

EXCELPOINT TECHNOLOGY LTD

Incorporated in the Republic of Singapore
(Company Registration No. 200103280C)

THE PROPOSED CONSOLIDATION OF EVERY FIVE (5) EXISTING ISSUED ORDINARY SHARES IN THE CAPITAL OF THE COMPANY INTO ONE (1) ORDINARY SHARE IN THE CAPITAL OF THE COMPANY

1. Introduction

The board of directors ("**Board**" or "**Directors**") of Excelpoint Technology Ltd ("**Company**", together with its subsidiaries, the "**Group**") wishes to announce that the Company is proposing to undertake a share consolidation ("**Proposed Share Consolidation**") of every five (5) existing ordinary shares in the capital of the Company ("**Existing Shares**") as at a books closure date, to be determined by the Directors as they deem fit in their absolute discretion ("**Books Closure Date**"), into one (1) consolidated share in the capital of the Company (each, a "**Consolidated Share**"), fractional entitlements to be aggregated and dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

2. The Proposed Share Consolidation

Under the Proposed Share Consolidation, every five (5) Existing Shares registered in the name of each shareholder of the Company ("**Shareholder**") as at the Books Closure Date will be consolidated to constitute one (1) Consolidated Share.

Shareholders should note that the number of Consolidated Shares which Shareholders will be entitled to, based on their holdings of Existing Shares as at the Books Closure Date, will be rounded down to the nearest whole Consolidated Share and any fractions of Consolidated Shares arising from the Proposed Share Consolidation will be aggregated and dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company, including (i) disregarding; or (ii) aggregating and selling the same and retaining the net proceeds for the benefit of the Company, particularly where the net proceeds are less than the administrative costs and expenses involved in despatching such proceeds to the affected Shareholders.

As at the date of this announcement, the Company has an issued share capital comprising 510,620,200 Existing Shares.

Subject to Shareholders' approval being obtained for the Proposed Share Consolidation, and on the assumption that there will be no new ordinary shares issued by the Company up to the Books Closure Date, following the implementation of the Proposed Share Consolidation, the Company will have an issued share capital comprising 102,124,040 Consolidated Shares (subject to rounding).

Each Consolidated Share will rank *pari passu* with each other, and will be traded in board lots of 100 Consolidated Shares.

The Proposed Share Consolidation will not involve the diminution of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company, and has no effect on the shareholders' funds of the Group. Shareholders are not required to make any payment to the Company in respect of the Proposed Share Consolidation.

3. Rationale for the Proposed Share Consolidation

A minimum trading price of S\$0.20 as a continuing listing requirement for Mainboard-listed issuers (“**MTP Requirement**”) was implemented as of 2 March 2015 by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). A transition period of 12 months from the date of implementation will be given to affected issuers to undertake corporate actions to meet the MTP Requirement. Those which are unable to meet the MTP Requirement after the 12-month transition period ending on 1 March 2016 will be placed on the SGX-ST watch-list (“**Watch-list**”). Affected issuers on the Watch-list which are still unable to take steps to meet the MTP Requirement and exit the Watch-list will be delisted after a further 36-month cure period.

The Proposed Share Consolidation would help facilitate the Company’s ability to comply with the MTP Requirement before the end of the 12-month transition period.

Shareholders should note, however, that there is no assurance that the Proposed Share Consolidation will achieve the desired results or that such results (if achieved) can be sustained in the longer term.

4. Approvals and Conditions

The Proposed Share Consolidation is subject to, *inter alia*:-

- (a) the SGX-ST’s approval for the listing and quotation of all the Consolidated Shares on the Mainboard of the SGX-ST; and
- (b) Shareholders’ approval by way of an ordinary resolution at an extraordinary general meeting to be convened by the Company.

An application will be made to the SGX-ST for the listing and quotation of all the Consolidated Shares on the Mainboard of the SGX-ST. An appropriate announcement on the outcome of the application will be made in due course.

However, Shareholders should note that whilst the Board is seeking Shareholders’ approval for the Proposed Share Consolidation, the Board may decide not to proceed with the Proposed Share Consolidation if the Board is of the view that, after taking into account all relevant factors, it is not beneficial to the Company to do so. In such a case, an announcement will be made by the Company to notify Shareholders of the reasons why the Board has decided not to proceed with the Proposed Share Consolidation.

5. Despatch of Circular

Subject to the receipt of the aforesaid approval in-principle from the SGX-ST, a circular containing, *inter alia*, further information on the Proposed Share Consolidation will be despatched to Shareholders in due course.

Meanwhile, Shareholders are advised to exercise caution when dealing in the Company’s securities. Shareholders should consult their stockbrokers, solicitors or other professional advisors if they have any doubts about the action they should take.

By Order of the Board

Ms. Wong Yoen Har
Company Secretary
9 June 2015