

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Xiangyu Dredging Holdings Limited**, you should at once hand this circular together with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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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)

PROPOSED CHANGE OF COMPANY NAME AND NOTICE OF EGM

A notice convening the EGM to be held at Room 3619, 36/F., China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Sheung Wan, Hong Kong on Friday, 13 December 2013 at 3:00 p.m. and at any adjournment thereof is set out on page 5 to 6 of this circular. A form of proxy for use at the EGM is also enclosed with this circular.

Whether or not you intend to attend the EGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish and, in such event, the form of proxy shall be deemed to be revoked.

18 November 2013

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Articles”	the existing articles of association of the Company
“Board”	the board of Directors
“Cayman Registrar”	the Registrar of Companies in the Cayman Islands
“Company”	Xiangyu Dredging Holdings Limited 翔宇疏浚控股有限公司, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held at Room 3619, 36/F., China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Sheung Wan, Hong Kong on Friday, 13 December 2013 at 3:00 p.m., notice of which is set out on pages 5 to 6 of this circular, and at any adjournment thereof
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Liu Kaijin (*Joint chairman
and chief executive officer*)
Ms. Zhou Shuhua

Non-executive Director:

Mr. Liu Longhua (*Joint chairman*)

Independent non-executive Directors:

Mr. Huan Xuedong
Ms. Peng Cuihong
Mr. Chan Ming Sun Jonathan

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head office and principal place of
business in Hong Kong:*

Office 19, 36th Floor
China Merchants Tower
Shun Tak Centre
200 Connaught Road Central
Hong Kong

18 November 2013

*To the Shareholders and, for information purposes only,
the holders of outstanding options and warrants of the Company*

Dear Sir/Madam,

**PROPOSED CHANGE OF COMPANY NAME
AND
NOTICE OF EGM**

1. INTRODUCTION

The primary purposes of this circular are to provide you information regarding the resolution to be proposed at the EGM and to give you notice of the EGM. A special resolution relating to the proposed change of the name of the Company is to be proposed at the EGM.

2. CHANGE OF COMPANY NAME

The Board proposes that, subject to the conditions set out below being fulfilled, the name of the Company be changed from “Xiangyu Dredging Holdings Limited 翔宇疏浚控股有限公司” to “China Dredging Environment Protection Holdings Limited 中國疏浚環保控股有限公司”.

LETTER FROM THE BOARD

Reasons and conditions for change of Company name

The Board believes that the change of Company name could better reflect the geographical focus of the Group, as well as the Group's continuous focus on the development of environmental protection dredging business which is a highly profitable segment.

The change of Company name shall be conditional upon (i) the passing of a special resolution by the Shareholders at the EGM to approve the change of Company name; and (ii) the approval of the change of Company name by the Registrar of Companies in the Cayman Islands.

Assuming all the above conditions having been fulfilled, the change of Company name shall take effect from the date of entry of the new name of the Company on the register maintained by the Registrar of Companies in the Cayman Islands. The Company will carry out all necessary filing procedures with the Registrar of Companies in the Cayman Islands and also with the Companies Registry in Hong Kong.

Change of the colour of the Company logo

The Board has also resolved to change the colour of the Company logo with effect from the effective date of the change of Company name. The new Company logo is set out below.



Status of the existing certificates for securities of the Company

The change of Company name and the colour of Company logo will not affect any of the rights of any Shareholders. All existing share certificates in issue bearing the existing English and Chinese names and logo of the Company will, after the change of Company name and Company logo becoming effective, continue to be evidence of legal title to the Shares of HK\$0.10 each of the Company and will be valid for trading, settlement, registration and delivery for the same number of Shares in the new name and logo of the Company. However, Shareholders, if so elect, may exchange the existing share certificates for new share certificates bearing the new names and logo of the Company at the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, free of charge for one month from the effective date of the change of Company name and logo. Any exchange for the new certificates after that period will only be accepted, at a fee of HK\$2.5 (or such higher amount as may from time to time be allowed by the Stock Exchange) per new share certificate.

New share certificates of the Company will be issued under the new name and logo of the Company after the change of Company name and logo becoming effective. Further announcement will be made by the Company in relation to the effective date of the change of Company name and logo.

LETTER FROM THE BOARD

3. ACTION TO BE TAKEN

Set out on pages 5 to 6 of this circular is a notice convening the EGM at which a special resolution will be proposed to approve the change of the name of the Company.

Whether or not you are able to attend the EGM in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and, in any event not later than 48 hours before the time for the EGM or any adjournment thereof to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

4. VOTING BY POLL AT THE EGM

Pursuant to Rule 13.39 of the Listing Rules, all proposed resolutions put to Shareholders at the EGM will be taken by poll.

5. RECOMMENDATION

The Directors consider that the proposed change of the name of the Company is in the best interests of the Company and its Shareholders and recommend Shareholders to vote in favour of the relevant resolution to be proposed at the EGM.

By Order of the Board
Xiangyu Dredging Holdings Limited
Liu Kaijin
*Joint chairman, executive Director and
chief executive officer*

NOTICE OF EGM



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)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Xiangyu Dredging Holdings Limited (the “Company”) will be convened at Room 3619, 36/F., China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Sheung Wan, Hong Kong on Friday, 13 December 2013 at 3:00 p.m. or any adjournment thereof, for the purpose of considering and, if thought fit, passing the following resolution as a special resolution (with or without modifications):

“**THAT** subject to and conditional upon the approval of the Registrar of Companies in the Cayman Islands being obtained, the name of the Company be changed from “Xiangyu Dredging Holdings Limited 翔宇疏浚控股有限公司” to “China Dredging Environment Protection Holdings Limited 中國疏浚環保控股有限公司” with effect from the date of entry of the new name of the Company on the register maintained by the Registrar of Companies in the Cayman Islands, and that the directors of the Company be and are hereby authorised generally to do such acts and things and execute all documents or make such arrangements as they may consider necessary or expedient to effect the change of name of the Company and to attend to any registration and/or filing for and on behalf of the Company.”

By Order of the Board

Xiangyu Dredging Holdings Limited

Liu Kaijin

*Joint chairman, executive Director and
chief executive officer*

Hong Kong, 18 November 2013

NOTICE OF EGM

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head office and principal place of
business in Hong Kong:*

Office 19, 36th Floor
China Merchants Tower
Shun Tak Centre
200 Connaught Road Central
Hong Kong

Notes:

- 1 Any member of the Company entitled to attend and vote at the above meeting convened by this notice is entitled to appoint one or, if he is the holder of two or more shares, more than one proxy to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not to be a Shareholder.
- 2 To be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited at the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 48 hours before the time for holding the above meeting or any adjournment thereof.
- 3 Completion and return of the form of proxy will not preclude a member of the Company from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. In the case of joint holders of a Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto to if more than one of such joint holders are present at the above meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.