



**KIM HENG LTD.**

(Company Registration Number: 201311482K)

(Incorporated in the Republic of Singapore on 29 April 2013)

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**SIGNING OF MEMORANDUM OF UNDERSTANDING IN RELATION TO PROVIDE NEWBUILT EXPORT CABLE LAY BARGE & UNDERTAKE ENGINEERING, PROCUREMENT, CONSTRUCTION, INSTALLATION AND COMMISSION SCOPE OF OFFSHORE WINDFARM CABLE LAYING PROJECTS**

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The Board of Directors (the “**Board**”) of Kim Heng Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) is pleased to announce that its wholly-owned subsidiary, Kim Heng Marine & Oilfield Pte Ltd (“**KHMO**”) had entered into a non-binding memorandum of understanding (the “**MOU**”) with Hung Hua Construction Co. Limited, Taiwan (“**Hunghua**”) in relation to building a export cable laying barge and providing the project expertise and project team required to lay and install the power cable for the offshore windfarm in Taiwan.

Hunghua is a leading company in marine civil engineering and specialising in offshore windfarm installations in Taiwan. This further collaboration between both KHMO and Hunghua allows both parties to jointly pursue the turnkey development of offshore windfarms in Taiwan, contributing to Taiwan’s national target of installing more than 9GW of offshore wind power by 2029<sup>1</sup>.

Kim Heng has recently incorporated a wholly owned subsidiary Adira Renewables Pte Ltd (“**Adira**”) and acquired a 300-footer barge to focus on cable laying for offshore wind farm & floating solar farm projects. Adira is 100% owned by Kim Heng Offshore & Marine Pte Ltd, a wholly owned subsidiary of the Company. The initial share capital will be S\$100. The subscription for the shares by the Company in Adira will be funded by 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 Thomas Tan who is the 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 Adira.

This MOU marks another major milestone for the Group’s transition from the oil & gas into the renewable energy sector. The Group is currently evolving into a renewable energy solutions provider and expanding its value chain by specialising in engineering, procurement, construction, and installation support.

The Group believes that the available market & demand for cable installation work scopes in the South East Asia region excluding China exceeds US\$5 billion in the next 10 years.<sup>2</sup> As such, the Group endeavours to scale up to own and operate a fleet of cable laying barges in the region to meet this demand.

Pursuant to the MOU, Hunghua shall enter into a formal contractual agreement with KHMO once the export cable pipelay barge is ready for deployment.

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<sup>1</sup> Source reference from Wood Mackenzie

<sup>2</sup><https://www.powerengineeringint.com/renewables/floating-offshore-wind-asia-pacifics-next-frontier-wood-mackenzie/>  
[Rystad forecasts \\$810 billion in offshore wind spending this decade | Offshore \(offshore-mag.com\)](#)  
[10 Wind Power Projects creating jobs in Asia | NES Fircroft](#)

None of the Directors, controlling shareholders or substantial shareholders of the Company or their respective associates has any interest, direct or indirect, in the MOU, save for their respective shareholdings in the Company, if any.

The Company will provide the necessary updates as and when there are material developments to the MOU and or execution of a definitive agreement.

Shareholders and potential investors of the Company are hereby reminded to exercise caution when dealing in the securities of the Company. In particular, shareholders and potential investors of the Company are reminded that there is no assurance that business transactions mentioned in this announcement will materialise. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

### **By Order of the Board**

Tan Keng Siong Thomas  
Executive Chairman & CEO  
Kim Heng Ltd.  
9 November 2021

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*This announcement has been reviewed by the Company's sponsor ("**Sponsor**"), SAC Capital Private Limited. This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**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, #21-00 AIA Tower, Singapore 048542, telephone (65) 6232 3210.*