



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

Full Year Financial Information and  
Dividend Announcement for the year ended

**30 June 2016**

**Statements of Financial Position**

	Note	2016 \$'000	Group 2015 \$'000	Var. %	2016 \$'000	Company 2015 \$'000	Var. %
<b>Non-current assets</b>							
Property, plant and equipment	2	11,840	11,365	4	4	6	(33)
Intangible assets	3	41,213	41,974	(2)	–	–	–
Subsidiaries	4	–	–	–	79,602	85,513	(7)
Associates		8,385	6,350	32	4,868	4,868	–
Joint ventures	5	68	118	(42)	–	–	–
Financial assets		5,203	7,687	(32)	4,970	7,523	(34)
Deferred tax assets		3,374	3,403	(1)	84	84	–
		<u>70,083</u>	<u>70,897</u>	(1)	<u>89,528</u>	<u>97,994</u>	(9)
<b>Current assets</b>							
Inventories		9,115	11,185	(19)	–	–	–
Trade and other receivables		37,157	30,466	22	187	209	(11)
Amounts due from related parties		–	117	(100)	361	393	(8)
Assets classified as held for sale		–	991	(100)	–	–	–
Cash and cash equivalents	6	40,036	40,279	(1)	16,938	18,338	(8)
		<u>86,308</u>	<u>83,038</u>	4	<u>17,486</u>	<u>18,940</u>	(8)
<b>Total assets</b>		<u>156,391</u>	<u>153,935</u>	2	<u>107,014</u>	<u>116,934</u>	(8)
<b>Equity attributable to Owners of the Company</b>							
Share capital	7	89,566	89,566	–	89,566	89,566	–
Reserves	8	38,171	31,893	20	15,815	16,750	(6)
		<u>127,737</u>	<u>121,459</u>	5	<u>105,381</u>	<u>106,316</u>	(1)
<b>Non-controlling interests</b>		385	398	(3)	–	–	–
<b>Total equity</b>		<u>128,122</u>	<u>121,857</u>	5	<u>105,381</u>	<u>106,316</u>	(1)
<b>Non-current liabilities</b>							
Provisions		214	–	100	–	–	–
Interest-bearing borrowings	9	471	511	(8)	–	–	–
Deferred tax liabilities		581	580	–	–	–	–
		<u>1,266</u>	<u>1,091</u>	16	–	–	–
<b>Current liabilities</b>							
Trade and other payables		22,572	21,965	3	1,426	1,768	(19)
Provisions		231	100	131	–	–	–
Amounts due to related parties		72	116	(38)	–	8,625	(100)
Interest-bearing borrowings	9	3,347	7,783	(57)	–	–	–
Current tax payable		781	1,023	(24)	207	225	(8)
		<u>27,003</u>	<u>30,987</u>	(13)	<u>1,633</u>	<u>10,618</u>	(85)
<b>Total liabilities</b>		<u>28,269</u>	<u>32,078</u>	(12)	<u>1,633</u>	<u>10,618</u>	(85)
<b>Total equity and liabilities</b>		<u>156,391</u>	<u>153,935</u>	2	<u>107,014</u>	<u>116,934</u>	(8)

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

## Consolidated Statement of Comprehensive Income

	Note	Group		Var. %
		2016 \$'000	2015 \$'000	
<b>Revenue</b>		118,735	112,515	6
Cost of revenue		(76,863)	(72,384)	6
<b>Gross profit</b>		<u>41,872</u>	<u>40,131</u>	4
Other income	10	2,936	1,355	117
Distribution expenses		(13,362)	(12,335)	8
Administrative expenses		(17,245)	(17,051)	1
Research & development expenses		(3,616)	(3,309)	9
Other expenses		(588)	(407)	44
<b>Results from operating activities</b>	10	<u>9,997</u>	<u>8,384</u>	19
Finance income		99	73	36
Finance expenses		(163)	(240)	(32)
<b>Net finance expenses</b>	11	<u>(64)</u>	<u>(167)</u>	(62)
Share of results of associates (net of tax)		981	1,171	(16)
Share of results of joint ventures (net of tax)		54	(112)	148
<b>Profit before income tax</b>		<u>10,968</u>	<u>9,276</u>	18
Income tax expenses	12	(1,365)	(2,612)	(48)
<b>Profit for the year</b>		<u><u>9,603</u></u>	<u><u>6,664</u></u>	44
<b>Other comprehensive income</b>				
<b>Items that are or may be reclassified subsequently to profit or loss</b>				
Exchange differences arising from liquidation of a subsidiary reclassified to profit or loss		–	(16)	(100)
Exchange differences arising from disposal of an associate reclassified to profit or loss		–	248	(100)
Exchange differences arising from disposal of a joint venture reclassified to profit or loss		137	–	100
Exchange differences on monetary items forming part of net investments in foreign operations		(185)	74	(350)
Exchange differences on translation of financial statements of foreign operations		2,260	2,079	9
Net change in fair value of available-for-sale financial assets, net of tax		(2,553)	(1,881)	36
Net change in fair value of available-for-sale financial assets, reclassified to profit or loss, net of tax		401	–	100
<b>Other comprehensive income for the year, net of income tax</b>		<u>60</u>	<u>504</u>	(88)
<b>Total comprehensive income for the year</b>		<u><u>9,663</u></u>	<u><u>7,168</u></u>	35
<b>Profit attributable to:</b>				
Owners of the Company		9,598	6,663	44
Non-controlling interests		5	1	400
<b>Profit for the year</b>		<u><u>9,603</u></u>	<u><u>6,664</u></u>	44
<b>Total comprehensive income attributable to:</b>				
Owners of the Company		9,676	7,148	35
Non-controlling interests		(13)	20	(165)
<b>Total comprehensive income for the year</b>		<u><u>9,663</u></u>	<u><u>7,168</u></u>	35
<b>Earnings per share*</b>				
	13			
- Basic (cents)		5.74	4.01	43
- Diluted (cents)		5.74	4.01	43

\* On 30 October 2015, the Group completed a share consolidation of 10 existing issued ordinary shares into 3 ordinary shares. Accordingly, retrospective adjustments have been made to the Earnings per share (see note 7).

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	Accumulated profits \$'000	Total attributable to Owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>30 June 2015</b>									
Balance as at 1 July 2014	88,773	(11,651)	4,093	2,481	(14,781)	47,887	116,802	378	117,180
<b>Total comprehensive income for the year</b>									
Profit for the year	-	-	-	-	-	6,663	6,663	1	6,664
<b>Other comprehensive income</b>									
Exchange difference arising from liquidation of a subsidiary	-	-	-	-	(16)	-	(16)	-	(16)
Exchange differences arising from disposal of an associate	-	-	-	-	248	-	248	-	248
Exchange differences on monetary items forming part of net investments in foreign operations	-	-	-	-	74	-	74	-	74
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	2,060	-	2,060	19	2,079
Net change in fair value of available-for-sale financial assets, net of tax	-	-	(1,881)	-	-	-	(1,881)	-	(1,881)
Total other comprehensive income	-	-	(1,881)	-	2,366	-	485	19	504
Total comprehensive income for the year	-	-	(1,881)	-	2,366	6,663	7,148	20	7,168
<b>Transactions with Owners, recorded directly in equity</b>									
<b>Contributions by and distributions to Owners</b>									
Issuance of shares pursuant to the exercise of share options									
- Exercise price	602	-	-	-	-	-	602	-	602
- Value of employees services received	191	-	-	(191)	-	-	-	-	-
Final dividend of 0.60 cents per share in respect of 2014*	-	-	-	-	-	(995)	(995)	-	(995)
Final special dividend of 0.60 cents per share in respect of 2014*	-	-	-	-	-	(995)	(995)	-	(995)
Interim dividend of 0.67 cents per share in respect of 2015*	-	-	-	-	-	(1,106)	(1,106)	-	(1,106)
Total contributions by and distributions to Owners	793	-	-	(191)	-	(3,096)	(2,494)	-	(2,494)
<b>Changes in ownership interests in subsidiaries</b>									
Arising from liquidation of subsidiary reclassified to profit or loss	-	3	-	-	-	-	3	-	3
Total changes in ownership interests in subsidiary	-	3	-	-	-	-	3	-	3
Total transactions with Owners	793	3	-	(191)	-	(3,096)	(2,491)	-	(2,491)
Balance as at 30 June 2015	89,566	(11,648)	2,212	2,290	(12,415)	51,454	121,459	398	121,857

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	Accumulated profits \$'000	Total attributable to Owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>30 June 2016</b>									
Balance as at 1 July 2015	89,566	(11,648)	2,212	2,290	(12,415)	51,454	121,459	398	121,857
<b>Total comprehensive income for the year</b>									
Profit for the year	–	–	–	–	–	9,598	9,598	5	9,603
<b>Other comprehensive income</b>									
Exchange differences arising from disposal of a joint venture	–	–	–	–	137	–	137	–	137
Exchange differences on monetary items forming part of net investments in foreign operations	–	–	–	–	(185)	–	(185)	–	(185)
Exchange differences on translation of financial statements of foreign operations	–	–	–	–	2,278	–	2,278	(18)	2,260
Net change in fair value of available-for-sale financial assets, net of tax	–	–	(2,553)	–	–	–	(2,553)	–	(2,553)
Net change in fair value of available-for-sale financial assets reclassified to profit or loss, net of tax	–	–	401	–	–	–	401	–	401
Total other comprehensive income	–	–	(2,152)	–	2,230	–	78	(18)	60
Total comprehensive income for the year	–	–	(2,152)	–	2,230	9,598	9,676	(13)	9,663
<b>Transactions with Owners, recorded directly in equity</b>									
<b>Contributions by and distributions to Owners</b>									
Final dividend of 0.67 cents per share in respect of 2015*	–	–	–	–	–	(1,114)	(1,114)	–	(1,114)
Final Special dividend of 0.67 cents per share in respect of 2015*	–	–	–	–	–	(1,114)	(1,114)	–	(1,114)
Interim dividend of 0.70 cents per share in respect of 2016	–	–	–	–	–	(1,170)	(1,170)	–	(1,170)
Total contributions by and distributions to Owners	–	–	–	–	–	(3,398)	(3,398)	–	(3,398)
Total transactions with Owners	–	–	–	–	–	(3,398)	(3,398)	–	(3,398)
Balance as at 30 June 2016	89,566	(11,648)	60	2,290	(10,185)	57,654	127,737	385	128,122

\* On 30 October 2015, the Group completed a share consolidation of 10 existing issued ordinary shares into 3 ordinary shares. Accordingly, retrospective adjustments have been made to the final and final special dividend in respect of 2014, interim and final and final special dividend in respect of 2015 (see note 7).

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	Accumulated profits \$'000	Total equity \$'000
<b>30 June 2015</b>					
Balance as at 1 July 2014	88,773	4,093	2,481	12,437	107,784
<b>Total comprehensive income for the year</b>					
Profit for the year	-	-	-	2,907	2,907
<b>Other comprehensive income</b>					
Net change in fair value of available-for-sale financial assets, net of tax	-	(1,881)	-	-	(1,881)
Total other comprehensive income	-	(1,881)	-	-	(1,881)
Total comprehensive income for the year	-	(1,881)	-	2,907	1,026
<b>Transactions with Owners, recorded directly in equity</b>					
<b>Contributions by and distributions to Owners</b>					
Issuance of shares pursuant to the exercise of share options					
- exercise price	602	-	-	-	602
- value of employees services received	191	-	(191)	-	-
Final dividend of 0.60 cents per share in respect of 2014*	-	-	-	(995)	(995)
Final special dividend of 0.60 cents per share in of respect of 2014*	-	-	-	(995)	(995)
Interim dividend of 0.67 cents per share in respect of 2015*	-	-	-	(1,106)	(1,106)
Total transactions with Owners	793	-	(191)	(3,096)	(2,494)
Balance as at 30 June 2015	89,566	2,212	2,290	12,248	106,316
<b>30 June 2016</b>					
Balance as at 1 July 2015	89,566	2,212	2,290	12,248	106,316
<b>Total comprehensive income for the year</b>					
Profit for the year	-	-	-	4,615	4,615
<b>Other comprehensive income</b>					
Net change in fair value of available-for-sale financial assets, net of tax	-	(2,553)	-	-	(2,553)
Net change in fair value of available-for-sale financial assets reclassified to profit or loss, net of tax	-	401	-	-	401
Total other comprehensive income	-	(2,152)	-	-	(2,152)
Total comprehensive income for the year	-	(2,152)	-	4,615	2,463
<b>Transactions with Owners, recorded directly in equity</b>					
<b>Contributions by and distributions to Owners</b>					
Final dividend of 0.67 cents per share in respect of 2015*	-	-	-	(1,114)	(1,114)
Final Special dividend of 0.67 cents per share in respect of 2015*	-	-	-	(1,114)	(1,114)
Interim dividend of 0.70 cents per share in respect of 2016	-	-	-	(1,170)	(1,170)
Total contributions by and distributions to Owners	-	-	-	(3,398)	(3,398)
Total transactions with Owners	-	-	-	(3,398)	(3,398)
Balance as at 30 June 2016	89,566	60	2,290	13,465	105,381

\* On 30 October 2015, the Group completed a share consolidation of 10 existing issued ordinary shares into 3 ordinary shares. Accordingly, retrospective adjustments have been made to the final and final special dividend in respect of 2014, interim and final and final special dividend in respect of 2015 (see note 7).

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

## Consolidated Cash Flow Statement

	<b>Group</b>	
	<b>2016</b>	<b>2015</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Operating Activities</b>		
Profit for the year	9,603	6,664
Adjustments for:		
Allowance/(Reversal of allowance) for:		
- doubtful debts from trade and other receivables	376	(10)
- inventory obsolescence	888	466
Amortisation of intangible assets	1,031	744
Bad debts recovered	(1,403)	-
Bad debts written off	20	-
Depreciation of property, plant and equipment	2,929	2,774
Dividend income from other financial asset	(673)	-
Gain on disposal of property, plant and equipment	(12)	(209)
Gain on disposal of assets classified as held for sale	(361)	-
Gain on liquidation of a subsidiary	-	(13)
Interest income	(99)	(73)
Interest expense	163	240
Inventories written off	-	97
Impairment loss on other financial asset	401	-
Loss on disposal of an associate	-	343
Loss on disposal of a joint venture	143	-
Reversal of provision for retrenchment costs	-	(203)
Share of results of associates and joint ventures (net of tax)	(1,035)	(1,059)
Income tax expenses	1,365	2,612
Operating profit before working capital changes	13,336	12,373
Changes in:		
Amounts due from related parties (trade)	1	87
Amounts due to related parties (trade)	-	52
Inventories	1,344	1,306
Post-acquisition integration and restructuring & retrenchment costs paid	-	(1,594)
Retrenchment costs paid	-	(139)
Release of pledged deposits with financial institutions	214	1,425
Trade and other receivables	(5,367)	3,800
Trade and other payables	461	(2,194)
Cash generated from operations	9,989	15,116
Interest received	99	73
Interest paid	(163)	(240)
Income tax paid	(1,581)	(871)
<b>Net cash generated from operating activities</b>	<b>8,344</b>	<b>14,078</b>
<b>Investing Activities</b>		
Amounts due from related parties (non-trade)	116	134
Dividend received from associates	134	958
Dividend received from other financial asset	673	-
Purchase of intangible assets	(279)	(1,033)
Purchase of property, plant and equipment <sup>(1) (2)</sup>	(2,644)	(2,699)
Purchase of other financial asset	(39)	(3)
Proceeds from disposal of property, plant and equipment	40	500
Proceeds from disposal of an associate	-	1,209
Proceeds from disposal of a joint venture	95	-
Proceeds from disposal of assets classified as held for sale	1,432	-
<b>Net cash used in investing activities</b>	<b>(472)</b>	<b>(934)</b>

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

	<b>Note</b>	<b>Group</b>	
		<b>2016</b>	<b>2015</b>
		<b>\$'000</b>	<b>\$'000</b>
<b>Financing Activities</b>			
Amounts due to related parties (non-trade)		(44)	–
Dividend paid		(3,398)	(3,096)
Issuance of new shares		–	602
Proceeds from bank loans		2,927	7,899
Repayment of bank loans		(7,711)	(9,460)
Repayment of finance lease creditors		(36)	(93)
<b>Net cash used in financing activities</b>		<b>(8,262)</b>	<b>(4,148)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of year		40,065	30,377
Effect of exchange rate changes on balances in foreign currencies		361	692
<b>Cash and cash equivalents at end of year</b>	<b>6</b>	<b>40,036</b>	<b>40,065</b>

<sup>(1)</sup> Property, plant and equipment amounting to \$61,000 (2015: \$Nil) were acquired through finance leases.

<sup>(2)</sup> The Group accrued reinstatement cost of \$264,000 (2015: \$Nil) under property, plant and equipment .

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



## 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 2 August 2016.

### 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 2015.

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 2015. 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
<b>30 June 2016</b>										
<b>Cost</b>										
At 1 July 2014	2,968	1,975	3,495	566	1,167	3,797	158	31,287	2	45,415
Additions	9	56	203	3	31	318	194	1,874	11	2,699
Disposals	-	-	(110)	(15)	(22)	(347)	(8)	(1,384)	-	(1,886)
Reclassification to assets classified as held for sale	(998)	-	-	-	-	-	-	-	-	(998)
Translation difference on consolidation	(425)	165	123	8	(50)	243	8	2,302	1	2,375
At 30 June 2015	1,554	2,196	3,711	562	1,126	4,011	352	34,079	14	47,605
Additions	-	13	1,365	8	87	201	23	1,215	57	2,969
Disposals	-	-	(983)	(19)	(38)	(173)	(15)	(2,463)	-	(3,691)
Liquidation of a subsidiary	-	-	(239)	(7)	(36)	(194)	-	(8)	-	(484)
Translation difference on consolidation	432	(4)	3	15	96	(20)	1	(59)	(2)	462
At 30 June 2016	1,986	2,205	3,857	559	1,235	3,825	361	32,764	69	46,861
<b>Accumulated depreciation and impairment losses</b>										
At 1 July 2014	63	378	2,614	376	576	3,234	122	25,345	-	32,708
Depreciation charge for the year	77	53	330	63	133	335	26	1,757	-	2,774
Disposals	-	-	(74)	(6)	(18)	(325)	(8)	(1,164)	-	(1,595)
Reclassification to assets classified as held for sale	(7)	-	-	-	-	-	-	-	-	(7)
Translation difference on consolidation	(10)	33	123	8	(6)	209	8	1,995	-	2,360
At 30 June 2015	123	464	2,993	441	685	3,453	148	27,933	-	36,240
Depreciation charge for the year	66	62	449	58	141	315	36	1,802	-	2,929
Disposals	-	-	(974)	(18)	(28)	(173)	(8)	(2,462)	-	(3,663)
Liquidation of a subsidiary	-	-	(239)	(7)	(36)	(194)	-	(8)	-	(484)
Translation difference on consolidation	29	(2)	2	8	40	(19)	-	(59)	-	(1)
At 30 June 2016	218	524	2,231	482	802	3,382	176	27,206	-	35,021
<b>Carrying amounts</b>										
At 1 July 2014	2,905	1,597	881	190	591	563	36	5,942	2	12,707
At 30 June 2015	1,431	1,732	718	121	441	558	204	6,146	14	11,365
At 30 June 2016	1,768	1,681	1,626	77	433	443	185	5,558	69	11,840

Company	Furniture and fittings \$'000	Office equipment \$'000	Computers \$'000	Total \$'000
<b>30 June 2016</b>				
<b>Cost</b>				
At 1 July 2014	9	7	21	37
Additions	–	–	1	1
At 30 June 2015	9	7	22	38
Additions	–	–	3	3
Write off	–	(2)	(13)	(15)
At 30 June 2016	9	5	12	26
<b>Accumulated depreciation</b>				
At 1 July 2014	9	7	11	27
Depreciation charge for the year	–	*	5	5
At 30 June 2015	9	7	16	32
Depreciation charge for the year	–	*	5	5
Write off	–	(2)	(13)	(15)
At 30 June 2016	9	5	8	22
<b>Carrying amounts</b>				
At 1 July 2014	–	–	10	10
At 30 June 2015	–	–	6	6
At 30 June 2016	–	–	4	4

\* Amount less than \$1,000.

Leasehold land and building and plant and machinery of the Group with carrying amounts of \$1,477,000 (2015: \$1,524,000) and \$530,000 (2015: \$641,000) respectively, have been pledged to banks as securities for certain bank loans (note 9).

The carrying amount of property, plant and equipment includes amounts totalling \$76,000 (2015: \$42,000) for the Group in respect of assets acquired under finance leases (note 9).

Depreciation for the year was included in the following line items of the statements of comprehensive income:

	Group	
	2016 \$'000	2015 \$'000
Cost of revenue	2,186	2,062
Distribution expenses	134	163
Administrative expenses	461	407
Research and development expenses	148	142
	<u>2,929</u>	<u>2,774</u>

### 3. Intangible Assets

Group	Computer software \$'000	Technology licence \$'000	Intellectual property \$'000	Development expenditure \$'000	Goodwill \$'000	Total \$'000
<b>30 June 2016</b>						
<b>Cost</b>						
At 1 July 2014	719	1,941	9,665	5,133	27,248	44,706
Additions – acquired	17	–	–	–	–	17
Additions – internally developed	30	–	–	986	–	1,016
Write off	(9)	–	–	–	–	(9)
Translation difference on consolidation	14	158	797	459	887	2,315
At 30 June 2015	771	2,099	10,462	6,578	28,135	48,045
Additions – acquired	18	–	–	–	–	18
Additions – internally developed	87	–	–	174	–	261
Write off	(49)	–	–	–	–	(49)
Liquidation of a subsidiary	–	–	–	–	(744)	(744)
Translation difference on consolidation	15	7	(15)	(14)	(20)	(27)
At 30 June 2016	842	2,106	10,447	6,738	27,371	47,504

Group	Computer software \$'000	Technology licence \$'000	Intellectual property \$'000	Development expenditure \$'000	Goodwill \$'000	Total \$'000
<b>Accumulated amortisation and impairment losses</b>						
At 1 July 2014	583	834	2,358	476	744	4,995
Amortisation for the year	70	105	555	14	–	744
Write off	(9)	–	–	–	–	(9)
Translation difference on consolidation	14	73	214	40	–	341
At 30 June 2015	658	1,012	3,127	530	744	6,071
Amortisation for the year	71	112	477	371	–	1,031
Write off	(49)	–	–	–	–	(49)
Liquidation of a subsidiary	–	–	–	–	(744)	(744)
Translation difference on consolidation	15	(5)	(18)	(10)	–	(18)
At 30 June 2016	695	1,119	3,586	891	–	6,291
<b>Carrying amounts</b>						
At 1 July 2014	136	1,107	7,307	4,657	26,504	39,711
At 30 June 2015	113	1,087	7,335	6,048	27,391	41,974
At 30 June 2016	147	987	6,861	5,847	27,371	41,213

Company	Computer software \$'000
<b>30 June 2016</b>	
<b>Cost</b>	
At 1 July 2014 and 30 June 2015	11
Write off	(11)
At 30 June 2016	–
<b>Accumulated amortisation</b>	
At 1 July 2014 and 30 June 2015	11
Write off	(11)
At 30 June 2016	–
<b>Carrying amounts</b>	
At 1 July 2014, 30 June 2015 and 30 June 2016	–

Amortisation for the year was included in the following line items of the statements of comprehensive income:

	Group	
	2016 \$'000	2015 \$'000
Cost of revenue	1,011	710
Administrative expenses	20	34
	1,031	744

**Annual impairment tests for cash-generating units containing goodwill**

For the purpose of impairment testing, goodwill is allocated to the Group's cash-generating units (CGU) identified according to reportable segments as follows:

	Group	
	2016 \$'000	2015 \$'000
Probe Card solutions	11,981	11,999
Distribution and Services solutions	15,390	15,392
	27,371	27,391

The recoverable amount of a CGU is determined annually based on value-in-use calculations. These calculations use cash flow projections based on financial forecasts approved by management covering periods of one to five years.

*Key assumptions used for value-in-use calculations*

For the purpose of analysing each CGU, management used the following key assumptions:

	Group	
	Revenue growth rate %	Discount rate %
<b>2016</b>		
Probe Card solutions	5.1	15.4
Distribution and Services solutions	5.0	13.2
	<hr/>	<hr/>
<b>2015</b>		
Probe Card solutions	5.2	17.1
Distribution and Services solutions	6.2	13.1
	<hr/>	<hr/>

The weighted average growth rates used are based on the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments. No growth has been projected on the cash flows beyond the five-year period covered by the financial budget and projection.

**4. Subsidiaries**

During the year,

- (a) its dormant and wholly-owned Hong Kong subsidiary, Oriental International Technology Limited, has applied for deregistration with the Companies of Registry of Hong Kong. The process is expected to take five months to complete.
- (b) its wholly-owned subsidiary, Ellipsiz ISP Pte Ltd which was placed under liquidation previously, was dissolved and ceased to be a subsidiary of the Group.

In July 2016, SV Probe Technology S.A.S., a wholly-owned and inactive subsidiary in France, commenced member's voluntary liquidation process.

**5. Joint Ventures**

During the year, its wholly-owned subsidiary, iNETest Resources Pte Ltd, disposed its 49% equity interest in a joint venture, Global Technosoft Pte Ltd, for a cash consideration of \$95,000. The transaction was completed in April 2016.

**6. Cash and Cash Equivalents**

Note	Group		Company	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Cash at banks and in hand	32,434	35,768	9,871	14,326
Deposits with financial institutions	7,602	4,511	7,067	4,012
	<hr/>	<hr/>	<hr/>	<hr/>
Deposits held as securities by financial institutions	–	(214)	16,938	18,338
Cash and cash equivalents in the consolidated cash flow statement	<hr/>	<hr/>	<hr/>	<hr/>
	40,036	40,065		

**7. Share Capital**

	Group and Company 2016		Group and Company 2015	
	No. of shares '000	Share capital \$'000	No. of shares '000	Share capital \$'000
<b>Fully paid ordinary shares, with no par value:</b>				
Ordinary shares				
At 1 July	557,094	89,566	552,794	88,773
Issuance of shares pursuant to the exercise of share options	–	–	4,300	793
Number of shares before shares consolidation	<hr/>	<hr/>	<hr/>	<hr/>
Reduction in number of shares arising from share consolidation	(389,966)	–	–	–
As at 30 June	<hr/>	<hr/>	<hr/>	<hr/>
	167,128	89,566	557,094	89,566

The Group had not acquired any treasury shares for the financial year ended 30 June 2016. There were no treasury shares held by the Group as at 30 June 2016 (2015: Nil).

**Options**

In August 2015, 8,269,000 options that were granted on 25 August 2010 expired. These options had an exercise price of \$0.14 per share and vested in two tranches on 25 August 2011 and 25 August 2012.

As at 30 June 2016, there were no outstanding options. As at 30 June 2015, there were 8,269,000 outstanding options with exercise price of \$0.14 per share.

**8. Reserves**

	Group		Company	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Capital reserve	(11,648)	(11,648)	–	–
Fair value reserve	60	2,212	60	2,212
Share-based compensation reserve	2,290	2,290	2,290	2,290
Exchange translation reserve	(10,185)	(12,415)	–	–
Accumulated profits	57,654	51,454	13,465	12,248
	<u>38,171</u>	<u>31,893</u>	<u>15,815</u>	<u>16,750</u>

**9. Interest-Bearing Borrowings**

Interest-bearing borrowings consist of the following:

	Group	
	2016 \$'000	2015 \$'000
<b>Non-current liabilities</b>		
Secured bank loans	44	162
Unsecured bank loans	366	333
Obligations under finance leases	61	16
	<u>471</u>	<u>511</u>
<b>Current liabilities</b>		
Secured bank loans	838	188
Unsecured bank loans <sup>(1)</sup>	2,492	7,569
Obligations under finance leases	17	26
	<u>3,347</u>	<u>7,783</u>

<sup>(1)</sup> One of the Group's subsidiaries in Japan did not meet the financial covenant for its bank loan of JPY7,760,000 or \$85,000 as at 30 June 2015. The bank loan was fully repaid during the year.

**Maturity of liabilities (excluding finance lease liabilities)**

	Group	
	2016 \$'000	2015 \$'000
Within 1 year	3,330	7,757
After 1 year but within 5 years	410	495
	<u>3,740</u>	<u>8,252</u>

The borrowings are secured on the following assets:

	Note	Group	
		2016 \$'000	2015 \$'000
Leasehold land and building	2	1,477	1,524
Plant and machinery	2	530	641
Deposits with financial institutions	6	–	214
Total carrying amount		<u>2,007</u>	<u>2,379</u>

Obligations under finance leases

Group	2016			2015		
	Principal \$'000	Interest \$'000	Total \$'000	Principal \$'000	Interest \$'000	Total \$'000
Repayable within 1 year	17	4	21	26	1	27
Repayable after 1 year but within 5 years	61	5	66	15	3	18
Repayable after 5 years	—	—	—	1	*	1
	<u>78</u>	<u>9</u>	<u>87</u>	<u>42</u>	<u>4</u>	<u>46</u>

\* Amount less than \$1,000.

**10. Results from Operating Activities**

	Note	Group	
		2016 \$'000	2015 \$'000
<b>Other income</b>			
Bad debts recovered		1,403	—
Dividend income from other financial asset		673	—
Exchange gain, net		—	584
Gain on disposal of property, plant and equipment		12	209
Gain on disposal of assets classified as held for sale		361	—
Gain on liquidation of a subsidiary		—	13
Rental income		29	16
Sundry income		458	533
		<u>2,936</u>	<u>1,355</u>
<b>Other expenses</b>			
Allowance/(Reversal of allowance) for doubtful debts from trade and other receivables		376	(10)
Allowance for inventory obsolescence		888	466
Amortisation of intangible assets	3	1,031	744
Bad debts written off		20	—
Depreciation of property, plant and equipment	2	2,929	2,774
Exchange loss, net		12	—
Inventories written off		—	97
Impairment loss on other financial asset		401	—
Loss on disposal of an associate		—	343
Loss on disposal of a joint venture		143	—
Operating lease expenses		2,406	2,256
Reversal of provision for retrenchment costs		—	(203)
		<u>—</u>	<u>(203)</u>

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

**11. Net Finance Expenses**

	Group	
	2016 \$'000	2015 \$'000
<b>Finance income</b>		
Interest income from:		
- financial institutions	90	36
- joint venture	4	7
- third parties	5	30
	<u>99</u>	<u>73</u>
<b>Finance expenses</b>		
Interest expenses to:		
- finance leases	(4)	(9)
- financial institutions	(159)	(231)
	<u>(163)</u>	<u>(240)</u>
Net finance expenses	<u>(64)</u>	<u>(167)</u>

**12. Income Tax Expenses**

	Group	
	2016 \$'000	2015 \$'000
<b>Current tax</b>		
- current year	1,937	986
- withholding tax	157	410
- (over)/under provision in prior year	(31)	462
- utilisation of previously unrecognised deferred tax assets	(645)	-
	1,418	1,858
<b>Deferred tax</b>		
- origination and reversal of temporary differences	816	1,294
- over provision in prior years	(504)	(232)
- recognition of previously unrecognised deferred tax assets	(365)	(308)
	(53)	754
Total income tax expenses	1,365	2,612

**13. Earnings Per Share**

Group	2016 \$'000	2015 \$'000
Basic earnings per share is based on: Profit for the year attributable to Owners of the Company	9,598	6,663
	<b>No. of shares '000</b>	<b>No. of shares '000</b>
Weighted average number of:		
- shares outstanding during the year	167,128	165,838*
- shares issued during the year:		
- pursuant to the exercise of share options	-	279*
	167,128	166,117*

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 period outstanding.

The effect of the exercise of share options on the weighted average number of ordinary shares in issue is as follows:

Group	2016 No. of shares '000	2015 No. of shares '000
Weighted average number of share issued, used in the calculation of diluted earnings per share	167,128	166,117*

As at 30 June 2016, Nil (2015: 8,269,000) options were excluded from the diluted weighted average number of ordinary shares calculations as their effect would have been anti-dilutive.

*\* On 30 October 2015, the Group completed a share consolidation of 10 existing issued ordinary shares into 3 ordinary shares. Accordingly, retrospective adjustments have been made to the weighted average number of share issued, used in the calculation of diluted earnings per share (see note 7).*

**14. Net Asset and Tangible 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 June 2016	76.43	63.05
(b) 30 June 2015*	72.67	63.61

	Group cents	Company cents
Net tangible asset <sup>(1)</sup> value per ordinary share based on issued share capital of the Company as at:		
(a) 30 June 2016	51.77	63.05
(b) 30 June 2015*	47.56	63.61

<sup>(1)</sup> Net tangible asset is equity attributable to Owners of the Company less intangible assets.

\* On 30 October 2015, the Group completed a share consolidation of 10 existing issued ordinary shares into 3 ordinary shares. Accordingly, retrospective adjustments have been made to the net asset and net tangible asset values per ordinary share (see note 7).

## 15. Breakdown of Revenue and Profit After Tax Before Deducting Non-Controlling Interests

Group	2016 \$'000	2015 \$'000	Variance %
Revenue reported for first half year	57,639	59,497	(3)
Profit after tax before deducting non-controlling interests for first half year	3,574	3,458	3
Revenue reported for second half year	61,096	53,018	15
Profit after tax before deducting non-controlling interests for second half year	6,029	3,206	88

## 16. Dividends

### 16.1 Dividend Paid

The resolution in respect of the final dividend and final special dividend declared for the financial year ended 30 June 2015 was approved at the Company's Annual General Meeting convened on 19 October 2015. The final and final special tax exempt, one-tier cash dividend totalling 1.34 cents per ordinary share was paid on 18 November 2015.

The Company declared and paid a tax exempt one-tier interim dividend of 0.70 cents per share on 16 March 2016.

### 16.2 Dividend Declared (Proposed)

	2016	2015
Name of dividend	Final (Proposed)	Final
Dividend type	Cash	Cash
Dividend rate (prior year rate adjusted following the share consolidation exercise which was completed on 30 October 2015)	0.80 cents per ordinary	0.67 cents per ordinary share
Tax	Tax exempt (One-Tier)	Tax exempt (One-Tier)
Name of dividend	Special (Proposed)	Special
Dividend type	Cash	Cash
Dividend rate (prior year rate adjusted following the share consolidation exercise which was completed on 30 October 2015)	1.00 cents per ordinary share	0.67 cents per ordinary share
Tax	Tax exempt (One-Tier)	Tax exempt (One-Tier)

#### *Date payable*

The final and special dividends proposed, if approved at the 21<sup>st</sup> Annual General Meeting, will be payable on 18 November 2016.

#### *Book closure date*

The book closure date is 28 October 2016, after 5.00 pm.



### 16.3 Annual Dividend

	Net Dividend	
	2016 \$'000	2015 \$'000
<b>Ordinary shares</b>		
Interim dividend	1,170	1,106
Final and special dividends	3,008 <sup>(1)</sup>	2,228
	4,178	3,334

<sup>(1)</sup> The final and special dividends for 2016 is estimated based on the number of ordinary shares issued by the Company as at 30 June 2016. The dividends have not been provided for in the financial information.

### 17. Significant Related Party Transactions

Significant transactions with related parties are as follows:

	Group	
	2016 \$'000	2015 \$'000
Sales and service income to:		
- a joint venture	–	65
- an associate	–	7
Purchases from/Service fee paid to:		
- a joint venture	–	(72)
Rental expenses paid to a director	(132)	(124)
	(132)	(124)

Pursuant to Rule 704(13) of the SGX Listing Manual, the person occupying a managerial position in the Company is the executive director, Lum Wen-Sum Kelvin, 42, the son of David Lum Kok Seng, a substantial shareholder of the Company.

### 18. 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)	\$'000	\$'000
Rental expenses	132	–

The total IPT of \$132,000 is less than 3% of our audited consolidated net tangible assets of FY2015.

### 19. Commitments

#### Lease Commitments

As at 30 June 2016, commitments of the Group for minimum lease receivables and payments under non-cancellable operating leases are as follows:

	Group	
	2016 \$'000	2015 \$'000
<b>Payable:</b>		
Within 1 year	1,785	1,638
After 1 year but within 5 years	2,543	1,034
After 5 years	21	1
	4,349	2,673
<b>Capital Commitments</b>		
Capital commitments contracted but not provided for	256	30

**Corporate guarantees**

As at 30 June 2016, the Company provided corporate guarantees amounting to \$16,678,000 (2015: \$19,438,000) to banks for banking facilities made available to its subsidiaries, of which the subsidiaries have utilised \$2,439,000 (2015: \$9,574,000).

**20. Other Information**

**Reportable segments**

Group	Distribution & Services solutions		Probe Card solutions		Eliminations		Consolidated	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
<b>Revenue and Expense</b>								
Total revenue from external customers	42,179	45,761	76,556	66,754	–	–	118,735	112,515
Inter-segment revenue	828	604	3	–	(831)	(604)	–	–
	<u>43,007</u>	<u>46,365</u>	<u>76,559</u>	<u>66,754</u>			<u>118,735</u>	<u>112,515</u>
Segment results	<u>1,706</u>	<u>2,775</u>	<u>9,095</u>	<u>6,426</u>	–	–	10,801	9,201
Unallocated corporate results							(804)	(817)
							<u>9,997</u>	<u>8,384</u>
Share of results of associates and joint ventures								
- allocated to reportable segments	215	103	820	956	–	–	1,035	1,059
Profit before finance income/(expenses) and taxation							11,032	9,443
Finance income							99	73
Finance expenses							(163)	(240)
Income tax expense							(1,365)	(2,612)
Non-controlling interests							(5)	(1)
Profit for the year attributable to Owners of the Company							<u>9,598</u>	<u>6,663</u>
<b>Assets and liabilities</b>								
Segment assets	39,344	41,771	83,280	75,381	–	–	122,624	117,152
Investments in associates								
- allocated to reportable segments	682	690	7,703	5,660	–	–	8,385	6,350
Investments in joint ventures								
- allocated to reportable segments	68	118	–	–	–	–	68	118
Tax receivables	1	28	–	–	–	–	1	28
Deferred tax assets	947	1,154	2,343	2,165	–	–	3,290	3,319
Assets classified as held for sale	–	–	–	991	–	–	–	991
Unallocated corporate assets							22,023	25,977
Total assets							<u>156,391</u>	<u>153,935</u>
Segment liabilities	8,819	10,503	12,844	9,910	–	–	21,663	20,413
Interest-bearing borrowings	–	729	3,818	7,565	–	–	3,818	8,294
Income tax liabilities	203	105	952	1,273	–	–	1,155	1,378
Unallocated corporate liabilities							1,633	1,993
Total liabilities							<u>28,269</u>	<u>32,078</u>
Capital expenditure								
- allocated to reportable segments	189	430	3,056	3,301	–	–	3,245	3,731
- unallocated corporate expenses							3	1
							<u>3,248</u>	<u>3,732</u>
<b>Other items</b>								
Amortisation of intangible assets								
- allocated to reportable segments	10	24	1,021	720	–	–	1,031	744
Bad debts write off/(recovered), net								
- allocated to reportable segments	20	–	(1,403)	–	–	–	(1,383)	–
Dividend income from other financial asset								
- unallocated corporate expenses	–	–	–	–	–	–	(673)	–

Group	Distribution & Services solutions		Probe Card solutions		Eliminations		Consolidated	
	2016	2015	2016	2015	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Depreciation of property, plant and equipment								
- allocated to reportable segments	324	347	2,600	2,422	-	-	2,924	2,769
- unallocated corporate expenses							5	5
							<u>2,929</u>	<u>2,774</u>
(Gain)/Loss on disposal of property, plant and equipment								
- allocated to reportable segments	(17)	22	5	(231)	-	-	(12)	(209)
Gain on disposal of asset classified as held for sale								
- allocated to reportable segments	-	-	(361)	-	-	-	(361)	-
Inventories written off								
- allocated to reportable segments	-	88	-	9	-	-	-	97
Impairment loss on other financial asset								
- unallocated corporate expenses	-	-	-	-	-	-	401	-
Loss on disposal of an associate								
- allocated to reportable segments	-	343	-	-	-	-	-	343
Loss on disposal of a joint venture								
- allocated to reportable segments	143	-	-	-	-	-	143	-
Allowance/(Reversal of allowance) for doubtful trade and other receivables								
- allocated to reportable segments	376	-	-	(10)	-	-	376	(10)
(Reversal of allowance)/Allowance for inventory obsolescence								
- allocated to reportable segments	(5)	(12)	893	478	-	-	888	466
Reversal of provision for retrenchment costs								
- allocated to reportable segments	-	(203)	-	-	-	-	-	(203)

**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	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Total revenue from external customers	22,615	24,508	6,571	8,053	28,774	28,444	15,688	11,748	21,120	16,206	14,199	13,305	3,648	4,607	6,120	5,644	118,735	112,515
Non-current segment assets	40,527	41,272	30	32	712	511	2,195	2,141	1,212	916	3,153	2,366	3	19	5,221	6,082	53,053	53,339
Investments in associates	–	–	–	–	–	–	–	–	–	–	7,703	5,660	–	–	682	690	8,385	6,350
Investments in joint ventures	–	47	–	–	–	–	–	–	–	–	–	–	–	–	68	71	68	118
Investments in other financial assets	4,910	7,015	–	–	–	–	–	–	–	–	233	164	60	508	–	–	5,203	7,687
Deferred tax assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	3,374	3,403
<b>Total non-current assets</b>	<b>45,437</b>	<b>48,334</b>	<b>30</b>	<b>32</b>	<b>712</b>	<b>511</b>	<b>2,195</b>	<b>2,141</b>	<b>1,212</b>	<b>916</b>	<b>11,089</b>	<b>8,190</b>	<b>63</b>	<b>527</b>	<b>5,971</b>	<b>6,843</b>	<b>70,083</b>	<b>70,897</b>
Capital expenditure	253	1,372	14	9	58	364	1,118	376	851	168	603	127	–	–	351	1,316	3,248	3,732

**CONFIRMATION BY THE BOARD**

**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.



*Chng Hee Kok*  
*Non-Executive Chairman*



*Chan Wai Leong*  
*Chief Executive Officer*

Singapore  
2 August 2016