APPENDIX DATED 11 April 2024

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Appendix is circulated to the Shareholders of Beng Kuang Marine Limited (the "**Company**") with the Company's Annual Report (as defined herein). Its purpose is to explain to the Shareholders the rationale of and to provide information pertaining to the proposed renewal of the Share Purchase Mandate (as defined herein) and to seek Shareholders' approval of the same at the AGM to be held on 26 April 2024 at 3.00 p.m. at 2 Venture Drive #09-22, Vision Exchange, Singapore, 608526.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

The Singapore Exchange Securities Trading Limited ("**SGX-ST**") assumes no responsibility for the contents of this Appendix, including the correctness of any of the statements or opinions made or reports contained in this Appendix.



BENG KUANG MARINE LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.:199400196M)

APPENDIX TO THE NOTICE OF ANNUAL GENERAL MEETING

in relation to

THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form	:	24 April 2024 and 3.00 p.m.
Date and time of Annual General Meeting	:	26 April 2024 and 3.00 p.m.

DEFINITIONS

Save where the context otherwise requires, the following definitions apply throughout this Appendix:

"**AGM**" or "**Annual General Meeting**"	:	The annual general meeting of the Company, to be held on 26 April 2024 at 3.00 p.m. at 2 Venture Drive #09-22, Vision Exchange, Singapore 608526
"**Annual Report**"	:	The annual report of the Company for the financial year ended 31 December 2023
"**Appendix**"	:	This Appendix to the Annual Report in respect of the proposed renewal of the Share Buyback Mandate
"**Board**"	:	The existing board of directors of the Company
"**CDP**" or "**Depository**"	:	The Central Depository (Pte) Limited
"**Code**"	:	The Singapore Code on Take-Overs and Mergers
"**Companies Act**"	:	The Companies Act 1967 of Singapore
"**Company**"	:	Beng Kuang Marine Limited
"**Constitution**"	:	The constitution of the Company in force from time to time
"**Court**"	:	Any court in the republic of Singapore
"**CPF**"	:	The Central Provident Fund
"**CPF Agent Banks**"	:	Agent banks included in the CPFIS
"**Directors**"	:	Directors of the Company from time to time
"**EPS**"	:	Earnings per share
"**Group**"	:	The Company and its subsidiaries
"**Latest Practicable Date**"	:	28 March 2024, being the latest practicable date prior to the printing of this Appendix
"**Listing Manual**"	:	The listing manual of the SGX-ST, which includes the Mainboard Listing Rules, as may be amended, modified or supplemented from time to time
"**Listing Rules**"	:	The listing rules of the SGX-ST as set out in the Listing Manual
"**Market Day**"	:	A day on which the SGX-ST is open for trading in securities
"**Maximum Price**"	:	Has the meaning ascribed to it in paragraph 2.3(d)
"**Notice of AGM**"	:	The Notice of AGM that this Appendix is appended to

DEFINITIONS

"**NTA**"	:	Net tangible asset
"**Proxy Form**"	:	The proxy form in respect of the AGM are enclosed with the Annual Report 2023
"**Registrar**"	:	Registrar of Companies appointed under the Companies Act and includes any Deputy or Assistant Registrar of Companies
"**Relevant Intermediary**"	:	Has the meaning ascribed to it in Section 181 of the Companies Act
"**Relevant Period**"	:	The period commencing from the date on which the Share Buyback Mandate is approved by the Shareholders and expiring on the date the next annual general meeting is held or is required by law to be held, whichever is the earlier
"**SFA**"	:	The Securities and Futures Companies Act 2001 of Singapore, as amended, varied or supplemented from time to time
"**SGXNet**"	:	Singapore Exchange Network, a system network used by listed companies to send information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Share Buyback Mandate**"	:	The proposed general and unconditional mandate to authorise the Directors to exercise all the powers to the Company to purchase, on behalf of the Company, Shares in accordance with the terms set out in the Appendix
"**Share Registrar**"	:	The share registrar of the Company, B.A.C.S Private Limited
"**Shareholders**"	:	Registered holders of Shares, except where the registered holder is CDP, in which case the term "**Shareholders**" shall in relation to such Shares mean the Depositors whose securities accounts maintained with CDP are credited with Shares
"**Shares**"	:	Ordinary shares in the capital of the Company
"**SIC**"	:	The Securities Industry Council of Singapore
"**SRS**"	:	Supplementary Retirement Scheme
"**SRS Operators**"	:	Agent banks included under the SRS

DEFINITIONS

Currencies, Units and Others

"**S$"** and "**cents**"	:	Singapore dollars and cents respectively, the lawful currency of Singapore
"**%**"	:	Per centum
"**N.A.**"	:	Not Applicable
"**n.m.**"	:	Not meaningful

Unless the context otherwise requires:

(a) the terms "**depositor**", "**depository register**" and "**depository agent**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA and the terms "**subsidiary**", "**related company**" and "**substantial shareholder**" shall have the meanings ascribed to them in Sections 5, 6 and 81 of the Companies Act respectively;

(b) words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. Unless the context otherwise requires, any references to persons shall include individuals, corporate bodies (wherever incorporated), unincorporated associations and partnerships;

(c) any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Listing Manual, the Listing Rules or the Code or any modification thereof and not otherwise defined in this Appendix shall, where applicable, have the same meaning ascribed to it under the Companies Act, the SFA, the Listing Manual, the Listing Rules or the Code or such modification thereof, as the case may be, unless the context otherwise requires;

(d) any reference to a time of a day in this Appendix shall be a reference to Singapore time unless otherwise stated;

(e) any discrepancies between the figures listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures that precede them; and

(f) the headings in this Appendix are inserted for convenience only and shall be ignored in construing this Appendix.

BENG KUANG MARINE LIMITED

LETTER TO SHAREHOLDERS

Board of Directors:
Mr Chua Beng Yong, *Executive Chairman*
Mr Chua Meng Hua, *Executive Director*
Mr Low Wee Siong, *Lead Independent Director*
Mr Lum Kin Wah, *Independent Director*
Mr Yee Chia Hsing, *Independent Director*

Registered Office:
2 Venture Drive #14-15
Vision Exchange
Singapore 608526

11 April 2024

To: The Shareholders of Beng Kuang Marine Limited

Dear Sir/Madam

THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

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1. INTRODUCTION

This Appendix is issued to Shareholders together with the Annual Report 2023.

The Notice of AGM and Proxy Form are enclosed with the Annual Report 2023.

The proposed resolution 10 in the Notice of AGM seeks to obtain Shareholders' approval for the proposed renewal of the Share Buyback Mandate.

The Purpose of this Appendix is to provide Shareholders with the relevant information pertaining to, and to seek approval from Shareholders at the AGM for, *inter alia*, the proposed renewal of the Share Buyback Mandate

2. PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

2.1 Background

It is a requirement under the Companies Act that a company which wishes to purchase or otherwise acquire its own shares has to obtain the approval of its shareholders to do so at a general meeting of its shareholders. In this regard, the Company proposes to renew the Share Buyback Mandate that was first adopted at the Company's Extraordinary General Meeting held on 21 July 2023, subject to Shareholders' approval at the AGM, to enable the Directors to exercise all powers of the Company to purchase or otherwise acquire the Shares on the terms of the Share Buyback Mandate.

The Company proposes to renew the Share Buyback Mandate for the Company to make market and off-market buybacks of Shares from time to time of up to 10% of the total number of Shares (excluding treasury shares and subsidiary holdings) in accordance with the terms set out below. It is intended that the Share Buyback Mandate will be put to Shareholders for renewal at each subsequent annual general meeting of the Company.

2.2 Rationale

The approval of the renewal of the Share Buyback Mandate authorising the Company to purchase or acquire its Shares would give the Company the flexibility to undertake Share purchases or acquisitions up to the 10% limit described in paragraph 2.3(a) below at any time, subject to market conditions, during the period when the Share Buyback Mandate is in force.

The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:

(a) in managing the business of the Group, the management team strives to increase shareholder value by improving, inter alia, the return on equity of the Group. A Share purchase is one of the ways in which the return on equity of the Group may be enhanced; and

(b) the Share Buyback Mandate is an expedient, effective and cost-efficient way for the Company to return to Shareholders surplus cash/funds which is/are over and above its ordinary capital requirements and in excess of the financial and possible investment needs of the Group, if any. In addition, the Share Buyback Mandate will allow the Company to have greater flexibility over, inter alia, the Company's share capital structure.

While the Share Buyback Mandate would authorise a purchase or acquisition of Shares up to the said 10% limit during the period referred to in paragraph 2.3(b) below, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buyback Mandate may not be carried out to the full 10% limit as authorised and the purchases or acquisitions of Shares pursuant to the Share Buyback Mandate will be made only as and when the Directors consider it to be in the best interests of the Company and/or Shareholders and in circumstances which they believe will not result in any material adverse effect on the financial condition of the Company or the Group, or result in the Company being delisted from the SGX-ST. The Directors will use their best efforts to ensure that after a purchase or acquisition of Shares pursuant to the Share Buyback Mandate, the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of the Shares on the SGX-ST.

2.3 Authority and Limits on the Share Buyback Mandate

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the Share Buyback Mandate are summarised below:

(a) Maximum Number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares which may be purchased or acquired pursuant to the Share Buyback Mandate is limited to that number of Shares representing not more than 10% of the total number of issued Shares as at the date of the AGM (excluding treasury shares and subsidiary holdings) at which the renewal of the Share Buyback Mandate is approved, unless the Company has, at any time during the Relevant Period, reduced its share capital by a special resolution under Section 78C of the Companies Act, or the Court has, at any time during the Relevant Period, made an order under Section 78I of the Companies Act confirming the reduction of share capital of the Company, in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered by the special resolution of the Company or the order of the Court, as the case may be. Any Shares which are held as treasury shares or subsidiary holdings will be disregarded for the purposes of computing the 10% limit.

For illustrative purposes only, based on the general rule in the foregoing paragraph, on the basis of 199,210,406 Shares in issue (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date and assuming no further Shares are issued on or prior to the AGM, and that the Company does not reduce its share capital, not more than 19,921,040 Shares (representing not more than 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at that date) may be purchased or acquired by the Company pursuant to the Share Buyback Mandate during the Relevant Period.

(b) Duration of Authority

Purchases or acquisitions of Shares pursuant to the Share Buyback Mandate may be made, at any time and from time to time, on and from the date of the AGM at which the Share Buyback Mandate is renewed, up to:

(i) the date on which the next annual general meeting is held or required by law to be held;

(ii) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by Shareholders in a general meeting; or

(iii) the date on which purchases or acquisitions of Shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated,

whichever is the earliest.

The authority conferred on the Directors by the Share Buyback Mandate to purchase or acquire Shares may be renewed by the Shareholders in any general meeting of the Company, such as at the next annual general meeting or at an extraordinary general meeting to be convened immediately after the conclusion or adjournment of the next annual general meeting. When seeking the approval of the Shareholders for the renewal of the Share Buyback Mandate, the Company is required to disclose details pertaining to purchases or acquisitions of Shares pursuant to the proposed Share Buyback Mandate made during the previous 12 months, including the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for such purchases or acquisitions of Shares, where relevant, and the total consideration paid for such purchases or acquisitions.

(c) Manner of Purchase or Acquisition

Purchases or acquisitions of Shares may be made by way of:

(i) on-market purchases ("**Market Purchases**"), transacted on the SGX-ST through the ready market, and which may be transacted through one or more duly licensed stockbrokers appointed by the Company for the purpose, in accordance with Section 76E of the Companies Act; and/or

(ii) off-market purchases ("**Off-Market Purchases**") effected pursuant to an equal access scheme in accordance with Section 76C of the Companies Act.

(iii) the date on which purchases or acquisitions of Shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated,

whichever is the earliest.

(d) Maximum Price

The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses ("**related expenses**")) to be paid for a Share will be determined by the Directors. However, the purchase price to be paid for the Shares pursuant to the purchases or acquisitions of the Shares must not exceed:

(i) in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter); and

(ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 105% of the Average Closing Price (as defined hereinafter),

(the "**Maximum Price**"), in either case, excluding related expenses.

For the above purposes:

"**Average Closing Price**" means the average of the closing market prices of the Shares traded on the SGX-ST over the last five Market Days, on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase by the Company or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five Market Days and the day on which the Market Purchase is made or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase; and

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.4 Status of Purchased or Acquired Shares

A Share purchased or acquired by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless such Share is held by the Company as a treasury share. At the time of each purchase or acquisition of Shares by the Company, the Directors will decide whether the Shares purchased or acquired will be cancelled or kept as treasury shares, or partly cancelled and partly kept as treasury shares, depending on the needs of the Company at that time. The total number of issued Shares will be diminished by the number of issued Shares purchased or acquired by the Company which are not held as treasury shares. It is presently intended by the Company that all or a significant portion of the Shares which are purchased or acquired by the Company under the Share Buyback Mandate will be cancelled.

All Shares purchased or acquired by the Company (unless held as treasury shares by the Company to the extent permitted under the Companies Act) will be automatically delisted by the SGX-ST, and certificates (if any) in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following the settlement of any such purchase or acquisition.

2.5 Treasury Shares

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

(a) Maximum Holdings

The aggregate number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

(b) Voting and Other Rights

The Company cannot exercise any rights in respect of treasury shares and any purported exercise of such right is void. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be made, to the Company in respect of treasury shares. However, the allotment of Shares as fully-paid bonus shares in respect of treasury shares is allowed. Also, a subdivision or consolidation of any treasury share into treasury shares of a greater or smaller number is allowed if the total value of the treasury shares after the subdivision or consolidation, is the same as the total value of the treasury shares before the subdivision or consolidation, as the case may be.

(c) Disposal and Cancellation

Where Shares are held as treasury shares, the Company may at any time:

(i) sell the treasury shares for cash;

(ii) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, Directors or other persons;

(iii) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;

(iv) cancel the treasury shares; or

(v) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

In addition, under the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such treasury shares, the purpose of such sale, transfer, cancellation and/or use of such treasury shares, the number of treasury shares which have been sold, transferred, cancelled and/or used, the number of treasury shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed before and after such sale, transfer, cancellation and/or use and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.6 Reporting Requirements

Within 30 days of the passing of a Shareholders' resolution to approve the purchase or acquisition of Shares by the Company, the Directors shall lodge a copy of such resolution with the Registrar.

The Directors shall notify the Registrar within 30 days of a purchase or acquisition of Shares on the SGX-ST or otherwise. Such notification shall include details of the purchase or acquisition including the date of the purchase or acquisition, the number of Shares purchased or acquired by the Company, the number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued share capital before and after the purchase or acquisition, the amount of consideration paid by the Company for the purchase or acquisition, whether the Shares were purchased or acquired out of the profits or the capital of the Company, and such other information as required by the Companies Act.

The Listing Manual specifies that a listed company shall notify the SGX-ST of all purchases or acquisitions of its Shares not later than 9.00 a.m.:

(a) in the case of a Market Purchase, on the Market Day following the day on which the Market Purchase was made; and

(b) in the case of an Off-Market Purchase, on the second Market Day after the close of acceptances of the offer for the Off-Market Purchase.

The notification of such purchases or acquisitions of Shares to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications to the SGX-ST.

The Company, upon undertaking any sale, transfer, cancellation and/or use of treasury shares, will comply with Rule 704(28) of the Listing Manual, which provides that an issuer must make an immediate announcement thereof, stating the following:

(i) date of the sale, transfer, cancellation and/or use;

(ii) purpose of such sale, transfer, cancellation and/or use;

(iii) number of treasury shares sold, transferred, cancelled and/or used;

(iv) number of treasury shares before and after such sale, transfer, cancellation and/or use;

(v) percentage of the number of treasury shares against the total number of Shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and

(vi) value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.7 Source of Funds

The Company may only apply funds for the purchase or acquisition of Shares as provided in the Constitution and in accordance with the applicable laws in Singapore. The Company may not purchase or acquire its Shares for a consideration other than in cash or, in the case of a Market Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST.

The Company may use internal sources of funds or external borrowings or a combination of both

to finance the Company's purchase or acquisition of Shares pursuant to the Share Buyback Mandate. The Directors do not propose to exercise the Share Buyback Mandate to such an extent that it would have a material adverse effect on the working capital requirements of the Group.

2.8 Financial Effects

It is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions of Shares that may be made pursuant to the Share Buyback Mandate on the NTA per Share and EPS as the resultant effect would depend on, *inter alia*, the aggregate number of Shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits, the purchase prices paid for such Shares, the amount (if any) borrowed by the Company to fund the purchase or acquisition and whether the Shares purchased or acquired are cancelled or held as treasury shares.

The Company's total number of issued Shares will be diminished by the total number of Shares purchased by the Company and which are not held as treasury shares. The NTA of the Group will be reduced by the aggregate purchase price (including any expenses such as brokerage and commission) paid by the Company for the Shares.

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

The purchase or acquisition of Shares will only be effected by the Company after the Directors have considered relevant factors such as the working capital requirements, the availability of financial resources and the expansion and investment plans of the Group, and the prevailing market conditions.

For illustrative purposes only, the financial effects of the Share Buyback Mandate on the Company and the Group, based on the audited financial statements of the Group for the financial year ended 31 December 2023 are based on the assumptions set out below:

(a) based on 199,210,406 Shares in issue (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date and assuming no further Shares are issued and no reduction of share capital of the Company takes place, not more than 19,921,040 Shares (representing 10% of the total number of issued Shares as at the date of the AGM (excluding treasury shares and subsidiary holdings)) may be purchased by the Company pursuant to the Share Buyback Mandate (if renewed);

(b) in the case of Market Purchases by the Company and assuming that the Company purchases or acquires 19,921,040 Shares at the Maximum Price of S$0.077 for one Share (being the price equivalent to 5% above the Average Closing Price of the Shares for the five consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 19,921,040 Shares (excluding related expenses) is approximately S$1,527,000; and

(c) in the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 19,921,040 Shares at the Maximum Price of S$0.088 for one Share (being the price equivalent to 20% above the Average Closing Price of the Shares for the five consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 19,921,040 Shares (excluding

related expenses) is approximately S1,745,000.

For illustrative purposes only, and based on the assumptions set out in sub-paragraphs (a), (b) and (c) above and assuming that:

(i) such purchase or acquisition of Shares is made entirely out of capital or profits and financed solely by internal sources of funds;

(ii) the Share Buyback Mandate had been effective on 1 January 2023;

(iii) the Company had purchased or acquired 19,921,040 Shares on 1 January 2023; and

(iv) related expenses incurred directly in the purchases or acquisitions by the Company of the Shares at the relevant time are not taken into account,

the financial effects of:

(1) the purchase or acquisition of 19,921,040 Shares by the Company at the Maximum Price pursuant to the Share Buyback Mandate by way of purchases made out of capital and held as treasury shares (**Scenario A**); and

(2) the purchase or acquisition of 19,921,040 Shares by the Company at the Maximum price pursuant to the Share Buyback Mandate by way of purchases made out of capital and cancelled (**Scenario B**),

on the audited financial statements of the Group and the Company for the financial year ended 31 December 2023, are summarised below.

Scenario A

As at 31 December 2023	Group			Company		
	Before Share Purchase	After Market Purchase	After Off-Market Purchase	Before Share Purchase	After Market Purchase	After Off-Market Purchase
	(S$'000)	(S$'000)	(S$'000)	(S$'000)	(S$'000)	(S$'000)
Issued capital and reserves	9,536	6,482	6,046	2,442	-612	-1,048
Treasury shares	0	1,527	1,745	0	1,527	1,745
NTA[(1)]	11,851	10,324	10,106	2,442	915	697
Total equity	11,851	10,324	10,106	2,442	915	697
Current assets	48,819	47,292	47,074	30,810	29,283	29,065
Current liabilities	47,488	47,488	47,488	33,080	33,080	33,080
Working capital	1,331	(196)	(414)	-2,270	-3,797	-2,270
Total borrowings	14,141	14,141	14,141	8,634	8,634	8,634
Cash and cash equivalents	12,186	10,659	10,441	4,577	3,050	2,832
Profit/(Loss) after tax and non-controlling interests	4,278	2,751	2,533	(469)	(1,996)	(2,214)
Number of Shares (excluding treasury shares) ('000)	199,210	179,290	179,290	199,210	179,290	179,290
Treasury shares ('000)	0	19,920	19,920	0	19,920	19,920

Financial ratios						
NTA per Share (S$)	5.95	5.76	5.64	1.23	0.51	0.39
EPS (cents)[2]	2.15	1.53	1.41	(0.24)	(1.11)	(1.23)
Current ratio (times)[3]	(1.03)	(1.00)	(0.99)	(0.93)	(0.89)	(0.88)
Net gearing ratio (%)[4]	16%	34%	37%	166%	610%	832%

Scenario B

As at 31 December 2023	Group			Company		
	Before Share Purchase	After Market Purchase	After Off-Market Purchase	Before Share Purchase	After Market Purchase	After Off-Market Purchase
	(S$'000)	(S$'000)	(S$'000)	(S$'000)	(S$'000)	(S$'000)
Issued capital and reserves	9,536	6,482	6,046	2,442	-612	-1,048
Treasury shares	0	0	0	0	0	0
NTA[1]	11,851	10,324	10,106	2,442	915	697
Total equity	11,851	10,324	10,106	2,442	915	697
Current assets	48,819	47,292	47,074	30,810	29,283	29,065
Current liabilities	47,488	47,488	47,488	33,080	33,080	33,080
Working capital	1,331	(196)	(414)	(2,270)	(3,797)	(4,015)
Total borrowings	14,141	14,141	14,141	8,634	8,634	8,634
Cash and cash equivalents	12,186	10,659	10,441	4,577	3,050	2,832
Profit/(Loss) after tax and non-controlling interests	4,278	2,751	2,533	(469)	(1,996)	(2,214)
Number of Shares (excluding treasury shares) ('000)	199,210	179,290	179,290	199,210	179,290	179,290
Treasury shares ('000)	0	0	0	0	0	0
Financial ratios						
NTA per Share (S$)	5.95	5.76	5.64	1.23	0.51	0.39
EPS (cents)[2]	2.15	1.53	1.41	(0.24)	(1.11)	(1.23)
Current ratio (times)[3]	(1.03)	(1.00)	(0.99)	(0.93)	(0.89)	(0.88)
Net gearing ratio (%)[4]	16%	34%	37%	166%	610%	832%

Notes:

(1) NTA equals total equity less minority interest less intangible assets.

(2) For illustrative purposes, EPS is computed based on profit after tax and the number of Shares as shown in the corresponding row in the table above.

(3) Current ratio equals current assets divided by current liabilities.

(4) Net gearing ratio equals total debts net of cash and cash equivalents, divided by total equity.

Shareholders should note that the financial effects set out above are purely for illustrative purposes only and based on the abovementioned assumptions. In particular, it is important to note that the above pro-forma financial analysis is based on the audited historical numbers for the financial year ended 31 December 2023, and is not necessarily representative of future financial performance.

Although the Share Buyback Mandate (if renewed) would authorise the Company to purchase up to 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as determined in accordance with the applicable provisions of the Companies Act, the Company may not necessarily purchase or be able to purchase the entire 10% of the total number of its issued Shares (excluding treasury shares and subsidiary holdings). In addition, the Company may cancel all or part of the purchased Shares or hold all or part of the purchased Shares in treasury.

Shareholders who are in doubt as to their tax positions or any tax implications in their respective jurisdictions should consult their own professional tax advisers.

2.9 Take-over Implications

Appendix 2 to the Code contains the Share Buy-Back Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

(a) Obligations to Make a Take-over Offer

If, as a result of any purchase or acquisition by the Company of the Shares, the percentage of voting rights in the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Code. Consequently, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Code.

(b) Person Acting in Concert

Under the Code, persons acting in concert ("**concert parties**") comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of the company.

Unless the contrary is established, the following persons will be presumed to be acting in concert:

(i) a company with its parent company, its subsidiaries, its fellow subsidiaries, any associated companies of the foregoing companies, any company whose associated companies include any of the foregoing companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights;

(ii) a company with any of its directors, together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts;

(iii) a company with any of its pension funds and employee share schemes;

(iv) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;

(v) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser;

(vi) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;

(vii) partners; and

(viii) an individual, his close relatives, his related trusts, any person who is accustomed to act according to the instructions of the individual, companies controlled by any of the foregoing persons, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing persons and/or entities for the purchase of voting rights.

For this purpose, ownership or control of at least 20% but not more than 50% of the voting rights of a company will be regarded as the test of associated company status.

The circumstances under which Shareholders, including Directors and their concert parties respectively, will incur an obligation to make a take-over offer under Rule 14 of the Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 to the Code.

(c) Effect of Rule 14 and Appendix 2 to the Code

In general terms, the effect of Rule 14 and Appendix 2 to the Code is that, unless exempted, Directors and their concert parties will incur an obligation to make a take-over offer under Rule 14 of the Code if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or if such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six (6) months.

Under Appendix 2 to the Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 of the Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buyback Mandate.

Based on substantial shareholding notifications received by the Company under Part VII of the Securities and Futures Act as at the Latest Practicable Date, as set out in paragraph 3 below, none of the Substantial Shareholders of the Company would become obliged to make a mandatory offer for the Company under Rule 14 of the Code as a result of the purchase or acquisition by the Company of the maximum limit of 10% of its issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Code as a result of any purchase or acquisition of Shares by the Company should consult the Securities Industry Council of Singapore and/or their professional advisers at the earliest opportunity.

2.10 Listing Manual

While the Listing Manual does not expressly prohibit purchases or acquisitions of shares by a listed company during any particular time or times, the Company, in line with Rule 1207(19)(c) of the Listing Manual, will not purchase or acquire any Shares through Market Purchases during the following periods:

(a) if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise, two weeks immediately preceding the announcement of the Company's financial statements for each of the first three quarters of its financial year and one month before the announcement of the Company's full year financial statements; or

(b) if the Company does not announce its quarterly financial statements, one month immediately preceding the announcement of the Company's half year and full year financial statements.

The Company's decision to purchase or acquire Shares would only be made with an arrangement that could reasonably be expected to ensure that information that is not generally available would not be communicated or informed to the person within the Company who makes the decision to transact.

The Company is required under Rule 723 of the Listing Manual to ensure that at least 10% of its listed securities (excluding treasury shares, preference shares and convertible equity securities) are in the hands of the public. The "public", as defined in the Listing Manual, are persons other than the directors, chief executive officer, Substantial Shareholders or Controlling Shareholders of the Company and its subsidiaries, as well as the associates of such persons.

As at the Latest Practicable Date, 125,758,081 Shares, representing 63.13% of the total number of issued Shares (excluding treasury shares), are held in the hands of the public. Assuming that the Company purchases the aggregate of 19,921,041 Shares through Market Purchases, being the full 10% limit pursuant to the Share Buyback Mandate from the public (as defined in the Listing Manual), the number of Shares in the hands of the public would be reduced to 105,837,040 Shares, representing approximately 59.03% of the issued Shares of the Company (excluding treasury shares). Accordingly, the Company is of the view that there is a sufficient number of Shares held in the hands of the public which would permit the Company to undertake purchases or acquisitions of its Shares up to the full 10% limit pursuant to the Share Buyback Mandate (if renewed) without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity.

In undertaking any purchases or acquisitions of Shares through Market Purchases, the Directors will use their best efforts to ensure that, notwithstanding such purchases, a sufficient float in the hands of the public will be maintained so that the purchases or acquisitions of Shares will not adversely affect the listing status of the Shares on the SGX-ST, cause market illiquidity or adversely affect the orderly trading of the Shares.

2.11 Previous Share Buybacks

Since the adoption of the Share Buyback Mandate on 21 July 2023, the Company has not purchased any Shares as at the Latest Practicable Date.

3. DIRECTORS AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at the Latest Practicable Date, the interests of the Directors and Substantial Shareholders in issued Shares are as follows:

	Direct Interest		Deemed Interest		Total
	No. of Shares	**%(1)**	**No. of Shares**	**%(1)**	**%(1)**
Directors					
Chua Beng Yong	8,729,875	4.38	-	-	4.38
Chua Meng Hua	8,829,875	4.43	-	-	4.43
Low Wee Siong	-	-	-	-	-
Yee Chia Hsing	-	-	-	-	-
Lum Kin Wah	-	-	-	-	-
Substantial Shareholders (other than Directors)					
Chan Kwan Bian	27,305,575	13.71	-	-	13.71

Notes:

(1) The shareholding interest is calculated based on the total issued and paid-up share capital of the Company comprising 199,210,406 Shares (excluding treasury Shares) as at the Latest Practicable Date.

4. DIRECTORS' RECOMMENDATION

The Directors having fully considered, *inter alia*, the terms and rationale of the proposed renewal of the Share Buyback Mandate as set out in this Appendix, are of the opinion that the proposed renewal of the Share Buyback Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the special resolution relating to the proposed renewal of the Share Buyback Mandate to be proposed at the AGM.

5. ACTION TO BE TAKEN BY SHAREHOLDERS

5.1 Submission of Questions in Advance of the AGM

(a) All Shareholders may submit substantial and relevant questions relating to the business of the AGM up till 18 April 2024 at 3.00 p.m. either:

(i) via post to Company's registered office at 2 Venture Drive #14-15, Vision Exchange, Singapore 608526; or

(ii) via electronic mail to william@bkmgroup.com.sg.

Shareholders who submit questions in advance of the AGM should provide their full name, address, contact number, email and the manner in which they hold Shares (if you hold Shares directly, please provide your account number with CDP; otherwise, please state if you hold your Shares through CPF or SRS or other Relevant Intermediary), for our verification purposes.

(b) The Company will endeavour to address all substantial and relevant questions:

(i) (if received by the deadline set out in section 5.1(a) above) before the AGM, and if the substantial and relevant questions are so received by 22 April 2024 at 3.00 p.m. (being more than 48 hours prior to the closing date and time for the lodgement of the proxy forms), via an announcement on SGXNet and the Company's website; or

(ii) (if received after the deadline set out in section 5.1(a) above) during the AGM.

(c) The Company will also, within one (1) month after the date of the AGM, publish the minutes of the AGM on SGXNet and the Company's website, and the minutes will include the responses to the questions referred to above.

5.2 Voting

Shareholders who wish to exercise their voting rights at the AGM may:

(a) (where the Shareholder is an individual) attend and vote at the AGM; or

(b) (where the Shareholder is an individual or a corporate) appoint a proxy to vote on their behalf.

Each of the resolutions to be put to the vote of members at the AGM (and at any adjournment thereof) will be voted on by way of a poll.

Shareholders (including Relevant Intermediaries) who wish to vote on any or all of the resolutions at the AGM via proxy must submit a Proxy Form to appoint the proxy. The Proxy Form must be submitted to the Company in the following manner:

(a) if submitted by post, be lodged at the office of the Company's registered office at 2 Venture Drive #14-15, Vision Exchange, Singapore 608526; or

(b) if submitted electronically, be submitted via email to william@bkmgroup.com.sg,

in either case by **no later than 3.00 p.m. on 24 April 2024, being 48 hours before the time appointed for the AGM**.

The accompanying Proxy Form for the AGM may be accessed via the Company's corporate website at the following URL: http://www.bkmgroup.com.sg, and will also be made available on the SGX website at the following URL: https://www.sgx.com/securities/company-announcements.

Shareholders are strongly encouraged to submit completed Proxy Forms electronically via email.

A member can appoint the Chairman of the AGM as his/her/its proxy, but this is not mandatory. A proxy need not be a member of the Company.

In the case of submission of the Proxy Form appointing the Chairman of the AGM as proxy, it must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing the Chairman of the AGM as proxy is executed by a corporation, it must be executed either under its seal or signed on its behalf by an attorney duly authorised in writing or by an authorised officer of the corporation. Where the instrument appointing the Chairman of the AGM as proxy is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument, failing which the instrument may be treated as invalid.

A corporation which is a Shareholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act, and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

An investor who holds shares through the CPF or SRS and wishes to vote, should approach their respective CPF Agent Banks or SRS Operators to submit their votes to appoint the Chairman of the AGM as their proxy, at least 7 working days before the AGM (i.e. 17 April 2024). A Depositor's name must appear on the Depository Register maintained by CDP as at 72 hours before the time fixed for holding the AGM in order for the Depositor to be entitled to vote at the AGM.

The Company shall be entitled to reject the instrument appointing the Chairman of the AGM as proxy if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the AGM as proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the AGM as proxy lodged if the Shareholder, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by CDP to the Company.

6. DIRECTORS RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of the Share Buyback Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading.

Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

7. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company during normal business hours for a period of six (6) months from the date of this Appendix at 2 Venture Drive #14-15, Vision Exchange, Singapore 608526 for three (3) months from the date of this announcement:

(a) the Annual Report 2023; and

(b) the Constitution.

The Annual Report 2023 may also be accessed at the Company's website at the following URL: https://www.bkmgroup.com.sg/ar and SGXNet.

Yours faithfully
For and on behalf of the Board of Directors of
BENG KUANG MARINE LIMITED

Mr Chua Beng Yong
Executive Chairman