



YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.
(Company Registration No. 200517636Z)
(Incorporated in the Republic of Singapore on 21 December 2005)

**DISPOSAL OF INTEREST IN THE SUBSIDIARY
- NANJING SAIYANG EQUITY INVESTMENT ENTERPRISE (“LIMITED PARTNERSHIP”)**

The Board of Directors (the “**Board**”) of Yangzijiang Shipbuilding (Holdings) Ltd. (“**YZJ**” or the “**Company**”) and its subsidiaries (the “**Group**”) wishes to announce the wholly-owned subsidiary of the Company, Jiangsu New Yangzi Shipbuilding Co.Ltd has disposed of the entire 95% equity interest in the registered capital of Nanjing Saiyang Equity Investment Enterprise (“Limited Partnership”) (“**NSEIE**”), a company registered in the Nanjing City, People’s Republic of China, for a consideration of RMB 65,550,000 (equivalent to approximately SGD13.1 million)(the “**Consideration**”) (the “**Disposal**”).

The Disposal was viewed to be in the interest of the Group so as to streamline the structure of the Group and to control the overall administrative expenses. Following the said Disposal, NSEIE shall cease to be the subsidiary of the Group.

The Consideration was arrived at after arms’ length negotiations on a willing-buyer, willing-seller basis, after taking into consideration, inter alia, the net asset value of NSEIE as of 31 March 2019.

The relative figures for the Disposal computed on the bases set out in Rule 1006 of the Listing Manual of the SGX-ST are set out as follows:

Rule 1006 (a) Net asset value of the assets to be disposed of, compared with the Group’s net asset value	-	0.222%
Rule 1006 (b) Net profits attributable to the assets acquired compared with the Group’s net profits	-	N/A
Rule 1006 (c) Aggregate value of the consideration given compared with the market capitalisation	-	0.216%
Rule 1006 (d) Number of equity securities issued as consideration for the acquisition compared with the number of equity securities previously issued	-	N/A

The Disposal will not have any significant impact on the earnings per share and net tangible assets per share of the YZJ’s Group for the current financial year ending 31 December 2019.

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 Disposal.

By Order of the Board

Ren Yuanlin
Executive Chairman

19 July 2019