

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

**RESPONSE TO QUERIES FROM SINGAPORE EXCHANGE SECURITIES TRADING
LIMITED (“SGX-ST”) ON THE ANNUAL REPORT FY2019**

The Board of Directors (the “**Board**”) of Excelpoint Technology Ltd. (the “**Company**”) refers to the following query raised by the SGX-ST on 6 May 2020 and would like to provide our response in relation to the Company’s annual report (“Annual Report”) for the financial year ended 31 December 2019 (“FY2019”), as follows:-

SGX-ST’s Query:-

Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in Code of Corporate Governance 2018 (the “**Code**”), an explanation on how the practices it had adopted are consistent with the intent of the relevant principle.

Provision 8.1 of the Code states that:

“The company discloses in its annual report the policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of:-

- (a) *each individual director and the CEO; and*
- (b) *at least the top five key management personnel (who are not directors or the CEO) in bands no wider than S\$250,000 and in aggregate the total remuneration paid to these key management personnel.”*

We note the Company’s disclosure on remuneration at pages 39 and 40 of the annual report for FY2019. Where the Company’s practices deviate from the provisions of the Code, please explicitly state the provision from which it has deviated from and explain how the practices it had adopted are consistent with the intent of Principle 8 of the Code, which requires transparency on the Company’s remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation.

Company’s Response:-

The remuneration of Executives and Key Management Personnel (“KMP”) are set in accordance with a remuneration framework comprising salary, variable bonus, shares, and benefits-in-kind. For competitive reasons, the Company will not fully disclose details of Directors’ remuneration within bands of S\$250,000. The Company has on page 39 of the Annual Report FY2019 disclosed the names and remuneration breakdown in percentage terms of each individual Director and Group CEO in appropriate bands of S\$250,000.

In addition, in view of the competitive pressures in the labour market on retaining talent, particularly for our industry, the Company believes that it is not in the best interests of the Company to disclose the names of the top five KMP as well as the details of their remuneration within bands of S\$250,000. The Company believes that the full disclosure of remuneration including the upper limit for the highest remuneration band of its EDs and top five KMP as recommended by the Code would be prejudicial to the Company’s interests and hamper its ability to retain and nurture the Group’s talent pool. The Company has instead, on page 40 of the Annual Report FY2019, disclosed the remuneration as a breakdown in percentage terms of the top five KMP (who are not Directors of the Company) within the baseline remuneration band.

As reported on page 40 of the Annual Report FY2019, the annual aggregate amount of the total remuneration paid to top five KMP (who are not Directors or Chairman and Group CEO) is approximately S\$1,669,000.

The Company is of the view that the information disclosed provides investors with insights and is of the view that the intent of Principle 8 of the Code is met as the remuneration policy, relationships between remuneration, performance and value creation and procedure for setting remuneration applicable to the Directors and KMP are described above and the level and mix of remunerations is disclosed on pages 39 and 40 of the Annual Report FY2019.

BY ORDER OF THE BOARD

Wong Yoen Har
Company Secretary
8 May 2020