



MEMTECH INTERNATIONAL LTD

(Incorporated in the Republic of Singapore)
Company Registration Number: 200312032Z

NEWS RELEASE

MEMTECH POSTS RECORD FIRST QUARTER SALES OF US\$30.8 MILLION

- *Q1 2010 revenue jumps 52.8% to US\$30.8 million*
- *Gross profit margin improves from 13.8% in Q1 2009 to 18.1% in Q1 2010*
- *Achieves with profit attributable to shareholders of US\$1.0 million*
- *Healthy cash position of US\$40.3 million as at March 31, 2010*
- *Expects healthy growth in keypad business in the year ahead*

Singapore, April 28, 2010 – Mainboard-listed Memtech International Ltd. (“Memtech” or the “Group”) (“万德国际有限公司”), a leading integrated component solutions provider for the mobile phone, IT equipment and automotive industries, today reported a record first quarter revenue of US\$30.8 million for the three months ended March 31, 2010 (“Q1 2010”), up 52.8% compared to US\$20.2 million for the three months ended March 31, 2009 (“Q1 2009”).

On the back of higher sales and improved operational efficiencies, the Group recorded a net profit attributable to shareholders of US\$1.0 million in Q1 2010 compared to a net loss of US\$0.7 million in Q1 2009.

Executive Chairman of Memtech International Ltd., Mr Chuang Wen Fu (“庄文甫”) said, “Memtech is off to a strong start in 2010, turning in our best first quarter sales in the Group’s history. Our strong revenue performance was a result of growing orders from existing and new customers, driven by the upturn in the keypad business. The Group’s bottomline was further boosted by enhanced operational efficiencies and a leaner cost structure.”

Led by stronger sales and improvements in manufacturing efficiencies, the Group's gross profit doubled to US\$5.6 million in Q1 2010. Gross profit margin also improved from 13.8% in Q1 2009 to 18.1% in Q1 2010.

During the quarter under review, sales and marketing expenses increased by 40.9% from US\$1.1 million to US\$1.6 million. The higher level of sales and marketing expenses was a result of increases in salaries and related expenses, together with higher packaging cost due to increased sales.

General and administration expenses rose 38.8% to US\$2.6 million in Q1 2010. This was mainly due to increased salaries and related expenses and a provision for doubtful debts of US\$0.2 million in Q1 2010 compared to a reversal of US\$0.1 million in the previous corresponding period.

As at March 31, 2010, the Group continued to maintain a strong financial position, with cash and cash equivalents of US\$40.3 million or approximately 5.6 US cents per share.

Outlook

Based on the macroeconomic outlook and orders from existing and new customers, the Group expects a healthy growth in its keypad business in 2010.

Commented Mr Chuang, "The global economy is well on the road to recovery. This has translated to growing demand from existing and new customers. Our keypad products have recently secured approval from Samsung and several key fast-growing Chinese handset manufacturers. Coupled with improved operational efficiency and a stronger team following our organizational restructuring last year, we are well-positioned to tap on the market opportunities that lie ahead."

While the Group expects to continue to see intense competition and price pressure in its plastics business, Memtech will step up its efforts to improve its plastics business. On the other hand, the Group is positive of the prospects of its small, but growing touch screen panel business.

“Our touch screen panel products are well received by its customers despite our business being at its infancy stage. We are therefore optimistic that this business segment will achieve significant growth by the end of 2010, ” added Mr Chuang.

About Memtech International Ltd.

Listed on the Mainboard of the Singapore Exchange in 2004, Memtech is a leading component solutions provider for the mobile phone, IT equipment and automotive industries. Besides being a total solutions provider for mechanical components including keypads, lens and plastic components, the Group also designs and manufactures antennas and touch screen panels. The Group’s wide product range and scope of services enable it to provide modular solutions and value-added services to its customers.

The Group operates three keypad manufacturing facilities strategically located in the major mobile phone manufacturing hubs in the PRC, namely the Pearl River Delta, and the Yangtze River Delta. The Group also operates a plastic components production facility in Kunshan, Jiangsu Province, which manufactures casings primarily for digital cameras and mobile phones. It also operates a lens manufacturing facility in Dongguan, Guangdong Province, and a joint-venture with a Shenzhen-based design house to engage in the antenna business. In addition, the Group also operates a touch screen panel manufacturing facility in Nantong, Jiangsu Province.

Besides a wide network of sales offices across the PRC, the Group also has a global network of sales offices in Korea, Japan, Singapore, Taiwan, America and Europe to better service its international customers.

Memtech's customers include major international mobile phone manufacturers including Samsung, Motorola, Nokia, Sony Ericsson, LG, Foxconn, Flextronics and Alcatel, as well as reputable China brands such as Lenovo, Huawei and ZTE.

ISSUED ON BEHALF OF : Memtech International Ltd.
BY : Citigate Dewe Rogerson, i.MAGE Pte Ltd
1 Raffles Place
#26-02 OUB Centre
SINGAPORE 048616
CONTACT : Ms Chia Hui Kheng / Ms Tan Hui Yi
at telephone
DURING OFFICE HOURS : 6534-5122 (Office)
AFTER OFFICE HOURS : 9781-5913 / 8399-5606 (Handphone)
EMAIL : huikheng.chia@citigatedrimage.com
huiyi.tan@citigatedrimage.com

048/10/002/MIL

April 28, 2010