明 光 集 團
BENG KUANG GROUP

BENG KUANG MARINE LIMITED
AND ITS SUBSIDIARY CORPORATIONS
(Company Registration No: 199400196M)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX AND TWELVE MONTHS ENDED 31 DECEMBER 2025

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A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	The Group 6 months ended 31 Dec 2025 $'000	The Group 6 months ended 31 Dec 2024 $'000	+/(-) %	The Group 12 months ended 31 Dec 2025 $'000	The Group 12 months ended 31 Dec 2024 $'000	+/(-) %
Revenue	4	47,368	51,963	(8.8%)	98,155	111,883	(12.3%)
Cost of sales		(30,372)	(34,486)	(11.9%)	(61,741)	(73,150)	(15.6%)
Gross profit		16,996	17,477	(2.8%)	36,414	38,733	(6.0%)
Other gains – net							
- Reversal of loss allowance/ (loss allowance) on trade receivables		25	14	78.6%	(47)	345	NM
- Others		1,415	1,006	40.7%	1,408	8,269*	(83.0%)
Expenses							
- Administrative		(10,765)	(9,720)	10.8%	(20,710)	(21,000)	(1.4%)
- Finance		(280)	(420)	(33.3%)	(610)	(947)	(35.6%)
Profit before income tax	6	7,391	8,357	(11.6%)	16,455	25,400	(35.2%)
Income tax expense	7	(1,741)	(1,550)	12.3%	(3,925)	(4,210)	(6.8%)
Net profit		5,650	6,807	(17.0%)	12,530	21,190	(40.9%)
Other comprehensive income/(loss), net of tax:							
Items that may be reclassified subsequently to profit or loss:							
Currency translation differences arising from consolidation – (losses)/gains		(83)	95	NM	(439)	(90)	387.8%
Items that will not be reclassified subsequently to profit or loss:							
Currency translation differences arising from consolidation – (losses)/gains		(31)	20	NM	(109)	(22)	395.5%
Other comprehensive (losses)/gains		(114)	115	NM	(548)	(112)	389.3%
Total comprehensive income		5,536	6,922	(20.0%)	11,982	21,078	(43.2%)
Profit attributable to:							
Equity holders of the Company		2,403	2,972	(19.1%)	5,334	11,538	(53.8%)
Non-controlling interests		3,247	3,835	(15.3%)	7,196	9,652	(25.4%)
		5,650	6,807	(17.0%)	12,530	21,190	(40.9%)
Total comprehensive income attributable to:							
Equity holders of the Company		2,320	3,067	(24.4%)	4,895	11,448	(57.2%)
Non-controlling interests		3,216	3,855	(16.6%)	7,087	9,630	(26.4%)
		5,536	6,922	(20.0%)	11,982	21,078	(43.2%)
Earnings per share attributable to equity holders of the Company (cents per share)							
Basic earnings per share	9	1.18	1.49	(20.8%)	2.61	5.79	(54.9%)
Diluted earnings per share	9	1.17	1.49	(21.5%)	2.60	5.79	(55.1%)

Note:

NM - Not meaningful

* - Include one-off gain of S$5.51 million from partial disposal of Batam property

B. Condensed interim statements of financial position

	Note	The Group		The Company	
		31 December 2025 $'000	31 December 2024 $'000	31 December 2025 $'000	31 December 2024 $'000
ASSETS					
Current assets					
Cash and cash equivalents	11	37,380	22,920	1,388	2,385
Trade and other receivables	12	15,512	24,954	19,906	20,007
Contract assets		9,173	12,712	-	-
Derivative financial instruments	13	18	-	-	-
Inventories		1,777	1,068	-	-
		63,860	61,654	21,294	22,392
Assets of disposal group	14	-	-	-	-
		63,860	61,654	21,294	22,392
Non-current assets					
Investments in subsidiary corporations		-	-	4,589	4,589
Investment properties	15	-	1,553	-	-
Property, plant and equipment	16	15,717	10,612	927	766
Deferred income tax assets		198	292	-	-
		15,915	12,457	5,516	5,355
Total assets		79,775	74,111	26,810	27,747
LIABILITIES					
Current liabilities					
Trade and other payables	17	27,484	31,732	15,016	18,905
Contract liabilities		545	43	-	-
Deferred income	18	29	737	-	-
Current income tax liabilities		3,503	3,931	-	-
Borrowings	19	4,249	3,762	1,621	198
		35,810	40,205	16,637	19,103
Non-current liabilities					
Trade and other payables	17	1,571	951	-	-
Borrowings	19	6,247	4,477	3,161	3,259
Deferred income tax liabilities		6	7	-	-
		7,824	5,435	3,161	3,259
Total liabilities		43,634	45,640	19,798	22,362
NET ASSETS		36,141	28,471	7,012	5,385
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	20	55,856	54,124	55,856	54,124
Other reserves		(2,442)	(2,037)	31	-
Accumulated losses		(26,989)	(31,098)	(48,875)	(48,739)
		26,425	20,989	7,012	5,385
Non-controlling interests		9,716	7,482	-	-
Total equity		36,141	28,471	7,012	5,385

C. Condensed interim statements of changes in equity

	← Attributable to equity holders of the Company →					
The Group	**Share capital $'000**	**Accumulated losses $'000**	**Other reserves $'000**	**Total $'000**	**Non-controlling interests $'000**	**Total $'000**
2025						
Balance at 1 January 2025	54,124	(31,098)	(2,037)	20,989	7,482	28,471
Profit for the financial year	-	5,334	-	5,334	7,196	12,530
Other comprehensive loss for the financial year	-	-	(439)	(439)	(109)	(548)
Total comprehensive income	-	5,334	(439)	4,895	7,087	11,982
Issuance of new shares pursuant to exercise of bonus warrants	385	-	-	385	-	385
Issuance of new shares pursuant to exercise of compensation shares	929	-	-	929	-	929
Share issue expenses	(114)	-	-	(114)	-	(114)
Acquisition of non-controlling interests	-	-	3	3	(3)	-
Issuance of shares to non-controlling shareholders	-	-	-	-	50	50
Dividend paid to equity shareholders:						
- In cash	-	(693)	-	(693)	-	(693)
- Shares issued in lieu of dividends	532	(532)	-	-	-	-
Dividend paid to non-controlling interests	-	-	-	-	(4,900)	(4,900)
Employee share option scheme - Value of employe services	-	-	31	31	-	31
Balance as at 31 December 2025	55,856	(26,989)	(2,442)	26,425	9,716	36,141
2024						
Balance at 1 January 2024	54,124	(42,636)	(1,952)	9,536	2,315	11,851
Profit for the financial year	-	11,538	-	11,538	9,652	21,190
Other comprehensive loss for the financial year	-	-	(90)	(90)	(22)	(112)
Total comprehensive income	-	11,538	(90)	11,448	9,630	21,078
Acquisition of non-controlling interests	-	-	5	5	(505)	(500)
Dividend paid to non-controlling interests	-	-	-	-	(3,959)	(3,959)
Disposal of shares in subsidiary corporation	-	-	-	-	1	1
Balance as at 31 December 2024	54,124	(31,098)	(2,037)	20,989	7,482	28,471

C. Condensed interim statements of changes in equity

The Company	Share capital $'000	Accumulated losses $'000	Other reserves $'000	Total Equity $'000
2025				
Balance at 1 January 2025	54,124	(48,739)	-	5,385
Profit for the financial year	-	1,089	-	1,089
Issuance of new shares pursuant to exercise of bonus warrants	385	-	-	385
Issuance of new shares pursuant to exercise of compensation shares	929	-	-	929
Share issue expenses	(114)	-	-	(114)
Dividend paid to equity shareholders:				
- In cash	-	(693)	-	(693)
- Shares issued in lieu of dividends	532	(532)	-	-
Employee share option scheme - Value of employe services	-	-	31	31
Balance as at 31 December 2025	55,856	(48,875)	31	7,012
2024				
Balance at 1 January 2024	54,124	(51,682)	-	2,442
Profit for the financial year	-	2,943	-	2,943
Balance as at 31 December 2024	54,124	(48,739)	-	5,385

D. Condensed interim consolidated statements of cash flows

	Note	The Group	
		12 months ended 31 Dec 2025 $'000	12 months ended 31 Dec 2024 $'000
Cash flows from operating activities			
Net profit		12,530	21,190
Adjustments for:			
Credit loss allowance/(write back) - trade receivable, net	6	47	(345)
Inventories written (back)/down		(10)	22
Gain on disposal of property, plant and equipment	6	(160)	(83)
Property, plant and equipment written off	6	41	26
Gain on lease termination		(2)	(3)
Gain on disposal and remeasurement of disposal group, net	6	-	(5,511)
Interest income		(329)	(149)
Interest expense	6	610	947
Income tax expense	7	3,925	4,210
Depreciation of investment properties	6	169	165
Depreciation of property, plant and equipment	6	3,396	2,735
Fair value loss on derivatives		166	-
Employee share option expenses		31	-
Unrealised currency translation differences		10	26
		20,424	23,230
Change in working capital			
Inventories		(699)	66
Contract assets		3,539	(2,643)
Trade and other receivables		9,403	(2,772)
Trade and other payables		(1,956)	(1,268)
Contract liabilities		502	43
Deferred income		(708)	691
Cash generated from operations		30,505	17,347
Interest received		329	149
Interest paid		(21)	(212)
Income tax paid		(4,259)	(2,531)
Net cash generated from operating activities		26,554	14,753
Cash flows from investing activities			
Additions to property, plant and equipment		(3,739)	(1,121)
Proceeds from disposal of property, plant and equipment		234	114
Proceeds from disposal of shares in subsidiary corporation		-	1
Acquisition of non-controlling interests		-	(500)
Issuance of shares to non-controlling shareholders		50	-
Premium paid on derivative financial instrument		(184)	-
Net cash inflow from sale of disposal group		-	7,534
Net cash (used in) / generated from investing activities		(3,639)	6,028
Cash flows from financing activities			
Bank deposits pledged		(100)	(200)
Proceeds from issuance of warrants, net		385	-
Proceeds from bond		-	3,000
Repayment of bonds		(3,750)	(2,671)
Proceeds from borrowings		10,496	9,135
Repayment of borrowings		(7,392)	(11,569)
Principal payment of lease liabilities		(1,569)	(1,377)
Increase in bills payable, net		211	103
Interest paid		(624)	(735)
Dividend paid to non-controlling interests		(4,900)	(3,959)
Dividend paid to equity holders of the Company		(693)	-
Share issue expense		(114)	-
Net cash used in financing activities		(8,050)	(8,273)
Net increase in cash and cash equivalents		14,865	12,508
Cash and cash equivalents			
Beginning of financial year		22,420	9,889
Effects of currency translation on cash and cash equivalents		(510)	23
End of financial year		36,775	22,420

E. Selected notes to the condensed interim consolidated financial statements

1 Corporate information

Beng Kuang Marine Limited (the "Company") is a limited liability company, which is incorporated in the Republic of Singapore and listed on the Singapore Stock Exchange. These condensed interim consolidated financial statements as at and for the twelve months ended 31 December 2025 comprise the Company and its subsidiaries (collectively, the Group).

The principal activities of the Company are provision of corrosion prevention services relating to repairing of ships, tankers and other ocean-going vessels and investment holding. The principal activities of the subsidiary corporations are provision of infrastructure engineering services and corrosion prevention services for the marine and offshore energy sector.

2 Basis of preparation

The condensed interim financial statements for the twelve months ended 31 December 2025 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Committee. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency and all values are rounded to the nearest thousand ($'000) except when otherwise indicated.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

E. Selected notes to the condensed interim consolidated financial statements

3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4 Segment and revenue information

The Group is organized into the following main business segments:

(a) Infrastructure Engineering

This relates to provision of a wide range of engineering services including repairs and maintenance of floating production platforms, onshore and offshore marine fabrications; and the production and supply of customised pedestal cranes and deck equipment.

(b) Corrosion Prevention

This relates to the provision of comprehensive corrosion protection services such as surface preparation and application of protective coatings as part of the marine and offshore energy sectors.

(c) Corporate Services

This relates to corporate administration and treasury related functions at Group level.

(d) Others

This relates to other non-core activities comprising vessel owning and freighting services.

These operating segments are reported in a manner consistent with internal reporting provided to Executive Committee who are responsible for allocating resources and assessing performance of the operating segments.

E. Selected notes to the condensed interim consolidated financial statements

4.1 Reporting segments

	Infrastructure Engineering		Corrosion Prevention		Corporate Services		Others		Total	
	6 months ended 31 Dec 2025 $'000	6 months ended 31 Dec 2024 $'000	6 months ended 31 Dec 2025 $'000	6 months ended 31 Dec 2024 $'000	6 months ended 31 Dec 2025 $'000	6 months ended 31 Dec 2024 $'000	6 months ended 31 Dec 2025 $'000	6 months ended 31 Dec 2024 $'000	6 months ended 31 Dec 2025 $'000	6 months ended 31 Dec 2024 $'000
Revenue										
Total segment sales	37,555	41,415	10,605	10,520	-	-	-	13	48,160	51,948
Inter-segment sales	(225)	(99)	(567)	114	-	-	-	-	(792)	15
Sales to external customers	37,330	41,316	10,038	10,634	-	-	-	13	47,368	51,963
Results:										
Segment results	8,979	9,750	1,102	1,809	(2,500)	(2,826)	(63)	(83)	7,518	8,650
Interest expense	(11)	(54)	(130)	(192)	(139)	(174)	-	-	(280)	(420)
Interest income	131	105	11	10	11	12	-	-	153	127
Profit/(loss) from operating segment	9,099	9,801	983	1,627	(2,628)	(2,988)	(63)	(83)	7,391	8,357
Income tax expense									(1,741)	(1,550)
Net profit									5,650	6,807
Profit attributable to non-controlling interests									(3,247)	(3,835)
									2,403	2,972
Net profit includes:										
- Depreciation of investment properties	81	68	-	-	-	-	-	-	81	68
- Depreciation of property, plant and equipment	540	536	908	558	179	184	64	64	1,691	1,342

E. Selected notes to the condensed interim consolidated financial statements

4.1 Reporting segments (cont'd)

	Infrastructure Engineering		Corrosion Prevention		Corporate Services		Others		Total	
	12 months ended 31 Dec 2025 $'000	12 months ended 31 Dec 2024 $'000	12 months ended 31 Dec 2025 $'000	12 months ended 31 Dec 2024 $'000	12 months ended 31 Dec 2025 $'000	12 months ended 31 Dec 2024 $'000	12 months ended 31 Dec 2025 $'000	12 months ended 31 Dec 2024 $'000	12 months ended 31 Dec 2025 $'000	12 months ended 31 Dec 2024 $'000
Revenue										
Total segment sales	79,052	91,634	20,699	21,610	-	-	26	13	99,777	113,257
Inter-segment sales	(549)	(204)	(1,073)	(1,170)	-	-	-	-	(1,622)	(1,374)
Sales to external customers	78,503	91,430	19,626	20,440	-	-	26	13	98,155	111,883
Results:										
Segment results	19,437	29,714	2,579	3,273	(5,152)	(6,611)	(128)	(178)	16,736	26,198
Interest expense	(24)	(184)	(288)	(388)	(298)	(375)	-	-	(610)	(947)
Interest income	269	122	22	15	38	12	-	-	329	149
Profit/(loss) from operating segment	19,682	29,652	2,313	2,900	(5,412)	(6,974)	(128)	(178)	16,455	25,400
Income tax expense									(3,925)	(4,210)
Net profit									12,530	21,190
Profit attributable to non-controlling interests									(7,196)	(9,652)
									5,334	11,538
Net profit includes:										
- Depreciation of investment properties	169	165	-	-	-	-	-	-	169	165
- Depreciation of property, plant and equipment	1,095	1,097	1,810	1,147	363	363	128	128	3,396	2,735

E. Selected notes to the condensed interim consolidated financial statements

4.1 Reporting segments (cont'd)

	Infrastructure Engineering		Corrosion Prevention		Corporate Services		Others		Total	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Other information										
Segment assets	60,439	55,542	15,701	14,166	2,520	3,204	1,115	1,199	79,775	74,111
Segment assets include:-										
Additions to Property, plant and equipment	1,884	916	4,770	511	657	349	123	-	7,434	1,776
Segment liabilities	(19,593)	(17,713)	(11,531)	(14,757)	(12,360)	(13,129)	(150)	(41)	(43,634)	(45,640)

E. Selected notes to the condensed interim consolidated financial statements

4.2 Disaggregation of Revenue

	At a point in time $'000	Over time $'000	Total $'000
6 months ended 31 Dec 2025			
Infrastructure engineering			
- Singapore	129	4,393	4,522
- Asia	152	6,898	7,050
- Europe	4,616	20,420	25,036
- Middle East	-	628	628
- South America	175	(91)	84
- Africa	10	-	10
	5,082	32,248	37,330
Corrosion prevention			
- Singapore	539	6,099	6,638
- Asia	346	3,054	3,400
	885	9,153	10,038
Total	5,967	41,401	47,368

	At a point in time $'000	Over time $'000	Total $'000
6 months ended 31 Dec 2024			
Infrastructure engineering			
- Singapore	1,139	9,990	11,129
- Asia	(277)	2,440	2,163
- Europe	4,905	20,721	25,626
- Middle East	-	20	20
- South America	-	1,754	1,754
- Africa	-	600	600
- Others	24	-	24
	5,791	35,525	41,316
Corrosion prevention			
- Singapore	296	6,489	6,785
- Asia	220	3,629	3,849
	516	10,118	10,634
Others			
- Asia	-	13	13
Total	6,307	45,656	51,963

4.2 Disaggregation of Revenue (cont'd)

	At a point in time $'000	Over time $'000	Total $'000
12 months ended 31 Dec 2025			
Infrastructure engineering			
- Singapore	930	11,077	12,007
- Asia	269	8,555	8,824
- Europe	6,179	47,765	53,944
- Middle East	-	628	628
- South America	181	2,107	2,288
- Africa	10	802	812
	7,569	70,934	78,503
Corrosion prevention			
- Singapore	864	12,286	13,150
- Asia	706	5,770	6,476
	1,570	18,056	19,626
Others			
- Asia	-	26	26
Total	9,139	89,016	98,155

	At a point in time $'000	Over time $'000	Total $'000
12 months ended 31 Dec 2024			
Infrastructure engineering			
- Singapore	1,325	22,061	23,386
- Asia	208	3,823	4,031
- Europe	7,029	54,553	61,582
- Middle East	-	44	44
- South America	-	1,754	1,754
- Africa	-	600	600
- Others	33	-	33
	8,595	82,835	91,430
Corrosion prevention			
- Singapore	612	12,452	13,064
- Asia	538	6,838	7,376
	1,150	19,290	20,440
Others			
- Asia	-	13	13
Total	9,745	102,138	111,883

4.2 Disaggregation of Revenue (cont'd)

A breakdown of sales:

	Financial year ended 31 Dec 2025	Financial year ended 31 Dec 2024	Increase / (Decrease)	Increase / (Decrease)
First Half				
Revenue	50,787	59,920	(9,133)	(15.2%)
Operating profit after tax before deducting non-controlling interests	6,880	14,383	(7,503)	(52.2%)
Second Half				
Revenue	47,368	51,963	(4,595)	(8.8%)
Operating profit after tax before deducting non-controlling interests	5,650	6,807	(1,157)	(17.0%)

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2025 and 31 December 2024:

	The Group		The Company	
	31 December 2025 $'000	31 December 2024 $'000	31 December 2025 $'000	31 December 2024 $'000
Financial assets				
Cash and cash equivalents	37,380	22,920	1,388	2,385
Trade and other receivables	15,137	24,645	19,883	20,000
	52,517	47,565	21,271	22,385
Financial liabilities				
Borrowings	(10,496)	(8,239)	(4,782)	(3,457)
Trade and other payables	(29,055)	(32,683)	(15,016)	(18,905)
	(39,551)	(40,922)	(19,798)	(22,362)

E. Selected notes to the condensed interim consolidated financial statements

6. Profit before income tax

6.1. Significant items

Profit before income tax is derived after (debiting)/crediting the following: -

	The Group			
	6 months ended 31 Dec 2025 $'000	6 months ended 31 Dec 2024 $'000	12 months ended 31 Dec 2025 $'000	12 months ended 31 Dec 2024 $'000
Income				
Government grants	94	37	285	189
Currency exchange gains/(losses), net	285	(106)	(905)	523
Rental income from investment properties	595	507	1,320	1,329
Gain on disposal of property, plant and equipment	146	66	160	83
Gain on disposal and remeasurement of disposal group, net	-	-	-	5,511
Expense				
Interest expense	(280)	(420)	(610)	(947)
Reversal of loss allowance/(loss allowance) on trade receivables	25	14	(47)	345
Fair value loss on derivatives	(166)	-	(166)	-
Property, plant and equipment written off	(41)	(16)	(41)	(26)
Depreciation of investment properties	(81)	(68)	(169)	(165)
Depreciation of property, plant and equipment	(1,691)	(1,342)	(3,396)	(2,735)

6.2. Related party transactions

Other than disclosed elsewhere in the financial statements, transactions carried out with related parties in the normal course of business on terms agreed between the parties are as follows:

	The Group	
	12 months ended 31 Dec 2025 $'000	12 months ended 31 Dec 2024 $'000
Repayment of loan to a related party	76	260
Purchase of material and/or services from related parties	3	12

During September 2023, Mr. Yong Jiunn Run (“Mr. Yong”), who is the Company’s Chief Executive Officer extended two fresh loans amounting to S$100,000 and S$200,000 to the Company. The temporary bridging loan of S$100,000 was repaid on 15 September 2023; the S$200,000 is to be repaid over a 2-year period. Both loans are interest-free and unsecured. The purpose of the loan was to finance the Group’s working capital requirements.

6.2. Related party transactions (cont'd)

During FY2025, the total repayment of the loans from Mr. Yong was S$75,500 (FY2024: S$259,600).

The loans from Mr. Yong amounted was Nil as at 31 December 2025 (31 December 2024: S$75,500).

Mr. Yong is an "interested person", and the loans are "interested person transactions" for the purposes of Chapter 9 of Mainboard Rules of the Singapore Exchange Securities Trading Limited. As all the loans that were extended are interest-free, there is no "value at risk" to the Group. These are not commercial loans and do not adversely affect the interest of minority shareholders.

7. Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	The Group			
	6 months ended 31 Dec 2025 $'000	**6 months ended 31 Dec 2024 $'000**	**12 months ended 31 Dec 2025 $'000**	**12 months ended 31 Dec 2024 $'000**
Current income tax expense	1,647	1,503	3,831	4,163
Deferred income tax expense relating to origination and reversal of temporary differences	94	47	94	47
	1,741	1,550	3,925	4,210

8. Dividends

	The Group	
	12 months ended 31 Dec 2025 $'000	**12 months ended 31 Dec 2024 $'000**
Ordinary dividend paid		
0.006 cents (2024: Nil) final tax-exempt (one-tier) paid in respect of the previous financial year		
- Cash dividend per ordinary share	693	-
- Scrip dividend per ordinary share	532	-
	1,225	-

E. Selected notes to the condensed interim consolidated financial statements

9. Earnings Per Share

Basic earnings per share is calculated by dividing the Group's profit for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

The following table reflects the profit and shares data used in the computation of basic and diluted profit per share:

	The Group		The Group	
	6 months ended 31 Dec 2025	6 months ended 31 Dec 2024	12 months ended 31 Dec 2025	12 months ended 31 Dec 2024
Net profit attributable to equity holders of the Company ($'000)	2,403	2,972	5,334	11,538
Weighted average number of ordinary shares used in the calculation of basic earnings per share ('000)	204,297	199,210	204,297	199,210
Effect of dilution:				
Potential ordinary shares issuable under exercise of warrants ('000)	1,204	-	1,204	-
Weighted average number of ordinary shares outstanding used in the calculation of diluted earnings per share ('000)	205,501	199,210	205,501	199,210
Basic earnings per share (cents per share)	1.18	1.49	2.61	5.79
Diluted earnings per share (cents per share)	1.17	1.49	2.60	5.79

As at 31 December 2025, shareholders hold 58,012,610 bonus warrants. These are diluted because the exercise price of S$0.22 is less than the average market price.

10. Net Asset Value

	The Group		The Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Net assets value per ordinary share (cents)	12.64	10.54	3.36	2.70
Number of shares	208,987,973	199,210,406	208,987,973	199,210,406

E. Selected notes to the condensed interim consolidated financial statements

11. Cash and cash equivalents

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	The Group	
	31 December 2025 $'000	31 December 2024 $'000
Cash and bank balances	37,147	22,441
Short-term bank deposits	233	479
	37,380	22,920
Less: Bank deposits pledged [(a)]	(600)	(500)
Less: Bank overdrafts (Note 19)	(5)	-
Cash and cash equivalents per consolidated statement of cash flows	36,775	22,420

[(a)] Bank deposits are pledged in relation to the security granted for certain borrowings (Note 19).

12. Trade and other receivables

	The Group		The Company	
	31 December 2025 $'000	31 December 2024 $'000	31 December 2025 $'000	31 December 2024 $'000
Trade receivables				
- Subsidiary corporations	-	-	114	892
- Non-related parties	14,024	24,158	-	3
	14,024	24,158	114	895
Less: Loss allowance	(210)	(261)	-	-
Trade receivables - net	13,814	23,897	114	895
Non-trade receivables				
- Subsidiary corporations	-	-	20,545	19,798
- Non-related parties	160	179	-	-
	160	179	20,545	19,798
Less: Loss allowance				
- Subsidiary corporations	-	-	(816)	(740)
Non-trade receivables - net	160	179	19,729	19,058
Retentions	561	163	-	-
Deposits	602	406	40	47
Prepayments	375	309	23	7
	15,512	24,954	19,906	20,007

E. Selected notes to the condensed interim consolidated financial statements

12. Trade and other receivables (cont'd)

Ageing of net trade receivables as of 31 December 2025 and 31 December 2024 are as follow:

	The Group		
	31 December 2025 $'000	31 December 2024 $'000	% change $'000
Current	8,013	8,667	(7.5%)
Less than 90 days	3,940	13,097	(69.9%)
91 to 150 days	974	1,464	(33.5%)
151 to 365 days	693	252	175.0%
More than 365 days	194	417	(53.5%)
	13,814	23,897	

13. Derivative financial instruments

	The Group	
	Notional amount $'000	Fair value asset $'000
31 December 2025		
Forward foreign exchange contracts		
- Sell USD less than 12 months	3,875	18

The Group classifies derivative financial instruments as financial assets at fair value through profit or loss.

14. Assets of disposal group

	The Group	
	31 December 2025 $'000	31 December 2024 $'000
Beginning of financial year	-	2,742
Reclassified from inventories	-	830
Reclassified from property, plant and equipment (Note 16)	-	249
Disposal	-	(2,991)
Loss on remeasurement to fair value less cost to sell	-	(830)
End of financial year	-	-

E. Selected notes to the condensed interim consolidated financial statements

14. Assets of disposal group (cont'd)

(a) On 12 April 2023, the Group's wholly-owned subsidiary corporation, PT. Nexus Engineering Indonesia, entered into a Conditional Land Sale & Purchase Agreement with Oil States Industries (Asia) Pte. Ltd. for the sale of 90,000 square metres of land forming part of the Group's 328,956 square metre waterfront fabrication yard in Batam, Indonesia for a consideration of $8.64 million. The disposal was completed on 24 January 2024, with gain on disposal of S$5.53 million.

(b) On 26 June 2023, the Group's wholly-owned subsidiary corporation, PT. Marina Shipping, entered into a sale and purchase agreement with PT Pelayaran Sinar Varuna Sentosa for a second 1,700HP tugboat for a consideration of $0.97 million. The disposal was completed on 19 January 2024, with a loss of S$0.02 million.

15. Investment properties

	The Group	
	31 December 2025 $'000	**31 December 2024 $'000**
Cost		
Beginning of financial year	1,718	-
Transfer (to) / from property, plant and equipment (Note 16)	(1,718)	1,718
End of financial year	-	1,718
Accumulated depreciation		
Beginning of financial year	165	-
Depreciation charge	169	165
Transfer to property, plant and equipment (Note 16)	(334)	-
End of financial year	-	165
Net carrying value		
End of financial year	-	1,553

Investment properties include those land parcels of the Batam shipyard that were held for long-term rental incomes and/or for capital appreciation.

E. Selected notes to the condensed interim consolidated financial statements

16. Property plant and equipment

	The Group		The Company	
	31 December 2025 $'000	31 December 2024 $'000	31 December 2025 $'000	31 December 2024 $'000
Cost				
Beginning of financial year	45,720	52,037	1,746	1,400
Additions	7,434	1,776	657	349
Disposals	(534)	(1,250)	(299)	-
Written-off	(527)	(1,729)	(4)	(3)
Lease termination	(498)	(483)	-	-
Reclassified to assets of disposal group (Note 14)	-	(648)	-	-
Transfer to inventories (P&L)	-	(144)	-	-
Transfer from/(to) investment properties (Note 15)	1,384	(3,618)	-	-
Currency translation differences	(338)	(221)	-	-
End of financial year	52,641	45,720	2,100	1,746
Accumulated depreciation				
Beginning of financial year	35,108	38,196	980	620
Depreciation charge (Note 6)	3,396	2,735	363	363
Disposals	(460)	(1,220)	(166)	-
Written-off	(486)	(1,703)	(4)	(3)
Lease termination	(353)	(402)	-	-
Reclassified to assets of disposal group (Note 14)	-	(399)	-	-
Transfer to investment properties (Note 15)	-	(1,900)	-	-
Currency translation differences	(281)	(199)	-	-
End of financial year	36,924	35,108	1,173	980
Net carrying value				
End of financial year	15,717	10,612	927	766

E. Selected notes to the condensed interim consolidated financial statements

17. Trade and other payables

	The Group		The Company	
	31 December 2025 $'000	31 December 2024 $'000	31 December 2025 $'000	31 December 2024 $'000
Current				
Trade payables				
- Non-related parties	6,646	4,432	3	9
	6,646	4,432	3	9
Non-trade payables				
- Subsidiary corporations	-	-	7,442	9,229
- Related party	-	76	-	76
- Non controlling interest	1,080	-	-	-
- Non-related parties	4,311	5,183	3,121	3,955
	5,391	5,259	10,563	13,260
Accruals for operating expenses	12,387	13,780	4,450	5,636
Accruals for project expenses	3,060	8,261	-	-
	15,447	22,041	4,450	5,636
	27,484	31,732	15,016	18,905
Non-current				
Trade payables				
- Non-related parties	688	951	-	-
Non-trade payables				
- Non-related parties	883	-	-	-
	1,571	951	-	-
Total trade and other payables	29,055	32,683	15,016	18,905

18. Deferred income

	The Group		The Company	
	31 December 2025 $'000	31 December 2024 $'000	31 December 2025 $'000	31 December 2024 $'000
Rental Income	29	737	-	-

Rental represents cash received in advance for rental of workers' dormitory, office space, equipment and machinery, and is non-refundable.

E. Selected notes to the condensed interim consolidated financial statements

19. Borrowings

	The Group		The Company	
	31 December 2025 $'000	31 December 2024 $'000	31 December 2025 $'000	31 December 2024 $'000
Current				
Bank borrowings	2,344	2,527	1,331	-
Bank overdrafts (Note 11)	5	-	-	-
Bills payable	315	103	-	-
Lease liabilities	1,585	1,132	290	198
	4,249	3,762	1,621	198
Non-current				
Bank borrowings	4,217	930	2,846	-
Bond	-	3,042	-	3,042
Lease liabilities	2,030	505	315	217
	6,247	4,477	3,161	3,259
Total borrowings	10,496	8,239	4,782	3,457
Represented by:				
- Secured	989	2,672	311	306
- Unsecured	9,507	5,567	4,471	3,151
	10,496	8,239	4,782	3,457

Certain bank borrowings and credit facilities of the Group are secured over floating charge over certain bank deposits (Note 11), certain trade receivables (Note 12) and motor vehicles (Note 16).

The 2024 and 2027 Bonds have been fully redeemed.

20. Share Capital

20.1 Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

E. Selected notes to the condensed interim consolidated financial statements

20. Share Capital (cont'd)

Ordinary share

	The Group and the Company			
	31 December 2025		31 December 2024	
	Numbers '000	Amount $'000	Numbers '000	Amount $'000
Beginning of financial year	199,210	54,124	199,210	54,124
Issuance of new shares from exercise of bonus warrants	1,751	385	-	-
Issuance of new shares pursuant to exercise of compensation shares	5,037	929	-	-
Issuance of new shares from exercise of scrip dividend	2,990	532	-	-
Share issue expenses	-	(114)	-	-
End of financial year	208,988	55,856	199,210	54,124

On 5 May 2025, the Company issued and allotted 5,036,665 Compensation Shares at an issue price of S$0.185 to the Relevant Employees in accordance with the Compensation Share Issuance.

On 25 June 2025, the Company issued and allotted 2,990,402 New Shares at an issue price of S$0.178 per New Share to Participating Shareholders in respect of the FY2024 Dividend.

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2025 and 31 December 2024.

Convertibles

The Company did not hold any outstanding convertibles as at 31 December 2025 and 31 December 2024.

Treasury Shares

The Company did not hold any treasury shares as at 31 December 2025 and 31 December 2024.

Warrants

On 20 August 2024, the Company has obtained approval in-principle from Singapore Exchange Trading ("SGX-ST") for bonus warrants issue of 3 warrant for every 10 existing shares at an exercise price of S$0.22 for each warrant into a new share. On 4 September 2024, a total of 59,763,110 bonus warrants were issued and listed by the Company. The bonus warrant's exercise period will commence on (and including) the date falling six (6) months from the date of listing of the Bonus Warrants and will expire at 5.00 p.m. on the date falling 36 months from the Warrants Listing Date, being 3 September 2027 given that 4 September 2027 is a not business day.

For the financial period ended 31 December 2025, total of 1,750,500 bonus warrants were converted to 1,750,500 new ordinary share of the Company.

As at 31 December 2025, there were 58,012,610 outstanding warrants for which ordinary shares may be issued (31 December 2024: 59,763,110).

E. Selected notes to the condensed interim consolidated financial statements

20. Share Capital (cont'd)

20.2 To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediate preceding year.

	The Group and the Company	
	31 December 2025	**31 December 2024**
Issued and fully paid	208,987,973	199,210,406

20.3 A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the current financial period reported on.

None

20.4 A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not Applicable

21. Subsequent Event

Subsequent to 31 December 2025, there have been no events that may have an effect on the consolidated condensed interim financial statements of the Company.

Other Information Required by Listing Rule

Appendix 7.2

OTHER INFORMATION

1. (a) Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The condensed consolidated statements of financial position of Beng Kuang Marine Limited and its subsidiary corporations as at 31 December 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the twelve-month period then ended and certain explanatory notes have not been audited or reviewed.

(b) Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

2. Review of performance of the Group

Condensed interim consolidated statement of profit or loss and other comprehensive income

(a) Revenue

	The Group			The Group		
	6 months ended 31 Dec 2025 S$'million	6 months ended 31 Dec 2024 S$'million	+/(-) %	12 months ended 31 Dec 2025 S$'million	12 months ended 31 Dec 2024 S$'million	+/(-) %
Revenue						
Infrastructure Engineering ("IE")	37.33	41.32	(9.7)	78.50	91.43	(14.1)
Corrosion Prevention ("CP")	10.04	10.63	(5.6)	19.63	20.44	(4.0)
Others	-	0.01	(100.0)	0.03	0.01	200.0
	47.37	**51.96**	**(8.8)**	**98.16**	**111.88**	**(12.3)**

2H2025 vs 2H2024

(i) Group recorded revenue of S$47.37 million for 2H2025, representing a decrease of 8.8%, or S$4.59 million, from S$51.96 million in 2H2024. The decline was attributable mainly to lower revenue contributions from both the Infrastructure Engineering ("IE") and Corrosion Prevention ("CP") segments.

(ii) Infrastructure Engineering (IE) Division

Revenue from the IE segment decreased by 9.7%, or S$3.99 million, in 2H2025 as compared to 2H2024. The decrease was principally due to lower revenue from Offshore Asset Integrity activities, partially offset by improved performance from the Deck Equipment business.

Revenue from Offshore Asset Integrity was affected by extended delays in contract execution in the Group's Africa operations, particularly in Angola. The delays arose mainly from the scope and sequencing of projects focused on the optimisation and extension of the operational life of floating production assets. While these delays impacted the timing of revenue recognition in 2H2025, the underlying work scope remains intact and revenue is expected to be recognised as project activities progress. Such life-extension and asset integrity projects have historically contributed significantly to the Group's revenue growth, and the Group continued to maintain a healthy order book of ongoing work orders during the period.

The Deck Equipment business recorded a positive contribution in 2H2025, supported by progress on a five-unit 30-ton Knuckle Boom Cranes contract with a contract value of approximately US$4.94 million. During the period under review, the Group also secured new Deck Equipment contracts amounting to approximately S$7.76 million, following a re-orientation of its market focus towards India and Southeast Asia.

2. Review of performance of the Group (cont'd)

Condensed interim consolidated statement of profit or loss and other comprehensive income (cont'd)

(a) Revenue (cont'd)

2H2025 vs 2H2024

(ii) Corrosion Prevention (CP) Division

Revenue from the CP division remained broadly stable of S$10.04 million for 2H2025 as compared to S$10.63 million for 2H2024 supported by recurring projects from local shipyards. However, the overall segment performance was tempered by the slowdown in Indonesia operations, arising from intensified competition.

FY2025 vs FY2024

(i) As at 31 December 2025, the Group recorded revenue of S$98.16 million for FY2025, representing a decrease of 12.3%, or S$13.72 million, from S$111.88 million in FY2024. The decline was primarily attributable to lower revenue contributions from the Infrastructure Engineering ("IE") segment, arising mainly from timing-related delays in Offshore Asset Integrity activities.

(ii) Infrastructure & Engineering (IE) Division

Revenue from the IE segment declined by 14.1%, or S$12.93 million, in FY2025 as compared to FY2024. The decrease was largely due to delays in contract execution within the Offshore Asset Integrity business, particularly in the Group's West Africa operations, which impacted the timing of revenue recognition during the year.

These delays were mainly operational in nature, including logistical challenges associated with the deployment of accommodation barges required to support FPSO service and maintenance work orders. Notwithstanding the timing impact, the Group continued to maintain a healthy pipeline of ongoing work orders, supported by its expanded FPSO maintenance footprint, including contracts in Guyana. Demand for offshore in-situ services remained intact during the year.

Revenue from deck equipment supply declined by 27.8%, or S$0.93 million, from S$3.34 million in FY2024 to S$2.41 million in FY2025. The decline was due to the absence of projects carry over projects from the end of FY2024 and the lack of new project awards in 1H2025, with contract wins only secured from May 2025 onwards. Including orders secured in 2H2025, the Group clinched a total of S$14.2 million in new contracts for the year scheduled for delivery through 2028.

Going forward, the Group aims to increase its recurring revenue base through enhanced service and maintenance offerings, as well as the sale of spare parts, to support longer-term sustainability and profitability.

FY2025 vs FY2024

(iii) Corrosion Protection (CP) Division

Revenue from the CP segment declined slightly by 4.0%, or S$0.81 million, in FY2025 compared to FY2024. The variance was attributable to mixed performance across operating locations.

Singapore operations remained relatively stable, with revenue increasing marginally to S$13.86 million in FY2025 from S$13.60 million in FY2024, supported by ongoing FPSO module works and offshore wind farm projects, which generally command a better margin profile.

In contrast, revenue from CP Batam declined, mainly due to several key customer projects reaching their tail-end stages in 1Q2025 and the absence of sizeable replacement projects during the year, resulting in lower overall work volumes.

2. Review of performance of the Group (cont'd)

Condensed interim consolidated statement of profit or loss and other comprehensive income (cont'd)

(b) Cost of sales/Gross Profit Margin

(i) 2H2025 vs 2H2024

The Group's cost of sales decreased by 11.9%, or S$4.12 million, to S$30.37 million in 2H2025, in line with the decline in revenue. Gross profit fell slightly by 2.8%, or S$0.48 million, to S$17.00 million from S$17.48 million in 2H2024.

Despite the revenue decline, gross profit margin improved to 35.88% in 2H2025, up from 33.63% in 2H2024. This reflects continued focus on cost control, operational efficiency, and productivity, supported by initiatives implemented under the Group's strategic review, BKM 2.0.

(i) FY2025 vs FY2024

For the full year, cost of sales decreased by 15.6%, or S$11.41 million, to S$61.74 million, exceeding the revenue decline of 12.3%. Gross profit amounted to S$36.41 million, down S$2.32 million from S$38.73 million in FY2024.

Gross profit margin improved to 37.1% in FY2025, compared to 34.6% in FY2024. The improvement reflects the successful execution of BKM 2.0 initiatives, which focused on cost optimisation, deleveraging, winding down unprofitable segments, and pivoting toward a more asset-light, service-oriented business model.

(c) Other gains - net

Other gains comprise of the following:

	The Group		The Group	
	6 months ended 31 Dec 2025 $'000	6 months ended 31 Dec 2024 $'000	12 months ended 31 Dec 2025 $'000	12 months ended 31 Dec 2024 $'000
Interest income from bank deposits	153	127	329	149
Government grants	94	37	285	189
Currency exchange gains/(losses), net	285	(106)	(905)	523
Gain on disposal of property, plant and equipment	146	66	160	83
Property, plant and equipment written off	(41)	(16)	(41)	(26)
Gain on lease termination	2	3	2	3
Gain on disposal and remeasurement of disposal group, net	-	-	-	5,511
Reversal of loss allowance/(loss allowance) on trade receivables	25	14	(47)	345
Rental income from investment properties	595	507	1,320	1,329
Fair value loss on derivatives	(166)	-	(166)	-
Miscellaneous back-charge of services	235	72	235	95
Others	112	316	189	413
	1,440	1,020	1,361	8,614

FY2025 vs FY2024

The Group recorded lower other gains for FY2025 compared to FY2024. Key contributors were:

(i) Absence of one-off gain of S$5.51 million recognized in FY2024 from the disposal of assets held-for-sale; and

(ii) Currency translation and FX impacts, comprising a S$0.91 million loss from the strengthening of the SGD against the IDR and USD, and a fair value loss of S$0.17 million arising from fair value movement on the forward foreign exchange contracts.

2. Review of performance of the Group (cont'd)

Condensed interim consolidated statement of profit or loss and other comprehensive income (cont'd)

(d) Administrative expenses

2H2025 vs 2H2024

The Group's administrative expenses increased by S$1.05 million to S$10.77 million, compared to S$9.72 million in 2H2024.

FY2025 vs FY2024

Administrative expenses remained well controlled, decreasing marginally by 1.4% to S$20.71 million in FY2025 (FY2024: S$21.00 million) despite lower revenue for the year. This was driven by a deliberate reallocation of personnel costs, with higher employee salaries incurred to attract and invest in talent to support the Group's ongoing expansion initiatives. Employee salaries increased by S$2.70 million to S$11.52 million in FY2025 (FY2024: S$8.82 million), while bonus provisions decreased by S$3.02 million to S$5.40 million (FY2024: S$8.42 million), in line with the Group's performance.

(e) Finance cost

2H2025 & FY2025

Arising from deleveraging initiatives, the interest expense on bank borrowings decreased by 33.3% or S$0.14 million in 2H2025 as compared to 2H2024. Similarly, the interest expense decreased by 35.8% or S$0.34 million from S$0.95 million in FY2024 to S$0.61 million in FY2025.

The improvement was mainly attributable to the reduction in outstanding bank borrowings following the Group's deliberate deleveraging strategy and disciplined cash flow management. In addition, the Group benefited from favourable refinancing terms and more competitive interest rates, underscoring management's continued focus on cost efficiency and balance sheet optimisation.

(f) Profit attributable to Owners of the Company

2H2025 vs 2H2024

The Group recorded net profit attributable to owners of the Company of S$2.40 million for 2H2025, compared to S$2.97 million for 2H2024. The decline was mainly due to lower revenue and profitability from the IE segment, arising from delays in logistics support at one of the active offshore worksites. This resulted in constraints on the deployment of the optimal workforce required for the volume of work.

Nevertheless, 2H2025 reflected stronger underlying operating performance compared to 2H2024, supported by higher operating profit margins and effective cost control measures implemented across the Group.

FY2025 vs FY2024

For FY2025, the Group recorded net profit attributable to owners of the Company of S$5.33 million, compared to S$11.54 million in FY2024. The decrease was primarily attributable to the absence of a one-off gain of S$5.51 million arising from the disposal of an asset held-for-sale, following the partial completion of the Batam land sale in January 2024.

Excluding this one-off item, the Group's underlying operating performance remained stable, reflecting the effectiveness of its asset-light strategy. By exiting underperforming segments and focusing on two core operating divisions, the Group has streamlined its business model, enhanced operational efficiency, and strengthened overall profitability and performance metrics. This strategic focus positions the Group for more sustainable and disciplined growth over the medium term.

2. Review of performance of the Group (cont'd)

Condensed interim consolidated statement of profit or loss and other comprehensive income (cont'd)

(g) EBITDA

	The Group	
	12 months ended 31 Dec 2025 $'000	12 months ended 31 Dec 2024 $'000
Net profit	12,530	21,190
Add: Income tax expense	3,925	4,210
Add: Interest expense	610	947
Add: Depreciation of investment properties	169	165
Add: Depreciation of property, plant and equipment	3,396	2,735
EBITDA	20,630	29,247

The Group EBITDA decreased by S$8.62 million from S$29.25 million in FY2024. Nevertheless, the Group continues to generate positive EBITDA of $20.63 million in FY2025, primarily due to Group's business operations generating healthy returns as explained above.

Condensed interim consolidated cashflow statement

In FY2025, the Group generated net cash from operating activities of S$26.55 million, primarily driven by profit for the year and favourable working capital movements.

Net cash used in investing activities amounted to S$3.64 million. This mainly comprised capital expenditure of S$0.40 million for the replacement and trade-in of a lorry and two pre-owned motor vehicles, S$0.86 million incurred on yard improvement works at Kabil, Batam, and S$2.38 million for the upgrading and renewal of equipment and machinery under the Corrosion Prevention ("CP") division. During FY2025, the Group also paid S$0.18 million in premiums on derivative financial instruments to hedge against foreign exchange exposure.

Net cash used in financing activities totaled S$8.05 million, mainly attributable to:
- Repayment of bonds amounting to S$3.75 million;
- Net repayment of bank borrowings and lease liabilities of S$1.54 million;
- Proceeds of S$0.39 million received from warrant holders upon conversion into ordinary shares;
- Dividend paid to non-controlling interests of S$4.90 million; and
- S$0.69 million of the total S$1.22 million dividend distribution was paid in cash and is reflected as a dividend payout in the cash flow statement, while the remaining S$0.53 million was satisfied through the issuance of new shares as a non-cash transaction.

As a result of the above, the Group recorded a net increase in cash and cash equivalents of S$14.87 million for FY2025.

Condensed interim consolidated statements of financial position

Non-current assets

The Group's non-current assets increased by S$3.46 million to S$15.92 million as at 31 December 2025. This was mainly attributable to net additions of fixed assets amounting to S$7.17 million, partially offset by depreciation expense of S$3.57 million during the year.

During 4Q2025, the Group reclassified its investment properties to leasehold properties following the commencement of shipbuilding and repair activities at the remaining 13.8-hectare waterfront yard in Kabil, Batam. Consequently, the Group ceased its rental business relating to these leasehold properties and redeployed the assets back into shipbuilding and repair operations under the IE segment.

2. Review of performance of the Group (cont'd)

Condensed interim consolidated statements of financial position (cont'd)

Non-current assets (cont'd)

Subsequent to this strategic shift, the Group has secured shipbuilding and repair contracts with an aggregate value of approximately S$7.8 million, reinforcing the commercial viability of the yard and supporting the Group's core operating activities.

Current assets

As at 31 December 2025, the Group's current assets increased by S$2.21 million to S$63.86 million, compared to 31 December 2024. The increase was mainly attributable to:

- an increase of S$14.46 million in cash and cash equivalents; and
- an increase of S$0.71 million in inventories;

These were partially offset by:
- a decrease of S$9.44 million in trade and other receivables; and
- a decrease of S$3.54 million in contract assets: and

As at 31 December 2025, 86.5% of total trade receivables were aged below 90 days (31 December 2024: 91.1%). However, receivables aged between 151 and 365 days and beyond increased by S$0.22 million, from S$0.67 million to S$0.89 million (net of credit loss allowances).

The increase in receivables aged over 151 days was primarily due to a long relationship customer which recently in 2H2025 start showing poor payment records.

The Group conducts quarterly credit risk assessments on its trade receivables. Credit loss allowances amounted to S$0.21 million as at 31 December 2025 (31 December 2024: S$0.26 million), largely relating to debtors with deteriorating financial health and/or poor payment history.

Current liabilities

The Group's current liabilities decreased by S$4.40 million from S$40.21 million as at 31 December 2024 to S$35.81 million. This decrease can be attributed to the following:

- Decrease in trade and other payables of S$4.25 million resulting from expedited payments to suppliers and service contractors;
- Increase in borrowings of S$0.49 million due to additional lease liabilities; and
- Increase in contract liabilities amounting to S$0.50 million.

Net current assets

As of 31 December 2025, the Group reported net current assets of S$28.05 million, an increase from S$21.45 million recorded on 31 December 2024. This can be attributed to the positive returns on business during FY2025.

The Group's financial position in FY2025 was supported by improvements in key indicators, including Free Cash Flow (FCF)[(1)], the Current Ratio[(2)], and the Quick Ratio[(3)]. FCF increased to S$21.25 million at 31 December 2025 from S$12.26 million at 31 December 2024. The Current Ratio improved to 1.78 (31 December 2024: 1.53), while the Quick Ratio increased to 1.73 (31 December 2024: 1.51).

Note

(1) FCF (Free Cash Flow) = Net cash generated from operating activities after CAPEX and lease payments

(2) Current Ratio = Current assets to Current liabilities

(3) Quick Ratio = Current assets after Inventory to Current liabilities

2. Review of performance of the Group (cont'd)

Condensed interim consolidated statements of financial position (cont'd)

Non-current liabilities

The Group's non-current liabilities increased from S$5.44 million as at 31 December 2024 to S$7.82 million as at 31 December 2025. This was mainly due to the securing of S$3.0 million in new term loans and the refinancing of certain short-term borrowings to longer-term facilities.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

No forecast or prospect statement has been previously disclosed to shareholders.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

The Group operates through two reportable segments: Infrastructure Engineering ("IE") and Corrosion Prevention ("CP"). The IE segment provides engineering and maintenance services to offshore production vessels such as floating production, storage and offloading vessels ("FPSOs") and floating storage and offloading vessels ("FSOs"). These services include offshore maintenance, life-extension and conversion works, as well as the supply of customised deck equipment.

According to the American Bureau of Shipping ("ABS"), more than half of the global FPSO fleet is over 30 years old, with approximately one quarter exceeding 40 years of age. Industry sources estimate that there are over 180 FPSOs currently in operation worldwide, with the fleet continuing to age. This underpins sustained demand for maintenance, upgrading and life-extension services.

As at the end of FY2025, the Group had provided services to 23 FPSOs and 1 FSO globally. This expanding operational footprint reflects the Group's continued growth and positions it to participate in a broader range of offshore asset integrity, maintenance and life-extension projects.

In addition, offshore oil and gas developments remain a key driver of FPSO demand. Recent data indicates that the majority of new discoveries by volume are offshore, with offshore projects accounting for an increasing share of global development activity. Looking ahead, industry forecasts point to a steady pipeline of FPSO projects through the late 2020s, which is expected to support continued demand for FPSO-related repair, maintenance and life-extension services. This provides a relatively stable market environment for the Group's offshore and marine engineering activities.

As part of its ongoing strategy, the Group has also reduced its exposure to longer-term contracts that are more susceptible to execution delays, cost overruns and cancellations. Instead, the Group has focused on shorter-term contracts with faster turnover and more predictable margins, with the objective of enhancing operational visibility and earnings stability.

5. Dividend information

5a. Current Financial Period Reported on

Any dividend recommended for the current financial period reported on?

Yes.

The Board of Directors are pleased to recommend a final tax-exempt (one-tier) dividend of 0.6 Singapore cents per ordinary share in respect of the financial year ended 31 December 2025, for approval by the ordinary shareholders at the forthcoming Annual General Meeting of the Company.

Name of Dividend	Proposed Final
Dividend type	Cash
Dividend rate (Gross)	0.6 cents per ordinary share
Tax rate	Tax exempt one-tier

5b. Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of Dividend	Final
Dividend type	Cash or Scrip
Dividend rate (Gross)	0.6 cents per ordinary share
Tax rate	Tax exempt one-tier

5c. Date payable

The proposed final dividend, if approved at the Annual General Meeting to be held on 15 April 2026, will be paid on the 19 June 2026.

5d. Notice of Record Date

Notice is hereby given that the Register of Members and Share Transfer Books of the Company will be closed on 12 June 2026 (the "Record Date") to determine members' entitlements to the proposed dividend. Duly completed transfers of shares received by the Company's Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77 Singapore 068896, up to 5.00 p.m. on record date will be registered to determine members' entitlements to the proposed dividend. Subject as aforesaid, members whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares of the Company as at 5.00 p.m. on the Record Date will be entitled to the proposed dividend.

6. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

Not applicable.

7. Interested person transactions

Other than disclosed in notes 6.2 on related party transactions from the selected notes to the condensed interim consolidated financial statements, there are no other interested parties transaction to disclosure.

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

8 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (13) in the format below.

Name	Age	Family Relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Chua Beng Hock	62	Brother of Chua Beng Yong (Executive Chairman) and Chua Meng Hua (Executive Director)	Current Position: Group Chief Operating Officer Duties: Assisting Group Chief Executive Officer to formulate the group's strategic initiatives and enhance operational efficiency within its business units, thereby creating more growth momentum, including developing and steering plans, directions in the marketing, business development and operations aspects. Position first held in: 2024 Year of employment: Since 1990	Changes in duties: No change. Changes in position: No change.
Chua Ding En (Dylan)	29	Son of Mr Chua Beng Hock (Chief Operating Officer); and Nephew of Mr Chua Meng Hua (Executive Director) and Mr Chua Beng Yong (Executive Chairman)	Current Position: Chief Executive Officer, Corrosion Prevention Division Duties: To lead BKM's CP Division in terms of business growth, operational success and human capital in Singapore and Indonesia Position first held in: 2025 Year of employment: Since 2023	Changes in duties: No change. Changes in position: No change.
Chua Yi Hang	26	Son of Mr Chua Beng Yong (Executive Chairman); and Nephew of Mr Chua Meng Hua (Executive Director) and Mr Chua Beng Hock (Chief Operating Officer)	Current Position: Assistant General Manager Duties: To assist senior management in overall operations at a broader level, drive business growth, implement strategic initiatives, and lead cross-functional teams to achieve the Groups objectives in Singapore and Indonesia. Position first held in: 2025 Year of employment: Since 2022	Changes in duties: Yes as described under column; Current position and duties, and the year the position was held Changes in position: Appointed as Assistant General Manager

9. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

BY ORDER OF THE BOARD

Chua Beng Yong
Executive Chairman

Chua Meng Hua
Executive Director

Singapore
12 February 2026