

- A. UPDATE ON RESTRUCTURING
 - B. PROPOSED ACQUISITION BY PACIFIC RADIANCE LTD. OF ALLIANZ MARINE AND LOGISTICS SERVICES HOLDING LTD AND ITS GROUP OF COMPANIES
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1. INTRODUCTION AND BACKGROUND

The board of directors (the “**Board**”) of Pacific Radiance Ltd. (the “**Company**”, and together with its subsidiaries, collectively the “**Group**”) refers to the Company’s announcements dated 26 April 2018, 18 May 2018, 5 June 2018, 25 September 2018 and 13 May 2019 in connection with the restructuring of the Group’s debt and borrowings (“**Debt Restructuring**”), and the Company’s announcement dated 20 December 2018 wherein the Company announced that it had executed a non-binding term sheet on 19 December 2018 with parties who control a vessel owning and logistics service provider (“**Term Sheet Announcement**”) (collectively, the “**Debt Restructuring Announcements**”).

Further to the Term Sheet Announcement, the Board wishes to update that the Company has today entered into a sale and purchase agreement (“**SPA**”) in relation to the acquisition of the entire issued and paid-up capital of Allianz Marine and Logistics Services Holding Ltd (“**AMLS**” or the “**Target Company**”, and together with its subsidiaries and associated companies, collectively the “**Target Group**”) from Mr. Ahmed Tarek Khalil Ali (“**ATK**”) and the Other Vendors (as defined below, and together with ATK, collectively the “**Vendors**”) (the “**Proposed Acquisition**”).

On 13 May 2019, the Company announced it was in discussions with potential funders to provide debt financing and has received indicative proposals to this end. The Company is in advanced discussions with debt funder(s) (“**Financier**”) to extend to the Company debt financing of at least US\$180 million or such higher amount as may be agreed by the Company, the Vendors and the Financier (“**New Debt**”). As part of the terms of repayment, the Company will issue new shares in the Company (“**Shares**”) and/or warrants to the Financier. Further details are contained in paragraph 8 of this announcement.

At the same time, the Company is also proposing to raise additional equity (“**New Equity**”) through placement and it is proposed that a subscription agreement will be entered into with equity investors, who will include the Vendors (“**Equity Subscription**”).

The Proposed Acquisition, the New Debt and the New Equity are part of the debt restructuring plan of the Company (“**Debt Restructuring Plan**”). The New Debt and the New Equity will be used to finance the Proposed Acquisition, repay existing indebtedness, including the bank debt of the Group, to complete the Notes restructuring (also referred to in the SGX-ST announcement dated 13 May 2019) and for general corporate and working capital purposes. The Debt Restructuring Plan will involve the full settlement of the Group’s bank debt by the payment in cash of about US\$175.6 million. The Group intends to implement the Debt Restructuring Plan by way of scheme of arrangement to be proposed between the relevant entities of the Group and its creditors under Section 210(1) of the Companies Act.

The Proposed Acquisition constitutes a very substantial acquisition under Rule 1015 of the Listing Manual (the “**Listing Rules**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), and will be subject to approval of the shareholders of the Company (the “**Shareholders**”) at an extraordinary general meeting to be convened (“**EGM**”). The Company

proposes to engage with the SGX-ST and applicable authorities to update on the details of the Debt Restructuring Plan, as well as to seek necessary confirmations, rulings and waivers under the Listing Rules in order to implement the terms of the Debt Restructuring Plan in accordance with its terms.

Due to the foregoing reasons, and to allow the Company time to implement and complete the Debt Restructuring Plan, the High Court of the Republic of Singapore has granted an extension of the existing moratoria to 5 September 2019. The Company will be seeking a further extension of the moratoria. The Company will also be seeking approval in a consent solicitation exercise, to extend the final maturity date of the S\$100,000,000 4.30% notes due 2019 (“Notes”).

2. INFORMATION RELATING TO THE VENDORS AND THE TARGET GROUP

Shareholders should note that the information relating to the Target Company, the Target Group and the Vendors in this announcement was provided by the Vendors. In respect of such information, the Company and the directors of the Company have not independently verified the accuracy and correctness of the same. The sole responsibility of the Company is only limited to the proper extraction and reproduction herein in the context that the information is being disclosed in this announcement.

2.1 The Vendors

The Target Group was founded by Mr. Murali Krishna Krishna Kumar (“Murali”). ATK, a businessman in the UAE, acquired shares and grew the business as General Manager cum Commercial Manager of one of the operating subsidiaries of the Target Group. ATK is involved in the day-to-day management of the Target Group and is the main commercial driving force behind the rapid growth of the Target Group. ATK owns about 74.44% of the Target Company while the remaining 25.56% of the shares of the Target Company are held by Murali (who does not participate actively in the management of the Target Group) and other key management and unrelated investors (collectively “Other Vendors”), namely:

- (i) Murali – 22.06%

Murali founded the Target Group. Murali is a Director of AMLS but does not participate actively in the day-to-day management of the Target Group;

- (ii) Friedrich Hans Portner (“Friedrich”) – 1.50%

Friedrich is the General Manager of one of the operating subsidiaries of the Target Group, Allianz Gulf Oil Fields Services LLC;

- (iii) Ramy Mohamed Rashad (“Ramy”) – 0.50%

Ramy is the Key Account Director of the Target Group;

- (iv) John Thomas Garbutt (“John”) – 1.00%

John is the Logistics Director of the Target Group; and

- (v) Karim Hasabelnabi Mohamed (“Karim”) – 0.50%

Karim is the Operations Manager of the Target Group,

(the “**Relative Proportion**”).

ATK has informed the Company that he is intending to sell up to 16% of his shareholding in the Target Company to new investor(s) who are financial investors (“**New Investor(s)**”) and such sale may be completed before the completion of the Proposed Acquisition, subject to the New Investor(s) participating in the Equity Subscription.

2.2 **The Target Company and Target Group**

The Target Company is a company incorporated in the UAE, and is the holding company of some 22 subsidiaries and associated companies of the Target Group. These associated companies include joint ventures with the Group. The Target Group is headquartered in Abu Dhabi and its operations cover the wider Gulf Cooperation Council region, India and Egypt. It offers integrated offshore logistics solutions and supply based operations to the offshore oil and gas and construction sectors.

As part of the Target Group’s strategic expansion plans, it had, on 10 May 2019, completed the acquisition of all of the shares held by Swissco International Pte. Ltd. in Swissco Offshore Pte. Ltd. (“**SOPL**”), Singapore Marine Logistics Pte. Ltd. (“**SM Log**”) and SW Marine (M) Sdn Bhd, including certain of the vessels owned by SOPL, SM Log, Swissco Maritime Pte. Ltd., Swissco Ship Services Pte. Ltd. and Swissco Asia Pte. Ltd., for an aggregate consideration of US\$21.7 million.

3. **RATIONALE FOR THE PROPOSED ACQUISITION**

- 3.1 The Board believes that the Proposed Acquisition would create meaningful synergies between the principal activities of the Group and the Target Group, and enhance shareholder value due to, among other things, the provision of complementary services to their combined customer base and sharing of global marketing and sales channels, technologies and management expertise.
- 3.2 The Proposed Acquisition is part of the Company’s strategic move to generate renewed investor interest in the Shares of the Company and is also aimed at expanding its business and strengthening its foothold globally.
- 3.3 The Proposed Acquisition is central to the Debt Restructuring Plan. Underlying the Financier’s consideration to extend credit facilities (referred to in paragraph 1 of this announcement) is the Company’s plan to combine the business of the Target Company with the Company’s existing business through the Proposed Acquisition and to achieve a synergistic enlarged group with a broader geographic and industry footprint.
- 3.4 The Board is hence also of the view that the Proposed Acquisition is likely to enhance the long-term interests of the Company and its Shareholders.

4. **PRINCIPAL TERMS OF THE PROPOSED ACQUISITION**

Based on the SPA, the principal terms of the Proposed Acquisition are as follows:

4.1 **Sale and Purchase**

Subject to the terms and conditions of the SPA, the Vendors shall sell and transfer as legal and beneficial owner, their Relative Proportion of the Sale Shares (as defined below), and the Company, relying on the representations, warranties and undertakings of the Vendors set out in

the SPA (“**Vendor Warranties**”), shall purchase 100% of the share capital of the Target Company (“**Sale Shares**”) free from all encumbrances and together with all entitlements, advantages and rights attached or accruing thereto on completion of the sale and purchase of the Sale Shares (“**Completion**”).

4.2 **Consideration and Payments**

The aggregate consideration for the Sale Shares payable by the Company to the Vendors is US\$180 million (“**Consideration**”)¹.

4.3 **Conditions Precedent**

Completion of the Proposed Acquisition shall be conditional upon, *inter alia*, the following being fulfilled on or before 31 March 2020 (unless extended by agreement of the Company and the Vendors) (the “**Back-Stop Date**”) (the “**Conditions Precedent**”):

- (a) to the extent that the Vendors and their concert parties are obliged to make a mandatory offer under Rule 14 of the Singapore Code on Take-overs and Mergers (“**Code**”) arising from the allotment and issue of new Shares pursuant to the subscription agreement entered into for the Equity Subscription, the Securities Industry Council of Singapore (“**SIC**”) having granted the Vendors and their concert parties a waiver from such obligation (“**SIC Waiver**”), and such SIC Waiver not being revoked, repealed or amended as of the date falling ten (10) Business Days after the conditions precedent in this paragraph 4.3 have been fulfilled, or waived (as the case may be), or such other date as the Parties may mutually agree (“**Completion Date**”), and such waiver being subject to:
 - (i) any conditions that the SIC may impose, such conditions being acceptable to the Company (to the extent that any condition imposed relates to matters to be fulfilled or complied with by the Company), and to the extent that any such conditions are required to be fulfilled on or before the Completion Date, they are so fulfilled; and
 - (ii) in relation to the issuance of new Shares pursuant to the Equity Subscription, the whitewash resolution for the waiver of the rights of the Shareholders to receive a mandatory take-over offer from the Vendors and their concert parties (the “**Whitewash Resolution**”) having been passed by the Shareholders (who are independent of the Vendors) at an EGM to be convened by the Company;
- (b) the execution by the Company and the Financier of definitive agreements by which the Financier *inter alia* grants the Company credit facilities of not less than US\$180 million or such higher amount to be agreed by the Company, the Vendors and the Financier, the proceeds of which will be utilised by the Company to complete the Proposed Acquisition;
- (c) the approval of all transactions contemplated in connection with the sale of the Sale Shares and issuance of new Shares and warrants by the regulatory authorities (including, without limitation, the SGX-ST and the SIC), including the grant of the approval-in-principle by the SGX-ST for the listing and quotation of new Shares to be issued by the Company (“**SGX-ST Approval**”) for:

¹ The payment of the Consideration by the Company to the Vendors shall be paid as follows: (a) a refundable deposit was placed with ATK for an amount equivalent to 1.5% of the Consideration (“**Refundable Deposit**”) upon the execution of the SPA and (b) the balance Consideration (i.e. the Consideration less the Refundable Deposit) to be paid to the Vendors in accordance with their Relative Proportions on Completion Date. The Refundable Deposit will be applied in accordance with the terms of the SPA.

- (i) the purposes of meeting its obligations under the terms of the consent solicitation exercise(s) in respect of the Notes issued by the Company;
 - (ii) the issuance and allotment of new Shares and/or warrants to be issued to the Financier under the terms of the New Debt;
 - (iii) the issuance and allotment of new Shares to be issued to the Vendors under the Equity Subscription;
 - (iv) the issuance and allotment of Existing Key Management Shares (as defined below) as sign-on shares²; and
 - (v) the issuance and allotment of new Shares for the purposes of the compliance share placement exercise to be carried out by the Company to comply with the free float requirements under the Listing Rules (if necessary),
- subject to any conditions attached to the SGX-ST Approval which are required to be fulfilled on or prior to Completion to the satisfaction of or otherwise waived by the SGX-ST;
- (d) the Company having received the requisite approvals from its Board, as well as Shareholders, at an EGM to be convened by the Company, for amongst others, the:
 - (i) Proposed Acquisition;
 - (ii) Whitewash Resolution;
 - (iii) issue and allotment of new Shares and warrants referred to in paragraph 4.3(c) above; and
 - (iv) all transactions contemplated under the SPA;
 - (e) undertakings by Pang Yoke Min and YM InvestCo Pte. Ltd., who are existing controlling shareholders of the Company (“**Existing Controlling Shareholders**”):
 - (i) not to dispose of their shareholdings in the Company to below 51% (collectively) until the earlier of:
 - (1) the Conditions Precedent not being fulfilled on or before the Back-Stop Date;
 - (2) termination of the SPA; or
 - (3) conclusion of the EGM to be convened by the Company in respect of the Proposed Acquisition; and
 - (ii) to vote, subject to fulfilment of paragraph 4.3(a), at the EGM to be convened in respect of the Proposed Acquisition, in favour of, *inter alia*, the matters referred to in paragraph 4.3(d) above (subject to written confirmation of the SGX-ST that such voting at the EGM by the Existing Controlling Shareholders is permitted pursuant to the provisions of the Listing Rules);
 - (f) the delivery of an undertaking duly signed by Murali in favour of the Company in relation to his interest in the voting shares of or control over Allianz Marine Services LLC, whether under his own name or the name of his spouse, child, sibling or parent (the “**Immediate**”

² Please refer to paragraph 8 for further details.

Family") or any company in which he or his Immediate Family has an interest in, to undertake not to enter into any competing business without giving the Company the right of first refusal to undertake such business opportunity;

- (g) the delivery of a disclosure letter (if any) and updated disclosure letter (if any);
- (h) the delivery by the Vendors of documentary evidence reasonably satisfactory to the Company that all of the properties and assets of the Target Group are adequately insured with financially sound and reputable insurers;
- (i) the effecting of the change of shareholding of the entities in Part 3 of Schedule 2 of the SPA such that these entities are wholly and directly held by the Target Company;
- (j) an independent valuer to be appointed by the Company at the cost of the Company for the purposes of Rule 1015(2) of the Listing Rules;
- (k) the warranties under Clause 6.1 and paragraphs 1 and 2 of Schedule 4 provided by the Vendors under the SPA being complied with, and are true, accurate and correct in all respects as at the Completion Date;
- (l) all necessary approvals and consents as may be necessary from and registration with any third party, governmental or regulatory body or relevant competent authority having jurisdiction over the transactions contemplated herein or to the entry into and completion of the SPA by the Company and the Vendors, being in full force and effect and not having been withdrawn, suspended, amended or revoked as at the Completion Date, and if such approvals or consents or registrations are granted or obtained subject to any conditions, such conditions being reasonably acceptable to the Company and the Vendors (as the case may be);
- (m) the Debt Restructuring with creditors (which include debt relating to the vessels as set out in Schedule 9 of the SPA) has been approved by the creditors, including the respective lenders by way of bilateral agreements and/or scheme of arrangement provided that the final amount due to the lenders pursuant to the bilateral agreements and the scheme of arrangement shall be about US\$175.6 million;
- (n) an opinion from an independent financial adviser of the Company containing a recommendation by the independent financial adviser to the independent directors of the Company to recommend to the shareholders to vote in favour of the Whitewash Resolution; and
- (o) there being no delisting of the existing Shares of the Company from the SGX-ST prior to and on the Completion Date. For the avoidance of doubt, a suspension of trading of the Shares or trading halt does not amount to a delisting of the Shares.

4.4 **Completion**

Subject to the Conditions Precedent being fulfilled or waived, Completion shall take place on the Completion Date or such other date as the Company and the Vendors may agree in writing.

4.5 **Valuation**

The Company will appoint an independent valuer to conduct and furnish a valuation report on the value of the Target Group ("**Valuation Report**").

Further information relating to the independent valuer to be appointed, together with the Valuation Report (which will include the basis and date of the Valuation Report), will be included in the Circular (as defined below) to be despatched to Shareholders in due course.

4.6 Joint Management of the Company

It is a condition under the New Debt and of the Vendors in respect of the Proposed Acquisition that each of ATK, the Existing Controlling Shareholders (as a group) and the Financier shall be entitled to nominate and appoint the same number of directors to the board of the Company (i.e. 1 director each), and that the nominees of ATK and the Existing Controlling Shareholders (as a group) shall be entitled to serve in an executive capacity as directors and executive officers of the Company, while the nominee of the Financier shall be entitled to serve in a non-executive capacity as a director, in each case in accordance with the management organisation chart set out in Schedule 6 of the SPA (“**Joint Management**”).

5. RELATIVE FIGURES

The relative figures of the Proposed Acquisition computed on the bases set out in Rule 1006(a) to (d) of the Listing Rules are as follows:

Rule 1006(a): Net asset value of assets to be disposed of, compared with the Group's net asset value	Not applicable to an acquisition
Rule 1006(b): Net profits attributable to the assets acquired, compared with the Group's net profit(loss)	Not meaningful ⁽¹⁾
Rule 1006(c): Aggregate value of the Consideration, compared with the Company's market capitalisation based on the total number of issued Shares excluding treasury shares	Not meaningful ⁽²⁾
Rule 1006(d): Number of equity securities issued by the Company as consideration for the Proposed Acquisition, compared with the number of equity securities previously in issue	2960%

(1) “Net profit” means profit or loss before income tax, minority interests and extraordinary items as defined under Rule 1002(3) of the Listing Rules. The relative figures under Rule 1006(b) of the Listing Rules are not meaningful as the Company is loss-making while the assets to be acquired pursuant to the Proposed Acquisition is profitable. The Company's audited net loss for FY2018 was US\$98.3 million. The Target Group's net profit for FY2018 was US\$21.5 million.

(2) The Company's market capitalisation is not available as the Company has suspended the trading of its shares on 28 February 2018.

Having regard to the above, as the relative figures computed based on Rule 1006(d) exceed 100%, the Proposed Acquisition would constitute a very substantial acquisition under Rule 1015 of the Listing Rules.

6. FINANCIAL INFORMATION OF THE TARGET GROUP

A summary of the financial information of the Target Group based on its financial statements for the financial years ended 31 December 2016, 31 December 2017 and 31 December 2018 is set out below:

Income Statement

	FY2016	FY2017	FY2018
	AED'000	AED'000	AED'000
Revenue	350,784	485,477	513,977
Gross profit	50,432	99,698	104,672
Net profit	39,788	78,939	79,059

Balance Sheet

	As at 31 December 2016	As at 31 December 2017	As at 31 December 2018
	AED'000	AED'000	AED'000
Non-current assets	78,790	154,834	341,656
Current assets	141,679	162,544	153,331
Current liabilities	145,828	172,897	215,912
Non-current liabilities	15,938	7,827	67,397
Total equity	58,703	136,654	211,707

7. PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

7.1 Bases and assumptions

The pro forma financial effects of the Proposed Acquisition on the Company and/or the Group presented below are strictly for illustrative purposes only and are based on *inter alia*, the following assumptions:

- (i) they do not necessarily reflect the actual results and financial position of the Company and/or the Group immediately following the completion of the Proposed Acquisition (for the purpose of this announcement, it is assumed that such group structure has been in existence since 1 January 2018);
- (ii) they are based on preliminary evaluation and allocation of the Consideration which may be subject to adjustment on Completion Date;
- (iii) earnings per Share ("**EPS**") are computed based on the assumption that the Proposed Acquisition was completed on 1 January 2018;
- (iv) net tangible assets ("**NTA**") are computed based on the assumption that the Proposed Acquisition was completed on 31 December 2018;
- (v) EPS and NTA per Share of the Group are computed based on the financial statements of the Group and the Target Group for the financial year ended 31 December 2018;
- (vi) the Debt Restructuring is completed;
- (vii) the Proposed Transactions (as defined in paragraph 9 below) have taken place; and

(viii) the estimated expenses in connection with the Proposed Acquisition and the Proposed Transactions (as defined in paragraph 9 below) have been taken into account for the purpose of calculating the financial effects.

7.2 Pro forma financial information of the Company and the Target Group

Income Statement

	FY2018
	US\$'000
Revenue	196,124
Net profit before tax	192,872
Net profit after tax	191,762

Balance Sheet

	As at 31 December 2018
	US\$'000
Non-current assets	598,854
Current assets	132,390
Current liabilities	125,949
Non-current liabilities	217,250
Total equity	388,045

7.3 NTA

	Before the Proposed Acquisition	After the Proposed Acquisition
NTA attributable to Shareholders (US\$'000)	(141,802)	403,746
Number of Shares (excluding treasury shares) ('000)	713,726	31,124,209
NTA per Share (US cents)	(19.9)	1.3

7.4 EPS

	Before the Proposed Acquisition	After the Proposed Acquisition
Net (loss)/profit attributable to Shareholders (US\$'000)	(99,397)	192,823
Weighted average number of Shares (excluding treasury Shares) ('000)	713,602	31,124,085
EPS (US cents)	(13.9)	0.6

8. NEW DEBT

The Company will issue new Shares and/or warrants to the Financier pursuant to the New Debt, giving the Financier up to 15% of the enlarged share capital of the Company. Please refer to paragraph 9 below for further details. It is also a condition of the New Debt that the Company will be under the Joint Management (further details provided in paragraph 4.6 above) and hence, new Shares representing 12% of the enlarged share capital of the Company (“**Existing Key Management Shares**”) will be issued to Pang Yoke Min, Pang Wei Meng and Pang Wei Kuan, James (“**Existing PRL Key Management**”).

9. POST DEBT RESTRUCTURING SHAREHOLDING

Please see the capitalisation table of the Company post-completion of the Proposed Acquisition and assuming all the proposed transactions referred to below (collectively, the “**Proposed Transactions**”) have taken effect, namely:

- (i) the issue of new Shares and warrants to Noteholders to complete the Notes restructuring (referred to in the Debt Restructuring Announcements);
- (ii) the Equity Subscription;
- (iii) the issue of new Shares and/or warrants to the Financier pursuant to the New Debt; and
- (iv) the issue of the Existing Key Management Shares.

Shareholder	Post-Proposed Transactions Shareholding Percentage (%) ⁽¹⁾
Financier	15.00
ATK	40.62 ⁽²⁾
Other Vendors	14.28 ⁽³⁾
Existing PRL Key Management	1.58 ⁽⁴⁾
	12.00 ⁽⁵⁾
Public	
- Existing Shareholders	0.72%
- Noteholders	2.70%
- New Investor(s)	13.10%

Notes:

- (1) The shareholding (i) sets out all issuances of new Shares pursuant to the New Equity, (ii) assumes that all warrants issued to the Financier pursuant to the New Debt have been exercised, and (iii) does not take into account the exercise of warrants issued to Noteholders as set out in the Debt Restructuring Announcements. 50,000,000 warrants will be issued to Noteholders pursuant to the restructuring of the Notes.
- (2) The shareholding of ATK excludes the 10% of the enlarged issued and paid-up share capital of the Company held by ATK to be placed out.
- (3) The shareholding of the Other Vendors excludes the 3.1% of the enlarged issued and paid-up share capital of the Company held by Murali to be placed out.
- (4) The shareholding held by the Existing PRL Key Management in the Company will be diluted to 1.58% post-completion of the Proposed Transactions.
- (5) This represents the issue and allotment of the Existing Key Management Shares, amounting to 12% of the enlarged issued and paid-up share capital of the Company.

10. MORATORIUM UNDERTAKINGS

On completion of the issuance of new Shares pursuant to the Equity Subscription, the Vendors and/or their respective nominees will comply with all applicable moratorium requirements as may be required by the Listing Rules.

11. WHITEWASH WAIVER

As ATK will own more than 30% of the enlarged voting share capital of the Company upon completion of the Proposed Transactions, ATK (and his concert parties, if any) will be required, under Rule 14 of the Code, to make a general offer for the remaining Shares not owned or controlled by ATK (and his concert parties, if any) at the highest price paid or agreed to be paid by any of them for the Shares in the preceding six (6) months.

The Equity Subscription will be subject to *inter alia*, the following conditions:

- (i) the Whitewash Resolution having been passed by the Shareholders (who are independent of ATK (and his concert parties, if any)) at the EGM;
- (ii) approval from the Shareholders has been obtained at an EGM for the allotment and issuance of the new Shares pursuant to the Equity Subscription; and
- (iii) the SGX-ST issuing an approval-in-principle in respect of the listing and quotation of the new Shares pursuant to the Equity Subscription and such approval-in-principle not having been revoked or amended.

12. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save in respect of the Joint Management and the issuance of the Existing Key Management Shares, none of the directors of the Company (“**Directors**”) or (to the best of the Company’s knowledge) controlling Shareholders has any interest, direct or indirect, in the Proposed Acquisition or the Proposed Transactions.

13. INDEPENDENT FINANCIAL ADVISER

An independent financial adviser has been appointed by the Company to advise independent Shareholders on whether the Whitewash Resolution is fair and reasonable and not prejudicial to the interests of the independent Shareholders.

14. FURTHER INFORMATION

14.1 Circular

Subject to SGX-ST’s approval, a circular containing further information on the Proposed Transactions (as defined in paragraph 9), together with a notice of the extraordinary general meeting (“**Circular**”) will be despatched by the Company to the Shareholders in due course.

14.2 Service Contracts

Save for (i) Murali who is proposed to be appointed as ATK’s nominee as a director and executive officer of the Company in connection with the Joint Management as part of the Debt

Restructuring Plan, (ii) the Existing PRL Key Management who will be entering into new or restated service agreements with the Company and (iii) the other Vendors (i.e. ATK, Friedrich, John and Karim) who will be entering into service contracts with the Company as executive officers of the Company, no person is proposed to be appointed as a director of the Board in connection with the Proposed Acquisition, and no service contract is proposed to be entered into between the Company and any such person in connection with the Proposed Acquisition.

14.3 Documents for Inspection

A copy of the SPA will be made available for inspection during normal business hours at the registered office of the Company for three (3) months from the date of this announcement.

15. CAUTION IN TRADING

Trading of the Company's securities on the SGX-ST had been voluntarily suspended by the Company on 28 February 2018.

Shareholders and Noteholders are advised to read this announcement and any further announcements by the Company carefully. There is no certainty or assurance as at the date of this announcement that any discussions or prospects will be successfully concluded or any definitive agreements in relation to any transactions will be entered into. Shareholders and Noteholders should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

16. RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of the preparation of this announcement) collectively and individually accept full responsibility for the accuracy of the information given in this announcement (except in respect of the Vendors and the Target Group) and confirm, after making all reasonable enquiries that to the best of their knowledge and belief, the facts stated and opinions expressed herein (except in respect of the Vendors and the Target Group) are fair and accurate in all material respects as at the date hereof, and that there are no material facts the omission of which would make this announcement misleading. The Vendors (including those who may have delegated detailed supervision of the preparation of this announcement) collectively and individually accept full responsibility for the accuracy of the information given in this announcement (in respect of the Vendors and the Target Group) and confirm, after making all reasonable enquiries that to the best of their knowledge and belief, the facts stated and opinions expressed herein (in respect of the Vendors and the Target Group) are fair and accurate in all material respects as at the date hereof, and that there are no material facts the omission of which would make this announcement misleading. Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors and each of the Vendors respectively has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement.

17. FURTHER ANNOUNCEMENTS

The Company will make further announcements on the Proposed Acquisition and the Proposed Transactions as appropriate or when there are developments on the same.

By Order of the Board of
Pacific Radiance Ltd.

Pang Yoke Min
Executive Chairman

22 August 2019