
UPDATES ON THE PROPOSED TRANSFER OF LISTING STATUS ON SGX-ST

1. INTRODUCTION

1.1 The board of directors ("**Board**") of Memstar Technology Ltd. ("**Company**") refers to the following announcements by the Company:

- (a) the announcement dated 3 July 2019 in relation to (i) the Company entering into a deed of ratification and accession and amendment with TBN and Toyota T B N Company Limited to amend and modify the Implementation Agreement dated 28 July 2018; and (ii) TBN's request for a further extension of time to the dates under the Implementation Agreement and the Company's request to the SGX-ST for an equivalent extension of time;
- (b) the announcement dated 22 July 2019 in relation to the receipt of letter from SGX-ST that it had no objection to an extension of time for the Company and TBN to make submission to the SGX-ST for the Scheme and the Pre-Admission Notification in respect of the Listing by 31 December 2019 and the Company to seek shareholders' approval for the Scheme and to complete the Scheme by 31 May 2020; and
- (c) the announcement dated 3 February 2020 in relation to the updates on the proposed transfer of listing status on the SGX-ST, by the Company to TBN, that the Company had on 28 January 2020, received a letter from the SGX-ST informing the Company that it was unable to agree to the Further EOT.

(collectively, "**Announcements**").

Unless otherwise defined, all capitalised terms used herein shall bear the same meanings as ascribed to them respectively in the Announcements.

1.2 This announcement should be read in conjunction with the full text of the Announcements.

2. IN RELATION TO THE REQUEST FOR A FURTHER EXTENSION OF TIME

2.1 As stated in the Announcement dated 3 February 2020, TBN had written to the Company requesting for extensions of time ("**Further EOT**") as follows, (a) the Company and TBN may make the submission to the SGX-ST for the Scheme and the Pre-Admission Notification in respect of the Listing by 31 December 2020, and (b) the Company may seek shareholders' approval for the Scheme and complete the Scheme by 31 May 2021. The Company had therefore, on 31 December 2019, requested for an equivalent extension of time to be granted by the SGX-ST in respect of the Further EOT.

2.2 In this regard, SGX-ST had responded on 28 January 2020, that it was unable to agree to the Further EOT for the following reasons:

- (a) The Company disposed of its business in April 2014 and was designated as a Cash Company under Rule 1018. SGX-ST had granted various extensions of time, including extensions given for the proposed transaction with Longmen Group Limited which was terminated in April 2016. In respect of the proposed transfer of listing status on the SGX-ST, by the Company to

TBN ("**Proposed Transaction**"), an extension was granted in July 2018 where the Company and TBN were required to submit the Scheme and the Pre-Admission Notification to the SGX-ST by 31 December 2018 and seek shareholders' approval for the Scheme by 31 March 2019. This was further extended to 30 September 2019 and then to 31 May 2020. The latest extension was subject to the Company and TBN submitting the Scheme and the Pre-Admission Notification by 31 December 2019 and seeking shareholders' approval by 31 May 2020. Such timeline was not fulfilled and the Company has requested for an extension of another prolonged period of 12 months for the Company and TBN to submit the Scheme and the Pre-Admission Notification by 31 December 2020 and seek shareholders' approval by 31 May 2021.

- (b) Following SGX-ST's queries pursuant to the Further EOT sought, it was not demonstrated to the SGX-ST on how the key concerns of the Proposed Transaction would be satisfactorily resolved in order to satisfy the SGX-ST on the reasonableness of the Further EOT sought. It was also not demonstrated to the SGX-ST on the Company's ability to comply with the Catalist admission requirements under Catalist Listing Rule 406(6)(a), as TBN is in the preliminary stage of its proposed restructuring exercise which is being undertaken in connection with the Proposed Transaction. It was also not confirmed to the SGX-ST that the Sponsor is reasonably certain that TBN will be suitable for listing after its said proposed restructuring and whether the Proposed Transaction can be completed by the end of the Further EOT sought.

3. FURTHER ANNOUNCEMENTS

The Company will continue to evaluate other alternatives, including potential and suitable opportunities in the interests of its shareholders. The Company will continue to keep Shareholders updated on any material developments as appropriate. Trading in a Company's securities on the SGX-ST has been suspended from 20 June 2016.

4. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders are also advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisors.

By Order of The Board

Dr Ge Hailin
Non-Executive Director
5 February 2020