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 six months ended 30 June 2024 ("1H2024").

For the Update on Efforts for Satisfying Financial Exit Criteria, the Group's revenue in 1H2024 increased 88.1% to S$59.92 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 1H2023.

Notably, strong performance by the Group's asset integrity solutions for operating floating assets such as Floating Production Storage and Offloading vessels ("FPSO") and Floating Storage and Offloading vessels ("FSO"), among others, propelled the Group's IE business momentum with strong organic growth in 1H2024.

The Group's rationalising and streamlining initiatives, together with the exit of our loss-making business operations, that were undertaken in recent years have progressively improved our gross profit margin to 35.5% in 1H2024, as compared to 26.3% in 1H2023, driving gross profit growth of 153.4% to S$21.26 million in 1H2024.

Supported by organic revenue growth in our IE business segment and boosted by a one-time gain of S$5.53 million from the second partial sale of our Batam property that was completed in January 2024, the Group registered net profit of S$14.38 million in 1H2024, which has exceeded net profit of S$7.92 million in FY2023.

For 1H2024, the Group generated positive EBITDA of S$18.98 million.

The Group's balance sheet continues to strengthen further with cash and cash equivalents increasing significantly to S$19.29 million, while total borrowings reduced further to S$8.57 million as at 30 June 2024.

For more details on the Group's 1H2024 results, please refer to our announcement (1H2024's Corporate Highlights and Press Release) dated 5 August 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
5 August 2024