BENG KUANG MARINE LIMITED
(Company Registration No. 199400196M)

PROPOSED ACQUISITION OF LEASEHOLD LAND IN BATAM, INDONESIA

The Board of Directors of Beng Kuang Marine Limited (the "Company") wishes to announce that its wholly-owned Indonesian subsidiary, P.T. Nexus Engineering Indonesia, has received the in-principle approval to acquire a 30-year leasehold waterfront land of approximately 32.8 hectare in Batam, Indonesia at a price approximating S$1.87 million from the local authority (the "Proposed Acquisition").

The purpose of the Proposed Acquisition is for the expansion of the production capacity and future growth of the Company in the marine, offshore oil and gas industry.

The Proposed Acquisition will be funded through the proceeds received from the placement of 12,000,000 ordinary shares in the Company on 9 February 2007 and is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Group for the current financial year.

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transaction.

BY ORDER OF THE BOARD

CHUA MENG HUA
EXECUTIVE DIRECTOR