



**BENG KUANG MARINE LIMITED**  
(Company Registration No. 199400196M)

**ACQUISITION OF A SUBSIDIARY IN MALAYSIA  
AND FURTHER INVESTMENT IN SUBSIDIARY**

The Board of Directors of Beng Kuang Marine Limited (the "Company") wishes to announce that it has acquired 2 ordinary shares of RM1.00 each fully paid, representing 100% equity in the share capital of Colour Ace Engineering Sdn Bhd ("CAESB"), a shelf company incorporated in Malaysia, for a total consideration of RM2.00.

CAESB was incorporated on 26 January 2005 with an authorised capital of RM100,000.00 divided into 100,000 ordinary shares of RM1.00 each.

CAESB will be wholly owned by the Company with its principal activities of providing infrastructure engineering and corrosion prevention services to shipyards in Malaysia.

The Board of Directors also wishes to announce that the Company has on 29 April 2005 subscribed for an additional 99,998 ordinary shares of RM1.00 each for a total consideration of RM99,998.00 in the capital of CAESB. The purchase consideration was paid in cash.

The subscription for the said shares was funded by internal resources of the Company and is not expected to have any material impact on the earnings per share and the net tangible assets per share of the Company for the current financial year.

None of the directors and substantial shareholders of the Company has any interest, direct or indirect, in the aforesaid transaction.