BENG KUANG MARINE LIMITED
(Company Registration No. 199400196M)
(Incorporated in the Republic of Singapore)

INTERNAL RESTRUCTURING AND NEW BUSINESS

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1. INTRODUCTION

The Board of Directors of Beng Kuang Marine Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Group had:

(i) undertaken an internal restructuring and rebranding exercise on 5 August 2025 (the "**Internal Restructuring**"), as detailed in paragraph 2 of this Announcement, to unify and streamline service offerings across the Group's onshore and offshore engineering activities within the infrastructure engineering ("**IE**") segment; and

(ii) through CCW (as defined herein), will enter into a Shareholder's agreement with Mr Chew See Choon ("**Mr Chew**") to provide specialist industrial chemical cleaning services to its customers under the IE segment (the "**SHA**") as detailed in paragraph 3 of this Announcement.

2. THE INTERNAL RESTRUCTURING

The Group intends to rebrand MTM Engineering Pte. Ltd. ("**MTM**") into its core platform for delivering turnkey onshore Engineering, Procurement and Construction ("**EPC**") solutions with a particular emphasis on module fabrication for Floating Platform Storage and Offloading ("**FPSO**") vessels and marine engineering projects. MTM is a subsidiary of the Group and is owned as to (i) 51.0% by the Group; and (ii) 24.5% by each of SPPG Pte. Ltd. and ISUSTANABILITY Pte. Ltd.

As part of the Internal Restructuring, the Group had, on 8 August 2025, transferred all of the issued and paid-up share capital in OneHub Tank Coating Pte. Ltd. ("**OTC**") to MTM for a consideration of S$10,000. Such consideration was arrived at by taking the net tangible asset value of OTC as at 31 July 2025. Prior to the Internal Restructuring, OTC is a wholly owned subsidiary of Beng Kuang Marine (B&Chew) Pte. Ltd., which in turn is a wholly owned subsidiary of the Group.

The Internal Restructuring was completed on 8 August 2025 and following the completion of the Internal Restructuring:

(i) OTC will become a wholly owned subsidiary of MTM, which remains a 51% subsidiary of the Group;

(ii) MTM has been renamed to Asian Sealand Energy Services Pte Ltd ("**ASES**"); and

(iii) OTC has been renamed to Clean Concept Works Pte Ltd ("**CCW**").

The Group intends to enter into the new Business, as detailed in paragraph 3 of this Announcement, through CCW.

3. THE NEW BUSINESS

The Group will through CCW enter into a Shareholder's agreement (the "**SHA**") with Mr Chew to provide specialist industrial cleaning services such as chemical cleaning and hot oil flushing services to its customers under the IE segment.

3.1 Information on Mr Chew

Mr Chew is an industry veteran with more than 20 years of experience in chemical cleaning, hot oil flushing, and waste treatment, Mr. Chew brings a proven track record in operations, compliance, and business growth across multiple industries.

To the best knowledge of the Board, prior to the SHA, Mr Chew is independent of the Group, the Company, its directors, substantial shareholders and their respective associates.

3.2 Salient terms of the SHA

Pursuant to the terms of the SHA, CCW (formerly known as OTC) will issue (i) 50,000 new ordinary shares to Mr Chew for S$50,000; and (ii) 100,000 new ordinary shares for S$100,000 to ASES. The new issued and paid-up share capital of CCW will be as follows:

Name	**Number of Shares**	**Percentage of entire issued share capital**
ASES (formerly known as MTM)	150,000	75.0%
Mr Chew	50,000	25.0%
Total	**200,000**	**100.0%**

3.3 The SHA business

As mentioned above, the SHA business will comprise specialised industrial cleaning services such as chemical cleaning and hot oil flushing services to be provided under CCW.

Chemical cleaning and hot oil flushing are essential pre-commissioning and maintenance procedures for FPSO vessels. These processes are critical for ensuring the performance, reliability, and longevity of fluid systems such as piping, hydraulics, and lubrication circuits. The SHA will allow the Group to deliver synergistic and integrated engineering solutions under its IE segment across both offshore and onshore markets.

3.3.1 Chemical cleaning services

Chemical cleaning is used to remove contaminants such as weld slag, mill scale, grease, and corrosion products from the internal surfaces of piping systems. The process generally involves several stages, including degreasing, pickling, and passivation, which are carried out using chemicals selected according to the system's materials.

3.3.2 Hot Oil Flushing

Hot oil flushing is applied to hydraulic and lubrication systems to remove residual particles and contaminants either after chemical cleaning or during maintenance. The method involves the circulation of high-velocity, high-temperature oil to dislodge and carry away impurities, with results assessed against industry cleanliness standards.

4. RATIONALE FOR THE INTERNAL RESTRUCTURING AND THE SHA

As mentioned above, the Group plans to establish ASES as its core platform for delivering turnkey onshore EPC solutions, with a particular emphasis on FPSO module fabrication and marine engineering projects. Alongside this, the Group recognizes the opportunities in the niche field of specialised industrial chemical cleaning and intends to position CCW as a specialist service provider focusing chemical cleaning, and hot oil flushing, serving both the marine and oil and gas sectors.

The Internal Restructuring and SHA are expected to generate synergies with the Group's existing IE segment, which already provides asset integrity solutions within the oil and gas sector. By leveraging these complementarities, the Group is well-positioned to capture new opportunities in both the onshore and offshore markets, reinforcing its role as a trusted provider of integrated engineering and industrial solutions.

CCW's provision of specialist services strengthens the Group's in-house execution capabilities, thereby reducing reliance on outsourcing, improving responsiveness, and ensuring tighter quality control. Concurrently, it enhances the Group's capacity to provide integrated project solutions to clients in the FPSO, shipyard, and industrial sectors, enabling deeper market penetration and expanding service offerings.

5. FINANCIAL EFFECTS

The Internal Restructuring and the SHA will be funded through internal resources and is not expected to have any material impact on the earnings per share, net asset value per share, gearing, or substantial shareholders' shareholdings of the Group for the financial year ending 31 December 2025.

6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company, nor their respective associates, has any interest, direct or indirect, in the above transactions, other than through their respective shareholdings in the Company.

BY ORDER OF THE BOARD
Chua Beng Yong
Executive Chairman
20 August 2025