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 2024

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

	Note	The Group 6 months ended 31 December 2024 $'000	6 months ended 31 December 2023 $'000	+/(-) %	The Group 12 months ended 31 December 2024 $'000	12 months ended 31 December 2023 $'000	+/(-) %
Revenue	4	51,963	47,305	9.8%	111,883	79,162	41.3%
Cost of sales		(34,486)	(30,783)	12.0%	(73,150)	(54,252)	34.8%
Gross profit		17,477	16,522	5.8%	38,733	24,910	55.5%
Other gains – net		1,006	4,207	(76.1%)	8,269	4,374	89.0%
Expenses							
- Administrative		(9,706)	(10,131)	(4.2%)	(20,655)	(16,486)	25.3%
- Finance		(420)	(965)	(56.5%)	(947)	(1,980)	(52.2%)
Profit before income tax	6	8,357	9,633	(13.2%)	25,400	10,818	134.8%
Income tax expense	7	(1,550)	(2,225)	(30.3%)	(4,210)	(2,901)	45.1%
Net profit		6,807	7,408	(8.1%)	21,190	7,917	167.7%
Other comprehensive income/(loss), net of tax:							
Items that may be reclassified subsequently to profit or loss:							
Currency translation differences arising from consolidation – gains/(losses)		95	(305)	NM	(90)	(34)	164.7%
Items that will not be reclassified subsequently to profit or loss:							
Currency translation differences arising from consolidation – gains/(losses)		20	(60)	NM	(22)	(2)	1,000.0%
Other comprehensive income/(losses)		115	(365)	NM	(112)	(36)	211.1%
Total comprehensive income		6,922	7,043	(1.7%)	21,078	7,881	167.5%
Profit attributable to:							
Equity holders of the Company		2,972	4,278	(30.5%)	11,538	3,424	237.0%
Non-controlling interests		3,835	3,130	22.5%	9,652	4,493	114.8%
		6,807	7,408	(8.1%)	21,190	7,917	167.7%
Total comprehensive income attributable to:							
Equity holders of the Company		3,067	3,973	(22.8%)	11,448	3,390	237.7%
Non-controlling interests		3,855	3,070	25.6%	9,630	4,491	114.4%
		6,922	7,043	(1.7%)	21,078	7,881	167.5%
Earnings per share attributable to equity holders of the Company (cents per share)							
Basic earnings per share		1.49	2.15	(30.5%)	5.79	1.72	237.0%
Diluted earnings per share [(1)]		1.49	2.15	(30.5%)	5.79	1.72	237.0%

Note

(1) As at financial year end, shareholders hold 59,763,110 bonus warrants. These are anti-dilutive because the exercise price of S$0.22 is higher than the average market price in 2024.

NM - Not meaningful

B. Condensed interim statements of financial position

	Note	The Group		The Company	
		31 December 2024 $'000	31 December 2023 $'000	31 December 2024 $'000	31 December 2023 $'000
ASSETS					
Current assets					
Cash and cash equivalents	10	22,920	12,186	2,385	4,577
Trade and other receivables	11	24,954	21,834	20,007	26,233
Contract assets		12,712	10,070	-	-
Inventories		1,068	1,987	-	-
		61,654	46,077	22,392	30,810
Assets of disposal group	12	-	2,742	-	-
		61,654	48,819	22,392	30,810
Non-current assets					
Investments in subsidiary corporations		-	-	4,589	4,190
Investment properties	13	1,553	-	-	-
Property, plant and equipment	14	10,612	13,841	766	780
Deferred income tax assets		292	341	-	-
		12,457	14,182	5,355	4,970
Total assets		74,111	63,001	27,747	35,780
LIABILITIES					
Current liabilities					
Trade and other payables	15	31,732	32,540	18,905	24,704
Contract liabilities		43	-	-	-
Deferred income	16	737	46	-	-
Current income tax liabilities		3,931	2,300	-	-
Borrowings	17	3,762	12,603	198	8,376
		40,205	47,489	19,103	33,080
Non-current liabilities					
Trade and other payables	15	951	2,116	-	-
Borrowings	17	4,477	1,537	3,259	258
Deferred income tax liabilities		7	8	-	-
		5,435	3,661	3,259	258
Total liabilities		45,640	51,150	22,362	33,338
NET ASSETS		28,471	11,851	5,385	2,442
EQUITY					
Capital and reserves attributable to					
Share capital	18	54,124	54,124	54,124	54,124
Other reserves		(2,037)	(1,952)	-	-
Accumulated losses		(31,098)	(42,636)	(48,739)	(51,682)
		20,989	9,536	5,385	2,442
Non-controlling interests		7,482	2,315	-	-
Total equity		28,471	11,851	5,385	2,442

C. Condensed interim statements of changes in equity

The Group	← Attributable to equity holders of the Company →					
	Share capital	Accumulated losses	Other reserves	Total	Non-controlling interests	Total
	$'000	$'000	$'000	$'000	$'000	$'000
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)
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
2023						
Balance at 1 January 2023	54,124	(46,060)	(1,921)	6,143	(1,167)	4,976
Profit for the financial year	-	3,424	-	3,424	4,493	7,917
Other comprehensive loss for the financial year	-	-	(34)	(34)	(2)	(36)
Acquisition of non-controlling interests	-	-	3	3	(9)	(6)
Dividend paid to non-controlling interests	-	-	-	-	(1,000)	(1,000)
Balance as at 31 December 2023	54,124	(42,636)	(1,952)	9,536	2,315	11,851

C. Condensed interim statements of changes in equity

The Company	Share capital	Accumulated losses	Total Equity
	$'000	$'000	$'000
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
2023			
Balance at 1 January 2023	54,124	(51,213)	2,911
Loss for the financial year	-	(469)	(469)
Balance as at 31 December 2023	54,124	(51,682)	2,442

D. Condensed interim consolidated statements of cash flows

	Note	The Group	
		12 months ended 31 December 2024 $'000	12 months ended 31 December 2023 $'000
Cash flows from operating activities			
Net profit		21,190	7,917
Adjustments for:			
Credit loss (write back)/allowance - trade receivable, net	6	(345)	826
Credit loss allowance - non trade receivable, net	6	-	147
Credit loss allowance - contract assets	6	-	1,240
Inventories written down		22	29
Gain on disposal of property, plant and equipment	6	(83)	(377)
Property, plant and equipment written off	6	26	16
Gain on lease termination		(3)	-
Gain on disposal and remeasurement of disposal group, net	6	(5,511)	(5,400)
Interest income		(149)	(8)
Interest expense	6	947	1,980
Income tax expense	7	4,210	2,901
Depreciation of investment properties	6	165	-
Depreciation of property, plant and equipment	6	2,735	3,045
Unrealised currency translation differences		(1,261)	(26)
		21,943	12,290
Change in working capital			
Inventories		66	506
Contract assets		(2,643)	(4,004)
Trade and other receivables		(2,772)	(5,410)
Trade and other payables		(1,268)	4,459
Contract liabilities		43	(17)
Deferred income		691	46
Cash generated from operations		16,060	7,870
Interest received		149	8
Interest paid		(212)	(607)
Income tax paid		(2,531)	(1,738)
Net cash generated from operating activities		13,466	5,533
Cash flows from investing activities			
Additions to property, plant and equipment		(1,121)	(925)
Proceeds from disposal of property, plant and equipment		113	1,703
Proceeds from disposal of subsidiary, net of cash disposal of		-	(59)
Proceeds from disposal of shares in subsidiary corporation		1	-
Acquisition of non-controlling interests		(500)	(6)
Net cash inflow from sale of disposal group		7,534	11,414
Net cash generated from investing activities		6,027	12,127
Cash flows from financing activities			
Bank deposits pledged		(200)	-
Proceeds from bonds		3,000	-
Repayment of bonds		(2,671)	-
Proceeds from borrowings		9,135	13,016
Repayment of borrowings		(11,569)	(20,589)
Principal payment of lease liabilities		(1,377)	(1,230)
Increase in/(repayment of) bills payable, net		103	(761)
Interest paid		(735)	(1,242)
Dividend paid to non-controlling interests		(3,959)	(1,000)
Net cash used in financing activities		(8,273)	(11,806)
Net increase in cash and cash equivalents		11,220	5,854
Cash and cash equivalents			
Beginning of financial year		9,889	4,060
Effects of currency translation on cash and cash equivalents		1,311	(25)
End of financial year		22,420	9,889

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 2024 comprise the Company and its subsidiary corporations (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 2024 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 2023.

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 2023.

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	
	2H2024 $'000	2H2023 $'000	2H2024 $'000	2H2023 $'000	2H2024 $'000	2H2023 $'000	2H2024 $'000	2H2023 $'000	2H2024 $'000	2H2023 $'000
Revenue										
Total segment sales	41,415	36,719	10,520	12,290	-	-	13	1	51,948	49,010
Inter-segment sales	(99)	(421)	114	(1,284)	-	-	-	-	15	(1,705)
Sales to external customers	41,316	36,298	10,634	11,006	-	-	13	1	51,963	47,305
Results:										
Segment results	9,750	13,125	1,809	1,030	(2,826)	(2,978)	(83)	(584)	8,650	10,593
Interest expense	(54)	(164)	(192)	(289)	(174)	(512)	-	-	(420)	(965)
Interest income	105	2	10	3	12	-	-	-	127	5
Profit/(loss) from operating segment	9,801	12,963	1,627	744	(2,988)	(3,490)	(83)	(584)	8,357	9,633
Income tax expense									(1,550)	(2,225)
Net profit									6,807	7,408
Profit attributable to non-controlling interests									3,835	5,856
									2,972	1,552
Net profit includes:										
- Depreciation of investment properties	68	-	-	-	-	-	-	-	68	-
- Depreciation of property, plant and equipment	536	639	558	495	184	167	64	54	1,342	1,355
- Credit loss allowance - non-trade receivables	-	100	-	-	-	47	-	-	-	147
- Credit loss allowance - contract assets	-	882	-	-	-	-	-	358	-	1,240

E. Selected notes to the condensed interim consolidated financial statements

4.1 Reporting segments (cont'd)

	Infrastructure Engineering		Corrosion Prevention		Corporate Services		Others		Total	
	FY2024 $'000	FY2023 $'000	FY2024 $'000	FY2023 $'000	FY2024 $'000	FY2023 $'000	FY2024 $'000	FY2023 $'000	FY2024 $'000	FY2023 $'000
Revenue										
Total segment sales	91,634	57,435	21,610	24,178	-	-	13	83	113,257	81,696
Inter-segment sales	(204)	(410)	(1,170)	(2,091)	-	-	-	(33)	(1,374)	(2,534)
Sales to external customers	91,430	57,025	20,440	22,087	-	-	13	50	111,883	79,162
Results:										
Segment results	29,714	15,770	3,273	2,253	(6,611)	(4,317)	(178)	(916)	26,198	12,790
Interest expense	(184)	(313)	(388)	(652)	(375)	(1,015)	-	-	(947)	(1,980)
Interest income	122	2	15	6	12	-	-	-	149	8
Profit/(loss) from operating segment	29,652	15,459	2,900	1,607	(6,974)	(5,332)	(178)	(916)	25,400	10,818
Income tax expense									(4,210)	(2,901)
Net profit									21,190	7,917
Profit attributable to non-controlling interests									9,652	4,493
									11,538	3,424
Net profit includes:										
- Depreciation of investment properties	165	-	-	-	-	-	-	-	165	-
- Depreciation of property, plant and equipment	1,097	1,468	1,147	1,052	363	308	128	217	2,735	3,045
- Credit loss allowance - non-trade receivables	-	100	-	-	-	47	-	-	-	147
- Credit loss allowance - contract assets	-	882	-	-	-	-	-	358	-	1,240

E. Selected notes to the condensed interim consolidated financial statements

4.1 Reporting segments (cont'd)

	Infrastructure Engineering $'000	Corrosion Prevention $'000	Corporate Services $'000	Others $'000	Total $'000
31 December 2024					
Other information					
Segment assets	55,542	14,166	3,204	1,199	74,111
Segment assets include:-					
Additions to: Property, plant and equipment	916	511	349	-	1,776
Segment liabilities	(17,713)	(14,757)	(13,129)	(41)	(45,640)
31 December 2023					
Other information					
Segment assets	41,584	13,430	5,714	2,273	63,001
Segment assets include:-					
Additions to: Property, plant and equipment	321	1,714	316	350	2,701
Segment liabilities	(15,373)	(18,112)	(16,867)	(798)	(51,150)

E. Selected notes to the condensed interim consolidated financial statements

4.2 Disaggregation of Revenue

	At a point in time	Over time	Total
	$'000	$'000	$'000
6 months ended 31 December 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
- Others	24	2,354	2,378
	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

	At a point in time	Over time	Total
	$'000	$'000	$'000
6 months ended 31 December 2023			
Infrastructure engineering			
- Singapore	(161)	9,949	9,788
- Asia	(107)	2,504	2,397
- Europe	2,919	20,839	23,758
- Middle East	-	413	413
- Others	-	(58)	(58)
	2,651	33,647	36,298
Corrosion prevention			
- Singapore	587	5,706	6,293
- Asia	165	4,548	4,713
	752	10,254	11,006
Others			
- Asia	-	1	1
Total	3,403	43,902	47,305

E. Selected notes to the condensed interim consolidated financial statements

4.2 Disaggregation of Revenue (cont'd)

	At a point in time	Over time	Total
	$'000	$'000	$'000
12 months ended 31 December 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
- Others	33	2,354	2,387
	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

	At a point in time	Over time	Total
	$'000	$'000	$'000
12 months ended 31 December 2023			
Infrastructure engineering			
- Singapore	125	16,733	16,858
- Asia	722	4,255	4,977
- Europe	4,189	29,539	33,728
- Middle East	-	1,292	1,292
- Others	170	-	170
	5,206	51,819	57,025
Corrosion prevention			
- Singapore	2,250	12,696	14,946
- Asia	422	6,719	7,141
	2,672	19,415	22,087
Others			
- Asia	-	50	50
Total	7,878	71,284	79,162

E. Selected notes to the condensed interim consolidated financial statements

4.2 Disaggregation of Revenue (cont'd)

A breakdown of Sales:

	Financial year ended 31 December 2024	Financial year ended 31 December 2023	Increase / (Decrease)	Increase / (Decrease)
	S$'000	S$'000	S$'000	%
First Half				
Revenue	59,920	31,857	28,063	88.1%
Operating profit after tax before deducting non-controlling interests	14,383	509	13,874	NM
Second Half				
Revenue	51,963	47,305	4,658	9.8%
Operating profit/(loss) after tax before deducting non-controlling interests	6,807	7,408	(601)	(8.1%)

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 2024 and 2023:

	The Group		The Company	
	31 December 2024 $'000	31 December 2023 $'000	31 December 2024 $'000	31 December 2023 $'000
Financial assets				
Cash and cash equivalents	22,920	12,186	2,385	4,577
Trade and other receivables	24,645	21,547	20,000	26,216
	47,565	33,733	22,385	30,793
Financial liabilities				
Borrowings	(8,239)	(14,140)	(3,457)	(8,634)
Trade and other payables	(32,683)	(32,855)	(18,905)	(24,704)
	(40,923)	(46,995)	(22,362)	(33,338)

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 December 2024 $'000	6 months ended 31 December 2023 $'000	12 months ended 31 December 2024 $'000	12 months ended 31 December 2023 $'000
Income				
Government grants	37	61	189	371
Currency exchange (losses)/gains, net	(106)	(347)	523	(589)
Rental income from investment properties	507	-	1,329	-
Expense				
Interest expense on borrowings	(420)	(965)	(947)	(1,980)
Credit loss write back/(allowance) - trade receivable, net	14	(811)	345	(826)
Credit loss allowance - non-trade receivables	-	(147)	-	(147)
Credit loss allowance - contract assets	-	(1,240)	-	(1,240)
Gain on disposal of property, plant and equipment	66	295	83	377
Gain on disposal and remeasurement of disposal group, net	-	5,400	5,511	5,400
Loss on disposal of subsidiary corporation	-	-	-	-
Property, plant and equipment written off	(16)	(5)	(26)	(16)
Depreciation of investment properties (Note 13)	(68)	-	(165)	-
Depreciation of property, plant and equipment (Note 14)	(1,342)	(1,355)	(2,735)	(3,045)

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 December 2024 $'000	12 months ended 31 December 2023 $'000
Loan from a related party	-	300
Repayment of loan to a related party	260	245
Purchase of material and/or services from related parties	12	5

6.2. Related party transactions (cont'd)

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.

During FY2024, total repayment of the loans from Mr. Yong was S$260,000 (FY2023: S$245,000).

The loans from Mr. Yong amounted to S$75,500 as at 31 December 2024 (31 December 2023: S$335,100).

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 December 2024 $'000	**6 months ended 31 December 2023 $'000**	**12 months ended 31 December 2024 $'000**	**12 months ended 31 December 2023 $'000**
Current income tax expense	1,503	1,890	4,163	2,566
Deferred income tax expense relating to origination and reversal of temporary differences	47	335	47	335
	1,550	2,225	4,210	2,901

8. Discontinued operations

On 5 October 2022, the Group announced the discontinuation of its two livestock vessels. Subsequently, in November 2022, the Cattle Line Two Pte. Ltd. and its subsidiary (collectively known as the "CLT Group") received a winding-up application from the High Court of Singapore. Upon commencement of the winding-up process, the Group assessed that it no longer had control over the CLT Group.

Accordingly, the entire assets and liabilities related to the CLT Group were deconsolidated and the results for the current financial period was presented separately on the consolidated statement of comprehensive income as "Discontinued operations" during the year ended 31 December 2022. There was no financial impact for the year ended 31 December 2023 and 31 December 2024 relating to CLT Group as per disclosures hereunder.

On 12 November 2024, the Group provided an update in its 3Q2024 & 9M2024 Corporate Highlights, stating that the Final Creditors' Meeting would be held on 22 November 2024. Subject to the necessary approvals at the meeting, the liquidator would then apply to the Court for release and discharge as Liquidator, leading to the CLT Group dissolution.

On 8 January 2025, following the Final Creditors' Meeting, the liquidator updated the Group via email that, subject to clearance from the Official Receiver and the Singapore Court's schedule, the liquidation is expected to be finalise within the first half of 2025.

E. Selected notes to the condensed interim consolidated financial statements

9. Net Asset Value

	The Group		The Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Net assets value per ordinary share (cents)	10.54	4.79	2.70	1.23
Number of shares	199,210,406	199,210,406	199,210,406	199,210,406

10. 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 2024 $'000	31 December 2023 $'000
Cash and bank balances	22,441	12,186
Short-term bank deposits	479	-
Less: Bank deposits pledged (Note 17)	(500)	(300)
Less: Bank overdrafts (Note 17)	-	(1,997)
Cash and cash equivalents per consolidated statement of cash flows	22,420	9,889

Bank deposits are pledged in relation to the security granted for certain borrowings (Note 16).

E. Selected notes to the condensed interim consolidated financial statements

11. Trade and other receivables

	The Group		The Company	
	31 December 2024 $'000	31 December 2023 $'000	31 December 2024 $'000	31 December 2023 $'000
Trade receivables				
- Subsidiary corporations	-	-	892	1,645
- Non-related parties	24,158	20,136	3	-
	24,158	20,136	895	1,645
Less: Loss allowance	(261)	(629)	-	(716)
Trade receivables - net	23,897	19,507	895	929
Non-trade receivables				
- Subsidiary corporations	-	-	19,798	50,320
- Non-related parties	179	554	-	210
	179	554	19,798	50,530
Less: Loss allowance				
- Subsidiary corporations	-	-	(740)	(25,373)
- Non-related parties	-	(47)	-	(47)
Non-trade receivables - net	179	507	19,058	25,110
Retentions	163	740	-	-
Deposits	406	793	47	177
Prepayments	309	287	7	17
	24,954	21,834	20,007	26,233

Ageing of net trade receivables as of 31 December 2024 and 2023 are as follow:

	The Group		
	31 December 2024 $'000	31 December 2023 $'000	% change $'000
Current	8,667	8,177	6.0%
Less than 90 days	13,097	7,842	67.0%
91 to 150 days	1,464	2,145	(31.7%)
151 to 365 days	252	772	(67.4%)
More than 365 days	417	571	(27.0%)
	23,897	19,507	

E. Selected notes to the condensed interim consolidated financial statements

12. Non-current assets classified as held-for-sale

	The Group	
	31 December 2024 $'000	31 December 2023 $'000
Beginning of financial year	2,742	-
Reclassified from inventories	830	857
Reclassified from property, plant and equipment (Note 14)	249	6,100
Disposal	(2,991)	(3,358)
Loss on remeasurement to fair value less cost to sell	(830)	(857)
End of financial year	-	2,742

(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 S$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 S$0.97 million. The disposal was completed at 19 January 2024, with a loss of S$0.02 million.

13. Investment properties

	The Group	
	31 December 2024 $'000	31 December 2023 $'000
Cost		
Beginning of financial year	-	-
Transfer from property, plant and equipment (Note 14)	1,718	-
End of financial year	1,718	-
Accumulated depreciation		
Beginning of financial year	-	-
Depreciation charge (Note 6)	165	-
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 are held for long-term rental incomes and/or for capital appreciation.

E. Selected notes to the condensed interim consolidated financial statements

14. Property plant and equipment

	The Group		The Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	$'000	$'000	2024	2023
Cost				
Beginning of financial year	52,037	67,882	1,400	1,843
Additions	1,776	2,701	349	316
Disposals	(1,250)	(3,907)	-	(90)
Written-off	(1,729)	(1,309)	(3)	(671)
Lease termination	(483)			
Disposal of subsidiary corporation	-	(194)	-	-
Reclassified to assets held-for-sale (Note 12)	(648)	(13,114)	-	-
Transfer to inventories (P&L)	(144)	-	-	-
Transfer to investment properties (Note 13)	(3,618)	-	-	-
Transfer from a subsidiary corporation	-	-	-	2
Currency translation differences	(221)	(22)	-	-
End of financial year	45,720	52,037	1,746	1,400
Accumulated depreciation				
Beginning of financial year	38,196	46,216	620	1,003
Depreciation charge (Note 6)	2,735	3,045	363	308
Disposals	(1,220)	(2,581)	-	(20)
Written-off	(1,703)	(1,293)	(3)	(671)
Lease termination	(402)			
Disposal of subsidiary corporation	-	(154)	-	-
Reclassified to assets held-for-sale (Note 12)	(399)	(7,014)	-	-
Transfer to investment properties (Note 13)	(1,900)	-	-	-
Currency translation differences	(199)	(23)	-	-
End of financial year	35,108	38,196	980	620
Net carrying value				
End of financial year	10,612	13,841	766	780

E. Selected notes to the condensed interim consolidated financial statements

15. Trade and other payables

	The Group		The Company	
	31 December 2024 $'000	31 December 2023 $'000	31 December 2024 $'000	31 December 2023 $'000
Current				
Trade payables				
- Non-related parties	4,432	7,088	9	141
	4,432	7,088	9	141
Non-trade payables				
- Subsidiary corporations	-	-	9,229	16,470
- Related party	76	335	76	335
- Non-related parties	5,183	8,569	3,955	3,545
	5,259	8,904	13,260	20,350
Accruals for operating expenses	13,780	9,308	5,636	4,213
Accruals for project expenses	8,261	5,440	-	-
Advances from sale of disposal group	-	1,800	-	-
	22,041	16,548	5,636	4,213
	31,732	32,540	18,905	24,704
Non-current				
Trade payables				
- Non-related parties	951	2,094	-	-
Non-trade payables				
- Non-related parties	-	22	-	-
	951	2,116	-	-
Total trade and other payables	32,683	34,656	18,905	24,704

16. Deferred income

	The Group		The Company	
	31 December 2024 $'000	31 December 2023 $'000	31 December 2024 $'000	31 December 2023 $'000
Rental Income	737	46	-	-

Rental represents cash received in advance for rental of workers' dormitory and is non-refundable.

E. Selected notes to the condensed interim consolidated financial statements

17. Borrowings

	The Group		The Company	
	31 December 2024 $'000	31 December 2023 $'000	31 December 2024 $'000	31 December 2023 $'000
Current				
Bank borrowings	2,527	5,586	-	2,362
Bank overdrafts (Note 10)	-	1,997	-	1,997
Bills payable	103	-	-	-
Bond	-	3,809	-	3,809
Lease liabilities	1,132	1,211	198	208
	3,762	12,603	198	8,376
Non-current				
Bank borrowings	930	305	-	-
Bond	3,042	-	3,042	-
Lease liabilities	505	1,232	217	258
	4,477	1,537	3,259	258
Total borrowings	8,239	14,140	3,457	8,634
Represented by:				
- Secured	2,672	3,601	306	292
- Unsecured	5,567	10,539	3,151	8,342
	8,239	14,140	3,457	8,634

Certain bank borrowings and credit facilities of the Group are secured over floating charge over certain bank deposits (Note 9), certain trade receivables (Note 10) and motor vehicles (Note 13).

The 2024 Bonds have been fully redeemed. The 2027 Bond carries a fixed interest rate of 9% per annum, with a maturity date of 5 November 2027. Interest is payable semi-annually in arrears.

18. Share Capital

18.1 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

18. Share Capital (cont'd)

Ordinary share

	The Group and the Company			
	31 December 2024		31 December 2023	
	Numbers of '000	Amount $'000	Numbers '000	Amount $'000
Beginning and end of financial year	199,210	54,124	199,210	54,124

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2024 and 2023.

Convertibles

The Company did not hold any outstanding convertibles as at 31 December 2024 and 2023.

Treasury Shares

The Company did not hold any treasury shares as at 31 December 2024 and 2023.

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.

Assuming that the bonus warrants are fully exercised and converted into new shares, the issued share capital of the Company would increase to 258,973,527 shares. The gross proceeds arising from the fully exercise of such bonus warrants will amount to approximately S$13.15 million and be used for general working capital purposes.

18.2 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 2024	31 December 2023
Issued and fully paid	199,210,406	199,210,406

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

None.

E. Selected notes to the condensed interim consolidated financial statements

18. Share Capital (cont'd)

18.4 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

19. Subsequent Events

Subsequent to 31 December 2024, 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 2024 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		
	2H2024 S$'million	**2H2023 S$'million**	**+/(-) %**	**FY2024 S$'million**	**FY2023 S$'million**	**+/(-) %**
Revenue						
Infrastructure Engineering ("IE")	41.32	36.30	13.8	91.43	57.03	60.3
Corrosion Prevention ("CP")	10.63	11.01	(3.5)	20.44	22.08	(7.4)
Others	0.01	-	NM	0.01	0.05	(74.0)
	51.96	**47.31**	**9.8**	**111.88**	**79.16**	**41.3**

2H2024 vs 2H2023

(i) **Group Revenue Growth:** The Group's revenue for 2H2024 increased by 9.8% or S$4.65 million, rising from S$47.31 million in 2H2023 to S$51.96 million in 2H2024 mainly driven by stronger contribution from IE segment.

(ii) **IE Segment Performance:** Revenue from the IE division grew by 13.8% or S$5.02 million from S$36.30 million in 2H2023 to S$41.32 million in 2H2024. This increase was fuelled by higher business volumes in oil and gas activities, particularly repairs and maintenance services for FPSO and FSO units. The Group continues to expand its service offerings, geographical footprint, and fleets under contractual maintenance agreements.

(iii) **CP Segment Performance:** Revenue from the CP division, which is primarily recurring, declined by 3.5% or S$0.38 million from S$11.01 million in 2H2023 to S$10.63 million in 2H2024. This decrease was attributed to the disposal of a loss-making bottled drinking water distribution business which was consolidated under the CP segment in FY2023.

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)

FY2024 vs FY2023

(i) **Group Revenue Growth:** For the year ending 31 December 2024, the Group's revenue increased by 41.3% or S$32.72 million from S$79.16 million in FY2023 to S$111.88 million in FY2024. This significant growth was largely driven by the robust performance of the IE segment.

(ii) **IE Segment Performance:** The Group's IE division achieved a remarkable revenue increase of 60.3% or S$34.40 million, rising from S$57.03 million in FY2023 to S$91.43 million in FY2024. This growth was attributable to Group's expansion in offshore sectors, resulting in increased demand for FPSO and FSO contracting and maintenance services, which saw business volumes rise by 70.7% or S$35.71 million, for FY2024. The Group has solidified its reputation as a leading provider of in-situ asset integrity solutions for floating assets, as well as onshore, offshore, and marine support services. Key offerings include:

- **Offshore in-situ Asset Integrity Solutions:** a comprehensive "One-stop" service covering life extension, class recovery, shutdown support, voyage carryover works, startup installation assistance, warranty repairs, upgrades and modifications, major repairs, and periodic maintenance.

- **Onshore Support Services:** such as project management for new builds and conversions, miscellaneous steel fabrication, carryover works, topside completion and commissioning support, and vessel inspections.

Additionally, the Group's deck equipment business saw a 38.6% revenue increase of S$0.93 million, from S$2.41 million in FY2023 to S$3.34 million in FY2024. The Group is actively pursuing new project tenders in key marine and offshore hubs regionally.

(iii) **CP Segment Performance:** Revenue from our CP division decreased by 7.4% or S$1.64 million, from S$22.08 million in FY2023 to S$20.44 million in FY2024. This decline was primarily due to the consolidation of S$1.52 million distribution business into the CP segment up to FY2023 which included the disposal of the loss-making bottled drinking water business.

(b) Cost of sales/Gross Profit Margin

2H2024 vs 2H2023

(i) The Group's cost of sales from operations increased by 12.0% or S$3.71 million at S$34.49 million in 2H2024. This was due to one of the FPSO repair and maintenance works experiencing temporary two months of downtime as a result of a floating accommodation barge being drydocked for repair and maintenance. Nevertheless, gross profit was higher at S$17.48 million for 2H2024 as compared to S$16.52 million for 2H2023 and GP remained healthy at 33.6%. Continuing efforts to drive cost efficiency comprise the following:-

- **Enhanced Cost Management and Productivity**: Strategic initiatives, including reduced capital expenditure, a shift toward an asset-light business model, and efficient resource allocation, contributed to better cost control.

- **Portfolio Optimization**: The cessation of operations at the waterfront fabrication yard in Singapore, along with the disposal of loss-making business operations, eliminated underperforming segments and strengthened the Group's financial health and operational efficiency.

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 (cont'd)

2H2024 vs 2H2023 (cont'd)

(ii) Depreciation expenses from operations increased marginally by S$0.05 million at S$1.41 million in 2H2024 from S$1.36 million in 2H2023, which is aligned with the Group's strategy to continue to increase the operating efficiency and/or utilisation rate of our fixed assets.

FY2024 vs FY2023

During the financial year ending on 31 December 2024, the Group experienced a 34.8% increase in the cost of sales from the operations to S$73.15 million. The increase in rate of sales was 41.3% and thereby enabling the gross profit to exhibit a substantial increase of S$13.82 million to S$38.73 million in FY2024.

The improvement in momentum was substantially attributable to the Group's asset-light strategy, exiting loss-making operations, effective cost management and operating efficiency. In particular, the asset-light strategy has contributed to a substantial reduction in depreciation expenses over the last 2 financial years.

(c) Other gains - net

Other gains comprise of the following: -

	The Group		The Group	
	6 months ended 31 December 2024 $'000	6 months ended 31 December 2023 $'000	12 months ended 31 December 2024 $'000	12 months ended 31 December 2023 $'000
Interest income from bank deposits	127	5	149	8
Government grants	37	61	189	371
Credit loss allowance - non-trade receivables	-	(147)	-	(147)
Credit loss allowance - contract assets	-	(1,240)	-	(1,240)
Currency exchange gains/(losses), net	(106)	(347)	523	(589)
Gain on disposal of property, plant and equipment	66	295	83	377
Property, plant and equipment written off	(16)	(5)	(26)	(16)
Gain on lease termination	3	-	3	-
Gain on disposal and remeasurement of disposal group, net	-	5,400	5,511	5,400
Rental income from investment properties	507	-	1,329	-
Others	388	185	508	210
	1,006	4,207	8,269	4,374

2H2024 vs 2H2023

The Group reported Other Gains of S$1.01 million in 2H2024 as compared to S$4.21 million in 2H2023. This was primarily due to a one-off gain of S$5.40 million in 2H2023 resulting from the disposal of assets held-for-sale. No major credit event occurred during 2H2024 as compared to the write-off of S$1.24 million on credit loss for contract assets related to the discontinuation of berthing and repair services operated out of the Batam waterfront yard in 2H2023.

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

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

(c) Other gains - net (cont'd)

FY2024 vs FY2023

In FY2024, the Group achieved Other Gains of S$8.27 million as compared to S$4.37 million during FY2023. The higher Other Gains was contributed by :

(i) The absence of a S$1.24 million credit loss as highlighted above;

(ii) Strengthening of USD/SGD resulting in foreign currency exchange gain of S$0.52 million in FY2024; and

(iii) Rental income of S$1.33 million from its investment properties at Batam, Indonesia.

(d) Administrative expenses

2H2024 & FY2024

The Group's administrative expenses decreased slightly by S$0.43 million from S$10.13 million for 2H2023 as compared to S$9.71 million in 2H2024. However, the Group's administrative expenses were higher for FY2024 at S$20.66 million as compared to S$16.49 million due to higher salaries, bonuses, accruals for performance incentives and other personnel-related expenses in tandem with the improved performance, increased hirings and business expansion.

(e) Finance cost

2H2024 & FY2024

Arising from deleveraging initiatives, the interest expense on bank borrowings decreased by 56.5% or S$0.55 million in 2H2024 as compared to 2H2023. Similarly, the interest expense decreased by 52.2% or S$1.03 million from S$1.98 million in FY2023 to S$0.95 million in FY2024.

(f) Profit attributable to Owners of the Company

2H2024 and FY2024

The Group registered net profits attributable to shareholders of S$2.97 million for 2H2024 as compared to S$4.28 million for 2H2023 due to absence of the one-off gain on disposal of asset held-for-sale booked at the end of 2023. Nevertheless, 2H2024 reflected stronger operating performance as compared to 2H2023 with higher sales and gross profit.

For FY2024, the Group registered net profit attributable to shareholders of S$11.54 million as compared to S$3.42 million for FY2023 due to stronger business performance by both IE and CP segments.

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 December 2024 $'000	**12 months ended 31 December 2023 $'000**
Net profit	21,190	7,917
Add: Income tax expense	4,210	2,901
Add: Interest exepnse	947	1,980
Add: Depreciation of investment properties	165	-
Add: Depreciation of property, plant and equipment	2,735	3,045
EBITDA	29,247	15,843

In line with stronger operating results, deleveraging initiatives and asset-light strategy, the Group generated positive EBITDA of S$29.25 million for FY2024 as compared to S$15.84 million for FY2023.

Condensed interim consolidated cashflow statement

There was a net cash inflow generated from operating activities of S$13.47 million in FY2024.

Net cash inflow generated from investing activities was S$6.03 million in FY2024 mainly due to the proceeds on completion of sale of 90,000 square metres land.

Net cash used in financing activities was S$8.27 million in FY2024. This was largely comprised of S$2.43 million net repayment of bank loans; S$0.33 million net repayment of partial Bonds; S$1.38 million on payment of lease liabilities; and S$3.96 million dividend paid to non-controlling interests.

As a result of the above, the Group registered a net increase in cash and cash equivalent of approximately S$11.22 million for FY2024.

Condensed interim statements of financial position

Non-current assets

The Group's non-current assets decreased by S$1.72 million to S$12.46 million as at 31 December 2024 due mainly to the following: -

(i) depreciation expenses of S$2.90 million.

(ii) additional capital expenditure for S$1.78 million on tools & equipment, computers, motor vehicles and right-of-use assets acquired under leasing arrangement.

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

Condensed interim statements of financial position (cont'd)

Current assets

The Group's current assets increased by S$12.84 million to S$61.65 million as at 31 December 2024, which was mainly due to the following:-

(i) increased in cash and cash equivalent of S$10.73 million as at 31 December 2024;

(ii) inventories decreased by S$0.92 million; and

(iii) trade receivables and contract assets increased by S$3.12 million and S$2.64 million respectively in tandem with the increase in business activities for the year ended 31 December 2024.

The trade receivables (net of credit loss allowances) for 151 to 365 days and more than 365 days decreased by S$0.67 million from S$1.34 million as at 31 Dec 2023 to S$0.67 million as at 31 December 2024. Notably, trade receivables below 90 days constituted to 91.1% of total trade debts as at 31 December 2024 (31 December 2023: 82.1%).

The Group carries out credit risk assessment on its trade receivables on a quarterly basis. As and when trade receivables are deemed uncollectable, the Company will provide the necessary credit loss allowance. The Group has credit loss allowances amounting to S$0.26 million as of 31 December 2024 (31 December 2023: S$0.63 million). The credit loss allowances were primarily attributable to the deteriorating financial performance of our trade debtors.

Current liabilities

The Group's current liabilities decreased to S$40.21 million as at 31 December 2024, as compared to S$47.49 as at 31 December 2023. This was mainly due to reduction in borrowings by S$8.84 million, which stood at S$3.76 million as at 31 December 2024 (S$12.60 million as at 31 December 2023). Similarly, trade and other payables decreased by S$0.81 million for the financial year 2024.

Net current assets

As of 31 December 2024, the Group reported net current assets of S$21.45 million, a significant increase from net current assets of S$1.33 million recorded on 31 December 2023.

As indicators of improved financial health, Free Cash Flow (FCF)[(1)], Current Ratio[(2)] and Quick Ratio[(3)] are above positive/unity at S$10.97 million (31 December 2023: S$3.38 million), 1.53 (31 December 2023: 1.03) and 1.51 (31 December 2023: 0.99) respectively.

Non-current liabilities

The Group's non-current liabilities increased from S$3.66 million as at 31 December 2023 to S$5.44 million as at 31 December 2024 mainly due to successful refinancing of a 3-year 2027 Bond of which will be maturing on 5 November 2027.

Others

Following the cybersecurity incident announced on 19 August 2024, the IT service provider has conducted their investigations with the relevant authorities and restored all working files. The Company concluded that there was no data loss and no data exfiltration. There was also no disruption to the business operations.

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

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 expects to maintain its business momentum given the stable oil and gas sector as well as marine industry outlooks. However, this may be tempered by geopolitical risks and uncertainties in the global economic conditions. Despite these challenges, the Group remains agile and proactive, aiming to navigate uncertainties while leveraging its strengths to capitalise on growth opportunities within the IE and CP divisions.

5. Dividend information

5a. Current Financial Period Reported on

Any dividend declared for the current financial period reported on?
Yes.

Name of Dividend	Proposed First & Final
Dividend type	Cash or Scrip *
Dividend rate (Gross)	S$0.006 per ordinary share
Tax rate	Tax exempt one-tier

* Subject to shareholders' final approval at the upcoming annual general meeting. Shareholders shall have the option to elect to receive dividends either in cash or in the form of shares in the Company under the BKM Scrip Dividend Scheme. The Company intends to rely on the new general mandate to issue and allot the scrip shares and accordingly, shall be seeking shareholders' approval for the same at its upcoming annual general meeting.

5b. Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?
None.

5c. Date payable

The date payable for the proposed dividend will be announced at a later date.

5d. Record date

The record date will be announced at a later date.

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 disclose.

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	61	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: Yes as described under column; Current position and duties, and the year the position was held Changes in position: Re-designation from Chief Operating Officer and Chief Executive Officer, Corrosion Prevention Division to Group Chief Operating Officer
Chua Ding En (Dylan)	28	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: Yes as described under column; Current position and duties, and the year the position was held Changes in position: Appointed as Chief Executive Officer, Corrosion Prevention Division

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
19 February 2025