



MEMTECH INTERNATIONAL LTD.

Company Registration Number: 200312032Z

INVESTMENT IN TERADISPLAY CO., LTD AND TERA CHINA CO., LTD

The Board of Directors of Memtech International Ltd. wishes to announce that the Company had entered into a Share Transfer Agreement and a Share Purchase Agreement with Teradisplay Co., Ltd. (“Teradisplay”) and Mr. Kim Seong Soo respectively, in relation to the Company’s investment in Teradisplay, a company incorporated in South Korea, and Tera China Co., Ltd. (“Tera China”), a company incorporated in Nantong, People’s Republic of China. The current principal activities of Teradisplay and Tera China are that of manufacturing and sale of Touch Screen Panels. Currently, the Company owns 20.1% and 20% (effective interest 36.1%) of the issued share capital of Teradisplay and Tera China respectively. Tera China is an 80% owned subsidiary of Teradisplay.

Pursuant to the Share Transfer Agreement, the Company shall acquire US\$2.4 million paid up capital of Tera China owned by Teradisplay, in exchange for 77,500 ordinary shares of Teradisplay owned by the Company.

Pursuant to the Share Purchase Agreement with founder of Teradisplay, Mr. Kim Seong Soo, the Company shall acquire 34,800 ordinary shares of Teradisplay for a consideration of KRW 40 million or approximately US\$31,300.

Upon completion of the aforesaid Share Transfer Agreement and Share Purchase Agreement, the Company shall own 11.3% and 100% of the issued share capital of Teradisplay and Tera China respectively. In the event that all preference shares held by preference shareholders of Teradisplay are converted into ordinary shares, the Company’s interest in Teradisplay will be diluted to 8.9%. The net tangible assets acquired and goodwill arising from the acquisition of Tera China are approximately US\$1.7 million and US\$420,000 respectively.

The Company intends to expand the touch screen panels business after taking control of Tera China. While we do not expect Tera China to contribute positively to the results of the Group in 2009, we are optimistic in its long term prospect.

The terms of the transactions were arrived at on a willing-buyer, willing seller basis. The transactions are not expected to have any material effect on the net tangible assets and earnings per share of the Company for the current financial year.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction.

Submitted by Tan Seng Chun, Company Secretary on 7 August 2009 to the SGX.