BENG KUANG MARINE LIMITED
(Incorporated in Singapore)
Registration No. 199400196M

RESPONSE TO SGX QUERIES ON THE COMPANY'S ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 2023 ("ANNUAL REPORT 2023")

The Board of Directors of Beng Kuang Marine Limited (the "Company") refers to the queries ("Queries") raised by Singapore Exchange Securities Trading Limited ("SGX-ST") in respect of the Company's Annual Report 2023 and sets out its response as follows:-

Query :

It is noted on page 133 of the AR2023 that there were certain transactions made between the Group and a firm of which an independent director is a partner (the "Firm"). In this regard please disclose:-.

- The total quantum, nature and level of involvement of the independent director in relation to the transactions made between the Group and the Firm for the financial year ended 31 December 2023; and

- The Board's assessment on whether such transactions would compromise the independence of such director.

Company's response:

There was no transaction between the Group and a firm of which an independent director is a partner of for the financial years ended 31 December 2023 ("**FY 2023**") and 31 December 2022 ("**FY 2022**") and the related party transaction figures do not include any payment made to a firm of which an independent director is a partner of. The foot note making reference to related parties comprising of a firm of which an independent director is a partner of, amongst others, is a general foot note.

For completeness, for the financial year ending 31 December 2021 ("**FY 2021**"), S$22,100 (excluding goods and services tax was paid as legal fee to the law firm which the independent director is a partner of. The payment was for the provision of legal advisory services rendered by the independent director to the Company in the financial year ending 31 December 2021 ("**FY 2021**") ("**Provision of Legal Advisory Services**"). This was duly disclosed in page 119 of the annual report for FY 2021 as professional fees paid to a related party.

The Board is of the view that the Provision of Legal Advisory Services did not compromise the independence of such director given (a) the infrequent nature of such transactions between the Group and the firm of which the independent director is a partner of. In this regard, the Board notes that there have been no other transactions between the Group and the firm of which the independent director is a partner of for FY 2022 and FY 2023 despite the Group

having been involved in several corporate actions which required the Group to engage legal counsels during FY 2022 and FY 2023; (b) the relatively small quantum of the payment amount; and (c) the oversight and contribution of the independent director towards the turn-around of the Group's financial performance.

By Order of the Board

Chua Beng Yong
Executive Chairman
23 April 2024