



YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No. 200517636Z)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

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**YANGZIJANG SHIPBUILDING (HOLDINGS) LTD.
AND ITS SUBSIDIARIES**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL
STATEMENTS**

FOR SIX-MONTH PERIOD ENDED 30 JUNE 2025

A. Condensed Consolidated Statement of Comprehensive Income

		The Group			
		1st Half Year			
	Note	1H2025 RMB'000	% of Revenue	1H2024 RMB'000	+/-% Variance
Revenue	4	12,877,529	100%	13,048,628	-1%
Cost of sales		(8,430,838)	-65%	(9,564,518)	-12%
Gross profit		4,446,691	35%	3,484,110	28%
Other income					
- Interest		486,398	4%	331,826	47%
- Others		35,279	0.3%	36,119	-2%
Other gains/(losses), net		138,869	1%	(119,166)	n.m.
Expenses					
- Administrative					
- Reversal of impairment loss on financial assets - net		6,180	0.05%	25,068	-75%
- Others		(364,462)	-3%	(303,141)	20%
		(358,282)	-3%	(278,073)	29%
- Finance		(65,403)	-1%	(58,811)	11%
Share of results of associated companies and joint ventures [#]		481,437	4%	268,918	79%
Profit before income tax	5	5,164,989	40%	3,664,923	41%
Income tax expense	6	(987,599)	-8%	(605,524)	63%
Total profit		4,177,390	32%	3,059,399	37%
Profit attributable to:					
Equity holders of the Company		4,181,364		3,058,386	37%
Non-controlling interests		(3,974)		1,013	n.m.
		4,177,390		3,059,399	37%
Earnings per share attributable to equity holders of the Company (expressed in RMB cents per share)					
- Basic and diluted		106.02		77.42	37%

[#] Share of results of associated companies and joint ventures is after tax.
n.m. denotes not meaningful.

A. Condensed Consolidated Statement of Comprehensive Income (continued)

	The Group	
	1st Half Year	
	1H2025	1H2024
	RMB'000	RMB'000
Profit for the year	4,177,390	3,059,399 37%
Other comprehensive income:		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Cash flow hedges		
- Fair value gains/(losses)	138,724	(85,079) n.m.
- Reclassification	(109,529)	146,486 n.m.
Share of other comprehensive (loss)/income from the associated companies and joint ventures		
- Currency translation (losses)/gains - net	(602)	260 n.m.
Currency translation differences arising from consolidation		
- Gains/(losses)	16,150	(5,405) n.m.
- Reclassification	-	(56,701) -100%
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Currency translation losses attributable to non-controlling interests	(104)	(2,610) -96%
Other comprehensive income/(loss), net of tax	44,639	(3,049) n.m.
Total comprehensive income, net of tax	4,222,029	3,056,350 38%
Total comprehensive income/(loss) attributable to:		
Equity holders of the Company	4,226,107	3,057,947 38%
Non-controlling interests	(4,078)	(1,597) 155%
	4,222,029	3,056,350 38%

B. Condensed Consolidated Statement of Financial Position

		The Group		The Company	
	Note	As at 30 Jun 2025 RMB'000	As at 31 Dec 2024 RMB'000	As at 30 Jun 2025 RMB'000	As at 31 Dec 2024 RMB'000
ASSETS					
Current assets					
Cash and cash equivalents		24,354,934	28,119,740	987,543	115,443
Restricted cash		16,392	19,997	-	-
Financial assets, at fair value through profit or loss		13,061	16,022	-	-
Trade and other receivables	8	7,289,742	6,270,165	6,937,406	7,013,554
Inventories		2,965,497	1,876,400	-	-
Contract assets		5,570,863	5,843,093	-	-
Derivative financial instruments		11,471	-	-	-
		40,221,960	42,145,417	7,924,949	7,128,997
Non-current assets					
Financial assets, at fair value through profit or loss		300	2,300	-	-
Trade and other receivables	8	1,300,571	1,351,567	4,894,677	5,607,691
Investment in subsidiaries		-	-	10,035,305	9,510,713
Investment in joint ventures		1,127,827	908,115	309,327	309,327
Investments in associated companies		1,046,180	58,594	967,112	134,062
Investment properties	9	2,172,987	1,983,500	-	-
Property, plant and equipment	10	8,347,358	7,863,368	-	-
Intangible assets		19,972	21,249	-	-
Deferred income tax assets		197,234	222,215	-	-
		14,212,429	12,410,908	16,206,421	15,561,793
Total assets		54,434,389	54,556,325	24,131,370	22,690,790
LIABILITIES					
Current liabilities					
Trade and other payables	11	3,574,529	4,319,720	1,202,051	1,174,468
Contract liabilities		14,209,807	14,320,166	-	-
Derivative financial instruments		71,515	219,094	-	-
Borrowings	12	5,425,000	4,500,000	-	-
Provisions		650,034	653,271	-	-
Current income tax liabilities		938,499	872,134	4,121	5,584
		24,869,384	24,884,385	1,206,172	1,180,052
Non-current liabilities					
Derivative financial instruments		-	11,350	-	-
Borrowings	12	625,000	2,300,000	-	-
Deferred income tax liabilities		1,091,892	983,461	199,788	76,058
		1,716,892	3,294,811	199,788	76,058
Total liabilities		26,586,276	28,179,196	1,405,960	1,256,110
NET ASSETS		27,848,113	26,377,129	22,725,410	21,434,680
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital		7,361,990	7,361,990	7,326,773	7,326,773
Treasury shares		(285,966)	(127,753)	(285,966)	(127,753)
Other reserves		1,619,869	1,417,238	180,637	180,637
Retained earnings		19,042,121	17,626,477	15,503,966	14,055,023
		27,738,014	26,277,952	22,725,410	21,434,680
Non-controlling interests		110,099	99,177	-	-
Total equity		27,848,113	26,377,129	22,725,410	21,434,680

C. Condensed Consolidated Statement of Cash Flows

	The Group	
	1H2025	1H2024
	RMB '000	RMB '000
Cash flows from operating activities		
Net profit	4,177,390	3,059,399
Adjustments for:		
- Income tax expenses	987,599	605,524
- Depreciation on property, plant and equipment	234,765	238,296
- Depreciation of investment property	105	14,204
- Amortisation of intangible assets	2,149	2,248
- Finance expenses	65,403	58,811
- Gain on:		
• Disposal of property, plant and equipment	(5,544)	(20,282)
- Fair value change on:		
• Derivative financial instruments	(7,196)	-
• Financial assets at fair value, through profit and loss	(3,165)	(1,748)
- Interest income	(486,398)	(331,826)
- Dividend income	-	(166)
- Share of profits of associated companies and joint ventures	(481,437)	(268,918)
	4,483,671	3,355,542
Changes in working capital, net of effects from acquisition and disposal of subsidiaries		
- Inventories	(1,068,520)	(352,739)
- Construction contract balances	33,013	4,419,843
- Trade and other receivables	(1,112,108)	5,615
- Trade and other payables	(822,507)	283,346
- Provisions	(3,237)	117,097
- Restricted cash	3,605	(4,432)
Cash generated from operations	1,513,917	7,824,272
Interest paid	(65,403)	(58,811)
Interest received	486,398	331,826
Income tax paid	(792,974)	(730,254)
Net cash provided by operating activities	1,141,938	7,367,033
Cash flows from investing activities		
Proceeds from sales of property, plant and equipment	21,132	49,518
Proceed from partial disposal of investment in a joint venture	100,774	-
Proceeds from sales of financial assets, at fair value through profit and loss	8,126	4,020
Dividend received from financial assets at FVTPL	-	166
Dividend received from a joint venture	158,528	98,091
Purchase of property, plant and equipment	(769,893)	(765,649)
Additions to investment property	(81,257)	-
Acquisition of subsidiary, net of cash acquired	-	(18,974)
Acquisition of intangible assets	(872)	(575)
Investment in an associated company	(833,051)	-
Return of capital by an associated company	5,814	-
Loan to a non-related party	(15,000)	-
Net cash used in investing activities	(1,405,699)	(633,403)
Cash flows from financing activities		
Purchase of treasury shares	(158,213)	-
Proceeds from borrowings	1,250,000	3,300,000
Repayments of borrowings	(2,000,000)	(2,845,292)
Principal payment of lease liabilities	-	(355)
Return of capital to non-controlling interests	-	(31,594)
Capital injection by non-controlling interest	15,000	16,000
Acquisition of non-controlling interests	-	(139,539)
Dividends paid to equity holders	(2,607,832)	(1,345,827)
Net cash used in financing activities	(3,501,045)	(1,046,607)
Net (decrease)/increase in cash and cash equivalents	(3,764,806)	5,687,023
Cash and cash equivalents at the beginning of financial period	28,119,740	16,560,685
Cash and cash equivalents at the end of financial period	24,354,934	22,247,708

D. Condensed Consolidated Statement of Changes in Equity

	<-----Attributable to equity holders of the Company----->								Non-	Total
	Share	Treasury	Statutory	Hedging	Currency	Other	Retained	Total	controlling	equity
	capital	shares	reserves	reserve	translation	reserves	earnings		interests	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
1H2025										
As at 1 January 2025	7,361,990	(127,753)	4,028,378	(33,166)	130,531	(2,708,505)	17,626,477	26,277,952	99,177	26,377,129
Profit/(loss) for the year	-	-	-	-	-	-	4,181,364	4,181,364	(3,974)	4,177,390
Other comprehensive income/(loss)	-	-	-	29,195	15,548	-	-	44,743	(104)	44,639
Total comprehensive income/(loss)	-	-	-	29,195	15,548	-	4,181,364	4,226,107	(4,078)	4,222,029
Dividends relating to 2024 paid ⁽¹⁾	-	-	-	-	-	-	(2,607,832)	(2,607,832)	-	(2,607,832)
Share buyback ⁽²⁾	-	(158,213)	-	-	-	-	-	(158,213)	-	(158,213)
Transfer ⁽³⁾	-	-	157,888	-	-	-	(157,888)	-	-	-
Capital injection by non-controlling interest ⁽⁴⁾	-	-	-	-	-	-	-	-	15,000	15,000
Total transactions with owners, recognised directly in equity	-	(158,213)	157,888	-	-	-	(2,765,720)	(2,766,045)	15,000	(2,751,045)
As at 30 June 2025	7,361,990	(285,966)	4,186,266	(3,971)	146,079	(2,708,505)	19,042,121	27,738,014	110,099	27,848,113

D. Condensed Consolidated Statement of Changes in Equity (continued)

	<-----Attributable to equity holders of the Company----->								Non-controlling interests	Total equity
	Share capital	Treasury shares	Statutory reserves	Hedging reserve	Currency translation reserves	Other reserves	Retained earnings	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
1H2024										
As at 1 January 2024	7,361,990	(127,753)	3,782,985	(150,018)	175,114	(2,685,846)	12,584,081	20,940,553	202,397	21,142,950
Profit for the year	-	-	-	-	-	-	3,058,386	3,058,386	1,013	3,059,399
Other comprehensive income/(loss)	-	-	-	61,407	(61,846)	-	-	(439)	(2,610)	(3,049)
Total comprehensive income/(loss)	-	-	-	61,407	(61,846)	-	3,058,386	3,057,947	(1,597)	3,056,350
Dividends relating to 2023 paid	-	-	-	-	-	-	(1,345,827)	(1,345,827)	-	(1,345,827)
Transfer ⁽³⁾	-	-	134,337	-	-	-	(134,337)	-	-	-
Capital injection by non-controlling interest	-	-	-	-	-	-	-	-	16,000	16,000
Dissolution of subsidiary	-	-	-	-	-	-	-	-	(31,594)	(31,594)
Acquisition of non-controlling interests of a subsidiary	-	-	-	-	-	(22,659)	-	(22,659)	(116,880)	(139,539)
Total transactions with owners, recognised directly in equity	-	-	134,337	-	-	(22,659)	(1,480,164)	(1,368,486)	(132,474)	(1,500,960)
As at 30 June 2024	7,361,990	(127,753)	3,917,322	(88,611)	113,268	(2,708,505)	14,162,303	22,630,014	68,326	22,698,340

D. Condensed Consolidated Statement of Changes in Equity (continued)

THE COMPANY	Attributable to equity holders of the Company				
	Share	Treasury	Other	Retained	Total
	<u>capital</u>	<u>shares</u>	<u>reserves</u>	<u>earnings</u>	<u>equity</u>
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1 January 2025	7,326,773	(127,753)	180,637	14,055,023	21,434,680
Dividends relating to 2024 paid ⁽¹⁾	-	-	-	(2,607,832)	(2,607,832)
Share buyback ⁽²⁾	-	(158,213)	-	-	(158,213)
Total comprehensive income	-	-	-	4,056,775	4,056,775
Balance as at 30 June 2025	7,326,773	(285,966)	180,637	15,503,966	22,725,410
Balance as at 1 January 2024	7,326,773	(127,753)	180,637	10,325,759	17,705,416
Dividends relating to 2023 paid	-	-	-	(1,345,827)	(1,345,827)
Total comprehensive income	-	-	-	4,023,181	4,023,181
Balance as at 30 June 2024	7,326,773	(127,753)	180,637	13,003,113	20,382,770

- (1) The RMB2,608 million represents the final dividend of 12.0 Singapore cents per ordinary share in respect of the financial year ended 31 December 2024. The Company paid the dividend on 13 May 2025.
- (2) In 1H2025, the Company bought back 15,000,000 shares of the Company by way of market acquisition, which are held as treasury shares.
- (3) This represents amounts set aside for reserve fund and enterprise expansion fund in compliance with local laws in the PRC where subsidiaries of the Group operate. The reserve fund can only be used, upon approval by the relevant authority, to offset prior year's losses or to increase capital while the enterprise expansion fund can only be used to increase capital upon approval by the relevant authority.
- (4) The capital injection by non-controlling interest of RMB15 million represents the capital injection by the non-controlling interest of Jiangsu Yangzi Chengkang Marine Heavy Industry Co., Ltd., a 50% owned subsidiary of the Group.

E. Notes to the Condensed Consolidated Interim Financial Statements

1. Corporate information

Yangzijiang Shipbuilding (Holdings) Ltd. (the “Company”) is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office is 36 Robinson Road, #20-01 City House, Singapore 068877. The principal place of business is 9 Raffles Place, #54-01, Republic Plaza, Singapore 048619.

The principal activities of the Company are investment holding and agency service for shipbuilding and related activities. The principal activities of its significant subsidiaries are:

- a) Shipbuilding, production and processing of large-scale steel structures;
- b) Facilitating the sale and export of ships for the shipbuilder and trading of ship related equipment;
- c) Chartering of vessels; and
- d) Holding of investment property.

2. Basis of Preparation

The condensed consolidated interim financial statements as at and for the six-month period ended 30 June 2025 have been prepared in accordance with Singapore Financial Reporting Standards (International) 1-34 Interim Financial Reporting (SFRS(I) 1-34) issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last consolidated annual financial statements for the year ended 31 December 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new or amended standards effective as of 1 January 2025 as set out in Note 2.1.

The condensed consolidated interim financial statements are presented in Renminbi (“RMB”), which is the Company’s functional currency.

2.1. New or amended standards adopted by the Group

Nil

2.2. Use of judgements and estimates

In preparing the condensed consolidated interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Seasonal operations

The Group’s businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

Management has determined the operating segments based on the reports reviewed by the Executive Chairman and head of respective business departments (collectively known as “Management Team”) that are used to make strategic decisions.

The principal activities of shipbuilding segment are that of shipbuilding and offshore marine equipment construction. The principal activities of shipping segment consist of charter hire income earned by vessel owning companies.

Other segments include terminal services, trading, ship design services, sales of residential units, and investment property. These are not identified as reportable operating segments, as they are not separately reported to the Management Team. The results of these operations are included in “Others”.

Information regarding the Group’s reportable segments is presented in the following table.

4.1. Continuing reportable segments

	<u>Shipbuilding</u> RMB'000	<u>Shipping</u> RMB'000	<u>Others</u> RMB'000	<u>Total</u> RMB'000
<u>The Group</u>				
1 January 2025 to 30 June 2025				
Segment revenue	12,249,118	511,353	117,058	12,877,529
Segment result	4,575,304	178,143	(6,358)	4,747,089
<i>Included within segment result:</i>				
Raw materials and consumables used	(6,003,293)	-	(80,646)	(6,083,939)
Subcontracting costs	(1,420,448)	-	(14,504)	(1,434,952)
Vessel operations expenses	-	(300,957)	-	(300,957)
Finance expenses	(65,403)	-	-	(65,403)
Fair value gain on				
· Derivatives financial instruments	7,196	-	-	7,196
· Financial assets, at fair value through profit or loss	-	-	3,165	3,165
Depreciation of property, plant and equipment	(151,905)	(79,893)	(2,967)	(234,765)
Depreciation of investment property	-	-	(105)	(105)
Share of profits of associated companies	160,444	-	497	160,941
Share of profits of joint venture	320,496	-	-	320,496
Sales of bunker stock	-	17,551	-	17,551
Bad debt recovery	5,500	680	-	6,180
(Loss)/gain on disposal of:				
· Property, plant and equipment	(455)	5,999	-	5,544
Cash flow hedges, reclassified from hedging reserve	128,859	-	-	128,859
Subsidy income	40,848	-	59	40,907
Interest income - finance lease	-	29,800	-	29,800
Segment assets	43,172,040	5,551,574	5,513,541	54,237,155
<i>Segment assets includes:</i>				
Investment in associated companies	1,046,180	-	-	1,046,180
Investments in joint ventures	1,127,827	-	-	1,127,827
Additions to property, plant and equipment	631,167	3,639	135,087	769,893
Segment liabilities	(24,225,610)	(177,793)	(152,482)	(24,555,885)

Yangzijiang Shipbuilding (Holdings) Ltd. and its Subsidiaries
Condensed Consolidated Interim Financial Statements and Dividend Announcement
For six-month period ended 30 June 2025

	<u>Shipbuilding</u> RMB'000	<u>Shipping</u> RMB'000	<u>Others</u> RMB'000	<u>Total</u> RMB'000
<u>The Group</u>				
1 January 2024 to 30 June 2024				
Segment revenue	12,398,009	604,396	46,223	13,048,628
Segment result	3,045,196	306,601	(3,044)	3,348,753
<i>Included within segment result:</i>				
Raw materials and consumables used	(7,925,619)	-	(7,327)	(7,932,946)
Subcontracting costs	(1,363,234)	-	-	(1,363,234)
Vessel operations expenses	-	(200,791)	-	(200,791)
Finance expenses	(58,040)	-	(771)	(58,811)
Fair value gain on				
· Financial assets, at fair value through profit or loss	-	-	1,748	1,748
Depreciation of property, plant and equipment	(154,727)	(78,051)	(5,518)	(238,296)
Depreciation of investment property	-	-	(14,204)	(14,204)
Share of profits of associated companies	-	-	459	459
Share of profits of joint venture	268,459	-	-	268,459
Sales of bunker stock	-	4,493	-	4,493
Bad debt recovery	29,400	-	-	29,400
(Loss)/gain on disposal of:				
· Property, plant and equipment	(1,515)	21,797	-	20,282
Cash flow hedges, reclassified from hedging reserve	(172,337)	-	-	(172,337)
Subsidy income	45,444	-	246	45,690
Interest income - finance lease	-	43,708	-	43,708
Segment assets	35,974,462	5,949,028	3,553,639	45,477,129
<i>Segment assets includes:</i>				
Investment in associated companies	49,183	-	5,924	55,107
Investments in joint ventures	836,891	-	-	836,891
Additions to property, plant and equipment	166,611	618,715	9,491	794,817
Segment liabilities	(21,258,607)	(172,001)	(59,623)	(21,490,231)

Sales between segments are carried out at market terms.

The Management Team assesses the performance of the operating segments based on a measure of segment results. Certain administrative expenses and foreign currency exchange differences are not allocated to segments, as these types of activities and differences are shared by all segments. Interest income on cash and cash equivalents, and foreign currency translation differences on borrowings (classified under finance expenses) are not allocated to segments, as these types of activities are driven by the treasury department of the Group, which manages the cash position of the Group.

Reconciliation

(i) Segment profits

A reconciliation of segment results to profit before tax is as follows:

	1H2025 RMB'000	1H2024 RMB'000
Segment results for reportable segments	4,753,447	3,351,797
Segment results for other segments	(6,358)	(3,044)
Unallocated:		
Other income	474,326	319,578
Other (losses)/gains - net	(46,801)	31,141
Administrative expenses	(9,625)	(34,549)
Profit before tax	5,164,989	3,664,923

(ii) Segment assets

The amounts provided to the Management Team with respect to total assets are measured in a manner consistent with that of the financial statements. All assets are allocated to reportable segments other than deferred income tax assets.

	As at 30 June 2025 RMB'000	As at 31 December 2024 RMB'000
Segment assets for reportable segments	48,723,614	50,746,523
Other segment assets	5,513,541	3,587,587
Unallocated:		
Deferred income tax assets	197,234	222,215
Total assets	54,434,389	54,556,325

(iii) Segment liabilities

The amounts provided to the Management Team with respect to total liabilities are measured in a manner consistent with that of the financial statements. All liabilities are allocated to the reportable segments other than current income tax liabilities and deferred income tax liabilities.

Segment liabilities are reconciled to total liabilities as follows:

	As at 30 June 2025 RMB'000	As at 31 December 2024 RMB'000
Segment liabilities for reportable segments	(24,403,403)	(26,143,682)
Other segment liabilities	(152,482)	(179,919)
Unallocated:		
Current income tax liabilities	(938,499)	(872,134)
Deferred income tax liabilities	(1,091,892)	(983,461)
Total liabilities	(26,586,276)	(28,179,196)

4.2. Disaggregation of Revenue

(a) Disaggregation of revenue

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines.

	At a point in time RMB'000	Over time RMB'000	Total RMB'000
<u>The Group</u>			
1H2025			
<i>Shipbuilding segment</i>			
- Shipbuilding revenue	-	12,143,743	12,143,743
- Sale of steel parts	105,375	-	105,375
<i>Shipping segment</i>			
Charter hire income	-	511,353	511,353
<i>Others segment</i>			
Rendering of ship design services	9,338	-	9,338
Sale of goods - materials and others	80,720	-	80,720
Rental income	-	6,783	6,783
Sales of residential units	20,076	-	20,076
Others	141	-	141
Total revenue	215,650	12,661,879	12,877,529
	At a point in time RMB'000	Over time RMB'000	Total RMB'000
<u>The Group</u>			
1H2024			
<i>Shipbuilding segment</i>			
- Shipbuilding revenue	-	12,286,443	12,286,443
- Sale of steel parts	111,566	-	111,566
<i>Shipping segment</i>			
Charter hire income	-	604,396	604,396
<i>Others segment</i>			
Rendering of ship design services	9,293	-	9,293
Sale of goods - materials and others	1,308	-	1,308
Rental income	-	13,520	13,520
Others	22,102	-	22,102
Total revenue	144,269	12,904,359	13,048,628

(b) Revenue from major products

Revenue of shipbuilding segment is derived from the construction of container ships, multiple purpose cargo ships and other types of vessels. Revenue of shipping segment is derived from the charter income earned by vessel owning companies. Revenue from other segment is mainly derived from sales of metal and chemical product. Breakdown of the revenue by major product types is as follows:

	1H2025	1H2024
	RMB'000	RMB'000
Construction of container ships	7,785,666	10,407,855
Construction of multiple purpose cargo ships	499,258	1,288,209
Construction of oil tankers	3,858,819	590,379
Sales of steel parts	105,375	111,566
Charter hire income	511,353	604,396
Rental income	6,783	13,520
Rendering of ship design services	9,338	9,293
Sale of goods - materials and others	80,720	1,308
Sales of residential units	20,076	-
Others	141	22,102
	12,877,529	13,048,628

(c) Geographical information

The Group's revenue based on the customers' locations are as follows:

	1H2025	1H2024
	RMB'000	RMB'000
Italy	4,391,032	2,737,637
Greece	2,394,443	1,078,727
Singapore	1,947,633	809,506
Japan	979,833	214,789
United Kingdom	830,971	182,966
Switzerland	428,743	-
France	540,608	-
Greater China	269,470	608,918
Denmark	268,110	-
Bulgaria	137,103	644,794
Canada	122,766	6,147,397
Other European countries	362,155	157,449
Other Asian countries	204,662	466,445
	12,877,529	13,048,628

Revenues of approximately RMB6,800,362,000 (1H2024: RMB9,529,827,000) are derived from three (1H2024: three) major customers. These revenues are attributable to the shipbuilding segment.

5. Profit before taxation

5.1 Significant items

	<u>The Group</u>	
	1H2025	1H2024
	RMB'000	RMB'000
After charging:		
Depreciation and amortization	237,019	254,748
Finance costs - Interest on borrowings	65,403	58,811
After crediting:		
Gain from disposal of property, plant and equipment	5,544	20,282
Fair value gains on derivative financial instruments	7,196	-
Foreign exchange related gains/(losses), net	66,907	(187,201)
Bad debt recovery	6,180	25,068
Interest income	486,398	331,826
Subsidy income	40,907	45,691
Fair value gain on financial assets, at fair value through profit or loss	3,165	1,748
Dividend income	-	166

5.2 Related party transactions

The Group had the following transactions with the following related parties.

	<u>The Group</u>	
	1H2025	1H2024
	RMB'000	RMB'000
Sales of goods to joint ventures	140,679	5,445
Sales of goods to an associated company	64,041	-
Provision of services to a joint venture	2,033	3,751
Rental income from a joint venture	44,034	43,541
Rental income from an associated company	1,949	2,492
Loan to an associated company	-	40,000
Repayment of loan from an associated company	-	5,000
Interest income from loan to an associated company	197	-
Purchase of goods from an associated company	5,378	-
Purchase of goods from a joint venture	69,204	180,698
Purchase of vessels from a joint venture	-	212,307
Services provided by a joint venture	43,974	-
Professional services received from a related party	76	858

Related party comprises mainly company which is controlled or significantly influenced by the Group's key management personnel.

6. Income taxes

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	<u>The Group</u>	
	1H2025	1H2024
	RMB'000	RMB'000
Income tax expense attributable to profit is made up of:		
Current year		
- Current income tax	854,187	790,807
- Deferred income tax	133,412	(62,271)
	<u>987,599</u>	<u>728,536</u>
Over provision in prior year		
- Current income tax	-	(123,012)
	<u>987,599</u>	<u>605,524</u>

The Group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation was enacted in Singapore, the jurisdiction in which the Company is incorporated, and has come into effect from 1 January 2025. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

Under the legislation, the Group is liable to pay a top-up tax for the difference between the GloBE effective tax rate for each jurisdiction and the 15% minimum rate.

The Group is in the process of assessing its exposure to the Pillar Two legislation. Management does not expect the application of Pillar Two legislation to have material impact on the going concern of the Group and the Company, or on the Group's annual effective tax rate.

7. Dividends

	<u>The Group</u>	
	1H2025	1H2024
	RMB'000	RMB'000
<i>Ordinary dividends</i>		
Final exempt dividend paid in respect of the previous financial year of SGD12.0 cents (2024: SGD6.5 cents) per share	<u>2,607,832</u>	<u>1,345,827</u>

8. Trade and other receivables

	<u>The Group</u>	
	30 Jun 2025	31 Dec 2024
	RMB'000	RMB'000
Current		
Finance lease receivables	83,160	295,602
Trade receivables	226,699	247,792
Other receivables	167,402	301,349
Other assets	353,219	485,885
Prepayments	6,459,262	4,939,537
	<u>7,289,742</u>	<u>6,270,165</u>
Non-current		
Finance lease receivables	838,571	884,283
Other receivables	462,000	467,284
	<u>1,300,571</u>	<u>1,351,567</u>

9. Investment property

During 1H2025, the Group commenced the planned renovation work on the investment property and incurred additional costs of RMB81 million.

10. Property, plant and equipment

During the six months ended 30 June 2025, the Group acquired assets amounting to RMB770 million (30 June 2024: RMB795 million) and disposed of assets amounting to RMB16 million (30 June 2024: RMB29 million).

11. Trade and other payables

	<u>The Group</u>	
	30 Jun 2025	31 Dec 2024
	RMB'000	RMB'000
Current		
Trade payables	2,153,077	2,956,391
Other payables	1,233,044	1,036,990
Other operating accruals	30,926	168,786
Deferred compensation income	157,482	157,553
	<u>3,574,529</u>	<u>4,319,720</u>

12. Borrowings

	<u>The Group</u>		<u>The Company</u>	
	30 Jun 2025	31 Dec 2024	30 Jun 2025	31 Dec 2024
	RMB'000	RMB'000	RMB'000	RMB'000
Current				
Bank borrowings (unsecured)	5,425,000	4,500,000	-	-
	<u>5,425,000</u>	<u>4,500,000</u>	<u>-</u>	<u>-</u>
Non-current				
Bank borrowings (unsecured)	625,000	2,300,000	-	-
	<u>625,000</u>	<u>2,300,000</u>	<u>-</u>	<u>-</u>
	<u>6,050,000</u>	<u>6,800,000</u>	<u>-</u>	<u>-</u>

13. Capital Commitment

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements are as follows:

	<u>The Group</u>	
	30 Jun 2025	31 Dec 2024
	RMB'000	RMB'000
Property, plant and equipment	1,941,288	857,134
Investment property	397,429	4,299
	<u>2,338,717</u>	<u>861,433</u>

14. Fair value measurement

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

- (i) Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (ii) Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- (iii) Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

<u>The Group</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
30 June 2025	RMB'000	RMB'000	RMB'000	RMB'000
Assets				
Financial assets, at fair value through profit or loss	-	-	13,361	13,361
Derivative financial instruments, non-hedging	-	11,471	-	11,471
Liabilities				
Derivative financial instruments, non-hedging	-	(4,276)	-	(4,276)
Derivative financial instruments held for hedging	-	(67,239)	-	(67,239)
31 December 2024				
Assets				
Financial assets, at fair value through profit or loss	-	-	18,322	18,322
Liabilities				
Derivative financial instruments held for hedging	-	(230,444)	-	(230,444)

Other Information Required by Listing Rule Appendix 7.2

1. Review

The financial statements have not been audited nor reviewed by our auditors.

- 2. Number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There were no outstanding convertible securities as of 30 June 2025 and 30 June 2024.

- 3. Number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

	Number of Shares ('000)			
	As at 30 June 2025	%	As at 30 June 2024	%
Shares held as treasury shares	38,488	0.97%	23,488	0.59%
Issued shares excluding treasury shares	3,935,589	99.03%	3,950,589	99.41%
Total number of shares	3,974,077	100.00%	3,974,077	100.00%

The Company did not have subsidiary holdings as of 30 June 2025 and 30 June 2024.

- 4. The total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	Number of Shares ('000)	
	As at 30 June 2025	As at 31 December 2024
Issued shares at the end of periods	3,974,077	3,974,077
Treasury shares at the end of periods	(38,488)	(23,488)
Issued shares excluding treasury shares	3,935,589	3,950,589

- 5. A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

	Number of Shares ('000)	RMB'000
Total number of treasury shares		
Balance as at 1 January 2025	23,488	127,753
Repurchased during 1H2025	15,000	158,213
Treasury shares re-issued	-	-
Balance as at 30 June 2025	38,488	285,966

6. Net Asset Value

	The Group		The Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Net asset value per ordinary share based on issued share capital excluding treasury shares (RMB cents)	704.80	665.17	577.43	542.57

The Group's and the Company's net assets value per ordinary share as of 30 June 2025 and 31 December 2024 have been computed based on the share capital of 3,935,589,220 and 3,950,589,220 shares respectively.

7. Earnings per share

	The Group	
	1H2025	1H2024
(a) Based on weighted average number of ordinary shares in issue (RMB cents) - Basic EPS	106.02	77.42
Weighted average number of Ordinary shares	3,943,826,789	3,950,589,220
(b) On fully diluted basis (RMB cents)	106.02	77.42

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial period.

Diluted earnings per share is equal to basic earnings per share as of 30 June 2025 and 30 June 2024 as the Company has no potential dilutive ordinary shares.

8. A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable as the Company does not have any subsidiary holdings.

9. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:

- a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

Income statement review

	1H2025		1H2024	
	RMB'000	%	RMB'000	%
Shipbuilding				
Turnover	12,249,118	100%	12,398,009	100%
Cost	(7,932,470)	-65%	(9,183,424)	-74%
Margin	4,316,648	35%	3,214,585	26%
Shipping				
Turnover	511,353	100%	604,396	100%
Cost	(380,849)	-74%	(359,604)	-59%
Margin	130,504	26%	244,792	41%
Others				
Turnover	117,058	100%	46,223	100%
Cost	(117,519)	-100%	(21,490)	-46%
Margin	(461)	0%	24,733	54%

Revenue

In 1H2025, the Group successfully delivered a total of 23 vessels on schedule, including 4 delivered by its joint venture, Yangzi-Mitsui Shipbuilding Co., Ltd. ("**Yangzi-Mitsui**"). This compares to 35 vessels delivered in 1H2024, of which 7 were contributed by the joint venture. Shipbuilding revenue for the period was slightly lower at RMB12,249 million, compared to RMB12,398 million in 1H2024, primarily due to the commencement of construction for oil tankers, which carry a lower average unit price compared to containerships. However, the impact of the lower revenue contribution from oil tankers was largely offset by revenue from the construction of large dual-fuel containerships.

Revenue from the shipping business declined by 15% year-on-year to RMB511 million in 1H2025, mainly due to weaker charter rates during the period.

The Group is also engaged in various other businesses, including terminal services, trading, ship design services, and investment property. Revenue from these segments rose significantly from RMB46 million in 1H2024 to RMB117 million in 1H2025, primarily driven by higher trading volumes. The increase in trading activity was largely attributable to the sale of raw materials to Tsuneishi Group (Zhoushan) Shipbuilding Co., Ltd. ("**Tsuneishi Zhoushan**"), a 34%-owned associated company of the Group.

Following the commencement of the LNG terminal conversion project and renovation works at the Singapore office building held as an investment property, revenue contributions from terminal services and investment property will be temporarily suspended. In 1H2025, the Group recognised revenue of RMB20 million from the sale of residential units held under Jiangsu Yangxing Property Co., Ltd., a subsidiary acquired in 1H2024. The units were primarily sold to employees.

Operating cost

Cost of sales for the shipbuilding business decreased by 14% year-on-year to RMB7,932 million in 1H2025, compared to RMB9,183 million in 1H2024. This reduction was primarily driven by lower steel costs, and a change in product mix with a higher contribution from oil tankers, which generally have lower costs compared to containerships. There was no allowance or reversal of allowance for losses recognised on onerous contracts during the period.

The operating costs for the shipping business segment were higher than the costs incurred during the same period last year. This increase can be attributed to the increased repair and maintenance activities, leading to higher operating expenses during the current period.

Gross profit

In 1H2025, the Group's shipbuilding business achieved a significant improvement in gross profit margin, increasing from 26% in 1H2024 to 35% in 1H2025. This improvement was primarily driven by lower steel costs, successful execution of secured contracts with improved pricing, and the smooth delivery of large dual-fuel containerships.

The shipping business segment recorded a gross profit margin of 26% in 1H2025, compared to 41% in 1H2024, reflecting the impact of weak charter rates for bulk carriers during the period.

Other businesses, including terminal services, trading, ship design services, and investment property, recorded a gross profit margin of 0% in 1H2025, down from 54% in 1H2024. This decrease was primarily due to a higher proportion of low-margin trading activities during the period, as well as a one-off impairment loss of RMB7 million on inventory related to properties held under Jiangsu Yangxing Property Co., Ltd.

Other income

The "Other income" category primarily comprises interest income from bank deposits, interest income from ship finance leases, and income from the sale of bunker stock.

In 1H2025, interest income experienced growth, rising from RMB332 million in 1H2024 to RMB486 million. This increase was primarily driven by higher interest income from bank deposits, resulting from a rise in cash and cash equivalents held by the Group during the same period.

Other gains/(losses) - net

The category of "Other gains/(losses) - net" encompasses several components, including foreign exchange-related gains/losses, fair value changes on derivative financial instruments and financial assets at fair value through profit or loss, gain on disposal of property, plant, and equipment as well as subsidy income.

In 1H2025, the Group recorded total other gains of RMB139 million, compared to other losses of RMB119 million in 1H2024. The net gains were mainly driven by foreign exchange gains of RMB67 million, fair value gains of RMB7 million on derivative financial instruments, subsidy income of RMB41 million, and a gain of RMB6 million from the disposal of property, plant and equipment, which primarily related to the sale of two barge carriers by the shipping segment during the period.

Expenses

In 1H2025, total administrative expenses increased to RMB358 million, compared to RMB278 million in 1H2024. The increase was primarily attributable to higher research and development expenses.

In 1H2025, the finance cost increased to RMB65 million from RMB59 million in 1H2024. This increase is attributed to the Group's higher bank borrowing during the same period.

Share of results of associated companies and joint ventures

The "Share of results of associated companies and joint ventures" represents the portion of results attributed to the Group's associated companies and joint ventures. In 1H2025, this amounted to RMB481 million, primarily comprising share of profit of RMB320 million from the Group's joint venture, Yangzi-Mitsui, and share of profit of RMB160 million from Tsuneishi Zhoushan, a 34%-owned associated company newly invested by the Group in 1H2025.

Corporate income Tax

In line with the higher profit before tax, income tax expenses for 1H2025 increased to RMB988 million, compared to RMB606 million in 1H2024. The Group's effective tax rate for 1H2025 was 19.1%, higher than the 16.5% recorded in the same period last year. The lower effective tax rate in 1H2024 was mainly due to a one-off reversal of RMB123 million in overprovision of income tax relating to prior years.

Statements of Financial Position Review

Assets

As at 30 June 2025, cash and cash equivalents declined to RMB24,355 million, from RMB28,120 million as at 31 December 2024. The decrease was primarily driven by cash outflows related to investing and financing activities.

Restricted cash, which is primarily earmarked as deposits for performance guarantees, letters of credit, and regulatory reserve accounts, decreased from RMB20 million as at 31 December 2024 to RMB16 million as at 30 June 2025. The reduction was mainly due to the progressive release of funds held in an escrow account under Jiangsu Yangxing Property Co., Ltd., following the final construction acceptance of the residential project in 1Q2025, in accordance with local government requirements.

The investment in financial assets, at fair value through profit or loss, decreased to RMB13 million from RMB18 million as of 31 December 2024. This decrease was mainly due to the disposal of RMB8 million in 1H2025 with a fair value gain of RMB3 million.

Current trade and other receivables increased from RMB6,270 million as of 31 December 2024 to RMB7,290 million as of 30 June 2025. This increase was primarily driven by higher prepayments for equipment to suppliers.

Inventory increased to RMB2,965 million as at 30 June 2025, up from RMB1,876 million as at 31 December 2024. The increase was primarily attributable to the rise in work-in-progress related to two 175,000 CBM LNG carriers, following the termination of their shipbuilding contracts in 2024.

Contract assets decreased to RMB5,571 million as of 30 June 2025 from RMB5,843 million as of 31 December 2024, primarily due to the progressive delivery of vessels during the period.

The current derivative financial assets of RMB11 million mainly represented the fair values of USD/CNY forward contracts with positive valuation. These contracts were entered by the Group for non-hedging purpose to improve the USD/CNY exchange rate.

Investment in joint ventures increased from RMB908 million as at 31 December 2024 to RMB1,128 million as at 30 June 2025. The increase was primarily attributable to the share of profits of RMB320 million, mainly from the Group's joint venture, Yangzi-Mitsui, partially offset by the disposal of a 5% equity interest in Yangzi-Mitsui, amounting to RMB101 million in 1H2025.

As at 30 June 2025, investment in associated companies increased to RMB1,046 million, up from RMB59 million as at 31 December 2024. The increase was primarily due to the Group's investment of RMB833 million in Tsuneishi Zhoushan, a 34%-owned associated company, and the recognition of a share of profit of RMB160 million during the reporting period. This was partially offset by a capital return of RMB6 million following the dissolution of Jiangsu Run Yuan Energy Co., Ltd., a 30%-owned associated company, in 1H2025.

Investment property increased from RMB1,984 million as at 31 December 2024 to RMB2,173 million as at 30 June 2025. The increase was mainly due to an additional investment of RMB81 million following the commencement of renovation works in 2Q2025, as well as translation differences of RMB108 million arising from the appreciation of the SGD against CNY during the period.

Property, plant, and equipment increased from RMB7,863 million as at 31 December 2024 to RMB8,347 million as at 30 June 2025. The growth was mainly attributable to capital expenditure of RMB571 million incurred for the LNG terminal conversion project and the Hongyuan Yard, as well as additional investments of RMB149 million in existing yards. This was partially offset by the disposal of two barge carriers in February 2025.

Intangible assets, which mainly comprise computer software licenses, decreased from RMB21 million as at 31 December 2024 to RMB20 million as at 30 June 2025. The decrease was primarily due to amortisation during the period, partially offset by an addition of RMB1 million in 1H2025.

Deferred income tax assets decreased from RMB222 million as at 31 December 2024 to RMB197 million as at 30 June 2025. The decrease was mainly due to the tax impact arising from the net release of warranty provisions and fair value changes on derivative financial instruments during the period.

Liabilities

As at 30 June 2025, current trade and other payables decreased to RMB3,575 million from RMB4,320 million as at 31 December 2024, mainly due to lower trade payables to suppliers, following the settlement of outstanding balances prior to the Chinese New Year.

As at 30 June 2025, current derivative financial liabilities amounted to RMB72 million, primarily representing the negative valuation of the USD/CNY forward contracts. These contracts were entered into by the Group to manage currency exposure arising from future USD-denominated receipts in the shipbuilding business and to enhance the effective USD/CNY exchange rate. The decrease from RMB230 million as at 31 December 2024 was mainly due to fair value movements and expiration of some USD/CNY forward contracts during the period.

The Group's borrowings, consisting entirely of unsecured loans, amounted to RMB6,050 million as at 30 June 2025, down from RMB6,800 million as at 31 December 2024. The decrease was primarily due to the net repayment of bank borrowings during the period.

As at 30 June 2025, current income tax liabilities increased to RMB938 million from RMB872 million as at 31 December 2024. The increase was primarily due to current income tax on profit for the period, partially offset by income tax payments made during the period.

As of 30 June 2025, deferred income tax liabilities increased to RMB1,092 million from RMB983 million as of 31 December 2024, primarily due to withholding tax provisions on the distributable profits of our subsidiaries in China during the financial period.

Equity

The increase in "Total equity attributable to equity holders" to RMB27,738 million as of 30 June 2025 from RMB26,278 million as of 31 December 2024 was primarily driven by the profits earned during the year. The increase was partially offset by FY2024 dividend payment during the financial period.

Statements of Cash Flows Review

The decrease in cash and cash equivalents from RMB28,120 million to RMB24,355 million was primarily driven by cash outflows of RMB4,907 million related to investing and financing activities, partially offset by net cash inflows of RMB1,142 million from operating activities during the period.

Net cash used in investing activities amounted to RMB1,406 million in 1H2025. This was primarily driven by capital expenditure of RMB770 million, mainly related to the LNG terminal project and Hongyuan Yard, as well as an investment of RMB833 million in Tsuneishi Zhoushan. The outflows were partially offset by dividend income of RMB158 million received from the joint venture, Yangzi-Mitsui, and proceeds of RMB101 million from the disposal of a 5% equity interest in Yangzi-Mitsui during the period.

Net cash used in financing activities amounted to RMB3,501 million in 1H2025. This primarily included cash outflows of RMB2,608 million for the FY2024 dividend payment to equity holders, net repayment of bank borrowings totalling RMB750 million, and RMB158 million for the purchase of treasury shares. These outflows were partially offset by a capital injection of RMB15 million from the non-controlling shareholder of Jiangsu Yangzi Chengkang Marine Heavy Industry Co., Ltd., a 50%-owned subsidiary of the Group.

10. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

11. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

There have been some relatively positive developments in the tariff negotiations between the U.S. and some major economies like Japan, which the tariffs have now been capped at 15% from the previously proposed 25%. However, the newly agreed tariffs remain significantly higher than the 2.5% level in place before the Trump administration.

Shipbuilding industry

According to BIMCO, global shipbuilding contracting fell by 54% year-on-year (“yoy”) in 1H2025. The decline came amid growing concerns over the impact of the U.S. tariffs on global trade volumes. By vessel type, ordering activity for bulk carriers, tankers, and gas carriers slowed due to weaker freight rates, while demand for containerships remained relatively resilient.¹

While shipowners may seek alternatives in response to the port fees proposed by the United States Trade Representative (“**USTR**”), capacity available outside of China remains limited. BIMCO highlighted that South Korea and Japan are facing challenges in scaling up production, primarily due to labour shortages from declining populations, which has led to rising labour costs and reduced competitiveness. Moreover, although the U.S. and India are building shipbuilding capacity led by government efforts, it will take time to scale up production meaningfully.

Long-term shipbuilding demand remains resilient, underpinned by the structural shift toward maritime decarbonisation. In April 2025, the International Maritime Organisation (“**IMO**”) established the Net-zero Framework, which combines mandatory emissions limits and greenhouse gas (“**GHG**”) pricing across the industry. The measures are set to be formally adopted in October 2025 before entry into force in 2027, will become mandatory for large ocean-going ships over 5,000 gross tonnages, which account for 85% of the total CO2 emissions from international shipping.²

Shipping industry

During the period under review, the shipping industry experienced greater volatility, largely attributed to tariff shocks and geopolitical tensions. Notably, the Baltic Exchange Dry Index (“**BDI**”) reached a twelve-month low at 715 points on 31 January 2025, while rebounding to a twelve-month high of 2,120 points on 23 July 2025³. This surge, driven by the increase in the capesize index, could signal a potential recovery of the shipping industry in 2H2025, although the outlook remains subject to macroeconomic conditions and market volatility.

¹ <https://www.rivieramm.com/news-content-hub/news-content-hub/chinas-shipbuilding-dominance-unlikely-to-shift-soon-despite-market-share-drop-85494>

² <https://www.imo.org/en/mediacentre/pressbriefings/pages/imo-approves-netzero-regulations.aspx>

³ Bloomberg, BDIY Index

With a fleet of 33 vessels, the Group will continue to adopt a flexible deployment strategy—seizing opportunities to lock in attractive time charters when appropriate, while maintaining spot exposure to optimise earnings and fleet agility.

Summary

As tariff and trade talk progressions continue into 2H2025, uncertainty continues to weigh on market sentiment and global trade flows. Nonetheless, supported by a robust outstanding orderbook of US\$23.21 billion scheduled for progressively delivery from 2025 through 2029 and beyond, the Group remains cautiously optimistic. Leveraging its industry leadership, the Group stays closely attuned to market movements. As we move into 2H2025, increased clarity on tariff developments is expected to foster a more favourable environment sentiment. Well-positioned to capitalise on these opportunities, the Group is confident in securing new opportunities and endeavours to fill the remaining delivery slots for 2028 and 2029, which largely comprise of small to mid-sized vessels.

12. Dividend

a) Current Financial Period Reported On

None.

b) Corresponding Period of the Immediately Preceding Financial Year

None.

c) Whether the dividend is before tax, net of tax or tax exempt

Not applicable.

d) Date payable

Not applicable.

e) Books closure date

Not applicable.

13. If no dividend has been declared (recommended), a statement to that effect.

It is the company's policy to declare dividend annually.

14. Interested Person Transactions

The following table sets out the current total of all transactions with the interested person for the financial period ended 30 June 2025:

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
<u>YEE KEE SHIAN, LEON</u> <u>Duane Morris & Selvam LLP</u> <u>Receipt of legal services</u>	RMB 76,000 * (Equivalent to SGD 14,000)	Nil [^]

*Aggregate value less than 3% of Group's NTA as at 31 December 2024, shareholder mandate not applicable.

[^]The Company does not obtain a shareholders' mandate for interested person transactions.

15. Confirmation pursuant to Rule 720 (1) of the Listing Manual

The Company confirms that it has procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720 (1) of the Listing Manual.

16. Confirmation by the board pursuant to rule 705 (5) of the Listing Manual

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 June 2025 to be false or misleading in any material aspect.

On Behalf of the Board of Directors

Ren Letian
Executive Chairman and Chief Executive Officer

Yee Chia Hsing
Independent Director

Singapore
Date: 6 August 2025