



Second Quarter Financial Statements for the Period Ended 30 June 2017

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) Statement of profit or loss and other comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial period.

	Group			Group		
	1-Apr-17 to	1-Apr-16 to	(1)	1-Jan-17 to	1-Jan-16 to	(1)
	30-Jun-17	30-Jun-16	Change	30-Jun-17	30-Jun-16	Change
Note	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Revenue	7,021	7,416	(5.3)	13,746	14,425	(4.7)
Cost of sales	(5,465)	(4,890)	11.8	(10,016)	(9,767)	2.5
Gross Profit	1,556	2,526	(38.4)	3,730	4,658	(19.9)
Other operating income	46	(1)	NM	49	33	48.5
Distribution costs	(143)	(154)	(7.1)	(313)	(310)	-
Administration expenses	(1,046)	(997)	4.9	(1,946)	(1,945)	0.1
Other operating expenses	(200)	(238)	(16.0)	(637)	(472)	35.0
Profit from operations	213	1,136	(81.3)	883	1,964	(55.0)
Finance costs	(5)	(5)	-	(10)	(10)	-
Profit before income tax from continuing operations	208	1,131	(81.6)	873	1,954	(55.3)
Income tax expenses	(93)	-	NM	(288)	-	NM
Net profit from continuing operations	115	1,131	(89.8)	585	1,954	(70.1)
Loss from discontinued operation (2)	(523)	(73)	616.4	(520)	(165)	215.2
Net (loss)/profit for the period	(408)	1,058	NM	65	1,789	(96.4)
Other comprehensive income :						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Fair value (loss)/gain on available for sale financial assets	-	(13)	NM	15	6	150.0
Other comprehensive (loss)/income for the period, net of tax	-	(13)	NM	15	6	150.0
Total comprehensive (loss)/income attributable to equity holders of the Company	(408)	1,045	NM	80	1,795	(95.5)
Earnings per share attributable to equity holders of the Company (US cent)						
From continuing and discontinued operations						
- Basic	(1.15)	2.99	NM	0.18	5.06	(96.4)
- Diluted	(1.15)	2.99	NM	0.18	5.06	(96.4)
From continuing operations						
- Basic	0.32	3.20	(89.9)	1.65	5.52	(70.1)
- Diluted	0.32	3.20	(89.9)	1.65	5.52	(70.1)
A. Net (loss)/profit is arrived at after charging (crediting) :						
- Directors' remuneration	260	242	7.4	536	458	17.0
- Interest on borrowings	5	5	-	10	10	-
- Depreciation expense	2,213	2,367	(6.5)	4,338	4,972	(12.8)
- Foreign currency exchange (gain)/loss	(49)	9	NM	109	(6)	NM
- Interest income	(7)	(8)	-	(10)	(12)	(16.7)
- Provision for tax penalty	-	-	-	1,048	-	-

NM - Not meaningful

(1) The comparative figures have been re-presented to report separately profit and loss items for continuing and discontinued operations.

(2) Discontinued operation related to Global Testing Corporation (USA), which has ceased operations on 30 June 2017.

**1(b)(i) Statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial period.**

	Group		Company		
	30-Jun-17	31-Dec-16	30-Jun-17	31-Dec-16	
	Note	US\$'000	US\$'000	US\$'000	
<b>Current Assets</b>					
Cash		3,277	8,117	199	599
Trade receivables		6,545	6,694	-	-
Other receivables and prepayments		679	904	6,655	6,579
Total current assets		10,501	15,715	6,854	7,178
<b>Non-current Assets</b>					
Investment in subsidiaries		-	-	41,536	46,853
Property, plant and equipment		37,493	37,378	-	-
Available-for-sale investments		585	570	-	-
Other receivables and prepayments		411	404	-	-
Deferred tax assets		1,345	1,653	-	-
Total non-current assets		39,834	40,005	41,536	46,853
<b>Total Assets</b>		<b>50,335</b>	<b>55,720</b>	<b>48,390</b>	<b>54,031</b>
<b>Current Liabilities</b>					
Trade payables		914	715	-	-
Other payables		6,454	7,010	1,799	2,009
Income tax payable		542	562	-	-
Total current liabilities		7,910	8,287	1,799	2,009
<b>Capital and Reserves</b>					
Share capital		39,181	41,725	39,181	41,725
Legal reserve		973	388	-	-
Merger reserve		(764)	(764)	-	-
Contributed surplus		-	-	2,295	2,295
Fair value reserve		358	343	-	-
Accumulated profits		2,677	5,741	5,115	8,002
Net shareholders' equity		42,425	47,433	46,591	52,022
<b>Total Liabilities and Shareholders' Equity</b>		<b>50,335</b>	<b>55,720</b>	<b>48,390</b>	<b>54,031</b>



**1 (b) (ii) Aggregate amount of group's borrowing and debt securities**

**Details of loans and borrowings**

The Group has entered into a five-year syndication loan facility agreement for NT\$900 million from a consortium of banks in June 2015.

As at 30 June 2017, the Group has available banking facilities of US\$29,586,000 (31 Dec 2016: US\$27,907,000) with a consortium of banks. The facility is secured using certain property, plant and equipment.

As at 30 June 2017, there was no loan outstanding.



**1 (c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial period.**

	Group 1-Apr-17 to 30-Jun-17	Group 1-Apr-16 to 30-Jun-16	Group 1-Jan-17 to 30-Jun-17	Group 1-Jan-16 to 30-Jun-16
Note	US\$'000	US\$'000	US\$'000	US\$'000
<b>Operating activities</b>				
Profit before income tax from continuing operations	208	1,131	873	1,954
Loss before income tax from discontinued operation	(523)	(73)	(520)	(165)
(Loss)/Profit before income tax	(315)	1,058	353	1,789
Adjustments for :				
Provision for tax penalty	-	-	1,048	-
Depreciation expense	2,213	2,367	4,338	4,972
Interest income	(7)	(8)	(10)	(12)
Interest expense	5	5	10	10
Gain on disposal of property, plant and equipment	(69)	-	(69)	(4)
Operating profit before working capital changes	1,827	3,422	5,670	6,755
Trade receivables	(635)	143	149	(1,322)
Other receivables and prepayments	3	478	219	461
Trade payables	523	41	199	32
Other payables	517	1,248	(1,971)	(681)
Cash generated from operations	2,235	5,332	4,266	5,245
Interest received	7	8	9	12
Net cash generated from operating activities	2,242	5,340	4,275	5,257
<b>Investing activities</b>				
Proceeds from disposal of property, plant and equipment	94	-	94	4
Purchase of property, plant and equipment	(2,647)	(2,040)	(4,111)	(3,280)
Net cash used in investing activities	(2,553)	(2,040)	(4,017)	(3,276)
<b>Financing activities</b>				
Interest paid	(5)	-	(10)	-
Cash distribution	(2,544)	-	(2,544)	-
Dividend Paid	(2,544)	-	(2,544)	-
Net cash used in financing activities	(5,093)	-	(5,098)	-
Net (decrease)/increase in cash	(5,404)	3,300	(4,840)	1,981
Cash at the beginning of the period	8,681	7,957	8,117	9,276
<b>Cash at the end of the period</b>	<b>3,277</b>	<b>11,257</b>	<b>3,277</b>	<b>11,257</b>

Note

A. Property, plant and equipment



During the period, the information relating to the Group's acquisition of property, plant and equipment is as follows:

	<b>1-Apr-17 to 30-Jun-17</b>	<b>1-Apr-16 to 30-Jun-16</b>	<b>1-Jan-17 to 30-Jun-17</b>	<b>1-Jan-16 to 30-Jun-16</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
Total acquisition of property, plant and equipment	2,950	2,847	4,478	4,038
Add: Other payables at beginning of period	717	41	653	90
Less: Other payables at end of period	(1,020)	(848)	(1,020)	(848)
Cash paid	<u>2,647</u>	<u>2,040</u>	<u>4,111</u>	<u>3,280</u>

**1(d)(i)A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to**

shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial period.

Group	Share	Treasury	Legal	Merger	Fair value	Accumulated	
	capital	shares	reserve	reserve	reserve	earning	Net
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Balance at 1 Jan 2016</b>	44,317	-	-	(764)	208	5,014	48,775
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	731	731
Other comprehensive income for the period	-	-	-	-	19	-	19
Total	-	-	-	-	19	731	750
<b>Balance at 31 Mar 2016</b>	<b>44,317</b>	<b>-</b>	<b>-</b>	<b>(764)</b>	<b>227</b>	<b>5,745</b>	<b>49,525</b>
<b>Balance at 1 Apr 2016</b>	44,317	-	-	(764)	227	5,745	49,525
Total comprehensive income/(loss) for the period							
Profit for the period	-	-	-	-	-	1,058	1,058
Other comprehensive loss for the period	-	-	-	-	(13)	-	(13)
Total	-	-	-	-	(13)	1,058	1,045
<b>Balance at 30 Jun 2016</b>	<b>44,317</b>	<b>-</b>	<b>-</b>	<b>(764)</b>	<b>214</b>	<b>6,803</b>	<b>50,570</b>
<b>Balance at 1 Jan 2017</b>	41,725	-	388	(764)	343	5,741	47,433
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	473	473
Other comprehensive income for the period	-	-	-	-	15	-	15
Total	-	-	-	-	15	473	488
<b>Balance at 31 Mar 2017</b>	<b>41,725</b>	<b>-</b>	<b>388</b>	<b>(764)</b>	<b>358</b>	<b>6,214</b>	<b>47,921</b>
<b>Balance at 1 Apr 2017</b>	41,725	-	388	(764)	358	6,214	47,921
Total comprehensive loss for the period							
Loss for the period	-	-	-	-	-	(408)	(408)
Total	-	-	-	-	-	(408)	(408)
Transactions with owners, recognised directly in equity							
Capital Reduction	(2,544)	-	-	-	-	-	(2,544)
Dividend Paid	-	-	-	-	-	(2,544)	(2,544)
Appropriation to legal reserve	-	-	585	-	-	(585)	-
<b>Balance at 30 Jun 2017</b>	<b>39,181</b>	<b>-</b>	<b>973</b>	<b>(764)</b>	<b>358</b>	<b>2,677</b>	<b>42,425</b>



Company	Share capital US\$'000	Treasury shares US\$'000	Contributed surplus US\$'000	Accumulated earning (losses) US\$'000	Net US\$'000
<b>Balance at 1 Jan 2016</b>	44,317	-	2,295	3,958	50,570
Loss for the period, representing total comprehensive profit for the period	-	-	-	(113)	(113)
<b>Balance at 31 Mar 2016</b>	<u>44,317</u>	<u>-</u>	<u>2,295</u>	<u>3,845</u>	<u>50,457</u>
<b>Balance at 1 Apr 2016</b>	44,317	-	2,295	3,845	50,457
Loss for the period, representing total comprehensive profit for the period	-	-	-	(131)	(131)
<b>Balance at 30 Jun 2016</b>	<u>44,317</u>	<u>-</u>	<u>2,295</u>	<u>3,714</u>	<u>50,326</u>
<b>Balance at 1 Jan 2017</b>	41,725	-	2,295	8,002	52,022
Loss for the period, representing total comprehensive profit for the period	-	-	-	(190)	(190)
<b>Balance at 31 Mar 2017</b>	<u>41,725</u>	<u>-</u>	<u>2,295</u>	<u>7,812</u>	<u>51,832</u>
<b>Balance at 1 Apr 2017</b>	41,725	-	2,295	7,812	51,832
Loss for the period, representing total comprehensive profit for the period	-	-	-	(153)	(153)
Transactions with owners, recognised directly in equity					
Capital Reduction	(2,544)	-	-	-	(2,544)
Dividend Paid	-	-	-	(2,544)	(2,544)
<b>Balance at 30 Jun 2017</b>	<u>39,181</u>	<u>-</u>	<u>2,295</u>	<u>5,115</u>	<u>46,591</u>



**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Share Capital	Number of shares ('000)			
	Quarter		Year-to-date	
	Q2 2017	Q2 2016	30-Jun-17	30-Jun-16
Balance at beginning of period and end of period	35,358	35,358	35,358	35,358

The Company undertook a capital reduction and cash distribution and declaration of the dividend pursuant to Section 78C of the Companies Act and the shareholders' approval at the annual general meeting held on 28 April 2017 and at the extraordinary general meeting held on 15 May 2017.

The Company made two separate payments to the shareholders of (i) S\$0.10 per share for the cash distribution pursuant to the capital reduction and (ii) S\$0.10 per share for the dividend. The sum of US\$5,087,486 (S\$7,071,605 at S\$0.20 per share) was distributed to shareholders on 30 June 2017.

The capital reduction reduced the issued and paid-up share capital of the Company by US\$2,543,743 (S\$3,535,803) from US\$41,724,286 (S\$50,189,034) to US\$39,180,543 (S\$46,653,231).

**1(d)(iii) 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 35,358,027 (31 December 2016 : 35,358,027) shares.

**1(d)(iv) 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 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited but have been reviewed by the auditors in accordance with Singapore Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

**3 Where the figures have been audited or reviewed, the auditors' report (including any qualification or emphasis of a matter).**

Please see attached review report.

**4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The accounting policies and methods of computation applied by the Group and the Company are consistent with those used in its most recently audited financial statements for the year ended 31 December 2016.

**Basis of preparation of the interim condensed financial information**

The interim condensed financial information of Global Testing Corporation Limited and its subsidiaries (the "Group"), which comprise the condensed statement of financial position of the Group and the Company as at 30 June 2017, and the related condensed statement of profit or loss and other comprehensive income, statement of changes in equity and cash flow statement of the Group for the period from 1 January 2017 to 30 June 2017 and the condensed statement of changes in equity of the Company for the period from 1 January 2017 to 30 June 2017, and the explanatory notes as enumerated in Sections 1, 4, 5, 6, 7, 11, 12 and 15 of the Announcement, has been prepared in accordance with Singapore Financial Reporting Standards ("FRS") 34 – Interim Financial Reporting. This interim condensed financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2016.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change.**

There are no changes to the Group's accounting policies and the adoption of the new or revised FRS and Interpretations that become effective in the financial period beginning on or after 1 January 2017 has no material impact on the Group's condensed interim financial information.

**6 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.**

	<b>Group</b>	
	<b>1- Jan-17 to 30-Jun-17</b>	<b>1- Jan-16 to 30-Jun-16</b>
From continuing and discontinued operations		
On a basic and fully diluted basis (US cents per share)	0.18	5.06
- Weighted average number of shares ('000)	35,358	35,358



	<b>Group</b>	
	<b>1- Jan-17 to 30-Jun-17</b>	<b>1- Jan-16 to 30-Jun-16</b>
From continuing operations		
On a basic and fully diluted basis (US cents per share)	1.65	5.52
- Weighted average number of shares ('000)	35,358	35,358

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

**7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of (a) the current financial period reported on and (b) immediately preceding financial year.**

	<b>30-Jun-17</b>	<b>31-Dec-16</b>
Net asset value per share (US dollars)		
-The Group	1.20	1.34
-The Company	1.32	1.47

Net asset value per ordinary share is calculated based on the share capital of 35,358,027 (31 December 2016 : 35,358,027) ordinary shares outstanding excluding treasury share as at the end of the relevant financial period.

**8 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 loss 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.**

**Continuing Operations**

**Revenue**

Revenue for 2Q 2017 decreased by 5.3% to US\$7.0 million, compared to US\$7.4 million in 2Q 2016. Revenue for the current half year period decreased by 4.7% to US\$13.7 million, compared to US\$14.4 million in the corresponding half year period of 2016, mainly due to the decrease in customers' orders.

**Administration expenses**

Administration expenses comprise mainly administrative salaries cost net of reversal of prior year's overprovision, and also included an amount of US\$1.0 million pertaining to provision made in 1Q 2017 for potential tax penalties arising from the disputation of entertainment expenses incurred by management personnel and withholding tax in prior years' tax computation.



### **Other operating expenses**

Other operating expenses for the current half year period increased by 35.0 % to US\$0.6 million, compared to US\$0.5 million in the corresponding half year period of 2016, mainly due to the foreign exchange loss recognized in 2017.

### **Discontinued operation**

On 30 June 2017, the Group ceased its USA operation, Global Testing Corporation (USA) ("GTC-USA"). The financial results of GTC-USA has been classified as discontinued operation. The Group made the decision to close this operation as GTC-USA has been incurring losses over the past several years.

The revenue from discontinued operation for 2Q 2017 amounts to US\$ 0.3million and 1H 2017 amounts to US\$ 0.8million.

Loss from discontinued operation for 2Q 2017 increased to US\$0.5 million, compared to US\$0.07 million in 2Q 2016. Loss from discontinued operation for the current half year period increased to US\$0.5 million, compared to US\$0.2 million in corresponding half year period of 2016, mainly due to the expenses incurred in preparation for deregistration of GTC-USA and provisions for contracted commitments such as rental expenses.

### **Financial position of the Group**

#### **Cash**

Cash decreased by 59.6% to US\$3.3 million as at 30 June 2017, compared to US\$8.1 million as at 31 December 2016, mainly due to the payment of the cash distribution and dividend in 2Q 2017.

#### **Other payables**

Other payables decreased by 7.9% to US\$6.5 million as at 30 June 2017, compared to US\$7.0 million as at 31 December 2016, mainly due to the payment of FY2016 year-end bonus in January 2017, which was partially offset by increase in provision for certain tax penalty.

#### **Share Capital**

Share capital decreased by 6.1% to US\$39.2 million as at 30 June 2017, compared to US\$41.7 million as at 31 December 2016, mainly due to capital reduction in 2Q 2017.

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

Not applicable.



**10 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 12 months.**

Persistent high inventory levels in the smartphone business continue to temper orders for parts and components by vendors in the first half of 2017.

Notwithstanding this, global semiconductor revenue is expected to pick up moderately in the later half of the year due to a stronger than expected demand for memory chips which is likely to outstrip supply for the remainder of this year, according to an industry report by Gartner Inc.

In light of the current operating landscape, the Group will continue to maintain its existing cost rationalisation measures guided by our focus in maintaining profitability. Barring any unforeseen circumstances, we believe that GTC's business remains fundamentally sound.

**11. Dividend**

**(a) Current financial period reported on**

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

**(b) Corresponding period of the immediately preceding financial year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

Dividend of S\$0.10 per share.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12. If no dividend has been declared/recommended, a statement to that effect.**

Not applicable.

**13. 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 subsidiaries did not enter into any IPT during the financial period ended 30 June 2017.

**14. 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.

**15. Segmental revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

**Products and services from which reportable segments derive their revenues**

Information 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 revenues and results, assets and other information is represented by the financial statements as a whole.

**Geographical information**

The Group's operations and its assets are located mainly in Taiwan, Republic of China. Its customers are located mainly in Taiwan, Republic of China, 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:

**Revenue by geographical region**

	1 Jan 2017 to 30 Jun 2017		1 Jan 2016 to 30 Jun 2016	
	US\$'000	%	US\$'000	%
Continuing Operations				
Asia	9,777	67.3	12,780	83.4
North America	3,845	26.5	1,610	10.5
Others	124	0.8	35	0.2
	13,746	94.6	14,425	94.1
Discontinued Operation				
North America	781	5.4	906	5.9
	14,527	100.0	15,331	100.0
	1 Apr 2017 to 30 Jun 2017		1 Apr 2016 to 30 Jun 2016	
	US\$'000	%	US\$'000	%
Continuing Operations				
Asia	5,067	69.4	6,572	83.4
North America	1,912	26.2	816	10.4
Others	42	0.6	28	0.3
	7,021	96.2	7,416	94.1
Discontinued Operation				
North America	283	3.8	465	5.9
	7,304	100.0	7,881	100.0



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**Non-current assets by geographical location**

	<b>30-Jun-17</b>	<b>31-Dec-16</b>
	<b>US\$'000</b>	<b>US\$'000</b>
Taiwan	39,771	39,822
US	63	183
Total	<u>39,834</u>	<u>40,005</u>

**16. 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 the financial period ended 30 June 2017 of the Company and of the Group to be false or misleading, in any material aspect.

**BY ORDER OF THE BOARD**

Chen, Tie-Min  
Executive Chairman  
14 August 2017

August 14, 2017

The Board of Directors  
Global Testing Corporation Limited  
9 Battery Road  
#15-01 MYP Centre  
Singapore 049910

Dear Sirs

## **REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION FOR GLOBAL TESTING CORPORATION LIMITED FOR THE SIX MONTHS ENDED JUNE 30, 2017**

### **Introduction**

We have reviewed the accompanying interim condensed financial information of Global Testing Corporation Limited (the "Company") and its subsidiaries (the "Group") which comprises the condensed statement of financial position of the Group and the Company as at June 30, 2017, and the condensed statement of profit or loss and other comprehensive income, statement of changes in equity, and cash flow statement of the Group and the condensed statement of changes in equity of the Company for the six months period then ended, and selected explanatory notes as enumerated in sections 1, 4, 5, 6, 7, 11, 12 and 15 of the announcement ("interim condensed financial information").

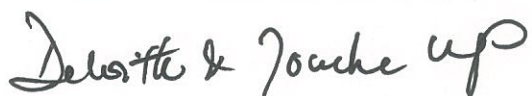
Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with Singapore Financial Reporting Standards 34 *Interim Financial Reporting* ("FRS 34"). Such interim condensed financial information has been prepared by the Company for announcement on the Singapore Exchange Securities Trading Limited. Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

### **Scope of Review**

We conducted our review in accordance with the Singapore Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information does not present fairly, in all material respects, in accordance with FRS 34.



Public Accountants and  
Chartered Accountants  
Singapore