

GLOBETRONICS TECHNOLOGY BHD

Registration No. 199601037932 (410285-W)

INTERIM REPORT FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2023**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**

The figures have not been audited

	Note	Individual Period (4th Quarter)		Cumulative Period	
		Quarter Ended 31/12/2023	Quarter Ended 31/12/2022	Year Ended 31/12/2023	Year Ended 31/12/2022
		RM'000	RM'000	RM'000	RM'000
Continuing operations					
Revenue		32,552	43,050	131,823	180,051
Cost of sales		(19,219)	(22,162)	(80,631)	(104,270)
Gross profit		13,333	20,888	51,192	75,781
Administrative and operating expenses		(7,907)	(7,369)	(32,345)	(34,475)
Other operating income/(expense)		1,352	(427)	10,535	7,973
Results from operating activities		6,778	13,092	29,382	49,279
Finance income		1,524	848	4,650	2,276
Share of profit/(loss) of equity-accounted associate, net of tax		150	352	(130)	(281)
Profit before tax		8,452	14,292	33,902	51,274
Tax expense	22	(1,946)	(2,244)	(7,487)	(5,810)
Profit for the quarter/year		6,506	12,048	26,415	45,464
Other comprehensive income/(expense), net of tax					
Item that will not be reclassified subsequently to profit or loss					
Net change in fair value of equity investments designated at fair value through other comprehensive income ("FVOCI")		228	504	(26)	(979)
Item that is or may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operations		(362)	(890)	816	990
Total other comprehensive (expense)/ income for the quarter/year, net of tax		(134)	(386)	790	11
Total comprehensive income for the quarter/year		6,372	11,662	27,205	45,475

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Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

The figures have not been audited

	Individual Period (4th Quarter)		Cumulative Period	
	Current Quarter Ended 31/12/2023	Corresponding Quarter Ended 31/12/2022	Year Ended 31/12/2023	Year Ended 31/12/2022
	RM'000	RM'000	RM'000	RM'000
Profit attributable to :				
Owners of the Company	6,506	12,048	26,415	45,464
Profit for the period/year	6,506	12,048	26,415	45,464
Total comprehensive income attributable to :				
Owners of the Company	6,372	11,662	27,205	45,475
Total comprehensive income for the period/year	6,372	11,662	27,205	45,475
Earnings per ordinary share (sen)	25			
- Basic	0.97	1.80	3.94	6.79
- Diluted	0.97	1.80	3.94	6.79

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.

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INTERIM REPORT FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2023

Condensed Consolidated Statement of Financial Position

The figures have not been audited

	Note	As at 31/12/2023 RM'000	As at 31/12/2022 RM'000
Assets			
Property, plant and equipment	21	72,592	57,555
Investment properties		13,473	13,852
Investment in an associate		5,259	5,389
Other investments		6,733	6,510
Deferred tax assets		836	760
Prepayments		186	2,661
Total non-current assets		99,079	86,727
Inventories		6,223	9,149
Current tax assets		99	310
Trade receivables	23	19,490	27,517
Other receivables, deposits and prepayments		1,042	1,589
Cash and cash equivalents		210,110	201,493
Total current assets		236,964	240,058
Total assets		336,043	326,785
Equity			
Share capital		190,344	186,463
Reserves			
Share option reserve		1,951	1,913
Capital reserve		41	41
Fair value reserve		(484)	(458)
Translation reserve		4,990	4,174
Retained earnings		111,291	108,319
Total equity attributable to owners of the Company		308,133	300,452
Liabilities			
Current tax liabilities		1,841	1,391
Trade payables		2,060	3,100
Other payables and accruals		24,009	21,842
Total current liabilities		27,910	26,333
Total equity and liabilities		336,043	326,785
Net assets per share (RM)		0.46	0.45

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INTERIM REPORT FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2023

Condensed Consolidated Statement of Changes in Equity

The figures have not been audited

	←——— Attributable to owners of the Company ———→						
	←——— 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	Total equity RM'000
12 months ended 31/12/2023							
At 1 January 2023	186,463	1,913	41	(458)	4,174	108,319	300,452
Foreign currency translation differences for foreign operations	-	-	-	-	816	-	816
Net change in fair value of equity investment designated at FVOCI	-	-	-	(26)	-	-	(26)
Total other comprehensive (expense)/income for the year	-	-	-	(26)	816	-	790
Profit for the year	-	-	-	-	-	26,415	26,415
Total comprehensive (expense)/income for the year	-	-	-	(26)	816	26,415	27,205
Distributions to owners of the Company							
Issuance of new ordinary shares pursuant to Employees Share Option Scheme 2020 ("ESOS 2020")	3,415	-	-	-	-	-	3,415
Share-based payments	-	504	-	-	-	-	504
Dividends to owners of the Company	-	-	-	-	-	(23,443)	(23,443)
Total transactions with owners of the Company	3,415	504	-	-	-	(23,443)	(19,524)
Transfer to share capital for share options exercised	466	(466)	-	-	-	-	-
At 31 December 2023	190,344	1,951	41	(484)	4,990	111,291	308,133

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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	
12 months ended 31/12/2022							
At 1 January 2022	186,463	1,057	41	219	3,184	110,018	300,982
Foreign currency translation differences for foreign operations	-	-	-	-	990	-	990
Net change in fair value of equity investment designated at FVOCI	-	-	-	(979)	-	-	(979)
Total other comprehensive (expense)/income for the year	-	-	-	(979)	990	-	11
Profit for the year	-	-	-	-	-	45,464	45,464
Total comprehensive (expense)/income for the year	-	-	-	(979)	990	45,464	45,475
Distributions to owners of the Company							
Share-based payments	-	856	-	-	-	-	856
Dividends to owners of the Company	-	-	-	-	-	(46,861)	(46,861)
Total transactions with owners of the Company	-	856	-	-	-	(46,861)	(46,005)
Transfer upon the disposal of equity investments designated at FVOC	-	-	-	302	-	(302)	-
At 31 December 2022	186,463	1,913	41	(458)	4,174	108,319	300,452

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.

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INTERIM REPORT FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2023

Condensed Consolidated Statement of Cash Flows

The figures have not been audited

		Year Ended 31/12/2023	Year Ended 31/12/2022
	Note	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		33,902	51,274
Adjustments for :			
Depreciation of :			
- property, plant and equipment		14,122	21,450
- investment properties		393	389
Property, plant and equipment written off		29	-
Impairment loss on property, plant and equipment		947	-
Gain on disposal of property, plant and equipment	21	(1,983)	(300)
Interest income		(5,563)	(2,735)
Share of loss of equity-accounted associate, net of tax		130	281
Share-based payments		504	856
Operating profit before changes in working capital		42,481	71,215
Change in inventories		2,926	(959)
Change in trade and other receivables		11,050	1,171
Change in trade and other payables		1,128	(8,299)
Cash generated from operations		57,585	63,128
Interest received		913	459
Tax paid		(6,902)	(5,459)
Net cash generated from operating activities		51,596	58,128
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of :			
- property, plant and equipment	21	(30,135)	(10,624)
- investment properties		(14)	(19)
- other investments	8	(21)	(695)
Proceeds from disposal of :			
- property, plant and equipment		1,983	438
- other investments	8	-	3,017
Interest received		4,650	2,276
Net cash used in investing activities		(23,537)	(5,607)

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Condensed Consolidated Statement of Cash Flows

The figures have not been audited

	Year Ended 31/12/2023 RM'000	Year Ended 31/12/2022 RM'000
CASH FLOWS FROM FINANCING ACTIVITY		
Dividends paid to owners of the Company	(23,443)	(46,861)
Proceeds from issue of ordinary shares	3,415	-
Net cash used in financing activity	(20,028)	(46,861)
Net increase in cash and cash equivalents	8,031	5,660
Effect of exchange rate fluctuations on cash held	587	736
Cash and cash equivalents as at 1 January	201,492	195,097
Cash and cash equivalents as at 31 December	210,110	201,493

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	131,088	124,980
- Short term deposits	35,611	31,750
Cash and bank balances	43,411	44,763
	210,110	201,493

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.

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INTERIM REPORT FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 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 Group has adopted all the new and revised MFRSs and IC Interpretations that are relevant and effective for accounting periods beginning on or after 1 January, 2023. The adoption of these new and revised MFRSs and IC Interpretations have not resulted in any material impact on the financial statements of the Group.

The Group plan to apply the below mentioned amendments where applicable, in the respective financial years when the below amendments become effective:

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

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 quarter/year.

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Notes to the condensed consolidated interim financial statements

5. **Comparative Figures**

Certain comparative figures have been reclassified to conform with current quarter/year's presentation.

6. **Material Impairment of Assets**

During the year, the Group assessed the recoverable amount of a number of assets related to the manufacturing of certain product lines. Based on the assessment, the recoverable amount of the assets were lower than the carrying amount. Therefore, an impairment loss of RM0.9 million (2022: NIL) in relation to the assets was recognised in the accounts.

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

During the financial quarter/year 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 quarter/year 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 year 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 quarter/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	2,444
1.04	194
1.33	523

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 RM3 million has been utilized as at 31 December 2023, an increase of RM0.4 million as compared to 31 December 2022.

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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 year-to-date is as follows :

Analysis By Geographical Segments

Year ended 31/12/2023

	South East Asia RM'000	North America RM'000	Others RM'000	Group RM'000
Segment profit/(loss) before taxation	31,680	(1,632)	(796)	29,252
Revenue from external customer	128,186	3,094	543	131,823

Year ended 31/12/2022

	South East Asia RM'000	North America RM'000	Others RM'000	Group RM'000
Segment profit/(loss) before taxation	48,439	569	(10)	48,998
Revenue from external customer	173,924	5,721	406	180,051

	31/12/2023 RM'000	31/12/2022 RM'000
Reconciliation of segment profit :		
Reportable segments	29,252	48,998
Finance income	4,650	2,276
Consolidated profit before taxation	33,902	51,274
Tax expense	(7,487)	(5,810)
Consolidated profit after taxation	26,415	45,464

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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 :

	Year ended 31/12/2023 RM'000
i) Transactions with an associate <i>NGK Globetronics Technology Sdn Bhd</i>	
Rental income from investment property	2,571
Management support services income	<u>252</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.

A second interim single tier ordinary dividend of 0.5 sen (2022: 2 sen) per share, totalling RM3.3 million (2022: RM13.4 million) in respect of the financial year ended 31 December 2023 was paid on 5 December 2023 to Depositors who are registered in the Record of Depositors of the Company on 20 November 2023.

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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 year to date

	Quarter Ended 31/12/2023 RM'000	Quarter Ended 31/12/2022 RM'000	Changes %	Year Ended 31/12/2023 RM'000	Year Ended 31/12/2022 RM'000	Changes %
Revenue	32,552	43,050	-24	131,823	180,051	-27
Operating Profit	6,778	13,092	-48	29,382	49,279	-40
Profit Before Tax	8,452	14,292	-41	33,902	51,274	-34
Profit After Tax	6,506	12,048	-46	26,415	45,464	-42
Profit Attributable to Owners of the Company	6,506	12,048	-46	26,415	45,464	-42

The Group's revenue and net profit for the quarter under review were RM32.6 million and RM6.5 million, a decrease of 24% and 46% respectively as compared to RM43.1 million and RM12 million in the corresponding quarter ended 31 December 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.

For the year under review, the Group recorded a lower revenue of RM131.8 million and net profit of RM26.4 million as compared to RM180.1 million and RM45.5 million respectively in the corresponding last year (decrease of 27% and 42% respectively). South East Asia and North America segment recorded sales decrease as compared to last year.

The lower revenue and net profit in the current year was mainly due to:-

- Lower volume loadings from certain of the Group's customers;
- Higher tax expense of RM7.5 million recognised in the income statement as compared to tax expense of RM5.8 million for the year ended 31 December 2022; and
- Increase in utilities cost of RM1.2 million for the year ended 31 December 2023.

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

	Quarter Ended 31/12/2023 RM'000	Quarter Ended 30/9/2023 RM'000	Changes %
Revenue	32,552	34,630	-6
Operating Profit	6,778	10,190	-33
Profit Before Tax	8,452	11,305	-25
Profit After Tax	6,506	9,531	-32
Profit Attributable to Owners of the Company	6,506	9,531	-32

The Group's revenue for the quarter under review was RM32.6 million, a decrease of 6% from the preceding quarter of RM34.6 million while the net profit of the Group for the quarter was RM6.5 million, a decrease of 32% from the preceding quarter of RM9.5 million.

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

The lower net profit achieved in the current quarter was mainly due to:-

- Lower volume loadings from certain of the Group's customers;
- Forex loss of RM0.9 million recognised in the income statement as compared to forex gain of RM0.4 million in the preceding quarter ended 30 September 2023; and
- Gain on disposal of equipment of RM1.3 million in the preceding quarter ended 30 September 2023 compared to NIL in the current quarter ended 31 December 2023.

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Notes to the condensed consolidated interim financial statements

19. Prospects

The semiconductor industry continues to experience challenging macroeconomic and geopolitical issues resulting in unpredictable market conditions. The Group has taken measures and shall continue to strive to minimize any potential exposures or disruptions arising from these challenges.

The Group is actively engaging with a few potential customers to secure new business going forward. It remains cautiously optimistic and barring any unforeseen circumstances, to achieve satisfactory financial performance in Year 2024.

20. Variance of Actual Profit from Forecast Profit

Not Applicable.

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 year ended 31 December 2023, the Group acquired property, plant and equipment with a cost of RM30.1 million (Year ended 31 December 2022: RM10.6 million).

(b) Capital commitments

As at 31 December 2023, the Group has entered into contracts to purchase property, plant and equipment for RM2.6 million (Year ended 31 December 2022: RM11 million).

(c) Disposals

Asset with carrying amount of RM30 were disposed of during the year ended 31 December 2023 (Year ended 31 December 2022: RM0.1 million), resulting in a gain on disposal of RM2 million (Year ended 31 December 2022: gain of RM0.3 million), 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		Year ended	
		31/12/2023	31/12/2022	31/12/2023	31/12/2022
		RM'000	RM'000	RM'000	RM'000
Current tax expense					
Malaysia	- current quarter/year	2,024	3,221	7,986	6,735
	- prior year	(2)	(327)	(423)	(275)
		<u>2,022</u>	<u>2,894</u>	<u>7,563</u>	<u>6,460</u>
Deferred tax expense					
Malaysia	- current quarter/year	(76)	(650)	(76)	(650)
		<u>1,946</u>	<u>2,244</u>	<u>7,487</u>	<u>5,810</u>

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23. Trade Receivables

The age analysis of trade receivables is as follow :

	Year Ended 31/12/2023 RM'000	Year Ended 31/12/2022 RM'000
Current (not past due)	18,276	25,445
1-30 days past due	1,214	2,072
Credit Impaired		
Individually impaired	-	-
	<u>19,490</u>	<u>27,517</u>

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

24. Profit Before Tax

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

	Quarter Ended 31/12/2023 RM'000	Quarter Ended 31/12/2022 RM'000	Year Ended 31/12/2023 RM'000	Year Ended 31/12/2022 RM'000
Depreciation of property, plant and equipment	4,040	5,245	14,122	21,450
Depreciation of investment property	99	97	393	389
Property, plant and equipment written off	1	-	29	-
Impairment loss on plant and equipment	947	-	947	-
Inventories written down	230	1,568	230	1,568
Reversal of inventories written down	(118)	-	(118)	-
Gain on disposal of property, plant and equipment	-	(229)	(1,983)	(300)
Finance income	(1,524)	(848)	(4,650)	(2,276)
Gain on foreign exchange – realised	(1,449)	(328)	(3,695)	(4,052)
Loss on foreign exchange – unrealised	2,375	2,726	339	753
Expenses/(income) arising from leases				
Expenses relating to short-term leases	282	364	1,362	1,480
Income from:				
- subleasing of building	(172)	(180)	(686)	(720)
- investment properties	(1,052)	(927)	(4,210)	(3,522)

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INTERIM REPORT FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2023

Notes to the condensed consolidated interim financial statements

25. Earnings Per Ordinary Share ("EPS")

(i) Basic earnings per ordinary share

		3 months ended		Year ended	
		31/12/2023	31/12/2022	31/12/2023	31/12/2022
Net profit for the quarter/year	(RM'000)	6,506	12,048	26,415	45,464
Issued ordinary shares at beginning of the year	('000)	669,445	669,445	669,445	669,445
Effect of shares issued during the year	('000)	1,008	-	1,008	-
Weighted average number of ordinary shares	('000)	670,453	669,445	670,453	669,445
Basic earnings per ordinary share	(sen)	0.97	1.80	3.94	6.79

(ii) Diluted earnings per ordinary share

		3 months ended		Year ended	
		31/12/2023	31/12/2022	31/12/2023	31/12/2022
Net profit for the quarter/year	(RM'000)	6,506	12,048	26,415	45,464
Issued ordinary shares at beginning of the year	('000)	669,445	669,445	669,445	669,445
Effect of shares issued during the year	('000)	1,008	-	1,008	-
Effect of share option-ESOS 2020	('000)	445	55	445	55
Weighted average number of ordinary shares (diluted)		670,898	669,500	670,898	669,500
Diluted earnings per ordinary share	(sen)	0.97	1.80	3.94	6.79

26. Corporate Proposals

(a) There were no corporate proposals by the Company during the financial year to date.

(b) There were no unutilised proceeds raised from corporate proposals by the Company during the financial year 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.

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29. Dividends Declared

The Board of Directors has declared a second interim single tier ordinary dividend of 0.5 sen (2022: 2 sen) per share, totalling RM3.4 million (2022: RM13.4 million) in respect of the financial year ended 31 December 2023 to Depositors who are registered in the Record of Depositors of the Company on 20 November 2023.

The above interim dividend was paid on 5 December 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 20 February 2024