PACIFIC RADIANCE LTD.
COMPANY REGISTRATION NO. 200609894C

RESPONSE TO SGX-ST QUERIES RECEIVED ON 19 SEPTEMBER 2025

The board of directors (the "**Board**") of Pacific Radiance Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") sets out its responses to the queries raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 19 September 2025 in relation to the half year results for the 6 months ended 30 June 2025 ("**FY2025**"):

Queries from SGX-ST

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We refer to the Company's half year financial statement for the period ended 30 June 2025 ("1HFY25 FS"). The Group recorded an amount due from related companies of US$13.5 million. This amount is net of impairment allowance of US$32.0 million.

(a) Please disclose the aging table (in bands of 3 months) of the gross amount due from related companies of US$45.5 million broken down by related company and explain the nature of the receivables.

(b) Please explain the key considerations which resulted in the need for impairment provision of US$32 million.

(c) For any long outstanding receivables that have not been provided for, please disclose the Board's assessment of its recoverability and bases as to why they are of the view that no impairment provision is needed.

Company's Response

(a),(b) Amounts outstanding for more than 180 days are in relation to entities and vessels affected by the debt restructuring of the Group. The debt restructuring of the Group was completed in September 2022.

Amounts due from related companies	**> 180 days (US$ M)**	**Nature**
Navigatis Radiance Pte Ltd	25.1	Investment in joint venture by way of loans. Substantial provision was made as a vessel was sold to repay bank loans during debt restructuring. Post debt restructuring, the joint venture entity continues to own 2 vessels, which total value is assessed to be adequate to repay the remaining US$4.4M when vessels are sold.
Alam Radiance (L) Inc	4.7	Investment in joint venture by way of loans. Full provision was made as a vessel was sold to repay bank loans during debt restructuring.
AR Offshore Pte Ltd	3.5	Investment in joint venture by way of loans. Full provision was made during debt restructuring due to persistent losses.
CR Offshore S.A.P.I. DE C.V. ("CRO")	1.9	Investment in joint venture by way of loans. Full provision was made during debt restructuring due to persistent

		losses.
Radiance Alliance Pte Ltd	0.6	Investment in joint venture by way of loans. Full provision was made when a vessel was sold to repay bank loans during debt restructuring.
Aztec Offshore Holdings Pte Ltd	0.6	Investment in joint ventures by way of loans. Full provision was made during debt restructuring due to persistent losses.
Total	36.4	

Amounts outstanding for less than 180 days are in relation to operating activities of the Group post debt restructuring.

Amounts due from related companies	0 – 90 days (US$ M)	90 – 180 days (US$ M)	> 180 days (US$ M)	Total	Nature
Al Hail Marine Services LLC	3.8	-	-	3.8	Billed charter hire in relation to vessel charter.
Mainprize Asia Ventures Pte Ltd	0.5	1.4	2.7(1)	4.6	Shareholders' loans and interest thereon.
Others (each owing less the 3% of total)	0.4	0.3	-	0.7	Management fees, ship management fees, other miscellaneous charges.
Total	4.7	1.7	2.7	9.1	

Note (1): Refer to paragraph 2 below.

(c) Barring unforeseen circumstances, there are no other significant amounts of long outstanding receivables that have not been provided for.

2 In the Company's response to SGX queries on 27 August 2024, it was disclosed that the amounts due from Mainprize Asia Venture Pte Ltd ("MAVPL") comprised of shareholders' loans from the Group, including an amount of US$2,695,000 that was more than 180 days overdue at the time. The Company explained that MAVPL was to repay the shareholders' loans using its operating and/or financing cashflows. Subsequently on 26 August 2025, the Company announced that its subsidiary, Alstonia Offshore Pte. Ltd. ("AOPL"), had converted its US$2,695,000 shareholders' loan into 2,695,000 ordinary shares in MAVPL.

(a) Please explain the reason(s) for the Company's decision to convert the shareholders' loans into an additional 1.2% equity in MAVPL instead of requiring repayment of the loan and how this is consistent with its response to SGX queries on 27 August 2024.

(b) Please clarify why the Company's interest in MAVPL only increased by 1.2% upon conversion of its shareholders' loan of US$2,695,000, noting that it initially acquired 450,613 MAVPL shares representing 50% of MAVPL for a consideration of US$1.2 million in September 2022. Please detail the bases of how the conversion price was arrived at and the Board's consideration on why this is in the best interest of the Company and its shareholders.

(c) Please disclose MAVPL's latest (i) net profit before tax; (ii) net assets; and (iii) operating cashflow and provide the Board's assessment of MAVPL's operations and prospects.

Company's Response

(a) Upon further review of MAVPL's capital requirements, the Company determined that converting the shareholders' loans into equity would better serve MAVPL's long-term interests. MAVPL is currently undertaking an expansion program. Through its investee company, Prosperous Wind Shipping Limited, MAVPL took delivery of an additional two vessels to-date in 2025. Strengthening MAVPL's capital structure was therefore essential to underpin the investment and expansion plans, enhance the ability to raise external financing, and ensure long-term operational resilience.

(b) The conversion of shareholders' loans into equity was carried out on the basis of the respective outstanding loan balances owed to each shareholder, namely AOPL and Shera Ventures Pte Ltd ("SVPL"). The conversion on proportionate basis is in the best interests of AOPL and its shareholders, as it ensures that the resulting equity allotment aligns with the financial support previously extended by each shareholder, enhances MAVPL's equity base to support expansion and facilitate external financing.

Shareholder of MAVPL	Number of Shares Before Conversion	Shareholders' Loans Converted (USD)	Number of New Shares Issued	Number of Shares After Conversion	Percentage Shareholding After Conversion
SVPL	450,615	2,547,312	2,546,312	2,997,927	48.80%
AOPL	450,613	2,695,000	2,695,000	3,145,613	51.20%

(c) MAVPL, through its investee companies, owns and operates crew transfer vessels ("CTVs") that support the offshore wind sector. As noted, the company is currently in an expansionary phase, having taken delivery of additional vessels in 2025. Its growth is underpinned by favourable industry fundamentals, with offshore wind development in Asia and Europe driving demand for CTV services. The enlarged fleet is expected to enhance revenue potential and improve efficiency through economies of scale. Against this backdrop, the Board believes MAVPL is well-positioned for long-term growth.

(USD'000)	Net Profit Before Tax	Net Assets	Operating Cashflow	Cash Balance
FYE 31 Dec 2024 (audited)	809	2,131	(355)	542

3 We note that the Company did not disclose its reason(s) for not declaring an interim dividend in the 1HFY25 FS as required under Appendix 7.2 Para 12 of the Listing Rules. Please do so accordingly.

Company's Response

The Company is deploying cash towards the construction of crew transfer vessels. The Board will review the Company's full-year performance before making any determination on dividend distribution.