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MEDIA RELEASE

MEMTECH INTERNATIONAL FY2015 NET PROFIT INCREASES BY 25.7% TO US\$8.1 MILLION IF LESS EXCEPTIONAL NET GAIN IN PREVIOUS YEAR

- 4Q2015 revenue increased slightly to US\$38.2 million, whereas net profit attributable to shareholders increased by 77.3% to US\$3.8 million
- FY2015 revenue increased 3.4% to US\$142.2 million in FY2015 and excluding the exceptional net gain of US\$10.7 million in FY2014 from the liquidation of a subsidiary, net profit attributable to shareholders for FY2015 would have increased 25.7% to US\$8.1 million

FINANCIAL HIGHLIGHTS						
In US\$ million except otherwise stated	4Q2015	4Q2014	Change	FY2015	FY2014	Change
Revenue	38.2	37.9	0.8%	142.2	137.6	3.4%
Gross Profit	7.3	7.3	-1.1%	24.8	24.0	3.3%
Net Profit attributable to shareholders	3.8	2.1	77.3%	8.1	17.1	(52.2%)

Singapore, 26 February 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 fourth quarter (“4Q2015”) and full year (“FY2015”) ended 31 December 2015.

Group Financial Results

The Group’s FY2015 revenue increased by 3.4% to US\$142.2 million from US\$137.6 million for the financial year ended 31 December 2014 (“FY2014”). The increase was mainly due to the growth in automotive components and consumer electronics product sales. Resultantly, gross profit increased by 3.3% to US\$24.8 million in FY2015.

The revenue for 4Q2015 saw a marginal increase of 0.8% to US\$38.2 million compared to the quarter ended 31 December 2015 ("4Q2014"). The Group's 4Q2015 gross profit recorded a 1.1% decrease to US\$7.3 million due to product mix.

Gross profit margin for FY2015 remained stable at 17.5% compared to FY2014. Sales and marketing expenses increased slightly by 5.3% in FY2015 to US\$7.2 million, mainly due to sales commissions and salary while general and administration expenses decreased by 6.2% to US\$10.7 million due to a write back of an allowance for doubtful receivables.

Net profit attributable to shareholders increased by 77.3% to US\$3.8 million in 4Q2015 from US\$2.1 million in 4Q2014. In spite of this, the Group still saw a decrease of 52.7% of net profit attributable to shareholders to US\$8.1 million for FY2015. This was mostly due to the exceptional net gain of US\$10.7 million in FY2014 from the liquidation of one of its subsidiaries. Excluding this exceptional net gain, the Group's net profit attributable to shareholders for FY2015 would have increased by 25.7% from US\$6.5 million in FY2014.

Remarking on the FY2015 results, Mr Chuang Wen Fu, Executive Chairman of Memtech International said: ***"Despite a challenging year of slower global economic growth, we are pleased to register a slight improvement in the full-year results. The FY2015 results demonstrates the progress made in transforming Memtech into a more resilient business. We have also enhanced our ability to deliver underlying sales growth and margin expansion. We are preparing ourselves for tougher market conditions ahead and it's vital for us to maintain our agility and cost management within the Group"***

Balance Sheet Review

Property, plant and equipment ("PPE") purchases and depreciation in FY2015 was US\$7.6 million and US\$7.9 million respectively. The decrease in PPE, is largely due currency translation difference over Renminbi ("RMB") denominated assets in China as the USD appreciated against the RMB in FY2015. As for the Group's Bill and other receivables, it has increased to US\$10 million in FY2015 due to the increase of customer payment in bills issued by the bank and guarantee of payment on maturity.

The Group's financial position remains healthy in a whole. The Group's current ratio at 3.16 times with cash and cash equivalents accumulated to US\$26.8 million or approximately 3.8 US cents per share.

Mr Chuang remarked: *“We maintained our priorities to continue to be focused and be both growth and value driven despite challenging Industry conditions. The Group has recently won a new customer Faurecia, one of the top global auto parts supplier. Despite the challenging environment, we continue to seek new opportunities. We endeavour to have steady improvement in core operating margin and derive stronger cash flow.”*

Outlook

The Group recognises that the two main revenue drivers in FY2016 which are the newly secured customer Beats electronics which owns the brand “Beats by Dr.Dre”, currently Beats project is undergoing mass production in the manufacturing plant and existing customer Tesla Motors which their increase in global electric light vehicle sales will assist with the business involvement with Tesla. The Group will continue to expand the business within the current customer base like Magna which, ranked number two globally in auto parts.

“Our focus is to expand the business within our current customer base. The Global Auto Market has recently been forecasted to have continued growth momentum in the sales and production projections. However, the Consumer electronics segment remained a challenge with the uncertainties in the market. However, the Group maintained confident that the overall Group performance will be better in FY2016 as compared to FY2015.” Executive Chairman Mr Chuang added.

-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.

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