

BENG KUANG MARINE LIMITED

Registration No. 199400196M

INCREASE IN SHARE CAPITAL OF SUBSIDIARY

The Board of Directors of Beng Kuang Marine Limited (the "Company" and together with its subsidiaries, the "Group") wishes to announce that its subsidiary, Asian Sealand Offshore and Marine Pte Ltd, (formerly known as Asian Sealand Automation Pte Ltd) ("AOM") has on 8 May 2014 increased its issued and paid share capital from S\$2 to S\$200,000 by the allotment of 199,998 additional shares.

The Company has subscribed for an additional 101,998 ordinary shares in cash of S\$101,998 and the remaining 98,000 ordinary shares were subscribed for in cash of S\$98,000 by an existing employee of the Group, who is not related to any of the Directors or Substantial Shareholders of the Company.

Following the aforesaid subscription, the Company now holds 102,000 ordinary shares, representing 51% of the share capital of AOM

The Company's investment in AOM is funded through internal resources. AOM is engaged in the business of repair of ships and tankers.

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.

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
12 May 2014