明 光 集 團
BENG KUANG GROUP

BENG KUANG MARINE LIMITED
Registration No. 199400196M

PRESS RELEASE

Beng Kuang Group to Raise Approximately S$3.35 Million from Proposed Share Placement to Accelerate its Growth Plans and Strengthen its Balance Sheet

- *Share Placement of 37.2 million new ordinary shares at an issue price of S$0.09 per share to raise gross proceeds of approximately S$3.35 million that will create a larger equity base and a strengthened balance sheet*
- *Notably, the Company's CEO, Mr Yong Jiunn Run, will be taking up 5.6 million Placement Shares under the Share Placement*
- *Proceeds to be used for organic business growth and working capital purposes in the Group's marine and offshore oil and gas business activities*
- *The Group's 1H2021 revenue jumped 30% to S$27.86 million with gross profit of S$2.93 million and adjusted EBITDA* of S$1.45 million*

Singapore, 18 October 2021 – **Beng Kuang Marine Limited** ("**明光集团**" or the "**Company**", and together with its subsidiaries, the "**Beng Kuang Group**"), is pleased to announce that the Company is raising gross proceeds of approximately S$3.35 million from a share placement exercise (the "Share Placement") undertaken by SAC Capital Private Limited.

Under the terms of the Share Placement, the Company will issue 37.2 million new ordinary shares at an issue price of S$0.09 per share, which represents a discount of approximately 9%, to its volume weighted average price of S$0.0989 per Share for trades done on the Shares on the SGX-ST for the full market day on 14 October 2021, being the last full market day preceding the date the Placement Agreement was signed.

The proceeds of the Share Placement shall be used to increase resources available to the Company for its operational needs, reduce the Group's dependence on debt financing and further strengthen the Group's financial position.

The Company will not be relying on the existing general share issue mandate approved by the Shareholders by way of an ordinary resolution at the annual general meeting of the Company held on 27 April 2021. The allotment and issue of the Placement Shares will be made pursuant to a specific mandate of the Shareholders and as such, the Company will be seeking specific Shareholders' approval for the allotment and issue of the Placement Shares at the Extraordinary General Meeting to be convened.

Striving to be the "Preferred Partner" in providing total solutions for the marine, offshore oil and gas industries, the Group has four key business segments as follows:

1. **Infrastructure Engineering** ("**IE**") – Providing a spectrum of turnkey engineering services from planning and project management to implementation involving procurement, fabrication, corrosion prevention, testing, installation and pre-commissioning of steel work modules and structures

**Adjusted EBITDA is not determined in accordance with SFRS(I) as SFRS(I) does not prescribe the computation methodology of Adjusted EBITDA. Adjusted EBITDA of Beng Kuang Group is defined as profit before tax, finance expense, depreciation and amortisation of property, plant and equipment and intangible assets, and excluding other gains. Adjusted EBITDA of the Beng Kuang Group may not be comparable to that of other companies that may determine Adjusted EBITDA differently. Adjusted EBITDA is presented as an additional measure because management believes that some investors find it to be a useful tool for measuring the Beng Kuang Group's ability to fund capital expenditures or to service debt obligations. It should not be considered in isolation or as an alternative to net profit as an indicator of operating performance or as an alternative to cash flows as a measure of liquidity.*

2. **Corrosion Prevention** ("**CP**") – Providing corrosion prevention services in several established shipyards in Singapore and Batam, Indonesia
3. **Supply and Distribution** ("**SD**") – Providing a variety of marine and industrial hardware, tools and equipment as well as consumables under its house brands like MASTER, MULTI-FLEX, WELL and SPLASH
4. **Shipping** ("**SH**") – Operating two livestock vessels and two Indonesian-flagged assist tugs

Mr Yong Jiunn Run, Chief Executive Officer of Beng Kuang Group, said: ***"Even as we prioritise costs cutting and deleveraging initiatives, we continue to focus our efforts and resources on high-potential business segments to create new growth catalysts.***

The strong support of our Share Placement gives us more confidence and impetus with our business strategy. In addition, it provides greater financial flexibility for us to scale promising propositions within our business model.

With an asset-light and service-centric approach, we are confident that we will become more agile with a stronger business foundation that creates sustainable, long-term value for our stakeholders."

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This press release is to be read in conjunction with the Company's exchange filings on 18 October 2021, which can be downloaded via www.sgx.com.

About Beng Kuang Marine Limited
(Bloomberg: BKM:SP / Reuters: BENK.SI / SGX Stock Code: BEZ)

Beng Kuang Marine Limited ("**明光集团**" or the "**Company**", and together with its subsidiaries, the "**Beng Kuang Group**") was founded in 1994 and has been listed on Singapore Exchange since 15 October 2004.

Over the years, Beng Kuang Group has been striving to be the "Preferred Partner" in providing total solutions for the marine, offshore oil and gas industries. As a testament to its commitment to quality, health and safety, many of its subsidiaries have been accredited with the relevant ISO certifications.

Leveraging on its strong track record and established business networks, Beng Kuang Group continues to strategically grow its key businesses in Infrastructure Engineering, Corrosion Prevention, Supply & Distribution and Shipping.

For more information, please visit http://www.bkmgroup.com.sg/

Issued on behalf of Beng Kuang Marine Limited by 8PR Asia Pte Ltd.

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