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MEDIA RELEASE

MEMTECH INTERNATIONAL 3Q2016 NET PROFIT INCREASES BY 90.2% TO US\$3.1 MILLION

- 3Q2016 revenue increased by 25.3% to US\$46.5 million whereas net profit attributable to shareholders increased by 90.1% to US\$3.1 million
- 3Q2016 gross profit increased by 43.9% to US\$8.2 million from US\$5.7 million in the same period last year.

FINANCIAL HIGHLIGHTS						
In US\$ million except otherwise stated	3Q2016	3Q2015	Change	9MFY2016	9MFY2015	Change
Revenue	46.5	37.1	25.3%	111.1	104	6.8%
Gross Profit	8.2	5.7	43.9%	16.2	17.6	-7.7%
Net Profit attributable to shareholders	3.1	1.6	90.1%	2.3	4.3	(46.6%)

Singapore, 11 November 2016 – SGX Mainboard listed Memtech International Ltd. (“万德国际集团”, “Memtech” or collectively with its subsidiaries, the “Group”) today announced its financial results for the third quarter (“3Q2016”) ended 30 September 2016.

Group Financial Results

The Group’s revenue for 9MFY2016 increased by 6.8% to US\$111.1 million from US\$104 million, while that for 3Q2016 increased 25.3% from US\$37.1 million to US\$46.5 million. The growth was primarily due to the increase in sales from the consumer electronics segment which grew from 29% of sales in 3Q2015 to 40% in 3Q2016. During the period, we also see improvements in our other 3 segments.

The Group’s 3Q2016 gross profit increased 43.9% from US\$5.7 million in 3Q2015 to US\$8.2 million in 3Q2016. With higher production utilization rate and increase in the sales revenue, our gross profit margin increased from 15.4% to 17.7% year on year.

Sales and marketing expenses increased by 47.9% to US\$2.5 million in 3Q2016 due to increase in labour wages and goods transportation costs. This is due to the increase in sales.

Net profit attributable to shareholders increased by 90.2% to US\$3.1 million in 3Q2016 from US\$1.6 million in 3Q2015. For 9MFY2016, the Group's net profit attributable to shareholders declined 46.6% to US\$2.3 million.

Balance Sheet Review

Property, plant and equipment ("PPE") purchases and depreciation in 3Q2016 amounted to US\$4.6 million and US\$2 million respectively. The increase in PPE is due to the Group's participation in multiple major projects. The Group's Bill and other receivables have increased to US\$9 million as at 30 September 2016 due to the record high sales revenue.

The Group's financial position remains at a relatively healthy level. The Group's current ratio at 2.5 times with cash and cash equivalents amounting to US\$23.9 million or around 17 US cents per share.

Mr Chuang remarked: ***"We are pleased with an overall increase in revenue as a result of the notable growth in our Consumer Electronics Segment. The Group has also seen progressive growth in the Automotive and Industrial Segments. The Group will endeavour to maintain this momentum by continuously striving to improve performance."***

Outlook

China's economy is showing signs of slow recovery. The manufacturing, purchasing managers' index of China in October is the highest it has been in two years at 51.2, a figure that is indicative of the expansion. This reflects a continuous improvement in demand, primarily driven by fiscal expenditure and re-inflation of raw material costs. The momentum might persist till end 2016. Nevertheless, emerging property market regulation, decline in transaction volume and more difficulties by developers in funding their projects might create headwinds for growth in 2017. In addition, the new export order index slipped back to the contractionary zone at 49.2% in October 2016 from 50.1% in September 2016, reflecting weakening external demand for manufactured goods.

The overall automotive industry continues to grow annually at a slower pace. The decrease in pace is said to be driven by the rise of consumers exploring other travelling options such as car sharing and e-hailing. This is a result of factors outside the auto industry as the world is moving towards more environmentally friendly and economical modes of transportation.

"The Group is fully cognizant of the difficulties ahead as the planetary economic system, although recovering, remains weak. We remain optimistic that this momentum will carry into 4Q2016 and we will see an improvement in the Group's overall performance." Executive Chairman Mr Chuang added.

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Note: This media release should be read in conjunction with the results announcement released on the SGX-Net on the same date.

About Memtech International Ltd. (www.memtechchina.com)

Listed on the Mainboard of the Singapore Securities Exchange Trading Limited (SGX-ST), Memtech International Ltd. is a global components solution provider working with our partners in the business of Automotive Components, Industrial and Medical, Mobile Communications and Consumer Digital devices. Memtech is a Singapore-based company with three manufacturing sites in Dongguan, Kunshan and Nantong in China. Besides a wide network of sales and engineering offices in China, Memtech has offices in Germany, Japan, U.S.A and Taiwan to support their global reach of products and services. Memtech serves major automotive suppliers such as Hella, Magna, Lear, Denso and

Kostal, and provides solutions to major car manufacturers like Volkswagen, GM and most recently, Tesla. In the other business segments, Memtech has long-term customer relationships with Huawei, Lenovo, Samsung and Netgear, and has also worked with leading manufacturers including Foxconn and Celestica.

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