



BENG KUANG MARINE LIMITED

Registration No. 199400196M

PRESS RELEASE

Beng Kuang Signs Agreement to Sell Approximately One-Third of its Batam Shipyard Property for S\$8.64 Million

- *The Group has a waterfront shipyard property with a total area of 328,956 square metre, including sea frontage, on the eastern side of Batam Island, Kabil*
- *The waterfront shipyard property will be subdivided into smaller land parcels and 90,000 square metre, representing approximately one-third of the total land area, will be sold under the agreement to a subsidiary of Oil States Industries, Inc., a major global provider of integrated energy systems and solutions*
- *As of 31 December 2022, the net book value of the proposed land sale of 90,000 square metre is approximately S\$0.6 million*
- *The gross proceeds of S\$8.64 million from this transaction will be used to reduce the Group's borrowings and for general working capital*

Singapore, 12 April 2023 – Beng Kuang Marine Limited (“**明光集团**” or the “**Company**”, and together with its subsidiaries, the “**Beng Kuang Group**” or the “**Group**”), is pleased to announce that the Group has entered into a conditional land sale & purchase agreement to sell a part of its Batam waterfront shipyard property for S\$8.64 million to a subsidiary of Oil States Industries, Inc., a major global provider of integrated energy systems and solutions.

In the recent years, the Group has been prioritising cost minimisation and deleveraging initiatives, while focusing on monetising fixed assets and high-potential business segments within its core business divisions to create new growth catalysts.

Mr Yong Jiunn Run, Chief Executive Officer of Beng Kuang Group, said: *“Capping another milestone in rationalising our fixed assets and transition towards an asset-light business model, this transaction provides an opportunity for the Group to unlock value and partially monetise our shipyard property at a premium to our initial investment.*”

The proceeds from this transaction will significantly enhance our liquidity position, strengthen our balance sheet and further reduce our gearing as well as interest expenses.

Building on this momentum, Beng Kuang Group will have more financial agility to harness the opportunities in the marine and offshore industries, accelerating our turnaround strategy in 2023.”

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This press release should be read in conjunction with the Company's announcements uploaded on SGXNet on 12 April 2023.



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About Beng Kuang Marine Limited

(Bloomberg: BKM:SP / Reuters: BENK.SI / SGX Stock Code: BEZ)

Beng Kuang Marine Limited (“明光集團” or the “**Company**”, and together with its subsidiaries, the “**Beng Kuang Group**”) was founded in 1994 and has been listed on Singapore Exchange since 15 October 2004.

With a multi-pronged business model, Beng Kuang Group continues to strive to be the “Preferred Partner” in providing total solutions for the offshore and marine industries.

Forging ahead with an innovative and operating mindset, the Beng Kuang Group team aims to create new value propositions for our customers and align its business activities towards new market trends and opportunities.

For more information, please visit <http://www.bkmgroupp.com.sg/>

Issued on behalf of Beng Kuang Marine Limited by 8PR Asia Pte Ltd.

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