

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

Notification of Delisting

The board of directors ("**Board**" or "**Directors**") of Memstar Technology Ltd. ("**Company**") wishes to announce 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**").

The Board wishes to also refer shareholders of the Company ("**Shareholders**") to the Company's announcement dated 5 February 2020 ("**Announcement**"). Unless otherwise defined, all terms and references used herein shall bear the same meanings as ascribed to them respectively in the Announcement.

In the Delisting Notification, the SGX-ST noted that:

1. In April 2014, the Company became a cash company pursuant to Listing Rule 1018(1) of the Listing Manual, following the completion of the disposal of the business, assets and principal subsidiaries of the Company to United Envirotech Ltd.
2. Listing Rule 1018(2) states, *inter alia*, that the Exchange will proceed to remove an issuer from the Official List if it is unable to meet the requirements for a new listing within 12 months from the time it becomes a cash company.
3. In addition to the 12 months' period allowed under Listing Rule 1018(2), the Company had made applications for and the Exchange had granted several extensions of time to the Company on 3 March 2015, 18 August 2015 and 30 November 2015, to complete the acquisition of Longmen Group Ltd. The Company announced the termination of the Longmen Group Ltd. acquisition on 7 April 2016 pursuant to, *inter alia*, breaches of various conditions and/or representations under the RTO SPA.
4. The Company was further granted several deferments from delisting on 5 July 2018, 31 December 2018 and 18 July 2019 after the Company submitted to the Exchange that they had identified a new potential RTO target, TBN Property Company Limited ("**TBN**"). The deferments were for the Company to complete the implementation agreement with TBN ("**Implementation Agreement**").
5. Based on the latest extension of time granted in the letter dated 18 July 2019, the Company and TBN were required, *inter alia*, to submit the scheme and pre-admission notification in respect of the transfer of its listing status to TBN by 31 December 2019. The Company and TBN were unable to meet this condition.
6. On 31 December 2019, the Company submitted another request for a further extension of 12 months to 31 December 2020 for the abovementioned submission. On 28 January 2020, the Exchange rejected this request for a further extension as both TBN and its sponsor ("**Sponsor**") have not demonstrated to the Exchange how the key concerns of the RTO would be satisfactorily resolved in order to satisfy the Exchange on the reasonableness of the extension sought. TBN had also not demonstrated that even with the prolonged extension granted, it would be able to comply with the Catalyst admission requirements under Catalyst Listing Rule 406(6)(a) as TBN is still in the preliminary stage of its Proposed Restructuring. The Sponsor was also neither able to confirm that they were reasonably certain that TBN will be suitable for listing after the Proposed Restructuring nor confirm that the RTO of TBN could be completed by the end of the prolonged extension of time sought.

7. The rejection was announced by the Company on 3 February 2020 and the reasons for the rejection was clarified on 5 February 2020. In the same announcement, the Company also announced that the Long Stop Date of the Implementation Agreement (being 31 December 2019) had lapsed and the Implementation Agreement has ceased to have any further effect.
8. Based on the above reasons and pursuant to Listing Rule 1018(2), the Exchange notifies the Company that the Exchange will proceed to delist the Company.
9. 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) to provide a reasonable exit offer to shareholders. The Company is requested to inform the SGX-ST of the exit offer proposal as soon as practicable but no later than one month from the date of the Delisting Notification. The Company is also requested to provide updates via SGXNET on the status of the Company's exit offer proposal.
10. SGX-ST had also stated in the Delisting Notification that trading in the Company's securities will remain suspended until completion of the exit offer.

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
10 February 2020