

PACIFIC RADIANCE LTD.
(the “Company”)
(Company Registration No.: **200609894C**)
(Incorporated in the Republic of Singapore)

Minutes of the Annual General Meeting (“AGM” or “Meeting”) of the Company held at 15 Pandan Road, Singapore 609263 and by way of electronic means on Thursday, 29 April 2021 at 10.00 a.m.

PRESENT

SHAREHOLDERS

As per Attendance List

DIRECTORS

Mr. Pang Yoke Min	-	Chairman of the Board
Mr. Pang Wei Meng	-	Executive Director
Mr. Lau Boon Hwee	-	Executive Director
Mr. Ng Tiong Gee	-	Lead Independent Director
Mr. Yong Yin Min	-	Independent Director

IN ATTENDANCE

As per Attendance List

ABSENT WITH APOLOGIES

Mr. Goh Chong Theng	-	Independent Director
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Before the meeting began, the appointed meeting moderator briefed the participants who were present in-person at the Meeting on the procedures to observe social distancing, what to observe when raising questions and provided shareholders with the QR code to download the digital PDF copy of the Company’s annual report.

WELCOME AND INTRODUCTION

The Chairman, Mr. Pang Yoke Min welcomed the shareholders to the AGM.

The Chairman acknowledged that shareholders who were participating via live audio-visual or live audio-only feed would be taken as electronically present and counted for quorum of the Meeting purpose.

The Chairman introduced the following fellow Directors who were present in person and those who were in attendance for the Meeting:-

- Mr. Ng Tiong Gee, the Lead Independent Director and chairman of the Nominating Committee (“NC”) and member of the Audit Committee (“AC”) and Remuneration Committee (“RC”)

- Mr. Yong Yin Min, the Independent Director and the chairman for the RC and member of AC and NC
- Mr. Pang Wei Meng, the Executive Director and Acting Chief Commercial Officer
- Mr. Lau Boon Hwee, the Executive Director and Chief Technical and Shipyard Officer
- Mr. James Pang Wei Kuan, the Acting Chief Executive Office (“CEO”)
- Ms. Iris Chia, the Chief Financial Officer (“CFO”) of the Group
- Ms. Lin Moi Heyang, the Company Secretary*
- Mr Chan Yew Kiang, the Auditors from Ernst & Young LLP

** participated via electronic means*

[Post meeting note: The Company put on record that due to some technical issues, Mr. Goh Chong Theng was unable to log on to the webcast link to join the Meeting.]

PRESENTATION ON PERFORMANCE

The Chairman invited Ms. Chia Iris, the Chief Financial Officer of the Group to present an overview of the performance of the Group for the financial year ended 31 December 2020 (“FY2020”). The presentation slides were published on SGXNet and the Company’s website on 29 June 2021, post the Meeting.

PRESENTATION ON RESTRUCTURING EXERCISE

Following that, the Chairman invited Mr. Pang Wei Kuan, James (“Mr. Pang”), the Acting CEO of the Group to provide shareholders an update on the status and progress of the ongoing debt and corporate restructuring exercise of the Group. The slides presented by Mr. Pang were also published on SGXNet and the Company’s website on 29 June 2021, post the Meeting.

QUORUM

There being a quorum present, the Chairman of the Meeting declared the Meeting open.

NOTICE

The notice convening the Meeting, having been in the hands of the shareholders for the requisite period, was taken as read.

VOTING

The Chairman informed that he had been appointed as proxy by shareholders and he had voted in accordance with their specific instructions in accordance with the Guidance on Conduct of Meeting issued by SGX by way of poll. There will not be real-time remote electronic voting at the Meeting.

The Chairman further informed that Moore Stephens LLP has been appointed as the independent scrutineer for the polling process and all proxy forms received had been verified by Moore Stephens LLP. The results of the polls would be announced once the proposed resolutions have been formally tabled.

AUDITED FINANCIAL STATEMENTS

The Chairman tabled the directors' statement, audited financial statements of the Group for FY2020 to the shareholders.

QUESTIONS AND ANSWERS

The Chairman invited Mr. James Pang to assist in addressing questions received prior and during the Meeting.

(The full text of the substantive questions received prior the Meeting and raised at the Meeting with responses and answers given are contained in Appendix A as attached herewith and forms part of these minutes.)

After all the questions had been duly answered and addressed, the Chairman proceeded with the formal proceedings of the Meeting.

ORDINARY BUSINESSSES

The Chairman put the proposed resolutions at the Meeting and announced the results of the polls as follows:-

RESOLUTION 1 - DIRECTORS' FEES

“That the payment of Directors' Fees of S\$395,000.00 for the financial year ending 31 December 2021 be approved.”

The verified results of the vote were:

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No. of votes for : 571,596,270 shares representing 99.98%
No. of votes against : 117,300 shares representing 0.02%
Total votes cast : 571,713,570

The Chairman declared Ordinary Resolution 1 carried.

RESOLUTION 2 - RE-ELECTION OF MR. PANG YOKE MIN

As the next item on the Agenda was related to the re-election of Mr. Pang Yoke Min, the Chairman of the Board, as a director of the Company, the Chairman passed the Chair of the meeting to Mr. Ng Tiong Gee (“Mr. Ng”) to address the agenda.

Mr. Ng put forward the following proposed resolution at the Meeting and announced the results of the poll as follows:-

“That Mr. Pang Yoke Min be re-elected as a Director of the Company.”

The verified results of the vote were:

No. of votes for : 571,665,570 shares representing 99.99%
No. of votes against : 48,000 shares representing 0.01%
Total votes cast : 571,713,570

Mr. Ng declared Ordinary Resolution 2 carried.

Mr. Pang Yoke Min resumed the Chair.

RESOLUTION 3 - RE-ELECTION OF MR. PANG WEI MENG

“That Mr. Pang Wei Meng be re-elected as a Director of the Company.”

The verified results of the vote were:

No. of votes for : 568,473,070 shares representing 99.43%
No. of votes against : 3,240,500 shares representing 0.57%
Total votes cast : 571,713,570

The Chairman declared Ordinary Resolution 3 carried.

RESOLUTION 4 - RE-APPOINTMENT OF AUDITORS

“That Messrs Ernst & Young LLP be re-appointed as Auditors of the Company to hold office until the conclusion of the next AGM at a remuneration to be fixed by the Directors.”

The verified results of the vote were:

No. of votes for	:	571,703,570 shares representing 100.00%
No. of votes against	:	10,000 shares representing 0.00%
Total votes cast	:	571,713,570

The Chairman declared Ordinary Resolution 4 carried.

SPECIAL BUSINESSES

RESOLUTION 5 - AUTHORITY TO ALLOT AND ISSUE SHARES

- “(a) That, pursuant to Section 161 of the Companies Act, Chapter 50, and the listing rules of the Singapore Exchange Securities Trading Limited, approval be and is hereby given to the Directors of the Company at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:
- (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise;
 - (ii) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, “Instruments”) including but not limited to, the creation and issue of warrants, debentures or other instruments convertible into shares;
 - (iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues; and
- (b) (notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the authority was in force,

provided always that:

- (i) the aggregate number of shares to be issued pursuant to this resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed 50% of the total number of issued shares excluding treasury shares of the Company, of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) to be issued other than on a pro rata basis to shareholders of the Company does not exceed 20% of the total number of issued shares excluding treasury shares of the Company, and for the purpose of this resolution, the issued share capital shall be the Company’s total number of issued shares excluding treasury shares at the time this resolution is passed, after adjusting for;

- (a) new shares arising from the conversion or exercise of convertible securities,
 - (b) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the Singapore Exchange Securities Trading Limited, and
 - (c) any subsequent bonus issue, consolidation or subdivision of the Company's shares, and
- (ii) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.”

The verified results of the vote were:

No. of votes for	:	566,288,970 shares representing 99.05%
No. of votes against	:	5,424,600 shares representing 0.95%
Total votes cast	:	571,713,570

The Chairman declared Ordinary Resolution 5 carried.

RESOLUTION 6 – AUTHORITY TO GRANT AWARDS AND ISSUE SHARES

“That approval be and is hereby given to the Directors of the Company to:

- (a) grant awards in accordance with the provisions of the Pacific Radiance Performance Share Plan (the “**Performance Share Plan**”); and
- (b) allot and issue such number of ordinary shares in the capital of the Company as may be required to be delivered pursuant to the vesting of awards under the Performance Share Plan, provided that the aggregate number of new shares to be issued under the Performance Share Plan shall not exceed 15% of the total number of issued shares (excluding treasury shares) from time to time, and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.”

The verified results of the vote were:

No. of votes for	:	568,473,070 shares representing 99.43%
No. of votes against	:	3,240,500 shares representing 0.57%
Total votes cast	:	571,713,570

The Chairman declared Ordinary Resolution 6 carried.

RESOLUTION 7A

“That subject to approval by Tier-1 Shareholders for this resolution and passing of Resolution 7B, Mr. Yong Yin Min who has served as an Independent Director of the Company for an aggregate period of more than nine years from the date of his first appointment as director, to continue in office as an Independent Director of the Company, for a three-year term, with effect from the date of passing of these resolution until the earlier of his retirement or resignation; or the conclusion of the third AGM following the passing of these resolutions, pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST, which will take effect on 1 January 2022.”

The verified results of the vote were:

No. of votes for	:	571,665,570 shares representing 99.99%
No. of votes against	:	48,000 shares representing 0.01%
Total votes cast	:	571,713,570

The Chairman declared Ordinary Resolution 7A carried.

RESOLUTION 7B

“That subject to approval by Tier-2 Shareholders for this resolution and passing of Resolution 7A, Mr. Yong Yin Min who has served as an Independent Director of the Company for an aggregate period of more than nine years from the date of his first appointment as director, to continue in office as an Independent Director of the Company, for a three-year term, with effect from the date of passing of these resolution until the earlier of his retirement or resignation; or the conclusion of the third AGM following the passing of these resolutions, pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST, which will take effect on 1 January 2022.”

The verified results of the vote were:

No. of votes for	:	52,494,156 shares representing 99.91%
No. of votes against	:	48,000 shares representing 0.09%
Total votes cast	:	52,542,156

The Chairman declared Ordinary Resolution 7B carried.

There being no other business, the Meeting concluded at 11.03 a.m. and the Chairman thanked the shareholders for their attendance and participation for the Meeting.

Signed as a correct record of the proceedings,

Pang Yoke Min
Chairman of the Board

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APPENDIX A

**SUBSTANTIVE QUESTIONS RECEIVED AND ANSWERS GIVEN AT THE
COMPANY’S ANNUAL GENERAL MEETING (“AGM”) HELD ON 29 APRIL 2021**

Q1 When will the Company be able to resume its trading on SGX?

A1 The Company targets to resume its trading on SGX by the fourth quarter of financial year 2021 upon the completion of its current ongoing debt restructuring exercise and the necessary shareholders’ approval via an extraordinary general meeting for, *inter alia*, the proposed disposal of the Group’s vessels and issuance of new shares to bondholders.

Q2 What are Management’s plans to generate value for shareholders going forward?

A2 The Management team will rebuild the Company from scratch without the ownership of vessels. The team will also transform the Company’s current business model from ship owning to ship management by leveraging on the Company’s expertise in the offshore marine industry. The Company will be asset-light post the restructuring exercise. Thus far, the Company has seen some success in procuring a number of ship management contracts from ship owners mainly in the Middle East. The objectives of the Company in the near term will be to work towards increasing the number of vessels under management to achieve economies of scale and cost efficiencies. This also gives the Company the ability to speak to customers and offering them competitive packaged deals. The Company will also leverage on its extensive experience, long-term relationships and in-depth knowledge of its clients’ and their requirements to explore opportunities to provide integrated solutions for the clients.

In addition, the Group will also venture into the offshore wind farm renewable industry by providing operational and maintenance services to offshore wind farm developers.

Q3 With the current oil prices hovering between USD \$58 and USD\$60, will the Company be able to get more profitable projects and business opportunities in 2021?

A3 Despite the recent increase and the seemingly stabilising oil prices, the major players and end users in the oil & gas industry are expected to adopt a cautious approach to their capital spending in the next 3 to 5 years as their confidence have somewhat been affected by the numerous and frequent prices disruption over the past few years.

Against this backdrop, the Group considers the ship management business model

and asset-light approach which provide a stable and constant revenue stream to be appropriate in the current business environment. The Group will also focus on staying relevant to the needs and requirements of its end clients and explore opportunities to provide competitive integrated services to the clients. The Group looks forward to growing this business segment from 2022 onwards.

Q4 When do you expect the Company to report net profit in the future?

A4 In the near term, if the Group's business operations can successfully execute the ship management model and manage its costs well, the Group can reasonably expect to turn in a profit following the completion of restructuring.

Q5 Will the Company consider keeping some of its vessels instead of disposing of all?

A5 The proposed disposal of all the vessel assets is part of the debt restructuring proposal agreed upon by the lending banks as the vessels are pledged to the banks for the loans. The Company does not currently have the means to repay the outstanding US\$495 million loan to the banks. The Group has managed to find a willing investor for the vessels which the banks are willing to sell to.

The Group will focus on providing ship management services to the investor who is buying over the vessels. This would give an opportunity for the Group to rebuild its business and to generate stable recurring income in the near term.

Q6 What is the Company's offshore wind farm experience for renewable energy sector and does the Company possess the requisite capabilities and technology in this field?

A6 The technological knowhow required for servicing the offshore wind farms is similar to that of the offshore oil & gas industry. The Group will leverage on its expertise and experience as ship owner and operator in the oil and gas industry to render its services to wind farm developers. The Group will not be involved in the installation and commissioning phases which require large complex assets and where project timelines typically span only 6-12 months. Instead, the Group will focus on the operations and maintenance phases where contracts typically extend up to 10 years, offering stable revenue streams and visibility of cashflow for the Group.

The Group has started amassing its experience in the offshore renewable space a few years ago by understanding the technical requirements and fostering business relationships with the established industry players. To date, the Group has attained small successes in managing two vessels in Taiwan. These two vessels are currently on long term charters with offshore wind developers.

Q7 How much is the loss to the Company for the proposed disposal of the vessel assets from book value perspective?

A7 The Group had impaired the value of the vessels substantially prior to the proposed

disposal due to the deterioration of market condition over the years. The proposed disposal will come with a debt forgiveness from the banks.

Q8 Will the Company consider including a first option to re-purchase clause in the disposal agreement for the Company to re-purchase the vessels in the event the oil and gas industry recovers in the near term?

A8 If the oil prices and oil and gas industry recover in the near term, the Company may consider looking at owning newer assets instead of re-purchasing from the investor the assets that had been sold to.

Q9 How will the Company survive and manage its risk in the event that the investor, who will be the new ship owners, decide to end their ship management contract with the Company?

A9 The Group has entered into a principle agreement with the investor for the ship management services to be exclusive and evergreen. The Group will continue to manage these vessels until such time these vessels are sold by the investor.

The revenue stream offered by the ship management contract will give an opportunity for the Group to rebuild its business. The Group is cognisant of the concentration risk and it is not the intent of the Company to rely solely on the revenue stream of this ship management contract in its long-term plan. The focus going forward will be to grow the number of ships under management from other third-party ship owners so that the Group can generate significant revenue with scale and efficiency.

Signed as a correct record of the proceedings,

Pang Yoke Min
Chairman of the Board