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XIANGYU DREDGING HOLDINGS LIMITED

翔宇疏浚控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 871)

UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS

This statement is made at the request of The Stock Exchange of Hong Kong Limited (the “Exchange”).

The board (“Board”) of directors (“Directors”) of Xiangyu Dredging Holdings Limited (the “Company”) noted the decrease in price and increase in trading volume of the shares of the Company on 11 April 2012.

The Board wishes to state that the Company made announcement (dated 23 March 2012) on its audited annual results for the year ended 31 December 2011. The Company also made an announcement (dated 5 April 2012) about proceedings being brought against Mr. Dong Liyong (a non-executive Director and joint chairman of the Company) regarding certain alleged market misconduct. As mentioned in the latter announcement, Mr. Dong is a non-executive Director and is not responsible for the management of the day-to-day business and operations of the Group.

Save for the above, the Board is not aware of any reasons for the above movements in share price and trading volume.

The Board confirms that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Rule 13.23 of the Rules Governing the Listing of Securities on the Exchange (“Listing Rules”), neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the Directors of which individually and jointly accept responsibility for the accuracy of this statement.

Shareholders of the Company and the investing public should exercise caution when dealing in the shares of the Company.

By order of the Board
Xiangyu Dredging Holdings Limited
Liu Kaijin

Joint chairman, executive Director and chief executive officer

Hong Kong, 11 April 2012

As at the date of this announcement, the Board comprises Mr. Liu Kaijin as joint chairman, an executive Director and chief executive officer; Ms. Zhou Shuhua as an executive Director; Mr. Dong Liyong as a non-executive Director and joint chairman; and Ms. Leung Mei Han, Mr. Zhang Jun and Ms. Peng Cuihong as independent non-executive Directors.