
SUCCESSFUL DRAWDOWN OF FUNDS FROM EXISTING FACILITY AND PAYMENT OF STATUTORY DEMAND

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 announcements dated 9 March 2020 and 11 March 2020 relating to the receipt by Pearl Discovery Development Sdn Bhd (“**PDD**”), a wholly-owned subsidiary of the Company, of a statutory demand (“**Statutory Demand**”) pursuant to Section 465 and 466 of the Companies Act 2016 of Malaysia from the solicitors representing IJM Construction Sdn Bhd (“**IJM**”), the main contractor for the Group’s development project Puteri Cove Residences in Iskandar, Malaysia. These announcements are referred to as the “**Previous Announcements**”.

Unless otherwise defined here, capitalised terms used in this announcement shall have the meanings ascribed to them in the Previous Announcements.

2. On 11 March 2020, the Company announced that PDD was working on obtaining a further drawdown of funds from its existing facility with a Malaysian bank subject to obtaining consent on certain adjustments to a Debt Service Reserve Account (“**DSRA**”) arrangement.
3. On 24 March 2020, the Malaysian bank has agreed to lower the DSRA for the existing facility and on 26 March 2020, PDD has deposited approximately RM 10.3 million into the DSRA which will allow PDD to draw down approximately RM 20.6 million (“**Available Sum**”). On 26 March 2020, pursuant to the terms of the existing facilities with the Malaysian bank and upon deposit of approximately RM 10.3 million into the DSRA, PDD has utilised from the Available Sum and made arrangements for full payment of the Sum (i.e. approximately RM 10.3 million) to IJM. Accordingly, the full Sum in respect of the Statutory Demand will be duly settled.
4. The RM 10.3 million placed in the DSRA will be used as a reserve account to service interest and principal amounts in respect of the existing facility with the Malaysian bank. Subsequent to the payment of the Sum to IJM as described above, the remaining sum of approximately RM 10.3 million will be used for the purposes of financing payments relating to PDD’s Puteri Cove Residences project.

ON BEHALF OF THE BOARD

Ying Wei Hsein
Executive Chairman
26 March 2020

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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