



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

Second Quarter Financial Information and
Dividend Announcement for the period

31 December 2015

Statements of Financial Position

	Note	31 December 2015 \$'000	Group 30 June 2015 \$'000	Var. %	31 December 2015 \$'000	Company 30 June 2015 \$'000	Var. %
Non-current assets							
Property, plant and equipment	2	11,196	11,365	(1)	3	6	(50)
Intangible assets	3	42,737	41,974	2	–	–	–
Subsidiaries		–	–	–	85,768	85,513	–
Associates		6,806	6,350	7	4,868	4,868	–
Joint ventures		189	118	60	–	–	–
Financial assets		5,830	7,687	(24)	5,638	7,523	(25)
Deferred tax assets		3,534	3,403	4	84	84	–
		<u>70,292</u>	<u>70,897</u>	(1)	<u>96,361</u>	<u>97,994</u>	(2)
Current assets							
Inventories		9,638	11,185	(14)	–	–	–
Trade and other receivables		32,271	30,466	6	198	209	(5)
Amounts due from related parties		102	117	(13)	81	393	(79)
Assets classified as held for sale		–	991	(100)	–	–	–
Cash and cash equivalents	4	41,975	40,279	4	15,468	18,338	(16)
		<u>83,986</u>	<u>83,038</u>	1	<u>15,747</u>	<u>18,940</u>	(17)
Total assets		<u>154,278</u>	<u>153,935</u>	–	<u>112,108</u>	<u>116,934</u>	(4)
Equity attributable to Owners of the Company							
Share capital	5	89,566	89,566	–	89,566	89,566	–
Reserves		34,544	31,893	8	12,499	16,750	(25)
		<u>124,110</u>	<u>121,459</u>	2	<u>102,065</u>	<u>106,316</u>	(4)
Non-controlling interests		397	398	–	–	–	–
Total equity		<u>124,507</u>	<u>121,857</u>	2	<u>102,065</u>	<u>106,316</u>	(4)
Non-current liabilities							
Interest-bearing borrowings	6	616	511	21	–	–	–
Deferred tax liabilities		891	580	54	–	–	–
		<u>1,507</u>	<u>1,091</u>	38	–	–	–
Current liabilities							
Trade and other payables		22,071	21,965	–	1,214	1,768	(31)
Provisions		206	100	106	–	–	–
Amounts due to related parties		119	116	3	8,604	8,625	–
Interest-bearing borrowings	6	5,040	7,783	(35)	–	–	–
Current tax payable		828	1,023	(19)	225	225	–
		<u>28,264</u>	<u>30,987</u>	(9)	<u>10,043</u>	<u>10,618</u>	(5)
Total liabilities		<u>29,771</u>	<u>32,078</u>	(7)	<u>10,043</u>	<u>10,618</u>	(5)
Total equity and liabilities		<u>154,278</u>	<u>153,935</u>	–	<u>112,108</u>	<u>116,934</u>	(4)

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

Consolidated Statement of Comprehensive Income

	Note	1 October 2015 to 31 December 2015 \$'000	1 October 2014 to 31 December 2014 \$'000	Var. %	1 July 2015 to 31 December 2015 \$'000	1 July 2014 to 31 December 2014 \$'000	Var. %
Revenue		32,350	28,545	13	57,639	59,497	(3)
Cost of revenue		(21,812)	(18,188)	20	(38,301)	(38,569)	(1)
Gross profit		<u>10,538</u>	<u>10,357</u>	2	<u>19,338</u>	<u>20,928</u>	(8)
Other income	7	428	298	44	2,191	455	382
Distribution expenses		(3,698)	(3,366)	10	(6,922)	(6,710)	3
Administrative expenses		(4,202)	(3,928)	7	(7,969)	(7,679)	4
Research & development expenses		(938)	(1,114)	(16)	(1,922)	(2,157)	(11)
Other expenses		(409)	(60)	582	(420)	(491)	(14)
Results from operating activities	7	<u>1,719</u>	<u>2,187</u>	(21)	<u>4,296</u>	<u>4,346</u>	(1)
Finance income		19	15	27	32	33	(3)
Finance expenses		(44)	(46)	(4)	(90)	(128)	(30)
Net finance expenses	8	<u>(25)</u>	<u>(31)</u>	(19)	<u>(58)</u>	<u>(95)</u>	(39)
Share of results of associates (net of tax)		69	91	(24)	212	126	68
Share of results of joint ventures (net of tax)		29	–	100	69	13	431
Profit before income tax		<u>1,792</u>	<u>2,247</u>	(20)	<u>4,519</u>	<u>4,390</u>	3
Income tax expenses	9	(486)	(504)	(4)	(945)	(932)	1
Profit for the period		<u><u>1,306</u></u>	<u><u>1,743</u></u>	(25)	<u><u>3,574</u></u>	<u><u>3,458</u></u>	3
Other comprehensive income							
Items that are or may be reclassified subsequently to profit or loss							
Exchange differences arising from disposal of an associate reclassified to profit or loss		–	–	–	–	248	Nm
Exchange differences on monetary items forming part of net investments in foreign operations		(58)	67	(187)	(11)	199	(106)
Exchange differences on translation of financial statements of foreign operations		(860)	904	(195)	2,799	1,114	151
Net change in fair value of available-for-sale financial assets, net of tax		(474)	(1,137)	58	(1,885)	(3,092)	39
Net change in fair value of available-for-sale financial assets reclassified to profit or loss, net of tax		401	–	100	401	–	100
Other comprehensive income for the period, net of income tax		<u>(991)</u>	<u>(166)</u>	(497)	<u>1,304</u>	<u>(1,531)</u>	185
Total comprehensive income for the period		<u><u>315</u></u>	<u><u>1,577</u></u>	(80)	<u><u>4,878</u></u>	<u><u>1,927</u></u>	153
Profit attributable to:							
Owners of the Company		1,307	1,737	(25)	3,567	3,451	3
Non-controlling interests		(1)	6	(117)	7	7	–
Profit for the period		<u><u>1,306</u></u>	<u><u>1,743</u></u>	(25)	<u><u>3,574</u></u>	<u><u>3,458</u></u>	3

Nm: not meaningful

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

Ellipsiz Ltd and its Subsidiaries
Second quarter results ended
 31 December 2015

Note	1 October 2015 to 31 December 2015 \$'000	1 October 2014 to 31 December 2014 \$'000	Var. %	1 July 2015 to 31 December 2015 \$'000	1 July 2014 to 31 December 2014 \$'000	Var. %
Total comprehensive income attributable to:						
Owners of the Company	316	1,570	(80)	4,879	1,919	154
Non-controlling interests	(1)	7	(114)	(1)	8	(113)
Total comprehensive income for the period	315	1,577	(80)	4,878	1,927	153
Earnings per share*						
10						
- Basic (cents)	0.78	1.05	(26)	2.13	2.08	2
- Diluted (cents)	0.78	1.05	(26)	2.13	2.08	2

* Earnings per ordinary share for the corresponding periods were adjusted retrospectively as a result of the share consolidation exercise which was completed on 30 October 2015 (see note 5).

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
30 September 2014									
Balance as at 1 July 2014	88,773	(11,651)	4,093	2,481	(14,781)	47,887	116,802	378	117,180
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	1,714	1,714	1	1,715
Other comprehensive income									
Exchange differences arising from disposal of an associate reclassified to profit or loss	-	-	-	-	248	-	248	-	248
Exchange differences on monetary items forming part of net investments in foreign operations	-	-	-	-	132	-	132	-	132
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	210	-	210	-	210
Net change in fair value of available-for-sale financial assets, net of tax	-	-	(1,955)	-	-	-	(1,955)	-	(1,955)
Total other comprehensive income	-	-	(1,955)	-	590	-	(1,365)	-	(1,365)
Total comprehensive income for the period	-	-	(1,955)	-	590	1,714	349	1	350
Balance as at 30 September 2014	88,773	(11,651)	2,138	2,481	(14,191)	49,601	117,151	379	117,530

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
31 December 2014									
Balance as at 1 October 2014	88,773	(11,651)	2,138	2,481	(14,191)	49,601	117,151	379	117,530
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	1,737	1,737	6	1,743
Other comprehensive income									
Exchange differences on monetary items forming part of net investments in foreign operations	-	-	-	-	67	-	67	-	67
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	903	-	903	1	904
Net change in fair value of available-for-sale financial assets, net of tax	-	-	(1,137)	-	-	-	(1,137)	-	(1,137)
Total other comprehensive income	-	-	(1,137)	-	970	-	(167)	1	(166)
Total comprehensive income for the period	-	-	(1,137)	-	970	1,737	1,570	7	1,577
Total transactions with Owners, recorded directly in equity									
Contributions by and distributions to Owners									
Final dividend of 0.18 cents per share in respect of 2014	-	-	-	-	-	(995)	(995)	-	(995)
Special dividend of 0.18 cents per share in respect of 2014	-	-	-	-	-	(995)	(995)	-	(995)
Total contributions by and distributions to Owners	-	-	-	-	-	(1,990)	(1,990)	-	(1,990)
Total transactions with Owners	-	-	-	-	-	(1,990)	(1,990)	-	(1,990)
Balance as at 31 December 2014	88,773	(11,651)	1,001	2,481	(13,221)	49,348	116,731	386	117,117

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
30 September 2015									
Balance as at 1 July 2015	89,566	(11,648)	2,212	2,290	(12,415)	51,454	121,459	398	121,857
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	2,260	2,260	8	2,268
Other comprehensive income									
Exchange differences on monetary items forming part of net investments in foreign operations	-	-	-	-	47	-	47	-	47
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	3,667	-	3,667	(8)	3,659
Net change in fair value of available-for-sale financial assets, net of tax	-	-	(1,411)	-	-	-	(1,411)	-	(1,411)
Total other comprehensive income	-	-	(1,411)	-	3,714	-	2,303	(8)	2,295
Total comprehensive income for the period	-	-	(1,411)	-	3,714	2,260	4,563	-	4,563
Balance as at 30 September 2015	89,566	(11,648)	801	2,290	(8,701)	53,714	126,022	398	126,420

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
31 December 2015									
Balance as at 1 October 2015	89,566	(11,648)	801	2,290	(8,701)	53,714	126,022	398	126,420
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	1,307	1,307	(1)	1,306
Other comprehensive income									
Exchange differences on monetary items forming part of net investments in foreign operations	-	-	-	-	(58)	-	(58)	-	(58)
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	(860)	-	(860)	-	(860)
Net change in fair value of available-for-sale financial assets, net of tax	-	-	(474)	-	-	-	(474)	-	(474)
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	-	-	(73)	-	(918)	-	(991)	-	(991)
Total comprehensive income for the period	-	-	(73)	-	(918)	1,307	316	(1)	315
Transactions with Owners, recorded directly in equity									
Contributions by and distributions to Owners									
Final dividend of 0.20 cents per share in respect of 2015	-	-	-	-	-	(1,114)	(1,114)	-	(1,114)
Special dividend of 0.20 cents per share in respect of 2015	-	-	-	-	-	(1,114)	(1,114)	-	(1,114)
Total contributions by and distributions to Owners	-	-	-	-	-	(2,228)	(2,228)	-	(2,228)
Total transactions with Owners	-	-	-	-	-	(2,228)	(2,228)	-	(2,228)
Balance as at 31 December 2015	89,566	(11,648)	728	2,290	(9,619)	52,793	124,110	397	124,507

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
30 September 2014					
Balance as at 1 July 2014	88,773	4,093	2,481	12,437	107,784
Total comprehensive income for the period					
Profit for the period	-	-	-	169	169
Other comprehensive income					
Net change in fair value of available-for-sale financial assets, net of tax	-	(1,955)	-	-	(1,955)
Total other comprehensive income	-	(1,955)	-	-	(1,955)
Total comprehensive income for the period	-	(1,955)	-	169	(1,786)
Balance as at 30 September 2014	88,773	2,138	2,481	12,606	105,998
31 December 2014					
Balance as at 1 October 2014	88,773	2,138	2,481	12,606	105,998
Total comprehensive income for the period					
Profit for the period	-	-	-	228	228
Other comprehensive income					
Net change in fair value of available-for-sale financial assets, net of tax	-	(1,137)	-	-	(1,137)
Total other comprehensive income	-	(1,137)	-	-	(1,137)
Total comprehensive income for the period	-	(1,137)	-	228	(909)
Transactions with Owners, recorded directly in equity					
Contributions by and distributions to Owners					
Final dividend of 0.18 cents per share in respect of 2014	-	-	-	(995)	(995)
Special dividend of 0.18 cents per share in respect of 2014	-	-	-	(995)	(995)
Total contributions by and distributions to Owners	-	-	-	(1,990)	(1,990)
Total transactions with Owners	-	-	-	(1,990)	(1,990)
Balance as at 31 December 2014	88,773	1,001	2,481	10,844	103,099

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
30 September 2015					
Balance as at 1 July 2015	89,566	2,212	2,290	12,248	106,316
Total comprehensive income for the period					
Profit for the period	-	-	-	197	197
Other comprehensive income					
Net change in fair value of available-for-sale financial assets, net of tax	-	(1,411)	-	-	(1,411)
Total other comprehensive income	-	(1,411)	-	-	(1,411)
Total comprehensive income for the period	-	(1,411)	-	197	(1,214)
Balance as at 30 September 2015	89,566	801	2,290	12,445	105,102
31 December 2015					
Balance as at 1 October 2015	89,566	801	2,290	12,445	105,102
Total comprehensive income for the period					
Profit for the period	-	-	-	(736)	(736)
Other comprehensive income					
Net change in fair value of available-for-sale financial assets, net of tax	-	(474)	-	-	(474)
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	-	(73)	-	-	(73)
Total comprehensive income for the period	-	(73)	-	(736)	(809)
Transactions with Owneres, recorded directly in equity					
Contributions by and distributions to Owners					
Final dividend of 0.20 cents per share in respect of 2015	-	-	-	(1,114)	(1,114)
Special dividend of 0.20 cents per share in respect of 2015	-	-	-	(1,114)	(1,114)
Total contributions by and distributions to Owners	-	-	-	(2,228)	(2,228)
Total transactions with Owners	-	-	-	(2,228)	(2,228)
Balance as at 31 December 2015	89,566	728	2,290	9,481	102,065

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

Consolidated Cash Flow Statement

	1 October 2015 to 31 December 2015 \$'000	1 October 2014 to 31 December 2014 \$'000	1 July 2015 to 31 December 2015 \$'000	1 July 2014 to 31 December 2014 \$'000
Operating Activities				
Profit for the period	1,306	1,743	3,574	3,458
Adjustments for:				
(Reversal of allowance)/Allowance for:				
- doubtful debts from trade receivables	–	–	–	(10)
- inventory obsolescence	42	62	243	18
Amortisation of intangible assets	281	187	493	363
Bad debts recovered	–	–	(1,403)	–
Depreciation of property, plant and equipment	754	702	1,476	1,316
Loss/(Gain) on disposal of property, plant and equipment	20	(20)	(18)	(195)
Gain on disposal of assets classified as held for sale	(361)	–	(361)	–
Interest income	(19)	(15)	(32)	(33)
Interest expense	44	46	90	128
Inventories written off	38	2	38	29
Impairment loss on other financial asset	401	–	401	–
Loss on disposal of an associate	–	–	–	343
Reversal of retrenchment costs	–	(52)	–	(52)
Share of results of associates and joint ventures (net of tax)	(98)	(91)	(281)	(139)
Income tax expense	486	504	945	932
Operating profit before working capital changes	2,894	3,068	5,165	6,158
Changes in:				
Amounts due from related parties (trade)	(3)	67	–	87
Amounts due to related parties (trade)	3	58	3	50
Inventories	2,144	1,129	1,420	1,740
Post-acquisition integration and restructuring cost paid (Placement)/Release of pledged deposits with financial institutions	–	(79)	214	1,327
Trade and other receivables	(1,341)	2,103	(98)	2,369
Trade and other payables	(33)	(3,023)	(92)	(3,044)
Cash generated from operations	3,664	2,934	6,612	7,881
Interest received	19	15	32	33
Interest paid	(44)	(46)	(90)	(128)
Income taxes paid	(754)	(384)	(902)	(669)
Net cash generated from operating activities	2,885	2,519	5,652	7,117
Investing Activities				
Amounts due from related parties (non-trade)	17	30	15	92
Dividend received from associates	–	–	134	906
Purchase of intangible assets	(33)	(10)	(64)	(63)
Purchase of property, plant and equipment ⁽¹⁾	(767)	(824)	(978)	(1,217)
Purchase of other financial assets	(15)	–	(17)	–
Proceeds from disposal of property, plant and equipment	68	26	106	248
Proceeds from disposal of an associate	–	–	–	1,209
Proceeds from disposal of assets classified as held for sale	1,432	–	1,432	–
Net cash generated/(used in) from investing activities	702	(778)	628	1,175
Financing Activities				
Amounts due to related parties (non-trade)	–	(2)	–	1
Dividend paid	(2,228)	(1,990)	(2,228)	(1,990)
Proceeds from bank loans	18	3,142	858	6,894
Repayment of bank loans	(797)	(3,663)	(3,743)	(7,216)
Repayment of finance lease creditors	(14)	(26)	(20)	(55)
Net cash used in from financing activities	(3,021)	(2,539)	(5,133)	(2,366)

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

	1 October 2015 to 31 December 2015 \$'000	1 October 2014 to 31 December 2014 \$'000	1 July 2015 to 31 December 2015 \$'000	1 July 2014 to 31 December 2014 \$'000
Net increase/(decrease) in cash and cash equivalents	566	(798)	1,147	5,926
Cash and cash equivalents at beginning of period	41,650	37,304	40,065	30,377
Effect of exchange rate changes on balances in foreign currencies	(241)	349	763	552
Cash and cash equivalents at end of period	41,975	36,855	41,975	36,855

(1) Property, plant and equipment amounting to \$20,000 (31 December 2014: \$Nil) was acquired through finance leases.

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 4 February 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 improvement \$'000	Furniture and fittings \$'000	Office equipment \$'000	Computers \$'000	Motor vehicles \$'000	Plant and machinery \$'000	Assets under construction \$'000	Total \$'000
31 December 2015										
Cost										
At 1 July 2015	1,554	2,196	3,711	562	1,126	4,011	352	34,079	14	47,605
Additions	–	13	253	5	77	91	–	534	25	998
Disposals	–	–	(58)	(15)	(37)	(1)	(7)	(158)	–	(276)
Translation difference on consolidation	119	101	96	16	45	133	9	1,311	–	1,830
At 31 December 2015	1,673	2,310	4,002	568	1,211	4,234	354	35,766	39	50,157
Accumulated depreciation and impairment losses										
At 1 July 2015	123	464	2,993	441	685	3,453	148	27,933	–	36,240
Depreciation charge for the period	33	31	195	29	68	164	18	938	–	1,476
Disposals	–	–	(58)	(13)	(22)	(1)	(3)	(91)	–	(188)
Translation difference on consolidation	8	22	92	11	22	120	5	1,153	–	1,433
At 31 December 2015	164	517	3,222	468	753	3,736	168	29,933	–	38,961
Carrying amounts										
At 1 July 2015	1,431	1,732	718	121	441	558	204	6,146	14	11,365
At 31 December 2015	1,509	1,793	780	100	458	498	186	5,833	39	11,196

Company	Furniture and fittings \$'000	Office equipment \$'000	Computers \$'000	Total \$'000
31 December 2015				
Cost				
At 1 July 2015 and 31 December 2015	9	7	22	38
Accumulated depreciation				
At 1 July 2015	9	7	16	32
Depreciation charge for the period	–	*	3	3
At 31 December 2015	9	7	19	35
Carrying amounts				
At 1 July 2015	–	–	6	6
At 31 December 2015	–	–	3	3

* Amount less than \$1,000

Leasehold land and building and plant and machinery of the Group with carrying amounts of \$1,571,000 (30 June 2015: \$1,524,000) and \$587,000 (30 June 2015: \$641,000) respectively, have been pledged to banks as securities for certain bank loans (note 6).

The carrying amounts of property, plant and equipment include amounts totalling \$36,000 (30 June 2015: \$42,000) for the Group in respect of assets acquired under finance leases (note 6).

3. Intangible Assets

Group	Computer software \$'000	Technology licence \$'000	Intellectual property \$'000	Development expenditure \$'000	Goodwill \$'000	Total \$'000
31 December 2015						
Cost						
At 1 July 2015	771	2,099	10,462	6,578	28,135	48,045
Additions	64	–	–	–	–	64
Translation difference on consolidation	21	96	480	301	532	1,430
At 31 December 2015	<u>856</u>	<u>2,195</u>	<u>10,942</u>	<u>6,879</u>	<u>28,667</u>	<u>49,539</u>
Accumulated amortisation and impairment losses						
At 1 July 2015	658	1,012	3,127	530	744	6,071
Amortisation for the period	30	56	202	205	–	493
Translation difference on consolidation	17	47	146	28	–	238
At 31 December 2015	<u>705</u>	<u>1,115</u>	<u>3,475</u>	<u>763</u>	<u>744</u>	<u>6,802</u>
Carrying amounts						
At 1 July 2015	113	1,087	7,335	6,048	27,391	41,974
At 31 December 2015	<u>151</u>	<u>1,080</u>	<u>7,467</u>	<u>6,116</u>	<u>27,923</u>	<u>42,737</u>

Company	Computer software \$'000
31 December 2015	
Cost	
At 1 July 2015 and 31 December 2015	<u>11</u>
Accumulated amortisation	
At 1 July 2015 and 31 December 2015	<u>11</u>
Carrying amounts	
At 1 July 2015 and 31 December 2015	<u>–</u>

4. Cash and Cash Equivalents

Note	Group		Company	
	31 December 2015 \$'000	30 June 2015 \$'000	31 December 2015 \$'000	30 June 2015 \$'000
Cash at banks and in hand	34,449	35,768	8,436	14,326
Deposits with financial institutions	7,526	4,511	7,032	4,012
	<u>41,975</u>	<u>40,279</u>	<u>15,468</u>	<u>18,338</u>
Deposits held as securities by financial institutions	–	(214)		
Cash and cash equivalents in the consolidated cash flow statement	<u>41,975</u>	<u>40,065</u>		

5. Share Capital

	Group and Company 31 December 2015		Group and Company 30 June 2015	
	No. of shares '000	Share capital \$'000	No. of shares '000	Share capital \$'000
Fully paid ordinary shares, with no par value:				
Ordinary shares				
At 1 July 2015 and 1 July 2014	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	557,094	89,566	557,094	89,566
Reduction in number of shares arising from share consolidation	(389,966)	–	–	–
At 31 December 2015 and 30 June 2015	<u>167,128</u>	<u>89,566</u>	<u>557,094</u>	<u>89,566</u>

The Group had not acquired any treasury shares for the financial period ended 31 December 2015. There were no treasury shares held by the Group as at 31 December 2015 and 30 June 2015.

During its annual general meeting on 19 October 2015, the Company obtained approval from its members to consolidate every 10 existing issued ordinary share in the capital of the Company into 3 consolidated shares ("share consolidation"). The exercise was completed on 30 October 2015. The number of issued shares of the Company following the share consolidation exercise was 167,128,185.

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 31 December 2015, there were no outstanding options. As at 31 December 2014, there were 13,763,000 outstanding options with exercise price of \$0.14 per share.

6. Interest-Bearing Borrowings

Interest-bearing borrowings consist of the following:

	Group	
	31 December 2015 \$'000	30 June 2015 \$'000
Non-current liabilities		
Secured bank loans	91	162
Unsecured bank loans	495	333
Obligations under hire purchase agreements and finance leases	30	16
	<u>616</u>	<u>511</u>
Current liabilities		
Secured bank loans	166	188
Unsecured bank loans ⁽¹⁾	4,861	7,569
Obligations under hire purchase agreements and finance leases	13	26
	<u>5,040</u>	<u>7,783</u>

⁽¹⁾ 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 financial period.

Maturity of liabilities (excluding finance lease liabilities)

	Group	
	31 December 2015 \$'000	30 June 2015 \$'000
Within 1 year	5,027	7,757
After 1 year but within 5 years	586	495
	<u>5,613</u>	<u>8,252</u>

The borrowings are secured on the following assets:

	Note	Group	
		31 December 2015 \$'000	30 June 2015 \$'000
Leasehold land and building	2	1,571	1,524
Plant and equipment	2	587	641
Deposits with financial institutions	4	–	214
Total carrying amount		2,158	2,379

Obligations under finance leases

Group	31 December 2015			30 June 2015		
	Principal \$'000	Interest \$'000	Total \$'000	Principal \$'000	Interest \$'000	Total \$'000
Repayable within 1 year	13	3	16	26	1	27
Repayable after 1 year but within 5 years	30	4	34	15	3	18
Repayable after 5 years	–	–	–	1	*	1
	43	7	50	42	4	46

* Amount less than \$1,000

7. Results from Operating Activities

Group	Note	1 October 2015 to 31 December 2015 \$'000	1 October 2014 to 31 December 2014 \$'000	1 July 2015 to 31 December 2015 \$'000	1 July 2014 to 31 December 2014 \$'000
		Other income			
Bad debts recovered		–	–	1,403	–
Exchange gain, net		34	211	297	97
(Loss)/Gain on disposal of property, plant and equipment		(20)	20	18	195
Gain on disposal of asset classified as held for sale		361	–	361	–
Rental income		4	3	8	15
Reversal of retrenchment costs		–	52	–	52
Sundry income		49	12	104	96
		428	298	2,191	455

Other expenses

Reversal of allowance for doubtful debts from trade receivables		–	–	–	(10)
Allowance for inventory obsolescence		42	62	243	18
Amortisation of intangible assets	3	281	187	493	363
Depreciation of property, plant and equipment	2	754	702	1,476	1,316
Impairment loss on other financial asset		401	–	401	–
Inventories written off		38	2	38	29
Loss on disposal of an associate		–	–	–	343

Increase in depreciation and amortisation was mainly due to higher capital expenditure in the first half of FY2016 and second half of last financial year.

8. Net Finance Expenses

Group	1 October 2015 to 31 December 2015 \$'000	1 October 2014 to 31 December 2014 \$'000	1 July 2015 to 31 December 2015 \$'000	1 July 2014 to 31 December 2014 \$'000
	Finance income			
Interest income from:				
- financial institutions	16	4	26	8
- joint venture	2	2	3	4
- third parties	1	9	3	21
	19	15	32	33

	1 October 2015 to 31 December 2015 \$'000	1 October 2014 to 31 December 2014 \$'000	1 July 2015 to 31 December 2015 \$'000	1 July 2014 to 31 December 2014 \$'000
Finance expenses				
Interest expenses to:				
- finance leases	(1)	(4)	(2)	(5)
- financial institutions	(43)	(42)	(88)	(123)
	<u>(44)</u>	<u>(46)</u>	<u>(90)</u>	<u>(128)</u>
Net finance expenses	<u>(25)</u>	<u>(31)</u>	<u>(58)</u>	<u>(95)</u>

9. Income Tax Expense

	1 October 2015 to 31 December 2015 \$'000	1 October 2014 to 31 December 2014 \$'000	1 July 2015 to 31 December 2015 \$'000	1 July 2014 to 31 December 2014 \$'000
Group				
Current tax				
- Current period	480	544	867	1,000
- withholding tax	—	—	—	273
- (over)/under provision in prior year	(13)	6	(13)	6
	<u>467</u>	<u>550</u>	<u>854</u>	<u>1,279</u>
Deferred tax				
- origination and reversal of temporary differences	21	(26)	93	(327)
- over provision in prior year	(2)	(20)	(2)	(20)
	<u>19</u>	<u>(46)</u>	<u>91</u>	<u>(347)</u>
Total income tax expenses	<u>486</u>	<u>504</u>	<u>945</u>	<u>932</u>

10. Earnings Per Share

	1 October 2015 to 31 December 2015 \$'000	1 October 2014 to 31 December 2014 \$'000	1 July 2015 to 31 December 2015 \$'000	1 July 2014 to 31 December 2014 \$'000
Group				
Basic earnings per share is based on:				
Profit for the period attributable to Owners of the Company	1,307	1,737	3,567	3,451
	<u>No. of shares '000</u>	<u>No. of shares '000</u>	<u>No. of shares '000</u>	<u>No. of shares '000</u>
Weighted average number of:				
- Shares outstanding during the period	167,128	165,838*	167,128	165,838*

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.

After considering the dilutive effect in computing diluted earnings per share, the weighted average number of ordinary in issue is as follows:

	1 October 2015 to 31 December 2015 No. of shares '000	1 October 2014 to 31 December 2014 No. of shares '000	1 July 2015 to 31 December 2015 No. of shares '000	1 July 2014 to 31 December 2014 No. of shares '000
Group				
Weighted average number of share issued, used in the calculation of diluted earnings per share	167,128	165,838*	167,128	165,838*

As at 31 December 2014, 13,763,000 options were excluded from the diluted weighted average number of ordinary shares calculations as their effect would have been anti-dilutive.

* The weighted average number of shares for the prior year were adjusted retrospectively as a result of the share consolidation exercise which was completed on 30 October 2015.

11. Net Asset Values Per Ordinary Share

	Group cents	Company cents
Net asset values per ordinary share based on issued share capital of the Company as at		
(a) 31 December 2015	74.26	61.07
(b) 30 June 2015*	72.67	63.61

* Net asset values per ordinary share for the prior year were adjusted retrospectively as a result of the share consolidation exercise which was completed on 30 October 2015.

12. Dividends

Dividends declared or recommended for the current financial period reported on or the corresponding period of the immediate preceding financial period is as follows:

	1 July 2015 to 31 December 2015	1 July 2014 to 31 December 2014
Name of dividend	Interim	Interim
Dividend type	Cash	Cash
Dividend rate (per reported in last financial year)	NA	0.20 cents per ordinary share
Dividend rate (prior year rate adjusted following the share consolidation exercise which was completed on 30 October 2015)	0.70 cents per ordinary share	0.67 cents per ordinary share
Tax	Tax exempt (One-Tier)	Tax exempt (One-Tier)

Date payable

The interim dividend was approved by the Board of Directors. The dividend will be payable on 16 March 2016.

Book closure date

The book closure date is 23 February 2016, after 5.00 pm.

13. Significant Related Party Transactions

Significant transactions with related parties are as follows:

	1 October 2015 to 31 December 2015 \$'000	1 October 2014 to 31 December 2014 \$'000	1 July 2015 to 31 December 2015 \$'000	1 July 2014 to 31 December 2014 \$'000
Sales to a joint venture				
- a joint venture	-	-	-	65
- an associate	-	7	-	7
Purchases from/Service fee paid to joint ventures	-	(72)	-	(72)
Rental expenses paid to a director	(33)	(30)	(66)	(60)

14. Interested Person Transactions

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

During the financial period, 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	66	-

The total IPT of \$66,000 is less than 3% of our audited consolidated net tangible assets of FY2015.

15. Commitments

Lease commitments

As at 31 December 2015, commitments of the Group for minimum lease payments under non-cancellable operating leases are as follows:

	Group	
	31 December 2015 \$'000	30 June 2015 \$'000
Payable:		
Within 1 year	1,660	1,638
After 1 year but within 5 years	1,550	1,034
After 5 years	-	1
	3,210	2,673

Capital commitments

Capital commitments contracted but not provided for

66	30
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Other commitment

During the quarter ended 31 December 2015, the Company has irrevocably and unconditionally undertaken to subscribe and pay for the proposed renounceable non-underwritten right issue ("Rights Issue") announced by one of its investees, at an issue price of S\$0.023 for each rights share, on the basis of 2 rights shares for every 5 existing ordinary shares in the investee's share capital. Based on the rights shares that are provisionally allotted to the Company, the Company may require to subscribe and pay for a total issue price of S\$1,613,000 upon exercising of the Rights Issue.

Corporate guarantees

As at 31 December 2015, the Company provided corporate guarantees amounting to \$18,581,000 and \$495,000 (30 June 2015: \$19,438,000 and \$473,000) to banks for banking facilities made available to its subsidiaries and a joint venture, of which the subsidiaries and the joint venture have utilised \$8,116,000 and \$310,000 (30 June 2015: \$9,574,000 and \$Nil) respectively.

16. Other information

Reportable segments

Group	Distribution & Services solutions		Probe Card solutions		Eliminations		Consolidated	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and Expense								
Total revenue from external customers	21,676	25,270	35,963	34,227	–	–	57,639	59,497
Inter-segment revenue	369	254	3	–	(372)	(254)	–	–
	<u>22,045</u>	<u>25,524</u>	<u>35,966</u>	<u>34,227</u>			<u>57,639</u>	<u>59,497</u>
Segment results	1,046	892	4,043	3,360	–	–	5,089	4,252
Unallocated corporate results							(793)	94
							<u>4,296</u>	<u>4,346</u>
Share of results of associates and joint ventures								
- allocated to reportable segments	157	127	124	12	–	–	281	139
Profit before finance income/(expenses) and taxation							4,577	4,485
Finance income							32	33
Finance expenses							(90)	(128)
Income tax expenses							(945)	(932)
Non-controlling interests							(7)	(7)
Profit for the period attributable to Owners of the Company							<u>3,567</u>	<u>3,451</u>

Group	Distribution & Services solutions		Probe Card solutions		Eliminations		Consolidated	
	31 December 2015	30 June 2015	31 December 2015	30 June 2015	31 December 2015	30 June 2015	31 December 2015	30 June 2015
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets and liabilities								
Segment assets	41,608	41,771	80,982	75,381	–	–	122,590	117,152
Investments in associates								
- allocated to reportable segments	627	690	6,179	5,660	–	–	6,806	6,350
Investments in joint ventures								
- allocated to reportable segments	189	118	–	–	–	–	189	118
Tax receivables	35	28	–	–	–	–	35	28
Deferred tax assets	1,079	1,154	2,371	2,165	–	–	3,450	3,319
Assets classified as held for sale	–	–	–	991	–	–	–	991
Unallocated corporate assets							21,208	25,977
Total assets							<u>154,278</u>	<u>153,935</u>
Segment liabilities	10,240	10,503	10,942	9,910	–	–	21,182	20,413
Interest-bearing borrowings	–	729	5,656	7,565	–	–	5,656	8,294
Income tax liabilities	194	105	1,300	1,273	–	–	1,494	1,378
Unallocated corporate liabilities							1,439	1,993
Total liabilities							<u>29,771</u>	<u>32,078</u>

Group	Distribution & Services solutions		Probe Card solutions		Eliminations		Consolidated	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital expenditure								
- allocated to reportable segments	229	57	833	1,223	–	–	1,062	1,280
Other items								
Amortisation of intangible assets								
- allocated to reportable segments	6	11	487	352	–	–	493	363
Bad debts recovered								
- allocated to reportable segments	–	–	1,403	–	–	–	1,403	–

Ellipsiz Ltd and its Subsidiaries
 Second quarter results ended
 31 December 2015

Group	Distribution & Services solutions		Probe Card solutions		Eliminations		Consolidated	
	31 December 2015 \$'000	31 December 2014 \$'000	31 December 2015 \$'000	31 December 2014 \$'000	31 December 2015 \$'000	31 December 2014 \$'000	31 December 2015 \$'000	31 December 2014 \$'000
Depreciation of property, plant and equipment								
- allocated to reportable segments	168	167	1,305	1,147	-	-	1,473	1,314
- unallocated corporate expenses							3	2
							<u>1,476</u>	<u>1,316</u>
Inventories written off								
- allocated to reportable segments	-	24	38	5	-	-	38	29
Impairment loss on other financial asset								
- unallocated corporate expenses							401	-
(Gain)/Loss on disposal of property, plant and equipment								
- allocated to reportable segments	(17)	17	(1)	(212)	-	-	(18)	(195)
Gain on disposal of assets classified as held for sale								
- allocated to reportable segments	-	-	(361)	-	-	-	(361)	-
Loss on disposal of an associate								
- allocated to reportable segments	-	343	-	-	-	-	-	343
Reversal of allowance for doubtful trade receivables								
- allocated to reportable segments	-	-	-	(10)	-	-	-	(10)
(Reversal of allowance)/Allowance for inventory obsolescence								
- allocated to reportable segments	(40)	40	283	(22)	-	-	243	18
Reversal of retrenchment costs								
- allocated to reportable segments	-	(52)	-	-	-	-	-	(52)

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	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total revenue from external customers	11,328	12,094	3,138	4,309	14,046	14,062	9,894	8,685	8,427	7,900	5,845	6,963	1,732	2,298	3,229	3,186	57,639	59,497
Non-current segment assets	42,069	41,272	32	32	371	511	1,816	2,141	833	916	2,726	2,366	11	19	6,075	6,082	53,933	53,339
Investments in associates	-	-	-	-	-	-	-	-	-	-	6,179	5,660	-	-	627	690	6,806	6,350
Investments in joint ventures	116	47	-	-	-	-	-	-	-	-	-	-	-	-	73	71	189	118
Investments in other financial assets	4,910	7,015	-	-	-	-	-	-	-	-	192	164	728	508	-	-	5,830	7,687
Deferred tax assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,534	3,403
Total non-current assets	47,095	48,334	32	32	371	511	1,816	2,141	833	916	9,097	8,190	739	527	6,775	6,843	70,292	70,897
Capital expenditure	36	74	11	1	37	68	213	103	321	172	336	79	-	-	108	783	1,062	1,280

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

We, Chng Hee Kok and Chan Wai Leong being Non-Executive Chairman and Chief Executive Officer of Ellipsiz Ltd (the "Company"), do hereby confirm on behalf of the Board of Directors of the Company, that to the best of our knowledge, nothing has come to our attention which may render the interim financial information of the Company and of the Group for the 2nd quarter results ended 31 December 2015 to be false or misleading in any material aspect.

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

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

On behalf of the Board of Directors



Chng Hee Kok
Non-Executive Chairman



Chan Wai leong
Chief Executive Officer

Singapore
4 February 2016