

MEMSTAR TECHNOLOGY LTD.
(Incorporated in the Republic of Singapore)
(Company registration no: 197901641K)

Update on Notification of Delisting

The board of directors ("**Board**" or "**Directors**") of Memstar Technology Ltd. ("**Company**") refers to the announcement dated 10 February 2020 that the Company had on 7 February 2020 received from the Singapore Exchange Securities Trading Limited ("**SGX-ST**" or "**Exchange**") the notification of delisting from the Official List of the SGX-ST ("**Delisting Notification**").

Pursuant to Listing Rule 1018(2), the Company or its controlling shareholder(s) must comply with Listing Rule 1309 which requires the Company or its controlling shareholder(s) provide a reasonable exit offer to shareholders.

The Company is not presently able to provide a reasonable exit offer due to cash limitations and the Company's controlling shareholders have not to-date expressed any intention to make an exit offer.

As previously disclosed in the Company's announcements on SGXNET, the Company is engaged in legal proceedings against Longmen Group Ltd, the vendors under the sale and purchase agreement entered into in connection with the proposed reverse takeover of the Company by Longmen Group Ltd which was subsequently terminated on 7 April 2016, as well as other parties who were responsible for and/or conspired to cause loss to the Company. The legal proceedings are on-going and there is no assurance that Company will be able to recover any of its claims thereunder.

The Company will keep Shareholders informed of any developments in this regard and will continue to keep Shareholders updated on any material developments as appropriate. Trading in the Company's securities on the SGX-ST has been suspended from 20 June 2016.

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
8 May 2020

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