
AWARD OF HORIZONTAL DIRECTIONAL DRILLING WORK FOR SUBMARINE CABLE INSTALLATION CONTRACT FROM HUNG HUA CONSTRUCTION CO. LTD

SINGAPORE, 4 February, 2020 Kim Heng Offshore & Marine Holdings Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”), an established integrated offshore and marine value chain services provider, is pleased to announce that its wholly-owned indirect subsidiary Mazu Land & Marine Works Pte Ltd (“**MLM**”) has been awarded a contract for the installation of horizontal directional drilling (“**HDD**”) conduits by Hung Hua Construction Co. Ltd (“**HHC**”) related to the submarine cable installation works for an Offshore Wind Farm (“**OWF**”) project in Taiwan. HHC is acting as subcontractor of Seaway Offshore Cables GmbH.

Seaway Offshore Cables GmbH, part of the Renewables and Heavy Lifting Business Unit of Subsea 7, is a leader in submarine cable installation, repair and maintenance serving the global offshore renewable energy and oil and gas sectors as well as utility markets since 2003.

HHC is a marine construction company in Taiwan participating in dredging and maritime construction projects. For more than 30 years, HHC has been engaging in dredging of waterways, navigation channels, constructing of dykes, foundation piles, breakwaters, projects of large reclamation and port construction.

Under the contract, MLM will provide a marine spread, project management and support services for the purpose of the HDD works. MLM will also collaborate with Thaitan Drilling Co. Ltd., a company specialising in the provision of HDD services, to provide design, engineering and drilling equipment for the HDD works.

The contract is scheduled to commence in the second quarter and expected to be completed in the third quarter of the financial year ending 31 December 2020 (“**FY2020**”) respectively.

The Group has been seeking more works in the OWF renewable energy sector not directly impacted by the oil price, in which it can maximise usage of its offshore assets and technical knowhow.

Barring unforeseen circumstances, the abovementioned contract is expected to contribute positively to the Group’s earnings per share and net tangible asset for FY2020.

None of the Directors, controlling shareholders or substantial shareholders of the Company has any interest, direct or indirect, in the abovementioned contract, save for their shareholdings in the Company (if any).

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About Kim Heng Offshore & Marine Holdings Limited (Bloomberg Ticker: KHOM SP)

www.kimheng.com.sg

With 50 years of experience and listed on the Catalist Board of the Singapore Exchange Securities on the 22nd of January 2014, Kim Heng Offshore & Marine Holdings Limited (“**Kim Heng**” or the “**Group**”) is an established integrated offshore and marine value chain services provider, engages in different stages of offshore oil and gas projects from oil exploration to field development and oil production.

Kim Heng has built its brand over the years and currently caters to world renowned customers from over 25 countries in the regions of Southeast Asia, USA, Latin America, Australasia, Middle East and Europe.

The Group’s operations are strategically located in Singapore, with two shipyards at 9 Pandan Crescent and 48 Penjuru Road. The shipyards, consists of a combined waterfront of 205 metres, enable the Group to carry out afloat repairs, fabrication, newbuild, painting and blasting works.

Kim Heng’s three main business segments.

Offshore Rig Services & Supply Chain Management

Offshore Rig Services

- Construction and fabrication works of sections or components of drilling rigs & drillships
- Installation of offshore production modules and systems
- Afloat repairs, maintenance and refurbishment of offshore rigs, platforms & vessels
- Supply of offshore drilling and production equipment
- 24/7 Oil spill response and salvage operations
- Owner and Operator of Offshore Support Vessels

Supply Chain Management

- Provision of offshore supply vessels and heavy-lift equipment
- Provision of logistics, general shipping and crew management

Heavy-lift Equipment

- Provision of heavy equipment both for sale and rent
- Import and export of heavy equipment
- These include crawler cranes, lorry cranes and mobile cranes

Vessel Sales & Newbuild

- Purchase and refurbishment of vessels for onselling
- Newbuilding of vessels

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This press release has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release.

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