



YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.

(Company Registration No. 200517636Z)

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

ACQUISITION OF 100% BENEFICIAL INTEREST IN JIANGSU ZHONGZHOU MARINE EQUIPMENT CO., LTD. ("JZME") (THE "TRANSACTION")

收購江蘇中舟海洋工程有限公司（以下簡稱“中舟”）100%的股權（以下簡稱“交易”）

The Board of Directors (the "**Board**") of Yangzijiang Shipbuilding (Holdings) Ltd. (the "**Company**") is pleased to announce that Yitian Investments Pte. Ltd., the Company's wholly-owned subsidiary, has today entered into a sale and purchase agreement (the "**Agreement**") to beneficially acquire 100% equity interest in the registered capital of JZME (the "**Acquisition**").

揚子江船業(控股)有限公司(以下簡稱“公司”)董事局宣佈公司的全資子公司-Yitian Investments Pte. Ltd. 今日簽署一項買賣協議(以下簡稱“協議”)，從而收購中舟100%的股權。(以下簡稱“收購”)。

1. The Transaction

交易

1.1 Pursuant to the Agreement, Yitian Investments Pte. Ltd. shall acquire 100% equity interest in the registered capital of JZME, a company incorporated in the Peoples' Republic of China ("PRC").

根據協議，Yitian Investments Pte. Ltd. 將收購中舟的100%股權，中舟是在中華人民共和國注冊成立的一家公司。

1.2 After the completion of the Acquisition, the Company shall beneficially hold 100% of the total equity interest in the registered capital of JZME.

完成本項收購後，公司將實益持有中舟100%的股權。

1.3 JZME is a company incorporated in Jingjiang City with a registered paid-up capital of RMB 240,000,000.00; the net profit attributable to JZME from 1 January 2010 to 30 November 2010 states at RMB49,370,000, and the net book value of RMB290,000,000 as at 30 November 2010 based on management accounts.

中舟位於中國江蘇省靖江市，注冊資本2.4億人民幣；根據中舟2010年1月1日至2010年11月30日的管理賬目顯示，期間淨利潤為4937萬元人民幣，截止2010年11月30日，賬面淨值2.9億人民幣。

1.4 General Rationale of the Transaction

進行此項交易的理由

JZME owns shipbuilding facilities of 350,000 square metre yard space and 430 metre deep water coast line. Currently, it provides fabrication service to Jiangsu Yangzijiang Shipbuilding Co., Ltd ("JYS"), one of the Company's wholly-owned subsidiaries. The vertical acquisition is expected to shorten the production cycle in JYS and Jiangsu New Yangzi Shipbuilding Co., Ltd ("JNYS") by taking over the full control of the fabrication process and further improve the Group's profitability.

中舟占地面積約為35萬平方米，並擁有430米深水岸線。目前，中舟為公司一家全資子公司-江蘇揚子船廠有限公司（以下簡稱“老廠”）提供分段加工服務。通過全盤接管中舟的分段加工業

務，此項垂直收購預計將進一步縮短老廠及江蘇新揚子造船有限公司（以下簡稱“新廠”）的生產周期並進一步提高集團的盈利能力。

The Group also benefits from the increased yard space and coast line which can be used for a more effective production layout. The land and the coast line are located next to JNYS, within the Jiangyin Economic Development District in Jingjiang City, Jiangsu, PRC.

此外，受益於擴增的造船空間和海岸線，集團也將可更為有效的布置生產佈局。中舟的土地和海岸線位于中華人民共和國江蘇省靖江市江陰經濟開發區，毗鄰新廠。

1.5 Consideration and Terms of Payment

支付對價及付款條件

- 1.5.1 The Company has commissioned an independent valuer, Suzhou Wanlong Assets Appraisal Co. Ltd. (“**Wanlong**”) to undertake a business valuation of JZME. Wanlong issued a valuation report dated 10 December 2010 (the “**Valuation Report**”) whereby JZME’s net asset is valued at RMB351,000,000 based on the asset based approach.

本公司已委託獨立估值師，蘇州萬隆資產評估有限公司（以下簡稱“萬隆”）對中舟進行資產估值。依據萬隆以資產基礎評估法於2010年12月10日出具的評估報告（“評估報告”），中舟的淨資產估值為人民幣3.51億元。

- 1.5.2 The purchase consideration payable by the Company for the acquisition is RMB420,000,000. The amount of the investment was arrived following arms’ length negotiations on a willing buyer, willing seller basis taking into account, inter alia, the net book value amount of JZME as at 30 November 2010 and the valuation report. The consideration was concluded at 1.2 times net asset value of JZME appraised by Wanlong.

公司應支付的收購對價為4.2億元人民幣。經過買賣雙方平等自願的協商，並權衡了2010年11月30日中舟賬面淨值及評估報告，收購價以萬隆的評估報告為基準，協定為資產評估值的1.2倍。

- 1.5.3 Payment of the Consideration shall be as follows:

對價支付條款如下：

- (a) within 7 days of Completion, the Company shall pay RMB200,000,000 of the Cash Consideration; and
完成收購後的7天內，公司將支付現金2億元人民幣；及
- (b) within 180 days of Completion, the Company shall pay the remaining RMB220,000,000.
完成收購後的180天內，公司將支付剩余的2.2億元人民幣。

2. Financial Effects

財務影響

Assuming that the Acquisition completion took place on 31 December 2010, there will be no change to the net tangible assets per share of the Group as the cash consideration is applied to satisfy the Acquisition.

假定本項收購在2010年12月31日完成，鑒于本項收購將以現金支付，集團每股淨資產將不會因此變動。

3. Further Information

更多信息

None of the directors or the controlling shareholders of the Company has any interest, whether direct or indirect, in the Transaction.

不考慮持有的公司股權，任何一位董事、控股股東或主要股東與本項交易均無直接或間接的利益關係。

By Order of the Board

謹代表董事局

Ren Yuanlin (任元林)

Executive Chairman (執行主席)

16 December 2010 (2010年12月16日)