

ELLIPSIZ LTD

(Company Registration No.: 199408329R)
(Incorporated in the Republic of Singapore)

COMPLETION OF THE PROPOSED DISPOSAL OF ALL THE SHARES IN THE ISSUED SHARE CAPITAL OF SV PROBE PTE. LTD.

The Board of Directors (the "**Directors**") of Ellipsiz Ltd (the "**Company**") and together with its subsidiaries, the "**Group**") refers to the following:

- (a) its announcement dated 30 May 2017 on the execution of a non-binding letter of intent in relation to certain assets of the Group;
- (b) its announcement dated 21 August 2017 (the "**21 August Announcement**") in relation to the proposed disposal (the "**Disposal**") by the Company of 29,300,000 ordinary shares, representing 100% of the entire issued and paid-up capital of its wholly-owned subsidiary, of SV Probe Pte. Ltd. ("**SV Probe**") to Nidec-Read Corporation (together with the Company, the "**Parties**"), pursuant to a conditional sale and purchase agreement entered into between the Parties;
- (c) the circular dated 3 October 2017 issued by the Company to shareholders of the Company (the "**Shareholders**") to explain the reasons for, and to provide Shareholders with information relating to, the Disposal; and
- (d) its announcement dated 19 October 2017 in relation to the approval of the Disposal by the Shareholders at the extraordinary general meeting of the Company held on 19 October 2017.

All capitalised terms have the meanings ascribed to them in the 21 August Announcement.

The Directors wish to announce that the Disposal has been completed on 31 October 2017.

The Company also wishes to inform that certain patents under the Sale and Purchase Agreement, used by the SV Group Companies ("**Relevant Patents**"), had lapsed between 2003 and 2007. Business decision(s) were taken by the SV Group Companies then to allow the lapsing of the registration of the Relevant Patents as the relevant technologies were not used in business operations and the continued maintenance of the Relevant Patents were of no commercial value to the SV Group Companies. The lapsing of the Relevant Patents however constituted a technical breach of certain warranties provided by the Company to the Purchaser under the Sale and Purchase Agreement and notwithstanding completion of the Disposal, all the Purchaser's rights under the Sale and Purchase Agreement are expressly preserved. The Directors are of the view that for the reasons mentioned, the impact of such technical breaches of warranties in the Sale and Purchase Agreement on the Company is not likely to be material as the Relevant Patents are not utilised in the business and/or operations of the SV Group Companies as at the Completion Date.

The Initial Consideration was determined to be approximately US\$69.5 million (approximately S\$94.9 million, based on an US\$/S\$ exchange rate of 1.366 as at 30 October 2017, source: Business Times) and this is subject to the Final Adjustments after the Completion Date. 85% of the Initial Consideration was paid to the Company in cash and the remaining 15% of the Initial Consideration is held in an escrow account.

Following the completion of the Disposal, the SV Group Companies have ceased to be subsidiaries of the Company.

The Company will make an announcement on the Final Adjustments to be made to the Initial Consideration in due course.

By Order of the Board
ELLIPSIZ LTD

Chan Wai Leong
Director and CEO
31 October 2017