



**YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.**

(Company Registration No. 200517636Z)

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

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**UPDATE ON THE JOINT VENTURE WITH MITSUI E&S SHIPBUILDING CO., LTD. AND MITSUI & CO., LTD.**

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The Board of Directors of Yangzijiang Shipbuilding (Holdings) Ltd. (the “Company” and together with its subsidiaries the “Group”) refers to the Company’s announcement dated 11 October 2018 on the joint venture with prominent Japanese shipbuilding yards, Mitsui E&S Shipbuilding Co., Ltd. (“MES-SC”) and Mitsui & Co., Ltd. (“Mitsui”) (“11 October 2018 Announcement”); The Board of the company wishes to update that the Jiangsu Yangzi-Mitsui Shipbuilding Co., Ltd. (江苏扬子三井造船有限公司) (the “JV Company”) has been incorporated in the People’s Republic of China (“PRC”) with registered capital of USD 99,900,000 and prepare to starts its operation in August 2019.

The Company holds 51% stake in the New JV Company through its wholly own subsidiary, Jiangsu Yangzijiang Shipbuilding Co., Ltd. The consideration for the investment shall be USD 50,949,000 and will be wholly satisfied in cash and shall be funded from Company’s internal resources. The value of assets acquire is equivalent to the consideration paid to by the New JV company at the time of the incorporation and capital injection.

As the relative figure of the investment computed on the bases set out in Rule 1006 of the listing manual do not exceed 5%, the investment is classified as a non-disclosable transaction under Rule 1008 of the listing manual.

The incorporation of JV Company is not expected to have any significant impact on the earnings per share and net tangible assets per share of the 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 abovementioned transaction.

By Order of the Board

Ren Yuanlin  
Executive Chairman

5 August 2019