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Beng Kuang Marine secures US$9.5 million in work orders from Labroy Marine on rig projects

- **Secured contracts for Labroy's ongoing jack-up rig building projects**
- **Management confident of securing more similar contracts**
- **Expects strong growth as order book swells to record high**

Singapore, 07 June 2007 – **Beng Kuang Marine Limited** ("**BKM**") or "明光海事" and its subsidiaries (the "Group"), an established provider for corrosion prevention (CP), infrastructure engineering (IE), and supply and distribution (SD) services to the marine and offshore oil and gas industries, is pleased to announce the Group has secured a total of USD9.5 million in work orders from the subsidiaries of Labroy Marine Limited (the "Contracts").

The Contracts relate to the provision of corrosion prevention services, specifically in blasting and painting services on jack-up rigs (totalling US$7.65 million) and the provision of infrastructure engineering services specifically in the electrical installation and testing services on jack-up rigs (totalling US$1.85 million).

Work for its Contracts, being the largest set of orders to date from a single customer, will commence in the middle of 2007 and be completed by 2009. These transactions have enhanced **BKM**'s order book and are expected to have a positive impact on the Group's 2007 earnings.

"We are very pleased to secure these contracts from the subsidiaries of Labroy Marine Limited. This is a clear signal of their confidence in the Group's ability to deliver quality services in a timely manner. The Contracts represent a significant milestone in our foray into the growing offshore oil and gas sector. We are currently also in active discussions with several potential customers in this sector for future contracts."

Mr Chua Beng Kuang, Managing Director of BKM

Robust Industry Outlook

The outlook of the offshore oil and gas sector remains encouraging with major rig and offshore vessel builders continuing to announce new orders. Rig utilisation, including the jack-up drilling rigs, has remained consistently high at more than 90% for the past three years while day charter rates for various types of rigs and offshore vessels have soared to unprecedented levels. The strong demand for jack-up rigs and offshore vessels would continue to outpace the increase in existing capabilities of established service vendors with proven track records.

Barring unforeseen circumstances, **BKM**, as an emerging player in the industry, is poised to benefit from this sustained demand for rigs and offshore vessels.

--- The End ---

About Beng Kuang Marine Limited

Beng Kuang Marine Limited ("BKM") and its subsidiaries (the "Group") are established providers of corrosion prevention services, infrastructure engineering services, as well as the supply and distribution of hardware equipment and tools to the marine and offshore oil and gas industries. The Corrosion Prevention and Supply and Distribution divisions have always been the main revenue drivers of the Group. However, with the rapid growth in shipbuilding and rig building projects, BKM expects the Infrastructure Engineering division to be a key growth driver in the future. For the Infrastructure Engineering division, BKM provides turnkey engineering services from planning, project management to implementation involving fabrication, corrosion prevention, testing, installation and pre-commissioning of steel work modules and structures for customers in the offshore oil and gas industry.

For more information, please refer to the website, www.bkmgroup.com.sg

About Labroy Marine Limited ("Labroy")

Labroy is a fast-growing group principally engaged in rig building, shipbuilding, repair and shipping. It has a diverse fleet of more than 180 vessels comprising tankers, containers, supply vessels, tugs and barges. Today, it is one of the largest tug and barge owners-cum-operators in South-East Asia. Labroy also owns and operates one of the largest shipyards in Batam, Indonesia.

For more information, please refer to the website, www.labroy.com.sg

Issued for and on behalf of Beng Kuang Marine Limited

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