



Ellipsiz' Operating Activities Deliver Improved 9MFY2017 Profits

Lower operating expenses led to the improvement in profitability

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(SINGAPORE, May 8, 2017) – SGX mainboard-listed Ellipsiz and its subsidiaries (the “Group”), a probe card and distribution & services solutions provider to the semiconductor and electronics manufacturing industries, today reported net profits after tax and non-controlling interests (NPATNCI) of \$4.6 million on revenue of \$86.8 million for nine months ended 31 March 2017 (9MFY2017).

Revenue of the Group declined by 2% at \$86.8 million for 9MFY2017 compared to \$88.5 million in 9MFY2016. Revenue from Distribution & Services solution (DSS) decreased by 6%, while Probe Card solutions (PCS) was relatively flat. PCS had good revenue growth in Japan and Singapore though its activities in Taiwan slowed down after a few quarters of good growth. DSS recorded a sizeable order in the second quarter of FY2016 but no similar order was received during the current financial period, thus leading to the lower DSS revenue.

Comparing to the quarterly revenue a year ago, 3QFY2017 revenue was a decrease of 5% from \$30.9 million to \$29.5 million. As a result of the lower revenue and 1% decline in gross profit margin to 35%, gross profits for 3QFY2017 decreased by 8%.

The Group reported an NPATNCI of \$4.6 million for 9MFY2017 compared with \$5.8 million in the preceding year. In 9MFY2016, the Group recorded one-time income from recovery of bad debts of \$1.2 million (net of tax), dividend income from financial assets of

OVERVIEW

\$ million	9MFY17	9MFY16	Var%
Revenue	86.8	88.5	(2%)
Gross Profit	30.3	30.6	(1%)
Gross Profit Margin	35%	35%	0 ppt
Net profits attributable to equity holders of the Company	4.6	5.8	(21%)
Basic & Diluted EPS (cents)⁽¹⁾	2.74	3.45	(21%)
NAV per share as at 31 Mar (cents)	76.21	73.61	4%
Specific (Gains) / Loss Items	0.5	(1.4)	(138%)
Net Profits attributable to equity holders of the Company excluding Specific Items	5.1	4.4	19%
Basic & Diluted EPS(cents)⁽¹⁾ excluding Specific Items	3.07	2.57	19%
Dividend (cash) / ordinary share			
Interim (cents)	1.0	0.7	43%
Special (cents)	1.5	-	100%
Total (cents)	2.5	0.7	257%

⁽¹⁾9MFY2017 & 9MFY2016 EPS & NAV/Share were calculated based on weighted average of approximately 167 million shares.

\$0.6 million and impairment loss of \$0.4 million on the carrying amount of one of its quoted investment. In 9MFY2017, the Group had a one-time impairment loss provision 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 \$0.7 million and compensation income of \$0.3 million from an insurance claim. Excluding the one-time income and expenses, the Group had profits of \$5.1 million from its operating activities in 9MFY2017, which was an increase of 19% over 9MFY2016's operating profits of \$4.4 million. The improvement came mainly from the lower operating expenses during the financial period.

With the one-time net expenses during 9MFY2017, earnings per share (EPS) of the Group decreased from 3.45 cents in 9MFY2016 to 2.74 cents for 9MFY2017. Excluding the one-time net expenses or gains, EPS improved from 2.57 cents to 3.07 cents during 9MFY2017. Net assets value of the Group as at 31 March 2017 stood at 76.21 cents per share.

Melvin Chan, CEO of Ellipsiz Ltd, said: "The Group remains cautious of its operating environment and performance prospects for the rest of 2017. We expect the continuing inventory adjustment and cautious capital equipment spending by our customers to have impact on our business activities. Hence, we remain committed to manage our businesses and resources prudently, while exploring sustainable and synergistic opportunities for growth."

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About Ellipsiz Ltd

Ellipsiz is a leading probe card company and semiconductor service provider serving the semiconductor and electronics manufacturing industries. Our probe card division, SV Probe is one of the global leaders in the design and manufacture of custom, engineered-to-order probing solutions for the semiconductor industry. We also provide comprehensive range of semiconductor manufacturing equipment, outsourced services and consumables products.

Headquartered in Singapore, Ellipsiz has operations in China, Japan, Malaysia, Taiwan ROC, USA and Vietnam.

Ellipsiz is listed on the main board of the Singapore Exchange. We employ more than 1,200 people worldwide and reported revenue of S\$119 million for the financial year ended 30 June 2016. Please visit us on the web at www.ellipsiz.com.