YANGZIJIANG FINANCIAL

RESILIENT ROOTS, EXPANDING HORIZONS, NAVIGATING RECOVERY

ANNUAL REPORT **2024**

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CORPORATE PROFILE

The Group continues to diversify its portfolio across various asset classes, with a strategic focus on maritime investments.

The Group is expanding investments globally with a key focus towards Singapore while gradually reducing exposure in China.

ABOUT

Yangzijiang Financial Holding Ltd. ("YZJF") is an asset manager seeking to achieve capital appreciation and income through its investment management arm. It generates recurring fee-based income from managing third-party investment funds and providing private credit services.

YZJF is the spinoff of the investment arm of Yangzijiang Shipbuilding (Holdings) Ltd. ("YSL"), one of the world's largest and most reputable shipbuilding companies. Since 2008, YSL has been deploying its deep capital reserves and excess cash into debt investments and fund investments.

Following YZJF's spinoff on the mainboard of SGX-ST in April 2022, YZJF has expanded its investment portfolio, diversifying across geographies and asset classes while capitalising on emerging opportunities in maritime assets.

VISION

To become a leading investment manager in Asia, focusing on sustainable long-term value creation.

MISSION

Invest in growth opportunities to achieve attractive risk-adjusted return, while providing steady stream of dividends to shareholders through income generated from investment and fund management businesses.

ASSETS UNDER MANAGEMENT

S$4.22b (as of 31 December 2024)

- Investment Management – Generates capital gains and long-term sustainable dividend yield.
- Maritime Investments – Generates income from assets, commissions, and profits from associates and joint ventures.
- Fund Management – Generates fee income.

CORPORATE PROFILE

OUR SERVICES

Investment Management

Debt Investment	Fixed interest debt investment and microfinance loans
Direct Investment	Public and private equity/debt, others
Fund Investment	LP/Co-GP into funds managed by GEM/3rd party fund manager

Maritime Fund and Maritime Investments

Maritime services	Maritime business
Loan services	Import and export business

Fund Management

Management of funds pooled by proprietary capital and 3rd party funds

KEY FOCUS FOR INVESTMENT MANAGEMENT

In China

- Clean Energy – Provide ship financing for ship-building projects that utilise clean energy (E.g. Liquified Natural Gas)
- Capital Markets in China
  - Pre-IPO
  - Share placements
  - Mezzanine financing

Global

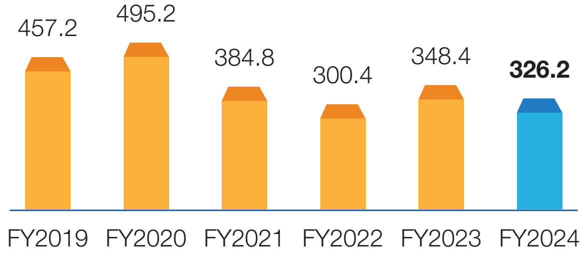
- Maritime fund
  - Ship financing, shipbroking, facilitation of leases and sales
  - Investments in vessels
  - Ship chartering business
  - Import and export of vessels and related equipment

Singapore

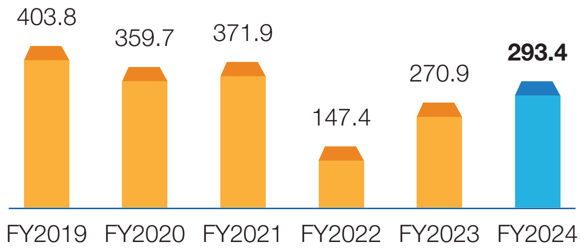
- Cash and Yield Enhancement Products
  Plans to reallocate to:
  - Maritime-related investments
  - Private credit funds in South East Asia
- Capital Markets
  - Direct investments
  - Fund investments
  - Fund Management
  - Capital Markets
- Direct investments
- Fund investments
- Fund Management

FINANCIAL HIGHLIGHTS

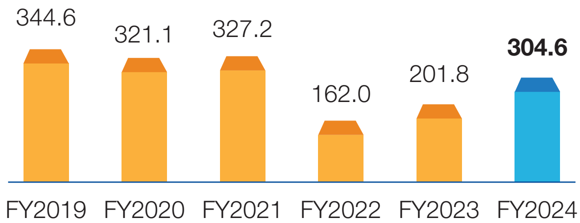
TOTAL INCOME (S$M)



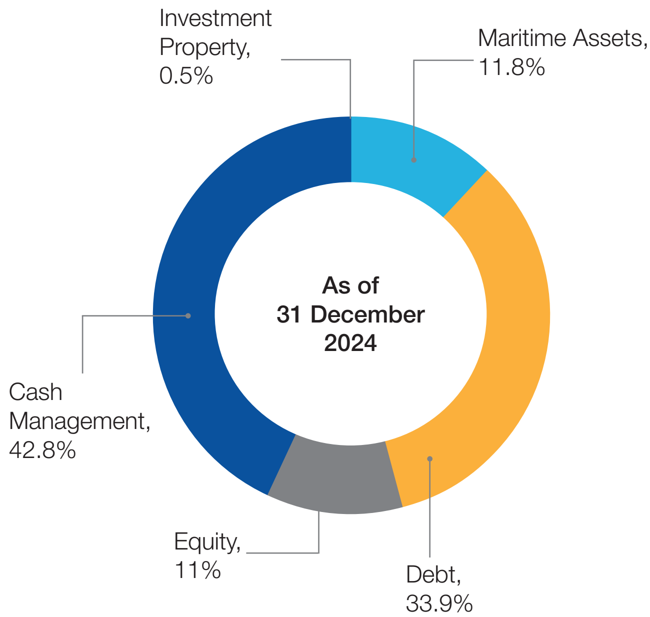
PROFIT AFTER ALLOWANCES (S$M)



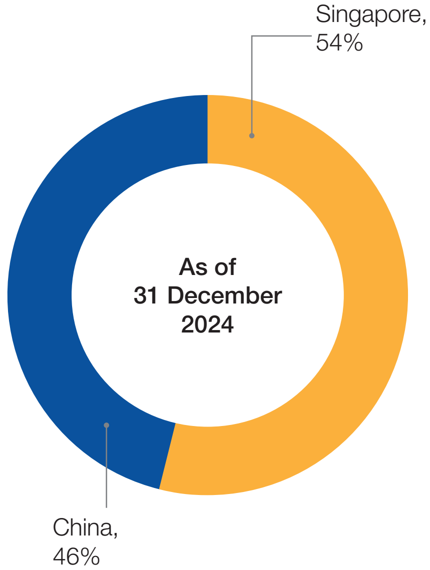
NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY (S$M)



ASSETS UNDER MANAGEMENT



PORTFOLIO ALLOCATION BY GEOGRAPHY



CHAIRMAN'S STATEMENT

Mr. Ren Yuanlin
Executive Chairman and
Chief Executive Officer

DEAR SHAREHOLDERS

It is my honour to address you as the Executive Chairman and Chief Executive Officer of Yangzijiang Financial Holding Ltd ("**YZJF**", or together with its subsidiaries, the "**Group**"). Despite the volatility and uncertainty that characterised much of the global economic landscape in FY2024, the Group has remained steadfast in its commitment to portfolio diversification across asset classes and geographies, effectively balancing risk management with value creation for our shareholders.

Continued Diversification of Our Portfolio

In FY2024, we maintained our strategic focus on the Asia-Pacific region, with Singapore as our base to further enhance portfolio diversification.

In addition, we have been actively managing our debt exposure in China through proactive risk mitigation and loan recovery efforts. Notably, we recorded an increased net reversal of credit loss allowances amounting to S$15.5 million, driven by continued loan collections. While the non-performing loan ("**NPL**") ratio stands at 46.9% as at 31 December 2024, potential credit losses remain manageable, supported by our prudent strategy of over-collateralising loans to maintain sufficient buffers against asset deterioration.

Building on our medium-term strategy set in FY2022, the Group successfully reduced its exposure in China to 46% of total assets under management ("**AUM**") and lowered debt investments to 29%, surpassing our initial targets of 50% and 30% respectively, ahead of schedule.

With a more balanced and resilient portfolio, the Group is well-positioned to navigate risks associated with Chinese debt investments while strengthening its overall risk-adjusted returns. Looking ahead, we will continue refining our sector rotation strategy by restricting new loan exposure to underperforming industries, particularly real estate and real estate-related sectors. At the same time, we remain committed to actively managing the NPLs through targeted restructuring initiatives and legal recourse to optimise recoveries and safeguard asset quality.

Key Focus in Singapore

The Group has expanded its investments outside of China to 54% of total AUM, leveraging Singapore as a strategic hub to enhance our investment management capabilities, fund management expertise, and maritime-related investments. We also plan to increase allocations to private credit funds in Singapore and the wider Southeast Asian region, capitalising on emerging opportunities in growth sectors. By anchoring our expansion in Singapore, we aim to broaden our investment footprint across the Asia-Pacific, further diversifying our portfolio across geographies.

CHAIRMAN'S STATEMENT

Driving Growth in Maritime Assets

We have made significant progress expanding and strengthening our maritime investments. Our maritime fund has grown to US$600 million, of which US$450 million has been successfully deployed to date. Our diversified portfolio now comprises 66 vessels, including tankers, gas carriers, bulk carriers, container ships, and offshore support vessels, across 8 countries.

The Group's investment activities in this segment encompass ship financing, shipbroking, lease and sales facilitation, direct vessel investments, ship chartering, and the import and export of vessels and related equipment.

We're proud to report that 40% of the maritime fund is invested in eco-friendly and ESG-aligned assets, addressing the rising demand for clean energy vessels. Moreover, 96% of our vessels (by investment value) are compliant with IMO requirements to ensure maritime safety, security and environmental protection, compared to 87% in FY2023. Leveraging management's extensive expertise in shipbuilding and investment management, the Group is well-positioned to identify, evaluate, and capitalise on high-potential opportunities in the maritime sector.

Cash Management

In FY2024, the Group's allocation to cash and yield enhancement products grew to approximately 43% of AUM. To optimise returns from this substantial allocation, we established a dedicated cash management fund in June FY2024 to capture higher yields than conventional deposits through active investment management. As part of our long-term investment strategy, we plan to strategically reallocate a portion of these funds into maritime-related investments and private credit funds across Southeast Asia, particularly Singapore. This targeted approach will enable the Group to enhance risk-adjusted returns while maintaining alignment with its long-term growth objectives.

Financial Review

Reflecting the Group's resilient performance amidst a volatile economic environment, total income declined slightly to S$326.2 million in FY2024, primarily due to lower interest income from debt investments as a result of further loan collections during the year. However, this was partially offset by robust investment income from our maritime fund assets and cash management activities. Notably, income from maritime fund assets increased by nearly 1.5 times, reaching S$57.8 million, up from S$23.4 million in FY2023.

Despite the slight moderation in total income, the overall net profit attributable to equity holders of the Company rose significantly by 51% year-on-year ("**y-o-y**") to S$304.6 million. Earnings per share ("**EPS**") saw an even stronger increase of 57% y-o-y, supported by the Group's share buyback activity in FY2024.

The Group also strengthened its balance sheet, with net asset value ("**NAV**") per share increasing to S$1.1682 as of 31 December 2024 from S$1.0662 as of 31 December 2023.

Buybacks and Payouts

The Group remains committed to delivering value to shareholders through annual dividend distributions. The Group has declared a total dividend of 3.45 Singapore cents per ordinary share for FY2024, in line with its commitment to maintaining a 40% dividend payout ratio. This approach strikes a good balance between pursuing growth opportunities and rewarding shareholders for their continued support.

In addition to dividends, the Group has maintained its share buyback programme as an effective means of enhancing value to shareholders and will continue to execute share buybacks at appropriate times, taking into account factors such as the availability of surplus cash, the share price level, and prevailing market conditions.

Appreciation

I would like to express my sincere gratitude to our business partners and shareholders for their continued trust and support.

The Board extends our gratitude to Mr. Chew Sutat for his contributions as our Lead Independent Non-Executive Director and Mr. Chua Kim Leng for his service as an Independent Non-Executive Director until their resignations in June 2024.

We are pleased to welcome Mr. Chen Timothy Teck Leng as Lead Independent Non-Executive Director, as well as Mr. Xu Wen Jiong as our Independent Non-Executive Director. We are confident that their expertise in the maritime industry will be instrumental as we pursue new opportunities in this segment.

I would also like to convey my heartfelt thanks to the board of directors, management team and all employees for their diligence, perseverance and dedication as we navigate a volatile economic landscape. As the Group continues to explore new opportunities and broaden its reach in the year ahead, we can look forward to an accelerated growth momentum and lasting value creation for all stakeholders.

KEY MILESTONE

MAR 2022

24 MAR 2022
- Eligibility to-list ("ETL") for the listing of all the shares of Yangzijiang Financial Holding Pte. Ltd. (to be renamed Yangzijiang Financial Holding Ltd.) ("YZJF")

APR 2022

28 APR 2022
- YZJF's admission to the Mainboard of the SGX-ST
- Acquisition of GEM Asset Management Pte. Ltd.

MAY 2022

11 MAY 2022
- Establishment of GEM Growth Fund VCC

AUG 2022

11 AUG 2022
- Set up of Maritime Fund

NOV 2022

22 NOV 2022
- Partnership with Heliconia Capital to invest in Singapore and Southeast Asian SMEs

25 NOV 2022
- The liquidity pool scheme were bestowed to its wholly-owned Subsidiaries

DEC 2022

01 DEC 2022
- New Office Opening at Republic Plaza

MAR 2023

01 MAR 2023
- Investment in YZJF's Maritime Fund Eco Shipping Asset

06 MAR 2023
- YZJF Partners Tahan Capital Management to invest in Asia Private Credit Assets

09 MAR 2023
- Collaboration With Global Private Market Exchange ADDX

JULY 2023

20 JUL 2023
- YZJF Maritime Fund invests in 2 Chemical and Product Tankers

AUG 2023

07 AUG 2023
- Joined Forces with Cetus Maritime in Strategic Handysize Bulk Carrier

JUN 2024

05 JUN 2024
- Partners with Alpha Omega Marine and invests in dry-bulk vessel

DEC 2024

31 DEC 2024
- Reduced China exposure to 46%, achieving target ahead of time
- 66 vessels under maritime fund spanning 8 countries

BOARD OF DIRECTORS

REN YUANLIN
Executive Chairman and Chief Executive Officer

Mr. Ren Yuanlin ("Mr. Ren") is our Executive Chairman and Chief Executive Officer ("CEO"). He was appointed to our Board on 14 December 2021. His responsibilities include providing leadership and governance of the Board so as to create the conditions for the Board's effectiveness, and ensuring that all key and appropriate issues are discussed by the Board in a timely manner. Mr. Ren will also ensure that the Board as a whole plays a full and constructive part in the development and determination of our Group's strategies and policies and that Board decisions taken are in our Group's best interests and fairly reflect the Board's consensus. He will also ensure that the strategies and policies agreed upon by the Board are effectively implemented by the management team.

Mr. Ren is also responsible for establishing good corporate governance practices and procedures, and promoting the highest standards of integrity, probity and corporate governance throughout our Group and particularly, at the Board level.

Mr. Ren joined Yangzijiang Shipbuilding (Holdings) Ltd. ("YSL") (formerly known as Jiangyin Shiprepairing & Shipbuilding Cooperative) in July 1973 as a construction steel worker in its hull workshop. Mr. Ren has since held various roles in several areas, including technology management and production management, and was appointed as a director of the company in 1985. Mr. Ren was named the President of YSL in January 2007, before YSL became publicly listed on the Mainboard of the SGX-ST in April 2007.

Mr. Ren was awarded the Ernst & Young Entrepreneur Award in 2011. In 2020, Mr. Ren became the Honorary Chairman of YSL.

Mr. Ren holds a Diploma in Economics from Jiangsu Television Broadcasting University which he was conferred in 1986.

CHEN TIMOTHY TECK LENG
Lead Independent Non-Executive Director

Mr. Chen Timothy Teck Leng ("Mr. Chen") is our Lead Independent Non-Executive Director. He was appointed on 1 July 2024 and serves as the Chairman of the Audit and Risk Committee, and a member of the Nominating, Remuneration, and Investment Committees.

Prior to his appointment, Mr. Chen served as the Lead Independent Director and Chairman of the Audit and Risk Committee of YSL for over a decade, bringing extensive expertise in the maritime and investment industry. He played a key role in overseeing the Group's spin-off from YSL.

Mr. Chen has more than three decades of management experience in banking, insurance, investment funds and corporate advisory work in North America and Asia. He has held positions in Bank of America, Wells Fargo Bank, Bank of Nova Scotia and Sun Life Financial Inc. He was formerly the General Manager of China Sun Life Financial Inc. and the Founding President & CEO of Sunlife Everbright Life Insurance Company.

Mr. Chen has more than fifteen years of experience in serving Boards of listed/non-listed companies and non-profit organizations based in Singapore, Canada, and China. His expertise spans various industries including Insurance/ Banking, Manufacturing, Hospital/Pharmaceutical, Real Estate Construction/ Development, Education, Autopart Distribution and Cultural Development.

Mr. Chen earned his Bachelor of Science degree from the University of Tennessee and his Master of Business Administration degree from Ohio State University. He is a graduate of Harvard Business School's Executive Management Program. He received his Certified Corporate Director (ICD.D) designation from the Canadian Institute of Corporate Directors.

BOARD OF DIRECTORS

YEE KEE SHIAN, LEON
Independent Non-Executive Director

Mr. Yee Kee Shian Leon ("Mr. Yee") was appointed as our Independent Non-Executive Director on 25 March 2022 and was also appointed as the Chairman of the Nominating and Remuneration Committees. Mr. Yee is the Chairman of Duane Morris & Selvam LLP. He serves as the Global Head of Corporate, and leads the Banking & Finance, Fintech & Blockchain, Energy and China practice groups.

He has two decades of extensive corporate law expertise and regularly advises ultra-high net worth individuals, private equity funds, investment banks, listed and private companies on corporate finance, venture capital, capital markets, takeovers, cross-border mergers and acquisitions, corporate governance, corporate restructurings, joint ventures, as well as complex financing transactions.

Mr. Yee currently also serves as an independent non-executive director of FJ Benjamin Holdings Ltd, OxPay Financial Limited, Oxley Holdings Limited, TEHO International Inc Ltd and Yangzijiang Shipbuilding (Holdings) Ltd, all of which are SGX-ST listed companies. He is a member of the advisory board of Genesis Alternative Venture I L.P., a venture debt fund. He is also a Board member of the Gambling Regulatory Authority, a statutory board under the Ministry of Home Affairs.

Mr. Yee read Law at Christ's College, Cambridge University, where he graduated with honours in 2000. He went on to obtain a Master of Arts from Christ's College, Cambridge University in 2006.

He is an Advocate & Solicitor of the Supreme Court of Singapore and a Solicitor of England and Wales.

XU WEN JIONG
Independent Non-Executive Director

Mr. Xu Wen Jiong ("Mr. Xu") is our Independent Non-Executive Director. He was appointed to our Board on 1 July 2024 and is a member of the Audit and Risk, Nominating, and Remuneration Committee.

Mr. Xu possesses more than 40 years of experience in the marine industry. He graduated in Electrical Engineering from "Nan Jing Marine Institute" in the year of 1969 and joined Qing Dao Bei Hai Shipyard in the same year and later in 1975 he joined the COSCO Group to further his career until 1989.

In 1992, he acquired "West Gold International Pte Ltd" ("West Gold"), which was initially registered in Hong Kong and shifted its headquarter to Singapore in 1994. Having been the Chairman and Managing Director of West Gold since 1994, Mr. Xu contributes greatly towards its business expansion.

West Gold is mainly engaged in shipbuilding and shipping-related businesses, including shipbuilding agency, ship chartering, and the sale of ship navigation equipment and other marine technologies. The company also operates in the container sector, offering services such as reefer container management, depot storage, repairs, and other related solutions. With offices in Hong Kong, Shanghai, some major cities of Mainland China, and Europe, West Gold maintains a strong international presence.

Recognizing his extensive industry expertise, Mr. Xu was appointed as the Non-Independent Non-Executive Director of Yangzijiang Shipbuilding (Holdings) Ltd from 2014 to 2022. YSL is one of the leading shipbuilding companies in the world and among the largest Chinese companies listed on SGX.

KEY MANAGEMENT

LIU HUA

Deputy Chief Executive Officer & Chief Financial Officer

Ms. Liu Hua ("Ms. Liu") is our Deputy Chief Executive Officer ("Deputy CEO") and Chief Financial Officer ("CFO"). She joined YSL in November 2007 as Financial Controller and was re-designated as Chief Financial Officer in June 2008. Ms. Liu was re-designated as the CFO and COO of our Company following the completion of its restructuring exercise and she was appointed as Deputy CEO on 24 April 2024.

As our Deputy CEO and CFO, Ms. Liu is responsible for the financial management functions, as well as the sourcing and management of funds for our Company. She oversees matters involving treasury, accounting and capital management. Ms. Liu also collaborates with our Executive Chairman and the CEO in setting and driving our Group's vision, operational strategy and hiring needs. She is responsible for driving organisational excellence by overseeing our Group's strategy, structure workflow, processes and business objectives, as well as overseeing operational matters including investment, fund management, investor relations, information technology and strategic planning.

Ms. Liu has extensive experience in finance and corporate finance management. Prior to joining YSL in November 2007, she was the financial controller of Global Container Freight Pte. Ltd. and was responsible for the overall financial functions of its subsidiaries in Singapore, the PRC, Taiwan, Malaysia, Myanmar, Cambodia, Thailand and Vietnam.

Ms. Liu graduated from Oxford Brookes University with a Bachelor's Degree in Applied Accounting in 2003. She has been a member of the Institute of Singapore Chartered Accountants since 2004 and was awarded the Chartered Financial Analyst (CFA) designation by the CFA Institute in 2007. Ms. Liu was also admitted as a Fellow Member of the Association of Chartered Certified Accountants in 2009.

ALEX YAN ZHONGBING

Chief Executive Officer & Head of Maritime Fund,
GEM Asset Management Pte. Ltd.

Mr. Alex Yan Zhongbing ("Mr. Yan") is the Chief Executive Officer ("CEO") of the Group's wholly owned subsidiary GEM Asset Management Pte. Ltd. and concurrently the Head of Maritime Fund. Mr. Yan has been engaged in the maritime investing business for over two decades, with varying leading positions rotating from leasing and financing to fleet management and asset management.

Before joining the Group, Mr. Yan was the Head of Partner Relations – Far East at Klaveness Asia. Preceding to then, he served as Lloyd's Register's vice president of leasing and shipping, the General Manager of shipping finance at Haitong UT Leasing, and the head of asset management at CSSC Leasing.

Mr. Yan holds a Master of Science in Investment Management from the Hong Kong University of Science and Technology, Master of Logistics Engineering from Shanghai Jiao Tong University, and a Master of Business Administration (MBA) from Fudan University.

KEY MANAGEMENT

SU QING
Chief Compliance Officer – PRC

Mr. Su Qing ("Mr. Su") is our Chief Compliance Officer – PRC, and he joined the YSL in November 2007. His responsibilities include overseeing legal, compliance, corporate secretarial and risk management functions of our Group, covering the Debt Investment Business, Investment Management Business and operations in the PRC. He will also be responsible for ensuring that there are appropriate procedures and processes in place to implement policies approved by the Board, as well as adequate systems to monitor compliance with established policies and procedures.

Upon graduating from the Economic Law School of East China University of Political Science and Law, Mr. Su joined Jiangsu Yangzijiang Shipyard Co., Ltd. as a translator in November 2007. From May 2008 to June 2009 and June 2009 to October 2012, he held the positions of operating representative and investment manager respectively in Jiangsu Yangzijiang Shipyard Co., Ltd.. From October 2012 to March 2015 and March 2015 to December 2018, Mr. Su held the positions of Chief of Legal Affairs and Director of the Legal Affairs Department in Jiangsu Yangzijiang Shipbuilding Co., Ltd. and Jiangsu New Yangzi Shipbuilding Co., Ltd. respectively. He has been the Legal Director of Jiangsu Xinyang Ship Investment Co., Ltd. since January 2019.

Mr. Su graduated from the Economic Law School of East China University of Political Science and Law with a Bachelor of Science (Economic Law) in June 2007.

CHIANG KHENG HONG
Managing Director, Head of Cash Management
GEM Asset Management Pte. Ltd.

Mr. Chiang Kheng Hong ("Mr. Chiang") has over 25 years of expertise in both buy- and sell-side corporations, achieving success in treasury, financial markets, and risk management.

As Managing Director and Head of Cash Management, Mr. Chiang oversees the Group's cash management function, ensuring robust liquidity risk management and optimal cash return. Additionally, he serves as a member of the Group's Investment Committee, contributing to the oversight of the Group's investment management framework.

He formerly served as Standard Chartered Bank's interim regional treasurer in Hong Kong, where he headed the Regional Treasury Division responsible for managing a substantial regional balance sheet encompassing capital, liquidity, and interest rate risk management.

Prior to his tenure at Standard Chartered Bank, Mr. Chiang was the Greater China Head of Market and Liquidity Risk at DBS Bank in Hong Kong, where he managed the market and liquidity risk governance and regulatory compliance of DBS Hong Kong. As a seasoned banker, Mr. Chiang has deep knowledge of financial markets in Asia and extensive financial product expertise gained throughout Greater China and South Asia.

Mr. Chiang graduated from the Nanyang Technological University with a Master's degree in Business Administration in 1998. He has been awarded certifications in both Financial Risk Manager (FRM) and Professional Risk Manager (PRM).

KEY MANAGEMENT

ALVIN CHEW LEE GUAN

Managing Director, Head of Direct Investments
GEM Asset Management Pte. Ltd.

Mr. Alvin Chew ("Mr. Chew") is our Head of Direct Investments in Singapore, and he joined the Group on 28 November 2022. Mr. Chew is responsible for overseeing the group's direct investments outside of China.

Mr. Chew's career spans over 20 years of professional experience in direct investments, investment banking and corporate development. Mr. Chew was a Managing Partner at EDBI Pte. Ltd. ("EDBI") where he led the Strategic Growth Program team which oversees EDBI's private equity growth investments into Singapore based enterprises across industries in healthcare services, advanced manufacturing, creator economy and sustainability. He was also the Coordinating Head for the firm's China operations that are responsible for investments in the areas of Digital Technologies, Emerging Technologies and Healthcare. Mr. Chew was a member of EDBI's senior management team responsible for corporate matters and policies and served in EDBI's Investment & Divestment Committees for all direct and Fund of Funds investments, and as board director and board observer in many of EDBI's portfolio companies.

Prior to EDBI, Mr. Chew was the former Managing Partner in ACA Investments Pte Ltd, a fund management company spin-off from Nikko Cordial Group, covering mid-market private equity investments in North Asia and Southeast Asia. Preceding to that, Mr. Chew was previously the Executive Director with ICH Group Ltd where he set up and managed the Group's Private Equity Investment division (ICH Asset Management Pte Ltd & ICH-Nikko Antifactory Fund Management Pte Ltd).

Mr. Chew holds a Bachelor of Social Science (Honours) in Economics from the National University of Singapore.

WU MENGLIN

Head of Fund Investments
GEM Asset Management Pte. Ltd.

Ms. Wu Menglin ("Ms. Wu") is our Group's Head of Fund Investments. Ms. Wu leads the due diligence and selection process of the Group's investments in international funds outside of China.

Prior to joining the Company, Ms. Wu served as Vice President, Private Equity Funds and Co-Investments at GIC Private Limited ("GIC"), a sovereign wealth fund that oversees Singapore's foreign reserves. During Ms. Wu's 10-year stint at GIC, she managed private equity fund investments in Asia and co-investments in a diverse range of sectors.

Ms. Wu earned her master's degree in information and computer engineering, and a bachelor's degree in Engineering from the University of Cambridge.

FINANCIAL AND OPERATIONS REVIEW

FINANCIAL AND OPERATIONS REVIEW

In a year marked by economic challenges and changing market conditions, the Group focused on strengthening its investment strategy through diversification across asset classes and regions. This approach was aimed at enhancing resilience, optimising risk management, and identifying new growth opportunities. As a result, the Group delivered stable financial performance and maintained a diversified asset base, positioning itself for future growth.

INCOME

The Group reported total income of S$326.2 million for FY2024, a 6% decline from S$348.4 million in FY2023. This decrease was mainly attributed to lower interest income, which fell to S$195.8 million due to a reduced average balance of debt investments in China.

In FY2024, 60.7% of total income was generated from Singapore, compared to 15.7% in FY2023. This reflects the Group's ongoing efforts to diversify its income sources.

	2024	2023
Total income	S$'000	S$'000
China	**128,212**	293,876
Singapore	**198,014**	54,558
	326,226	348,434

- **Interest Income:** Interest income declined by 32% to S$195.8 million in FY2024, largely due to a lower average balance of debt investments in China. This was partially offset by higher interest income from a larger average cash balance.

	2024	2023
Interest income	S$'000	S$'000
From debt investments business in China	**124,037**	259,058
From cash management activities	**71,732**	28,182
	195,769	287,240

- **Investment Income:** Investment income increased by 84% to S$77.7 million in FY2024, up from S$42.1 million in FY2023. This growth was primarily driven by the expansion of maritime fund assets, private credit investments, and the introduction of a cash management fund. Income from maritime fund assets rose to S$57.8 million, compared to S$23.4 million in FY2023, reflecting positive performance in vessel financing and chartering activities. Additionally, income from private credit funds and cash management funds in Singapore increased by 169%, reaching S$16.7 million, compared to S$6.2 million in FY2023. However, dividend income from venture capital investments in China decreased by 75% to S$3.2 million, down from S$12.6 million in FY2023, due to reduced allocations to venture capital.

	2024	2023
Investment income	S$'000	S$'000
From maritime fund assets	**57,809**	23,375
From private credit and cash management funds	**16,679**	6,209
From venture capital funds	**3,163**	12,563
	77,651	42,147

- **Fair Value Gains:** The Group recorded a net fair value gain of S$50.6 million in FY2024, up from S$17.7 million in FY2023, mainly due to unrealised gains in Singapore-based fund investments and derivatives, which were partially offset by losses in China venture capital fund investments.

FINANCIAL AND OPERATIONS REVIEW

ASSETS

In FY2024, the Group continued to implement its geographical diversification strategy, reducing its exposure to China to 46% of total assets under management (AUM) and debt investments in China to 29%. This achieved the Group's mid-term targets of reducing China exposure below 50% and debt investments below 30%, ahead of schedule.

	2024	2023
Total assets	S$'000	S$'000
China	**2,017,036**	2,849,720
Singapore	**2,405,546**	1,326,275
	4,422,582	4,175,995

- **Cash and Cash Equivalents:** Cash and cash equivalents increased by 1%, from S$1,406.2 million as of 31 December 2023 to S$1,413.3 million as of 31 December 2024, maintaining a solid liquidity position.

- **Debt Investments at Amortised Cost:** Debt investments at amortised cost decreased by 26%, from S$1,678.9 million as of 31 December 2023 to S$1,250.7 million as of 31 December 2024, primarily due to net repayments during the period.

- **Financial Assets at Fair Value:** Financial assets at fair value through profit or loss increased by 97%, from S$433.8 million as of 31 December 2023 to S$854.2 million as of 31 December 2024, driven by fund investments during the year.

- **Maritime Fund Assets:** Maritime fund assets grew to S$165.0 million in vessel investments, S$261.4 million in finance leases and S$127.7 million in joint ventures, reflecting the Group's expansion into maritime sector.

Share Buyback Programme

The S$200 million share buyback programme reflects the Group's commitment to shareholder value. As of 31 December 2024, the Group had repurchased approximately 470.1 million shares, of which 276.6 million were cancelled. The Group currently holds 5.3% of its outstanding shares.

Business Outlook

The Group has made progress in its diversification and asset allocation, meeting some of its targets ahead of schedule. A more diversified portfolio enables the Group to manage risks associated with Chinese debt investments while improving overall resilience.

- **Maritime Fund Expansion**
  The expansion of the maritime fund remains a key focus. The fund's target has been increased to US$600 million, with US$450 million allocated to eco-friendly maritime assets, representing 12% of total AUM. These investments include vessel portfolios, finance leases, loan services, and joint ventures in ship chartering activities.

- **Cash and Yield Enhancement Products**
  In FY2024, the Group's cash and yield enhancement products represented approximately 42.8% of AUM. Going forward, the Group plans to reallocate a portion of these funds towards maritime-related investments and private credit funds in Southeast Asia, particularly in Singapore, in line with its long-term investment strategy.

The Group has pursued a cautious diversification strategy, maintaining financial resilience while managing risks. With a well-structured portfolio and a clear strategic direction, the Group is positioned to navigate current market conditions and continue working towards sustainable growth.

SUSTAINABILITY REPORT

ABOUT THIS REPORT

Scope

This year, Yangzijiang Financial Holding Ltd ("**Yangzijiang Financial**" or together with its subsidiaries, the "**Group**") is proud to present its third annual Sustainability Report. The report highlights the Group's comprehensive approach to environmental, social, and governance ("**ESG**") practices, detailing its progress and the implementation of both ongoing and new initiatives during the financial reporting period from 1 January 2024 to 31 December 2024 ("**FY2024**").

The report encompasses all of the Group's consolidated entities in Singapore and the People's Republic of China ("**PRC**") for FY2024. Relevant historical data from FY2023, has been included in this report for comparison purposes.

Reporting Framework

The Sustainability Report is prepared in line with the following:

- the Singapore Exchange Securities Trading Limited ("**SGX**") Listing Rules 711A and 711B on Sustainability Reporting;

and in reference to:

- SGX Core ESG Metrics;
- The Global Reporting Initiative ("**GRI**") Standards 2021;
- The Recommendations of the Task Force on Climate-related Financial Disclosures ("**TCFD**").

Review and Assurance

This report has been approved by the Board of Directors ("**Board**") of Yangzijiang Financial. The Group relied on our internal data monitoring and verification to ensure accuracy of the report. Internal review on the sustainability reporting process has been incorporated as part of our internal audit review cycle and we will work towards external assurance in the future.

Feedback

For further enquiries or questions relating to the report, please write to our email, as follows public@yzjfin.com.

SUSTAINABILITY REPORT

2024 SNAPSHOT

Sustainability Commitments

Target **Net-Zero by 2050** in terms of Scope 2 emissions

ESG Integration in selected Investment processes

Environmental

Scope 2 emissions[a]
80.2 (-8.2%)
tCO_2 w.r.t 2023

Scope 3 emissions[b]
20.4 (-55.2%)
tCO_2 w.r.t 2023

Scope 2 Intensity
0.0041 (-8.2%)
tCO_2/sqft w.r.t 2023

Social

6 hours of internal training on sustainability

External Sustainability Training For Investment and Risk and Compliance Team

39% Female employees

Governance

Anti-Corruption and Anti-Bribery Training conducted

Zero cases of bribery and corruption

Zero cases of data privacy breach

(a) Scope 2 emissions refer to purchased electricity. Scope 2 carbon emissions are reported using location-based approach. Emission factor source: Singapore Energy Market Authority (2024), Ministry of Ecology and Environment of the People's Republic of China (2023).

(b) Scope 3 emissions refer to air travels conducted by Singapore employees. Scope 3 carbon emissions are computed using distance-based method using data from the UK Department for Environment, Food & Rural Affairs (DEFRA) 2024; FY2022 figures were restated for standardization of conversation factor.

SUSTAINABILITY REPORT

BOARD STATEMENT

Dear Stakeholders,

As we progress into 2025, the global sustainability landscape continues to evolve, driven by heightened regulatory scrutiny, shifting investor expectations, and the growing urgency of climate action. Companies worldwide must navigate these complexities while seizing opportunities for responsible growth.

At Yangzijiang Financial, we recognise the vital role that of the asset management industry in fostering sustainable development. As such, we are committed to steadily integrating ESG considerations into our investment strategies as our capabilities and data monitoring capacity increases. The goal, of course, is to not only enhance long-term value for shareholders but also contribute meaningfully to a more sustainable global economy.

FY 2024 Progress

We are pleased to report significant progress in our sustainability journey over the past year:

- Carbon Emissions Reduction: Our Scope 3 emissions decreased by 55.2%, from 45.6 tCO_2 in FY2023 to 20.4 tCO_2 in FY2024, while Scope 2 emissions declined by 8.2%, reinforcing our commitment to achieving Net-Zero emissions.

- Workforce Upskilling: We continued to empower our employees through sustainability training, expanding our external training program to include the Compliance and Risk Department, ensuring deeper engagement with sustainability-related risks.

- ESG Integration in Investments: We enhanced ESG considerations in our investment portfolio, particularly within our Maritime Fund, by disclosing Scope 3 banding data with Carbon Intensity Indicator ("**CII**") ratings and introducing an ESG Exclusion Framework in our Debt Investment segment.

Strengthening Internal Capabilities

A robust sustainability governance structure is critical for driving meaningful change. Our Sustainability Committee ("**SC**") continues to play a pivotal role in guiding our ESG initiatives, ensuring alignment with global best practices and regulatory developments. Through ongoing engagement, training, and internal review processes, we remain committed to strengthening our ESG capabilities across all business functions.

SUSTAINABILITY REPORT

Commitment to Sustainable Growth

Looking ahead, we will continue to refine our sustainability approach in response to evolving global standards. Our priorities include:

- Further Enhancing ESG Integration: Exploring the viability of expanding sustainability criteria across all investment decisions, including debt, equity, and fund investments.
- Transparency & Accountability: Strengthening climate risk disclosures and exploring external assurance for sustainability reporting.
- Net-Zero Commitments: Advancing our Scope 2 Net-Zero target by 2050 while expanding Scope 3 emissions tracking to include additional investment-related activities.

As we advance our sustainability efforts, we remain committed to responsible investing and sustainable growth. As we continue this journey, we invite our stakeholders – investors, partners, and employees – to join us in driving meaningful progress towards a more resilient and sustainable future.

Sustainability Committee
Yangzijiang Financial Holding Ltd.

SUSTAINABILITY REPORT

OUR APPROACH TO ESG

ESG GOVERNANCE

Strengthening ESG Oversight and Accountability

At Yangzijiang Financial, we recognise that robust ESG governance is pivotal to driving sustainable growth and ensuring long-term value creation. Our commitment to integrating ESG principles is reflected in our governance structure, aimed at fostering accountability and transparency across all levels of our organization.

Governance Framework

Our ESG governance framework is designed to provide comprehensive oversight and effective execution of our sustainability initiatives:

1. **Board of Directors**

   o The Board retains ultimate responsibility for ESG strategy, ensuring alignment with corporate objectives and stakeholder expectations.

   o Quarterly reviews of ESG performance and strategy updates are conducted to maintain oversight and strategic direction.

2. **Sustainability Committee**

   o The SC, established in FY2022, continues to guide our sustainability efforts. It is chaired by an independent non-executive director and includes a C-suite executive and an external ESG advisor.

   o The SC meets quarterly to assess sustainability performance, evaluate climate-related risks and opportunities, and set ESG targets.

3. **The Management Team**

   o Comprising business operation heads from Risk, Compliance, Investment, Finance, and Human Resources, the Executive Team is tasked with executing ESG strategies.

   o The team is responsible for embedding ESG considerations into daily operations, with clear accountability for achieving sustainability targets.

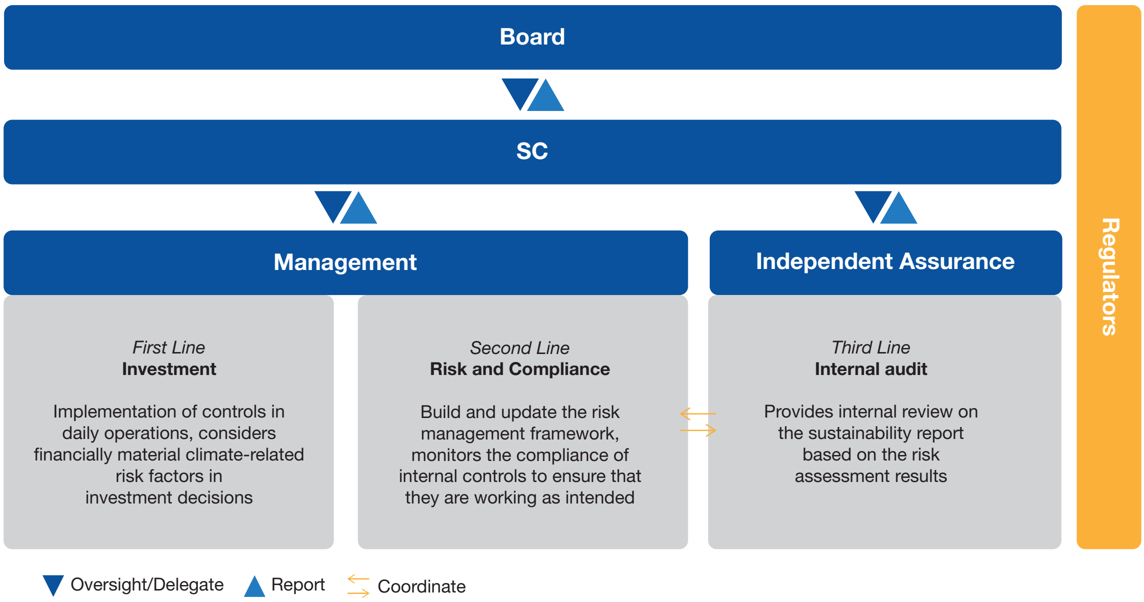
SUSTAINABILITY REPORT

4. Three Lines of Defence; in the context of climate-related risk

- First Line: **Investment Team** is responsible for considering financially material climate-related risk factors as part of their investment decision-making process.

- Second Line: **Risk and Compliance Team** is responsible for building the risk management framework and policies as well as monitoring the compliance of the internal controls.

- Third Line: **Internal Audit** is responsible for independently evaluating the risk assessment results and reporting disclosures as part of the internal review on sustainability reporting.



SUSTAINABILITY REPORT

MATERIALITY ASSESSMENT

In today's fast-evolving business environment, we remain committed to ensuring that our sustainability strategy aligns with both industry best practices and stakeholder expectations. Our Materiality Assessment serves as a vital tool for identifying and prioritising the most relevant ESG topics that impact our operations, investment strategies, and long-term business resilience.

Our Approach to Materiality

To ensure a structured and data-driven evaluation, we conduct a materiality survey that actively engages employees and investee companies. This process enables us to:

- Understand stakeholder priorities regarding ESG topics.
- Evaluate the relevance of material issues to our business and sustainability strategy.
- Enhance transparency in our reporting by aligning disclosures with key ESG risks and opportunities.

Our assessment is guided by leading global sustainability frameworks, including the GRI, TCFD, and SGX Core ESG Metrics.

The primary objectives of the materiality survey are to:

- Understand the priorities and concerns of our employees and investee companies.
- Assess the satisfaction of employees and investee companies with our disclosure and performance on each topic.

Materiality Assessment Process

1. **Identification** – We review industry trends, regulatory developments, and global ESG standards to identify material topics. This includes benchmarking against GRI, TCFD, and SGX guidance, as well as assessing sector-specific risks.
2. **Evaluation & Prioritization** – We conduct stakeholder engagement surveys to assess the significance of each ESG topic, ensuring that our reporting focuses on the most relevant issues.
3. **Validation & Review** – Our senior management and SC review the prioritised topics to ensure they align with the Group's corporate strategy and long-term objectives.
4. **Continuous Improvement** – We update our materiality matrix annually to reflect shifts in regulatory landscapes, stakeholder expectations, and emerging ESG challenges.

SUSTAINABILITY REPORT

FY2024 Materiality Topics and Performance

Our latest assessment reaffirms our commitment to reducing carbon emissions, enhancing ESG integration, and strengthening governance frameworks. Notably, in FY2024, we expanded our scope by introducing "Waste" as a new materiality topic, reflecting our focus on responsible resource management.

Material Topic	FY2024 Performance	Key FY2025 Focus
Carbon Footprint Management (Energy & Emissions)	• Scope 2 emissions ↓**8.2%** (80.2 tCO_2) • Scope 3 emissions ↓**55.2%** (20.4 tCO_2) • Scope 2 emissions intensity ↓**8.2%** (0.0041 tCO_2/sqft)	• Maintain similar Scope 2 emissions intensity • Expand Scope 3 emissions tracking for the Maritime Fund
Climate Risk Management in Investment	• Integrated ESG factors into the Maritime fund. • Incorporate ESG assessment into debt investment in Singapore.	• Continuing refining the ESG assessment of our investment process
Talent Management (Training & Education)	• Complete six (6) hours of internal training on incorporating ESG factors in investment. • Implemented anti-bribery and corruption training sessions. • Refining mandatory training policy for the investment and compliance teams based in Singapore	• Maintain minimum training hours per eligible employee. • Set aside a budget for external ESG Training • Expand external training programme to other business departments
Diversity & Equal Opportunities	• 39% female employees	• Maintain a fair and open hiring process
Employee Well-being and Occupational Health & Safety	• Zero workplace incidents	• Continue monitoring and improving employee wellness programs
Anti-corruption	• Zero corruption & bribery incidents • 100% of employees trained on anti-bribery policies	• Conduct regular compliance training to reinforce ethical culture
Data Privacy	• Zero data breaches	• Zero incidents of breach
Waste Management (New Topic for FY2024)	• 21.1% reduction in office paper waste	• Promote further paper reduction & digital transformation

SUSTAINABILITY REPORT

STAKEHOLDER ENGAGEMENT

Building Strong Relationships

Maintaining open and transparent communication with our stakeholders is essential to our sustainability journey. By engaging with key stakeholders regularly, we can gain valuable insights expectations and address concerns, enabling us to refine our strategies and create value that benefits all parties.

Our stakeholder engagement approach is built on collaboration, responsiveness, and accountability, ensuring that ESG priorities align with our corporate objectives and stakeholder interests.

Our Engagement Approach

We prioritise meaningful interactions with the following stakeholder groups, ensuring their voices are reflected in our decision-making processes:

Stakeholders	Engagement
Employees	▪ Annual performance reviews ▪ Regular training and upskilling ▪ Ongoing engagement by senior management
Investors and Analysts	▪ Annual and sustainability report (annually) ▪ Annual General Meeting (annually) ▪ Extraordinary General Meetings (as and when) ▪ SGXNet announcements (as and when) ▪ Analysts briefing (semi-annually, as and when) ▪ Investor roadshow events (as and when) ▪ One-on-one meetings with institutional investors (ongoing)
Investee Companies	▪ Engagement by fund managers (ongoing) ▪ ESG survey (annually)
Governments and Regulators	▪ Regular dialogues, updates & consultation ▪ Annual and sustainability report (annually) ▪ Audit reports (ongoing) ▪ SGXNet announcements (as and when) ▪ SGX StarGate (ongoing) ▪ MASNET (GEM Asset Management Pte. Ltd.) ▪ Consultation (ongoing) ▪ Seminars and courses ▪ Survey (as and when)
Suppliers/Service Providers	▪ Email and phone calls ▪ Regular meetings ▪ Annual assessment (where required)
Local Community	▪ Donation in cash (as and when) ▪ Corporate social responsibility Events (as and when)

SUSTAINABILITY REPORT

ENVIRONMENT

SCENARIO ANALYSIS

Yangzijiang Financial is committed to advancing climate scenario analysis by adhering to frameworks established by both regulatory compliance and standard-setting bodies. We take guidance from ISSB S1 & S2 standards by the IFRS and the Monetary Authority of Singapore Environmental Risk Management ("**MAS ERM**") disclosure requirements. This alignment has enabled us to assess the potential impacts of climate-related risks and opportunities on our investment portfolio.

As an investment management company, we acknowledge the current limitations in accessing advanced data analytics tools for conducting comprehensive quantitative analysis. To mitigate this, we emphasize the integration of extensive and detailed information into the qualitative analysis of the following two scenarios. This approach ensures a robust and balanced evaluation, while also serving to remind long-term investors of the inherent uncertainties and complexities associated with these forward-looking scenarios.

Disclaimer

This scenario analysis, being forward-looking in nature, relies on a combination of projections, assumptions, and informed estimations. Given the inherent uncertainties and complexities of future developments, the analysis incorporates dynamic factors that may change over time and are influenced by variables beyond our control. These scenarios are not predictions but tools to explore potential outcomes under varying conditions.

World Meteorological Organization ("**WMO**") reported that 2024 was the warmest year on record, with it being the first calendar year with a global mean temperature of 1.55°C above the 1850-1900 average[1]. Given that this is the first occurrence of such a temperature rise and does signify that the Paris Agreement long-term temperature targets may be out of reach, Yangzijiang Financial will closely monitor the situation and evaluate the need to adjust the 1.5°C threshold moving forward.

Overview of Yangzijiang Financial's Climate Scenarios

Scenario	Orderly Transition Net Zero	Hot House World Current Policy
NGFS Description	An ambitious scenario that limits global warming to 1.5°C through stringent climate policies and innovation, reaching net zero CO_2 emissions around 2050.	Based on the assumption that only currently implemented policies are preserved. Emissions will grow until 2080 leading to about 3°C of warming
Time frame	2050	2080
Countries	China, Singapore	China, Singapore
Physical risk	Acute: low to medium	Acute: High
	Chronic: low	Chronic: High
Transition risk	Policy and compliance: immediate and smooth	Policy and compliance: Status quo
	Technology adoption: Fast	Technology adoption: Slow
	Market sentiments: Advocators	Market sentiments: Antagonist
Wild card	None	Wild card effect generated by severe weather impacts or disruptive regulatory changes

[1] https://wmo.int/news/media-centre/wmo-confirms-2024-warmest-year-record-about-155degc-above-pre-industrial-level#:~:text=The%20global%20average%20surface%20temperature,above%20the%201850%2D1900%20average.

SUSTAINABILITY REPORT

Analysis of the Two Key Climate Scenarios

The climate scenarios chosen are based on the Network for Greening the Financial System ("**NGFS**")[2]. For our qualitative assessment, we referred to two scenarios of two extremes, a Net Zero 2050 scenario and a Current Policies scenario. We assess how each scenario may impact us based on the associated physical and transition risks.

Net Zero Scenario:

This scenario envisions a structured and globally coordinated effort to achieve Net-Zero carbon emissions by 2050 through stringent climate policies, rapid clean energy adoption, and market-wide sustainability transitions. In a 1.5°C scenario, according to NGFS, a carbon price of around USD$160 per tonne would be needed by 2030 to reach a transition towards net zero by 2050[3].

Both China and Singapore have aligned their climate commitments within the same timeframe, to ensure compliance with global decarbonisation goals. We expect physical risks to remain at low to medium levels due to early policy intervention, reducing long-term climate damage. Due to the different environmental characteristics, Singapore's primary risks include rising sea levels, heavy rainfall during monsoon seasons, and increased cooling energy demand, requiring significant investment in coastal defense and climate adaptation measures. In contrast, China faces broader climate risks, including typhoons, severe flooding in economic hubs such as the Yangtze and Pearl River Delta, droughts, and desertification, all of which have major implications for agriculture, industry, and supply chains.

In the maritime fund and maritime investments segment, the International Maritime Organization ("**IMO**") will likely impose stricter carbon regulations, including mandatory carbon pricing, faster phase-out of high-emission vessels, and tighter emissions caps. Older vessels within Yangzijiang Financial's portfolio may see declining valuations and higher operating costs due to increasing retrofitting expenses or compliance fines. The demand for shipping assets may shift towards LNG-powered, hydrogen-fuelled, or electric vessels, reducing financing opportunities for conventional ships. Additionally, port infrastructure and shipping routes may require major upgrades, such as shore power installations, carbon capture systems, and critical infrastructure, which could increase capital expenditures for both port operators and vessel owners. Yangzijiang Financial will need to consider these additional costs in its investment strategies. In this scenario, Yangzijiang Financial will continue aligning its maritime investments with IMO's GHG Strategy to reduce the carbon intensity of international shipping by at least 40% by 2030. We will prioritise energy-efficient, lower-emission vessels while maintaining flexibility in our portfolio, ensuring that at least 40% of the vessels in our fund portfolio meet IMO compliance standards at any given time.

For private credit and debt investments, ESG-driven regulations could tighten financing requirements, making it harder for companies in high-carbon sectors to secure capital. Traditional debt investments in these industries may experience higher default risks or lower refinancing opportunities as investors increasingly favour climate-aligned financial instruments. This shift could lead to greater demand for sustainability-linked loans and ESG-compliant debt products. Consequently, borrowing costs for high-emission companies could rise, impacting Yangzijiang Financial's overall credit risk profile.

In the cash management and yield enhancement segment, global capital flows could shift towards sustainable finance, making traditional fixed-income assets less attractive. Some of Yangzijiang Financial's yield-driven investment strategies may see declining returns if they rely on industries facing regulatory or investor pressure. Green bonds and ESG-linked investment vehicles may become more prevalent, and may require Yangzijiang Financial to reassess its cash allocation strategy and align its portfolio with sustainability-focused financial instruments.

The Net Zero Scenario presents a dynamic landscape of both risks and opportunities for Yangzijiang Financial. While physical risks remain relatively controlled due to early interventions and global climate actions, the company must navigate significant changes in regulatory frameworks and market preferences.

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[2] https://www.ngfs.net/ngfs-scenarios-portal/explore/
[3] https://www.ngfs.net/en/publications-and-statistics/publications/ngfs-climate-scenarios-central-banks-and-supervisors-0

SUSTAINABILITY REPORT

Current Policies Scenario:

This scenario envisions a trajectory of 3°C global warming by 2080, driven by minimal climate mitigation efforts and a lack of progress in transitioning to green operations. Regulatory compliance, business perceptions, and technological advancements remain largely unchanged, resulting in a slow and fragmented response to climate risks. Without decisive policy interventions or widespread industry transformation, climate change accelerates, leading to significant disruptions across economic and financial systems.

Yangzijiang Financial's assets could face severe physical climate risks, including more intense storms, rising sea levels, and asset depreciation. Unlike the 1.5°C scenario, which is driven by regulatory and market transitions, a 3°C world has little to no carbon tax pricing which indicates continued fossil fuel reliance and leads to extreme climate damage. Global emissions continue rising, leading to severe economic and financial risks.

In the maritime fund and maritime investments segment, frequent hurricanes, typhoons, and heavy rainfall could disrupt global shipping operations, causing higher asset depreciation, increased repair costs, and lower operational efficiency. Insurance costs for maritime assets could surge, raising expenses for shipowners and reducing profitability. Extreme weather may also make some shipping routes unreliable, lowering fleet utilisation and earnings. Additionally, port infrastructure could suffer damage, forcing trade route adjustments and negatively impacting maritime asset values.

For private credit and debt investments, businesses in climate-vulnerable regions could face greater financial distress, increasing loan defaults in Yangzijiang Financial's credit portfolio. Rising sea levels and extreme weather could reduce property values, weakening real estate-backed investments and collateral quality. Industries reliant on stable climate conditions, such as logistics, infrastructure, and manufacturing, may experience operational disruptions, making debt repayment more difficult. This could lead to a spike in non-performing loans ("**NPLs**"), eroding the Group's credit quality and increasing financial instability.

In the cash management and yield enhancement segment, market volatility could rise significantly as climate events disrupt global supply chains, drive inflation, and create economic uncertainty. Investors will likely shift towards safe-haven assets, increasing fluctuations in commodity prices, bond yields, and equity markets. As climate shocks become more severe, Yangzijiang Financial's liquidity management could face growing challenges due to unpredictable capital flows.

CLIMATE RISK MANAGEMENT

Introduction

Yangzijiang Financial is committed to its fiduciary responsibility of proactively identifying and managing key climate-related risks. This section outlines our approach to climate risk governance, risk assessment, and scenario analysis, in alignment with the TCFD framework.

Disclaimer

As this is a forward-looking financial disclosure, it incorporates forecasts based on a combination of objective evidence and subjective judgments. It is important to recognise the dynamic nature of the circumstances, as certain contributing factors remain beyond our control. While we have made every effort to ensure the accuracy and completeness of the analysis, we acknowledge that the statement cannot be guaranteed to be entirely free from errors or uncertainties.

SUSTAINABILITY REPORT

Methodology and Assumptions

Scope:

We assess climate-related risks and opportunities across three distinct time horizons: 5 years (short-term), 10 years (medium-term), and 20 years (long-term). These timeframes are determined based on the nature and projected likelihood of materiality or escalation of respective risks and opportunities, ensuring a comprehensive and forward-looking approach to strategic planning and risk management.

Identification of risks and opportunities:

Yangzijiang Financial considers both physical and transition risks as material factors influencing business operations and investments.

Physical Risks:

Physical risks arise from the direct impacts of climate change, such as extreme weather events and rising sea levels. These are categorised as:

- Acute Risks – Severe storms, floods, heatwaves, which can cause business disruptions and asset damage.
- Chronic Risks – Long-term changes like sea level rise and shifting climate patterns, impacting maritime assets and supply chains.

Transition Risks:

Transition risks emerge as the world shifts towards a low-carbon economy, influenced by policy, technology, and market demand changes:

- Regulatory Risks – Stricter emission standards and carbon pricing mechanisms may increase compliance costs.
- Market Risks – Investor preferences are shifting towards ESG-aligned assets, impacting valuations of non-compliant assets.
- Technological Risks – The adoption of low-carbon technologies is accelerating, creating both investment risks and opportunities.

Assessment of risk and opportunities:

The Group employs a comprehensive qualitative approach to evaluate both physical and transition risks, ensuring that all relevant factors are systematically identified and analysed. This methodology enables a nuanced understanding of the potential impacts of climate-related risks and opportunities on the organization.

By adopting a structured qualitative approach, the Group ensures that its risk and opportunity assessments are holistic, forward-looking, and actionable, forming the basis for effective strategic decision-making and resource allocation.

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Climate-related risk and opportunities:

Risk	Potential impact	Mitigation strategy	Opportunities
Context: Climate-related disasters (acute) – typhoons, cyclones, and hurricanes			
Physical Risk: Climate-related disasters	• **Physical Asset Risk:** Extensive damage to ships and properties could lead to higher maintenance and financial losses. • **Port Disruptions:** Disruption of port operations, leading to delays, shutdowns and potential loss of revenue as charter rates are impacted. • **Insurance Risks:** Insurers might raise premiums, leading to higher expenses to insure ships and buildings and investments in vulnerable areas.	• **Route Optimization:** Explore investment portfolios in shipping routes less vulnerable to climate-related disasters. • **Enhanced Risk Assessment:** Use climate models to predict the likelihood and severity of typhoons in key investment areas and shipping routes. • **Contingency Planning:** Ensure that shipping operators and finance portfolios are prepared for typhoon disruptions by having contingency plans in place for rerouting, repairs, and ensuring timely deliveries.	• **Support for Critical Infrastructure Development:** Finance ports, infrastructure, and ships that are built to withstand typhoons and adapt to climate risks. • **Expansion into Climate Risk Advisory:** Provide risk advisory services for investee companies to enhance their climate resilience. • **Offer climate-linked Financing products:** Provide climate-linked financing products to businesses adapting to extreme weather patterns.

Short	Low	Medium	Medium	Long	High

Risk	Potential impact	Mitigation strategy	Opportunities
Context: extreme rainfall (chronic) – leased offices (locations of leased office: Singapore and Jiangyin, PRC)			
Physical risk: Increased incidents and severity of extreme waterfall	• **Operational Costs:** Escalation in insurance premiums and maintenance expenditures. • **Relocation Costs:** Potential expenses associated with relocating operations from high-risk zones. • **Health and Safety:** Greater exposure to workforce risks, impacting operational stability and stakeholder confidence.	• **Data Infrastructure Resilience:** Partner with providers that ensure robust business continuity and data protection systems. • **Flexible Work Models:** Establish remote and hybrid working arrangements to minimise disruption. • **Cost Optimisation:** Strategically reduce leasing and capital expenditures by consolidating operations in lower-risk locations. • **Workforce Safety and Morale:** Prioritise employee well-being and adaptability to maintain operational performance.	• Transitioning to a more flexible, remote work model can drive cost efficiency while improving employee satisfaction and retention. • Strengthen disaster preparedness measures to enhance operational resilience and reinforce the company's reputation as a forward-thinking, responsible organisation. • Proactively addressing climate-related risks positions the company to capitalise on emerging opportunities within a dynamic business environment.

Short	Low	Medium	Medium	Long	Medium

SUSTAINABILITY REPORT

Risk	Potential impact	Mitigation strategy	Opportunities
Context: sea level rises (chronic) – financed ships			
Physical Risk: Rising sea levels could impact ships indirectly through port infrastructure, shipyard operations, or coastal logistics.	• **Operational Delays:** Flooded ports may cause delays in cargo operations, transit times. • **Accelerated Asset Depreciation:** Ports and coastal facilities are at risk of devaluation due to climate exposure. • **Heightened Fund Risk Premium:** Elevated risk perception of the maritime fund by external investors, potentially increasing the cost of capital and impacting fundraising efforts. • **Higher insurance premiums:** Cost of insurance may increase as it is reassessed to take into account rising sea levels.	• **Enhanced Risk Assessment and Due Diligence Climate Risk Screening:** Incorporate climate vulnerability assessments into financing decisions, evaluating the exposure of financed assets to rising sea levels. • **Portfolio Diversification:** Gradually shift financing away from high-risk coastal facilities that lack climate resilience planning. • **Sustainable Financing:** Provide preferential financing for ships with climate-resilient designs, including reinforced hulls, flood-resistant compartments, and adaptive ballast systems.	• **Green Financing Leadership:** Yangzijiang Financial can finance port authorities and logistics operators that are upgrading to climate-resilient facilities, creating long-term lending opportunities. • Financing for next-generation ships with features like storm-resistant hulls, automated weather-navigation systems, and renewable-powered engines, positioning Yangzijiang Financial as a leader in sustainable maritime finance. • **Collaborations for Green Innovation:** Collaborating with shipbuilders, maritime technology firms, and insurers presents opportunities to co-develop and finance innovative, climate-resilient solutions. • **Green Shipping and Regulatory-Driven Growth:** Position Yangzijiang Financial as a preferred financier for shipowners investing in compliance-driven upgrades and green retrofits.

Short	Low	Medium	Low	Long	Medium

SUSTAINABILITY REPORT

Risk	Potential impact	Mitigation strategy	Opportunities
Context: the group invests in various securities (equity, debt, real assets) across jurisdictions			
Transitional risk: Shift in shareholder and investor preferences	*Evolving investor preferences towards sustainability and climate resilience pose challenges to the Group's investment portfolio across equities, debt, and real assets in multiple jurisdictions.* • **Portfolio Depreciation:** Reduced asset valuations in sectors misaligned with sustainable or low-carbon objectives. • **Market Perception:** Declining share price due to perceived lack of alignment with ESG priorities, affecting investor confidence. • **Fundraising Challenges:** Difficulty securing capital as stakeholders prioritize climate-conscious investment opportunities.	• **Integrate Climate Factors:** Incorporate climate risk assessments and ESG considerations into the investment decision-making process. • **Portfolio Diversification:** Increase exposure to low-carbon and energy transition sectors to align with evolving market trends.[4] • **Capacity Building:** Develop internal expertise through hiring specialists and upskilling existing teams on sustainable finance strategies. • **Climate Toolkits:** Adopt advanced climate scenario analysis and risk assessment tools to enhance asset valuations and boost market confidence.	• **Investor Appeal:** Strengthen alignment with ESG frameworks to attract climate-conscious investors and improve fundraising potential. • **Competitive Advantage:** Establish the Group as a forward-thinking, sustainability-driven investment manager by integrating advanced climate solutions and market-leading expertise. • **Climate-Themed Funds:** Position the Group as a leader by introducing innovative funds focused on climate technologies and impact investments.

Short	Low	Medium	Medium	Long	High

[4] https://links.sgx.com/FileOpen/YZJFH%20Maritime%20fund%200720%20final.ashx?App=Announcement&FileID=765980

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Risk	Potential impact	Mitigation strategy	Opportunities
Context: Evolving regulatory requirements in Singapore ("**SGX-ST**") and the PRC, alongside compliance obligations under the CMS license issued by MAS, present challenges in maintaining operational and reporting standards.			
Transition risk: Stricter regulations for compliance & reporting	• **Increased Compliance Costs:** Higher expenditures for aligning processes with evolving regulatory frameworks. • **Penalties for Non-Compliance:** Risk of fines, penalties, or reputational damage due to non-adherence. • **Operational Strain:** Additional administrative and resource allocation for regulatory compliance and reporting.	• **Regulatory Engagement:** Maintain active communication with MAS, SGX-ST, and relevant authorities to stay updated on evolving requirements. • **Governance Enhancement:** Strengthen governance frameworks and compliance monitoring to ensure adherence to regulations across jurisdictions. • **Reporting Tools:** Implement advanced reporting systems and frameworks to streamline compliance with complex standards.	• **Attract Institutional Investors:** Funds aligned with stringent reporting standards are more appealing to institutional and ESG-focused investors. • **Enhanced Reputation:** Strong regulatory compliance reinforces the Group's image as a reliable, governance-driven organization. • **Access to Capital:** Improved adherence to reporting standards increases access to global and ESG-focused capital markets. • **Regulatory Leadership:** Position the Group as a leader in governance and transparency, strengthening its competitive edge in both Singapore and the PRC.

Short	Medium	Medium	Medium	Long	Low

SUSTAINABILITY REPORT

Risk	Potential impact	Mitigation strategy	Opportunities
Context: Yangzijiang Financial has established a maritime fund.			
Transitional risk: Transition to green technology	• **Portfolio Value Erosion:** Non-compliant vessels may see accelerated obsolescence, resulting in reduced asset values and significant write-offs, directly impacting fund performance. • **Charter Rate Decline:** Vessels not fitted with low-/zero-emission technology may face declining charter rates, diminishing revenue potential and overall fund profitability. • **Increased Capital Requirements:** High replacement costs for outdated vessels may strain the fund's capital reserves, reducing its ability to diversify investments. • **Funding Challenges:** Limited access to competitive financing for vessels with outdated technology, increasing reliance on internal capital and raising operational costs.	• **Strategic Investments:** Allocate capital to renewable energy projects and green vessel construction to align with global sustainability goals. • **Collaborative Ventures:** Enter partnerships and joint ventures to finance sustainable vessel projects, including alternative fuel ships, dual-fuel vessels and long charter-backed eco-design fleets. • **Industry Monitoring:** Leverage Yangzijiang Financial's extensive maritime network to stay informed about technological advancements and ensure portfolio competitiveness.	• **Premium Valuations:** Embrace eco-design vessels and alternative fuel technologies to achieve higher charter rates and enhanced asset values. • **Market Differentiation:** Position the maritime fund as a leader in sustainable shipping, attracting ESG-focused investors and clients.

Short	Low	Medium	Low	Long	Medium

SUSTAINABILITY REPORT

Risk	Potential impact	Mitigation strategy	Opportunities
Context: Yangzijiang Financial has an investment arm of a maritime fund focusing on maritime services such as ship agency, finance leasing, vessel acquisition, shipbroking and secured loan issuance.			
Transitional risk: Carbon tax on vessels[5]	• **Portfolio Value Decline:** Non-compliant or outdated vessels may experience accelerated depreciation, reducing overall portfolio value and impacting the maritime fund's performance. • **Indirect Financial Impact:** While operational costs are borne by third parties, increased costs for charterers and shipowners may indirectly affect leasing rates, repayment ability, and the financial stability of the fund. • **Regulatory Pressure on Fund Performance:** Stricter environmental regulations may necessitate higher capital expenditures for fleet upgrades, indirectly straining fund resources and profitability. • **Market Positioning Risk:** Failure to adapt to environmental requirements may weaken the fund's competitive positioning as a leading maritime financier, affecting the company's broader reputation and investor appeal.	• **Active Stakeholder Dialogue:** Engage shipowners and charterers to understand the financial and operational implications of carbon taxes, particularly their willingness to invest in greener vessels or absorb higher leasing costs. • **Support for Retrofitting:** Partner with shipowners to finance retrofitting outdated vessels with emission-reducing technologies, ensuring compliance with carbon tax regulations while extending asset lifecycles. • **Diversification of Portfolio:** Reduce reliance on high-risk, carbon-intensive assets by increasing exposure to renewable energy projects, alternative fuel vessels, and energy-efficient technologies.	• **Sustainable Financing Leadership:** Position the Fund as a premier financing partner by offering tailor-made leasing solutions that align with environmental regulations. • **Regulatory-Driven Growth:** Leverage increasingly stringent shipping industry regulations to support new building and second-hand investments in compliant vessels. • **Investor Appeal:** Enhance the fund's attractiveness to ESG-conscious investors by focusing on green and energy-efficient maritime assets.

Short	Medium	Medium	Medium	Long	High

5 chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.navigarecapital.com/wp-content/uploads/2024/04/Navigare_SR-2023_final_web.pdf

SUSTAINABILITY REPORT

ESG INTEGRATION INTO INVESTMENT PROCESS

Progress and Approach

We view ESG integration as a cornerstone of our commitment to sustainable and responsible investing. By embedding ESG principles into our investment processes, we not only mitigate risks but also unlock opportunities that align with long-term value creation. In FY2023, we took significant steps to strengthen our ESG framework, from enhancing fund-specific practices to deepening collaboration with our partners. These initiatives lay a strong foundation for expanding our ESG strategy in FY2024 and beyond.

For example, for our Maritime Fund, we now have Scope 3 banding data with the CII ratings. In addition, for our Debt Investment segment, we integrated an ESG Exclusion Framework for FY2024.

While we are fully dedicated to embedding ESG principles across our investment processes, we recognise the importance of doing so gradually and steadily, as data, resources, and expertise become increasingly available. This measured approach ensures that we make thoughtful, impactful decisions that align with our long-term goals of mitigating risks, unlocking opportunities, and delivering sustainable value to our stakeholders.

Key Investments	Strategy Implemented/Status
Maritime Fund	▪ Climate-related factors are integrated into our due diligence process ▪ Monitoring to ensure the minimum threshold of IMO-compliant vessels in our portfolio is maintained ▪ Engagement with ship owners on climate-related matters
Fund Investment	▪ Engagement with General Partners to understand ESG policies
Debt Investment (Singapore)	▪ Developed and implemented an ESG Exclusion Framework
Debt Investment (PRC)	▪ Target to implement ESG factors in the future
Equity Investment (PRC)	▪ Target to implement ESG factors in the future

Maritime Fund

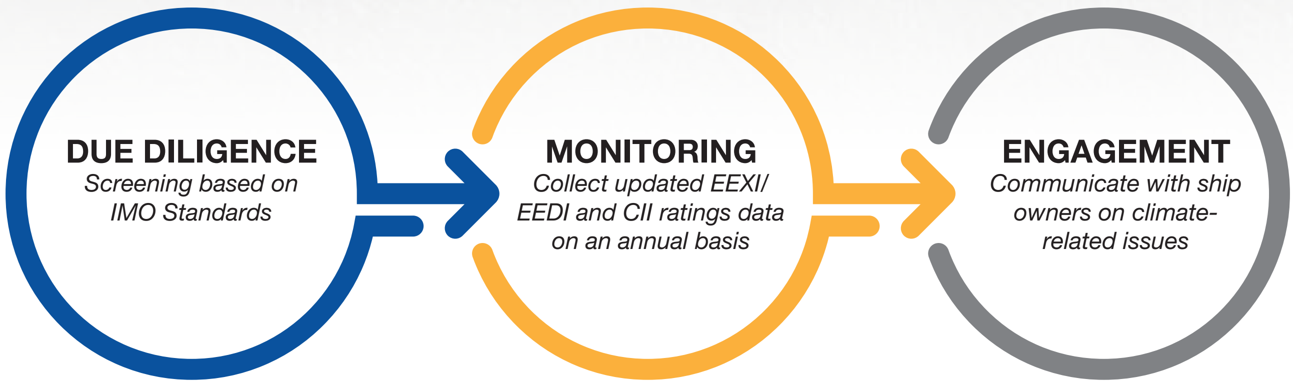
Overview

Our Maritime Fund, incepted in August 2022, remains a cornerstone of Yangzijiang Financial's strategy, leveraging over 50 years of expertise in the shipbuilding and maritime sectors. The fund capitalises on growing demand for sustainable shipping solutions, focusing on investments in modern, eco-efficient, and marketable maritime assets. As of 31 December 2024, the capital invested stood at S$440 million. As mentioned last year, The Group continues to be in line with IMO's GHG Strategy of reducing carbon intensity of international shipping by at least 40% by 2030.

ESG Framework for Maritime Fund

We recognise the importance of integrating ESG considerations throughout our investment lifecycle. Our approach focuses on due diligence, monitoring, and engagement with shipowners and industry stakeholders. By embedding these practices into our maritime investments, we ensure alignment with evolving regulatory standards while proactively managing sustainability risks.

SUSTAINABILITY REPORT



Due Diligence

Before committing to an investment, we conduct comprehensive ESG screening to assess regulatory compliance and sustainability risks.

- Evaluation based on IMO Standards: Vessels are screened for compliance with the Energy Efficiency Design Index ("**EEDI**") and Energy Efficiency Existing Ship Index ("**EEXI**") requirements.
- Sustainability Risk Assessment: We assess transition risks related to evolving carbon regulations, including compliance with IMO decarbonisation targets and emerging climate policies.

Monitoring

We implement a structured, data-driven approach to track vessel efficiency and emissions performance across our portfolio. This ensures compliance with international regulatory standards and supports our long-term commitment to sustainability.

- Annual collection of EEXI/EEDI data to ensure vessels maintain compliance with IMO standards.
- Integration of Carbon Intensity Indicator ratings into our monitoring framework to assess vessel efficiency and emissions trends.
- Ongoing review of climate-related transition risks, including regulatory developments and technological advancements in the maritime sector.

As part of our commitment to sustainability, the fund targets maintaining a minimum threshold of 40% IMO-compliant vessels in our portfolio at any point in time. IMO-compliant vessels are defined as those meeting EEDI or EEXI criteria. As of 31 December 2024, 96% of our vessels (by investment value) met IMO requirements, marking an improvement from 87% in the previous year.

Integration of Carbon Intensity Indicator Ratings

FY2024 marked the first year that the Group successfully incorporated CII ratings into our monitoring framework. These ratings, collected directly from clients or from reputable third-party agencies, allow us to benchmark vessel efficiency against international emissions standards and identify areas for further improvements.

Portfolio CII Rating Breakdown

As of 31 December 2024, we have obtained CII ratings for a significant portion of our Maritime Fund:

CII Rating	Number of Vessels	Percentage of Portfolio*
A (Excellent)	5	7.6%
B (Good)	11	16.7%
C (Moderate)	10	15.2%
D (Below IMO Threshold)	7	10.6%
Pending	21	31.8%
New (Awaiting First Rating)	12	18.2%

* Please note that the percentage values have been rounded and may not total 100%

- 39.5% of our rated vessels (A, B, C) have achieved performance above the IMO-defined minimum threshold (D rating).
- 31.8% of vessels are still pending CII ratings, and we are actively working with shipowners and third-party agencies to obtain these data points.
- Our goal for FY2025 is to secure CII ratings for the majority of our portfolio, further enhancing transparency and accountability in our emissions monitoring efforts.

By integrating CII ratings into our assessment framework, Yangzijiang Financial strengthens its ability to make informed investment decisions and aligns its portfolio with global decarbonization objectives.

Engagement

Active engagement with ship owners, operators, and industry stakeholders is a key component of our ESG strategy. By fostering direct dialogue, we encourage the adoption of energy-efficient technologies, drive improvements in vessel sustainability, and strengthen alignment with global emissions reduction goals.

- Proactive engagement with ship owners to discuss sustainability measures, operational improvements, and compliance with evolving environmental regulations.
- Collaboration with regulatory bodies and maritime industry groups to stay informed on policy changes and contribute to best practices in sustainable shipping finance.
- Encouraging vessel upgrades and retrofits that enhance energy efficiency and reduce carbon intensity.

Focus on CII-Driven Engagement

With the integration of CII ratings into our monitoring framework in FY2024, Yangzijiang Financial has intensified engagement efforts to support vessel operators in improving emissions performance.

- Data-Driven Discussions: We provide ship owners with insights on their vessel's CII performance, helping them understand how their ratings impact compliance and long-term asset value.
- Guidance on Efficiency Upgrades: We work with investee companies to explore technological improvements, such as retrofits and operational optimizations, to improve vessel CII ratings over time.
- Continuous Monitoring and Support: As part of our long-term engagement strategy, we aim to track improvements and support ship owners in meeting IMO 2050 decarbonization targets.

SUSTAINABILITY REPORT

Fund Investment

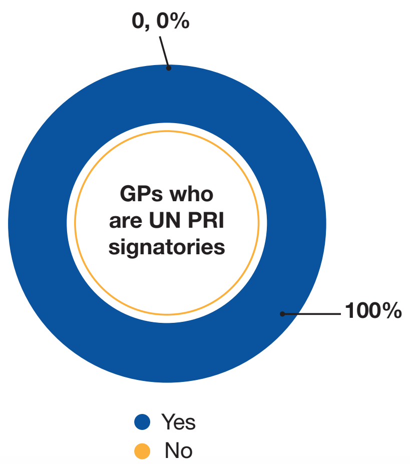
Under our fund investments, we allocate capital across various asset types, including secondaries, private equity, and credit. As of 31 December 2024, we have invested a total of US$87 million of the committed US$215 million in funds globally as a Limited Partner.

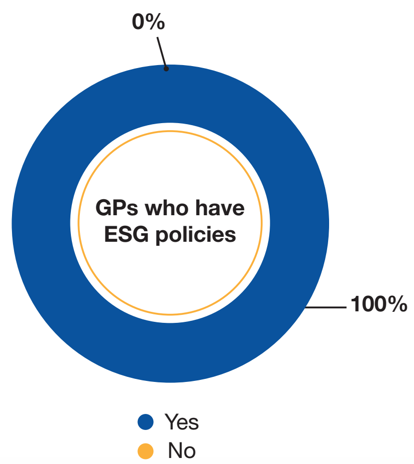
We maintain regular engagement with these funds, requesting General Partners ("**GPs**") to provide updates on climate-related initiatives, ESG policy adoption, and collaboration with sustainability organizations. Our discussions focus on:

- ESG integration into investment decisions
- Partnerships with sustainability-focused organizations
- Engagement activities with investee companies to drive responsible investment practices

As of 31 December 2024:

- 100% of firms managing our invested funds are signatories of the United Nations Principles of Responsible Investment ("**UN PRI**"), which promotes responsible investment practices.
- 100% of our GPs have adopted ESG policies in their investment frameworks.





By actively monitoring ESG integration within our portfolio, we ensure that our investments contribute to a more sustainable financial ecosystem.

Debt Investment (Singapore)

As part of our investment strategy, the Group allocates capital to debt investments in Singapore, focusing on credit opportunities that align with our risk management framework and ESG principles. Our approach prioritises credit quality, risk-adjusted returns, and sustainability considerations, ensuring that our debt investments contribute to long-term financial resilience.

Investment Approach

Our debt investment strategy is guided by a structured framework that evaluates:

- Creditworthiness and financial stability of borrowers.
- Alignment with ESG considerations, ensuring investments meet responsible financing standards.
- Risk-adjusted returns, balancing financial performance with prudent risk management.

ESG Exclusion Framework

To ensure alignment with sustainable investment principles, we apply an ESG Exclusion Framework that screens out industries and sectors inconsistent with our ESG objectives. Industries facing systemic risks and material ESG concerns are excluded, including:

- Gaming and Casinos – Due to high energy consumption, governance risks, and social concerns.
- Tobacco and Marijuana – Linked to deforestation, pollution, and significant public health risks.
- Arms and Weapons Manufacturing – Due to environmental impact, ethical concerns, and potential misuse.
- Red Light Businesses and Adult Entertainment – Associated with governance issues, exploitation risks, and regulatory concerns.

These exclusions reflect our commitment to responsible investing while mitigating exposure to ESG risks across our debt portfolio.

Implementation and Oversight

- Due Diligence Screening – Investment opportunities are screened against the ESG Exclusion Framework during the assessment phase.
- Periodic Reviews – The exclusion list is reviewed regularly to reflect evolving ESG metrics and regulatory developments.
- Governance and Compliance – An Investment Committee oversees adherence to the ESG Exclusion Framework, ensuring that debt investments align with long-term sustainability goals.

Looking Ahead

Yangzijiang Financial remains committed to strengthening its ESG-aligned debt investment strategy by exploring the following:

- Refining the exclusion framework to adapt to emerging sustainability risks.
- Enhancing engagement with borrowers to promote ESG integration in credit decisions.
- Exploring ESG-linked debt instruments that align financial returns with sustainability outcomes.

SUSTAINABILITY REPORT

EMISSIONS

MANAGING OUR CARBON FOOTPRINT

Electricity Consumption

Yangzijiang Financial is committed to sustainable growth by prioritising energy efficiency and responsible electricity management. Recognising the environmental impact of energy consumption, the Group continuously optimises operations and implements energy-saving initiatives to reduce electricity usage.

The Group operates two offices in the PRC and Singapore, covering a combined floor area of 19,731 square feet. Each office is powered by different electricity providers in their respective regions.

In FY2024, total electricity consumption was 134,034 kWh, reflecting a 15.3% reduction from 158,160 kWh in FY2023. This decline was driven by energy-saving initiatives, including replacing fluorescent lighting with LED fixtures and introducing a flexible work arrangement at the Singapore office, allowing employees to work remotely one day per week. As a result, electricity intensity dropped to 6.79 kWh per square foot, a 15.3% reduction compared to FY2023.

GHG Emissions

We recognise the importance of addressing climate change by reducing GHG emissions across our operations and related activities. We actively manage our carbon footprint in alignment with international sustainability goals and encourage employees to adopt eco-friendly commuting practices, such as using public transportation, to minimise emissions from business travel.

The Group recorded zero Scope 1 emissions in FY2024, as it does not operate company-owned vehicles or generate direct emissions.

In FY2023, Yangzijiang Financial set a target to achieve Net-Zero Scope 2 emissions by 2050. Steady progress has been made towards this goal, with Scope 2 emissions decreasing by 8.2%, from 87.4 tCO_2 in FY2023 to 80.2 tCO_2 in FY2024. This reduction was driven by improved energy management practices and increased efficiency measures. Scope 2 emissions intensity also decreased from 0.0044 tCO_2 per square foot in FY2023 to 0.0041 tCO_2 per square foot in FY2024. The Group aims to maintain a similar level of emissions intensity for FY2025.

Scope 3 emissions, primarily from air travel, also saw a significant reduction of 55.2%, declining from 45.6 tCO_2 in FY2023 to 20.4 tCO_2 in FY2024. The Group continues to explore additional methods to reduce indirect emissions and promote sustainable travel options.

SUSTAINABILITY REPORT

Water

While our business operations do not involve significant water consumption, the primary use arises from daily office activities. Nevertheless, we recognise the critical importance of water conservation, particularly in Singapore, a nation facing high water stress[6]. We are committed to promoting responsible water usage within our offices by raising awareness among employees and advocating a water-saving campaign to minimise water waste.

In FY2024, the water consumption of our PRC office was 1,170 m^3, remaining relatively consistent with FY2023, which recorded 1,168 m^3. The water intensity per employee was 24.9 m^3. The water consumption for our Singapore office is not reported, as it is managed and borne by the building owner.

We have consistently encouraged our employees to practice water conservation and adopt habits that reduce water wastage.

Waste

We are committed to minimising waste generation through efficient resource management and digital-first practices. As the Group does not produce hazardous waste, its primary waste source comes from paper usage. With most operations conducted electronically, overall waste generation has been significantly reduced in recent years.

To further enhance sustainable waste management, the Group continues to focus on improving document management systems and fostering a paperless work culture. These efforts align with its broader commitment to environmental responsibility and resource efficiency.

In FY2024, total waste generation was 222.3 kg, marking a 21.1% reduction from 281.6 kg in FY2023. This improvement was primarily driven by paper-saving initiatives, encouraging employees to adopt digital workflows and reduce unnecessary printing. As a result, per-employee paper consumption decreased by 13.5%, falling from 3.7 kg in FY2023 to 3.2 kg in FY2024.

The Group will continue to promote paperless operations, explore additional digital solutions, and reinforce sustainable workplace practices to further reduce waste and enhance overall environmental efficiency.

Environmental Data

	FY2024	FY2023	FY2022
Emissions[(a)]			
Scope 1 (tCO_2)	n.a.	n.a.	n.a.
Scope 2 (tCO_2)[(b)]	80.2	87.4	70.7
Scope 3 (tCO_2)[(c)]	20.4	45.6	25.3
Total emissions (tCO_2)	90.6	133.0	96.0
Scope 2 intensity (tCO_2/sqft)	0.004[(e)]	0.004	0.004
Electricity			
Total electricity consumption (kWh)	134,034	158,160	125,573
Electricity intensity (kWh/sqft)	6.793	8.016	6.804

6 https://www.mse.gov.sg/policies/water

SUSTAINABILITY REPORT

	FY2024	FY2023	FY2022
Water[d]			
Total water consumption (m^3)	1,170	1,168	1,172
Water intensity (m^3/employee)	24.9	22.0	18.6
Waste			
Office paper (kg)	222.3	281.6	–[f]
Waste intensity (kg/employee)	3.2	3.7	–[f]

(a) Our approach to carbon emissions is aligned to the GHG Protocol Standards, using the operational control approach to determine carbon emissions boundaries.
(b) Scope 2 emissions refer to purchased electricity. Scope 2 carbon emissions are reported using location-based approach. Emission factor source: Singapore Energy Market Authority (2024), Ministry of Ecology and Environment of the People's Republic of China (2023).
(c) Scope 3 emissions refer to air travels conducted by Singapore-based employees. Scope 3 carbon emissions are computed using distance-based method, referring to data from the UK Department for Environment, Food & Rural Affairs (DEFRA) 2024; FY2022 figures were restated for standardization of conversation factor.
(d) Only data from the PRC, no data available for the Singapore office as water is borne by the building owner.
(e) The accurate number is 0.004067, rounded to 0.004.
(f) No data available for FY2022.

TRANSITION TO A LOW-CARBON ECONOMY

Scope 2 Emissions

In alignment with China's commitment to carbon neutrality by 2060 and Singapore's Net-Zero target by 2050, Yangzijiang Financial has implemented several strategic initiatives to accelerate emissions reduction.

In FY2024, the Group launched an office electricity-saving campaign, encouraging employees to reduce energy consumption through behavioural changes and efficiency measures. Additionally, flexible work arrangements were introduced in the Singapore office, reducing energy demand. Further energy savings were achieved by replacing office lighting with energy-efficient LED bulbs. These efforts collectively contributed to an 8.2% decrease in Scope 2 emissions.

Moving forward, the Group will continue to promote energy conservation and explore energy-efficient technology upgrades to further reduce electricity-related emissions.

Scope 3 Emissions

Our Scope 3 emissions are currently limited to calculations for business travel, where we encourage employees to prioritise public transportation. However, we recognise that other potential sources of Scope 3 emissions include employee commuting, investments, and downstream leased assets.

To improve the comprehensiveness of our reporting, we are working to expand our Scope 3 emissions calculations to include these areas. For instance, emissions data for our Maritime Fund in FY2024 is expected to be finalised during 2025 and we seek to disclose the data in next year's sustainability report.

In our Debt Investment segment, we have implemented an ESG Exclusion Framework that outlines clear exclusion criteria and implementation guidelines to avoid investments in industries that are less aligned with ESG principles. To ensure robustness, the framework will undergo independent audits and periodic reviews, allowing for further refinement and the integration of stronger ESG considerations into our investment strategies.

By gradually integrating sustainability into our investment strategies, we remain committed to achieving our environmental goals while contributing to the global transition towards a low-carbon economy.

SUSTAINABILITY REPORT

SOCIAL

Empowering Our People & Communities

We recognise that sustainable growth goes beyond financial performance. Our commitment to social responsibility is reflected in the way we support employees, engage with communities, and uphold ethical labour practices. By fostering an inclusive, safe, and high-performing workplace, we aim to create long-term value for both our workforce and stakeholders.

Human and Labour Rights

We uphold human and labour rights as fundamental principles guiding our business operations, partnerships, and community engagements. Our approach aligns with international standards to ensure fair employment practices, workplace protections, and employee well-being.

In FY2024, we continued to monitor compliance with global labour regulations and engage employees through two-way communication channels such as stakeholder surveys and direct feedback sessions.

To support employees, we offer robust social protections, including healthcare coverage, parental leave, and structured retirement plans. In FY2024, two employees in Singapore and one in the PRC took paid parental leave, with a 67% return-to-work rate.

Talent Development & Employee Engagement

Talent Acquisition & Internships

We actively nurture future talent through a structured internship program at our Singapore office. In FY2024, we engaged one intern in a 12-week program, providing exposure to key business functions.

Upskilling & Training

We are dedicated to equipping employees with critical skills needed for the sustainable transition. In FY2024, employees completed six hours of internal training on climate-related risk management and ESG integration in private markets.

To further enhance expertise, we provide an annual ESG training budget of S$500 per selected employee and require investment and compliance teams to complete mandatory training from the Singapore Green Finance Centre ("**SGFC**"). By the end of FY2024, 100% of employees in these teams had successfully completed the program.

Additionally, we conducted anti-bribery and corruption training for all employees in the Group, reinforcing our commitment to ethical conduct.

SUSTAINABILITY REPORT

Talent Retention & Workforce Stability

As of December 2024, our workforce comprised 69 full-time employees, with 22 employees in Singapore and 47 in the PRC. During the year, we welcomed 3 full-time employees and 1 intern, while maintaining a controlled turnover rate aligned with our strategic workforce plans.

All full-time employees undergo annual performance appraisals, with reviews structured around predefined Key Performance Indicators. In FY2024, 100% of employees received performance reviews.

Diversity & Inclusion

We are committed to fostering a diverse and inclusive workplace that provides equal opportunities across gender, ethnicity, and background.

Our recruitment process follows a fair and open evaluation system to ensure merit-based hiring decisions.

As of December 2024, 39% of our full-time employees were female, up from 38% in FY2023. Among senior management in Singapore, 33% of executives were women. We continue to monitor and strengthen diversity initiatives at all levels of the organisation.

Occupational Health & Safety ("OHS")

The safety and well-being of our employees is a top priority. We have implemented a comprehensive health and safety management system, ensuring a secure and supportive workplace.

We work closely with building management teams to maintain fire safety, emergency preparedness, and workplace hazard prevention measures. All employees in Singapore and the PRC are covered under health insurance and workplace safety policies.

Additionally, to promote work-life balance, we offer a flexible work arrangement, allowing employees to work remotely one day per week.

In FY2024, there were zero reported workplace safety incidents, and we remain committed to maintaining this record in the coming years.

Employment Data

		FY2024	FY2023
Total Full-Time Employees[a]			
Region	PRC	47	53
	Singapore	22	23
Gender	Male	42	47
	Female	27	29
Age Group	<30	2	13
	30-50	53	51
	>50	14	12
TOTAL		**69**	**76**

SUSTAINABILITY REPORT

		FY2024	FY2023
Senior Management Headcount			
Male		10	8
Female		2	2
TOTAL		**12**	**10**
Ratio of Basic Salary and Remuneration of Women to Men			
PRC	Senior Management	n.m.[(b)]	n.m.
	Other Employees	0.85	0.88
Singapore	Senior Management	0.72	1.24
	Other Employees	1.12	0.80
Total New Hires			
Region	PRC	5	0
	Singapore	4	10
Gender	Male	5	4
	Female	4	6
Age Group	<30	4	5
	30-50	5	5
	>50	0	0
TOTAL		**9**	**10**
Employee Turnover			
Region	PRC	9	9
	Singapore	5	3
Gender	Male	8	8
	Female	6	4
Age Group	<30	4	3
	30-50	9	8
	>50	1	1
Total		**14**	**12**
Turnover rate		**20%**	**15%**
Parental Leave[(c)]			
Number of employees who took parental leave		3	3
Number of employees returning after parental leave		2	3
Return to work rate		67%	100%

n.m. = not meaningful
(a) Total Full-Time Employees as of 31 December of the respective financial year
(b) no female senior management personnel in the PRC for FY 2024
(c) More details on FY2024 parental leave: 1 male and 1 female employee took parental leave in Singapore. 1 female employee took leave in the PRC

SUSTAINABILITY REPORT

GOVERNANCE

We uphold transparency, accountability, and integrity as the foundation of our governance practices. Our governance framework ensures effective risk management, ethical decision-making, and regulatory compliance, positioning us for long-term sustainable growth.

Board Independence

Our Board of Directors plays a critical role in corporate governance, ensuring strategic alignment, oversight, and accountability. The Board consists of both executive and non-executive directors, with 75% of Board members classified as independent directors, reinforcing strong governance practices and independent decision-making.

Business Conduct Policies

We maintain a comprehensive code of conduct and business ethics policies to ensure responsible corporate behaviour. The Group has established a suite of policies covering critical governance areas, including:

- Anti-Money Laundering & Countering the Financing of Terrorism ("**AML/CFT**")
- Whistleblowing Policy
- Insider Trading Policy
- Major Transactions Policy
- Staff Dealing Policy
- Market Disclosure Policy
- Conflict of Interest Policy
- Confidential Information & Personal Data Protection Policy
- Interested Party Transactions Policy

These policies are designed to minimise risks, ensure compliance, and uphold the highest standards of corporate integrity.

SUSTAINABILITY REPORT

Whistleblowing and Anti-Corruption & Bribery Prevention

Whistleblowing Framework:

We are committed to promoting a culture of transparency and accountability. Our Whistleblowing Policy provides employees and external stakeholders with a secure and confidential reporting mechanism to report any fraud, corruption, or unethical behaviour without fear of retaliation.

- Reporting Channels: Reports can be submitted via a designated email channel, ensuring confidentiality.
- Independent Oversight: The Audit and Risk Committee (ARC) reviews all whistleblowing submissions, with reports from employees processed by the Chairman of the ARC, who is also the Lead Independent Director.
- Protection Against Retaliation: Whistleblowers are protected against discrimination, harassment, or retaliation, reinforcing our commitment to ethical governance.

Anti-Corruption & Bribery Prevention:

We uphold a zero-tolerance policy on bribery and corruption, ensuring compliance with global anti-corruption frameworks.

- 100% of employees received anti-corruption and anti-bribery training in September 2024.
- Our internal audit team conducts regular independent assessments to monitor and enhance governance controls.

By maintaining rigorous oversight and proactive compliance measures, we safeguard organizational integrity, investor confidence, and business sustainability.

Cybersecurity & Data Protection

As the digital landscape evolves, we prioritise cybersecurity and data privacy to protect sensitive business and stakeholder information.

- We have implemented a Confidential Information Policy and a Personal Data Protection Policy to safeguard corporate and customer data.
- Employees receive regular cybersecurity training to ensure awareness and compliance.
- We employ advanced access controls, authentication mechanisms, and continuous monitoring to prevent data breaches and cyber threats.

Our proactive cybersecurity framework ensures resilience against digital risks while maintaining regulatory compliance and operational security.

SUSTAINABILITY REPORT

APPENDIX

TCFD Index

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	Management role in assessing and managing climate-related risks and opportunities	19
Strategy	Description of the climate-related risks and opportunities identified over the short, medium, and long term	26-32
	Description of the impact of climate-related risk and opportunities on a business, strategy and financial planning	27-32
	Description of the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	23-25
Risk Management	Processes for identifying and assessing climate-related risks	33
	Processes and approach for mitigating climate-related risks	33-37
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Metrics	Metrics used to assess climate-related risks and opportunities in line with strategy and risk management process	38-40
	Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions and the related risks	38-39
	Targets used by the organisation to manage climate-related risks and opportunities and performance against targets	15

SUSTAINABILITY REPORT

GRI CONTENT INDEX

Yangzijiang Financial has reported in reference to the GRI Standards for the period 1 January 2024 to 31 December 2024

GRI Standard	Disclosure	Explanation or Reasons for Omissions (if any)	Page(s)
GRI 2: General Disclosures 2021	2-1 Organizational details		1-3
	2-2 Entities included in the organization's sustainability reporting		14
	2-3 Reporting period, frequency and contact point		14
	2-4 Restatements of information	Not applicable	–
	2-5 External assurance	Yangzijiang Financial did not seek external assurance	–
	2-6 Activities, value chain and other business relationships		1-3
	2-7 Employees		42-43
	2-8 Workers who are not employees	No part-time employee apart from one (1) intern for a period of 3 months	–
	2-9 Governance structure and composition		57-59 64-72
	2-10 Nomination and selection of the highest governance body		62-64
	2-11 Chair of the highest governance body		59-62
	2-12 Role of the highest governance body in overseeing the management of impacts		18-19
	2-13 Delegation of responsibility for managing impacts		18-19
	2-14 Role of the highest governance body in sustainability reporting		14,18
	2-15 Conflicts of interest		53
	2-16 Communication of critical concerns		44-45, 85
	2-17 Collective knowledge of the highest governance body		53
	2-18 Evaluation of the performance of the highest governance body 2-19 Remuneration policies 2-20 Process to determine remuneration		73-77

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GRI Standard	Disclosure	Explanation or Reasons for Omissions (if any)	Page(s)
	2-21 Annual total compensation ratio	Confidentially constraints due to intense competition for talent	–
	2-22 Statement on sustainable development strategy		16-17
	2-23 Policy commitments 2-24 Embedding policy commitments		44-45, 77
	2-25 Processes to remediate negative impacts 2-26 Mechanisms for seeking advice and raising concerns		85
	2-27 Compliance with laws and regulations		44-45, 80
	2-28 Membership associations	No membership currently	–
	2-29 Approach to stakeholder engagement		22
	2-30 Collective bargaining agreements	Not applicable	–
GRI 3: Material Topics 2021	3-1 Process to determine material topics		21
	3-2 List of material topics		21
	3-3 Management of material topics		21
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed		94-160
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption		45
	205-2 Communication and training about anti-corruption policies and procedures		45
	205-3 Confirmed incidents of corruption and actions taken		45

SUSTAINABILITY REPORT

GRI Standard	Disclosure	Explanation or Reasons for Omissions (if any)	Page(s)
GRI 302: Energy 2016	302-1 Energy consumption within the organization		38-39
	302-2 Energy consumption outside of the organization		38-39
	302-3 Energy intensity		38-39
	302-4 Reduction of energy consumption		38-39
GRI 303: Water and Effluents 2018	303-5 Water consumption		38-39
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions		38-39
	305-3 Other indirect (Scope 3) GHG emissions		38-39
	305-4 GHG emissions intensity		38-39
GRI 306: Waste	306-1 Waste generation and significant waste-related impacts		39
	306-3 Waste generated		39
GRI 401: Employment 2016	401-1 New employee hires and employee turnover		41-43
	401-3 Parental leave		41,43
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system		42
	403-2 Hazard identification, risk assessment, and incident investigation		42
	403-3 Occupational health services		42
	403-6 Promotion of worker health		41-42
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		42
	403-9 Work-related injuries		42
	403-10 Work-related ill health		42

SUSTAINABILITY REPORT

GRI Standard	Disclosure	Explanation or Reasons for Omissions (if any)	Page(s)
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee		41
	404-2 Programs for upgrading employee skills and transition assistance programs		41
	404-3 Percentage of employees receiving regular performance and career development reviews		42
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees		42
	405-2 Ratio of basic salary and remuneration of women to men		43
GRI 408: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		45

SUSTAINABILITY REPORT

SGX CORE ESG METRICS

Topic	Metric	Explanation or Reasons for Omissions (if any)	Page(s)
GHG	Absolute emissions by (a) Total; (b) Scope 1, Scope 2; and (c) Scope 3, if appropriate		38-39
	Emissions intensities by (a) Total; (b) Scope 1, Scope 2; and (c) Scope 3, if appropriate		38-39
Energy Consumption	Total energy consumption		38-39
	Energy consumption intensity		38-39
Water Consumption	Total water consumption		39-40
	Water consumption intensity		39-40
Waste Generation	Total waste generated		39-40
Gender Diversity	Current employees by gender		42-43
	New hires and turnover by gender		43
Age-Based Diversity	Current employees by age groups		42
	New hires and turnover by age groups		43
Employment	Total turnover		43
	Total number of employees		42
Development & Training	Average training hours per employee	6 hours of internal training per employee	41
	Average training hours per employee by gender	Each female and male employee received 6 hours of internal training	41
Occupational Health & Safety	Fatalities		42
	High-consequence injuries		42
	Recordable injuries		42
	Recordable work-related ill health cases		42
Board Composition	Board independence		57-58
	Women on the board	We currently do not have any female members in our board	–
Management Diversity	Women in the management team		43
Ethical Behaviour	Anti-corruption disclosures		45
	Anti-corruption training for employees		45
Certifications	List of relevant certifications	No certification	–
Alignment with Frameworks	Alignment with frameworks and disclosure practices	Referencing GRI and TCFD	–
Assurance	Assurance of sustainability report	Our sustainability reporting process is internally audited. We did not seek any external assurance for this report	–

CORPORATE GOVERNANCE REPORT

YANGZIJIANG FINANCIAL HOLDING LTD. (the "**Company**", and together with its subsidiaries, the "**Group**") is committed to upholding and maintaining high standards of corporate governance across all activities undertaken by the Group. The Group's corporate governance practices and processes are guided by the principles and provisions set out in the Code of Corporate Governance 2018 (the "**Code**") and relevant sections of the Listing Manual ("**Listing Manual**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

This report sets out the Group's corporate governance practices that the Group has adopted and put in place since the Company's listing on the Mainboard of the SGX-ST by introduction on 28 April 2022, which have been benchmarked against the Code. The Company has complied with the principles and substantially with the provisions of the Code. Where there are deviations from the provisions of the Code, appropriate explanations are provided in this report.

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Role of the Board (Provisions 1.1 and 1.2)

The board of directors ("**Board**") has the overall responsibility to oversee the strategic direction, performance and affairs of the Group and provides overall guidance to the management of the Company ("**Management**"). Besides its statutory responsibilities, the Board's principal duties include:

(a) providing entrepreneurial leadership, setting the strategic directions and the long-term goals of the Group and ensuring that adequate resources are available to meet these objectives;

(b) constructively challenging Management and reviewing its performance;

(c) ensuring the adequacy of internal controls, risk management, financial reporting and compliance;

(d) assuming corporate governance responsibilities;

(e) assessing Management's performance;

(f) considering sustainability issues including environmental and social factors in the Group's strategic formulation; and

(g) ensuring transparency and accountability to key stakeholder groups.

Directors are fiduciaries of the Company and are collectively and individually always obliged to act objectively in the best interests of the Company. The Board has put in place a code of conduct and ethics to set the appropriate tone from the top for the Group in respect of ethics, values and organisational culture, and ensure proper accountability within the Group.

CORPORATE GOVERNANCE REPORT

Conflicts of Interest Policy

The Company has adopted a Conflict of Interest Policy. All directors and employees are required to act in a manner that is consistent with the best interests of the Company, free from any actual or possible conflicts of interest. All directors and employees are required to declare any conflict of interest as prescribed in the Conflict of Interest Policy.

If a director considers that he might be in a position where there is a reasonable possibility of conflict between his personal or business interests, the interests of any of his associates, or his duties to any other company, and the interests of the Company or his duties to the Company, the Board requires the director to:

- Fully and truthfully inform the Board about the circumstances giving rise to the conflict.

- Abstain from voting on any motion relating to the matter and recuse himself from all board deliberations relating to the matter, including receipt of board papers bearing on the matter.

If a director believes that he may have a conflict of interest or duty in relation to a particular matter, that director should consult the chairman of the Board immediately.

Director Training and Development

The Board ensures that all incoming new director(s) are given comprehensive and tailored induction programme upon joining the Board, including onsite visits. This helps to familiarise directors with the business of the Group and corporate governance practices upon their appointments and facilitate the effective discharge of their duties. Newly appointed directors are provided a formal letter setting out their duties and obligations. They also receive briefings from Management on the Group's business activities, strategic directions and corporate governance practices. New directors who have no prior experience as a director of a listed company in Singapore must undergo a mandatory training programme on their roles and responsibilities conducted by the Singapore Institute of Directors ("**SID**") or jointly by the Institute of Singapore Chartered Accountants ("**ISCA**") and SAC Capital, as prescribed by the SGX-ST.

In FY2024, Mr Chen Timothy Teck Leng and Mr Xu Wen Jiong joined the Company. Pursuant to Rule 210(5)(a) of the SGX-ST, they are not required to undergo mandatory training as they have prior experience as a director of an issuer listed on SGX-ST.

Following their appointment, directors are provided with opportunities for continuing education in areas such as directors' duties and responsibilities, changes to regulations, risk management and accounting standards. The objective is to enable them to stay updated on matters that affect or enhance their performance as directors or board committee members. Directors may also contribute by recommending suitable training and development programmes to the Board.

Board Approval (Provision 1.3)

Matters requiring the Board's approval include the following:

(a) Group policies, strategies and objectives;

(b) annual budgets;

(c) annual and interim financial statements;

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(d) announcements of the Company;

(e) appointment of directors and key management personnel;

(f) hedging policies;

(g) interim dividends and other returns to shareholders;

(h) share or bond issuances;

(i) annual report and sustainability reports;

(j) major investments or divestments;

(k) material acquisitions or disposals of assets; and

(l) remuneration policy and framework for key management personnel.

Matters requiring the Board's approval have been clearly documented and communicated to Management in writing.

Delegation by the Board (Provision 1.4)

The Board has delegated specific responsibilities to the committees of the Board, namely, the Nominating Committee ("**NC**"), the Remuneration Committee ("**RC**"), the Audit and Risk Committee ("**ARC**") (collectively, the "**Board Committees**") to assist the Board in carrying out and discharging its duties and responsibilities efficiently and effectively and reporting back to the Board. Each board committee has its own specific Terms of Reference ("**TOR**") which clearly sets out the composition, duties, authority and responsibilities of such committee, qualifications for membership in such committee, and procedures governing the manner in which such committee operates and makes decisions.

Board and Board Committees Meetings (Provision 1.5)

The Board meets on a regular basis to approve, among others, announcements of the Group's half and full year financial results. Additional board and board committee meetings are also convened to discuss and deliberate on urgent substantive matters or issues when circumstances require. The annual general meeting ("**AGM**") is scheduled in advance in consultation with the Board. The Board may also have informal discussions on matters requiring urgent attention which would then be formally approved by circular resolutions in writing. In the event that directors are unable to attend meetings in person, the Company's Constitution provides for meetings to be held via telephone conference or other methods of simultaneous communication by electronic or telegraphic means. Management has access to the directors for guidance or exchange of views outside of the formal environment of board meetings.

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The number of meetings of the Board and Board Committees held during FY2024 and the attendance of each director at those meetings are set out as follows:

	Board of Directors		Audit and Risk Committee		Nominating Committee		Remuneration Committee		
	No. of meeting		No. of meeting		No. of meeting		No. of meeting		Annual General Meeting
Name of Directors	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	
Ren Yuanlin	4	4	–	–	–	–	–	–	1
Chew Sutat(1)	4	2	4	2	1	1	1	1	1
Yee Kee Shian, Leon	4	4	4	4	1	1	1	1	1
Chua Kim Leng(2)	4	2	4	2	1	1	1	1	1
Toe Teow Heng(3)	4	1	4*	1*	1*	1*	–	–	1
Chen Timothy Teck Leng(4)	4	2	4	2	1	–	1	–	–
Xu Wen Jiong(5)	4	2	4	2	1	–	1	–	–

* *By invitation*

(1) Resigned as a Lead Independent Non-Executive Director on 30 June 2024.

(2) Resigned as an Independent Non-Executive Director on 30 June 2024.

(3) Resigned as an Executive Director, Chief Executive Officer ("CEO") and Chief Investment Officer ("CIO") on 24 April 2024.

(4) Appointed as a Lead Independent Non-Executive Director on 1 July 2024.

(5) Appointed as an Independent Non-Executive Director on 1 July 2024.

The Board values the importance of directors' attendance at board and board committee meetings but is also of the view that attendance should not be the only criterion to measure their contributions. Our directors make a conscious effort to be available and accessible to Management for discussions and consultations outside the framework of formal meetings. The Board also takes into consideration other criteria in assessing directors' contributions, including periodical reviews, the nature and extent of their guidance and expertise rendered to the committees on which they sit, and the scope of advice given on various matters relating to the Group. For directors with multiple board representations, the Board assesses that they devote sufficient time and attention to the affairs of the Company and fully discharge their fiduciary duties.

Access to Information (Provision 1.6)

Directors have the opportunity to meet with Management to obtain a better understanding of the business operations. Below are some of the updates provided to the directors in FY2024:

- The external auditors, PricewaterhouseCoopers LLP, briefed the ARC members on the latest developments in accounting and corporate governance standards at the ARC meetings;

- Information on new audit quality indicators framework;

- The Board Chairman updated the Board at board meetings on the business outlook, investment risks and opportunities, and the direction of the Group;

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- The Chief Financial Officer ("**CFO**") has updated the Board at board meetings on each segmental business operation and development of the Group; and

- The Compliance department updated the ARC members on risk exposures and other important compliance and risk-related matters.

Management recognises the importance of ensuring the flow of complete, adequate and timely information to directors on an ongoing basis to enable them to make informed decisions to discharge their duties and responsibilities. The Board and board committee papers are generally provided to members prior to the meetings, with sufficient time to enable the directors to obtain further explanations, where necessary, and prepare for the meetings. Any additional material or information requested by the directors is promptly furnished.

Management's proposals to the Board for approval provide background and explanatory information such as facts, resources needed, risk analysis and mitigation strategies, financial impact, regulatory implications, expected outcomes, conclusions and recommendations. Any additional material or information requested by the directors is promptly furnished. If necessary, employees who can provide additional insight into matters to be discussed are present at the relevant time during the Board and board committee meetings. In order to keep directors abreast of the Group's operations, the directors are also updated on initiatives and developments on the Group's business as soon as practicable and on an on-going basis.

Access to Management, Company Secretary and Advisers (Provision 1.7)

All directors have access to Management, including the CEO, the CFO and other key management staff, as well as the Group's internal and external auditors. To facilitate direct access to management, directors are also provided with the names and contact details of the management team. The directors also have separate and independent access to the Company Secretary through e-mail, telephone and face-to-face meetings. The Company Secretary is responsible for, among other things, ensuring that the Board's procedures are observed and the Company's Constitution, relevant rules, and regulations, including the Securities and Futures Act, Companies Act and SGX-ST Listing Manual are complied with.

The Company Secretary attends all board and board committee meetings and records the proceedings and decisions of the Board and of the board committees. The Company Secretary ensures that the corporate secretarial aspects of procedures concerning the Board are duly complied with. The appointment and the removal of the Company Secretary are subject to the Board's approval.

The directors, whether as a full board or in their individual capacity may seek independent professional advice (including, but not limited to, legal, accounting, and financial advice) in the furtherance of their duties from time to time. The cost of such professional advice will be borne by the Company. There was no such requirement during the year under review.

Having considered the adequacy and timeliness of the information made available by the Management, the directors are satisfied with the access to the information provided by the Company during FY2024.

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Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Board Independence (Provisions 2.1, 2.2 and 2.3)

The independence of each Independent Director is assessed at least annually by the NC as mentioned under Provision 2.1 of the Code and Rule 210(5)(d) of the Listing Rules of the SGX-ST (the "**Rules**").

Each Independent Director has also completed and submitted an independence declaration form annually to confirm his independence. The Singapore Exchange Regulation has imposed a maximum tenure of nine years for Independent Directors serving on the boards of issuers listed on SGX-ST. The NC had reviewed and affirmed that no Independent Director has served in aggregate more than nine years on the Board.

A summary of the outcome of the assessment is set out below.

As at 30 June 2024, each of Mr Chew Sutat and Mr Chua Kim Leng does not have any of the relationships and are not faced with any of the circumstances identified under the Rules that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgement in the best interests of the Company. Mr Chen Timothy Teck Leng and Mr Xu Wen Jiong who were appointed on 1 July 2024, have completed their annual declarations to confirm their independence based on the Rule 210(5)(d) and provision 2.1 in the Code. The NC and the Board are of the view that each of these Directors has demonstrated independence in the discharge of their duties and responsibilities and is therefore considered an Independent Director.

Mr Yee Kee Shian Leon is the Chairman of Duane Morris & Selvam LLP ("**DMS**"), one of several law firms which provides legal services to and receives fees from the Group. He has recused himself from the selection and appointment of legal counsels for the Group in the situations where DMS is involved with the selection process. Any appointment of DMS would have to be in compliance with the Group's IPT policy and any such appointment would have to be cleared by the ARC (with Mr Yee Kee Shian, Leon recusing) as well. Although his interest in DMS is more than 5% but the fees paid by the Group to DMS for the provision of its legal services do not form a significant portion of DMS's revenue for the relevant period.

The NC (with Mr Yee Kee Shian, Leon recusing) also notes that this business relationship has not affected his conduct at meetings where his deliberations, constructive views and ability to maintain objectivity consistently reflect his independent business judgement and is of the view that he is independent. The Board concurs with the NC's determination that Mr Yee Kee Shian, Leon has demonstrated independence in the discharge of his duties and responsibilities as a director and that his independence was not affected by the foregoing business relationship.

The Executive Chairman and Chief Executive Officer ("**CEO**") is part of the management team. The Board has assessed and believes that the Executive Chairman has acted and will continue to act at all times in the best interest of shareholders as a whole and will strive to protect and enhance the long-term shareholder values and the financial performance of the Group.

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As the Executive Chairman and CEO is not an Independent Director, the Company has complied with the relevant provisions, as Independent Directors make up a majority of the Board pursuant to Provisions 2.2 and 2.3 of the Code.

Board Composition (Provision 2.4)

The Board has four (4) Directors, comprising one (1) Executive Director and three (3) Independent Directors. The members of the Board and their membership on the Board Committees of the Company as of FY2024 are as follows:–

Name of Directors	Board Membership	Audit and Risk Committee	Nominating Committee	Remuneration Committee
Ren Yuanlin	Executive Chairman and CEO	–	–	–
Chen Timothy Teck Leng	Lead Independent Director	Chairman	Member	Member
Yee Kee Shian, Leon	Independent Director	Member	Chairman	Chairman
Xu Wen Jiong	Independent Director	Member	Member	Member

The Directors bring with them a broad range of business and financial experience, skills and expertise in law, finance, industry, business management and general corporate matters. Their profiles are set out on pages 7 to 8 of this Annual Report.

The NC is of the view that the current board size of four (4) is appropriate for the Group's present scope of operations, facilitating decision-making. The Board possess an adequate mix of competency to discharge its duties and responsibilities. Furthermore, no individual or small group of individuals dominates the Board's decision-making process. The NC also considers other aspects of diversity, such as gender and age, and assists the Board in implementing a board diversity policy to avoid groupthink and foster constructive debate.

Board Diversity Policy

The Company's Board Diversity Policy recognises and embraces the benefits of having a diverse board, and endeavours to include a broad range of factors in its selection and retention of directors. The Company believes that a diverse board will contribute to the achievement of its strategic and commercial objectives, including to:

- Drive business results
- Raise corporate governance standards
- Enhance quality and responsible decision-making capability
- Ensure sustainable development
- Enhance the Company's reputation

The Company is committed to promoting diversity within the Board to support the achievement of its strategic goals and sustainable development. The Board Diversity Policy emphasises the importance of a well-balanced composition in terms of skills, knowledge, experience and various aspects of diversity.

In pursuit of this policy, the Board aims to include a wide range of perspectives, ideas and insights to harness the full spectrum of available talent. To achieve this, the Board considers various factors when determining the optimal composition and size of the Board and Board Committees, such as skills, knowledge, professional experience, educational background, gender, age, and length of service.

The expertise the Board looks for includes investment, accounting, business acumen, management experience, legal and financial industry knowledge, regulatory familiarity, risk management, audit, corporate governance and internal controls. The NC employs a skills matrix to identify any gaps and categorize directors' expertise into key categories, including environmental, social, and governance ("**ESG**").

The NC conducts interviews with short-listed candidates and then present recommendations to the Board, aligning each candidate's skill set with the specific needs of the Board Committees. The final decision is made by the Board, considering the recommendations and ensuring that directors meet the criteria outlined in the Board Diversity Policy and possess the competencies necessary for effective governance.

Diversity Targets and Progress

Target 1: The Board's primary objective is to cultivate diversity that aligns seamlessly with the Company's strategic and business objectives.

Progress: In FY2024, the Company has three distinguished individuals in its Board:

Mr Chen Timothy Teck Leng: With more than three decades of management experience in banking, insurance, investment funds and corporate advisory work in North America and Asia.

Mr Xu Wen Jiong: With more than 40 years of experience in the marine industry, including shipbuilding, shipping-related businesses internationally.

Mr Yee Kee Shian, Leon: Chairman at Duane Morris & Selvam, a distinguished international corporate lawyer, and leader in various practice groups.

Target 2: The Board is committed to ensuring gender diversity on the Board, with a minimum of one female representative.

Progress: As of now, the Company does not have a female representative on the Board. However, the NC remains committed to achieving progress in this aspect and is seeking to attract potential female candidates from different sources, aligning with the Company's commitment to enhancing gender diversity on the Board.

The Board will consist of four (4) Directors, comprising one (1) Executive Director and three (3) Independent Directors.

Independent Directors meet regularly without the presence of Management (Provision 2.5)

The Independent Directors communicated without the presence of Management whenever necessary. The chairman of such meetings provides feedback to the Board and/or Executive Chairman and CEO, as appropriate.

Chairman and CEO
Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Roles of the Executive Chairman and CEO (Provisions 3.1 and 3.2)

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Mr Ren Yuanlin serves as the Executive Chairman and CEO of the Group, and leads all board meeting discussions.

The Chairman and CEO:

- is responsible for the leadership of the Board and is pivotal in creating the conditions for overall effectiveness of the Board, Board Committees and individual directors;
- takes a leading role in the Company's drive to achieve and maintain high standards of corporate governance with the full support of the directors, Company Secretary and Management;
- approves the agendas for board meetings and ensures sufficient allocation of time for thorough discussion of agenda items;
- promotes an open environment for debates and ensures all participants can speak freely and contribute effectively;
- ensures the quality, quantity and timeliness of information flow between the Board and Management;
- provides close oversight, guidance and advice to the Management; and
- plays a pivotal role in fostering constructive dialogue between shareholders, the Board and Management at AGMs and other shareholders' meetings.

The Chairman and CEO is supported by the Deputy CEO and CFO, who is responsible for:

- running the day-to-day business of the Group, within the authorities delegated by the Board;
- ensuring the implementation of policies and strategy across the Group as set by the Board;
- managing the executives and management team;
- overseeing the training and development of management;
- ensuring that the Chairman and CEO is kept appraised in a timely manner of any issues faced by the Group, as well as important events and developments; and
- leading the development of the Group's strategy including identifying and assessing risks and opportunities for business growth and reviewing the performance of existing businesses.

The Group is cognisant that there is no division of responsibilities between the Chairman and the CEO. Nevertheless, the Board has a lead independent director in line with the recommendation of Provision 3.3 of the Code. The Group will not adopt the recommendation in Provision 3.1 of the Code to have separate persons appointed as the Chairman and the CEO as the Group believes that vesting the roles of both the Chairman and the CEO in the same individual enables the Group to achieve higher responsiveness, efficiency and effectiveness when formulating business strategies and executing business plans. Furthermore, in view of Mr Ren Yuanlin's extensive industrial experience and significant role in the spinoff of the Group from Yangzijiang Shipbuilding (Holdings) Ltd, and the subsequent development of the Group, such as the Group's recently approved diversification to Maritime Services, Loan Services, Maritime Business, and Import and Export Business (collectively known as "**New Businesses**") (refer to Circular dated 16 May 2024 for

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more information), it is beneficial to the business prospect of the Group that Mr Ren Yuanlin continues to act as both the Chairman and the CEO.

As the CEO, Mr Ren Yuanlin is responsible for executing the Group's strategic plans and run the day-to-day management of the Group. Mr Ren Yuanlin is assisted by Ms Liu Hua, who assumed the role of Deputy CEO and CFO of the Group on 24 April 2024. in addition to Ms Liu Hua's existing CFO duties, she assists Mr Ren Yuanlin in expanding the Group's investment management and fund/wealth management businesses in Singapore, developing and implementing strategies to achieve the Group's key objectives. There is no familial relationship between Mr Ren Yuanlin and Ms Liu Hua.

As the Chairman of the Board, Mr Ren Yuanlin leads all Board meetings and sets the agenda. He ensures that Board members receive accurate and timely information to enable them to be fully cognisant of the affairs of the Group. He also fosters a culture of openness and debate within the Board, encouraging contributions from the Board members to facilitate constructive discussions.

All strategic and major decisions relating the Group's business and management are jointly and collectively made by the Board. As such, the balance of power and authority is sufficiently maintained through the presence of a majority of independent directors, ensuring effective oversight by the Board. In addition, through the delegation of power and authority to various Board Committees, each having at least an independent majority to perform key functions and by implementing internal controls for proper accountability, the Board is able to exercise objective judgement independently from the Chairman and CEO as well as Management. This ensures decisions are made in the best interest of the Group, where no individual or small group of individuals dominates the Board's decision, in line with the intent of Principle 3 of the Code.

Lead Independent Director (Provision 3.3)

Mr Chen Timothy Teck Leng is the Lead Independent Director of the Company. His main duties include facilitating the functioning of the Board and providing leadership in circumstances where the Executive Chairman may be (or perceived to be) in conflict. He serves as a key contact point for shareholders and other stakeholders, especially when the normal channels of communication with the Executive Chairman or Management are inappropriate or inadequate.

Board Membership
Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

NC Composition and Role (Provisions 4.1 & 4.2)

The NC consists of three (3) Independent Directors:

Mr Yee Kee Shian, Leon, Chairman (Independent Director)

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Mr Chen Timothy Teck Leng (Lead Independent Director)
Mr Xu Wen Jiong (Independent Director)

The NC, which has written terms of reference, is responsible for making recommendations to the Board on all Board appointments and re-appointments. The key terms of reference of the NC include the following:

(a) reviewing and recommending the appointment of new directors and executive officers and re-nomination of the directors having regard to each director's expertise, contribution, performance and ability to commit sufficient time, resources and attention to the affairs of the Group, and each director's respective commitments outside the Group, including his or her principal occupation and board representations on other companies, if any. The NC shall conduct such reviews at least once a year or more frequently as it deems fit;

(b) reviewing the succession plans for the directors, in particular the appointment and/or replacement of any key management personnel of the Company;

(c) reviewing the structure, size and composition of the Board and the Board Committees to ensure each committee comprises an appropriate mix of skills, experience, core competencies and knowledge relevant to the needs of the Group that the Board and the relevant Board Committees require to function competently and efficiently;

(d) determining the independence of directors annually in accordance with the Listing Manual of the SGX-ST and the Code, and providing its views to the Board for further consideration;

(e) developing an objective process and criteria for evaluating the performance of the Board as a whole and its committees, and for assessing the contribution of the Chairman and each individual director to the effectiveness of the Board;

(f) approving any proposed assumption of roles outside of the Group by a legal representative of the People's Republic of China (the "**PRC**") subsidiaries of the Group;

(g) reviewing and approving the employment of persons related to the directors or substantial shareholders of the Company and the proposed terms of their employment;

(h) deciding whether or not a director is able to and has been adequately carrying out his/her duties as a director.

Process for the selection, appointment, and re-appointment of directors (Provision 4.3)

The NC has established a formal process for the selection of new directors and re-appointment of directors to ensure transparency of the nominating process in identifying and evaluating nominees or candidates for appointment or re-appointment. In selecting potential new directors, the NC aims to identify the competencies and expertise required for the Board to fulfil its responsibilities. The NC evaluates the suitability of the nominee or candidate based on the individual's qualifications, business and related experience, commitment, ability to contribute to the Board process and such other qualities and attributes that may be required by the Board, before making its recommendation to the Board. In recommending a candidate for re-appointment to the Board, the NC considers, amongst other factors, his/her contributions to the Board (including attendance and participation at meetings, time and effort accorded to the Company's or Group's business and affairs) and his/her independence. The Board ensures that the selected

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candidate is fully aware of the expectations and the level of commitment required. The Board, on the recommendation of the NC, appoints new directors.

In accordance with the Regulation 98 of the Company's Constitution, all directors are required to retire from office at least once every three (3) years. Directors will be eligible for re-election at the Company's AGM at which he/she retires. In addition, Regulation 97 of the Company's Constitution stipulates that a director newly appointed by the Board during the financial year must retire and submit himself/herself for re-appointment at the next AGM following his/her appointment. Thereafter, the director is subject to be re-appointed at least once every three years at the Company's AGM.

In this respect, the NC has recommended and the Board has agreed for the following Directors for re-election, pursuant to Regulation 99 of the Constitution of the Company, at the forthcoming AGM:

(a) Mr Chen Timothy Teck Leng

(b) Mr Xu Wen Jiong

Mr Chen Timothy Teck Leng will, upon re-election, remain as the Lead Independent Director, Chairman of the ARC, and a Member of the NC and RC of the Company.

Mr Xu Wen Jiong will, upon re-election, remain as an Independent Director and Member of the ARC, NC and RC. Both of them will be considered independent for the purpose of Rule 704(8) of the Listing Manual. As disclosed above, the Board is of the view that Mr Chen Timothy Teck Leng and Mr Xu Wen Jiong have demonstrated independence in the discharge of their duties and responsibilities as directors and are therefore considered Independent Directors.

In making the recommendations, the NC considers the overall contribution and performance of the directors. Mr Chen Timothy Teck Leng and Mr Xu Wen Jiong, both being members of the of the NC, had abstained from deliberation in respect of their own nomination and assessment.

Alternate Director

Under the Company's Constitution, an Alternate Director is entitled to perform all the functions of the director appointing him in the director's absence. If a person is proposed to be appointed as an Alternate Director to an Independent Director, the NC and the Board will review whether that person would similarly qualify as an Independent Director. No alternate director was appointed to the Board in FY2024.

Determination of Independence of a Director (Provision 4.4)

The NC has reviewed the independence of the directors as outlined under Provision 2.1 of the Code and Rule 210(5)(d) of the Listing Rules of the SGX-ST. As set out above, the NC has affirmed that Mr Chen Timothy Teck Leng, Mr Yee Kee Shian, Leon and Mr Xu Wen Jiong are independent and save as disclosed above, are free from any relationship outlined in the Code. Each of the Independent Directors has completed and submitted an independence declaration form to confirm his independence.

Under Rule 210(5)(d)(iv) of the Listing Manual of the SGX-ST, a director will not be considered independent if he has been a director for an aggregate period of more than nine years. None of the Independent Directors have been appointed for an aggregate period of more than nine years.

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The Board provides for the appointment of alternate directors when any of the directors think fit. The Board will take into consideration the same criteria for selection of alternate directors such as qualifications, skills sets and competencies.

Directors' Ability to Commit Time and Key Information on Directors (Provision 4.5)

In assisting the NC to determine whether directors who are on multiple boards have committed adequate time to discharge their responsibilities towards the Company's affairs, the NC has considered the attendance and contributions of the directors to the Board and Board Committees. The NC does not make any recommendation on setting the maximum number of listed company board appointment that any director may hold, as long as the director's multiple Board representations do not hinder their ability to adequately carry out their duties. Having reviewed each director's directorships in other companies as well as each director's attendance and contribution to the Board in FY2024, the NC is satisfied that the directors have dedicated adequate time to the Company's affairs and have duly discharged their responsibilities. All Independent Directors are required to declare their Board representations at the Board meetings whenever there is a change and at the beginning of each financial year.

Key information of each director's academic, professional qualifications, listed company directorships and other principal commitments can be found on pages 7 to 8 of the "**Board of Directors**" section of this Annual Report.

Directors' key information are set out below:

Name of Directors	Date of First Appointment	Present Directorships and Chairmanships in Other Listed Companies	Directorships and Chairmanships in Other Listed Companies over the preceding three years
Ren Yuanlin	14 Dec 2021	Nil	Nil
Chen Timothy Teck Leng	1 July 2024	Tye Soon Ltd.	Yangzijiang Shipbuilding (Holdings) Ltd. CCB Life Insurance Company Ltd.
Yee Kee Shian, Leon	25 Mar 2022	F J Benjamin Holdings Ltd. Yangzijiang Shipbuilding (Holdings) Ltd. Oxpay Financial Limited. Oxley Holdings Limited. TEHO International Inc Ltd.	Federal International (2000) Ltd. Milkyway International Tank Transportation (Holdings) Pte. Ltd. (formerly known as LHN Logistic Limited) Pacific Star Development Limited (formerly known as LH Group Limited). Laura Ashley Holdings Plc.
Xu Wen Jiong	1 July 2024	Nil	Nil

Pursuant to Rule 720(6) of the Listing Rules of the SGX-ST, the information relating to the reappointed directors as set out in Appendix 7.4.1 of the Listing Rules of the SGX-ST are disclosed below:

	CHEN TIMOTHY TECK LENG
Date of Appointment	1 July 2024
Date of last re-appointment (if applicable)	N.A.
Age	70
Country of principal residence	Singapore

CORPORATE GOVERNANCE REPORT

	CHEN TIMOTHY TECK LENG
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Chen Timothy Teck Leng as the Lead Independent Non-Executive Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration his qualifications, expertise, past experiences and overall contribution.
Whether appointment is executive, and if so, the area of responsibility	Non-executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Lead Independent Director, ARC Chairman, Member of the NC and RC
Professional qualifications	– Bachelor of Science Degree from University of Tennessee – Master of Business Administration Degree from Ohio State University – Certified Corporate Director (ICD.D) designation from the Canadian Institute of Corporate Director
Working experience and occupation(s) during the past 10 years	Please refer to the Board of Directors section in the Company's 2024 Annual Report.
Shareholding interest in the listed issuer and its subsidiaries	None
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None
Conflict of interest (including any competing business)	None
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments Including Directorships Past (for the last 5 years) Present	Yes – YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD. – TIANJIN ZHONGXIN PHARMACEUTICAL GROUP CORPORATION LTD. – SYSMA HOLDINGS LIMITED. – CCB LIFE INSURANCE COMPANY LIMITED – BOLDTEK HOLDINGS LTD. – TYE SOON LTD.

CORPORATE GOVERNANCE REPORT

	CHEN TIMOTHY TECK LENG
Information required **Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.**	
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
(c) Whether there is any unsatisfied judgment against him?	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No

CORPORATE GOVERNANCE REPORT

	CHEN TIMOTHY TECK LENG
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–	
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No
ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No

CORPORATE GOVERNANCE REPORT

	CHEN TIMOTHY TECK LENG
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No
iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No
Information required **Disclosure applicable to the appointment of director only**	
Any prior experience as a director of an issuer listed on the Exchange? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Yes – Lead Independent Director and Chairman of the Audit and Risk Committee of Yangzijiang Shipbuilding (Holdings) Ltd from 2013 to 2024 – Non-Executive Chairman of Tye Soon Limited since 2016 – Chairman of Risk Management Committee of CCB Life Insurance Company Ltd from 2017 to 2023 – Independent Non-Executive Director of Boldtek Holdings Limited from 2012 to 2022 – Lead Independent Director of Sysma Holdings Limited from 2015 to 2020 – Lead Independent Director and Chairman of the Audit Committee of Tianjin Zhong Xin Pharmaceutical Group Corporation Ltd from 2014 to 2020

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	XU WEN JIONG
Date of Appointment	1 July 2024
Date of last re-appointment (if applicable)	N.A.
Age	76
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Xu Wen Jiong as the Independent Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration his qualifications, expertise, past experiences and overall contribution since he was appointed as a director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Member of ARC, NC and RC
Professional qualifications	– Diploma of Electrical Engineering from Nan Jing Marine Institute
Working experience and occupation(s) during the past 10 years	Please refer to the Board of Directors section in the Company's 2024 Annual Report.
Shareholding interest in the listed issuer and its subsidiaries	None
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None
Conflict of interest (including any competing business)	None
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments Including Directorships Past (for the last 5 years) Present	Yes – YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD. – WEST GOLD INTERNATIONAL PTE. LTD.

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	XU WEN JIONG
Information required **Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.**	
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
(c) Whether there is any unsatisfied judgment against him?	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No

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	XU WEN JIONG
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–	
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No
ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No

CORPORATE GOVERNANCE REPORT

	XU WEN JIONG
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No
iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No
Information required **Disclosure applicable to the appointment of director only**	
Any prior experience as a director of an issuer listed on the Exchange? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Yes Current Listed Company Directorship: NIL Previous Listed Company Directorships: Yangzijiang Shipbuilding (Holdings) Ltd from 2014 to 2022

CORPORATE GOVERNANCE REPORT

Board Performance
Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual directors.

Performance Criteria and Assessment Criteria (Provisions 5.1 & 5.2)

The NC has established a framework for the evaluation of the Board, the Board Committees, and individual members of the Board to assess their effectiveness. The evaluation is carried out annually by means of a questionnaire relating to the size and composition of the Board, information flow to the Board, Board procedures and accountability, matters concerning CEO/key management personnel and standards of conduct of Board members being completed by each individual director. Completed questionnaires are collated by the Company Secretary and the findings are presented to the NC for discussion. Based on the findings the NC and the Board are generally satisfied with the effectiveness of the Board as a whole, the performance of each board committee, and the contribution of each director. The NC has highlighted certain areas for improvement and the Board has agreed to implement measures to address them.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies
Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

RC Composition and Role (Provisions 6.1, 6.2 & 6.3)

The RC consists of three (3) Independent Directors:

Mr Yee Kee Shian, Leon, Chairman	(Independent Director)
Mr Chen Timothy Teck Leng	(Lead Independent Director)
Mr Xu Wen Jiong	(Independent Director)

The RC carries out its duties in accordance with a set of terms of reference which includes mainly, the following:

(a) recommending for the Board's endorsement the proposed fees for Non-Executive Directors for approval by the shareholders of the Company. Each member of the RC shall abstain from any discussions and voting on any resolutions in respect of his/her fees;

(b) recommending to the Board a framework of remuneration for the directors, Chairman and key management personnel of the Company, and determine specific remuneration packages for each director and key management personnel, such recommendations to be submitted for endorsement by the entire Board, with all aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, termination payments and benefits-in-kind, to be reviewed;

(c) reviewing the ongoing appropriateness and relevance of the Company's remuneration policies;

CORPORATE GOVERNANCE REPORT

(d) reviewing annually the remuneration of employees who are related to the directors and substantial shareholders of the Company to ensure that their remuneration packages are in line with the staff remuneration guidelines of the Group and are commensurate with their respective job scopes and levels of responsibilities, as well as reviewing and approving any bonuses, pay increments and/or promotions for such related employees. Each member of the RC shall abstain from any discussions and voting on any resolutions in respect of employees related to him/her;

(e) reviewing the design of any share incentive scheme(s) which may be established by the Company from time to time and administering such schemes, if applicable.

The RC is responsible for ensuring a formal and transparent procedure is in place for fixing the remuneration packages of individual directors and key management personnel. All aspects of remuneration frameworks, including but not limited to fees, salaries, allowances, bonuses, and other benefits-in-kind of directors and key management personnel are reviewed by the RC. The recommendations of the RC are submitted for endorsement by the Board. These frameworks are reviewed periodically to ensure that the directors and key management personnel are adequately but not excessively remunerated as compared to industry benchmarks and other comparable companies.

Remuneration Consultants (Provisions 6.4)

The RC may from time to time seek advice on the remuneration of all directors from external remuneration consultants, ensuring that their independence and objectivity are not influenced by any existing relationships with the Company, its key management personnel, and its directors. In FY2024, the Company did not engage any remuneration consultant.

Level and Mix of Remuneration
Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Remuneration of Directors and Key Management Personnel (Provisions 7.1, 7.2 & 7.3)

The remuneration of the Executive Director and key management personnel is designed to attract, retain and motivate such individuals, while creating long-term value for shareholders. The remuneration package of each Executive Director and key management personnel comprises a fixed component and a variable component, which is based on the Group's and the individual's performance. An appropriate proportion of the remuneration of such individuals is structured to align rewards with corporate and individual performance.

With regard to the remuneration of Non-Executive Directors, the RC ensures that the Non-Executive Directors are remunerated to a level that is commensurate with their level of contribution taking into account factors such as effort and time dedicated to their roles, and their responsibilities. Non-Executive Directors receive a basic fee for their services. Each member of the RC abstains from voting on any resolutions in respect of his/her own remuneration package.

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Disclosure on Remuneration

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance, and value creation.

Disclosure of Remuneration (Provisions 8.1 & 8.3)

Details of the remuneration of directors and top five (5) key management personnel of the Group for FY2024 are set out below:

Name of Directors	Breakdown of Remuneration in Percentage (%)				Total (S$)
	Fees[1] (%)	Salary[2] (%)	Variable Bonus (%)	Total (%)	
Ren Yuanlin	–	100	–	100	60,000
Chen Timothy Teck Leng[3]	100	–	–	100	34,500
Yee Kee Shian, Leon[4]	100	–	–	100	72,500
Chua Kim Leng[5]	100	–	–	100	36,000
Toe Teow Heng[6]	–	100	–	100	200,828
Chew Sutat[7]	100	–	–	100	43,500
Xu Wen Jiong[8]	100	–	–	100	34,500

Notes:

(1) The Directors' fees are subject to the approval of the shareholders at the 3rd AGM.

(2) In accordance with Service Agreement.

(3) Mr Chen Timothy Teck Leng was appointed on 1 July 2024.

(4) Mr Yee Kee Shian, Leon was concurrently the chairman of the sustainability committee and will receive an additional fee of SGD500 per meeting for his services in FY2024, with a total of 4 meetings attended during FY2024.

(5) Mr Chua Kim Leng had resigned on 30 June 2024.

(6) Mr Toe Teow Heng had resigned on 24 April 2024.

(7) Mr Chew Sutat had resigned on 30 June 2024.

(8) Mr Xu Wen Jiong was appointed on 1 July 2024.

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Name of Top 5 Key Management Personnel	Designation	Breakdown of Remuneration in Percentage (%)		
		Salary (%)	Variable Bonus (%)	Total (%)
S$500,001 to S$750,000				
Liu Hua	Deputy CEO and CFO	100	–	100
Alvin Chew Lee Guan	Managing Director, Head of Direct Investments	86	14	100
S$250,000 to S$500,000				
Chiang Kheng Hong[1]	Managing Director, Head of Cash Management	100	–	100
Alex Yan Zhongbing	Chief Executive, Head of Shipping & Maritime Technology Fund	92	8	100
Below S$250,000				
Su Qing	Chief Compliance Officer-PRC	100	–	100

Note 1: Mr Chiang Kheng Hong had been reassigned to run the Group's Cash Management operations and joined the Group's respective Investment Committees with effect from 1 April 2024.

The remuneration of each of the above top five (5) key management personnel. The total remuneration (including CPF contribution thereon and bonus) paid to the top 5 key management personnel in FY2024 was approximately S$2,079,030.

Remuneration of Immediate Family Members of a Director, CEO or Substantial Shareholder (Provision 8.2)

The Group does not have any employee who is an immediate family member of a director, CEO or substantial shareholder whose remuneration exceeded S$100,000 during the financial year.

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls
Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Risk Management (Provision 9.1)

The Board is responsible for the overall risk management and internal control framework of the Group. The Board recognises the importance of balancing risks and rewards to achieve an optimal level of risk that the Group can tolerate in achieving its strategic objectives. To assist the Board, the Board has established the ARC whose responsibilities include reviewing the risk profile of the Group and making recommendations to the Board on risk strategy, risk appetite and risk limits. Further details on the composition of the ARC can be found in Principle 10.

The Group has established an Enterprise Risk Management ("**ERM**") policy for the identification of key risks within the business and has adopted the use of a risk register and summary of matrices to document the identified risks as well as take appropriate measures to control and mitigate these risks. The ARC reviews and reports to the Board the Group's risk profile, evaluates results and counter-measures to mitigate or transfer identified potential risks so as to assure itself and the Board that the process is operating effectively as planned. The risk management policy of the Group consists of the framework of formal, systematic and comprehensive guidelines and rules to identify and manage significant risks that might affect the Group's achievement of its business objectives. The ERM policy has been in place to assist the Board, Management, and staff in identifying, reviewing and monitoring potential risks. Comprehensive guidelines and rules are set to identify and manage significant risks that may affect the Group's achievement of its business objectives, outputs, projects or operating processes. The Group recognises risk management as a collective effort beginning with the individual subsidiaries and business unit level, extending through operating segments, Management and ultimately to the Board. The process identifies relevant potential risks across the Group's operations with the aim of bringing them to within acceptable cost and tolerance parameters.

Management regularly reviews and updates the Board on the Group's business and operational activities in respect of the key risk control areas such as financial, operational, compliance and information technology risks. The Group continues to apply appropriate measures to control and mitigate these risks. All significant matters are highlighted to the Board and the ARC for further discussion. The Board and the ARC also collaborate with the internal auditors, external auditors and Management on their recommendations to institute and execute relevant controls, aiming to manage such risks effectively.

Assurances from CEO and CFO (Provision 9.2)

The Board acknowledges that no cost-effective system of internal controls can provide absolute assurance against the occurrence of material errors, losses, fraud or other irregularities. In view of the above and based on the internal controls established and maintained by the Group, along with the work performed by the internal auditors, external auditors and the reviews performed by Management, the Board Committees and the Board, the Board, in concurrence with the ARC, is of the opinion that the Group's risk management and internal control systems, addressing financial, operational, compliance and information technology risks, were adequate and effective during the financial year. This is in turn supported by (a) assurance from the Executive Chairman and CEO and the Deputy CEO and CFO that the financial records of the Company have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances in accordance with the relevant accounting standards; and (b) the assurance from the CEO and other key management personnel who are responsible for the adequacy and effectiveness of the Group's risk management and internal control systems.

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Audit and Risk Committee
Principle 10: The Board has an Audit and Risk Committee ("ARC") which discharges its duties objectively.

Composition, Power, and Duties of the ARC (Provisions 10.1, 10.2 & 10.3)

The Board recognises the importance of providing accurate and relevant information on a timely basis. To ensure effective corporate governance, the Board has established self-regulatory and monitoring mechanisms, including the establishment of the ARC to ensure that the Company maintains a robust system of internal controls to safeguard the Group's assets as well as to manage potential risks. The ARC consists of three (3) Independent Directors:

Mr Chen Timothy Teck Leng, Chairman	(Lead Independent Director)
Mr Xu Wen Jiong, Member	(Independent Director)
Mr Yee Kee Shian, Leon, Member	(Independent Director)

The Board ensures that all the ARC members, having the necessary audit, accounting, risk management and/or related financial management expertise, are appropriately qualified to discharge their responsibilities. None of the ARC members comprises former partners or directors of the Company's existing auditing firm or auditing corporation.

The ARC meets on a quarterly basis and plays a key role in assisting the Board to review significant financial reporting issues and judgments to ensure the quality and integrity of the accounting reports, the audit procedures, internal controls, financial statements and any announcements relating to the Group's financial performance. During FY2024, the ARC held four (4) scheduled meetings with full attendance.

The members of ARC carry out their duties in accordance with a set of terms of reference which includes, mainly the following:

(a) review the significant financial reporting issues and judgments to ensure the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance;

(b) review the periodic consolidated financial statements and any formal announcements relating to the financial performance of the Group prior to the submission to the Board;

(c) review the Company's key financial risk areas, with a view to providing an independent oversight of the financial reporting of the Group, the outcome of such review to be disclosed in the annual reports or of the findings are material, to be immediately announced via SGXNET;

(d) receive and review at least quarterly reports from Management on major risk exposures and the steps taken to monitor, control and mitigate such risks;

(e) review the assurance from the CEO and CFO on the Group's financial records and financial statements;

(f) make recommendations to the Board on establishing an adequate, effective and independent audit function (which can be in-house or outsourced to a reputable accounting/auditing firm or corporation) and ensure that the internal audit function is adequately resourced and staffed with persons with the relevant qualifications and experience and that the internal auditors comply with the standards set by nationally or internationally recognised professional bodies;

(g) review with the internal and external auditors, the audit plans, scope of work, their evaluation of the Company's system of internal controls, audit reports, their management letters and the response of Management and the results of audits compiled by the internal and external auditors;

(h) review and make recommendations to the Board on the appointment, re-appointment, and termination of the external auditor, including approving the remuneration and terms of engagement of the external auditors;

(i) review and approve any interested person transactions and significant transactions, if any;

(j) review the hedging policies and instruments implemented by the Group and conduct periodic reviews of foreign exchange transactions and hedging policies and procedures;

(k) review and make recommendations to the Board on the corporate governance policies and practices of the Group, including the code of conduct and compliance manual applicable to the directors and employees of the Group; and

(l) review the whistle-blowing policy and procedures.

The ARC discussed with Management regarding the accounting treatment and methodology applied as well as the assumptions used in judgemental assessment which might impact the results of financial statements. The external auditors reviewed the financial statements of the Group and highlighted some key audit matters ("**KAMs**") that might impact (whether significantly or otherwise) the financial statements and these KAMs were reviewed by ARC.

The ARC discussed significant financial reporting matters with Management and the external auditors which were included as KAMs in the independent auditor's report for FY2024, as set on pages 89 to 90 of this Annual Report.

In assessing each KAM, the ARC took into consideration the approach and methodology applied by Management in the determination of revenue recognition, provision of foreseeable losses on debt investments and the valuation of investment assets. The reasonableness of the estimates and key assumptions used were also considered by the ARC. Where necessary, the views of subject matter experts such as independent valuers were consulted.

The ARC also considered the report from the external auditors, including their findings and views on the key areas of audit focus. The ARC concluded that the Group's accounting treatment and estimates in each of the KAMs were appropriate.

The ARC also reviewed the independence and objectivity of the external auditors. Having reviewed the scope and value of non-audit services provided to the Group by the external auditors, PricewaterhouseCoopers LLP, the ARC is satisfied that the nature and extent of such services do not prejudice the independence and objectivity of the independent auditors. The aggregate amount of audit and non-audit fees paid or payable to PricewaterhouseCoopers LLP Singapore for FY2024 were S$468,000 and S$0 respectively. The ARC has recommended to the Board the nomination of PricewaterhouseCoopers LLP for re-appointment as external auditors of the Company at the forthcoming 3rd AGM.

The Group has complied with Rules 712, 715 and 716 of the Listing Manual of SGX-ST in relation to the appointment of its external auditors.

Internal audit (Provision 10.4)

The Group outsources its internal audit function to Messrs Yang Lee & Associates ("**YLA**" or "**IA**"). YLA is a professional service firm that specialises in the provision of internal audit, enterprise risk management and sustainability reporting advisory and assurance services. The firm was set up in the year 2005 and currently maintains a diverse outsourced internal audit portfolio of SGX-ST listed companies across different industries including distribution, manufacturing, services, food & beverage, trading, retail and property development industries. YLA is a corporate member of the Institute of Internal Auditors Singapore and is staffed with professionals with sufficient expertise in corporate governance, risk management, internal controls and other relevant disciplines.

CORPORATE GOVERNANCE REPORT

The ARC has reviewed and is satisfied that YLA is a suitable professional service firm to meet the Company's internal audit needs and obligations, having regard to the adequacy of resources and experience of the firm and the assigned engagement director, number and experience of supervisory and professional staff assigned to internal audit. IA reports directly to the Chairman of the ARC. The ARC approves the appointment, evaluation, termination and remuneration of the IA. The IA has full access to the Company's documents, records, properties and personnel, including the ARC, and has appropriate standing within the Company.

The IA is guided by the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors in carrying out the internal audit review.

The ARC reviews and approves the internal audit scope and plans to ensure sufficient coverage of the Group's activities. It also oversees the implementation of the internal audit plan and ensures that Management provides the necessary co-operation to enable the IA to perform its function.

The IA completed its review during the financial year ended 31 December 2024 in accordance with the risk-aligned internal audit plan approved by the ARC. The ARC approved the internal audit report and Management has adopted key recommendations from the IA as set out in the internal audit report.

The ARC has reviewed and is satisfied that the internal audit function is independent, effective and adequately resourced.

Meeting with External and Internal Auditors without Management (Provision 10.4)

The ARC meets with the external auditors and internal auditors, in each case without the presence of Management, as and when necessary and at least once a year.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings
Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position, and prospects.

General Meetings (Provision 11.1)

The Company believes that active participation from shareholders in general meetings will greatly enhance the shareholders' visibility of the Group's operations and performance and will further align shareholders' interest with the Group's future directions and strategies. To encourage active participation at general meetings, the Company is committed to providing shareholders with adequate, timely and sufficient information. Information on general meetings is disseminated through notices in the annual reports or circulars sent to all shareholders. The notices are also released via SGXNET and published in local newspapers, as well as published on the Company's website. Shareholders may also download the Annual Report from the Company's website and SGXNET.

CORPORATE GOVERNANCE REPORT

Conduct of General Meetings (Provisions 11.2, 11.3 & 11.4)

The Company does not allow a shareholder to vote in absentia at general meetings except through the appointment of a proxy, attorney or in the case of a corporation, a corporate representative, to cast their vote in their stead. Each shareholder who is entitled to attend and vote may either vote in person or appoint not more than two proxies. Corporations which provide nominee or custodial services are allowed to appoint more than two proxies so that shareholders who hold shares through such corporations can attend and participate in general meetings as proxies. Separate resolutions on each distinct issue are tabled at general meetings unless the issues are interdependent and linked to form one significant proposal. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting. All directors, senior management and the external auditors are intended to be in attendance at forthcoming 3rd AGM to address any queries from shareholders.

The Board acknowledges voting by poll is integral in the enhancement of corporate governance and leads to greater transparency of the level of support for each resolution where shareholders are accorded rights proportionate to the shareholding and all votes counted. To enhance shareholders' participation, the Group puts all resolutions at general meetings to vote by electronic poll and announces the results by showing the number of votes cast for and against each resolution and the respective percentage via SGXNET after the general meetings.

Minutes of General Meetings (Provision 11.5)

The Company Secretary prepares minutes of general meetings that include substantial and pertinent comments from shareholders related to the meeting's agenda along with responses from Management and the Board. Such minutes will be available to shareholders upon their written request. Copy of the minutes will also be released via SGXNET and the Company's website as soon as practicable.

Dividend Policy (Provision 11.6)

The Company has adopted a dividend policy of paying out at least 40% of the Group's net profit after tax, excluding non-recurring, one-off and exceptional items, as dividends. The Board is recommending SGD0.0345 per ordinary share for FY2024 as the first and final one-tier tax-exempt dividend payable to the shareholders, subject to the approval of shareholders at the forthcoming 3rd AGM.

In considering the form, frequency and amount of dividends that the Board may recommend or declare in respect of any particular year or period, the Board takes into account various factors including:

(a) the results of operations and cash flow;

(b) the expected financial performance and working capital needs;

(c) future prospects; and

(d) capital expenditures and other investment plans;

as well as general economic and business operations in the countries which the Group operates, and any other factors deemed relevant by the Board, along with statutory restrictions on dividends payment.

CORPORATE GOVERNANCE REPORT

Engagement with Shareholders
Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Shareholder Communication (Provision 12.1)

The Group acknowledges the importance of regular communication with shareholders and investors through which shareholders can have an overview of the Group's performance and operation. The Board ensures that all the Company's shareholders are treated equitably and the rights of all investors, including non-controlling shareholders are protected. Information is communicated to shareholders on a timely basis through the Company's annual report, circulars to shareholders (if any), interim financial results and the various announcements.

The Company is committed to ensuring that its shareholders have access to accurate information vis-à-vis the Company on a timely basis. This is achieved through posting announcements and news releases on the SGXNet on a timely and consistent basis. The Company will provide shareholders with its half-year and full-year financial statements within the relevant periods prescribed by the Listing Manual. Such half-year and full-year financial statements would be reviewed and approved by the Board prior to release to shareholders by announcement on the SGXNet. In presenting the half-year and full-year financial statements to shareholders, the Board seeks to provide shareholders with a balanced, clear and understandable assessment of the Company and the Group's performance, position and prospects.

In line with the Company's commitment to provide its shareholders with accurate information on a timely basis, the Company provides, on a voluntary basis, with quarterly business updates in between the announcement of its half-year and full-year financial statements. Such business updates contain, among other things, information on the Group's business and operational developments.

The Board embraces openness and transparency in the conduct of the Group's affairs, whilst safeguarding its commercial interests. Material information on the Group is made publicly available through the Company's announcements via the SGXNET.

Internal Investor Relations (Provisions 12.2 & 12.3)

The Company does not have an internal investor relations team but has designated personnel, assisted by an external investor relations firm, to handle investor queries and deal with all matters related to investor relations.

MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders
Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Engaging Material Stakeholder Groups (Provisions 13.1 & 13.2)

The Group has identified stakeholders as those who are impacted by the Group's business and operations as well as those who have a material impact on the Group's business and operations. The Company engages its stakeholders through various channels to ensure that the business interests of the Group are aligned with the needs and interests of its stakeholders. For more information on the Company's stakeholder engagement efforts, please refer to the Company's Sustainability Report which is included in this Annual Report.

CORPORATE GOVERNANCE REPORT

Interested Person Transaction Policy

The Company's Interested Person Transactions Policy sets out the detailed procedures for the review and approval of interested person transactions ("**IPT**").

To protect the interests of the Company and its shareholders, the Company has established an internal control system to ensure that all IPTs:

- will not be voted on by director(s) who are involved in transaction(s) where a conflict of interest may arise;
- will be undertaken on normal commercial terms; and
- will not be prejudicial to the interests of the Company and its shareholders.

Any interested person of the Company is required to promptly notify the Board of any material interest that such person had, has or may have in an IPT. The notice shall include a description of the transaction and the aggregate dollar amount. Following the receipt of such notification of material interest, the Board will conduct a thorough review of the IPT and shall be responsible for the approval or ratification of the IPT.

In determining whether to approve, ratify, disapprove or reject an IPT, the Board will take into account, among other factors it deems appropriate, whether the IPT is entered into on terms no less favourable to the Company than terms generally available to an unaffiliated third-party under the same or similar circumstances; the results of an appraisal, if any; whether there was a bidding process and the results thereof; review of the valuation methodology used and alternative approaches to valuation of the transaction; and the extent of the interested person's interest in the transaction. The Board will also ensure the relevant IPT is subject to the relevant disclosure and approval requirements of Rules 905 and 906 of the Listing Manual of SGX-ST.

In the event the Company becomes aware of an IPT with an interested person that has not been approved prior to its engagement, the matter will be reviewed by the Board, which will consider all relevant facts and circumstances regarding the IPT, and shall evaluate all options available to the Company, including ratification, revision or termination of the IPT. The Board shall also examine the facts and circumstances pertaining to the failure of reporting such IPT to the Board and take any such action as may be appropriate.

Personal Data Protection Policy

The Company is committed to ensuring privacy of all personal data and has instituted a Personal Data Protection Policy, setting out the Company's policy on the collection, use and disclosure of personal data of all individuals.

Corporate Website (Provision 13.3)

The Company maintains a corporate website at www.yzjfin.com to communicate and engage with stakeholders.

CORPORATE GOVERNANCE REPORT

OTHER CORPORATE GOVERNANCE MATTERS

INTERESTED PERSON TRANSACTIONS
(Rule 907 of the Listing Manual of SGX-ST)

The following table sets out the current total of all relevant transactions with the interested persons for FY2024:

Name of interested persons	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) SGD'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000) SGD'000
NIL		

All IPTs are subject to review by the ARC on a timely manner and the transactions are carried out on normal commercial terms and will not be prejudiced to the interests of the Group and its minority shareholders.

MATERIAL CONTRACTS
(Rule 1207(8) of the Listing Manual of SGX-ST)

Save for the service agreements between the Company and the Executive Chairman and CEO and except as disclosed in the Directors' Statements and the Financial Statements and in this Corporate Governance Report, there are no other material contracts of the Company and its subsidiaries involving the interests of the Executive Chairman and CEO or any director or controlling shareholder, either subsisting at the end of the financial year or if not then subsisting, which were entered into since the end of the previous financial year.

DEALING IN SECURITIES
(Rule 1207(19) of the SGX-ST)

The Group has a policy for the directors and employees of the Group which applies the best practices recommended in the Listing Manual. Under the policy, directors and employees are prohibited from dealing in the Group's securities while in possession of unpublished material price-sensitive information. The Group, directors and certain prescribed employees are prohibited from dealing in the Group's securities during the one-month period immediately preceding the announcement of the Company's half-year and full-year financial statements ("**blackout period**"). An email would be sent to directors and such prescribed employees prior to the commencement of each blackout period to remind them of their obligation not to deal in securities during the blackout period. Directors and employees are also discouraged from dealing in securities of the Group on short-term considerations. The Company has complied with the best practices recommended in the Listing Manual in FY2024.

CORPORATE GOVERNANCE REPORT

Whistle-Blowing Policy

The Company has a whistle-blowing policy which encourages all persons, including employees, to raise concerns about any wrongdoings or improprieties, including the breach of any applicable law and policy, within the Group. The policy provides for independent investigation of any reported incidents and appropriate follow-up actions. The policy encourages the reporting of such matters by ensuring, to the extent possible, that the identity of the whistle-blower will be kept confidential and that the Company will not tolerate the harassment or victimisation of a whistle-blower who reports in good faith.

The ARC is responsible for the monitoring and overseeing the whistle-blowing process. Whistle-blowing reports are made to the ARC chairman, save where the report concerns the ARC chairman, in which case the reports are made to the Executive Chairman and CEO. The ARC will be provided with resources to conduct investigations on any report, either by way of the Company designating the appropriate department or engaging, at the Group's expense, independent advisors to assist in the investigation.

The policy and the procedures for making a report are publicly disclosed on the Company's website and are made available to all employees. The policy, including the procedures for raising concerns are covered and explained to employees during their onboarding process.

As at the date of this Report, there were no reports received through the whistle-blowing mechanism.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 December 2024 and the balance sheet of the Company as at 31 December 2024.

In the opinion of the directors,

(a) the balance sheet of Yangzijiang Financial Holding Ltd. (the "Company") and the consolidated financial statements of Yangzijiang Financial Holding Ltd. and its subsidiaries (the "Group") as set out on pages 94 to 158 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2024 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company and the Group will be able to pay its debts as and when they fall due.

Directors

The directors in office at the date of this statement are as follows:

Ren Yuanlin	
Toe Teow Heng	(resigned on 24 April 2024)
Chew Sutat	(resigned on 30 June 2024)
Chua Kim Leng	(resigned on 30 June 2024)
Yee Kee Shian, Leon	
Chen Timothy Teck Leng	(appointed on 1 July 2024)
Xu Wen Jiong	(appointed on 1 July 2024)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of, nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

Name of director and corporate in which interests are held	Holdings registered in the name of director or nominee		Holdings in which a director is deemed to have an interest	
	At 31.12.2024	At 1.1.2024 or date of appointment, if later	At 31.12.2024	At 1.1.2024 or date of appointment, if later
The Company				
(No. of ordinary shares)				
Ren Yuanlin	**–**	–	**852,845,825**	852,845,825
Chen Timothy Teck Leng	**–**	–	**–**	–
Yee Kee Shian, Leon	**–**	–	**–**	–
Xu Wen Jiong	**–**	–	**–**	–

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

Audit and Risk Committee

The members of the Audit and Risk Committee ("ARC") at the end of the financial year were as follows:

Chen Timothy Teck Leng (Chairman)	(appointed on 1 July 2024)
Xu Wen Jiong	(appointed on 1 July 2024)
Yee Kee Shian, Leon	

All members of the ARC are independent non-executive directors.

The ARC carried out its functions in accordance with Section 201B(5) of the Companies Act 1967. In performing those functions, the ARC reviewed the following:

- the scope and the results of internal audit procedures with the internal auditor;
- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor; and
- the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2024 before their submission to the Board of Directors.

The Audit and Risk Committee has recommended to the Board that the independent auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Independent auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept reappointment.

On behalf of the directors

Ren Yuanlin Director	Xu Wen Jiong Director

20 March 2025

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YANGZIJIANG FINANCIAL HOLDING LTD.

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of Yangzijiang Financial Holding Ltd. (the "Company") and its subsidiaries (the "Group") and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 December 2024, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the consolidated statement of comprehensive income of the Group for the year ended 31 December 2024;
- the balance sheet of the Group as at 31 December 2024;
- the balance sheet of the Company as at 31 December 2024;
- the consolidated statement of changes in equity of the Group for the year then ended;
- the consolidated statement of cash flows of the Group for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YANGZIJIANG FINANCIAL HOLDING LTD.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 December 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
1. Impairment of debt investments at amortised cost Refer to Notes 3, 16 and 30 to the financial statements. As at 31 December 2024, the carrying amount of the Group's debt investments at amortised cost was SGD 1.25 billion (31 December 2023: SGD 1.68 billion), representing 28% (31 December 2023: 40%) of its total assets. This is net of allowance for impairment loss of SGD 229.4 million (31 December 2023: SGD 249.7 million) at that date. We focused on this area because of the application of significant judgement and assumptions by management in determining the expected credit loss ("ECL") impairment model in accordance to SFRS(I) 9 Financial Instruments. These included: (i) the identification of changes in credit risk associated with the debt investments; (ii) the classification of the debt investments according to credit risk, taking into account the likelihood of default, and (iii) the ECL rates.	Our audit procedures included: a. evaluated the key controls and tested the operating effectiveness of those relating to monitoring of debt investments to ensure timeliness of identifying changes in credit risk; b. reviewed the completeness and accuracy of key inputs to the Group's ECL impairment model used, including historical default rate and loss from default; c. assessed the appropriateness of the classification of debt investments against the Group's internal grading guidelines and assessed the proper classification of the debt investments into performing ("Stage 1"), under – performing ("Stage 2") and non-performing ("Stage 3"); d. for each material non-performing debt investment, assessed the adequacy of the specific provision by examining management's estimate of future cash flows, including expected cash flows from the realisation of collaterals and timing of those cash flows; and e. involved our internal specialist in reviewing the appropriateness of the ECL impairment model. Based on our procedures, we found management's judgement and assumptions in the determination of the ECL to be reasonable.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YANGZIJIANG FINANCIAL HOLDING LTD.

Key Audit Matter	How our audit addressed the Key Audit Matter
2. Valuation of unquoted and illiquid investments Refer to Notes 3, 14, 15 and 30 of the financial statements. As at 31 December 2024, Group's investments in unquoted and illiquid investments was stated at SGD 686.5 million (31 December 2023: SGD 608.2 million). This relates to the Group's interest in venture capital funds, fund of funds investments, and private credit investments. These investments are not publicly traded and their prices are not observable in the market, and they accounted for 15% (31 December 2023: 15%) of total assets. We focused on the valuation of these investments given their significance, and management makes significant judgements and assumptions in estimating their fair value.	Our audit procedures in relation to the valuation of unquoted and illiquid investments are as follows: Venture capital business and fund of funds investments: a. evaluated the existence and ownership of investments by obtaining confirmations directly from the general partners or venture capital management, agreed the Group's holdings in the investments, and obtaining the latest available quarterly capital account statements; b. evaluated the existence and ownership of investments in underlying portfolio companies as of balance sheet date; c. obtained and reviewed the general partners' or venture capital managers latest available quarterly capital account statements, where fair value information and/or audited financial statements is provided to determine the fair value of such investments; d. assessed the valuation details in the quarterly capital statements provided by the general partners or venture capital managers; and e. obtained and reviewed all capital drawdown and distribution during the financial year. Private credit investments: a. evaluated the completeness, existence and ownership of private credit investments by inspecting purchase and sale agreements, and obtaining confirmation of holdings from the investees. b. tested and validated key inputs and assumptions used by management in valuation models for private investments valuation. Based on our procedures, we found management's accounting estimates, judgements and assumptions applied in determining the fair value of unquoted and illiquid investments to be reasonable.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YANGZIJIANG FINANCIAL HOLDING LTD.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the annual report ("the Other Sections"), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and take appropriate actions in accordance with SSAs.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YANGZIJIANG FINANCIAL HOLDING LTD.

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YANGZIJIANG FINANCIAL HOLDING LTD.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Lim Kheng Wah.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 20 March 2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		The Group	
	Note	2024 S$'000	2023 S$'000
Income			
Investment income			
– Interest income	4	**195,769**	287,240
– Interest income from financial assets at fair value through profit or loss	4	**16,679**	6,209
– Income from maritime fund assets	4	**57,809**	23,375
Dividend income		**3,163**	12,563
Other net changes in fair value on financial assets and financial liabilities at fair value through profit or loss	5	**50,573**	17,688
Other income		**2,233**	1,359
Total income		**326,226**	348,434
Employee compensation	6	**(5,794)**	(8,123)
Other expenses	7	**(42,513)**	(38,221)
Total expenses		**(48,307)**	(46,344)
Profit before allowances		**277,919**	302,090
Reversal of allowances for/(allowance for) credit and other losses	8	**15,464**	(31,208)
Profit after allowances		**293,383**	270,882
Share of profits of associated companies and joint ventures, net of tax	14,18	**4,302**	(7,386)
Other gains	9	**75,451**	13,621
Profit before income tax		**373,136**	277,117
Income tax expense	10	**(63,460)**	(74,426)
Net profit for the year		**309,676**	202,691
Profit attributable to:			
Equity holders of the Company		**304,629**	201,799
Non-controlling interests		**5,047**	892
		309,676	202,691
Earnings per share attributable to equity holders of the Company			
– Basic and diluted (expressed in S$ cents per share)	11	**8.66**	5.53
Net profit for the year		**309,676**	202,691
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
– Currency translation differences		**42,712**	(141,869)
Items that will not be reclassified subsequently to profit or loss:			
– Currency translation gain/(losses)		**2,045**	(14)
Other comprehensive income, net of tax		**44,757**	(141,883)
Total comprehensive income		**354,433**	60,808
Total comprehensive income attributable to:			
Equity holders of the Company		**347,341**	59,930
Non-controlling interests		**7,092**	878
		354,433	60,808

The accompanying notes form an integral part of these financial statements.

BALANCE SHEETS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		The Group		The Company	
	Note	2024 S$'000	2023 S$'000	2024 S$'000	2023 S$'000
ASSETS					
Current assets					
Cash and cash equivalents	12	**1,413,270**	1,406,173	**1,152**	165,827
Financial assets, at fair value through profit or loss	15	**374,878**	121,617	**–**	–
Derivative financial instruments	19	**17,965**	4,475	**15**	4,475
Debt investment at amortised cost	16	**539,960**	1,128,214	**–**	4,049
Trade and other receivables	20	**89,835**	51,471	**2,135,784**	3,554,187
		2,435,908	2,711,950	**2,136,951**	3,728,538
Non-current assets					
Debt investments at amortised cost	16	**710,779**	550,669	**–**	–
Trade and other receivables	20	**212,723**	89,934	**–**	–
Investments in subsidiaries	17	**–**	–	**1,743,093**	116,361
Investments in associated companies	14	**207,085**	295,956	**–**	–
Investments in joint ventures	18	**127,703**	–	**–**	–
Investment properties	21	**18,954**	19,327	**–**	–
Financial assets, at fair value through profit or loss	15	**479,369**	312,206	**–**	–
Property, plant and equipment	22	**166,234**	127,097	**358**	732
Goodwill	13	**1,033**	1,023	**–**	–
Deferred income tax assets	23	**62,794**	67,833	**–**	–
		1,986,674	1,464,045	**1,743,451**	117,093
Total assets		**4,422,582**	4,175,995	**3,880,402**	3,845,631
LIABILITIES					
Current liabilities					
Trade and other payables	24	**30,698**	45,543	**77,519**	26,917
Derivatives financial instruments	19	**7,182**	19,109	**–**	10,478
Borrowings	26	**23,921**	374	**358**	374
Current income tax liabilities	11	**22,524**	24,631	**189**	1,450
		84,325	89,657	**78,066**	39,219
Non-current liabilities					
Borrowings	26	**–**	358	**–**	358
Deferred income tax liabilities	23	**115,389**	172,441	**110,086**	166,582
		115,389	172,799	**110,086**	166,940
Total liabilities		**199,714**	262,456	**188,152**	206,159
NET ASSETS		**4,222,868**	3,913,539	**3,692,250**	3,639,472
EQUITY					
Share capital	27	**3,653,262**	3,719,408	**3,653,262**	3,719,408
Treasury shares	27	**(58,666)**	(122,288)	**(58,666)**	(122,288)
Other reserves	28	**83,399**	49,358	**–**	–
Retained earnings		**384,313**	190,601	**96,128**	41,956
Foreign currency translation reserve	28	**3,547**	(1,027)	**1,526**	396
		4,065,855	3,836,052	**3,692,250**	3,639,472
Non-controlling interests		**157,013**	77,487	**–**	–
Total equity		**4,222,868**	3,913,539	**3,692,250**	3,639,472

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		← Attributable to equity holders of the Company →							
		The Group							
	Note	Share capital S$'000	Treasury shares S$'000	Other reserves S$'000	Foreign currency translation reserve S$'000	Retained earnings S$'000	Total S$'000	Non-controlling interest S$'000	Total equity S$'000
2024									
Beginning of financial year		**3,719,408**	**(122,288)**	**49,358**	**(1,027)**	**190,601**	**3,836,052**	**77,487**	**3,913,539**
Profit for the year		**–**	**–**	**–**	**–**	**304,629**	**304,629**	**5,047**	**309,676**
Other comprehensive income		**–**	**–**	**–**	**42,712**	**–**	**42,712**	**2,045**	**44,757**
Total comprehensive income for the year		**–**	**–**	**–**	**42,712**	**304,629**	**347,341**	**7,092**	**354,433**
Transfer to the PRC statutory reserve	28(a)	**–**	**–**	**33,523**	**–**	**(33,523)**	**–**	**–**	**–**
Translation difference arising from translation of equity items to presentation currency	28(b)	**39,001**	**(1,282)**	**518**	**(38,138)**	**(99)**	**–**	**–**	**–**
Dividend paid	29	**–**	**–**	**–**	**–**	**(77,295)**	**(77,295)**	**(4,714)**	**(82,009)**
Share buyback	27	**–**	**(40,243)**	**–**	**–**	**–**	**(40,243)**	**–**	**(40,243)**
Capital injection by non-controlling interest		**–**	**–**	**–**	**–**	**–**	**–**	**77,148**	**77,148**
Cancellation of treasury shares	27	**(105,147)**	**105,147**	**–**	**–**	**–**	**–**	**–**	**–**
End of financial year		**3,653,262**	**(58,666)**	**83,399**	**3,547**	**384,313**	**4,065,855**	**157,013**	**4,222,868**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Attributable to equity holders of the Company							
		The Group							
	Note	Share capital S$'000	Treasury shares S$'000	Other reserves S$'000	Foreign currency translation reserve S$'000	Retained earnings S$'000	Total S$'000	Non-controlling interest S$'000	Total equity S$'000
2023									
Beginning of financial year		3,858,695	(94,120)	26,963	(2,718)	84,999	3,873,819	–	3,873,819
Profit for the year		–	–	–	–	201,799	201,799	892	202,691
Other comprehensive income		–	–	–	(141,869)	–	(141,869)	(14)	(141,883)
Total comprehensive income for the year		–	–	–	(141,869)	201,799	59,930	878	60,808
Transfer to the PRC statutory reserve	28(a)	–	–	23,368	–	(23,368)	–	–	–
Translation difference arising from translation of equity items to presentation currency	28(b)	(139,287)	3,398	(973)	143,560	(6,698)	–	–	–
Dividend paid	29	–	–	–	–	(66,131)	(66,131)	(323)	(66,454)
Share buyback	27	–	(31,566)	–	–	–	(31,566)	–	(31,566)
Capital injection by non-controlling interest		–	–	–	–	–	–	76,932	76,932
End of financial year		3,719,408	(122,288)	49,358	(1,027)	190,601	3,836,052	77,487	3,913,539

All reserves are distributable other than the share premium reserve and the foreign currency translation reserve.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		The Group	
	Note	2024 S$'000	2023 S$'000
Cash flows from operating activities			
Profit after income tax		**309,676**	202,691
Adjustments for:			
– Income tax expense	10	**63,460**	74,426
– Depreciation of property, plant and equipment	22	**7,812**	3,026
– Depreciation of investment properties	21	**1,105**	1,464
– Fair value gain on financial assets, at fair value through profit or loss	5	**(23,829)**	(8,246)
– Dividend income from financial assets, at fair value through profit or loss		**(3,163)**	(12,563)
– Fair value gain/(loss) on derivative financial instruments	5	**(25,349)**	7,991
– Share of results from associated companies and joint ventures, net of tax	14,18	**(4,302)**	7,386
– Net effect of exchange rate changes in consolidating foreign operations		**(2,722)**	(5,039)
		322,688	271,136
Changes in working capital:			
– Trade and other receivables	20	**(159,670)**	(62,052)
– Trade and other payables	24	**(15,323)**	(5,464)
– Debt investments at amortised cost	16	**445,749**	896,577
Cash generated from operations		**593,444**	1,100,197
Income tax paid	10	**(53,845)**	(75,603)
Withholding tax paid	10	**(66,281)**	(51,844)
Net cash provided by operating activities		**473,318**	972,750
Cash flows from investing activities			
Proceeds from sale of financial assets, at fair value through profit and loss	15	**220,113**	254,731
Proceeds from disposal of property plant and equipment	22	**–**	827
Proceeds from disposal of associated companies	14	**51,057**	–
Dividend received from financial assets, at fair value through profit or loss		**3,163**	12,563
Dividend received from joint ventures	18	**1,314**	–
Purchase of property, plant and equipment	22	**(43,829)**	(128,042)
Additions to investment properties	21	**(532)**	–
Acquisition of financial assets, at fair value through profit and loss	15	**(606,524)**	(278,122)
Additions to investments in associated companies	14	**(6,387)**	(42,494)
Additions to investments in joint ventures	18	**(127,585)**	–
Return of capital by associated companies	14	**50,185**	50,338
Net cash used in investing activities		**(459,025)**	(130,199)
Cash flows from financing activities			
Dividend paid	29	**(82,009)**	(66,454)
Proceeds from borrowings from banks	26	**193,904**	91,615
Repayment of borrowings from banks	26	**(170,341)**	(104,787)
Principal repayment of lease liability	25	**(400)**	(399)
Share buyback	27	**(40,243)**	(31,566)
Capital injection by non-controlling interests		**77,148**	76,932
Net cash used in financing activities		**(21,941)**	(34,659)
Net (decrease)/increase in cash and cash equivalents		**(7,648)**	807,892
Cash and cash equivalents			
Beginning of financial year		**1,406,173**	620,686
Effects of currency translation on cash and cash equivalents		**14,745**	(22,405)
End of financial year		**1,413,270**	1,406,173

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

These notes form an integral part of and should be read in conjunction with the accompanying consolidated financial statements and the standalone financial statements.

1. GENERAL INFORMATION

Yangzijiang Financial Holding Ltd. (the "Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of the Company's registered office is 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619.

The principal activity of the Company is investment holding. The Company together with its subsidiaries (the "YZJ Financial Group", or the "Group") are principally engaged in investment-related activities. The Group's investments include debt investments, venture capital investments, fund of funds investments, maritime fund investments, and fund management and investment advisory services.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)s") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement and complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2024

On 1 January 2024, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.2 Group accounting

(i) Subsidiaries

1. Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

2. Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.2 Group accounting (Cont'd)

(i) *Subsidiaries* (Cont'd)

2. *Acquisitions* (Cont'd)

If those amounts are less than the fair value of the identifiable net assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a gain from bargain purchase.

Before recognising a gain on a bargain purchase, management shall reassess whether it has correctly identified all of the assets acquired and all of the liabilities assumed and shall recognise any additional assets or liabilities that are identified in that review. The objective is to ensure that measurements appropriately reflect consideration of all available information as at the acquisition date.

3. *Disposals*

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a SFRS(I).

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is loss and its fair value is recognised in profit or loss.

(ii) *Associates and joint ventures*

Associates are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above.

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in associates and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

1. *Acquisitions*

Investments in associates and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associates and joint ventures represents the excess of the cost of acquisition of the associates or joint ventures over the Group's share of the fair value of the identifiable net assets of the associates or joint ventures and is included in the carrying amount of the investments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.2 Group accounting (Cont'd)

(ii) Associates and joint ventures (Cont'd)

2. Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Group's share of its associates' or joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associates or joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associates or joint venture equals to or exceeds its interest in the associates or joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associates or joint venture. If the associates or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in an associates or joint venture includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

Unrealised gains on transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interest in the associates or joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associates or joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

3. Disposals

Investments in associates or joint ventures are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associates or joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

2.3 Income recognition

(i) Interest income

Interest income is recognised using the effective interest rate method.

(ii) Dividend income

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.3 Income recognition (Cont'd)

(iii) Fee income

Fee income is recognised when the services are rendered.

(iv) Government grants

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

2.4 Financial assets

(i) Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost; and
- Fair value through profit or loss ("FVPL").

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 **Financial assets** (Cont'd)

(i) *Classification and measurement* (Cont'd)

At subsequent measurement

1. *Debt instruments*

Debt instruments mainly comprise cash and cash equivalents, trade and other receivables, debt investments at amortised cost and finance lease receivable.

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

2. *Equity investments*

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "Other net changes in fair value on financial assets and financial liabilities at fair value through profit or loss".

(ii) *Impairment*

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 30(b) details how the Group determines whether there has been a significant increase in credit risk.

For cash and cash equivalents, debt investments at amortised cost and trade and other receivables, the general 3 stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

Debt investments carried at amortised cost are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where debt investments carried at amortised cost are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 Financial assets (Cont'd)

(iii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a financial assets, the difference between the carrying amount and the sale proceeds is recognised in profit or loss.

A derivative financial instrument is initially recognised at fair value on the date of the contract is entered into and is subsequently carried at its fair value.

Fair value changes on derivatives that are not designated or do not quality for hedge accounting are recognised in profit or loss when the changes arise.

The fair value of a trading derivatives is presented as a non-current asset or liability if the remaining life of the trading derivatives is more than 12 months, and as a current asset or liability if the remaining expected life of the trading derivatives is less than 12 months.

2.5 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund in Singapore and the social security plans in People's Republic of China (the "PRC") on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

In accordance with the relevant regulations in the PRC, the premiums and welfare benefit contributions borne by the Group are calculated based on certain percentages of the total salary of employees, subject to a certain ceiling, and are paid to the labour and social welfare authorities.

2.6 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.6 Income taxes (Cont'd)

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(a) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(b) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.7 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

2.8 Property, plant and equipment

(i) Measurement

All property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Components of costs

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.8 Property, plant and equipment (Cont'd)

(iii) Depreciation

Depreciation is calculated using the straight-line method to allocate their depreciable amount over their estimated useful lives, as follows:

	Useful lives
Buildings	20 years
Right-of-use assets	Lease term
Furniture, fittings and equipment	5 – 12 years
Maritime fund assets – vessels	25 years

The residual values estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(iv) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(v) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

2.9 Intangible assets

(i) Goodwill

Goodwill arises on the acquisition of business, represents the excess of the sum of the consideration transferred, the amount of non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired.

If the total of the consideration transferred, non-controlling interest recognised and previously held interest measured at fair value is less than the fair value of the net assets of the business acquired, in the case of bargain purchase, the difference is recognised directly in the statement of comprehensive income.

Goodwill is allocated to CGU for the purpose of impairment testing. The allocation is made to those CGU or groups of CGU that are expected to benefit from the business combination in which the goodwill arose. Goodwill is tested for impairment at the operating segment level, as monitored for internal management purpose, and does not take place at a lower level.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.9 Intangible assets (Cont'd)

(i) Goodwill (Cont'd)

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying amount of goodwill is compared to the recoverable amount, which is the higher of value-in-use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Gains or losses on the disposal of an entity or business include the carrying amount of goodwill relating to entity or business sold.

2.10 Investment properties

Investment properties comprise leasehold buildings that are held for rental yields and/or for capital appreciation.

Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful life, which is the lease term of the leasehold building.

The residual value, useful life and depreciation method of investment properties are reviewed and adjusted as appropriate at each balance sheet date. The effects of any revision are included in profit or loss when the changes arise.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2.11 Impairment of non-financial assets

Property, plant and equipment
Investment properties
Investment in subsidiaries, associates and joint ventures

Property, plant and equipment, investment properties and investments in subsidiaries are tested for impairment whenever there is any indication or objective evidence that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.11 Impairment of non-financial assets (Cont'd)

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease. Please refer to the paragraph "Property, plant and equipment" for the treatment of a revaluation decrease.

For an asset other than goodwill, management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

2.12 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.13 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.14 Leases

(i) When the Group is the lessee

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

- Right-of-use assets

  The Group recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

  These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Right-of-use assets are presented within "Property, plant and equipment".

- Lease liabilities

  The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

  Lease payments includes the following:

  – Fixed payment (including in-substance fixed payments), less any lease incentives receivables.

  For a contract that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease component for the leases and account these as one single lease component.

  Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

  – There is a change in future lease payments arising from changes in an index or rate;

  – There is a change in the Group's assessment of whether it will exercise an extension option; or

  – There are modifications in the scope or the consideration of the lease that was not part of the original term.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.14 Leases (Cont'd)

(i) When the Group is the lessee (Cont'd)

- Lease liabilities (Cont'd)

  Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

- Short-term and low-value leases

  The Group has elected to not recognised right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

(ii) When the Group is the lessor

- Lessor – Finance leases

  Leases where the Group has transferred substantially all risks and rewards incidental to ownership of the leased assets to the lessees, are classified as finance leases.

  The leased asset is derecognised and the present value of the lease receivable is recognised on the balance sheet and included in "trade and other receivables". The difference between the gross receivable and the present value of the lease receivable is recognised as unearned finance income.

  Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance income is recognised in profit or loss on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable.

  Initial direct costs incurred by the Group in negotiating and arranging finance leases are added to finance lease receivables and reduce the amount of income recognised over the lease term.

2.15 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right or contractual right to make repayment for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.16 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.17 Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the combined capital account.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained earnings of the Company if the shares are purchased out of profits of the Company.

2.18 Currency translation

(i) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The functional currency of the Company and the Group is Renminbi ("RMB") as majority of the Group's business operations is in China. The financial statements are presented in Singapore Dollar ("SGD" or "S$") ("presentation currency") to serve the needs to the readers of the Group financial statements where the Group is listed.

(ii) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss.

Monetary items include primarily financial assets (other than equity investments), contract assets and financial liabilities.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair value are determined.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.18 Currency translation (Cont'd)

(iii) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

1. assets, liabilities and share capital are translated at the closing exchange rates at the reporting date;

2. income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

3. all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

2.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management team who are responsible for allocating resources and assessing performance of the operating segments.

2.20 Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Impairment of debt investments at amortised cost

When measuring expected credit loss ("ECL"), the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default ("LGD") is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, taking into accounts expected cash flows from of collateral and integral credit enhancements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONT'D)

Impairment of debt investments at amortised cost (Cont'd)

Probability of default ("PD") constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Management has determined the expected credit loss rates by grouping the borrowers according to internal risk management grading. S$15,464,000 reversal of loss allowance (2023: S$33,788,000 loss allowances) for debt investments at amortised cost was recognised during financial year. The Group's credit risk exposure for debt investments at amortised cost (including the ECL rates applied) is set out in Note 30(b)(iv).

As discussed in Note 30(b)(iv), the forward looking macroeconomic data for LGD and PD incorporates adjustments for weighted average economic scenario outcomes, being 10% upside, 10% downside and 80% base (2023: 10% upside, 10% downside and 80% base) case scenarios. The impact on profit before tax arising from a change in the weighted average economic scenario outcomes as at 31 December is as follows:

	2024 S$'000	2023 S$'000
15% upside, 15% downside and 70% base	**(2,708)**	(5,600)
20% upside, 20% downside and 60% base	**(5,108)**	(11,800)

Fair value estimation

The fair value of securities that are not quoted in an active market are determined by using valuation techniques, primarily earnings multiples, discount cash flow ("DCF") analysis and recent comparable transactions. The models used to determine fair values are validated and periodically reviewed on a timely basis. The inputs in these models include observable data, such as earnings multiples of comparable companies to the relevant portfolio company, and unobservable data, such as forecast earnings for the portfolio company, cost of capital, and an additional discount for considerations such as illiquidity and differences between the comparable companies based on company-specific facts and circumstances.

The Group invests in venture capital businesses which are managed by third-party fund managers. These fund managers provide quarterly statements and annual audited financial statements to the Group to report their assessment of the fair value of the underlying investments.

The Group relies on the fund managers' latest available quarterly capital account statements and/or audited financial statements to estimate the fair value of its investments in the venture capital and other funds, and may make appropriate adjustments accordingly as described in Note 30(e).

The Group believes that any change in the key assumptions used by the fund managers to determine the fair value estimation in these abovementioned statements may cause the fair values to be different and the difference could be material to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. INVESTMENT INCOME

(a) Interest income from financial assets measured at amortised cost

	2024 S$'000	2023 S$'000
Interest income from:		
– debt investments at amortised cost	**139,303**	263,386
– micro-financing	**543**	2,986
	139,846	266,372
– cash and cash equivalents	**55,923**	20,868
	195,769	287,240

(b) Interest income from financial assets at fair value through profit or loss

	2024 S$'000	2023 S$'000
Interest income from financial assets at fair value through profit or loss	**16,679**	6,209

(c) Income from maritime fund assets

	2024 S$'000	2023 S$'000
Charter income	**33,186**	12,652
Interest income	**21,829**	8,647
Others	**2,794**	2,076
	57,809	23,375

5. OTHER NET CHANGES IN FAIR VALUE ON FINANCIAL ASSETS AND FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024 S$'000	2023 S$'000
Financial assets, at fair value through profit or loss		
– Realised	**41**	15,681
– Change in unrealised	**23,829**	8,246
	23,870	23,927
Derivative financial instruments		
– Realised	**1,354**	1,752
– Change in unrealised	**25,349**	(7,991)
	26,703	(6,239)
	50,573	17,688

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

6. EMPLOYEE COMPENSATION

	2024 S$'000	2023 S$'000
Wages and salaries	**5,366**	5,852
Employer's contribution to defined contribution plans	**355**	405
Discretionary bonuses	**23**	1,801
Other long-term benefits	**50**	65
	5,794	8,123

7. OTHER EXPENSES

	2024 S$'000	2023 S$'000
Business tax on interest income from debt instruments at amortised cost and loans to non-related parties – micro-financing	**7,049**	14,536
Tax surcharge	**1,538**	2,031
Professional fees	**3,223**	3,666
Operating costs of maritime fund assets	**19,113**	9,235
Depreciation of investment properties (Note 21)	**1,105**	1,464
Depreciation of property, plant and equipment (Note 22)	**7,812**	3,026
Client relationship expenses	**74**	933
Legal fees	**440**	942
Travel expenses	**148**	213
Directors' fees	**214**	432
Finance costs	**1,017**	498
Others	**780**	1,245
	42,513	38,221

8. REVERSAL OF ALLOWANCES FOR/(ALLOWANCE FOR) CREDIT AND OTHER LOSSES

	2024 S$'000	2023 S$'000
Debt investments at amortised cost (Note 16)	**15,464**	(33,788)
Loans to non-related parties – micro-financing (Note 20)	**–**	2,580
	15,464	(31,208)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

9. OTHER GAINS

	2024 S$'000	2023 S$'000
Foreign exchange gains – net	**33,117**	8,411
Government grant income (Note (a))	**42,452**	4,463
Others	**(118)**	747
	75,451	13,621

(a) During the financial year ended 31 December 2024, the government grant income pertains to the PRC government tax incentives received by Jiangsu Yangchuan Investment Development Co., Ltd., Jiangsu Runyuan Technology Microfinance Co., Ltd., Jiangsu New Yangzi Commerce & Trading Co., Ltd., and Yangzhou Yangchuan Import and Export Trading Co., Ltd..

10. INCOME TAXES

(a) Income tax expense

	2024 S$'000	2023 S$'000
Income tax expense attributable to profit is made up of:		
– Current income tax	**50,325**	75,279
– Deferred income tax (Note 23)	**13,135**	(853)
	63,460	74,426

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the PRC standard rate of income tax as follows:

	2024 S$'000	2023 S$'000
Profit before income tax	**373,136**	277,117
Share of profits of associated companies and joint ventures, net of tax	**(4,302)**	7,386
Profit before income tax and share of results of associated companies and joint ventures	**368,834**	284,503
Tax calculated at the applicable tax rate of 25% (2023: 25%)	**92,209**	71,126
Effects of:		
– Tax exemption and effects of different tax rates	**(23,761)**	(1,433)
– Deferred tax on undistributed profits	**7,400**	3,715
– Expenses not deductible for tax purposes	**2,229**	1,018
– Income not subject to tax	**(14,617)**	–
Tax charge	**63,460**	74,426

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

10. INCOME TAXES (CONT'D)

(b) Movement in current income tax liabilities

	2024 S$'000	2023 S$'000
Beginning of financial year	**24,631**	28,867
Tax expense	**50,325**	75,279
Income tax paid	**(53,845)**	(75,603)
Currency translation difference	**1,413**	(3,912)
End of financial year	**22,524**	24,631

(c) Movement in withholding tax liabilities

	2024 S$'000	2023 S$'000
Beginning of financial year	**–**	–
Transferred from deferred income tax liabilities (Note 23)	**66,281**	51,844
Withholding tax paid	**(66,281)**	(51,844)
End of financial year	**–**	–

(d) OECD Pillar Two model rules

The Group is within the scope of the Organisation for Economic Co-operation and Development ("OECD") Pillar Two model rules. Pillar Two legislation was enacted in Singapore, the jurisdiction in which Yangzijiang Financial Holding Ltd. is incorporated and will come into effect from 1 January 2025. Since Pillar Two legislation was not effective at the reporting date, the Group has no related current tax exposure. 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 Global Anti-Base Erosion ("GloBE") effective tax rate for each jurisdiction and the 15% minimum rate. The Group has effective tax rates that exceed 15% in all jurisdictions in which it operates. The Group is in the process of assessing its exposure to the Pillar Two legislation.

11. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing net profit for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding at the end of the financial year.

	2024 S$'000	2023 S$'000
Net profit attributable to equity holders of the Company	**304,629**	201,799
Weighted average number of ordinary shares ('000)	**3,519,420**	3,650,379
Basic earnings per share (S$ cents)	**8.66**	5.53

Diluted earnings per share is equivalent to the basic earnings, as the Company does not have any dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

12. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024	2023	**2024**	2023
	S$'000	S$'000	**S$'000**	S$'000
Cash at bank	**716,491**	811,939	**1,152**	617
Short-term bank deposits	**696,779**	594,234	**–**	165,210
	1,413,270	1,406,173	**1,152**	165,827

The interest rate for short-term bank deposits held with financial institutions as at balance sheet date ranges from 0.28% to 8.45% (2023: 0.36% to 6.00%) per annum and have maturities of 6 to 169 days (2023: 2 to 59 days) from the balance sheet date.

13. GOODWILL

	2024	2023
	S$'000	S$'000
Cost		
Beginning of financial year	**1,023**	1,061
Currency translation difference	**10**	(38)
End of financial year	**1,033**	1,023

14. INVESTMENTS IN ASSOCIATED COMPANIES

	2024	2023
	S$'000	S$'000
As at 1 January	**295,956**	322,643
Additions	**6,387**	42,494
Return of capital (Note (a))	**(50,185)**	(50,338)
Disposals (Note (b))	**(51,057)**	–
Share of profits/(losses)	**2,888**	(7,386)
Currency translation difference	**3,096**	(11,457)
As at 31 December	**207,085**	295,956

(a) In 2024, 7 (2023: 11) associated companies of the Group distributed their capital to all the shareholders based on their respective shareholdings. This did not result in a change of significant influence over these associated companies.

(b) In 2024, the Group disposed of 4 associated companies for a consideration of S$51,057,000. There were no such disposals in the financial year ended 31 December 2023.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

14. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D)

The associated companies of the Group engage in venture capital investments and provision of seed funding activities. The associated companies of the Group are as follow:

Name of associated companies[(1)]	Principal activities	Place of business/country of incorporation	Effective equity holding 2024 %	Effective equity holding 2023 %
Everbright Venture Capital Jiangyin Co., Ltd.	Engaging in venture capital investment and providing seed capital	PRC	**21.4**	21.4
Jiangsu New Material Industrial Venture Capital Enterprise ("Limited Partnership")	Engaging in venture capital investment and providing seed capital	PRC	**38.0**	38.0
Jiangsu Nantong Yanhai Emerging Industrial Investment Fund ("Limited Partnership")	Engaging in venture capital investment and providing seed capital	PRC	**30.0**	30.0
Shanghai Chengding New Yangzi Investment Management Partnership Enterprise ("Limited Partnership")	Engaging in venture capital investment and providing seed capital	PRC	**12.5**	12.5
Shanghai Chengding New Yangzi Investment Partnership Enterprise ("Limited Partnership")	Engaging in venture capital investment and providing seed capital	PRC	**29.9**	29.9
Jiangsu Sushang Joint Industry Investment Partnership ("Limited Partnership")	Engaging in venture capital investment and providing seed capital	PRC	**20.3**	20.3
Shanghai Qianyue Investment Management Co., Ltd.	Engaging in venture capital investment and providing seed capital	PRC	**21.9**	21.9
Anhui Shiyin Yang Ship Industry Co., Ltd.	Engaging in venture capital investment and providing seed capital	PRC	**–**	40.0
Wuxi Jinyu Yangchuan Venture Capital Partnership ("Limited Partnership")	Engaging in venture capital investment and providing seed capital	PRC	**92.0**	92.0
Gongqingcheng Kunshun Venture Capital Partnership ("Limited Partnership")	Engaging in venture capital investment and providing seed capital	PRC	**60.0**	60.0

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Name of associated companies[1]	Principal activities	Place of business/country of incorporation	Effective equity holding 2024 %	2023 %
Wuhu Youli Enterprise Management Center Partnership ("Limited Partnership")	Engaging in venture capital investment and providing seed capital	PRC	**–**	71.3
Changzhou Wuyuefeng Qianlang Shunxin Venture Capital Partnership ("Limited Partnership")	Engaging in venture capital investment and providing seed capital	PRC	**71.4**	71.4
Anhui Jinxuan New Energy Equity Investment Partnership ("Limited Partnership")	Engaging in venture capital investment and providing seed capital	PRC	**40.0**	40.0
Jiangsu Nantong Jinhui Venture Capital Partnership ("Limited Partnership")	Engaging in venture capital investment and providing seed capital	PRC	**31.8**	31.8
Nantong Runhe Yangzi Venture Capital Partnership ("Limited Partnership")	Engaging in venture capital investment and providing seed capital	PRC	**60.0**	60.0
Wuxi Sumin Xihe Intelligent Manufacturing Investment Partnership ("Limited Partnership")	Engaging in venture capital investment and providing seed capital	PRC	**39.5**	39.5
Ruichang Xinneng Enterprise Management Partnership ("Limited Partnership")	Engaging in venture capital investment and providing seed capital	PRC	**–**	50.0
Shenzhen Doug No. 8 Sports Investment Partnership ("Limited Partnership")	Engaging in venture capital investment and providing seed capital	PRC	**–**	34.6
Shenzhen Yangzi Cheng Xin Investment Co., Ltd.	Engaging in venture capital investment and providing seed capital	PRC	**40.0**	40.0
Yangzhou Guojin Sumintou Emerging Industry Investment Fund ("Limited Partnership")	Engaging in venture capital investment and providing seed capital	PRC	**33.3**	–

(1) These associated companies are audited by other accounting firms for local statutory purpose.

There are no contingent liabilities relating to the Group's interest in the associated companies. The directors are of the opinion that none of the associated companies contributes significantly to the results or financial position of the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

15. FINANCIAL ASSETS, AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024 S$'000	2023 S$'000
Beginning of financial year	**433,823**	470,072
Additions	**606,524**	278,122
Disposals	**(220,113)**	(305,653)
Fair value gain through profit and loss	**23,829**	8,246
Currency translation difference	**10,184**	(16,964)
End of financial year	**854,247**	433,823

Financial assets, at fair value through profit or loss are analysed as follows:

	2024 S$'000	2023 S$'000
Current		
Unlisted		
– Debt securities	**374,878**	121,617
	374,878	121,617
Non-Current		
Unlisted		
– Debt securities	**151,216**	49,827
– Venture capital funds	**328,153**	262,379
	479,369	312,206
	854,247	433,823

The instruments are all mandatorily measured at fair value through profit or loss.

16. DEBT INVESTMENTS AT AMORTISED COST

The Group invests in fixed interest debt instruments through intermediary financial institutions for specific borrowings arranged by these intermediaries.

Movements during the year are as follows:

	2024 S$'000	2023 S$'000
Beginning of financial year	**1,678,883**	2,671,907
Additions	**114,337**	320,915
Redemptions	**(574,729)**	(1,184,367)
Reversal of allowances for/(allowances for) impairment losses recognised in profit or loss	**15,464**	(33,788)
Currency translation difference	**16,784**	(95,784)
End of financial year	**1,250,739**	1,678,883

16. DEBT INVESTMENTS AT AMORTISED COST (CONT'D)

Presented as:

	2024 S$'000	2023 S$'000
Current		
Debt investments	**592,236**	1,203,823
Less: Allowance for impairment loss	**(52,276)**	(75,609)
	539,960	1,128,214
Non-current		
Debt investments	**887,865**	724,777
Less: Allowance for impairment loss	**(177,086)**	(174,108)
	710,779	550,669
Total		
Debt investments	**1,480,101**	1,928,600
Less: Allowance for impairment loss (Note 30(b)(iv))	**(229,362)**	(249,717)
	1,250,739	1,678,883

The table below analyses the maturity profile of the Group's gross investments in debt investments at amortised cost into relevant maturity groupings based on the remaining maturity period from the balance sheet date.

	2024 S$'000	2023 S$'000
Within one year	**592,236**	1,203,823
Between one year to two years	**412,521**	300,843
Over two years	**475,344**	423,934
	1,480,101	1,928,600

At the balance sheet date, the carrying amounts of debt investments at amortised cost (current and non-current) approximated their fair values.

17. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024 S$'000	2023 S$'000
Equity investments at cost		
Beginning of financial year	**116,361**	4,958
Additions		
– Capital injection*	**1,625,512**	111,582
Currency translation difference	**1,220**	(179)
End of financial year and net book value	**1,743,093**	116,361

Details of significant subsidiaries are provided in Note 37.

* During the financial year ended 31 December 2024, the Company has capitalised its dividend receivables from a subsidiary into its investment in the subsidiary.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

18. INVESTMENTS IN JOINT VENTURES

	2024 S$'000	2023 S$'000
Beginning of financial year	**–**	–
Additions	**127,585**	–
Share of profits	**1,414**	–
Dividend	**(1,314)**	–
Currency translation difference	**18**	–
End of financial year	**127,703**	–

Set out below is the details of the joint ventures of the Group as at 31 December 2024.

The directors are of the opinion that the investments in each joint venture are immaterial to the Group individually and in aggregate and accordingly, no summarised financial information for joint ventures is disclosed.

Name of entity	Principal activities	Place of business/country of incorporation	Effective equity holding 2024 %	Effective equity holding 2023 %
Bagshot Shipping Limited*	Ship-owning, chartering and sale and purchase of vessels	United Kingdom	**50**	–
Dart Shipping Limited*	Ship-owning, chartering and sale and purchase of vessels	United Kingdom	**50**	–
MR Tankers Holdco Limited*	Investment holdings	United Kingdom	**50**	–
Zircon River Shipping Pte. Ltd.#	Ship-owning, chartering and sale and purchase of vessels	Singapore	**50**	–
Ocean Atlantic Holding Company Limited&	Investment holdings	British Virgin Islands	**67**	–
Ocean Liverpool Holding Company Limited&	Investment holdings	British Virgin Islands	**50**	–
Ocean Hong Kong Holding Company Limited&	Investment holdings	British Virgin Islands	**50**	–

Audited by PricewaterhouseCoopers LLP, Singapore.

& Not required to be audited under the laws of the country of incorporation.

* These subsidiaries are audited by other accounting firms for local statutory purpose.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

19. DERIVATIVES FINANCIAL INSTRUMENTS

	Group			Company		
	Contract notional Amount S$'000	Fair value Asset S$'000	Fair value Liability S$'000	Contract notional Amount S$'000	Fair value Asset S$'000	Fair value Liability S$'000
31 December 2024						
Currency forwards	**221,507**	**17,934**	**–**	**392**	**15**	**–**
Options	**921,521**	**31**	**(7,182)**	**–**	**–**	**–**
Total		**17,965**	**(7,182)**		**15**	**–**

	Group			Company		
	Contract notional Amount S$'000	Fair value Asset S$'000	Fair value Liability S$'000	Contract notional Amount S$'000	Fair value Asset S$'000	Fair value Liability S$'000
31 December 2023						
Currency forwards	253,515	4,475	(1,328)	171,487	4,475	(725)
Options	1,775,213	–	(17,781)	1,008,975	–	(9,753)
Total		4,475	(19,109)		4,475	(10,478)

20. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024 S$'000	2023 S$'000	2024 S$'000	2023 S$'000
Current				
Maritime fund assets – finance lease receivables (Note (d))	**49,358**	18,599	**–**	–
Trade receivables				
– Loans to non-related parties – micro-financing (Note (a))	**7,771**	7,980	**–**	–
– Loans to a joint venture	**14,184**	–	**–**	–
– Loans to related parties (Note (b))	**–**	–	**2,003,099**	911,447
Less: Allowance for impairment of loans to non-related parties – micro-financing	**(2,631)**	(2,604)	**–**	–
	68,682	23,975	**2,003,099**	911,447
Other receivables				
– Loans to subsidiaries (Note (c))	**–**	–	**132,585**	2,640,877
– Non-related parties	**21,153**	27,496	**100**	1,863
Trade and other receivables – current	**89,835**	51,471	**2,135,784**	3,554,187

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

20. TRADE AND OTHER RECEIVABLES (CONT'D)

	Group		Company	
	2024 S$'000	2023 S$'000	2024 S$'000	2023 S$'000
Non-current				
Maritime fund assets – finance lease receivables (Note (d))	**212,035**	88,119	**–**	–
Trade receivables				
– Loans to non-related parties – micro-financing (Note (a))	**688**	1,815	**–**	–
Trade and other receivables – non-current	**212,723**	**89,934**	**–**	–

(a) Loans to non-related parties related to micro-financing activities relates to loans to small and medium sized entities by a Group's subsidiary.

(b) Loans to related parties are unsecured, interest-bearing at market interest rate and repayable on demand.

(c) Loans to subsidiaries are unsecured and interest-free. The settlement of the amounts is neither planned nor likely to occur in the next twelve months.

(d) The Group has entered into bareboat charter agreements with various non-related parties through its subsidiaries. The bareboat charter agreements expire between 2025 and 2039, and the non-related parties have the obligation to purchase the vessels upon their respective expiry dates.

The following table presents the reconciliation between the gross investments in the lease and the present value of the minimum lease payments receivable at the end of the reporting period.

	2024 S$'000	2023 S$'000
Maritime fund assets		
Gross receivables due		
– Less than one year	**72,233**	28,489
– Later than one year but within five years	**201,226**	98,781
– Later than five years but within ten years	**65,979**	18,089
– More than ten years	**13,814**	–
	353,252	145,359
Less: unearned financing income	**(91,859)**	(38,641)
Net investment in finance leases receivable	**261,393**	106,718

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

21. INVESTMENT PROPERTIES

Group	2024 S$'000	2023 S$'000
Cost		
Beginning of financial year	**22,862**	23,718
Additions (Note (a))	**532**	–
Currency translation difference	**240**	(856)
End of financial year	**23,634**	22,862
Accumulated depreciation		
Beginning of financial year	**(3,535)**	(2,178)
Depreciation charge (Note 7)	**(1,105)**	(1,464)
Currency translation difference	**(40)**	107
End of financial year	**(4,680)**	(3,535)
Net book value	**18,954**	19,327

(a) Included in additions is capitalised expenditure of S$532,000 (2023: S$ NIL).

The investment properties were acquired by the Group in 2020 through a PRC court process in 2020, as a form of settlement for default in repayment of certain debt investments at amortised cost.

The following amounts are recognised in profit and loss:

	2024 S$'000	2023 S$'000
Rental income	**679**	512

Rental income recognised is net of direct operating expenses arising from investment property for the financial year ended 31 December 2024 and 2023.

At the reporting date, the details of the Group's investment properties are as follows:

			Carrying amount as at 31 December	
Location	**Description**	**Tenure**	**2024 S$'000**	**2023 S$'000**
Jiangyin City Real Estate Property No. 0002049, Ganglong Commercial Plaza No. 209-212	Retail building	32-year lease from June 2020	**17,399**	17,692
Room 801, No. 95 Dongjin West Road, Hailing District	Commercial building	23-year lease from May 2020	**1,555**	1,635
			18,954	19,327

The fair value of investment properties at 31 December 2024 is approximately S$20,572,000 (2023: S$22,028,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

21. INVESTMENT PROPERTIES (CONT'D)

The fair value was determined by external, independent valuation companies, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The fair value of the Group's investment properties is classified within Level 3 of the fair value hierarchy and has been derived using the market approach and income method. The most significant input in each valuation approach is the comparable sales price and capitalisation rate respectively.

As at 31 December 2024 and 2023, the Group has determined that the recoverable amount based on fair value is higher than the carrying value of the investment properties and no impairment loss was recognised.

22. PROPERTY, PLANT AND EQUIPMENT

	Maritime fund assets – vessels S$'000	Buildings S$'000	Right-of-use assets S$'000	Furniture, fittings & equipment S$'000	Total S$'000
Group					
2024					
Cost					
Beginning of financial year	**128,037**	**1,250**	**1,076**	**20**	**130,383**
Additions	**43,829**	**–**	**–**	**–**	**43,829**
Currency translation difference	**3,274**	**13**	**11**	**1**	**3,299**
End of financial year	**175,140**	**1,263**	**1,087**	**21**	**177,511**
Accumulated depreciation					
Beginning of financial year	**(2,630)**	**(304)**	**(344)**	**(8)**	**(3,286)**
Depreciation charge	**(7,375)**	**(61)**	**(372)**	**(4)**	**(7,812)**
Currency translation difference	**(162)**	**(3)**	**(13)**	**(1)**	**(179)**
End of financial year	**(10,167)**	**(368)**	**(729)**	**(13)**	**(11,277)**
Net book value					
End of financial year	**164,973**	**895**	**358**	**8**	**166,234**
2023					
Cost					
Beginning of financial year	–	2,155	1,116	65	3,336
Additions	128,037	–	–	5	128,042
Disposals	–	(827)	–	(48)	(875)
Currency translation difference	–	(78)	(40)	(2)	(120)
End of financial year	128,037	1,250	1,076	20	130,383
Accumulated depreciation					
Beginning of financial year	–	(467)	–	(55)	(522)
Disposals	–	128	–	49	177
Depreciation charge	(2,650)	–	(372)	(4)	(3,026)
Currency translation difference	20	35	28	2	85
End of financial year	(2,630)	(304)	(344)	(8)	(3,286)
Net book value					
End of financial year	125,407	946	732	12	127,097

The fair value of maritime fund assets at 31 December 2024 is approximately S$186,014,000 (2023: S$128,037,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

22. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The fair value was determined by external, independent valuation companies, having appropriate recognised professional qualifications and recent experience in vessels being valued. The fair value of the Group's maritime fund assets is classified within Level 3 of the fair value hierarchy and has been derived using the market approach. The most significant input in each valuation approach is the comparable sales price and capitalisation rate respectively.

As at 31 December 2024, the Group has determined that the recoverable amount based on fair value is higher than the carrying value of the maritime fund assets and no impairment loss was recognised.

	Right-of-use assets S$'000	Total S$'000
Company		
2024		
Cost		
Beginning of financial year	**1,076**	**1,076**
Currency translation difference	**11**	**11**
End of financial year	**1,087**	**1,087**
Accumulated depreciation		
Beginning of financial year	**(344)**	**(344)**
Depreciation charge	**(372)**	**(372)**
Currency translation difference	**(13)**	**(13)**
End of financial year	**(729)**	**(729)**
Net book value		
End of financial year	**358**	**358**
2023		
Cost		
Beginning of financial year	1,116	1,116
Currency translation difference	(40)	(40)
End of financial year	1,076	1,076
Accumulated depreciation		
Beginning of financial year	–	–
Depreciation charge	(372)	(372)
Currency translation difference	28	28
End of financial year	(344)	(344)
Net book value		
End of financial year	732	732

23. DEFERRED INCOME TAXES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The amounts, determined after appropriate offsetting, are shown on the balance sheet as follows:

	Group		Company	
	31 December		31 December	
	2024	2023	2024	2023
	S$'000	S$'000	S$'000	S$'000
Deferred tax assets	**62,794**	67,833	**–**	–
Deferred tax liabilities	**(115,389)**	(172,441)	**(110,086)**	(166,582)
Net deferred tax liabilities	**(52,595)**	(104,608)	**(110,086)**	(166,582)

Movements in net deferred income tax accounts are as follows:

	Group		Company	
	2024	2023	2024	2023
	S$'000	S$'000	S$'000	S$'000
Beginning of financial year	**(104,608)**	(163,178)	**(166,582)**	(222,747)
Transferred to withholding tax liabilities (Note 10)	**66,281**	51,844	**66,281**	51,844
Currency translation differences	**(1,133)**	5,873	**(1,813)**	8,115
Tax (charged)/credited to profit or loss (Note 10)	**(13,135)**	853	**(7,972)**	(3,794)
End of financial year	**(52,595)**	(104,608)	**(110,086)**	(166,582)

Deferred income tax assets are recognised to the extent that the realisation of the related tax benefit through the future taxable profits is probable. As at balance sheet date, there is no unrecognised tax losses which can be carried forward and used to offset against future taxable income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

23. DEFERRED INCOME TAXES (CONT'D)

The movement in deferred income tax assets and liabilities is as follows:

Group

Deferred income tax assets

	Impairment losses S$'000	Fair value losses S$'000	Total S$'000
2024			
As at 1 January	**62,217**	**5,616**	**67,833**
(Charged)/credited to profit or loss	**(5,005)**	**(538)**	**(5,543)**
Currency translation difference	**447**	**57**	**504**
As at 31 December	**57,659**	**5,135**	**62,794**
2023			
As at 1 January	59,385	6,343	65,728
(Charged)/credited to profit or loss	5,076	(508)	4,568
Currency translation difference	(2,244)	(219)	(2,463)
As at 31 December	62,217	5,616	67,833

Deferred income tax liabilities

	Undistributed profits of subsidiaries S$'000	Total S$'000
2024		
As at 1 January	**(172,441)**	**(172,441)**
Transferred to withholding tax liabilities (Note 10)	**66,281**	**66,281**
(Charged)/credited to profit or loss	**(7,400)**	**(7,400)**
Currency translation difference	**(1,829)**	**(1,829)**
As at 31 December	**(115,389)**	**(115,389)**
2023		
As at 1 January	(228,906)	(228,906)
Transferred to withholding tax liabilities (Note 10)	51,844	51,844
(Charged)/credited to profit or loss	(3,715)	(3,715)
Currency translation difference	8,336	8,336
As at 31 December	(172,441)	(172,441)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

23. DEFERRED INCOME TAXES (CONT'D)

Company

Deferred income tax liabilities

	Undistributed profits S$'000	Total S$'000
2024		
As at 1 January	**(166,582)**	**(166,582)**
Transferred to withholding tax liabilities (Note 10)	**66,281**	**66,281**
Charged to profit or loss	**(7,972)**	**(7,972)**
Currency translation difference	**(1,813)**	**(1,813)**
As at 31 December	**(110,086)**	**(110,086)**
2023		
As at 1 January	(222,747)	(222,747)
Transferred to withholding tax liabilities (Note 10)	51,844	51,844
Charged to profit or loss	(3,794)	(3,794)
Currency translation difference	8,115	8,115
As at 31 December	(166,582)	(166,582)

24. TRADE AND OTHER PAYABLES

	Group		Company	
	2024 S$'000	2023 S$'000	2024 S$'000	2023 S$'000
Amount due to related parties	**–**	–	**73,299**	25,458
Cash collateral	**11,383**	18,597	**–**	–
Other payables	**19,315**	26,946	**4,220**	1,459
	30,698	45,543	**77,519**	26,917

Amount due to related parties is unsecured, interest-free, and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

25. LEASES – THE GROUP AS A LESSEE

Nature of the Group's and the Company's leasing activities

The Group and the Company leases office space for the purpose of head office operations.

(a) Carrying amount

Right-of-use asset classified within property, plant and equipment

	2024 S$'000	2023 S$'000
Leasehold building	**358**	732
	358	732

(b) Depreciation charge during the year

	2024 S$'000	2023 S$'000
Leasehold building	**372**	372
	372	372

(c) Interest expense

	2024 S$'000	2023 S$'000
Interest expense on lease liabilities	**27**	40
	27	40

(d) Total cash outflow for all leases in 2024 was S$400,000 (2023: S$399,000).

26. BORROWINGS

	Group		Company	
	2024 S$'000	2023 S$'000	2024 S$'000	2023 S$'000
Current				
Bank borrowings	**23,563**	–	**–**	–
Lease liabilities	**358**	374	**358**	374
	23,921	374	**358**	374
Non-current				
Lease liabilities	**–**	358	**–**	358
	–	358	**–**	358
Total borrowings	**23,921**	732	**358**	732

All the above borrowings are measured at amortised cost. Information about the Group's and Company's exposure to interest rate and liquidity risks is included in Note 30.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

27. SHARE CAPITAL AND TREASURY SHARES

	Number of shares		Amount	
	Issued share capital '000	Treasury shares '000	Share capital S$'000	Treasury shares S$'000
Group and Company				
2024				
Beginning of financial year	**3,950,589**	**(352,707)**	**3,719,408**	**(122,288)**
Treasury shares purchased	**–**	**(117,432)**	**–**	**(40,243)**
Treasury shares cancelled	**(276,611)**	**276,611**	**(105,147)**	**105,147**
Currency translation difference	**–**	**–**	**39,001**	**(1,282)**
End of financial year	**3,673,978**	**(193,528)**	**3,653,262**	**(58,666)**

	Number of shares		Amount	
	Issued share capital '000	Treasury shares '000	Share capital S$'000	Treasury shares S$'000
Group and Company				
2023				
Beginning of financial year	3,950,589	(259,611)	3,858,695	(94,120)
Treasury shares purchased	–	(93,096)	–	(31,566)
Currency translation difference	–	–	(139,287)	3,398
End of financial year	3,950,589	(352,707)	3,719,408	(122,288)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

(a) Treasury shares

The Company acquired 117,432,000 (2023: 93,096,000) shares in the Company in the open market during the financial year. The total amount paid to acquire the shares was S$40,243,000 (2023: S$31,566,000) and this was presented as a component within shareholder's equity.

On 7 March 2024, the Company cancelled 276,611,100 (2023: NIL) excess treasury shares. The value of treasury shares cancelled was S$105,147,000 (2023: S$NIL).

NOTES TO THE FINANCIAL STATEMENTS

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28. OTHER RESERVES

	Group		Company	
	31 December		31 December	
	2024	2023	2024	2023
	S$'000	S$'000	S$'000	S$'000
Movement:				
(i) Currency translation reserve				
Beginning of financial year	**(1,027)**	(2,718)	**396**	(988)
Currency translation difference for presentation currency	**42,712**	(141,869)	**39,690**	(136,694)
Translation differences arising from translation of equity items to presentation currency	**(38,138)**	143,560	**(38,560)**	138,078
End of financial year	**3,547**	(1,027)	**1,526**	396
(ii) Statutory reserve				
Beginning of financial year	**49,358**	26,963	**–**	–
Transfer from retained earnings	**33,523**	23,368	**–**	–
Translation differences arising from translation of equity items to presentation currency	**518**	(973)	**–**	–
End of financial year	**83,399**	49,358	**–**	–

(a) Statutory reserves

In accordance with the relevant rules and regulations, the Group's subsidiaries in the PRC are required to appropriate certain percentage of their profits to various statutory reserves.

All subsidiaries which are considered as Wholly Owned Foreign Enterprise may discontinue the contribution to the statutory reserves when the aggregate sum of the statutory reserves is more than 50% of the registered capital in accordance with the "Law of the PRC on Enterprise Operated Exclusively with Foreign Capital".

During the financial year ended 31 December 2024, the Group's subsidiaries have appropriated S$33,523,000 (2023: S$23,368,000) from their profits to statutory reserves.

(b) Currency translation reserves

Currency translation reserves represents the currency translation differences resulting from the translation of the Group's entities financial statements that have functional currency different from the Group's presentation currency as well as differences in functional and presentation currency of the Group's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

29. DIVIDENDS

	Group	
	2024	**2023**
	S$'000	**S$'000**
Ordinary dividends		
Final exempt dividend paid in respect of the previous financial year of S$0.022 (2023: S$0.018) per share	**77,295**	66,131

A final exempt (one-tier) dividend of 3.45 Singapore cents per share amounting to S$120,076,000 has been recommended for the shareholders' approval at the Annual General Meeting on 15 April 2025. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the financial year ending 31 December 2025.

30. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance.

The management is responsible for setting the objectives and underlying principles of financial risk management for the Group, including establishing operating guidelines governing the activities of the Group, such as risk identification and measurement, risk management, oversight responsibilities, authority levels and exposure limits.

(a) Market risk

(i) Currency risk

The Group's currency risk arises mainly from its foreign currency denominated cash balances, financial assets at fair value through profit or loss and debt investments at amortised cost. The Group aims to mitigate the currency risk by entering into currency swaps and forwards, in accordance with the Group's financial risk management policies.

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Market risk (Cont'd)

(i) Currency risk (Cont'd)

The Group's currency exposure based on the information provided to key management is as follows:

	SGD S$'000	RMB S$'000	USD S$'000	JPY S$'000	EUR S$'000	NZD S$'000	AUD S$'000	GBP S$'000	CAD S$'000	Total S$'000
The Group										
At 31 December 2024										
Financial assets										
Cash and cash equivalents	1,093	414,757	744,829	22,816	14,055	–	78,123	26,918	110,679	1,413,270
Financial assets at fair value through profit or loss	74,214	75,177	649,332	–	41,921	–	–	13,603	–	854,247
Debt investments at amortised cost	–	1,208,646	42,093	–	–	–	–	–	–	1,250,739
Trade and other receivables	10,813	8,273	283,472	–	–	–	–	–	–	302,558
	86,120	1,706,853	1,719,726	22,816	55,976	–	78,123	40,521	110,679	3,820,814
Financial liabilities										
Trade and other payables	(5,369)	(14,351)	(10,978)	–	–	–	–	–	–	(30,698)
Borrowings	(358)	–	(23,563)	–	–	–	–	–	–	(23,921)
	(5,727)	(14,351)	(34,541)	–	–	–	–	–	–	(54,619)
Currency contracts	(68,002)	(387,128)	605,496	(22,882)	(34,739)	26,757	18,788	(26,613)	(100,894)	
Net financial assets/ (liabilities)	12,391	1,305,374	2,290,681	(66)	21,237	26,757	96,911	13,908	9,785	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Market risk (Cont'd)

(i) *Currency risk* (Cont'd)

The Group's currency exposure based on the information provided to key management is as follows:

	SGD S$'000	RMB S$'000	USD S$'000	JPY S$'000	EUR S$'000	HKD S$'000	AUD S$'000	GBP S$'000	Total S$'000
The Group									
At 31 December 2023									
Financial assets									
Cash and cash equivalents	757	1,059,531	236,790	82,312	26,783	–	–	–	1,406,173
Financial assets at fair value through profit or loss	26,489	113,924	291,839	–	1,571	–	–	–	433,823
Debt investments at amortised cost	–	1,600,625	76,592	–	–	–	–	1,666	1,678,883
Trade and other receivables	214	24,678	116,513	–	–	–	–	–	141,405
	27,460	2,798,758	721,734	82,312	28,354	–	–	1,666	3,660,284
Financial liabilities									
Trade and other payables	(3,429)	(38,497)	(3,617)	–	–	–	–	–	(45,543)
Borrowings	(732)	–	–	–	–	–	–	–	(732)
	(4,161)	(38,497)	(3,617)	–	–	–	–	–	(46,275)
Currency contracts	29,389	(1,855,654)	1,757,658	80,238	26,750	(39,943)	(14,762)	1,690	
Net financial assets/ (liabilities)	52,688	904,607	2,475,775	162,550	55,104	(39,943)	(14,762)	3,356	

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Market risk (Cont'd)

(i) *Currency risk* (Cont'd)

The Company's currency exposure based on the information provided to key management is as follows:

	SGD S$'000	RMB S$'000	USD S$'000	JPY S$'000	EUR S$'000	Total S$'000
The Company						
At 31 December 2024						
Financial assets						
Cash and cash equivalents	**82**	**16**	**1,054**	**–**	**–**	**1,152**
Trade and other receivables	**100**	**1,291,697**	**843,987**	**–**	**–**	**2,135,784**
	182	**1,291,713**	**845,041**	**–**	**–**	**2,136,936**
Financial liabilities						
Trade and other payables	**(4,220)**	**(73,299)**	**–**	**–**	**–**	**(77,519)**
Borrowings	**(358)**	**–**	**–**	**–**	**–**	**(358)**
	(4,578)	**(73,299)**	**–**	**–**	**–**	**(77,877)**
Currency contracts	**–**	**(377)**	**392**	**–**	**–**	
Net financial assets/(liabilities)	**(4,396)**	**1,218,037**	**845,433**	**–**	**–**	
At 31 December 2023						
Financial assets						
Cash and cash equivalents	384	93,084	72,359	–	–	165,827
Debt investment at amortised cost	–	–	4,049	–	–	4,049
Trade and other receivables	116	2,859,878	615,667	77,045	1,481	3,554,187
	500	2,952,962	692,075	77,045	1,481	3,724,063
Financial liabilities						
Trade and other payables	(1,368)	(25,549)	–	–	–	(26,917)
Borrowings	(732)	–	–	–	–	(732)
	(2,100)	(25,549)	–	–	–	(27,649)
Currency contracts	(23,295)	(1,163,171)	1,099,797	80,666	–	
Net financial assets/(liabilities)	(24,895)	1,764,242	1,791,872	157,711	1,481	

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Market risk (Cont'd)

(i) Currency risk (Cont'd)

If the SGD, USD, JPY, EUR, and AUD change against the RMB with all other variables including tax rate being held constant, the effects arising from the net financial assets/(liabilities) excluding equity instruments that are exposed to the currency risk will be as follows:

	Increase/(Decrease)			
	Profit after tax		Possible rate change	
	2024 S$'000	2023 S$'000	2024	2023
The Group				
SGD against RMB:				
– Strengthened	**93**	1,581	**1%**	4%
– Weakened	**(93)**	(1,581)	**1%**	4%
USD against RMB:				
– Strengthened	**17,180**	37,137	**1%**	2%
– Weakened	**(17,180)**	(37,137)	**1%**	2%
JPY against RMB:				
– Strengthened	**(4)**	4,877	**8%**	4%
– Weakened	**4**	(4,877)	**8%**	4%
EUR against RMB:				
– Strengthened	**637**	2,480	**4%**	6%
– Weakened	**(637)**	(2,480)	**4%**	6%
AUD against RMB:				
– Strengthened	**5,088**	(332)	**7%**	3%
– Weakened	**(5,088)**	332	**7%**	3%
The Company				
SGD against RMB:				
– Strengthened	**(33)**	(747)	**1%**	4%
– Weakened	**33**	747	**1%**	4%
USD against RMB:				
– Strengthened	**6,341**	26,878	**1%**	2%
– Weakened	**(6,341)**	(26,878)	**1%**	2%
JPY against RMB:				
– Strengthened	**–**	4,731	**–**	4%
– Weakened	**–**	(4,731)	**–**	4%

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Market risk (Cont'd)

(ii) Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is that the fair value of a financial instrument will fluctuate due to changes in market interest rates. Sensitivity analysis to change in fair value arising from discount rate movement is disclosed in Note 30(e).

The Group's interest rate risks arise primarily from its cash and cash equivalents, restricted cash, debt investments at amortised cost, finance lease receivables from maritime fund assets and loans to non-related parties – micro-financing.

As at balance sheet date, the Group's investments in debt investments at amortised cost and loans to non-related parties – microfinancing were not significantly exposed to cash flow interest rate risk as they are primarily fixed rate instruments.

(iii) Price risk

The Group is exposed to equity securities price risk arising from the investments held by the Group which are classified as financial assets, at FVPL. To manage its price risk arising from these investments, the Group ensures that the investments are within authorised mandate based on its approved financial risk management and operating guidelines.

If prices for equity security measured at fair value through profit or loss had increased/decreased by 10% (2023: 10%) with all other variables including tax rate being held constant, the net of tax effects on profit after tax ("PAT") would have been:

	Increase/(decrease)	
	2024	**2023**
	PAT	**PAT**
	S$'000	**S$'000**
Increased by	**24,611**	19,678
Decreased by	**(24,611)**	(19,678)

(b) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group.

Except as disclosed below, the maximum exposure to credit risk for those financial assets which the Group and the Company do not hold collaterals is the carrying amount of that class of financial instruments presented on the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

The Group's and the Company's credit risk exposure in relation to financial assets at amortised cost and contract assets under SFRS(I) 9 as at 31 December 2024 and 2023 are set out in the as follows:

(i) Cash and cash equivalents

Cash and cash equivalents are considered to have low credit risk as the Group and the Company adopt the policy of dealing only with major banks of high credit standing throughout the world.

To mitigate credit risk, the Company adopts the policy of dealing only with financial institutions and other counterparties with high credit ratings.

(ii) Loans to non-related parties – microfinancing

Loans to non-related parties – microfinancing are related to the micro-credit provided to enterprises and individuals.

All the loans to non-related parties – microfinancing are secured by either single or a group of collaterals or by guarantees. The Group monitors the market value of these collaterals on a periodic basis and has contractual safeguards in place to minimise credit risk as they have the right to call for additional collateral if the value of the initial collateral is inadequate. The Group uses internal credit risk rating to determine the credit risk and determine the credit loss allowance.

The Group applies a general 3 stage approach to measure expected credit loss. In measuring expected credit loss, the Group considers the probability of default upon the initial recognition of the loan and assess whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

A significant increase in credit risk is presumed if there is a decline in internal credit risk grading. A default on a loan is when the counterparty fails to make contractual payments for a prolonged period when they fall due.

The fair value of the collaterals is considered when providing for loss allowance. The carrying amounts of loans to non-related parties – microfinancing before loss allowance presented by the type of collaterals held are as follows:

	2024	**2023**
	S$'000	**S$'000**
Collateralised by:		
– Properties and land use rights	**4,851**	5,163
– Guaranteed by non-related individuals	**1,127**	1,283
– Guaranteed by non-related corporations	**2,481**	3,349
	8,459	9,795

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(ii) *Loans to non-related parties – microfinancing* (Cont'd)

As at 31 December 2024 and 2023, the Group measures loss allowance for loans to non-related parties – microfinancing for 12-month expected credit losses.

	2024 S$'000	2023 S$'000
As at 1 January	**2,604**	6,458
Loss allowance recognised in profit or loss during the year on:		
– Assets acquired/originated	**–**	–
– Reversal of unutilised amount	**–**	(2,580)
	–	(2,580)
Utilisation of credit losses	**–**	(1,093)
Currency translation difference	**27**	(181)
As at 31 December	**2,631**	2,604

(iii) *Finance lease receivables, other receivables and other financial assets*

Management has performed credit evaluation before entering into finance lease with bareboat charter agreement. Other receivables and other financial assets are due substantially from counterparties with a good collection track record with the Group and subject to immaterial credit losses.

(iv) *Debt investments at amortised cost*

For each debt investment, the Group's credit risk management strategy is to obtain a principal collateral of higher liquidity, and additional collaterals on top of the principal collateral, where necessary.

The Group applies general 3 stage approach to measure expected credit loss. In measuring expected credit loss, the Group considers the probability of default upon initial recognition of investment and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

The Group uses internal credit risk grading for its debt investments and these internal credit risk grading is established by reference to industry practice.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(iv) Debt investments at amortised cost (Cont'd)

The summary of impairment assessment is presented as follows:

Category	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Write-off
Definition of category	Borrowers have a low risk of default or a strong capacity to meet contractual cash flows	Borrowers for which there is a significant increase in credit risk; significant increase in credit risk is presumed if there is a decline in internal credit risk grading (which could result from interest payments past due)	Principal and/or interest payments past due; Borrowers facing litigations; or extension of principal repayment date due to financial difficulties	No reasonable expectation of recovery
Basis of recognition of expected credit loss	12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses	Asset is written off

Over the term of the investment, the Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts for forward looking macroeconomic data. The forward looking macroeconomic data incorporates adjustments for weighted average economic scenario outcomes, being 10% upside, 10% downside and 80% base (2023: 10% upside, 10% downside and 80% base) case scenarios, and are derived using publicly available data and internal forecast.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(iv) *Debt investments at amortised cost* (Cont'd)

The Group provides for credit losses against debt investments as follows:

Category	Performing S$'000	Under-performing S$'000	Non-performing S$'000	Total S$'000
2024				
Expected credit loss rates	**8.5%**	**15.5%**	**–***	
Gross carrying amount	**409,153**	**353,699**	**674,773**	**1,437,625**
Credit loss allowance	**(34,749)**	**(54,873)**	**(139,740)**	**(229,362)**
Net carrying amount of fixed interest debt instruments through intermediary financial institutions in China	**374,404**	**298,826**	**535,033**	**1,208,263**
Government bonds and other short-term investments offered by various banks	**42,476**	**–**	**–**	**42,476**
Net carrying amount	**416,880**	**298,826**	**535,033**	**1,250,739**
2023				
Expected credit loss rates	7.3%	23.5%	–*	
Gross carrying amount	836,823	218,731	790,702	1,846,256
Credit loss allowance	(61,366)	(51,360)	(136,991)	(249,717)
Net carrying amount of fixed interest debt instruments through intermediary financial institutions in China	775,457	167,371	653,711	1,596,539
Government bonds and other short-term investments offered by various banks	82,344	–	–	82,344
Net carrying amount	857,801	167,371	653,711	1,678,883

* The ECL for non-performing investment is determined on an individual basis using a discounted cash flow methodology. Expected future cash flows are based on the management estimates as at the reporting date, reflecting reasonable and supportable assumptions and projections of future recoveries. Collateral is taken into account if it is likely that the recovery of the outstanding amount will include realisation of collateral based on its estimated fair value of collateral at the time of expected realisation, less costs for obtaining and selling the collateral. The cash flows are discounted at the original effective interest rate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(iv) *Debt investments at amortised cost* (Cont'd)

The loss allowance for debt investments as at 31 December 2024 and 2023 reconciles to the opening loss allowance for that provision as follows:

	Stage 1 S$'000	Stage 2 S$'000	Stage 3 S$'000	Total S$'000
2024				
Balance at 1 January	**61,366**	**51,360**	**136,991**	**249,717**
Transfer to Stage 3	**–**	**(799)**	**799**	**–**
Transfer to Stage 2	**(4,170)**	**4,170**	**–**	**–**
Transfer to Stage 1	**563**	**(563)**	**–**	**–**
Loss allowance recognised in profit or loss during the year on:				
– Asset acquired/originated*	**7,834**	**4,400**	**–**	**12,234**
– Reversal of unutilised amount	**(32,459)**	**(604)**	**–**	**(33,063)**
– Changes in risk parameters**	**1,045**	**(3,638)**	**7,958**	**5,365**
	(23,580)	**158**	**7,958**	**(15,464)**
Utilisation of credit losses	**–**	**–**	**(7,448)**	**(7,448)**
Currency translation difference	**570**	**547**	**1,440**	**2,557**
Balance at 31 December	**34,749**	**54,873**	**139,740**	**229,362**

	Stage 1 S$'000	Stage 2 S$'000	Stage 3 S$'000	Total S$'000
2023				
Balance at 1 January	75,262	16,226	145,303	236,791
Transfer to Stage 3	(4,619)	(1,135)	5,754	–
Transfer to Stage 2	(291)	291	–	–
Transfer to Stage 1	1,130	(1,130)	–	–
Loss allowance recognised in profit or loss during the year on:				
– Asset acquired/originated*	25,358	3,073	–	28,431
– Reversal of unutilised amount	(27,211)	(835)	(48,794)	(76,840)
– Changes in risk parameters**	(5,837)	36,140	51,894	82,197
	(7,690)	38,378	3,100	33,788
Utilisation of credit losses	–	–	(12,088)	(12,088)
Currency translation difference	(2,426)	(1,270)	(5,078)	(8,774)
Balance at 31 December	61,366	51,360	136,991	249,717

* This relates to the loss allowance recorded in profit or loss on debt investments acquired/originated in the same year and for which the debt investment remains outstanding as at balance sheet date. These debt investments dropped to Stage 2 or 3 after origination and during the financial year.

** For the performing and under-performing debt investments, the change in the loss allowance is due to change in the probability of default used or estimated loss given default to calculate the expected credit losses.

For the non-performing debt investments, the change in the loss allowance is due to change in the estimated loss given default to calculate the lifetime expected credit loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

(iv) *Debt investments at amortised cost* (Cont'd)

The fair value of the collaterals is considered when providing for loss allowance. The carrying amounts of debt investments before loss allowance, presented by the type of collaterals held, are as follows:

	2024 S$'000	2023 S$'000
Collateralised by:		
– Listed shares in the PRC*	**216,529**	320,425
– Unlisted shares in the PRC	**268,080**	372,134
– Properties and land use rights	**515,925**	677,998
– Guaranteed by government corporations and non-related corporations	**479,567**	558,043
	1,480,101	1,928,600

* In 2024, included in the listed shares in the PRC has an amount of S$48,859,000 of shares which will only be available for trading after the expiry of their restriction period. There are no restricted listed shares in the financial year ended 31 December 2023.

The Company's debt investments at amortised cost are subject to immaterial credit risk as it is held with financial institutions with high credit ratings.

(c) Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents and marketable securities to enable them to meet their normal operating commitments.

The table below analyses the maturity profile of the Group's non-derivative financial liabilities into relevant maturity groupings on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year S$'000	Between 1 and 2 years S$'000	Between 2 and 5 years S$'000	Over 5 years S$'000
The Group				
As at 31 December 2024				
Undrawn capital commitments	**354,271**	**–**	**–**	**–**
Bank borrowings	**23,563**	**–**	**–**	**–**
Lease liabilities	**358**	**–**	**–**	**–**
Trade and other payables	**30,698**	**–**	**–**	**–**
	408,890	**–**	**–**	**–**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Liquidity risk (Cont'd)

	Less than 1 year S$'000	Between 1 and 2 years S$'000	Between 2 and 5 years S$'000	Over 5 years S$'000
The Group				
As at 31 December 2023				
Undrawn capital commitments	585,986	–	–	–
Bank borrowings	–	–	–	–
Lease liabilities	374	358	–	–
Trade and other payables	45,543	–	–	–
	631,903	358	–	–
The Company				
As at 31 December 2024				
Lease liabilities	**358**	**–**	**–**	**–**
Trade and other payables	**77,519**	**–**	**–**	**–**
	77,877	**–**	**–**	**–**
As at 31 December 2023				
Lease liabilities	374	358	–	–
Trade and other payables	26,917	–	–	–
	27,291	358	–	–

(d) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings. The Group monitors capital on the basis of the total liabilities to total assets ratio.

The Group's strategy is to maintain a stable total liabilities to total assets ratio. The ratios at balance sheet date were as follows:

	The Group	
	2024 S$'000	2023 S$'000
Total liabilities	**199,714**	262,456
Total assets	**4,422,582**	4,175,995
Liability-to-asset ratio	**4.5%**	6.3%

The Group's subsidiary, GEM Asset Management Pte. Ltd., holds a Capital Market Services License. Management monitors its capital in accordance with the Securities and Futures (Financial and Margin Requirements for Holders of Capital Market Services Licenses) Regulations. The Group is in compliance with all regulatory imposed capital requirements for the financial years ended 31 December 2024 and 2023.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(e) Fair value measurements

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

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).

	Level 1 S$'000	Level 2 S$'000	Level 3 S$'000	Total S$'000
The Group				
31 December 2024				
Assets				
Financial assets, at fair value through profit or loss	**–**	**374,878**	**479,369**	**854,247**
Derivative financial instruments	**–**	**17,965**	**–**	**17,965**
Liabilities				
Derivative financial instruments	**–**	**7,182**	**–**	**7,182**
31 December 2023				
Assets				
Financial assets, at fair value through profit or loss	–	121,617	312,206	433,823
Derivative financial instruments	–	4,475	–	4,475
Liabilities				
Derivative financial instruments	–	19,109	–	19,109
The Company				
31 December 2024				
Assets				
Derivative financial instruments	**–**	**15**	**–**	**15**
31 December 2023				
Assets				
Derivative financial instruments	–	4,475	–	4,475
Liabilities				
Derivative financial instruments	–	10,478	–	10,478

There were no transfers between Levels 1 and 2 during the year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(e) Fair value measurements (Cont'd)

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1 of the fair value hierarchy.

The fair value of debt securities and private credit investments are determined using brokers' quotation and net present value of estimated future cash flows based on a DCF model at the balance sheet date.

The fair values of unlisted equity securities, classified as financial assets at fair value through profit or loss have been determined by reference to the Company's share in attributable net assets in the investee companies. The Group relies on general partners' or venture capital management's latest available quarterly capital account statement and/or audited financial statements to determine the fair value of such investments where the investee companies have measured their own investments at fair value. The fair values are within Level 3 of the fair value hierarchy. The Group reviews the valuation details in the statements provided by the general partners or venture capital management based on considerations such as:

– Cash flow (drawndowns/distributions) since the date of the statement used; and

– Other significant observable or unobservable data that would indicate amendments are required.

The Group's investments in equities and debt securities measured at fair value through profit or loss would increased/decreased by 10% (2023: 10%) with all other variables including tax rate being held constant, the net of tax effect on profit after tax would have been higher or lower by S$64,069,000 (2023: S$32,537,000).

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

The following table presents the changes in Level 3 instruments:

	Unlisted equity securities and private credit investments S$'000
2024	
Beginning of the financial year	**312,206**
Purchases	**235,320**
Disposal	**(94,698)**
Fair value gains included in:	
– Profit and loss (Note (a))	**19,500**
Currency translation difference	**7,041**
End of financial year	**479,369**
Fair value gains for the period included in profit or loss for financial assets held at the end of the financial year (Note (a))	**11,174**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(e) Fair value measurements (Cont'd)

	Unlisted equity securities and private credit investments S$'000
2023	
Beginning of the financial year	442,475
Purchases	155,833
Disposal	(268,830)
Fair value losses included in:	
– Profit and loss (Note (a))	(1,507)
Currency translation difference	(15,765)
End of financial year	312,206
Fair value losses for the period included in profit or loss for financial assets held at the end of the financial year (Note (a))	(11,852)

(a) The gains/(losses) are presented in "fair value changes on financial assets at fair value through profit or loss" in the consolidated statement of comprehensive income.

(f) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the balance sheets, except for the following:

	Group		Company	
	2024 S$'000	**2023 S$'000**	**2024 S$'000**	**2023 S$'000**
Financial assets, at amortised cost	**2,966,567**	3,226,461	**2,136,936**	3,724,063
Financial liabilities, at amortised cost	**(54,619)**	(46,275)	**(77,877)**	(27,649)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

31. RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in the combined financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

(a) Related party transactions

	2024 S$'000	2023 S$'000
Interest income from a joint venture	**398**	–
Loans to a joint venture	**14,184**	–

Related parties comprise mainly companies which are controlled or jointly controlled by the YZJ Financial Group and companies which are controlled or jointly controlled by a member of the Group's key management personnel or a close member of that person's family.

Other outstanding balances with related parties at balance sheet date are disclosed in Notes 20 and 24 respectively.

(b) Key management personnel compensation

	The Group	
	2024 S$'000	2023 S$'000
Directors		
Basic salaries	**261**	600
Contribution to defined contribution plans	**9**	21
Discretionary bonuses	**1**	250
Senior management		
Basic salaries	**1,905**	1,272
Contribution to defined contribution plans	**59**	50
Discretionary bonuses	**115**	323
	2,350	2,516

32. SEGMENT INFORMATION

Management considers the business from a geographic and business segment perspective. Geographically, management manages and monitors the business in the two primary geographic areas namely, Singapore and the PRC. From a business segment perspective, management considers the investment business of the Group as a single business segment. The following table analyses the total assets and total income by geography:

	2024 S$'000	2023 S$'000
Segment income		
China	**128,212**	293,876
Singapore	**198,014**	54,558
	326,226	348,434
Segment assets		
China	**2,017,036**	2,849,720
Singapore	**2,405,546**	1,326,275
	4,422,582	4,175,995

33. CONTINGENT LIABILITIES

As at date of these financial statements, the Group had no material contingent liabilities.

34. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2025 and which the Group has not early adopted.

SFRS(I) 18 – Presentation and Disclosure in Financial Statements
(effective for annual reporting periods beginning on or after 1 January 2027)

SFRS(I) 18 replaces SFRS(I) 1-1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though SFRS(I) 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance (comprising of the statement of profit or loss and other comprehensive income) and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of SFRS(I) 18 will have no impact on the group's net profit, the group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the group has performed, the following items might potentially impact operating profit:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

34. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS (CONT'D)

SFRS(I) 18 – Presentation and Disclosure in Financial Statements
(effective for annual reporting periods beginning on or after 1 January 2027) (Cont'd)

- Foreign exchange differences currently aggregated in the line item 'other income and other gains/(losses) – net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.

- SFRS(I) 18 has specific requirements on the category in which derivative gains or losses are recognised – which is the same category as the income and expenses affected by the risk that the derivative is used to manage. Although the group currently recognises some gains or losses in operating profit and others in finance costs, there might be a change to where these gains or losses are recognised, and the group is currently evaluating the need for change.

- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the group will disaggregate goodwill and other intangible assets and present them separately in the statement of financial position.

- The group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:

  - management-defined performance measures;

  - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and

  - for the first annual period of application of SFRS(I) 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying SFRS(I) 18 and the amounts previously presented applying SFRS(I) 1-1.

- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with SFRS(I) 18.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

34. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS (CONT'D)

SFRS(I) 19 – Subsidiaries without Public Accountability: Disclosures
(effective for annual reporting periods beginning on or after 1 January 2027)

SFRS(I) 19 allows for certain eligible subsidiaries of parent entities that report under SFRS(I) Accounting Standards to apply reduced disclosure requirements. This new standard works alongside other SFRS(I). An eligible subsidiary applies the requirements in other SFRS(I) except for the disclosure requirements; and it applies instead the reduced disclosure requirements in SFRS(I) 19.

SFRS(I) 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:

- it does not have public accountability; and
- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with SFRS(I) Accounting Standards.

The Group does not expect this standard to have an impact on its operations or financial statements.

35. COMPARATIVES

Where necessary, certain comparative figures have been reclassified to conform with current year presentation.

36. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Yangzijiang Financial Holding Ltd. passed on 20 March 2025.

37. LISTING OF SIGNIFICANT COMPANIES IN THE GROUP

Name of companies	Principal activities	Place of business/ country of incorporation	Equity holding 2024 %	Equity holding 2023 %
Significant subsidiaries directly held				
GEM Asset Management Pte. Ltd.#	Provide fund management services	Singapore	**100**	100
GEM Direct Investments Pte. Ltd.#	Investment holdings	Singapore	**100**	100
GEM Yield Pte. Ltd.#	Investment holdings and cash management activities	Singapore	**100**	100
Gaohong International Limited&	Investment holdings	British Virgin Islands	**100**	100
Jiangsu Yangchuan Investment Development Co., Ltd.*	Investment holdings	PRC	**100**	100

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

37. LISTING OF SIGNIFICANT COMPANIES IN THE GROUP (CONT'D)

Name of companies	Principal activities	Place of business/ country of incorporation	Equity holding 2024 %	Equity holding 2023 %
Indirectly held through GEM Direct Investments Pte. Ltd.				
GEM Growth Fund VCC and its sub-funds				
– GEM Asia Private Equity Fund#	Investment holdings	Singapore	**89**	89
– Yangzijiang Maritime Fund#	Investment holdings	Singapore	**99**	98
– GEM Global Fund Investment Partners #	Investment holdings	Singapore	**93**	93
– GEM Asia Private Credit Fund#	Investment holdings	Singapore	**98**	96
GEM Cash Management Fund VCC and its sub-fund				
– GEM Liquid Fund#	Investment holdings and cash management activities	Singapore	**83**	100
Apatite River Shipping Pte. Ltd.#	Investment holdings	Singapore	**100**	100
Fluorite River Shipping Pte. Ltd.#	Investment holdings	Singapore	**100**	100
Tanzanite River Shipping Limited&	Investment holdings	Marshall Islands	**100**	100
Lazurite River Shipping Pte. Ltd.#	Investment holdings	Singapore	**100**	100
Ocean Abu Dhabi Holding Company Limited&	Investment holdings	British Virgin Islands	**100**	100
Ocean Antwerp Holding Company Limited&	Investment holdings	British Virgin Islands	**100**	100
Ocean Bremen Holding Company Limited&	Investment holdings	British Virgin Islands	**100**	100
Ocean Calais Holding Company Limited&	Investment holdings	British Virgin Islands	**100**	100
Ocean Chennai Holding Company Limited&	Investment holdings	British Virgin Islands	**100**	100
Ocean Hamburg Holding Company Limited&	Investment holdings	British Virgin Islands	**100**	100

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

37. LISTING OF SIGNIFICANT COMPANIES IN THE GROUP (CONT'D)

Name of companies	Principal activities	Place of business/ country of incorporation	Equity holding 2024 %	2023 %
Indirectly held through GEM Direct Investments Pte. Ltd. (cont'd)				
Ocean Indian Holding Company Limited&	Investment holdings	British Virgin Islands	**100**	100
Ocean Istanbul Holding Company Limited&	Investment holdings	British Virgin Islands	**100**	100
Ocean Pacific Holding Company Limited&	Investment holdings	British Virgin Islands	**100**	100
Ocean Lubeck Holding Company Limited&	Investment holdings	British Virgin Islands	**100**	100
Ocean Singapore Holding Company Limited&	Investment holdings	British Virgin Islands	**100**	100
Ocean Mediterranean Holding Company Limited&	Investment holdings	British Virgin Islands	**100**	100
Opal River Shipping Limited&	Investment holdings	Marshall Islands	**100**	100
Indirectly held through Jiangsu Yangchuan Investment Development Co., Ltd.				
Jiangsu Runyuan Technology Microfinance Co., Ltd.*	Provide microcredit to enterprise and individuals	PRC	**100**	100
Jiangsu New Yangzi Commerce & Trading Co., Ltd.*	Investment holdings	PRC	**100**	100
Anhui Ningyang Import and Export Trade Co., Ltd.*	Import and export and trading, with focus on marine equipment, materials and/or component, vessels and metal and minerals	PRC	**100**	100
Hainan Yangheng Trading Co., Ltd.*	Import and export and trading, with focus on marine equipment, materials and/or component, vessels and metal and minerals	PRC	**100**	100

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

37. LISTING OF SIGNIFICANT COMPANIES IN THE GROUP (CONT'D)

Name of companies	Principal activities	Place of business/ country of incorporation	Equity holding 2024 %	2023 %
Indirectly held through Jiangsu Yangchuan Investment Development Co., Ltd. (cont'd)				
Jiujiang Yangchuan Import and Export Trading Co., Ltd.*	Import and export and trading, with focus on marine equipment, materials and/or component, vessels and metal and minerals	PRC	**100**	100
Jiangyin City Yangchuan Import and Export Co., Ltd.*	Import and export and trading, with focus on marine equipment, materials and/or component, vessels and metal and minerals	PRC	**100**	100
Yangzhou Yangchuan Import and Export Trading Co., Ltd*	Import and export and trading, with focus on marine equipment, materials and/or component, vessels and metal and minerals	PRC	**100**	100

Audited by PricewaterhouseCoopers LLP, Singapore.
& Not required to be audited under the laws of the country of incorporation.
* These subsidiaries are audited by other accounting firms for local statutory purpose.

STATISTICS OF SHAREHOLDINGS

AS AT 28 FEBRUARY 2025

Issued and fully paid-up shares capital:	S$3,653,262,000
Number of shares (excluding treasury share):	3,480,450,520
Class of shares:	Ordinary Shares
Voting per share:	One vote per share
Treasury Share:	193,527,600
Subsidiary Holdings:	Nil

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	18	0.10	130	0.00
100 – 1,000	1,718	9.34	1,507,608	0.04
1,001 – 10,000	9,580	52.09	55,904,227	1.61
10,001 – 1,000,000	6,997	38.04	417,721,551	12.00
1,000,001 AND ABOVE	80	0.43	3,005,317,004	86.35
TOTAL	**18,393**	**100.00**	**3,480,450,520**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	CITIBANK NOMINEES SINGAPORE PTE LTD	1,514,056,197	43.50
2	HSBC (SINGAPORE) NOMINEES PTE LTD	400,805,454	11.52
3	DBSN SERVICES PTE. LTD.	342,618,345	9.84
4	DBS NOMINEES (PRIVATE) LIMITED	129,858,728	3.73
5	NOMURA SINGAPORE LIMITED	100,000,000	2.87
6	RAFFLES NOMINEES (PTE.) LIMITED	77,146,424	2.22
7	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	47,198,160	1.36
8	MAYBANK SECURITIES PTE. LTD.	43,781,600	1.26
9	PHILLIP SECURITIES PTE LTD	42,176,673	1.21
10	IFAST FINANCIAL PTE. LTD.	23,506,953	0.68
11	OCBC SECURITIES PRIVATE LIMITED	21,663,900	0.62
12	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	19,797,188	0.57
13	ABN AMRO CLEARING BANK N.V.	18,563,100	0.53
14	UOB KAY HIAN PRIVATE LIMITED	18,108,200	0.52
15	KGI SECURITIES (SINGAPORE) PTE. LTD	16,552,200	0.48
16	BPSS NOMINEES SINGAPORE (PTE.) LTD.	14,888,481	0.43
17	LIM & TAN SECURITIES PTE LTD	14,851,800	0.43
18	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	14,618,240	0.42
19	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	14,164,578	0.41
20	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	11,946,606	0.34
	TOTAL	**2,886,302,827**	**82.94**

STATISTICS OF SHAREHOLDINGS

AS AT 28 FEBRUARY 2025

Substantial Shareholders	Direct Interest	Deemed Interest	Total Percentage Interest (%)[2]
Ren Yuanlin[1]	–	852,845,825	24.5039
Yangzi International Holdings Limited	852,845,825	–	24.5039
Julius Baer Trust Company (Singapore) Limited as trustee of YZJ Settlement and the Xinyangchuan Settlement[3]	–	852,845,825	24.5039
Sapphire Skye Limited (as nominee of Zedra Trust Company (Singapore) Limited)[4]	–	394,134,000	11.3242
Lido Point Investments Ltd	394,134,000	–	11.3242

(1) Ren Yuanlin is the settlor and sole beneficiary of the YZJ Trust, which is revocable by the settlor and established as a "purpose trust". Under the terms of the YZJ Trust, Ren Yuanlin has the powers, as settlor, to direct Julius Baer Trust Company (Singapore) Limited, as trustee, as to the investment in the Shares which form the assets of the YZJ Trust. Such powers include decisions relating to any purchase, sale, exchange, letting or retention and exercising of any voting and other rights in relation to the Shares. Julius Baer Trust Company (Singapore) Limited wholly owns Yangzi International Holdings Limited, which holds 852,845,825 Shares as assets of the YZJ Trust. Accordingly, Ren Yuanlin is deemed to be interested in the 852,845,825 Shares held by Yangzi International Holdings Limited, by virtue of Section 4 of the SFA.

(2) Based on 3,480,450,520 Shares in issue as at the Latest Practicable Date, excluding subsidiary holdings and 193,527,600 treasury shares as at the Latest Practicable Date.

(3) Julius Baer Trust Company (Singapore) Limited is the trustee of the YZJ Trust. Julius Baer Trust Company (Singapore) Limited wholly owns Yangzi International Holdings Limited, which holds 852,845,825 Shares as assets of the YZJ Trust. By virtue of Section 4 of the SFA, Julius Baer Trust Company (Singapore) Limited is deemed to have an interest in the 852,845,825 Shares held by Yangzi International Holdings Limited.

(4) Sapphire Skye Limited is wholly-owned by Zedra Trust Company (Singapore) Limited which is the trustee of an employee benefit trust set up for the purpose of rewarding employees of the YSL and its subsidiaries ("Lido Trust"). Under the terms of Lido Trust, Zedra Trust Company (Singapore) Limited manages 394,134,000 Shares held by Lido Point Investments Ltd. By virtue of Section 4 of the SFA, Sapphire Skye Limited (as nominee of Zedra Trust Company (Singapore) Limited) is deemed interested in the 394,134,000 Shares held by Lido Point Investments Ltd.

SHAREHOLDING HELD IN PUBLIC HANDS

Approximately 64.17% of the shareholding of the Company is held in the hands of the public as at 28 February 2025 and Rule 723 of the Listing Manual is complied with.

NOTICE OF THIRD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Third Annual General Meeting of the Company will be held at 168 Robinson Road, #09-01, Capital Tower, Big Picture Theatre, Singapore 068912 on Tuesday, 15 April 2025 at 3.00 p.m. to transact the following business:–

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors' Statements and the Auditors' Report thereon. **(Resolution 1)**

2. To declare a tax exempt (one-tier) final dividend of S$0.0345 per ordinary share in respect of the financial year ended 31 December 2024. **(Resolution 2)**

3. To approve the proposed Directors' fees of S$221,000 for the financial year ended 31 December 2024. **(Resolution 3)**

4. To re-elect Mr Chen Timothy Teck Leng, who is retiring pursuant to Regulation 97 of the Company's Constitution. *[See Explanatory Note (a)]* **(Resolution 4)**

5. To re-elect Mr Xu Wen Jiong, who is retiring pursuant to Regulation 97 of the Company's Constitution. *[See Explanatory Note (b)]* **(Resolution 5)**

6. To re-appoint Messrs PricewaterhouseCoopers LLP as Auditors and to authorise the Directors to fix their remuneration. **(Resolution 6)**

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following as Ordinary Resolutions with or without modifications:

7. **AUTHORITY TO ALLOT AND ISSUE SHARES**

   THAT:

   (a) pursuant to Section 161 of the Companies Act 1967 (the "**Act**") and the listing rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), authority be and is hereby given to the Directors of the Company to:

      (i) issue ordinary shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

      (ii) make or grant offers, agreements, or options (each an "**Instrument**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures, or other instruments convertible into Shares; and/or

      at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and

NOTICE OF THIRD ANNUAL GENERAL MEETING

(b) issue Shares in pursuance of any Instruments made or granted by the Directors while such authority was in force (notwithstanding that such issue of Shares pursuant to the Instruments may occur after the expiration of the authority contained in this resolution),

provided that:

(1) the aggregate number of the Shares to be issued pursuant to such authority (including the Shares to be issued in pursuance of Instruments made or granted pursuant to such authority), does not exceed 50% of the total number of issued Shares (as calculated in accordance with paragraph (2) below), and provided further that where shareholders of the Company are not given the opportunity to participate in the same on a pro-rata basis, then the Shares to be issued under such circumstances (including the Shares to be issued in pursuance of Instruments made or granted pursuant to such authority) shall not exceed 20% of the total number of issued Shares (as calculated in accordance with paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of the Shares that may be issued under paragraph (1) above, the total number of issued Shares shall be based on the issued Shares of the Company (excluding treasury shares and subsidiary holdings) at the time such authority was conferred, after adjusting for:

   (a) new Shares arising from the conversion or exercise of any convertible securities or the exercising of share options or the vesting of share awards which are outstanding or subsisting at the time such authority was conferred; and

   (b) any subsequent consolidation or subdivision of the Shares;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Listing Manual of the SGX-ST for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Act and otherwise, and the Constitution of the Company for the time being; and

(4) (unless revoked or varied by the Company in a general meeting) the authority so conferred shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier. *[See Explanatory Note (c)]* **(Resolution 7)**

NOTICE OF THIRD ANNUAL GENERAL MEETING

8. **RENEWAL OF SHARE PURCHASE MANDATE**

THAT:

(a) for the purposes of the Act and the Listing Manual of the SGX-ST, the Directors be and are hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire the issued ordinary shares in the capital of the Company (the "**Shares**") not exceeding in aggregate the Prescribed Limit (as hereafter defined) during the Relevant Period (as hereinafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:

(i) on-market purchases ("**Market Purchases**") transacted on the SGX-ST through the ready market or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or

(ii) off-market purchases ("**Off-Market Purchases**") (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act, and otherwise in accordance with all other provisions of the Act and the Listing Manual of the SGX-ST as may for the time being be applicable (the "**Share Purchase Mandate**");

(b) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:

(i) the date on which the next Annual General Meeting of the Company is held or required by law to be held;

(ii) the date on which purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated; or

(iii) the date on which the authority contained in the Share Purchase Mandate is varied or revoked by the shareholders of the Company in a general meeting;

(c) in this Resolution:

"**Prescribed Limit**" means that number of Shares representing 10% of the issued ordinary share capital as at the date of the passing of this Resolution, unless the Company has effected a reduction of its share capital in accordance with the applicable provisions of the Act at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered;

"**Relevant Period**" means the period commencing from the date on which the Annual General Meeting at which this Resolution is passed and expiring on the date the next Annual General Meeting is held or is required by law to be held, whichever is the earlier, after the date of this Resolution; and

NOTICE OF THIRD ANNUAL GENERAL MEETING

"**Maximum Price**" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(i) in the case of a Market Purchase: 105% of the Average Closing Price; and

(ii) in the case of an Off-Market Purchase pursuant to an equal access scheme: 120% of the Average Closing Price,

where:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five market days, on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase or, as the case may be, the day of the making of the offer pursuant to an Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after such five-market day period; and

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

(d) the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution. *[See Explanatory Note (d)]*

(Resolution 8)

9. To transact any other business which may be properly transacted at an Annual General Meeting.

By Order of the Board

Peck Jen Jen
Company Secretary
28 March 2025
Singapore

NOTICE OF THIRD ANNUAL GENERAL MEETING

Explanatory Notes:

(a) Detailed information on Mr Chen Timothy Teck Leng, who is seeking re-election as a Director of the Company, is under “Board of Directors” section on page 7 and “Disclosure of information on seeking re-election pursuant to Rule 720(6) of the Listing Rules of the SGX-ST” on pages 64 to 68 of the Annual Report 2024.

Mr Chen Timothy Teck Leng will, upon re-election, remain as the Chairman of the Audit and Risk Committee and Member of the Nominating and Remuneration Committees and will be considered independent for the purpose of Rule 704(8) of the Listing Manual. There are no relationships (including immediate family relationships) between Mr Chen Timothy Teck Leng and the other Directors, or the Company, or its substantial shareholders.

(b) Detailed information on Mr Xu Wen Jiong, who is seeking re-election as a Director of the Company, is under “Board of Directors” section on page 8 and “Disclosure of information on seeking re-election pursuant to Rule 720(6) of the Listing Rules of the SGX-ST” on pages 69 to 72 of the Annual Report 2024.

Mr Xu Wen Jiong will, upon re-election, remain as the Member of the Audit and Risk, Nominating and Remuneration Committees and will be considered independent for the purpose of Rule 704(8) of the Listing Manual. There are no relationships (including immediate family relationships) between Mr Xu Wen Jiong and the other Directors, or the Company, or its substantial shareholders.

(c) The proposed ordinary resolution 7, if passed, will empower the Directors of the Company from the date of the above meeting to issue shares in the Company up to an amount not exceeding in total 50% of the total number of issued shares in the capital of the Company with a sub-limit of 20% other than on a pro-rata basis to shareholders for the time being for such purposes as they consider would be in the interest of the Company. The authority will, unless previously revoked or varied at a general meeting, expire at the next annual general meeting of the Company.

(d) The proposed ordinary resolution 8, if passed, will empower the Directors of the Company from the date of the above meeting until the date of the next annual general meeting of the Company to purchase or acquire up to 10% of the issued ordinary share capital (excluding the shares held in treasury and subsidiary holdings) of the Company as at the date of the passing of this Resolution. Details of the proposed Share Purchase Mandate are set out in the Appendix to the Annual Report 2024 which is available online for information.

(i) As at 28 February 2025 (the “**Latest Practicable Date**”), the Company has, since the date of the last annual general meeting, purchased a total of 32,862,900 shares by way of market purchase at an aggregate consideration of S$13,147,045.

(ii) The amount of financing required for the Company to further purchase or acquire its shares, and the impact on the Company’s financial position, cannot be ascertained as at the date of this Notice of the AGM as this will depend on the number of the shares purchased or acquired and the price at which such shares were purchased or acquired.

(iii) The financial effects of the purchase or acquisition of shares by the Company pursuant to the proposed Share Purchase Mandate on the Group’s audited financial statements for the financial year ended 31 December 2024 are set out in the Appendix to the Annual Report 2024 and are for illustration only.

NOTES:

1. Yangzijiang Financial Holding Ltd. (the “**Company**”) is pleased to announce that its Third Annual General Meeting (“**AGM**”) will be held at 168 Robinson Road, #09-01, Capital Tower, Big Picture Theatre, Singapore 068912 on Tuesday, 15 April 2025 at 3.00 p.m. (Singapore time). There will be no option for shareholders to participate virtually.

2. The Notice of AGM and Proxy Form are made available to members via publication on the SGX website at https://www.sgx.com/securities/company-announcements and on the Company’s website at www.yzjfin.com. Printed copies of this Notice of AGM and the accompanying Proxy Form will be sent to shareholders via post. Printed copies of the Annual Report will not be sent to shareholders. Shareholders who wish to receive a printed copy of the Annual Report should request the same via email to public@yzjfin.com.

3. Participation in the AGM

   Shareholders, proxyholders and persons who hold shares of the Company through relevant intermediaries (as defined in Section 181 of the Act), including Central Provident Fund (“**CPF**”) and Supplementary Retirement Scheme (“**SRS**”) investors will be able to attend the AGM by:

   (i) Attending the physical AGM in person;
   (ii) Submitting questions in relation to any agenda item in this Notice of AGM in advance of, or at the AGM; and/or
   (iii) Voting at the AGM by (i) the shareholders themselves; or (ii) through duly appointed proxy(ies)

   Shareholders, including CPF and SRS investors will need to register in person at the registration counter(s) outside the AGM venue on the day of the event. Please bring along your NRIC/passport to enable the Company to verify your identity. The Company reserves the right to refuse admittance to the AGM if the attendee’s identity cannot be verified accurately.

   Investors who hold shares through a relevant intermediary (as defined in Section 181 of the Act (the “**Relevant Intermediary**”), and who wish to attend the AGM should approach their Relevant Intermediary as soon as possible in order for the Relevant Intermediary to make the necessary arrangements for their attendance.

NOTICE OF THIRD ANNUAL GENERAL MEETING

4. Question and answer

   Shareholders, proxyholders, CPF and SRS investors who have questions in relation to any agenda items in this Notice of AGM can ask questions during the AGM physically.

   Investors holding shares through relevant intermediaries (other than CPF/SRS investors) should approach their respective relevant intermediaries through which they hold shares as soon as possible in order for the necessary arrangements to be made for them to submit questions in advance of the AGM or ask questions during the AGM.

   Shareholders, including CPF and SRS investors are also encouraged to submit questions related to the resolutions to be tabled for approval at the AGM to the Chairman of the AGM, in advance of the AGM in the following manner no later than seven (7) calendar days in advance of the AGM (i.e. by 3.00 p.m. on 8 April 2025):

   (a) By e-mail to yzjfh@financialpr.com.sg; or

   (b) If submitted by post, to be deposited at the: 9 Raffles Place, 29-03, Republic Plaza, Singapore 048619.

   (c) Shareholders who submit questions via email or by post to the Company must provide the following information:

      (i) the Shareholder's full name;
      (ii) the Shareholder's address; and
      (iii) the manner in which the Shareholder holds shares in the Company (e.g. via CDP, CPF or SRS).

   The Board of Directors of the Company ("**Board**") will endeavour to address, during the AGM, substantial and relevant questions (as determined by the Board in its sole opinion) submitted by Participating Members. However, there may not be sufficient time to address all such questions.

5. The form of an instrument appointing a proxy ("**Proxy Form**"), which may be used to vote at the AGM, is released together with this Notice of AGM.

6. Voting

   Shareholders will be able to vote at the AGM in person, or by appointing proxy(ies) to vote on their behalf. The proxy need not be a member of the Company.

7. Appointment of Proxies

   Shareholders who is not a Relevant Intermediary is entitled to appoint not more than two proxies and Shareholders who are Relevant Intermediaries is entitled to appoint more than two proxies who wish to vote at the AGM via a proxy(ies) must submit the Proxy Form, which is released together with this Notice of AGM, to appoint the proxy(ies) or the Chairman of the AGM as their proxy to cast votes on their behalf. Shareholders are requested to complete, sign and return the Proxy Form in accordance with the instructions printed thereon not less than seventy-two (72) hours before the time appointed for the AGM (i.e. by 3.00 p.m. on 12 April 2025) ("**proxy form cut-off date/time**") in the following manner:

   (a) By Post: To be deposited at the registered office of the Company at 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619; or

   (b) By e-mail: To be emailed to public@yzjfin.com (Attn: YZJFH Team).

8. Persons who hold shares through Relevant Intermediaries

   (a) Persons who hold shares through Relevant Intermediaries (as defined in Section 181(6) of the Act, other than those investors who hold shares under the Central Provident Fund Investment Scheme ("**CPF Investor**") and/or the Supplementary Retirement Scheme ("**SRS Investor**"), and who wish to participate in the AGM by (i) attending; (ii) submitting questions in advance of, or live at the AGM; and/or (iii) voting at the AGM should contact the relevant intermediaries through which they hold such shares as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.

   (b) The Proxy Form is not valid for use by CPF Investors or SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

9. The proxy need not be a member of the Company.

10. The Proxy Form shall be under the hand of the member or by his/her attorney duly authorised in writing, or if the member is a corporation, under seal or under the hand of its attorney duly authorised in writing. The power of attorney or other authority, if any, under which the instrument of proxy is signed on behalf of the member or duly certified copy of that power of attorney or other authority (failing previous registration with the Company), shall be attached to the instrument of proxy.

11. A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited 72 hours before the time fixed for holding the AGM in order for the Depositor to be entitled to vote at the AGM.

NOTICE OF THIRD ANNUAL GENERAL MEETING

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the proxy(ies) and representative(s) for the AGM (including any adjournment thereof) and the preparation, compilation and publication (where relevant) of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof) and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulators and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

APPENDIX

YANGZIJIANG FINANCIAL HOLDING LTD.

(Company Registration number: 202143180K)
(Incorporated in the Republic of Singapore)

LETTER TO SHAREHOLDERS

Directors:	**Registered Office:**
Mr Ren Yuanlin (Executive Chairman and Chief Executive Officer)	9 Raffles Place #26-01
Mr Chen Timothy Teck Leng (Lead Independent Non-Executive Director)	Republic Plaza
Mr Yee Kee Shian, Leon (Independent Non-Executive Director)	Singapore 048619
Mr Xu Wen Jiong (Independent Non-Executive Director)	

To: The Shareholders of Yangzijiang Financial Holding Ltd.

Dear Sir/Madam

THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

1. Introduction

1.1 Yangzijiang Financial Holding Ltd. (the "**Company**") proposes to seek the approval of shareholders of the Company (the "**Shareholders**") at the Third Annual General Meeting of the Company (the "**3rd AGM**") to be held on Tuesday, 15 April 2025 at 3.00 p.m.at Big Picture Theatre, Level 9, Capital Tower, 168 Robinson Road, Singapore 068912 for the proposed renewal of the share purchase mandate to authorise the Company's directors (the "**Directors**") from time to time to purchase (whether by market purchases and/or off-market purchases in accordance with an equal access scheme) up to 10% of the issued ordinary share capital of the Company (excluding treasury shares and subsidiary holdings) as at the date of the passing of proposed ordinary resolution 8 at the 3rd AGM, at the price of up to but not exceeding the Maximum Price (as defined below), subject to the constitution of the Company (the "**Constitution**") and the listing rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") as set out in the SGX-ST Listing Manual (the "**Listing Manual**") (the "**Share Purchase Mandate**").

1.2 The Companies Act 1967 of Singapore (the "**Companies Act**") allows a Singapore incorporated company to purchase or otherwise acquire its issued ordinary shares, stocks and preference shares if the purchase or acquisition is permitted under the company's constitution. Any purchase or acquisition of Shares (as defined in paragraph 2.1 below) by the Company must be made in accordance with, and in the manner prescribed by, the Companies Act, the Constitution for the time being and such other laws and regulations as may, for the time being, be applicable. As the Company is listed on the Mainboard of the SGX-ST, it is also required to comply with Part XIII of Chapter 8 of the Listing Manual, which relates to the purchase or acquisition by an issuer of its own shares. Regulation 11(C) of the Constitution expressly permits the Company to purchase or otherwise acquire its issued shares.

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1.3 It is a requirement under the Companies Act and the Listing Manual for a company that wishes to purchase or otherwise acquire its own shares to obtain the approval of its shareholders.

1.4 The Shareholders had, at the extraordinary general meeting of the Company ("**EGM**") held on 8 June 2022, approved the Share Purchase Mandate for the Directors to exercise all the powers of the Company to purchase or acquire up to 10% of the issued ordinary share capital of the Company (excluding treasury shares and subsidiary holdings) on the terms of that mandate. The Share Purchase Mandate was renewed at the last AGM held on 24 April 2024 with such mandate taking effect until the conclusion of the forthcoming 3rd AGM.

1.5 If the proposed ordinary resolution 8 under the heading of "Special Business" in the Notice of the 3rd AGM for the renewal of the Share Purchase Mandate is approved at the 3rd AGM (the "**Share Purchase Mandate Renewal Resolution**"), the mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the next annual general meeting ("**AGM**") of the Company is held or is required by law to be held, whichever is earlier.

1.6 The purpose of this appendix ("**this Appendix**") is to provide information relating to and explain the rationale for the proposed renewal of the Share Purchase Mandate.

1.7 Shareholders who are in doubt as to the course of action they should take, should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers at the earliest opportunity.

1.8 Duane Morris & Selvam LLP is the legal adviser to the Company in relation to the proposed renewal of the Share Purchase Mandate.

2. Rationale for the Proposed Renewal of the Share Purchase Mandate

2.1 The proposed renewal of the Share Purchase Mandate authorising the Company to purchase or acquire ordinary shares in the issued and paid-up share capital of the Company (the "**Shares**") will continue to give the Directors the flexibility to undertake share purchases or acquisitions up to the 10% limit described in paragraph 3.1 below at any time during the period when the Share Purchase Mandate is in force.

2.2 The rationale for the Company to undertake the purchase or acquisition of its issued Shares, as previously stated in its circular to Shareholders dated 24 May 2022, is as follows:

(a) When circumstances permit, to increase Shareholders' value by improving, *inter alia*, the Return on Equity ("**ROE**") of the Company and its subsidiaries (the "**Group**"). A share buy-back made at an appropriate price level is one of the ways through which the ROE of the Group may be enhanced.

(b) The Share Purchase Mandate will provide the Company with a mechanism to facilitate the return of surplus cash over and above the Group's working capital requirements in an expedient and cost-efficient manner.

(c) Share buy-backs allow Directors to exercise control over the Company's share structure and, depending on market conditions, may lead to an enhancement of the earnings per Share and/or net tangible asset per Share.

(d) Share purchase programmes help to mitigate short-term share price volatility and offset the effects of share price speculation.

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While the Share Purchase Mandate would authorise a purchase or acquisition of Shares up to the said 10% limit during the duration referred to in paragraph 3.2 below, Shareholders should note that the Share Purchase Mandate may not be exercised to the full extent authorised. Purchases or acquisitions of Shares pursuant to the Share Purchase Mandate would be made only as and when the Directors consider it to be in the best interests of the Company and in circumstances which they believe will not result in any material adverse effect to the financial position of the Company or the Group, or result in the Company being delisted from the SGX-ST. The Directors will use their best efforts to ensure that after a purchase or acquisition of Shares pursuant to the Share Purchase Mandate, the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of the Shares on the SGX-ST.

3. Authority and Limits on the Share Purchase Mandate

The authority and limitations placed on share purchases or acquisitions of Shares by the Company under the proposed Share Purchase Mandate, are similar in terms to those previously approved by Shareholders, and are summarised below:

3.1 Maximum Number of Shares

Only Shares which are issued and fully paid-up may be repurchased by the Company. In accordance with Rule 882 of the Listing Manual, the total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) ascertained as at the date of the 3rd AGM at which the Share Purchase Mandate Renewal Resolution is passed (the "**Approval Date**") (unless the Company has effected a reduction of its share capital in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period (as defined below), in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered.

"**Relevant Period**" means the period commencing from the Approval Date and expiring on the date the next AGM is held or required by law to be held, whichever is the earlier, after the date the Share Purchase Mandate Renewal Resolution is passed.

As at 28 February 2025 (the "**Latest Practicable Date**"), the Company holds 193,527,600 Shares in treasury and does not have subsidiary holdings.

For illustrative purposes only, on the basis of 3,480,450,520 Shares in issue as at the Latest Practicable Date (excluding treasury shares and subsidiary holdings), and assuming on or prior to the 3rd AGM:

(a) no further Shares are issued and the Company does not reduce its share capital;

(b) no Shares are held as subsidiary holdings; and

(c) no further Shares are purchased or acquired by the Company, or held as treasury shares,

not more than 348,045,052 Shares, representing 10% of the total number of Shares (excluding treasury shares and subsidiary holdings) as at that date, may be purchased by the Company pursuant to the proposed Share Purchase Mandate during the Relevant Period.

3.2 Duration of Authority

Purchases or acquisitions of Shares pursuant to the proposed Share Purchase Mandate may be made, at any time and from time to time, on and from the date of the 3rd AGM, at which the renewal of the Share Purchase Mandate is approved, up to:

(a) the date on which the next AGM of the Company is held or required by law to be held; or

(b) the date on which the purchases or acquisitions of Shares pursuant to the proposed Share Purchase Mandate are carried out to the full extent mandated; or

(c) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Shareholders in a general meeting,

whichever is the earliest.

The authority conferred on the Directors by the Share Purchase Mandate to purchase Shares may be renewed at the next AGM (after the 3rd AGM) or an EGM to be convened immediately after the conclusion or adjournment of the next AGM. When seeking the approval of the Shareholders for the renewal of the Share Purchase Mandate, the Company is required to disclose details pertaining to purchases or acquisitions of Shares pursuant to the Share Purchase Mandate made during the previous twelve (12) months, including the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for such purchases or acquisitions of Shares, where relevant, and the total consideration paid for such purchases or acquisitions.

3.3 Manner of Purchases or Acquisitions of Shares

Purchases or acquisitions of Shares may be made by way of:

(a) on-market purchase(s) ("**Market Purchase**"), transacted on the SGX-ST through the SGX-ST's trading system, through one or more duly licensed stock brokers appointed by the Company for the purpose; and/or

(b) off-market purchase(s) ("**Off-Market Purchase**") effected pursuant to an equal access scheme in accordance with Section 76C of the Companies Act.

The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the Companies Act, as amended or modified from time to time, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme(s). Pursuant to the Companies Act, an Off-Market Purchase must, however, satisfy all the following conditions:

(a) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;

(b) all of the abovementioned persons shall be given a reasonable opportunity to accept the offers made; and

(c) the terms of all the offers shall be the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements; (2) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid; and (3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

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Pursuant to the Listing Manual, if the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will issue an offer document to all Shareholders containing at least the following information:

(a) the terms and conditions of the offer;

(b) the period and procedures for acceptances;

(c) the reasons for the proposed purchase or acquisition of Shares;

(d) the consequences, if any, of the purchases or acquisitions of Shares by the Company that will arise under the Singapore Code on Take-over and Mergers (the "**Take-over Code**") or other applicable take-over rules;

(e) whether the purchase or acquisition of Shares, if made, would have any effect on the listing of the Shares on the SGX-ST;

(f) details of any purchase or acquisition of Shares made by the Company in the previous twelve (12) months (whether through Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases of Shares, where relevant, and the total consideration paid for the purchases; and

(g) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

3.4 Maximum Purchase Price

The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors or a committee of Directors that may be constituted for the purposes of effecting purchases or acquisitions of Shares by the Company under the Share Purchase Mandate. However, the purchase price to be paid for the Shares pursuant to the purchases or acquisitions of the Shares must not exceed:

(a) in the case of a Market Purchase, 105% of the Average Closing Price; and

(b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price,

(the "**Maximum Price**") in either case, excluding related expenses of the purchase or acquisition.

For the above purposes:

"**Average Closing Price**" means the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted in accordance with the Listing Manual for any corporate action which occurs during the relevant period of five (5) Market Days and the day on which the Market Purchase is made or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase; and "**date of the making of the offer**" means the date on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

"**Market Day**" means a day on which the SGX-ST is open for trading in securities.

3.5 Status of Purchased Shares

Under Section 76B of the Companies Act, Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless such Share is held by the Company as a treasury share. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares. At the time of each purchase of Shares by the Company, the Directors will decide whether the Shares purchased will be cancelled or kept as treasury shares, or partly cancelled and partly kept as treasury shares, depending on the needs of the Company at that time.

3.6 Treasury Shares

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act and the Listing Manual are summarised below:

3.6.1 Maximum Holdings

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares. In the event that the Company holds more than 10% of the total number of its issued Shares as treasury shares, the Company shall dispose of or cancel the excess treasury shares in the manner set out under paragraph 3.6.3 of this Appendix below within six (6) months beginning with the day on which that contravention occurs, or such further period as the Accounting and Corporate Regulatory Authority ("**ACRA**") may allow.

3.6.2 Voting and Other Rights

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. Also, a subdivision or consolidation of any treasury share into treasury shares of a smaller amount is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

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3.6.3 Disposal and Cancellation

Where Shares are held as treasury shares, the Company may at any time but subject always to the Take-over Code:

(a) sell the treasury shares for cash;

(b) transfer the treasury shares for the purposes of or pursuant to an employees' share scheme;

(c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;

(d) cancel the treasury shares; or

(e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance of Singapore.

3.6.4 Reporting obligation under Listing Manual

Under Rule 704(28) of the Listing Manual, immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares (in each case, the "**usage**"). Such announcement must include details such as the date of the usage, the purpose of the usage, the number of treasury shares comprised in the usage, the number of treasury shares before and after the usage, and the percentage of the number of treasury shares comprised in the usage against the total number of issued shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after the usage, and the value of the treasury shares if they are used for a sale, transfer, or cancelled.

4. Reporting Requirements

Within thirty (30) days of the passing of a Shareholders' resolution to approve the purchase or acquisition of Shares by the Company, the Company shall lodge a copy of such resolution with ACRA.

The Company shall notify ACRA within thirty (30) days of a purchase or acquisition of Shares by the Company on the SGX-ST or otherwise. Such notification shall include details of the purchase or acquisition, the date of the purchase or acquisition, the total number of Shares purchased or acquired by the Company, the number of shares cancelled, the number of Shares held as treasury shares, the Company's total number of issued Shares before and after the purchase or acquisition of Shares, the amount of consideration paid by the Company for the purchase or acquisition of Shares, whether the Shares were purchased or acquired out of the profits or the capital of the Company, and such other particulars as may be required in the prescribed form.

Within thirty (30) days of the cancellation or disposal of treasury shares in accordance with the provisions of the Companies Act, the Directors shall lodge with ACRA the notice of cancellation or disposal of treasury shares in the prescribed form.

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The Company is required under Rule 886 of the Listing Manual to notify the SGX-ST of all purchases or acquisitions of its Shares not later than 9.00 a.m.:

(a) in the case of a Market Purchase, on the Market Day following the day of purchase of any of its Shares, and

(b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptance of the offer for the Off-Market Purchase.

The notification of such purchase or acquisition of Shares to the SGX-ST shall be in the form of Appendix 8.3.1 to the Listing Manual and shall comprise such details as the SGX-ST may prescribe, including, *inter alia*, details of the date of the purchase, the total number of Shares purchased, the number of Shares cancelled, the number of Shares held as treasury shares, the purchase price per Share or the highest and lowest prices paid for such Shares (as applicable), the total consideration (including stamp duties and clearing charges) paid or payable for the Shares, the number of Shares purchased as at the date of announcement (on a cumulative basis), the number of issued Shares excluding treasury shares and subsidiary holdings after the purchase, the number of treasury shares held after the purchase and the number of subsidiary holdings after the purchase.

The Company shall make arrangements with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications to the SGX-ST.

5. Source of Funds

The Company may only apply funds for the purchase or acquisition of its Shares as provided in the Constitution and in accordance with the applicable laws in Singapore. The Company may not purchase its Shares for a consideration other than in cash or, in the case of a Market Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST.

The Companies Act permits the Company to purchase or acquire its own Shares out of capital, as well as from its distributable profits, so long as the Company is solvent. Under the Companies Act, it is an offence for a director or chief executive officer of a company to approve or authorise the purchase or acquisition of shares, knowing that the company is not solvent.

For this purpose, pursuant to the Companies Act, a company is solvent:

(a) if there is no ground on which the company could be found to be unable to pay its debts;

(b) if:

 (i) it is intended to commence winding up of the company within the period of twelve (12) months immediately after the date of the payment, the company will be able to pay its debts in full within the period of twelve (12) months after the date of commencement of the winding up; or

 (ii) it is not intended so to commence winding up, the company will be able to pay its debts as they fall due during the period of twelve (12) months immediately after the date of the payment; and

(c) if the value of the company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the proposed purchase, acquisition, variation or release (as the case may be), become less than the value of its liabilities (including contingent liabilities).

Apart from using its internal sources of funds, the Company may obtain or incur borrowings to finance its purchase or acquisition of Shares.

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6. Financial Effects

It is not possible for the Company to realistically calculate or quantify the financial impact of purchases or acquisitions of Shares that may be made pursuant to the Share Purchase Mandate as the resultant effect would depend on, *inter alia*, the aggregate number of Shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits, the purchase prices paid for such Shares and the amount (if any) borrowed by the Company to fund the purchases or acquisitions and whether the Shares purchased or acquired are cancelled or held as treasury shares.

The financial effects are the same whether the Shares are purchased on-market or off-market. The Company's total number of issued Shares will be diminished by the total number of the Shares purchased by the Company and which are cancelled. The net tangible assets ("**NTA**") of the Group will be reduced by the aggregate purchase price paid by the Company for the Shares.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

The Directors do not propose to exercise the Share Purchase Mandate to such an extent that it would have a material adverse effect on the working capital requirements of the Group. The purchase or acquisition of the Shares will only be affected after considering relevant factors such as the working capital requirements, availability of financial resources, the expansion and investment plans of the Group and the prevailing market conditions. The proposed Share Purchase Mandate will be exercised with a view of enhancing the earnings per share (the "**EPS**") and/or the NTA value per Share.

For illustrative purposes only, the financial effects of the Share Purchase Mandate on the Company and the Group, based on the financial statements of the Group for the financial period ended 31 December 2024 are based on the assumptions set out below:

(a) based on 3,480,450,520 Shares in issue as at the Latest Practicable Date (excluding treasury shares and subsidiary holdings), and assuming that no further Shares are issued and that the Company does not reduce its share capital, on or prior to the 3rd AGM, not more than 348,045,052 Shares, representing 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the 3rd AGM, may be purchased by the Company pursuant to the proposed Share Purchase Mandate;

(b) in the case of Market Purchases by the Company and assuming that the Company purchases or acquires 348,045,052 Shares at the Maximum Price of S$0.603 for one (1) Share (being the price equivalent to 5% above the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 348,045,052 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately S$209,871,166; and

(c) in the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 348,045,052 Shares at the Maximum Price of S$0.689 for one (1) Share (being the price equivalent to 20% above the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 348,045,052 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately S$239,803,041.

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For illustrative purposes only and based on the assumptions set out in sub-paragraphs (a), (b) and (c) above and assuming that (i) the purchase or acquisition of Shares is financed solely by internal sources of funds; (ii) the Share Purchase Mandate had been effective on 31 December 2024; and (iii) the Company had on 31 December 2024 purchased or acquired 348,045,052 Shares, representing 10% of its total number of issued Shares at the Latest Practicable Date (excluding treasury shares and subsidiary holdings), the financial effects of the purchase or acquisition of 348,045,052 Shares by the Company pursuant to the Share Purchase Mandate:

(1) by way of purchases made entirely out of capital and held as treasury shares; and

(2) by way of purchases made entirely out of capital and cancelled,

on the financial statements of the Company and the Group for the financial period ended 31 December 2024 are set out below:

(1) Purchases made entirely out of capital and held as treasury shares

(A) Market Purchases

	Group		Company	
	Before Share Purchase S$'000	**After Share Purchase S$'000**	**Before Share Purchase S$'000**	**After Share Purchase S$'000**
As at 31 December 2024				
Issued capital and reserves	4,124,521	4,116,126	3,750,916	3,742,521
Treasury shares	(58,666)	(268,537)	(58,666)	(268,537)
Total shareholders' equity	4,065,855	3,847,589	3,692,250	3,473,984
NTA (excl. non-controlling interests)	4,065,855	3,847,589	3,692,250	3,473,984
Profit after taxation and minority interest	304,629	296,234	130,626	122,231
Net debt	Net Cash	Net Cash	Net Cash	(209,077)
Number of Shares (excluding treasury shares) ('000)	3,480,450	3,132,405	3,480,450	3,132,405
Treasury shares ('000)	193,528	541,573	193,528	541,573
<u>Financial Ratios</u>				
NTA per share (cents)	116.82	122.83	106.09	110.90
Gross debt gearing (%)	0.59	6.08	0.01	6.05
Net debt gearing (%)	Net Cash	Net Cash	Net Cash	(6.02)
Current ratio (times)	28.89	8.25	27.37	7.39
Earnings before interest, tax, depreciation and amortisation divided by interest expenses (times)	376.67	40.70	NA	16.53
Basic EPS (cents)				
(before exceptional items)	8.66	9.34	3.71	3.85
(after exceptional items)	8.66	9.34	3.71	3.85
Return on equity (%)	7.49	7.70	3.54	3.52

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(B) Off-Market Purchases

	Group		Company	
	Before Share Purchase S$'000	**After Share Purchase S$'000**	**Before Share Purchase S$'000**	**After Share Purchase S$'000**
As at 31 December 2024				
Issued capital and reserves	4,124,521	4,114,929	3,750,916	3,741,324
Treasury shares	(58,666)	(298,469)	(58,666)	(298,469)
Total shareholders' equity	4,065,855	3,816,460	3,692,250	3,442,855
NTA (excl. non-controlling interests)	4,065,855	3,816,460	3,692,250	3,442,855
Profit after taxation and minority interest	304,629	295,037	130,626	121,034
Net debt	Net Cash	Net Cash	Net Cash	(239,009)
Number of Shares (excluding treasury shares) ('000)	3,480,450	3,132,405	3,480,450	3,132,405
Treasury shares ('000)	193,528	541,573	193,528	541,573
Financial Ratios				
NTA per share (cents)	116.82	121.84	106.09	109.91
Gross debt gearing (%)	0.59	6.91	0.01	6.98
Net debt gearing (%)	Net Cash	Net Cash	Net Cash	(6.94)
Current ratio (times)	28.89	7.49	27.37	6.69
Earnings before interest, tax, depreciation and amortisation divided by interest expenses (times)	376.67	36.11	–	14.47
Basic EPS (cents)				
(before exceptional items)	8.66	9.30	3.71	3.82
(after exceptional items)	8.66	9.30	3.71	3.82
Return on equity (%)	7.49	7.73	3.54	3.52

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(2) Purchases made entirely out of capital and cancelled

(A) Market Purchases

	Group		Company	
	Before Share Purchase S$'000	**After Share Purchase S$'000**	**Before Share Purchase S$'000**	**After Share Purchase S$'000**
As at 31 December 2024				
Issued capital and reserves/Total shareholders' equity	4,065,855	3,847,589	3,692,250	3,473,984
NTA (excl. non-controlling interests)	4,065,855	3,847,589	3,692,250	3,473,984
Profit after taxation and minority interest	304,629	296,234	130,626	122,231
Net debt	Net Cash	Net Cash	Net Cash	(209,077)
Number of Shares (excluding treasury shares) ('000)	3,480,450	3,132,405	3,480,450	3,132,405
Treasury shares ('000)	193,528	541,573	193,528	541,573
Financial Ratios				
NTA per share (cents)	116.82	122.83	106.09	110.90
Gross debt gearing (%)	0.59	6.08	0.01	6.05
Net debt gearing (%)	Net Cash	Net Cash	Net Cash	(6.02)
Current ratio (times)	28.89	8.25	27.37	7.39
Earnings before interest, tax, depreciation and amortisation divided by interest expenses (times)	376.67	40.70	–	16.53
Basic EPS (cents)				
(before exceptional items)	8.66	9.34	3.71	3.85
(after exceptional items)	8.66	9.34	3.71	3.85
Return on equity (%)	7.49	7.70	3.54	3.52

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(B) Off-Market Purchases

	Group		Company	
	Before Share Purchase S$'000	**After Share Purchase S$'000**	**Before Share Purchase S$'000**	**After Share Purchase S$'000**
As at 31 December 2024				
Issued capital and reserves/Total shareholders' equity	4,065,855	3,816,460	3,692,250	3,442,855
NTA (excl. non-controlling interests)	4,065,855	3,816,460	3,692,250	3,442,855
Profit after taxation and minority interest	304,629	295,037	130,626	121,034
Net debt	Net Cash	Net Cash	Net Cash	(239,009)
Number of Shares (excluding treasury shares) ('000)	3,480,450	3,132,405	3,480,450	3,132,405
Treasury shares ('000)	193,528	541,573	193,528	541,573
<u>Financial Ratios</u>				
NTA per share (cents)	116.82	121.84	106.09	109.91
Gross debt gearing (%)	0.59	6.91	0.01	6.98
Net debt gearing (%)	Net Cash	Net Cash	Net Cash	(6.94)
Current ratio (times)	28.89	7.49	27.37	6.69
Earnings before interest, tax, depreciation and amortisation divided by interest expenses (times)	376.67	36.11	–	14.47
Basic EPS (cents)				
(before exceptional items)	8.66	9.30	3.71	3.82
(after exceptional items)	8.66	9.30	3.71	3.82
Return on equity (%)	7.49	7.73	3.54	3.52

Shareholders should note that the financial effects set out above are purely for illustrative purposes only and are based on the assumptions set out above. Although the proposed Share Purchase Mandate would authorise the Company to purchase or acquire up to 10% of its issued Shares (excluding Shares held in treasury and subsidiary holdings), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of its issued Shares (excluding treasury shares and subsidiary holdings). In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.

Shareholders who are in doubt as to their respective tax positions or any tax implications arising from the Share Purchase Mandate or who may be subject to tax in a jurisdiction other than Singapore should consult their own professional advisers at the earliest opportunity.

7. Take-over Implications

Appendix 2 of the Take-over Code contains the Share Buyback Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

7.1 Obligation to make a Take-over Offer

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and person(s) acting in concert with him increases to 30% or more, or, if the Shareholder and person(s) acting in concert with him holds between 30% and 50% of the Company's voting capital, would increase by more than 1% in any six (6) months' period, such Shareholder or group of Shareholders acting in concert would be obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code.

7.2 Persons Acting in Concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of such company.

Unless the contrary is established, the following persons, *inter alia*, will be presumed to be acting in concert with each other:

(a) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the foregoing companies, any companies whose associated companies include any of the foregoing companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights. For this purpose, a company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company;

(b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);

(c) a company with any of its pension funds and employee share schemes;

(d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;

(e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser;

(f) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;

(g) partners; and

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(h) an individual, his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the foregoing persons, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing persons and/or entities for the purchase of voting rights.

The circumstances under which the Shareholders (including the Directors) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Takeover Code.

7.3 Effect of Rule 14 and Appendix 2 of the Take-over Code

In general terms, the effect of Rule 14 and Appendix 2 is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 if, as a result of the Company purchasing or acquiring its Shares:

(a) the voting rights of such Directors and their concert parties would increase to 30% or more; or

(b) if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six (6) months.

In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares and subsidiary holdings shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder who is not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the Share Purchase Mandate Renewal Resolution.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of any purchase or acquisition of Shares by the Company should consult the Securities Industry Council ("SIC") and/or their professional advisers at the earliest opportunity.

8. Application of Take-over Code

8.1 Ren Concert Party Group

Mr. Ren Yuanlin is the Executive Chairman, Chief Executive Officer and a Director of the Company. Under the Take-over Code, Mr. Ren Yuanlin is presumed to be acting in concert with the company controlled by him (Yangzi International Holdings Limited), and the company controlled by his son Mr. Ren Letian (Hengyuan Asset Investment Limited) (collectively, the "**Ren Concert Party Group**").

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The following table sets out the interests of the Ren Concert Party Group in the Shares as at the Latest Practicable Date:

Shareholder	Number of Shares Direct Interest	Deemed Interest	Total Percentage Interest (%)[2]
Ren Yuanlin[1]	–	852,845,825	24.50
Yangzi International Holdings Limited	852,845,825	–	24.50
Julius Baer Trust Company (Singapore) Limited as trustee of YZJ Settlement[3]	–	852,845,825	24.50
Ren Letian[4]	–	165,797,370	4.76
Hengyuan Asset Investment Limited	165,797,370	–	4.76

Notes:

(1) Ren Yuanlin is the settlor and sole beneficiary of the YZJ Settlement (the "**YZJ Trust**"), which is revocable by the settlor and established as a "purpose trust". Under the terms of the YZJ Trust, Ren Yuanlin has the powers, as settlor, to direct Julius Baer Trust Company (Singapore) Limited, as trustee, as to the investment in the Shares which form the assets of the YZJ Trust. Such powers include decisions relating to any purchase, sale, exchange, letting or retention and exercising of any voting and other rights in relation to the Shares. Julius Baer Trust Company (Singapore) Limited wholly owns Yangzi International Holdings Limited, which holds 852,845,825 Shares as assets of the YZJ Trust. Accordingly, Ren Yuanlin is deemed to be interested in the 852,845,825 Shares held by Yangzi International Holdings Limited, by virtue of Section 4 of the Securities and Futures Act 2001 of Singapore ("**SFA**").

(2) Based on 3,480,450,520 Shares in issue as at the Latest Practicable Date, excluding subsidiary holdings and 193,527,600 treasury shares as at the Latest Practicable Date.

(3) Julius Baer Trust Company (Singapore) Limited is the trustee of the YZJ Trust. Julius Baer Trust Company (Singapore) Limited wholly owns Yangzi International Holdings Limited, which holds 852,845,825 Shares as assets of the YZJ Trust. By virtue of Section 4 of the SFA, Julius Baer Trust Company (Singapore) Limited is deemed to have an interest in the 852,845,825 Shares held by Yangzi International Holdings Limited.

(4) Ren Letian is deemed to be interested in 165,797,370 Shares which are held by Hengyuan Asset Investment Limited ("**Hengyuan**") through his interests in Hengyuan by virtue of Section 4 of the SFA.

As at the Latest Practicable Date, the members of the Ren Concert Party Group collectively hold 1,018,643,195 Shares, which is equivalent to approximately 29.27% of the total issued share capital of the Company.

8.2 Consequences of Share Purchases

Based on 3,480,450,520 issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date, the exercise in full of the Share Purchase Mandate by the Company would result in the purchase of 348,045,052 Shares. If the exercise in full of the Share Purchase Mandate by the Company causes the Ren Concert Party Group's aggregate interest in the issued Shares to increase to 30% or more, the Ren Concert Party Group would incur an obligation to make a mandatory offer under Rule 14 of the Take-over Code.

Based on the respective shareholdings of the members of the Ren Concert Party Group as at the Latest Practicable Date, and assuming that:–

(A) there is no change in their interest in Shares between the Latest Practicable Date and the date of the resolution to be passed in relation to the Share Purchase Mandate (being the date of the AGM); and

(B) no new shares are issued by the Company and the Company does not reduce its share capital between the Latest Practicable Date and the date of the resolution to be passed in relation to the Share Purchase Mandate (being the date of the AGM),

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the aggregate holdings of Shares of the Ren Concert Party Group as at the date of the resolution to be passed in relation to the Share Purchase Mandate (being the date of the AGM) and after the purchase or acquisition by the Company of 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) pursuant to the Share Purchase Mandate will increase from 29.268% to 32.520%, thereby resulting in the Ren Concert Party Group incurring an obligation to make a general offer under Rule 14 of the Take-over Code.

An illustration of this increase in voting rights held by each member of the Ren Concert Party Group is shown below:

	Before Share Purchase (As at the Latest Practicable Date)				After the Share Purchase			
Name	Direct Interest	%	Deemed Interest	%	Direct Interest	%	Deemed Interest	%
Ren Yuanlin	–	–	852,845,825	24.50	–	–	852,845,825	26.79
Yangzi International Holdings Limited	852,845,825	24.50	–	–	852,845,825	27.22	–	–
Ren Letian	–	–	165,797,370	4.76	–	–	165,797,370	5.29
Hengyuan Asset Investment Limited	165,797,370	4.76	–	–	165,797,370	5.29	–	–

8.3 Dispensation from Rule 14

Pursuant to Appendix 2 of the Take-over Code, the members of the Ren Concert Party Group will be exempted from the requirement to make a general offer under Rule 14 of the Take-over Code as a result of any Share Purchase carried out by the Company pursuant to the Share Purchase Mandate, subject to the following conditions:–

(a) this Appendix contains advice to the effect that by voting for the Share Purchase Mandate, Shareholders are waiving their right to a general offer at the required price from each Ren Concert Party Group, who as a result of the Company buying back its Shares, would increase their voting rights to 30% or more, and the names of each member of the Ren Concert Party Group, their voting rights at the time of the resolution relating to the Share Purchase Mandate (which is the date of the AGM) and after the purchase or acquisition of Shares by the Company under the Share Purchase Mandate are disclosed in this Appendix;

(b) the resolution to authorise a share buyback is approved by a majority of those Shareholders present and voting at the meeting on a poll who could not become obliged to make an offer as a result of the share buyback;

(c) each member of the Ren Concert Party Group abstains from voting for and/or recommending Shareholders to vote in favour of the resolution to authorise the Share Purchase Mandate; Please see paragraph 15 below regarding the abstention from voting by the members of the Ren Concert Party Group;

(d) within seven (7) days after the passing of the resolution to authorise a buyback, each of the directors submits to the SIC a duly signed form as prescribed by the SIC; and

(e) the Ren Concert Party Group has not acquired and will not acquire any Shares between the date on which they know that the announcement of the renewal of the Share Purchase Mandate is imminent and the earlier of ("**Relevant Period**"):–

(i) the date on which the authority of the Share Purchase Mandate expires; and

(ii) the date on which the Company announces it has bought back such number of Shares as authorised by the Share Purchase Mandate or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with those purchased or acquired by the Company under the Share Purchase Mandate, would cause their aggregate voting rights to increase to 30% or more.

As such, if the aggregate voting rights held by the Ren Concert Party Group increases to more than 30% solely as a result of the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate, and none of them has acquired any Shares during the Relevant Period, then the Ren Concert Party Group would be eligible for the exemption from the requirement to make a general offer under Rule 14 of the Takeover Code, or where such exemption had been granted, would continue to enjoy the exemption.

Shareholders are advised that by voting in favour of the ordinary resolution relating to the renewal of the Share Purchase Mandate, they will be waiving their rights to a take-over offer at the required price from the Ren Concert Party Group who, as a result of the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate, would increase their aggregate interest in the Shares to 30% or more.

Save as disclosed in this Appendix, the Directors are not aware of any facts or factors which suggest or imply that any particular person(s) and/or Shareholder(s) are, or may be regarded as, parties acting in concert such that their respective interests in voting shares in the capital of the Company should or ought to be consolidated, and consequences under the Take-over Code would ensue as a result of a purchase of Shares by the Company pursuant to the Share Purchase Mandate.

9. Listing Rules

While the Listing Manual does not expressly prohibit purchase or acquisition of shares by a listed company during any particular time or times, the listed company would be considered an "insider" in relation to any proposed purchase or acquisition of its issued shares. In this regard, the Company will not purchase any Shares pursuant to the Share Purchase Mandate after a price-sensitive development has occurred or has been the subject of consideration and/or a decision of the Board of Directors until such time as the price-sensitive information has been publicly announced. In particular, in line with the Principles of Best Practice for Handling of Confidential Information and Dealings in Securities issued by SGX-ST in December 2017 and in order to comply with Rule 1207(19) of the Listing Manual, the Company will not purchase or acquire any Shares through Market Purchases during the period of:

(a) two (2) weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one (1) month before the announcements of the Company's full year financial statements (if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise); and

(b) one (1) month before the announcement of the Company's half year and full year financial statements (if the Company does not announce its quarterly financial statements), as the case may be, and ending on the date of announcement of the relevant results.

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The Company is required under Rule 723 of the Listing Manual to ensure that at least 10% of its Shares (excluding Shares held in treasury and subsidiary holdings) are in the hands of the public. The "public", as defined under the Listing Manual, are persons other than the Directors, chief executive officer, substantial shareholders (as defined in the Securities and Futures Act 2001 of Singapore) (the "**Substantial Shareholders**") or controlling shareholders of the Company and its subsidiaries, as well as the associates of such persons.

Based on the Register of Directors' Shareholdings and the Register of Substantial Shareholders maintained by the Company as at the Latest Practicable Date, approximately 2,233,470,695 Shares, representing approximately 64.17% of the issued Shares (excluding Shares held in treasury and subsidiary holdings), are in the hands of the public. Assuming that the Company purchases its Shares through Market Purchases up to the full 10% limit pursuant to the Share Purchase Mandate, the number of Shares in the hands of the public would be reduced to approximately 1,882,139,353 Shares, representing approximately 60.09% of the total number of issued Shares (excluding Shares held in treasury and subsidiary holdings). Accordingly, the Company is of the view that there is a sufficient number of issued Shares (excluding Shares held in treasury and subsidiary holdings) held in the hands of the public which would permit the Company to undertake purchases or acquisitions of its issued Shares up to the full 10% limit pursuant to the proposed Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity.

In undertaking any purchases or acquisitions of Shares through Market Purchases, the Directors will use their best efforts to ensure that, notwithstanding such purchases, a sufficient float in the hands of the public will be maintained so that the purchases or acquisitions of Shares will not adversely affect the listing status of the Shares on the SGX-ST, cause market illiquidity or adversely affect the orderly trading of the Shares.

10. Shares Purchased During The Previous 12 Months

The details of the share purchases made by the Company in the previous twelve (12) months prior to the Latest Practicable Date are as follows:–

(a) the total number of Shares purchased was 32,862,900. All such Shares were acquired by way of Market Purchases;

(b) the highest and lowest price paid for such Shares purchases were S$0.400 and S$0.395 respectively; and

(c) the total consideration paid by the Company for such Share purchases was S$13,147,045.

11. Directors' and Substantial Shareholders' Interests

11.1 Directors' Interests

The interests of the Directors in the Shares as recorded in the Register of Directors' Shareholdings as at the Latest Practicable Date are set out below:

	Number of Shares	
Director	Direct Interest	Deemed Interest
Ren Yuanlin[(1)]	–	852,845,825
Chen Timothy Teck Leng	–	–
Yee Kee Shian, Leon	–	–
Xu Wen Jiong	–	–

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11.2 Substantial Shareholders' Interests

The interests of the Substantial Shareholders of the Company in the Shares as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date are set out below:

	Number of Shares		Total
Substantial Shareholders	**Direct Interest**	**Deemed Interest**	**Percentage Interest (%)**[2]
Ren Yuanlin[1]	–	852,845,825	24.50
Yangzi International Holdings Limited	852,845,825	–	24.50
Julius Baer Trust Company (Singapore) Limited as trustee of YZJ Settlement[3]	–	852,845,825	24.50
Sapphire Skye Limited (as nominee of Zedra Trust Company (Singapore) Limited)[4]	–	394,134,000	11.32
Lido Point Investments Ltd	394,134,000	–	11.32

Notes:

(1) Ren Yuanlin is the settlor and sole beneficiary of the YZJ Trust, which is revocable by the settlor and established as a "purpose trust". Under the terms of the YZJ Trust, Ren Yuanlin has the powers, as settlor, to direct Julius Baer Trust Company (Singapore) Limited, as trustee, as to the investment in the Shares which form the assets of the YZJ Trust. Such powers include decisions relating to any purchase, sale, exchange, letting or retention and exercising of any voting and other rights in relation to the Shares. Julius Baer Trust Company (Singapore) Limited wholly owns Yangzi International Holdings Limited, which holds 852,845,825 Shares as assets of the YZJ Trust. Accordingly, Ren Yuanlin is deemed to be interested in the 852,845,825 Shares held by Yangzi International Holdings Limited, by virtue of Section 4 of the SFA.

(2) Based on 3,480,450,520 Shares in issue as at the Latest Practicable Date, excluding subsidiary holdings and 193,527,600 treasury shares as at the Latest Practicable Date.

(3) Julius Baer Trust Company (Singapore) Limited is the trustee of the YZJ Trust. Julius Baer Trust Company (Singapore) Limited wholly owns Yangzi International Holdings Limited, which holds 852,845,825 Shares as assets of the YZJ Trust. By virtue of Section 4 of the SFA, Julius Baer Trust Company (Singapore) Limited is deemed to have an interest in the 852,845,825 Shares held by Yangzi International Holdings Limited.

(4) Sapphire Skye Limited is wholly-owned by Zedra Trust Company (Singapore) Limited which is the trustee of an employee benefit trust set up for the purpose of rewarding employees of the YSL and its subsidiaries ("**Lido Trust**"). Under the terms of Lido Trust, Zedra Trust Company (Singapore) Limited manages 394,134,000 Shares held by Lido Point Investments Ltd. By virtue of Section 4 of the SFA, Sapphire Skye Limited (as nominee of Zedra Trust Company (Singapore) Limited) is deemed interested in the 394,134,000 Shares held by Lido Point Investments Ltd.

12. Directors' Recommendations

Save for Mr. Ren Yuanlin who is required to abstain from recommending Shareholders to vote in favour of the proposed renewal of the Share Purchase Mandate, the Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interest of the Company. Accordingly, save for Mr. Ren Yuanlin, the Directors recommend that Shareholders vote in favour of the Share Purchase Mandate Renewal Resolution as set out in the Notice of the 3rd AGM.

13. Annual General Meeting

The 3rd AGM, notice of which is set out on pages 161-167 of the Notice of 3rd AGM attached to the Annual Report 2024 of the Company, will be held on Tuesday, 15 April 2025 at 3.00 p.m.at Big Picture Theatre, Level 9, Capital Tower, 168 Robinson Road, Singapore 068912 for the purpose of, *inter alia*, considering and, if thought fit, passing the Share Purchase Mandate Renewal Resolution as set out in the Notice of the 3rd AGM.

APPENDIX

14. Action To Be Taken By Shareholders

Shareholders' approval for the proposed renewal of the Share Purchase Mandate is sought at the AGM. The resolution relating to the proposed renewal of the Share Purchase Mandate is contained in the Notice of AGM as ordinary resolution 8.

If a Shareholder is unable to attend the AGM and wishes to appoint a proxy to attend and vote on its behalf, that Shareholder should complete, sign and return the Proxy Form attached to the Annual Report in accordance with the instructions printed thereon.

The completion and lodgement of a Proxy Form by a Shareholder does not preclude that Shareholder from attending and voting in person at the AGM if it so wishes.

15. Abstention from Voting

Each member of the Ren Concert Party Group who is a Shareholder shall abstain from voting on the resolution in relation to the proposed renewal of the Share Purchase Mandate at the AGM. Mr Ren Letian, Mr Ren Yuanlin and the parties acting in concert with them will not accept appointment as proxies for shareholders to vote on the resolution relating to the proposed renewal of the Share Purchase Mandate, unless specific instructions have been given in the proxy forms on how the votes are to be cast in respect of such resolution.

16. Directors' Responsibility Statement

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of Share Purchase Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in the Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Appendix in its proper form and context.

17. SGX-ST's Disclaimer

The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained or opinion expressed in this Appendix.

APPENDIX

18. Documents Available for Inspection

The following documents may be inspected at the registered office of the Company at 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619 during normal business hours from the date hereof up to and including the date of the 3rd AGM:

(a) the Constitution; and

(b) the unaudited consolidated financial statements of the Group for the financial period ended 31 December 2024.

Yours faithfully,
For and on behalf of the Board of Directors of
YANGZIJIANG FINANCIAL HOLDING LTD.

Ren Yuanlin
Executive Chairman and Chief Executive Officer

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Proxy Form

IMPORTANT:

1. The Annual General Meeting ("**AGM**") will be held at 168 Robinson Road, #09-01, Capital Tower, Big Picture Theatre, Singapore 068912 on Tuesday, 15 April 2025 at 3.00 p.m. (Singapore time). There will be no option for shareholders to participate virtually.
2. The Notice of AGM and Proxy Form are made available to members via publication on the SGX website at https://www.sgx.com/securities/company-announcements and on the Company's website at www.yzjfin.com. Printed copies of this Notice of AGM and the accompanying Proxy Form will be sent to shareholders via post.
3. This Proxy Form is not valid for use by CPF investors and SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF or SRS investors (i) may vote live at the AGM if they are appointed as proxies by their respective CPF/SRS Operators, and should contact their respective CPF/SRS Operators if they have any queries regarding their appointment as proxies, or (ii) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators by 3.00 p.m. on 3 April 2025 to submit their votes.
4. **Please read the important notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the Meeting as a member's proxy to attend and vote on his/her/its behalf at the AGM.**

YANGZIJIANG FINANCIAL HOLDING LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No.: 202143180K)

I/We ______________________________ (name) ____________________ (NRIC/Passport No.)

of ____ (address)

being a member/members of Yangzijiang Financial Holding Ltd. (the "**Company**"), hereby appoint

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address	**Email Address**		

* and/or (delete as appropriate)

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address	**Email Address**		

or the Chairman of the Meeting, as *my/our proxy to attend and to vote for *me/us on *my/our behalf at the Annual General Meeting ("**AGM**") of the Company to be held at 168 Robinson Road, #09-01, Capital Tower, Big Picture Theatre, Singapore 068912 on Tuesday, **15 April 2025** at **3.00 p.m.** and at any adjournment thereof. *I/We direct my/our proxy/proxies to vote for or against or abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder.

No.	Resolutions	For**	Against**	Abstain**
ORDINARY BUSINESS				
1.	To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors' Statement and Auditors' Report thereon.			
2.	To declare a tax exempt (one-tier) final dividend of S$0.0345 per ordinary shares in respect of the financial year ended 31 December 2024.			
3.	To approve the payment of Directors' fees of S$221,000 for the financial year ended 31 December 2024.			
4.	To re-elect Mr Chen Timothy Teck Leng as Director.			
5.	To re-elect Mr Xu Wen Jiong as Director.			
6.	To re-appoint Messrs PricewaterhouseCoopers LLP as Auditors and to authorise the Directors to fix their remuneration.			
SPECIAL BUSINESS				
7.	To authorise Directors to allot and issue shares.			
8.	To renew the Share Purchase Mandate.			

** Please delete accordingly*
Voting will be conducted by poll. If you wish your proxy/proxies to exercise all your votes for or against or abstain from voting in respect of all your Shares the above Resolution, please tick (✓) within the relevant box provided. Alternatively, if you wish your proxy/proxies to exercise some and not all of your votes for or against and/or abstain from voting for the Resolution and/or if you wish your proxy/proxies to abstain from voting in respect of the Resolution, please indicate the number of votes "For", the number "Against" and/or the number "Abstaining" in the boxes provided for the Resolution. In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deems fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the AGM.

Dated this ________ day of ________________ 2025

Total Number of Shares Held in:	
(a) Depository Register	
(b) Register of Members	

____
Signature of Shareholder(s) or
Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

IMPORTANT NOTES

1. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote in his/her behalf, save that no such limit shall be imposed on the number of proxies appointed by members which are nominee companies. A proxy need not be a member of the Company.

2. Where a member appoints two proxies, he/she shall specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no such proportion or number is specified, the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named or at the Company's option to treat this proxy form as invalid.

3. A member who is a Relevant Intermediary* is entitled to appoint more than two proxies to attend and vote at the meeting. A member shall specify the proportion of his/her/its shares (expressed as a percentage of the whole) to be represented by each proxy.

   *Relevant Intermediary is:

   (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who hold shares in that capacity; or

   (b) a person holding a capital markets services license to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

4. This instrument appointing a proxy or proxies must be under the hand of the appointer or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.

5. The instrument appointing a proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be submitted via one of the following means: (a) mail to the registered office of the Company at 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619 not later than 3.00 p.m. on 12 April 2025, or (b) email to public@yzjfin.com (Attn: YZJFH Team), not later than 3.00 p.m. on 12 April 2025.

6. A member should insert the total number of shares held. If the member has shares entered against his/her name in the Depository Register (maintained by The Central Depository (Pte) Limited), he/she should insert that number of shares. If the member has shares registered in his/her name in the Register of Members (maintained by or on behalf of the Company), he/she should insert the number of shares. If the member has shares entered against his/her name in the Depository Register and shares registered in his/her name in the Register of Members of the Company, he/she should insert the aggregate number of shares. If no number of shares is inserted, this form of proxy will be deemed to relate to all the shares held by the member.

7. The Company shall be entitled to reject the instrument appointing the proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the proxy or proxies (including any related attachment or supporting documents). In addition, in the case of a member whose Shares are entered against his/her/its name in the Depository Register, the Company may reject any instrument appointing the proxy or proxies lodged if such member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

8. Personal data privacy: By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting.

AFFIX
POSTAGE
STAMP

The Company Secretary

Yangzijiang Financial Holding Ltd.

9 Raffles Place,

#26-01 Republic Plaza,

Singapore 048619

CORPORATE INFORMATION

(Stock code: SGX YF8)

BOARD OF DIRECTORS

Ren Yuanlin
Executive Chairman and Chief Executive Officer

Chen Timothy Teck Leng
Lead Independent Non-Executive Director
(Appointed on 1 July 2024)

Yee Kee Shian, Leon
Independent Non-Executive Director

Xu Wen Jiong
Independent Non-Executive Director
(Appointed on 1 July 2024)

AUDIT AND RISK COMMITTEE

Chen Timothy Teck Leng *(Chairman)*

Yee Kee Shian, Leon

Xu Wen Jiong

NOMINATING COMMITTEE

Yee Kee Shian, Leon *(Chairman)*

Chen Timothy Teck Leng

Xu Wen Jiong

REMUNERATION COMMITTEE

Yee Kee Shian, Leon *(Chairman)*

Chen Timothy Teck Leng

Xu Wen Jiong

COMPANY SECRETARY

Peck Jen Jen

SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue #14-07
Keppel Bay Tower
Singapore 098632

AUDITOR

PricewaterhouseCoopers LLP
7 Straits View Level 12
Marina One East Tower
Singapore 018936

Partner-in Charge
Mr Lim Kheng Wah (Lin Qinghua)
(a member of the Institute of
Singapore Chartered Accountants)
Appointed on 19 April 2022

REGISTERED OFFICE

9 Raffles Place #26-01
Republic Plaza
Singapore 048619

PRINCIPAL PLACE OF BUSINESS

9 Raffles Place #54-01
Republic Plaza
Singapore 048619

INVESTOR RELATIONS

Financial PR
Kamal Samuel: kamal@financialpr.com.sg
Vicki Zhou: zhouyan@financialpr.com.sg

WEBSITE

www.yzjfin.com

YANGZIJIANG
FINANCIAL

9 RAFFLES PLACE #54-01 | REPUBLIC PLAZA | SINGAPORE 048619