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Media Release
(For Immediate Release)

VALUETRONIC PROPOSES STRATEGIC ACQUISITION OF IN VITRO DIAGNOSTIC MEDICAL EQUIPMENT MANUFACTURER

- *Valuetronics Holdings Limited proposed to acquire 60% equity interest in Bonder International Group Limited (“BIGL”), a wholly owned subsidiary and medical equipment division of The SEMK Group Limited, for a total consideration of HK\$ 4 million, to be fully funded by internal cash flow*
- *BIGL co-develops and manufactures In Vitro Diagnostic (IVD) medical equipment which are primarily used for testing tissue from human body such as biopsies, swaps or from fluids such as blood, urine and saliva*
- *Acquisition is aimed at penetrating the medical equipment industry and leveraging on Valuetronics’ strong OEM and ODM capabilities and supply chain*

Singapore, 30 March 2009 - Mainboard listed Valuetronics Holdings Limited (“Valuetronics”, “鸿通电子控股有限公司” or the “Group”), a premier design and manufacturing partner for the world’s leading brands in the consumer and industrial electronics sector, today announced the proposed acquisition of a 60% equity interest in Bonder International Group Limited (“BIGL”), a wholly owned subsidiary and medical equipment division of The SEMK Group Limited, for a total consideration of HK\$ 4 million, to be funded by internal cash flow.

BIGL specialises in the co-development and manufacture of In Vitro Diagnostic (“IVD”) medical equipment. IVD tests are performed on tissue samples removed from the human body via biopsies or swaps, or on fluids such as blood, urine and saliva.

Rationale for Strategic Acquisition of BIGL

The strategic acquisition of a majority stake in BIGL is aimed at strengthening Valuetronic’s competitive edge and gaining an incipient entry into the medical equipment business. In addition, this strategic acquisition leverages on Valuetronic’s well-established and growing competencies in integrated electronics manufacturing services.

Further elaborating the rationale of this strategic acquisition, Mr Ricky Tse, Chairman and Managing Director of Valuetronics Holdings Limited, said: ***“The global demand for In Vitro Diagnostic medical equipment had proven robust over the past few years. ¹ Growth in the emerging markets is likely to outstrip those in the developed economy²”.***

“Therefore, we are optimistic about BIGL’s prospects as it has a proven commercial track record plus the competencies in co-development and production of good quality, fully automated and affordable IVD instruments for the emerging markets” Mr Ricky Tse remarked.

¹ According to a report released by Kalorama Information (New York City), “The Worldwide Market for In Vitro Diagnostics (IVD) Tests, 6th Edition,” the global IVD market is estimated to have reached \$42 billion in 2007 and is expected to grow 6% annually to \$56.3 billion by 2012. This market includes all laboratory- and hospital-based products, and over-the-counter product sales. North America, Europe, and Japan, account for 44%, 30%, and 11% of the IVD market respectively, making up 85% of the total market. By 2012, their portion of the market is expected to decrease to 76%.

² In the same report released by Kalorama Information (New York City), “The Worldwide Market for In Vitro Diagnostics (IVD) Tests, 6th Edition”, it was mentioned that significant growth is expected in China and India which are investing in healthcare infrastructure and insurance coverage for a growing and more affluent middle class in Europe. Overall, emerging markets will experience 10-20% annual growth, while the developed world will see an annual growth in 3-6%.

Synergy with the Valuetronics Group

Whilst establishing a presence in the medical equipment industry is crucial, an equally critical consideration is the synergy between the Valuetronics Group and BIGL.

As part of the Valuetronics Group, BIGL can leverage on the Group's presence in China and its capabilities in metal, plastics and electronic component manufacturing to scale up production capacity and benefit from an advantageous localized cost structure.

“With growing demand for affordable IVD equipment in the developing economies such as China, we hope that IVD medical equipment will eventually become one of the key pillars of the Valuetronics Group,” Mr Tse concluded.

Provenance Capital Pte. Ltd. was the Issue Manager of the Initial Public Offering of Valuetronics Holdings Limited.

~End~

Issued for and on behalf of Valuetronics Holdings Limited by Cogent Communications Pte Ltd

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About Valuetronics Holdings Limited

Valuetronics is a premier design and manufacturing partner for the world's leading brands in the consumer and industrial electronics sector. The Group's customer base is predominantly in the telecommunications, industrial and commercial electronics products and consumer electronic products industries which spans across a wide geographical region that covers America, Europe and Asia Pacific region. The Group's customers include OEMs and ODMs as well as international brand owners such as, “DYMO”, “TRANSACT”, “GRACO”, “HEMISPHERE”, “HID”, “HONEYWELL”, “KITCHENAID”, “NTT” and “PHILIPS”. Headquartered in Hong Kong, the Group's manufacturing facilities are located in Daya Bay Economy and Technology Development District, and Danshui Town, Huiyang District, Huizhou City, Guangdong Province, PRC.