BENG KUANG MARINE LIMITED
Registration No. 199400196M

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL

The Board of Directors of Beng Kuang Marine Limited (the "Company" and together with its subsidiaries, the "Group") was placed on the Watch-List under the Financial Entry Criteria pursuant to Rule 1311(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") ("Listing Manual") on 6 June 2023.

Pursuant to Rule 1313(2) of the Listing Manual, the Board of Directors (the "Board") wishes to provide an update on its efforts and the progress made in meeting the Financial Exit Criteria as set out in Rule 1314(1) of the Listing Manual in respect of the quarter ended 30 June 2023.

For the Update on Efforts for Satisfying Financial Exit Criteria In the quarter ended 30 June 2023 ("1H2023"), the Group's revenue increased 9.7% to S$31.86 million with gross profit surging 62.5% to S$8.39 million in 1H2023.

For 1H2023, the Group has achieved profit before tax of S$1.19 million and net profit of S$0.51 million in 1H2023 from our continuing operations.

Here are the key excerpts from the Company's press release for 1H2023 announced on SGXnet on 11 August 2023:

- The Group's business strategy towards an asset-light and service-oriented business model has gained momentum with efforts to monetise fixed assets and deleveraging initiatives showing good progress, while the Group's continuing operations of its two core business divisions, IE and CP, continue to perform resiliently within the offshore and marine market

- The Group's order book stood at S$24.4 million as at 30 June 2023, of which S$8.8 million was attributed to ASOM that provides specialised on-site vessel repair and maintenance solutions to operating floating asset, such as FPSO and FSO vessels

- Costs minimisation and productivity measures undertaken have improved the Group's gross profit margin to 26.3% in 1H2023, driving gross profit growth of 62.5%

- Net cash inflow generated from operating activities was S$3.92 million in 1H2023

- The Group has cash and cash equivalents of S$6.07 million and total borrowings of S$17.96 million as at 30 June 2023

BY ORDER OF THE BOARD

Chua Beng Yong
Executive Chairman

11 August 2023