AVIC INTERNATIONAL MARITIME HOLDINGS LIMITED

(Incorporated in Singapore)
(Company Registration No. 201024137N)
(the "**Company**" and together with its subsidiaries, the "**Group**")

CHANGES IN SUBSIDIARIES OF THE COMPANY

The Board of Directors of the Company wishes to announce that Delta-AVIC Pte. Ltd. (the "**Relevant Subsidiary**"), an indirect Singapore-incorporated subsidiary of the Company, is in the midst of undertaking the following series of corporate actions, with a view to eventually increasing the share capital of the Relevant Subsidiary from SGD2.00 to approximately SGD2,980,402.98[1] for the purposes of developing its operations:

1. Change in Shareholding Percentage of a Subsidiary ("Step 1")

The Relevant Subsidiary shall allot (i) 48 ordinary shares in its share capital to Deltamarin Ltd. ("**Deltamarin**"), a 79.57% owned indirect subsidiary of the Company; and (ii) 50 ordinary shares in its share capital to Kaixin Industrial Pte. Ltd. ("**Kaixin Industrial**"), a wholly owned subsidiary of the Company, at a nominal value of SGD0.01 per share and a total cash consideration of SGD0.98.

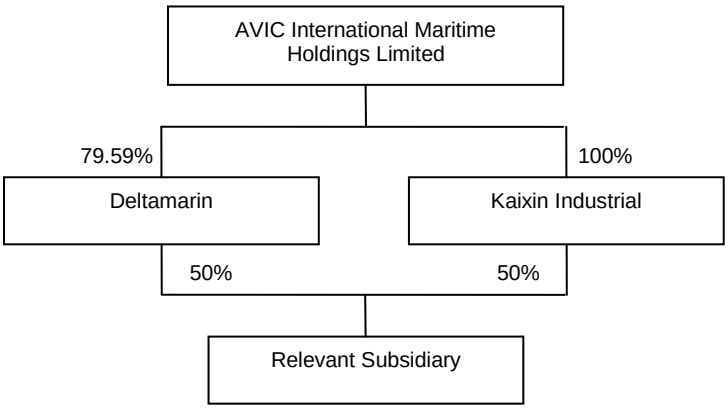
As a result of the above allotments, the issued and paid-up capital of the Relevant Subsidiary shall increase from SGD2.00 to SGD2.98, of which 49% is to be held by Deltamarin and 51% is to be held by Kaixin Industrial. Accordingly, the Company's effective interest in the Relevant Subsidiary shall increase from approximately 89.79% to approximately 89.99%.

[1] For the purposes of this announcement, the approximate equivalent amount in SGD has been provided. The conversion rate from EUR is based on an indicative exchange rate of EUR1.00 : SGD1.4902.

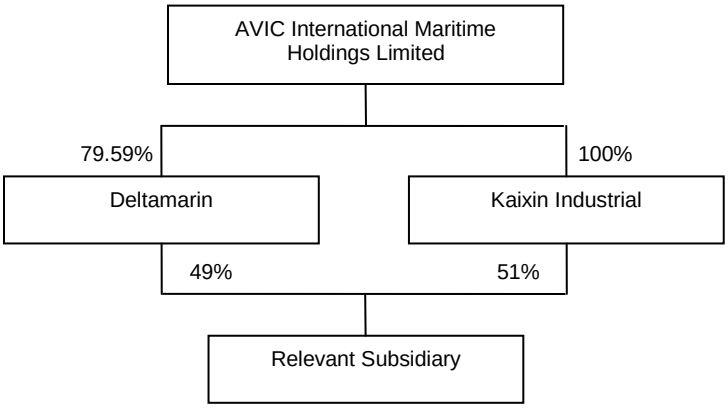
The corporate structure of the Group immediately before and after the completion of Step 1 shall be as follows:

***Note*:** *Please note that for the purpose of clarity, not all subsidiaries or associated companies of the Group have been included in the following diagram. The diagram is for illustrative purposes only in respect of the relevant changes and does not comprise the entire Group structure.*

Immediately before completion of Step 1



Immediately after completion of Step 1



2. Change of Name of the Relevant Subsidiary ("Step 2")

Delta-AVIC Pte. Ltd. shall change its name to "Deltamarin Floating Construction Pte. Ltd.".

3. Capital Injection to the Relevant Subsidiary ("Step 3")

It is contemplated that upon completion of Step1 and Step 2, a capital injection of an aggregate amount of EUR2,000,000 ("**Capital Injection**") shall be made by the immediate shareholders of the Relevant Subsidiary in the following manner with a view to developing the operations of the Relevant Subsidiary:

Subscriber	**Number of shares held in the capital of the Relevant Subsidiary immediately before the Capital Injection / Shareholding percentage**	**Number of new shares ("New Shares") subscribed pursuant to the Capital Injection**	**Amount paid (per New Share of the Relevant Subsidiary)**	**Number of shares held in the capital of the Relevant Subsidiary immediately after the Capital Injection / Shareholding percentage**
Deltamarin	49 / 49%	49	EUR 20,408.16	98 / 49%
Kaixin Industrial	51 / 51%	51	EUR 19,607.84	102 / 51%
Total	100 / 100%	100	-	200 / 100%

The Capital Injection will be funded by the Group's internal resources and is not expected to have any material impact on the earnings per share and net tangible assets per share of the Company for the financial year ending 31 December 2015.

4. Further Announcements

As at the date of this announcement, Step 1 and Step 2 have been duly completed. The Company will make a further update announcement upon the completion of Step 3 in due course.

By Order of the Board

Dr Diao Weicheng
Executive Chairman

30 March 2015