



22nd Annual General Meeting & Extraordinary General Meeting

19th October 2017

A silhouette of a person in a suit standing on a rooftop, looking out over a city skyline. The person is centered in the frame, and their reflection is visible on the rooftop surface. The city skyline is visible in the background, with various skyscrapers and buildings. The sky is a pale blue color.

**GEARING UP FOR
THE FUTURE**

This presentation and the following discussion may contain forward looking statements by Ellipsiz Ltd. ("Ellipsiz") relating to financial trends for future periods.

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FY2017 Financial Highlights

We have achieved another year of positive results for FY2017 and sustained our **eight straight years** of profits since FY2010

\$117M

REVENUE

\$8.5M

NET PROFIT AFTER TAX AND
NON-CONTROLLING INTERESTS

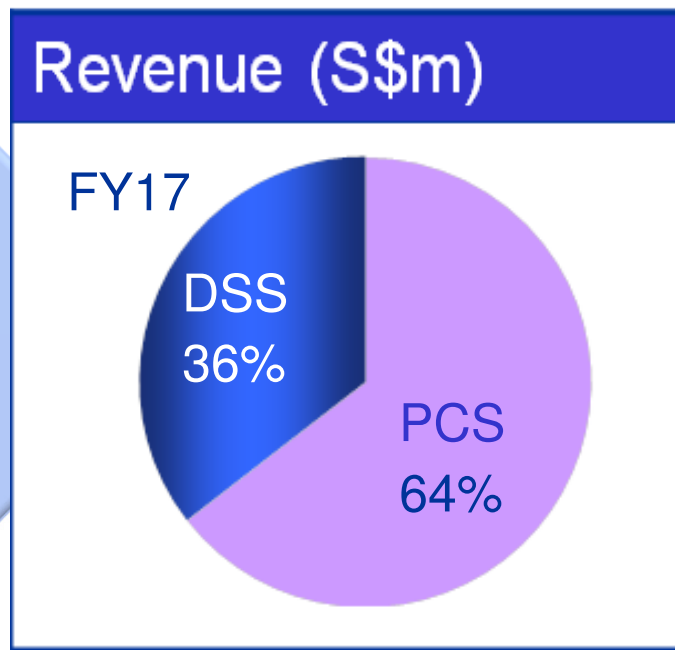
9.0CENTS

TOTAL DIVIDEND
PER SHARE

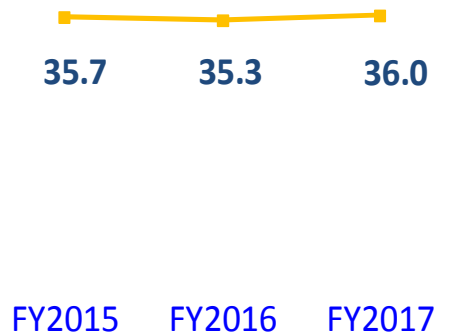
FY2017 Financial Highlights

FY2017 Revenue declined by 2% to \$117 Million

Consolidated revenue declined by 2% as revenues from both the Probe Card solutions (PCS) and the Distribution & Services solutions (DSS) saw marginal decreases of 2% and 1%, respectively.



Gross Profit Margin %



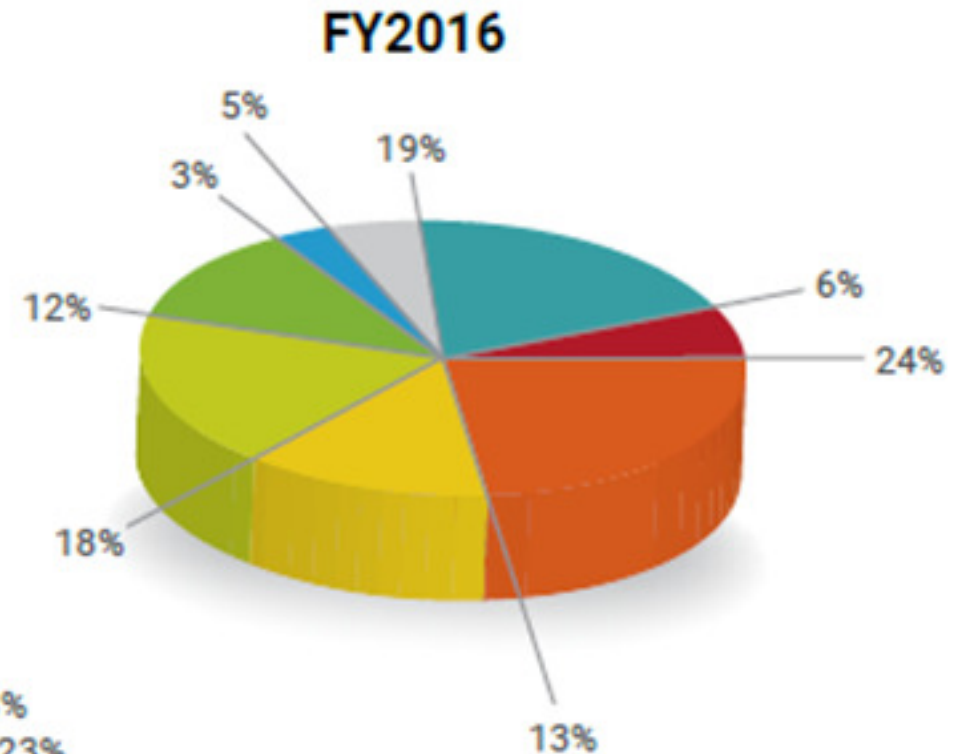
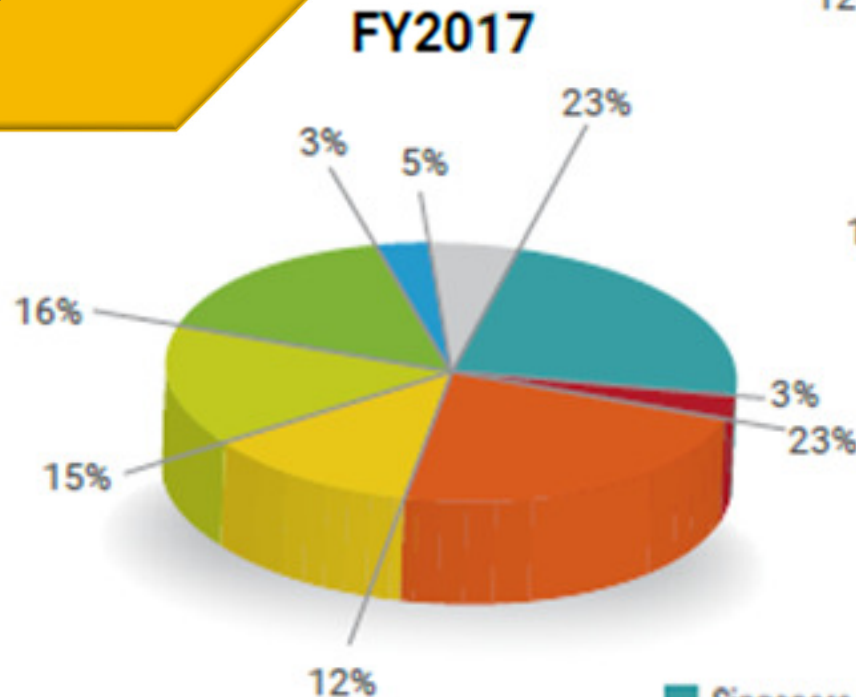
PCS Segment
results : \$11.7 mil
(+29%)

DSS Segment
results : \$2.9 mil
(+69%)

FY2017 Financial Highlights

FY2017 Revenue By Region

Revenue from Japan and Singapore grew by 35% and 21% respectively in FY2017, while lower revenue was recorded in Malaysia, China, Taiwan and USA.



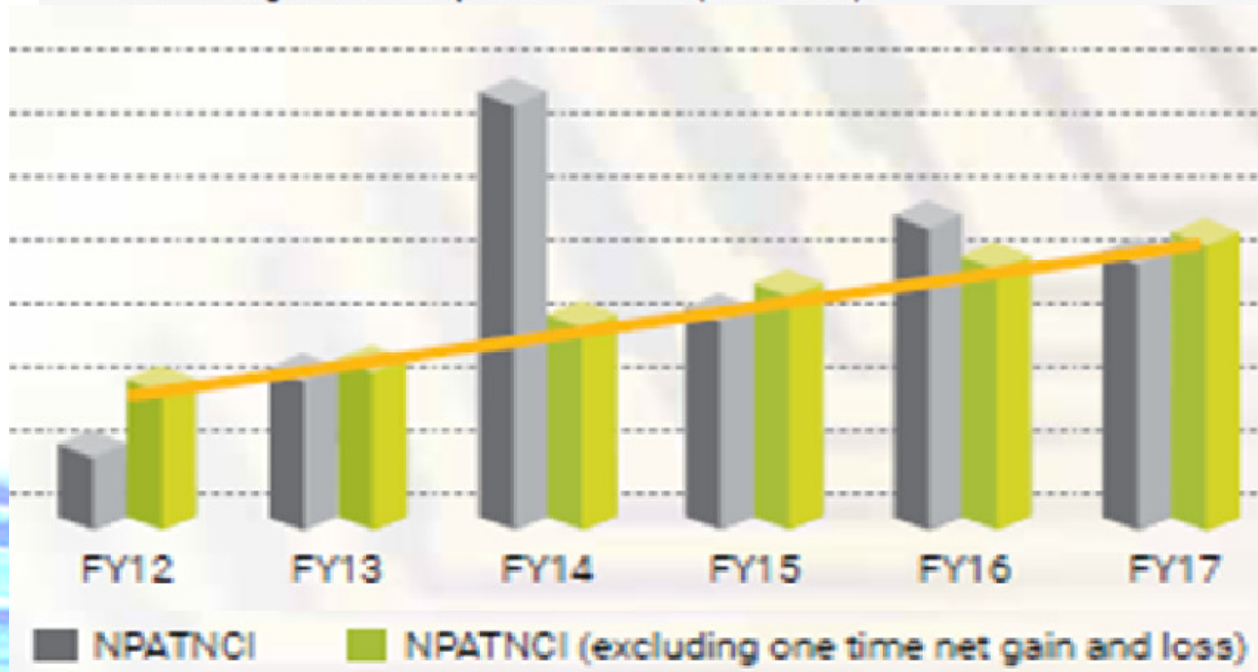
■ Singapore ■ Malaysia ■ China ■ Taiwan ■ USA
■ Japan ■ Europe ■ Other Regions

FY2017 Financial Highlights

We have also successfully sustained our **eighth consecutive year** of operational profitability for FY2017.

FINANCIAL YEAR ENDED	2015	2016	2017
RESULTS			
Net Profit After Tax And Non-controlling Interests (\$ Million)	6.7	9.6	8.5
Net Profit After Tax And Non-controlling Interests Excluding Certain Specific Items (\$ Million)	7.4	8.2	9.0

+10%



Operating results improved by 10% to \$9 million. The improvement in operating performance was mainly due to the lower operating expenses incurred during FY2017.

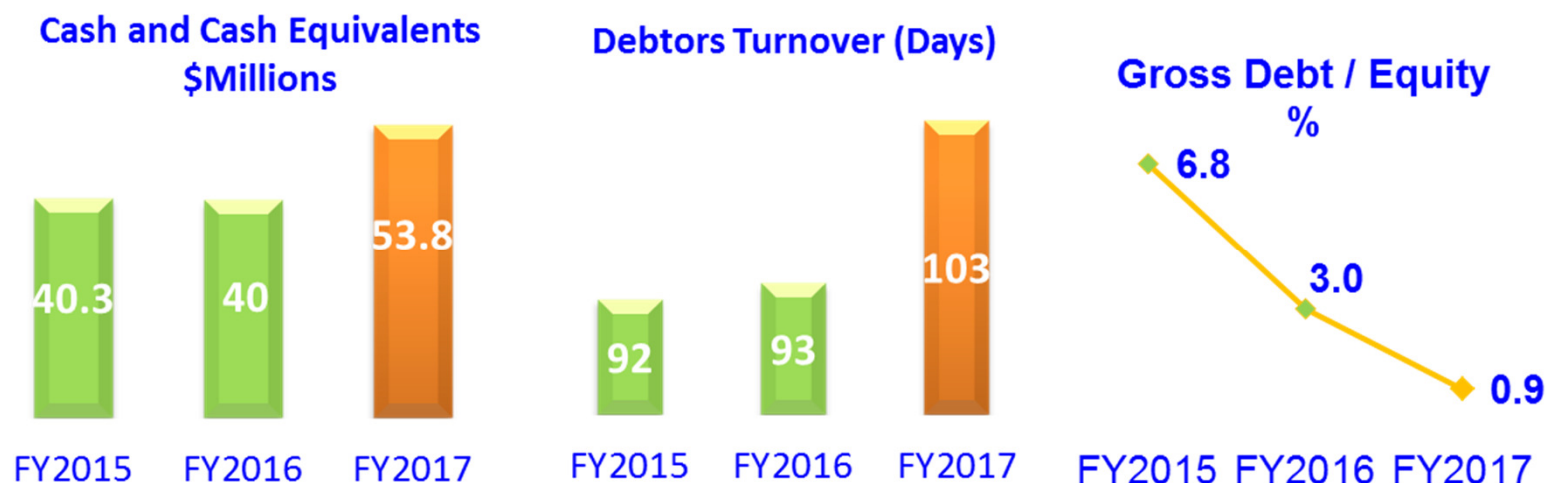
FY2017 Financial Highlights

Net profit in FY2017 included one-time net losses of \$0.5 million⁽¹⁾ and in FY2016 included one-time net gains of \$1.4 million⁽²⁾.

- (1) *Specific items refer to certain items that are identified to be excluded as they are not expected to recur. In FY2017, the Group recorded provision for **impairment loss of \$1.5 million on the financial asset** and incurred **additional professional fee expenses of \$0.2 million to manage the mandatory cash offer exercise**. The impact of these one-time expenses was partially offset by **gain on liquidation of subsidiaries amounted to \$0.2 million, gain on disposal of associate (net of related tax) of \$0.6 million and compensation income of \$0.4 million from an insurance claim**.*
- (2) *Specific items refer to certain items that are identified to be excluded as they are not expected to recur. In FY2016, the Group had one-time net income from recovery of bad debts of \$1.2 million (net of tax), dividend income of \$0.7 million from a quoted financial investment whereby the investee delisted its shares and is currently in the process of voluntary liquidation, impairment loss of \$0.4 million on investment of other financial assets and loss of \$0.1 million from disposal of one of its joint ventures.*

FY2017 Financial Highlights

Healthy Balance Sheet



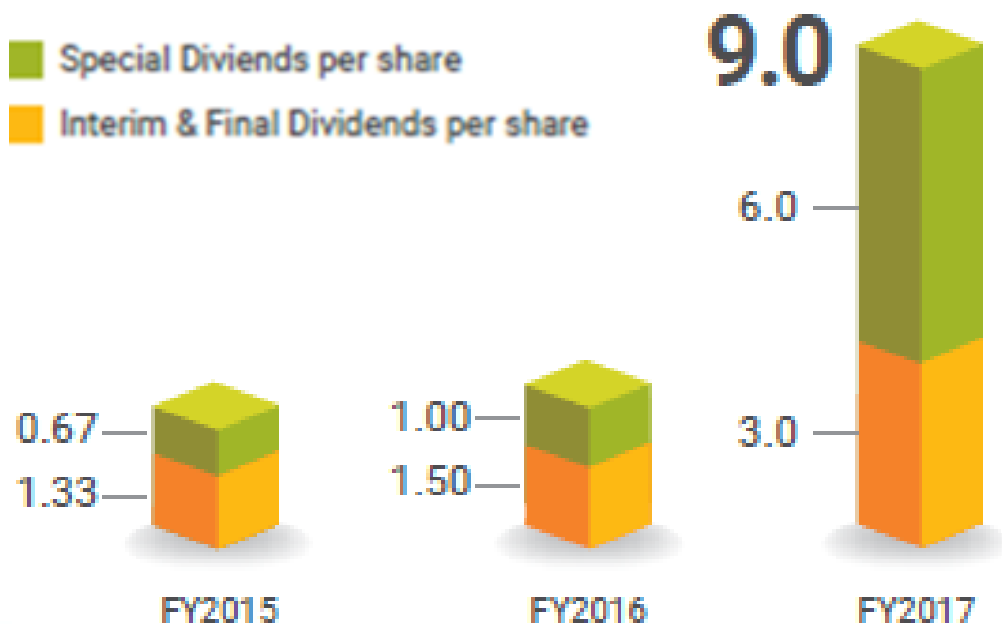
Shareholders' equity had improved from \$127.7 million to \$131.5 million, resulting from positive results in FY2017.

FINANCIAL YEAR ENDED	2015	2016	2017
FINANCIAL POSITION			
Shareholders' Equity (\$ Million)	121.5	127.7	131.5
NAV per Share (Cents)	72.67	76.43	78.67
LIQUIDITY (TIMES)			
Current Ratio	2.7	3.2	3.8
Quick Ratio	2.3	2.9	3.5

FY2017 Financial Highlights

Dividends

TOTAL DIVIDEND PAYOUT (CENTS)



- Increase Dividend Payout
- Increase from 2.5 cents/share in FY2016 to 9.0 cents/per share in FY2017

Interim & Interim
Special Dividends

2.50 cents / share
(declared and paid after H1
results)

Final Dividend⁽¹⁾

2.00 cents / share

Final Special
Dividend⁽¹⁾

4.50 cents / share

⁽¹⁾ Subject to approval of shareholders during 22nd AGM. If approved will be payable on 21 November 2017.

During the Year

- In FY2017, the Group realised the value of its long term investment in a Japan associate (investment since 2006), recording a gain on disposal of associate of \$3.8 million at Company level and \$1.2 million at group level.

Subsequent Event

- The Company entered into a Sale and Purchase Agreement (SPA) with Nidec-Read Corporation to dispose off its 29.3 million ordinary shares or 100% of the entire issued and paid-up capital of its wholly-owned subsidiary SV Probe Pte Ltd for an aggregate consideration of approximately US\$65 million, subject to adjustments pursuant to the SPA.
- Rule 1006 of the Listing Manual – Proposed Disposal is a Major transaction, shareholders' approval required *(Clause 2.7 of Circular dated 3 October 2017)*

Proposed Disposal

Rationale

- Allows the Company to realise value in PCS that the Company has built over the past years when there is a market upturn, thus benefitting its shareholders.
- Addressing the question on rationale for divesting a more profitable business segment.....
 - PCS business though more profitable, has its set of inherent risks and challenges.
 - Technology development risk..... The cost of research and development to keep pace with the global technology development is increasing and has added strain to the operations, especially on the profitability of business.
 - Manpower risk..... Retention of key employees would be challenging if the operations failed to keep pace with the technology development.

Directors' Recommendation

- Having considered the rationale for and the benefit of the Proposed Disposal, the Directors recommend that Shareholders vote in favour of the ordinary resolution relating to the Proposed Disposal.



Thank you!
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