



YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.

(Company Registration No. 200517636Z)

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

PROPOSED ESTABLISHMENT OF JOINT VENTURE COMPANY WITH MITSUI & 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 has entered into a joint venture agreement (the “Agreement”) with Mitsui & Co., Ltd (“Mitsui”) to establish a joint venture company in the Republic of Panama with an initial registered share capital of USD13,200,000.

It was agreed that each party shall subscribe for 50% equity interest in the proposed joint venture company to be established in the Republic of Panama. The initial capital contribution by the Company into the proposed joint venture company shall be USD 6,600,000 (50% of USD13,200,000). Further capital injection may be made in accordance with approved investment opportunity, relevant proposal and implementation plan.

The Board is of a view that the proposed establishment of the joint venture company with Mitsui is in line with the strategies and of the commercial interests of the Group to take advantage of its competency in shipbuilding, and leverage on the privileged access of Mitsui to ship owners together with its extensive experience in ship-owning, chartering and sale & purchase of vessels. The new joint venture company is aimed to satisfy the diversified needs of our global customers through delivery of top-notch quality and performance vessels.

The above establishment of the joint venture company is funded through internal resources and 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 2018.

Save for their respective shareholdings in the Company, none of the directors, controlling shareholders or substantial shareholders of the Company, has any interest, whether directly or indirectly, in the transaction contemplated herein.

By Order of the Board

Ren Yuanlin
Executive Chairman

17 September 2018