



NEWS RELEASE

EXCELPOINT REPORTS 11.8% REVENUE GROWTH IN 3Q2015

SINGAPORE, 28 October 2015 - Mainboard listed Excelpoint Technology Ltd ("Excelpoint" or the "Group") today announced revenue of US\$224.3 million and net profit after tax of US\$1.3 million for the quarter ended 30 September 2015 (3Q2015).

The Group reported an 11.8% rise in revenue in 3Q2015 which rose from US\$200.6 million in 3Q2014 to US\$224.3 million in 3Q2015. Total operating expenses were higher this quarter due to higher sales and distribution costs which rose by 22.2% or US\$1.4 million. Interest expense was also higher due to rising interest rates and higher working capital requirements this quarter.

At the close of the quarter, net profit after tax totalled US\$1.3 million compared to US\$1.9 million in 3Q2014. This was due to the lower gross margin which decreased from 6.2% in 3Q2014 to 5.5% this quarter.

The Group's balance sheet showed net assets of US\$55.9 million as at 30 September 2015 compared to US\$56.2 million as at 31 December 2014. This was due largely to the increase in trade creditors and accruals which rose from US\$76.8 million to US\$106.9 million; which is partially offset by the increase in trade debtors from US\$115.4 million to US\$143.2 million; and increase in stocks balance from US\$93.1 million to US\$112.2 million. Due to the higher working capital requirements this quarter, borrowings rose from US\$81.0 million to US\$93.0 million and cash and short-term deposits decreased from US\$11.8 million to US\$7.9 million.

Going forward, the Group expects the next quarter to be challenging in view of the slow economic growth in China and the ASEAN markets and remains cautiously optimistic about its prospects in the fourth quarter of the current financial year.

"Our business in China remains strong in view of the stable growth in the handsets and consumer wireless sectors. Demand from the ASEAN markets will languish as these economies are facing relatively slower growth. The rise of the US Dollars against the regional currencies will further exacerbate pressure on many businesses. Nonetheless, we will do our best to ensure our profitability this year, barring unforeseen circumstances," said Mr Albert Phuay, Executive Chairman and Group CEO of Excelpoint.

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 2015.

Excelpoint works closely with its principals to create innovative solutions to complement its customer's products. The Group has three research and development ("R&D") centres 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 500 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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