



BENG KUANG MARINE LIMITED
Registration No. 199400196M

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL

Beng Kuang Marine Limited (the “Company”) was placed on the watch-list due to the Minimum Trading Price (“MTP”) Entry Criteria on 5 June 2017.

Pursuant to Rule 1313(2) of the Listing Manual, the board of directors (the “Board”) wishes to provide an update on its effort and the progress made in meeting the MTP exit criteria on the watch-list.

Update on the unaudited financial performance and financial position

Kindly refer to the Announcement released on 14 August 2017 on 1H2017 results for an update on the Group’s financial performance and financial position. The Group's loss attributable to shareholders was S\$2.12 million for 1H2017 compared to S\$0.57 million profit for 1H2016 and this was mainly due to the weak market conditions.

There are still no positive signs of improvement in the offshore oil and gas and marine market and the Group will tighten cost control on current projects and maintain strict cash flow discipline to weather the current adverse market environment.

Update on future direction and other material development

The Group will continue to focus on its core businesses and secure more sizeable fabrication projects.

Update on efforts for satisfying MTP exit criterion

On 27 August 2015, the Company completed a share consolidation exercise to consolidate every four ordinary shares in the Company into one consolidated share so as to comply with the MTP requirement as implemented by the SGX-ST. As a result, 540,041,625 ordinary shares were consolidated into 135,010,406 consolidated shares. Notwithstanding the share consolidation exercise, the Company did not meet MTP requirement since the average share price was below \$0.20 per consolidated share and the average daily market capitalisation was below \$40 million over the 6 months period.

The Board will continue to make efforts and explore various options to meet the MTP exit criteria. Where opportunities arise, the Board shall decide on the relevant options that will best serve the interests of the Company’s shareholders.

The Company will update its shareholders by way of further announcements as and when there are any developments.

BY ORDER OF THE BOARD

Chua Meng Hua
Managing Director and Chief Executive Officer
5 September 2017