



Memtech International Ltd.
Company Registration No. 200312032Z
89 Short Street, Golden Wall Centre
#04-01 Singapore 188216
Tel: (65) 6339 0833 / Fax: (65) 6339 5445
<http://www.memtechchina.com>

MEDIA RELEASE

Memtech International 1Q2017 net profit attributable to shareholders rose 180.7% to US\$1.6 million

- Revenue increased by 9.8% to US\$36.4 million and gross profit increased by 24.9% to US\$6.6 million 1Q2017

| FINANCIAL HIGHLIGHTS | | | |
|---|--------|--------|--------|
| In US\$ million except otherwise stated | 1Q2017 | 1Q2016 | Change |
| Revenue | 36.4 | 33.2 | 9.8% |
| Gross Profit | 6.6 | 5.3 | 24.9% |
| Net Profit attributed to shareholders | 1.6 | 0.6 | 180.7% |

Singapore, 27 April 2017 – SGX Mainboard listed Memtech International Ltd. (“万德国际集团”, “Memtech” or collectively with its subsidiaries, the “Group”) today announced that for its financial results for for the first quarter ended 31 March 2017 (“1Q2017”), net profit attributable to shareholders rose 180% to US\$1.6 million, from US\$0.6 million in the first quarter ended 31 March 2016 (“1Q2016”).

1Q2017 Financial Results

The Group’s 1Q2017 revenue saw an increase of 9.8% to US\$36.4 million compared to US\$33.2 million in 1Q2016. The increase in revenue was mainly due to increased contributions from the Group’s automotive and consumer electronics segments.

Corresponding with the revenue increase, the Group’s 1Q2017 gross profit recorded a 24.9% increase to US\$6.6 million from US\$5.3 million in 1Q2016. The Group’s overall gross profit margin also increased from 15.9% in 1Q2016 to 18.1% in 1Q2017.

Sales and marketing expenses increased by 19.2% to US\$2.1 million mainly due to increase in goods transportation costs, and salaries of sales & marketing staff. General and administration expenses decreased by 9.9% to US\$2.7 million as compared to US\$3.0 million in 1Q2016.

As a result of the above, net profit attributable to shareholders for 1Q2017 was US\$1.6 million, a 180.7 % increase from US\$0.6 million in 1Q2016.

Commenting on the 1Q2017 results, Mr Chuang Wen Fu, Executive Chairman of Memtech International said: ***“We are pleased with the performance in the first quarter that was supported by growth in our automotive and consumer electronics segments. We aim to continually deepen our relationship with our automotive customers, while at the same time, targeting better margin projects from our consumer electronics customers.”***

Balance Sheet Review

The Group’s financial position still remains at a relatively healthy level. The Group’s current ratio at 2.9 times, with cash and cash equivalents amounting to US\$29.7 million or approximately 20.5 US cents per share. As at 31 March 2017, the Group’s net asset value per share was 79.9 US cents per share.

Mr Chuang remarked: ***“Global economic activity has picked up due to a cyclical recovery in investment, manufacturing and trade, with world growth forecasts of 3.5% and 3.6% in 2017 and 2018. However, uncertainties in the political sphere still remain and structural impediments to a strong recover and some medium term downside risks still present challenges. We have been through difficulties before, and will continue to watch our business environment carefully while making prudent steps in our capability investments and monitoring costs simultaneously.”***

Outlook

The Group will continue to deepen its relationship with existing customers and acquire new customers in different industries for growth, and as a risk diversification strategy. The Group will also continue to look into productivity improvement and the enhancement of its capabilities to accelerate product development, while remaining cautiously optimistic of its performance for the financial year ended 31 December 2017, barring any unforeseen circumstances.

-End-

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.

For media inquiries, please contact:

Issued on behalf of : **Memtech International Ltd.**
By : Cogent Communications Pte Ltd
51 Goldhill Plaza, #22-05, Singapore 308900
Contact : Ms Melissa Sim / Mr Gerald Woon
Email / DID / Mobile : melissasim@cogentcomms.com / (65) 6704 9288 / (65) 9380 2938
woon@cogentcomms.com / (65) 6704 9268 / (65) 9694 8364
