



YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.

(Company Registration No. 200517636Z)

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

**SUBSCRIPTION OF SHARES IN
JIANGSU NANTONG YANHAI EMERGING INDUSTRIAL INVESTMENT FUND (LIMITED PARTNERSHIP)**

The Board of Directors (the “**Board**”) of Yangzijiang Shipbuilding (Holdings) Ltd. (“**YZJ**” or the “**Company**”) wishes to announce that its wholly-owned subsidiary, Jiangsu New Yangzi Shipbuilding Co. Ltd (“**JNYS**”) had subscribed for 30% equity interests in the share capital of Jiangsu Nantong Yanhai Emerging Industrial Investment Fund (Limited Partnership) (“**Nantong Yanhai**”) (the “**Subscription**”) registered in Nantong city, People’s Republic of China, with an authorized share capital of up to RMB 300,000,000, thereby making Nantong Yanhai an associate of the Company.

The core business of Nantong Yanhai is related to those of industrial investment, venture investment and equity investment in small and medium size privately-owned enterprises in emerging industries such as new materials, energy conservation and environmental protection, advanced manufacturing technology, health care and innovative consumption business with an operating term of the fund for 7 years.

The above Subscription 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 2017.

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
24 March 2017