

**CIRCULAR DATED 14 DECEMBER 2023**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**If you are in any doubt in relation to this Circular or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other independent professional adviser immediately.**

This Circular is issued by Pacific Radiance Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”). This Circular, together with the Notice of Extraordinary General Meeting (“**EGM**”) and the accompanying Proxy Form, have been made available on SGXNET and the Company’s corporate website at <https://www.pacificradiance.com/>. Printed copies of this Circular will **NOT** be sent to the Shareholders (as defined herein). However, the Notice of EGM and the accompanying Proxy Form in relation to the Rights Issue (as defined herein), have been mailed to all Shareholders (as defined herein).

If you have sold or transferred all your ordinary shares (“**Shares**”) in the capital of the Company held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your Shares which are not deposited with the CDP, you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form, to the purchaser or transferee, or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

Approval in-principle has been obtained from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for the listing of and quotation for the Rights Shares (as defined herein) on the Mainboard of the SGX-ST, subject to certain conditions. The Rights Shares will be admitted to the Mainboard of the SGX-ST and official quotation is expected to commence after all conditions are satisfied, all certificates relating thereto having been issued and the notification letters from CDP having been despatched.

The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed in this Circular. Approval in-principle by the SGX-ST is not to be taken as an indication of the merits of the Rights Issue (as defined herein), the Rights (as defined herein), the Rights Shares (as defined herein), the Company and/or its subsidiaries.

The Circular shall not constitute an offer to sell or a solicitation of an offer to buy shares or other securities, including the Rights and the Rights Shares. This Circular may not be sent to any person or any jurisdiction in which it would not be permissible to deliver the Rights and the Rights Shares or make an offer of the Rights and the Rights Shares and the Rights and the Rights Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, to any such person or in any such jurisdiction. This Circular is issued to Shareholders (as defined herein) solely for the purpose of providing Shareholders with the information pertaining to the EGM, convening the EGM and seeking Shareholders’ approval for the resolutions to be proposed at the EGM. Shareholders are authorised to use this Circular solely for the purpose of considering the approvals sought. Persons to whom a copy of this Circular has been issued shall not circulate to any other person, reproduce or otherwise distribute this Circular or any information herein for any purpose whatsoever nor permit or cause the same to occur.

The distribution of this Circular and/or transfer of the Rights and the Rights Shares into jurisdictions other than Singapore may be prohibited or restricted by law. Persons into whose possession this Circular comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.



**PACIFIC RADIANCE LTD.**

(Incorporated in the Republic of Singapore)  
(Company Registration No.: 200609894C)

**CIRCULAR TO SHAREHOLDERS**

**in relation to**

**THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 1,352,128,371 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (“RIGHTS SHARES”) AT AN ISSUE PRICE OF S\$0.023 FOR EACH RIGHTS SHARE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) EXISTING ORDINARY SHARE IN THE CAPITAL OF THE COMPANY HELD BY ENTITLED SHAREHOLDERS OF THE COMPANY AS AT THE RECORD DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED**

*Issue Manager of the Rights Issue*



**CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.**

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 198701621D)

**IMPORTANT DATES AND TIMES:**

- Last date and time for lodgement of Proxy Form : **Tuesday, 26 December 2023 at 10:00 a.m.**  
(Singapore time)
- Date and time of EGM : **Friday, 29 December 2023 at 10:00 a.m.**  
(Singapore time)
- Place of EGM : 15 Pandan Road, Singapore 609263

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## DEFINITIONS

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For the purpose of this Circular, the following definitions apply throughout unless the context otherwise requires or unless otherwise stated:

<b>“9M2022”</b>	:	The nine-month period ended 30 September 2022
<b>“9M2023”</b>	:	The nine-month period ended 30 September 2023
<b>“Announcement”</b>	:	The announcement made by the Company on 3 November 2023 in relation to the Rights Issue
<b>“ARE”</b>	:	Application and acceptance form for Rights Shares and Excess Rights Shares to be issued to Entitled Depositors in respect of their provisional allotment of Rights Shares pursuant to the Rights Issue
<b>“ARS”</b>	:	Application and acceptance form for Rights Shares to be issued to Purchasers in respect of their purchase of Rights traded on the SGX-ST through the book-entry (scripless) settlement system
<b>“ATM”</b>	:	Automated teller machine of a Participating Bank
<b>“Authority”</b>	:	Monetary Authority of Singapore
<b>“Board”</b>	:	The board of Directors of the Company, as at the date of this Circular
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Circular”</b>	:	This circular to Shareholders dated 14 December 2023 in respect of the Rights Issue
<b>“Closing Date”</b>	:	The time and date to be determined by the Directors and to be announced by the Company in due course, being the last time and date for acceptance of and/or excess application and payment for, and renunciation and payment of the Rights Shares under the Rights Issue
<b>“Closing Price”</b>	:	S\$0.041 per Share, being the last traded price on the SGX-ST on 3 November 2023, being the last trading day on which the Shares were transacted on the SGX-ST immediately prior to the announcement made by the Company on 3 November 2023 in relation to the Rights Issue
<b>“Code”</b>	:	The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time
<b>“Companies Act”</b>	:	The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time
<b>“Company”</b>	:	Pacific Radiance Ltd.
<b>“Constitution”</b>	:	The constitution of the Company, as amended, modified or supplemented from time to time

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## DEFINITIONS

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<b>“CPF”</b>	:	Central Provident Fund
<b>“CPF Funds”</b>	:	CPF investible savings
<b>“CPF Investment Account”</b>	:	The investment account maintained with a CPF agent bank for the purpose of investment of CPF Funds under the CPFIS – Ordinary Account
<b>“CPFIS”</b>	:	Central Provident Fund Investment Scheme
<b>“CPF/SRS Investors”</b>	:	Investors holding Shares under the Central Provident Fund Investment Scheme and/or the Supplementary Retirement Scheme
<b>“Debt Restructuring”</b>	:	The debt restructuring of the Group undertaken in 2022
<b>“Director”</b>	:	A director of the Company at the date of this Circular, and <b>“Directors”</b> shall be construed accordingly
<b>“EGM”</b>	:	The extraordinary general meeting of the Company to be held on 29 December 2023, notice of which is set out in this Circular
<b>“Entitled Depositor(s)”</b>	:	Shareholders with Shares standing to the credit of their Securities Accounts with CDP on the Record Date and whose registered addresses with CDP are in Singapore as at the Record Date or who have, at least three (3) Market Days prior to the Record Date, provided CDP with addresses in Singapore for the service of notices and documents
<b>“Entitled Scripholders”</b>	:	Shareholders whose share certificates are not deposited with CDP and transferees who have tendered to the Share Registrar valid transfers of their Shares and the certificates relating thereto for registration up to the Record Date and (a) whose registered addresses with the Share Registrar are in Singapore as at the Record Date or (b) if they have registered addresses outside Singapore, who have provided the Share Registrar with addresses in Singapore for the service of notices and documents no later than 5.00 p.m. (Singapore time) on the date being three (3) Market Days prior to the Record Date
<b>“Entitled Shareholders”</b>	:	Entitled Depositors and Entitled Scripholders
<b>“EPS”</b>	:	Earnings per Share
<b>“Excess Rights Shares”</b>	:	The provisional allotments of Rights Shares which are not taken up by the Entitled Shareholders as at the Closing Date, and which may be applied for by Entitled Shareholders in excess of the number of Rights Shares provisionally allotted to such Entitled Shareholders
<b>“Existing Share Capital”</b>	:	The existing issued and paid-up share capital of the Company of 450,709,457 Shares as at the Latest Practicable Date

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## DEFINITIONS

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<b>“Foreign Purchasers”</b>	:	Purchasers of the Rights whose registered addresses with CDP are outside Singapore at the time of purchase through the book-entry (scripless) settlement system
<b>“Foreign Shareholders”</b>	:	Shareholders with registered addresses outside Singapore as at the Record Date, and who have not, at least three (3) Market Days prior to the Record Date, provided to CDP or the Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents
<b>“FY”</b>	:	Financial year ended or, as the case may be, ending 31 December
<b>“Group”</b>	:	The Company and its subsidiaries
<b>“Irrevocable Conditional Undertakings”</b>	:	The irrevocable conditional undertakings dated 3 November 2023 given by the Undertaking Shareholders to the Company, details of which are set out in Section 4 of this Circular
<b>“Issue Manager”</b>	:	CGS-CIMB Securities (Singapore) Pte. Ltd.
<b>“Issue Price”</b>	:	The issue price of the Rights Shares, being S\$0.023 for each Rights Share
<b>“Latest Practicable Date”</b>	:	7 December 2023, being the latest practicable date prior to the issuance of this Circular
<b>“Listing Manual”</b>	:	The rules of the listing manual of the SGX-ST, as amended, modified or supplemented from time to time
<b>“Management Warrant Shares”</b>	:	New Shares to be issued and allotted by the Company pursuant to the exercise of the Management Warrants
<b>“Management Warrants”</b>	:	Warrants in registered form issued to Mr. Pang Yoke Min, Mr. Pang Wei Meng and Mr. Pang Wei Kuan, James, constituted under the Management Warrants Deed Poll
<b>“Management Warrants Deed Poll”</b>	:	The deed poll executed by the Company dated 18 August 2022 and constituting the Management Warrants
<b>“Management Warrants Exercise Price”</b>	:	The exercise price of the Management Warrants
<b>“Market Day”</b>	:	A day on which the SGX-ST is open for trading in securities
<b>“Maximum Subscription Scenario”</b>	:	For illustrative purposes, the scenario under which the maximum number of Rights Shares will be issued pursuant to the Rights Issue as set out in Section 2.2 of this Circular
<b>“Minimum Subscription Scenario”</b>	:	For illustrative purposes, the scenario under which the minimum number of Rights Shares will be issued pursuant to the Rights Issue as set out in Section 2.2 of this Circular

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## DEFINITIONS

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<b>“Net Proceeds”</b>	:	The estimated net proceeds from the Rights Issue
<b>“Nil-Paid Rights”</b>	:	The "nil-paid" provisional entitlements to subscribe for the Rights Shares under the Rights Issue
<b>“Notes”</b>	:	The Company’s S\$100,000,000 4.30 Per Cent. Notes due 2020 comprised in Series 001 (ISIN: SG6SF2000004)
<b>“Notice of EGM”</b>	:	The notice of the EGM set out on page N-1 of this Circular
<b>“NTA”</b>	:	Net tangible assets
<b>“Offer Information Statement” or “OIS”</b>	:	The offer information statement referred to in Section 277 of the SFA, together with (where the context requires) the PAL, the ARE, the ARS, and all other accompanying documents, including, where the context so admits, any supplementary or replacement documents to be issued by the Company in connection with the Rights Issue
<b>“PAL”</b>	:	The provisional allotment letter to be issued to an Entitled Scripholder, setting out the provisional allotment of the Rights Shares of such Entitled Scripholder under the Rights Issue
<b>“Participating Banks”</b>	:	The banks that will be participating in the Rights Issue by making available their ATMs to Entitled Depositors and persons purchasing the provisional allotments of Rights Shares through the book-entry (scripless) settlement system whose registered addresses with CDP are in Singapore, for acceptances of the Rights Shares and/or applications for Excess Rights Shares, and to be set out in the Offer Information Statement to be despatched in due course
<b>“Perpetual Securities”</b>	:	S\$3,000,000 in principal amount of non-listed and non-cumulative perpetual securities issued by the Company on 1 September 2022
<b>“PRL Key Management”</b>	:	Mr. Pang Yoke Min, Mr. Pang Wei Meng, and Mr. Pang Wei Kuan, James
<b>“Proxy Form”</b>	:	The proxy form in respect of the EGM as attached to this Circular
<b>“Purchaser”</b>	:	A purchaser of the Rights traded on the SGX-ST through the book-entry (scripless) settlement system
<b>“Record Date”</b>	:	The time and date to be determined by the Directors to be announced by the Company in due course, at and on which, subject to the approval of the Rights Issue being obtained at the EGM, the Register of Members and share transfer books of the Company will be closed to determine the provisional allotments of Rights Shares of the Entitled Shareholders under the Rights Issue
<b>“Register of Members”</b>	:	The register of members of the Company

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## DEFINITIONS

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<b>“Relevant Intermediary”</b>	: (i) A banking corporation licensed under the Banking Act 1970, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Shares in that capacity;  (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001, and who holds Shares in that capacity; or  (iii) the CPF Board established by the Central Provident Fund Act 1953, in respect of Shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation
<b>“Rights”</b>	: Rights to subscribe for three (3) Rights Shares for every 1 existing Share as at the Record Date, fractional entitlements to be disregarded
<b>“Rights Issue”</b>	: The proposed renounceable non-underwritten rights issue of up to 1,352,128,371 Rights Shares at the Issue Price on the basis of three (3) Rights Shares for every one (1) existing Share held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded, on the terms of the Offer Information Statement
<b>“Rights Shares”</b>	: Up to 1,352,128,371 new Shares to be allotted and issued by the Company pursuant to the Rights Issue
<b>“Securities Account”</b>	: A securities account maintained by a Depositor with CDP (but does not include a securities sub-account)
<b>“SFA”</b>	: The Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time
<b>“SGX-ST”</b>	: Singapore Exchange Securities Trading Limited
<b>“Share”</b>	: An ordinary share in the share capital of the Company and <b>“Shares”</b> shall be construed accordingly
<b>“Shareholder Warrant Shares”</b>	: New Shares to be issued and allotted by the Company pursuant to the exercise of the Shareholder Warrants
<b>“Shareholder Warrants”</b>	: Warrants in registered form issued to the public shareholders of the Company, constituted under the Shareholder Warrants Deed Poll



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## DEFINITIONS

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<b>“Shareholder Warrants Deed Poll”</b>	:	The deed poll executed by the Company dated 18 August 2022 and constituting the Shareholder Warrants
<b>“Shareholder Warrants Exercise Price”</b>	:	The exercise price of the Shareholder Warrants
<b>“Shareholders”</b>	:	Registered holders of Shares in the Register of Members, except that where the registered holder is CDP, the term <b>“Shareholders”</b> shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with those Shares
<b>“Share Registrar”</b>	:	Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte Ltd)
<b>“SRS”</b>	:	Supplementary Retirement Scheme
<b>“SRS Account”</b>	:	An account opened by a participant in the SRS from which money may be withdrawn for, <i>inter alia</i> , payment of the Rights Shares and/or Excess Rights Shares
<b>“SRS Approved Banks”</b>	:	Approved banks in which SRS Investors hold their respective SRS Accounts
<b>“SRS Funds”</b>	:	Monies standing to the credit of the SRS Accounts of SRS Investors under the SRS
<b>“SRS Investors”</b>	:	Investors who have purchased Shares pursuant to the SRS
<b>“Substantial Shareholders”</b>	:	Persons (including a corporation) who have an interest or interests in one or more voting shares in the Company and the total votes attached to that voting share, or those voting shares, is not less than 5% of the total votes attached to all the voting shares in the Company (excluding treasury shares)
<b>“Undertaking Shareholders”</b>	:	Mr. Pang Yoke Min, the Executive Chairman and controlling shareholder of the Company, and YM Investco
<b>“Undertaking Shares”</b>	:	Collectively, (a) an aggregate of 182,668,564 Shares held by Mr. Pang Yoke Min, representing approximately 40.5% of the issued and paid-up share capital of the Company, and (b) an aggregate of 46,547,000 Shares held by YM Investco, a company wholly owned by Mr. Pang Yoke Min, representing approximately 10.3% of the issued and paid-up share capital of the Company
<b>“Unit Share Market”</b>	:	The unit share market of the SGX-ST
<b>“YM Investco”</b>	:	YM Investco Pte. Ltd., a company wholly owned by Mr. Pang Yoke Min
<b>“S\$” and “cents”</b>	:	Singapore dollars and cents, respectively
<b>“US\$”</b>	:	United States dollars

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## DEFINITIONS

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“%” or “per cent.” : Percentage or per centum

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The expression “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Companies Act.

The terms “**concert parties**” and “**parties acting in concert**” shall have the meanings ascribed to them, respectively, in the Code.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference to a time of day in this Circular is made by reference to Singapore time unless otherwise stated.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Companies Act, the SFA, the Code or the Listing Manual or any statutory modification thereof and not otherwise defined in this Circular shall, where applicable, have the same meaning ascribed to it under the Companies Act, the SFA, the Code or the Listing Manual or such statutory modification thereof, as the case may be.

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

Any reference to website or any website directly or indirectly linked to such websites in this Circular is not incorporated by reference into this Circular and should not be relied upon.

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## LETTER TO SHAREHOLDERS

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### PACIFIC RADIANCE LTD.

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 200609894C)

**Directors:**

Pang Yoke Min (*Executive Chairman*)  
Pang Wei Meng (*Executive Director*)  
Ng Tiong Gee (*Lead Independent Director*)  
Yong Yin Min (*Independent Director*)  
Goh Chong Theng (*Independent Director*)

**Registered Office:**

15 Pandan Road  
Singapore 609263

14 December 2023

**To: The Shareholders of Pacific Radiance Ltd.**

Dear Sir/Madam,

**THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 1,352,128,371 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (“RIGHTS SHARES”) AT AN ISSUE PRICE OF S\$0.023 FOR EACH RIGHTS SHARE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) EXISTING ORDINARY SHARE IN THE CAPITAL OF THE COMPANY HELD BY ENTITLED SHAREHOLDERS OF THE COMPANY AS AT THE RECORD DATE, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED**

#### 1. INTRODUCTION

The Directors are convening the EGM to be held on 29 December 2023 to seek Shareholders' approval for the Rights Issue.

##### 1.1 Proposed Rights Issue

On 3 November 2023, the Company announced that it is proposing to undertake a renounceable non-underwritten rights issue of up to 1,352,128,371 Rights Shares, at the Issue Price of S\$0.023 for each Rights Share, on the basis of three (3) Rights Shares for every one (1) existing Share held by Entitled Shareholders as at the Record Date subject to, *inter alia*, the approval of the Shareholders, which will be sought at the EGM.

Mr. Pang Yoke Min, the Executive Chairman and controlling shareholder of the Company, and YM Investco have given Irrevocable Conditional Undertakings to, *inter alia*, vote in favour of the resolutions to approve the Rights Issue and subscribe for their *pro-rata* entitlement to the Rights Shares under the Rights Issue.

In view of the Irrevocable Conditional Undertakings, further details of which are set out in Section 4 of this Circular, and taking into consideration the costs of engaging an underwriter and having to pay commission in relation to the underwriting, the Company has decided to proceed with the Rights Issue on a non-underwritten basis. The Rights Issue will not be withdrawn after commencement of the ex-rights trading of the Shares pursuant to Rule 820(1) of the Listing Manual.

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## LETTER TO SHAREHOLDERS

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### 1.2 Approval In-Principle

On 8 December 2023, the SGX-ST granted its approval in-principle to the Company for, *inter alia*, the dealing in, listing of and quotation for up to 1,352,128,371 Rights Shares on the Mainboard of the SGX-ST, subject to certain conditions, details of which are set out in Section 2.5 of this Circular. Shareholders should note that the approval in-principle granted by the SGX-ST shall not be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Shares, the Company and/or its subsidiaries. The SGX-ST assumes no responsibility for the accuracy or correctness of any of the statements made, reports contained or opinions expressed in this Circular.

### 1.3 Purpose of this Circular

The purpose of this Circular is to provide the Shareholders with information pertaining to, and to seek Shareholders' approval at the EGM for the Rights Issue. The Notice of EGM is set out on page N-1 of this Circular. The Circular has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than Shareholders) nor for any other purpose.

### 1.4 Issue Manager

The Company has appointed CGS-CIMB Securities (Singapore) Pte. Ltd. as the Issue Manager in respect of the Rights Issue.

### 1.5 Legal Adviser

The Company has appointed Dentons Rodyk & Davidson LLP as the Company's legal adviser in respect of the Rights Issue.

## 2. THE PROPOSED RIGHTS ISSUE

### 2.1 Overview of the Rights Issue

As at the Latest Practicable Date, the Company has an issued and paid-up share capital comprising 450,709,457 Shares (excluding treasury shares and subsidiary holdings, if any). Purely for illustration purposes, if the proposed Rights Issue is approved by Shareholders at the EGM and assuming there is no change in the Company's total issued share capital from the Latest Practicable Date to the Record Date, up to 1,352,128,371 Rights Shares will be offered at the Issue Price of S\$0.023 for each Rights Share, on the basis of three (3) Rights Shares for every one (1) existing Share held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded.

### 2.2 Size of the Rights Issue

As at the Latest Practicable Date, the Company has an issued and paid-up share capital comprising 450,709,457 Shares (excluding treasury shares and subsidiary holdings, if any).

For illustrative purposes only, based on the Existing Share Capital and:

- (a) assuming all the Entitled Shareholders subscribe and pay for their *pro-rata* entitlements of Rights Shares, the Company will issue 1,352,128,371 Rights Shares ("**Maximum Subscription Scenario**") and the resultant enlarged issued and paid-up share capital of the Company in the Maximum Subscription Scenario will be 1,802,837,828 Shares (excluding treasury shares and subsidiary holdings, if any); and

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## LETTER TO SHAREHOLDERS

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- (b) assuming none of the other Entitled Shareholders subscribe for their *pro-rata* entitlements of Rights Shares (save for the Undertaking Shareholders who subscribe and pay for their full entitlement of Rights Shares pursuant to the Irrevocable Conditional Undertakings), the Company will issue 687,646,692 Rights Shares (“**Minimum Subscription Scenario**”) and the resultant enlarged issued and paid-up share capital of the Company in the Minimum Subscription Scenario will be 1,138,356,149 Shares (excluding treasury shares and subsidiary holdings, if any).

### 2.3 Principal Terms of the Rights Issue

- Number of Rights Shares to be issued** : Based on the Existing Share Capital of the Company of 450,709,457 Shares (excluding treasury shares and subsidiary holdings, if any) as at the Latest Practicable Date and assuming that all Entitled Shareholders subscribe in full and pay for their *pro rata* entitlements of Rights Shares, up to 1,352,128,371 Rights Shares will be issued.
- Basis of provisional allotment** : Three (3) Rights Shares for every one (1) existing Share held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded.
- Issue Price** : S\$0.023 for each Rights Share, payable in full on acceptance and/or application.

The Issue Price represents a discount of approximately:

- (a) 43.9% to the closing market price of S\$0.041 per Share for trades done on the Mainboard of the SGX-ST on 3 November 2023 (being the last full trading day on which the Shares were transacted on the Mainboard of the SGX-ST immediately preceding the date of the Announcement); and
- (b) 16.4% to the theoretical ex-rights price<sup>1</sup> of S\$0.0275 per Share (rounded down to four (4) decimal places and calculated based on the closing market price of S\$0.041 per Share for trades done on the SGX-ST on 3 November 2023).

<sup>1</sup> The theoretical ex-rights price is the theoretical market price of each Share assuming the completion of the Rights Issue, and is calculated based on the Issue Price, the closing market price of S\$0.041 per Share for trades done on the Mainboard of the SGX-ST on 3 November 2023 and the number of Shares following the completion of the Rights Issue.

The Issue Price and discount have been determined after taking into account the size of the Rights Issue, transaction structure, fundraising needs of the Company, precedent transactions, the closing market of the Shares on 3 November 2023 and the theoretical ex-rights price computed on the same.

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## LETTER TO SHAREHOLDERS

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- Status of the Rights Shares** : The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments, or other distributions, that may be declared or paid, the record date for which falls before the date of allotment and issue of the Rights Shares.
- Eligibility to participate in the Rights Issue** : As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to Section 2.8 of this Circular for details on the eligibility of Shareholders to participate in the Rights Issue.
- Acceptance, excess applications and payment procedures** : Entitled Shareholders will be at liberty to accept (in full or in part), decline or otherwise renounce their entire provisional allotment of Rights Shares and will be eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. Entitled Depositors will also be able to trade their provisional allotments of Rights Shares on the SGX-ST during the provisional allotment trading period prescribed by the SGX-ST.

Fractional entitlements to the Rights Shares will be disregarded in arriving at Entitled Shareholders' entitlements and together with provisional allotments which are not taken up for any reason shall be aggregated and used to satisfy applications for Excess Rights Shares (if any) or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company.

The basis of allotting any Excess Rights Shares will be determined at the absolute discretion of the Directors. In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotment of Rights Shares and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, will be set out in the Offer Information Statement to be despatched, or as the case may be, disseminated by, and in the ARE, the ARS and the PAL to be despatched by, the Company in due course.

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## LETTER TO SHAREHOLDERS

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**Listing of the Rights Shares** : On 8 December 2023, the SGX-ST granted its approval in-principle to the Company for the dealing in, listing of and quotation of the Rights Shares on the Mainboard of the SGX-ST, subject to certain conditions, details of which are set out in Section 2.5 of this Circular.

The approval in-principle granted by the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Shares, the Company, its subsidiaries and/or their securities. The SGX-ST assumes no responsibility for the correctness or accuracy of any of the statements made, reports contained or opinions expressed in this Circular.

**Trading of the Rights Shares** : Upon the listing of and quotation for the Rights Shares on the SGX-ST, the Rights Shares will be traded on the SGX-ST under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) in relation to the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "Terms and Conditions for Operation of Securities Account with The Central Depository (Pte) Limited", as the same may be amended from time to time, copies of which are available from CDP. For the purpose of trading on SGX-ST, each board lot of Rights Shares will consist of 100 Shares.

Shareholders who hold odd lots of Shares (that is, lots other than board lots of 100 Shares) are able to trade odd lots of Shares in board lots of one Share on the Unit Share Market. Shareholders who hold odd lots of Shares may have difficulty and/or have to bear disproportionate transaction costs in realising the fair market price of such Shares.

**Trading of Nil-Paid Rights** : Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST can do so during the provisional allotment trading period prescribed by the SGX-ST.

**Non-underwritten Basis** : The Rights Issue will not be underwritten, after taking into consideration the Irrevocable Conditional Undertakings, and the cost savings to the Company in underwriting fees.

**Use of CPF Funds** : Shareholders who have previously purchased Shares using their CPF Funds under the CPFIS:

- (a) and who wish to accept provisional allotments of the Rights Shares or apply for Excess Rights Shares will need to contact their respective approved CPF agent banks with whom they hold their CPF Investment Account on how they may do so; and
- (b) may not use their CPF Funds to purchase provisional allotments of Nil-Paid Rights directly from the market.

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## LETTER TO SHAREHOLDERS

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**Use of SRS Funds** : SRS Investors who wish to accept their provisional allotments of Rights Shares and apply for Excess Rights Shares (if applicable) can only do so, subject to applicable SRS rules and regulations as well as terms and conditions that may be imposed by the respective SRS Approved Banks, using monies standing to the credit of their respective SRS Accounts.

Such SRS Investors who wish to accept their provisional allotments of Rights Shares and apply for Excess Rights Shares using SRS monies (if applicable), must instruct the relevant SRS Approved Banks in which they hold their SRS Accounts to accept their provisional allotments of Rights Shares and apply for Excess Rights Shares (if applicable) on their behalf in accordance with the OIS. Any application made directly to CDP or through automated teller machines of any participating bank appointed and named in the OIS by such SRS Investors will be rejected. For the avoidance of doubt, SRS Funds may not be used for the purchase of the provisional allotments of Rights Shares directly from the market. Notwithstanding the foregoing, SRS Investors should consult their respective SRS Approved Banks for information and directions as to the use of SRS Funds.

**Option to scale down** : Depending on the level of subscription for the Rights Shares, the Company may, if necessary, scale down the subscription and/or excess applications for the Rights Shares by any of the Shareholders (if such Shareholder chooses to subscribe for his/her/its *pro-rata* Rights Share entitlements and/or apply for Excess Rights Shares) to avoid placing the relevant Shareholder and parties acting in concert with him/her/it (as defined in the Code) in the position of incurring a mandatory general offer obligation under the Code, as a result of other Shareholders not taking up, whether partly or in full, their Rights Shares entitlements fully, and/or to avoid the transfer of a controlling interest in the Company, which is prohibited under Rule 803 of the Listing Manual, unless prior approval of the Shareholders is obtained in a general meeting.

In respect of the Undertaking Shareholders, as Mr. Pang Yoke Min and his concert parties (including YM Investco) currently hold over 50% of the shares in the Company, they will not incur an obligation to make a take-over offer under Rule 14.1 of the Code. Neither Mr. Pang Yoke Min nor YM Investco has undertaken to subscribe for any excess Rights Shares.

**Irrevocable Conditional Undertakings** : Mr. Pang Yoke Min and YM Investco, being the Undertaking Shareholders, have furnished the Irrevocable Conditional Undertakings in favour of the Company that, *inter alia*, each of them will subscribe for their *pro rata* entitlement of Rights Shares under the Rights Issue. Further details relating to the terms of the Irrevocable Conditional Undertakings are set out in Section 4 below.

**Governing Law** : Laws of the Republic of Singapore.



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## LETTER TO SHAREHOLDERS

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The above terms and conditions of the Rights Issue are subject to such changes as the Directors may, in consultation with the Issue Manager, deem fit. The final terms and conditions of the Rights Issue including procedures, acceptances and renunciations of applications for the Rights Shares will be contained in the Offer Information Statement to be lodged with the Authority and despatched by the Company to Entitled Shareholders in due course, subject to, *inter alia*, the Rights Issue being approved by the Shareholders at the EGM. For avoidance of doubt, the Rights Issue cannot be withdrawn after the commencement of ex-rights trading.

### 2.4 Conditions to the Rights Issue

Shareholders should note that the Rights Issue is subject to, *inter alia*, the following conditions:

- (a) the receipt of the approval in-principle of the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Mainboard of the SGX-ST and if such approval is granted to subject to conditions, such conditions being acceptable to and fulfilled the Company, and such approval not having been withdrawn or revoked on or prior to the date of completion of the Rights Issue;
- (b) the Rights Issue and the allotment and issue of the Rights Shares being approved by Shareholders at the EGM to be convened; and
- (c) the lodgement of the OIS, with all other accompanying documents (if applicable) in connection with the Rights Issue, with the Authority.

### 2.5 SGX-ST Approval

On 8 December 2023, the SGX-ST granted its approval in-principle for the listing and quotation of, *inter alia*, the Rights Shares on the Mainboard of the SGX-ST, subject to, *inter alia*, the following conditions:

- (a) compliance with the SGX-ST's continuing listing requirements;
- (b) Shareholders' approval for the Rights Issue;
- (c) a written undertaking from the Company that it will comply with Rules 704(30), 877(8) and 1207(20) of the Listing Manual in relation to the use of proceeds from the Rights Issue 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) a written undertaking from the Company that it will comply with the confirmation given in Rule 877(10) of the Listing Manual with regards to the allotment of any Excess Rights Shares;
- (e) a written confirmation from financial institution(s) as required under Rule 877(9) of the Listing Manual that the undertaking shareholders who have given the irrevocable undertakings have sufficient financial resources to fulfil their obligations under their undertakings;
- (f) a written confirmation from the Company that Rule 820 of the Listing Manual will be complied with; and
- (g) the Company announcing whether the Undertaking Shareholders have obtained their financing to subscribe and pay for their full *pro-rata* entitlements to the Rights Shares prior to commencement of the rights trading period.

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## LETTER TO SHAREHOLDERS

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The Company has provided the written undertakings referred to in sub-paragraphs (c) and (d) and the confirmation referred to in sub-paragraph (f) above to the SGX-ST. In respect of sub-paragraphs (e) and (g), the Company had announced on 13 December 2023 that it has received a confirmation of financial resources from a financial institution pursuant to Rule 877(9) of the Listing Manual and submitted the same to the SGX-ST. Shareholders should note that the approval in-principle of the SGX-ST shall not be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Shares, the Company and/or its subsidiaries.

### 2.6 Notification under Section 309B of the SFA

The Nil-Paid Rights and the Rights Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products Regulations 2018)) and Excluded Investment Products (as defined in the Authority's Notice on the Sale of Investment Products (Notice No.: SFA 04-N12) and the Authority's Notice on Recommendations on Investment Products (Notice No.: FAA-N16)).

### 2.7 Prior Equity Fundraising

The Company has not undertaken any equity fund raising in the past twelve (12) months prior to the date of this Circular.

On 19 September 2022, the Company allotted and issued 22,454,446 Shareholder Warrants and 23,033,431 Management Warrants. Assuming all of the 22,454,446 Shareholder Warrants are exercised in full at the Shareholder Warrants Exercise Price of S\$0.03 per Shareholder Warrant Share and all of the 23,033,431 Management Warrants are exercised in full at the Management Warrants Exercise Price of S\$0.06 per Management Warrant Share, the proceeds raised will be approximately S\$0.67 million and S\$1.4 million respectively. As further disclosed under Section 5.1 of this Circular below, the conditions for the exercise of the Shareholders Warrants and Management Warrants have not been met and the Shareholder Warrants and Management Warrants are not exercisable.

### 2.8 Eligibility of Shareholders to Participate in the Rights Issue

#### (a) **Entitled Shareholders**

The Entitled Shareholders will be entitled to participate in the Rights Issue and to receive the OIS, together with the PAL or the ARE, as the case may be, and other accompanying documents at their respective addresses in Singapore.

Entitled Shareholders will be provisionally allotted the Rights Shares under the Rights Issue on the basis of their shareholdings as at the Record Date. Entitled Shareholders will be at liberty to accept (in full or in part), decline, renounce or, in the case of Entitled Depositors only, trade their provisional allotments of the Rights Shares on the SGX-ST (during the provisional allotment trading period prescribed by the SGX-ST), and will be eligible to apply for Excess Rights Shares in excess of their provisional allotments under the Rights Issue. For avoidance of doubt, only Entitled Shareholders (and not purchasers of the provisional allotment of Rights Shares traded on the SGX-ST during the provisional allotment trading period or the renounees of Entitled Shareholders) shall be entitled to apply for additional Rights Shares in excess of their provisional allotment.

***All dealings in and transactions of the provisional allotments of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs to be issued to Entitled Scripholders will not be valid for delivery pursuant to trades done on the SGX-ST.***

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## LETTER TO SHAREHOLDERS

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In the allotment of the Excess Rights Shares, preference will be given to the rounding of odd lots. Directors and Substantial Shareholders (including the Undertaking Shareholders) who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of the Company, will rank last in priority for the rounding of odd lots and allotment of the Excess Rights Shares.

The Company will not make any allotment and issue of Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

The procedures for, and the terms and conditions applicable to, acceptances, splitting and/or renunciation of the Rights Shares and sales of the Nil-Paid Rights and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, will be set out in the Offer Information Statement and in the ARE, the ARS and the PAL to be despatched by the Company to the Entitled Shareholders in due course.

**Entitled Shareholders with registered addresses outside Singapore who wish to participate in the Rights Issue should provide CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents, at least three (3) Market Days prior to the Record Date.**

(i) Entitled Depositors

Entitled Depositors who do not receive the ARE may obtain it from CDP or the Share Registrar during the period up to the Closing Date.

Entitled Depositors should note that all correspondences and notices will be sent to their last registered addresses with CDP. Entitled Depositors are reminded that any request to CDP to update their records or effect any change in address must reach CDP at 11 North Buona Vista Drive, #06-07 The Metropolis Tower 2, Singapore 138589, not later than 5.00 p.m. (Singapore time) on the date falling at least three (3) Market Days before the Record Date.

(ii) Entitled Scripholders

Entitled Scripholders who do not receive the PAL may obtain them from the Share Registrar during the period up to the Closing Date.

Entitled Scripholders should note that all correspondence and notices will be sent to their last registered addresses with the Company. Entitled Scripholders are reminded that any request to the Company to update their records or effect any change in address must reach the Share Registrar at 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619 not later than 5.00 p.m. on the date falling at least three (3) Market Days prior to the Record Date.

Entitled Scripholders are encouraged to open Securities Accounts if they have not already done so and to deposit their share certificates with CDP before the Record Date so that their Securities Accounts may be credited by CDP with their Shares and the provisional allotments of Rights Shares. Such Shareholders should note that their Securities Accounts will only be credited with the Shares on the twelfth (12<sup>th</sup>) Market Day from the date of lodgement of

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## LETTER TO SHAREHOLDERS

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the share certificates with CDP or such later date as CDP may determine, subject to the completion of the lodgement process.

**(b) Foreign Shareholders**

The OIS and its accompanying documents relating to the Rights Issue have not been and will not be lodged, registered or filed in any jurisdiction other than Singapore. The distribution of the OIS and accompanying documents may be prohibited or restricted (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions.

For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than Singapore, the Rights Issue is only made in Singapore and the Rights Shares will **NOT** be offered to Shareholders with registered addresses outside Singapore as at the Record Date and who have not, at least three (3) market days prior to the Record Date, provided CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents (the “**Foreign Shareholders**”).

***Accordingly, Foreign Shareholders will not be entitled to participate in the Rights Issue. No provisional allotment of the Rights Shares will be made to Foreign Shareholders and no purported acceptance of Rights Shares or application for Excess Rights Shares by Foreign Shareholders will be valid.***

The OIS and its accompanying documents in relation to the Rights Issue will also not be despatched to Foreign Purchasers. Foreign Purchasers who wish to accept the Rights credited to their Securities Accounts should make the necessary arrangements with their respective Depository Agents or stockbrokers in Singapore. It is also the responsibility of any person (including, without limitation, custodians, nominees and trustees) outside Singapore who wishes to take up his/her/its provisional allotment of Rights Shares and (if applicable), apply for Excess Rights Shares under the Rights Issue to satisfy himself/herself/itself as to the full observance of any relevant territory in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes in such territories. The comments set out in this section are intended as a general guide only and any Foreign Shareholder who is in doubt as to his position should consult his professional advisers without delay. Further, any renounee of an Entitled Scripholder, whose address as stated in the PAL is outside Singapore, will not be entitled to accept the provisional allotment of the Rights Shares renounced to him.

The Company reserves the right to reject any acceptances of Rights Shares and/or applications for Excess Rights Shares where it believes, or has reason to believe, that such acceptances and (if applicable) applications may violate the applicable legislation of any jurisdiction.

The Company further reserves the right to treat as invalid any ARE, ARS or PAL or decline to register such application or purported application which (a) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore which may violate the applicable legislation of such jurisdiction; (b) provides an address outside Singapore for the receipt of the share certificate(s) for the Rights Shares or which requires the Company to despatch the share certificate(s) to an address in any jurisdiction outside Singapore; or (c) purports to exclude any deemed representation, warranty or confirmation.

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## LETTER TO SHAREHOLDERS

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Foreign Shareholders who wish to be eligible to participate in the Rights Issue may provide a Singapore address by notifying in writing, as the case may be (a) CDP at 11 North Buona Vista Drive, #01-19/20 The Metropolis Tower 2, Singapore 138589, or (b) the Share Registrar, Tricor Barbinder Share Registration Services, at 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619, no later than three (3) Market Days before the Record Date.

If it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotment of Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the provisional allotments of Rights Shares commence, at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Directors, the Issue Manager, CDP, the Share Registrar and/or their respective officers in connection therewith. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account the relevant expenses to be incurred in relation thereto.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the Depository Register as at the Record Date and sent to them by ordinary post to their respective mailing addresses as recorded with CDP or in such other manner as they may have respectively agreed with CDP for the payment of any cash distributions at their own risk, provided that where the amount of net proceeds to be distributed to any single Foreign Shareholder is less than S\$10.00, the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit, and no Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Issue Manager, CDP and/or the Share Registrar and their respective officers in connection therewith.

Where such provisional allotments of Rights Shares are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Company, may in its absolute discretion, decide and no Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Issue Manager, CDP or the Share Registrar or their respective officers in respect of such sales or the proceeds thereof, the provisional allotments of Rights Shares or the Rights Shares represented by such provisional allotments.

If such provisional allotments cannot be or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotment of Rights Shares, the Rights Shares represented by such provisional allotments will be issued and allotted to satisfy excess applications or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit, and no Foreign Shareholders shall have any claim whatsoever against the Company, the Directors, the Issue Manager, CDP and/or the Share Registrar and their respective officers in connection therewith.

Shareholders should note that the special arrangements described above will apply only to Foreign Shareholders.

***Notwithstanding the above, Shareholders and any other person having possession of the Offer Information Statement and its accompanying documents are advised to inform themselves of and to observe any legal requirements***

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## LETTER TO SHAREHOLDERS

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*applicable thereto at their own expenses and without liability to the Company. No person in any territory outside Singapore receiving the Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares unless such offer, invitation or solicitation could lawfully be made without violating any regulation or legal requirements in those territories.*

*The Offer Information Statement and/or its accompanying documents are not intended for distribution outside of Singapore. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, the Offer Information Statement, the ARE, the ARS or the PAL must be treated as sent for information only and should not be copied or redistributed.*

Further details will be set out in the Offer Information Statement.

### 3. BACKGROUND AND RATIONALE FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

#### 3.1 Background

Prior to 2022, the Company's core business was owning, chartering and operating offshore vessels ("**Offshore Business**"). Due to the decline of the oil and gas sector and consequently the offshore and marine industry in 2015, the Group faced languishing charter rates and vessel utilisation, which put tremendous stress on its operations and finances and pushed its debt to an unsustainable level. Furthermore, as a result of the global economic downturn caused by the COVID-19 pandemic and the collapse of oil prices in 2020, the Group saw more of its projects being delayed, pushed back or cancelled, and the deferment of certain new vessel chartering contracts which were in the pipeline. Accordingly, the Group underwent a debt restructuring in 2022 ("**Debt Restructuring**"). Pursuant to the Debt Restructuring, the Company divested its fleet of vessels and changed its focus under the Offshore Business to ship management. The senior management of the Company believes that the offshore and marine industry has turned the corner and is recovering, and there are opportunities to rebuild its vessel ownership as part of the Offshore Business. The Offshore Business is led by a senior management team with over 30 years of expertise, and the Board firmly believes that it is in the interests of the Company to capture the opportunities in a familiar and well-understood business domain of owning, chartering and operating vessels.

#### 3.2 Rationale

The Company is proposing the Rights Issue to raise proceeds for general corporate and working capital purposes, including but not limited to making strategic investments and/or acquisitions and funding the operating costs in relation thereto, so as to grow the business and further strengthen the financial position of the Group.

The Group will continue to offer and grow its ship management services to third-party vessel owners. At the same time, given that the offshore and marine industry is recovering, the Company's senior management believes that there are opportunities for the Group to rebuild its vessel ownership and to manage and operate its own vessels as part of the Offshore Business. As such investments and/or acquisitions are largely dependent on the Company's ability to tap equity and/or debt financing, the Company is accordingly undertaking the Rights Issue so that it has readily available capital to deploy as and when an investment and/or acquisition opportunity arises. The proceeds from the Rights Issue are also intended to repay bank borrowings and fund the working capital requirements of the Group.

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## LETTER TO SHAREHOLDERS

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In the event that any acquisition of vessels constitutes a “major transaction” under Rule 1014 of the Listing Manual, the Company will seek shareholders’ approval in a general meeting.

### 3.3 Use of Proceeds

#### **Maximum Subscription Scenario**

For illustrative purposes only, on the assumption that all of the Entitled Shareholders subscribe in full for their *pro-rata* entitlements of Rights Shares, the Company will issue up to 1,352,128,371 Rights Shares pursuant to the Rights Issue, and the estimated Net Proceeds is approximately S\$30.93 million after deducting approximately S\$0.17 million for professional fees and related expenses estimated to be incurred in connection with the Rights Issue.

#### **Minimum Subscription Scenario**

For illustrative purposes only, on the assumption that none of the Entitled Shareholders, other than the Undertaking Shareholders, subscribe for their *pro-rata* entitlements to the Rights Shares, the Company will issue up to 687,646,692 Rights Shares pursuant to the Rights Issue. The Net Proceeds is approximately S\$15.65 million after deducting approximately S\$0.17 million for professional fees and related expenses estimated to be incurred in connection with the Rights Issue.

The Company is of view that the Net Proceeds raised from the Rights Issue will be sufficient to meet the Company’s present funding requirements and to enable the Company to meet its obligations and continue to operate as a going concern.

The intended uses of such Net Proceeds are set out below:

Use of Net Proceeds	Minimum Subscription scenario		Maximum Subscription scenario	
	Amount S\$ million	Percentage Allocation	Amount S\$ million	Percentage Allocation
Provision for acquisition of vessels	10.65	68%	17.93	58%
Repayment of bank borrowings	5.00	32%	10.00	32%
Working capital requirements	-	-	3.00	10%
<b>TOTAL</b>	<b>15.65</b>	<b>100%</b>	<b>30.93</b>	<b>100%</b>

The above allocations are based on the Maximum Subscription Scenario and the Minimum Subscription Scenario only. In the event the Net Proceeds fall in between the Maximum Subscription Scenario and the Minimum Subscription Scenario, the Company will make the necessary announcements on the revised allocations once the final Net Proceeds have been determined. It is anticipated that the allocations would not deviate significantly from the above illustrations.

Pending deployment of the Net Proceeds, such Net Proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets or marketable securities or used for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem fit in the interest of the Company.

The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed, and provide a status report on the use of the Net Proceeds in the annual report of the Company. Where there is a material deviation in the stated use of Net Proceeds, the Company will state the reason(s) for such deviation.

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## LETTER TO SHAREHOLDERS

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In relation to the Net Proceeds which are set aside for general working capital purposes, the Company will disclose a breakdown with specific details on the use of the Net Proceeds for working capital in announcements and/or annual report(s) in accordance with the provisions of the Listing Manual.

### 3.4 Outstanding Debt of the Group

As at 30 September 2023, the Group has outstanding liabilities in the amount of approximately US\$29 million in relation to the financing of the office and shipyard complex of the Group ("**Property Loan**"). The Property Loan is denominated in Singapore dollars and repayable in three (3) instalments of S\$2,666,200 due in February 2024, February 2025 and February 2026 respectively, with the remaining balance payable as a final instalment in February 2027. The Company has the option to prepay the Property Loan in whole or in part prior to scheduled maturity. Taking into consideration the Group's current net asset and cash positions, as well as including the proceeds from the Rights Issue, the Group has sufficient funds to fully repay the Property Loan.

The Company had also issued the S\$3 million in principal amount of Perpetual Securities to holders of the Notes on 1 September 2022 as part of the consensual restructuring on the Notes. The Company has partially redeemed S\$2 million out of the S\$3 million in principal amount of the Perpetual Securities and S\$1 million in principal amount of the Perpetual Securities remain outstanding. The Perpetual Securities do not have a maturity date and are only redeemable at the option of the Company.

### 3.5 Statement by the Board

As at the Latest Practicable Date, the Directors are of the reasonable opinion that, barring unforeseen circumstances and after taking into consideration:

- (a) the present bank facilities and the Net Proceeds (based on the Minimum Subscription Scenario), the working capital available to the Group is sufficient to meet its present requirements; and
- (b) the rationale for the Rights Issue as set out above and the factors taken into consideration in arriving at the Issue Price, the Rights Issue is in the interest of the Company.

### 3.6 Record Date

Subject to Shareholders' approval of the Rights Issue at the EGM being obtained, the Record Date for the purpose of determining the Entitled Shareholders' entitlements under the Rights Issue will be announced at a later date.

### 3.7 Financial Information of the Group

Selected audited consolidated financial information of the Group for FY2020, FY2021 and FY2022 and unaudited consolidated financial information of the Group for 9M2022 and 9M2023 are set out in Appendix A of this Circular. Such selected financial information include the Group's profit and loss statement, statement of financial position, statement of cash flow and the working capital position as well as a review thereof, and should be read together with the annual reports, the consolidated audited accounts and consolidated financial statements of the Group for the relevant periods and the related notes thereto, which are available on the website of the SGX-ST at [www.sgx.com](http://www.sgx.com).



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## LETTER TO SHAREHOLDERS

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### 4. IRREVOCABLE CONDITIONAL UNDERTAKINGS

As at the Latest Practicable Date, the Undertaking Shareholders, being Mr. Pang Yoke Min, the Executive Chairman and controlling shareholder of the Company, and YM Investco, a company wholly owned by Mr. Pang Yoke Min, hold 182,668,564 and 46,547,000 Shares, representing approximately 40.5% and 10.3% respectively of the issued and paid-up share capital of the Company.

As an indication of commitment and support to the Company, the Undertaking Shareholders have furnished the Irrevocable Conditional Undertakings, pursuant to which the Undertaking Shareholders undertake, *inter alia*, that:

- (a) as at the date of the Irrevocable Conditional Undertakings, (i) in relation to Mr. Pang Yoke Min, he is the legal and/or beneficial owner of an aggregate of 182,668,564 Shares, representing approximately 40.5% of the issued and paid-up share capital of the Company, and (ii) in relation to YM Investco, it is the legal and/or beneficial owner of an aggregate of 46,547,000 Shares, representing approximately 10.3% of the issued and paid-up share capital of the Company;
- (b) they will not sell, transfer or otherwise dispose of their respective Undertaking Shares on or prior to the Record Date and shall continue to own their respective Undertaking Shares as at the Record Date;
- (c) they will vote and procure their nominees/proxies or relevant persons to vote, in respect of their respective Undertaking Shares in favour of the resolutions to be proposed at the EGM to be convened to approve the Rights Issue and any other matter necessary or proposed to implement or assist the implementation of the Rights Issue; and
- (d) they will, by way of acceptance, subscribe and pay for in full at the Issue Price, the full *pro rata* entitlement to the Rights Shares in relation to the Shares held by each of them as at the Record Date in compliance with the terms and conditions of the Rights Issue.

As a result of the Irrevocable Conditional Undertaking, upon completion of the Rights Issue:

- (i) assuming that all of the Entitled Shareholders subscribe for their *pro rata* entitlements of Rights Shares, there will be no change to Mr. Pang Yoke Min and YM Investco's shareholding interests before and after the completion of the Rights Issue; and
- (ii) the shareholding of Mr. Pang Yoke Min will increase from 182,668,564 Shares to 730,674,256 Shares or approximately 40.5% to 64.2%. The shareholding of YM Investco will increase from 46,547,000 Shares to 186,188,000 Shares or approximately 10.3% to 16.4% of the enlarged share capital of the Company after the completion of the Rights Issue in the Minimum Subscription Scenario.

The Irrevocable Conditional Undertakings are subject to and conditional upon the following:

- (A) the receipt of the approval in-principle of the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Mainboard of the SGX-ST and, if such approval is granted subject to conditions, such conditions being acceptable to and fulfilled by the Company, and such approval not having been withdrawn or revoked on or prior to the date of completion of the Rights Issue;
- (B) the obtaining of favourable financing terms by the Undertaking Shareholders to subscribe and pay for their full *pro rata* entitlement to the Rights Shares;

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## LETTER TO SHAREHOLDERS

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- (C) subject to the fulfilment of their respective undertakings to vote in favour of the resolutions to approve the Rights Issue at the EGM (as set out in Section 4(c) above), the approval of Shareholders for the Rights Issue being obtained at the EGM to be convened; and
- (D) the lodgement of the Offer Information Statement together with all other accompanying documents (if applicable) in connection with the Rights Issue, with the Authority.

The Undertaking Shareholders have confirmed that they have sufficient financial resources to fulfil their obligations under the Irrevocable Conditional Undertakings. The Company has announced, on 13 December 2023, that it has received a confirmation of financial resources from a financial institution pursuant to Rule 877(9) of the Listing Manual and submitted the same to the SGX-ST.

### 5. FINANCIAL EFFECTS OF THE RIGHTS ISSUE

The financial effects of the Rights Issue set out below are purely for illustrative purposes only and are not necessarily indicative or a projection of the actual future financial performance or financial position of the Group after completion of the Rights Issue.

The financial effects of the Rights Issue have been computed based on the latest audited consolidated financial statements of the Group for FY2022 and the unaudited condensed interim consolidated financial statements of the Group for 9M2023. The financial effects of the Rights Issue under both the Maximum Subscription Scenario and Minimum Subscription Scenario are presented herein after taking into account the following assumptions:

- (a) for the purposes of computing the financial effects of the Rights Issue on the share capital, NTA per share and gearing of the Group as at 31 December 2022 and 30 September 2023, the Rights Issue is assumed to have been completed on 31 December 2022 and 30 September 2023 respectively;
- (b) for the purposes of computing the financial effects of the Rights Issue on the EPS of the Group for FY2022 and 9M2023, the Rights Issue is assumed to have been completed on 1 January 2022 and 1 January 2023 respectively;
- (c) for the purposes of computing the financial effects of the Rights Issue on the gearing of the Group as at 31 December 2022 and 30 September 2023, the corresponding proportion of the Net Proceeds of the Rights Issue will be utilized for partial repayment of bank borrowings as disclosed under Section 3.3 of the Circular;
- (d) the estimated expenses incurred in relation to the Rights Issue is approximately S\$0.17 million; and
- (e) an exchange rate of S\$1.00 : US\$0.7467 as at the Latest Practicable Date.

#### 5.1 Share Capital

On 19 September 2022, as part of the Debt Restructuring, the Company issued:

- (a) an aggregate of 22,454,446 Shareholder Warrants to the public shareholders of the Company who are entitled to the Shareholder Warrants, with each Shareholder Warrant carrying the right to subscribe for one (1) Shareholder Warrant Share at the Shareholder Warrants Exercise Price of S\$0.03 per Shareholder Warrant Share; and

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## LETTER TO SHAREHOLDERS

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- (b) an aggregate of 23,033,431 Management Warrants to the PRL Key Management, with each Management Warrant carrying the right to subscribe for one (1) Management Warrant Share at the Management Warrants Exercise Price of S\$0.06 per Management Warrant Share.

As at the Latest Practicable Date, there are in aggregate 22,454,446 outstanding Shareholder Warrants and 23,033,431 outstanding Management Warrants.

Pursuant to the terms of the Shareholder Warrants Deed Poll and the Management Warrants Deed Poll and as disclosed in the Company's announcement dated 11 December 2023, the Rights Issue is an event that gives rise to an adjustment to the number of Shareholder Warrants and Management Warrants held by each holder of the Shareholder Warrants and the Management Warrants respectively.

The PRL Key Management comprises Mr. Pang Yoke Min, Mr. Pang Wei Meng and Mr. Pang Wei Kuan, James. Mr. Pang Yoke Min is the Executive Chairman and controlling shareholder of the Company. Mr. Pang Wei Meng is an Executive Director and the Chief Commercial Officer of the Company, and is the son of Mr. Pang Yoke Min. Mr. Pang Wei Kuan, James is the Chief Executive Officer of the Company and the son of Mr. Pang Yoke Min. Notwithstanding the foregoing, the Company had, at its extraordinary general meeting held on 23 February 2022, and pursuant to Rule 803, Rule 804, Rule 805, Rule 812(2) and Rule 824 of the Listing Manual, obtained approval from its shareholders for the creation, allotment and issuance of such additional warrants as may be required or permitted to be issued in accordance with the terms and conditions of the Management Warrants Deed Poll. Accordingly, the Company has the necessary shareholders' approval for the allotment and issue of the additional Management Warrants to the PRL Key Management.

The Company had also, at its extraordinary general meeting held on 23 February 2022, and pursuant to Rule 803, Rule 805 and Rule 824 of the Listing Manual, obtained approval from its shareholders for the creation, allotment and issuance of such additional warrants as may be required or permitted to be issued in accordance with the terms and conditions of the Shareholder Warrants Deed Poll. Accordingly, the Company has the necessary shareholders' approval for the allotment and issue of the additional Shareholder Warrants.

The Shareholder Warrants and Management Warrants may only be exercised on the date falling on the third anniversary of the issuance of the Shareholder Warrants and Management Warrants respectively (being 19 September 2025), or earlier if all the Perpetual Securities have been redeemed by the Company. The Perpetual Securities were previously issued on 1 September 2022 by the Company to the holders of the Notes, pursuant to the consensual restructuring of the Notes.

As neither of the above events has taken place, and the Company does not intend to fully redeem the Perpetual Securities prior to the close of the Rights Issue, the Shareholders Warrants and Management Warrants are not exercisable and the Existing Share Capital will not change as at the Record Date.

Save for the above, there are no share options or awards or convertible securities under which the Company has an obligation to issue additional Shares. For illustrative purposes only, the financial effects of the Rights Issue on the issued share capital (excluding treasury shares) of the Company are as follows:

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	Maximum Subscription Scenario		Minimum Subscription Scenario	
	No. of Shares	US\$ million	No. of Shares	US\$ Million
<b>As at 31 December 2022</b>				
As at the Latest Practicable Date (excluding treasury shares)	450,709,457	188.9	450,709,457	188.9
Add: Rights Shares to be issued under the Rights Issue	1,352,128,371	23.1 <sup>(1)</sup>	687,646,692	11.7 <sup>(1)</sup>
Enlarged issued share capital after the Rights Issue (excluding treasury shares)	1,802,837,828	212.0	1,138,356,149	200.6
<b>As at 30 September 2023</b>				
As at the Latest Practicable Date (excluding treasury shares)	450,709,457	188.9	450,709,457	188.9
Add: Rights Shares to be issued under the Rights Issue	1,352,128,371	23.1 <sup>(1)</sup>	687,646,692	11.7 <sup>(1)</sup>
Enlarged issued share capital after the Rights Issue (excluding treasury shares)	1,802,837,828	212.0	1,138,356,149	200.6

**Note:**

- (1) Assuming deduction of estimated expenses incurred in connection with the Rights Issue of approximately S\$0.17 million.

5.2 NTA

	Before the Rights Issue	Immediately after the Rights Issue	
		Maximum Subscription Scenario	Minimum Subscription Scenario
<b>As at 31 December 2022</b>			
NTA (US\$'000)	23,730	46,825 <sup>(1)</sup>	35,413 <sup>(1)</sup>
No. of Shares	450,709,457	1,802,837,828	1,138,356,149
NTA per Share (US\$ cents)	0.053	0.026	0.031
<b>As at 30 September 2023</b>			
NTA (US\$'000)	30,536	53,631 <sup>(2)</sup>	42,219 <sup>(2)</sup>
No. of Shares	450,709,457	1,802,837,828	1,138,356,149
NTA per Share (US\$ cents)	0.068	0.030	0.037

**Notes:**

- (1) Based on the NTA of the Group as at 31 December 2022 being US\$23,730,000 and the estimated Net Proceeds under the Maximum Subscription Scenario of S\$30,929,000 (approximately US\$23,095,000) and the Minimum Subscription Scenario of S\$15,646,000 (approximately US\$11,683,000).

## LETTER TO SHAREHOLDERS

- (2) Based on the NTA of the Group as at 30 September 2023 being US\$30,536,000 and the estimated Net Proceeds under the Maximum Subscription Scenario of S\$30,929,000 (approximately US\$23,095,000) and the Minimum Subscription Scenario of S\$15,646,000 (approximately US\$11,683,000).

### 5.3 EPS

	Before the Rights Issue	Immediately after the Rights Issue	
		Maximum Subscription Scenario	Minimum Subscription Scenario
<b>FY2022</b>			
Profit attributable to Shareholders (US\$'000) <sup>(1)</sup>	331,190	331,190	331,190
Number of Shares	450,709,457	1,802,837,828	1,138,356,149
Basic EPS attributable to Shareholders of the Company (US\$) <sup>(2)</sup>	0.735	0.184	0.291
Diluted EPS attributable to Shareholders of the Company (US\$) <sup>(2)</sup>	0.735	0.184	0.291
<b>9M2023</b>			
Profit attributable to Shareholders (US\$'000) <sup>(1)</sup>	6,270	6,270	6,270
Number of Shares	450,709,457	1,802,837,828	1,138,356,149
Basic EPS attributable to Shareholders of the Company (US\$) <sup>(2)</sup>	0.014	0.003	0.006
Diluted EPS attributable to Shareholders of the Company (US\$) <sup>(2)</sup>	0.014	0.003	0.006

**Notes:**

- (1) Assuming the estimated expenses incurred in relation to the Rights Issue of approximately S\$0.17 million are not included in the profit attributable to Shareholders.
- (2) The basic and diluted EPS after the Rights Issue are calculated based on the assumption that the Rights Issue was completed at the beginning of the financial year and without taking into account the effect of the use of the Net Proceeds from the Rights Issue on the earnings of the Group.

## LETTER TO SHAREHOLDERS

### 5.4 Gearing

	Before the Rights Issue	Immediately after the Rights Issue	
		Maximum Subscription Scenario	Minimum Subscription Scenario
<b>As at 31 December 2022</b>			
Net borrowings/(Net cash) (US\$'000)	7,724	(15,371)	(3,959)
Shareholders' equity (US\$'000)	23,730	46,825	35,413
Gearing	32.5%	n.m.	n.m.
<b>As at 30 September 2023</b>			
Net borrowings/(Net cash) (US\$'000)	1,612	(21,483)	(10,071)
Shareholders' equity (US\$'000)	30,536	53,631	42,219
Gearing	5.3%	n.m.	n.m.

## 6. OFFER INFORMATION STATEMENT

An Offer Information Statement will be despatched to Entitled Shareholders subject to, *inter alia*, the approval by Shareholders for the Rights Issue being obtained at the EGM. Acceptances and applications under the Rights Issue can only be made on the following (all of which will form part of the Offer Information Statement):

- (a) the PAL, in the case of Entitled Scripholders;
- (b) the ARE, in the case of Entitled Depositors;
- (c) the ARS, in the case of persons purchasing provisional allotments of Rights Shares through the book-entry (scripless) settlement system whose registered addressees with CDP are in Singapore; and
- (d) the ATMs of the Participating Banks, providing electronic applications through such ATMs, in the case of Entitled Shareholders or their renounees or Purchasers.

The procedures for, and the terms and conditions applicable to, the acceptances, the renunciations and/or sales of the provisional allotments of the Rights Shares and for the applications for the Excess Rights Shares pursuant to the Rights Issue, including the different modes of acceptance or application and payment, will be set out in the Offer Information Statement.

## 7. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at the Latest Practicable Date, the interests of Directors and Substantial Shareholders in the Shares as recorded in the Register of Directors' Shareholdings and the Register of Substantial Shareholders respectively, are as follows:

	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
<b>Directors</b>				
Pang Yoke Min	182,668,564	40.53	46,547,000 <sup>(1)</sup>	10.33
Pang Wei Meng	105,500	0.02	-	-

## LETTER TO SHAREHOLDERS

	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
Ng Tiong Gee <sup>(2)</sup>	2,500	-	-	-
Yong Yin Min	2,771,300	0.61	-	-
Goh Chong Theng <sup>(3)</sup>	24,000	-	-	-
<b>Substantial Shareholders (other than Directors)</b>				
YM Investco	46,547,000	10.33	-	-

**Notes:**

- (1) Mr. Pang Yoke Min is deemed to be interested in the 46,547,000 Shares held by YM Investco by virtue of Section 4 of the SFA as he holds 100.0% of the shares in YM Investco.
- (2) Mr. Ng Tiong Gee has a direct interest in 2,500 Shares, representing less than 0.01% of the total issued Shares.
- (3) Mr. Goh Chong Theng has a direct interest in 24,000 Shares, representing less than 0.01% of the total issued Shares.

Save as disclosed above, none of the Directors or Substantial Shareholders of the Company has any direct or indirect interest in the Rights Issue, other than through their respective shareholdings in the Company.

### 8. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page N-1 of this Circular, will be held at 15 Pandan Road, Singapore 609263 on 29 December 2023 at 10:00 a.m., for the purpose of considering and, if thought fit, passing with or without modifications, the ordinary resolution as set out in the Notice of EGM.

### 9. DIRECTORS' RECOMMENDATION

Having considered, *inter alia*, the terms of and rationale for the Rights Issue, the Directors are of the opinion that the Rights Issue is in the interests of the Company. Accordingly, the Directors recommend that the Shareholders vote in favour of the ordinary resolution relating thereto set out in the Notice of EGM.

### 10. ACTION TO BE TAKEN BY THE SHAREHOLDERS

#### 10.1 Printed Copies of Circular, Notice of EGM and Proxy Form

The Circular, the Notice of EGM and a Proxy Form have been sent to Shareholders by electronic means via publication on SGXNET. Printed copies of the Circular will **NOT** be sent to Shareholders.

A Shareholder may request for a printed copy of the Circular by submitting the request to the Company, via email to [ir@pacificradiance.com](mailto:ir@pacificradiance.com). To be valid, the request must:

- (a) specify "Request for Printed Copy of Pacific Radiance Ltd. Circular dated 14 December 2023" as the subject of the email; and

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## LETTER TO SHAREHOLDERS

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- (b) state the following:
  - (i) the full name of the Shareholder;
  - (ii) the mailing address of the Shareholder; and
  - (iii) the manner in which the Shareholder holds Shares in the Company (e.g., via CDP, CPF and/or SRS or scrip).

### 10.2 Register in Person to Attend the EGM

Shareholders and (where applicable) duly appointed proxies can attend the EGM in person. To do so, they will need to register in person at the registration counter(s) outside the EGM venue on the day of the event. Every attendee is required to bring his or her NRIC or passport to enable the Company to verify his or her identity. The Company reserves the right to refuse admittance to the EGM if the attendee's identity cannot be verified accurately. Shareholders are advised not to attend the EGM if they are feeling unwell.

Shareholders holding Shares through Relevant Intermediaries (other than CPF/SRS Investors) who wish to participate in the EGM in person should approach his or her Relevant Intermediary at least seven (7) working days before the date of the EGM (i.e. by 10:00 a.m. on 20 December 2023) to make the necessary arrangements.

### 10.3 Submission of Questions

- (a) **Submission of questions in advance of the EGM:** Shareholders can submit questions in advance relating to the businesses of the EGM (i) in hard copy by post, to be deposited at the registered office of the Company at 15 Pandan Road, Singapore 609263, or (ii) via electronic mail to [prl-egm@complete-corp.com](mailto:prl-egm@complete-corp.com).

All questions by the shareholders must be submitted by 10:00 a.m. on Thursday, 21 December 2023, being seven (7) calendar days from the date of the Notice of EGM.

When submitting questions via email or by post, Shareholders should provide the Company with the following details to enable the Company to verify their status as Shareholders: (i) status: individual shareholder or corporate representative; (ii) full name/full company name (as per CDP/CPF/SRS/Scrip-based records); (iii) NRIC/FIN/Passport No./UEN; (iv) electronic mail address; and (v) contact number (optional).

The Company will endeavour to address questions on SGXNET and the Company's website which are substantial and relevant on or before 24 December 2023. The Company will also address any subsequent clarifications sought, or follow-up questions, prior to, or at, the EGM in respect of substantial and relevant matters. The Company will also, within one (1) month after the date of the EGM, publish the minutes of the EGM on SGXNET and the Company's website, and the minutes will include the responses to the questions referred to above.

- (b) **Submission of questions during the EGM:** Shareholders and their proxy(ies) attending the EGM may ask questions in person at the EGM.



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## LETTER TO SHAREHOLDERS

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### 10.4 Voting

Shareholders (including CPF and SRS investors) can vote at the EGM themselves or through duly appointed proxy(ies). A Shareholder who wishes to appoint a proxy(ies) must submit an instrument appointing the proxy(ies) in accordance with the instructions on the Proxy Form.

If a Shareholder wishes to appoint a proxy(ies) to attend and vote on his or her behalf, he or she should submit the instrument appointing the proxy(ies) to the Company in the following manner:

- (a) if submitted by post, deposited at the registered office of the Company's polling agent, Complete Corporate Services Pte Ltd, at 10 Anson Road, #29-07 International Plaza, Singapore 079903; or
- (b) if submitted by electronic mail, be sent to prl-egm@complete-corp.com.

in each case, by 10:00 a.m. on 26 December 2023, being not less than 72 hours before the time appointed for holding the EGM, and in default the instrument of proxy shall not be treated as valid.

A Shareholder who wishes to submit an instrument of proxy must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

CPF/SRS Investors who have used their CPF/SRS monies to buy the Company's shares may:

- (a) vote live at the EGM if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have questions regarding their appointment as proxies; or
- (b) appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks/SRS Operators no later than 10.00 a.m. on 20 December 2023 (being seven (7) working days before the EGM).

### 10.5 Other Information

The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM should he subsequently decide to do so, although the appointment of the proxy shall be deemed to be revoked by such attendance.

A Depositor shall not be regarded as a shareholder of the Company and shall not be entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register as at 72 hours before the EGM (i.e. 10:00 a.m. on 26 December 2023).

## 11. **CONSENTS**

11.1 CGS-CIMB Securities (Singapore) Pte. Ltd., named as the Company's Issue Manager, has given and has not withdrawn its consent to the issuance of this Circular with the inclusion of its name and all references thereto, in the form and context in which they appear in this Circular.

11.2 Dentons Rodyk & Davidson LLP, named as the Company's legal advisers in respect of the Rights Issue, has given and has not withdrawn its consent to the issuance of this Circular with the inclusion of its name and all references thereto, in the form and context in which they appear in this Circular.

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## LETTER TO SHAREHOLDERS

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### 12. RESPONSIBILITY STATEMENTS

#### 12.1 Directors' Responsibility Statement

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Rights Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/ or reproduced in this Circular in its proper form and context.

#### 12.2 Issue Manager's Responsibility Statement

To the best of the Issue Manager's knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Rights Issue, the Company and its subsidiaries, and the Issue Manager is not aware of any facts the omission of which would make any statement in this Circular misleading.

### 13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 15 Pandan Road, Singapore 609263 during normal business hours from the date of this Circular up to and including the time and date of the EGM:

- (a) the Announcement;
- (b) the annual reports of the Company for FY2020, FY2021 and FY2022;
- (c) the letters of consent referred to in Section 11 of this Circular;
- (d) the Constitution of the Company; and
- (e) the Irrevocable Conditional Undertakings.

Shareholders who wish to inspect the documents may email [ir@pacificradiance.com](mailto:ir@pacificradiance.com) to make an appointment in advance so as to limit the number of people who are present at the Company's registered office at any one time. Such arrangements are subject to the prevailing regulations, orders, advisories and guidelines in relation to safe distancing measures implemented by the relevant authorities from time to time.

Yours faithfully

For and on behalf of the Board of Directors of  
**PACIFIC RADIANCE LTD.**

Pang Yoke Min  
Executive Chairman  
14 December 2023

## APPENDIX A – FINANCIAL INFORMATION OF THE GROUP

Certain financial information extracted from the audited consolidated financial statements of the Group for FY2020, FY2021 and FY2022 and the unaudited consolidated financial statements of the Group for 9M2022 and 9M2023 are set out below.

### A. Consolidated Income Statements

The audited consolidated statement of comprehensive income of the Group for FY2020, FY2021 and FY2022 and the unaudited consolidated statement of comprehensive income for 9M2022 and 9M2023 are set out below.

	Audited		FY2022	Unaudited			
	FY2020	FY2021		9M2022		9M2023	
	US\$'000	US\$'000	US\$'000	<i>Continuing Operations</i> US\$'000	<i>Total</i> US\$'000	<i>Continuing Operations</i> US\$'000	<i>Total</i> US\$'000
<b>Revenue</b>	63,520	58,807	38,623	21,614	30,354	24,216	24,216
Cost of sales	(56,233)	(55,174)	(24,968)	(11,383)	(20,280)	(15,223)	(15,223)
<b>Gross profit</b>	7,287	3,633	13,655	10,231	10,074	8,993	8,993
Other operating income	16,535	12,907	367,347	345,791	365,728	7,341	7,341
General and administrative expenses	(14,584)	(12,492)	(14,691)	(9,980)	(11,412)	(8,604)	(8,604)
Other operating expenses	(46,616)	(30,403)	(23,001)	(4,550)	(18,061)	(977)	(977)
Finance costs	(20,740)	(18,588)	(7,002)	(2,338)	(6,423)	(755)	(755)
Share of results of joint ventures	568	-	1,596	-	1,509	307	307
Share of results of associates	-	2,397	4,603	-	4,603	-	-
<b>Profit/(loss) before taxation</b>	(57,550)	(42,546)	342,507	339,154	346,018	6,305	6,305
Taxation	(892)	(1,680)	396	(210)	(461)	(56)	(56)
<b>Profit/(loss) for the period</b>	(58,442)	(44,226)	342,903	338,944	345,557	6,249	6,249
<b>Profit/(loss) for the period attributable to:</b>							
Equity holders of the Company	(58,645)	(44,159)	331,190	327,165	333,848	6,270	6,270
Non-controlling interests	203	(67)	11,713	11,779	11,709	(21)	(21)
	(58,442)	(44,226)	342,903	338,944	345,557	6,249	6,249

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## APPENDIX A – FINANCIAL INFORMATION OF THE GROUP

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A summary of the review of the operations, business and financial performance of the Group is set out below:

### **9M2023 vs 9M2022**

#### Revenue

Total revenue for continuing operations of US\$24.2 million for 9M2023 was US\$2.6 million or 12% higher than that in the same period in 2022. The increase was attributable to the increase in ship management revenue by US\$2.2 million or 20% to US\$13.4 million as ship management services were extended to more third-party vessel owners. Additional increase was contributed by increase in shipyard revenue of US\$0.4 million or 4% to US\$10.8 million in 9M2023 as compared to the same period prior year in 9M2022.

#### Gross Profit

Gross profit for continuing operations decreased by approximately US\$1.2 million or 12% to US\$9.0 million in 9M2023 due to higher vessel maintenance costs.

#### Other Operating Income

Other operating income from continuing operations for 9M2023 decreased by approximately US\$338.4 million to US\$7.3 million mainly due to the absence of one-off restructuring related gains from sale of vessels, debt forgiveness and release of financial guarantee that were recognised in the same period in 2022. It comprised mainly of writeback of doubtful debts upon recovery from customers.

#### General and Administrative Expenses

General and administrative expenses for continuing operations for 9M2023 decreased by approximately US\$1.4 million or 14% to US\$8.6 million mainly due to the absence of one-off restructuring related expenses that were incurred in the same period in 2022. It comprised mainly of staff costs, property tax and related expenses, and general corporate expenses.

#### Other Expenses

Other operating expenses for continuing operations for 9M2023 were US\$1.0 million and comprised mainly of fair value loss of derivative warrant liabilities and net foreign exchange loss.

#### Finance Cost

Finance costs for continuing operations for 9M2023 decreased by approximately US\$1.6 million or 68% to US\$0.8 million due to reduction in bank loans after the completion of debt restructuring.

#### Share of Results of Associates and Joint Ventures

Share of results of joint venture and associates for 9M2023 was related to joint venture Mainprize Asia Ventures Pte Ltd.

### **FY2022 vs FY2021**

#### Revenue

Revenue decreased by approximately US\$20.2 million or 34% from US\$58.8 million in FY2021 to US\$38.6 million in FY2022.

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## APPENDIX A – FINANCIAL INFORMATION OF THE GROUP

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The decrease was attributed mainly to the decrease in revenue from the chartering of offshore support and subsea vessels of US\$30.0 million from US\$54.0 million in FY2021 to US\$24.0 million in FY2022 following the disposal of vessels that was completed in March 2022. This was partially offset by the increase in revenue from the ship repair services of US\$9.8 million from US\$4.8 million in FY2021 to US\$14.6 million in FY2022 due to higher completion of ship repair works.

### Gross Profit

Gross profit increased by approximately US\$10.1 million from US\$3.6 million in FY2021 to US\$13.7 million in FY2022.

The increase was mainly attributable to improved performances from the chartering of offshore support vessels, ship management and ship repair services, and partially offset by weaker performance from the chartering of subsea vessels.

### Other Operating Income

Other operating income increased by approximately US\$354.4 million from US\$12.9 million in FY2021 to US\$367.3 million in FY2022.

The increase was mainly due to higher gain on debt forgiveness on restructuring of US\$281.5 million, gain on restructuring upon issuance of shares of US\$52.4 million, gain on sale of vessels of \$17.0 million, gain on release of financial guarantee liabilities of US\$3.0 million and higher exchange gain of US\$1.0 million in FY2022.

### General and Administrative Expenses

General and administrative expenses increased by approximately US\$2.2 million or 18% from US\$12.5 million in FY2021 to US\$14.7 million in FY2022, mainly due to commitment fee paid to ENAV Radiance Pte. Ltd. in the three-month period ended 31 March 2022 that amounted to US\$3.0 million.

### Other Operating Expenses

Other operating expenses decreased by approximately US\$7.4 million or 24% from US\$30.4 million in FY2021 to US\$23.0 million in FY2022.

The decrease was mainly attributable to decrease in impairment of property, plant and equipment of US\$13.2 million and partially offset by increase in doubtful debt expenses of US\$8.1 million.

### Finance Costs

Finance costs decreased by approximately US\$11.6 million or 62% from US\$18.6 million in FY2021 to US\$7.0 million in FY2022.

The decrease was mainly attributable to settlement of bank loans arising from the debt restructuring exercise.

### Share of Results of Associates and Joint Ventures

Share of results of joint venture was US\$1.6 million gain for FY2022, compared to FY2021 for which this was not applicable. This was attributable to the realisation of deferred gain on sale of vessels to joint ventures and share of profit of joint ventures.

Share of results of associates was US\$4.6 million gain for FY2022, compared to US\$2.4 million gain for FY2021. This was attributable to the realisation of deferred gain on sale of vessels to an associate.

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### FY2021 vs FY2020

#### Revenue

Revenue decreased by approximately US\$4.7 million or 7% from US\$63.5 million in FY2020 to US\$58.8 million in FY2021.

The decrease was attributed mainly to the decrease in revenue from the chartering of Offshore Support vessels of US\$12.5 million or 23% from US\$54.7 million for FY2020 to US\$42.2 million for FY2021 due to lower utilisation of vessels.

This was partially offset by an increase in revenue from the chartering of Subsea vessels of US\$7.6 million from US\$4.2 million for FY2020 to US\$11.8 million for FY2021 due to higher utilisation of vessels. Revenue from the ship repair services also increased by US\$0.2 million or 5% from US\$4.6 million for FY2020 to US\$4.8 million for FY2021 due to higher completion of ship repair works.

#### Gross Profit

Gross profit decreased by approximately US\$3.6 million from US\$7.3 million for FY2020 to US\$3.6 million for FY2021.

The decrease was mainly attributable to weaker performances from the chartering of Offshore Support vessels and ship repair services, and partially offset by improved performance from the chartering of Subsea vessels.

#### Other Operating Income

Other operating income decreased by approximately US\$3.6 million or 22% from US\$16.5 million in FY2020 to US\$12.9 million in FY2021.

The decrease was mainly attributable to lower gain on debt forgiveness of bank loans of US\$4.1 million, lower grant income of US\$0.8 million and lower interest income of US\$0.4 million, and partially offset by exchange gain of US\$1.6 million in FY2021.

#### General and Administrative Expenses

General and administrative expenses decreased by approximately US\$2.1 million or 14% from US\$14.6 million in FY2020 to US\$12.5 million in FY2021.

The decrease was mainly attributable to the Group's continuing cost rationalisation and lower restructuring expenses recorded in FY2021.

#### Other Operating Expenses

Other operating expenses decreased by approximately US\$16.2 million or 35% from US\$46.6 million in FY2020 to US\$30.4 million in FY2021.

The decrease was mainly attributable to decrease in impairment of property, plant and equipment of US\$8.5 million and decrease in doubtful debt expenses of US\$6.6 million in FY2021, and exchange loss of US\$1.9 million and impairment of investment in joint ventures of US\$1.0 million recorded in FY2020. This was partially offset by increase in financial guarantee liabilities of US\$1.9 million in FY2021.

## APPENDIX A – FINANCIAL INFORMATION OF THE GROUP

### Finance Costs

Finance costs decreased by approximately US\$2.1 million or 10% from US\$20.7 million in FY2020 to US\$18.6 million in FY2021.

The decrease was mainly attributable to a decrease in interest rates and a decrease in bank loans outstanding from US\$397.1 million as at 31 December 2020 to US\$386.6 million as at 31 December 2021, partially offset by higher overdue interest charges.

### Share of Results of Associates and Joint Ventures

Share of results of joint venture was nil for FY2021, compared to US\$0.6 million gain for FY2020. This was mainly attributable to the disposal of a joint venture in FY2020 and the Group capped its share of losses of the other joint ventures up to its interest in these joint ventures.

Share of results of associates was US\$2.4 million gain for FY2021 compared to nil for FY2020. This was mainly attributable to the realisation of deferred gain on sale of vessels to an associate in FY2021.

## **B. CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

The audited consolidated statement of financial position of the Group as at 31 December 2020, 31 December 2021 and 31 December 2022 and the unaudited consolidated statement of financial position of the Group as at 30 September 2023 are set out below:

	<b>Audited 31 December 2020</b>	<b>Audited 31 December 2021</b>	<b>Audited 31 December 2022</b>	<b>Unaudited 30 September 2023</b>
	US\$'000	US\$'000	US\$'000	US\$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	209,299	43,380	40,629	38,046
Investment in joint ventures	–	–	1,287	1,595
Club memberships	140	140	140	140
Amounts due from related companies	55,405	4,641	408	408
	264,844	48,161	42,464	40,189
<b>Current assets</b>				
Inventories	738	544	160	180
Trade receivables	18,747	22,004	14,571	10,617
Other receivables	6,245	2,772	7,572	8,553
Amounts due from related companies	18,405	58,174	20,156	19,295
Investment securities	8	9	23	31
Cash and bank balances	19,076	21,591	25,596	30,279
	63,219	105,094	68,078	68,955
Assets held for sale	1,225	139,122	–	–
	64,444	244,216	68,078	68,955
<b>Total assets</b>	329,288	292,377	110,542	109,144

## APPENDIX A – FINANCIAL INFORMATION OF THE GROUP

	US\$'000	US\$'000	US\$'000	US\$'000
<b>EQUITY AND LIABILITIES</b>				
<b>Current liabilities</b>				
Trade payables	12,642	13,298	12,091	3,805
Other liabilities	113,157	131,041	15,587	15,967
Amounts due to related companies	7,679	10,479	11,801	13,337
Bank loans	397,094	386,584	–	–
Notes payable	75,660	74,110	–	–
Provision for taxation	1,222	1,268	1,108	1,080
Lease liabilities	1,231	983	1,012	1,005
	608,685	617,763	41,599	35,194
<b>Net current assets/(liabilities)</b>	(544,241)	(373,547)	26,479	33,761
<b>Non-current liabilities</b>				
Other liabilities	11,717	9,458	3,817	3,817
Provisions	251	248	252	247
Bank loans	–	–	29,839	29,215
Lease liabilities	7,843	7,331	7,155	6,766
Deferred tax liabilities	2,713	2,645	2,474	2,474
Derivative warrant liabilities	–	–	184	164
Perpetual securities	–	–	1,492	731
	22,524	19,682	45,213	43,414
<b>Total liabilities</b>	631,209	637,445	86,812	78,608
<b>Net assets/(liabilities)</b>	(301,921)	(345,068)	23,730	30,536
<b>Equity attributable to equity holders of the Company</b>				
Share capital	162,854	162,854	188,878	188,878
Treasury shares	(2,135)	(2,135)	(2,135)	(2,135)
Accumulated losses	(441,744)	(485,863)	(154,473)	(151,546)
Other reserves	(9,152)	(8,113)	(8,442)	(4,483)
	(290,177)	(333,257)	23,828	30,714
Non-controlling interests	(11,744)	(11,811)	(98)	(178)
<b>Total equity</b>	(301,921)	(345,068)	23,730	30,536

A summary of the review of the financial position of the Group is set out below.

### As at 30 September 2023 compared to 31 December 2022

#### Non-current assets

The Group's non-current assets amounted to US\$40.2 million as at 30 September 2023 as compared to US\$42.5 million as at 31 December 2022. The change was due to additions of fixed assets, depreciation and share of joint venture's profit for 9M2023.



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## APPENDIX A – FINANCIAL INFORMATION OF THE GROUP

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### Current assets

The Group's current assets increased by US\$0.9 million to US\$69.0 million as at 30 September 2023 from US\$68.1 million as at 31 December 2022. This was mainly due to the increase in:

- (i) other receivables by US\$1.0 million; and
- (ii) cash and bank balances by US\$4.7 million.

This was partially offset by the decrease:

- (i) in trade receivables by US\$3.9 million; and
- (ii) in amounts due from related companies by US\$0.9 million.

### Current liabilities

The Group's current liabilities amounted to US\$35.2 million as at 30 September 2023. The decrease of US\$6.4 million in current liabilities from US\$41.6 million as at 31 December 2022 was attributed mainly to the decrease in:

- (i) trade payables by US\$8.3 million; and
- (ii) partially offset by increase in amounts due to related parties by US\$1.5 million and other liabilities by US\$0.4 million.

### Non-current liabilities

The Group's non-current liabilities amounted to US\$43.4 million as at 30 September 2023. Non-current liabilities decreased from US\$45.2 million as at 31 December 2022 primarily due to:

- (i) decrease in perpetual securities of US\$0.8 million;
- (ii) the downward foreign exchange movement of US\$0.6 million for property loan that is denominated in Singapore Dollars; and
- (iii) repayment of lease liabilities of US\$0.4 million.

### **As at 31 December 2022 compared to 31 December 2021**

#### Current assets

The Group's current assets amounted to US\$68.1 million as at 31 December 2022. The decrease in current assets from US\$244.2 million as at 31 December 2021 was mainly due to: (i) the decrease in assets held for sale by US\$139.1 million; (ii) the decrease in amounts due from related companies by US\$38.0 million; and (iii) the decrease in trade receivables by US\$7.4 million.

This was partially offset by: (i) the increase in other receivables by US\$4.8 million; and (ii) the increase in cash and bank balances by US\$4.0 million.

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## APPENDIX A – FINANCIAL INFORMATION OF THE GROUP

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### Non-current assets

The Group's non-current assets amounted to US\$42.5 million as at 31 December 2022. The decrease in non-current assets from US\$48.2 million as at 31 December 2021 was mainly attributable to (i) the decrease in amounts due from related companies by US\$4.2 million; and (ii) the decrease in property, plant and equipment by US\$2.8 million mainly due to depreciation of US\$2.7 million, impairment of US\$1.5 million and reclass of US\$1.1 million from Asset Held For Sale to Fixed Assets, partially offset by additions of US\$0.4 million.

This was partially offset by the new investment in joint venture of US\$1.3 million.

### Current liabilities

The Group's current liabilities amounted to US\$41.6 million as at 31 December 2022. The decrease in current liabilities from US\$617.8 million as at 31 December 2021 was attributed mainly to: (i) the decrease in current bank loans by US\$386.6 million due to settlement and debt forgiveness of bank loans arising from the debt restructuring exercise; (ii) the decrease in other liabilities by US\$115.4 million mainly due to settlement and debt forgiveness of interest expense; (iii) the decrease in notes payable by US\$74.1 million due to settlement of notes payable from the debt restructuring exercise; and (iv) the decrease in provision for taxation by US\$0.2 million.

The Group is in positive working capital position of US\$26.5 million as at 31 December 2022.

### Non-current liabilities

The Group's non-current liabilities amounted to US\$45.2 million as at 31 December 2022. Non-current liabilities increased from US\$19.7 million as at 31 December 2021 primarily due to the (i) the increase in non-current bank loans by US\$29.8 million due to restructuring of the property loans; (ii) issuance of perpetual securities of US\$1.5 million as part of the restructuring exercise; and (iii) issuance of listed shareholder warrants of US\$0.2 million. This was partially offset by the realisation of deferred gain on sale of vessels to an associate and joint ventures of US\$4.6 million and US\$1.5 million respectively.

## **As at 31 December 2021 compared to 31 December 2020**

### Current assets

The Group's current assets amounted to US\$244.2 million as at 31 December 2021. The increase in current assets from US\$64.4 million as at 31 December 2020 was mainly due to: (i) the increase in assets held for sale by US\$137.9 million; (ii) the increase in amounts due from related companies by US\$39.8 million; (iii) the increase in trade receivables by US\$3.3 million; and (iv) the increase in cash and bank balances by US\$2.5 million. This was partially offset by the decrease in other receivables by US\$3.5 million.

### Non-current assets

The Group's non-current assets amounted to US\$48.2 million as at 31 December 2021. The decrease in non-current assets from US\$264.8 million as at 31 December 2020 was mainly due to: (i) the decrease in property, plant and equipment by US\$165.9 million mainly due to reclassification to assets held for sale of US\$139.1 million, depreciation of US\$12.7 million and impairment of US\$14.7 million, partially offset by additions of US\$1.9 million; and (ii) the decrease in non-current portion of amounts due from related companies by US\$50.8 million.

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### Current liabilities

The Group's current liabilities amounted to US\$617.8 million as at 31 December 2021. The increase in current liabilities from US\$608.7 million as at 31 December 2020 was attributed mainly to: (i) the increase in other liabilities by US\$17.9 million mainly due to accrual of interest expense; (ii) the increase in amounts due to related parties by US\$2.8 million; and (iii) the increase in trade payables by US\$0.7 million.

This was partially offset by: (i) the decrease in current bank loans by US\$10.5 million due to repayment and debt forgiveness of bank loans; (ii) the decrease in notes payable by US\$1.6 million due to foreign exchange movement; and (iii) the decrease in lease liabilities by US\$0.2 million.

The Group was in negative working capital position of US\$373.5 million as at 31 December 2021.

### Non-current liabilities

The Group's non-current liabilities amounted to US\$19.7 million as at 31 December 2021. Non-current liabilities decreased from US\$22.5 million as at 31 December 2020 primarily due to the realisation of deferred gain on sale of vessels to an associate of US\$2.3 million and a decrease in lease liabilities by US\$0.5 million.

## C. CONSOLIDATED STATEMENTS OF CASH FLOWS

The audited consolidated statement of cash flows of the Group for FY2020, FY2021 and FY2022 and the unaudited consolidated statement of cash flows of the Group for 9M2023, are as follows:

	<b>Audited FY2020</b>	<b>Audited FY2021</b>	<b>Audited FY2022</b>	<b>Unaudited 9M2023</b>
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Operating activities</b>				
(Loss)/Profit before tax	(57,550)	(42,546)	342,507	6,305
<u>Adjustments for:</u>				
Depreciation of property, plant and equipment	15,537	12,711	3,015	2,387
Recognition of deferred capital grant income	–	(297)	–	–
(Derecognition)/Recognition of financial guarantee liabilities	235	2,094	(2,977)	–
Finance costs	20,740	18,588	7,002	755
Interest income	(562)	(139)	(56)	(270)
Share of results of joint ventures	(568)	–	(1,596)	(307)
Share of results of associates	–	(2,397)	(4,603)	–
Loss on disposal of property, plant and equipment, net	180	329	–	–
(Write-back) / Impairment of doubtful receivables, net	3,211	279	4,465	(5,152)
Impairment of amounts due from related companies	16,702	13,956	17,991	68
Impairment of property, plant and equipment	23,213	14,715	1,456	–
Impairment of assets held for sale	43	–	–	–
Impairment of investment in joint venture	964	–	–	–
Fair value movement on investment securities	50	–	–	–
(Loss) / Gain on disposal of assets held for sale	22	–	(17,022)	–
Net gain on debt forgiveness	(13,329)	(9,265)	(290,791)	–
Net gain on restructuring from settlement of liabilities through share issuance	–	–	(52,360)	–
Net fair value gain on held for trading investment securities	35	(1)	(14)	(8)

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	Audited FY2020 US\$'000	Audited FY2021 US\$'000	Audited FY2022 US\$'000	Unaudited 9M2023 US\$'000
Deferred gain for non-refundable deposit upon vessel sale	–	–	(800)	–
Share-based payment expense	7	–	–	–
Net fair value (gain) / loss on derivatives	–	–	184	(20)
Exchange differences	1,474	(1,511)	1,208	639
<b>Operating cash flows before changes in working capital</b>	<b>10,404</b>	<b>6,516</b>	<b>7,609</b>	<b>4,397</b>
<b>Changes in working capital</b>				
(Increase)/Decrease in trade and other receivables	8,089	(3,101)	(1,775)	8,094
(Increase)/Decrease in amounts due from/to related companies, net	(3,367)	4,225	(6,788)	(17)
(Increase)/Decrease in inventories	60	194	384	2,329
Increase/(Decrease) in trade payables and other liabilities	(5,304)	(28)	3,352	(8,500)
<b>Cash flows generated from operations</b>	<b>9,882</b>	<b>7,806</b>	<b>2,782</b>	<b>6,303</b>
Taxes (paid)/received	(1,036)	(1,516)	(599)	(93)
Interest paid	(1,588)	(695)	(294)	299
Interest income received	23	8	–	(220)
<b>Net cash flows (used in) / generated from operating activities</b>	<b>7,281</b>	<b>5,603</b>	<b>1,889</b>	<b>6,289</b>
<b>Investing activities</b>				
Purchase of property, plant and equipment	(4,815)	(1,901)	(1,400)	(530)
Proceeds from sale of property, plant and equipment	336	–	–	–
Proceeds from sale of assets held for sale	1,680	1,250	–	–
Proceeds from sale of club membership	6	–	–	–
Proceeds from sale of a joint venture	2,135	–	–	–
Loans repaid by/(granted to) joint ventures, net	–	(3,000)	5,000	–
Loans to related companies, net	(2,075)	–	–	–
Dividend income from a joint venture	460	–	–	–
Investment in joint venture	–	–	(1,200)	–
Deposit refunded for proposed acquisition of a company	–	2,700	–	–
<b>Net cash flows (used in) / generated from investing activities</b>	<b>(2,273)</b>	<b>(951)</b>	<b>2,400</b>	<b>(530)</b>
<b>Financing activities</b>				
Payment of principal portion of lease liabilities	(203)	(647)	(338)	(185)
Right-of-use asset lease modification	–	–	–	(51)
Repayment of bank loans	(3,765)	(1,489)	–	–
Cash and bank balances released as securities	1,482	1,433	2	–
Proceeds from issuance of new shares	–	–	723	–
Partial redemption of perpetual securities	–	–	(709)	(749)
Restricted cash and bank balance	–	–	(1,989)	(1,945)
<b>Net cash flows (used in) / generated from financing activities</b>	<b>(2,486)</b>	<b>(703)</b>	<b>(2,311)</b>	<b>(2,930)</b>

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	Audited FY2020	Audited FY2021	Audited FY2022	Unaudited 9M2023
	US\$'000	US\$'000	US\$'000	US\$'000
Net increase/(decrease) in cash and cash equivalents	2,522	3,949	1,978	2,829
Effect of exchange rate changes on cash and cash equivalents	23	(1)	40	(91)
Cash and cash equivalents at 1 January	15,096	17,641	21,589	25,596
<b>Cash and cash equivalents at 31 December</b>	<b>17,641</b>	<b>21,589</b>	<b>23,607</b>	<b>28,334</b>

A summary of the review of the cash flow position of the Group is set out below.

### **Review of cash flow for 9M2023**

In 9M2023, the Group registered a net cash inflow of US\$4.8 million.

Net cash inflow from operating activities was US\$6.3 million. This was due to net working capital inflow from operating activities before working capital changes of US\$4.4 million, along with decrease in working capital of US\$1.9 million.

Net cash outflow from investing activity was US\$530,000 due to additions of property, plant and equipment.

Net cash outflow from financing activities was US\$2.9 million due mainly to redemption of perpetual securities and lease payments, and setting aside of restricted cash amounting to US\$1.9 million.

### **Review of cash flow for FY2022**

In FY2022, the Group generated net cash inflow of US\$2.0 million.

Net cash inflow from operating activities was US\$1.9 million. This was mainly due to cash inflow from operating activities before working capital changes of US\$7.6 million, partially offset by net working capital outflow of US\$4.8 million and net interest and taxes paid of US\$0.9 million.

Net cash inflow from investing activities was US\$2.4 million. This was due to loans repaid by related companies of US\$5.0 million, partially offset by purchase of property, plant and equipment of US\$1.4 million and investment in joint venture of US\$1.2 million.

Net cash used in financing activities was US\$2.3 million. This was due to partial redemption of perpetual securities of US\$0.7 million and payment of principal portion of lease liabilities of US\$0.3 million, partially offset by proceeds from share issuance of US\$0.7 million and setting aside of restricted cash amounting to US\$2.0 million.

### **Review of cash flow for FY2021**

In FY2021, the Group generated net cash inflow of US\$3.9 million.

Net cash inflow generated from operating activities was US\$5.6 million. This was mainly due to cash inflow from operating activities before working capital changes of US\$6.5 million and net working capital inflow of US\$1.3 million, partially offset by net interest and taxes paid of US\$2.2 million.

## APPENDIX A – FINANCIAL INFORMATION OF THE GROUP

Net cash outflow from investing activities was US\$1.0 million. This was mainly due to loans to related companies of US\$3.0 million and purchase of property, plant and equipment of US\$1.9 million, partially offset by the refund of deposit for proposed acquisition of a company of US\$2.7 million and proceeds from sale of assets held for sale of US\$1.2 million.

Net cash outflow from financing activity was US\$0.7 million. This was due to the repayment of bank loans of US\$1.5 million and payment of principal portion of lease liabilities of US\$0.6 million, partially offset by the release of US\$1.3 million pledged cash to repay the bank loans.

### **Review of cash flow for FY2020**

In FY 2020, the Group generated net cash inflow of US\$2.5 million.

Net cash inflow from operating activities was US\$7.3 million. This was mainly due to cash inflow from operating activities before working capital changes of US\$10.4 million, partially offset by net interest and taxes paid of US\$2.6 million and net working capital outflow of US\$0.5 million.

Net cash outflow from investing activities was US\$2.3 million. This was mainly due to the increase in property, plant and equipment of US\$4.8 million and net loan to related companies of US\$2.1 million, partially offset by the proceeds from sale of a joint venture of US\$2.1 million and proceeds from sale of assets held for sale of US\$1.7 million.

Net cash outflow from financing activities was US\$2.5 million. This was mainly due to repayment of bank loans of US\$3.8 million, partially offset by the release of US\$1.5 million pledged cash to repay the bank loans.

### **D. WORKING CAPITAL**

The working capital of the Group as at 31 December 2020, 31 December 2021, 31 December 2022 and 30 September 2023 are set out below:

	<b>Audited 31 December 2020 US\$'000</b>	<b>Audited 31 December 2021 US\$'000</b>	<b>Audited 31 December 2022 US\$'000</b>	<b>Unaudited 30 September 2023 US\$'000</b>
Total Current Assets	64,444	244,216	68,078	68,955
Total Current Liabilities	608,685	617,763	41,599	35,194
<b>Working Capital</b>	<b>(544,241)</b>	<b>(373,547)</b>	<b>26,479</b>	<b>33,761</b>

A summary of the review of the working capital of the Group is set out below.

#### **As at 30 September 2023 compared to 31 December 2022**

The Group was in positive working capital position of approximately US\$33.8 million as at 30 September 2023, compared to the working capital position of US\$26.5 million as at 31 December 2022.

#### **As at 31 December 2022 compared to 31 December 2021**

The Group was in positive working capital position of US\$26.5 million as at 31 December 2022. The Group has completed the process of restructuring its debt obligations. The Group's debt restructuring plan involved the transfer of 33 secured vessels and accompanying income and revenue streams to ENAV Radiance Pte. Ltd., an affiliate of ENAV Offshore Mexico S De RL de CV, in consideration for the ENAV Radiance Pte. Ltd. procuring the consensual discharge of the secured indebtedness owed

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by the Group to its secured lenders (including the release and/or discharge of mortgages, assignments of charter and charter earnings, amongst others).

### **As at 31 December 2021 compared to 31 December 2020**

The Group was in negative working capital position of US\$373.5 million as at 31 December 2021, compared to the negative working capital position of US\$544.2 million as at 31 December 2020. The Group is in the process of restructuring its debt obligations. Please refer to the respective annual reports for more information on the restructuring process.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### PACIFIC RADIANCE LTD.

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 200609894C)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting (“**EGM**”) of Pacific Radiance Ltd. (the “**Company**”) will be held at 15 Pandan Road, Singapore 609263 on 29 December 2023 at 10:00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications the following ordinary resolution set out below.

*All capitalised terms used in this Notice of EGM which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the circular issued by the Company to the Shareholders dated 14 December 2023 (the “**Circular**”).*

### ORDINARY RESOLUTION: THE PROPOSED RIGHTS ISSUE

It is RESOLVED that:

- (a) the renounceable non-underwritten rights issue (the “**Proposed Rights Issue**”) of up to 1,352,128,371 Rights Shares, at the Issue Price of S\$0.023 for each Rights Share (the “**Issue Price**”), on the basis of three (3) Rights Shares for every one (1) existing Share held by shareholders of the Company (“**Shareholders**”) as at a time and date as the Directors may, in their absolute discretion, determine (“**Record Date**”), fractional entitlements to be disregarded, be and is hereby approved;
- (b) the authority be and is hereby given to the Directors (or any of them) to:
  - (i) allot and issue up to 1,352,128,371 Rights Shares at the Issue Price for each Rights Share;
  - (ii) provisionally allot and issue up to 1,352,128,371 Rights Shares at the Issue Price for each Rights Share on the basis of three (3) Rights Shares for every one (1) existing Share held by Shareholders as at the Record Date, fractional entitlements to be disregarded, on such terms and conditions as the Directors may think fit:
    - (A) the provisional allotments of the Rights Shares pursuant to the Proposed Rights Issue shall be made on a renounceable non-underwritten basis to Shareholders whose names appear in the Register of Members of the Company or the records of The Central Depository (Pte) Limited (“**CDP**”) as at the Record Date with registered addresses in Singapore, or who have, at least three (3) Market Days prior to the Record Date, provided to the CDP or the share registrar of the Company (“**Share Registrar**”), as the case may be, addresses in Singapore for the service of notices and documents;
    - (B) no provisional allotment of the Rights Shares shall be made in favour of Shareholders with registered addresses outside Singapore as at the Record Date and who have not, at least three (3) Market Days prior to the Record Date, provided to CDP or the Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents (“**Foreign Shareholders**”);
    - (C) the provisional allotment of the Rights Shares which would otherwise accrue to Foreign Shareholders may be disposed of or dealt with by the Company in such manner and on such terms and conditions as the Directors may in their absolute discretion deem fit for the purpose of renouncing the provisional



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allotments relating thereto to purchasers thereof, and to pool and thereafter distribute the net proceeds, if any, thereof (after deducting all expenses) proportionately to and among such Foreign Shareholders in proportion to their respective shareholdings as at the Record Date, provided that if the amount to be distributed to any single Foreign Shareholder is less than S\$10.00, such amount shall instead be retained or dealt with as the Directors may deem fit in the interests of the Company;

- (D) the provisional allotment of the Rights Shares not taken up or allotted for any reason or which represent fractional entitlements disregarded in accordance with the term of the Proposed Rights Issue shall be used to satisfy applications for Excess Rights Shares (if any) or disposed of or otherwise dealt with in such manner as the Directors may in their absolute discretion deem fit in the interests of the Company;
  - (E) the Rights Shares when issued and fully paid-up will rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distribution that may be declared or paid, the Record Date for which falls before the date of issue of the Rights Shares;
- (c) the Directors or any of them be and are hereby authorised to fix the Record Date in their absolute discretion; and
  - (d) the Directors (or any of them) be and are hereby authorised to take such steps, do all such acts, matters and things as they may consider necessary or expedient for the purposes of or in connection with the Proposed Rights Issue (including but not limited to amending, finalising, approving and executing all such documents as may be required in connection with the Proposed Rights Issue), and make such amendments to the terms and conditions of the Proposed Rights Issue and to exercise such discretion as the Directors (or any of them) may in their absolute discretion deem fit, advisable or necessary in connection with all or any of the above matters.

By Order of the Board  
**Pacific Radiance Ltd.**

Pang Yoke Min  
Executive Chairman  
14 December 2023

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### Notes:

#### *General*

1. The Extraordinary General Meeting (“**EGM**”) will be held in a wholly physical format at 15 Pandan Road, Singapore 609263, on 29 December 2023 at 10:00 a.m. for the purpose of considering and, if thought fit, passing the resolution set out in the Notice of EGM. **There will be no option to participate virtually.**
2. Printed copies of this Notice of EGM and the Proxy Form will be sent to members by post. This Notice of EGM and the Proxy Form will also be published on SGXNET.

#### *Register in person to attend the EGM*

3. Members and (where applicable) duly appointed proxies can attend the EGM in person. To do so, they will need to register in person at the registration counter(s) outside the EGM venue on the day of the event. Every attendee is required to bring his or her NRIC or passport to enable the Company to verify his or her identity. The Company reserves the right to refuse admittance to the EGM if the attendee’s identity cannot be verified accurately. Members are advised not to attend the EGM if they are feeling unwell.
4. Members holding Shares through Relevant Intermediaries (as defined under Section 181(6) of the Companies Act) (other than CPF/SRS Investors) who wish to participate in the EGM in person should approach his or her Relevant Intermediary at least seven (7) working days before the date of the EGM (i.e. by 10:00 a.m. on 20 December 2023) to make the necessary arrangements.

#### *Submission of questions*

5. **Submission of questions in advance of the EGM:** Members can submit questions in advance relating to the businesses of the EGM (i) in hard copy by post, to be deposited at the registered office of the Company at 15 Pandan Road, Singapore 609263, or (ii) via electronic mail to [prl-egm@complete-corp.com](mailto:prl-egm@complete-corp.com).

All questions by the members must be submitted by 10:00 a.m. on 21 December 2023, being seven (7) calendar days from the date of the Notice of EGM.

When submitting questions via email or by post, members should provide the Company with the following details to enable the Company to verify their status as members: (i) status: individual shareholder or corporate representative; (ii) full name/full company name (as per CDP/CPF/SRS/Scrip-based records); (iii) NRIC/FIN/Passport No./UEN; (iv) electronic mail address; and (v) contact number (optional).

6. **Submission of questions during the EGM:** Members and their proxy(ies) attending the EGM may ask questions in person at the EGM.

#### *Voting*

7. Members (including CPF/SRS Investors) can vote at the EGM themselves or through duly appointed proxy(ies). A member who wishes to appoint a proxy(ies) must submit an instrument appointing the proxy(ies) in accordance with the instructions on the Proxy Form.
8. If a member wishes to appoint a proxy(ies) to attend and vote on his or her behalf, he or she should submit the instrument appointing the proxy(ies) to the Company in the following manner:
  - (a) if submitted by post, deposited at the registered office of the Company’s polling agent, Complete Corporate Services Pte Ltd, at 10 Anson Road, #29-07 International Plaza, Singapore 079903; or
  - (b) if submitted by electronic mail, be sent to [prl-egm@complete-corp.com](mailto:prl-egm@complete-corp.com),

in each case, by 10:00 a.m. on 26 December 2023, being not less than 72 hours before the time appointed for holding the EGM, and in default the instrument of proxy shall not be treated as valid.

9. A member who wishes to submit an instrument of proxy must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

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10. CPF/SRS Investors may:
- (a) vote live at the EGM if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have questions regarding their appointment as proxies; or
  - (b) appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks/SRS Operators no later than 10:00 a.m. on 20 December 2023 (being seven (7) working days before the EGM).

### *Other Information*

11. A member of the Company entitled to attend and vote at the EGM, and who is not a Relevant Intermediary (as defined under Section 181(6) of the Companies Act), is entitled to appoint one proxy or two proxies to attend and vote in his place. A member of the Company who is a Relevant Intermediary is entitled to appoint more than two proxies to attend and vote in his place, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member.
12. A member who is a Relevant Intermediary entitled to attend and vote at the EGM is entitled to appoint more than one proxy to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than one proxy, it should annex to the Proxy Form the list of proxies, setting out, in respect of each proxy, the name, address, email address, NRIC/Passport Number and proportion of shareholding (number of Shares and percentage) in relation to which each proxy has been appointed. For the avoidance of doubt, a CPF Agent Bank/SRS Operator who intends to appoint CPF/SRS investors as its proxies shall comply with this note to the Notice of EGM. The appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed in the Proxy Form.
13. The completion and return of a Proxy Form by a member does not preclude him from attending and voting in person at the EGM should he subsequently decide to do so, although the appointment of the proxy shall be deemed to be revoked by such attendance.
14. A Depositor shall not be regarded as a member of the Company and shall not be entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register as at 72 hours before the EGM (i.e. 10:00 a.m. on 26 December 2023).
15. A proxy need not be a member of the Company. The Chairman of the Meeting, as proxy, need not be a member of the Company.
16. A corporation which is a member of the Company may authorise by resolutions of its directors or other governing body, such person as it thinks fit to act as its representative at the meeting.
17. The instrument appointing a proxy must be signed by the appointor or his/her attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it shall be executed either under its common seal or under the hand of any officer or attorney duly authorised. The power of attorney or other authority, if any, under which the instrument of proxy is signed on behalf of the member or duly certified copy of that power of attorney or other authority (failing previous registration with the Company) shall be attached to the instrument of proxy, failing which the instrument may be treated as invalid.

### **Important Reminder**

Due to the constantly evolving COVID-19 situation, the Company may be required to change its EGM arrangements at short notice. Members are advised to regularly check the Company's website or announcements released on SGXNET for updates on the EGM.

### **Personal data privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company:

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- (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");
- (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

# PACIFIC RADIANCE LTD.

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 200609894C)

## PROXY FORM EXTRAORDINARY GENERAL MEETING

(Please see notes overleaf before completing this form)

### IMPORTANT:

1. Pursuant to Section 181(1C) of the Companies Act 1967 of Singapore, Relevant Intermediaries may appoint more than two (2) proxies to attend, speak and vote at the Extraordinary General Meeting
2. For investors who have used their CPF monies and/or the Supplementary Retirement Scheme to buy Pacific Radiance Ltd. shares ("**CPF/SRS Investors**"), this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF/SRS Investors are requested to contact their respective Agent Banks for any queries they may have with regard to their appointment as proxies or the appointment of their Agent Banks as proxies for the Extraordinary General Meeting.
4. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 14 December 2023.

I/We \_\_\_\_\_ (name) \_\_\_\_\_ (NRIC/ Passport/ Company Registration No.)  
of \_\_\_\_\_ (address)  
being a member/members\* of **PACIFIC RADIANCE LTD.** (the "**Company**"), hereby appoint:

Name:	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Address:			

and/or\*

Name:	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Address:			

or failing the person, or either or both of the persons, referred to above, the Chairman of the Extraordinary General Meeting (the "**EGM**") as my/our proxy/proxies to vote for me/us on my/our behalf at the EGM of the Company to be held at 15 Pandan Road, Singapore 609263, on 29 December 2023 at 10:00 a.m. and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion.

	For	Against	Abstain
<b>Ordinary Resolution:</b> The Proposed Rights Issue as defined in the Notice of Extraordinary General Meeting dated 14 December 2023			

Please indicate your vote "For" or "Against" with a tick [✓] within the box provided. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box as appropriate. If you wish for your proxy/proxies to abstain from voting on the resolution, please indicate with a tick [✓] within the "Abstain" box provided. Alternatively, please indicate the number of votes that your proxy is directed to abstain from voting in the "Abstain" box as appropriate.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2023

Total number of Shares in CDP Register

\_\_\_\_\_  
Signature(s) of Shareholder(s) or  
Common Seal of Corporate Shareholder

**IMPORTANT: PLEASE READ NOTES OVERLEAF**

\*Delete where inapplicable



**Notes:**

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member of the Company entitled to attend and vote at the EGM, and who is not a Relevant Intermediary (as defined under Section 181(6) of the Companies Act 1967 of Singapore), is entitled to appoint one proxy or two proxies to attend and vote in his place. Where a member appoints more than one (1) proxy, he shall specify the proportion of his shareholding to be represented by each proxy and, if no percentage is specified, the first named proxy shall be deemed to represent 100 per cent. of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
3. A member of the Company who is a Relevant Intermediary is entitled to appoint more than two proxies to attend and vote in his place, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints two (2) proxies or more, the appointments shall be invalid unless the member specifies the number of shares in relation to which each proxy has been appointed. Such member should also annex to the Proxy Form the list of proxies, setting out, in respect of each proxy, the name, address, email address, NRIC/Passport Number and proportion of shareholding (number of Shares and percentage) in relation to which each proxy has been appointed. For the avoidance of doubt, a CPF Agent Bank/SRS Operator who intends to appoint CPF/SRS Investors as its proxies shall comply with this note to the Notice of EGM. The appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed in the Proxy Form.
4. Members (whether individual or corporate) may also vote at the EGM by appointing the Chairman of the EGM as proxy to vote on his/her/its behalf at the EGM. In appointing the Chairman of the EGM as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to his/her/its manner of voting, or abstentions from voting, in the proxy form, failing which the appointment will be treated as invalid.
5. A proxy need not be a member of the Company. The Chairman of the EGM, as proxy, need not be a member of the Company.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the Instrument may be treated as invalid.
7. The instrument appointing a proxy or proxies, duly completed and signed, must be submitted in the following manner:
  - (a) if submitted by post, deposited at the registered office of the Company's polling agent, Complete Corporate Services Pte Ltd, at 10 Anson Road, #29-07 International Plaza, Singapore 079903; or
  - (b) if submitted by electronic mail, be sent to [prl-egm@complete-corp.com](mailto:prl-egm@complete-corp.com),

in each case, by 10:00 a.m. on 26 December 2023, being not less than 72 hours before the time appointed for the EGM, and in default the instrument of proxy shall not be treated as valid.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act 1967 of Singapore.
9. The completion and return of an instrument or form appointing a proxy by a member does not preclude him from attending and voting in person at the EGM if he so wishes.
10. CPF/SRS Investors who wish to vote at the EGM should approach their respective CPF Agent Banks/SRS Operators to submit their votes at least seven (7) working days before the date of the EGM (i.e., by 10:00 a.m. on 20 December 2023). CPF/SRS Investors should contact their respective CPF Agent Banks/SRS Operators for any queries they may have with regard to the appointment of proxy for the EGM.
11. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

**Personal Data Privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s), the members accept and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 14 December 2023.