

GKE's infrastructural materials and services division geared up for growth ahead

- RMC manufacturing facility and construction material waste recycling plant in China are fully operational
- These two strategic investments in Cenxi City are expected to contribute positively to its financial performance in the long term

For Immediate Release

SINGAPORE, 23 August 2021 – GKE Corporation Limited 锦佳集团 (“GKE” and, together with its subsidiaries, the **“Group”**), a leading integrated warehousing and logistics solutions provider with strategic investments in infrastructural materials and services business in China, wishes to update shareholders and potential investors on the progress of its strategic investments in Cenxi City, Guangxi, China that were announced in May 2019.

Through the Group's wholly-owned subsidiary, Wuzhou Xing Jian Readymix Co., Ltd (**“Wuzhou Xing Jian”**), the Group broadened its investments to include (i) a newly developed wholly-owned automated ready-mix concrete (**“RMC”**) manufacturing facility, Cenxi Xing Jian Readymix Co., Ltd (**“Cenxi Xing Jian”**) with an intended production capacity of 400,000m³ per annum, and (ii) a 24%-owned joint investment in a construction material waste recycling plant, Cenxi Haoyi Recycling Co., Ltd (**“Cenxi Haoyi”**). These two investments are strategically located beside each other in Cenxi City.



Left: Construction material waste at mountainous area in Cenxi City taken in 2019.

Right: The operations of Cenxi Haoyi and Cenxi Xing Jian taken in August 2021.

Source: Company

Mr. Neo Cheow Hui (梁鹏飞), CEO and Executive Director of GKE said, **“We are pleased to update that both Cenxi Haoyi and Cenxi Xing Jian are fully operational. We hope shareholders and**

investors will appreciate that these new businesses take time to develop as the premises are on mountainous land with scheduled urbanisation plans in the surrounding area.

Tapping on our Chairman's invaluable expertise and proven record in primary land development and infrastructural materials, the Group demonstrated strong financial performance from our first RMC manufacturing facility, Wuzhou Xing Jian, which commenced commercial production in June 2016. In FY21, Wuzhou Xing Jian contributed S\$52.8 million to the Group's revenue of S\$119.0 million and we have expanded our annual RMC production capacity from 800,000m³ to 1.2 million m³ to meet the anticipated demand from the scheduled urbanisation plans in Wuzhou City. We are committed to broadening our earnings base progressively with these two strategic investments in Cenxi City."

Cenxi Haoyi, located beside Cenxi Xing Jian, has commenced trial production in November 2020 and is working towards the target of recycling six (6) million tonnes of construction waste materials per annum. The processed materials recycled by Cenxi Haoyi can be feedstock for RMC production and used to build roads and pathways.

In July 2021, Cenxi Xing Jian commenced trial production for its initial phase of 200,000m³ production capacity per annum. It has recently submitted product samples to the relevant authorities for product quality grading and certification. Under applicable Chinese regulations, RMC producers can only begin selling their RMC after they received the Construction Enterprise Qualification certificate from the Ministry of Housing and Urban-Rural Development of the People's Republic of China.



Photo of the operations of Cenxi Haoyi and Cenxi Xing Jian taken in August 2021.
Source: Company

To achieve better cost efficiencies for Cenxi Xing Jian, the Group (i) used the RMC produced during the trial production to cover the ground area of the production site, (ii) utilises the same management team of Wuzhou Xing Jian to oversee and manage Cenxi Xing Jian (the distance between the RMC facilities in Wuzhou City and Cenxi City is approximately 87 kilometres apart), (iii) shares the fleet of 70 RMC mixer trucks to fulfil the anticipated demand for RMC in both cities, and (iv) saved on storage space for raw materials due to the proximity of Cenxi Xing Jian to Cenxi Haoyi.

Mr. Neo added, **“These two strategic investments in Cenxi City are expected to contribute positively to the Group’s financial performance in the long term.”**

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Note: Shareholders and investors are advised to exercise caution when dealing with the shares of the Company. Shareholders and investors should consult their stockbrokers, bank managers, solicitors, or professional advisers if they have any doubt about the actions that they should take.

About GKE Corporation Limited

(Stock Codes – SGX: 595 | Bloomberg: GKEC SP | Thomson Reuters: GKEC.SI)

GKE Corporation Limited 锦佳集团 (“**GKE**” or the “**Company**” and, together with its subsidiaries, the “**Group**”) is a leading integrated warehousing and logistics solutions provider offering one-stop, end-to-end multi-modal supply chain management solutions and services, with strategic investments in infrastructural materials and services business in China and agri-tech. The main business activities of GKE can be classified into two broad categories: (i) warehousing & logistics, and (ii) strategic investments.

The Group’s facilities host one of the best material handling systems, with the most up-to-date safety and security features. It leverages information technology to increase order visibility, maximise operational efficiency, effective inventory management, and reduce overall supply chain costs for its customers.

The Group provides total integrated and comprehensive warehousing and logistics solutions and services that include general cargo storage, dangerous cargo storage (Class 2, 3, 4, 5.1, 6.1, 8 and 9), bonded and license warehousing services, conventional transportation, container trucking, project logistics, international multi-modal sea and air freight forwarding services, marine logistics and chemical warehousing. The Group has also established its support services at the port operations to further enhance the logistics value chain.

The Group’s strategic investments focusing on infrastructural materials and services business in the Republic of China, has diversified to include the agri-tech business, specifically indoor cultivation of vegetables in Singapore, in early 2021. The strategic investments under infrastructural materials and services are broadened through its wholly-owned subsidiary, Wuzhou Xing Jian Readymix Co., Ltd. 梧州市星建混凝土 (“**Wuzhou Xing Jian**”), which is primarily engaged in the manufacturing and supplying of ready-mix concrete products to the infrastructural development and construction sector in Wuzhou City since June 2016. The ongoing urbanisation plans in China spurred the Group to expand its automated ready-mix concrete manufacturing business to Cenxi City. Through Wuzhou Xing Jian, the Group has also extended its investments to (i) construction material waste recycling in Cenxi City, and (ii) the mining and production of limestone products in Cangwu County, where Wuzhou Xing Jian holds the mining rights of a limestone mine.

For more information, please visit the Company website at www.gke.com.sg.

Issued for and on behalf of **GKE Corporation Limited** by Octave FinComm Private Limited:

**Investor relations contact:**

Rosalina Soh 苏沛熙
Office : (65) 6955 7767
Mobile : (65) 9677 6683
Email : rosalina@octavecomms.com

*This media release has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the “**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Sponsor has not independently verified the contents of this media release.*

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The details of the contact person for the Sponsor are:

Name: Mr Lay Shi Wei (Registered Professional, RHT Capital Pte. Ltd.)
Address: 6 Raffles Quay, #24-02 Singapore 048580
Email: sponsor@rhtgoc.com