



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

**DISPOSAL OF EQUITY INTEREST IN: -
- WUXI JINRUI ZHONGHE INVESTMENT ENTERPRISE (LIMITED PARTNERSHIP)**

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**”) has disposed of the entire 33.33% equity interests in the share capital of Wuxi Jinrui Zhonghe Investment Enterprise (Limited Partnership) (“**Jinrui Zhonghe**”) (the “**Disposal**”), registered in Wuxi city, People’s Republic of China, at a consideration of RMB200,000,000. (equivalent to approximately S\$40 million) to an independent third party, Wuxi Financial Investment Co., Ltd.

Following the said Disposal, Jinrui Zhonghe shall cease to be an associate of the Group.

The Consideration of RMB200,000,000 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 Jinrui Zhonghe as at 31 December 2019.

The net book value of the Company’s 33.33% share of equity interest of Jinrui Zhonghe as at 31 December was RMB200,000,000. There is no open market value available for the shares of Jinrui Zhonghe as they are not publicly traded.

No valuation has been commissioned as the value of RMB200,000,000 derived by our internal investment department based on the 33.33% equity interest is reasonably favourable.

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 | - | 0.624% |
| 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 | - | 1.121% |
| 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 above Disposal 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 2020.

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 Letian
Chief Executive Officer
Date: 13 April 2020