BENG KUANG MARINE LIMITED
Registration No. 199400196M

MATERIAL VARIANCES BETWEEN UNAUDITED FULL YEAR FINANCIAL RESULTS ANNOUNCEMENT AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

The Board of Directors (the "Board") of Beng Kuang Marine Limited (the "Company" and together with its subsidiaries, the "Group") refers to the Company's unaudited full year financial results announcement for the financial year ended 31 December 2019 ("FY2019") released via SGXNET on 27 February 2020 ("Unaudited Results").

Pursuant to Rule 704(6) of the Listing Manual of Singapore Exchange Securities Trading Limited, the Board wishes to highlight that there were material variances between the Profit & Loss in the audited financial statements for FY2019 ("Audited Results") and Unaudited Results following the finalisation of the audit.

A comparison of the Audited Results and Unaudited Results with the relevant explanatory note are as follows:

Consolidated Statement of Comprehensive Income for the Financial Year Ended 31 December 2019

	Audited Results S$	Unaudited Results S$	Variance S$	Notes
Continuing operations				
Revenue	58,358,162	58,358,162	-	
Cost of sales	(48,453,092)	(48,453,092)	-	
Gross profit	9,905,070	9,905,070	-	
Other gains – net	642,178	6,473,656	(5,831,478)	(A)
Expenses				
- Selling and distribution	(724,680)	(724,680)	-	
- Administrative	(11,526,108)	(11,526,108)	-	
- Finance	(2,060,410)	(2,060,410)	-	
Loss before income tax	(3,763,950)	2,067,528	(5,831,478)	
Income tax expense	(350,898)	(350,898)	-	
Net loss from continuing operations	(4,114,848)	1,716,630	(5,831,478)	
Discontinued operations				
Net gain/(loss) from discontinued operations	3,612,026	(2,219,452)	5,831,478	(A)
Total loss	(502,822)	(502,822)	-	
Other comprehensive loss, net of tax:				
Items that may be reclassified subsequently to profit or loss:				
Currency translation differences arising from consolidation – gains/(losses)	82,675	82,675	-	
Total comprehensive loss	(420,147)	(420,147)	-	

	Audited Results S$	Unaudited Results S$	Variance S$	Notes
Profit/(loss) attributable to:				
Equity holders of the Company	4,932	4,932	-	
Non-controlling interests	(507,754)	(507,754)	-	
	(502,822)	(502,822)	-	
Profit/(loss) attributable to equity holders of the Company relates to:				
Loss from continuing operations	(3,607,094)	2,224,384	(5,831,478)	(A)
Gain/(loss) from discontinued operations	3,612,026	(2,219,452)	5,831,478	(A)
	4,932	4,932	-	
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	107,483	107,483	-	
Non-controlling interests	(527,630)	(527,630)	-	
	(420,147)	(420,147)	-	

Earnings/(loss) per share from continuing and discontinued operations attributable to equity holders of the Company (cents per share)

	Audited Results	Unaudited Results	Variance	Notes
a) Based on weighted average number of ordinary shares on issue; and				
From Continuing Operations	(2.67)	1.65	(4.32)	(A)
From Discontinued Operations	2.68	(1.64)	4.32	(A)
Total	0.01	0.01	-	
Weighted no.of shares in issue	135,010,406	135,010,406	-	

Explanatory Note

The material variance arose from the reclassification of the gain on sale of asset held-for-sale and a subsidiary from “Other Gains” to “Net gain/(loss) from discontinued operations”. In this regard, the Company had previously stated in its Unaudited Results announcement that the S$6.47 million “Other gain” in FY2019 was largely due to S$5.81 million gain on sale of asset held-for-sale - Asian Sealand Engineering Pte Ltd for consideration S$14.0 million on 25 June 2019.

BY ORDER OF THE BOARD

Chua Meng Hua
Managing Director and Chief Executive Officer
2 April 2020