



NEWS RELEASE

EXCELPOINT DELIVERS A STRONG 3Q WITH 81.2% INCREASE IN NET PROFIT

	Third Quarter			YTD Sep		
	3Q2016	3Q2015	Increase/ (Decrease) (%)	YTD Sep 2016	YTD Sep 2015	Increase/ (Decrease) (%)
Revenue <i>(US\$'000)</i>	297,769	224,271	32.8%	738,020	605,402	21.9%
Net Profit After Taxation <i>(US\$'000)</i>	2,430	1,341	81.2%	4,499	3,236	39.0%

SINGAPORE, 2 November 2016 - Main board listed Excelpoint Technology Ltd ("Excelpoint" or "the Group") today announced a 32.8% increase in revenue from US\$224.3 million in 3Q2015 to US\$297.8 million for 3Q2016 contributed by strong seasonal demands for both Hong Kong and Singapore Business Units. Gross profit margin and net profit after tax increased by 19.1% and 81.2% respectively.

Other income decreased by 49.9% from US\$387,000 to US\$194,000 mainly arising from income received in 3Q2015 following the divestment of the non-core research and development division in 2014. Sales and distribution costs remained constant at US\$7.9 million.

General and administrative expenses increased by 34.9% from US\$3.1 million to US\$4.2 million. These were mainly due to higher staff costs and rental.

Included in other expenses were net write-back of allowance for doubtful trade debts of US\$53,000 and US\$345,000 in 3Q2015 and 3Q2016 respectively, mainly due to the recovery of trade debts.

Interest expense increased by 45.2% from US\$0.5 million to US\$0.7 million mainly due to higher borrowings arising from the increase in working capital needs.

The Group's net cash flows used in operating activities was US\$20.5 million compared to US\$9.7 million in 3Q2015, mainly due to increase in the requirement for working capital by US\$19.7 million.

As at 30 September 2016, the Group's cash and short term deposits was US\$7.7 million as at 30 September 2016 as compared to US\$10.7 million as at 31 December 2015. Net current assets was US\$59.8 million.

Commenting on the Group's performance, Mr. Albert Phuai, Chairman and Group CEO said: "We are pleased to report strong third quarter results. The continued business growth stems from year-end seasonal demands in the consumer market in China, especially with the launch of the new iPhone 7, and developments from Government initiated projects across emerging markets that we operate in, particularly India."

On the outlook for the next quarter, Mr. Albert Phuai said: "Business sentiments remain uncertain across the globe, but with our plans and strategies in place for the Group, we remain optimistic for the last quarter. With our strong positioning in the market, we see new business opportunities arising from the mergers and acquisitions taking place among our suppliers. The Group will continue to explore strategic partnerships as we believe that these initiatives will help to ensure sustained growth for 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 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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