

YANTAI RAFFLES SHIPYARD LIMITED

(Incorporated in the Republic of Singapore)

(Registration No. 199401560D)

(the "Company")

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held on 24 June 2009, Wednesday at 4.00 p.m. (Singapore Time) at the Pan Pacific Orchard, Monet Room, Level 3, 10 Claymore Road, Singapore 229540 for the following purposes:-

As Ordinary Business

1. To receive and adopt the Directors' Report and Audited Accounts for the financial year ended 31 December 2008, together with the Auditors' Report thereon. (Resolution 1)
2. To re-elect Mr Mai Bo Liang, a Director retiring pursuant to Article 97 of the Articles of Association of the Company. (Resolution 2)
3. To re-elect Mr Brian Chang, a Director retiring by rotation pursuant to Article 91 of the Articles of Association of the Company. (Resolution 3)
4. To re-elect Mr Francis James Reidy, a Director retiring by rotation pursuant to Article 91 of the Articles of Association of the Company. (Resolution 4)
5. To re-elect Mr Ang Kong Hua, a Director retiring by rotation pursuant to Article 91 of the Articles of Association of the Company. (Resolution 5)
6. To approve the payment of Directors' fees of S\$320,667 for the financial year ended 31 December 2008. (Resolution 6)
7. To re-appoint Ernst & Young LLP as Auditors and to authorise the Directors to fix their remuneration. (Resolution 7)

As Special Business

8. To consider, and if thought fit, to pass the following resolution as an ordinary resolution, with or without modifications:-

"AUTHORITY TO ISSUE SHARES

That pursuant to the provisions of Section 161 of the Companies Act, Cap. 50, the Directors be and are hereby authorised to allot and issue:

- (i) shares in the Company; and
- (ii) convertible securities and any shares in the Company pursuant to the conversion of such convertible securities

(whether by way of rights, bonus or otherwise) at any time and from time to time upon such terms and conditions whether for cash or otherwise with such rights and restrictions and for such purposes and to such persons as the Directors shall in their absolute discretion deem fit to impose and that such authority shall continue in force until the conclusion of the next Annual General Meeting or the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier." (Resolution 8)

9. To transact any other business that may properly be transacted at an Annual General Meeting.

By Order of the Board

OO LAY KIM

Company Secretary

Singapore, 5 June 2009

Explanatory Notes:

- Mr Mai Bo Liang, upon re-election as a Director, will remain as the Chairman of the Board of Directors.
- Mr Brian Chang, upon re-election as a Director, will remain as the Deputy Chairman of the Board of Directors and a member of the Nominating Committee.
- Mr Francis James Reidy, upon re-election as a Director, will remain as a member of the Audit Committee and a member of the Remuneration Committee.
- Mr Ang Kong Hua, upon re-election as a Director, will remain as the Chairman of the Nominating Committee, Chairman of the Remuneration Committee and a member of the Audit Committee.
- Ordinary Resolution 8 is to empower the Directors of the Company from the date of the above meeting until the next Annual General Meeting to issue shares and convertible securities in the Company. This authority will, unless revoked or varied at a general meeting, expire at the conclusion of the next Annual General Meeting of the Company or the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

Notes:

1. A member of the Company entitled to attend and vote at the Annual General Meeting of the Company is entitled to appoint one or two proxies to attend in his stead. A proxy need not be a member of the Company.
2. A member of the Company which is a corporation is entitled to appoint its authorised representatives or proxies to vote on its behalf.
3. Shareholders are politely reminded that, in the event that they hold their shares by way of nominee arrangements, they need to obtain a proxy form from each such nominee to be entitled to both attend the Annual General Meeting and to vote.
4. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 1 Claymore Drive #08-04, Orchard Towers, Singapore 229594 not less than 48 hours before the time appointed for holding of the Annual General Meeting.