



BENG KUANG MARINE LIMITED

Registration No. 199400196M

DISPOSAL OF 100%-OWNED MALAYSIAN SUBSIDIARY TO A 51%-OWNED SINGAPORE SUBSIDIARY

The Board of Directors of Beng Kuang Marine Limited (the "Company" and together with its subsidiaries, the "Group") wishes to announce that it has today transferred its entire shareholding in its wholly-owned Malaysian subsidiary, ASIC Engineering Sdn Bhd ("ASIC") to its 51%-owned Singapore subsidiary, Asian Sealand Offshore and Marine Pte Ltd ("ASOM") for a consideration of S\$333,000.00.

The consideration is based on the net asset value of ASIC and will be paid to the Company by ASOM within the next two (2) years.

ASIC which is engaged in ship repair business in Malaysia has a paid-up capital of Malaysian Ringgit 100,000.00 (equivalent of S\$33,000.00) and net asset value of S\$333,000.00 as at 31 May 2018. It has been dormant for the past two (2) years due to the depressed marine and offshore oil and gas markets. ASOM intends to use ASIC to expand its specialised Sandwich Plate Overlay Treatment business to customers in Malaysia.

The transaction is considered a non disclosable 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 2018.

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 (if any) in the Company.

BY ORDER OF THE BOARD

Chua Meng Hua
Managing Director and
Chief Executive Officer
22 June 2018