

PROVISION OF DOUBTFUL RECEIVABLES

The Board of Directors of Pacific Radiance Ltd. (the "**Company**") refers to the announcement released by Swiber Holdings Limited ("**Swiber**") on 28 July 2016 in relation to its application for winding up and to place itself in provisional liquidation and wishes to inform that as a number of Swiber's related entities ("**Swiber's Related Entities**") are debtors of the Company's subsidiaries, the Company is expected to make a provision of doubtful receivables of approximately USD 10.1 million in respect of services to Swiber's Related Entities (the "**Provision of Doubtful Receivables**").

The Company also wishes to inform that it had previously served several letters of demand to Swiber's Related Entities for recovery of the doubtful receivables, and will continue to pursue all legal avenues of recovery.

The Provision of Doubtful Receivables is expected to negatively impact the net tangible assets and earnings per share of the Company for the financial year ending 31 December 2016.

By Order of the Board of
Pacific Radiance Ltd.

Loo Choo Leong
Group Finance Director

Date: 29 July 2016