



YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.

(Company Registration No. 200517636Z)

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

ESTABLISHMENT OF YANGZIJIANG EXPRESS SHIPPING PTE. LTD.

The Board of Directors (the “**Board**”) of Yangzijiang Shipbuilding (Holdings) Ltd. (the “**Company**”) together with its subsidiaries, the “**Group**”) wishes to announce that the Company has through its wholly-owned subsidiary, Yangzijiang Shipping Pte. Ltd. (“**YSPL**”) entered into an agreement with a strategic partner, Ms Jiang YanPing (“**Agreement**”), to establish a private limited company in the Republic of Singapore, namely Yangzijiang Express Shipping Pte. Ltd. (“**Express**”) with an initial issued and paid-up capital of US\$100.

The principal activity of Express is related to those of leasing and chartering of vessel. The issued and paid-up capital of US\$100, of which 70% is owned by the Company while the remaining 30% equity interest is held by Ms Jiang YanPing in accordance with the Agreement, thereby making it as the 70%-owned subsidiary of the Company.

The Board is of the view that it is in the best interest of the Group to subscribe for 70% interest in Express through YSPL as it can help the Group to better position itself in shipbuilding industry when opportunities arise amid the current trend of consolidation.

The establishment of the 70%-owned subsidiary is funded internally and is not expected to have any material impact on the earnings per share and net tangible assets 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 direct or indirect interest, in this transaction contemplated herein.

BY ORDER OF THE BOARD

Ren Yuanlin
Executive Chairman

23 February, 2018