



YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.

(Company Registration No. 200517636Z)

(Incorporated in the Republic of Singapore on 21 December 2005)

ADDITIONAL INFORMATION ON THE INVESTMENT IN JIANGSU TIANYUAN SHIPS IMPORT & EXPORT CO., LTD. (江苏天元船舶进出口有限公司)

The Board of Directors of Yangzijiang Shipbuilding (Holdings) Ltd. refers to the announcement dated 19 December 2007 (the “Announcement”) in relation to the acquisition of the 90% equity interest in the registered capital (the “Acquisition”) of Jiangsu Tianyuan Ships Import & Export Co., Ltd. (江苏天元船舶进出口有限公司) (“Tianyuan”) from our business associate, Jiangyin Zezhou Investment Co., Ltd (江阴泽舟投资有限公司). Unless otherwise defined, all terms and references used herein shall bear the same meanings ascribed to them in the Announcement.

The Board of Directors wishes to clarify that the Group is of the view that the Acquisition represents an opportunity for the Group to invest in an import/export company to facilitate the Group’s core business, and the Acquisition was entered into pursuant to the independent decision of the Group without any recommendation from third parties. The remaining 10% equity interest in Tianyuan is owned by another of the Group’s business associate, Jiangsu Tongzhou Ocean Accessories Co. Ltd. (江苏通舟海洋工程装备有限公司), which has no direct/indirect interest in any companies in the Group.

The purchase consideration of RMB9.0 million for the Acquisition represents the 90% equity interest in the registered capital of Tianyuan. As at the date of the Acquisition, the net tangible assets of Tianyuan is RMB10.0 million.

UBS AG, acting through its business group, UBS Investment Bank, acted as the Global Co-ordinator and Sole Bookrunner for the initial public offering of the shares of the Company.

By order of the Board

Ren Yuanlin (任元林)
Executive Chairman
27 December 2007