

# PACIFIC STAR DEVELOPMENT LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 198203779D)

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## RECEIPT OF NOTIFICATION OF DELISTING

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1. The Board of Directors (the “**Board**”) of Pacific Star Development Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to its announcement dated 28 September 2022 wherein, amongst others, the Company announced that it had submitted an application to the Singapore Exchange Regulation Pte. Ltd. (the “**SGX RegCo**”) for an extension of time of 15 months (the “**Extension**”), from 30 September 2022 to 31 December 2023, for the Company to submit its resumption of trading proposal (the “**RTP**”) to SGX RegCo (the “**EOT Announcement**”). Subsequently, on 11 November 2022, the Company updated that it was instructed to separate the Extension application in respect of the RTP from the other extension requests for the Company’s annual general meeting and sustainability report last year. The Company then proceeded to provide further details and clarifications on the Extension to SGX RegCo. Unless otherwise defined herein, capitalised terms shall have the meanings as ascribed to them in the EOT Announcement.
2. The Company wishes to inform its shareholders that on 26 April 2023, the Company has received from SGX RegCo a notification of delisting (the “**Delisting Notification**”). In the Delisting Notification, the SGX RegCo has informed the Company that there are no extenuating reasons to grant the Company a further extension of time to submit its RTP, as there is no certainty that the Company will be able to satisfactorily address issues on its ability to operate as a going concern and demonstrate financial and business viability to support the submission of an RTP by the proposed extended deadline requested for. In view of the SGX RegCo’s rejection of the Extension, the Company will be delisted.
3. The Company was suspended on 24 March 2020 due to resignation of the former Chief Executive Officer and Managing Director, Mr Glen Chan Fook Kheong, and his subsequent bankruptcy order which constituted a change of control. This was pursuant to the Loan Facility with the Lenders which entitled the Lenders a basis to immediately require the mandatory prepayment of the Loan Facility, together with accrued interest, and all other amounts accrued under the finance documents relating to the Loan Facility.
4. As at 31 December 2022 (latest announced quarterly results), the amount owing, including capitalised interest, to the Lenders totaled S\$197.85 million. The Company was thus required to submit an RTP which satisfactorily addresses its ability to operate as a going concern and demonstrates its financial and business viability.
5. SGX RegCo has previously granted the Company three (3) extensions of time to submit its RTP, having considered, amongst others, time needed for the Company to address the debt repayment issue with the Lenders through the divestment relating to the Group’s sole project (i.e. the Potential Transaction as described in the EOT Announcement), as well as demonstrate financial and business viability moving forward.
6. In the Delisting Notification, the SGX RegCo also noted the following salient points:
  - (i) The Company has been suspended for more than 3 years to date and has been given sufficient time to submit its RTP. However, there has not been much progress made by the Company in meeting milestones and deadlines proposed by the Company in support of the previously granted extensions of time to submit the RTP.

- (ii) The Group incurred net losses, generated negative operating cash flows and was in a net liability position for the financial years ended 30 June 2020 (“FY2020”), 30 June 2021 (“FY2021”) and 30 June 2022 (“FY2022”). As a result, the Company’s auditor, Ernst & Young LLP had issued disclaimer of audit opinions for FY2020, FY2021 and FY2022 due to, amongst others, material uncertainties on the Group’s and Company’s abilities to continue as going concerns.
  - (iii) The Potential Transaction has yet to be completed. No definitive agreements have been signed. Even if the Potential Transaction were to be completed, the Company will still need to satisfactorily address financial and business viability issues.
  - (iv) In addition to the debts owing to the Lenders, the Company also owes substantial amount of approximately S\$10.5 million to three other lenders (the “Other Lenders”). To-date, no repayment agreements have been reached with these Other Lenders. Accordingly, the Company has not resolved its going concern issue.
  - (v) The Company has not satisfactorily addressed its going concern issue, nor demonstrated financial and business viability, all of which are critical components to be included in its RTP. In view of the above developments, there is no certainty that these issues will be satisfactorily resolved by the proposed extended deadline.
7. Pursuant to the Delisting Notification, the SGX RegCo has notified that the Company’s shares will be delisted from the SGX-ST after an exit offer is made to shareholders and holders of other classes of listed securities in accordance with Rule 1308 of the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”), and that the Company is required to inform the SGX RegCo of the exit offer proposal as soon as practicable and no later than one month from the date of the Delisting Notification, i.e. by 26 May 2023. The Company is required to provide updates via SGXNet on the status of the exit offer proposal, and to provide prompt updates in respect of the implementation of the exit offer, such as the Company’s plans, milestones and timeline to comply with the requirements relating to the exit offer.
8. Pursuant to Catalist Rule 1308, if an issuer is seeking to delist from the Exchange, amongst others, an exit offer must be made to the issuer’s shareholders and holders of any other classes of listed securities to be delisted. The exit offer must be fair and reasonable and include a cash alternative as the default alternative.
9. The Company is currently reviewing its next course of action and consulting with its sponsor and the Board. The Company will keep its shareholders informed of any developments in this regard and will continue to update on any material developments as and when appropriate.
10. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

## ON BEHALF OF THE BOARD

Ying Wei Hsein  
Executive Chairman  
27 April 2023

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This announcement has been reviewed by the Company’s Sponsor, SAC Capital Private Limited (the “**Sponsor**”).

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (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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