



**YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.**

(Company Registration No. 200517636Z)

(Incorporated in the Republic of Singapore on 21 December 2005)

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**SUBSCRIPTION OF SHARES IN:-**

**- WUXI JINRUI ZHONGHE INVESTMENT ENTERPRISE (LIMITED PARTNERSHIP)**

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The Board of Directors (the “**Board**”) of Yangzijiang Shipbuilding (Holdings) Ltd. (“**YZJ**” or the “**Company**”) wishes to announce that its wholly-owned subsidiary, Jiangsu Yangzijiang Shipbuilding Co. Ltd (“**JYSCO**”) had subscribed for 32.8% equity interests in the share capital of Wuxi Jinrui Zhonghe Investment Enterprise (Limited Partnership) (“**Jinrui Zhonghe**”) (the “**Subscription**”), registered in Wuxi city, People’s Republic of China, at a consideration of RMB196,800,000, thereby making Jinrui Zhonghe an associate of the Company.

The core business of Jinrui Zhonghe is related to investment holding with a paid up capital of up to RMB600 million. This Subscription is expected to enhance the management's expertise in cash redeployment.

The above Subscription will not have any significant impact on the earnings per share and net tangible assets per share of the YZJ Group for the current financial year ending 31 December 2017.

Save for their respective shareholdings in the Company, none of the directors or controlling shareholders or substantial shareholders of the Company has any interest, direct or indirect, in the transaction contemplated herein.

By Order of the Board

Ren Yuanlin  
Executive Chairman  
24 January 2017