

PACIFIC STAR DEVELOPMENT LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 198203779D)

**PROPOSED DISPOSAL OF: (I) 100% SHAREHOLDING IN THE ISSUED AND PAID-UP
SHARE CAPITAL OF DURABEAU INDUSTRIES PTE. LTD.; AND (II) 100% SHAREHOLDING
IN THE ISSUED AND PAID-UP SHARE CAPITAL OF LH ALUMINIUM INDUSTRIES PTE. LTD.
- TERMINATION OF SALE AND PURCHASE AGREEMENT**

1. INTRODUCTION

- 1.1 The board of directors (the “**Board**”) of Pacific Star Development Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 23 April 2019 relating to the proposed disposal of Durabeau Industries Pte Ltd and LH Aluminium Industries Pte. Ltd. (the “**23 April 2019 Disposal Announcement**”). Capitalised terms not defined herein shall have the same meanings as ascribed to them in the 23 April 2019 Disposal Announcement.
- 1.2 Subsequent to the execution of the SPA, the Company then received a notice of termination from the Purchasers on 29 April 2019 on the basis that the Company had allegedly breached a condition of the SPA, which the Company is disputing. However, the Company and the Purchasers entered into discussions to revise the terms of the SPA to see whether the parties could reach a new agreement. On 3 May 2019, the Purchasers proposed final revised terms in respect of the Proposed Disposal for the Company’s consideration. The Company has written back to the Purchasers today to reject their revised terms and has also affirmed the termination of the SPA, whilst reserving its rights under the SPA.
- 1.3 The Group intends to discontinue the Aluminium Division and will look to dispose the Aluminium Division in the near future.

2. FURTHER ANNOUNCEMENTS

- 2.1 The Company will keep shareholders updated of developments as and where appropriate.

ON BEHALF OF THE BOARD

Glen Chan
CEO and Managing Director
8 May 2019

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 David Yeong, SAC Capital Private Limited at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542. Telephone number: +65 6232 3210.