

Listed Companies' Announcement

MEMTECH INTERNATIONAL LTD.

Company Registration Number: 200312032Z

Incorporation of a Subsidiary

The Board of Directors of Memtech International Ltd. wishes to announce the incorporation of a wholly-owned subsidiary, the particulars of which are set out below:-

Name of subsidiary : TAITECH SINGAPORE PTE. LTD.
Country of Incorporation : Singapore
Authorised Share Capital : US\$5,000,000.00 divided into 5,000,000 ordinary shares of US\$1.00 each
Issued and Paid-Up Share Capital : US\$2.00
Principal activities : INVESTMENT HOLDING

Following the incorporation, the Company intends to subscribe for additional 2,759,998 new shares of US\$1.00 each at par for cash in Taitech Singapore Pte. Ltd. ("Taitech"). A non-related party, Mr Wu Kuo-Tsai will subscribe 1,840,000 shares of US\$1.00 each at par for cash in Taitech. Mr Wu who has more than 20 years of experience in the spray painting industry owns several companies that service the high end notebook market.

Upon completion of the aforesaid subscriptions, the Company will own 60% of the entire issued share capital of Taitech, while Mr Wu will own the remaining 40%.

Taitech will, in turn, incorporate a wholly-owned subsidiary in Kunsan ("Kunsan Taitech"), People's Republic of China with registered capital of US\$4,600,000.00. The principal activities of Kunsan Taitech are mainly manufacturing and sale of plastic components and casings, principally for notebooks and mobile phones. Kunsan Taitech will engage in new projects together with Taiyi Plastic Electronic (Kunshan) Co., Ltd, a spray painting company in Kunsan owned by Mr Wu. The investment is in line with our group strategy as described in page 76 of the Company's prospectus dated 9 July 2004. We believe that the aforesaid investment will complement our current and future businesses. Kunsan Taitech is expected to commence operations by the first quarter of 2005.

The investment in Taitech and Kunsan Taitech will be funded by our Initial Public Offer proceeds earmarked for general working capital as well as to develop strategic partnerships and further growth opportunities to complement our current and future business (as reflected under item (v), page 20 of the Company's

prospectus dated 9 July 2004) and is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Group for the current financial year ending 31 December 2004.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company), in the above-mentioned transaction.

Submitted by Tan Seng Chun, Company Secretary on 9/11/2004 to the SGX