

**MEMSTAR TECHNOLOGY LTD.**

(Incorporated in the Republic of Singapore)
(Company registration no.: 197901641k)

ODD-LOT TRADING AND CONCESSIONARY BROKERAGE FEES FOR LIMITED PERIOD

*Unless otherwise expressly defined herein, all capitalised terms in this announcement shall bear the same meanings as ascribed to them in the Circular to Shareholders, dated 20 January 2014, issued by the Company ("**Circular**").*

1. INTRODUCTION

The Board of Directors ("**Board**") of Memstar Technology Ltd. ("**Company**") refers to the announcement in relation to Completion of the SPA, made by the Company on 11 April 2014 ("**Announcement**"). Following Completion, part of the Consideration Shares, i.e. 173,805,550 UEL Shares, shall be distributed to the Entitled Shareholders by way of the Proposed Special Dividend and the Proposed Capital Reduction ("**Distribution**").

2. DISTRIBUTION

As disclosed in the Announcement, following Completion, for every 1,000 Shares held, an Entitled Shareholder will receive distribution of cash and UEL Shares as follows:

	Cash	Number of UEL Shares	Cash equivalent value of the entitled UEL Shares ¹
Proposed Special Dividend	S\$0.9	46 UEL Shares	S\$62.56
Proposed Capital Reduction	S\$23.47	29 UEL Shares	S\$39.44
Total	S\$24.37	75 UEL Shares	S\$102

3. TEMPORARY ODD-LOT COUNTER AND DESIGNATED BROKER

The Purchaser has made arrangement with following broker to act as a designated broker ("**Designated Broker**") for the purpose of providing the Entitled Shareholders with concessionary brokerage fees to facilitate the trading of their odd-lots of UEL Shares arising from the Distribution. Entitled Shareholders should note that this arrangement is made only to facilitate the disposal of their odd-lot of UEL Share on the temporary odd-lot counter.

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¹ Calculated based on the closing price of the UEL Share at S\$1.36 per share on 11 April 2014, being the Completion Date of the SPA.

The above Designated Broker has agreed to grant to the Entitled Shareholders a reduced minimum commission of S\$18 per odd lot contract (i.e. 999 shares and below) from 21 April 2014 to 21 May 2014 ("**Relevant Period**"). For a contract size of 100 shares and below, the minimum commission will be further reduced to S\$10 per contract. Thereafter, the Entitled Shareholders can trade in odd-lots of the UEL Shares on the SGX-ST Unit Share Market. The reduced commission excludes goods and services tax, clearing fees and other regular trading fees imposed by the SGX-ST which remain unchanged and which the Entitled Shareholders will be required to continue to bear. For all trades in board lots of 1,000 UEL Shares and in the Unit Share Market, the usual brokerage fees will apply. After the Relevant Period, the concessionary minimum brokerage fee will no longer apply.

The setting up of the temporary odd-lot counter is strictly of a provisional nature. Entitled Shareholders who continue to hold odd-lots of less than 1,000 UEL Shares after the Relevant Period may find difficulty and/or have to bear disproportional transaction costs in the disposal.

The Entitled Shareholders who intend to use the Designated Broker to trade in their shares in odd-lots should note that if they do not have an existing account with the Designated Broker, they must personally apply to open such an account with the Designated Broker. The address of the Designated Broker is detailed above. Please note that account opening will be subject to the Designated Broker's criteria, procedures and approvals, and Designated Broker retains at all times the absolute discretion to accept or reject such application without furnishing any reasons.

BY ORDER OF THE BOARD

Dr. Ge Hailin
Chief Executive Officer/Director
17 April 2014