



YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.

(Company Registration No. 200517636Z)

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

RESPONSE TO SGX-ST'S QUERIES

The Board of Directors of Yangzijiang Shipbuilding (Holdings) Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the queries from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 22 July 2019 regarding the Company’s announcement on 19 July 2019 (the “**Announcement**”) and wishes to set out its responses to the queries below.

Unless otherwise defined herein, all capitalized terms used but not defined herein shall have the same meanings ascribed to them in the Announcement.

SGX-ST Queries:

Pursuant to Listing Rule 704(18)(c), an issuer must immediately announce any sale of shares resulting in a company ceasing to be a subsidiary or an associated company of the issuer (providing the information required by Rule 1010(3) and (5)).

- (a) With reference to Listing Rule 1010(3), please clarify how the consideration will be satisfied, including the terms of payment.
- (b) With reference to Listing Rule 1010(5), please provide the book value, net tangible asset value and the latest available open market value of Nanjing Saiyang Equity Investment Enterprise (“**NSEIE**”). In respect of the latest available valuation, please also provide the value placed on the assets, the party who commissioned the valuation and the basis and date of such valuation.

Company’s Response:

The Consideration of RMB65,550,000 for the Disposal was settled in full by cash receipt. The Consideration was arrived at arm’s length negotiations on a willing buyer willing seller basis, taking into account of the net asset value of NSEIE as at 31 March 2019.

The book value of NSEIE was approximately RMB60,000,000 while the net tangible asset value of NSEIE was approximately RMB60,008,909. There is no open market value available for the shares of NSEIE as they are not publicly traded.

No valuation has been commissioned as the value of RMB65,550,000 derived by our internal investment department based on the 95% equity interest is reasonably favourable.

BY ORDER OF THE BOARD

Ren Yuanlin
Executive Chairman

24 July 2019