



Third Quarter Financial Statements for the Period Ended 30 September 2019

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-Jul-19 to 30-Sep-19	1-Jul-18 to 30-Sep-18	(1) Change	1-Jan-19 to 30-Sep-19	1-Jan-18 to 30-Sep-18	(1) Change
Note	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Revenue	5,511	5,885	(6.4)	16,773	16,737	0.2
Cost of sales	(5,268)	(5,289)	(0.4)	(16,082)	(15,901)	1.1
Gross profit	243	596	(59.2)	691	836	(17.3)
Other operating income	22	126	(82.5)	197	167	18.0
Distribution costs	(206)	(180)	14.4	(551)	(532)	3.6
Administration expenses	(590)	(840)	(29.8)	(1,675)	(2,379)	(29.6)
Other operating expenses	(203)	(325)	(37.5)	(938)	(919)	2.1
Loss from operations	(734)	(623)	17.8	(2,276)	(2,827)	(19.5)
Finance costs	(62)	(34)	82.4	(208)	(44)	NM
Loss before income tax	(796)	(657)	21.2	(2,484)	(2,871)	(13.5)
Income tax benefit/(expense)	-	(499)	NM	154	(1,167)	NM
Net loss for the period and total comprehensive loss attributable to equity holders of company	(796)	(1,156)	(31.1)	(2,330)	(4,038)	(42.3)
Loss per share attributable to equity holders of the Company (US cent)						
- Basic	(2.26)	(3.28)	(31.1)	(6.62)	(11.47)	(42.3)
- Diluted	(2.26)	(3.28)	(31.1)	(6.62)	(11.47)	(42.3)
A. Net loss is arrived at after charging (crediting) :						
- Directors' remuneration	118	125	(5.6)	360	383	(6.0)
- Interest on borrowings	62	34	82.4	208	44	NM
- Depreciation expense	2,238	2,058	8.7	6,783	6,370	6.5
- Gain on disposal of property, plant and equipment	(19)	(100)	(80.9)	(145)	(151)	(4.0)
- Foreign currency exchange loss/(gain)	2	(25)	NM	(8)	65	NM
- Interest income	-	(1)	NM	(10)	(6)	71.9
- Loss/(Gain) on financial asset at fair value	10	71	(85.9)	30	(9)	NM
- Allowance for doubtful debts	59	27	118.5	126	18	NM
- Impairment of property, plant and equipment	-	-	NM	262	-	NM

NM - Not meaningful

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-Sep-19	31-Dec-18	30-Sep-19	31-Dec-18
Note	US\$'000	US\$'000	US\$'000	US\$'000
Current Assets				
Cash	3,105	5,038	521	254
Trade receivables	5,127	5,467	-	-
Other receivables and prepayments	435	691	53	38
Total current assets	8,667	11,196	574	292
Non-current Assets				
Investment in subsidiaries	-	-	29,423	35,423
Property, plant and equipment	28,130	32,442	-	-
Financial asset at fair value through profit or loss	496	633	496	633
Other receivables and prepayments	406	403	-	-
Deferred tax assets	-	29	-	-
Total non-current assets	29,032	33,507	29,919	36,056
Total Assets	37,699	44,703	30,493	36,348
Current Liabilities				
Trade payables	603	1,145	-	-
Other payables	5,053	6,049	3,781	3,117
Lease liabilities	1,646	1,209	-	-
Income tax payable	-	183	-	-
Total current liabilities	7,302	8,586	3,781	3,117
Non-current Liabilities				
Lease liabilities	722	1,555	-	-
Total non-current liabilities	722	1,555	-	-
Capital and Reserves				
Share capital	33,644	36,201	33,644	36,201
Legal reserve	1,194	1,194	-	-
Merger reserve	(764)	(764)	-	-
Contributed surplus	-	-	2,295	2,295
Accumulated losses	(4,399)	(2,069)	(9,227)	(5,265)
Net shareholders' equity	29,675	34,562	26,712	33,231
Total Liabilities and Shareholders' Equity	37,699	44,703	30,493	36,348



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

	Group	Group
	30-Sep-19	31-Dec-18
	US\$'000	US\$'000
<u>Lease liabilities - secured</u>		
Amount repayable in one year or less, or on demand	1,646	1,209
Amount repayable after one year	722	1,555
	<u>2,368</u>	<u>2,764</u>

Details of loans, borrowings and collateral

The Group obtained rights of use for certain plant and equipment under lease arrangements. The average lease term 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 September 2019 amounted to US\$519,000 and are included in the line item of Property, plant and equipment.

Outstanding capital commitment as at 30 September 2019 is US\$843,000.

The Group entered into a five-year syndication loan facility agreement for NT\$900 million from a consortium of banks in June 2015. As at 30 September 2019, the Group has available credit facility of US\$28,995,000 (31 Dec 2018: US\$29,297,000) with the consortium of banks. The facility is secured against certain property, plant and equipment. As at 30 September 2019, 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-Jul-19 to 30-Sep-19	Group 1-Jul-18 to 30-Sep-18	Group 1-Jan-19 to 30-Sep-19	Group 1-Jan-18 to 30-Sep-18
Note	US\$'000	US\$'000	US\$'000	US\$'000
Operating activities				
Loss before income tax	(796)	(657)	(2,484)	(2,871)
Adjustments for :				
Depreciation expense	2,238	2,058	6,783	6,370
Impairment of property, plant and equipment	-	-	262	-
Interest income	-	(1)	(10)	(6)
Interest expense	62	34	208	44
Gain on disposal of property, plant and equipment	(19)	(100)	(145)	(151)
Net loss/(gain) on financial asset at fair value through profit or loss	10	71	30	(9)
Operating profit before working capital changes	1,495	1,405	4,644	3,377
Trade receivables	(381)	487	340	1,115
Other receivables and prepayments	(55)	(63)	253	15
Trade payables	8	17	(542)	(26)
Other payables	190	437	(482)	7
Cash generated from operations	1,257	2,283	4,213	4,488
Income tax paid	-	(1)	-	(596)
Interest received	-	1	10	6
Net cash generated from operating activities	1,257	2,283	4,223	3,898
Investing activities				
Proceeds from disposal of property, plant and equipment	19	110	145	161
Capital distribution from financial asset at fair value through profit or loss	-	-	107	-
Purchase of property, plant and equipment	(867)	(79)	(2,086)	(1,309)
Net cash used in investing activities	(848)	31	(1,834)	(1,148)
Financing activities				
Proceeds from bank loans	-	983	-	983
Repayment of lease liabilities	(516)	(138)	(1,557)	(150)
Interest paid	(62)	(34)	(208)	(44)
Cash distribution from capital reduction	-	-	(2,557)	(2,855)
Dividend Paid	-	-	-	(2,336)
Net cash used in financing activities	(578)	811	(4,322)	(4,402)
Net (decrease)/increase in cash	(169)	3,125	(1,933)	(1,652)
Cash at the beginning of the period	3,274	2,078	5,038	6,855
Cash at the end of the period	3,105	5,203	3,105	5,203



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:

	1-Jul-19 to 30-Sep-19	1-Jul-18 to 30-Sep-18	1-Jan-19 to 30-Sep-19	1-Jan-18 to 30-Sep-18
	US\$'000	US\$'000	US\$'000	US\$'000
Total acquisition of property, plant and equipment	591	420	1,572	1,542
Add: Other payables at beginning of period	614	554	852	662
Less: Other payables at end of period	(338)	(895)	(338)	(895)
Cash paid	867	79	2,086	1,309



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	Note	Share capital	Treasury shares	Legal reserve	Merger reserve	Fair value reserve	Accumulated profits/(losses)	Net
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 1 Jan 2018, previously reported		39,181	(125)	973	(764)	344	5,086	44,695
Effect of application of SFRS(I) 9		-	-	-	-	(344)	344	-
Balance at 1 Jan 2018, restated		39,181	(125)	973	(764)	-	5,430	44,695
Loss for the period, representing total comprehensive loss for the period		-	-	-	-	-	(2,882)	(2,882)
Transactions with owners, recognised directly in equity								
Capital Reduction		(2,855)	-	-	-	-	-	(2,855)
Dividend Paid		-	-	-	-	-	(2,336)	(2,336)
Appropriation to legal reserve		-	-	221	-	-	(221)	-
Cancellation of shares		(125)	125	-	-	-	-	-
Balance at 30 Jun 2018		36,201	-	1,194	(764)	-	(9)	36,622
Balance at 1 Jul 2018		36,201	-	1,194	(764)	-	(9)	36,622
Loss for the period, representing total comprehensive loss for the period		-	-	-	-	-	(1,156)	(1,156)
Balance at 30 Sep 2018		36,201	-	1,194	(764)	-	(1,165)	35,466
Balance at 1 Jan 2019		36,201	-	1,194	(764)	-	(2,069)	34,562
Loss for the period, representing total comprehensive loss for the period		-	-	-	-	-	(1,534)	(1,534)
Transactions with owners, recognised directly in equity								
Capital Reduction		(2,557)	-	-	-	-	-	(2,557)
Balance at 30 Jun 2019		33,644	-	1,194	(764)	-	(3,603)	30,471
Balance at 1 Jul 2019		33,644	-	1,194	(764)	-	(3,603)	30,471
Loss for the period, representing total comprehensive loss for the period		-	-	-	-	-	(796)	(796)
Balance at 30 Sep 2019		33,644	-	1,194	(764)	-	(4,399)	29,675



Company	Note	Share capital	Treasury shares	Contributed surplus	Fair value reserve	Accumulated profits/(losses)	Net
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 1 Jan 2018, previously reported		39,181	(125)	2,295	(20)	4,771	46,102
Effect of application of SFRS(I) 9		-	-	-	20	(20)	-
Balance at 1 Jan 2018, restated		39,181	(125)	2,295	-	4,751	46,102
Loss for the period, representing total comprehensive loss for the period		-	-	-	-	(6,860)	(6,860)
Transactions with owners, recognised directly in equity							
Capital Reduction		(2,855)	-	-	-	-	(2,855)
Cancellation of shares		(125)	125	-	-	-	-
Dividend Paid		-	-	-	-	(2,336)	(2,336)
Balance at 30 Jun 2018		36,201	-	2,295	-	(4,445)	34,051
Balance at 1 Jul 2018		36,201	-	2,295	-	(4,445)	34,051
Loss for the period, representing total comprehensive loss for the period		-	-	-	-	(309)	(309)
Balance at 30 Sep 2018		36,201	-	2,295	-	(4,754)	33,742
Balance at 1 Jan 2019		36,201	-	2,295	-	(5,265)	33,231
Loss for the period, representing total comprehensive loss for the period		-	-	-	-	(3,379)	(3,379)
Transactions with owners, recognised directly in equity							
Capital Reduction		(2,557)	-	-	-	-	(2,557)
Balance at 30 Jun 2019		33,644	-	2,295	-	(8,644)	27,295
Balance at 1 Jul 2019		33,644	-	2,295	-	(8,644)	27,295
Loss for the period, representing total comprehensive loss for the period		-	-	-	-	(583)	(583)
Balance at 30 Sep 2019		33,644	-	2,295	-	(9,227)	26,712

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	
	Q3 2019	Q3 2018	30-Sep-19	30-Sep-18
Balance at beginning of period	35,204	35,204	35,204	35,358
Cancellation during the period	-	-	-	(154)
Balance at end of period	35,204	35,204	35,204	35,204

Treasury Shares	Number of shares ('000)			
	Quarter		Year-to-date	
	Q3 2019	Q3 2018	30-Sep-19	30-Sep-18
Balance at beginning of period	-	-	-	154
Cancellation during the period	-	-	-	(154)
Balance at end of period	-	-	-	-

The Company undertook a capital reduction and cash distribution pursuant to Section 78C of the Companies Act and the shareholders' approval at the annual general meeting held on 30 April 2019.

The Company made payment to the shareholders of S\$0.1 per share for the cash distribution pursuant to the capital reduction. The sum of US\$2,556,545 (S\$3,520,363) was distributed to shareholders on 30 June 2019.

The capital reduction reduced the issued and paid-up share capital of the Company by US\$2,556,545 (S\$3,520,363) from US\$36,325,634 (S\$42,611,838) to US\$33,769,089 (S\$39,091,475).

The Company purchased a total of 154,400 shares through market purchase in 2017. The total amount paid to acquire shares was US\$125,000 and the 154,400 treasury shares has been cancelled on 18 May 2018.



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 35,203,627 (31 December 2018 : 35,203,627) 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.

1(d)(v) 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.

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 interim condensed financial information set out in Sections 1,4,5,6,7,8,11,12 and 16 for the third quarter and 9-month period ended 30 September 2019 are prepared in accordance with SFRS(I)1-34 *Interim Financial Reporting*. This interim report should be read in conjunction with the most recent audited Annual Financial Statements for year ended 31 December 2018 and the first interim financial report for the three months period ended 31 March 2019 (unaudited).

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.

Please refer to Section 5 of the first interim financial report for the three months period ended 31 March 2019.



- 6 Loss 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-19 to 30-Sep-19	1- Jan-18 to 30-Sep-18
On a basic and fully diluted basis (US cents per share)	(6.62)	(11.47)
- Weighted average number of shares ('000)	35,204	35,204

The diluted loss per share is the same as basic loss 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.**

	30-Sep-19	30-Sep-18
Net asset value per share (US dollars)		
-The Group	0.84	1.01
-The Company	0.76	0.96

Net asset value per ordinary share is calculated based on the share capital of 35,203,627 (31 December 2018 : 35,203,627) 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.**



Review of Operating Results

Administration expenses

Administration expenses for 3Q 2019 decreased by 29.8% to US\$0.6 million, compared to US\$0.8 million in 3Q 2018. Administration expenses for the nine months ended 30 September decreased by 29.6% to US\$1.7 million, compared to US\$2.4 million in the corresponding period of 2018, mainly due to lower personnel costs and reversed unused accrued expenses.

Other operating expense

Other operating expense for 3Q 2019 decreased by 37.5% to US\$0.2 million, compared to US\$0.3 million in 3Q 2018, mainly due to the loss on financial asset at fair value recognized in 2018.

Finance costs

Finance costs for the nine months ended 30 September increased by 372.7% to US\$0.2 million, compared to US\$0.04 million in the corresponding period of 2018, mainly due to the increase of interest expense from the leases.

Income tax benefit / expense

Income tax benefit for the nine months ended 30 September amounted to US\$0.2 million, compared to income tax expense amounted to US\$1.2million in the corresponding period of 2018. This is mainly due to overprovision of undistributed earning tax for 2017 reversed in current period, while the income tax expense in 2018 arose from adjustment on deferred tax assets due to reduced profitability.

Financial position of the Group

Cash

Cash decreased by 38.4% to US\$3.1 million as at 30 September 2019, compared to US\$5 million as at 31 December 2018, mainly due to the payment of US\$2.6 million in capital distribution in 2Q 2019, coupled with higher cash outflow for purchase of equipment.

Trade receivables

Trade receivables decreased by 6.2% to US\$5.1 million as at 30 September 2019, compared to US\$5.5 million as at 31 December 2018, reflecting the lower sales in 3Q 2019 compared to 4Q 2018.



Property, plant and equipment

Property, plant and equipment decreased by 13.3% to US\$28.1 million as at 30 September 2019, compared to US\$32.4 million as at 31 December 2018, mainly due to depreciation expense charged and recognised impairment loss of US\$0.26 million during the period which were partially offset by additions to property, plant and equipment during the period.

Trade payables

Trade payables decreased by 47.3% to US\$0.6 million as at 30 September 2019, compared to US\$ 1.15 million as at 31 December 2018, mainly due to gradual payments for the burn-in tools which was largely purchased in the year 2018.

Other payables

Other payables decreased by 16.5% to US\$5.1 million as at 30 September 2019, compared to US\$6.0 million as at 31 December 2018, mainly due to the provision of year-end bonus being paid in February 2019.

Lease liabilities current and non-current

Lease liabilities current and non-current decreased by 14.3% to US\$2.4 million as at 30 September 2019, compared to US\$2.8 million as at 31 December 2018, mainly due to the repayment of finance leases during the period.

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.

Geopolitical tensions continue to take a toll on the global economy, squeezing business sentiments and investor confidence. While the global semiconductor market is expected to remain muted in 2019, mainly driven by a weaker pricing environment and a slight slowdown in major applications, industry experts are anticipating for the industry's recovery in the following years with growth opportunities in the automotive, industrial, communication and consumer electronics sector

The Group remains focused on the testing of automotive applications and mixed signals, logic and contact image sensors. Going forward, the Group will ensure prudence in spending as it invests in expanding its testing capabilities for the automotive industry.



11. Dividend

(a) Current financial period reported on

Any dividend declared 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?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommendeded, 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 subsidiary did not enter into any IPT during the financial period ended 30 September 2019.

14. 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 third quarter and 9-months ended 30 September 2019 of the Company and of the Group to be false or misleading, in any material aspect.

15. 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.

16. 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 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 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, the United States of America, Singapore and Japan. The Group's revenue from external customers and information about its non-current assets by geographical location are detailed below:

Revenue by geographical region based on customers

	1 Jan 2019 to 30 Sep 2019		1 Jan 2018 to 30 Sep 2018	
	US\$'000	%	US\$'000	%
Asia	11,696	69.7	10,443	62.4
USA	4,791	28.6	6,053	36.2
Others	286	1.7	241	1.4
	<u>16,773</u>	<u>100.0</u>	<u>16,737</u>	<u>100.0</u>

	1 Jul 2019 to 30 Sep 2019		1 Jul 2018 to 30 Sep 2018	
	US\$'000	%	US\$'000	%
Asia	4,216	76.5	3,519	59.8
USA	1,223	22.2	2,305	39.2
Others	72	1.3	61	1.0
	<u>5,511</u>	<u>100.0</u>	<u>5,885</u>	<u>100.0</u>

Non-current assets by geographical location

	30-Sep-19	31-Dec-18
	US\$'000	US\$'000
Taiwan	<u>28,191</u>	<u>32,504</u>

BY ORDER OF THE BOARD

Chen Tie-Min
Senior Executive Director
13 November 2019

November 13, 2019

The Board of Directors
Global Testing Corporation Limited
9 Battery Road
#25-01 MYP Centre
Singapore 049910

Dear Sirs

REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION FOR GLOBAL TESTING CORPORATION LIMITED AS OF AND FOR THE THIRD QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2019

Introduction

We have reviewed the accompanying interim condensed financial information of Global Testing Corporation Limited (the "Company") and its subsidiary (the "Group") which comprises the condensed statement of financial position of the Group and the Company as at September 30, 2019, 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 Third Quarter and Nine Months then ended, and selected explanatory notes as enumerated in sections 1, 4, 5, 6, 7, 8, 11, 12 and 16 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 (International) 1-34 *Interim Financial Reporting* ("SFRS(I) 1-34"). 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 is not prepared, in all material respects, in accordance with SFRS(I) 1-34.



Public Accountants and
Chartered Accountants
Singapore