



YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.

(Company Registration No. 200517636Z)

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

**INCORPORATION OF AN INDIRECT SUBSIDIARY IN THE PEOPLE'S REPUBLIC OF
CHINA
- JIANGSU NEW YANGZI COMMERCE & TRADING CO., LTD**

The Board of Directors of Yangzijiang Shipbuilding (Holdings) Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s indirect wholly-owned subsidiary, Jiangsu New Yangzi Shipbuilding Co. Ltd (“**New Yangzi**”) have incorporated a new wholly-owned subsidiary, Jiangsu New Yangzi Commerce & Trading Co., Ltd (“**JNCT**”) in Jiangyin City, Jiangsu Province, the People’s Republic of China (the “**Subsidiary**”) . The details of the Subsidiary are as follows: -

Name of company : Jiangsu New Yangzi Commerce & Trading Co., Ltd
(江苏新扬子商贸有限公司)

Registered capital : RMB10 Billion

The main business activity of the JNCT is investment, and its share capital will be paid up progressively and will be used in new investments and also to take over some of the investments that are currently held by New Yangzi. The rationale for setting up JNCT is to have a separate legal entity to solely engage in investment activities, enabling New Yangzi to focus on its core shipbuilding business, thereby allowing New Yangzi access to more government incentives that are exclusive for manufacturing focused companies. This restructuring has no impact to the Group’s consolidated balance sheet.

The incorporation of JNCT is funded through internal resources and is not expected to have any significant impact on the net tangible assets and earnings per share of the Group for the 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
Executive Chairman and Chief Executive Officer

4 June 2020