



Ellipsiz Ltd
(Co. Reg. No. 199408329R)
and its subsidiaries

Financial Statements and Dividend Announcement
For the year ended 30 June 2019

PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

The following definitions apply throughout this announcement:

- * FY – Financial year ended 30 June.
- * NM – Not meaningful.

1(a) A statement of comprehensive income for the Group together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Comprehensive Income

	Note	Group		+ / (-) %
		FY2019 \$'000	FY2018 \$'000 Restated ⁽¹⁾	
Continuing operations				
Revenue		50,170	49,146	2
Cost of revenue		(37,331)	(37,486)	<(1)
Gross Profit		12,839	11,660	10
Other income	1(a)-1	286	120	138
Distribution expenses		(4,022)	(3,645)	10
Administrative expenses	1(a)-2	(6,754)	(10,789)	(37)
Other expenses	1(a)-3	(109)	(2,138)	(95)
Results from operating activities		2,240	(4,792)	NM
Finance income	1(a)-4	948	430	120
Share of results of an associate (net of tax)		-	118	(100)
Share of results of joint ventures (net of tax)		(2,854)	(80)	>300
Profit/(Loss) before tax		334	(4,324)	NM
Tax expense		(846)	(503)	68
Loss from continuing operations		(512)	(4,827)	(89)
Discontinued operations				
Profit from discontinued operations (net of tax)	1(a)-5	-	21,810	(100)
(Loss)/Profit for the year		(512)	16,983	NM
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss				
Exchange differences arising from:				
- liquidation of subsidiaries		(100)	-	NM
- disposal of subsidiaries		-	1,278	(100)
- disposal of an associate		-	(23)	(100)
- monetary items forming part of net investments in foreign operations		-	(98)	(100)
- translation of financial statements of foreign operations		(363)	(964)	(62)
Net change in fair value of available-for-sale financial assets		-	3,625	(100)
Tax effect		-	-	-
		(463)	3,818	NM
Items that will not be reclassified subsequently to profit or loss				
Net change in fair value of financial assets at fair value through other comprehensive income		(1,465)	-	NM
Tax effect		-	-	-
Other comprehensive income for the year, net of tax		(1,928)	3,818	NM
Total comprehensive income for the year		(2,440)	20,801	NM

⁽¹⁾ Restated upon electing optional exemption under SFRS(I) 1 disclosed in paragraph 5 on pages 12 and 13.

Consolidated Statement of Comprehensive Income (Cont'd)

	Group		
	FY2019	FY2018	+ / (-)
	\$'000	\$'000	%
		Restated⁽¹⁾	
(Loss)/Profit attributable to:			
Owners of the Company			
- Continuing operations	(515)	(4,828)	(89)
- Discontinued operations	-	21,810	(100)
	(515)	16,982	NM
Non-controlling interests - continuing operations	3	1	200
(Loss)/Profit for the year	(512)	16,983	NM
Total comprehensive income attributable to:			
Owners of the Company			
- Continuing operations	(2,434)	(2,278)	7
- Discontinued operations	-	23,088	(100)
	(2,434)	20,810	NM
Non-controlling interests - continuing operations	(6)	(9)	(33)
Total comprehensive income for the year	(2,440)	20,801	NM

⁽¹⁾ Restated upon electing optional exemption under SFRS(I) 1 disclosed in paragraph 5 on pages 12 and 13.

Notes to the Consolidated Statement of Comprehensive Income

1(a)-1 Other income

	Group	
	FY2019	FY2018
	\$'000	\$'000
		Restated ⁽¹⁾
Dividend income from financial assets	162	44
Gain on liquidation of subsidiaries	100	-
Gain on disposal of property, plant and equipment	-	17
Gain on disposal of an associate	-	15
Sundry income	24	44
	286	120

1(a)-2 Administrative expenses in FY2018 included ex-gratia benefits of \$4,070,000 for the former Chief Executive Officer and former Chief Financial Officer upon their retirement on 31 January 2018.

1(a)-3 Other expenses in FY2019 comprised mainly net foreign exchange loss and loss on disposal of plant and equipment.

Other expenses in FY2018 comprised mainly net foreign exchange loss which arose primarily from the USD-denominated consideration received from the sale of the Disposal Group (see note 1(a)-5) and fair value changes in financial assets.

1(a)-4 Finance income

	Group	
	FY2019	FY2018
	\$'000	\$'000
Interest income from:		
- financial institutions	915	404
- joint venture	33	-
- third parties	-	26
	948	430

1(a)-5 Discontinued operations

On 21 August 2017, the Company entered into a conditional Sale and Purchase Agreement with Nidec-Read Corporation ("Purchaser"), a company incorporated in Japan, for 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, SV Probe Pte. Ltd. ("SV Probe") (such transaction the "Disposal") and certain of SV Probe's subsidiaries (collectively the "Disposal Group").

The Disposal was completed on 31 October 2017. The initial consideration was determined to be approximately US\$69.5 million (approximately \$94.9 million, based on an US\$/S\$ exchange rate of 1.366 as at 30 October 2017, source: The Business Times).

Pursuant to the post-completion review of the financial statements of the Disposal Group, the Company and the Purchaser had on 31 May 2018, determined and agreed that the final adjustments to the initial consideration was US\$540,000 (approximately \$738,000). The final consideration for the Disposal was therefore approximately US\$70.0 million or \$95.6 million.

Effect of disposal on the financial position of the Group

	Group
	FY2018
	\$'000
	Restated ⁽¹⁾
Property, plant and equipment	9,930
Intangible assets	13,265
Other investment	221
Deferred tax assets	2,542
Inventories	5,699
Trade and other receivables	22,808
Cash and cash equivalents	14,104
Trade and other payables	(10,699)
Provisions	(382)
Interest-bearing borrowings	(753)
Current tax payable	(795)
Deferred tax liabilities	(474)
Goodwill on consolidation disposed	12,119
Net carrying amount of assets disposed	67,585

⁽¹⁾ Restated upon electing optional exemption under SFRS(I) 1 disclosed in paragraph 5 on pages 12 and 13.

Notes to the Consolidated Statement of Comprehensive Income (Cont'd)

1(a)-5 Discontinued operations (Cont'd)

Effect of disposal on the financial position of the Group (Cont'd)

	Group FY2018 \$'000 Restated⁽¹⁾
Net carrying amount of assets disposed	67,585
Translation reserve reclassified to profit or loss	1,278
Gain on disposal	22,050
Net consideration ^(a)	<u>90,913</u>
Less:	
Consideration held in an escrow account ^(b)	<u>(14,238)</u>
Consideration received, satisfied in cash	76,675
Cash and cash equivalents disposed of	<u>(14,104)</u>
Net cash inflow	<u>62,571</u>

^(a) Net consideration comprised:

	\$'000
Initial consideration	94,920
Final adjustments ^(c)	<u>738</u>
Final consideration	95,658
Introduction fee	<u>(4,745)</u>
	<u>90,913</u>

^(b) 85% of the initial consideration was paid to the Company in cash with the remaining 15% held in an escrow account, of which 5% was released to the Company in October 2018 and the balance 10% will be released to the Company in October 2019.

^(c) The final adjustments sum of \$738,000 was paid to the Company in cash in June 2018.

The financial results of the Disposal Group and the gain on sale of Disposal Group, net of related expenses, were presented as discontinued operations in the Consolidated Statement of Comprehensive Income.

	Group FY2018 \$'000 Restated⁽¹⁾
Revenue	23,812
Cost of revenue	<u>(13,495)</u>
	10,317
Expenses	<u>(6,966)</u>
Results from operations from discontinued operations	3,351
Net finance expense	<u>(18)</u>
Operating profit before tax from discontinued operations	3,333
Tax expense	<u>(567)</u>
Operating profit from discontinued operations, net of tax	2,766
Gain on sale of Disposal Group	22,050
Expenses attributable to sale of Disposal Group	<u>(3,006)</u>
	19,044
Profit from discontinued operations, net of tax	<u>21,810</u>

⁽¹⁾ Restated upon electing optional exemption under SFRS(I) 1 disclosed in paragraph 5 on pages 12 and 13.

1(b)(i) A statement of financial position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position

	Note	Group		Company	
		30.06.2019 \$'000	30.06.2018 \$'000	30.06.2019 \$'000	30.06.2018 \$'000
Non-current assets					
Property, plant and equipment		1,276	792	15	17
Intangible asset and goodwill	1(b)-1	15,479	15,415	-	-
Subsidiaries		-	-	27,776	31,375
Joint ventures	1(b)-2	7,116	9,920	-	-
Financial assets	1(b)-3	5,316	8,581	5,316	8,577
Other receivables	1(b)-4	-	9,506	-	9,506
Amounts due from related parties	1(b)-5	2,150	-	12,500	10,000
Deferred tax assets		67	297	-	-
		<u>31,404</u>	<u>44,511</u>	<u>45,607</u>	<u>59,475</u>
Current assets					
Inventories		3,902	2,713	-	-
Trade and other receivables	1(b)-6	18,735	16,105	9,544	4,815
Amounts due from related parties	1(b)-5	759	-	126	6
Financial assets	1(b)-3	-	2,335	-	2,335
Cash and cash equivalents		75,465	73,244	56,229	56,627
		<u>98,861</u>	<u>94,397</u>	<u>65,899</u>	<u>63,783</u>
Total assets		<u>130,265</u>	<u>138,908</u>	<u>111,506</u>	<u>123,258</u>
Equity attributable to Owners of the Company					
Share capital		89,566	89,566	89,566	89,566
Reserves ⁽¹⁾		(9,071)	(3,910)	2,828	7,535
Retained earnings ⁽¹⁾		35,940	39,062	16,500	19,674
		<u>116,435</u>	<u>124,718</u>	<u>108,894</u>	<u>116,775</u>
Non-controlling interests		398	404	-	-
Total equity		<u>116,833</u>	<u>125,122</u>	<u>108,894</u>	<u>116,775</u>
Non-current liabilities					
Provisions		20	113	-	-
Deferred tax liabilities		2	-	-	-
		<u>22</u>	<u>113</u>	<u>-</u>	<u>-</u>
Current liabilities					
Trade and other payables		12,401	13,183	1,230	1,718
Provisions		267	197	-	-
Amounts due to related parties		98	73	1,382	4,765
Current tax payable		644	220	-	-
		<u>13,410</u>	<u>13,673</u>	<u>2,612</u>	<u>6,483</u>
Total liabilities		<u>13,432</u>	<u>13,786</u>	<u>2,612</u>	<u>6,483</u>
Total equity and liabilities		<u>130,265</u>	<u>138,908</u>	<u>111,506</u>	<u>123,258</u>

⁽¹⁾ Restated upon electing optional exemption under SFRS(I) 1 disclosed in paragraph 5 on pages 12 and 13.

Notes to the Statements of Financial Position

- 1(b)-1 Balance comprised mainly goodwill of the Distribution and Services Solutions (“DSS”) segment.
- 1(b)-2 Balance as at 30 June 2019 comprised the Group's investments in (i) Kalms Investment Pte Ltd and its subsidiaries (“Kalms”); and (ii) Adell Solutions Pte Ltd. The investment in Kalms included a goodwill of \$5.8 million.
- Balance as at 30 June 2018 was in respect of the Group's investment in Kalms.
- 1(b)-3 Financial assets comprised the Group's investments in quoted securities. The lower balance as at 30 June 2019 was mainly due to the sale of 43,841,202 shares in JEP Holdings Ltd (“JEP”) on 13 May 2019. The Group had elected to present the changes in fair value of quoted securities in other comprehensive income (“OCI”) under Singapore Financial Reporting Standards (International) (“SFRS(I)”) 9. Accordingly, the gain on the disposal of JEP shares of \$3.2 million was reclassified from fair value reserve to retained earnings.
- 1(b)-4 Balance as at 30 June 2018 comprised the remaining 10% of the initial consideration in relation to the sale of the Disposal Group held in an escrow account which will be released to the Company in October 2019. This balance was reclassified and reflected in trade and other receivables under current assets as at 30 June 2019.
- 1(b)-5 Balance as at 30 June 2019 comprised interest-bearing loans aggregating \$2.5 million extended to Kalms.
- 1(b)-6 The increase was mainly due to the reclassification mentioned in note 1(b)-4 above, which was partially offset by the release of the first 5% of the initial consideration in relation to the sale of the Disposal Group from the escrow account to the Company in October 2018.

1(b)(ii) Aggregate amount of the Group's borrowings and debts securities.

The Group had no borrowings or debts securities as at 30 June 2019 and 30 June 2018.

1(c) **A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Consolidated Statement of Cash Flows

	Note	FY2019 \$'000	FY2018 \$'000 Restated ⁽¹⁾
Cash Flows from Operating Activities			
(Loss)/Profit for the year		(512)	16,983
Adjustments for:			
(Reversal of allowance)/Allowance for:			
- doubtful debts from trade receivables		-	(5)
- inventory obsolescence		(69)	225
Amortisation of intangible assets		6	372
Depreciation of property, plant and equipment		324	893
Dividend income from financial assets		(162)	(44)
Fair value changes of financial assets		-	222
Gain on disposal of property, plant and equipment		-	(13)
Gain on disposal of subsidiaries		-	(22,050)
Gain on liquidation of subsidiaries		(100)	-
Gain on disposal of an associate		-	(15)
Interest income		(948)	(436)
Interest expenses		-	24
Inventories written off		3	-
Impairment loss on a joint venture		-	64
Property, plant and equipment written off		41	39
Share of results of an associate and joint ventures (net of tax)		2,854	(38)
Tax expense		846	1,070
Operating profit/(loss) before working capital changes		<u>2,283</u>	<u>(2,709)</u>
Changes in:			
Amounts due from/to related parties		(30)	-
Inventories		(1,157)	(920)
Trade and other receivables		2,139	534
Trade and other payables		(701)	2,306
Cash generated from/(used in) operations		2,534	(789)
Interest received		893	401
Interest paid		-	(24)
Tax paid		(222)	(2,112)
Net cash from/(used in) operating activities	1(c)-3	<u>3,205</u>	<u>(2,524)</u>
Cash Flows from Investing Activities			
Dividend received from an associate		-	747
Dividends received from financial assets		141	44
Investment in joint ventures		(50)	(10,000)
Loans to a joint venture		(2,500)	-
Advance to a joint venture		(353)	-
Net cash inflow on disposal of subsidiaries	1(c)-1	4,742	62,571
Purchase of intangible assets		(68)	(115)
Purchase of property, plant and equipment		(864)	(710)
Purchase of financial assets		(2,422)	(2,557)
Proceeds from disposal of property, plant and equipment		-	110
Proceeds from disposal of an associate		-	249
Proceeds from disposal of financial assets	1(c)-2	<u>6,578</u>	-
Net cash from investing activities	1(c)-3	<u>5,204</u>	<u>50,339</u>
Cash Flows from Financing Activities			
Dividends paid		(5,849)	(27,576)
Proceeds from bank loans		-	471
Repayment of bank loans		-	(851)
Repayment of finance lease creditors		-	(5)
Net cash used in financing activities	1(c)-3	<u>(5,849)</u>	<u>(27,961)</u>
Net increase in cash and cash equivalents		2,560	19,854
Cash and cash equivalents at beginning of year		73,244	53,762
Effect of exchange rate fluctuations on cash held		(339)	(372)
Cash and cash equivalents at end of year		<u>75,465</u>	<u>73,244</u>

⁽¹⁾ Restated upon electing optional exemption under SFRS(I) 1 disclosed in paragraph 5 on pages 12 and 13.

Notes to the Consolidated Statement of Cash Flows

1(c)-1 For FY2018, please refer to note 1(a)-5 Discontinued Operations on pages 3 and 4 for net cash inflow received from the sale of the Disposal Group.

For FY2019, the amount was 5% of the initial consideration from the sale of the Disposal Group released from escrow account in October 2018.

1(c)-2 Amount pertained to proceeds received from the disposal of 43,841,202 shares in JEP.

1(c)-3 The following cash flows from discontinued operations were included in the FY2018 restated Consolidated Statement of Cash Flows:

	FY2018
	\$'000
	Restated⁽¹⁾
Net cash from operating activities	3,798
Net cash used in investing activities	(447)
Net cash used in financing activities	(403)
	<u>2,948</u>

⁽¹⁾ Restated upon electing optional exemption under SFRS(I) 1 disclosed in paragraph 5 on pages 12 and 13.

1(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Changes in Equity
For the year ended 30 June 2019

Group	Share capital \$'000	Capital reserve \$'000	Fair value reserve \$'000	Share-based compensation reserve \$'000	Translation reserve \$'000	Retained earnings \$'000	Total attributable to Owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance as at 1 July 2018	89,566	(11,648)	5,245	2,290	(1,196)	40,461	124,718	404	125,122
Effects on adoption of SFRS(I) 1									
Adjustment to foreign currency translation reserve	-	-	-	-	1,399	(1,399)	-	-	-
Balance as at 1 July 2018, restated	89,566	(11,648)	5,245	2,290	203	39,062	124,718	404	125,122
Total comprehensive income									
Loss for the year	-	-	-	-	-	(515)	(515)	3	(512)
Other comprehensive income									
Exchange differences arising from:									
- liquidation of subsidiaries	-	-	-	-	(100)	-	(100)	-	(100)
- translation of financial statements of foreign operations	-	-	-	-	(354)	-	(354)	(9)	(363)
Net change in fair value of financial assets at fair value through other comprehensive income	-	-	(1,465)	-	-	-	(1,465)	-	(1,465)
Transfer of gain on disposal of a financial asset at fair value through other comprehensive income to retained earnings	-	-	(3,242)	-	-	3,242	-	-	-
Total other comprehensive income, net of tax	-	-	(4,707)	-	(454)	3,242	(1,919)	(9)	(1,928)
Total comprehensive income for the year	-	-	(4,707)	-	(454)	2,727	(2,434)	(6)	(2,440)
Transactions with Owners, recorded directly in equity									
Contributions by and distributions to Owners									
Final dividend of 2.00 cents per share in respect of 2018	-	-	-	-	-	(3,342)	(3,342)	-	(3,342)
Final special dividend of 1.00 cent per share in respect of 2018	-	-	-	-	-	(1,671)	(1,671)	-	(1,671)
Interim dividend of 0.50 cent per share in respect of 2019	-	-	-	-	-	(836)	(836)	-	(836)
Total contributions by and distributions to Owners	-	-	-	-	-	(5,849)	(5,849)	-	(5,849)
Total transactions with Owners	-	-	-	-	-	(5,849)	(5,849)	-	(5,849)
Balance as at 30 June 2019	89,566	(11,648)	538	2,290	(251)	35,940	116,435	398	116,833

Consolidated Statement of Changes in Equity (Cont'd)
For the year ended 30 June 2018

Group (Restated)	Share capital \$'000	Capital reserve \$'000	Fair value reserve \$'000	Share-based compensation reserve \$'000	Translation reserve \$'000	Retained earnings \$'000	Total attributable to Owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance as at 1 July 2017	89,566	(11,648)	1,620	2,290	(9,313)	58,969	131,484	413	131,897
Effects on adoption of SFRS(I) 1									
Adjustment to foreign currency translation reserve	-	-	-	-	9,313	(9,313)	-	-	-
Balance as at 1 July 2017, restated	89,566	(11,648)	1,620	2,290	-	49,656	131,484	413	131,897
Total comprehensive income									
Profit for the year, restated	-	-	-	-	-	16,982	16,982	1	16,983
Other comprehensive income									
Exchange differences arising from:									
- disposal of subsidiaries	-	-	-	-	1,278	-	1,278	-	1,278
- disposal of an associate	-	-	-	-	(23)	-	(23)	-	(23)
- monetary items forming part of net investments in foreign operations	-	-	-	-	(98)	-	(98)	-	(98)
- translation of financial statements of foreign operations	-	-	-	-	(954)	-	(954)	(10)	(964)
Net change in fair value of available-for-sale financial assets	-	-	3,625	-	-	-	3,625	-	3,625
Total other comprehensive income, net of tax	-	-	3,625	-	203	-	3,828	(10)	3,818
Total comprehensive income for the year	-	-	3,625	-	203	16,982	20,810	(9)	20,801
Transactions with Owners, recorded directly in equity									
Contributions by and distributions to Owners									
Final dividend of 2.00 cents per share in respect of 2017	-	-	-	-	-	(3,342)	(3,342)	-	(3,342)
Final special dividend of 4.50 cents per share in respect of 2017	-	-	-	-	-	(7,521)	(7,521)	-	(7,521)
Interim dividend of 2.00 cents per share in respect of 2018	-	-	-	-	-	(3,342)	(3,342)	-	(3,342)
Interim special dividend of 8.00 cents per share in respect of 2018	-	-	-	-	-	(13,371)	(13,371)	-	(13,371)
Total contributions by and distributions to Owners	-	-	-	-	-	(27,576)	(27,576)	-	(27,576)
Total transactions with Owners	-	-	-	-	-	(27,576)	(27,576)	-	(27,576)
Balance as at 30 June 2018, restated	89,566	(11,648)	5,245	2,290	203	39,062	124,718	404	125,122

**Statement of Changes in Equity
For the year ended 30 June 2019**

Company	Share capital \$'000	Fair value reserve \$'000	Share-based compensation reserve \$'000	Retained earnings \$'000	Total equity \$'000
Balance as at 1 July 2018	89,566	5,245	2,290	19,674	116,775
Total comprehensive income					
Loss for the year	-	-	-	(569)	(569)
Other comprehensive income					
Net change in fair value of financial assets at fair value through other comprehensive income	-	(1,463)	-	-	(1,463)
Transfer of gain on disposal of a financial asset fair value through other comprehensive income to retained earnings	-	(3,244)	-	3,244	-
Total other comprehensive income, net of tax	-	(4,707)	-	3,244	(1,463)
Total comprehensive income for the year	-	(4,707)	-	2,675	(2,032)
Transactions with Owners, recorded directly in equity					
Contributions by and distributions to Owners					
Final dividend of 2.00 cents per share in respect of 2018	-	-	-	(3,342)	(3,342)
Final special dividend of 1.00 cent per share in respect of 2018	-	-	-	(1,671)	(1,671)
Interim dividend of 0.50 cent per share in respect of 2019	-	-	-	(836)	(836)
Total contributions by and distributions to Owners	-	-	-	(5,849)	(5,849)
Total transactions with Owners	-	-	-	(5,849)	(5,849)
Balance as at 30 June 2019	89,566	538	2,290	16,500	108,894

**Statement of Changes in Equity
For the year ended 30 June 2018**

Company	Share capital \$'000	Fair value reserve \$'000	Share-based compensation reserve \$'000	Retained earnings \$'000	Total equity \$'000
Balance as at 1 July 2017	89,566	1,620	2,290	11,656	105,132
Total comprehensive income					
Profit for the year	-	-	-	35,594	35,594
Other comprehensive income					
Net change in fair value of available-for-sale financial assets	-	3,625	-	-	3,625
Total other comprehensive income, net of tax	-	3,625	-	-	3,625
Total comprehensive income for the year	-	3,625	-	35,594	39,219
Transactions with Owners, recorded directly in equity					
Contributions by and distributions to Owners					
Final dividend of 2.00 cents per share in respect of 2017	-	-	-	(3,342)	(3,342)
Final special dividend of 4.50 cents per share in respect of 2017	-	-	-	(7,521)	(7,521)
Interim dividend of 2.00 cents per share in respect of 2018	-	-	-	(3,342)	(3,342)
Interim special dividend of 8.00 cents per share in respect of 2018	-	-	-	(13,371)	(13,371)
Total contributions by and distributions to Owners	-	-	-	(27,576)	(27,576)
Total transactions with Owners	-	-	-	(27,576)	(27,576)
Balance as at 30 June 2018	89,566	5,245	2,290	19,674	116,775

- 1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There was no change in the Company's share capital since the end of the previous period reported on up to the end of the current financial year.

There were no outstanding convertibles, shares held as treasury shares or subsidiary holdings as at 30 June 2019 and 30 June 2018.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	30.06.2019	30.06.2018
Total number of ordinary shares excluding treasury shares	167,128,185	167,128,185

- 1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable.

- 2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures in this announcement have not been audited or reviewed by the Company's auditor.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of its financial statements for the current financial year as those of the audited financial statements for the year ended 30 June 2018.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has applied SFRS(I) with effect from 1 July 2018 and prepared its financial statements for the financial year ended 30 June 2019 in accordance with SFRS(I) issued by the Accounting Standards Council.

The Group has prepared its financial information in accordance with SFRS(I) for the financial year ended 30 June 2019 and the comparative information for the immediately preceding financial year. The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as those of the audited financial statements for the year ended 30 June 2018, except for the adoption of the following new/revised SFRS(I) from 1 July 2018:

- SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International)
- SFRS(I) 15 Revenue from Contracts with Customers
- SFRS(I) 9 Financial Instruments

(a) Application of SFRS(I) 1

The Group elected the optional exemption in SFRS(I) 1 to reset its cumulative translation reserve for all foreign operations to nil at the date of transition, and had reclassified the cumulative translation reserve of \$9,313,000 as at 1 July 2017 to retained earnings.

After the date of transition, any gain or loss on disposal of any foreign operations will exclude translation differences that arose before the date of transition. Consequently, the gain/(loss) on disposal of subsidiaries and an associate for the year ended 30 June 2018 were restated. As at 1 July 2018, cumulative translation losses of \$1,399,000 was reclassified from translation reserve to retained earnings.

(b) Adoption of SFRS(I) 15

SFRS(I) 15 is effective for financial years beginning on or after 1 July 2018. In accordance with the requirements of SFRS(I), the Group will adopt SFRS(I) 15 retrospectively.

SFRS(I) 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Under SFRS(I) 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

(c) Adoption of SFRS(I) 9

SFRS(I) 9 introduces new requirements for classification and measurement of financial instruments and impairment of financial assets.

i. Classification and measurement

The Group elected to present in OCI the changes in fair value of quoted securities held by the Group and the Company previously classified as available-for-sale financial assets and financial assets at fair value through profit or loss. The changes in fair value recognised in OCI will not be reclassified to profit or loss upon disposal of these quoted securities.

ii. Impairment of financial assets

Financial assets are subject to expected credit loss impairment model under SFRS(I) 9 instead of incurred loss model used previously.

In accordance with the exemption in SFRS(I) 1, the Group elected not to restate the comparative information for the effect of adopting SFRS(I) 9.

There is no significant impact on the financial statements arising from the adoption of SFRS(I) 15 and SFRS(I) 9.

6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	FY2019	FY2018 Restated ⁽¹⁾
(Loss)/Earnings per share (basic and diluted) (cents)	(0.31)	10.16
Loss per share - Continuing operations (basic and diluted) (cents)	(0.31)	(2.89)
Weight average number of shares	167,128,185	167,128,185

Diluted (loss)/earnings per share was the same as basic (loss)/earnings per share as there were no potentially dilutive ordinary shares for both the current and preceding financial years.

⁽¹⁾ Restated upon electing optional exemption under SFRS(I) 1 disclosed in paragraph 5 on pages 12 and 13.

7. Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:

- (a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
Net asset value per ordinary share (cents)	69.67	74.62	65.16	69.87
Number of shares in issue at end of the financial year	167,128,185	167,128,185	167,128,185	167,128,185

Net asset is defined as total equity less non-controlling interests.

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

Performance review

Group revenue from continuing operations in FY2019 was \$50.2 million, 2% higher than \$49.1 million in FY2018. Gross profit increased from \$11.7 million in FY2018 to \$12.8 million in FY2019 and gross profit margin improved from 24% in FY2018 to 26% in FY2019, due mainly to higher commission income and better equipment sales.

Higher other income in FY2019 was mainly due to higher dividend income from financial assets and the gain on liquidation of subsidiaries.

The Group's distribution and administrative expenses decreased from \$14.4 million in FY2018 to \$10.8 million in FY2019, attributable mainly to the one-time ex-gratia benefits of \$4.1 million for the former Chief Executive Officer and former Chief Financial Officer upon their retirement in FY2018. Excluding the ex-gratia benefits, Group distribution and administrative expenses had increased from \$10.3 million in FY2018 to \$10.8 million in FY2019 due to higher staff and staff-related expenses and higher consultancy expenses.

Other expenses of \$2.1 million recorded in FY2018 comprised mainly net foreign exchange loss which arose primarily from the USD-denominated consideration received from the sale of the Disposal Group and fair value changes in financial assets.

Higher finance income in FY2019 was mainly due to interest earned from cash proceeds received from the sale of the Disposal Group placed with financial institutions.

The Group's share of loss of joint ventures was substantially in respect of its investment in Kalms. The significantly higher share of loss in FY2019 was due to the share of full year results of Kalms compared to 11 days in FY2018 as the investment in this joint venture commenced in June last year. Kalms had been unprofitable at its execution phase.

Excluding the share of loss of joint ventures of \$2.9 million, the Group recorded a profit after tax of \$2.3 million in FY2019, 64% higher than the profit after tax of \$1.4 million (after excluding the one-time ex-gratia benefits, \$1.9 million of foreign exchange loss in relation to the USD-denominated consideration received from the sale of the Disposal Group and \$0.2 million of fair value changes in financial assets) in FY2018.

Overall, the Group recorded a loss from continuing operations of \$0.5 million in FY2019. In FY2018, the Group's loss from continuing operations was \$4.8 million. Including the profit from discontinued operations, the Group reported a profit of \$17.0 million in FY2018.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The actual results for FY2019 is in line with the commentary provided in paragraph 10 of the Company's third-quarter results announcement released on 8 May 2019.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

According to the World Semiconductor Trade Statistics report released in May 2019, the world semiconductor market is forecasted to be down by 12.1% in 2019 to US\$412 billion from US\$468 billion in 2018, with all geographical regions foreseeing slower market demand. The overall market is expected to recover in 2020 by 5.4%, with Memory contributing the highest growth of 6%, followed by Optoelectronics of 5.9% and Logic 5.3%.

In its 2019 Mid-Year Total Forecast report, SEMI projected the global sales of semiconductor manufacturing equipment to drop 18.4% to US\$52.7 billion in 2019 from 2018 historic high of US\$64.5 billion, reflecting recent downward adjustments in capital expenditures and rising market uncertainty due to geopolitical and trade tensions. The equipment sales is expected to resume growth in 2020 with a 11.6% jump, to US\$58.8 billion. On the Original Design Manufacturer and Electronic Manufacturing Services market front, Reports and Data market research house has projected the market which was valued at approximately US\$526.0 billion in 2018 to reach US\$734.4 billion by year 2026, at a CAGR of 4.26% despite challenges such as uncertain demand, complex global supply chain, sustainability of the products.

The global economy remains uncertain and volatile international trade conditions are expected to persist in the short to mid-term due to geopolitical tension and changing trade landscape. US-China tariff war continues to dominate and influence the migration of supply chains. The Group will continue to stay lean while retaining necessary flexibility and mobility to respond to the fast changing customer's needs.

Kalms is at the execution phase and had recorded losses in FY2019. This joint venture is expected to remain unprofitable in the near term as it continues to evaluate and assess its strategies for the vending business.

Despite global economy uncertainties, the Group will continue to look for appropriate opportunities to expand its distribution platform and remain prudent in conducting its businesses.

11. Dividend.

(a) Current Financial Period Reported On.

Name of dividend	Interim	Final (Proposed)	Final special (Proposed)
Dividend type	Cash	Cash	Cash
Dividend rate	0.50 cent per ordinary share	1.00 cent per ordinary share	1.00 cent per ordinary share
Tax rate	Tax exempt (one-tier)	Tax exempt (one-tier)	Tax exempt (one-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year.

Name of dividend	Interim	Interim special	Final	Final special
Dividend type	Cash	Cash	Cash	Cash
Dividend rate	2.00 cents per ordinary share	8.00 cents per ordinary share	2.00 cents per ordinary share	1.00 cent per ordinary share
Tax rate	Tax exempt (one-tier)	Tax exempt (one-tier)	Tax exempt (one-tier)	Tax exempt (one-tier)

(c) Date payable.

To be announced.

(d) Book closure date.

To be announced.

12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

Not applicable.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

14. Confirmation by Board pursuant to Rule 705(5) of the Listing Manual.

Not applicable for full year results announcement.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Reportable segments

Group	Distribution & Services Solutions		Probe Card Solutions (Discontinued operations)		Vending Solutions		Eliminations		Consolidated	
	FY2019 \$'000	FY2018 \$'000	FY2019 \$'000	FY2018 \$'000	FY2019 \$'000	FY2018 \$'000	FY2019 \$'000	FY2018 \$'000	FY2019 \$'000	FY2018 \$'000
		Restated ⁽¹⁾		Restated ⁽¹⁾				Restated ⁽¹⁾		Restated ⁽¹⁾
Revenue and Expenses										
Total revenue from external customers	50,170	49,146	-	23,812	-	-	-	(23,812)	50,170	49,146
Inter-segment revenue	173	343	-	-	-	-	(173)	(343)	-	-
	<u>50,343</u>	<u>49,489</u>	<u>-</u>	<u>23,812</u>	<u>-</u>	<u>-</u>			<u>50,170</u>	<u>49,146</u>
Segment results	<u>4,749</u>	<u>3,814</u>	<u>-</u>	<u>3,351</u>	<u>-</u>	<u>-</u>		<u>(3,365)</u>	<u>4,749</u>	<u>3,800</u>
Unallocated corporate results									<u>(2,509)</u>	<u>(8,592)</u>
									2,240	(4,792)
Share of results of an associate and joint ventures										
- allocated to reportable segments	(14)	118	-	-	(2,840)	(80)	-	-	<u>(2,854)</u>	<u>38</u>
Loss before finance income and taxation									(614)	(4,754)
Finance income									948	430
Tax expense									(846)	(503)
Non-controlling interests									<u>(3)</u>	<u>(1)</u>
Loss from continuing operations, net of tax									(515)	(4,828)
Profit from discontinued operations, net of tax									<u>-</u>	<u>21,810</u>
(Loss)/Profit for the year									<u>(515)</u>	<u>16,982</u>
Capital expenditure										
- allocated to reportable segments	926	479	-	443	-	-	-	(443)	926	479
- unallocated corporate expenditure									<u>6</u>	<u>16</u>
									<u>932</u>	<u>495</u>
Other items										
Amortisation of intangible assets										
- allocated to reportable segments	6	4	-	368	-	-	-	(368)	<u>6</u>	<u>4</u>
Dividend income from financial assets										
- unallocated corporate income									<u>(162)</u>	<u>(44)</u>
Depreciation of property, plant and equipment										
- allocated to reportable segments	316	202	-	688	-	-	-	(688)	316	202
- unallocated corporate expenses									<u>8</u>	<u>3</u>
									<u>324</u>	<u>205</u>

⁽¹⁾ Restated upon electing optional exemption under SFRS(I) 1 disclosed in paragraph 5 on pages 12 and 13.

Reportable segments (Cont'd)

Group	Distribution & Services Solutions		Probe Card Solutions (Discontinued operations)		Vending Solutions		Eliminations		Consolidated	
	FY2019 \$'000	FY2018 \$'000 Restated ⁽¹⁾	FY2019 \$'000	FY2018 \$'000 Restated ⁽¹⁾	FY2019 \$'000	FY2018 \$'000	FY2019 \$'000	FY2018 \$'000 Restated ⁽¹⁾	FY2019 \$'000	FY2018 \$'000 Restated ⁽¹⁾
(Gain)/Loss on disposal of property, plant and equipment										
- allocated to reportable segments	-	(17)	-	4	-	-	-	(4)	-	(17)
Inventories written off										
- allocated to reportable segments	3	-	-	-	-	-	-	-	3	-
Loss/(Gain) on liquidation of subsidiaries										
- allocated to reportable segments	10	-	-	-	-	-	-	-	10	-
- unallocated corporate income									(110)	-
									(100)	-
Gain on disposal of an associate										
- allocated to reportable segments	-	(15)	-	-	-	-	-	-	-	(15)
Reversal of allowance for doubtful debts from trade receivables										
- allocated to reportable segments	-	(5)	-	-	-	-	-	-	-	(5)
(Reversal of allowance)/ Allowance for inventory obsolescence										
- allocated to reportable segments	(69)	93	-	132	-	-	-	(132)	(69)	93
Property, plant and equipment written-off										
- allocated to reportable segments	41	38	-	-	-	-	-	-	41	38
- unallocated corporate expenses									-	1
									41	39
Fair value changes of financial assets										
- unallocated corporate expenses									-	222

⁽¹⁾ Restated upon electing optional exemption under SFRS(I) 1 disclosed in paragraph 5 on pages 12 and 13.

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of the assets.

Group	Singapore		Malaysia		China		Taiwan		USA		Japan		Europe		Other Regions		Consolidated	
	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total revenue from external customers	24,531	23,497	6,658	4,957	12,242	19,374	6,230	9,048	122	5,420	-	6,154	15	696	372	3,812	50,170	72,958
Elimination of discontinued operations	-	(416)	-	(583)	-	(4,661)	-	(2,778)	-	(5,264)	-	(6,154)	-	(692)	-	(3,264)	-	(23,812)
	24,531	23,081	6,658	4,374	12,242	14,713	6,230	6,270	122	156	-	-	15	4	372	548	50,170	49,146

	Singapore		Malaysia		China		Taiwan		USA		Japan		Europe		Other Regions		Consolidated	
	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Non-current segment assets	18,493	25,129	9	25	163	207	240	352	-	-	-	-	-	-	-	-	18,905	25,713
Investments in joint ventures	7,116	9,920	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,116	9,920
Investments in financial assets	5,316	8,549	-	-	-	-	-	4	-	-	-	-	28	-	-	-	5,316	8,581
Deferred tax assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	67	297
Total non-current assets	30,925	43,598	9	25	163	207	240	356	-	-	-	-	28	-	-	-	31,404	44,511

	Singapore		Malaysia		China		Taiwan		USA		Japan		Europe		Other Regions		Consolidated	
	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital expenditure	898	112	7	8	9	34	18	341	-	-	-	-	-	-	-	-	932	495

17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Revenue and results of the DSS segment in FY2019 increased by \$1.0 million and \$0.9 million respectively compared to FY2018, due mainly to higher sales from the Singapore and Malaysia regions which were partially offset by lower sales from China region.

Vending solutions reported a loss of \$2.8 million in FY2019 compared to a loss of \$0.1 million in FY2018. The Group's investment in this business segment commenced in June last year and it had been unprofitable at the execution phase.

18. A breakdown of sales and profit after tax and before deducting non-controlling interests.

Group	FY2019	FY2018	Change %
	\$'000	\$'000 Restated ⁽¹⁾	
Revenue reported for first half-year	28,741	21,875	31
Profit/(Loss) after tax and before deducting non-controlling interests reported for first-half year (continuing operations)	741	(5,665)	NM
Profit after tax and before deducting non-controlling interests reported for first-half year (include discontinued operations)	741	15,992	(95)
Revenue reported for second half-year	21,429	27,271	(21)
(Loss)/Profit after tax and before deducting non-controlling interests reported for second half-year (continuing operations)	(1,253)	838	NM
(Loss)/Profit after tax and before deducting non-controlling interests reported for second half-year (include discontinued operations)	(1,253)	991	NM

⁽¹⁾ Restated upon electing optional exemption under SFRS(I) 1 disclosed in paragraph 5 on pages 12 and 13.

19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	Net Dividend	
	FY2019 \$'000	FY2018 \$'000
Ordinary shares		
Interim dividend	836	3,342
Interim special dividend	-	13,371
Final dividend	1,671 ⁽²⁾	3,342
Final special dividend	1,671 ⁽²⁾	1,671
	<u>4,178</u>	<u>21,726</u>

⁽²⁾ The proposed final and final special dividends for FY2019 of \$3,342,000 are estimated based on the total number of ordinary shares in issue as at 30 June 2019. The proposed dividends have not been recognised as a liability as at the reporting date.

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Kelvin Lum Wen-Sum	44	Son of David Lum Kok Seng, the legal and beneficial owner of Bevrian Pte Ltd, a substantial shareholder of the Company. Brother of Adrian Lum Wen-Hong, a non-independent non-executive director of the Company.	Chief Executive Officer (with effect from 8 August 2018) Providing leadership to the Group's operations, charting the Group's corporate directions, implementing growth strategies and managing investment activities.	Not applicable.

By order of the Board
KELVIN LUM WEN-SUM
 Chief Executive Officer
 26 August 2019