



YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.

(Company Registration No. 200517636Z)

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

DISPOSAL OF INVESTMENT IN YANGZHOU HUANZHOU DECK MATERIALS CO., LTD

The Directors of Yangzijiang Shipbuilding (Holdings) Ltd. ("the Company") wish to announce that its wholly owned subsidiary, Seavi Advent Asia Investment (III) Ltd ("SEAVI") has entered into a Sale and Purchase Agreement with Rainbow Dream Worldwide Corp. ("RDWC") on 27 November 2008, in respect of the dispose of 40% equity interest by SEAVI in the capital of Yangzhou Huanzhou Deck Materials Co., Ltd ("YHDM") (the "Disposal"), a company incorporated in the People's Republic of China

Consideration

The total consideration for the Disposal of 40% equity interest in YHDM is RMB120 million in cash, which is the same as total cost of investment.

Rationale and Effects of the Disposal

The Disposal is not expected to have any significant impact on the earnings per share and net tangible asset value per share of the Group for the year ending 31 December 2008.

Interest of Directors and/or Controlling Shareholders

Save for their respective shareholdings in the Company, none of the directors, controlling shareholders or substantial shareholders of the Company has any interest, direct or indirect, in this transaction.

By Order of the Board

Ren Yuanlin (任元林)
Executive Chairman
27 November 2008

Note: 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.