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BENG KUANG GROUP

# Business Update 3Q2026

## BENG KUANG MARINE LIMITED

Margins recover as secured work converts into earnings and cash.

For the three months ended 30 September 2026



2 NOVEMBER 2026

SGX: BEZ · Bloomberg: BKM:SP · Reuters: BENK.SI

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# 3Q2026 Financial Snapshot

Operating improvement drove the quarter, in the first full quarter of 100% ASOM ownership.

**REVENUE**

**S$28.6m**

↑10.1% vs 3Q2025
↓4.6% vs 2Q2026

**EBITDA MARGIN***

**22.8%**

1H2026: 13.7%
3Q2025: 18.2%

**GP MARGIN**

**38.1%**

↑2.1pp vs 3Q2025
↑12.2pp vs 2Q2026

**PBT**

**S$5.20m**

↑15.1% vs 3Q2025
↑21.6% vs 2Q2026

**PATMI**

**S$4.24m**

↑174.6% vs 3Q2025
↑87% vs 2Q2026

**EBITDA excluding other gains and losses.*

## WHAT DROVE THE QUARTER

**Margin recovered.** Offshore lifecycle work moved into full execution, and Batam shipbuilding moved into later-stage delivery.
**Stronger earnings without the other gains.** 3Q2025 benefited from S$0.83m in net other gains vs 3Q2026 recorded net other losses of S$0.03m
**Ownership now flows through.** First full quarter with 100% of ASOM: profit to non-controlling interests fell to S$0.04m (3Q2025: S$1.51m).

## NINE MONTHS TO 30 SEPTEMBER

**S$7.78m**

**9M2026 PATMI**
↑73.9% vs 9M2025

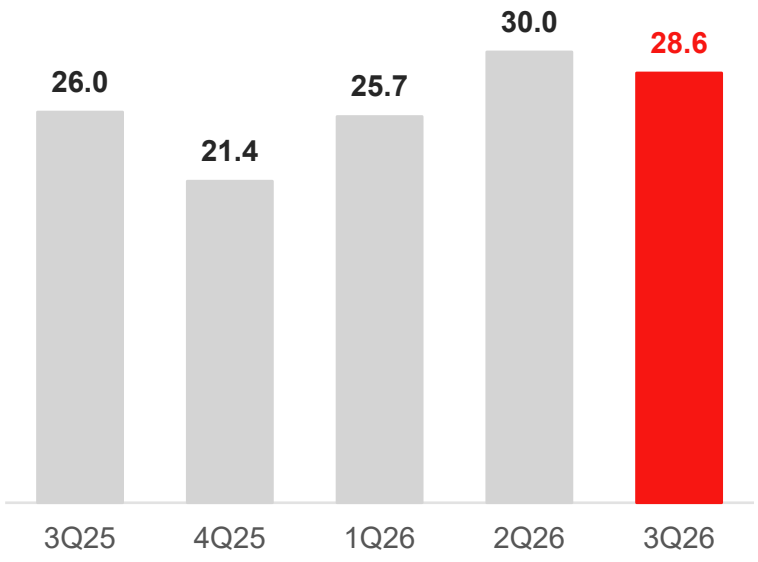
**Already 46% above full-year FY2025 PATMI of S$5.33m.**

Revenue S$84.3m (+9.8%) · PBT S$12.48m (8.1% lower)
9M PBT includes S$1.49m of disposal gains: S$1.43m in 1H, S$0.07m in 3Q (9M2025: S$0.02m).

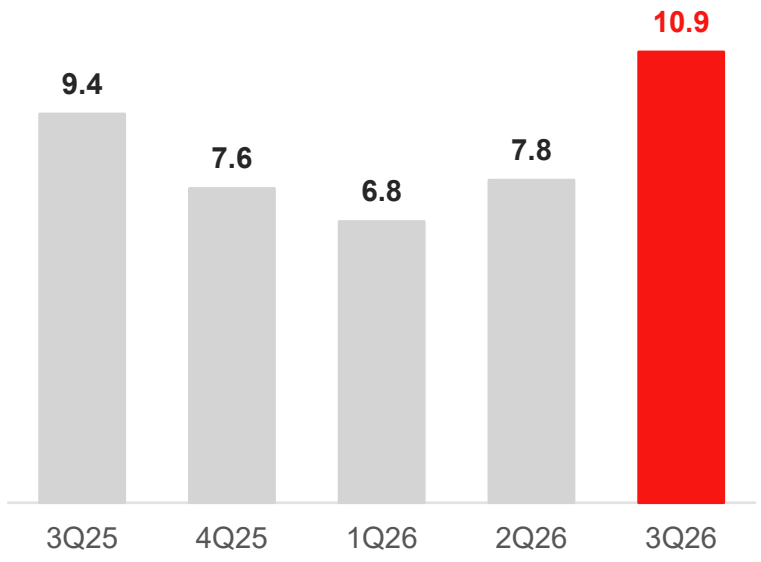
# How We've Tracked Over Five Quarters

Revenue held steady. Gross margin is back to where it was before the mix shift in 1H2026.

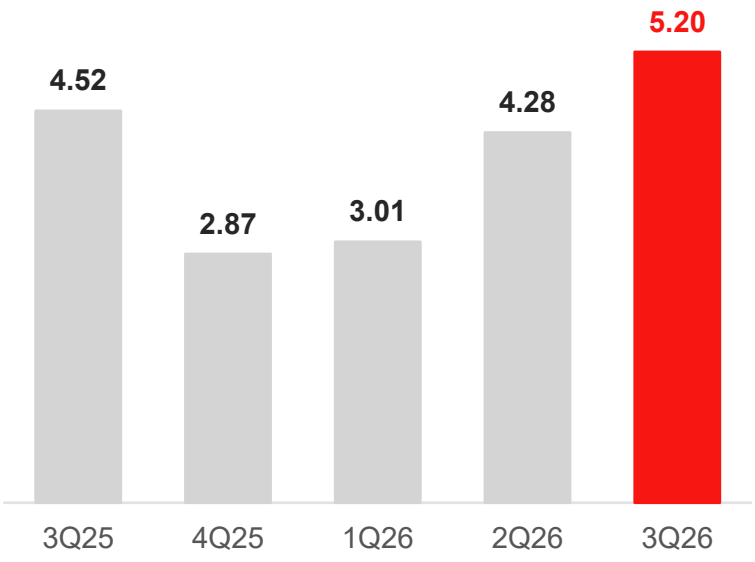
**REVENUE (S$M)**




**GROSS PROFIT (S$M)**




**PBT (S$M)**




*Light bars: prior quarters. 2Q2026 derived from 1H2026 less 1Q2026. Figures rounded.*

| GP MARGIN | | | | |
|---|---|---|---|---|
| 36.0% | 35.8% | 26.5% | 25.9% | 38.1% |

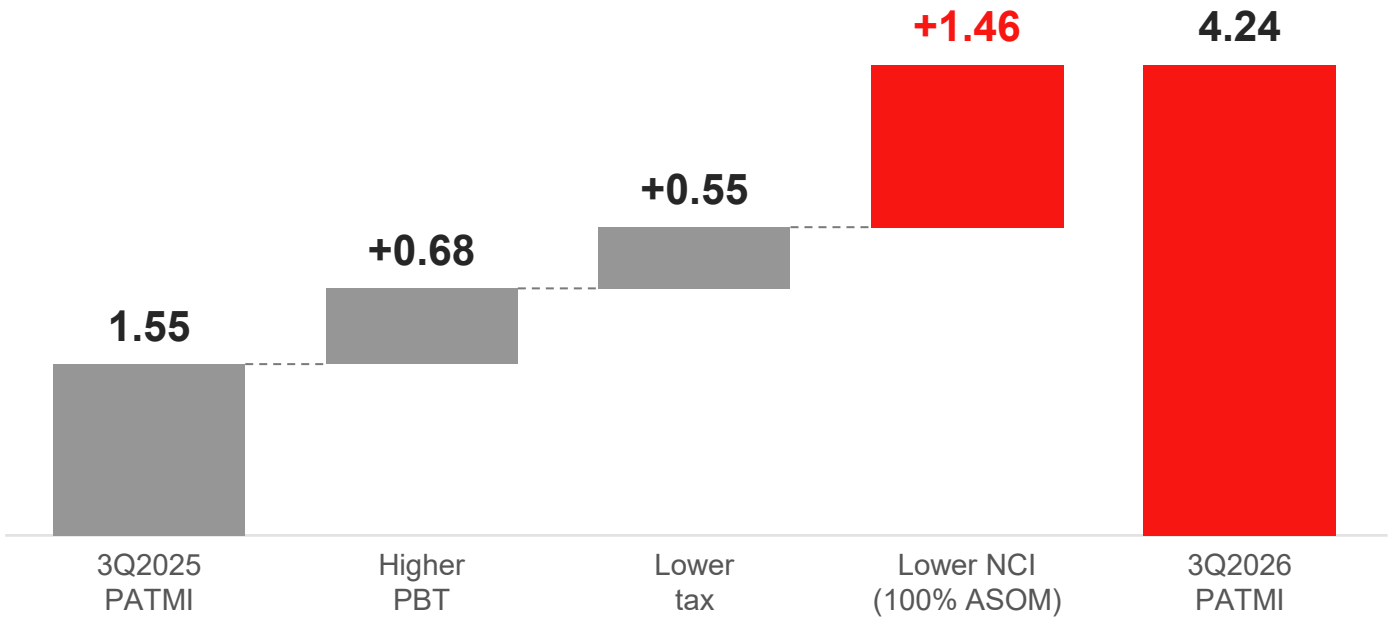
**3Q2026 PBT is the highest in the five quarters shown.**

**Gross margin back to 38.1%, from about 26% in each of the previous two quarters.**

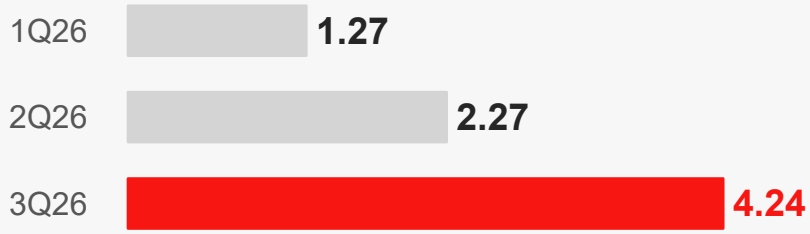
# Higher Operating Profit and Full ASOM Ownership Lift PATMI

3Q2026 PATMI of S$4.24m was higher than the whole of 1H2026 (S$3.54m).

## 3Q2025 TO 3Q2026 PATMI (S$M)




## QUARTERLY PATMI IN 2026 (S$M)




## DRIVEN BY OPERATIONS

**S$5.58m** **Gross profit less admin***
3Q2025: S$3.83m (+46%)

3Q2025 benefited from S$0.83m in net other gains vs 3Q2026 recorded net other losses of S$0.03m

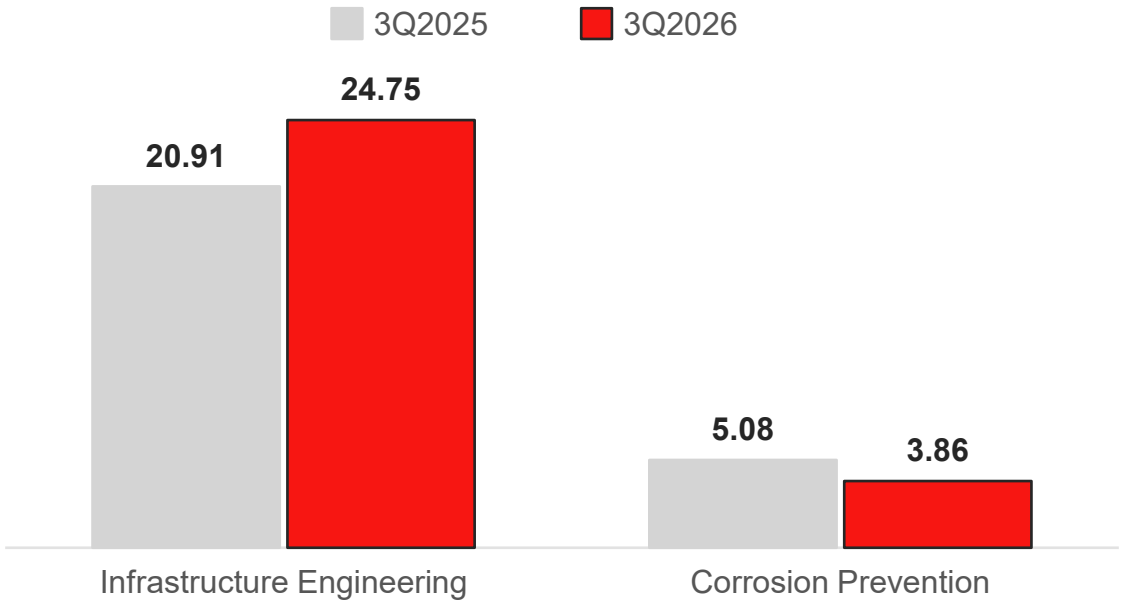
**Non-SFRS(I) measure, shown to isolate operating performance.*

**100% of ASOM's earnings now belong to BKM shareholders.**

# Where the Revenue Came From

Offshore lifecycle work drove the quarter. Shipbuilding and cranes added volume without pulling margin down.

## EXTERNAL REVENUE (S$M)




**Infrastructure Engineering segment profit: S$6.20m (3Q2025: S$5.29m, +17.2%)**

## WHAT MOVED THIS QUARTER

### Offshore lifecycle services

Our largest business. West Africa Basin work in full execution after the June mobilisation, plus a new US$5.84m order on an FPSO in Angola.

### Shipbuilding (Batam)

About S$3.42m of revenue from four ballastable barges, with S$3.9m of work left on these projects.

### Deck equipment & cranes

Progress on five 30-tonne knuckle-boom cranes under a US$4.94m contract.

### Corrosion Prevention

External revenue down 24.0%. Fewer jobs from key Indonesian customers, and we did not chase volume at the expense of credit risk.

**Offshore lifecycle work is the engine. Shipbuilding and cranes added volume alongside it.**

# Offshore Lifecycle Services: Delivering and Replenishing

We delivered more work in the quarter and still ended it with more contracted work in hand.

**19**

**FPSOs and FSOs**
in our service footprint

**S$59.8m**

**Contracted work remaining**
at 30 Sep 2026 (30 Jun: S$52.3m)

**S$112.4m**

**Contracts and orders secured**
in 9M2026

## HOW THE WORK MOVED IN 9M2026 (S$M)

| 112.4 | – | 52.6 | = | 59.8 |
|---|---|---|---|---|
| Secured | | Delivered / progressed | | Remaining at 30 Sep |

*Figures from the order book update of 12 October 2026. A point-in-time balance, not a revenue forecast.*

## WHY THE WORK COMES BACK

**Mandatory.** Inspection and integrity work is required, whatever the oil price.

**On board.** Our onboard presence positions us for follow-on scopes.

**Long-lived assets.** Life extension adds larger scopes as vessels age.

**S$52.6m delivered in nine months; contracted work remaining up S$7.5m since June.**

# Shipbuilding and Cranes: Progressing Through Delivery

Shipbuilding is 77% delivered and cranes 37%. Later-stage work carries the better margin.

## SHIPBUILDING (BATAM)

**S$3.9m** order book remaining for delivery at 30 Sep

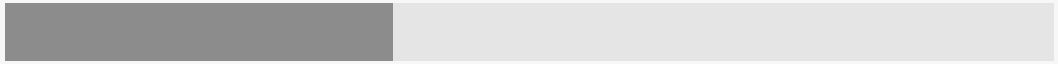


S$12.7m delivered of S$16.6m contract value · 77% delivered

- New-build, conversion and fabrication at our Batam yard
- Four ballastable barges contributed about S$3.42m in 3Q2026
- Focus: complete and deliver to schedule

## DECK EQUIPMENT & CRANES

**S$7.5m** order book remaining for delivery at 30 Sep



S$4.4m delivered of S$11.9m contract value · 37% delivered

- Five 30-tonne knuckle-boom cranes under a US$4.94m contract
- Cranes, davits and aftermarket parts and service
- Order book runs beyond FY2026

**Shipbuilding is mostly through its cost phase; the crane contract is progressing.**

# Corrosion Prevention

A smaller quarter for external work, by choice on credit risk, while supporting the Group's own projects.

3Q2026 EXTERNAL REVENUE

**S$3.86m**

(24.0%) vs 3Q2025

**S$0.48m**

Segment PBT (3Q2025: S$0.73m)

**S$2.52m**

of further work done for Group projects, eliminated on consolidation

**01 Credit before volume**

Indonesian customers gave out less work this quarter. We kept receivables within comfortable limits rather than chase it.

**02 Supporting our own projects**

CP crews were deployed on Group offshore and yard work. The margin stays within the Group.

**03 Steady base in Singapore**

30+ years with the major yards in Singapore and Batam. Work continues as customers settle into new yard premises.

**Smaller and disciplined on credit, while supporting the Group's own projects.**

DELIVERY AGAINST COMMITMENTS

# What We Said in August. What 3Q Delivered.

In August we said we would be judged on converting secured work into earnings and cash flow.

| WHAT WE SAID IN AUGUST | | WHAT 3Q2026 DELIVERED | |
|---|---|---|---|
| *Revenue and margins to strengthen progressively through 2H2026* | › | **38.1%** | Gross margin, up from 26.0% in 2Q2026 and 36.0% in 3Q2025 |
| *Offshore lifecycle work to move into execution after the June mobilisation* | › | **Full** | West Africa Basin in full execution; new US$5.84m order on an FPSO in Angola |
| *Convert contract assets into certified billings and cash* | › | **+S$4.3m** | Contract assets reduced by S$4.3m in 3Q, reversing the build-up in 1H2026. Billing advanced; collections remain the priority |
| *Execute the work already secured* | › | **S$71.2m** | Contracted work and order book entering 4Q2026, after a quarter of delivery |

CLOSING

# Focus for 4Q2026

Execute safely, protect margins, and turn work done into cash.

## 01 Deliver

Execute the contracted work safely and on schedule.

## 02 Protect margin

Keep offshore lifecycle work the larger share of the mix.

## 03 Convert

Keep certification, billing and collections moving.

## 04 Strengthen CP

Improve utilisation and keep credit risk at comfortable levels.

**CEO COMMENTARY**

"In August, we said our focus was to convert secured work into earnings and cash flow. The third quarter shows progress on both.

Gross margin returned to 38.1% as our offshore lifecycle work moved into full execution and our Batam projects moved into later-stage delivery. Profit attributable to shareholders was S$4.24 million, more than the whole of the first half, in our first full quarter with 100% of ASOM.

We enter the fourth quarter with S$71.2 million of contracted work and order book. Our focus does not change: execute safely, protect margins, and turn work done into cash."

**— Yong Jiunn Run, Chief Executive Officer**

CONTACT

# Media & Investor Relations

For media and investor queries, please contact:


## Mr Alex Tan

8PR Asia Pte Ltd

+65 9451 5252

alex.tan@8prasia.com