



Ellipsiz Ltd and its Subsidiaries
Registration Number: 199408329R

First Quarter Financial Statement and Dividend Announcement

Financial period ended

30 September 2014

Statements of Financial Position

	Note	30 September 2014 \$'000	Group 30 June 2014 \$'000	Var. %	30 September 2014 \$'000	Company 30 June 2014 \$'000	Var. %
Non-current assets							
Property, plant and equipment	3	12,888	12,707	1	9	10	(10)
Intangible assets	4	40,077	39,711	1	–	–	–
Subsidiaries		–	–	–	86,532	86,426	–
Associates	5	5,577	8,039	(31)	4,868	4,868	–
Joint ventures		253	228	11	–	–	–
Financial assets		7,596	9,551	(20)	7,449	9,404	(21)
Trade and other receivables		478	495	(3)	–	–	–
Deferred tax assets		4,323	4,476	(3)	62	59	5
		<u>71,192</u>	<u>75,207</u>	(5)	<u>98,920</u>	<u>100,767</u>	(2)
Current assets							
Inventories		12,436	12,823	(3)	–	–	–
Trade and other receivables		33,655	33,835	(1)	199	698	(71)
Amounts due from related parties		256	338	(24)	3,850	7,532	(49)
Cash and cash equivalents	6	37,537	32,016	17	15,721	12,196	29
		<u>83,884</u>	<u>79,012</u>	6	<u>19,770</u>	<u>20,426</u>	(3)
Total assets		<u>155,076</u>	<u>154,219</u>	1	<u>118,690</u>	<u>121,193</u>	(2)
Equity attributable to Owners of the Company							
Share capital	7	88,773	88,773	–	88,773	88,773	–
Reserves		28,378	28,029	1	17,225	19,011	(9)
		<u>117,151</u>	<u>116,802</u>	–	<u>105,998</u>	<u>107,784</u>	(2)
Non-controlling interests		379	378	–	–	–	–
		<u>117,530</u>	<u>117,180</u>	–	<u>105,998</u>	<u>107,784</u>	(2)
Non-current liabilities							
Interest-bearing borrowings	8	424	651	(35)	–	–	–
Deferred tax liabilities		550	1,041	(47)	–	–	–
		<u>974</u>	<u>1,692</u>	(42)	<u>–</u>	<u>–</u>	–
Current liabilities							
Trade and other payables		24,538	23,730	3	1,413	1,352	5
Provisions		1,620	2,056	(21)	281	281	–
Amounts due to related parties		57	64	(11)	10,755	11,536	(7)
Interest-bearing borrowings	8	9,511	8,976	6	–	–	–
Current tax payable		846	521	62	243	240	1
		<u>36,572</u>	<u>35,347</u>	3	<u>12,692</u>	<u>13,409</u>	(5)
Total liabilities		<u>37,546</u>	<u>37,039</u>	1	<u>12,692</u>	<u>13,409</u>	(5)
Total equity and liabilities		<u>155,076</u>	<u>154,219</u>	1	<u>118,690</u>	<u>121,193</u>	(2)

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Comprehensive Income

	Note	1 July 2014 to 30 September 2014 \$'000	1 July 2013 to 30 September 2013 \$'000	Var. %
Revenue		30,952	34,169	(9)
Cost of revenue		(20,381)	(25,464)	(20)
Gross profit		<u>10,571</u>	<u>8,705</u>	21
Other income	9	271	11,866	(98)
Distribution expenses		(3,344)	(3,166)	6
Administrative expenses		(3,751)	(3,678)	2
Research and development expenses		(1,043)	(715)	46
Other expenses		(545)	(6,309)	(91)
Results from operating activities	9	<u>2,159</u>	<u>6,703</u>	(68)
Finance income		18	73	(75)
Finance expenses		(82)	(49)	67
Net finance (expenses)/income	10	<u>(64)</u>	<u>24</u>	(367)
Share of results of associates (net of tax)		35	168	(79)
Share of results of joint ventures (net of tax)		13	(58)	122
Profit before income tax		<u>2,143</u>	<u>6,837</u>	(69)
Income tax expenses	11	(428)	(471)	(9)
Profit for the period		<u>1,715</u>	<u>6,366</u>	(73)
Other comprehensive income				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Exchange differences on translation of financial statements of foreign operations		210	(745)	128
Exchange differences on monetary items forming part of net investments in foreign operations		132	(51)	359
Exchange differences on disposal of an associate		248	-	100
Net change in fair value of available-for-sale financial assets, net of tax		(1,955)	1,060	(284)
Other comprehensive income for the period, net of income tax		<u>(1,365)</u>	<u>264</u>	(617)
Total comprehensive income for the period		<u>350</u>	<u>6,630</u>	(95)
Profit attributable to:				
Owners of the Company		1,714	6,289	(73)
Non-controlling interests		1	77	(99)
Profit for the period		<u>1,715</u>	<u>6,366</u>	(73)
Total comprehensive income attributable to:				
Owners of the Company		349	6,566	(95)
Non-controlling interests		1	64	(98)
Total comprehensive income for the period		<u>350</u>	<u>6,630</u>	(95)
Earnings per share				
- Basic (cents)	12	0.31	1.14	(73)
- Diluted (cents)		<u>0.31</u>	<u>1.14</u>	(73)

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

Group	Share capital \$'000	Capital reserve \$'000	Fair value reserve \$'000	Share-based compensation reserve \$'000	Exchange translation reserve \$'000	Accumulated profits \$'000	Total attributable to Owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
30 September 2013									
Balance as at 1 July 2013	88,773	(11,720)	1,703	2,481	(13,225)	36,475	104,487	1,910	106,397
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	6,289	6,289	77	6,366
Other comprehensive income									
<i>Items that may be reclassified subsequently to profit or loss</i>									
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	(732)	-	(732)	(13)	(745)
Exchange differences on monetary items forming part of net investments in foreign operations	-	-	-	-	(51)	-	(51)	-	(51)
Net change in fair value of available-for-sale financial assets, net of tax	-	-	1,060	-	-	-	1,060	-	1,060
Total other comprehensive income	-	-	1,060	-	(783)	-	277	(13)	264
Total comprehensive income for the period	-	-	1,060	-	(783)	6,289	6,566	64	6,630
Balance as at 30 September 2013	88,773	(11,720)	2,763	2,481	(14,008)	42,764	111,053	1,974	113,027

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

Group	Share capital \$'000	Capital reserve \$'000	Fair value reserve \$'000	Share-based compensation reserve \$'000	Exchange translation reserve \$'000	Accumulated profits \$'000	Total attributable to Owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
30 September 2014									
Balance as at 1 July 2014	88,773	(11,651)	4,093	2,481	(14,781)	47,887	116,802	378	117,180
Total comprehensive income for the period									
Profit for the period	–	–	–	–	–	1,714	1,714	1	1,715
Other comprehensive income									
<i>Items that may be reclassified subsequently to profit or loss</i>									
Exchange differences on translation of financial statements of foreign operations	–	–	–	–	210	–	210	–	210
Exchange differences on monetary items forming part of net investments in foreign operations	–	–	–	–	132	–	132	–	132
Exchange differences on disposal of an associate	–	–	–	–	248	–	248	–	248
Net change in fair value of available-for-sale financial assets, net of tax	–	–	(1,955)	–	–	–	(1,955)	–	(1,955)
Total other comprehensive income	–	–	(1,955)	–	590	–	(1,365)	–	(1,365)
Total comprehensive income for the period	–	–	(1,955)	–	590	1,714	349	1	350
Balance as at 30 September 2014	88,773	(11,651)	2,138	2,481	(14,191)	49,601	117,151	379	117,530

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Equity

Company	Share capital \$'000	Fair value reserve \$'000	Share-based compensation reserve \$'000	Accumulated profits \$'000	Total equity \$'000
30 September 2013					
Balance as at 1 July 2013	88,773	1,703	2,481	14,379	107,336
Total comprehensive income for the period					
Profit for the period	–	–	–	176	176
Other comprehensive income					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Net change in fair value of available-for-sale financial assets, net of tax	–	1,060	–	–	1,060
Total other comprehensive income	–	1,060	–	–	1,060
Total comprehensive income for the period	–	1,060	–	176	1,236
Balance as at 30 September 2013	88,773	2,763	2,481	14,555	108,572
30 September 2014					
Balance as at 1 July 2014	88,773	4,093	2,481	12,437	107,784
Total comprehensive income for the period					
Profit for the period	–	–	–	169	169
Other comprehensive income					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Net change in fair value of available-for-sale financial assets, net of tax	–	(1,955)	–	–	(1,955)
Total other comprehensive income	–	(1,955)	–	–	(1,955)
Total comprehensive income for the period	–	(1,955)	–	169	(1,786)
Balance as at 30 September 2014	88,773	2,138	2,481	12,606	105,998

The accompanying notes form an integral part of these financial statements.

Consolidated Cash Flow Statement

Group	Note	1 July 2014 to 30 September 2014 \$'000	1 July 2013 to 30 September 2013 \$'000
Operating Activities			
Profit for the period		1,715	6,366
Adjustments for:			
(Reversal of)/Allowance for:			
- inventory obsolescence		(44)	64
- doubtful debts from trade receivables		(10)	–
Depreciation of property, plant and equipment		614	448
Interest income		(18)	(73)
Interest expense		82	49
Bad debts written off		–	7
Inventory written off		27	10
Property, plant and equipment written off		22	10
Gain on disposal of property, plant and equipment		(197)	(19)
Amortisation of intangible assets		176	165
Loss on disposal of an associate		343	–
Acquisition-related costs		–	1,083
Post-acquisition integration and restructuring costs		–	5,214
Dividend income from other financial asset		–	(175)
Negative goodwill on business combination		–	(11,489)
Share of results of associates and joint ventures (net of tax)		(48)	(110)
Income tax expense		428	471
Operating profit before working capital changes		3,090	2,021
Changes in working capital:			
Inventories		611	(847)
Project-in-progress		–	(1,990)
Amounts due from related parties (trade)		20	99
Amounts due to related parties (trade)		(8)	(351)
Trade and other receivables		266	1,495
Trade and other payables		(21)	987
Post-acquisition integration and restructuring cost paid		(417)	–
Release of pledged deposits with financial institutions		1,406	334
Cash generated from operations		4,947	1,748
Interest received		18	73
Interest paid		(82)	(49)
Income tax (paid)/refund		(285)	52
Cash flows generated from operating activities		4,598	1,824
Investing Activities			
Purchase of property, plant and equipment ⁽¹⁾		(393)	(384)
Purchase of intangible assets		(53)	(3)
Proceeds from disposal of property, plant and equipment		222	24
Proceeds from disposal of an associate		1,209	–
Dividend received from associates		906	–
Amounts due from related parties (non-trade)		62	(41)
Net cash inflow from acquisition of businesses ⁽²⁾		–	1,876
Acquisition-related costs paid		–	(677)
Dividend received from other financial asset		–	175
Cash flows generated from investing activities		1,953	970
Financing Activities			
Drawdown of bank loans		3,752	8,304
Repayment of bank loans		(3,553)	(4,023)
Repayment of finance lease creditors		(29)	(13)
Amounts due to related parties (non-trade)		3	(24)
Cash flow generated from financing activities		173	4,244
Net increase in cash and cash equivalents		6,724	7,038
Cash and cash equivalents at beginning of period		30,377	30,744
Effect of exchange rate changes on balances in foreign currencies		203	(338)
Cash and cash equivalents at end of period	6	37,304	37,444

The accompanying notes form an integral part of these financial statements.

Significant non-cash transactions

- (1) Property, plant and equipment acquired amounting to \$577,000 remained outstanding for settlement as at 30 September 2014.
- (2) The fair value of identifiable assets acquired and liabilities assumed and effect of business acquisition were determined and disclosed below:

	Note	Group \$'000
Property, plant and equipment		4,939
Intangible assets		1,541
Finance assets		152
Inventories		3,711
Trade and other receivables		5,415
Tax recoverable		44
Cash and cash equivalents		5,528
Trade and other payables		(4,837)
Interest-bearing borrowings		(967)
Deferred tax liabilities		(385)
Net identifiable assets and liabilities acquired		15,141
Negative goodwill on business combination	9	(11,489)
Consideration satisfied in cash		3,652
Cash acquired from business combination		(5,528)
Net cash inflow		(1,876)

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

These notes form an integral part of the financial statements.

The announcement was authorised for issue by the directors on 11 November 2014.

1. Basis of Preparation

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those used in the audited financial statements for the year ended 30 June 2014. In addition, the Group has adopted new/revised FRS and INT FRS that have become effective for the financial year beginning 1 July 2014 (see note 2).

The financial statements were not audited or reviewed by the auditors.

2. Changes in the Accounting Policies, Methods of Computation and Accounting Standards

At the beginning of the financial year, 1 July 2014, the Company and the Group adopted new or revised FRSs (below), which are effective for the first time:

- FRS27 *Separate Financial Statements*
- FRS28 *Investments in Associates and Joint Ventures*
- FRS110 *Consolidated Financial Statements*
- FRS111 *Joint Arrangement*
- FRS112 *Disclosure of Interests in Other Entities*
- Amendments to FRS32 *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*
- Amendments to FRS36 *Impairment Assets – Recoverable Amount Disclosure for Non-Financial Assets*
- INT FRS121 *Levies*
- Amendments to FRS19 *Employee Contributions*

In addition, the Company and the Group have also adopted the Improvements to FRSs (*January 2014*) and Improvements to FRSs (*February 2014*) which are effective 1 July 2014.

The adoption of these accounting standards and improvements has no material financial effect on the results, earnings per share and the financial position of the Company and the Group for the current and previous financial periods.

3. Property, Plant and Equipment

Group	Freehold land and building \$'000	Leasehold land and building \$'000	Leasehold improve- ments \$'000	Furniture and fittings \$'000	Office equipment \$'000	Computers \$'000	Motor vehicles \$'000	Plant and machinery \$'000	Assets under construct- ion \$'000	Total \$'000
30 September 2014										
Cost										
At 1 July 2014	2,968	1,975	3,495	566	1,167	3,797	158	31,287	2	45,415
Additions	9	–	17	–	5	150	85	86	618	970
Disposals/Written off	–	–	(40)	(17)	(15)	(7)	–	(777)	–	(856)
Translation difference on consolidation	(207)	41	28	–	(30)	66	3	522	14	437
At 30 September 2014	<u>2,770</u>	<u>2,016</u>	<u>3,500</u>	<u>549</u>	<u>1,127</u>	<u>4,006</u>	<u>246</u>	<u>31,118</u>	<u>634</u>	<u>45,966</u>
Accumulated depreciation and impairment losses										
At 1 July 2014	63	378	2,614	376	576	3,234	122	25,345	–	32,708
Depreciation charge for the period	21	12	84	16	34	78	4	365	–	614
Disposals/Written off	–	–	(16)	(8)	(11)	(6)	–	(768)	–	(809)
Translation difference on consolidation	(4)	8	28	–	(5)	57	2	479	–	565
At 30 September 2014	<u>80</u>	<u>398</u>	<u>2,710</u>	<u>384</u>	<u>594</u>	<u>3,363</u>	<u>128</u>	<u>25,421</u>	<u>–</u>	<u>33,078</u>
Carrying amount										
At 1 July 2014	<u>2,905</u>	<u>1,597</u>	<u>881</u>	<u>190</u>	<u>591</u>	<u>563</u>	<u>36</u>	<u>5,942</u>	<u>2</u>	<u>12,707</u>
At 30 September 2014	<u>2,690</u>	<u>1,618</u>	<u>790</u>	<u>165</u>	<u>533</u>	<u>643</u>	<u>118</u>	<u>5,697</u>	<u>634</u>	<u>12,888</u>

Company	Furniture and fittings \$'000	Office equipment \$'000	Computers \$'000	Total \$'000
30 September 2014				
Cost				
At 1 July 2014 and 30 September 2014	9	7	21	37
Accumulated depreciation				
At 1 July 2014	9	7	11	27
Depreciation charge for the period	–	–	1	1
At 30 September 2014	9	7	12	28
Carrying amount				
At 1 July 2014	–	–	10	10
At 30 September 2014	–	–	9	9

Leasehold land and building and plant and machinery of the Group with carrying amounts of \$1,470,000 (30 June 2014: \$1,451,000) and \$677,000 (30 June 2014: \$696,000) respectively, have been pledged to banks as securities for certain bank loans (note 8).

The carrying amount of property, plant and equipment includes amounts totalling \$98,000 (30 June 2014: \$59,000) for the Group in respect of assets acquired under finance leases (note 8).

4. Intangible Assets

Group	Computer software \$'000	Technology licence \$'000	Intellectual property \$'000	Development expenditure \$'000	Goodwill \$'000	Total \$'000
30 September 2014						
Cost						
At 1 July 2014	719	1,941	9,665	5,133	27,248	44,706
Additions	27	–	26	–	–	53
Translation difference on consolidation	–	40	202	107	239	588
At 30 September 2014	746	1,981	9,893	5,240	27,487	45,347
Accumulated amortisation and impairment losses						
At 1 July 2014	583	834	2,358	476	744	4,995
Amortisation for the period	16	25	132	3	–	176
Translation difference on consolidation	4	18	52	10	15	99
At 30 September 2014	603	877	2,542	489	759	5,270
Carrying amount						
At 1 July 2014	136	1,107	7,307	4,657	26,504	39,711
At 30 September 2014	143	1,104	7,351	4,751	26,728	40,077

Company	Computer software \$'000
30 September 2014	
Cost	
At 1 July 2014 and 30 September 2014	11
Accumulated amortisation and impairment losses	
At 1 July 2014 and 30 September 2014	11
Carrying amount	
At 1 July 2014 and 30 September 2014	–

5. Associates

In August 2014, iNETest Resources Pte Ltd entered into an agreement to dispose its entire 49% interest in IRC Technologies Ltd ("IRCT"), to two of the other shareholders in IRCT, for a total cash consideration of Thai Baht 31,000,000 (approximately \$1,209,000).

6. Cash and Cash Equivalents

Note	Group		Company	
	30 September 2014	30 June 2014	30 September 2014	30 June 2014
	\$'000	\$'000	\$'000	\$'000
Cash at banks and in hand	33,838	28,328	12,720	10,196
Deposits with financial institutions	3,699	3,688	3,001	2,000
	37,537	32,016	15,721	12,196
Deposits held as securities by financial institutions	8	(233)		(1,639)
Cash and cash equivalents in the consolidated cash flow statement	37,304	30,377		

7. Share Capital

	Group and Company 30 September 2014		Group and Company 30 June 2014	
	No. of share '000	Share capital \$'000	No. of share '000	Share capital \$'000
Fully paid ordinary shares, with no par value:				
Ordinary shares				
At 1 July 2014 and 1 July 2013	552,794	88,773	552,794	88,773
At 30 September 2014 and 30 June 2014	552,794	88,773	552,794	88,773

The Group had not acquired any treasury shares for the financial period ended 30 September 2014. There are no treasury shares held by the Group as at 30 June 2014 and 30 September 2014.

Options

At the reporting date, there were 18,900,000 (30 September 2013: 19,700,000) and 13,763,000 (30 September 2013: 17,906,000) outstanding options with exercise prices of \$0.135 per share and \$0.14 per share, respectively.

No options were exercised during the financial period.

8. Interest-Bearing Borrowings

Interest-bearing borrowings consist of the following:

	Group	
	30 September 2014	30 June 2014
	\$'000	\$'000
Non-current liabilities		
Secured bank loans	290	331
Unsecured bank loans	90	273
Obligations under hire purchase agreements and finance leases	44	47
	424	651
Current liabilities		
Secured bank loans	–	177
Unsecured bank loans ⁽¹⁾	9,454	8,718
Obligations under hire purchase agreements and finance leases	57	81
	9,511	8,976

⁽¹⁾ One of the Group's subsidiaries in Japan did not meet the financial covenant for its bank loans as at 30 September 2014 and 30 June 2014. The breach involves one term loan (30 June 2014: two term loans) and the outstanding amount of the loan as at 30 September 2014 was JPY30,620,000 approximately \$356,000 (30 June 2014: JPY40,360,000 or \$497,000). The bank will not demand for the immediate settlement of the outstanding borrowing, provided the subsidiary continues to service the loan instalments. The Group and the subsidiary have the funds to fulfil the obligations if the bank requires immediate repayment of the loans.

Maturity of liabilities (excluding finance lease liabilities)

	Group	
	30 September 2014 \$'000	30 June 2014 \$'000
Within 1 year	9,454	8,895
After 1 year but within 5 years	380	604
	9,834	9,499

The borrowings are secured on the following assets:

	Group	
Note	30 September 2014 \$'000	30 June 2014 \$'000
Leasehold land and building	3	1,470
Plant and machinery	3	677
Deposits with financial institutions	6	233
		2,380
		3,786

Obligations under finance leases

Group	30 September 2014			30 June 2014		
	Principal \$'000	Interest \$'000	Total \$'000	Principal \$'000	Interest \$'000	Total \$'000
Repayable within 1 year	57	5	62	81	5	86
Repayable after 1 year but within 5 years	39	3	42	41	3	44
After 5 years	5	*	5	6	*	6
	101	8	109	128	8	136

* Less than \$1,000.

9. Results from Operating Activities

Group	Note	1 July 2014 to 30 September 2014 \$'000	1 July 2013 to 30 September 2013 \$'000
Other income			
Rental income		12	–
Gain on disposal of property, plant and equipment		197	19
Negative goodwill on business combination		–	11,489
Dividend income from financial asset		–	175
Sundry income		62	26
Exchange gain, net		–	157
		271	11,866
Other expenses			
Reversal of allowance for doubtful debts from trade receivables		(10)	–
(Reversal of) /Allowance for inventory obsolescence		(44)	64
Depreciation of property, plant and equipment	3	614	448
Amortisation of intangible assets	4	176	165
Bad debts written off		–	7
Inventory written off		27	10
Property, plant and equipment written off		22	10
Acquisition-related costs		–	1,083
Post-acquisition integration and restructuring costs		–	5,214
Loss on disposal of an associate		343	–
Exchange loss, net		114	–

The higher depreciation expenses were due to the increase in property, plant and equipment arising from the business acquisition and capital spending during the last financial year.

10. Net Finance (Expenses)/Income

Group	1 July 2014 to 30 September 2014 \$'000	1 July 2013 to 30 September 2013 \$'000
Finance income		
Interest income from:		
- financial institutions	4	9
- joint venture	2	-
- third party	12	36
Interest income arising from the unwinding of discount implicit in the interest-free third party receivables	-	28
	<u>18</u>	<u>73</u>
Finance expenses		
Interest expenses to:		
- finance leases	(1)	(2)
- financial institutions	(81)	(47)
	<u>(82)</u>	<u>(49)</u>
Net finance (expenses)/income recognised in profit or loss	<u>(64)</u>	<u>24</u>

11. Income Tax Expenses

Group	1 July 2014 to 30 September 2014 \$'000	1 July 2013 to 30 September 2013 \$'000
Current tax expense		
- current year	456	294
- withholding tax	273	18
	<u>729</u>	<u>312</u>
Deferred tax expense		
- origination and reversal of temporary differences	(301)	(21)
- under provision in prior year	-	180
	<u>(301)</u>	<u>159</u>
Total income tax expenses	<u>428</u>	<u>471</u>

12. Earnings Per Share

Group	1 July 2014 to 30 September 2014 \$'000	1 July 2013 to 30 September 2013 \$'000
Basic earnings per share is based on:		
Profit for the period attributable to Owners of the Company	<u>1,714</u>	<u>6,289</u>
	1 July 2014 to 30 September 2014 No. of shares '000	1 July 2013 to 30 September 2013 No. of shares '000
Weighted average number of:		
- shares outstanding during the period	<u>552,794</u>	<u>552,794</u>

For the purpose of calculating the diluted earnings per ordinary share, the weighted average number of ordinary shares in issue is adjusted to take into account the dilutive effect arising from the dilutive share options with the potential ordinary shares weighted for the year outstanding.

After considering the dilutive effect in computing diluted earnings per share, the weighted average number of ordinary shares in issue is as follows:

	1 July 2014 to 30 September 2014 No. of shares '000	1 July 2013 to 30 September 2013 No. of shares '000
Weighted average number of share issued, used in the calculation of diluted earnings per share	552,794	552,794

As at 30 September 2014, 32,663,000 (30 September 2013: 37,606,000) options were excluded from the diluted weighted average number of ordinary shares calculations as their effect would have been anti-dilutive.

13. Net Asset Value Per Share

	Group cents	Company cents
Net asset value per ordinary share based on issued share capital of the Company as at		
(a) 30 September 2014	21.19	19.17
(b) 30 June 2014	21.13	19.50

14. Dividends

The resolution in respect of the final dividend and final special dividend declared for the financial year ended 30 June 2014 was approved at the Company's Annual General Meeting convened on 17 October 2014. The final dividend (tax exempt one-tier) dividend of 0.18 cents per ordinary share and final special (tax exempt one-tier) dividend of 0.18 cents per ordinary share will be payable on 13 November 2014.

There was no dividend declared or recommended for the current financial period reported on.

15. Significant Related Party Transactions

Significant transactions with related parties are as follows:

Group	1 July 2014 to 30 September 2014 \$'000	1 July 2013 to 30 September 2013 \$'000
Sales to:		
- a joint venture	65	-
- an associate	-	6
- other affiliates	-	30
Purchases from:		
- a joint venture	-	(42)
- an associate	-	(254)
Rental expenses paid to:		
- non-controlling interest of subsidiary	-	(16)
- a director	(30)	(31)
- other affiliate	-	(40)

16. Interested Person Transactions

The Company does not have any general mandate from shareholders for interested person transaction.

During the year, the total transactions with interested person are as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholder's mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
<u>Chan Wai Leong (Director)</u> Rental expenses	\$'000 30	\$'000 –

The total IPT of \$30,000 is less than 1% of our audited consolidated net tangible assets of FY2014.

17. Commitments

Lease Commitments

As at 30 September 2014, commitments of the Group for minimum lease payments under non-cancellable operating leases are as follows:

	Group	
	30 September 2014 \$'000	30 June 2014 \$'000
<i>Receivable:</i>		
Within 1 year	2	2
<i>Payable:</i>		
Within 1 year	1,499	1,666
After 1 year but within 5 years	1,647	1,743
After 5 years	5	-
	3,151	3,409

Capital Commitments

	Group	
	30 September 2014 \$'000	30 June 2014 \$'000
Capital commitments contracted but not provided for	333	902

Corporate guarantees

As at 30 September 2014, the Company provided corporate guarantees amounting to \$16,355,000 (30 June 2014: \$14,434,000) to banks for banking facilities made available to its subsidiaries, of which the subsidiaries have utilised \$10,667,000 (30 June 2014: \$8,868,000).

18. Operating Segments

Reportable segments

Group	Distribution & Services solutions		Probe Card solutions		Eliminations		Consolidated	
	30 September 2014	30 September 2013	30 September 2014	30 September 2013	30 September 2014	30 September 2013	30 September 2014	30 September 2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and expense								
Total revenue from external customers	13,045	22,376	17,907	11,793	–	–	30,952	34,169
Inter-segment revenue	127	54	–	–	(127)	(54)	–	–
	<u>13,172</u>	<u>22,430</u>	<u>17,907</u>	<u>11,793</u>			<u>30,952</u>	<u>34,169</u>
Segment results	<u>323</u>	<u>972</u>	<u>1,775</u>	<u>5,501</u>	–	–	<u>2,098</u>	<u>6,473</u>
Unallocated corporate results							61	230
							<u>2,159</u>	<u>6,703</u>
Share of results of associates and joint venture								
- allocated to reportable segment	36	168	12	–	–	–	48	168
- unallocated corporate & others							–	(58)
Profit before finance income/(expenses) and income tax							2,207	6,813
Finance income							18	73
Finance expenses							(82)	(49)
Income tax expenses							(428)	(471)
Non-controlling interests							(1)	(77)
Profit for the period attributable to Owners of the Company							<u>1,714</u>	<u>6,289</u>

Group	Distribution & Services solutions		Probe Card solutions		Eliminations		Consolidated	
	30 September 2014	30 June 2014	30 September 2014	30 June 2014	30 September 2014	30 June 2014	30 September 2014	30 June 2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets and liabilities								
Segment assets	45,804	45,567	75,493	73,208	–	–	121,297	118,775
Investments in associates								
- allocated to reportable segments	485	2,657	5,092	5,382	–	–	5,577	8,039
Investments in joint ventures								
- allocated to reportable segments	253	228	–	–	–	–	253	228
Tax receivables	418	419	6	126	–	–	424	545
Deferred tax assets	1,728	1,656	2,533	2,761	–	–	4,261	4,417
Unallocated corporate assets							23,264	22,215
Total assets							<u>155,076</u>	<u>154,219</u>
Segment liabilities	10,728	10,268	13,793	13,950	–	–	24,521	24,218
Interest-bearing borrowings	1,732	3,591	8,203	6,036	–	–	9,935	9,627
Income tax liabilities	210	118	943	1,204	–	–	1,153	1,322
Unallocated corporate liabilities							1,937	1,872
Total liabilities							<u>37,546</u>	<u>37,039</u>

Group	Distribution & Services solutions		Probe Card solutions		Eliminations		Consolidated	
	30 September 2014	30 September 2013	30 September 2014	30 September 2013	30 September 2014	30 September 2013	30 September 2014	30 September 2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital expenditure								
- allocated to reportable segments	36	57	987	318	–	–	1,023	375
- unallocated corporate & others							–	12
							<u>1,023</u>	<u>387</u>

Group	Distribution & Services solutions		Probe Card solutions		Eliminations		Consolidated	
	30 September 2014	30 September 2013	30 September 2014	30 September 2013	30 September 2014	30 September 2013	30 September 2014	30 September 2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Other items								
Depreciation of property, plant and equipment								
- allocated to reportable segments	83	117	530	331	-	-	613	448
- unallocated corporate & others							1	-
							<u>614</u>	<u>448</u>
Gain on disposal of property, plant and equipment								
- allocated to reportable segments	(5)	3	(192)	(22)	-	-	(197)	(19)
Amortisation of intangible assets								
- allocated to reportable segments	6	10	170	155	-	-	176	165
(Reversal of)/Allowance for inventory obsolescence								
- allocated to reportable segments	(57)	-	13	64	-	-	(44)	64
Reversal of allowance for doubtful debts from trade receivables								
- allocated to reportable segments	(10)	-	-	-	-	-	(10)	-
Bad debts written off								
- allocated to reportable segments	-	7	-	-	-	-	-	7
Inventory written off								
- allocated to reportable segments	24	-	3	10	-	-	27	10
Property, plant and equipment written off								
- allocated to reportable segments	22	-	-	10	-	-	22	10
Loss on disposal of an associate								
- allocated to reportable segments	343	-	-	-	-	-	343	-
Acquisition-related costs								
- allocated to reportable segments	-	-	-	1,083	-	-	-	1,083
Post-acquisition integration & restructuring costs								
- allocated to reportable segments	-	-	-	5,214	-	-	-	5,214
Negative goodwill								
- allocated to reportable segments	-	-	-	(11,489)	-	-	-	(11,489)

Geographical Segments

Group	Singapore		Other Asean Region		China and Taiwan		USA		Europe		Japan		Other Regions		Consolidated		
	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	
	September	September	September	September	September	September	September	September	September	September	September	September	September	September	September	September	September
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total revenue from external customers	6,272	13,651	4,327	4,230	10,612	8,321	4,849	4,353	1,144	1,360	3,697	1,292	51	962	30,952	34,169	
	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
	September	June	September	June	September	June	September	June	September	June	September	June	September	June	September	June	June
	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Non-current segment assets	33,032	32,898	4,069	3,347	3,048	3,656	7,744	7,599	40	49	4,407	4,258	1,103	1,106	53,443	52,913	
Investments in associates	–	–	485	2,657	–	–	–	–	–	–	5,092	5,382	–	–	5,577	8,039	
Investments in joint ventures	186	164	67	64	–	–	–	–	–	–	–	–	–	–	253	228	
Investments in other financial assets	7,190	9,119	–	–	–	–	–	–	259	285	147	147	–	–	7,596	9,551	
Deferred tax assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	4,323	4,476	
	40,408	42,181	4,621	6,068	3,048	3,656	7,744	7,599	299	334	9,646	9,787	1,103	1,106	71,192	75,207	
	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30
	September	September	September	September	September	September	September	September	September	September	September	September	September	September	September	September	September
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital expenditure	50	72	751	117	39	15	116	39	–	42	67	102	–	–	1,023	387	

**CONFIRMATION BY THE BOARD
PURSUANT TO RULE 705(5) OF THE SGX-ST LISTING MANUAL**

We, Chan Wai Leong and Jeffrey Staszak, being Chief Executive Officer and Non-Executive and Lead Independent Director of Ellipsiz Ltd (the "Company"), do hereby confirm on behalf of the Board of Directors of the Company, that to the best of our knowledge, nothing has come to our attention which may render the interim financial statements of the Company and of the Group for the 1st quarter results ended 30 September 2014 to be false or misleading in any material aspect.

On behalf of the Board of Directors



Chan Wai Leong
Chief Executive Officer



Jeffrey Staszak
Non-Executive and Lead Independent Director

Singapore
11 November 2014