

RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SGX-ST IN RELATION TO:

- (1) THE PROPOSED NOTEHOLDERS REDEMPTION SHARES ISSUE;
  - (2) THE PROPOSED SHARE ISSUANCE TO LENDERS;
  - (3) THE PROPOSED SHARE ISSUANCE TO MANAGEMENT;
  - (4) THE PROPOSED SHARE CONSOLIDATION;
  - (5) THE PROPOSED WARRANT ISSUANCE TO SHAREHOLDERS;
  - (6) THE PROPOSED WARRANT SHARE ISSUANCE TO SHAREHOLDERS;
  - (7) THE PROPOSED WARRANT ISSUANCE TO MANAGEMENT; AND
  - (8) THE PROPOSED WARRANT SHARE ISSUANCE TO MANAGEMENT
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1. INTRODUCTION

- 1.1. The board of directors (the “**Board**” or the “**Directors**”) of Pacific Radiance Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcement dated 28 October 2021 (“**Previous Announcement**”). Unless otherwise defined, all capitalised terms used and not defined herein shall have the same meanings given to them in the Previous Announcement.
- 1.2. The Board wishes to announce that the Company has re-considered the terms of the Proposed Warrant Issuance to Shareholders and the Proposed Warrant Issuance to Management, and is proposing that:
  - (a) pursuant to the Proposed Warrant Issuance to Shareholders, the Entitled Shareholders will be issued up to 22,527,400 Shareholder Warrants on the basis of 100 Shareholder Warrants for every 100 Consolidated Shares, each Shareholder Warrant carrying the right to subscribe for one (1) Shareholder Warrant Share at the exercise price of S\$0.03 per Shareholder Warrant Share; and
  - (b) pursuant to the Proposed Warrant Issuance to Management, the PRL Key Management will be issued up to 23,033,431 Management Warrants on the basis of 47 Management Warrants for every 100 Consolidated Shares, each Management Warrant carrying the right to subscribe for one (1) Management Warrant Share at the exercise price of S\$0.06 per Management Warrant Share.

2. APPROVAL IN-PRINCIPLE

- 2.1. The Board wishes to announce that the SGX-ST has on 4 February 2022 granted its approval in-principle (“**AIP**”) for the listing and quotation of up to 1,807,360,000 Noteholders Redemption Shares, up to 175,763,400 Lender Shares, up to 1,808,543,200 Management Shares, up to 450,709,457 Consolidated Shares, up to 22,527,400 Shareholder Warrants, up to 22,527,400 Shareholder Warrant Shares and up to 23,033,431 Management Warrant Shares on the Mainboard of the SGX-ST, subject to the following:
  - (a) compliance with the SGX-ST’s continuing listing requirements;
  - (b) Shareholders’ approval for the Debt Restructuring Plan and the issuance of Noteholders Redemption Shares, Lender Shares, Management Shares, Consolidated Shares, Shareholder Warrants, Shareholders Warrant Shares, Management Warrants and Management Warrant Shares;

- (c) a written undertaking from the Company that it will comply with Rule 704(30) and Rule 1207(20) of the Listing Manual in relation to the use of the proceeds from the proposed placement of units and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;
- (d) announcement of the conditions under which the price of the Shareholders Warrants and Management Warrants may be adjusted;
- (e) written confirmation from the Company that the terms of the Shareholder Warrants and Management Warrants comply with Rule 829(1) of the Listing Manual;
- (f) a written undertaking from the Company that it will comply with Rule 803 of the Listing Manual;
- (g) a written confirmation from the Company that it will not issue the Noteholders Redemption Shares and Lender Shares to persons prohibited under Rule 812(1) of the Listing Manual;
- (h) Shareholders' approval for the proposed issuance of Management Shares and Management Warrants and Management Warrant Shares as required under Rule 812(2) of the Listing Manual;
- (i) a written confirmation from the Company that there is sufficient spread of holdings in the Shareholder Warrants (normally 100) pursuant to Rule 826 of the Listing Manual;
- (j) a written undertaking from the Company to announce any adjustment made under the Shareholder Warrants and the Management Warrants pursuant to Rule 829(1) of the Listing Manual; and
- (k) a written undertaking from the Company that it will comply with Rule 831 of the Listing Manual that it will not extend the exercise period of an existing company warrant; or issue a new company warrant to replace an existing company warrant.

2.2. The AIP is not to be taken as an indication of the merits of the Debt Restructuring Plan, the Proposed Securities Issuance, the Proposed Disposal, the Noteholders Redemption Shares, the Lender Shares, the Management Shares, the Consolidated Shares, the Shareholder Warrants, the Shareholder Warrant Shares, the Management Warrants, the Management Warrant Shares, the Company and/or its subsidiaries. The Company will proceed to satisfy the conditions of the AIP and provide the relevant disclosures in due course.

2.3. A circular to Shareholders setting out the details of, amongst other things, the Proposed Transactions, together with the notice of EGM to be convened, will be despatched to Shareholders in due course. The Company will make further announcements relating to the Debt Restructuring Plan as and when necessary.

### **3. CAUTIONARY STATEMENTS**

**Trading of the Company's securities on the SGX-ST has been voluntarily suspended by the Company on 28 February 2018.**

**Shareholders should note that the Debt Restructuring Plan is subject to the conditions precedent as set out in the Previous Announcement. There is no certainty or assurance as at the date of this Announcement that the conditions precedent to the Proposed Disposal can be fulfilled, that the Proposed Schemes of Arrangement will be successfully implemented or that the Debt Restructuring Plan will be implemented at all.**

**The Company will make further announcements, in compliance with the requirements of the SGX-ST Listing Manual, when there are material developments in respect of the Debt Restructuring Plan. Shareholders are advised to read this Announcement and any further announcements by the Company carefully. Persons who are in doubt as to the action they should take should consult their financial, tax, legal or other professional advisers.**

By Order of the Board of  
Pacific Radiance Ltd.

Pang Yoke Min  
Executive Chairman  
7 February 2022