



Yangzijiang Shipbuilding (Holdings) Ltd
4 Robinson Road
#04-01 House of Eden
Singapore 048543
(Co. Reg. No. 200517636Z)

MEDIA RELEASE – FOR IMMEDIATE RELEASE

Yangzijiang aiming to enter the robust offshore sector

- **Offered to acquire PPL Holdings by intending to take a 50.1% stake**
- **Rest 45% and 4.9% in PPL Holdings would be taken up respectively by strategic partner, a Middle East investor and Yangzijiang’s Non-Executive Director, Mr Yu Kebing**
- **Total consideration for PPL Holdings at US\$155 million**
- **Yangzijiang would place 83.555 million shares at S\$1.295 per share to the Middle East investor to fund its proposed stake of 50.1% in PPL Holdings**

SINGAPORE – 17 April 2010 – Yangzijiang Shipbuilding (Holdings) Limited (“Yangzijiang” or “the Group” or “扬子江船业控股有限公司”), one of PRC’s leading and most enterprising shipbuilder listed on the SGX Main Board, on 15 April 2010 entered into a placement agreement with a Middle East investor (“Investor”) in relation to the placement of 83,555,000 new ordinary shares in the capital of Yangzijiang at the issue price of S\$1.295 per new share and the proceeds are to be applied by Yangzijiang for the proposed acquisition as highlighted below.

The Board of Directors of Yangzijiang is pleased to announce that it has entered into a joint investment agreement (dated 15 April 2010) with the Investor and Mediterranean Success Group (“MSG”) (wholly owned by the Group’s Non-Executive Director, Mr Yu Kebing) to acquire PPL Holdings Pte Ltd (“PPLH”). Post the completion of the acquisition, Yangzijiang, the Investor and MSG would be having shareholding stakes in the proportions of 50.1%, 45% and 4.9% respectively in PPLH.

Yangzijiang has issued a binding letter of offer (“Letter of Offer”) (dated 16 April 2010) to Baker Technology Limited (“Baker”) pursuant to which the Group has made an offer to

acquire the entire issued and paid-up share capital of PPLH. Currently, Baker holds 100% of the shareholding in PPLH.

Funding the 50.1% stake in PPLH

At S\$1.295 per new share, Yangzijiang would be issuing 83,555,000 new ordinary shares to the Middle East investor and garner a capital of US\$77,655,000.

Subject to acceptance of the Letter of Offer by Baker and completion of the acquisition, the entire placement proceeds shall be used by Yangzijiang for the purpose of satisfying the purchase consideration payable by Yangzijiang for its 50.1% proportion of the acquisition of PPLH.

Details of acquisition

PPLH holds an aggregate direct and indirect 15% stake in PPL Shipyard Pte Ltd ("PPL Shipyard"). The balance 85% is held by Sembcorp Marine Limited ("SML").

PPL Shipyard is engaged in the business of design and construction of offshore drilling rigs from shallow water to deep water. Upon acceptance of the Letter of Offer and subject to completion, the key management of PPL Shipyard, Messrs Benety Chang and Anthony Sabastian Aurol, have undertaken to continue in their key executive positions until 31 December 2013.

The purchase consideration for PPLH of US\$155 million is arrived at taking into account, *inter alia*, the net book value amount of US\$343,553,000 of PPL Shipyard for FY2009.

Rationale

The Board of Yangzijiang is of the view that this strategic acquisition would be in the best interest of the Group as Yangzijiang's post-Acquisition involvement in PPL Shipyard's business for the design and construction of offshore drilling rigs would add to, and further strengthen Yangzijiang's capabilities in this area and further the Group's development and competency strategies.

--The End--

ABOUT BAKER TECHNOLOGY LIMITED (Bloomberg Ticker: BTL SP)

Listed on SGX-ST mainboard, Baker Technology Limited (Baker Tech) is a leading manufacturer and provider of specialised equipment and services for the oil & gas industry. Its core business is in the design and construction of a wide range of equipment and components for use in the offshore environment. These include offshore pedestal cranes, anchor winches, skidding systems,

jacking systems and raw water tower structures. It also provides services such as project management, engineering services, quality assurance, and construction supervision.

Baker Tech has a 49% interest in York Transport Equipment (Asia) Pte Ltd, a manufacturer and distributor of trailer axles and related components. It also holds a 15% stake in PPL Shipyard which designs and constructs offshore rigs. PPL's Pacific Class 375 jack-up rigs are well accepted in the market as rigs of choice. Baker Tech has market presence in China, the Middle East, Asia and USA.

For more information please visit the website at: www.bakertech.com.sg

ABOUT YANGZIJIANG SHIPBUILDING (HOLDINGS) LIMITED (Bloomberg Ticker: YZJ SP)

Yangzijiang Shipbuilding (Holdings) Limited is the largest non-state-owned publicly listed shipbuilder by virtue of manufacturing capability in the PRC. The core business is shipbuilding of commercial vessels ranging from containerships, bulk cargo carriers and multi-purpose cargo vessels. The Group owns two shipbuilding bases across the Yangtze River, across each other.

Located in Jiangyin city in the Jiangsu province of PRC, the old shipyard spans approximately 800 metres of deep-water coastline and covers an area of approximately 200,000 square metres (excluding the coastal area).

The new shipyard is located in Jingjiang city and has 1,940 metres of deep-water coastline, a production area of 1,508,857 square metres and a dry dock that can accommodate two 100,000 DWT vessels and two half 100,000 DWT vessels at one time.

For more information please visit the website at: www.yzjship.com

Issued for and on behalf of Yangzijiang Shipbuilding (Holdings) Limited

By Financial PR Pte Ltd

For more information, please contact:

Romil SINGH, romil@financialpr.com.sg

Kathy ZHANG, kathy@financialpr.com.sg

Tel: (65) 6438 2990

Fax: (65) 6438 0064