



YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.
(Company Registration No. 200517636Z)
(Incorporated in the Republic of Singapore on 21 December 2005)

COMPLETION OF THE ACQUISITION OF 100% BENEFICIAL INTEREST IN JIANGSU TONGZHOU MARINE EQUIPMENT CO., LTD (江苏通舟海洋工程装备有限公司) ("JTME") AND SHAREHOLDER'S LOAN OWING BY JTME

The Board of Directors (the "**Board**") of Yangzijiang Shipbuilding (Holdings) Ltd. (the "**Company**") refers to the announcement made on 27 November 2008 in relation to the Company entering into a conditional sale and purchase agreement (the "**Agreement**") with ICH Invest & Trade Ltd. (the "**Vendor**") to acquire (a) the 100% beneficial equity interest in the registered capital of JTME; and (b) a shareholder's loan in the sum of S\$52,044,015 owing to the Vendor by JTME (collectively, the "**Acquisition**").

Pursuant to the Agreement, the Company shall satisfy the consideration payable to the Vendor in respect of the Acquisition by issuing 228,000,000 ordinary shares (the "**Consideration Shares**") in the capital of the Company to the Vendor (or as the Vendor may direct) on the date of completion of the Acquisition.

The Board is pleased to announce that completion of the Acquisition has taken place on 10th December 2008, and that the Company has, today, issued 228,000,000 treasury shares as Consideration Shares to the Vendor's nominee at S\$0.50 per Consideration Share pursuant to the Agreement.

Following the completion of the Acquisition, JTME is now a wholly-owned subsidiary of the Company.

Pursuant to Rule 704(26) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board wishes to announce the following details on the use of treasury shares:

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|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------------------------------------------------------------------------------|
| (a) Date of the sale, transfer, cancellation and/or use: | | 10 th December 2008 |
| (b) Purpose of such sale, transfer, cancellation and/or use: | | Treasury shares issued to the Vendor as Consideration Shares pursuant to the Agreement |
| (c) Number of treasury shares sold, transferred, cancelled and/or used: | | 228,000,000 |
| (d) Number of treasury shares before and after such sale, transfer, cancellation and/or use: | Before change: | 228,239,000 |
| | After change: | 239,000 |
| (e) Percentage of the number of treasury shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use: | Before change: | 6.247% |
| | After change: | 0.007% |

(f) Value of the treasury shares if they are used
for a sale or transfer, or cancelled:

S\$120,122,759

By order of the Board
Ren Yuanlin (任元林)
Executive Chairman
10th December 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.