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 31 March 2024 ("1Q2024").

For the Update on Efforts for Satisfying Financial Exit Criteria, the Group's revenue in 1Q2024 increased 113.1% to S$28.63 million, which was mainly contributed by our two core business divisions, Infrastructure Engineering ("IE") and Corrosion Prevention ("CP"), as compared to the previous corresponding period of 1Q2023.

Notably, higher demand for its FPSO and FSO contracting and maintenance services propelled the Group's IE business momentum with strong organic growth in 1Q2024.

Coupled together with the exit of its loss-making business operations, the Group's cost minimisation and productivity measures undertaken in recent years have progressively improved its gross profit margin and in 1Q2024, the Group registered gross profit margin of 34.2% with gross profit increasing 208.0% to S$9.79 million as compared to 1Q2023's S$3.18 million.

Supported by organic revenue growth in its IE business segment and boosted by a one-time gain of S$5.83 million from the partial sale of its Batam property that was completed in January 2024, the Group registered profit before tax of S$11.32 million in 1Q2024, which has surpassed FY2023's profit before tax of S$10.82 million.

For 1Q2024. the Group generated positive EBITDA of S$12.26 million.

As at 31 March 2024, the Group's cash and cash equivalents increased to S$14.11 million, while total borrowings reduced to S$9.14 million.

For more details on the Group's 1Q2024 results, please refer to our announcement (1Q2024's Corporate Highlights) dated 2 May 2024, which can be downloaded via www.sgx.com or our corporate website http://www.bkmgroup.com.sg/
.

BY ORDER OF THE BOARD

Chua Beng Yong
Executive Chairman
2 May 2024