



---

Condensed Interim Financial Information for the Six Months Ended 30 June 2021

---

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

		<b>Group</b>	
		<b>1-Jan-21 to</b>	<b>1-Jan-20 to</b>
		<b>30-Jun-21</b>	<b>30-Jun-20</b>
	<b>Note</b>	<b>US\$'000</b>	<b>US\$'000</b>
Revenue	4	15,987	11,553
Cost of sales		<u>(11,772)</u>	<u>(9,588)</u>
Gross profit		4,215	1,965
Other operating income		16	473
Distribution costs		(271)	(291)
Administration expenses		(1,340)	(1,090)
Other operating expenses		(586)	(480)
Finance costs		<u>(47)</u>	<u>(109)</u>
Profit before taxation	6	1,987	468
Income tax benefit	7	<u>342</u>	<u>-</u>
Net profit for the period and total comprehensive income attributable to equity holders of Company		<u>2,329</u>	<u>468</u>
Earnings per share for profit for the period attributable to equity holders of the Company during the year ( US cents)			
- Basic		<u>6.62</u>	<u>1.33</u>
- Diluted		<u>6.62</u>	<u>1.33</u>



**B. Condensed interim statements of financial position**

	Note	Group		Company	
		30-Jun-21	31-Dec-20	30-Jun-21	31-Dec-20
		US\$'000	US\$'000	US\$'000	US\$'000
<b>Current Assets</b>					
Cash and cash equivalents		5,609	5,683	162	844
Trade receivables		7,024	4,840	-	-
Other receivables and prepayments		627	420	33	57
Total current assets		13,260	10,943	195	901
<b>Non-current Assets</b>					
Investment in subsidiary		-	-	31,693	28,754
Property, plant and equipment	9	25,885	25,078	-	-
Other receivables and prepayments		481	490	-	-
Deferred tax assets		476	-	-	-
Total non-current assets		26,842	25,568	31,693	28,754
<b>Total Assets</b>		<b>40,102</b>	<b>36,511</b>	<b>31,888</b>	<b>29,655</b>
<b>Current Liabilities</b>					
Trade payables		1,532	609	-	-
Other payables		5,303	4,933	3,549	3,856
Lease liabilities	10	1,367	1,425	-	-
Income tax payable		128	-	-	-
Total current liabilities		8,330	6,967	3,549	3,856
<b>Non-current Liabilities</b>					
Lease liabilities	10	256	442	-	-
Other payables		84	-	-	-
Deferred tax liabilities		6	5	-	-
Total non-current liabilities		346	447	-	-
<b>Capital and Reserves</b>					
Share capital	11	33,644	33,644	33,644	33,644
Legal reserve		1,194	1,194	-	-
Merger reserve		(764)	(764)	-	-
Contributed surplus		-	-	2,295	2,295
Accumulated losses		(2,648)	(4,977)	(7,600)	(10,140)
Net shareholders' equity		31,426	29,097	28,339	25,799
<b>Total Liabilities and Shareholders' Equity</b>		<b>40,102</b>	<b>36,511</b>	<b>31,888</b>	<b>29,655</b>



C. Condensed interim statements of changes in equity

Group	Note	Share capital	Legal reserve	Merger reserve	Accumulated losses	Net
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Balance at 1 Jan 2020</b>		33,644	1,194	(764)	(5,370)	28,704
Profit for the period, representing total comprehensive income for the period		-	-	-	468	468
<b>Balance at 30 Jun 2020</b>		33,644	1,194	(764)	(4,902)	29,172
<b>Balance at 1 Jan 2021</b>		33,644	1,194	(764)	(4,977)	29,097
Profit for the period, representing total comprehensive income for the period		-	-	-	2,329	2,329
<b>Balance at 30 Jun 2021</b>		33,644	1,194	(764)	(2,648)	31,426

Company	Note	Share capital	Contributed surplus	Accumulated losses	Net
		US\$'000	US\$'000	US\$'000	US\$'000
<b>Balance at 1 Jan 2020</b>		33,644	2,295	(9,687)	26,252
Loss for the period, representing total comprehensive loss for the period		-	-	(277)	(277)
<b>Balance at 30 Jun 2020</b>		33,644	2,295	(9,964)	25,975
<b>Balance at 1 Jan 2021</b>		33,644	2,295	(10,140)	25,799
Profit for the period, representing total comprehensive income for the period		-	-	2,540	2,540
<b>Balance at 30 Jun 2021</b>		33,644	2,295	(7,600)	28,339



**D. Condensed interim consolidated statement of cash flows**

	Group 1-Jan-21 to 30-Jun-21 US\$'000	Group 1-Jan-20 to 30-Jun-20 US\$'000
Note		
<b>Operating activities</b>		
Profit before income tax	1,987	468
Adjustments for :		
Depreciation expense	3,671	4,047
(Decrease)/Increase in allowance for expected credit losses	(9)	20
Interest income	(1)	(4)
Interest expense	47	109
Gain on financial asset at fair value through profit or loss	-	(457)
Operating profit before working capital changes	5,695	4,183
Trade receivables	(2,175)	(165)
Other receivables and prepayments	(198)	40
Trade payables	923	(337)
Other payables	145	(600)
Cash generated from operations	4,390	3,121
Income tax paid	(5)	-
Interest received	1	4
Net cash generated from operating activities	4,386	3,125
<b>Investing activities</b>		
Purchase of property, plant and equipment	A (3,336)	(2,182)
Net cash used in investing activities	(3,336)	(2,182)
<b>Financing activities</b>		
Proceeds from bank loans	1,612	3,993
Repayment of bank loans	(1,612)	(3,993)
Repayment of lease liabilities	(1,077)	(933)
Interest paid	(47)	(109)
Net cash used in financing activities	(1,124)	(1,042)
Net decrease in cash and cash equivalents	(74)	(99)
Cash and cash equivalents at the beginning of the period	5,683	3,580
<b>Cash and cash equivalents at the end of the period</b>	<b>5,609</b>	<b>3,481</b>

Note A : During the financial period, the Group entered into lease arrangements for certain plant and equipment amounting to US\$833,000 (30 June 2020: US\$1,800,000) and purchased property plant and equipment with an aggregated cost of US\$3,645,000 (30 June 2020: US\$1,766,000), of which US\$657,000 (31 December 2020: US\$348,000) 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 120 Robinson Road, #08-01, Singapore 068913 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 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 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 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 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 2020.

Management has determined that there is no impairment loss for the Group's property, plant and equipment as at 30 June 2021. Reversal of impairment loss is recognised for the Company's cost of investment in subsidiary due to the profitability expected during the year.

### **3. Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical 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*

	<b>Group</b>	
	<b>1-Jan-21 to 30-Jun-21</b>	<b>1-Jan-20 to 30-Jun-20</b>
	<b>US\$'000</b>	<b>US\$'000</b>
Type of services:		
Rendering of services	15,499	11,483
Lease of equipment	488	70
<b>Total</b>	<b>15,987</b>	<b>11,553</b>
Timing of revenue recognition:		
At a point in time	15,499	11,483
Over time	488	70
<b>Total</b>	<b>15,987</b>	<b>11,553</b>

*Geographical information*

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

	<b>Group</b>	
	<b>1-Jan-21 to 30-Jun-21</b>	<b>1-Jan-20 to 30-Jun-20</b>
	<b>US\$'000</b>	<b>US\$'000</b>
Taiwan, Republic of China	7,075	4,847
Japan	3,504	2,511
United States of America	2,297	2,129
Singapore	1,978	884
People's Republic of China	291	813
Others	842	369
<b>Total</b>	<b>15,987</b>	<b>11,553</b>



**5. Profit before taxation**

Profit before taxation includes the following items:

	<b>Group</b>	
	<b>1-Jan-21 to 30-Jun-21</b>	<b>1-Jan-20 to 30-Jun-20</b>
	<b>US\$'000</b>	<b>US\$'000</b>
<b>Income</b>		
Interest income	1	4
<b>Expenses</b>		
Interest expense	47	109
Depreciation expense	3,671	4,047
Foreign currency exchange loss	167	98
Gain on financial asset at fair value	-	(457)
(Decrease)/Increase in allowance for expected credit losses	(9)	20

There were no related parties transactions other than the following:

**Compensation of directors and other key management personnel<sup>(a)</sup>**

	<b>Group</b>	
	<b>1-Jan-21 to 30-Jun-21</b>	<b>1-Jan-20 to 30-Jun-20</b>
	<b>US\$'000</b>	<b>US\$'000</b>
Director's fees	109	103
Salaries and other short-term benefits	118	102
<b>Total</b>	<b>227</b>	<b>205</b>

<sup>(a)</sup> 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 benefit**

	<b>Group</b>	
	<b>1-Jan-21 to 30-Jun-21</b>	<b>1-Jan-20 to 30-Jun-20</b>
	US\$'000	US\$'000
Current tax expense	(128)	-
Deferred tax benefits	475	-
Withholding tax	(5)	-
Net	<u>342</u>	<u>-</u>

Current tax expense relates to tax accrued on undistributed earnings for the period. Deferred tax benefits relates to the recognition of deferred tax assets from previous unrecognised unutilised tax losses and capital allowances in view of the expectation of sufficient taxable profits for the foreseeable future.

**7. Net asset value**

	<b>30-Jun-21</b>	<b>30-Jun-20</b>
Net asset value per share (US dollars)		
-The Group	<u>0.89</u>	<u>0.83</u>
-The Company	<u>0.80</u>	<u>0.74</u>

**8. Property, plant and equipment**

During the six months ended 30 June 2021, the Group acquired assets amounting to US\$4,478,000 (30 June 2020:US\$3,566,000) and disposed of assets amounting to US\$Nil (30 June 2020: US\$Nil).

**9. Borrowings**

	<b>Group</b>	<b>Group</b>
	<b>30-Jun-21</b>	<b>31-Dec-20</b>
	US\$'000	US\$'000
<b><u>Lease liabilities - secured</u></b>		
Amount repayable in one year or less, or on demand	1,367	1,425
Amount repayable after one year	256	442
	<u>1,623</u>	<u>1,867</u>





**Details of loans, borrowings and collateral**

The Group obtained rights of use for certain plant and equipment under lease arrangements amounting to US\$833,000 during the financial period ended 30 June 2021.

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 2021 amounted to US\$2,166,000 and are included in the line item of Property, plant and equipment.

Outstanding capital commitment as at 30 June 2021 is US\$507,000.

The Group has obtained the following facilities from Shin Kong Bank in July 2020.

- (i) A revolving short-term credit facility of up to NTD300 million (Equivalent to USD10 million) for a tenure of 12-month; and
- (ii) A long-term credit facility of up to NTD350 million (Equivalent to USD11.6 million) for a tenure of 36-month.

The Bank facilities are secured against certain property and plant of the Group. As at 30 June 2021, there was no loan outstanding.

**10. Share capital**

	Group and Company			
	30-Jun-21		31-Dec-20	
	Number of shares '000	Amount US\$'000	Number of shares '000	Amount US\$'000
Beginning and end of interim period	35,204	33,644	35,204	33,644

The Company did not hold any treasury shares as at 30 June 2021.

The Company’s subsidiary does not hold any shares in the Company as at 30 June 2021 and 30 June 2020.

There are also no outstanding convertibles as at 30 June 2021 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, 2021, 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 35,203,627 (31 December 2020 : 35,203,627) 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.**

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the current financial period.

**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-21 to 30-Jun-21	1- Jan-20 to 30-Jun-20
On a basic and fully diluted basis (US cents per share)	6.62	1.33
- Weighted average number of shares ('000)	35,204	35,204

The diluted earnings/(loss) per share is the same as basic (loss)/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 increased by 38.4% to US\$16.0 million, compared to US\$11.6 million in the corresponding half year period of 2020, mainly due to an increase in customers' orders.

#### **Cost of sales**

Cost of sales for the current half year period increased by 22.8% to US\$11.8 million, compared to US\$9.6 million in the corresponding half year period of 2020, mainly due to an increase in short term equipment rental expense to meet customers' requirements.

#### **Other operating income**

Other operating income for the current half year period decreased by 96.6% to US\$0.02 million, compared to US\$0.5 million in the corresponding half year period of 2020, mainly due to a gain on financial asset at fair value recognised in 2020.

#### **Administration expenses**

Administration expenses for the current half year period increased by 22.9% to US\$1.3 million, compared to US\$1.1 million in the corresponding half year period of 2020, mainly due to the higher personnel expenses in 2021.

#### **Other operating expenses**

Other operating expenses for the current half year period increased by 22.1% to US\$0.6 million, compared to US\$0.5 million in the corresponding half year period of 2020, mainly due to increase in the foreign exchange loss recognised in 2021.

#### **Income tax benefit**

Income tax benefit for the current half year period amounted to US\$0.3 million, mainly due to the recognition of deferred tax assets from previous unrecognised unutilised tax losses and capital allowance in view of the expectation of sufficient future taxable profits for the foreseeable future. This is offset by tax accrued on undistributed earnings for the period.



## **Financial position of the Group**

### **Trade receivables**

Trade receivable increased by 45.1% to US\$7.0 million as at 30 June 2021, compared to US\$4.8 million as at 31 December 2020, mainly due to the increased revenue in 2Q 2021.

### **Trade payables**

Trade payables increased by 151.6% to US\$1.5 million as at 30 June 2021, compared to US\$0.6 million as at 31 December 2020. This was mainly due to an increase in the purchase of packing and related manufacturing materials in line with the revenue growth.

### **Lease liabilities current and non-current**

Lease liabilities decreased by 13.1% to US\$1.6 million as at 30 June 2021, compared to US\$1.9 million as at 31 December 2020, mainly due to the repayment of lease liabilities during the period.

## **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**

Both the Group's top and bottom lines have shown improvement in the first half of 2021 due to favorable industry conditions, enabling the Group to deliver quality testing services to all customers.

According to the World Semiconductor Trade Statistic's forecast, the worldwide semiconductor market is expected to continue growing in 2021. Besides the ongoing shortage of semiconductors, prices of semiconductors have also increased, which in turn have led to testing prices trending up. The Group anticipates the demand for testing services and price adjustments to continue in its favour and is cautiously optimistic on the outlook for the second half of 2021.

The Group's core business remains in the testing of automotive applications and mixed signals, logic and contact image sensors. The Group remains on track with its prudent approach in managing profitability, as well as its strategy to grow its project pipeline in its key geographic markets.

## **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/recommendeded, a statement to that effect and the reason(s) for the decision.**

No dividends have been paid, declared or recommended since the end of the Company's preceding financial year as the Company is in an accumulated losses position.

**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 2021.

**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 2021 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  
10 August 2021