



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

STRATEGIC PARTNERSHIP WITH DAMAC GROUP

- ENTRY INTO FRAMEWORK AGREEMENT

1. INTRODUCTION

The Board of Directors (the “**Board**” or the “**Directors**”) of Pacific Star Development Limited (the “**Company**” and together with its subsidiaries, the “**PSD Group**”) is pleased to announce that PSD Singapore Pte. Ltd., a wholly-owned subsidiary of the Company, has entered into a strategic partnership via a framework agreement dated 31 October 2017 (the “**Framework Agreement**”) with DAMAC International Limited (together with PSD Singapore, the “**Parties**”), a company which is a subsidiary under the DAMAC group of companies (the “**DAMAC Group**”).

2. DETAILS REGARDING THE DAMAC GROUP

The DAMAC Group develops luxury real estate in the Middle East and has delivered over 19,000 units in the region. It currently has a development portfolio of more than 44,000 units, including 13,000 hospitality units, in various stages of development. DAMAC International Limited is a company registered in the Cayman Islands.

3. SALIENT INFORMATION REGARDING THE STRATEGIC PARTNERSHIP

Pursuant to the Framework Agreement, which is legally binding and which shall remain valid for a period of five (5) years, the DAMAC Group and PSD Group shall review opportunities to jointly develop projects within ASEAN countries, with Malaysia and Thailand being the primary markets, followed by Vietnam, Indonesia and Singapore. The criteria for site selection are focused on prime locations in key gateway cities where the projects to be developed shall comprise residential, hospitality and retail components. The respective shareholdings of the Parties in each project entered into will be determined and agreed on a case-by-case basis. The Parties will enter into the relevant definitive agreements for the strategic partnership in due course.

4. FINANCIAL IMPACT

The entry into the Framework Agreement is not expected to have any material impact on the Company’s consolidated net tangible assets or earnings per share for the current financial year ending 31 December 2017.

5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or the controlling shareholders of the Company (save for their respective shareholdings, if any, in the Company) have any interest, direct or indirect, in the abovementioned Framework Agreement.

6. FURTHER ANNOUNCEMENTS

Further announcements on the status relating to the strategic partnership, the Framework Agreement and any projects arising therefrom (including definitive agreements, if any) will be made in due course as and when appropriate.

7. CAUTIONARY STATEMENT

Shareholders should note that there is no assurance or certainty that the Framework Agreement would lead to any definitive agreement being signed or to any joint venture project being undertaken. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should exercise caution when trading in the shares of the Company and should consult their stockbrokers, bankers, solicitors or other professional advisers if they have any doubt about the actions they should take.

ON BEHALF OF THE BOARD

Glen Chan
CEO and Managing Director
31 October 2017

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.

The contact person for the Sponsor is Mr. Sebastian Jones, SAC Capital Private Limited at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542. Telephone number: +65 6532 3829.