



YANGZIJANG SHIPBUILDING (HOLDINGS) LTD.

(Company Registration No. 200517636Z)

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

SUBSCRIPTION OF SHARES IN JIANGSU JIEQUAN EMERGING INDUSTRY DEVELOPMENT FUND LIMITED PARTNERSHIP

INTRODUCTION

The Board of Directors (the “Board”) of Yangzijiang Shipbuilding (Holdings) Ltd. (the “Company” and together with its subsidiaries, the “Group”) wishes to announce that the Company has through its wholly-owned subsidiary, Jiangsu Yangzijiang Shipbuilding Co. Ltd. (“**JYSCO**”) entered into a limited partnership agreement (the “**Limited Partnership Agreement**”) with Jiangsu Yingcheng Asset Management Co., Ltd. (“**Yingcheng**”) (江苏盈诚信资产管理有限公司), Jiangsu Province Government Investment Fund (“**JPGIF**”) (江苏省政府投资资金), Jiangyin Lingang Venture Capital Co., Ltd. (“**Jiangyin Lingang**”) (江阴临港创业投资有限公司), Jiangsu New Yangtze Industrial Group Co., Ltd. (“**New Yangtze**”) (江苏新长江实业集团有限公司) and Nantong HengLu Taifu Investment Center Pte Ltd (“**HengLu**”) (南通衡麓泰富投资中心 (有限合伙)) to subscribe for 20% equity interest in the capital of Jiangsu Jiequan Emerging Industry Development Fund Limited Partnership (“**Jiequan Emerging Industry**”) (江苏隼泉临港产业发展并购投资基金 (有限合伙)), a company incorporated in Jiangyin City, People’s Republic of China at a total consideration of RMB200 million (the “**Subscription**”) as a limited partner.

INFORMATION OF JIEQUAN EMERGING INDUSTRY

Jiequan Emerging Industry aims to invest in fintech companies, merging and acquisition of listed companies, software and information technology services, smart manufacturing, new materials, cultural education, internet and innovative consumption industries and will be managed by Yingcheng as the sole general partner, who is a licensed fund manager in China.

RATIONALE OF INVESTMENT

Jiequan Emerging Industry is a venture capital investment fund that aims to generate capital gain from providing seed capital in Jiangsu Province. The investment is expected to enhance the management expertise in cash redeployment. Further being a responsible corporation, this would proactively promote the public interest by participating in community growth and development in region.

The operational term of Jiequan Emerging Industry shall be eight (8) years and total issued and paid-up capital will be RMB1 billion.

FINANCIAL EFFECTS

The above investment was 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 2021.



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Based on the audited financial statements of the Group for FY2019, the relative figures of the subscription into Jiequan Emerging Industry computed on the bases set out in Rule 1006(a) to (e) of the Listing Manual of the SGX-ST are as follows:

Rule 1006	Bases	Relative Figures
(a)	Net asset value of the assets to be disposed of, compared with the Group's net asset value	Not Applicable ⁽¹⁾
(b)	Net profits attributable to the assets acquired compared with the Group's net profits	Not Applicable ⁽²⁾
(c)	Aggregate value of the consideration to be given, compared with the Company's market capitalisation ⁽³⁾ based on the total number of issued shares excluding treasury shares	1.0334% ^{(3) and (4)}
(d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not Applicable ⁽⁵⁾
(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.	Not Applicable ⁽⁶⁾

Notes:

(1) Not applicable as it is not a disposal.

(2) Not applicable as Jiequan Emerging Industry is not operational as at the date of this announcement.

(3) Computed based on the market capitalisation of the Company of RMB19,353,297,957, based on the closing price of S\$1.03 of the shares of the Company transacted on 26 January 2021

(4) Computed based on the aggregate value of the Investment of RMB200 million.

(5) Not applicable as no securities are being issued by the Company.

(6) Not applicable as the Company is not an oil and gas company.

As none of the relative figures exceeds 5%, the Subscription is not a disclosable transaction under Chapter 10 of the Listing Rules.



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INTERESTS OF DIRECTOR 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 Subscription.

BY ORDER OF THE BOARD

Ren Letian
Executive Chairman and Chief Executive Officer

26 January 2021