



SINOSTAR PEC HOLDINGS LIMITED
(Company Registration No.: 200609833N)

ACQUISITION OF 70% EQUITY INTEREST IN THE REGISTERED AND PAID-UP CAPITAL OF DONGMING QIANHAI PETROCHEMICAL CO LIMITED (“DONGMING QIANHAI”) AS A MAJOR TRANSACTION AND INTERESTED PERSON TRANSACTION

Unless otherwise defined, all capitalised terms shall bear the same meanings as the announcements released by SINOSTAR PEC HOLDINGS LIMITED (“Company”) on 29 June 2017, 29 September 2017, 6 December 2017, 22 December 2017, 28 December 2017, 31 January 2018 and 30 April 2018. (“Announcements”).

COMPLETION

The Board pleased to announce that all the conditions precedent under the SPA have been satisfied, and the Purchaser has registered as the legal beneficiary of the 70% Equity Interest with the competent of industry and commerce, Immediately after completion of the acquisition, Dongming Qianhai has become a subsidiary of the Company and their financial statements will be consolidated into the financial statements of the Group.

Pursuant to the SPA, the Purchaser’s Auditors is currently conducting an audit on Dongming Qianhai based on its financial figures and status on the Completion Date. Based on the results of the Completion Audit, the Purchaser shall compare the Completion Audit NAV with the Purchase Consideration and inform the Vendor in writing in respect of the Completion Audit results and Completion Audit NAV (“Completion Audit Notice”).

In the event that the Completion Audit NAV is more than 105% of the Purchase Consideration, the Purchaser shall make payment of 40% of the Purchase Consideration as well as the difference between the Completion Audit NAV via TT to the Vendor within ten (10) Business Days after the date of the Completion Audit Notice.

The remaining 10% of the purchase consideration shall be paid via TT by the purchaser to the vendor within five (5) Business Days after the first anniversary of the Completion Date.

Further announcements in relation to the Acquisition will be made in due course in a timely manner.

By Order of the Board

Zhang Liucheng
CEO and Executive Director
6 January 2019