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GKE's Infrastructural Materials and Services Division broadens operations into material waste recycling in China

- **wholly-owned subsidiary, Wuzhou Xing Jian, formed strategic joint venture to construct and operate a material waste recycling plant in Cenxi City**
- **recycled material waste is a feedstock for the Group's proposed new ready-mix concrete manufacturing plant in Cenxi City**
- **Group expects positive contribution from these new initiatives in Cenxi City to enhance sustainable value in its infrastructural materials supply chain in China, as well as boost its financial performance**

FOR IMMEDIATE RELEASE

SINGAPORE, 14 May 2019 – GKE Corporation Limited 锦佳集团 ("**GKE**", and together with its subsidiaries, the "**Group**"), today announced that its wholly-owned subsidiary, Wuzhou Xing Jian Readymix Co., Ltd. **梧州星建混凝土有限公司** ("**Wuzhou Xing Jian**"), which is primarily engaged in the manufacture and supply of ready-mix concrete products, together with Dongguan Haoyi Industrial Investment Co., Ltd. **东莞市好易实业投资有限公司** ("**Dongguan Haoyi**") and Cenxi City Hengyi Investment Co., Ltd **岑溪市恒益投资有限公司** ("**Cenxi City Co**"), has formed a joint venture company, Cenxi Haoyi Recycling Co., Ltd. **岑溪市好易再生资源有限公司** ("**Cenxi Haoyi Recycling**"), to construct and operate a new recycling plant to recycle material waste from mining, construction, manufacturing and other related activities in Longmu Village in Cenxi City, China.

The registered capital of Cenxi Haoyi Recycling is RMB100 million (approximately S$20.02 million), of which Dongguan Haoyi owns 51%, Cenxi City Co owns 25%, and Wuzhou Xing Jian owns 24%. Both Dongguan Haoyi and Wuzhou Xing Jian will contribute in cash according to their ascribed shareholdings, while Cenxi City Co will contribute to the joint venture by providing the land use rights to two pieces of land with an aggregate area of approximately 200mu (approximately 133,334 square metres) for its portion. The investment by Wuzhou Xing Jian will be financed from internal resources and funds raised from the Group's recent share placement.

Mr. Chen Yong Hua, the Executive Chairman and Executive Director of GKE, who spearheaded the Group's infrastructural materials and services division in China with the establishment of Wuzhou Xing Jian, is also the majority shareholder of Dongguan Haoyi.

"Tapping on our Chairman's expertise and track record in primary land development, operations in quarry, and ready-mix concrete manufacturing, the Group believes that the material waste recycling plant is synergistic to its upcoming ready-mix concrete manufacturing plant in Cenxi City. The recycled material waste is a feedstock to ready-mix concrete manufacturing. The Group believes that the broadened business operations to include the material waste recycling plant will contribute positively to environmental sustainability efforts, as well as the Group's financial performance in the long term," said Mr. Neo Cheow Hui (梁鹏飞), CEO and Executive Director of GKE.



Material waste at granite mine in Cenxi City

Wuzhou Xing Jian, the only operating subsidiary in the Group's infrastructural materials and services business segment, commenced commercialisation in June 2016, and contributed about S$18.2 million to the Group's revenue of S$71.5 million in FY2018. Its current productivity of ready-mix concrete products is approximately 350,000m^3 per annum. The new proposed ready-mix concrete manufacturing plant in Cenxi City is expected to have an initial annual production capacity of 200,000m^3 to meet the current market demand in Cenxi City of about one million cubic metre per annum.

Added Mr. Neo, **"The Group's infrastructural materials and services division in China will continue to build on the success of Wuzhou Xing Jian to broaden our earnings base in the construction materials supply chain. We will be well-positioned to benefit from the urbanisation plans in Cenxi City with our investments in the proposed material waste recycling plant and Cenxi Xing Jian (the new ready-mix concrete manufacturing plant)."**

On 6 May 2019, the Group announced its expansion plan to construct a new automated ready-mix concrete manufacturing plant and a proposed placement of 100 million shares at an issue price of S$0.07 per share to raise an aggregate amount of S$7.0 million to partially finance the expansion.

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Note: This media release is to be read in conjunction with the Company's announcement on the SGX website on the same date.

ABOUT GKE CORPORATION LIMITED

(Stock Codes – SGX: 595 | Bloomberg: GKEC SP | Thomson Reuters: GKEC.SI)

GKE Corporation Limited (**锦佳集团有限公司**) ("**GKE**" and together with its subsidiaries or the "**Group**") is a leading integrated warehousing and logistics solutions provider offering one-stop, end-to-end multi-modal supply chain management solutions and services. The business activities of GKE can be classified into two broad categories: (i) warehousing & logistics, and (ii) strategic investments.

The Group's facilities hosts one of the best material handling systems, with the most up-to-date safety and security features. It leverages information technology to increase order visibility, maximise operational efficiency, effective inventory management, and reduce overall supply chain costs for its customers.

GKE operates its third-party warehousing & logistics business under the "**GKE**", "**Marquis**" and "**TNS**" brand names. The Group provides total integrated and comprehensive warehousing & logistics solutions and services that include general warehousing, dangerous goods cargo storage (Class 2 and 3), conventional transportation, container trucking, project logistics, international multi-modal sea and air freight forwarding services. It has expanded its capabilities into marine logistics and chemical warehousing through its 70% stake in Marquis Services Pte Ltd, and extended its logistics services through its wholly-owned TNS Ocean Lines (S) Pte Ltd, an established port operations and maritime logistics service provider, to enhance its logistics value chain as port operations are the first and last landing points for the import and export of goods.

The Group's strategic investment includes infrastructural materials and services business. This business is carried out through its wholly-owned subsidiary, Wuzhou Xing Jian Readymix Co., Ltd. (梧州星建混凝土有限公司) which is primarily engaged in the manufacture and supply of ready-mix concrete products to the domestic infrastructural and real estate sector in Wuzhou City, China. The ready-mix concrete manufacturing plant of Wuzhou Xing Jian commenced commercial production in June 2016.

For more information, please visit the company website at www.gke.com.sg.

Issued for and on behalf of **GKE CORPORATION LIMITED** by:

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*This media release has been prepared by GKE Corporation Limited (the "**Company**") and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this media release.*

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