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**")

INCREASE IN SHAREHOLDING IN A SUBSIDIARY OF THE COMPANY

The Board of Directors of the Company wishes to announce that Kaixin Industrial Pte. Ltd. ("**Kaixin Industrial**"), a wholly-owned Singapore-incorporated subsidiary of the Company, has entered into a sale and purchase agreement today with Deltamarin Ltd ("**Deltamarin**"), an indirect Finland-incorporated subsidiary of the Company, pursuant to which Kaixin Industrial has agreed to acquire and Deltamarin has agreed to sell 24 shares ("**Proposed Acquisition**") in the capital of Deltamarin Floating Construction Ltd. (the "**Relevant Subsidiary**"), which is wholly owned by Deltamarin as at the date of this Announcement. The consideration ("**Consideration**") of the Proposed Acquisition is €229,123.00, payable in cash. Upon completion of the Proposed Acquisition, the immediate shareholders of the Relevant Subsidiary shall become Kaixin Industrial and Deltamarin, where Kaixin Industrial shall hold 48% of the equity in the Relevant Subsidiary and Deltamarin shall hold the remaining 52% of the equity in the Relevant Subsidiary. Accordingly, the Company's effective interest in the Target Subsidiary shall increase from 79.57% to 89.38%.

The Consideration was arrived at on a willing-buyer, willing-seller basis, taking into account the net assets value of the Relevant Subsidiary as at 31 December 2014. The Consideration shall be funded through the internal working capital of the Group.

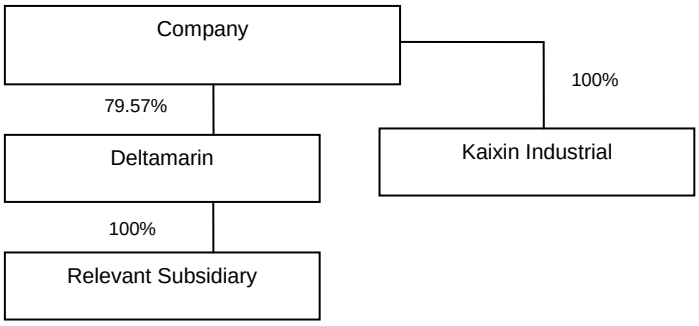
None of the Directors or Controlling Shareholders of the Company has an interest, directly or indirectly, in the Proposed Acquisition, save through their shareholdings (if any) in the Company.

The Proposed Acquisition 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.

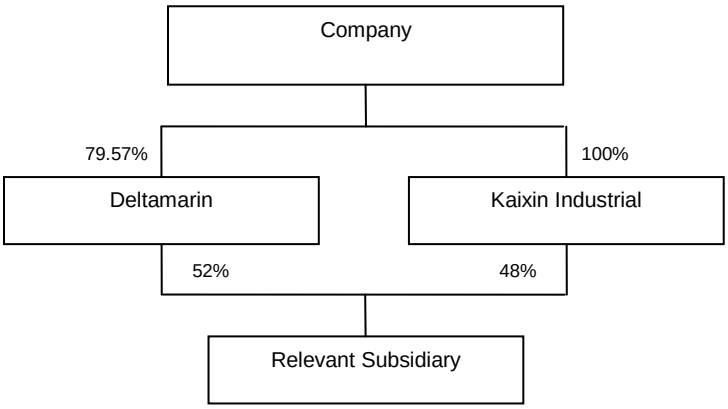
The corporate structure of the Group immediately before and after the completion of the Proposed Acquisition shall be as follows:

***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 the Proposed Acquisition



Immediately after completion the Proposed Acquisition



The Company will make a further update announcement upon the completion of the Proposed Acquisition in due course.

By Order of the Board

Dr Diao Weicheng
Executive Chairman

29 April 2015