

# EXCELPOINT TECHNOLOGY LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No.: 200103280C)

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## RESPONSES TO QUESTIONS FROM SHAREHOLDER

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The Board of Directors (the “**Board**”) of Excelpoint Technology Ltd. (the “**Company**” or “**Excelpoint**”) together with its subsidiaries, the “**Group**”) would like to thank our shareholder who have submitted his/her question in advance for the Twentieth Annual General Meeting (“**AGM**”) to be held by way of electronic means on Wednesday, 7 April 2021 at 3.00 p.m.

Please refer to the questions received from the shareholder and the responses as set out below:-

### **Question 1:-**

On page 3 of the Annual Report 2020, the company mentioned investments in the start-up companies for PlanetSpark Innovation Centre. How much in dollar value is committed so far and what is the accounting treatment for these investments?

### **Response:-**

As at the date of the Annual Report 2020, the total commitment into start-ups so far is approximately US\$2.5 million. As disclosed on page 112 of the Annual Report, the accounting treatment for these investments were designated at fair value through profit or loss or at fair value through other comprehensive income.

### **Question 2:-**

While the company is optimistic about the prospects for the coming year, especially for China, Vietnam and India, has the current global chip shortages impacted the company operations and outlook for the year?

### **Response:-**

The current global chip shortages have impacted the semiconductor supply chain as a whole. Since the onset of the situation, the Group has taken the necessary steps to ensure business sustainability and has taken this into account while reviewing the Group’s operations and outlook.

### **Question 3:-**

On pages 81 and 116 of the Annual Report 2020, under the heading of non-current liabilities, there is an amount of \$3,199,000 for interest-bearing loans and borrowings. Can the company provide further details for this 'Temporary bridging loan' that matures in 2025? Why is there a need for this new item?

### **Response:-**

The Temporary Bridging Loan Programme (“TBLP”) was introduced by Singapore Government to provide financing support to alleviate cashflow needs of enterprises affected by the COVID-19 outbreak.

Due to uncertainty of the COVID-19 pandemic, the Group obtained the temporary bridging loan under the TBLP.

**Question 4:-**

As highlighted on page 6 of the Annual Report 2020, the interest-bearing loans and borrowings decreased from \$104.6m to \$82.2m in 2020 compared to 2019 despite an increase in revenue in 2020. Why is this so?

**Response:-**

As disclosed on page 7 of the Annual Report 2020, interest-bearing loans and borrowings decreased by US\$22.4 million, mainly due to strong cash flows generated from operating activities used to reduce borrowings.

**BY ORDER OF THE BOARD**

Wong Yoen Har  
Company Secretary  
7 April 2021