

UPDATES ON BUSINESS AND RESTRUCTURING

Unless otherwise defined, all capitalised terms used and not defined herein shall have the same meanings given to them in the announcement dated 22 August 2019.

The board of directors (the “**Board**”) of Pacific Radiance Ltd. (the “**Company**” and together with its subsidiaries, collectively the “**Group**”) refers to the announcements dated 13 May 2019, 22 August 2019, 26 August 2019, 8 October 2019, 20 January 2020 and 26 March 2020 in relation to the updates on the Debt Restructuring. The Board wishes to provide an update on the Group’s business and the Debt Restructuring in light of the recent collapse of oil price amidst the COVID-19 pandemic.

In response to the current oil price volatility and COVID-19 pandemic which are expected to impact the business and operations of the Group, the Company has undertaken a review of the Group’s vessel chartering activities and operations. As at the date of this announcement, there is no major cancellation of existing contracts. Certain new vessel chartering contracts in the pipeline are expected to be deferred, and charter rate reduction is under negotiation for certain contracts. Plans are underway to pare down operating costs in the event of material changes to vessel chartering activities so as to sustain ongoing operations. If the current negative or low oil price persists, further adverse impact on vessel chartering activities and charter rates, as well as cancellation of contracts can be expected. The Group continues to actively engage clients on this front to stay updated on their plans.

In respect of the ongoing Debt Restructuring, the Company wishes to update that the restructuring options involving various investors are still under discussions. Given the heightened uncertainties brought about by oil price volatility and COVID-19 pandemic, more time is required to reach an agreement with the major creditors.

The Group is closely monitoring the oil price and COVID-19 pandemic situations as they continue to evolve. Any further material developments will be disseminated at the appropriate juncture.

Trading of the Company’s securities on the SGX-ST has 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.

By Order of the Board of
Pacific Radiance Ltd.

Pang Yoke Min
Executive Chairman

24 April 2020