BENG KUANG MARINE LIMITED
Registration No. 199400196M

EXECUTION OF JOINT VENTURE AGREEMENT

Further to the announcement made on 23 February 2009, the Board of Directors of Beng Kuang Marine Limited ("the Company", and together with its subsidiaries, the "Group") wishes to announce that pursuant to the memorandum of understanding dated 23 February 2009, the Company has on 18 March 2009 entered into a joint venture agreement ("JVA") with Quill Far East Pte Ltd ("Quill").

Quill was incorporated in Singapore on 2 April 2008. The company operates within marine, oil and gas industries both on and off shore. It is principally engaged in the business of rental and sales of machinery for repair and maintenance of ships and tankers.

Pursuant to the JVA, the parties agree to set up a joint venture company to be known as Quill Marine Pte Ltd ("QM") with an initial share capital of S$400,000. The Company holds 50% stake in QM and Quill holds the remaining 50%.

The proposed transaction will be funded through internal sources and is not expected to have a material impact on the earnings per share and the net tangible assets per share of the Group for the financial year ending 31 December 2009.

None of the Directors and controlling shareholders of the Company has any interest, direct or indirect, in the above transaction.

BY ORDER OF THE BOARD
Chua Meng Hua
Director
18 March 2009