



## **YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.**

(Company Registration No. 200517636Z)

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

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### **ESTABLISHMENT OF YANGZIJIANG TAIHUA SHIPPING PTE. LTD.**

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The Board of Directors (the “**Board**”) of Yangzijiang Shipbuilding (Holdings) Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has through its wholly-owned subsidiary, Yangzijiang Shipping Pte. Ltd. (“**YSPL**”) entered into an agreement with several strategic partners (“**Agreement**”) to establish a private limited company in the Republic of Singapore, namely Yangzijiang Taihua Shipping Pte. Ltd. (“**Taihua**”) with an aggregate initial issued and paid-up capital of US\$1,100.

The principal activity of Taihua is related to those of leasing and chartering of vessel. The issued and paid-up capital of US\$1,100, of which 49.45% is owned by the Company while the remaining 50.55% equity interest is held by several strategic partners in accordance with the Agreement. Taihua is considered a subsidiary of the Company by virtue of its control over the composition of the Board of Directors of Taihua.

The Board is of the view that it is in the best interest of the Group to subscribe for 49.45% interest in Taihua through YSPL as it can help the Group to better position itself in shipbuilding industry when opportunities arise amid the current trend of consolidation.

The establishment of the 49.45%-owned subsidiary is funded internally and is not expected to have any material impact on the earnings per share and net tangible assets of the Group for the current financial year ending 31 December 2018.

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

### **BY ORDER OF THE BOARD**

Ren Yuanlin  
Executive Chairman

10 January 2018