BENG KUANG MARINE LIMITED
Registration No. 199400196M

ACQUISITION OF 51%-OWNED SUBSIDIARY FROM A 100%-OWNED SUBSIDIARY

The Board of Directors of Beng Kuang Marine Ltd. (the "Company" and together with its subsidiaries the "Group") wishes to announce that it has today acquired 316,200 ordinary shares, representing 51% shareholding interest ("Sale Shares") in International Offshore Equipments Pte. Ltd. ("IOE"), a subsidiary incorporated in Singapore, from its wholly-owned subsidiary, Asian Sealand Engineering Pte. Ltd. ("ASE") for an aggregate consideration of S$316,200. The said consideration will be set-off against debts owed to the Company by ASE.

The acquisition is in line with the corporate restructuring of ASE to be undertaken, prior to the sale of ASE as announced on 23 January 2019 and the aggregate consideration of S$316,200 was arrived, based on the original investment cost in IOE.

IOE is engaged in the manufacture and repair of marine engines, steel structures, mechanical and electrical works.

The transaction is considered a non discloseable transaction pursuant to Rule 1006 of the Listing Manual as the relative figures are either not applicable or below the 5% threshold.

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 2019.

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 and Chief Executive Officer
15 May 2019