

EXCELPOINT DELIVERS STRONG NINE-MONTH FINANCIAL RESULTS FOR FY2018

- Revenue growth of 16% and profit after tax increased by 17.4%
- Stable growth contributed by stronger demands despite volatilities in the business environment

	Third Quarter			Year-to-Date Sept		
(US\$ million)	3Q2018	3Q2017	Change (%)	9M2018	9M2017	Change (%)
Revenue	349.3	312.6	+11.7	984.3	848.9	+16.0
Gross Profit	18.3	17.1	+7.3	53.8	43.8	+22.8
Net Profit	2.5	2.5	+0.5	6.2	5.3	+17.4
(US cents)	As at 30 Sept 18	As at 31 Dec 17	Change (%)			
NAV per share	63.98	62.31	+2.7			

Singapore, 2 November 2018 - SGX Mainboard-listed Excelpoint Technology Ltd ("*Excelpoint*" or "*the Group*") is pleased to announce that it has achieved a revenue of US\$984.3 million and a profit after tax of US\$6.2 million for 9M2018.

Commenting on the Group's performance for this quarter, Mr. Albert Phuai Yong Hen, Chairman and Group Chief Executive Officer, said, "Despite existing uncertainties in the business environment, we delivered a stable growth in the third quarter. We saw increased demand in our key segments, such as Mobile & Computing, Industrial & Instrumentation, and Consumer, and these give us confidence for our business growth. Over the years, Excelpoint's focus on building collaborative relationships with our partners through value-added services has given us our positioning in the market today."

INCOME STATEMENT – Comparing 3Q2018 to 3Q2017

The Group's revenue increased by 11.7% from US\$312.6 million to US\$349.3 million, and gross profit increased by 7.3% from US\$17.1 million to US\$18.3 million, mainly due to higher sales from Singapore business unit arising from stronger demand.

Other income increased from US\$0.2 million to US\$0.4 million mainly due to non-recurring engineering income.

Sales and distribution costs increased by 21.8% from US\$7.6 million to US\$9.2 million, mainly due to net foreign exchange loss arising from the translation of balances denominated in foreign currency into functional currency and marketing expenses.

General and administrative expense decreased by 12.1% from US\$5.3 million to US\$4.7 million, mainly due to lower professional fees and one-off expense for last year relating to the Group's 30th year anniversary.

Other expenses increased by US\$0.2 million. This was due to allowance for doubtful trade debts in 3Q2018.

Interest expense increased by 49.4% from US\$1.2 million to US\$1.7 million, due to higher borrowings and higher financing cost from the hikes in interest rates.

Overall, the Group reported profit after taxation of US\$2.5 million for 3Q2018.

Cashflow and Financial Position Highlights

During the quarter, the Group's net cash flows generated from operating activities was US\$0.3 million compared to US\$1.0 million in 3Q2017, mainly due to higher working capital requirements.

The Group's trade and other debtors increased from US\$199.1 million to US\$226.8 million as at 30 September 2018 mainly due to increase in sales. Stock increased from US\$175.0 million to US\$209.0 million as at 30 September 2018.

Trade and other creditors increased from US\$169.3 million to US\$209.7 million as at 30 September 2018, due to higher purchase of stock.

Property, plant and equipment increased from US\$2.6 million to US\$3.3 million as at 30 September 2018 mainly due to new system enhancements and office renovation across the Group. This was partially offset by the depreciation for the 9 months ended 30 September 2018.

Interest-bearing loans and borrowings increased from US\$142.7 million to US\$166.5 million as at 30 September 2018 to fund the working capital requirements.

The Group's cash and short term deposits was US\$13.1 million as at 30 September 2018 as compared to US\$10.0 million as at 31 December 2017.

Overall, shareholders' equity increased from US\$73.8 million to US\$75.9 million as at 30 September 2018, due to the net profit of US\$6.2 million for 9 months ended 30 September 2018. This was partially offset by the dividend payment of US\$4.0 million in May 2018.

Looking ahead, Mr Phuay commented, "The uncertainties in the geopolitical climate will continue to exist, but we have strategies in place to mitigate them and maintain our positioning to capture new opportunities arising from the changing business environment. As we continue to expand our R&D competencies and our product portfolio to provide more value-added services as technical support to our partners, we believe we can grow the business sustainably."

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This press release is to be read in conjunction with Excelpoint's exchange filings on 2 November 2018, 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 650 people from different nationalities and cultural backgrounds.

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