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

INCORPORATION OF SUBSIDIARY IN BATAM, INDONESIA

The Board of Directors of Beng Kuang Marine Limited (the "Company") wishes to announce that its subsidiary, Pangco Pte. Ltd. ("Pangco"), has incorporated a subsidiary on 3 August 2007 in Batam, Indonesia. Pangco holds 99% equity in the share capital of the new Indonesian subsidiary whereas Mr Ong Hock Sze holds the remaining 1% equity on trust for and on behalf of Pangco. The details of the Indonesian subsidiary are as follows:

(i)	Name	:	PT. Berger Batam;
(ii)	Authorised Capital	:	USD1,000,000.00;
(iii)	Paid up capital	:	USD250,000.00;
(iv)	Dominant objects	:	Provision of corrosion prevention services; and
(v)	Liability	:	Limited

Mr Chua Meng Hua, the Director of the Company, has been appointed as President Director of the new Indonesian subsidiary.

The above investment was funded through internal resources 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