



(Formerly known as LH Group Limited)
(Incorporated in the Republic of Singapore)
(Company Registration Number: 198203779D)

PROPOSED ACQUISITION OF ALL THE SHARES IN THE ISSUED AND PAID-UP SHARE CAPITAL OF PSD SINGAPORE PTE. LTD. (FORMERLY KNOWN AS PACIFIC STAR DEVELOPMENT PTE. LTD.)

- PAYMENT OF BALANCE CONSIDERATION

The Board of Directors of Pacific Star Development Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcements dated 3 March 2016, 25 April 2016, 20 May 2016, 25 November 2016, 30 December 2016, 31 December 2016, 6 February 2017, 8 February 2017, 15 February 2017, 21 February 2017, 22 February 2017, 11 April 2017, 3 May 2017 and 4 May 2017, as well as the shareholders’ circular dated 30 December 2016 (the “**Circular**”) in respect of, inter alia, the proposed acquisition by the Company of 100% of the issued and paid-up share capital of PSD Singapore Pte. Ltd. (formerly known as Pacific Star Development Pte. Ltd.) (the “**Reverse Takeover**”). Unless otherwise defined herein, capitalised terms used in this Announcement shall have the meanings as ascribed to them in the Circular.

Pursuant to the SPA, and as described in Section 2.4 of the Circular (*Purchase Consideration*), the Company has carried out the Second Property Valuations for the purposes of ascertaining the Balance Consideration payable. The results of the Second Property Valuations and a comparison against the First Property Valuations are set out below:

Project	First Property Valuations	Second Property Valuations
Puteri Cove Residences	RM 846,000,000	RM 890,600,000
The Posh Twelve	THB 710,000,000	THB 932,000,000

The Second Property Valuations are greater than the First Property Valuations. Accordingly, it is confirmed that the Balance Consideration shall be S\$10,000,000. It has been agreed between the Company and the Vendor that the Balance Consideration shall be paid by the Company to the Vendor by way of cash. For the purposes of, amongst others, retaining cash to fund potential pipeline projects in the near future, the Company and Vendor have agreed that the payment of the Balance Consideration shall be paid at a later point in time within thirty (30) days of issuance of a notice of repayment by the Vendor, and interest shall accrue on such sum at a rate of 5.0% per annum. For the avoidance of doubt, the Vendor shall not be permitted to issue any notice of repayment unless such repayment does not materially impact the cash flow, operations or working capital requirements of the Group.

Copies of the Second Property Valuations will be available for inspection at the Company’s registered office during normal business hours for three (3) months from the date of this announcement. Shareholders, if any, who wish to inspect the Second Property Valuations are requested to contact us to make an appointment prior to your attendance at our office.

ON BEHALF OF THE BOARD

Glen Chan
CEO and Managing Director
15 May 2018

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

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