



NEWS RELEASE

EXCELPOINT ACHIEVES RECORD FIRST HALF REVENUE OF US\$536 MILLION

	Second Quarter			Half Year		
	2Q2017	2Q2016	Increase/ (Decrease) (%)	1H2017	1H2016	Increase/ (Decrease) (%)
Revenue (US\$'000)	275,936	234,542	17.6	536,229	440,251	21.8
Net Profit After Taxation (US\$'000)	1,393	1,222	14.0	2,762	2,069	33.5

SINGAPORE, 2 August 2017 - Main board listed Excelpoint Technology Ltd ("Excelpoint" or "the Group") today announced a 21.8% increase in the Group's revenue from US\$440.3 million in 1H2016 to US\$536.2 million in 1H2017 due to higher sales from the Hong Kong and Singapore business units. Net profit after tax increased by 33.5% from US\$2.1 million to US\$2.8 million.

Comparing 2Q2017 to 2Q2016

INCOME STATEMENT

The Group's revenue increased by 17.6% from US\$234.5 million to US\$275.9 million, and gross profit increased by 0.6% from US\$13.3 million to US\$13.4 million.

Other income increased by 147.6% from US\$42,000 to US\$104,000 mainly due to the Wage Credit Scheme in Singapore and the forfeiture of customer deposits due to cancellation of orders.

Sales and distribution costs decreased by 12.2% from US\$7.2 million to US\$6.3 million, and general and administrative expenses decreased by 28.7% from US\$4.1 million to US\$2.9 million. These were mainly due to net foreign exchange gain arising from the translation of balances denominated in foreign currency into functional currency and lower staff cost.

Other expenses increased by US\$1.6 million. This was due to allowance for doubtful trade debts.

Interest expense increased by 85.4% from US\$0.5 million to US\$0.9 million mainly due to higher borrowings arising from the increase in working capital requirements and higher financing cost from the hikes in interest rates.

CASHFLOW AND FINANCIAL POSITION

During the quarter, the Group's net cash flow generated from operating activities was US\$2.5 million compared to net cash flow used in operating activities of US\$22.4 million in 2Q2016, mainly due to lower working capital requirement.

The Group's trade debtors increased from US\$154.2 million to US\$165.3 million as at 30 June 2017, due to increase in sales. Stock increased from US\$131.6 million to US\$153.5 million as at 30 June 2017.

Trade creditors and accruals increased from US\$100.1 million to US\$120.6 million as at 30 June 2017, due to higher purchase of stock.

Interest-bearing loans and borrowings increased from US\$123.5 million to US\$132.4 million as at 30 June 2017 to fund the working capital requirements.

The Group's cash and short term deposits was US\$15.2 million as at 30 June 2017 as compared to US\$16.6 million as at 31 December 2016.

Overall, shareholders' equity decreased to US\$68.2 million from US\$68.3 million as at 31 December 2016, due to dividend payment of US\$3.4 million during the 1H2017. This was partially offset by the profit for the period of US\$2.8 million and net gain on fair value changes of available-for-sale financial assets of US\$0.5 million during 1H2017.

Commenting on the Group's performance, Mr. Albert Phuai, Chairman and Group CEO, said: "Our business growth during the first half of the year was driven primarily by the dynamically growing technology trends, which has increased the demand for our products and services. Asia's electronics manufacturing supply chain has shown positive momentum and we continue to see this giving rise to new business opportunities in the markets we operate in. Expanding our technical capabilities and strengthening the competitiveness of our value-added services and product portfolio remain our priorities, and we stay committed to growing our business for the year ahead."

About Excelpoint Technology Ltd (Registration No. 200103280C)

Excelpoint Technology Ltd ("Excelpoint" or the "Group") is a leading regional electronics components distributor providing quality 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 2016.

Excelpoint works closely with its principals to create innovative solutions to complement its customer's products. The Group has research and development ("R&D") centres in both Singapore and China supported by a team of professional engineers aimed at helping customers improve operational efficiency and cost effectiveness.

Established in 1987 and headquartered in Singapore, Excelpoint's presence spans more than 25 cities across Asia Pacific. Currently, we provide employment to more than 600 people of different nationalities. Our shares are quoted on the Main-Board of the Singapore Exchange ("SGX").

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

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