



MEMTECH INTERNATIONAL LTD.
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200312032Z)

PROPOSED CONSOLIDATION OF EVERY FIVE (5) EXISTING ISSUED ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY SHAREHOLDERS OF THE COMPANY AS AT A BOOKS CLOSURE DATE TO BE DETERMINED, INTO ONE (1) ORDINARY SHARE IN THE CAPITAL OF THE COMPANY, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

1. INTRODUCTION

The Board of Directors (the “**Directors**”) of Memtech International Ltd. (the “**Company**”) wishes to announce that the Company proposes to undertake a share consolidation of every five (5) existing issued ordinary shares in the capital of the Company (the “**Existing Shares**”) held by shareholders of the Company (each, a “**Shareholder**” and collectively, the “**Shareholders**”) as at a books closure date to be determined by the Directors (the “**Books Closure Date**”) into one (1) ordinary share (each, a “**Consolidated Share**” and collectively, the “**Consolidated Shares**”), fractional entitlements to be disregarded (the “**Proposed Share Consolidation**”).

2. THE PROPOSED SHARE CONSOLIDATION

2.1 General

The Company proposes to undertake the Proposed Share Consolidation pursuant to which the Company will consolidate every five (5) Existing Shares into one (1) Consolidated Share. After the Books Closure Date, every five (5) Existing Shares registered in the name of each Shareholder 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 disregarded.

Each Consolidated Share will rank *pari passu* with each other, and will be traded in board lots of 100 Consolidated Shares. As the net proceeds from any sale of fractions of Consolidated Shares arising from the Proposed Share Consolidation are likely to be less than the administrative costs and expenses involved in despatching such proceeds to Shareholders, fractions of a Consolidated Share 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.

As at the date of this announcement, the Company has an issued and paid-up share capital of S\$73,669,000 comprising 720,000,000 ordinary shares (the “**Shares**”), which are listed on the Mainboard of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). On the assumption that there will be no new 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 and paid-up share capital of S\$73,669,000 comprising approximately 144,000,000 Consolidated Shares (subject to rounding).

The Proposed Share Consolidation will have no impact on the dollar value of the issued and paid-up share capital of the Company. The Proposed Share Consolidation will also 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 Company and its subsidiaries. Shareholders will not be required to make any payment to the Company in respect of the Proposed Share Consolidation. The Proposed Share Consolidation

will not cause any changes to the percentage shareholding of each Shareholder, other than non-material changes due to rounding.

2.2 Rationale for the Proposed Share Consolidation

Compliance with the minimum trading price requirement

The SGX-ST has introduced a minimum trading price for Mainboard-listed stocks of S\$0.20 as a continuing listing requirement (the “**MTP Requirement**”) on 2 March 2015. The MTP Requirement will only be effective after a one-year transition period ending on 1 March 2016.

The Company proposes to undertake the Proposed Share Consolidation to comply with the MTP Requirement.

However, Shareholders should note that there is no assurance that the Proposed Share Consolidation will achieve the desired results, nor is there assurance that such results (if achieved) can be sustained in the longer term.

2.3 Approvals and Conditions

The implementation of the Proposed Share Consolidation is subject to the SGX-ST’s listing requirements and Shareholders’ approval by way of an ordinary resolution at an extraordinary general meeting of the Company to be convened pursuant to Article 10 of the articles of association of the Company.

The approval of the SGX-ST for the listing of and quotation for the Consolidated Shares arising from the Proposed Share Consolidation is also required. An application will be made to the SGX-ST for permission to deal in and for the listing of and quotation for up to 144,000,000 Consolidated Shares on the Mainboard of the SGX-ST. An announcement will be made upon receipt of the approval in-principle from the SGX-ST.

3. DESPATCH OF CIRCULAR

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

Meanwhile, Shareholders and potential investors are advised to exercise caution when dealing in the Company’s securities. When in any doubt, Shareholders and potential investors are advised to seek independent advice from their stock brokers, bank managers, solicitors or other professional advisers.

BY ORDER OF THE BOARD

Chuang Wen Fu

Executive Chairman

Singapore, 12 March 2015