



Yangzijiang Shipbuilding (Holdings) Ltd.
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MEDIA RELEASE – FOR IMMEDIATE RELEASE

Yangzijiang acquires remaining 20% stake in Jiangsu Yangzi Xinfu Shipbuilding Co., Ltd. for RMB650 million

- Acquisition will be fully funded by 100 million treasury shares, transfer price for each consideration share of RMB6.5 or about S\$1.37
- Acquisition is expected to be earnings accretive for the Group and is part of the Group's efforts to enhance long-term shareholder value
- Equipped with the largest dock facility amongst the Group's shipyards, the Xinfu Yard is heavily involved in the construction of mid to large sized vessels and is pivotal to the Group's future growth plans to build large and superior vessels

SINGAPORE – 21 July 2021 – Yangzijiang Shipbuilding (Holdings) Ltd. ("Yangzijiang" or the "**Group**"), a globally-leading shipbuilding group based in China, and a Straits Times Index component company listed on the SGX Main Board today announced that it has entered into a sale and purchase agreement ("**SPA**") with Sanfu Shipbuilding Holdings for the purchase of the remaining 20% equity stake in Jiangsu Yangzi Xinfu Shipbuilding Co., Ltd. ("**Xinfu Yard**"), for an aggregate consideration of RMB650 million, to be fully funded by 100 million treasury shares ("**Consideration Shares**") of the Group.

The Xinfu Yard is involved in the business of shipbuilding, production and processing of large-scale steel structures and operates as one of the Group's major shipyard. Prior to the transaction, Yangzijiang and the Group's wholly-owned subsidiary, Jiangsu New Yangzi Shipbuilding Co., Ltd owned 12.5% and 67.5% respectively of the issued share capital of Xinfu Yard. Post-transaction, Xinfu Yard will become a fully owned subsidiary of the Group and all profits attributable to the record shipbuilding orders placed with the Group will accrue to the Group's bottom line.

The transfer price for each Consideration Share of RMB6.5, equivalent to approximately S\$1.37 represents a 0.63% premium to the volume-weighted average share price of S\$1.3614 on 21 July 2021, being the full market day on which the SPA is signed.

The transaction is expected to be earnings accretive for the Group and is part of the Group's efforts to enhance long term shareholder value.

Mr. Ren Letian, Executive Chairman and CEO of the Group, commented on the proposed transaction, *“Since its incorporation in 2007, the Xinfu Yard has grown from strength to strength and established a strong track record in shipbuilding. The further acquisition signifies a huge investment in one of Yangzijiang’s key business units and in our existing major shipyard. The acquisition is also expected to be earnings accretive for the Group and is part of our continuous efforts to enhance long-term growth prospects and shareholder value.*

This transaction is fulfilled by the transfer of the Group’s treasury shares which is reflective of Sanfu Shipbuilding Holdings’ confidence in the inherent value of the Group. On this note, I will also like to express appreciation towards the good working relationship that we have with Sanfu Shipbuilding Holdings over the years.”

Note: This media release should be read in conjunction with the announcement released by Yangzijiang via SGXNet on 21 July 2021.

--The End--

Company Profile

Established in 1956, Yangzijiang Shipbuilding (Holdings) Ltd. (“Yangzijiang Shipbuilding” or collectively known as the “Group”) is one of the largest private shipbuilding companies in China. The Group is listed on SGX Mainboard since April 2007 and is currently one of the Straits Times Index (“STI”) constituent stocks. With four shipyards in Jiangsu Province, China along the Yangtze River, the Group produces a broad range of commercial vessels including large containerships, bulk carriers and LNG carriers, serving the orders from a well-established customer network covering Northern America, Europe and other parts of the world. Since listing on SGX, it has delivered consistent growth in the past ten years.

For more information, please visit the website at: www.yzjship.com

Issued for and on behalf of Yangzijiang Shipbuilding (Holdings) Ltd.

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