



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

DISPOSAL OF ENTIRE 20% EQUITY INTEREST IN THE REGISTERED CAPITAL OF JIANGSU HAILAN MARINE SYSTEMS TECHNOLOGY CO., LTD. (“JHMST”)

The Board of Directors (the “**Board**”) of Yangzijiang Shipbuilding (Holdings) Ltd. (“**YZJ**” or the “**Company**”) wishes to announce that the Company had recently disposed one of its investment in associated company.

The Disposal

1. The Company had through its wholly-owned subsidiary, Jiangsu New Yangzi Shipbuilding Co., Ltd (“**JNYS**”), disposed of its 20% equity interest in the share capital of Jiangsu Hailan Marine Systems Technology Co., Ltd. (江苏海兰船舶系统科技有限公司) (“**JHMST**”).

JHMST is a company registered in the People’s Republic of China with a registered authorised share capital of RMB100,000,000, dealing with integrated marine electrical system.

Following the aforesaid Disposal of JHMST, JHMST shall cease to be an associated company of the Group.

2. The total consideration for the Disposal is RMB29,500,000. The consideration was arrived at after arms’ length negotiations on a willing buyer willing seller basis and taking into account, inter alia, the paid up capital and the net book value of JHMST based on the financial statement as at 30 June 2016.

Relative figures for the acquisition/disposal under Rule 1006 of the Listing Manual

The relative figures for the Disposal computed on the applicable 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 - 0.13%

Rule 1006 (b) Net profits attributable to the assets acquired compared with the Group’s net profits - N.A.

Rule 1006 (c) Aggregate value of the consideration given compared with the market capitalization - 0.21%

Rule 1006 (d) Number of equity securities issued as consideration for the acquisition compared with the number of equity securities previously issued - N.A.

Financial Effects

The above Disposal will not have any significant impact on the earnings per share and net tangible assets per share of the YZJ Group for the current financial year ending 31 December 2016.

Further Information

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 Yuanlin
Executive Chairman

6 September 2016