



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

PROPOSED BONDS REDEMPTION AND OFFER

1 INTRODUCTION

The board of directors (the “**Directors**” or “**Board**”) of Beng Kuang Marine Limited (the “**Company**”, together with its subsidiaries, “**Group**”) refers to the Group’s earlier announcements dated 28 October 2021 and 5 November 2021 and wishes to announce that the Company has, on 21 October 2024, issued a notice of redemption to the holders of the bonds (the “**Bondholders**”) in principal amount of S\$3,500,000 due 5 November 2024 (the “**Existing Bonds**”) to redeem the Existing Bonds (the “**Redemption**”). The date of Redemption shall be 5 November 2024 (the “**Redemption Date**”).

In connection with the Redemption, the Company also proposes to issue up to S\$3,500,000 in aggregate principal amount of nine (9) per cent bonds due 2027 (the “**2027 Bonds**”) (the “**2027 Bonds Issue**”) to any accepting Bondholders (the “**Accepting Bondholders**”) pursuant to an exempted offer under section 275 of the Securities and Futures Act 2001 of Singapore (“**SFA**”). As such, no prospectus or other information statement will be lodged with the Monetary Authority of Singapore in respect of the 2027 Bonds Issue. The salient terms of the 2027 Bonds are set out in paragraph 2 below. Payment of the subscription price of the 2027 Bonds shall be way of set-off against the equivalent value of monies payable to the relevant Accepting Bondholder for the redemption of the principal amount of the Existing Bonds pursuant to the Redemption, save that such Bondholder shall only be entitled to subscribe for the 2027 Bonds in the principal amount of up to the principal amount of the Existing Bonds held by him as at the Redemption Date. In the event that all the Accepting Bondholders subscribe for an aggregate principal amount of the 2027 Bonds that is less than the amount required for redemption of the aggregate principal amount of the Existing Bonds representing S\$3,500,000, the Company intends to offer the balance of the 2027 Bonds not taken up to the relevant person(s) (as defined in section 275(2) SFA) and/or any person as principal under section 275(1A) SFA for acceptance. Accordingly, any proceeds raised from the 2027 Bonds Issue will be for the purpose of refinancing the Existing Bonds.

The Company has engaged Quadrant Law LLC as legal adviser to the Company in relation to the 2027 Bonds Issue.

2 SAILENT TERMS OF THE 2027 BONDS

The salient terms of the 2027 Bonds are set out below:

- Principal Amount : Up to S\$3,500,000.
- Subscription Price : 100% of the principal amount of the 2027 Bonds.
- Maturity Date : On the third anniversary of the date of issue of the 2027 Bonds (the “**Maturity Date**”).

This is expected to be on or around 5 November 2027.

- Interest : Subject to the terms and conditions of the 2027 Bonds (the “**Terms and Conditions**”), the 2027 Bonds bear interest from the date of issue of the 2027 Bonds (the “**Issue Date**”) at the rate of 9.0% per annum of the principal amount outstanding of the 2027 Bonds. Interest is payable semi-annually in arrears on each date (“**Interest Payment Date**”) which falls six months after the preceding Interest Payment Date. The first Interest Payment Date shall fall six months after the Issue Date.
- Form and Denomination : The 2027 Bonds are issued in registered form in the denomination of S\$250,000 or integral multiples thereof.
- Status of the Bonds : The 2027 Bonds constitute direct, unsubordinated and unconditional obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves.
- The payment obligations of the Company under the 2027 Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and, at all times rank (i) in priority to loans to the Company by its Directors and/or shareholders, if any; and (ii) at least equally with all of its other present and future direct, unsubordinated and unconditional obligations, other than subordinated obligations and priorities created by law.
- Redemption on Maturity : Subject to the Terms and Conditions, unless previously redeemed, purchased and cancelled or extended as provided for in the Terms and Conditions, the Company will redeem each 2027 Bond at 100.0% of its principal amount, together with any accrued but unpaid interest thereon (calculated up to, but excluding, the date fixed for such redemption) on the Maturity Date.
- Transfer : Subject to the consent of the Company and the Terms and Conditions, a 2027 Bond may be transferred or exchanged by delivery of the bond certificate issued in respect of that 2027 Bond, together with the form of transfer duly completed and signed under the hand of the bondholder or his/her attorney duly authorised in writing (a copy of such authorisation to be attached to the form of transfer), to the Company. No transfer of title to a 2027 Bond will be valid without the consent of the Company and unless and until entered on the Register.
- Events of Default : A Bondholder may give notice to the Company that the 2027 Bonds are, and they shall accordingly thereby become, immediately due and repayable at their principal amount (together with any unpaid accrued interest) if any of the events of default (each an “**Event of Default**”) specified in the Terms and Conditions has occurred.
- This is subject to the Company’s right to challenge the validity and/or reasonableness of (i) the occurrence of the Event of Default; and/or (ii) the notice issued by the Bondholder.

3 INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders has any interest, direct or indirect, in the Redemption and 2027 Bonds Issue (other than their direct or indirect shareholdings in the Company).

4 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the redemption and offer letter to the Bondholders will be available for inspection during normal business hours for a period of three (3) months commencing from the date of this announcement at the registered office of the Company at 2 Venture Drive #14-15, Vision Exchange Singapore 608526.

5 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts regarding the Redemption and 2027 Bonds Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

6 FURTHER ANNOUNCEMENTS

The Company will make the appropriate announcements as and when there are material developments on the Redemption and 2027 Bonds Issue.

7 CAUTIONARY STATEMENT

Shareholders, securityholders and investors are advised to read this announcement and any past and future announcements by the Company carefully when dealing with the securities of the Company. Shareholders, securityholders, and investors should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take or when dealing with their shares or securities of the Company.

BY ORDER OF THE BOARD

Chua Beng Yong
Executive Chairman
21 October 2024

Important Notice Notification under Section 309B of the Securities and Futures Act 2001 of Singapore: The 2027 Bonds are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("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 contained in this announcement.