KIM HENG LTD.
(Company Registration Number: 201311482K)
(Incorporated in the Republic of Singapore on 29 April 2013)

INCORPORATION OF A WHOLLY-OWNED SUBSIDIARY

The Board of Directors (the "**Board**") of Kim Heng Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") is pleased to announce that its wholly-owned subsidiary, Kim Heng Offshore & Marine Pte Ltd ("**KHOM**") had recently incorporated a wholly-owned subsidiary Adira Renewables Pte Ltd ("**Adira"**) and acquired a 300-footer barge to focus on cable laying for renewable energy projects in South East Asia. The initial share capital will be S$100.

The Group believes that the available market & demand for cable installation work scopes in the South East Asia region, even when excluding China will exceed US$5 billion in the next 10 years.[1] As such, the Group endeavours to scale up to own and operate a fleet of cable laying barges in the South East Asia region to meet this demand.

The subscription for the shares by the Company in Adira will be funded by the Group's internal resources and is not expected to have any material impact on the earnings per share or the net tangible assets per share of the Group for the current financial year ending 31 December 2021. Mr Thomas Tan who is the Executive Chairman, Chief Executive Officer and controlling shareholder of the Company and Mr Tan Wen Hao, Justin Anderson who is the son of Mr Thomas Tan were appointed as directors of Adira.

By Order of the Board

Tan Keng Siong Thomas
Executive Chairman & CEO
Kim Heng Ltd.
11 November 2021

*This announcement has been reviewed by the Company's sponsor ("**Sponsor**"), SAC Capital Private Limited. This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*
The contact person for the Sponsor is Ms. Tay Sim Yee, SAC Capital Private Limited at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, telephone (65) 6232 3210.

[1] https://www.powerengineeringint.com/renewables/floating-offshore-wind-asia-pacifics-next-frontier-wood-mackenzie/
Rystad forecasts $810 billion in offshore wind spending this decade | Offshore (offshore-mag.com)
10 Wind Power Projects creating jobs in Asia | NES Fircroft