

THIS LETTER SHALL NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO SUBSCRIBE FOR OR BUY SECURITIES IN ANY JURISDICTION WHERE SUCH OFFER OR SOLICITATION IS UNLAWFUL OR UNAUTHORISED, INCLUDING IN THE UNITED STATES.

Quetzal Capital Pte. Ltd.

(Incorporated in the Republic of Singapore)
(Company Registration No. 201935735G)

24 December 2019

To: All holders (the “**Optionholders**”) of outstanding share options (“**POSH Options**”) granted under the POSH Share Option Plan (the “**POSH SOP**”)

Dear Sir/Madam

COMPULSORY ACQUISITION OF SHARES OF PACC OFFSHORE SERVICES HOLDINGS LTD. (“POSH”) PURSUANT TO SECTION 215(1) OF THE COMPANIES ACT, CHAPTER 50 OF SINGAPORE (THE “COMPANIES ACT”) BY QUETZAL CAPITAL PTE. LTD. (THE “OFFEROR”)

1. INTRODUCTION

1.1 We refer to:

- 1.1.1 the formal offer document dated 20 November 2019 (the “**Offer Document**”) in relation to the voluntary conditional cash offer (the “**Offer**”) by Oversea-Chinese Banking Corporation Limited (“**OCBC Bank**”), for and on our behalf, for all the issued and outstanding ordinary shares (the “**Shares**”) in the capital of POSH, including the Relevant Acceptance Forms (as defined in the Offer Document), and any other document(s) issued by or on our behalf to amend, revise, supplement or update the document(s) from time to time;
- 1.1.2 the letter dated 20 November 2019 (the “**Options Proposal Letter**”) containing the terms and conditions of the proposal (the “**Options Proposal**”) made by OCBC Bank, for and on our behalf, to the Optionholders, including the accompanying Options Proposal Acceptance Letter (as defined in the Options Proposal Letter), despatched to the Optionholders on 20 November 2019; and
- 1.1.3 the letter to Shareholders (the “**Compulsory Acquisition Letter**”) dated 24 December 2019 setting out our intention to exercise our right of compulsory acquisition under Section 215(1) of the Companies Act and enclosing a Notice to Dissenting Shareholder in the form prescribed under the Companies Act (“**Form 57**”) and a Notice to Non-Assenting Shareholder in the form prescribed under the Companies Act (“**Form 58**”).

*Unless otherwise defined, all capitalised terms used in this letter (this “**Letter**”) shall bear the same meanings as ascribed to them in the Offer Document.*

If you have already (i) validly accepted the Options Proposal in respect of all of your POSH Options in accordance with the terms and conditions of the Options Proposal and the Options Proposal Acceptance Letter or (ii) exercised all of your POSH Options in accordance with the terms of the POSH SOP prior to the date of this Letter, please disregard this Letter.

Electronic copies of the Offer Document and the Compulsory Acquisition Letter (including Form 57 and Form 58) are available on the website of the SGX-ST at www.sgx.com.

Optionholders may (subject to compliance with applicable laws) obtain copies of the Options Proposal Letter (including the Options Proposal Acceptance Letter) and/or any related documents, during normal business hours and up to 5.30 p.m. (Singapore time) on the Final Closing Date (as defined in **paragraph 3.2.1** below) from Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.

2. COMPULSORY ACQUISITION UNDER SECTION 215(1) OF THE COMPANIES ACT

2.1 Compulsory Acquisition Threshold Attained. As announced by OCBC Bank, for and on our behalf, as at 5.00 p.m. (Singapore time) on 11 December 2019, pursuant to valid acceptances of the Offer, we owned, controlled and agreed to acquire an aggregate of 1,654,826,085 Shares, representing approximately 91.16 per cent. of the total number of Shares¹.

2.2 Compulsory Acquisition. Pursuant to Section 215(1) of the Companies Act, as we have received valid acceptances of the Offer in respect of not less than 90 per cent. of the total number of Shares in issue (excluding treasury shares)² other than those already held by us, our related corporations and our and their respective nominees as at the date of the Offer, we are entitled to, and we intend to, exercise our right of compulsory acquisition to compulsorily acquire (the “**Compulsory Acquisition Exercise**”) all the Shares of the Shareholders who have not accepted the Offer as at the close of the Offer (the “**Dissenting Shareholders**”) on the same terms as those offered under the Offer.

2.3 Compulsory Acquisition Exercise. We will exercise our right of compulsory acquisition to acquire all the Shares held by Dissenting Shareholders on or after 28 January 2020 (the “**Transfer Date**”), being one month after the date of Form 57, subject to and on the terms set out in Form 57.

3. EFFECT OF COMPULSORY ACQUISITION ON OPTIONHOLDERS

3.1 Provisions of the POSH SOP. Pursuant to Rule 8.1 of the POSH SOP, where the Offeror becomes entitled or bound to exercise rights of compulsory acquisition under the provisions of the Companies Act and, being entitled to do so, gives notice to Optionholders that it intends to exercise such rights on a specified date, the POSH Options shall remain exercisable by the relevant Optionholder until the expiry of such specified date or the expiry of the exercise period of the POSH Options as provided under the POSH SOP, whichever is earlier. **Any POSH Options not so exercised into new Shares shall lapse on the completion of the Compulsory Acquisition Exercise.**

3.2 Lapse of Options. Accordingly, we are writing to inform Optionholders that we intend to exercise our right of compulsory acquisition under Section 215(1) of the Companies Act on the Transfer Date, and if any Optionholder does not:

3.2.1 accept the Options Proposal in respect of all of his POSH Options by 5.30 p.m. (Singapore time) on 2 January 2020 (the “**Final Closing Date**”); or

¹ Unless otherwise stated, references in this Letter to percentages or total number of issued Shares are based on the total number of 1,815,255,840 issued Shares (excluding 4,744,160 treasury shares) as at 11 December 2019. All percentage shareholdings are rounded to the nearest two decimal places.

² Pursuant to Section 215(1C) of the Companies Act, (i) Shares that are issued after the date of the Offer and (ii) relevant treasury shares (as defined under the Companies Act) that cease to be held as treasury shares after the date of the Offer (if any) will be disregarded in determining the 90 per cent. threshold for compulsory acquisition under Section 215(1) of the Companies Act.

3.2.2 exercise all his outstanding POSH Options into Shares by the Transfer Date,

his POSH Options shall lapse upon the completion of the Compulsory Acquisition Exercise.

3.3 Acceptance of the Options Proposal. If an Optionholder wishes to accept the Options Proposal, he should do the following:

3.3.1 complete and sign the Options Proposal Acceptance Letter, which was enclosed with the Options Proposal Letter and despatched to the Optionholders on 20 November 2019, in accordance with the provisions and instructions in the Options Proposal Letter and the Options Proposal Acceptance Letter; and

3.3.2 deliver the completed and signed Options Proposal Acceptance Letter at his own risk to **Quetzal Capital Pte. Ltd. c/o Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, so as to arrive not later than 5.30 p.m. (Singapore time) on the Final Closing Date.**

No acknowledgement of receipt of documents will be given.

3.4 Exercise of Options. Alternatively, if any Optionholder wishes to exercise his POSH Options into Shares, he should reach out to POSH or refer to the rules of the POSH SOP for the relevant procedure for doing so.

4. LOSS OF FREE FLOAT AND DELISTING

4.1 Listing Status of POSH. Rule 723 of the Listing Manual of the SGX-ST (the “**Listing Manual**”) requires POSH to ensure that at least 10 per cent. of the total number of issued Shares (excluding treasury shares) is at all times held by the public (the “**Free Float Requirement**”).

As announced by OCBC Bank, for and on our behalf, on 11 December 2019 and based on the latest information available to us, the Free Float Requirement is no longer satisfied. As stated in the Offer Document, we and the Kuok Offeror Group do not intend to support any action taken or to be taken to meet the Free Float Requirement or maintain the present listing status of POSH.

Pursuant to Rule 1303(1) of the Listing Manual, the SGX-ST will suspend trading of the Shares on the SGX-ST at the close of the Offer.

4.2 Application for Delisting. An application will be made to the SGX-ST for the delisting of POSH. The result of the application for delisting will be announced in due course.

5. GENERAL

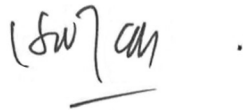
If an Optionholder is in any doubt about the matters referred to in this Letter, he should consult his stockbroker, bank manager, solicitor, tax adviser or other professional adviser immediately.

6. RESPONSIBILITY STATEMENT

The directors of the Offeror (including any who may have delegated detailed supervision of this Letter) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Letter are fair and accurate and that no material facts have been omitted from this Letter, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, in relation to POSH), the sole responsibility of the directors of the Offeror has been to ensure through reasonable enquiries that such information has been accurately extracted from such sources or, as the case may be, reflected or reproduced in this Letter.

Yours faithfully
For and on behalf of
Quetzal Capital Pte. Ltd.

A handwritten signature in black ink, appearing to read 'Isoo Tan', with a horizontal line underneath.

Tan Isoo
Director