BENG KUANG MARINE LIMITED

Registration No. 199400196M

Third Quarter Financial Statement For The Period Ended 30 September 2015

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP			GROUP		
	3rd Qtr of 2015 S$'000	3rd Qtr of 2014 S$'000 Restated[@]	Increase / (Decrease)	9 Months of 2015 S$'000	9 Months of 2014 S$'000 Restated[@]	Increase / (Decrease)
Revenue	21,946	17,814	23%	61,894	54,265	14%
Cost of sales	(17,926)	(16,068)	12%	(48,452)	(45,129)	7%
Gross profit	4,020	1,746	130%	13,442	9,136	47%
Other gains , net	1,997	1,333	50%	3,442	1,480	133%
Expenses						
- Selling and distribution	(619)	(524)	18%	(1,483)	(1,547)	(4%)
- Administrative	(4,780)	(3,928)	22%	(12,657)	(11,653)	9%
- Finance	(906)	(455)	99%	(2,207)	(1,563)	41%
(Loss) / profit before income tax	(288)	(1,828)	(84%)	537	(4,147)	NM
Income tax expense	(295)	(44)	570%	(89)	(157)	(43%)
Net (loss) / profit	(583)	(1,872)	(69%)	448	(4,304)	NM
(Loss) / profit attributable to:						
Equity holders of the Company	(479)	(1,996)	(76%)	287	(4,233)	NM
Non-controlling interests	(104)	124	NM	161	(71)	NM
	(583)	(1,872)	(69%)	448	(4,304)	NM

NM - Not meaningful

[@] With effect from 3Q 2015, two subsidiaries changed their functional currency from Singapore Dollars to United States Dollars. The change was applied retrospectively and accordingly, the comparative financial statements were restated. The effects of the change on the Group's financial statements are set out in paragraph 5.

1(a) **An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)**

	GROUP			GROUP		
	3rd Qtr of 2015 S$'000	3rd Qtr of 2014 S$'000 Restated[@]	Increase / (Decrease)	9 Months of 2015 S$'000	9 Months of 2014 S$'000 Restated[@]	Increase / (Decrease)
Net (loss) / profit after tax	(583)	(1,872)	(69%)	448	(4,304)	NM
Currency translation differences arising from consolidation	115	65	77%	(16)	28	NM
Other comprehensive income / (loss), net of tax	115	65	77%	(16)	28	NM
Total comprehensive (loss) / income	(468)	(1,807)	(75%)	432	(4,276)	NM
Total comprehensive (loss) / income attributable to:						
Equity holders of the Company	(407)	(1,951)	(79%)	310	(4,211)	NM
Non-controlling interests	(61)	144	NM	122	(65)	NM
	(468)	(1,807)	(75%)	432	(4,276)	NM

	GROUP		GROUP	
Notes	3rd Qtr of 2015 S$'000	3rd Qtr of 2014 S$'000 Restated[@]	9 Months of 2015 S$'000	9 Months of 2014 S$'000 Restated[@]
The Group's profit from operations is arrived at after (charging) / crediting				
Interest Income	2	2	5	9
Interest expense on borrowings	(906)	(455)	(2,207)	(1,563)
Foreign exchange gain	875	984	1,846	211
Gain on disposal of property, plant and equipment	802	79	930	685
Property, plant and equipment written off	-	-	-	(2)
Depreciation of property, plant and equipment	(2,492)	(1,813)	(7,410)	(6,621)
Write-back of allowance for impairment of trade receivables	92	27	111	64
Allowance for impairment of trade receivables	(23)	(45)	(23)	(45)

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	GROUP			COMPANY	
	30-Sep-15	31-Dec-14	1-Jan-14	30-Sep-15	31-Dec-14
	S$'000	S$'000	S$'000	S$'000	S$'000
		Restated[@]	Restated[@]		
ASSETS					
Current assets					
Cash and bank balances	7,313	6,495	8,403	111	175
Trade and other receivables	48,850	47,320	53,806	32,820	68,087
Inventories	13,503	12,750	14,581	-	-
	69,666	66,565	76,790	32,931	68,262
Non-current assets					
Trade and other receivables	-	-	-	37,473	-
Investment in subsidiaries	-	-	-	10,827	10,827
Intangible assets	64	64	64	-	-
Property, plant and equipment	108,535	108,403	109,703	639	772
Deferred income tax assets	335	341	191	8	8
	108,934	108,808	109,958	48,947	11,607
Total assets	178,600	175,373	186,748	81,878	79,869
LIABILITIES					
Current liabilities					
Trade and other payables	26,668	28,351	34,618	10,134	10,499
Deferred income	792	408	492	-	-
Provision for warranty	-	-	49	-	-
Current income tax liabilities	772	733	976	-	-
Borrowings and overdrafts	35,870	45,960	47,791	13,824	17,298
	64,102	75,452	83,926	23,958	27,797
Non-current liabilities					
Trade and other payables	2,635	-	-	-	-
Deferred income	880	934	1,148	-	-
Borrowings	29,158	18,114	17,385	6,613	16
Deferred tax liabilities	762	762	609	-	-
	33,435	19,810	19,142	6,613	16
Total liabilities	97,537	95,262	103,068	30,571	27,813
NET ASSETS	81,063	80,111	83,680	51,307	52,056
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	49,651	49,651	49,651	49,651	49,651
Other reserves	(238)	(351)	(475)	163	-
Retained profits	28,208	27,919	31,934	1,493	2,405
	77,621	77,219	81,110	51,307	52,056
Non-controlling interests	3,442	2,892	2,570	-	-
Total equity	81,063	80,111	83,680	51,307	52,056

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

	As at 30-Sep-15		As at 31-Dec-14	
	S$'000		S$'000	
	Secured	Unsecured	Secured	Unsecured
Bank borrowings and overdrafts	2,502	21,484	3,422	34,634
Term loans	7,400	2,424	5,638	903
Convertible bonds	15	-	-	-
Finance lease liabilities	2,045	-	1,363	-

Amount repayable after one year

	As at 30-Sep-15		As at 31-Dec-14	
	S$'000		S$'000	
	Secured	Unsecured	Secured	Unsecured
Term loans	18,497	4,297	16,100	1,000
Convertible bonds	4,837	-	-	-
Finance lease liabilities	1,527	-	1,014	-

Details of any collateral

Included in the Group's secured borrowings are:-
(a) S$16,878,000 as at 30 September 2015 (31 December 2014: S$20,240,000) in respect of loans are secured by vessels, tugs and barges.
(b) S$11,521,000 as at 30 September 2015 (31 December 2014: S$4,920,000) in respect of loans are secured by property
(c) Finance lease obligations are secured by the underlying equipment.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP	
	3rd Qtr of 2015 S$'000	3rd Qtr of 2014 S$'000 Restated@
Cash flows from operating activities		
Net loss	(583)	(1,872)
Adjustments for:		
Income tax expense	295	44
Allowance for impairment for trade receivables	23	45
Write down of inventories	-	9
Write-back of allowance for impairment of trade receivables	(92)	(27)
Gain on disposal of property, plant and equipment	(802)	(79)
Depreciation of property, plant and equipment	2,492	1,813
Interest income	(2)	(2)
Finance expenses	906	455
Amortisation of deferred income	(54)	(54)
Unrealised currency translation gain	(1,239)	(602)
	944	(270)
Changes in working capital		
Inventories and construction work-in-progress	1,250	(316)
Trade and other receivables	(1,615)	420
Trade and other payables	1,289	1,923
Cash flows generated from operations	1,868	1,757
Interest received	2	2
Interest paid	(867)	(348)
Income taxes paid	(101)	(128)
Net cash flows generated from operating activities	902	1,283
Cash flows from investing activities		
Addition to property, plant and equipment	(4,028)	(718)
Proceeds from disposal of property, plant and equipment	5,061	1,255
Interest paid	(2)	-
Net cash flows generated from investing activities	1,031	537
Cash flows from financing activities		
Repayment of borrowings, net	(1,928)	(622)
Repayment of finance lease liabilities	(436)	(431)
Bills payable	968	673
Interest paid	(49)	(49)
Net cash flows used in financing activities	(1,445)	(429)
Net increase in cash and cash equivalents	488	1,391
Cash and cash equivalents		
Beginning of the period	3,338	2,538
Effects of currency translation on cash and cash equivalents	(26)	4
End of financial period	3,800	3,933

1 (d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to equity holders of the Company						
	Share capital	Retained profits	Translation reserves	Equity component of convertible bonds	Total	Non-controlling interests	Total equity
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
GROUP							
Balance as at 1 July 2014 as previously reported	49,651	30,321	(398)	-	79,574	2,769	82,343
Effect of the change in functional currency	-	(623)	(100)	-	(723)	(310)	(1,033)
As restated	49,651	29,698	(498)	-	78,851	2,459	81,310
Total comprehensive (loss) / income for the quarter	-	(1,996)	45	-	(1,951)	144	(1,807)
Balance as at 30 September 2014	**49,651**	**27,702**	**(453)**	-	**76,900**	**2,603**	**79,503**
Balance as at 1 July 2015 as previously reported	49,651	27,140	(570)	163	76,384	2,799	79,183
Effect of the change in functional currency	-	1,547	97	-	1,644	704	2,348
As restated	49,651	28,687	(473)	163	78,028	3,503	81,531
Total comprehensive (loss) / income for the quarter	-	(479)	72	-	(407)	(61)	(468)
Balance as at 30 September 2015	**49,651**	**28,208**	**(401)**	**163**	**77,621**	**3,442**	**81,063**
COMPANY							
Balance as at 1 July 2014	49,651	2,682	-	-	52,333	-	52,333
Total comprehensive loss for the quarter	-	(372)	-	-	(372)	-	(372)
Balance as at 30 September 2014	**49,651**	**2,310**	**-**	-	**51,961**	**-**	**51,961**
Balance as at 1 July 2015	49,651	1,874	-	163	51,688	-	51,688
Total comprehensive loss for the quarter	-	(381)	-	-	(381)	-	(381)
Balance as at 30 September 2015	**49,651**	**1,493**	**-**	**163**	**51,307**	**-**	**51,307**

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Ordinary shares

	No.of ordinary shares	S$'000
Balance as at 30 June 2015	540,041,625	49,651
Share consolidation exercise	(405,031,219)	-
Balance as at 30 September 2015	135,010,406	49,651

Share consolidation exercise was carried out by the Company, consolidating every 4 existing issued ordinary shares into 1 ordinary share in the capital of the Company. Subsequent to the EGM approval on 14 August 2015, the exercise was completed on 27 August 2015 with 135,010,406 as the new issued number of ordinary shares.

Convertibles

On 27 April 2015, the Company issued convertible bonds with a nominal value of $5 million bearing interest at 8% per annum. All or any part of the bonds may be converted to new shares at $0.84 after 12 months from the date of issue or redeemable within 4 years from the date of issue.

	As at 30-Sep-15	As at 30-Sep-14
	No. of shares	No. of shares
Outstanding option to subscribe new shares	Nil	Nil

Treasury Shares

The Company did not have any treasury shares as at 30 September 2015 and 30 September 2014.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediate preceding year.

	As at 30-September-15	As at 31-Dec-14
	No. of shares	No. of shares
Issued and fully paid	135,010,406	135,010,406

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the current financial period reported on.

None.

2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed by the auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The group has applied consistent accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements for the financial year ended 31 December 2014 except for the changes mentioned in paragraph 5 below.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

In the current financial year, the Group and the Company have adopted all new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2015. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's and the Company's accounting policies and have no material effect on the financial statements.

Two subsidiaries of the Group changed its functional currency from Singapore Dollar ("SGD or S$") to United States Dollar ("USD or US$") with effect from 1 January 2015.

The revenue of the 2 subsidiaries is in USD and the operating costs are mostly in USD. The Company re-evaluated the requirements in the Singapore Financial Reporting Standard 21 - The Effects of Changes in Foreign Exchange Rates ("FRS 21") and determined that the functional currency of the Company to be USD to best reflect the economic substance of the underlying transactions and circumstances.

The change in functional currency was applied retrospectively and accordingly, the comparative financial statements were restated. The effects of the change on the Group's financial statements are as follows:-

Balance Sheet	Property, plant and equipment	Retained profits	Translation reserves	Non-controlling interests
	S$'000	S$'000	S$'000	S$'000
Balance as at 1 January 2014 as previously reported	109,802	31,936	(407)	2,600
Effect of change in functional currency	(99)	(2)	(68)	(30)
Restated balance as at 1 January 2014	109,703	31,934	(475)	2,570
Balance as at 31 December 2014 as previously reported	106,902	26,915	(396)	2,442
Effect of change in functional currency	1,501	1,004	45	450
Restated balance as at 31 December 2014	108,403	27,919	(351)	2,892

Income Statement	3rd Qtr of 2014 S$'000	9 Months of 2014 S$'000
Increase / (decrease) in:		
Revenue	(1,166)	(1,198)
Cost of sales	663	727
Other gains , net	1,086	138
- Administrative expense	43	45
- Finance expense	166	192
Profit / (loss) before income tax	792	(96)
Earnings Per Share		
Increase / (decrease) by		
Basic earnings per share (in cents)	0.41	(0.05)
Diluted earnings per share (in cents)	0.41	(0.05)

6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Earnings per ordinary share for the period base on net profit attributable to shareholders (in cents):	Group	
	9 Months 2015	9 Months 2014 (Restated)
a) Based on weighted average number of ordinary shares on issue; and	0.21	-3.14
Weighted no.of shares in issue	135,010,406	135,010,406
b) On a fully diluted basis	0.21	-3.14

7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.

	GROUP		COMPANY	
	30-Sep-15	31-Dec-14	30-Sep-15	31-Dec-14
Net asset value per ordinary share based on issued share capital at end of the period / year (in cents)	57.49	57.19	38.00	38.56

The Group and the Company's net assets value per ordinary share for the periods have been computed based on the revised number of shares of 135,010,406 shares as a result of the Share Consolidation.

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Income statement review

	3rd Quarter results			
Group Turnover	**FY 2015**	**FY 2014**	**+ / (-)**	**+ / (-)**
	S$'million	S$'million	S$'million	%
Infrastructure & Engineering ("IE")	9.52	4.09	5.43	132.8
Corrosion Prevention ("CP")	7.06	8.74	(1.68)	(19.2)
Supply & Distribution ("SD")	3.14	3.75	(0.61)	(16.3)
Shipping & Others ("SH")	2.23	1.23	1.00	81.3
	21.95	**17.81**	**4.14**	**23.2**

The Group's revenue increased by 23.2% or S$4.14 million from S$17.81 million in 3Q2014 to S$21.95 million in 3Q2015.

Revenue for our IE division increased by 132.8% or S$5.43 million from S$4.09 million in 3Q2014 to S$9.52 million in 3Q2015. The improvement was generated from securing more orders for fabrication and offshore maintenance services.

Revenue for our CP division decreased by S$1.68 million from S$8.74 million in 3Q2014 to S$7.06 million in 3Q2015. This was due to lower demand from Singapore shipyards for CP services derived from construction of new vessels. However, demand for CP services for vessels undergoing repair remained stable.

Revenue for our SD division decreased by S$0.61 million from S$3.75 million in 3Q2014 to S$3.14 million in 3Q2015 due to lower demand for marine hardware products.

Our SH division reported revenue of S$2.23 million for 3Q2015 compared to S$1.23 million for 3Q2014. Higher revenue resulted from lower off-hire days in 3Q2015 compared to previous year quarter.

Our gross profit margin improved from 9.8% in 3Q2014 to 18.3% in 3Q2015. This was contributed mainly by better performance of IE division securing more orders for fabrication and offshore maintenance services. The gross profit increased by S$2.27 million from $1.75 million in 3Q2014 to S$4.02 million in 3Q2015.

Administrative expenses increased by S$0.85 million from S$3.93 million in 3Q2014 to S$4.78 million in 3Q2015. This was due to increase in IE business activities, especially addition in head count and administrative costs from our recent joint ventures in Asian Sealand Offshore & Marine Pte Ltd and International Offshore Equipments Pte Ltd.

Financial expenses increased by S$0.45 million from S$0.46 million in 3Q2014 to S$0.91 million in 3Q2015. This was mainly due to interest on convertible bond, new term loans and higher interest rates.

The Group's loss attributable to shareholders was $0.48 million for 3Q2015 compared to loss of S$2.00 million for 3Q2014.

	9 Months results			
Group Turnover	**FY 2015**	**FY 2014**	**+ / (-)**	**+ / (-)**
	S$'million	S$'million	S$'million	%
Infrastructure & Engineering ("IE")	22.73	10.80	11.93	110.5
Corrosion Prevention ("CP")	21.25	26.53	(5.28)	(19.9)
Supply & Distribution ("SD")	9.82	11.40	(1.58)	(13.9)
Shipping & Others ("SH")	8.09	5.54	2.55	46.0
	61.89	**54.27**	**7.62**	**14.0**

The Group's revenue increased by 14.0% or S$7.62 million from S$54.27 million in 9M2014 to S$61.89 million in 9M2015.

Revenue for our IE division increased by 110.5% or S$11.93 million from S$10.80 million to S$22.73 million. The improvement was generated from securing more orders for fabrication and offshore maintenance services.

Revenue for our CP division decreased by S$5.28 million from S$26.53 million in 9M2014 to S$21.25 million in 9M2015. This was due to lower demand from Singapore shipyards for CP services derived from construction of new vessels. However, demand for CP services for vessels undergoing repair remained stable.

Our SD division registered a decline in revenue of S$1.58 million from S$11.40 million in 9M2014 to S$9.82 million in 9M2015 due to weaker demand for marine hardware products.

Our SH division reported an increase in revenue of S$2.55 million for 9M2015 from S$5.54 million in 9M2014 to S$8.09 million in 9M2015. This can be attributed to the commencement of operations of our second livestock carrier in 2Q2014.

Our gross profit margin improved from 16.8% in 9M2014 to 21.7% in 9M2015 primarily due to better performance of IE division. This being the main reason for the improved gross profit of S$4.30 million from $9.14 million in 9M2014 to S$13.44 million in 9M2015.

The Group registered other gains of S$3.44 million in 9M2015 as compared to S$1.48 million in 9M2014. This was mainly attributable to foreign exchange gain of $1.85 million as a result of the strengthening of US Dollar against Singapore Dollar during the period.

Financial expenses increased by S$0.65 million from S$1.56 million in 9M2014 to S$2.21 million in 9M2015. This was mainly due to interest on convertible bond, new term loans and higher interest rates.

The Group's profit attributable to shareholders was $0.29 million for 9M2015 compared to loss of S$4.23 million for 9M2014.

CASHFLOW STATEMENT

The Group registered a positive net cash flow of S$0.90 million in 3Q2015 from its operating activities.

Net cash inflow in investing activities for 3Q2015 was approximately S$1.03 million. The Group incurred capital expenditure of S$4.03 million mainly on purchase of S$3.26 million on equipment, S$0.43 million on construction in progress for yard development in Singapore and S$0.33 million on vessel drydocking. During 3Q2015, the Group received S$5.06 million mainly from disposal of equipment.

Net cash outflow in financing activities was approximately S$1.45 million during 3Q2015. This was mainly due to the repayment of S$1.93 million bank borrowings and S$0.44 million finance lease liabilities.

As a result of the above, the Group registered a net increase in cash and cash equivalent of S$0.49 million for 3Q2015.

ASSETS AND LIABILITIES

The Group registered total assets of S$178.60 million as at 30 September 2015.

The Group's current assets increased from S$66.57 million as at 31 December 2014 to S$69.67 million as at 30 September 2015 mainly due to the increase of S$2.28 million in receivables and inventories in tandem with the increased business activities for 9M2015.

Total liabilities for the Group were S$97.54 million at end of 9M2015 as compared to S$95.26 million at end of FY2014. The increase was mainly attributable to increase in bank borrowings of S$0.95 million during 9M2015 and S$0.95 million in trade and other payables in tandem with the increased business activities for 9M2015.

The Group registered net current assets of S$5.56 million as at 30 September 2015 as compared to net current liabilities of S$8.89 million as at 31 December 2014.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The Company did not make any forecast and prospect statement in respect of its result for 30 September 2015. The Group's actual results for its third quarter ended 30 September 2015 are in line with the commentary under paragraph 10 of the Group's previous results announcement in respect of the second quarter ended 30 June 2015.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

With the current prevailing low oil price, the outlook for the oil and gas industry remains challenging. The Group will continue to seek for opportunities to increase revenue and reduce cost to improve its financial performance going forward.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial period?

None

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

12 If no dividend has been declared / recommended, a statement to that effect.

No interim dividend has been declared/recommended for the current period ended 30 September 2015.

13 Summary of Interested Person Transactions for the financial period ended 30 September 2015.

	3rd Quarter of FY2015	
	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under the shareholders' mandate pursuant to Rule 920)	**Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)**
[Revenue / (Expenses)]	S$	S$
DDW - PaxOcean Shipyard Pte Ltd		
Provision of corrosion prevention services		662,893
Procurement of materials and consumables		(18,748)
Transportation charges		(225)

14 Negative confirmation pursuant to Rule 705(5).

We, Chua Beng Kuang and Chua Meng Hua, being Directors of Beng Kuang Marine Limited (the "Company"), do hereby confirm, for and on behalf of the Board of Directors of the Company, that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited interim financial results for the period ended 30 September 2015 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Chua Beng Kuang
Executive Chairman
13 Nov 2015

Chua Meng Hua
Managing Director