



YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.

Incorporated in the Republic of Singapore on 21 December 2005

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Website: <http://www.yziship.com> Company Registration No. 200517636Z

UPDATE ON THE USE OF PROCEEDS RAISED FROM THE ISSUANCE OF 100 MILLION NEW ORDINARY SHARES IN THE FORM OF TAIWAN DEPOSITORY RECEIPTS ON THE TAIWAN STOCK EXCHANGE AS AT 30 SEPTEMBER 2010

The Board of Directors (the “Board”) of Yangzijiang Shipbuilding (Holdings) Ltd. (“YZJ” or the “Company”) wish to provide an update on the use of proceeds raised from the issuance of 100 million new ordinary shares in the form of Taiwan Depository Receipts on the Taiwan Stock Exchange (“TDR Proceeds”).

As at 30 September 2010, the Company had received TDR Proceeds of NT\$ 3,760,000,000 which would be used as working capital for YZJ’s shipbuilding activities in the near future.

By Order of the Board

Ren Yuanlin
Executive Chairman
7 October 2010