



Yangzijiang Shipbuilding (Holdings) Ltd
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MEDIA RELEASE – FOR IMMEDIATE RELEASE

Yangzijiang starts share buyback, affirming confidence in the value of the company

- **Despite strong order book and stable operations, share price decreased by 13% in a week to 15-month low**
- **Yangzijiang bought back 5,000,000 shares in open market on 30 May 2018**
- **With cash and cash equivalents of RMB5.6 billion and net cash position, Yangzijiang is ready to conduct ongoing share buyback on price weakness**
- **Shipbuilding market sentiment remains positive, Yangzijiang is confident in building up its order book at healthy pace**

SINGAPORE – 30 May 2018 – Yangzijiang Shipbuilding (Holdings) Limited (“**Yangzijiang**” or the “**Group**”), a globally-leading shipbuilder based in China, and an Straits Times Index component company listed on the SGX Main Board, announced today that it has repurchased 5,000,000 shares from open market, for S\$4.5 million.

The share buyback was exercised amid the weak performance of the Yangzijiang’s shares recently. In the past five trading days, Yangzijiang’s share price declined by 13% on high trading volumes.

Yangzijiang’s shipbuilding business is running stable, with yard utilization at around 90%. In April, Yangzijiang delivered its first 400,000DWT VLOC and the quality was highly appreciated by the customer. Up to 28 May 2018, the Group has successfully delivered all the 25 units of the 10,000TEU containership for Seaspan, one of the largest shipbuilding

orders in the Chinese shipbuilding industry. As of 31 March, 2018, Yangzijiang had an outstanding order book of USD4.5 billion, giving it a stable revenue stream for the next 2.5 years. As shipbuilding market continued to recover and Yangzijiang’s global market share increased, enquiry levels from ship owners remain healthy. Yangzijiang would require certain gross margin from any new orders to optimize the size and quality of its order book.

Stock price	S 90 cents
52-week range	S 90c - S\$1.74
Market cap	S\$3.6 billion
PE (TTM)	5.9 x
Dividend yield	4.9%
Gross Gearing	14.3%
Net Gearing	Net cash
Net asset value	S\$1.40*

*As of 31 March 2018, RMB6.67 and based on SGD/RMB rate of 4.78.

“Yangzijiang has been a listed company for 11 years. We understand the power of market force, and we are confident in the value embedded in Yangzijiang’s shares. As price decline, value becomes more prominent.

At Yangzijiang, we are always prudent in both order taking and accounting. Based on our breakeven budgeting, we only accept profit-making orders. In 2017, when the RMB strengthened against the USD and steel price increased, we made a provision of RMB1.2 billion on part of our order book, so that at the time of construction, as long as the exchange rate and steel price don’t move beyond our conservative assumptions, there is still chance for these orders to make a profit.

In addition, it’s Yangzijiang’s long-term strategy to build up our LNG-related vessel business. We are actively prospecting for viable options to grow our strengths in this area.

Yangzijiang’s strengths have been testified by various challenges, and are increasingly recognized by our shareholders. We build value in the company, and we hope to share the return with long-term, value investors.”

---- Mr. Ren Yuanlin (任元林), Executive Chairman,
Yangzijiang Shipbuilding (Holdings) Ltd

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Company Profile

Established in 1956, Yangzijiang Shipbuilding (Holdings) Limited (“Yangzijiang Shipbuilding” or collectively known as the “Group”) is one of the largest private shipbuilding companies in China. The Group is listed on SGX Mainboard since April 2007, and is currently one of the Straits Times Index (“STI”) constituent stocks. With four shipyards in Jiangsu Province, China along the Yangtze River, the Group produces a broad range of commercial vessels including large containerships, bulk carriers and LNG carriers, serving the orders from a well-established customer network covering Northern America, Europe and other parts of the world. Since listing on SGX, it has delivered consistent growth in the past ten years.

For more information please visit the website at: www.yzjship.com

Issued for and on behalf of Yangzijiang Shipbuilding (Holdings) Limited

By Financial PR Pte Ltd

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