

MEGACHEM LIMITED
Registration No.198803293M

INCREASE IN INVESTMENT IN MEGACHEM (UK) LIMITED

The Board of Directors of Megachem Limited (the "Company") wishes to announce that the Company has increased its percentage shareholding in Megachem (UK) Limited ("MUL"), its subsidiary company, by acquiring 1,000 shares at total consideration of S\$17,206 from existing minority shareholder.

Subsequent to the above, the percentage shareholding in MUL increased from 84% to 85%.

The above investment was funded through internal resources and is not expected to have any material impact on the earnings per share and the net tangible assets per share of the Company for the current financial year.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect in the above investment.

This announcement has been prepared by the Company and the contents have been reviewed by the Company's sponsor, Philip Securities Pte Ltd (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("Exchange"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Foo Say Nam (Associate Director, Corporate Finance), Philip Securities Pte Ltd , 250 North Bridge Road, #06-00 Raffles City Tower, Singapore 179101, Telephone (65) :6533 6001