

RESPONSE TO SGX-ST QUERIES RECEIVED ON 19 MAY 2021

The board of directors (the “**Board**”) of Pacific Radiance Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) sets out its response to the queries raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 19 May 2021 in relation to the first quarter (“**1Q 2021**”) financial statement for the three months ended 31 March 2021:

Query by SGX-ST		Company’s Response		
1	With reference to page 3 of 1Q 2021 financial statement – <i>Amounts due from related companies</i> , please disclose the identities of these related companies, and explain why amounts due from related companies rose from US\$18,405,000 to US\$20,872,000 despite the fall in Group Revenue by 20%.	(US\$'000)	31-Mar-21	31-Dec-20
		Amounts due from related companies - Current	54,542	55,405
		Amounts due from related companies - Non current	20,872	18,405
			75,414	73,810
		The total amounts due from related companies increased by US\$1.6 million due to advance to Al Hail Marine Service LLC, a joint venture company, to cover trade related expenses arising from operating activities.		
2	With reference to page 6 of 1Q 2021 financial statement – <i>Impairment of amounts due from related companies</i> , please disclose the identities of these related companies, and explain the reasons for the further increase of US\$1,155,000 after an increase of US\$4,940,000 in 1Q 2020.	The impairment of amounts due from related companies arose from the impairment of loan to a joint venture company, Navigatis Radiance Pte Ltd. Management has assessed the recoverability of the amounts and decided to make impairment charge in view of the latest economic condition of the joint venture’s operation and the continuing adverse impact from market downturn and COVID-19 pandemic.		

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

20 May 2021