BENG KUANG MARINE LIMITED
Registration No. 199400196M

INVESTMENT IN A SUBSIDIARY

The Board of Directors of Beng Kuang Marine Limited (the "Company" and together with its subsidiaries, the "Group") wishes to announce that its wholly-owned subsidiary, Asian Sealand Engineering Pte Ltd has on 2nd March 2015, subscribed for 316,200 new ordinary shares (representing 51%) in the capital of International Offshore Equipments Pte Ltd ("IOE") for cash consideration of S$316,200.

The remaining 49% share capital of IOE is owned equally by 2 individuals who are not related to any of the Directors or substantial shareholders of the Company.

IOE is a company incorporated in Singapore on 4th August 2011 and engaged in the manufacture of marine equipment and ship parts including design, fabrication and upgrading of steel structures

The Group's investment in IOE is funded through internal resources.

The above transaction is not expected to have any material impact on the consolidated net tangible assets or earnings per share of the Group for the current financial year ending 31 December 2015.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction other than through their shareholdings in the Company.

BY ORDER OF THE BOARD

Chua Meng Hua
Managing Director
2 March 2015