



**Ellipsiz Ltd and its Subsidiaries
Registration Number: 199408329R**

First Quarter Financial Information and
Dividend Announcement for the period ended

30 September 2017

Statements of Financial Position

	Note	30 September 2017 \$'000	Group 30 June 2017 \$'000	Var. %	30 September 2017 \$'000	Company 30 June 2017 \$'000	Var. %
Non-current assets							
Property, plant and equipment	2	514	10,984	(95)	4	5	(20)
Intangible assets	3	15,417	41,425	(63)	–	–	–
Subsidiaries	4	–	–	–	83,184	79,749	4
Associate		893	862	4	–	–	–
Joint ventures		69	71	(3)	–	–	–
Financial assets		4,778	5,179	(8)	4,778	4,952	(4)
Deferred tax assets		689	3,612	(81)	–	–	–
		<u>22,360</u>	<u>62,133</u>	(64)	<u>87,966</u>	<u>84,706</u>	4
Current assets							
Inventories		2,258	7,843	(71)	–	–	–
Trade and other receivables		10,899	35,036	(69)	199	187	6
Amounts due from related parties		–	–	–	502	251	100
Cash and cash equivalents	5	42,968	53,762	(20)	18,432	23,091	(20)
		<u>56,125</u>	<u>96,641</u>	(42)	<u>19,133</u>	<u>23,529</u>	(19)
Assets of disposal group classified as held for sale	6	80,388	–	100	–	–	–
		<u>136,513</u>	<u>96,641</u>	41	<u>19,133</u>	<u>23,529</u>	(19)
Total assets		<u>158,873</u>	<u>158,774</u>	–	<u>107,099</u>	<u>108,235</u>	(1)
Equity attributable to Owners of the Company							
Share capital	7	89,566	89,566	–	89,566	89,566	–
Reserves		42,661	41,918	2	14,879	15,566	(4)
		<u>132,227</u>	<u>131,484</u>	1	<u>104,445</u>	<u>105,132</u>	(1)
Non-controlling interests		404	413	(2)	–	–	–
Total equity		<u>132,631</u>	<u>131,897</u>	1	<u>104,445</u>	<u>105,132</u>	(1)
Non-current liabilities							
Provisions		–	244	(100)	–	–	–
Interest-bearing borrowings	8	–	205	(100)	–	–	–
Deferred tax liabilities		60	903	(93)	–	–	–
		<u>60</u>	<u>1,352</u>	(96)	<u>–</u>	<u>–</u>	–
Current liabilities							
Trade and other payables		12,120	21,917	(45)	1,521	1,459	4
Provisions		120	257	(53)	–	–	–
Amounts due to related parties		73	74	(1)	1,012	546	85
Interest-bearing borrowings	8	–	946	(100)	–	–	–
Current tax payable		343	2,331	(85)	121	1,098	(89)
		<u>12,656</u>	<u>25,525</u>	(50)	<u>2,654</u>	<u>3,103</u>	(14)
Liabilities of disposal group classified as held for sale	6	13,526	–	100	–	–	–
		<u>26,182</u>	<u>25,525</u>	3	<u>2,654</u>	<u>3,103</u>	(14)
Total liabilities		<u>26,242</u>	<u>26,877</u>	(2)	<u>2,654</u>	<u>3,103</u>	(14)
Total equity and liabilities		<u>158,873</u>	<u>158,774</u>	–	<u>107,099</u>	<u>108,235</u>	(1)

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

Consolidated Statement of Comprehensive Income

	Note	Group		Var. %
		1 July 2017 to 30 September 2017 \$'000	Restated* 1 July 2016 to 30 September 2016 \$'000	
Continuing operation				
Revenue		11,380	10,093	13
Cost of revenue		(8,721)	(7,766)	12
Gross profit		<u>2,659</u>	<u>2,327</u>	14
Other income	9	16	204	(92)
Distribution expenses		(790)	(796)	(1)
Administrative expenses		(1,300)	(1,606)	(19)
Other expenses		(326)	(1,300)	(75)
Results from operating activities	9	<u>259</u>	<u>(1,171)</u>	122
Finance income	10	22	17	29
Share of results of associates (net of tax)		31	105	(70)
Profit/(Loss) before tax from continuing operations		<u>312</u>	<u>(1,049)</u>	130
Income tax expenses	11	(146)	(125)	17
Profit/(Loss) from continuing operations, net of tax		<u>166</u>	<u>(1,174)</u>	114
Discontinued operations				
Profit from discontinued operations, net of tax	6	2,110	1,839	15
Profit, net of tax		<u>2,276</u>	<u>665</u>	242
Other comprehensive income				
<i>Items that are or may be reclassified subsequently to profit or loss</i>				
Exchange differences arising from:				
- liquidation of a subsidiary reclassified to profit or loss		21	(206)	(110)
- monetary items forming part of net investments in foreign operations		(98)	170	(158)
- translation of financial statements of foreign operations		(1,290)	1,111	(216)
Net change in fair value of available-for-sale financial assets		(175)	(1,053)	(83)
Net change in fair value of available-for-sale financial assets, reclassified to profit or loss		-	1,052	(100)
Tax effect		-	-	-
Other comprehensive income for the period, net of tax		<u>(1,542)</u>	<u>1,074</u>	(244)
Total comprehensive income for the period		<u>734</u>	<u>1,739</u>	(58)
Profit/(Loss) attributable to:				
Owners of the Company				
- Continuing operations, net of tax		166	(1,172)	114
- Discontinued operations, net of tax		2,110	1,839	15
		2,276	667	241
Non-controlling interests				
- Continuing operations, net of tax		-	(2)	(100)
- Discontinued operations, net of tax		-	-	-
		-	(2)	(100)
		<u>2,276</u>	<u>665</u>	242

* See note 6

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

		Group		
		1 July 2017	Restated*	
		to	1 July 2016	
		30 September	to	
Note		2017	30 September	Var.
		\$'000	2016	%
			\$'000	
Total comprehensive income attributable to:				
Owners of the Company				
-	Continuing operations, net of tax	28	(364)	108
-	Discontinued operations, net of tax	715	2,096	(66)
		743	1,732	(57)
Non-controlling interests				
-	Continuing operations, net of tax	(9)	7	(229)
-	Discontinued operations, net of tax	-	-	-
		(9)	7	(229)
		<u>734</u>	<u>1,739</u>	(58)
Earnings per share				
				12
-	Basic (cents)	1.36	0.40	240
-	Diluted (cents)	1.36	0.40	240
Earnings/(Loss) per share – Continuing operations attributable to owners of the Company				
				12
-	Basic (cents)	0.10	(0.70)	114
-	Diluted (cents)	0.10	(0.70)	114

* See note 6

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

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	Retained earnings \$'000	Total attributable to Owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
30 September 2016									
Balance as at 1 July 2016	89,566	(11,648)	60	2,290	(10,185)	57,654	127,737	385	128,122
Total comprehensive income for the period									
Profit/(Loss) for the period	-	-	-	-	-	667	667	(2)	665
Other comprehensive income									
Exchange differences arising from the									
- liquidation of subsidiaries reclassified to profit or loss	-	-	-	-	(206)	-	(206)	-	(206)
- monetary items forming part of net investments in foreign operations	-	-	-	-	170	-	170	-	170
- translation of financial statements of foreign operations	-	-	-	-	1,102	-	1,102	9	1,111
Net change in fair value of available-for-sale financial assets	-	-	(1,053)	-	-	-	(1,053)	-	(1,053)
Net change in fair value of available-for-sale financial assets, reclassified to profit or loss	-	-	1,052	-	-	-	1,052	-	1,052
Total other comprehensive income	-	-	(1)	-	1,066	-	1,065	9	1,074
Total comprehensive income for the period	-	-	(1)	-	1,066	667	1,732	7	1,739
Balance as at 30 September 2016	89,566	(11,648)	59	2,290	(9,119)	58,321	129,469	392	129,861

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

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	Retained earnings \$'000	Total attributable to Owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
30 September 2017									
Balance as at 1 July 2017	89,566	(11,648)	1,620	2,290	(9,313)	58,969	131,484	413	131,897
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	2,276	2,276	-	2,276
Other comprehensive income									
Exchange differences arising from the									
- liquidation of subsidiaries reclassified to profit or loss									
- monetary items forming part of net investments in foreign operations									
- translation of financial statements of foreign operations									
Net change in fair value of available-for-sale financial assets									
Total other comprehensive income	-	-	(175)	-	(1,358)	-	(1,533)	(9)	(1,542)
Total comprehensive income for the period	-	-	(175)	-	(1,358)	2,276	743	(9)	734
Balance as at 30 September 2017	89,566	(11,648)	1,445	2,290	(10,671)	61,245	132,227	404	132,631

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

Statement of Changes in Equity

Company	Share capital \$'000	Fair value reserve \$'000	Share-based compensation reserve \$'000	Retained earnings \$'000	Total equity \$'000
30 September 2016					
Balance as at 1 July 2016	89,566	60	2,290	13,465	105,381
Total comprehensive income for the period					
Loss for the period	-	-	-	(1,356)	(1,356)
Other comprehensive income					
Net change in fair value of available-for-sale financial assets, net of tax	-	(1,053)	-	-	(1,053)
Net change in fair value of available-for-sale financial assets, reclassified to profit or loss	-	1,052	-	-	1,052
Total other comprehensive income	-	(1)	-	-	(1)
Total comprehensive income for the period	-	(1)	-	(1,356)	(1,357)
Balance as at 30 September 2016	89,566	59	2,290	12,109	104,024
30 September 2017					
Balance as at 1 July 2017	89,566	1,620	2,290	11,656	105,132
Total comprehensive income for the period					
Loss for the period	-	-	-	(512)	(512)
Other comprehensive income					
Net change in fair value of available-for-sale financial assets, net of tax	-	(175)	-	-	(175)
Total other comprehensive income	-	(175)	-	-	(175)
Total comprehensive income for the period	-	(175)	-	(512)	(687)
Balance as at 30 September 2017	89,566	1,445	2,290	11,144	104,445

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

Consolidated Cash Flow Statement

	Group	
	1 July 2017 to 30 September 2017 \$'000	1 July 2016 to 30 September 2016 \$'000
Cash flows from operating activities		
Profit for the period	2,276	665
Adjustments for:		
(Reversal of allowance)/Allowance for:		
- inventory obsolescence	76	226
Amortisation of intangible assets	275	262
Depreciation of property, plant and equipment	546	826
Dividend income from other financial asset	(14)	-
Gain on disposal of property, plant and equipment	(3)	(131)
(Gain)/Loss on liquidation of a subsidiary	21	(206)
Interest income	(27)	(22)
Interest expense	23	23
Inventories written off	-	4
Impairment loss on other financial asset	-	1,052
Share of results of associates (net of tax)	(31)	(105)
Income tax expenses	510	478
Operating profit before working capital changes	3,652	3,072
Changes in:		
Inventories	(183)	377
Trade and other receivables	326	3,814
Trade and other payables	1,628	(860)
Cash generated from operations	5,423	6,403
Interest received	27	22
Interest paid	(23)	(23)
Income tax paid	(1,796)	(246)
Net cash from operating activities	3,631	6,156
Cash flows from investing activities		
Dividend received from other financial asset	14	-
Purchase of intangible assets	(99)	(7)
Purchase of property, plant and equipment ⁽¹⁾	(170)	(279)
Purchase of other financial asset	-	(3)
Proceeds from disposal of property, plant and equipment	3	131
Net cash used in investing activities	(252)	(158)
Cash flows from financing activities		
Proceeds from bank loans	471	-
Repayment of bank loans	(838)	(1,686)
Repayment of finance lease creditors	(5)	(4)
Net cash used in financing activities	(372)	(1,690)
Net increase in cash and cash equivalents	3,007	4,308
Cash and cash equivalents at beginning of period	53,762	40,036
Cash and cash equivalents of disposal group reclassified as held for sale	(13,321)	-
Effect of exchange rate changes on balances in foreign currencies	(480)	273
Cash and cash equivalents at end of period	5 42,968	44,617

⁽¹⁾ The Group accrued reinstatement cost of \$Nil (30 September 2016: \$126,000) under property, plant and equipment.

Notes to the Financial Information

These notes form an integral part of the financial information.

The announcement was authorised for issue by the directors on 7 November 2017.

1. Basis of Preparation

The Group has applied the same accounting policies and methods of computation in the financial information for the current reporting period as those used in the audited financial statements for the year ended 30 June 2017.

In the current financial period, the Group and the Company have adopted all the new and revised Financial Reporting Standards (FRSs) and Interpretations of FRSs (INT FRSs) that are relevant to its operations and effective for annual periods beginning on 1 July 2017. The adoption of these new/revised FRSs and INT FRSs does not result in substantial changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current or prior periods.

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

2. Property, Plant and Equipment

Group	Freehold land and building \$'000	Leasehold land and building \$'000	Leasehold improve- ment \$'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 2017										
Cost										
At 1 July 2017	1,801	2,282	3,183	585	1,172	3,329	363	31,789	889	45,393
Additions	–	–	30	7	3	44	–	79	7	170
Disposals/write-off	–	–	(104)	(2)	(4)	(30)	–	(2,565)	–	(2,705)
Other reclassification	–	–	20	–	–	–	–	388	(408)	–
Reclassified as assets held for sale	(1,755)	(2,243)	(2,386)	(388)	(966)	(2,878)	(212)	(28,458)	(478)	(39,764)
Translation difference on consolidation	(46)	(39)	(39)	(6)	(21)	(48)	(3)	(531)	(10)	(743)
At 30 September 2017	–	–	704	196	184	417	148	702	–	2,351
Accumulated depreciation and impairment losses										
At 1 July 2017	270	613	2,181	507	846	2,917	188	26,887	–	34,409
Depreciation charge for the period	17	26	126	5	39	57	11	265	–	546
Disposals/write-off	–	–	(104)	(2)	(4)	(30)	–	(2,565)	–	(2,705)
Reclassified as assets held for sale	(215)	(628)	(1,548)	(316)	(713)	(2,528)	(142)	(23,668)	–	(29,758)
Translation difference on consolidation	(72)	(11)	(60)	(6)	(15)	(43)	(2)	(446)	–	(655)
At 30 September 2017	–	–	595	188	153	373	55	473	–	1,837
Carrying amounts										
At 1 July 2017	1,531	1,669	1,002	78	326	412	175	4,902	889	10,984
At 30 September 2017	–	–	109	8	31	44	93	229	–	514

Company	Furniture and fittings \$'000	Office equipment \$'000	Computers \$'000	Total \$'000
30 September 2017				
Cost				
At 1 July 2017 and 30 September 2017	10	5	13	28
Accumulated depreciation				
At 1 July 2017	9	5	9	23
Depreciation charge for the period	*	–	1	1
At 30 September 2017	9	5	10	24
Carrying amounts				
At 1 July 2017	1	–	4	5
At 30 September 2017	1	–	3	4

* Amount less than \$1,000.

At 30 September 2017, plant and machinery of the Group with carrying amounts of \$1,269,000 (30 June 2017: \$486,000) have been pledged to banks as securities for certain bank loans (note 8).

At 30 September 2017, the carrying amount of property, plant and equipment includes amounts totalling \$50,000 (30 June 2017: \$57,000) for the Group in respect of assets acquired under finance leases (note 8).

As at 30 September 2017, these assets were reclassified as assets as held for sale (note 6).

3. Intangible Assets

Group	Computer software \$'000	Technology licence \$'000	Intellectual property \$'000	Development expenditure \$'000	Goodwill \$'000	Total \$'000
30 September 2017						
Cost						
At 1 July 2017	1,172	2,161	10,726	7,203	27,684	48,946
Additions	2	–	–	97	–	99
Reclassified as assets held for sale	(874)	(2,124)	(10,540)	(7,175)	(12,085)	(32,798)
Translation difference on consolidation	(16)	(37)	(186)	(125)	(207)	(571)
At 30 September 2017	284	–	–	–	15,392	15,676
Accumulated amortisation						
At 1 July 2017	781	1,260	4,430	1,050	–	7,521
Additions	30	27	135	83	–	275
Reclassified as assets held for sale	(542)	(1,265)	(4,488)	(1,115)	–	(7,410)
Translation difference on consolidation	(10)	(22)	(77)	(18)	–	(127)
At 30 September 2017	259	–	–	–	–	259
Carrying amounts						
At 1 July 2017	391	901	6,296	6,153	27,684	41,425
At 30 September 2017	25	–	–	–	15,392	15,417

4. Subsidiaries

During the period,

- (a) Tokyo Cathode Laboratory (HK) Co. Limited, an inactive wholly-owned subsidiary of the Company, was deregistered and ceased to be a subsidiary of the Company on 7 July 2017.
- (b) SV Probe Korea Co., Ltd, an inactive wholly-owned subsidiary of the Company, commenced members' voluntary liquidation. SV Probe Korea Co., Ltd, ceased to be a subsidiary of the Company on 5 September 2017.
- (c) On 12 September 2017, SV Probe Pte Ltd sold the entire shareholdings of SV Technology Inc., Tokyo Cathode Laboratory (Singapore) Pte Ltd and TCL Yamaichi Taiwan Inc. to Ellipsiz Ltd for a cash consideration of US\$2,606,000 (equivalent \$3,533,000).

5. Cash and Cash Equivalents

	Group		Company	
	30 September 2017 \$'000	30 June 2017 \$'000	30 September 2017 \$'000	30 June 2017 \$'000
Cash at banks and in hand	35,593	44,757	11,299	15,976
Deposits with financial institutions	7,375	9,005	7,133	7,115
Cash and cash equivalents in the consolidated statement of cash flows	42,968	53,762	18,432	23,091

6. Discontinued Operations of Disposal Group Classified as Held for Sale

On 21 August 2017, the Company announced that it has entered into a conditional Sale and Purchase Agreement (“the Agreement”) with Nidec-Read Corporation (“the Purchaser”), a company incorporated in Japan, to dispose its wholly-owned subsidiary, SV Probe Pte Ltd (“SVPL”) and certain of SVPL’s subsidiaries (collectively known as “the Disposal Group”). These entities are categorised under the Probe Card solutions reportable segment.

On 31 October 2017, the Company announced the Agreement was completed and the initial consideration was determined to be approximately US\$69.5 million (approximately \$94.9 million, based on an US\$/S\$ exchange rate of 1.366 as at 30 October 2017, source: The Business Times). The Group is in the midst of determining the financial implication of this transaction.

85% of the initial consideration determined was paid to the Company in cash and remaining 15% of the initial consideration is held in an escrow account. 5% and 10% of the initial consideration will be released to the Company 12 months and 24 months from the Completion, respectively.

The Final Adjustments shall be settled in cash after the finalisation of the Final Adjustments. The Purchaser and the Company shall undertake a review of the financial statements of the Disposal Group after the Completion to determine the final adjustments (“the Final Adjustments”) to be made to the Consideration as at the Completion.

As at 30 September 2017, the results of the Disposal Group have been presented as discontinued operations in the consolidated financial statements. The comparative consolidated statement of comprehensive income has been represented to show the discontinued operation separately from continuing operation.

Assets and liabilities of Disposal Group classified as held for sale

The assets and liabilities of Disposal Group classified as held for sale as at 30 September 2017 are as follows:

	Disposal Group \$'000	Adjustment*	Adjusted Disposal Group \$'000
Details of the assets of Disposal Group classified as held for sale are as follows:			
Property, plant and equipment	10,006	-	10,006
Intangible assets	25,388	-	25,388
Other investments	222	-	222
Deferred tax assets	2,591	-	2,591
Inventories	5,571	-	5,571
Trade and other receivables	23,289	-	23,289
Cash and cash equivalents	18,954	(5,633)	13,321
	86,021	(5,633)	80,388
Details of the liabilities of Disposal Group classified as held for sale are as follows:			
Trade and other payables	11,146	-	11,146
Provisions	381	-	381
Interest-bearing borrowings	757	-	757
Provision for taxation	739	-	739
Deferred tax liabilities	503	-	503
	13,526	-	13,526
Net carrying amounts of Disposal Group			66,862

Note:-

* In accordance with the condition precedent of the Agreement, the Disposal Group will undertake to settle inter-company loan due to the Company before the Completion date. Therefore, as at 30 September 2017, the cash and cash equivalents of the Disposal Group of \$5,633,000 was reclassified as cash and cash equivalents to be retained in the Group.

Consolidated statement of comprehensive income disclosures

The results of Disposal Group for the period ended 30 September are as follows:

	1 July 2017 to 30 September 2017 \$'000	1 July 2016 to 30 September 2016 \$'000
Revenue	17,690	17,568
Costs of revenue	(10,355)	(10,450)
	<hr/> 7,335	<hr/> 7,118
Expenses	(4,843)	(4,908)
Finance costs	(18)	(18)
	<hr/> 2,474	<hr/> 2,192
Profit before tax from discontinued operations	2,474	2,192
Taxation	(364)	(353)
Profit from discontinued operation, net of tax	<hr/> 2,110	<hr/> 1,839

Earnings per share – Discontinued operation attributable to Owners of the Company

	1 July 2017 to 30 September 2017 \$'000	1 July 2016 to 30 September 2016 \$'000
Earnings per share – Discontinued operation attributable to Owners of the Company		
- Basic (cents)	1.26	1.10
- Diluted (cents)	<hr/> 1.26	<hr/> 1.10

The profit from discontinued operation of \$2,110,000 (30 September 2016: \$1,839,000) is attributable entirely to the Owners of the Company.

Cash flow from discontinued operations

	1 July 2017 to 30 September 2017 \$'000	1 July 2016 to 30 September 2016 \$'000
Net cash from in operating activities	2,778	6,118
Net cash used in operating activities	(362)	(282)
Net cash used in financing activities	(395)	(1,705)
	<hr/> 2,021	<hr/> 4,131

7. Share Capital

	Group and Company 30 September 2017		Group and Company 30 June 2017	
	No. of shares '000	Share capital \$'000	No. of shares '000	Share capital \$'000
Fully paid ordinary shares, with no par value:				
Ordinary shares				
At 1 July 2017/30 September 2017 and 1 July 2016/ 30 June 2017	<hr/> 167,128	<hr/> 89,566	<hr/> 167,128	<hr/> 89,566

The Group had not acquired any treasury shares for the financial period ended 30 September 2017. There were no treasury shares held by the Group as at 30 September 2017 and 30 June 2017.

8. Interest-bearing Borrowings

Interest-bearing borrowings consist of the following:

	Group	
	30 September 2017 \$'000	30 June 2017 \$'000
Non-current liabilities		
Unsecured bank loans	–	164
Obligations under finance leases	–	41
	–	205
Current liabilities		
Secured bank loans	–	48
Unsecured bank loans	–	882
Obligations under finance leases	–	16
	–	946
	–	1,151

Maturity of liabilities (excluding finance lease liabilities)

	Group	
	30 September 2017 \$'000	30 June 2017 \$'000
Within 1 year	–	930
After 1 year but within 5 years	–	164
	–	1,094

The borrowings are secured on the following assets:

	Note	Group	
		30 September 2017 \$'000	30 June 2017 \$'000
Plant and machinery	2	–	486

Obligations under finance leases

Group	30 September 2017			30 June 2017		
	Principal \$'000	Interest \$'000	Total \$'000	Principal \$'000	Interest \$'000	Total \$'000
Repayable within 1 year	–	–	–	16	3	19
Repayable after 1 year but within 5 years	–	–	–	41	2	43
	–	–	–	57	5	62

9. Results from Operating Activities

	Group	
	1 July 2017 to 30 September 2017 \$'000	1 July 2016 to 30 September 2016 \$'000
Continuing operations		
Other income		
Dividend income from other financial asset	14	–
Exchange gain, net	–	64
Gain on disposal of property, plant and equipment	–	131
Sundry income	2	9
	16	204
Other expenses		
Amortisation of intangible assets	1	1
Depreciation of property, plant and equipment	46	89
Exchange loss, net	327	–
Loss on liquidation of subsidiary	–	248
Inventories written off	–	4
Impairment loss on other financial asset	–	1,052
	–	1,052

As some of the plant and equipment were fully depreciated in FY2017, the depreciation expense decreased by 48% in the current period.

10. Net Finance Income

	Group	
	1 July 2017 to 30 September 2017 \$'000	1 July 2016 to 30 September 2016 \$'000
<u>Continuing operations</u>		
<i>Finance income</i>		
Interest income from financial institution		
- financial institutions	22	17
	22	17

11. Income Tax Expenses

	Group	
	1 July 2017 to 30 September 2017 \$'000	1 July 2016 to 30 September 2016 \$'000
<u>Continuing operations</u>		
<i>Current tax</i>		
- current period	120	56
	120	56
<i>Deferred tax</i>		
- origination and reversal of temporary differences	26	69
	26	69
Total income tax expenses	146	125

12. Earnings Per Share

	1 July 2017 to 30 September 2017 \$'000	1 July 2016 to 30 September 2016 \$'000
Group		
Basic earnings per share is based on:		
Profit for the period attributable to Owners of the Company	2,276	667
Less: Profit for the period from discontinued operations attributable to Owners of the Company	(2,110)	(1,839)
Profit/(Loss) from continuing operation, net of tax	166	(1,172)
	166	(1,172)
Weighted average number of:		
- shares outstanding during the period	167,128	167,128
	167,128	167,128

Diluted earnings per share is the same as basic earnings per share as there are no potentially dilutive ordinary shares for both current and previous financial period.

13. Net Asset Values Per Ordinary Share

	Group Cents	Company cents
Net asset value per ordinary share based on issued share capital of the Company as at:		
(a) 30 September 2017	79.12	62.49
	79.12	62.49
(b) 30 June 2017	78.67	62.91
	78.67	62.91

14. Dividends

The resolution in respect of the final dividend and final special dividend declared for the financial year ended 30 June 2017 was approved at the Company's Annual General Meeting convened on 19 October 2017. The final and final special tax exempt, one-tier cash dividend totalling 6.50 cents per ordinary share will be paid on 21 November 2017.

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 2017 to 30 September 2017 \$'000	1 July 2016 to 30 September 2016 \$'000
Rental expenses paid to a director	(31)	(30)

16. Interested Person Transactions

The Company does not have any general mandate from shareholders for interested person transactions (IPT).

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 period 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)
Chan Wai Leong (Director) Rental expenses	\$'000 31	\$'000 –

The total IPT of \$31,000 is less than 3% of our audited consolidated net tangible assets of FY2017.

17. Commitments

Continuing operations
Lease Commitments

As at 30 September 2017, commitments of the Group for minimum lease receivables and payments under non-cancellable operating leases are as follows:

	Group	
	30 September 2017 \$'000	30 June 2017 \$'000
Payable:		
Within 1 year	398	1,711
After 1 year but within 5 years	779	4,166
After 5 years	–	30
	1,177	5,907
 Capital Commitments		
Capital commitments contracted but not provided for	–	45

Corporate guarantees

As at 30 September 2017, the Company provided corporate guarantees amounting to \$5,997,000 (30 June 2017: \$17,022,000) to banks for banking facilities made available to its subsidiaries, of which the subsidiaries have utilised \$Nil (30 June 2017: \$807,000).

18. Other Information

Reportable segments

Group	Distribution & Services solutions		Probe Card Solutions (Discontinued operations)		Eliminations		Consolidated	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and Expense								
Total revenue from external customers	11,380	10,093	–	–	–	–	11,380	10,093
Inter-segment revenue	234	342	–	–	(234)	(342)	–	–
	<u>11,614</u>	<u>10,435</u>	<u>–</u>	<u>–</u>			<u>11,380</u>	<u>10,093</u>
Segment results	702	300	–	–	(8)	(44)	694	256
Unallocated corporate results							(435)	(1,427)
							259	(1,171)
Share of results of associates and joint ventures								
- allocated to reportable segments	31	20	–	85	–	–	31	105
Profit/(loss) before finance income/(expenses) and taxation							290	(1,066)
Finance income							22	17
Income tax expense							(146)	(125)
Non-controlling interests							–	2
Profit/(loss) from continuing operations							166	(1,172)
Profit for the period from discontinued operations, net of tax							2,110	1,839
Profit for the period							<u>2,276</u>	<u>667</u>

Group	Distribution & Services solutions		Probe Card Solutions (Discontinued operations)		Eliminations		Consolidated	
	30 September 2017	30 June 2017	30 September 2017	30 June 2017	30 September 2017	30 June 2017	30 September 2017	30 June 2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets and liabilities								
Segment assets	44,873	42,352	–	83,752	–	–	44,873	126,104
Investments in associates								
- allocated to reportable segments	893	862	–	–	–	–	893	862
Investments in joint ventures								
- allocated to reportable segments	69	71	–	–	–	–	69	71
Tax receivables	18	8	–	43	–	–	18	51
Deferred tax assets	689	716	–	2,896	–	–	689	3,612
Unallocated corporate assets							31,943	28,074
Assets of disposal group classified as held for sale							80,388	–
Total assets							<u>158,873</u>	<u>158,774</u>
Segment liabilities	10,775	9,276	–	11,757	–	–	10,775	21,033
Interest-bearing borrowings	–	–	–	1,151	–	–	–	1,151
Income tax liabilities	282	179	–	1,957	–	–	282	2,136
Unallocated corporate liabilities							1,659	2,557
Liabilities of disposal group classified as held for sale							13,526	–
Total liabilities							<u>26,242</u>	<u>26,877</u>

Ellipsiz Ltd and its Subsidiaries
First Quarter Results ended
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Group	Distribution & Services solutions		Probe Card Solutions (Discontinued operations)		Eliminations		Consolidated	
	30 September	30 September	30 September	30 September	30 September	30 September	30 September	30 September
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Capital expenditure								
- allocated to reportable segments	10	54	-	-	-	-	10	54
<i>Other items</i>								
Amortisation of intangible assets								
- allocated to reportable segments	1	1	-	-	-	-	1	1
Dividend income from other financial asset								
- unallocated corporate income							14	-
Depreciation of property, plant and equipment								
- allocated to reportable segments	45	88	-	-	-	-	45	88
- unallocated corporate expenses							1	1
							46	89
Gain on disposal of property, plant and equipment								
- allocated to reportable segments	-	(131)	-	-	-	-	-	(131)
Inventories written off								
- allocated to reportable segments	-	4	-	-	-	-	-	4
Impairment loss on other financial asset								
- unallocated corporate expenses							-	1,052
Loss on liquidation of subsidiary								
- allocated to reportable segments	-	248	-	-	-	-	-	248

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

Group	Singapore		Malaysia		China		Taiwan		USA		Japan		Europe		Other Regions		Consolidated	
	30	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	September
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total revenue from external customers	5,771	5,666	1,027	1,178	2,720	2,294	1,745	864	19	53	-	-	-	-	98	38	11,380	10,093

Non-current segment assets	Singapore		Malaysia		China		Taiwan		USA		Japan		Europe		Other Regions		Consolidated	
	30	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	September	June
	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Non-current segment assets	15,582	40,458	28	31	246	501	75	2,850	-	902	-	2,591	-	23	-	5,053	15,931	52,409
Investments in associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	893	862	893	862
Investments in joint ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	69	71	69	71
Investments in other financial assets	4,736	4,910	-	-	-	-	-	-	-	-	-	227	42	42	-	-	4,778	5,179
Deferred tax assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	689	3,612
Total non-current assets	20,318	45,368	28	31	246	501	75	2,850	-	902	-	2,818	-	65	962	5,986	22,360	62,133

Capital expenditure	Singapore		Malaysia		China		Taiwan		USA		Japan		Europe		Other Regions		Consolidated	
	30	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	September
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital expenditure	2	54	-	-	8	-	-	-	-	-	-	-	-	-	-	-	10	54

CONFIRMATION BY THE BOARD

PURSUANT TO RULE 705(5) OF THE SGX-ST LISTING MANUAL

We, Chan Wai Leong and Kelvin Lum Wen-Sum being Chief Executive Officer and Executive 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 information of the Company and of the Group for the 1st quarter results ended 30 September 2017 to be false or misleading in any material aspect.

PURSUANT TO RULE 720(1) OF THE SGX-ST LISTING MANUAL

We further confirm that the Company has procured undertakings from the Company's directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the SGX-ST Listing Manual

On behalf of the Board of Directors



Chan Wai Leong
Chief Executive Officer



Kelvin Lum Wen-Sum
Executive Director

Singapore

7 November 2017