



KIM HENG OFFSHORE & MARINE HOLDINGS LIMITED
(Company Registration Number: 201311482K)
(Incorporated in the Republic of Singapore on 29 April 2013)

**(1) INCORPORATION OF A SUBSIDIARY COMPANY; AND
(2) ENTRY INTO JOINT VENTURE AGREEMENT WITH RUHM MARINE SDN BHD**

The Board of Directors (the “**Board**”) of Kim Heng Offshore & Marine Holdings Limited (the “**Company**”) and together with its subsidiaries, collectively, the “**Group**”) wishes to announce that its 51%-owned subsidiary of the Company, Bridgewater Offshore Pte. Ltd. (“**BWOPL**”) has incorporated a 100%-owned subsidiary in Malaysia named Bridgewater Offshore Sdn Bhd (“**BWOSB**”). BWOSB has on 18 February 2021 signed a joint venture agreement (“**JV Agreement**”) with RUHM Marine Sdn Bhd (“**RUHM**”) to form a joint venture company in Malaysia called RUHM Bridgewater Offshore Sdn Bhd (the “**JVC**” or “**RBWOSB**”).

The JVC will be 51% owned by RUHM and 49% owned by BWOSB. RUHM will be subscribing for 510 ordinary shares and BWOSB subscribing for the remaining 490 ordinary shares in the JVC at RM1 per ordinary share. The initial share capital of the JVC will be RM1,000 together with asset injection by the Company of a vessel “Bridgewater 63” valued at USD900,000 into a wholly owned subsidiary of RBWOSB, called Bridgewater 63 Sdn Bhd. As the relative figures of the disposal under Rule 1006 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) do not exceed 5%, the disposal is considered a “non-discloseable transaction” under Rule 1008 of the Catalist Rules.

RUHM is a major operator of marine service vessels which provides logistic support for offshore, exploration, drilling, construction and other activities related to the offshore petroleum and mining industry in Malaysia. The Company had previously set up a joint venture with RUHM namely Ruhm Mazu Sdn Bhd as announced on 8 November 2017.

The JVC is intended to further expand our offshore marine business into Malaysia in addition to the existing operations and the JVC will undertake marketing, operating, maintaining and chartering vessels to customers for use within the Malaysian territory and its exclusive economic zone(s) and such other chartering activities as may be agreed between the shareholders. With this joint venture, the Group is well positioned for the expected upturn of the oil and gas industry and anticipates to deploy more of the Group’s vessels in the near future.

The investment in the JVC by the Company is expected to further enhance the business potential of the Company in Malaysia.

The subscription by the Company for the shares in JVC will be funded through 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 Tan Keng Hoe, Melvin, who is the brother of Mr Tan Keng Siong, Thomas (“**Mr Thomas Tan**”), 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 both BWOSB and RBWOSB. Mr Mathiew Rajoo, who is not an associate of a director or controlling shareholder of the Company, was also appointed as a director of RBWOSB. Save for their respective directorships and/or shareholdings in the Company and its subsidiaries, none of the Directors or controlling shareholders of the Company or any of their respective associates, has any interest, direct or indirect, in the abovementioned transaction.

BY ORDER OF THE BOARD

Tan Keng Siong Thomas
Executive Chairman & CEO
18 February 2021

*This announcement has been reviewed by the Company’s sponsor, SAC Capital Private Limited (“**Sponsor**”). 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 reports contained in this announcement.*

The contact person for the Sponsor is Ms Tay Sim Yee, SAC Capital Private Limited at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542, telephone (65) 6232 3210