Elec & Eltek 依利安達

ELEC & ELTEK INTERNATIONAL COMPANY LIMITED
依利安達集團有限公司*

(Incorporated in the Republic of Singapore with Limited Liability)

Singapore Company Registration Number: 199300005H

Singapore Stock Code: E16.SI

Hong Kong Stock Code: 1151



INTERIM REPORT
2015

** For identification purpose only*

RESULTS

The board of directors (the "**Board**") of the Company submits herewith the unaudited consolidated results of the Group for the second quarter ("**2QCY15**") and six months ended 30 June 2015 ("**1HCY15**") together with the comparative figures for the second quarter ("**2QCY14**") and six months ended 30 June 2014 ("**1HCY14**").

Consolidated Statement of Profit or Loss

	Notes	**2QCY15 US$'000 (Unaudited)**	2QCY14 US$'000 (Unaudited)	% Change	**1HCY2015 US$'000 (Unaudited)**	1HCY2014 US$'000 (Unaudited)	% Change
Revenue	3	**115,992**	135,812	-14.6%	**221,501**	251,520	-11.9%
Cost of sales		**(108,497)**	(123,582)	-12.2%	**(208,250)**	(230,633)	-9.7%
Gross profit		**7,495**	12,230	-38.7%	**13,251**	20,887	-36.6%
Gross profit margin		***6.5%***	*9.0%*		***6.0%***	*8.3%*	
Other operating income and gains		**1,009**	796	26.8%	**2,186**	1,508	45.0%
Distribution and selling costs		**(3,708)**	(3,738)	-0.8%	**(7,045)**	(7,200)	-2.2%
Administrative expenses		**(5,064)**	(4,310)	17.5%	**(13,928)**	(8,509)	63.7%
Other operating expenses and losses		**(1,705)**	(80)	n/m	**(1,934)**	(157)	n/m
Finance costs	4	**(459)**	(363)	26.4%	**(888)**	(724)	22.7%
(Loss) profit before taxation		**(2,432)**	4,535	-153.6%	**(8,358)**	5,805	-244.0%
Income tax expense	5	**(817)**	(268)	204.9%	**(1,965)**	(338)	481.4%
(Loss) profit for the period		**(3,249)**	4,267	-176.1%	**(10,323)**	5,467	-288.8%
(Loss) profit attributable to:							
Owners of the Company		**(3,325)**	4,128	-180.5%	**(10,457)**	5,293	-297.6%
Non-controlling interests		**76**	139	-45.3%	**134**	174	-23.0%
		(3,249)	4,267	-176.1%	**(10,323)**	5,467	-288.8%
(Loss) earnings per share (US cents)	7						
– Basic		**(1.77)**	2.21	-180.1%	**(5.59)**	2.83	-297.5%

n/m – percentage not meaningful

Notes to Consolidated Statement of Profit or Loss:

	2QCY15 US$'000 (Unaudited)	2QCY14 US$'000 (Unaudited)	% Change	**1HCY2015 US$'000 (Unaudited)**	1HCY2014 US$'000 (Unaudited)	% Change
Depreciation	**9,504**	11,198	-15.1%	**19,007**	22,381	-15.1%
Amortisation of prepaid land use rights	**41**	41	0.0%	**82**	82	0.0%
Allowance (reversal of allowance) for doubtful debts	**56**	(302)	-118.5%	**4,217**	(437)	n/m
Allowance (reversal of allowance) for inventory obsolescence	**10**	(196)	-105.1%	**531**	(105)	-605.7%

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	2QCY15 US$'000 (Unaudited)	2QCY14 US$'000 (Unaudited)	% Change	**1HCY2015 US$'000 (Unaudited)**	1HCY2014 US$'000 (Unaudited)	% Change
(Loss) profit for the period	**(3,249)**	4,267	-176.1%	**(10,323)**	5,467	-288.8%
Other comprehensive (expenses) income:						
Items that may be reclassified subsequently to profit or loss:						
Exchange differences on translation of foreign operations	**(1,129)**	39	n/m	**(1,555)**	144	n/m
Other comprehensive (expenses) income for the period, net of tax	**(1,129)**	39	n/m	**(1,555)**	144	n/m
Total comprehensive (expenses) income for the period	**(4,378)**	4,306	-201.7%	**(11,878)**	5,611	-311.7%
Total comprehensive (expenses) income attributable to:						
Owners of the Company	**(4,454)**	4,167	-206.9%	**(12,012)**	5,437	-320.9%
Non-controlling interests	**76**	139	-45.3%	**134**	174	-23.0%
	(4,378)	4,306	-201.7%	**(11,878)**	5,611	-311.7%

n/m - percentage not meaningful

Statement of Financial Position

	Notes	GROUP		COMPANY	
		30 June 2015 US$'000 (Unaudited)	31 December 2014 US$'000 (Audited)	**30 June 2015 US$'000 (Unaudited)**	31 December 2014 US$'000 (Audited)
ASSETS					
Current assets					
Cash and bank balances		**14,270**	22,303	**57**	67
Trade receivables	10	**126,593**	129,863	—	—
Bills receivables	10	**491**	518	—	—
Other receivables		**18,776**	21,203	—	1
Prepaid land use rights		**399**	399	—	—
Dividend receivables		—	—	**27,100**	27,100
Inventories	11	**40,015**	42,729	—	—
Total current assets		**200,544**	217,015	**27,157**	27,168
Non-current assets					
Property, plant and equipment	9	**299,548**	308,017	—	—
Prepaid land use rights		**12,859**	12,941	—	—
Deposits for acquisition of plant and equipment	9	**2,828**	6,263	—	—
Investment properties		**46,592**	46,592	—	—
Subsidiary companies		—	—	**459,587**	459,849
Deferred tax assets		**84**	84	—	—
Total non-current assets		**361,911**	373,897	**459,587**	459,849
Total assets		**562,455**	590,912	**486,744**	487,017

	Notes	GROUP		COMPANY	
		30 June 2015 US$'000 (Unaudited)	31 December 2014 US$'000 (Audited)	**30 June 2015 US$'000 (Unaudited)**	31 December 2014 US$'000 (Audited)
LIABILITIES AND EQUITY					
Current liabilities					
Bank overdraft and loans	13	**49,171**	44,962	—	—
Trade payables	12	**110,509**	119,891	—	—
Bills payables	12	**2,469**	4,745	—	—
Other payables		**31,986**	31,970	**1,360**	1,350
Amounts due to subsidiary companies		—	—	**240,881**	234,587
Provision for taxation		**1,812**	1,836	—	—
Total current liabilities		**195,947**	203,404	**242,241**	235,937
Non-current liabilities					
Bank loans	13	**41,092**	43,665	—	—
Deferred tax liabilities		**1,006**	1,169	—	—
Total non-current liabilities		**42,098**	44,834	—	—
Capital, reserves and non-controlling interests					
Share capital	14	**113,880**	113,880	**113,880**	113,880
Reserves		**200,610**	218,687	**130,623**	137,200
Equity attributable to owners of the Company		**314,490**	332,567	**244,503**	251,080
Non-controlling interests		**9,920**	10,107	—	—
Total equity		**324,410**	342,674	**244,503**	251,080
Total liabilities and equity		**562,455**	590,912	**486,744**	487,017

Consolidated Statement of Changes in Equity

	Attributable to owners of the Company									
	Share capital US$'000	Capital reserve US$'000 (Note i)	Statutory reserve US$'000 (Note ii)	Revaluation reserve US$'000 (Note iii)	Other reserve US$'000 (Note iv)	Retained earnings US$'000	Foreign currency translation reserve US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
THE GROUP										
2QCY15										
Balance at 1 April 2015 (unaudited)	113,880	1,916	5,353	2,940	166	184,404	16,350	325,009	9,844	334,853
Change in equity for 2QCY15										
Total comprehensive (expenses) income for the period										
(Loss) profit for the period	–	–	–	–	–	(3,325)	–	(3,325)	76	(3,249)
Exchange differences arising on translation of foreign operations	–	–	–	–	–	–	(1,129)	(1,129)	–	(1,129)
Other comprehensive (expenses) income for the period, net of tax	–	–	–	–	–	–	(1,129)	(1,129)	–	(1,129)
Total	–	–	–	–	–	(3,325)	(1,129)	(4,454)	76	(4,378)
Transactions with owners, recognised directly in equity										
Dividend paid in respect of previous year	–	–	–	–	–	(6,065)	–	(6,065)	–	(6,065)
Total	–	–	–	–	–	(6,065)	–	(6,065)	–	(6,065)
Balance at 30 June 2015 (unaudited)	113,880	1,916	5,353	2,940	166	175,014	15,221	314,490	9,920	324,410
2QCY14										
Balance at 1 April 2014 (unaudited)	113,880	1,916	5,345	2,940	166	207,900	16,978	349,125	9,734	358,859
Change in equity for 2QCY14										
Total comprehensive income for the period										
Profit for the period	–	–	–	–	–	4,128	–	4,128	139	4,267
Exchange differences arising on translation of foreign operations	–	–	–	–	–	–	39	39	–	39
Other comprehensive income for the period, net of tax	–	–	–	–	–	–	39	39	–	39
Total	–	–	–	–	–	4,128	39	4,167	139	4,306
Transactions with owners, recognised directly in equity										
Dividend paid in respect of previous year	–	–	–	–	–	(13,084)	–	(13,084)	–	(13,084)
Total	–	–	–	–	–	(13,084)	–	(13,084)	–	(13,084)
Balance at 30 June 2014 (unaudited)	113,880	1,916	5,345	2,940	166	198,944	17,017	340,208	9,873	350,081

	Attributable to owners of the Company									
	Share capital US$'000	Capital reserve US$'000 (Note i)	Statutory reserve US$'000 (Note ii)	Revaluation reserve US$'000 (Note iii)	Other reserve US$'000 (Note iv)	Retained earnings US$'000	Foreign currency translation reserve US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
THE GROUP										
1HCY15										
Balance at 1 January 2015 (audited)	113,880	1,916	5,353	2,940	166	191,536	16,776	332,567	10,107	342,674
Change in equity for 1HCY15										
Total comprehensive (expenses) income for the period										
(Loss) profit for the period	–	–	–	–	–	(10,457)	–	(10,457)	134	(10,323)
Exchange differences arising on translation of foreign operations	–	–	–	–	–	–	(1,555)	(1,555)	–	(1,555)
Other comprehensive (expenses) income for the period, net of tax	–	–	–	–	–	–	(1,555)	(1,555)	–	(1,555)
Total	–	–	–	–	–	(10,457)	(1,555)	(12,012)	134	(11,878)
Transactions with owners, recognised directly in equity										
Dividend paid in respect of previous year	–	–	–	–	–	(6,065)	–	(6,065)	(321)	(6,386)
Total	–	–	–	–	–	(6,065)	–	(6,065)	(321)	(6,386)
Balance at 30 June 2015 (unaudited)	113,880	1,916	5,353	2,940	166	175,014	15,221	314,490	9,920	324,410
1HCY14										
Balance at 1 January 2014 (audited)	113,880	1,916	5,345	2,940	166	206,735	16,873	347,855	9,699	357,554
Change in equity for 1HCY14										
Total comprehensive income for the period										
Profit for the period	–	–	–	–	–	5,293	–	5,293	174	5,467
Exchange differences arising on translation of foreign operations	–	–	–	–	–	–	144	144	–	144
Other comprehensive income for the period, net of tax	–	–	–	–	–	–	144	144	–	144
Total	–	–	–	–	–	5,293	144	5,437	174	5,611
Transactions with owners, recognised directly in equity										
Dividend paid in respect of previous year	–	–	–	–	–	(13,084)	–	(13,084)	–	(13,084)
Total	–	–	–	–	–	(13,084)	–	(13,084)	–	(13,084)
Balance at 30 June 2014 (unaudited)	113,880	1,916	5,345	2,940	166	198,944	17,017	340,208	9,873	350,081

Notes:

(i) Capital reserve represents amounts transferred from share option reserve upon the exercise of share options.

(ii) Statutory reserve represents amounts set aside by subsidiary companies operating in the People's Republic of China (the "**PRC**") and Thailand for declaration of dividends as required under the laws of the PRC and Thailand.

(iii) The revaluation reserve of the Group represents the gain on revaluation of certain properties of the Group as a result of the transfer from property for own use to investment properties.

(iv) The amount credited to other reserve represents the difference between the fair value of consideration and the carrying amount of the net assets attributable to the additional interest in subsidiaries being acquired from non-controlling shareholders, which will be recognised to the profit and loss upon the disposal of the subsidiaries or the disposal by the subsidiaries.

	Share capital US$'000	Capital reserve US$'000	Retained earnings US$'000	Total equity US$'000
THE COMPANY				
2QCY15				
Balance at 1 April 2015 (unaudited)	113,880	1,916	135,011	250,807
Loss for the period, representing total comprehensive expenses for the period	—	—	(239)	(239)
Transactions with owners, recognised directly in equity				
Dividend paid in respect of previous year	—	—	(6,065)	(6,065)
Balance at 30 June 2015 (unaudited)	113,880	1,916	128,707	244,503
2QCY14				
Balance at 1 April 2014 (unaudited)	113,880	1,916	122,000	237,796
Loss for the year, representing total comprehensive expenses for the period	—	—	(178)	(178)
Transactions with owners, recognised directly in equity				
Dividend paid in respect of previous year	—	—	(13,084)	(13,084)
Balance at 30 June 2014 (unaudited)	113,880	1,916	108,738	224,534
1HCY15				
Balance at 1 January 2015 (audited)	113,880	1,916	135,284	251,080
Loss for the period, representing total comprehensive expenses for the year	—	—	(512)	(512)
Transactions with owners, recognised directly in equity				
Dividend paid in respect of previous year	—	—	(6,065)	(6,065)
Balance at 30 June 2015 (unaudited)	113,880	1,916	128,707	244,503
1HCY14				
Balance at 1 January 2014 (audited)	113,880	1,916	122,386	238,182
Loss for the period, representing total comprehensive expenses for the year	—	—	(564)	(564)
Transactions with owners, recognised directly in equity				
Dividend paid in respect of previous year	—	—	(13,084)	(13,084)
Balance at 30 June 2014 (unaudited)	113,880	1,916	108,738	224,534

Consolidated Statement of Cash Flows

	2QCY15 US$'000 (Unaudited)	2QCY14 US$'000 (Unaudited)	**1HCY2015 US$'000 (Unaudited)**	1HCY2014 US$'000 (Unaudited)
Operating activities				
(Loss) profit before taxation	**(2,432)**	4,535	**(8,358)**	5,805
Adjustments for:				
Allowance (reversal of allowance) for doubtful debts	**56**	(302)	**4,217**	(437)
Finance costs	**459**	363	**888**	724
Depreciation of property, plant and equipment	**9,504**	11,198	**19,007**	22,381
Amortisation of prepaid land use rights	**41**	41	**82**	82
Loss (gain) on disposal of property, plant and equipment	**651**	(55)	**561**	(55)
Allowance (reversal for allowance) for inventory obsolescence	**10**	(196)	**531**	(105)
Interest income	**(11)**	(16)	**(30)**	(31)
Operating income before movements in working capital	**8,278**	15,568	**16,898**	28,364
Decrease (increase) in inventories	**824**	(1,273)	**2,183**	(6,339)
(Increase) decrease in trade and other receivables	**(9,783)**	(20,410)	**517**	(19,530)
(Decrease) increase in trade and other payables	**(1,961)**	21,602	**(11,642)**	17,263
Net cash (used in) generated from operations	**(2,642)**	15,487	**7,956**	19,758
Interest income received	**11**	16	**30**	31
Interest paid	**(472)**	(428)	**(967)**	(812)
Income taxes paid	**(664)**	(656)	**(2,153)**	(1,073)
Net cash (used in) generated from operating activities	**(3,767)**	14,419	**4,866**	17,904
Investing activities				
Proceeds from disposal of property, plant and equipment	—	209	**321**	209
Purchase of property, plant and equipment	**(2,800)**	(11,131)	**(6,973)**	(12,592)
Deposits paid for acquisition of property, plant and equipment	**(785)**	(4,284)	**(1,437)**	(8,523)
Net cash used in investing activities	**(3,585)**	(15,206)	**(8,089)**	(20,906)

	2QCY15 US$'000 (Unaudited)	2QCY14 US$'000 (Unaudited)	1HCY2015 US$'000 (Unaudited)	1HCY2014 US$'000 (Unaudited)
Financing activities				
Proceeds from bank borrowings	**15,165**	19,303	**18,961**	34,390
Repayment of bank borrowings	**(10,697)**	(6,519)	**(17,337)**	(18,212)
Dividends paid by the Company	**(6,065)**	(13,084)	**(6,065)**	(13,084)
Dividends paid by subsidiary companies to non-controlling shareholders	—	—	**(321)**	—
Net cash (used in) from financing activities	**(1,597)**	(300)	**(4,762)**	3,094
Net (decrease) increase in cash and cash equivalents	**(8,949)**	(1,087)	**(7,985)**	92
Cash and cash equivalents at the beginning of the period	**23,278**	21,671	**22,302**	20,387
Effect of foreign exchange rate changes on the balances of cash held in foreign currencies, net	**(72)**	(148)	**(60)**	(43)
Cash and cash equivalents at the end of the period	**14,257**	20,436	**14,257**	20,436

Cash and cash equivalents consists of:

	30 Jun 2015 US$'000	30 Jun 2014 US$'000
Cash and bank balances	**14,270**	20,436
Bank overdraft - unsecured	**(13)**	—
	14,257	20,436

Notes:

1. General

Elec & Eltek International Company Limited (Registration Number: 199300005H) (the "**Company**") is a limited liability company incorporated and domiciled in Singapore. The Company's ultimate holding company is Kingboard Chemical Holdings Limited ("**Kingboard**"), incorporated in Cayman Islands. Related companies in these financial statements refer to the ultimate holding company and its subsidiary companies. Related parties in these financial statements refer to entities with common directors or shareholders of the ultimate holding company and its subsidiary companies.

The Company is listed on the Main Board of the Singapore Exchange Securities Trading Limited ("**SGX**") and the Stock Exchange of Hong Kong Limited ("**SEHK**"). The financial statements are expressed in United States Dollars, which is the functional currency of the Company.

The Group's manufacturing operations are located in Hong Kong, Thailand and the People's Republic of China (the "**PRC**"). The principal activity of the Company is investment holding. Its subsidiary companies are primarily engaged in the fabrication and distribution of double-sided, multi-layer and high density interconnect ("**HDI**") printed circuit boards ("**PCB**"). There have been no significant changes in the nature of these activities for the six months ended 30 June 2015.

2. Basis of preparation and principal accounting policies

The same accounting policies and methods of computation have been applied in the preparation of the quarterly consolidated financial statements for the second quarter ended 30 June 2015 as the most recent audited financial statements as at 31 December 2014.

In the current period, the Group has applied, the following new and revised Financial Reporting Standards ("**FRS**"), amendments and interpretation of FRS ("**INT FRS**") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2015:

- *Improvements to Financial Reporting Standard (January 2014)*
- *Improvements to Financial Reporting Standard (February 2014)*

The adoption of these new and revised FRSs does not result in 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 Group has not early adopted the following new and revised standards or amendments to FRS which would take effect from financial periods beginning on or after 1 January 2016:

- *FRS 115 Revenue from Contracts with Customers*
- *FRS 109 Financial Instrument*
- *Amendment to FRS 1 Presentation of Financial Statement: Disclosure Initative*

The Group is in the process of making an assessment of the impact of these new and revised standards and amendments upon initial application but is not yet in a position to state whether these new and revised standards and amendments would have a significant impact on its results of operations and financial position of the Group.

3. Revenue and segment information

The Group's operating activities are attributable to a single reporting and operating segment focusing on manufacture and distribution of printed circuit boards ("**PCBs**"). This reportable segment has been identified on the basis of internal management reports prepared in accordance with accounting policies conforming to FRSs, that are regularly reviewed by the Executive Directors of the Company. The Executive Directors of the Company regularly review revenue analysis based on shipment locations of customers. However, other than revenue analysis, no operating results and other discrete financial information is available for the assessment of performance of the respective products. The Executive Directors of the Company review the overall results of the Group as a whole to make decisions about resources allocation. Accordingly, no analysis of this single reporting segment is represented.

4. Finance costs

	1HCY15 US$'000 (Unaudited)	1HCY14 US$'000 (Unaudited)
Interest on bank loans wholly repayable within five years	**967**	804
Less: Amounts capitalised	**(79)**	(80)
	888	724

5. Income tax expense

	1HCY15 US$'000 (Unaudited)	1HCY14 US$'000 (Unaudited)
Current tax:		
Singapore income tax	**1**	—
PRC enterprise income tax	**1,796**	248
Hong Kong income tax	**10**	8
Other jurisdictions	**17**	8
	1,824	264
Deferred tax	**141**	74
	1,965	338

The Group is subject to taxation from the place of its operations where its profits are generated. Taxation arising in other jurisdictions is calculated at rates prevailing in the relevant jurisdictions.

6. Dividend

No dividend has been declared or recommended for the six months ended 30 June 2015 (2014: dividend of US$3.0 cents per share was declared).

7. (Loss) earnings per share

The calculation of the basic (loss) earnings per share attributable to the owners of the Company is based on the following:

	(Loss) earnings		(Loss) earnings	
	2QCY15	2QCY14	**1HCY15**	1HCY14
	US$'000	US$'000	**US$'000**	US$'000
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
(Loss) earnings for the purpose of basic (loss) earnings per share	**(3,325)**	4,128	**(10,457)**	5,293

	Number of shares		Number of shares	
	2QCY15	2QCY14	**1HCY15**	1HCY14
	'000	'000	**'000**	'000
Weighted average number of ordinary shares for the purpose of basic (loss) earnings per share	**186,920**	186,920	**186,920**	186,920
(Loss) earnings per share (US cents) – basic	**(1.77)**	2.21	**(5.59)**	2.83

The Group had not granted options over shares. There are no dilutive potential ordinary shares.

8. Net asset value

	Group		Company	
	30 June	31 December	**30 June**	31 December
	2015	2014	**2015**	2014
	US$	US$	**US$**	US$
	(Unaudited)	(Audited)	**(Unaudited)**	(Audited)
Net asset value (including non-controlling interests) per ordinary share based on total number of issued shares excluding treasury shares at the end of the period*	**1.74**	1.83	**1.31**	1.34

* Based on 186,919,962 issued shares as at 30 June 2015 (31 December 2014: 186,919,962 issued shares).

9. Additions to property, plant and equipment

During the reporting period, the Group spent approximately US$8.4 million (1HCY14: approximately US$21.1 million) on acquisition of property, plant and equipment including deposits paid.

The deposits for acquisition of plant and equipment which relate to down payments made when new plant and equipment are purchased for operational needs. The amount of down payment reported at the end of each quarter will depend on factors such as (but not limited to) timing of orders placed for respective equipment, the delivery and the commissioning of the equipment purchase.

10. Trade and bills receivables

	GROUP	
	30 June 2015 US$'000 (Unaudited)	31 December 2014 US$'000 (Audited)
Trade receivables		
– Third parties	**125,806**	131,482
– Related parties (note)	**6,625**	3,413
Less: Allowance for doubtful debts	**(5,838)**	(5,032)
	126,593	129,863
Bills receivables	**491**	518
Total	**127,084**	130,381

Note: Related parties are subsidiaries of the ultimate holding company other than the Group.

The following is an ageing analysis of trade receivables net of allowance for doubtful debts presented based on the invoice date at the end of the reporting period:

	GROUP	
	30 June 2015 US$'000 (Unaudited)	31 December 2014 US$'000 (Audited)
Within 90 days	**108,608**	116,037
91 to 180 days	**17,823**	13,293
Over 180 days	**162**	533
	126,593	129,863

At the end of the reporting period, the bills receivables are aged within 180 days (31 December 2014: within 180 days).

Trade receivables are non-interest bearing and generally on 30 to 120 days' credit terms.

11. Inventories

	GROUP	
	30 June 2015 US$'000 (Unaudited)	31 December 2014 US$'000 (Audited)
Raw materials	**10,291**	12,051
Work-in-progress	**18,330**	21,185
Finished goods	**11,394**	9,493
	40,015	42,729

12. Trade and bills payables

	GROUP	
	30 June 2015 US$'000 (Unaudited)	31 December 2014 US$'000 (Audited)
Trade payables		
– Third parties	**62,955**	70,258
– Related parties (note)	**47,554**	49,633
	110,509	119,891
Bills payables	**2,469**	4,745
Total	**112,978**	124,636

Note: Related parties are subsidiaries of the ultimate holding company other than the Group.

Trade payables are non-interest bearing and generally on 15 to 120 days' terms. The following is an ageing analysis of trade payables presented based on the invoice date at the end of the reporting period:

	GROUP	
	30 June 2015 US$'000 (Unaudited)	31 December 2014 US$'000 (Audited)
Within 90 days	**75,900**	80,003
91 to 180 days	**27,426**	31,489
Over 180 days	**7,183**	8,399
	110,509	119,891

At the end of the reporting period, the bills payables are aged within 180 days (31 December 2014: within 180 days). The bills payable was mainly related to the purchase of equipment through issuing irrevocable letters of credits payment mode.

13. Bank overdraft and loans

	GROUP	
	30 June 2015 US$'000 (Unaudited)	31 December 2014 US$'000 (Audited)
Unsecured:		
Bank loans	**90,250**	88,626
Bank overdraft	**13**	1
Bank overdraft and loans - unsecured	**90,263**	88,627
Comprising the following amounts due:		
– within one year	**49,171**	44,962
– more than one year	**41,092**	43,665
	90,263	88,627

The Group's bank overdraft and loans as of 30 June 2015 were principally denominated in Hong Kong and United States dollars with an effective interest rate of 2.16% per annum (31 December 2014: in Hong Kong and United States dollars with an effective interest rate of 2.17% per annum).

The Group's total external borrowings increased by approximately 1.8% to approximately US$90.3 million as at 30 June 2015 compared with 31 December 2014 as additional loans had been drawn down.

14. Share capital

As at 30 June 2015, the Company had a total of 186,919,962 (31 December 2014: 186,919,962) issued ordinary shares.

15. Share options

There were no share options outstanding as at 30 June 2015 and 31 December 2014 respectively. No share options have been granted under the 2008 Elec & Eltek Employees' Share Option Scheme (the "**2008 Scheme**") since its adoption by the Company on 9 May 2008 and as at the date of this report.

16. Capital commitments

	GROUP	
	30 June 2015 US$'000 (Unaudited)	31 December 2014 US$'000 (Audited)
Capital expenditure not provided for in the consolidated financial statements:		
Commitments in respect of contracts placed for plant expansion	**5,564**	18,265

17. Net current assets and total assets less current liabilities

As at 30 June 2015, the Group's net current assets, defined as current assets less current liabilities, amounted to approximately US$4.6 million (31 December 2014: approximately US$13.6 million).

As at 30 June 2015, the Group's total assets less current liabilities amounted to approximately US$366.5 million (31 December 2014: approximately US$387.5 million).

18. Related party transactions

	GROUP	
	30 June 2015 US$'000 (Unaudited)	31 December 2014 US$'000 (Audited)
Income		
Sales to related companies	**(6,428)**	(4,966)
Rental income from a minority shareholder of a subsidiary	**(585)**	(1,181)
Sharing of office space and office expenses received from related companies	**(18)**	(72)
Expenses		
Purchase from related companies	**55,939**	142,421
Sharing of office space and office expenses paid to related companies	**32**	217

19. Reconciliation between FRSs and International Financial Reporting Standards ("IFRSs")

For the six months ended 30 June 2015, there were no material differences between the consolidated financial statements of the Group prepared under FRSs and IFRSs.

FINANCIAL HIGHLIGHTS

	Six months ended		
	30 Jun 2015 ("1HCY15") US$'000	30 Jun 2014 ("1HCY14") US$'000	% Change
Revenue	**221,501**	251,520	-12%
EBITDA*	**15,750**	28,961	-46%
EBITDA margin*	**7.1%**	11.5%	
Underlying (loss) profit before tax*	**(4,197)**	5,805	-172%
Net (loss) profit attributable to owners of the Company			
– Underlying net (loss) profit*	**(6,296)**	5,293	-219%
– Reported (loss) profit	**(10,457)**	5,293	-298%
Basic (loss) earnings per share			
– Underlying net (loss) profit*	**(US3.37 cents)**	US2.83 cents	-219%
– Reported (loss) profit	**(US5.59 cents)**	US2.83 cents	-298%
Interim dividend per share	**NIL**	US3.0 cents	n/m
Dividend payout ratio	**N/A**	105.9%	
	30 Jun 2015	31 Dec 2014	
Net asset value per share	**US$1.74**	US$1.83	-5%
Net gearing ratio	**23.4%**	19.4%	

* Excluding the additional provision for potential claims of approximately US$4.2 million made in the quarter ended 31 March 2015.

n/m – percentage not meaningful

BUSINESS REVIEW

Business performance of the Group was impacted by slower order intake from customers. As a result, plant capacity utilization was lower and revenue of the Group was US$116.0 million - down by approximately 15% against the same period last year. With a lower plant output against a higher overhead absorption at the plants, coupled with lower average selling prices and higher operating costs, the underlying net attributable loss (loss after tax and non-controlling interests) was US$3.3 million for the 2QCY2015, as compared with profit of US$4.1 million for 2QCY2014. Underlying earnings before interest, tax, depreciation and amortization of the Group for the 2QCY2015 stood at US$7.6 million (2QCY2014: US$16.1 million) - down by approximately 53% against the same period last year.

The Group's gross profit declined by 39% to US$7.5 million in 2QCY2015 as compared with that of 2QCY2014 and gross margin was trimmed to 6.5% in 2QCY2015 (2QCY2014: 9.0%). The decline in gross profit was primarily attributable to: (i) the average selling prices continuing to be under pressure due to intensive competition in the market; and (ii) the rising operating costs of the Group's manufacturing operations in the PRC. The Group continued to generate steady operating cash flow. As at the end of June 2015, the Group's net gearing ratio was 23.4%. The Group's overall financial position remains healthy.

In the second quarter of 2015, communication and networking products (including mobile phones) accounted for about 43.4% of the Group's sales while automotive PCB sales accounted for about 24.7% of the Group's total PCB sales (2QCY2014: 15.9%). High Density Interconnect ("**HDI**") PCBs accounted for approximately 26.6% of total PCB sales in 2QCY2015 (2QCY2014: 31.8%).

Income tax expense increased to US$0.8 million in 2QCY2015 as a result of an increase in the taxable income of certain profit-making operations in the PRC.

LIQUIDITY AND CAPITAL RESOURCES

As at 30 June 2015, the Group's net current assets was approximately US$4.6 million (31 December 2014: approximately US$13.6 million), making the current ratio 1.02 as compared to 1.07 as at 31 December 2014. The net working capital cycle of 25 days as at 30 June 2015 (31 December 2014: 15 days), is based on the following key metrics:

- Inventories, in terms of stock turnover days, increased to 34 days (31 December 2014: 29 days).
- Trade receivables, in terms of debtors turnover days, increased to 105 days (31 December 2014: 83 days).
- Trade payables, in terms of creditors turnover days, increased to 114 days (31 December 2014: 97 days).

The Group's net gearing ratio (ratio of interest bearing borrowings net of cash and cash equivalents to total equity) as at 30 June 2015 was approximately 23.4% (31 December 2014: 19.4%). The proportion of short-term and long-term bank borrowings stood at 54:46 (31 December 2014: 51:49). The total equity of the Group as at 30 June 2015 was approximately US$324.4 million (31 December 2014: approximately US$342.7 million). As at 30 June 2015, the Group had cash on hand and undrawn loan facilities of approximately US$14.3 million and US$41.3 million respectively.

The Group's transactions and monetary assets are principally denominated in United States dollars, Renminbi and Hong Kong dollars. There was no material foreign exchange exposure to the Group during the period under review.

HUMAN RESOURCES

As at 30 June 2015, the Group had approximately 9,456 employees (31 December 2014: 9,337). Salaries of employees are maintained at a competitive level and are reviewed annually, with close reference to the relevant labour market as well as the minimum wage guidelines (if any) as prescribed by the local government from time to time. The Group awards discretionary bonuses to eligible employees based upon profit achievements of the Company and individual performance.

The Company has in place a share option scheme in order to attract and retain the best available personnel and to align individual interests with the Group's interests, as and when appropriate.

PROSPECTS

The management begins to see some improvements in business momentum as customers gear up their production for the second half of 2015. The Group continues to review its operations in the current year with more focus on efficiency and progressive quality improvement. Production capabilities will be further upgraded to serve customers in the telecommunication and automotive segments. The management expects that the depreciation of Renminbi could bring positive impact on the rising operating costs in the PRC. Moreover, the Group has recently undergone a corporate restructuring to streamline its operations and achieve the Group's business goals in a more efficient and effective way. Upon completion of the restructuring, the management expects to see favorable developments in its businesses, improvements in competitiveness and an improvement in its ability to grab better business opportunities in the near future.

DIRECTORS' INTERESTS IN SHARES

As at 30 June 2015, the interests of the Directors and their associates in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Hong Kong ("**SFO**")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and SEHK pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows:

Long Position

*(a) Ordinary shares of the Company ("**Shares**")*

Name of Director	Capacity	Number of issued Shares held	Approximate percentage of the issued share capital of the Company
Mr. Cheung Kwok Wing	Beneficial owner	1,507,200	0.81%
Mr. Chang Wing Yiu	Beneficial owner	486,600	0.26%
Mr. Ng Hon Chung	Beneficial owner	60,000	0.03%
Mr. Larry Lai Chong Tuck	Beneficial owner	25,000	0.01%

*(b) Ordinary shares of HK$0.10 each ("**Kingboard Shares**") of Kingboard Chemical Holdings Limited ("**Kingboard**")*

Name of Director	Capacity	Number of issued Kingboard Shares held	Approximate percentage of the issued share capital of Kingboard
Mr. Cheung Kwok Wing	Beneficial owner	2,667,970	0.26%
Ms. Stephanie Cheung Wai Lin *(Note 1)*	Beneficial owner/ Interest of spouse	822,000	0.08%
Mr. Chang Wing Yiu *(Note 2)*	Beneficial owner/ Interest of spouse	4,938,328	0.48%

Note 1: Out of the 822,000 Kingboard Shares, 682,000 and 140,000 Kingboard Shares were held by Ms. Stephanie Cheung Wai Lin and her spouse respectively.

Note 2: Out of the 4,938,328 Kingboard Shares, 4,076,488 and 861,840 Kingboard Shares were held by Mr. Chang Wing Yiu and his spouse respectively.

*(c) Share options of Kingboard ("**Kingboard Share Options**")*

Name of Director	Capacity	Interest in underlying Kingboard Shares pursuant to the Kingboard Share Options
Mr. Cheung Kwok Wing	Beneficial owner	9,360,000
Ms. Stephanie Cheung Wai Lin	Beneficial owner	7,120,000
Mr. Chang Wing Yiu	Beneficial owner	8,120,000

(d) *Ordinary shares of HK$0.10 each ("**KLHL Shares**") of Kingboard Laminates Holdings Limited ("**KLHL**"), a non-wholly owned subsidiary of Kingboard*

Name of Director	Capacity	Number of issued KLHL Shares held	Approximate percentage of the issued share capital of KLHL
Mr. Cheung Kwok Wing	Beneficial owner	875,500	0.03%
Mr. Chang Wing Yiu	Interest of spouse	100,000	0.00%
Mr. Ng Hong Chung	Beneficial owner	20,000	0.00%

(e) *Non-voting deferred shares of HK$1 each in the share capital of Kingboard Laminates Limited, a non wholly-owned subsidiary of Kingboard*

Name of Director	Capacity	Number of non-voting deferred shares held *(Note)*
Mr. Cheung Kwok Wing	Beneficial owner	1,904,400
Mr. Chang Wing Yiu	Beneficial owner	423,200

Note: None of the non-voting deferred shares of Kingboard Laminates Limited are held by the group of Kingboard. Such deferred shares carry no rights to receive notice of or to attend or vote at any general meeting of Kingboard Laminates Limited and have practically no rights to dividends or to participate in any distribution on winding up.

(f) *Ordinary shares ("**KBCF Shares**") of US$0.10 each in the share capital of Kingboard Copper Foil Holdings Limited ("**KBCF**"), a non-wholly owned subsidiary of Kingboard*

Name of Director	Capacity	Number of issued KCFH Shares held	Approximate percentage of the issued share capital of KCFH
Mr. Cheung Kwok Wing	Beneficial owner	421,000	0.06%

Save for those disclosed above, as at 30 June 2015, none of the Directors had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and SEHK under the Model Code for Securities Transactions by Directors of Listed Issuers.

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2015, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that, other than the interests disclosed above in respect of certain Directors, the following shareholders had notified the Company of their relevant interests in the issued share capital of the Company:

Long Position

*Ordinary shares of the Company ("**Shares**")*

Narne of shareholder	Nature of interest	Number of issued shares held	Approximate percentage of the issued shares capital of the Company
Elec & Eltek International Holdings Limited ("**EEIH**")	Beneficial owner	90,741,550	48.55%
Elitelink Holdings Limited ("**Elitelink**")	Beneficial owner	34,321,615	18.36%
Ease Ever Investments Limited ("**Ease Ever**")	Interest in controlled corporation *(Note 1)*	90,741,550	48.55%
Kingboard Investments Limited ("**Kingboard Investments**")	Interest in controlled corporation *(Note 2)*	125,063,165	66.91%
	Beneficial owner	7,927,500	4.24%
Jamplan (BVI) Limited ("**Jamplan**")	Interest in controlled corporation *(Note 3)*	132,990,665	71.15%
Kingboard	Interest in controlled corporation *(Note 4)*	132,990,665	71.15%
	Beneficial owner	1,600,500	0.86%
Hallgain Management Limited ("**HML**")	Interest in controlled corporation *(Note 5)*	134,591,165	72.00%

Note 1: The entire issued share capital of EEIH is owned approximately 77.34% by Ease Ever, approximately 11.59% by Kingboard and approximately 11.07% by Kingboard Investments. Ease Ever is deemed to have an interest in 90,741,550 shares held by EEIH, under the provisions of the SFO.

Note 2: The entire issued share capital of Elitelink and Ease Ever are owned by Kingboard Investments. Kingboard Investments is deemed to have an interest in 34,321,615 shares held by Elitelink and 90,741,550 shares which Ease Ever is deemed to have an interest in, under the provisions of the SFO.

Note 3: The entire issued share capital of Kingboard Investments is owned by Jamplan. Jamplan is deemed to have an interest in 7,927,500 shares held by Kingboard Investments and 125,063,165 shares which Kingboard Investments is deemed to have an interest in, under the provisions of the SFO.

Note 4: The entire issued share capital of Jamplan is owned by Kingboard. Kingboard is deemed to have an interest in 132,990,665 shares which Jamplan is deemed to have an interest in, under the provisions of the SFO.

Note 5: Approximately 37.00% of the issued share capital of Kingboard is owned by HML. HML is deemed to have an interest in 1,600,500 shares held by Kingboard and 132,990,665 shares which Kingboard is deemed to have an interest in, under the provisions of the SFO. There is no shareholder of HML who is entitled to exercise, or control the exercise of, directly or indirectly, one-third or more of the voting power at HML's general meetings. HML and its director is not accustomed to act in accordance with any shareholder's direction. Mr. Cheung Kwok Wing is a director of HML.

Other than as disclosed above, the Company had not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 30 June 2015 which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

SHARE OPTION SCHEME OF THE COMPANY

The Company has granted share options to eligible employees under the 2002 Elec & Eltek Employees' Share Option Scheme (the "**2002 Scheme**") which was terminated at 12 November 2011 without affecting the rights of holders of any options granted and outstanding under the 2002 Scheme.

In 2008, the 2008 Elec & Eltek Employees' Share Option Scheme (the "**2008 Scheme**") was approved by the shareholders at the Extraordinary General Meeting held on 21 April 2008 and was adopted by the Company on 9 May 2008 upon fulfilment of all the conditions precedent as set out In Rule 2 of the 2008 Scheme. Since its adoption, no option was granted by the Company pursuant to the 2008 Scheme.

The purpose of the 2008 Scheme is to provide an opportunity for employees who have contributed significantly to the growth and performance of the Group who satisfy the eligibility criteria as set out in Rule 4 of the 2008 Scheme, to participate in the equity of the Company so as to motivate them to greater dedication, loyalty and higher standards of performance, and to give recognition to past contributions and services. Additionally, the 2008 Scheme will help the Group to attract and retain the services of appropriate, qualified and experienced employees who would be able to contribute to the Group's business and operations.

The 2008 Scheme entitles the option holders to exercise their options and subscribe for new ordinary shares in the Company either at an "Exercise Price", which equals to the average of the last dealt prices of the Company's shares for a period of five consecutive market days immediately preceding the relevant date of grant, or at a discount to the Exercise Price as defined earlier, whereby the discount shall not exceed 20% of the Exercise Price.

Options granted at the Exercise Price or at a discount to the Exercise Price may be exercised after the first or second anniversary, respectively, of the date of grant and expiring on the fifth anniversary of the date of grant.

The duration of the 2008 Scheme is ten years from the adoption date with a remaining life of approximately 32 months. The total number of shares that may be issued shall not exceed 17,963,506 shares (which represents 10% of the total number of shares in issue of the Company as at the adoption date or 10% and 10% of the total number of shares in issue of the Company as at the respective dates of (i) the Company's annual report for the year ended 31 December 2014 and (ii) this interim report). Subject to certain conditions being satisfied, the scheme limit may be increased to 15% of the total number of shares in issue of the Company excluding treasury shares (if any) from time to time. The total number of shares of the Company issued and to be issued upon the exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the total number of shares in issue of the Company from time to time.

Share options may be accepted within 30 days after the relevant date of grant accompanied by payment of SGD$1.00 (or its equivalent) as consideration by the participants, but the grant of share options do not confer rights on the option holders to any dividend entitlement or to vote at any shareholders' meeting.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the last six-month period, neither the Company nor any of the subsidiaries of the Company purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE

The Audit Committee of the Company has reviewed, with the management, the accounting principles and practices adopted by the Group and the unaudited interim financial statements of the Group for the six months ended 30 June 2015, and discussed auditing, internal control and financial reporting matters.

COMPLIANCE WITH THE HONG KONG CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions ("**Code Provisions**") as stated in the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on SEHK (the "**CG Code**") as the code of the Company.

Currently, the Company comprises five Board Committees, namely, the Nomination Committee, the Remuneration Committee, the Employees' Share Option Scheme Committee, the Audit Committee and the Executive Committee. The respective terms of reference of the Board Committees, except the Employees' Share Option Scheme Committee and the Executive Committee are posted on the website of SEHK. The respective terms of reference of the Board Committees, except the Employees' Share Option Scheme Committee, are also posted on the Company's website.

During the relevant period of the first half of CY2015 under review, the Company fully complied with the Code Provisions in the CG Code, save for the following:

1. Deviation from Code Provision A.4.1

Under Code Provision A.4.1 of the CG Code, non-executive directors should be appointed for a specific term and be subject to re-election.

Mr. Cheng Kwok Wing, the Chairman and the non-executive director of the Company, is not appointed for a specific term, but is subject to retirement and re-election at the Company's annual general meeting in accordance with "Article 95 — Election of Directors" of the Articles of Association of the Company that one-third of its directors for the time being, or, if their number is not three or a multiple of three, then the number rounded to the nearest one-third shall retire from office by rotation provided always that every director shall be subject to retirement at an annual general meeting at least once every three years. This effectively means that no directors will remain in office for more than 3 years before needing to be re-elected by the Company's shareholders. The Company considers that sufficient measures have been taken to ensure the Company's corporate governance practices are no less exacting than those in the CG Code.

2. Deviation from Code Provision E.1.2

Under Code Provision E.1.2 of the CG Code, the chairman of the Board should attend the annual general meeting of the Company.

The chairman of the Board delegated the duty of attending the annual general meeting held on 24 April 2015 to the Vice Chairman and an Executive Director, Ms. Stephanie Cheung Wai Lin ("**Ms. Cheung**"), who chaired the meeting. Ms. Cheung and the independent non-executive directors who attended the meeting were able to answer the questions raised by the attending shareholders at the meeting.

Notwithstanding the aforesaid deviations, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the CG code.

HONG KONG CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by the directors of the Company (the "**directors**") and relevant employees (as defined in the CG Code) on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix 10 to the Rules Governing the Listing of Securities on SEHK. A copy of the internal memorandum is circulated to each director and relevant employees, at least 30 days and 60 days respectively before the date of the board meeting to approve the Company's quarterly results and annual results, with a reminder that the directors and relevant employees cannot deal in the securities of the Company until after such results have been published.

After the Company made a specific enquiry, all directors confirmed that they had complied with the required standard set out in the Model Code and the Company's code of conduct throughout the six months ended 30 June 2015.

AUDIT OR REVIEW OF THE FINANCIAL RESULTS

The figures for 2QCY15 and 1HCY15 have not been audited or reviewed by the Group's auditors.

FORECAST STATEMENT

No forecast statement had been previously disclosed to shareholders of the Company.

DISCLOSURE ON THE WEBSITE OF THE RELEVANT SECURITIES EXCHANGES

This announcement shall be published on the website of SGX (http://www.sgx.com), the SEHK (http://www.hkexnews.hk) and on the Company's website (http://www.eleceltek.com).

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express our gratitude to our global employees for their continued loyalty, diligence and unreserved support to the Group.

INTERESTED PERSONS TRANSACTIONS

The interested persons transactions carried out during the reporting period, which fall under Chapter 9 of the SGX Listing Manual, are as follows:

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (including transactions of less than S$100,000 and excluding transactions conducted under a shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under a shareholders' mandate pursuant to Rule 920 (including transactions of less than S$100,000)	
US$'000	**1HCY15**	1HCY14	**1HCY15**	1HCY14
Purchases of plant and equipment				
Chung Shun Laminates (Macao Commercial Offshore) Limited	—	—	**2,295**	4,577
	—	—	**2,295**	4,577
Purchases of goods and services				
Chung Shun Laminates (Macao Commercial Offshore) Limited	—	—	**46,061**	58,735
Elec & Eltek Corporate Services Limited	**19**	148	—	—
Heng Yang Kingboard Chemical Co., Ltd.	—	—	**815**	1,006
Hong Kong Fibre Glass Company Limited	—	—	**6,425**	5,796
Huizhou Chung Shun Chemical Co., Ltd.	—	—	**343**	277
Joyful Source Group Limited	**13**	14	—	—
	32	162	**53,644**	65,814
Provision of goods and services				
Chung Shun Laminates (Macao Commercial Offshore) Limited	—	—	**2,766**	—
Elec & Eltek Computers Limited	—	34	—	—
Elec & Eltek Display Technology Limited	**18**	13	—	—
Express Electronics Ltd	—	—	**1,277**	557
Techwise (Macao Commercial Offshore) Circuits Limited	—	—	**2,385**	—
	18	47	**6,428**	557

CONFIRMATION BY THE BOARD

We, Stephanie Cheung Wai Lin and Chang Wing Yiu, being two of the Directors, do hereby confirm on behalf of the Board that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited financial results for the second quarter and six months ended 30 June 2015 to be false or misleading.

On behalf of the Board of Directors

Stephanie Cheung Wai Lin
Executive Director

Chang Wing Yiu
Executive Director

By order of the Board
Elec & Eltek International Company Limited
Stephanie Cheung Wai Lin
Vice Chairman

Hong Kong, 14 August 2015

As at the date of this announcement, the Board of the Company comprises the following directors:

Executive Directors:
Stephanie Cheung Wai Lin *(Vice Chairman)*
Chang Wing Yiu
Ng Hon Chung

Non-executive Director:
Cheung Kwok Wing *(Chairman)*

Independent Non-executive Directors:
Larry Lai Chong Tuck
Raymond Leung Hai Ming
Stanley Chung Wai Cheong



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