

**GLOBETRONICS TECHNOLOGY BHD**

Registration No. 199601037932 (410285-W)

**INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2023****Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**

The figures have not been audited

	Note	Individual Period (2nd Quarter)		Cumulative Period	
		Current Quarter Ended	Corresponding Quarter Ended	Current Year To-date Ended	Corresponding Year To-date Ended
		30/6/2023	30/6/2022	30/6/2023	30/6/2022
		RM'000	RM'000	RM'000	RM'000
<b>Continuing operations</b>					
Revenue		31,514	47,845	64,641	90,683
Cost of sales		(20,535)	(27,800)	(42,254)	(53,037)
Gross profit		10,979	20,045	22,387	37,646
Administrative and operating expenses		(8,547)	(10,563)	(16,474)	(19,722)
Other operating income		5,631	2,054	6,501	3,548
Results from operating activities		8,063	11,536	12,414	21,472
Finance income		1,110	480	2,002	831
Share of loss of equity-accounted associate, net of tax		(254)	(192)	(271)	(397)
Profit before tax		8,919	11,824	14,145	21,906
Tax expense	22	(1,841)	(636)	(3,767)	(1,271)
Profit for the period		7,078	11,188	10,378	20,635
<b>Other comprehensive income/(expense), net of tax</b>					
<b>Item that will not be reclassified subsequently to profit or loss</b>					
Net change in fair value of equity investments designated at fair value through other comprehensive income ("FVOCI")		(132)	(463)	(17)	(898)
<b>Item that is or may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences for foreign operations		1,151	762	1,088	905
<b>Total other comprehensive income for the period, net of tax</b>		1,019	299	1,071	7
<b>Total comprehensive income for the period</b>		8,097	11,487	11,449	20,642

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## INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2023

### Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

The figures have not been audited

	Individual Period (2nd Quarter)		Cumulative Period		
	Current Quarter Ended 30/6/2023	Corresponding Quarter Ended 30/6/2022	Current Year To-date Ended 30/6/2023	Corresponding Year To-date Ended 30/6/2022	
	RM'000	RM'000	RM'000	RM'000	
<b>Profit attributable to :</b>					
Owners of the Company	7,078	11,188	10,378	20,635	
<b>Profit for the period</b>	<b>7,078</b>	<b>11,188</b>	<b>10,378</b>	<b>20,635</b>	
<b>Total comprehensive income attributable to :</b>					
Owners of the Company	8,097	11,487	11,449	20,642	
<b>Total comprehensive income for the period</b>	<b>8,097</b>	<b>11,487</b>	<b>11,449</b>	<b>20,642</b>	
<b>Earnings per ordinary share (sen)</b>	25				
- Basic		1.06	1.67	1.55	3.08
- Diluted		1.06	1.67	1.55	3.08

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's audited Financial Statements as at 31 December 2022. The accompanying notes are an integral part of this Statement.

# GLOBETRONICS TECHNOLOGY BHD

Registration No. 199601037932 (410285-W)

INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2023

## Condensed Consolidated Statement of Financial Position

The figures have not been audited

	Note	As at 30/6/2023 RM'000	As at 31/12/2022 RM'000
<b>Assets</b>			
Property, plant and equipment	21	57,870	57,555
Investment properties		13,656	13,852
Investment in an associate		5,118	5,389
Other investments		6,807	6,510
Deferred tax assets		760	760
Prepayments		12,091	2,661
<b>Total non-current assets</b>		<b>96,302</b>	<b>86,727</b>
Inventories		7,273	9,149
Current tax assets		1	310
Trade receivables	23	24,131	27,517
Other receivables, deposits and prepayments		1,091	1,589
Cash and cash equivalents		194,332	201,493
<b>Total current assets</b>		<b>226,828</b>	<b>240,058</b>
<b>Total assets</b>		<b>323,130</b>	<b>326,785</b>
<b>Equity</b>			
Share capital		186,545	186,463
Reserves			
Share option reserve		1,972	1,913
Capital reserve		41	41
Fair value reserve		(475)	(458)
Translation reserve		5,262	4,174
Retained earnings		105,308	108,319
<b>Total equity attributable to owners of the Company</b>		<b>298,653</b>	<b>300,452</b>
<b>Liabilities</b>			
Current tax liabilities		2,347	1,391
Trade payables		2,598	3,100
Other payables and accruals		19,532	21,842
<b>Total current liabilities</b>		<b>24,477</b>	<b>26,333</b>
<b>Total equity and liabilities</b>		<b>323,130</b>	<b>326,785</b>
<b>Net assets per share (RM)</b>		<b>0.45</b>	<b>0.45</b>

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# GLOBETRONICS TECHNOLOGY BHD

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## INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2023

### Condensed Consolidated Statement of Changes in Equity

The figures have not been audited

	← Attributable to owners of the Company →						Total equity
	← Non-distributable →			Distributable			
	Share capital RM'000	Share option reserve RM'000	Capital reserve RM'000	Fair value reserve RM'000	Translation reserve RM'000	Retained earnings RM'000	RM'000
<b>6 months ended 30/6/2023</b>							
At 1 January 2023	186,463	1,913	41	(458)	4,174	108,319	300,452
Foreign currency translation differences for foreign operations	-	-	-	-	1,088	-	1,088
Net change in fair value of equity investment designated at FVOCI	-	-	-	(17)	-	-	(17)
Total other comprehensive (expense)/income for the period	-	-	-	(17)	1,088	-	1,071
Profit for the period	-	-	-	-	-	10,378	10,378
<b>Total comprehensive (expense)/income for the period</b>	-	-	-	(17)	1,088	10,378	11,449
<b>Distributions to owners of the Company</b>							
Issuance of new ordinary shares pursuant to Employees Share Option Scheme 2020 ("ESOS 2020")	82	-	-	-	-	-	82
Share-based payment	-	59	-	-	-	-	59
Dividends to owners of the Company	-	-	-	-	-	(13,389)	(13,389)
<b>Total transactions with owners of the Company</b>	82	59	-	-	-	(13,389)	(13,248)
<b>At 30 June 2023</b>	186,545	1,972	41	(475)	5,262	105,308	298,653

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## INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2023

### Condensed Consolidated Statement of Changes in Equity

The figures have not been audited

	← Attributable to owners of the Company →						Total equity RM'000
	Share capital RM'000	Share option reserve RM'000	Capital reserve RM'000	Fair Value reserve RM'000	Translation reserve RM'000	Retained earnings RM'000	
<b>6 months ended 30/6/2022</b>							
At 1 January 2022	186,463	1,057	41	219	3,184	110,018	300,982
Foreign currency translation differences for foreign operations	-	-	-	-	905	-	905
Net change in fair value of equity investment designated at FVOCI	-	-	-	(898)	-	-	(898)
Total other comprehensive (expense)/income for the year	-	-	-	(898)	905	-	7
Profit for the period	-	-	-	-	-	20,635	20,635
<b>Total comprehensive (expense)/income for the period</b>	-	-	-	(898)	905	20,635	20,642
<b>Distributions to owners of the Company</b>							
Share-based payment transactions	-	207	-	-	-	-	207
Dividends to owners of the Company	-	-	-	-	-	(20,083)	(20,083)
<b>Total transactions with owners of the Company</b>	-	207	-	-	-	(20,083)	(19,876)
Transfer upon the disposal of equity investment designated at FVOCI	-	-	-	302	-	(302)	-
<b>At 30 June 2022</b>	<b>186,463</b>	<b>1,264</b>	<b>41</b>	<b>(377)</b>	<b>4,089</b>	<b>110,268</b>	<b>301,748</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited Financial Statements as at 31 December 2022. The accompanying notes are an integral part of this Statement.

# GLOBETRONICS TECHNOLOGY BHD

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## INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2023

### Condensed Consolidated Statement of Cash Flows

The figures have not been audited

		6 months ended 30/6/2023	6 months ended 30/6/2022
	Note	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		14,145	21,906
Adjustments for :			
Depreciation of :			
- property, plant and equipment		6,770	11,469
- investment properties		196	194
Property, plant and equipment written off		28	1
Gain on disposal of property, plant and equipment	21	(657)	(71)
Interest income		(2,375)	(983)
Share of loss of equity-accounted associate, net of tax		271	397
Share-based payments		59	207
Operating profit before changes in working capital		18,437	33,120
Change in inventories		1,876	(2,795)
Change in trade and other receivables		(5,545)	(5,121)
Change in trade and other payables		(2,812)	(6,050)
Cash generated from operations		11,956	19,154
Interest received		373	153
Tax paid		(2,502)	(1,180)
Net cash generated from operating activities		<b>9,827</b>	<b>18,127</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of :			
- property, plant and equipment	21	(7,113)	(8,096)
- other investments	8	(10)	(684)
Proceeds from disposal of :			
- property, plant and equipment		657	71
- other investments	8	-	3,016
Interest received		2,002	831
Net cash used in investing activities		<b>(4,464)</b>	<b>(4,862)</b>

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## INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2023

### Condensed Consolidated Statement of Cash Flows

The figures have not been audited

	6 months ended 30/6/2023 RM'000	6 months ended 30/6/2022 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>		
Dividends paid to owners of the Company	(13,389)	(20,083)
Proceeds from issue of ordinary shares	82	-
Net cash used in financing activity	<b>(13,307)</b>	<b>(20,083)</b>
Net decrease in cash and cash equivalents	<b>(7,944)</b>	<b>(6,818)</b>
Effect of exchange rate fluctuations on cash held	783	675
<b>Cash and cash equivalents as at 1 January</b>	201,493	195,097
<b>Cash and cash equivalents as at 30 June</b>	<b>194,332</b>	<b>188,954</b>

#### Cash and cash equivalents

Cash and cash equivalents included in the Condensed Consolidated Statement of Cash Flows comprise :

Funds placed with financial institutions :

- Short term investment funds	121,154	131,810
- Short term deposits	49,473	26,653
Cash and bank balances	23,705	30,491
	<b>194,332</b>	<b>188,954</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited Financial Statements as at 31 December 2022. The accompanying notes are an integral part of this Statement.

# GLOBETRONICS TECHNOLOGY BHD

Registration No. 199601037932 (410285-W)

## INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2023

### Notes to the condensed consolidated interim financial statements

#### 1. Basis of Preparation

These condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting in Malaysia, requirements of the Companies Act 2016 ("CA 2016") and paragraph 9.22 and Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities LR").

They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2022.

These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2022.

#### 2. Significant Accounting Policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated annual financial statements as at and for the year ended 31 December 2022.

The following are accounting standard and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

##### ***MFRSs and amendments effective for annual periods beginning on or after 1 January 2023***

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Insurance Contracts - Initial application of MFRS 17 and MFRS 9 - Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements - Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

##### ***MFRSs and amendments effective for annual periods beginning on or after 1 January 2024***

- Amendment to MFRS 16, *Leases - Lease Liability in a Sale and Leaseback*
- Amendment to MFRS 101, *Presentation of Financial Statements - Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*

##### ***MFRSs and amendments effective for annual periods beginning on or after a date yet to be confirmed***

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned amendments where applicable, in the respective financial years when the above amendments become effective.

The Group and the Company do not plan to apply MFRS 17 and amendments to MFRS 17 that are effective for annual periods beginning on or after 1 January 2023 as they are not applicable to the Group and the Company.

The initial application of the abovementioned amendments is not expected to have any material financial impact to the current period and prior period financial statements of the Group and the Company.



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## INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2023

### Notes to the condensed consolidated interim financial statements

**3. Audit Report of Preceding Annual Financial Statements**

The auditors' report of the Group's most recent annual audited financial statements for the year ended 31 December 2022 was unmodified.

**4. Changes in Estimates**

In preparing these condensed consolidated interim financial statements, 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 was applied to the financial statements as at and for the year ended 31 December 2022.

There were no changes in estimates of amounts reported in the prior financial periods that have a material effect in the current period.

**5. Comparative Figures**

Certain comparative figures have been reclassified to conform with current period's presentation.

**6. Material Impairment of Assets**

There was no material impairment of assets during the period under review.

**7. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

During the financial period under review, there were no items affecting assets, liabilities, equity, net income, or cash flow that are unusual because of their nature, size, or incidence.

**8. Quoted Securities and Bond**

There were no purchases or sales of quoted securities and bond except for reinvestment of income distribution from quoted investments during the financial period under review.

**9. Changes in Composition of the Group**

There were no changes in the composition of the Group during the current quarter and financial period to date.

**10. Debt and Equity Securities**

There were no issuance and repayments of debt and equity securities, share buy back, shares held as treasury stocks and resale of treasury shares for the financial period/year to date except for the issuance of the following ordinary shares exercised by the eligible employees pursuant to the Company's ESOS :

ESOS Option Price RM per share	Number of Shares '000
1.03	65.4
1.04	14.4

**11. Changes in Contingent Liabilities**

The Group has issued corporate guarantees to financial institutions for banking facilities granted to certain subsidiaries up to a limit of RM21.5 million of which RM2.7 million has been utilized as at 30 June 2023, a increase of RM0.1 million as compared to 31 December 2022.

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## INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2023

### Notes to the condensed consolidated interim financial statements

#### 12. Operating Segments

The Group is principally involved in the manufacture, assembly, testing and sale of integrated circuits, optoelectronic products, small outline components, Light-Emitting-Diode ("LED") components and modules, sensors and optical products, electronics/semiconductor components and technical plating services for the semiconductor and electronics industries. Management monitors the Group's operating results as one business unit due to the similar nature and economic characteristics of the products. The products within the business unit do not require materially different technology, operational and marketing strategies. Accordingly, information by operating segments on the Group's operations as required by MFRS 8 is not presented.

The Group's manufacturing activities are performed in Malaysia while sales and distribution activities are mainly performed in two principal geographical areas namely South East Asia and North America.

The Group's geographical segmental report for the financial period-to-date is as follows :

#### Analysis By Geographical Segments

##### 6 months ended 30/6/2023

	South East Asia RM'000	North America RM'000	Others RM'000	Group RM'000
Segment profit/(loss) before taxation	13,201	(967)	(464)	11,770
Revenue from external customer	62,921	1,492	228	64,641

##### 6 months ended 30/6/2022

	South East Asia RM'000	North America RM'000	Others RM'000	Group RM'000
Segment profit/(loss) before taxation	20,783	340	(200)	20,923
Revenue from external customer	87,614	2,995	74	90,683

	30/6/2023 RM'000	30/6/2022 RM'000
Reconciliation of segment profit :		
Reportable segments	11,770	20,923
Interest income	2,375	983
Consolidated profit before taxation	14,145	21,906
Tax expense	(3,767)	(1,271)
Consolidated profit after taxation	10,378	20,635

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## INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2023

### Notes to the condensed consolidated interim financial statements

#### 13. Related parties

##### Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

The Group has related party relationship with its subsidiaries and associate as disclosed in Notes 5 and 6 of the audited Consolidated Financial Statements of the Group as at and for the year ended 31 December 2022.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group.

##### Significant related party transactions are as follows :

	<b>6 months ended 30/6/2023 RM'000</b>
i) Transactions with an associate <i>NGK Globetronics Technology Sdn Bhd</i>	
Rental income from investment property	1,277
Management support services income	<u>126</u>

#### 14. Events Subsequent to the Balance Sheet Date

There were no material events subsequent to the balance sheet date.

#### 15. Seasonal/Cyclical Factors

The business operations of the Group are not affected by any major seasonal or cyclical factors other than the volatility of the customers' demand which is inherent in the industry that we operate in.

#### 16. Dividends Paid

A third interim single tier ordinary dividend of 1 sen (2022: 1 sen) per share and a single tier special dividend of 1 sen (2022: 2 sen) per share, totalling RM13.4 million (2022: RM20.1 million) in respect of the financial year ended 31 December 2022 was paid on 23 March 2023 to Depositors who are registered in the Record of Depositors of the Company on 13 March 2023.

A first interim single tier ordinary dividend of 1 sen (2022: 2 sen) per share, totalling RM6.7 million (2022: RM13.4 million) in respect of the financial year ending 31 December 2023 was paid on 20 July 2023 to Depositors who are registered in the Record of Depositors of the Company on 5 July 2023.

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## INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2023

### Notes to the condensed consolidated interim financial statements

#### 17. Overall Review of Group's Financial Performance And Segmental Analysis

*Financial review for current quarter and financial period to date*

	Individual Period (2nd quarter)			Cumulative Period		
	Current	Corresponding	Changes	Current	Corresponding	Changes
	Quarter	Quarter		Year To-date	Year To-date	
	Ended	Ended	Ended	Ended	Ended	
30/6/2023	30/6/2022	%	30/6/2023	30/6/2022	%	
	RM'000	RM'000		RM'000	RM'000	
Revenue	31,514	47,845	-34	64,641	90,683	-29
Operating Profit	8,063	11,536	-30	12,414	21,472	-42
Profit Before Tax	8,919	11,824	-25	14,145	21,906	-35
Profit After Tax	7,078	11,188	-37	10,378	20,635	-50
Profit Attributable to Owners of the Company	7,078	11,188	-37	10,378	20,635	-50

The Group's revenue and net profit for the quarter under review were RM31.5 million and RM7.1 million, a decrease of 34% and 37% respectively as compared to RM47.8 million and RM11.2 million in the corresponding quarter ended 30 June 2022.

The lower revenue and net profit achieved in the current quarter were mainly due to:-

- Lower volume loadings from certain of the Group's customers;
- Higher tax expense of RM1.8 million recognised in the income statement as compared to tax expense of RM0.6 million in the corresponding quarter ended 30 June 2022; and offset by
- Forex gain of RM4 million recognised in the income statement as compared to forex gain of RM1.3 million in the corresponding quarter ended 30 June 2022.

For the period under review, the Group recorded a lower revenue of RM64.6 million and net profit of RM10.4 million as compared to RM90.7 million and RM20.6 million respectively in the corresponding period last year (decrease of 29% and 50% respectively). South East Asia and North America segment recorded sales decrease as compared to corresponding period last year.

The lower revenue and net profit in current period-to-date was mainly due to:-

- Lower volume loadings from certain of the Group's customers;
- Higher tax expense of RM3.8 million recognised in the income statement as compared to tax expense of RM1.3 million in the corresponding period last year ended 30 June 2022; and offset by
- Forex gain of RM3.9 million recognised in the income statement as compared to forex gain of RM1.8 million in the corresponding period last year ended 30 June 2022.

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## INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2023

### Notes to the condensed consolidated interim financial statements

#### 18. Material Changes in the Quarterly Results Compared to the Results of the Immediate Preceding Quarter

	Current Quarter Ended 30/6/2023 RM'000	Immediate Preceding Quarter Ended 31/3/2023 RM'000	Changes %
Revenue	31,514	33,127	-5
Operating Profit	8,063	4,315	87
Profit Before Tax	8,919	5,226	71
Profit After Tax	7,078	3,300	>100
Profit Attributable to Owner of the Company	7,078	3,300	>100

The Group's revenue for the quarter under review was RM31.5 million, a decrease of 5% from the preceding quarter of RM33.1 million while the net profit of the Group for the quarter was RM7.1 million, an increase of more than 100% from the preceding quarter of RM3.3 million.

The lower revenue achieved in the current quarter was mainly due to lower volume loadings of products from certain of the Group's customers.

The higher net profit achieved in the current quarter was mainly due to forex gain of RM4 million recognised in the income statement as compared to forex loss of RM65K in the preceding quarter ended 31 March 2023.

#### 19. Prospects

The semiconductor industry continues to experience challenging macroeconomic and geopolitical issues resulting in uncertain end demand, rising inflation and manpower shortages. The Group has taken measures and shall continue to strive to minimize any potential exposures or disruptions arising from these challenges.

Year 2023 would be a challenging one for the Group, and the Group is expected to experience a decline in profitability for the financial year. Several factors contributing to this decline include softer revenue forecasts from our customers, the full-year tax impact of our expired pioneer status in one of the subsidiaries, the full impact of increased minimum wages and increase in utilities costs.

Despite these challenges, the Group remains committed in finding new and innovative ways to drive growth and profitability.

#### 20. Variance of Actual Profit from Forecast Profit

Not Applicable.

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## INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2023

### Notes to the condensed consolidated interim financial statements

#### 21. Property, Plant and Equipment

The carrying amount of land and buildings has been brought forward, without amendment from the previous audited financial statements.

##### (a) Acquisitions

During the quarter ended 30 June 2023, the Group acquired property, plant and equipment with a cost of RM7.1 million (Quarter ended 30 June 2022: RM8.1 million).

##### (b) Capital commitments

As at 30 June 2023, the Group has entered into contracts to purchase property, plant and equipment for RM10.7 million (Quarter ended 30 June 2022: RM1 million).

##### (c) Disposals

Asset with carrying amount of RM3 were disposed of during the quarter ended 30 June 2023 (Quarter ended 30 June 2022: RM4), resulting in a gain on disposal of RM0.7 million (Quarter ended 30 June 2022: gain of RM71K), which is included as other operating income in the income statement.

There were no amendments to the valuation of property, plant and equipment brought forward.

#### 22. Tax Expense

	3 months ended		6 months ended	
	30/6/2023	30/6/2022	30/6/2023	30/6/2022
	RM'000	RM'000	RM'000	RM'000
<b>Current tax expense</b>				
Malaysia - current quarter/period	1,841	636	3,767	1,271
	<u>1,841</u>	<u>636</u>	<u>3,767</u>	<u>1,271</u>

#### 23. Trade Receivables

The age analysis of trade receivables is as follow :

	Current Quarter Ended 30/6/2023	Corresponding Quarter Ended 30/6/2022
	RM'000	RM'000
Current (not past due)	22,525	32,852
1-30 days past due	1,369	2,517
31-60 days past due	-	150
Above 60 days past due	237	-
	1,606	2,667
<b>Credit Impaired</b>		
Individually impaired	-	-
	<u>24,131</u>	<u>35,519</u>

The Group is satisfied that recovery of the amount is possible, therefore there is no impairment for past due trade receivables.

# GLOBETRONICS TECHNOLOGY BHD

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## INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2023

Notes to the condensed consolidated interim financial statements

### 24. Profit Before Tax

Profit before tax is arrived at after charging/(crediting) :

	Current Quarter Ended 30/6/2023 RM'000	Corresponding Quarter Ended 30/6/2022 RM'000	Current Period To-date Ended 30/6/2023 RM'000	Corresponding Period To-date Ended 30/6/2022 RM'000
Depreciation of property, plant and equipment	3,339	5,949	6,770	11,469
Depreciation of investment property	98	97	196	194
Property, plant and equipment written off	-	-	28	1
Gain on disposal of property, plant and equipment	(657)	(35)	(657)	(71)
Interest income	(1,321)	(570)	(2,375)	(983)
Gain on foreign exchange – realised	(1,393)	(1,171)	(1,058)	(1,256)
Gain on foreign exchange – unrealised	(2,603)	(154)	(2,873)	(565)
<b>Expenses/(income) arising from leases</b>				
Expenses relating to short-term leases	363	377	749	750
Income from:				
- subleasing of building	(171)	(180)	(342)	(360)
- investment properties	(1,056)	(837)	(2,102)	(1,671)

### 25. Earnings Per Ordinary Share ("EPS")

#### (i) Basic earnings per ordinary share

		3 months ended		6 months ended	
		30/6/2023	30/6/2022	30/6/2023	30/6/2022
Net profit for the quarter/period	(RM'000)	7,078	11,188	10,378	20,635
Issued ordinary shares at beginning of the quarter/period	('000)	669,445	669,445	669,445	669,445
Effect of shares issued during the quarter/period	('000)	8	-	8	-
<b>Weighted average number of ordinary shares</b>	('000)	669,453	669,445	669,453	669,445
Basic earnings per ordinary share	(sen)	1.06	1.67	1.55	3.08

#### (ii) Diluted earnings per ordinary share

		3 months ended		6 months ended	
		30/6/2023	30/6/2022	30/6/2023	30/6/2022
Net profit for the quarter/period	(RM'000)	7,078	11,188	10,378	20,635
Issued ordinary shares at beginning of the quarter/period	('000)	669,445	669,445	669,445	669,445
Effect of shares issued during the quarter/period	('000)	8	-	8	-
<b>Weighted average number of ordinary shares (diluted)</b>		669,453	669,445	669,453	669,445
Diluted earnings per ordinary share	(sen)	1.06	1.67	1.55	3.08

# **GLOBETRONICS TECHNOLOGY BHD**

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## **INTERIM REPORT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2023**

### **Notes to the condensed consolidated interim financial statements**

#### **26. Corporate Proposals**

- (a) There were no corporate proposals by the Company during the financial period to date.
- (b) There were no unutilised proceeds raised from corporate proposals by the Company during the financial period to date.

#### **27. Changes In Material Litigation**

To date, the Company has no material litigation case pending.

#### **28. Foreign Currency Risk Management**

The Group is exposed to foreign currency risk on sales, purchases and cash and cash equivalents that are denominated in a currency other than the respective functional currencies of the Group entities. The currency giving rise to this risk is primarily the U.S. Dollar ("USD").

The Group ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

#### **29. Dividends Declared**

The Board of Directors has declared a first interim single tier ordinary dividend of 1 sen (2022: 2 sen) per share, totalling RM6.7 million (2022: RM13.4 million) in respect of the financial year ending 31 December 2023 to Depositors who are registered in the Record of Depositors of the Company on 5 July 2023.

The above interim dividend was paid on 20 July 2023 as disclosed in Note 16 of this announcement.

By Order of the Board

Lee Peng Loon (MACS 01258)  
SSM PC NO. 201908002340

P'ng Chiew Keem (MAICSA 7026443)  
SSM PC NO. 201908002334

Joint Secretaries

Dated this 25 July 2023