting to US\$Nil (30 June 2023:US\$155,000) during the financial period ended 30 June 2024.

The average lease term of the Group's plant and equipment is 2.6 years and all leases are on a fixed repayment basis and some with purchase options.

The carrying amount of rights of use assets as at 30 June 2024 amounted to US\$142,000 and are included in the line item of Property, plant and equipment.

Outstanding capital commitment as at 30 June 2024 is US\$115,000.

The Group has obtained the following facilities from Bank in November 2023 and December 2023.

(a) CTBC Bank

(i) A revolving short-term credit facility of up to NTD800 million (Equivalent to USD26 million) for a tenure of 12-month; and

(ii) A long-term credit facility of up to NTD700 million (Equivalent to USD23 million) for a tenure of 84-month.

The Bank facilities are secured against certain property and plant of the Group.

(b) Taishin Bank

Unsecured loan for long-term credit facility of up to NTD300 million (Equivalent to USD9.8 million) for a tenure of 42-month.

There was no loan outstanding as at 30 June 2024.

10. Share capital

Share Capital	Group and Company			
	30-Jun-24		31-Dec-23	
	Number of shares '000	Amount US\$'000	Number of shares '000	Amount US\$'000
Balance at beginning of period	34,912	30,810	35,204	33,644
Cash distribution from capital reduction	-	(1,276)	-	(2,577)
Cancellation during the period	(236)	(158)	(292)	(257)
Balance at end of period	34,676	29,376	34,912	30,810

Treasury Shares	Group and Company	
	30-Jun-24	31-Dec-23
	Number of shares '000	Number of shares '000
Balance at beginning of period	27	292
Repurchase during the period	527	27
Cancellation during the period	(236)	(292)
Balance at end of period	318	27

The Company undertook a capital reduction and cash distribution pursuant to Section 78C of the Companies Act and the shareholders' approval at the extraordinary general meeting held on 29 April 2024.

The Company made payment to the shareholders of S\$0.05 per share for the cash distribution pursuant to the capital reduction. The sum of US\$1,276,025 (S\$1,725,186) was distributed to shareholders on 28 June 2024.

The capital reduction reduced the issued and paid-up share capital of the Company by US\$1,276,026 (S\$1,725,187) from US\$30,810,708 (S\$35,243,407) to US\$29,534,682 (S\$33,518,220)

The Company purchased a total of 527,000 (31 December 2023: 27,000) shares through market purchase. The total amount paid to acquire shares for the period was US\$383,000 (31 December 2023: US\$18,000) and the 235,600 treasury shares has been cancelled on 29 April 2024.

The Company's subsidiary does not hold any shares in the Company as at 30 June 2024 and 30 June 2023.

There are also no outstanding convertibles as at 30 June 2024 and as at the end of the corresponding period of the immediately preceding financial year.

11. Subsequent events

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

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

1 Review

The accompanying condensed interim financial information set out in Sections A to E, which comprise the condensed interim statements of financial position of the Group and Company as at June 30, 2024, and the condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows of the Group, and condensed interim statement of changes in equity of the Company for the six months period then ended, and the notes to the condensed interim financial information, have been reviewed by Deloitte & Touche LLP in Singapore in accordance with the Singapore Standard on Review Engagement 2410 – *Review of Interim Financial information Performed by the Independent Auditor of the Entity*.

2(i) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Total number of issued shares excluding treasury shares as at the end of the current financial period is 34,357,727 (31 December 2023 : 34,884,627) shares.

2(ii) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

The company cancelled 235,600 treasury shares amounting to US\$158,000 on 29 April 2024.

2(iii) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on

Not Applicable.

3 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial period, after deducting any provision for preference dividends.

	Group	
	1- Jan-24 to 30-Jun-24	1- Jan-23 to 30-Jun-23
On a basic and fully diluted basis (US cents per share)	2.62	6.27
- Weighted average number of shares ('000)	34,724	34,912

The diluted earnings per share is the same as basic earnings per share as there is no potential dilutive ordinary shares.



- 4 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Review of Operating Results

Revenue

Revenue for the current half year period decreased by 12% to US\$18.5 million, compared to US\$21.1 million in the corresponding period of 2023, mainly due to a decrease in customers' orders.

Cost of sales

Cost of sales for the current half year period decreased by 7% to US\$15.4 million, compared to US\$16.6 million in the corresponding period of 2023, mainly due to lower sales activities coupled with the decrease in short term equipment rental expense.

Other operating income

Other operating income for the current half year period increased by 76% to US\$0.6 million, compared to US\$0.3 million in the corresponding period of 2023, mainly due to higher interest income and the foreign exchange gain recognized in 2024.

Income tax expense

Income tax expense for the current half year period decreased by 43% to US\$0.2 million, compared to US\$0.4 million in the corresponding period of 2023, mainly due to the Group's decrease in profit generated and lower expectation of sufficient future taxable profits for the foreseeable future in 2024 as compared to 2023.

Financial position of the Group

Cash and financial assets at amortized cost

Cash and financial assets at amortized cost decreased by 12% to US\$17.6 million as at 30 June 2024, compared to US\$20.0 million as at 31 December 2023, mainly due to the payment for the cash distribution from capital reduction and purchase of treasury shares in 2024.



Trade receivables

Trade receivables increased by 12% to US\$8.4 million as at 30 June 2024, compared to US\$7.5 million as at 31 December 2023, reflecting the slower collections in 2Q 2024 compared to 4Q 2023.

Property, plant and equipment

Property, plant and equipment increased by 2% to US\$26.9 million as at 30 June 2024, compared to US\$26.4 million as at 31 December 2023, mainly due to the additions of property, plant, and equipment for production demand which was partially offset by depreciation expense charged during the period.

Trade payables

Trade payables decreased by 27% to US\$2.0 million as at 30 June 2024, compared to US\$2.7 million as at 31 December 2023. This was mainly due to a decrease in payables for testing equipment services which is in line with the revenue decline in 1H 2024.

Share capital

Share capital decreased by 5% to US\$29.4 million as at 30 June 2024, compared to US\$30.8 million as at 31 December 2023, mainly due to capital reduction in 2Q 2024.

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

Not applicable.

6 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 operating period and the next 12 months

While the global semiconductor market experienced fluctuations, signs of recovery and growth are emerging. However, the global economy continues to grapple with persistent inflation and economic uncertainty amidst a challenging geopolitical landscape.

Against this backdrop, the Group is cautiously optimistic on the outlook for 2H FY2024 as it anticipates business improvements and recovery for the rest of the year.

Supported by the Group's robust engineering capability and strong partnership with its suppliers and customers, Global Testing remains focused on delivering quality testing services, forging strong relationship with all clients and endeavours to maintain the Group's current level of orderbook.



7 Dividend

(a) Current financial period reported on

Any dividend recommended for the current financial period reported on? None.

(b) Corresponding period of the immediate preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year?
None

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

8 If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend has been declared / recommended for the current financial period reported on as dividend, if any, will be declared at the full year results announcement.

9 If the group has obtained a general mandate from shareholders for Interested Person Transactions (“IPT”), the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No IPT mandate has been obtained from shareholders. The Company and its subsidiary did not enter into any IPT during the financial period ended 30 June 2024.

10 Confirmation Pursuant to Rule 705(5) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results for 6-months ended 30 June 2024 of the Company and of the Group to be false or misleading, in any material aspect.

11 Confirmation Pursuant to Rule 720(1) of the Listing Manual

The Company has procured undertaking from all its directors and executive officers as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Chen Tie-Min
Senior Executive Director
14 August 2024