PACIFIC RADIANCE LTD.

Annual & Extraordinary General Meeting

25 June 2020, 10:00 a.m.

Live Webcast | Audio Conference

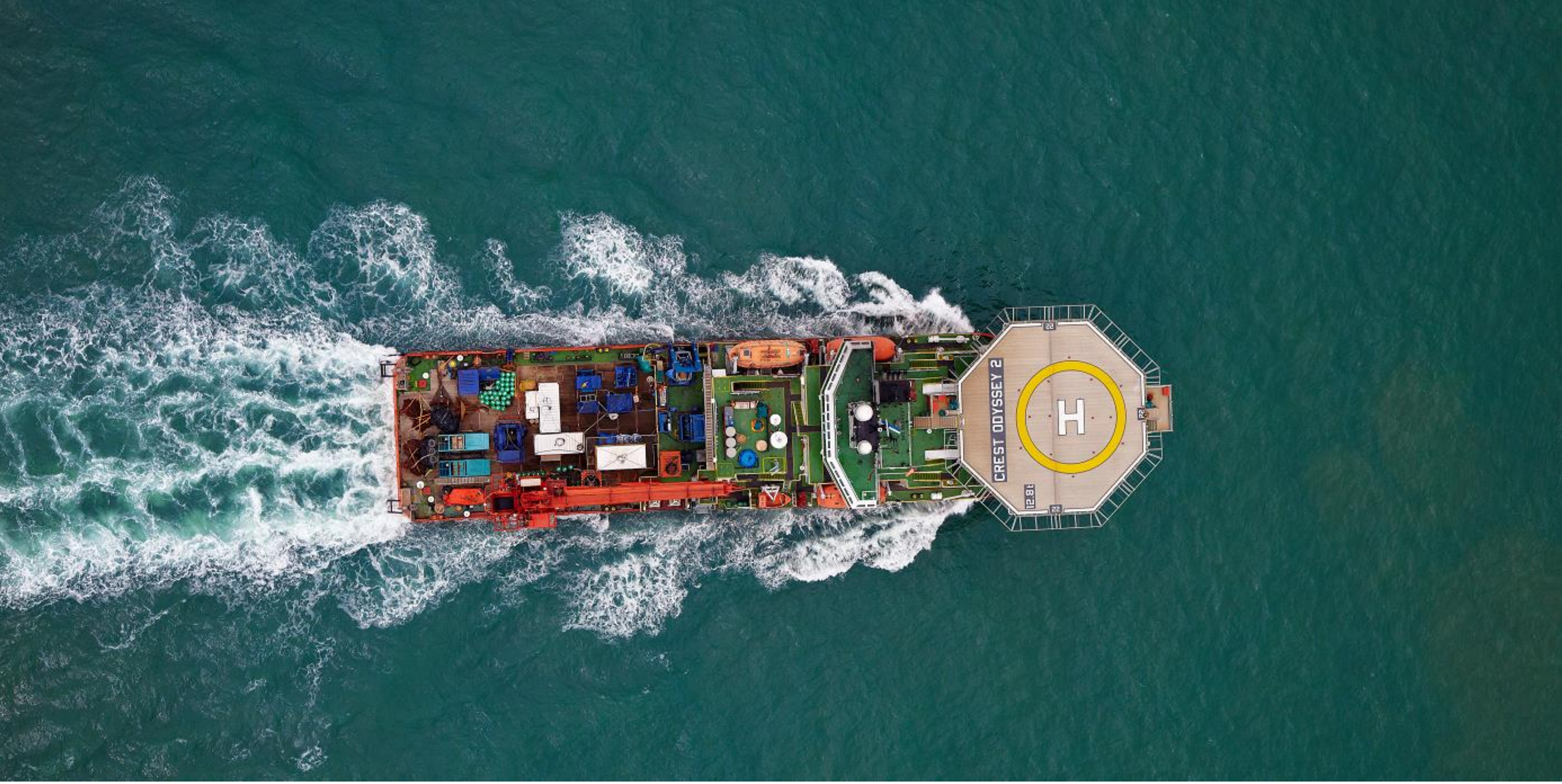
Pacific Radiance

Disclaimer

This presentation has been prepared by Pacific Radiance Limited. The information contained in this presentation is for informational purposes only and has not been independently verified. No representation or warranty expressed or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Neither the Company nor any persons acting on its behalf shall accept or assume any responsibility whatsoever for any loss or liability of whatsoever nature to any parties howsoever arising out of, in relation to and/or in connection with these slides or any part thereof (including but not limited to any use or reliance upon the same) by any party.

This presentation may contain forward-looking statements which may be identified by their use of words like "plans", "expects", "will", “guidance", "anticipates", "believes", "intends", "projects", "estimates" or other words of similar meaning. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, business development, market position, expenditures, and financial results, are forward-looking statements.

All forward-looking statements are subject to risks and uncertainties as they are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements.



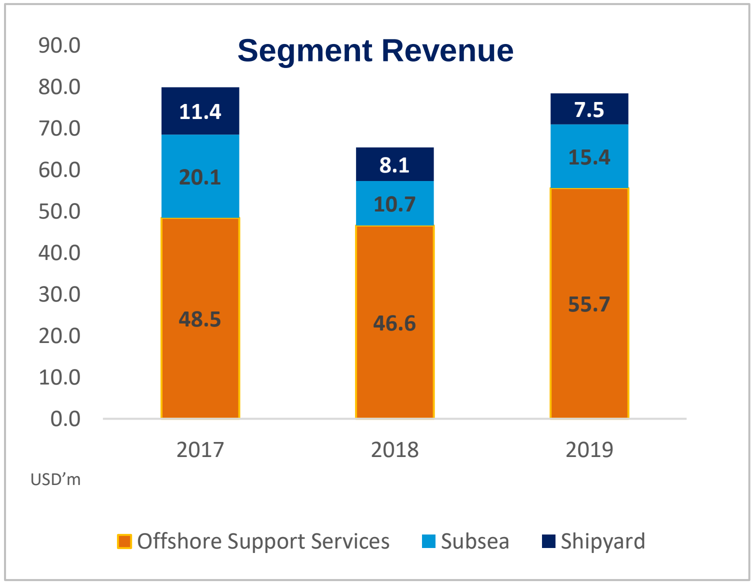
Annual General Meeting

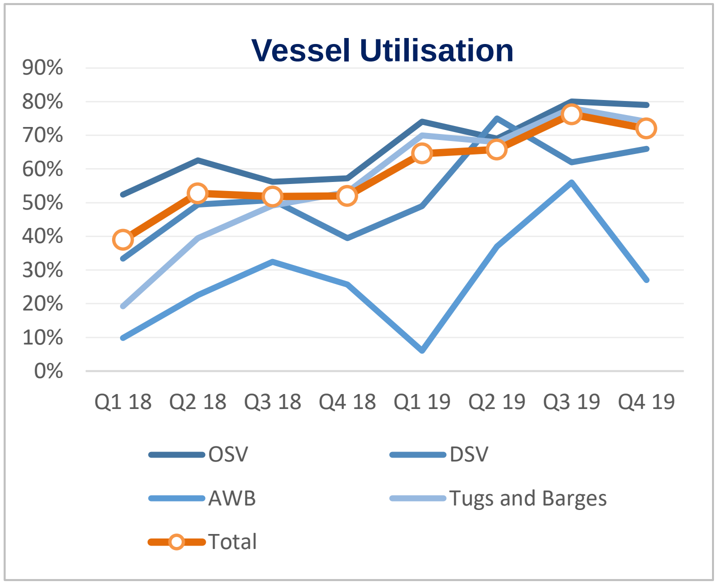
Financial Overview

- 23% increase in revenue to US$74.8 million in FY2019, mainly due to stronger performance in the Offshore Support Services and Subsea segments.
- Gross profit of US$15.2 million, compared to a gross loss of US$4.4 million in FY2018.
- Net loss narrowed to US$83.4 million after taking into consideration asset impairment of US$54.0 million.
- Excluding asset impairment and non-recurring items, the adjusted EBITDA was positive at US$14.0 million.
- General and administrative expense edged up 14% to US$17.5 million mainly due to restructuring expenses incurred during the financial year.
- As the restructuring progresses, the Group continues to remain tightfisted over the restructuring associated expenses.

Pacific Radiance

Financial Overview





- Offshore Support Services business posted an increase of 22% in revenue to US$54.3 million, despite competitive charter pricing.
- Subsea business registered an increase of 52% to US$15.3 million, this was mainly driven by the higher vessel utilisation of the Group.
- Shipyard business decreased 17% to US$5.1 million as a result of lower completion of ship repair works.
- Geographically, Asia remains the main contributor comprising 82%, or US$61.1 million of the Group's revenue.
- Overall, the Group ended FY2019 with utilisation of 70% for its fleet of vessels.

Profit & Loss

(USD'000)	FY 2019	FY 2018
Revenue	**74,758**	**60,667**
Cost of sales	(59,575)	(65,040)
Gross profit	**15,183**	**(4,373)**
Other operating income	17,147	8,248
General and administrative expenses	(17,474)	(15,300)
Other operating expenses	(71,541)	(54,833)
Finance expenses	(25,840)	(22,183)
Share of result of joint ventures	219	1,021
Share of result of associate	-	(12,712)
Loss before tax	(82,306)	(100,132)
Taxation	(1,054)	(1,111)
Loss for the period	**(83,360)**	**(101,243)**
Loss for the period attributable to:		
Equity holders of the Company	(84,691)	(99,397)
Non-controlling interest	1,331	(1,846)
	(83,360)	(101,243)

Pacific Radiance

Statement of Financial Position

(US$'000)	As at 31 Dec 2019	As at 31 Dec 2018
Total non-current assets	298,357	343,233
Total current assets	89,476	125,519
Total assets	**387,833**	**468,752**
Total current liabilities	606,934	612,270
Total non-current liabilities	23,349	14,964
Total liabilities	**630,283**	**627,234**
Net assets	**(242,450)**	**(158,482)**

Pacific Radiance

Our Restructuring Efforts

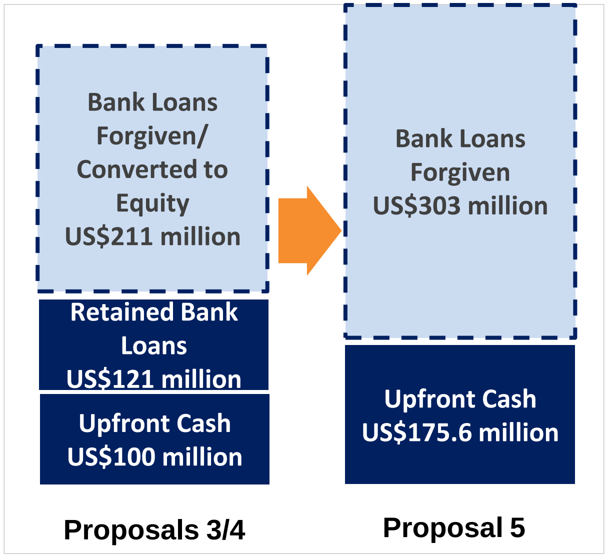
Timeline	Events
Jul 2017 – Oct 2017	**Proposal 1** ▪ Commenced initial restructuring discussion with Lenders ▪ The debt of the PRL Group was about US$480 million in bank loans and another approximately US$75 million related to the Notes. ▪ Received initial interest from two large funds based in the United States. One of them commenced due diligence. ▪ Major creditors prefer not to deal with large funds.
Oct 2017	**Proposal 2** ▪ Company managed to garner interest from potential equity investors, mainly business associates, to raise new capital of US$50 million ("Investor Group 1"). ▪ The restructuring proposal comprised the equity injection of US$50 million, a certain amount of debt forgiveness and/or debt-to-equity conversion, and a certain amount of bank loans to be retained with moratorium on repayment.
Oct 2017 – Jan 2018	**Proposal 3** ▪ Restructuring proposal for the Notes was put together on the basis of Proposal 2 for approval by the Noteholders in Feb 2018. ▪ Subsequently, significant changes to Proposal 2 were made, equity to be raised was increased to US$120 million mainly for higher upfront cash payment for the bank loans, in return for higher amount of debt forgiveness and/or debt-to-equity conversion of US$211 million in relation to the bank loans, and US$121 million of the bank loans would be retained.

Our Restructuring Efforts

Timeline	Events
Feb 2018 – Nov 2018	**<u>Proposal 3 (continued)</u>** ▪ Company managed to garner more interest from potential equity investors ("Investor Group 2"), the amount to be raised from Investor Group 1 and 2 was up to US$85 million. ▪ A Hong Kong based fund expressed interest in respect of the balance US$35 million equity to be raised. ▪ Company commenced preparation for application to the Court to restructure the debts of the Group, including the bank loans, via schemes of arrangement based on Proposal 3. ▪ In Aug 2018, Noteholders approved the restructuring terms of the Notes and the extension of the maturity date of the Notes to 30 Sep 2019. ▪ In the later part of 2018, the global markets took a sharp turn for the worse. Investor Group 1 and Investor Group 2 decided to reduce their equity commitment significantly. ▪ Due to the shortfall in equity commitment, Company could no longer proceed with Proposal 3.
Dec 2018 – Mar 2019	**<u>Proposal 4</u>** ▪ To preserve most of the agreed terms of Proposal 3 and the restructuring terms of the Notes, Company put together another restructuring proposal via the combination of business with Allianz Marine & Logistics Services Holding Ltd (“AMLS”) ▪ The combined business is expected to be cash flow positive, terms of Proposal 3 were largely retained, except that the bank loans will be repaid substantially in instalments. ▪ No objection from major creditors for Company to proceed with due diligence. ▪ Company entered into a binding termsheet with AMLS for the business combination post due diligence. ▪ In Mar 2019, major creditors informed its expectation for an all cash deal.

Our Restructuring Efforts

Timeline	Events
Apr 2019 – Dec 2019	**Proposal 5** ▪ Company expedited with another round of investor search process. ▪ In May 2019, Company accepted a new debt financing proposal from a global investment firm (the "Financier"), upfront cash to be raised for full and final settlement of the bank loans was US$176 million and the amount of bank loans to be forgiven was increased to US$303 million. ▪ Financier carried out due diligence on Pacific Radiance and AMLS over the course of the second half of 2019. ▪ Company shared its restructuring roadmap to raise new debt and new equity to finance the proposed acquisition of AMLS, repay existing debt of the Group and complete the restructuring of the Notes. ▪ In Oct 2019, Noteholders approved the extension of maturity date of the Notes to 31 Mar 2020. ▪ Discussions with the Financier on the new debt stalled around December 2019 as certain difficulties arose in the course of the discussions.



Our Restructuring Efforts

Timeline	Events
Jan 2020 – April 2020	**Proposal 6** ▪ Company promptly resumed talks with other potential financiers who had previously expressed interest and provided indicative debt financing proposals to Company in the course of 2019. One of the potential financiers, a global asset management firm (the “Second Financier”), showed keen interest and progressed to discuss the terms of debt financing with the Company. ▪ The unexpected outbreak of COVID-19 pandemic hurt investor sentiment severely and heightened market volatility significantly. This was compounded by the oil price between Russia and Saudi Arabia. ▪ These factors impacted considerations of potential financiers, including the Second Financier.
May 2020 – Present	**Proposal 7** ▪ Various restructuring options were considered and discussed with the major creditors of the Group and potential financiers. ▪ Restructuring proposals have now been reviewed by major creditors ▪ Finer terms of the proposals are currently being discussed between the potential investors/financiers and major creditors.

Resolution 1

Approval of Directors' Fees for the financial year ending 31 December 2020

	For	Against
No. of shares represented by votes	522,585,914	2,313,100
As a percentage of total "For" and "Against"	99.56%	0.44%

Resolution 2

Re-election of Mr. Lau Boon Hwee as director

	For	Against
No. of shares represented by votes	522,585,914	2,313,100
As a percentage of total “For” and “Against”	99.56%	0.44%

Pacific Radiance

Resolution 3

Re-election of Mr. Yong Yin Min as director

	For	Against
No. of shares represented by votes	519,393,414	5,505,600
As a percentage of total “For” and “Against”	98.95%	1.05%

Pacific Radiance

Resolution 4

Re-election of Mr. Goh Chong Theng as director

	For	Against
No. of shares represented by votes	522,585,914	2,313,100
As a percentage of total "For" and "Against"	99.56%	0.44%

Resolution 5

Re-appointment of Auditors

	For	Against
No. of shares represented by votes	522,585,914	2,313,100
As a percentage of total “For” and “Against”	99.56%	0.44%

Resolution 6

Authority to allot and issue ordinary shares

	For	Against
No. of shares represented by votes	519,393,414	5,505,600
As a percentage of total "For" and "Against"	98.95%	1.05%

Pacific Radiance

Resolution 7

Authority to grant awards and to issue shares under the Pacific Radiance Performance Share Plan

	For	Against
No. of shares represented by votes	519,393,414	5,505,600
As a percentage of total "For" and "Against"	98.95%	1.05%

Thank you for attending the webcast

Investor Relations

ir@pacificradiance.com

15 Pandan Road
Singapore 609263
Tel +65 6238 8881

www.pacificradiance.com

Pacific Radiance