



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

DISPOSALS OF EQUITY INTEREST IN: -

- ZHUHAI INTERCONNECT LEADING HIGH-TECH INDUSTRIAL INVESTMENT CENTER (“LIMITED PARTNERSHIP”); AND

珠海领先互联高新技术产业投资中心(有限合伙)

-ZHUHAI LEADING POWER ASSET MANAGEMENT CENTER (“LIMITED PARTNERSHIP”)

珠海领先动力资产管理中心(有限合伙)

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Yangzijiang Shipbuilding (Holdings) Ltd. (“**YZJ**” or the “**Company**”) wishes to announce that the Company had recently through its wholly-owned subsidiary, Jiangsu New Yangzi Shipbuilding Co. Ltd (“**JNYSCO**”) disposed of the entire 30% equity interest in the share capital of Zhuhai Interconnect Leading High-Tech Industrial Investment Center (Limited Partnership) (“**ZILHT**”) and Zhuhai Leading Power Asset Management Center (Limited Partnership) (“**ZLPAM**”) to an independent third party (collectively, the “**Disposals**” and each “**Disposal**”).

2. DETAILS OF THE DISPOSALS

Disposals of equity interest in ZILHT and ZLPAM

The Company had through its wholly-owned subsidiary JNYSCO, disposed of the entire 30% equity interest in the share capital of ZILHT and ZLPAM, both registered in Zhuhai city, People’s Republic of China, with a registered paid-up capital of RMB300 million and RMB50 million respectively. Following the said Disposals, ZILHT and ZLPAM shall cease to be the associates of the Company.

The consideration for the said disposals were amounted to RMB69 million and settled by cash receipt. The sale consideration was arrived at pursuant to arm’s length negotiations on a willing buyer willing seller basis.

The net asset value of the Company’s share of 30% equity interest in ZILHT and ZLPAM as at 30 September 2021 were RMB 59,197,835.

3. RATIONALE FOR THE DISPOSALS

The Board is of the view that the disposals are in the best interests of the Company so as to enable the Company diverts its attention from the non-core businesses to focus on core shipbuilding and related businesses.

4. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL

Based on the latest announced audited consolidated financial statements of the Group for FY2020, the relative figures for the Disposals 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 - 0.177%⁽¹⁾

Rule 1006 (b) Net profits attributable to the assets acquired compared with the Group's net profits	-	0.028% ⁽²⁾
Rule 1006 (c) Aggregate value of the consideration given compared with the market capitalisation	-	0.292%
Rule 1006 (d) Number of equity securities issued as consideration for the acquisition compared with the number of equity securities previously issued	-	N/A ⁽³⁾
Rule 1006 (e) Aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves	-	N/A ⁽⁴⁾

Notes:

- (1) The net asset value of the Company's share of 30% equity interest in ZILHT and ZLPAM are approximately RMB59,197,835, whilst the net asset value of the Group is RMB33,376,515,000 as at 31 December 2020.
- (2) The net profit before tax of ZILHT and ZLPAM were RMB3,104,445 (of which 30% were RMB931,333.5) and the net profit before tax of the Group was RMB3,290,019,000 as at 31 December 2020.
- (3) This basis not applicable as it is not an acquisition.
- (4) This basis is not applicable as the Company is not a mineral, oil and gas company.

5. FINANCIAL EFFECT

The above Disposals will not have any significant impact on the earnings per share and net tangible assets per share of the Company for the current financial year ending 31 December 2021.

6. INTERESTS OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

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 CEO
29 December 2021