



KIM HENG OFFSHORE & MARINE HOLDINGS LIMITED
(Company Registration Number 201311482K)
(Incorporated in the Republic of Singapore on 29 April 2013)

Profit Guidance

The board of directors (the "Board") of Kim Heng Offshore & Marine Holdings Limited (the "Company", and together with its subsidiaries, the "Group") has deemed it appropriate to issue a profit guidance in respect of the unaudited financial results of the Group for the fourth quarter ended 31 December 2016 ("4Q2016") and the financial year ended 31 December 2016 ("FY2016").

Based on a preliminary review of its financial results, the Group expects to report a greater net loss in 4Q2016 and FY2016 as compared to the net loss recorded in the corresponding periods of the previous year. This was mainly attributable to:

- 1) An impairment in value of the Group's property, plant and equipment; and
- 2) A decrease in revenue due to the low demand for the Group's goods and services from all segments as a result of the downturn in the global oil and gas industry.

Notwithstanding this, the Group is expected to report a positive net total assets, positive net current assets and a cash and cash equivalent balance of approximately S\$20 million as at 31 December 2016.

The Group is in the process of finalising its results. Further details of the Group's performance will be disclosed when the Company announces its financial results for 4Q2016 and FY2016 on or before 1 March 2017.

By Order of the Board

Tan Keng Siong Thomas
Executive Chairman & CEO

16 February 2017

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, SAC Advisors Private Limited ("Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Mr. Sebastian Jones, Director, SAC Advisors Private Limited at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542, telephone (65) 6532 3829.

SAC Capital Private Limited is the parent company of SAC Advisors Private Limited.