

YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.

(Company Registration No. 200517636Z)

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

APPLICATION WITH THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED FOR THE LISTING OF AN ADDITIONAL 352,625,000 ORDINARY SHARES IN RELATION TO THE SALE AND PURCHASE AGREEMENT DATED 28 MARCH 2008

The Board of Directors (the "**Board**") of Yangzijiang Shipbuilding (Holdings) Ltd. (the "**Company**") wishes to announce that the Company has on 5 November 2008 filed an application with the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the listing and quotation of an additional 352,625,000 ordinary shares (the "**Consideration Shares**") to be allotted and issued by the Company to HongKong Hengyuan Investment Limited (the "**Vendor**"). The Consideration Shares to be allotted and issued by the Company shall comprise 352,625,000 new ordinary shares to be allotted and issued by the Company.

Sale and purchase agreement

The Company entered into a conditional sale and purchase agreement (the "**Agreement**") with the Vendor on 28 March 2008 to beneficially acquire a 24.81% interest in Jiangsu New Yangzi Shipbuilding Co., Ltd. (the "**Acquisition**"). Details of the Acquisition had been disclosed in the Company's earlier announcements dated 28 March 2008, 31 March 2008 and 22 April 2008.

Pursuant to the Agreement, the total consideration payable by the Company for the Acquisition is RMB2,626,932,420.00 (being S\$517,673,154.00 based on an exchange rate of S\$1.00:RMB5.0745) and shall comprise, among other things, the Consideration Shares amounting to S\$301,273,984.38 based on a consideration value of S\$0.854375 per Consideration Share, being the average of the closing prices per share of the Company on each of the trading days for the eight trading days prior to the date of the Agreement.

Following the allotment and issuance of the Consideration Shares, the issued share capital of the Company shall increase from 3,142,129,000 ordinary shares (excluding treasury shares) to 3,494,754,000 ordinary shares (excluding treasury shares). The Consideration Shares represent approximately 11.22% of the existing issued and paid-up share capital of the Company (excluding treasury shares) and 10.09% of the issued and paid-up share capital (excluding treasury shares) after the allotment and issuance.

The Consideration Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects with the existing ordinary shares of the Company.

None of the directors or substantial shareholders of the Company has any interest, whether direct or indirect, in the issue of the Consideration Shares (other than through their shareholdings in the Company).

The Company will make the necessary announcement once the approval of the listing and quotation of the Consideration Shares has been obtained.

By order of the Board

Ren Yuanlin (任元林)

Executive Chairman

05th Nov 2008

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.