



BENG KUANG MARINE LIMITED

Registration No. 199400196M

Third Quarter Financial Statement For The Period Ended 30 September 2018

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 2018	3rd Qtr of 2017	Increase / (Decrease)	9 Months of 2018	9 Months of 2017	Increase / (Decrease)
	S\$'000	S\$'000		S\$'000	S\$'000	
Revenue	13,378	10,254	30%	48,799	42,774	14%
Cost of sales	(10,972)	(10,285)	7%	(42,190)	(34,543)	22%
Gross profit / (loss)	2,406	(31)	NM	6,609	8,231	(20%)
Other gains / (losses), net	(35)	(39)	(10%)	1,037	(463)	NM
Expenses						
- Selling and distribution	(198)	(352)	(44%)	(730)	(1,023)	(29%)
- Administrative	(3,422)	(3,744)	(9%)	(9,514)	(10,784)	(12%)
- Finance	(713)	(746)	(4%)	(2,129)	(2,123)	0%
Loss before income tax	(1,962)	(4,912)	(60%)	(4,727)	(6,162)	(23%)
Income tax expense	(85)	(11)	673%	(325)	(207)	57%
Net loss	(2,047)	(4,923)	(58%)	(5,052)	(6,369)	(21%)
(Loss) / profit attributable to:						
Equity holders of the Company	(2,134)	(4,509)	(53%)	(5,659)	(6,626)	(15%)
Non-controlling interests	87	(414)	NM	607	257	136%
	(2,047)	(4,923)	(58%)	(5,052)	(6,369)	(21%)

NM - Not meaningful

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 2018	3rd Qtr of 2017	Increase / (Decrease)	9 Months of 2018	9 Months of 2017	Increase / (Decrease)
	S\$'000	S\$'000		S\$'000	S\$'000	
Net loss after tax	(2,047)	(4,923)	(58%)	(5,052)	(6,369)	(21%)
Currency translation differences arising from consolidation	(253)	(521)	(51%)	(300)	(1,575)	(81%)
Other comprehensive loss, net of tax	(253)	(521)	(51%)	(300)	(1,575)	(81%)
Total comprehensive loss	(2,300)	(5,444)	(58%)	(5,352)	(7,944)	(33%)
Total comprehensive (loss) / income attributable to:						
Equity holders of the Company	(2,367)	(4,947)	(52%)	(5,980)	(7,886)	(24%)
Non-controlling interests	67	(497)	NM	628	(58)	NM
	(2,300)	(5,444)	(58%)	(5,352)	(7,944)	(33%)

	GROUP		GROUP	
	3rd Qtr of 2018	3rd Qtr of 2017	9 Months of 2018	9 Months of 2017
	S\$'000	S\$'000	S\$'000	S\$'000

Notes

The Group's profit from operations is arrived at after (charging) / crediting

Interest Income	1	2	5	4
Interest expense on borrowings	(713)	(746)	(2,129)	(2,123)
Foreign exchange gain / (loss)	102	(208)	741	(1,103)
(Loss) / gain on disposal of property, plant and equipment	(207)	41	43	204
Property, plant and equipment written off	(4)	(19)	(17)	(19)
Depreciation of property, plant and equipment	(1,849)	(2,724)	(5,993)	(6,972)
Allowance for impairment of trade receivables	(45)	(110)	(77)	(125)
Inventories written back	-	-	-	6
Write-back of allowance for impairment of trade receivables	3	8	96	18

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-18	31-Dec-17 Restated ⁽¹⁾	1-Jan-17 Restated ⁽¹⁾	30-Sep-18	31-Dec-17
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Current assets					
Cash and bank balances	4,643	5,714	4,985	1,428	32
Trade and other receivables	25,664	21,144	26,987	75,950	73,851
Contract assets ⁽¹⁾	8,473	6,770	11,203	-	-
Inventories	13,415	15,081	14,219	-	-
	<u>52,195</u>	<u>48,709</u>	<u>57,394</u>	<u>77,378</u>	<u>73,883</u>
Non-current assets					
Trade and other receivables	4,388	-	-	-	-
Investment in subsidiaries	-	-	-	12,519	12,519
Intangible assets	64	64	64	-	-
Property, plant and equipment	79,611	92,057	105,563	409	449
Deferred income tax assets	1,109	1,110	1,076	78	17
	<u>85,172</u>	<u>93,231</u>	<u>106,703</u>	<u>13,006</u>	<u>12,985</u>
Total assets	137,367	141,940	164,097	90,384	86,868
LIABILITIES					
Current liabilities					
Trade and other payables	27,511	19,448	22,803	17,038	13,147
Contract liabilities ⁽¹⁾	323	374	450	-	-
Deferred income	307	376	345	-	-
Current income tax liabilities	415	511	526	-	-
Borrowings and overdrafts	27,696	33,723	31,626	17,068	13,641
	<u>56,252</u>	<u>54,432</u>	<u>55,750</u>	<u>34,106</u>	<u>26,788</u>
Non-current liabilities					
Deferred income	130	291	505	-	-
Borrowings	19,436	18,946	25,748	2,074	6,985
Deferred tax liabilities	162	160	245	-	-
	<u>19,728</u>	<u>19,397</u>	<u>26,498</u>	<u>2,074</u>	<u>6,985</u>
Total liabilities	75,980	73,829	82,248	36,180	33,773
NET ASSETS	61,387	68,111	81,849	54,204	53,095
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	(1,708)	(1,387)	194	163	163
Retained profits	10,485	16,145	27,122	4,390	3,281
	<u>58,428</u>	<u>64,409</u>	<u>76,967</u>	<u>54,204</u>	<u>53,095</u>
Non-controlling interests	2,959	3,702	4,882	-	-
Total equity	61,387	68,111	81,849	54,204	53,095

Notes:

⁽¹⁾ The Group's comparative balance sheet as at 31 December 2017 had been restated to take into account the retrospective adjustments relating to SFRS(I) 15 Revenue from Contracts with Customers (Please refer to paragraph 5).

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-18		As at 31-Dec-17	
	S\$'000		S\$'000	
	Secured	Unsecured	Secured	Unsecured
Bank borrowings and overdrafts	-	18,614	-	19,745
Term loans	4,015	-	13,850	-
Convertible bonds	-	4,975	-	-
Finance lease liabilities	92	-	128	-

Amount repayable after one year

	As at 30-Sep-18		As at 31-Dec-17	
	S\$'000		S\$'000	
	Secured	Unsecured	Secured	Unsecured
Term loans	14,248	5,000	8,734	5,000
Convertible bonds	-	-	-	4,941
Finance lease liabilities	188	-	271	-

Details of any collateral

Included in the Group's secured borrowings are:-

- (a) S\$6,068,000 as at 30 September 2018 (30 June 2018: S\$6,468,000) in respect of loans are secured by vessels.
- (b) S\$12,195,000 as at 30 September 2018 (30 June 2018: S\$12,941,000) in respect of loans are secured by properties.
- (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 2018	3rd Qtr of 2017
	S\$'000	S\$'000
Cash flows from operating activities		
Net loss	(2,047)	(4,923)
<i>Adjustments for:</i>		
Allowance for impairment for trade receivables	45	110
Write-back of allowance for impairment of trade receivables	(3)	(8)
Income tax expense	85	11
Loss / (gain) on disposal of property, plant and equipment	207	(41)
Property, plant and equipment written off	4	19
Depreciation of property, plant and equipment	1,849	2,724
Interest income	(1)	(2)
Interest expense	713	746
Unrealised currency translation gains	(184)	(1,908)
	<u>668</u>	<u>(3,272)</u>
<i>Changes in working capital</i>		
Inventories	436	2,154
Trade and other receivables	(12)	730
Contract assets	(1,353)	2,249
Trade and other payables	3,734	(1,324)
Contract liabilities	12	11
Cash flows generated from operations	<u>3,485</u>	<u>548</u>
Interest received	1	2
Interest paid	(578)	(760)
Income taxes paid	(296)	(169)
Net cash flows generated from / (used in) operating activities	<u>2,612</u>	<u>(379)</u>
Cash flows from investing activities		
Addition to property, plant and equipment	(517)	(263)
Proceeds from disposal of property, plant and equipment	724	130
Net cash flows generated from / (used in) investing activities	<u>207</u>	<u>(133)</u>
Cash flows from financing activities		
(Repayment of) / proceeds from borrowings, net	(438)	99
Repayment of finance lease liabilities	(114)	(380)
Bills payable	(942)	176
Dividend paid to non-controlling interest	(980)	-
Interest paid	(129)	(34)
Net cash flows used in financing activities	<u>(2,603)</u>	<u>(139)</u>
Net increase / (decrease) in cash and cash equivalents	216	(651)
Cash and cash equivalents		
Beginning of the period	1,434	1,107
Effects of currency translation on cash and cash equivalents	(46)	(25)
End of financial period	<u>1,604</u>	<u>431</u>

- 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						Non-controlling interests	Total equity
	Share capital	Retained profits	Translation reserves	Equity component of convertible bonds	Premium paid on acquisition of non-controlling interest	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
GROUP								
Balance as at 1 July 2017	49,651	25,005	(739)	163	(52)	74,028	5,076	79,104
Total comprehensive loss for the quarter	-	(4,509)	(438)	-	-	(4,947)	(497)	(5,444)
Balance as at 30 September 2017	49,651	20,496	(1,177)	163	(52)	69,081	4,579	73,660
Balance as at 1 July 2018								
Dividend paid to non-controlling interest	-	-	-	-	-	-	(980)	(980)
Total comprehensive (loss) / income for the quarter	-	(2,134)	(233)	-	-	(2,367)	67	(2,300)
Balance as at 30 September 2018	49,651	10,485	(1,819)	163	(52)	58,428	2,959	61,387
COMPANY								
Balance as at 1 July 2017	49,651	3,695	-	163	-	53,509	-	53,509
Total comprehensive loss for the quarter	-	(259)	-	-	-	(259)	-	(259)
Balance as at 30 September 2017	49,651	3,436	-	163	-	53,250	-	53,250
Balance as at 1 July 2018								
Total comprehensive income for the quarter	-	950	-	-	-	950	-	950
Balance as at 30 September 2018	49,651	4,390	-	163	-	54,204	-	54,204

- 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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

Balance as at 30 June 2018 and 30 September 2018

No. of ordinary shares	S\$'000
135,010,406	49,651

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 \$0.21 after 12 months from the date of issue or redeemable within 4 years from the date of issue.

Outstanding option to subscribe new shares

As at 30-Sep-18	As at 30-Sep-17
No. of shares	No. of shares
Nil	Nil

Treasury Shares

The Company did not have any treasury shares and subsidiary holdings as at 30 September 2018 and 30 September 2017.

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-Sep-18	As at 31-Dec-17
No. of shares	No. of shares
135,010,406	135,010,406

Issued and fully paid

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

None.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

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 2017 except for those as disclosed under 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.

The Group's financial statements for the financial year ending 31 December 2018 is prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") issued by the Accounting Standards Council ("ASC") and International Financial Reporting Standards ("IFRS") issued by the international Accounting Standards Board ("IASB")

Other than those discussed below, the adoption of new SFRS(I) did not result in significant change to the Group's and Company's accounting policies and did not have material impact on the amounts reported for the current or prior financial years.

SFRS(I) 15 Revenue from Contracts with Customers

SFRS(I) 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met.

As a result, certain balance sheet items were adjusted as at 1 January 2018.

The line items on the Group's financial statements with significant impact arising from the adoption of SFRS(I) are summarised below:

	As at 31 Dec 2017 reported under SFRS S\$'000	As at 1 Jan 2018 reported under SFRS(I) S\$'000	As at 1 Jan 2017 reported under SFRS S\$'000	As at 1 Jan 2017 reported under SFRS(I) S\$'000
Trade and other receivables	27,914	21,144	38,190	26,987
Contract assets	-	6,770	-	11,203
Contract liabilities	-	374	-	450
Trade and other payables	19,822	19,448	23,253	22,803

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):

a) Based on weighted average number of ordinary shares on issue; and

Weighted no.of shares in issue

b) On a fully diluted basis

Group	
9 Months 2018	9 Months 2017
-4.19	-4.91
135,010,406	135,010,406
-4.19	-4.91

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.

Net asset value per ordinary share based on issued share capital at end of the period / year (in cents)

GROUP		COMPANY	
30-Sep-18	31-Dec-17	30-Sep-18	31-Dec-17
43.28	47.71	40.15	39.33

The Group and the Company's net assets value per ordinary share for the periods have been computed based on the share capital of 135,010,406 shares.

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

Group Turnover

	3rd Quarter results			
	FY 2018	FY 2017	+ / (-)	+ / (-)
	S\$'million	S\$'million	S\$'million	%
Infrastructure & Engineering ("IE")	4.74	0.48	4.26	887.5
Corrosion Prevention ("CP")	3.96	4.53	(0.57)	(12.6)
Supply & Distribution ("SD")	1.35	2.37	(1.02)	(43.0)
Shipping & Others ("SH")	3.33	2.87	0.46	16.0
	13.38	10.25	3.13	30.5

The Group's revenue increased by 30.5% or S\$3.13 million from S\$10.25 million in 3Q2017 to S\$13.38 million in 3Q2018.

Revenue for our IE division increased by S\$4.26million from S\$0.48 million in 3Q2017 to S\$4.74 million in 3Q2018. IE division's revenue remained weak in 3Q2018 as no sizeable marine or fabrication contract was secured. However, our IE division received more contract enquiries from customers and our Batam yard commenced work on some fabrication projects which was delayed in 2Q2018. It was an exceptional period for IE division in 3Q2017 as we then encountered unfavourable commercial settlement on a major fabrication contract with a long standing customer resulting in the write down of the accrual sales.

Revenue for our CP division decreased by S\$0.57 million from S\$4.53 million in 3Q2017 to S\$3.96 million in 3Q2018 because of weak demand for blasting and painting business in major shipyards in Singapore and Batam.

Revenue for our SD division declined by S\$1.02 million from S\$2.37 million in 3Q2017 to S\$1.35 million in 3Q2018 due to lower demand for marine and industrial hardware products and temporary disruption in the supply of water products.

Revenue for our SH division increased by S\$0.46 million from S\$2.87 million in 3Q2017 to S\$3.33 million in 3Q2018 due to our livestock carriers having regular charters and lesser downtime during 3Q2018 as compared to 3Q2017.

The Group's gross profit increased by S\$2.44 million from a loss of S\$31,000 in 3Q2017 to profit of S\$2.41 million in 3Q2018. Nevertheless, in 3Q2018 all the divisions continue to face challenging market conditions which resulted in Group's net loss S\$2.05 million.

Group Turnover	9 Months results			
	FY 2018	FY 2017	+ / (-)	+ / (-)
	S\$'million	S\$'million	S\$'million	%
Infrastructure & Engineering ("IE")	15.05	12.77	2.28	17.9
Corrosion Prevention ("CP")	12.01	14.66	(2.65)	(18.1)
Supply & Distribution ("SD")	5.19	7.14	(1.95)	(27.3)
Shipping & Others ("SH")	16.55	8.20	8.35	101.8
	48.80	42.77	6.03	14.1

The Group's revenue increased by 14.1% or S\$6.03 million from S\$42.77 million in 9M2017 to S\$48.80 million in 9M2018.

Revenue for our IE division increased by 17.9% or S\$2.28 million from S\$12.77 million to S\$15.05 million as there was slight improvement in the marine and offshore market conditions for the period ended 9M2018 as compared to 9M2017.

Revenue for our CP division decreased by S\$2.65 million from S\$14.66 million in 9M2017 to S\$12.01 million in 9M2018. This was because of fewer newbuildings and offshore projects in major shipyards in Singapore and Batam.

Revenue from our SD division decreased by S\$1.95 million from S\$7.14 million in 9M2017 to S\$5.19 million in 9M2018 due to weaker demand for marine and industrial hardware products and temporary disruption in the supply of water products. The SD division is undergoing restructuring to ensure cost efficiency.

Revenue from our SH division increased by S\$8.35 million from S\$8.20 million in 9M2017 to S\$16.55 million in 9M2018. The increase was due to sale of four sets of tugs and barges at S\$6.3 million in June 2018. The livestock carriers performed better due to regular charters and lesser down time during 9M2018 as compared to 9M2017.

Our gross profit declined by S\$1.62 million from S\$8.23 million in 9M2017 to S\$6.61 million in 9M2018 and this was mainly due to lower revenue achieved by CP division because of weaker demand for CP services from major shipyard. Our SH division incurred higher direct cost for both 2Q2018 and 3Q2018 because of a surge in the marine fuel oil price. In addition, the sale of four sets of tugs and barges at a loss of S\$220,000 brought down the overall gross profit of the Group.

The Group's loss attributable to shareholders was S\$5.66 million for 9M2018 compared to S\$6.63 million loss for 9M2017 and was mainly due to the weak market conditions.

CASHFLOW STATEMENT

Net cash inflow generated from operating activities was S\$2.61 million during 3Q2018. During the period, there was a decrease in inventory by S\$0.44 million; an increase in trade and other receivables by S\$12,000; an increase in contract assets by S\$1.35 million and an increase in trade and other payables by S\$3.7 million.

Net cash inflow in investing activities was S\$0.21 million during 3Q2018. This was mainly due to proceeds of S\$0.72 million from the sale of equipment and acquisition of deck equipment of S\$0.51 million.

Net cash outflow in financing activities was S\$2.60 million during 3Q2018. This was mainly due to repayment of borrowings, lease liabilities and bills payable. During 3Q2018, there was a payment of S\$0.98 million dividend for FY2017 to minority shareholders of one of our subsidiaries.

As a result of the above, the Group registered a net increase in cash and cash equivalent of S\$0.22 million for 3Q2018.

ASSETS AND LIABILITIES

The Group registered total assets of S\$137.37 million as at 30 September 2018.

The Group's current assets increased from S\$48.71 million as at 31 December 2017 to S\$52.20 million as at 30 September 2018. This was mainly due to increase in trade and other receivables of S\$4.52 million resulting from improved business activities for 9M2018 as compared to 2H2017. The increase in trade and other receivables is also due to current year portion of the trade receivables relating to the instalment sale of four sets of tugs and barges.

The Group's non current assets decreased from S\$93.23 million as at 31 December 2017 to S\$85.17 million as at 30 September 2018 because of depreciation and sale of various equipment during the period 9M2018. There was a reclassification of two sets of tugs & barges to inventories as these were earmarked for sale. The Group recorded non-current trade receivables of S\$4.39 million that is due after one year on the instalment sale of four sets of tugs and barges.

Total liabilities for the Group increased by S\$2.15 million from S\$73.83 million at end of FY2017 to S\$75.98 million at 30 September 2018. This was mainly due to increase of S\$8.06 million on trade and other creditors to S\$27.51 million as a result of an increase in business activities as explained above. The Group's borrowings reduced by S\$5.54 million to S\$47.13 million as at 30 September 2018.

ASSETS AND LIABILITIES

The Group registered net current liabilities of S\$4.06 million as at 30 September 2018 as compared to S\$5.72 million as at 31 December 2017. There was a reclassification of S\$4.96 million convertible bond from non-current liabilities to current liabilities as the maturity date is within a year on 1H2018. The Group has announced on 14 August 2018 that it has entered into a non binding termsheet to divest one of its wholly owned subsidiary to a third party to improve the Group's gearing and working capital position.

The Board is of the opinion that, after taking into consideration the Group's existing cash and cash equivalents and the available bank facilities, the Group is able to meet its short-term obligations as and when they fall due.

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 the quarter ended 30 September 2018.

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.

The marine, offshore oil and gas markets remain uncertain and the Group will continue to seek out new projects. The Group will maintain strict cash flow discipline to weather the current difficult market environment.

The Group expects to make a loss for FY2018.

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 2018.

13 Summary of Interested Person Transactions for the financial period ended 30 September 2018.

During the nine-month financial period ended 30 September 2018, the Group did not enter into interested person transactions with aggregate value of more than S\$100,000.

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 2018 to be false or misleading in any material aspect.

15 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720 (1).

The Group has obtained undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720 (1).

BY ORDER OF THE BOARD

**Chua Beng Kuang
Executive Chairman**

13 Nov 2018

**Chua Meng Hua
Managing Director and
Chief Executive Officer**