

APPLICATION FOR AN EXTENSION OF TIME TO HOLD THE COMPANY'S ANNUAL GENERAL MEETING TO COMPLY WITH RULE 707(1) AND 707(2) OF THE LISTING MANUAL

The board of directors (the "Board") of Memstar Technology Ltd. (the "Company") wishes to inform the shareholders that the Company had on 27 September 2017 applied to the SGX-ST for the waiver to comply with Rule 707(1) and Rule 707(2) of the Listing Manual and extension of time of up to 31 January 2018 to hold its Annual General Meeting for the financial year ended 30 June 2017 (the "FY2017 AGM") (the "Application"). The main reason for the Application is as follows:

1. The Company currently faces financial constraint since the refundable deposit from Longmen Group Limited has yet to be collected. The Company and Longmen Group Ltd are still in negotiation on the resolution of this matter.
2. Due to its limited financial resources, the Company is unable to settle the outstanding audit fees for the prior financial year and as a result, the audit work for FY2017 has been delayed. Audit work has just commenced and the auditor will not be able to complete and issue the audit report in time to meet the deadline for the FY2017 AGM to be held by 31 October 2017. In addition, the Company requires time to prepare and finalise the annual report for FY2017, print and distribute the annual report and comply with the necessary AGM notice period.

The Board wishes to update shareholders that the SGX-ST has rejected the Company's Application as there are extenuating reasons for the SGX-ST to grant the waiver for the Application. As the Application has not been approved by the SGX-ST, the Company will work with the relevant parties to prepare and finalise the annual report for printing and distribution to shareholders and hold the AGM as soon as practicable by end November 2017.

By Order of The Board

Lee Seng Suan
Company Secretary
23 October 2017