

ANNOUNCEMENT PURSUANT TO RULE 706A OF THE SGX LISTING MANUAL

Pursuant to Rule 706A of the Listing Manual of Singapore Exchange Securities Trading Limited, Pacific Radiance Ltd. (the “**Company**”) wishes to announce the following transactions that occurred between 1 April 2020 and 14 August 2020:

Disposal of Indirect Joint Venture

Alstonia Offshore Pte. Ltd. (“**AOPL**”), a wholly-owned subsidiary of the Company, has on 30 June 2020 entered into a share purchase agreement with Alliance Maritime Pte. Ltd. (“**AMPL**”) to sell 490,000 ordinary shares in Duta Pacific Offshore Sdn Bhd (“**DPO**”), representing 49% of the issued and paid-up share capital of DPO to AMPL at an aggregate purchase price of US\$2,134,938.00 (the “**Disposal**”). DPO is a company incorporated in Malaysia and the principal business activities of DPO are ship owning, operating, and chartering of marine vessel for transportation.

DPO owns a single vessel that is nearing the end of its useful life. The purchase price was arrived at on a willing-buyer and willing-seller basis, based on arms’ length negotiations, taking into consideration the weak market conditions and drydock costs to be incurred by the vessel in the near term.

Subsequent to the Disposal, the shareholders agreement entered between AOPL and Duta Marine Sdn Bhd (“**DMSB**”) on 4 February 2014 for a joint venture in DPO shall be terminated accordingly.

Following the Disposal, DPO ceased to be a joint venture company of the Company.

Based on the latest management accounts for the financial period ended 30 June 2020, DPO was in a net asset position of approximately US\$4,369,032.00.

The Disposal is not expected to have any material financial impact on the net tangible assets and earnings per share of the Company for the current financial year ending 31 December 2020.

Acquisition of Equity Interest in Aztec Offshore Holdings Pte. Ltd.

Navigatis Radiance Pte. Ltd. (“**NRPL**”), an indirect joint venture of the Company, has on 8 July 2020, entered into a share purchase agreement with Hoteleria y Servicios Petroleros, S.A. de C.V. to purchase 980,000 ordinary shares in Aztec Offshore Holdings Pte. Ltd. (“**AOH**”), representing 18.9% of the issued and paid-up share capital of AOH, at a purchase price of US\$25,000.00 (the “**Acquisition**”).

Following the Acquisition, AOH will become a subsidiary of NRPL. The Company will have an effective equity interest of approximately 59% in AOH.

The consideration was arrived at on a willing-buyer and willing-seller basis, based on arms' length negotiations. The Acquisition was funded through internal resources. The Acquisition constitutes a non-disclosable transaction within the meaning of Rule 1008 of the Listing Manual of the Singapore Exchange Securities Trading Limited and is not expected to have any material effect on the net tangible assets and earnings per share of the Group for the current financial year ending 31 December 2020.

None of the Directors of the Company or substantial shareholders (as defined in the Companies Act (Cap. 50)) of the Company has any direct or indirect interest in the aforementioned Disposal and Acquisition, save for their interest (if any) in the share capital of the Company.

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. Shareholders and Noteholders are advised to exercise caution when trading in the Company's securities as 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

14 August 2020