PENGUIN INTERNATIONAL LIMITED
(UEN: 197600165Z)
(Incorporated in the Republic of Singapore)

UN PANEL OF EXPERTS REPORT ON LIBYA AND RELATED MATTERS

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1. Background

The Board of Directors ("**Board**") of Penguin International Limited ("**Company**", and together with its subsidiaries, the "**Group**") wishes to update shareholders on the following matters.

2. The Transaction

In December 2024, the Group sold two vessels - a security vessel and a landing craft ("**Vessels**") – to Dubai-based 2020 Volume Boats with delivery ex-yard Singapore. The Vessels were subsequently shipped to Benghazi, Libya.

3. UN Panel of Experts Report

Between January 2025 and May 2025 (both months inclusive), the Group was approached by and corresponded with the United Nations ("**UN**") Panel of Experts on Libya ("**Panel**"), constituted pursuant to UN Security Council Resolution 1970 (2011) ("**Resolution**"), in relation to the above transaction, and provided information requested by the Panel.

Since November 2025, the Group has corresponded with the Company Compliance & Audit Branch of Singapore Customs ("**Customs**") regarding the export of the Vessels and has provided information as requested by Customs.

The Company has cooperated fully with Customs and consented to Customs sharing export permit information and other relevant information with the Panel.

The Panel released its Report on 24 March 2026 ("**Report**") but did not send a copy to the Company. In its Report, the Panel classified the security vessel as a naval-type fast patrol vessel and the landing craft as a dual-use vessel, and named the Company and its wholly owned subsidiary Penguin Shipyard Asia Pte Ltd ("**Penguin Shipyard**") in connection with what the Panel considered to be a violation of the arms embargo under Paragraph 9 of the Resolution. Paragraph 9 directs UN Member States to "take the necessary measures to prevent" the direct or indirect supply, sale or transfer to Libya of "arms and related materiel of all types", including weapons and ammunition, military vehicles and equipment, paramilitary equipment and spare parts. However, the Panel did not recommend that the Company and / or Penguin Shipyard be sanctioned or designated as sanctioned entities by the UN.

In September 2026, the Company's management was made aware of the Report. Given that the Vessels were designed and built as commercial vessels and were delivered without arms or ammunition on board, the Company disagrees with the Panel's characterisation of the Vessels and its resulting conclusion concerning the violation of arms embargo.

4. Legal Advice

Upon becoming aware of the Report in September 2026, the Company engaged Singapore legal counsel ("**Singapore Counsel**") and an international sanctions counsel ("**Sanctions Counsel**") to advise on the legal implications of being named in the Report.

The Company understands that:

(a) Being named in the Report does not itself carry any direct penalties and is not determinative of whether the UN or any of its member states will institute penalties on named persons;

(b) The naming of the Company and Penguin Shipyard in the Report is not itself a sanctions action and does not directly impose any UN sanctions on the Company or Penguin Shipyard; and

(c) The possibility of the UN imposing sanctions against the Company and/or Penguin Shipyard based on the Report is low.

5. Singapore Customs

As at the date of this announcement, Customs has not informed the Company that it has breached Singapore laws and has not notified the Company of any enforcement action arising from the export of the Vessels.

Not only has the Company cooperated fully with Customs, the Company has also applied to Customs for a determination as to whether the relevant type of security vessel constitutes "strategic goods" under the Strategic Goods (Control) Act. The application is under review.

6. Financial and Operational Impact

As at the date of this announcement, the matters described above have not resulted in any material disruption to the Group's operations. The Board is not presently aware of any material financial impact arising from the matters described in this announcement.

The Group has never before this transaction exported any vessel to Libya and does not intend to do so in the future for as long as the Resolution is in force.

7. Enhanced Procedures

Following the above, the Group has reviewed and enhanced its sanctions and export-control procedures. The Board is also evaluating the adequacy and effectiveness of the

Group's processes in relation to sanctions and export-control risks and will implement such further enhancements as may be appropriate.

8. Further Updates

The Board will continue to monitor the progress of the matters set out in this announcement and will provide updates on material developments as and when they arise. Shareholders are advised to refer to announcements released by the Company on SGXNET for the latest information.

BY ORDER OF THE BOARD

James Tham
Managing Director
17 November 2026