



YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.

(Company Registration No. 200517636Z)

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

ACQUISITION OF SUBSIDIARY

Pursuant to Rule 704(17)(c) of the Singapore Exchange Securities Trading Limited Listing Manual (the “**Listing Manual**”), the Board of Directors of Yangzijiang Shipbuilding (Holdings) Ltd. (the “**Company**” and, together with its subsidiaries, the “**Group**”) wishes to announce that the Company has today completed the acquisition of the entire issued share capital of Odfjell Terminals China Holding Pte. Ltd. (“**OTCH**”), a company incorporated in Singapore, for the consideration of USD 46,231,298 (the “**Acquisition**”).

As a special purpose vehicle, the sole asset of OTCH is a 55% equity interest in Odfjell Terminal (Jiangyin) Company Ltd (“**OTJ**”), a company incorporated in Jiangsu Province, People’s Republic of China. OTJ owns and operates a tank terminal, which handles various types of petrochemical products and provides complete terminal services for petrochemical distribution in the upstream Yangtze River region.

As the relative figures of the Acquisition computed on the bases set out in Rule 1006 of the Listing Manual do not exceed 5%, the Acquisition is classified as a non-discloseable transaction under Rule 1008 of the Listing Manual.

The consideration for the Acquisition was arrived at on a willing-buyer, willing-seller basis after arms’ length negotiations, taking into consideration, among others, the valuation of OTJ which was derived using a discounted cash flow (DCF) analysis (the “**OTJ Valuation**”). Prior to conducting the OTJ Valuation, parties had reviewed and agreed on the methodology and parameters of the OTJ Valuation. The consideration was wholly satisfied in cash and was funded by the Group’s internal resources.

Based on OTJ’s audited financial statements for year ending 31 December 2018, the net book value of OTCH was approximately RMB 124,597,445 while the net tangible asset value of OTCH was approximately RMB 96,244,981. There is no open market value as the shares of OTCH are not publicly traded.

The Acquisition is not expected to have any significant impact on the consolidated net tangible assets and earnings per share of the Group for the financial year ending 31 December 2019.

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 the Acquisition.

BY ORDER OF THE BOARD

Ren Yuanlin
Executive Chairman
16 July 2019