

MULTI-CHEM LIMITED

(Incorporated in Singapore)

(Registration Number: 198500318Z)

Incorporation of a wholly-owned subsidiary

The Board of Directors of Multi-Chem Limited ("Company") is pleased to announce the incorporation of a wholly-owned subsidiary:-

Name: M.Tech Products (HK) Pte Limited ("M.Tech HK")

Place of Incorporation: Hong Kong

Date of incorporation: 10 August 2006

Paid-up Capital: HK\$10,000 (made up of 10,000 shares of HK\$1.00 each)

The principal activities of M.Tech HK include the distribution of hardware and software relating to internet and network products and provision of maintenance services for such products.

The investment will be funded by internal resources. The investment is not expected to have any material impact on the earnings per share and net tangible assets per share of the Company for the financial year ending 31 December 2006.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transaction. The Directors are not aware of any substantial shareholders having any interest, direct or indirect, in the transaction.

Submitted by Han Juat Hoon, Director on 17/08/2006 to the SGX.