

For Immediate Release

Excelpoint Delivers Record Revenue Crossing US\$1 Billion

- Strong operating performance for FY2017 with record revenue
- Improved balance sheet with increased shareholder equity
- Strategic focus on segments related to the Internet of Things (“IoT”) to explore new growth areas

	Fourth Quarter			Full Year		
(US\$ million)	4Q2017	4Q2016	Change (%)	FY2017	FY2016	Change (%)
Revenue	297.5	250.2	+18.9	1,146.4	988.2	+16.0
Gross Profit	17.1	14.8	+15.8	60.9	55.1	+10.5
Profit before Tax	3.5	3.0	+18.8	10.2	8.5	+20.2
Net Profit	2.8	2.6	+10.1	8.1	7.1	+14.8
(US cents)	As at 31 Dec 17	As at 31 Dec 16	Change (%)			
NAV per share	62.31	57.94	+7.5			

Singapore, 14 February 2018 - SGX Mainboard-listed Excelpoint Technology Ltd (“Excelpoint” or “the Group”) is pleased to announce that it has achieved record revenue for the financial year ended 31 December 2017 (“FY2017”).

New innovations and technologies, leading to higher requirements for electronic components in technology applications, have contributed significantly to the growth of the business. As a leading regional B-to-B business platform providing quality electronics components with integrated Research and Development (“R&D”) capabilities, Excelpoint is an integral part of the electronics technology value chain.

The Group celebrated a great milestone, its 30th year anniversary in 2017, and achieved record revenue crossing US\$1 billion for FY2017. Various initiatives on technological innovations, product development and service capabilities have been implemented to drive our business growth for the years to come.

Continuing its Growth Roadmap for FY2017

The Group’s revenue increased by 16.0% from US\$988.2 million to US\$1,146.4 million, and gross profit increased by 10.5% from US\$55.1 million to US\$60.9 million, due to higher sales arising from stronger demand in FY2017.

Sales and distribution costs decreased by 2.2% from US\$29.8 million to US\$29.2 million mainly due to net foreign exchange gain.

General and administrative expenses increased by 11.1% from US\$15.7 million to US\$17.4 million. This was mainly due to new system enhancements across the Group, staff costs and programs related to the Group's 30th anniversary.

Included in other expenses was net allowance for doubtful trade debts of US\$0.5 million in FY2017, and net write-back of allowance for doubtful trade debts of US\$0.8 million in FY2016.

Interest expense increased by 66.1% from US\$2.5 million to US\$4.1 million mainly due to higher borrowings arising from increase in working capital needs and higher financing costs from the hikes in interest rates.

Overall, the Group reported an increase in profit after taxation by 14.8% from US\$7.1 million to US\$8.1 million.

Commenting on the Group's overall performance in FY2017, Mr. Albert Phuyay, Chairman and Group CEO, said, "Our team has done an incredible job over the past 12 months, culminating in strong business growth with a set of strong financial results. Our performance was boosted by new opportunities stemming from continued innovations and technology trends, reinforcing our management team's long-term confidence in the business. A trend we continue to see is the increased requirement of electronic components in all the applications compared to the past, and this will be one of the key drivers of our growth.

Excelpoint has established strong positions in key operating markets across Asia-Pacific and the Chinese market continues to be robust in terms of its growth. On top of that, we are seeing more Government initiatives in Asia that affirm the growth opportunities in our business activities."

Cashflow and Financial Position Highlights

The Group's net cash flows used in operating activities was US\$21.8 million compared to US\$20.5 million in FY2016, mainly due to the increase in the requirement for working capital.

The Group's trade and other debtors increased from US\$155.4 million to US\$199.1 million as at 31 December 2017. Stock increased from US\$131.6 million to US\$175.0 million as at 31 December 2017. The increases in trade debtors and stock were mainly due to the increase in sales.

Trade and other creditors increased from US\$113.9 million to US\$169.3 million as at 31 December 2017 due to higher purchase of stock in support of increased sales.

Interest-bearing loans and borrowings increased from US\$123.5 million to US\$142.7 million as at 31 December 2017 to fund the working capital requirements.

The Group's cash and short term deposits was US\$10.0 million as at 31 December 2017 as compared to US\$16.6 million as at 31 December 2016.

Overall, shareholders' equity increased to US\$73.8 million from US\$68.3 million as at 31 December 2016, mainly due to the profit for the year of US\$8.1 million, net gain on fair value changes of available-for-sale financial assets of US\$0.5 million and issuance of new shares of US\$0.3 million. This was partially offset by the payment of dividends of US\$3.4 million during the year.

Looking Ahead

Continuing our value-adding journey remains a focus for the Group, and plans and strategies are in place to strengthen this aspect. With the advent of more technologies, we believe that Excelpoint is in a good position to be a technology enabler and a solutions partner to our partners. We are also in a good position to grow the business in the regions we operate in, due to the rise in electronic manufacturing activities.

Mr. Phuay added, “Year 2017 was a milestone for us. We celebrated our 30th year in business, and we also rolled out many plans to accelerate our long-term growth. Aside from a joyful celebration we had for the Group, we also identified more beneficiaries for us to give back to the society. On the business front, we built an IoT demonstration facility to showcase our R&D capabilities that brings together cutting-edge technologies from our suppliers. We also invested in systems that will further strengthen our business efficiency and future growth.

These plans will serve as building blocks for Excelpoint from year 2018 and beyond. At the same time, we believe that our plans and strategies both organically and inorganically, will contribute to the sustainable growth of the Group and bring value to all our stakeholders.”

– End –

This press release is to be read in conjunction with Excelpoint’s exchange filings on 14 February 2018, which can be downloaded via www.sgx.com.

For media and investor enquiries, please contact:

Phuay Li Ying

Excelpoint Technology Ltd

Senior Manager, Corporate Development

Tel: +65 6210 6649, Fax: +65 6741 8980, Email: phuay.li.ying@excelpoint.com.sg

About Excelpoint Technology Ltd (Registration No. 200103280C)

Bloomberg Code: EXLP:SP / Reuters Code: EXCE.SI / SGX Code: BDF.SI

Excelpoint Technology Ltd (“Excelpoint” or the “Group”) is a leading regional B-to-B business platform providing quality electronics components, engineering design services and supply chain management to original equipment manufacturers (“OEM”), original design manufacturers (“ODM”) and electronics manufacturing services (“EMS”) in the Asia Pacific region. It ranks among the Top 25 Global Franchised Distributors List from EBN in 2017.

Excelpoint works closely with its principals to create innovative solutions to complement its customers’ products and solutions. Aimed at improving its customers’ operational efficiency and cost competitiveness, the Group has set up research and development (“R&D”) centres in both Singapore and China that are helmed by a team of professional engineers.

Established in 1987 and headquartered in Singapore, Excelpoint’s business presence spans more than 40 cities across Asia Pacific with a workforce of more than 650 people from different nationalities and cultural backgrounds.

For more information about Excelpoint, please visit www.excelpoint.com