



YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.

(Company Registration No. 200517636Z)

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

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- (1) **DISPOSAL OF ENTIRE 40% EQUITY INTEREST IN THE REGISTERED CAPITAL OF JIANGSU ZHUORAN YANGZIJIANG ENERGY EQUIPMENT CO., LTD**
 - (2) **ACQUISITION OF ADDITIONAL 24% EQUITY INTEREST IN THE CAPITAL OF JIANGSU NEW YANGZI GAS CO., LTD**
 - (3) **INCORPORATION OF JIANGSU JIANGYIN-JINGJIANG INDUSTRY ZONE BARBER-CS MARINE TECHNOLOGY CO., LTD**
 - (4) **SUBSCRIPTION OF SHARES IN NANJING SAINING EQUITY INVESTMENT ENTERPRISE ("LIMITED PARTNERSHIP")**
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The Board of Directors (the "**Board**") of Yangzijiang Shipbuilding (Holdings) Ltd. ("**YZJ**" or the "**Company**") wishes to announce that the Company had completed a series of investments and disposals, to be in line with the Group's strategy to divert its attention from the non-core businesses into the core shipbuilding and related businesses.

- (1) **Disposal of entire 40% equity interest in the registered capital of Jiangsu Zhuoran Yangzijiang Energy Equipment Co., Ltd ("JZYEE")**

The Company had previously through its wholly-owned subsidiary, Jiangsu New Yangzi Shipbuilding Co., Ltd ("**JNYS**"), invested 40% equity interest in the share capital of JZYEE, a company registered in the People's Republic of China with a registered authorised share capital of RMB30,000,000, dealing with steel fabrication business.

It is in the best interest and commercial benefit to the Group to dispose the entire 40% equity interest in JZYEE at the consideration of RMB12,000,000 at par as it would help to streamline the Group's structure to control the overall administrative expenses effectively.

- (2) **Acquisition of additional 24% equity interest in the capital of Jiangsu New Yangzi Gas Co., Ltd ("JNYG")**

The Company had previously through its wholly-owned subsidiary, Jiangsu Runzhou Heavy Industry Co., Ltd to invest 51% of the equity interest in JNYG, a company registered in the People's Republic of China, with a registered authorised share capital of RMB45,000,000 to deal in the business of gas supply.

It is in the best interest and commercial benefit to the Group to acquire additional 24% equity interest in JNYG at a consideration of RMB12,600,000 by JNYS as it would assist the Group to gain further control and profit shares in JNYG since JNYG is a major gas supplier for the yards in People's Republic of China.

- (3) **Incorporation of Jiangsu Jiangyin-Jingjiang Industry Zone Barber-CS Marine Technology Co., Ltd ("JJBC")**

The Company had through its 60% owned subsidiary, Barber-CS Marine Technology (Shanghai) Co., Ltd. subscribed for 100% equity interest in the share capital of JJBC, a company incorporated in the People's Republic of China with a registered paid-up capital of RMB300,000 thereby making it as a 60%-owned subsidiary of the Group. The core business of JJBC is related to those of provision of detail and production design for wide range of merchant ships.

It is in the best interest of the Group for the said subscription as it can supplement the existing business of the Group positively.

(4) Subscription of shares In Nanjing Saining Equity Investment Enterprise (“Limited Partnership”) (“NSEIE”)

The Company shall through its wholly-owned subsidiary, JNYS, subscribe for 20% equity interest in the capital of NSEIE, a limited partnership registered in Nanjing City, People’s Republic of China, at a consideration of up to RMB20 million, thereby making NSEIE as an associated company of the Group.

The operational term of NSEIE shall be five plus three (5+3) years with its total issued and paid up capital of up to RMB100 million. The core business of NSEIE is related to investment in Big Data and other emerging industries to support the development of these emerging industries.

The above disposals and investments 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 2015.

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
30 July 2015