



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

DISPOSAL OF EQUITY INTEREST IN THE REGISTERED CAPITAL OF TAIXING YANGZI XINFU SHIP ACCESSORIES PROCESSING CO., LTD

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Yangzijiang Shipbuilding (Holdings) Ltd. (“**YZJ**” or the “**Company**”) and its subsidiaries (the “**Group**”) wishes to announce that the Company had recently through its wholly-owned subsidiary, Jiangsu Yangzi Xinfu Shipbuilding Co., Ltd. disposed of its entire 100% equity interest in the registered capital of Taixing Yangzi Xinfu Ship Accessories Processing Co., Ltd (“**TYXSAPCO**”), a company registered in the People’s Republic of China, to an independent third party (the “**Disposal**”) so as to streamline the structure of the Group and to control the overall administrative expenses.

2. DETAILS OF THE DISPOSAL

TYXSAPCO was registered in the People’s Republic of China with an authorised share capital of RMB1,000,000 mainly involved in the business relating to the provision of ship accessories processing services for the shipyards of the Group. Following the said Disposal, TYXSAPCO shall cease to be the subsidiary of the Group.

The consideration for the said Disposal was RMB1,000,000 (equivalent to approximately S\$0.2 million) (the “**Sale Consideration**”). The Sale Consideration was arrived at arms’ length negotiations on a willing buyer willing seller basis, after taking into consideration, inter alia, the net asset value of TYXSAPCO which was valued at RMB1,000,000 as of 18 May 2018 based on the asset based approach.

3. RELATIVE FIGURES FOR THE DISPOSAL UNDER RULE 1006 OF THE LISTING MANUAL OF SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”):

The relative figures for the Disposal computed on the 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	-	0.004%
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 capitalisation	-	0.005%
Rule 1006 (d) Number of equity securities issued as consideration for the acquisition compared with the number of equity securities previously issued	-	N/A

4. FINANCIAL EFFECT OF THE DISPOSAL

The above Disposal will not have any significant impact on the earnings per share and net tangible assets per share of the YZJ’s Group for the current financial year ending 31 December 2018.

5. INTEREST OF DIRECTORS 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 Disposal.

By Order of the Board

Ren Yuanlin
Executive Chairman

28 May 2018