



**YANGZIJIANG FINANCIAL HOLDING LTD.**  
(Company Registration No. 202143180K)  
(Incorporated in the Republic of Singapore on 14 December 2021)

## **CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT**

**FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

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**YANGZIJIANG FINANCIAL HOLDING LTD.  
AND ITS SUBSIDIARIES**  
*(Incorporated in Singapore. Registration Number: 202143180K)*

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
*For six-month period ended 30 June 2024*

**A. Condensed Interim Consolidated Statement of Comprehensive Income**

	Note	<b>The Group</b>			
		<b>1H2024</b>	% of	<b>1H2023</b>	+/(-)%
		<b>S\$'000</b>	Total	<b>S\$'000</b>	Variance
			Income		
<b>Income</b>					
Interest income	5	106,653	66%	151,553	-30%
Interest income from financial assets at fair value through profit or loss		3,779	2%	5,097	-26%
Income from maritime fund assets		22,073	14%	349	6225%
Dividend income		3,082	2%	6,251	-51%
Other net changes in fair value on financial assets and financial liabilities at fair value through profit or loss	6	25,252	16%	42,205	-40%
Other income		521	0%	680	-23%
<b>Total income</b>		<b>161,360</b>	100%	<b>206,135</b>	-22%
<b>Expenses</b>					
Employee compensation	7	(3,484)	-2%	(3,167)	10%
Other expenses	8	(14,131)	-9%	(12,704)	11%
<b>Total expenses</b>		<b>(17,615)</b>	-11%	<b>(15,871)</b>	11%
<b>Profit before allowances</b>		<b>143,745</b>	89%	<b>190,264</b>	-24%
(Allowance for)/reversal of allowances for credit and other losses	9	(30,916)	-19%	8,493	n.m.
<b>Profit after allowances</b>		<b>112,829</b>	70%	<b>198,757</b>	-43%
<b>Other gains and losses</b>					
Share of results of associated companies, net of tax		(4,789)	-3%	(2,260)	112%
Other gains	10	21,376	13%	17,992	19%
<b>Profit before income tax</b>		<b>129,416</b>	80%	<b>214,489</b>	-40%
Income tax expense	11	(17,329)	-11%	(51,974)	-67%
<b>Net profit for the year</b>		<b>112,087</b>	69%	<b>162,515</b>	-31%
<b>Profit attributable to:</b>					
Equity holders of the Company		107,364		162,515	-34%
Non-controlling interests		4,723		-	n.m.
		<b>112,087</b>		<b>162,515</b>	-31%
<b>Earnings per share attributable to equity holders of the company</b>					
– Basic and diluted (expressed in S\$ cents per share)	12	3.04		4.39	
<b>Net profit for the year</b>		<b>112,087</b>		<b>162,515</b>	
<b>Other comprehensive income:</b>					
<i>Items that may be reclassified subsequently to profit or loss:</i>					
– Currency translation (losses)/gains		(84)		2,100	
– Currency translation difference for presentation currency		71,972		(119,435)	
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
– Currency translation gains		1,948		-	
<b>Other comprehensive income/(loss), net of tax</b>		<b>73,836</b>		<b>(117,335)</b>	
<b>Total comprehensive income</b>		<b>185,923</b>		<b>45,180</b>	
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		179,252		45,180	
Non-controlling interests		6,671		-	
		<b>185,923</b>		<b>45,180</b>	

*n.m. denotes not meaningful.*

**B. Condensed Interim Consolidated Statement of Financial Position**

	Note	<u>The Group</u>		<u>The Company</u>	
		30 June	31 December	30 June	31 December
		2024	2023	2024	2023
		S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		1,360,527	1,406,173	2,525	165,827
Financial assets at fair value through profit or	15	121,971	121,617	-	-
Derivative financial instruments		11,226	4,475	4,004	4,475
Debt investments at amortised cost	16	806,391	1,128,214	-	4,049
Inventories		1,577	-	-	-
Trade and other receivables	17	61,354	51,471	2,024,334	3,554,187
		<u>2,363,046</u>	<u>2,711,950</u>	<u>2,030,863</u>	<u>3,728,538</u>
<b>Non-current assets</b>					
Debt investments at amortised cost	16	758,996	550,669	-	-
Trade and other receivables	17	179,786	89,934	-	-
Investments in subsidiaries		-	-	1,757,093	116,361
Investments in associated companies	18	270,225	295,956	-	-
Investments in joint ventures		29,210	-	-	-
Investment properties		19,668	19,327	-	-
Financial assets at fair value through profit or	15	417,235	312,206	-	-
Property, plant and equipment	19	167,366	127,097	547	732
Goodwill		1,042	1,023	-	-
Deferred income tax assets		81,156	67,833	-	-
		<u>1,924,684</u>	<u>1,464,045</u>	<u>1,757,640</u>	<u>117,093</u>
<b>Total assets</b>		<u>4,287,730</u>	<u>4,175,995</u>	<u>3,788,503</u>	<u>3,845,631</u>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Other payables		52,566	45,543	1,367	26,917
Derivative financial instruments		892	19,109	-	10,478
Borrowings	20	23,932	374	383	374
Current income tax liabilities		18,533	24,631	243	1,450
		<u>95,923</u>	<u>89,657</u>	<u>1,993</u>	<u>39,219</u>
<b>Non-current liabilities</b>					
Borrowings	20	164	358	164	358
Deferred income tax liabilities		121,200	172,441	117,127	166,582
		<u>121,364</u>	<u>172,799</u>	<u>117,291</u>	<u>166,940</u>
<b>Total liabilities</b>		<u>217,287</u>	<u>262,456</u>	<u>119,284</u>	<u>206,159</u>
<b>NET ASSETS</b>		<u>4,070,443</u>	<u>3,913,539</u>	<u>3,669,219</u>	<u>3,639,472</u>
<b>EQUITY</b>					
<b>Capital and reserves attributable to equity holders of the Company</b>					
Share capital		3,682,605	3,719,408	3,682,605	3,719,408
Treasury shares		(45,804)	(122,288)	(45,804)	(122,288)
Other reserves		59,404	49,358	-	-
Retained earnings		212,974	190,601	31,830	41,956
Currency translation reserve		1,598	(1,027)	588	396
		<u>3,910,777</u>	<u>3,836,052</u>	<u>3,669,219</u>	<u>3,639,472</u>
Non-controlling interests		159,666	77,487	-	-
<b>Total equity</b>		<u>4,070,443</u>	<u>3,913,539</u>	<u>3,669,219</u>	<u>3,639,472</u>

**C. Condensed Interim Consolidated Statement of Cash Flows**

	<u>The Group</u>	
	1H2024	1H2023
	S\$'000	S\$'000
<b>Cash flows from operating activities</b>		
Profit after income tax	112,087	162,515
Adjustments for:		
- Income tax expenses	17,329	51,974
- Depreciation of property, plant and equipment	2,867	277
- Depreciation of investment properties	555	507
- Fair value gain on financial assets, at fair value through profit or loss	(1,632)	(34,519)
- Dividend income	(3,082)	(11,697)
- Fair value gain on derivative financial instruments	(25,003)	(6,603)
- Share of results from associated companies	4,789	2,260
- Net effect of exchange rate changes in consolidating foreign operations	(1,013)	(3,653)
	<b>106,897</b>	<b>161,061</b>
Changes in working capital		
- Trade and other receivables	(97,105)	(104,559)
- Inventories	(1,577)	-
- Other payables	6,176	(9,825)
- Debt investments at amortised cost	144,727	(30,643)
Cash generated from operations	159,118	16,034
Income tax paid	(34,171)	(45,494)
Withholding tax paid	(57,342)	-
<b>Net cash provided by/(used in) operating activities</b>	<b>67,605</b>	<b>(29,460)</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of financial assets, at fair value through profit and loss	178,843	133,236
Proceeds from disposal of property plant and equipments	-	701
Dividend received	3,082	11,697
Purchase of property, plant and equipment	(39,997)	-
Additions to investment properties	(537)	-
Acquisition of financial assets, at fair value through profit and loss	(272,362)	(90,858)
Additions to investments in associated companies	(6,439)	(12,443)
Additions to investments in joint ventures	(29,210)	-
Return of capital by associated companies	32,881	14,635
<b>Net cash (used in)/provided by investing activities</b>	<b>(133,739)</b>	<b>56,968</b>
<b>Cash flows from financing activities</b>		
Dividend paid	(79,388)	(66,132)
Proceeds from borrowings from banks	145,264	21,998
Repayment of borrowings from banks	(121,715)	(35,397)
Principal repayment of lease liability	(200)	(199)
Share buyback	(27,232)	(13,231)
Capital injection by non-controlling interest	77,601	-
<b>Net cash used in financing activities</b>	<b>(5,670)</b>	<b>(92,961)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(71,804)</b>	<b>(65,453)</b>
Cash and cash equivalents at the beginning of financial period	1,406,173	620,686
Effects of currency translation on cash and cash equivalents	26,158	(18,712)
<b>Cash and cash equivalents at the end of financial period</b>	<b>1,360,527</b>	<b>536,521</b>

**D. Condensed Interim Consolidated Statement of Changes in Equity**

The Group	Attributable to equity holders of the Group							
	<u>Share capital</u> S\$'000	<u>Treasury shares</u> S\$'000	<u>Other reserves</u> S\$'000	<u>Currency translation reserve</u> S\$'000	<u>Retained earnings</u> S\$'000	<u>Total</u> S\$'000	<u>Non-controlling interests</u> S\$'000	<u>Total equity</u> S\$'000
<b>Balance at 1 January 2024</b>	3,719,408	(122,288)	49,358	(1,027)	190,601	3,836,052	77,487	3,913,539
Profit for the financial period	-	-	-	-	107,364	107,364	4,723	112,087
Other comprehensive income	-	-	-	71,888	-	71,888	1,948	73,836
<b>Total comprehensive income for the period</b>	-	-	-	<b>71,888</b>	<b>107,364</b>	<b>179,252</b>	<b>6,671</b>	<b>185,923</b>
Transfer <sup>(1)</sup>	-	-	9,128	-	(9,128)	-	-	-
Translation differences arising from translation of equity items to presentation currency	69,188	(2,275)	918	(69,263)	1,432	-	-	-
Dividend paid <sup>(2)</sup>	-	-	-	-	(77,295)	(77,295)	(2,093)	(79,388)
Share buyback <sup>(3)</sup>	-	(27,232)	-	-	-	(27,232)	-	(27,232)
Capital injection by non-controlling interest <sup>(4)</sup>	-	-	-	-	-	-	77,601	77,601
Cancellation of treasury shares <sup>(5)</sup>	(105,991)	105,991	-	-	-	-	-	-
<b>As at 30 June 2024</b>	<b>3,682,605</b>	<b>(45,804)</b>	<b>59,404</b>	<b>1,598</b>	<b>212,974</b>	<b>3,910,777</b>	<b>159,666</b>	<b>4,070,443</b>
<b>Balance at 1 January 2023</b>	3,858,695	(94,120)	26,963	(2,718)	84,999	3,873,819	-	3,873,819
Profit for the financial period	-	-	-	-	162,515	162,515	-	162,515
Other comprehensive loss	-	-	-	(117,335)	-	(117,335)	-	(117,335)
<b>Total comprehensive income/(loss) for the period</b>	-	-	-	<b>(117,335)</b>	<b>162,515</b>	<b>45,180</b>	-	<b>45,180</b>
Transfer	-	-	8,582	-	(8,582)	-	-	-
Translation differences arising from translation of equity items to presentation currency	(116,320)	2,837	(812)	120,509	(6,214)	-	-	-
Dividend paid	-	-	-	-	(66,132)	(66,132)	-	(66,132)
Share buyback	-	(13,231)	-	-	-	(13,231)	-	(13,231)
<b>As at 30 June 2023</b>	<b>3,742,375</b>	<b>(104,514)</b>	<b>34,733</b>	<b>456</b>	<b>166,586</b>	<b>3,839,636</b>	-	<b>3,839,636</b>

**Yangzijiang Financial Holding Ltd. and its Subsidiaries**  
Condensed Consolidated Financial Statements  
For the six-month period ended 30 June 2024

**THE COMPANY**

**Attributable to equity holders of the Company**

	Currency				
	<u>Share capital</u> S\$'000	<u>Treasury shares</u> S\$'000	<u>translation reserve</u> S\$'000	<u>Retained earnings</u> S\$'000	<u>Total equity</u> S\$'000
<b>Balance at 1 January 2024</b>	3,719,408	(122,288)	396	41,956	3,639,472
Profit for the period	-	-	-	65,985	65,985
Other comprehensive loss	-	-	68,289	-	68,289
Total comprehensive income/(loss) for the period	-	-	68,289	65,985	134,274
Translation differences arising from translation of equity items to presentation currency	69,188	(2,275)	(68,097)	1,184	-
Dividend paid <sup>(2)</sup>	-	-	-	(77,295)	(77,295)
Share buyback <sup>(3)</sup>	-	(27,232)	-	-	(27,232)
Cancellation of treasury shares <sup>(5)</sup>	(105,991)	105,991	-	-	-
<b>Balance at 30 June 2024</b>	<b>3,682,605</b>	<b>(45,804)</b>	<b>588</b>	<b>31,830</b>	<b>3,669,219</b>
<b>Balance at 1 January 2023</b>	3,858,695	(94,120)	(988)	34,252	3,797,839
Profit for the period	-	-	-	43,918	43,918
Other comprehensive loss	-	-	(114,125)	-	(114,125)
Total comprehensive income/(loss) for the period	-	-	(114,125)	43,918	(70,207)
Translation differences arising from translation of equity items to presentation currency	(116,320)	2,837	113,483	-	-
Dividend paid	-	-	-	(66,132)	(66,132)
Share buyback	-	(13,231)	-	-	(13,231)
<b>Balance at 30 June 2023</b>	<b>3,742,375</b>	<b>(104,514)</b>	<b>(1,630)</b>	<b>12,038</b>	<b>3,648,269</b>

- (1) This represents amounts set aside for reserve fund and enterprise expansion fund in compliance with local laws in the People's Republic of China ("PRC") where subsidiaries of the Group operate. The reserve fund can be used, upon approval by the relevant authority, to offset prior year's losses or to increase capital while the enterprise expansion fund can only be used to increase capital upon approval by the relevant authority.
- (2) The amount of S\$77,295,000 pertains to the final dividend of 2.20 Singapore cents per ordinary share for the financial year ended 31 December 2023. This dividend was paid on 3 May 2024. The S\$2,093,000 represents dividend paid to non-controlling shareholders of GEM Growth Fund VCC and its subsidiaries.
- (3) The Company launched a S\$200 million Share Buy-back Programme in 2022. As of 30 June 2024, the Company had repurchased 416,881,672 shares. During the reporting period, the Company repurchased 84,568,900 shares.
- (4) This figure represents the capital injection from the non-controlling interests of GEM Growth Fund VCC and its subsidiaries.
- (5) On 7 March 2024, the Company cancelled 276,611,100 excess treasury shares.

## **E. Notes to the Condensed Interim Consolidated Financial Statements**

### **1. Corporate 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, maritime fund investments, micro-financing, and fund management and investment advisory services.

### **2. Basis of Preparation**

The condensed interim financial statements for the six months period ended 30 June 2024 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2023.

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 is Renminbi ("RMB"), and the financial statements are presented in Singapore Dollar ("SGD") ("presentation currency").

#### **2.1 New and amended standards adopted by the Group**

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.

#### **2.2 Use of judgements and estimates**

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied in the consolidated financial statements as at and for the year ended 31 December 2023.



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

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 15 & 18 - Fair value of investments in financial assets, at fair value through profit or loss & associated companies.
- Note 16 - Impairment of debt investments at amortised costs: key assumptions applied in estimating the expected credit loss rates.

### 3. Seasonal operations

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

### 4. Segment and revenue information

The management considers business from geographical perspective and the following table analyses the total assets and total income by geography:

<b>Segment income</b>	<b>6 months ended</b>	<b>6 months ended</b>
	<b>30 June 2024</b>	<b>30 June 2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>
China	66,467	173,845
Singapore	94,893	32,290
	161,360	206,135

<b>Segment assets</b>	<b>30 June 2024</b>	<b>31 December</b>
	<b>S\$'000</b>	<b>2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>
China	2,125,754	2,849,720
Singapore	2,161,976	1,326,275
	4,287,730	4,175,995

**5. Interest income**

	<b>6 months ended 30 June 2024 S\$'000</b>	<b>6 months ended 30 June 2023 S\$'000</b>
Interest income from:		
- debt investments at amortised cost	81,483	142,972
- microfinance	317	159
	81,800	143,131
- cash and cash equivalents	24,853	8,422
	106,653	151,553

**6. Other net changes in fair value on financial assets and financial liabilities at fair value through profit or loss**

	<b>6 months ended 30 June 2024 S\$'000</b>	<b>6 months ended 30 June 2023 S\$'000</b>
Financial assets, at fair value through profit or loss		
- Realised	(2,300)	12,809
- Change in unrealised	1,632	21,710
	(668)	34,519
Derivative financial instruments		
- Realised	917	1,066
- Change in unrealised	25,003	6,620
	25,920	7,686
	25,252	42,205

**7. Employee compensation**

	<b>6 months ended 30 June 2024 S\$'000</b>	<b>6 months ended 30 June 2023 S\$'000</b>
Wages and salaries	3,137	2,977
Employer's contribution to defined contribution plans	186	176
Discretionary bonuses	154	-
Other long-term benefits	7	14
	3,484	3,167

**8. Other expenses**

	<b>6 months ended 30 June 2024 S\$'000</b>	<b>6 months ended 30 June 2023 S\$'000</b>
Business tax on interest income from debt instruments at amortised cost and loans to non-related parties - microfinance	5,046	8,001
Tax surcharge	1,120	559
Professional fees	1,536	859
Operating costs of maritime fund assets	1,780	-
Depreciation of investment properties	555	507
Depreciation of property, plant and equipment	2,867	277
Client relationship expenses	24	891
Legal fees	204	117
Travel expense	78	109
Directors' fee	143	321
Finance costs	280	488
Others	498	575
	14,131	12,704

**9. Allowances for/(reversal of allowances for) credit and other losses**

	<b>6 months ended 30 June 2024 S\$'000</b>	<b>6 months ended 30 June 2023 S\$'000</b>
Allowances for/(reversal of allowances for) credit losses		
- Debt investments at amortised costs	30,916	(8,493)
- Loans to non-related parties - microfinance	-	-
	30,916	(8,493)

**10. Other gains**

	<b>6 months ended 30 June 2024 S\$'000</b>	<b>6 months ended 30 June 2023 S\$'000</b>
Foreign exchange gains - net	18,460	17,501
Government grant income	3,036	336
Others	(120)	155
	21,376	17,992

**11. Income taxes**

	<b>6 months ended 30 June 2024 S\$'000</b>	<b>6 months ended 30 June 2023 S\$'000</b>
Income tax expense attributable to profit is made up of:		
- Current income tax	26,493	41,799
- Deferred income tax	(9,164)	10,175
	17,329	51,974

**12. Earnings per share**

	<u>The Group</u>	
	<b>6 months ended 30 June 2024</b>	<b>6 months ended 30 June 2023</b>
(a) Based on weighted average number of ordinary shares in issue (Singapore cents) - Basic EPS	3.04	4.39
Weighted average number of ordinary shares	3,531,048,644	3,704,824,187
(b) On fully diluted basis (Singapore cents)	3.04	4.39

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

Diluted earnings per share is equal to basic earnings per share as at the period ended 30 June 2024 and 30 June 2023 as the Company has no potential dilutive ordinary shares.

**13. Net Asset Value**

	<u>The Group</u>		<u>The Company</u>	
	<b>30 June 2024</b>	<b>31 December 2023</b>	<b>30 June 2024</b>	<b>31 December 2023</b>
Net asset value per ordinary share based on issued share capital excluding treasury shares (Singapore cents)	111.31	106.62	104.44	101.16

The Group's and the Company's net assets value per ordinary share as of 30 June 2024 and 31 December 2023 have been computed based on the share capital of 3,513,313,420 shares and 3,597,882,320 shares respectively.

**14. Related party transactions**

	<b>6 months ended 30 June 2024 S\$'000</b>	<b>6 months ended 30 June 2023 S\$'000</b>
Related party transactions	-	-

**15. Financial assets, at fair value through profit or loss**

	<u>The Group</u>	
	<b>30 June 2024</b>	<b>31 December 2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Beginning of financial year	433,823	470,072
Additions	272,362	278,122
Disposals	(178,843)	(305,653)
Fair value loss through profit and loss	1,632	8,246
Currency translation difference	10,232	(16,964)
End of financial year	539,206	433,823

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

	<u>The Group</u>	
	<b>30 June 2024</b>	<b>31 December 2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Current		
Unlisted		
- Debt securities	121,971	121,617
	121,971	121,617
Non-Current		
Unlisted		
- Debt securities	128,253	49,827
- Venture capital funds	288,982	262,379
	417,235	312,206
	539,206	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, government bonds and other short-term investments offered by various banks that the Group intends to hold till maturity.

Movements during the year are as follows:

	<u>The Group</u>	
	<b>30 June 2024</b>	<b>31 December 2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Beginning of financial year	1,674,833	2,671,907
Addition	277,250	320,915
Redemptions	(385,465)	(1,184,367)
Impairment losses recognised in profit or loss	(30,916)	(33,788)
Currency translation difference	29,685	(95,784)
End of financial year	1,565,387	1,678,883

Presented as:

	<u>The Group</u>	
	<b>30 June 2024</b>	<b>31 December 2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Debt investments	865,471	1,203,823
Less: Allowance for impairment loss	(59,080)	(75,609)
	806,391	1,128,214
Non-current		
Debt investments	985,209	724,777
Less: Allowance for impairment loss	(226,213)	(174,108)
	758,996	550,669
Total		
Debt investments	1,850,680	1,928,600
Less: Allowance for impairment loss	(285,293)	(249,717)
	1,565,387	1,678,883

**Yangzijiang Financial Holding Ltd. and its Subsidiaries**  
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For the six-month period ended 30 June 2024

The Group provides for credit losses against debt investments as follows:

<b>Category</b>	<b>Performing</b>	<b>Under-performing</b>	<b>Non-performing</b>	<b>Total</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>30 June 2024</b>				
Expected credit loss rates	9.4%	26.8%	-	*
Gross carrying amount	594,510	307,517	695,347	1,597,374
Credit loss allowance	(55,670)	(82,516)	(147,107)	(285,293)
Net carrying amount of fixed interest debt instruments through intermediary financial institutions in China	538,840	225,001	548,240	1,312,081
Government bonds and other short-term investments offered by various banks	253,306	-	-	253,306
Net carrying amount	792,146	225,001	548,240	1,565,387
<b>31 December 2023</b>				
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 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.

**17. Trade and other receivables**

	<u>The Group</u>	
	<b>30 June 2024</b>	<b>31 December 2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<u>Current</u>		
Maritime fund assets - finance lease receivables	31,504	18,599
Trade receivables		
- Loans to non-related parties - microfinance	8,190	7,980
Less: Allowance for impairment of loans to non-related parties - microfinance	(2,652)	(2,604)
	37,042	23,975
Other receivables		
- Non-related parties - Other assets	24,312	27,496
	61,354	51,471

	<u>The Group</u>	
	<b>30 June 2024</b>	<b>31 December 2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<u>Non-current</u>		
Maritime fund assets - finance lease receivables	179,228	88,119
Trade receivables		
- Loans to non-related parties - microfinance	558	1,815
Less: Allowance for impairment of loans to non-related parties - microfinance	-	-
	179,786	89,934

**18. Investments in associated companies**

	<u>The Group</u>	
	<b>30 June 2024</b>	<b>31 December 2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Beginning of financial year	295,956	322,643
Additions	6,439	42,494
Return of capital	(30,177)	(50,338)
Disposals	(2,704)	-
Share of profits	(4,789)	(7,386)
Currency translation difference	5,500	(11,457)
End of financial year	270,225	295,956



**19. Property, plant and equipment**

	<b>Maritime fund assets - vessels \$'000</b>	<b>Buildings \$'000</b>	<b>Furniture, fittings &amp; equipment \$'000</b>	<b>Leasehold building \$'000</b>	<b>Total \$'000</b>
<u>The Group</u>					
<b>30 June 2024</b>					
<i>Cost</i>					
Beginning of financial year	128,037	1,250	20	1,076	130,383
Additions	39,997	-	-	-	39,997
Currency translation difference	3,194	24	1	20	3,239
End of financial year	171,228	1,274	21	1,096	173,619
<i>Accumulated depreciation</i>					
Beginning of financial year	(2,630)	(304)	(8)	(344)	(3,286)
Depreciation charge	(2,648)	(31)	(2)	(186)	(2,867)
Currency translation difference	(75)	(5)	(1)	(19)	(100)
End of financial year	(5,353)	(340)	(11)	(549)	(6,253)
<i>Net book value</i>					
End of financial year	165,875	934	10	547	167,366

	<b>Maritime fund assets - vessels \$'000</b>	<b>Buildings \$'000</b>	<b>Furniture, fittings &amp; equipment \$'000</b>	<b>Leasehold building \$'000</b>	<b>Total \$'000</b>
<u>The Group</u>					
<b>31 December 2023</b>					
<i>Cost</i>					
Beginning of financial year	-	2,155	65	1,116	3,336
Additions	128,037	-	5	-	128,042
Disposals	-	(827)	(48)	-	(875)
Currency translation difference	-	(78)	(2)	(40)	(120)
End of financial year	128,037	1,250	20	1,076	130,383
<i>Accumulated depreciation</i>					
Beginning of financial year	-	(467)	(55)	-	(522)
Disposals	-	128	49	-	177
Depreciation charge	(2,650)	-	(4)	(372)	(3,026)
Currency translation difference	20	35	2	28	85
End of financial year	(2,630)	(304)	(8)	(344)	(3,286)
<i>Net book value</i>					
End of financial year	125,407	946	12	732	127,097

**20. Borrowings**

	<u>The Group</u>	
	<b>30 June 2024</b>	<b>31 December 2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Current</b>		
Bank borrowings (unsecured)	23,549	-
Lease liabilities	383	374
	23,932	374
<b>Non-current</b>		
Lease liabilities	164	358
	164	358
	24,096	732

**21. Fair value measurement**

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

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

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<u>The Group</u>				
<b>30 June 2024</b>				
<b>Assets</b>				
Derivative financial instruments	-	11,226	-	11,226
Financial assets, at fair value through profit or loss	-	121,971	417,235	539,206
				539,206
<b>Liabilities</b>				
Derivative financial instruments	-	892	-	892
				892

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<u>The Group</u>				
<b>31 December 2023</b>				
<b>Assets</b>				
Derivative financial instruments	-	4,475	-	4,475
Financial assets, at fair value through profit or loss	-	121,617	312,206	433,823
				433,823
<b>Liabilities</b>				
Derivative financial instruments	-	19,109	-	19,109
				19,109

## Other Information Required by Listing Rule Appendix 7.2

**1. Review**

The condensed consolidated interim financial statements have neither been audited nor reviewed by the auditors.

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

There were no outstanding convertible securities as of 30 June 2024 and 31 December 2023.

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

	<b>Number of Shares ('000)</b>			
	<b>30 June 2024</b>	<b>%</b>	<b>31 December 2023</b>	<b>%</b>
Shares held as treasury shares	160,665	4.1%	352,707	8.9%
Issued shares excluding treasury shares	3,513,313	88.9%	3,597,882	91.1%
Total number of shares at the end of financial period / year	<b>3,673,978</b>	100%	<b>3,950,589</b>	100%

The Company did not have subsidiary holdings as of 30 June 2024 and 31 December 2023.

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

	<b>Number of Shares ('000)</b>	
	<b>30 June 2024</b>	<b>31 December 2023</b>
Issued shares	3,673,978	3,950,589
Treasury shares	(160,665)	(352,707)
Issued shares excluding treasury shares at the end of financial period / year	<b>3,513,313</b>	<b>3,597,882</b>

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

<b>Treasury shares</b>	<b>Number of Shares ('000)</b>	<b>S\$'000</b>
Balance as at 1 January 2024	352,707	122,288
Treasury shares purchased	84,569	27,232
Treasury shares cancelled	(276,611)	(105,991)
Treasury shares reissued	-	-
Translation difference	-	2,275
Balance as at 30 June 2024	<b>160,665</b>	<b>45,804</b>

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

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

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

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

**Income Statement Review**

**Total income**

**a) Interest income**

Interest income is a significant revenue source for the Group, arising from debt investments (including debt securities and microfinancing loans) and cash management activities (including cash and yield enhancement products).

In the first half of 2024, interest income from debt investments in China was S\$71.4 million, a decrease of 49% from S\$140.8 million in the same period of 2023. This reduction is due to a lower average balance of debt investments. Interest income from cash management activities increased from S\$10.8 million in 1H2023 to S\$35.3 million in 1H2024, representing a 228% rise. This growth is attributed to a higher average cash balance and improved returns.

**b) Investment income**

Investment income is earned from a diverse portfolio that includes maritime fund assets, private credit funds, private equity funds, and venture capital funds.

Income from maritime fund assets was S\$22.1 million in the first half of 2024, reflecting the Group's expansion into maritime financing. Interest income from private credit funds in Singapore amounted to S\$3.8 million. Dividend income from venture capital funds in China amounted to S\$3.1 million.

**c) Other net changes in fair value**

This category includes net changes in the fair value of financial assets at fair value through profit or loss and derivative financial instruments.

The Group recorded a net fair value gain of S\$25.3 million in the first half of 2024, down from S\$42.2 million in 1H2023. A net fair value loss of S\$0.7 million was reported, mainly due to unrealised losses in venture capital funds in China. A net fair value gain of S\$26.0 million was achieved from derivative financial instruments.

**d) Other income**

Other income includes earnings from activities such as rental income from investment properties, trading and commission income, and fund management fees.

Other income decreased by 23%, from S\$0.7 million in 1H2023 to S\$0.5 million in 1H2024, due to a reduction in trading activities.

### **Total expenses**

The Group's total expenses include employee compensation and various other operational costs, reflecting the Group's operational and strategic developments.

#### **a) Employee compensation**

Employee compensation expenses include wages, employer contributions to defined contribution plans, discretionary bonuses, and other benefits.

In the first half of 2024, employee compensation expenses increased by 10%, rising from S\$3.2 million in 1H2023 to S\$3.5 million in 1H2024. This increase reflects the Group's focus on strengthening its workforce to support expansion initiatives in Singapore.

#### **b) Other expenses**

Other expenses experienced changes due to new investment activities.

The Group's expansion into maritime fund investments introduced new operating costs, totalling S\$1.8 million in 1H2024. Depreciation of property, plant, and equipment rose to S\$2.9 million in 1H2024, up from S\$0.3 million in 1H2023. This increase is primarily due to the depreciation of maritime fund assets (vessels). Business tax on interest income from debt investments business decreased by 37%, totalling S\$5.0 million in 1H2024 compared to S\$8.0 million in 1H2023. This decrease reflects the reduced interest income from debt investments business in China.

### **Credit loss allowances**

The Group's credit loss allowances pertain to expected credit losses on debt investments at amortised costs and microfinance loans to non-related parties.

In the first half of 2024, the allowances for credit losses on debt investments at amortised costs amounted to S\$30.9 million. This figure includes additional allowances for existing investments, offset by reversals of unutilised allowances related to debt investments that were fully repaid during the period.

### **Share of results of associated companies**

The Group's share of results from associated companies reflects the impact of market fluctuations on investments in entities involved in venture capital activities in China.

In the first half of 2024, the Group reported a share of losses amounting to S\$4.8 million, which are attributed to fair value declines in listed shares held by associated companies in China.

### **Other gains**

Other gains include foreign exchange gains, government grant income, and miscellaneous items.

In the first half of 2024, the Group reported net foreign exchange gains of S\$18.5 million, primarily due to the appreciation of the USD against the RMB during the period. Government grant income increased to S\$3.0 million in 1H2024, related to incentives obtained during the period.

### **Income tax expenses**

The Group's income tax expenses are based on applicable rates in Singapore and China.

In the first half of 2024, current income tax expenses were S\$26.5 million, a decrease from S\$41.8 million in 1H2023. This reduction is due to lower taxable income. Deferred income tax for 1H2024 showed a credit of S\$9.2 million, attributed to the higher provisions for credit losses on debt investments at amortised cost.

## **Financial Position Statement Review**

Net assets attributable to the equity holders of the Company increased by 2%, reaching S\$3,910.8 million as of 30 June 2024, compared to S\$3,836.1 million as of 31 December 2023.

### **Currency translation effects**

The Group's financial statements are reported in SGD, while approximately 50% of its investment portfolio is denominated in RMB. During the period, the RMB slightly appreciated against the SGD, with the exchange rate shifting from SGD/RMB 5.3772 on 31 December 2023 to SGD/RMB 5.2790 on 30 June 2024. This change resulted in a translation gain, which positively affected the SGD value of the Group's RMB-based investments.

### **Equity**

Share capital decreased by 1%, from S\$3,719.4 million as of 31 December 2023 to S\$3,682.6 million as of 30 June 2024. This reduction was due to the cancellation of treasury shares during the period and currency translation effects.

Treasury shares decreased by 63%, from S\$122.3 million as of 31 December 2023 to S\$45.8 million as of 30 June 2024. This reduction resulted from the cancellation of 276,611,100 treasury shares, partially offset by the repurchase of 84,568,900 shares during the period.

Other reserves increased by 20%, from S\$49.4 million as of 31 December 2023 to S\$59.4 million as of 30 June 2024, reflecting additions to statutory reserve funds.

Retained earnings increased by 12%, from S\$190.6 million as of 31 December 2023 to S\$213.0 million as of 30 June 2024. This increase was primarily due to profits earned during the period, partially offset by dividend distributions.

Non-controlling interests increased to S\$159.7 million as of 30 June 2024, up from S\$77.5 million as of 31 December 2023. This increase was driven by capital injections from non-controlling interests in subsidiaries.

### **Assets**

Cash and cash equivalents decreased by 3%, from S\$1,406.2 million as of 31 December 2023 to S\$1,360.5 million as of 30 June 2024. This decrease is primarily due to investments in maritime assets, which were partially offset by net repayments of debt investments at amortised cost.

Financial assets at fair value through profit or loss increased by 24%, from S\$433.8 million as of 31 December 2023 to S\$539.2 million as of 30 June 2024. This growth is attributed to net additions during the period.

Derivative financial instruments increased by 151%, from S\$4.5 million as of 31 December 2023 to S\$11.2 million as of 30 June 2024. This increase is attributed to unrealised fair value gain from forex derivatives.

Debt investments at amortised cost decreased by 7%, from S\$1,678.9 million as of 31 December 2023 to S\$1,565.4 million as of 30 June 2024. This reduction is mainly due to net repayments during the period.

Trade and other receivables rose significantly by 71%, from S\$141.4 million as of 31 December 2023 to S\$241.1 million as of 30 June 2024. This increase is primarily due to additions to finance lease receivables related to maritime fund assets.

Inventories amounted to S\$1.6 million as of 30 June 2024, representing the fuel balance of maritime fund assets.

Property, plant, and equipment increased by 32%, from S\$127.1 million as of 31 December 2023 to S\$167.4 million as of 30 June 2024. This growth is primarily attributed to the addition of vessels in maritime fund assets.

Investments in joint ventures totalled S\$29.2 million as of 30 June 2024, reflecting new investments in maritime fund assets through joint ventures.

Investments in associated companies decreased by 9%, from S\$296.0 million as of 31 December 2023 to S\$270.2 million as of 30 June 2024. This decrease is mainly due to net distributions during the period.

Investment properties increased slightly by 2%, from S\$19.3 million as of 31 December 2023 to S\$19.7 million as of 30 June 2024. The increase is attributed to capital expenditures during the period.

Deferred income tax assets increased by 20%, from S\$67.8 million as of 31 December 2023 to S\$81.2 million as of 30 June 2024. This increase is due to higher provisions for credit losses on debt investments at amortised cost.

### **Liabilities**

Other payables increased by 15%, from S\$45.5 million as of 31 December 2023 to S\$52.6 million as of 30 June 2024. This rise is primarily due to higher advances collected in the maritime export and import business.

Derivative financial instruments decreased by 95%, from S\$19.1 million as of 31 December 2023 to S\$0.9 million as of 30 June 2024. This reduction is due to unrealised fair value gain on forex derivatives.

Borrowings increased from S\$0.7 million as of 31 December 2023 to S\$24.1 million as of 30 June 2024. This increase is due to the Group's short-term USD loan, which was entered into as part of the arbitrage deal.

Current income tax liabilities decreased by 25%, from S\$24.6 million as of 31 December 2023 to S\$18.5 million as of 30 June 2024. This decrease is due to income tax payments made during the period.

Deferred income tax liabilities decreased by 30%, from S\$172.4 million as of 31 December 2023 to S\$121.2 million as of 30 June 2024. This reduction is largely due to the withholding tax payments on funds remitted to Singapore from China subsidiaries.

### **Cash Flow Statement Review**

The Group maintained strong liquidity, with cash and cash equivalents totalling S\$1,360.5 million.

In the first half of 2024, net cash generated from operating activities was S\$67.6 million. This result was primarily driven by net repayments of S\$144.7 million from debt investments at amortised cost and the profit for the period of S\$112.1 million, partially offset by increases in finance lease receivables related to maritime fund assets.

Investing activities used S\$133.7 million, mainly for the acquisition of property, plant, and equipment (vessels of maritime fund assets) amounting to S\$40.0 million, and net additions to financial assets at fair value through profit or loss totalling S\$93.5 million.

Financing activities results in a net outflow of S\$5.7 million. This included S\$79.4 million in dividends paid to shareholders and S\$27.2 million in share buybacks, offset by capital injections from non-controlling interests amounting to S\$77.6 million and net additions of bank borrowings of S\$23.5 million.



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

Not applicable.

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

Yangzijiang Financial's assets under management ("AUM") totalled S\$4.07 billion as of 30 June 2024. In the first half of 2024, the Group made notable strides in diversifying its portfolio. It achieved its geographical diversification goal of reducing its exposure to China to 50% as of 30 June 2024, down from 69% at the end of 2023. Furthermore, the proportion of debt investments in China decreased to 32% of total AUM, compared to 40% at the end of 2023.

With reduced exposure to debt investments in China, the Group is now better positioned to manage the associated risks. Moving forward, Yangzijiang Financial will continue implementing its sector rotation strategy by minimising new loans to underperforming sectors, such as real estate and related industries. Concurrently, the Group will take proactive measures to address non-performing loans, including loan restructuring and pursuing legal remedies.

The Group's cash and yield enhancement products have grown to approximately 42% of its AUM. In response to this sizeable position, the Group established a cash management fund in June 2024. Cash and yield enhancement products will be allocated to this newly created fund, which will be actively managed to maximise returns. Progressively, some of these funds will be reallocated to maritime-related investments worldwide and to private credit funds in Southeast Asia particularly Singapore, which are consistent with the Group's mid-term strategy.

The maritime industry outlook remains positive due to several global trends. Stricter environmental regulations by organisations such as the International Maritime Organisation and the European Union are driving major restructuring in global shipping. This has triggered increased investments in greener vessels through new orders and retrofitting. At the same time, the industry is increasingly turning to alternative financing methods, reducing its reliance on traditional bank loans. Rapid regulatory changes are prompting ship owners to seek faster access to capital and more flexible financing structures to support fleet decarbonisation.

Capitalising on the industry prospects, Yangzijiang Financial plans to invest progressively in the maritime industry over the mid-term. This includes a maritime fund with a target size of US\$600 million and an allocation of US\$300 million for new maritime-related businesses. These businesses include finance leases, loan services, joint ventures for ship chartering, ship brokerage and import and export activities. As of 30 June 2024, the Group has invested US\$325 million in a diverse portfolio of 50 vessels, which encompasses tankers, gas carriers, bulkers, containerships, and offshore support vessels worldwide.

Leveraging its management team's expertise and industry connections, Yangzijiang Financial is well-positioned to identify and capitalise on attractive prospects. With available liquid assets, the Group is prepared to seize suitable opportunities as they arise. By focusing on niche maritime investments, the Group is distinguishing itself from other regional investment managers and positioning itself for future growth.

**10. Dividend**

**a) Current Financial Period Reported On**

None.

**b) Corresponding Period of the Immediately Preceding Financial Year**

None.

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

Not applicable.

**d) Date payable and Books closure date**

Not applicable.

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

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

**12. Interested Person Transactions**

Not applicable.

**13. Confirmation pursuant to rule 720 (1) of the listing manual**

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

**14. Confirmation by the board pursuant to rule 705(5) of the listing manual.**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 June 2024 to be false or misleading in any material aspect.

On Behalf of the Board of Directors

Ren Yuanlin  
Executive Chairman and Chief Executive Officer

Xu Wen Jiong  
Independent Non-Executive Director

Singapore  
Date: 13 August 2024