

EXCELPOINT TECHNOLOGY LTD  
 Company Registration No.: 200103280C

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF Q1 RESULTS

1(a) An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

1(a)(i) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE QUARTERS ENDED 31 MARCH 2012 AND 31 MARCH 2011

Consolidated Income Statement

	Group 1Q2012	Group 1Q2011	Increase/ (Decrease)
	US\$'000	US\$'000	%
Revenue	124,596	122,510	1.7%
Cost of sales	(114,671)	(113,254)	1.3%
<b>Gross profit</b>	<b>9,925</b>	<b>9,256</b>	<b>7.2%</b>
Other income	117	82	42.7%
Sales and distribution costs	(4,953)	(5,097)	(2.8%)
General and administrative expenses	(3,131)	(2,829)	10.7%
Other expenses	(605)	64	N.M.
Interest expense	(246)	(211)	16.6%
<b>Profit before taxation</b>	<b>1,107</b>	<b>1,265</b>	<b>(12.5%)</b>
Income tax expense	(171)	(297)	(42.4%)
<b>Profit after taxation</b>	<b>936</b>	<b>968</b>	<b>(3.3%)</b>
<b>Profit attributable to:</b>			
Equity holders of the Company	936	968	(3.3%)

1(a) An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year (Cont'd).

1(a)(i) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTERS ENDED 31 MARCH 2012 AND 31 MARCH 2011

Consolidated Statement of Other Comprehensive Income

	Group 1Q2012	Group 1Q2011	Increase/ (Decrease)
	US\$'000	US\$'000	%
<b>Profit after taxation</b>	<b>936</b>	<b>968</b>	<b>(3.3%)</b>
<b>Other comprehensive income/ (loss)</b>			
Foreign currency translation	(71)	(17)	N.M.
Net gain/ (loss) on fair value changes of available-for-sale financial assets	331	(2)	N.M.
<b>Other comprehensive income/ (loss) for the quarter</b>	<b>260</b>	<b>(19)</b>	<b>N.M.</b>
<b>Total comprehensive income for the quarter</b>	<b>1,196</b>	<b>949</b>	<b>26.0%</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company	1,196	949	26.0%
	<b>1,196</b>	<b>949</b>	<b>26.0%</b>

1(a)(ii) NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Notes to the consolidated statement of comprehensive income	1Q2012	1Q2011
	US\$'000	US\$'000
Interest income	26	5
Interest on borrowings	(246)	(211)
Allowance for doubtful trade debts written back	39	45
Allowance for doubtful trade debts	(150)	(23)
Reversal of stocks written down / stocks recovered	383	612
Stocks written down / off	(927)	(513)
Reversal of impairment loss on property, plant and equipment	-	12
Loss on disposal of property, plant and equipment	-	(9)
Depreciation of property, plant and equipment	(173)	(158)
Net foreign exchange gain	103	129

1(b)(i) A statement of financial position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

STATEMENT OF FINANCIAL POSITION	Group 31/03/2012	Group 31/12/2011	Company 31/03/2012	Company 31/12/2011
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Non-current assets</b>				
Property, plant and equipment	3,384	3,287	-	-
Intangible assets	326	326	-	-
Investments in subsidiaries	-	-	13,049	13,049
Investment securities	1,516	1,185	1,516	2,358
Deferred tax assets	54	51	-	-
<b>Current assets</b>				
Trade debtors	70,454	66,463	8	6
Other debtors	758	749	-	-
Prepayments	428	390	131	118
Stocks	60,252	63,202	-	-
Amounts due from subsidiaries	-	-	19,422	16,207
Cash and short term deposits	13,834	12,081	1,989	3,957
<b>Total current assets</b>	<b>145,726</b>	<b>142,885</b>	<b>21,550</b>	<b>20,288</b>
<b>Current liabilities</b>				
Trade creditors and accruals	(59,796)	(63,247)	(263)	(53)
Other creditors	(7,817)	(6,697)	-	-
Interest-bearing loans and borrowings	(34,096)	(29,689)	-	-
Finance lease obligations	-	-	-	-
Provision for taxation	(1,384)	(1,384)	(18)	(10)
<b>Total current liabilities</b>	<b>(103,093)</b>	<b>(101,017)</b>	<b>(281)</b>	<b>(63)</b>
<b>Net current assets</b>	<b>42,633</b>	<b>41,868</b>	<b>21,269</b>	<b>20,225</b>
<b>Net assets</b>	<b>47,913</b>	<b>46,717</b>	<b>35,834</b>	<b>35,632</b>
<b>Equity attributable to equity holders of the Company</b>				
Share capital	32,294	32,294	32,294	32,294
Treasury shares	(201)	(201)	(201)	(201)
Reserves	15,820	14,624	3,741	3,539
	<b>47,913</b>	<b>46,717</b>	<b>35,834</b>	<b>35,632</b>

**1(b)(ii) Aggregate amount of Group's borrowings and debt securities.**

**Amount repayable in one year or less, or on demand**

<b>At 31/03/2012 (US\$'000)</b>		<b>At 31/12/2011 (US\$'000)</b>	
Secured	Unsecured	Secured	Unsecured
-	34,096	-	29,689

**Details of any collateral**

The Group's borrowings as at 31 March 2012 consisted of interest-bearing loans and borrowings.

1(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group 1Q2012	Group 1Q2011
	US\$'000	US\$'000
<b>Operating activities</b>		
Profit before taxation	1,107	1,265
Adjustments for:-		
Interest income	(26)	(5)
Interest expense	246	211
Depreciation of property, plant and equipment	173	158
Loss on disposal of property, plant and equipment	-	9
Reversal of impairment loss on property, plant and equipment	-	(12)
<b>Operating cash flows before changes in working capital</b>	<b>1,500</b>	<b>1,626</b>
Decrease/ (increase) in stocks	2,950	(679)
(Increase)/ decrease in trade debtors, other debtors and prepayments	(4,038)	2,954
(Decrease)/ increase in trade creditors, accruals and other creditors	(2,331)	479
<b>Cash flows (used in)/ generated from operations</b>	<b>(1,919)</b>	<b>4,380</b>
Interest received	26	5
Interest paid	(246)	(211)
Income tax (paid)/ refund	(174)	9
<b>Net cash flows (used in)/ generated from operating activities</b>	<b>(2,313)</b>	<b>4,183</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(270)	(131)
Proceeds on disposal of property, plant and equipment	-	44
<b>Net cash flows used in investing activities</b>	<b>(270)</b>	<b>(87)</b>
<b>Financing activities</b>		
Increase/ (decrease) in interest-bearing loans and borrowings	4,407	(1,541)
Repayment of finance lease obligations	-	(11)
<b>Net cash flows generated from/ (used in) financing activities</b>	<b>4,407</b>	<b>(1,552)</b>
Net increase in cash and short-term deposits	1,824	2,544
Effects of exchange rate changes on cash and short-term deposits	(71)	(17)
Cash and short-term deposits at beginning of period	12,081	15,983
<b>Cash and short-term deposits at end of period</b>	<b>13,834</b>	<b>18,510</b>

1(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

1Q2012									
Attributable to equity holders of the Company									
Group	Equity, total US\$'000	Share capital US\$'000	Treasury shares US\$'000	Reserves, total US\$'000	Fair value reserve US\$'000	Statutory reserve US\$'000	Foreign currency translation reserve US\$'000	Revenue reserve US\$'000	
<b>Opening balance at 1 January 2012</b>	<b>46,717</b>	<b>32,294</b>	<b>(201)</b>	<b>14,624</b>	<b>21</b>	<b>25</b>	<b>(1,018)</b>	<b>15,596</b>	
Profit for the period	936	-	-	936	-	-	-	936	
<u>Other comprehensive Income</u>									
Foreign currency translation	(71)	-	-	(71)	-	-	(71)	-	
Net gain on fair value changes of available-for-sale financial assets	331	-	-	331	331	-	-	-	
Other comprehensive income for the period	260	-	-	260	331	-	(71)	-	
Total comprehensive income for the period	1,196	-	-	1,196	331	-	(71)	936	
<b>Closing balance at 31 March 2012</b>	<b>47,913</b>	<b>32,294</b>	<b>(201)</b>	<b>15,820</b>	<b>352</b>	<b>25</b>	<b>(1,089)</b>	<b>16,532</b>	

1Q2011									
Attributable to equity holders of the Company									
Group	Equity, total US\$'000	Share capital US\$'000	Treasury shares US\$'000	Reserves, total US\$'000	Fair value reserve US\$'000	Statutory reserve US\$'000	Foreign currency translation reserve US\$'000	Revenue reserve US\$'000	
<b>Opening balance at 1 January 2011</b>	<b>44,472</b>	<b>32,294</b>	<b>(201)</b>	<b>12,379</b>	<b>1,339</b>	<b>25</b>	<b>(1,075)</b>	<b>12,090</b>	
Profit for the period	968	-	-	968	-	-	-	968	
<u>Other comprehensive Income</u>									
Foreign currency translation	(17)	-	-	(17)	-	-	(17)	-	
Net loss on fair value changes of available-for-sale financial assets	(2)	-	-	(2)	(2)	-	-	-	
Other comprehensive income for the period	(19)	-	-	(19)	(2)	-	(17)	-	
Total comprehensive income for the period	949	-	-	949	(2)	-	(17)	968	
<b>Closing balance at 31 March 2011</b>	<b>45,421</b>	<b>32,294</b>	<b>(201)</b>	<b>13,328</b>	<b>1,337</b>	<b>25</b>	<b>(1,092)</b>	<b>13,058</b>	

1(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd).

1Q2012									
Attributable to equity holders of the Company									
Company	Equity, total US\$'000	Share capital US\$'000	Treasury shares US\$'000	Reserves, total US\$'000	Fair value reserve US\$'000	Statutory reserve US\$'000	Foreign currency translation reserve US\$'000	Revenue reserve US\$'000	
<b>Opening balance at 1 January 2012</b>	<b>35,386</b>	<b>32,294</b>	<b>(201)</b>	<b>3,293</b>	<b>21</b>	<b>-</b>	<b>-</b>	<b>3,272</b>	
Profit for the period	117	-	-	117	-	-	-	117	
<u>Other comprehensive Income</u>									
Net gain on fair value changes of available-for-sale financial assets	331	-	-	331	331	-	-	-	
Total comprehensive income for the period	448	-	-	448	331	-	-	117	
<b>Closing balance at 31 March 2012</b>	<b>35,834</b>	<b>32,294</b>	<b>(201)</b>	<b>3,741</b>	<b>352</b>	<b>-</b>	<b>-</b>	<b>3,389</b>	

1Q2011									
Attributable to equity holders of the Company									
Company	Equity, total US\$'000	Share capital US\$'000	Treasury shares US\$'000	Reserves, total US\$'000	Fair value reserve US\$'000	Statutory reserve US\$'000	Foreign currency translation reserve US\$'000	Revenue reserve US\$'000	
<b>Opening balance at 1 January 2011</b>	<b>35,595</b>	<b>32,294</b>	<b>(201)</b>	<b>3,502</b>	<b>1,339</b>	<b>-</b>	<b>-</b>	<b>2,163</b>	
Profit for the period	39	-	-	39	-	-	-	39	
<u>Other comprehensive Income</u>									
Net loss on fair value changes of available-for-sale financial assets	(2)	-	-	(2)	(2)	-	-	-	
Total comprehensive income for the period	37	-	-	37	(2)	-	-	39	
<b>Closing balance at 31 March 2011</b>	<b>35,632</b>	<b>32,294</b>	<b>(201)</b>	<b>3,539</b>	<b>1,337</b>	<b>-</b>	<b>-</b>	<b>2,202</b>	

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

In addition to the disclosure in Note 1(d)(i) above, the changes to the company's treasury shares during the year were as follows:-

	1Q2012		FY2011	
	No. of shares	US\$'000	No. of shares	US\$'000
<b>Treasury shares</b>				
At beginning of financial period	5,363,000	201	5,363,000	201
Purchase during the current period	-	-	-	-
At end of financial period	5,363,000	201	5,363,000	201

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares excluding treasury shares as at the end of 31 March 2012 is 504,659,200 (31 December 2011: 504,659,200).

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There were no sales, transfers, disposal, cancellation and/or use of treasury share during the current financial period reported on.

- 2. Whether the figures have been audited or reviewed, in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by our auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

N.A.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2011.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

N.A.



6. **Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group	
	1Q2012	1Q2011
Based on weighted average number of ordinary shares (US cent)	0.19	0.19
On a fully diluted basis (US cent)	N.A.	N.A.

Earnings per share excluding treasury shares for 1Q2012 computed based on weighted average number of ordinary shares of 504,659,200 (1Q2011: 504,659,200).

7. **Net asset value (for the issuer and Group) per ordinary share based on the total number of issued share excluding treasury shares of the issuer at the end of the:-**

- (a) **current financial period reported on; and**  
(b) **immediately preceding financial year.**

	Group		Company	
	31/03/2012	31/12/2011	31/03/2012	31/12/2011
Net asset value per ordinary share based on existing issued share capital as at end of period reported on (US cents)	9.49	9.26	7.10	7.01

The Group's and the Company's net asset value per ordinary share have been computed based on the share capital of 504,659,200 ordinary shares, excluding treasury shares.

8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:-**

- (a) **any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**  
(b) **any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

#### **INCOME STATEMENT**

##### **Comparing 1Q FY2012 with 1Q FY2011**

Revenue in 1Q FY2012 rose to US\$124.6 million compared to US\$122.5 million in the same quarter last year. Gross profit margin improved from 7.6% to 8.0% due largely to the change in product mix. Other income, which amounted to US\$0.1 million, increased by 42.7% due to higher interest earned this quarter. Net profit after tax decreased marginally by 3.3% from US\$0.97 million to US\$0.94 million in 1Q FY2012.

Operating expenses rose from US\$8.1 million to US\$8.9 million in 1Q FY2012 due mainly to higher general and administrative expenses, other expenses and interest expenses. General and administrative expenses increased by 10.7%. Other expenses amounted to US\$0.6 million due to provisions for trade debtors and stocks. Interest expense was 16.6% higher due to higher interest costs.

The value of quoted investment was higher by US\$0.3 million this quarter. Total comprehensive income totaled US\$1.2 million compared to US\$0.9 million in 1Q FY2011.

## BALANCE SHEET

Net assets rose from US\$46.7 million as at 31 December 2011 to US\$47.9 million due mainly to:

- Increase in trade debtors, which rose from US\$66.5 million to US\$70.5 million as at 31 March 2012. This reflects the longer debtors' turnover days, which rose from 46 days to 49 days. Trade creditors and accruals decreased from \$63.2 million to US\$59.8 million due mainly to repayments made close to quarter-end.
- Decrease in stocks balance from US\$63.2 million to US\$60.3 million. Stocks turnover days decreased marginally from 49 days to 48 days.
- Increase in interest-bearing loans and borrowings from US\$29.7 million to US\$34.1 million as at 31 March 2012 to meet higher working capital needs.
- Increase in cash and short term deposits from US\$12.1 million to US\$13.8 million as at 31 March 2012.

## SHAREHOLDERS' EQUITY

Shareholders' equity rose from US\$46.7 million to US\$47.9 million as at 31 March 2012 due to a US\$1.2 million increase in reserves.

## WORKING CAPITAL

Operating activities used US\$2.3 million in 1Q FY2012. This is attributable to the profit contribution of US\$1.1 million, a decrease of US\$2.9 million in stock balance, an increase of US\$4.0 million in trade debtors, other debtors and prepayments and a US\$2.3 million decrease in trade creditors, accruals and other creditors.

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

N.A.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.**

The improving consumer confidence in the US augurs well for China's export market. Furthermore, encouraged by the increasingly positive sentiments in both the China and South East Asian markets, we are confident about our performance in the next quarter, barring unforeseen circumstances.

11. **Dividend**

- (a) **Current Financial Period Reported On**

Any dividend recommended for the current financial period reported on? **No.**

- (b) **Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? **No.**

- (c) **Date payable.** N.A

- (d) **Books closure date.** N.A

12. **If no dividend has been declared/ recommended, a statement to that effect.**

No dividend has been declared for 1Q2012.

13. **If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

No IPT mandate has been obtained.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Nil	NA	NA

14. **Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual**

The Board of Directors of the Company hereby confirm to the best of their knowledge that nothing has come to their attention which may render the financial statements for the first quarter ended 31 March 2012 to be false or misleading.

**BY ORDER OF THE BOARD**

Wong Yoen Har  
Company Secretary  
2 May 2012