

Welcome!



PAUL ERIK ANDERSEN

Dear Customers,

Happy New Year.

A year change gives us a good opportunity to reflect on the year that has passed and the new year, so allow me to do so.

As an organization Brigantine has been through many changes in 2011. Our strategy has been to focus on container repairs and we have therefore in 2011 sold off our Marine Services activities to Wartsila. We see this as a very good fit as Wartsila is one of the few manufacturers of main engines to vessels.

We have also streamlined our organization to prepare ourselves for a very competitive and low margins industry going forward in our core business. We have said goodbye to well over 30% of our office staff and embarked on a flat organization giving more empowerment and responsibility to our area- and locations managers.

Without our Marine Service and with a low margin container repair industry, we also felt that our Hong Kong depot was too expensive and we managed to sell our Yuen Long depot in a good deal.

The restructuring has not been easy and we are of course sad to let go of good employees. However the medicine has worked and we came out of 2011 with a positive result and though not a record result it must be considered to be a good achievement in today's industry where especially the depots in the south of China are unable to generate profits.

For 2012 safety will continue to be high on our agenda as we cannot accept our staff and business partners are working in an unsafe environment.

We will also continue to focus on efficiencies and scale to ensure we can give you a best in class competitive service. To grow our volumes (scale) we look to you to assist us in any of our more than 40 repair locations. The more you can allocate to us the better we become, to ensure you meet your key objectives, whether related to price, service and quality.

2012 will be a tough year for the shipping industry, so talk to us and we will assist you in any way possible as long as it is based on sustainable and win-win solutions.

All Brigantiners wish you a healthy and prosperous Year of the Dragon.

Paul Erik Andersen
Chief Commercial Officer
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New Reefer Body Repair Shop in Modern Terminals



Figure 1: Sideloaders in operation in T9 reefer body repair shop

In addition to the two existing dry box repair sites in Terminals 1, 2, & 5 (T125) and Terminal 9 (T9) respectively, a new reefer body repair site has been established in T9. The shop size is 4,800 m² with 35 repair slots, designed cleaning area and reefer plugs. The new repair shop provides a comprehensive “one-stop” reefer service, in which body repair, cleaning, machinery repair and pre-trip inspection are carried out in the same site and thus largely shorten the equipment turnaround time. Reefer equipment can get back to service in a short time.

Brigantine Yuen Long depot completed its historic mission and subsequently closed at the end of November 2011. It is sad to say goodbye to the facility we have operated for over 15 years but this has opened a new chapter for Brigantine Hong Kong. With an ever-changing container business environment, we have shifted our Hong Kong strategy and are concentrating our development in on-dock, rather than off-dock depot. As the result, we have expanded our cooperation with Modern Terminals (MTL).



Figure 2: Repair slots with portable shelter



Figure 3: Environmental-friendly water recycle system

The new shop is equipped with foaming machines and welding machines from our old Yuen Long facility. A portable shelter is also erected which covers 6 TEUs and ensure foaming activity is carried out in dry condition. In view of environmental protection and cost saving, a state-of-the-art waste water recycle system has been installed. Water is reused for container washing and waste water is processed by waste collector at the end of the day. This can minimize the pollution to the environment as well as save water consumption.

ZIM reefers. We hope this new on-dock facilities can provide value added proposition to our liner customers.

The new repair shop started operation from mid November 2011 and is now serving Maersk and

Brigantine Ready to Provide Oil Spill Response Services



In recent years, Chinese authorities are getting more serious in ocean environment protection. China State Department issued a new Anti-Pollution Regulation for Ships Calling Chinese Ports on March 1st, 2010. And later in November, 2010, the Ministry of Transportation has issued more detailed rule (commonly known as the 7th Decree) in connection with the Regulation issued by State Department previously. Until very recently, "The Regulations of the PRC on Emergency Preparedness and Response to Marine Pollution from ships" (commonly known as the 4th Decree) was promulgated by the Ministry of Transportation, and became effective on June 1st, 2011.

The implication of the enforcement of the regulation is

shipping lines need to have a contractual agreement with a government certified Sea Pollution Prevention company to stand by and to carry out necessary preventive services to the vessels calling Chinese ports. The failure of doing so will lead to unexpected delay or detention of the ships by authorities or potential fine from government bodies.

Brigantine has been cooperating with a local professional company Baoyu in developing and deploying the Sea Pollution Prevention Service (or Oil Spill Response Service: OSR). And the service scopes include:

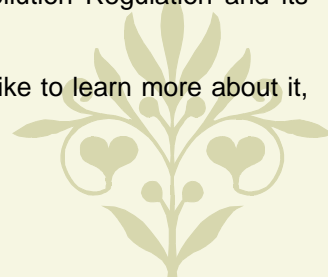
- set up and implement the vessel pollution emergency response plan.
- Stand by for vessels calling Chinese ports. And deploy the necessary preventive equipment for tankers.
- React to vessel oil spill and other pollution emergencies.
- Assist shipping lines to carry out the evaluation after cleaning up the pollution.



Because of our success in handling Oil Sludge ethically and responsibly for numbers of shipping lines, as well as our partner's rich experience in Oil Spill Response in past years, the Brigantine - Baoyu Cooperation has been recognized by China MSA as one of the best Oil Spill Response vendors to cater for the newly issued Anti-Pollution Regulation and its detail rules.

If you're interested in our services and would like to learn more about it, please feel free to contact us:

Roger.wei@brigantinegroup.com



Brigantine's Safety Management System and Quick Response to the shipping lines' compressor explosions

Background

In late 2011, hundreds of refrigerated containers were quarantined around the world following reports of compressor explosions resulting in at least three fatalities. The alarm was raised by a shipping line on 18 October regarding the fatal cases in which refrigeration units had exploded for no apparent reason. Afterwards, more and more explosion cases happened in the Asia Pacific region.

During the investigation, it had ascertained that all three refrigeration units and the following cases involved had received gas repairs in Vietnam between late March and late April and the shipping lines had identified at least 900 refrigeration units that they suspect may contain contaminated refrigerant and have quarantined those units.

How does the Brigantine's Safety Management System prevent the incident?

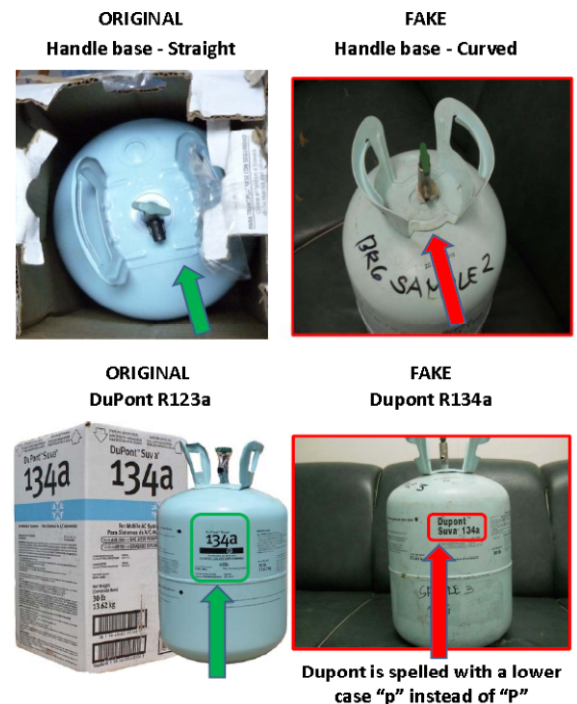
Brigantine, as a HSSE (Health, Safety, Security, and Environment) Friendly EMR service provider, has a comprehensive subcontractor & vendor control and evaluation procedure to ensure the safety and quality of our services. During the procurement process, we require the suppliers to provide the certificates of Origin and Analysis of the refrigerants to prove that they meet the safety and quality requirements.

In addition, we have an effective communication platform with the shipping lines so that we can closely liaise and cooperate with you to give a quick response and take the immediate actions to avoid the situation getting worse and threatening the life of our staff.

For instance, unplugging the suspect reefers and store them in an isolated location with the machinery units facing away from people and traffic, and stacked with the units facing each other. Also, we have placed a warning sign to the suspected refrigerated containers to avoid any chances of incorrect handling.

After investigation, it revealed that there are some FAKE "DuPont" R134a gas bottles (See Picture on the right) containing chloromethane (R40) that is a very unstable gas when using in a reefer unit. In Vietnam it was causing a series of explosion cases. In addition to Vietnam, there have been found additional contaminated gas bottles containing chloromethane (R40) at reefer unit repair workshops in other locations.

DuPont – Fake Gas Tank



Brigantine's Safety Management System and Quick Response to the shipping lines' compressor explosions

To make sure that no fake and contaminated gas bottles at Brigantine's sites, we had reviewed the gas bottles that we are using, certificates of Origin and Analysis. It proves that our suppliers and gas bottles are fully compliances with the safety and quality requirement. Also, we have established a gas checking systems to carry out in-house gas verification and to increase the traceability of the gas bottles by the following FIVE steps

1. Halide Test (Picture on the right)
2. Retention of Document for all R134a gas bottles
3. Requirements for future R134a procurement
4. Gas Logbook Gas Handling
5. Documentation requirement

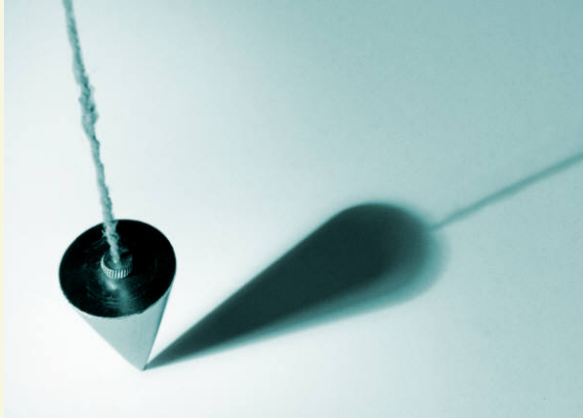
Lastly, "Safety" is always our priority in Brigantine. We will safeguard this prime objective and continue implementing the gas check systems to deliver a safe and healthy reefer repair services to our valuable customers.



OK ! Blue flame = R134a



Bad ! Green flame = contamination



Dear Valued Customers:

Thank you for your great support to Brigantine in 2011!

We have recently sent out an email invitation to all of our customers for an online Customer Satisfaction Survey. This survey will only take you 5 to 10 minutes, but will enable us to hear your true voice and help us to improve our services to you in the year to come. Therefore, we would greatly appreciate your response.

If you cannot retrieve the email invitation we sent out on December 20th, 2011. You may click below link to go to the survey page directly:

<https://www.surveymonkey.com/s/BrigantineGroupCSS>

When this survey is closed, we'll draw a number of lucky responders and present with a nice gift. Please do not miss the chance!

Thanks for your participation, and we wish you and your families a Happy New Year.

Brigantine Group

