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BENG SOON MACHINERY HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1987)

PROFIT WARNING

This announcement is made by Beng Soon Machinery Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on the information currently available to the Company and a preliminary assessment by the Board of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2023, the Group is expected to record a loss after income tax of approximately S\$2.6 million, as compared to a profit after income tax of approximately S\$0.2 million for the corresponding period in 2022. The expected loss after income tax was mainly attributable to (i) significant decrease in the revenue recognised by the Group, as certain on-going projects are at their final phase and the relevant revenue has already been recognised in prior years. Although a number of new projects have been awarded to the Group, these projects are still in the preparatory stage and the relevant revenue cannot be recognised by the Group during the period; and (ii) the plummet in the price of salvage materials as their demand in Singapore and other countries such as Mainland China have diminished as a result of the adverse market conditions in Asia during the period, which collectively affected the Group’s revenue, business and financial results during this period.

As at the date of this announcement, the Company is still in the process of finalising the financial results of the Group for the six months ended 30 June 2023. The information contained in this announcement is only a preliminary assessment by the Board based on the information currently available to the Company and the unaudited consolidated management accounts of the Group, which have not been finalised nor reviewed by the auditors and audit committee of the Company and is subject to adjustments.

Shareholders and potential investors should read the interim results for the six months ended 30 June 2023 of the Group carefully, which are expected to be announced by the end of August 2023 in accordance with the Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
BENG SOON MACHINERY HOLDINGS LIMITED
TAN CHEE BENG
Chairman and Chief Executive Officer

Hong Kong, 18 August 2023

As at the date of this announcement, the Company's Board of Directors comprises the following members: (a) Mr. Tan Chee Beng (who is also the Chairman and Chief Executive Officer of the Company), Mr. Tan Wei Leong, Ms. Tang Ling Ling, Mr. Cheung Kam Fai and Mr. Ngan Kin Fung as Executive Directors; and (b) Mr. Wee Chorng Kien, Mr. Leung Kee Wai and Mr. Leung Yau Wan John as Independent Non-executive Directors.