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 it's 51%-owned subsidiary, International Offshore Equipments Pte. Ltd. ("IOE") had incorporated a wholly-owned subsidiary company in Canada, named International Offshore Equipment Canada Inc. ("IOEC").

IOEC has an initial issued and paid up capital of Canadian Dollars 10,000 divided into 10,000 ordinary shares and will be principally engaged in the manufacture of marine equipment and ship parts including design, fabrication and upgrading of steel structures.

The Group's investment in IOEC was funded internally and is not expected to have any material impact on the net tangible assets per share and earnings per share of the Group for the current financial year ending 31 December 2016.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect in IOEC, save for their shareholdings in the Company.

BY ORDER OF THE BOARD

Chua Meng Hua
Managing Director and Chief Executive Officer
23 June 2016