AVIC INTERNATIONAL MARITIME HOLDINGS LIMITED

(Formerly known as "AVIC International Investments Limited")

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

HOLDING ANNOUNCEMENT

The Board of Directors (the "**Board**") of AVIC International Maritime Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company's controlling shareholder AVIC International Holdings Limited ("**AIHL**", listed on Hong Kong Stock Exchange, stock code: 00161), which directly holds 73.78% of the shareholding interest in the capital of the Company, has informed the Company that it is in preliminary discussion with potential investors in relation to a possible disposal of AIHL's ship business ("**Potential Transaction**"), which if consummated may include the disposal of AIHL's entire shareholding interest in the Company to such potential investors.

The discussions are on-going and no definitive agreements have been agreed upon between the parties. Further, there is no certainty or assurance whatsoever that any transaction will arise from these discussions.

The Company will make the appropriate announcements where there is further material development regarding the Potential Transaction in compliance with the relevant provisions of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited.

The Board wishes to highlight that there is no certainty or assurance that (i) any definitive agreement will be entered into or (ii) the Potential Transaction will be proceeded with.

Shareholders and potential investors are advised to exercise extreme caution when dealing or trading in the shares of the Company. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

Dr Diao Weicheng
Executive Chairman
21 October 2018

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Continuing Sponsor, Stamford Corporate Services Pte. Ltd. ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

The Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Ng Joo Khin:
Telephone number: (65) 6389 3000
Email address: jookhin.ng@morganlewis.com