



**BENG KUANG MARINE LIMITED**

Registration No. 199400196M

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**RESPONSE TO SGX QUERIES ON  
ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011**

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In response to the queries raised by the Singapore Exchange Limited ("SGX") dated 13 April 2012 in connection with our Annual Report for the financial year ended 31 December 2011 ("Annual Report"):

**SGX's Query:**

For the purpose of complying with Listing Rule 1207(10), please note that "in the absence of evidence to the contrary" disclaimer is not allowed in the opinion.

Please provide a clean opinion that is in compliance with Listing Rule 1207(10) via an SGXNET announcement by 17 April 2012.

**Company's Response:**

The Board, with concurrence of the Audit Committee, confirmed that "in the absence of evidence to the contrary" be removed and the relevant statement in the Annual Report found in the second paragraph of "Principle 12: Internal Controls" be amended and replaced with the following statement:

*"Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by management, various Board committees and the Board, the Board, with concurrence of the AC, is of the view that, the system of internal control maintained by the Group provides reasonable assurance of the adequacy of the internal controls in addressing the financial, operational and compliance risks of the Group. The Board and the AC noted that all internal control contain inherent limitations and no systems of internal control could provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human error, losses, fraud or other irregularities. The Board will continue its risk assessment process with a view to improve the Group's internal control systems."*

BY ORDER OF THE BOARD

Chua Meng Hua  
Director  
17 April 2012