

SINOMEM TECHNOLOGY LIMITED

Registration No.: 200208107G

PROPOSED PLACEMENT OF UP TO 61,780,000 NEW ORDINARY SHARES OF S\$0.02 EACH IN THE CAPITAL OF SINOMEM TECHNOLOGY LIMITED (THE "NEW SHARES")

The Board of Directors of Sinomem Technology Limited (the "Company", and together with the subsidiaries, the "Group") wishes to announce that further to the Company's announcement in relation to the above captioned matter dated 27 September 2005, CIMB-GK Securities Pte. Ltd. (the "Placement Agent") has procured subscription for the 61,780,000 New Shares, the majority of which are procured from institutional investors.

The 61,780,000 New Shares will be issued after the receipt of the approval in-principle of the Singapore Exchange Securities Trading Limited for the listing and quotation of the New Shares.

Pursuant to the Placement Agreement on 26 September 2005, the Company has undertaken, *inter alia*, not to issue any marketable securities for a period of 90 days from the date of completion of the placement ("Completion Date"), and to procure that Dr Lan not dispose of any interest in his Shares for a period of 90 days from the Completion Date.

Save as disclosed above, none of the Directors or substantial shareholders of the Company or their associates has any interest, direct or indirect, in the Placement (other than through their shareholding in the Company).

BY ORDER OF THE BOARD

Submitted by Low Mei Mei, Maureen, Company Secretary on 28 September 2005 to the SGX.