

For Immediate Release

Excelpoint Reports Record Nine-Month Financial Results for Financial Year ending 31 December 2017 with Double-Digit Growth in Revenue and Net Profit

- Strong operating performance in 3Q2017 with record quarterly revenue and net profit, propelling 9M2017 financial performance
- Improved balance sheet with increased shareholder equity
- Strategic focus on Internet of Things (“IoT”) to explore new growth areas

	Third Quarter			Year-to-Date Sept		
(US\$ million)	3Q2017	3Q2016	Change (%)	9M2017	9M2016	Change (%)
Revenue	312.6	297.8	+5.0	848.9	738.0	+15.0
Gross Profit	17.1	15.2	+12.7	43.8	40.4	+8.6
Profit before Tax	3.2	2.9	+11.6	6.7	5.5	+20.9
Net Profit	2.5	2.4	+3.8	5.3	4.5	+17.5
(US cents)	As at 30 Sept 17	As at 31 Dec 16	Change (%)			
NAV per share	60.06	57.94	+3.7			

Singapore, 13 November 2017 - SGX Mainboard-listed Excelpoint Technology Ltd (“Excelpoint” or “the Group”) is pleased to announce that it has achieved new record figures for the third quarter (“3Q2017”) and nine-month period (“9M2017”) for the financial year ending 31 December 2017.

New innovations and technologies are shaping the future and changing the world, as a leading regional B-to-B business platform providing quality electronics components with integrated R&D capabilities, Excelpoint is an integral part of the electronics technology value chain.

With a strong strategic relationship with its principals and customers over the past 30 years, Excelpoint has continued to foster deeper tripartite engagements and create new value propositions with its competitive strengths.

Continuing its Growth Roadmap in 3Q2017

Historically, the third quarter period accounts for the Group's highest volume of sales activities and for 3Q2017, the Group's revenue increased 5.0% to a record US\$312.6 million with gross profit surging 12.7% to US\$17.1 million.

The Group's sales and distribution costs decreased marginally by 4.3% from US\$7.9 million to US\$7.6 million in 3Q2017 mainly due to net foreign exchange gain.

During 3Q2017, the Group's general and administrative expenses increased by 25.9% from US\$4.2 million to US\$5.3 million, which was mainly attributed to new system enhancements implemented across the Group, higher staff costs and programs related to the Group's 30th year anniversary.

Overall, the Group's profit after tax in 3Q2017 improved by 3.8% from US\$2.4 million to US\$2.5 million, while the Group's profit after tax in 9M2017 increased by 17.5% from US\$4.5 million to US\$5.3 million.

Commenting on the Group's performance in 3Q2017, Mr. Albert Phuay, Chairman and Group CEO, said, "Our strong third quarter performance was boosted by robust seasonal demand coming from new innovations and updated designs in consumer electronics, such as the release of new smartphones.

On top of that, the entire electronics supply chain within the Asia Pacific region is seeing a positive growth momentum with more government initiatives and support, particularly with China's continued projected growth in its economy and manufacturing sector.

With our strong track record and extensive market presence in our operating markets, we will continue to focus on innovation, scale and execution to drive growth and further extend our competitive strengths."

Balance Sheet Highlights

As at 30 September 2017, the Group's total current assets improved to US\$353.0 million, of which trade debtors and stocks are key components. With higher level of sales activities, the Group's trade debtors increased from US\$ 154.2 million to US\$179.6 million as at end September 2017. Stock increased from US\$ 131.6 million to US\$154.0 million as at 30 September 2017.

The Group does not have any long-term liabilities and as at 30 September 2017, the Group's total current liabilities stood at US\$287.5 million, of which trade creditors and accruals as well as interest-bearing loans and borrowings are key components. With higher purchase of stock, trade creditors and accruals increased from US\$100.1 million to US\$134.8 million as at 30 September 2017. To fund working capital requirements due to higher sales activities, interest-bearing loans and borrowings inched upwards from US\$123.5 million to US\$132.8 million as at 30 September 2017.

The Group's cash and short term deposits remained relatively unchanged at US\$16.7 million as at 30 September 2017 as compared to US\$16.6 million as at 31 December 2016.

Overall, the Group's shareholders equity improved to US\$70.8 million from US\$68.3 million as at 31 December 2016, due to profit after tax of US\$5.3 million and net gain on fair value changes of available-for-sale financial assets of US\$0.6 million for the period ended 30 September 2017 and partially offset by the dividend payment of US\$3.4 million.

Looking Ahead

The concept of IoT has gained momentum in recent years due to the development of sensor technologies, wireless networking and embedded systems.

Recognising that IoT applications are expected to be integrated into our communities (such as smart cities and smart homes among others) in the near future, Excelpoint has made a strategic focus to broaden its business model and harness the growing business opportunities in this emerging market segment.

Mr. Phuy added, “The new opportunities related to the Internet of Things (“IoT”) has grown significantly and as part of our strategy, we are accelerating our technical efforts in this segment, as well as identifying additional integrated offerings across our product portfolio.

The month of November 2017 marks our 30th Year Anniversary, and this milestone will serve as a reminder to stay committed to growing our business sustainably and continue to bring more value to our stakeholders.”

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This press release is to be read in conjunction with Excelpoint’s exchange filings on 13 November 2017, which can be downloaded via www.sgx.com.

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About Excelpoint Technology Ltd (Registration No. 200103280C)

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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 600 people from different nationalities and cultural backgrounds.

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