



BENG KUANG MARINE LIMITED

Registration No. 199400196M

PRESS RELEASE

Beng Kuang Continues Growth Trajectory in FY2024, Revenue Jumped 41.3% to S\$111.88 Million with Gross Profit Rose 55.5% to S\$38.73 Million and Net Profit Surged 167.7% to S\$21.19 Million; Proposed Dividend of 0.6 SG cents per Share to Reward Shareholders

- The Group's business strategy towards an asset-light and service-oriented business model has continued to gain good momentum with its two core business divisions, IE and CP, delivering revenue growth of 41.3% to S\$111.88 million in FY2024
- Driven by strong demand for the Group's asset integrity solutions and services for operating floating assets such FPSOs and FSOs, among others, the Group's IE division saw organic revenue growth of 60.3% or S\$34.40 million, rising from S\$57.03 million in FY2023 to S\$91.43 million in FY2024
- Rationalising and streamlining initiatives, together with the exit of the Group's loss-making business operations, undertaken in recent years have progressively improved its gross profit margin to 34.6% in FY2024, as compared to 31.5% in FY2023, driving gross profit growth of 55.5% to S\$38.73 million in FY2024
- Recognised one-off gain of S\$5.51 million from second partial land sale during FY2024
- Net cash inflow generated from operating activities was S\$13.47 million in FY2024, with the Group's balance sheet strengthening with cash and cash equivalents increasing significantly to S\$22.92 million and total equity increasing to S\$28.47 million as at 31 December 2024
- Proposed dividend of 0.6 SG cents per ordinary share to reward shareholders.
- To build on the positive business momentum in FY2024 with new value propositions to capitalise on targeted growth opportunities in the offshore and marine industry

Financial Year End: 31 December

| (\$ million) | FY2024 | FY2023 | Change (%) |
|--------------------------------------|---------------|---------------|-----------------------------------|
| Revenue | 111.88 | 79.16 | +41.3 |
| Gross profit | 38.73 | 24.91 | +55.5 |
| Gross profit margin | 34.6 | 31.5 | +3.1 percentage points |
| Profit before tax¹ | 25.40 | 10.82 | +134.8 |
| Net profit¹ | 21.19 | 7.92 | +167.7 |
| EBITDA | 29.25 | 15.84 | +84.6 |

¹ Includes the one-off gain of S\$5.40 million and S\$5.51 million from partial disposal of Batam property in FY2023 and FY2024 respectively.



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Singapore, 19 February 2025 – Beng Kuang Marine Limited (“明光集团” or the “Company”, and together with its subsidiaries, the “Beng Kuang Group”), is pleased to announce a strong set of results for the financial year ended 31 December 2024 (“FY2024”).

Striving to be the “Preferred and Trusted Partner” in providing total solutions for the offshore and marine industries, the Group’s business model is anchored by two core business divisions as follows:

1. **Infrastructure Engineering (“IE”)** – Providing 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.
2. **Corrosion Prevention (“CP”)** – Providing comprehensive corrosion protection services such as surface preparation and application of protective coatings as part of the marine and offshore energy sectors.

Commenting on the Group’s FY2024 results, Mr Yong Jiunn Run, Chief Executive Officer of Beng Kuang Group, said: *“Supported by strong organic growth, our business performance highlight the strength of our core competencies in the global offshore and marine industry.”*

Firmly backed to profitability with a strengthened balance sheet, we are pleased to reward shareholders with dividends, underscoring our confidence in the company’s financial stability.

With our momentum, we aim to continue to drive growth through operational excellence, cost efficiencies and new value propositions in our targeted markets globally.”

Key Financial Highlights for FY2024

Driven by strong organic growth from its IE division, the Group’s revenue increased 41.3% to S\$111.88 million in FY2024 as compared to FY2023: With unique value propositions driven by a service-centric business, the Group’s IE provides asset integrity solutions and services for operating floating assets (such as Floating Production Storage and Offloading vessels (“FPSO”) and Floating Storage and Offloading vessels (“FSO”), among others).

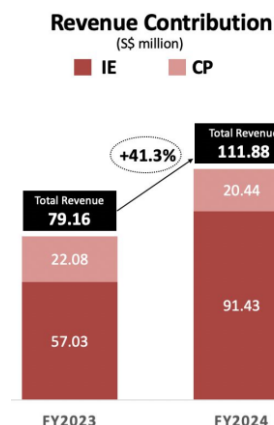
Over the years, the Group’s IE has established itself as a proficient “one-stop” in-situ turnkey solutions provider with new value propositions within the global offshore and industry, particularly in the new build sector with onshore support services.

Additionally, the Group’s deck equipment business, under IE, saw revenue growth of 38.6% or S\$0.93 million, from S\$2.41 million in FY2023 to S\$3.34 million in FY2024. Building on this momentum, the Group is actively pursuing new project tenders in key marine and offshore hubs regionally.

As a result, the Group’s IE strong performance continued throughout FY2024, with revenue growth of 60.3% or S\$34.40 million, from S\$57.03 million in FY2023 to S\$91.43 million in FY2024.

Revenue contribution from the IE business segment has been growing progressively over the past few years, becoming the main revenue contributor to the Group. In FY2024, it accounted for 81.7% of overall revenue.

For the Group’s CP division, revenue are largely recurring in nature, FY2024 saw a slight dip in revenue by 7.4% or S\$1.64 million to S\$20.44 million, from S\$22.08 million in FY2023. The variance was primarily due to the recognition of S\$1.52 million from the consolidation of its distribution business into CP up to FY2023 and also include the disposal of the Group’s loss-making bottled drinking water business.





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Improvement of the Group's gross profit margin to 34.6%, driving gross profit growth of 55.5% to S\$38.73 million in FY2024: As part of its turnaround strategy, the Group has implemented costs minimisation and productivity initiatives in recent years and it have progressively yielded improvement in the Group's gross profit margin, which increased 3.1 percentage points to 34.6% in FY2024, as compared to 31.5% in FY2023.

Corresponding to higher revenue and higher gross profit margin, the Group's gross profit jumped 55.5% to S\$38.73 million in FY2024, as compared to a gross profit of S\$24.91 million recognised in FY2023.

Supported by strong business performance and improved margins, the Group's net profit increased 167.7% to S\$21.19 million in FY2024: With the completion of the second partial land sale of its Batam shipyard property in January 2024, the Group recognised a one-off gain of S\$5.51 million in FY2024 (the Group recognised a one-off gain of S\$5.40 million from the first partial land sale in FY2023).

Following the completion of both partial land sales of its Batam shipyard property, the Group has retained 137,986 square metres of the Batam shipyard property, which is approximately one-third of its original size. As part of the Group's strategy to unlock value and improve utilisation of its fixed assets, the Group generated rental income from investment properties of S\$1.33 million in FY2024, mainly due to the rental of the facilities and property at its Batam shipyard property.

The Group's administrative expenses for FY2024 increased by 25.3% to S\$20.66 million, largely attributable to higher salaries, bonuses, accruals for performance incentives and other personnel-related expenses associated with improved business performance, increased hirings and business expansion activities.

Driven by the progressive reduction in borrowings, the Group's interest expense continued to reduce to \$0.95 million in FY2024, by 52.2% or S\$1.03 million from S\$1.98 million in FY2023.

Overall, the Group achieved increased net profit of S\$21.19 million in FY2024, of which the profit attributable to equity holders of the Company rose to S\$11.54 million.

On an EBITDA basis, the Group achieved a higher consideration of S\$29.25 million in FY2024, as compared to EBITDA of S\$15.84 million in FY2023.

Notably, the Group generated cash of S\$13.47 million from its operating activities in FY2024.

Strengthened balance sheet with increased liquidity position and reduced borrowings: Aligned with the Group's turnaround strategy, the Group has been reducing its borrowings over the years and as at 31 December 2024, the Group's total borrowings decreased to S\$8.24 million as compared to S\$14.14 million as at 31 December 2023.

With improved business performance and the completion of the second partial land sale of its Batam shipyard property, the Group's liquidity position was further strengthened with cash and cash equivalents of S\$22.92 million as at 31 December 2024.

The Group's total equity increased significantly to S\$28.47 million, with total assets of S\$74.11 million and total liabilities of S\$45.64 million as at 31 December 2024.

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This press release is to be read in conjunction with the Company's announcements released on 19 February 2025, which can be downloaded via www.sgx.com.



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About Beng Kuang Marine Limited

(Bloomberg: BKM:SP / Reuters: BENK.SI / SGX Stock Code: BEZ)

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

With a multi-pronged approach, Beng Kuang Group continues to strive to be the “Preferred and Trusted Partner” in providing total solutions for the offshore and marine industries.

Forging ahead with an innovative and operating mindset, the Beng Kuang Group team aims to create new value propositions for our customers and align our business activities towards new market trends and opportunities with an asset-light and service-oriented business model.

For more information, please visit <http://www.bkmgrou.com.sg/>

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

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