

RESPONSE TO SGX-ST QUERIES RECEIVED ON 26 AUGUST 2021

The board of directors (the “**Board**”) of Pacific Radiance Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcements dated 9 February 2021, 11 February 2021, 24 August 2021 in relation to the queries raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and announcements dated 13 May 2019, 22 August 2019, 26 August 2019, 20 January 2020, 26 March 2020, 24 April 2020, 6 November 2020, 9 February 2021, 22 April 2021, 27 April 2021 and 30 June 2021 in relation to the updates on the Debt Restructuring (“**Previous Announcements**”).

Unless otherwise defined, all capitalised terms used and not defined herein shall have the same meanings given to them in the Previous Announcements.

The Company has on 26 August 2021 received further queries from SGX-ST pertaining to the second quarter (“**2Q 2021**”) financial statement for the six months ended 30 June 2021 (“**6M 2021**”), and sets out its responses as follows:

Query by SGX-ST		Company’s Response
1	With reference to page 2 of 2Q 2021 financial statement – <i>Trade receivables</i> , please explain why and how trade receivables increased by approximately US\$4.6 million to US\$23,360,000 from US\$18,747,000, when Revenue for 2Q 2021 increased by only approximately US\$2.4 million. The previous Company’s response dated 24 August 2021 does not provide sufficient insight.	<p>The increase in trade receivables of US\$4.6 million is for the six-month period between 30 June 2021 and 31 December 2020, whereas the increase in revenue of US\$2.4 million is quarter-on-quarter comparison between 2Q 2021 and 2Q 2020. The changes are not comparable as such.</p> <p>The increase in revenue of approximately US\$4.5 million to US\$18.2 million in 2Q 2021 from US\$13.7 million in 4Q 2020 is in line with the increase in trade receivables for the same period.</p>
2	<p>With reference to the Company’s Response in the announcement dated 24 August 2021 – <i>“The decrease in other receivables is mainly due to refund of US\$2.7 million deposit previously placed for the proposed acquisition of Allianz Marine and Logistics Services Holding Ltd (“AMLS”) (please refer to Company’s announcement on 22 August 2019) and amortisation of prepaid expenses.”</i></p> <p>Please disclose when the deposit for the proposed acquisition of AMLS was refunded, whether and when the proposed acquisition was aborted, and whether this was announced in compliance with Listing Rule 1014(4). If not, please explain why and disclose accordingly.</p>	<p>In compliance with Listing Rule 1015(9) in relation to very substantial acquisitions, the Company announced on 9 February 2021 that the Proposed Acquisition of AMLS had been terminated. Further disclosures on the reasons of the termination, the debt of the Group to be restructured and the new debt restructuring plan that the Group was pursuing with the Third Financier were made in the announcement on 11 February 2021. As disclosed in the Company’s announcement dated 30 June 2021, the Third Financier is ENAV Offshore Mexico S de RL de CV (“ENAV”).</p> <p>Following the termination of the Proposed Acquisition of AMLS, the deposit has been refunded in two equal tranches in March 2021 and April 2021.</p> <p>The current Debt Restructuring Plan with ENAV, which is described in further detail in the Company’s announcement on 30 June 2021, is progressing and the Group is presently focusing its efforts on finalising the relevant agreements and documents to complete the Debt Restructuring. Any further material developments in relation to the Debt Restructuring, the Notes and other liabilities of the Group owing to other creditors of the Group will be disseminated at the appropriate juncture.</p>

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

27 August 2021