

CIRCULAR DATED 12 AUGUST 2025

THIS CIRCULAR ("CIRCULAR") IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

IF YOU ARE IN ANY DOUBT IN RELATION TO THIS CIRCULAR OR AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

This Circular is issued by Yangzijiang Financial Holding Ltd. (the "**Company**", and together with its subsidiaries, the "**Enlarged Group**"). Unless otherwise stated, capitalised terms appearing on the cover of this Circular have the same meanings as defined herein.

If you have sold or transferred all your Shares (as defined herein) in the capital of the Company held through the Central Depository Limited (Pte) Limited ("**CDP**"), you need not forward this Circular with the Notice of Extraordinary General Meeting ("**EGM**") ("**Notice of EGM**") and the attached Proxy Form (as defined herein) to the purchaser or transferee, as arrangements will be made by CDP for a separate Circular with the Notice of EGM and the accompanying Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your Shares in the capital of the Company which are not deposited with the CDP, you should immediately forward this Circular together with the Notice of EGM and the accompanying Proxy Form to the purchaser or transferee, or to the bank, stockbroker or agent through whom the sale or the transfer was effected for onward transmission to the purchaser or the transferee. The SGX-ST (as defined herein) assumes no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Circular.

Printed copies of this Circular will not be sent to the Shareholders (as defined herein). Instead, this Circular will be sent to the Shareholders solely by electronic means via publication on the Company's corporate website at the URL <https://www.yzjfin.com> and will also be available on the SGXNet (as defined herein) at the URL <https://www.sgx.com/securities/company-announcements>.

Your attention is drawn to Section 15 of this Circular in respect of actions to be taken if you wish to attend and vote at the EGM.

This Circular does not constitute, and is not intended to, an offer, or a notice, circular or advertisement calling or drawing attention to an offer to the public or to subscribe for or to purchase any YZJ Maritime Shares (as defined herein).



YANGZIJIANG FINANCIAL HOLDING LTD.

(Company Registration No.: 202143180K)

(Incorporated in the Republic of Singapore on 14 December 2021)

CIRCULAR TO SHAREHOLDERS IN RELATION TO

- (1) THE PROPOSED SPIN-OFF OF THE MARITIME FUND AND MARITIME INVESTMENTS BUSINESS (AS DEFINED HEREIN) OF THE COMPANY THROUGH THE DISTRIBUTION *IN SPECIE* OF 100% OF THE ISSUED SHARES IN THE CAPITAL OF YANGZIJIANG MARITIME DEVELOPMENT PTE. LTD. (TO BE RENAMED YANGZIJIANG MARITIME DEVELOPMENT LTD.) TO SHAREHOLDERS (AS DEFINED HEREIN), WHICH CONSTITUTES A MAJOR TRANSACTION UNDER CHAPTER 10 OF THE LISTING MANUAL (AS DEFINED HEREIN), AND THE PROPOSED PLACEMENT OF NEW SHARES IN THE CAPITAL OF YANGZIJIANG MARITIME DEVELOPMENT LTD. TO RAISE UP TO S\$250 MILLION AND THE PROPOSED LISTING OF YANGZIJIANG MARITIME DEVELOPMENT LTD. ON THE MAIN BOARD OF THE SGX-ST BY WAY OF AN INTRODUCTION;**
- (2) THE PROPOSED DILUTION (AS DEFINED HEREIN); AND**
- (3) THE PROPOSED CAPITAL REDUCTION AND YZJ MARITIME DISTRIBUTION (AS DEFINED HEREIN)**

Financial Adviser to the Company in relation to the Proposed Transactions



SAC CAPITAL PRIVATE LIMITED

(Company Registration No.: 200401542N)

(Incorporated in the Republic of Singapore)

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	1 September 2025 at 3.00 p.m.
Date and time of EGM	:	4 September 2025 at 3.00 p.m.
Place of EGM	:	60 Stevens Road, Level 2, Metropolitan YMCA Singapore, The Vine Ballroom, Singapore 257854

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DEFINITIONS

In this Circular, the following definitions shall apply throughout unless the context otherwise requires:

“1H2025”	:	The financial period from 1 January 2025 to 30 June 2025
“2022 Spin-off Exercise”	:	The spin-off of the Company from YZJ Shipbuilding, which completed in April 2022
“ACRA”	:	Accounting and Corporate Regulatory Authority of Singapore
“AUM”	:	Assets under management
“Board”	:	The board of directors of the Company as at the date of this Circular
“Books Closure Date”	:	The date, to be determined by the Directors and announced by the Company, on which the transfer books of the Company and the Register will be closed in order to determine the entitlements of Shareholders to the YZJ Maritime Distribution
“CDP”	:	The Central Depository (Pte) Limited
“CEO”	:	Chief Executive Officer
“CFO”	:	Chief Financial Officer
“CIO”	:	Chief Investment Officer
“Circular”	:	This circular to Shareholders dated 12 August 2025, including the appendices hereto
“CMS”	:	Capital Markets Services
“Code”	:	Code of Corporate Governance 2018 of Singapore
“Companies Act”	:	The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time
“Company”	:	Yangzijiang Financial Holding Ltd.
“Company’s Share Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd.
“Constitution”	:	The constitution of the Company, as amended, supplemented or modified from time to time
“CPF”	:	Central Provident Fund

DEFINITIONS

“CPFIS”	:	CPF Investment Scheme
“CPF Agent Bank”	:	Any agent bank appointed by an investor to maintain such investor’s CPF investment account
“Cut-Off Time”	:	Has the meaning ascribed to it in Section 15.2 of this Circular
“Directors”	:	The directors of the Company for the time being
“EGM”	:	The extraordinary general meeting of the Company to be held on 4 September 2025, notice of which is set out on pages N-1 to N-5 of this Circular
“Enlarged Group”	:	The Company and its subsidiaries
“Entitled Shareholders”	:	Shareholders as at the Books Closure Date
“EPS”	:	Earnings per Share
“Existing Import and Export Business”	:	Has the meaning ascribed to it in Section 5.2(b)(iii) of this Circular
“Financial Adviser”	:	The financial adviser to the Company in respect of the Proposed Transactions, namely, SAC Capital
“First Lock-up Period”	:	Has the meaning ascribed to it in Section 5.8 of this Circular
“Fund”	:	A company or partnership which is set up to pool monies to make investments
“Fund Management Business”	:	Has the meaning ascribed to it in Section 2.1 of this Circular
“Fund of Funds”	:	An investment vehicle where a Fund invests in a portfolio composed of shares of other Funds, as opposed to investing directly in stocks, bonds or other securities
“FY2022”	:	Financial year ended 31 December 2022
“FY2023”	:	Financial year ended 31 December 2023
“FY2024”	:	Financial year ended 31 December 2024
“GEM Asset Management”	:	GEM Asset Management Pte. Ltd., an indirect wholly-owned subsidiary of the Company

DEFINITIONS

“GEM Cash Management Fund VCC”	:	GEM Cash Management Fund VCC, a variable capital company incorporated under the Variable Capital Companies Act 2018 of Singapore with variable capital and limited liability
“GEM Direct”	:	GEM Direct Investments Pte. Ltd., an indirect-wholly owned subsidiary of the Company
“GEM Yield”	:	GEM Yield Pte. Ltd., an indirect-wholly owned subsidiary of the Company
“Group Restructuring Exercise”	:	Has the meaning ascribed to it in Section 5.1 of this Circular
“IMO”	:	International maritime organisation
“Import and Export Business”	:	Has the meaning ascribed to it in Section 2.1 of this Circular
“Import and Export Entities”	:	Has the meaning ascribed to it in Section 5.2(b) of this Circular
“Introductory Document”	:	The introductory document to be issued by YZJ Maritime in connection with the Proposed Listing
“Investment Management Business”	:	Has the meaning ascribed to it in Section 2.1 of this Circular
“Latest Practicable Date”	:	1 August 2025, being the latest practicable date prior to the issuance of this Circular
“Listing Date”	:	The date on which YZJ Maritime is listed on the Main Board of the SGX-ST
“Listing Manual”	:	The listing manual of the SGX-ST, including any amendments made thereto up to the Latest Practicable Date
“Loan Services”	:	The business of the Spin-off Group of providing loans, which include pre-delivery loans and secured loans to companies in the shipping industry
“Maritime Fund and Maritime Investments Business”	:	Has the meaning ascribed to it in Section 2.1 of this Circular

DEFINITIONS

“Maritime Investments and Services”	:	The business of investing in maritime assets for the purpose of leasing, chartering and/or sale and providing maritime services, which include finance leases, ship agency and shipbroking services of the Spin-off Group
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“MAS”	:	The Monetary Authority of Singapore
“Moratorium Shares”	:	Has the meaning ascribed to it in Section 5.8 of this Circular
“NAV”	:	Net asset value, being total assets less the sum of total liabilities and non-controlling interests
“NC”	:	The nominating committee of the Company
“Notice of EGM”	:	The notice of EGM set out on pages N-1 to N-5 of this Circular
“NTA”	:	Net tangible assets, being total assets less the sum of total liabilities, non-controlling interests and intangible assets
“Ordinary Resolution 1”	:	Has the meaning ascribed to it in Section 1.2 of this Circular
“Ordinary Resolution 2”	:	Has the meaning ascribed to it in Section 1.2 of this Circular
“Overseas Shareholders”	:	Shareholders whose registered address appearing in the Register or the Depository Register (as the case may be) is outside of Singapore as at the Books Closure Date
“Overseas Shareholders’ YZJ Maritime Shares”	:	Has the meaning ascribed to it in Section 9.5 of this Circular
“Over-allotment Shares”	:	Such number of shares in the capital of YZJ Maritime issued pursuant to the exercise of the over-allotment option under the Proposed Placement, pursuant to applicable exemptions under the SFA
“Placement Price”	:	The price for each Placement Share
“Placement Shares”	:	The aggregate of such number of new shares in the capital of YZJ Maritime to be allotted and issued pursuant to Proposed Placement
“PRC”	:	People’s Republic of China

DEFINITIONS

“Pre-clearance Letter”	:	Has the meaning ascribed to it in Section 3.1 of this Circular
“Proposed Capital Reduction”	:	The proposed capital reduction exercise to be carried out by the Company pursuant to Section 78C of the Companies Act to effect the YZJ Maritime Distribution, details of which are set out in Section 6 of this Circular
“Proposed Dilution”	:	The possible dilution of the Company’s equity interest in YZJ Maritime, which is currently a principal subsidiary of the Company, by 20.0% or more, pursuant to the Proposed Placement
“Proposed Listing”	:	The proposed listing by way of an introduction of YZJ Maritime on the Main Board of the SGX-ST
“Proposed Placement”	:	The proposed placement of the Placement Shares in the capital of YZJ Maritime at the Placement Price for each Placement Share, which includes the proposed allotment and issuance of the Over-allotment Shares
“Proposed Spin-off”	:	The Proposed Spin-off of the Maritime Fund and Maritime Investments Business of the Company
“Proposed Transactions”	:	The Proposed Spin-off, the Proposed Dilution, the Proposed Capital Reduction and the YZJ Maritime Distribution and the Proposed Placement
“Proxy Form”	:	The proxy form in respect of the EGM as set out in this Circular
“P/NAV”	:	Price-to-NAV
“Register”	:	The register of members of the Company, as maintained by the Company’s Share Registrar
“Register of YZJ Maritime”	:	The register of members of YZJ Maritime, as maintained by YZJ Maritime’s Share Registrar
“Relevant GEM Direct Projects”	:	Has the meaning ascribed to it in Section 5.2(a) of this Circular
“Relevant Sub-funds and Projects”	:	Has the meaning ascribed to it in Section 5.2(a) of this Circular
“Remaining Group”	:	The Enlarged Group excluding the Spin-off Group after the Group Restructuring Exercise

DEFINITIONS

“SAC Capital” or the “Issue Manager”	:	SAC Capital Private Limited
“Section”	:	A section of this Circular
“Securities Account”	:	Securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
“SFA”	:	Securities and Futures Act 2001 of Singapore
“SGXNET”	:	The SGXNET Corporate Announcement System, being a system network used by listed companies to send information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“SGX RegCo”	:	Singapore Exchange Regulation Pte. Ltd.
“Shareholders”	:	Means: (a) where the Depository is named in the register of members of the Company as the holder of Shares, a Depositor in respect of the number of Shares standing to the credit of his name in the Depository Register; and (b) in any other case, a person whose name appears on the register of members maintained by the Company pursuant to Section 190 of the Companies Act and/or any other applicable law
“Shares”	:	Ordinary shares in the capital of the Company, and each a “Share”
“Solvency Statement”	:	Has the meaning ascribed to it in Section 6.1 of this Circular
“Special Resolution”	:	Has the meaning ascribed to it in Section 1.2 of this Circular
“Spin-off Group”	:	YZJ Maritime and its group of companies
“Spin-off Guidance”	:	The Spin-off guidance provided by the SGX-ST on Spin-off exercises in its announcements in the SGX Regulator’s Column dated 3 February 2010 and 24 February 2011
“SRS”	:	Supplementary Retirement Scheme

DEFINITIONS

“Sub-fund 1”	:	Has the meaning ascribed to it in Section 5.2(a) of this Circular
“Sub-fund 2”	:	Yangzijiang Maritime Private Equity, a sub-fund which presently holds a substantial proportion of the Maritime Fund and Maritime Investments Business of the Enlarged Group
“Sub-fund 3”	:	Has the meaning ascribed to it in Section 5.2(a) of this Circular
“Sub-fund 4”	:	Has the meaning ascribed to it in Section 5.2(a) of this Circular
“Substantial Shareholder”	:	A person who has an interest in one or more voting shares in a company and the total votes attached to such share(s) are not less than 5% of the total votes attached to all the voting shares in the Company
“Transition Period”	:	The period which the Remaining Group will not be able to carry on any licensed fund management activities in Singapore following the Proposed Spin-off and prior to the receipt of the new CMS licence
“YIHL”	:	Yangzi International Holdings Limited, a company wholly-owned by Julius Baer Trust Company (Singapore) Limited
“YIHL Moratorium Shares”	:	The entire share-capital of YIHL held by Julius Baer Trust Company (Singapore) Limited immediately after the completion of the Proposed Listing (as adjusted for any bonus issue, subdivision or consolidation of shares of YIHL)
“YZJ Maritime”	:	Yangzijiang Maritime Development Pte. Ltd. (to be renamed Yangzijiang Maritime Development Ltd.)
“YZJ Maritime Distribution”	:	The proposed distribution by the Company to the Shareholders of all the issued YZJ Maritime Shares held by the Company on the basis of one YZJ Maritime Share for each Share held by Shareholders or on their behalf as at the Books Closure Date
“YZJ Maritime Shares”	:	Ordinary shares in the capital of YZJ Maritime, and each, a “YZJ Maritime Share”
“YZJ Maritime’s Share Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd.

DEFINITIONS

“YZJ Settlement” : A purpose trust established by Mr. Ren Yuanlin, as settlor and a beneficiary, with Julius Baer Trust Company (Singapore) Limited acting as trustee, in respect of the investment in the Shares which constitute the assets of the trust

“YZJ Shipbuilding” : Yangzijiang Shipbuilding (Holdings) Ltd.

“YZJ Shipbuilding Group” : YZJ Shipbuilding and its subsidiaries

Currencies, Units and Others

“RMB” : Renminbi, the lawful currency of the PRC

“S\$” and “cents” : Singapore dollars and cents respectively, being the lawful currency of Singapore

“US\$” : United States dollars and cents respectively, being the lawful currency of the United States of America

“%” or “per cent.” : Percentage or per centum

The terms **“Depositor”**, **“Depository”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA. The terms **“subsidiaries”** and **“related corporations”** shall have the meanings ascribed to them respectively in the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*.

References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Listing Manual, or any statutory or regulatory modification thereof and not otherwise defined in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the Listing Manual, or any statutory or regulatory modification thereof, as the case may be, unless the context otherwise requires.

Certain Chinese names and characters, such as those of entities, properties, cities, governmental and regulatory authorities, laws and regulations and notices, have been translated into English or from English names and characters, solely for your convenience, and such translations should not be construed as representations that the English names actually represent Chinese names and characters or that the Chinese names actually represent the English names and characters.

Any discrepancies in figures included in this Circular between the amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

DEFINITIONS

Any reference to a time of day and date in this Circular is a reference to Singapore time and date, respectively, unless otherwise stated. Any reference to currency set out in this Circular is a reference to S\$ unless otherwise stated.

IMPORTANT NOTICE TO OVERSEAS SHAREHOLDERS

This Circular is not for distribution, directly or indirectly, in the United States of America. This Circular is not intended to, and does not constitute, an offer to sell or invitation to purchase or the solicitation of an offer to buy any securities whether directly or indirectly, nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever in Singapore or any other jurisdictions, including the United States of America.

This Circular is for the exclusive use of Shareholders in connection with the Proposed Transactions. Accordingly, this Circular must not be distributed, published or reproduced (in whole or in part), in any jurisdiction other than Singapore or used for any purpose other than in connection with Shareholders' consideration of the Proposed Transactions.

You will be regarded as an Overseas Shareholder if your registered address on the Register or the Depository Register (as the case may be) is not in Singapore as at the Books Closure Date. Where the Directors are of the view that the distribution of the YZJ Maritime Shares to any Overseas Shareholders may infringe any relevant foreign law or may necessitate compliance with conditions or requirements which they, in their sole and absolute discretion, regard as onerous or impracticable by reason of costs, delay or otherwise, such Overseas Shareholders' YZJ Maritime Shares will not be distributed to such Overseas Shareholders.

Instead, the Overseas Shareholders' YZJ Maritime Shares shall be transferred to such person(s) as the Company may appoint who shall sell the Overseas Shareholders' YZJ Maritime Shares and thereafter distribute the aggregate amount of the net proceeds, after deducting for all dealings and other expenses in connection therewith, proportionately among such Overseas Shareholders according to their respective entitlements to the YZJ Maritime Shares as at the Books Closure Date in full satisfaction of their rights to the YZJ Maritime Shares which they would otherwise have become entitled to under the YZJ Maritime Distribution. Where such YZJ Maritime Shares are sold on the SGX-ST, they will be sold at such price or prices as the Company may, in its sole and absolute discretion, decide and no Overseas Shareholder shall have any claim whatsoever against the Company, YZJ Maritime, the Financial Adviser, CDP, CPF, the Company's Share Registrar and/or YZJ Maritime's Share Registrar and their respective officers in connection therewith.

Where the net proceeds to which any particular Overseas Shareholder is entitled to are less than S\$10.00, such net proceeds shall be retained for the benefit of the Company, and no Overseas Shareholder shall have any claim whatsoever against the Company or any other person in connection therewith.

Overseas Shareholders who wish to change their registered address on the Register and the Depository Register (as the case may be) to provide an address in Singapore in substitution thereof prior to the Books Closure Date may do so by sending a notice in writing to the Company's Share Registrar (in the case of a change of address on the Register) and CDP (in the case of a change of address on the Depository Register), respectively not later than three Market Days prior to the Books Closure Date.

CAUTIONARY STATEMENT

Cautionary Statement on the Proposed Transactions

The Proposed Transactions are subject to, amongst other things, the obtaining of all requisite approvals from the relevant regulatory authorities, including the SGX-ST, market conditions prevailing at the relevant time and Shareholders' approval for the Proposed Transactions set out in the Notice of EGM. The Board wishes to caution Shareholders that there is no certainty or assurance as at the date of this Circular that the relevant approvals will be obtained and that the Proposed Transactions will eventually materialise or complete.

This Circular does not constitute, and is not intended to be, an offer or a notice, circular or advertisement calling or drawing attention to an offer to the public to subscribe for and/or purchase any shares or a statement intended to induce any person to invest in the shares of the Company or YZJ Maritime.

The Company reserves the right to not proceed with the Proposed Transactions if, after assessing various factors, including the prevailing general economic and capital market conditions and any other relevant factors, the Company does not consider the Proposed Transactions to be in the best interests of the Company and/or if the requisite approvals required for the Proposed Transactions have not been or cannot practicably be obtained. The Company will make the relevant announcements as and when required and as and when material developments arise in respect of the Proposed Transactions.

Whilst the information and terms set out in this Circular relating to the Proposed Listing referred to in this Circular are, to the best knowledge and belief of the Directors having made due and careful enquiries, true and accurate as at the Latest Practicable Date, such information or terms may be subject to further amendments or modifications pending finalisation of the same prior to the issue of the Introductory Document to be issued in connection with the Proposed Listing.

As the Proposed Listing is still at its initial stage of preparation as at the Latest Practicable Date, the amount to be raised from the Proposed Placement of up to S\$250 million is strictly for illustration purposes only and should not be taken in any way as a statement or indication of the expected, forecast or actual amount to be raised from the Proposed Placement. Further, the number of Placement Shares and the Placement Price remain to be determined by the Directors and/or the directors of YZJ Maritime in due course, in consultation with the Company's advisers for the Proposed Listing. The determination of the number of Placement Shares and the Placement Price will take place closer to the date of the Proposed Listing through a book-building process, after taking into consideration, *inter alia*, the *pro forma* financial statements (if any) of the Spin-off Group, the valuation of the YZJ Maritime Shares, the size of the Proposed Placement, the level of investors' interest and the then prevailing market conditions. The Company reserves the right to determine the size of the Proposed Placement, through its present majority stake in the Spin-off Group.

Shareholders should note that the Proposed Placement remains subject to, amongst others, the obtaining of all requisite approvals from the relevant regulatory authorities, including the SGX-ST, market conditions as well as interest from potential investors during the book-building process. There is no certainty or assurance that the book-building process will be successful or that the Proposed Placement will be undertaken at all.

CAUTIONARY STATEMENT

Certain descriptions and disclosures (including but not limited to the financial information) in respect of YZJ Maritime, the Spin-off Group and its business have been included in this Circular. It should be noted that the information in relation to YZJ Maritime, the Spin-off Group and its business set out in the Introductory Document will be more comprehensive than that set out in this Circular, as it will be prepared in compliance with the Listing Manual and the SFA, and will contain prescribed information and presentation of information, and may also take into account comments from the SGX-ST and further developments following the Latest Practicable Date.

Shareholders are advised to refrain from taking any action in respect of their Shares which may be prejudicial to their interests and to exercise caution when dealing with the Shares. In the event that the Shareholders and potential investors wish to deal in the Shares, they should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers.

Cautionary Note on Forward Looking Statements

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to, those using words such as “expect”, “seek”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information as at the Latest Practicable Date. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and the Company does not undertake any obligation to update publicly or revise any forward-looking statements for any reasons, even if new information becomes available or other events occur in the future, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

CORPORATE INFORMATION

COMPANY	:	Yangzijiang Financial Holding Ltd.
DIRECTORS	:	Mr. Ren Yuanlin (Executive Chairman and CEO) Mr. Chen Timothy Teck Leng (Lead Independent Non-executive Director) Mr. Yee Kee Shian, Leon (Independent Non-executive Director) Mr. Xu Wen Jiong (Independent Non-executive Director)
COMPANY SECRETARY	:	Ms. Peck Jen Jen
COMPANY REGISTRATION NUMBER	:	202143180K
REGISTERED OFFICE	:	9 Raffles Place #26-01, Republic Plaza Singapore 048619
PRINCIPAL PLACE OF BUSINESS IN SINGAPORE	:	9 Raffles Place #54-01, Republic Plaza Singapore 048619
FINANCIAL ADVISER TO THE COMPANY IN RELATION TO THE PROPOSED TRANSACTIONS	:	SAC Capital Private Limited 1 Robinson Road #21-01, AIA Tower Singapore 048542
INDEPENDENT AUDITOR	:	PricewaterhouseCoopers LLP 7 Straits View #12-00, Marina One East Tower Singapore 018936 Audit partner-in-charge: Mr. Lim Kheng Wah (a member of the Institute of Singapore Chartered Accountants)
TAX CONSULTANT TO THE COMPANY IN RELATION TO THE GROUP RESTRUCTURING EXERCISE	:	PricewaterhouseCoopers Singapore Pte. Ltd. 7 Straits View #12-00, Marina One East Tower Singapore 018936
SINGAPORE LEGAL ADVISER TO THE COMPANY IN RELATION TO THE PROPOSED TRANSACTIONS	:	Rajah & Tann Singapore LLP 9 Straits View #06-07, Marina One West Tower Singapore 018937

CORPORATE INFORMATION

**SHARE REGISTRAR AND SHARE
TRANSFER OFFICE OF THE
COMPANY AND YZJ MARITIME** : **Boardroom Corporate & Advisory Services
Pte. Ltd.**
1 Harbourfront Avenue
#14-07, Keppel Bay Tower
Singapore 098632

LETTER TO SHAREHOLDERS

YANGZIJIANG FINANCIAL HOLDING LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 202143180K)

Board of Directors

Mr. Ren Yuanlin (Executive Chairman and CEO)
Mr. Chen Timothy Teck Leng (Lead Independent
Non-executive Director)
Mr. Yee Kee Shian, Leon (Independent Non-executive Director)
Mr. Xu Wen Jiong (Independent Non-executive Director)

Registered Office

9 Raffles Place
#26-01, Republic Plaza
Singapore 048619

12 August 2025

To: The Shareholders of Yangzijiang Financial Holding Ltd.

Dear Sir/Madam,

- (1) **THE PROPOSED SPIN-OFF OF THE MARITIME FUND AND MARITIME INVESTMENTS BUSINESS OF THE COMPANY THROUGH THE DISTRIBUTION *IN SPECIE* OF 100% OF THE ISSUED SHARES IN THE CAPITAL OF YANGZIJIANG MARITIME DEVELOPMENT PTE. LTD. (TO BE RENAMED YANGZIJIANG MARITIME DEVELOPMENT LTD.) TO SHAREHOLDERS, WHICH CONSTITUTES A MAJOR TRANSACTION UNDER CHAPTER 10 OF THE LISTING MANUAL, AND THE PROPOSED PLACEMENT OF NEW SHARES IN THE CAPITAL OF YANGZIJIANG MARITIME DEVELOPMENT LTD. TO RAISE UP TO S\$250 MILLION AND THE PROPOSED LISTING OF YANGZIJIANG MARITIME DEVELOPMENT LTD. ON THE MAIN BOARD OF THE SGX-ST BY WAY OF AN INTRODUCTION;**
- (2) **THE PROPOSED DILUTION; AND**
- (3) **THE PROPOSED CAPITAL REDUCTION AND YZJ MARITIME DISTRIBUTION**

1 INTRODUCTION

1.1 Information on the Proposed Spin-off and the Proposed Listing

The Enlarged Group currently has three main separate and distinct business segments, namely, (a) the Investment Management Business; (b) the Maritime Fund and Maritime Investments Business and (c) the Fund Management Business. On 27 April 2025, the Company announced that it proposes to spin-off its Maritime Fund and Maritime Investments Business via the transfer of existing maritime investments and assets into a newly incorporated company, and the proposed listing of such newly incorporated company by way of an introduction on the Main Board of the SGX-ST.

In connection with the Proposed Spin-off, the Company intends to undertake a Group Restructuring Exercise, whereby all entities engaged in the Maritime Fund and Maritime Investments Business and the assets thereunder will be transferred to or grouped under YZJ Maritime. YZJ Maritime will serve as the holding and listing entity of the Spin-off Group for the purposes of the Proposed Listing. Immediately upon completion of the Group Restructuring Exercise, it is expected that YZJ Maritime will hold 100% of the entities in the current Enlarged Group which are engaged in the Maritime Fund and Maritime Investments Business. Further details of the Group Restructuring Exercise are set out in Section 5.1 of this Circular.

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It is presently envisaged that the Proposed Listing will occur by way of the following:

- (a) Proposed Capital Reduction of the Company: pursuant to Section 78C of the Companies Act, (i) the Company's issued and paid-up capital will be reduced by approximately S\$2.00 billion, from approximately S\$4.09 billion¹ as at the Latest Practicable Date to approximately S\$2.09 billion as at the Latest Practicable Date, and (ii) effecting a distribution in *specie* of all the shares in the capital of YZJ Maritime representing 100.0% of its total share capital. The distribution *in specie* to Shareholders is intended to be effected on the basis of one YZJ Maritime Share for each Share held by Shareholders or on their behalf as at the Books Closure Date; and
- (b) Proposed Placement: the proposed issuance of new shares in YZJ Maritime to accredited investors and institutional investors in reliance on certain exemption(s) under the SFA. In connection with the Proposed Spin-off, YZJ Maritime intends to raise up to S\$250 million, or such other amount deemed appropriate, subject to YZJ Maritime's plan and prevailing market conditions, via the placement of YZJ Maritime Shares. Subject to the receipt of regulatory approvals and depending on market conditions, amongst others, it is further intended that an over-allotment option be granted in respect of the allotment and issuance of such additional number of shares (to be determined) (the "**Over-allotment Shares**"), to investors pursuant to applicable exemptions under the SFA. It is intended that, subject to the consent of the placees, the Placement Shares will be listed on the day of the issuance of the Placement Shares.

The Proposed Transactions are subject to the approval of Shareholders and such other approvals as set out in Sections 3.1 and 5.4 below. A copy of the Company's announcement dated 27 April 2025 on the Proposed Spin-off and Proposed Listing is available on the website of the SGX-ST at <https://www.sgx.com/securities/company-announcements>. The Company will update Shareholders on any material developments relating to the Proposed Transactions as and when material developments occur.

The Notice of EGM is set out on pages N-1 to N-5 of this Circular.

1.2 Circular

The purpose of this Circular is to (a) provide Shareholders with relevant information relating to the Proposed Capital Reduction, the Proposed Dilution, the Proposed Spin-off and the YZJ Maritime Distribution, including the rationale and the *pro forma* financial effects of the Proposed Capital Reduction and the YZJ Maritime Distribution, and (b) seek Shareholders' approval for the following proposals at the EGM:

- (a) Ordinary Resolution 1: To approve the Proposed Spin-off, which constitutes a major transaction under Chapter 10 of the Listing Manual ("**Ordinary Resolution 1**");
- (b) Ordinary Resolution 2: To approve the Proposed Dilution pursuant to Rule 805(2) of the Listing Manual ("**Ordinary Resolution 2**"); and
- (c) Special Resolution: To approve the Proposed Capital Reduction and the YZJ Maritime Distribution (the "**Special Resolution**").

¹ This number differs from S\$3,653,262,000 as stated in the Company's FY2024 annual report due to differences arising from currency translation.

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Shareholders should note that the **Special Resolution, Ordinary Resolution 1, and Ordinary Resolution 2 are inter-conditional**, meaning that:

- (a) the passing of the Special Resolution is conditional upon the passing of Ordinary Resolution 1 and Ordinary Resolution 2;
- (b) the passing of Ordinary Resolution 1 is conditional upon the passing of the Special Resolution and Ordinary Resolution 2; and
- (c) the passing of Ordinary Resolution 2 is conditional upon the passing of the Special Resolution and Ordinary Resolution 1.

The Notice of EGM is set out on pages N-1 to N-5 of this Circular.

The SGX-ST assumes no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Circular.

2 SUMMARY OF INFORMATION OF THE ENLARGED GROUP AND THE SPIN-OFF GROUP

2.1 Information on the Enlarged Group

As at the Latest Practicable Date, the Enlarged Group has three main separate and distinct business segments, namely, (a) the Investment Management Business; (b) the Maritime Fund and Maritime Investments Business and (c) the Fund Management Business. Set out below is a general overview of the current operations carried out under each of the three main business segments:

(a) Investment Management Business

The Enlarged Group's investment management business segment currently consists of the following:

- (i) **Debt investments:** this refers to debt investments (at amortised costs) in the PRC with a focus on (A) fixed interest debt investments via entrusted loan structure arrangements and (B) provision of microfinance loans in the Jiangsu province of the PRC. Following the Proposed Spin-off, the Remaining Group intends to scale down its debt investment business conducted via the entrusted loan structure to below 30.0% of its NTA as at 31 December 2025 and to below 20.0% of its NTA as at 31 December 2026;
- (ii) **Direct investments:** this refers to direct investments in both public and private companies, as well as deploying funds into various situations such as selected investments projects that align with the Enlarged Group's overall investment strategy; and
- (iii) **Fund investments:** this refers to investing as a limited partner or a co-general partner into funds managed by GEM Asset Management or a third-party fund manager,

(collectively, the "**Investment Management Business**").

Revenue from this business segment is primarily generated from interest income, capital gains and dividend yield.

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(b) Maritime Fund and Maritime Investments Business

The Company previously obtained approval from its Shareholders at an extraordinary general meeting held on 31 May 2024 for the diversification of the Enlarged Group's core business to include the maritime fund and maritime investments business segment.

Presently, the Enlarged Group's maritime fund and maritime investments business segment specialises in:

- (i) **Maritime Investments and Services:** this refers to ship agency and shipbroking, ship leasing and sales facilitation, direct vessel investments through the acquisition of new or existing shipping vessels on its own or by forming a joint venture with operating partners and ship chartering, including the provision of maritime consultancy services;
- (ii) **Loan Services:** this refers to the provision of ship financing services, primarily the provision of pre-delivery loans and secured loans to companies in the shipping industry; and
- (iii) **Import and Export Business:** this refers to the distribution of merchant ships and offshore engineering products, shipping equipment, material and/or components through import and export channels within regions including Singapore, Japan, Korea, Europe, America and the PRC (the "**Import and Export Business**"),

(collectively, the "**Maritime Fund and Maritime Investments Business**").

Revenue from the Maritime Fund and Maritime Investments Business is primarily generated through income from assets, commissions and profits from associates and joint ventures.

Since its listing on the SGX-ST in April 2022, the Enlarged Group has made significant progress in the expansion and strengthening of its maritime investments portfolio. Its Maritime Fund and Maritime Investments Business has grown to approximately US\$1.0 billion (or approximately S\$1.3 billion)² as at the Latest Practicable Date, of which US\$730 million (or approximately S\$942 million)¹ has been successfully deployed to date. Its maritime investments portfolio currently comprises 66 vessels, including tankers, gas carriers, bulk carriers, container ships and offshore support vessels. The deployment of US\$500 million (or approximately S\$645 million)¹ in FY2024 has led the Enlarged Group to generate income from assets³ in its maritime fund of approximately S\$57.8 million in FY2024, which is an increase from approximately S\$23.4 million in FY2023.

2 Based on the exchange rate of US\$1.00 : S\$1.29 as at the Latest Practicable Date, as extracted from S&P Capital IQ.

3 Refers to the investment income derived from the underlying assets of the Enlarged Group's maritime fund, which includes interest income, charter income and other returns from the fund's portfolio of maritime-related investments.

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(c) Fund Management

The Enlarged Group's Fund Management Business segment focuses on the management of funds pooled by proprietary capital and third-party funds, and the provision of wealth management services, such as family offices in Singapore. In addition, the Company had also established a dedicated cash management fund in June 2024, GEM Cash Management Fund VCC, to capture higher yields than conventional deposits through active investment management (collectively, the "**Fund Management Business**").

Revenue from this business segment is primarily generated through fee income and interest income.

In addition to the three main business segments described above, the Company also has an in-house treasury function to manage the cash of the Enlarged Group.

Following the completion of the Group Restructuring Exercise, the Proposed Spin-off and the Proposed Listing, the Maritime Fund and Maritime Investments Business, including the Relevant Sub-funds and Projects and GEM Cash Management Fund VCC (save for the Existing Import and Export Business) will be transferred to YZJ Maritime. The other business segments of the Enlarged Group, namely, the Investment Management Business and the Fund Management Business (save for the Relevant Sub-funds and Projects and GEM Cash Management Fund VCC), will be retained under the Remaining Group. Further details as to how the Proposed Spin-off complies with the Spin-off Guidance are set out in Section 3.2 below.

2.2 Information on YZJ Maritime and the Group Structure of the Remaining Group and the Spin-off Group

YZJ Maritime was incorporated on 28 April 2025 to hold the Maritime Fund and Maritime Investments Business. As at the Latest Practicable Date, YZJ Maritime is the holding company of the Spin-off Group, and presently has an issued and paid-up share capital of US\$100 comprising 100 ordinary shares. YZJ Maritime has been a directly and wholly-owned subsidiary of the Company since its incorporation.

As at the Latest Practicable Date, YZJ Maritime has no outstanding instruments convertible into, rights to subscribe for, or options in respect of its shares.

Please refer to **Appendix A** of this Circular for the group structure of the Remaining Group and the Spin-off Group immediately prior to and following the completion of the Group Restructuring Exercise, the Proposed Spin-off and the Proposed Listing.

2.3 Future Plans and Prospects of the Remaining Group

The Remaining Group will maintain a flexible and prudent approach towards identifying and pursuing investment opportunities both internationally and within the PRC. As the Remaining Group's investment portfolio is concentrated in the PRC, with a significant portion comprising real estate debt investments, the Remaining Group recognises the need to address concentration risks, enhance liquidity, and optimise its overall investment portfolio. To this end, the Remaining Group intends to gradually divest certain underperforming assets and investments located in the PRC. As at the Latest Practicable Date, the Remaining Group holds real estate debt projects with a total value of approximately RMB3.8 billion, which it intends to realise through judicial auctions.

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The proceeds from these divestments are intended to be allocated equally between the Remaining Group's domestic and international investment portfolios. In the longer term, the Remaining Group aims to deploy these funds to support the growth and development of the following business segments:

- (a) **Southeast Asian Debt Investments:** The Remaining Group will prioritise the expansion of its international investments portfolio by participating in debt investments in Indonesia, Malaysia, Vietnam and the Philippines. These countries have been identified by the Remaining Group based on their demand for debt financing by local companies, brought about by urbanisation and significant infrastructure development of these countries in recent years.
- (b) **Wealth Management:** The Remaining Group will utilise its cross-border relationships and expertise to broaden its wealth management services for international investors, a segment that the Remaining Group believes that has grown in recent years as global capital flows have increased, driven by trends in investment and education-related migration.
- (c) **Joint Investments with leading management companies:** The Remaining Group will continue to work closely with experienced investment professionals and reputable fund managers to identify and participate in selected investment projects that align with its overall investment strategy, ensuring that each opportunity is carefully evaluated for suitability and potential returns while leveraging external expertise to access quality deal flow and diversify risk.
- (d) **Equity Investment:** In pursuit of the Remaining Group's objective towards maintaining a balance allocation of its investment portfolio between assets within and outside of the PRC, the Remaining Group will adopt a dual-pronged investment strategy towards its equities investment. Within the PRC, it will focus on identifying and investing in high-growth private equity opportunities, particularly those with the potential to become market leaders or unicorn companies. In addition, the Remaining Group will actively manage a diversified portfolio of listed securities in the PRC, leveraging the country's deep and liquid capital markets to optimise returns and manage risk.

Internationally, the Remaining Group will seek to diversify its holdings by targeting established markets and emerging sectors that complement its domestic investments. This may include strategic partnerships, co-investments, and participation in cross-border transactions to capture growth opportunities and mitigate concentration risk. Upon the completion of the Proposed Spin-off, the Remaining Group will continue to focus on its Investment Management Business and Fund Management Business. In light of the Equity Market Development Programme⁴ and other initiatives by the MAS, the Remaining Group aims to deepen its presence in Singapore's equity capital markets while expanding its financial advisory services, ultimately evolving into a specialised investment and asset management company. The Remaining Group also intends to apply for a CMS licence from the MAS, through its wholly-owned subsidiary, YZJ Asset Management Pte. Ltd. to allow it to continue conducting licensed fund

4 The MAS and the Financial Sector Development Fund have launched a S\$5 billion Equity Market Development Programme to boost Singapore's equities market. The programme aims to strengthen the local asset management and research sectors, and to attract more investors to Singapore-listed equities, especially beyond just large-cap stocks. Please refer to the following link for further information: <https://www.mas.gov.sg/development/asset-management/equity-market-development-programme>

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management activities in Singapore and will update Shareholders on any material developments in relation to the foregoing, in accordance with the listing rules of the SGX-ST.

Through this approach, the Remaining Group aims to achieve sustainable long-term growth while maintaining flexibility to respond to evolving market conditions both within and outside of the PRC.

2.4 Risk Factors relating to the Maritime Fund and Maritime Investments Business

The Spin-off Group could be affected by a number of risks which relate to the Maritime Fund and Maritime Investments Business as well as those which may generally arise from, *inter alia*, economic, business, market and political factors, including the risks set out herein. Shareholders should carefully consider and evaluate each of the following considerations and all other information contained in this Circular. Further information on the risks faced by the Spin-off Group will also be set out in the Introductory Document.

(a) **The marine industry is affected by several factors, which may have a material impact on the Maritime Fund and Maritime Investments Business**

As a pure-play maritime development company, the Maritime Fund and Maritime Investments Business of the Spin-off Group may be materially and adversely affected by the marine cycle. The state of the marine cycle may in turn be affected by a number of factors which include, but are not limited to, global and regional economic and political conditions, developments in international trade, demand for and supply of marine services, contracting and scrapping activity in the shipping market, vessel price volatility based on supply and demand, vessel charter rates, number of vessels that are in drydock at a given time, seasonal fluctuations in global energy consumption, port or canal traffic and congestions, number and types of vessels available globally, delivery of new vessels and retirement of older vessels, introduction of new marine technologies, changes in marine transportation patterns and the supply of and rates of alternative means of transportation, changes in regulatory regimes governing the marine industry, fluctuations in foreign exchange and interest rates fuel prices as well as extreme weather conditions.

(b) **The Spin-off Group may face risks associated with its liquidity, loan facilities and the fluctuation of interest rates**

The Spin-off Group may from time to time enter into short-term and long-term financing arrangements with financial institutions to secure funds for its business operations and/or investments. Under the terms of such financing arrangements, the Spin-off Group may be subject to interest payment and loan repayment obligations, as well as restrictive covenants or other obligations which may include, among others, the maintenance of financial ratios, prohibition on the creation of encumbrances over the Spin-off Group's assets, restrictions on change of control, and minimum insurance coverage.

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The Spin-off Group's ability to secure loans or repay or refinance its debt obligations in a timely manner depends on its creditworthiness at the relevant time, which is subject to prevailing market and economic conditions and various other factors, some of which may be beyond its control. The Spin-off Group cannot assure that it will be able to maintain a level of cash flows from operating activities or financing activities that will be sufficient to pay or repay the principal, interest or other required payments on indebtedness.

Although the Spin-off Group maintains a healthy cash position with adequate equity and is in a strong positive net cash position, its cash position is highly susceptible to the fluctuations in receivables from sales and cost of inventories from any unexpected events in the future. For example, in the event of an economic shock, the Spin-off Group's customers may face financial difficulties or delay payments, which might result in a possibility of the Spin-off Group not being able to collect the receivables from its customers. As a general rule, the Maritime Investments and Services generate cash inflows to service the cash outflows for, among other things, repayment of bank borrowings (if any), purchase of vessels, issuance of loans and purchase of shipping equipment, material and/or components. There is no guarantee that the Maritime Investments and Services business will generate steady and sufficient cash inflows to service the cash outflows. There is also no guarantee that the customers will make lease payments, loan repayments or equipment, material and/or component payments on time. As such, there may be a mismatch in the time between cash inflows and cash outflows. In the event of a mismatch in time between cash inflows and cash outflows, the Spin-off Group may not have sufficient cash flows and financial resources to repay bank borrowings (if any) or fund operating costs of the Maritime Investments and Services business. This may have an adverse effect on the Spin-off Group's creditworthiness, business operations and development.

The Spin-off Group will also be subject to the risk that its existing borrowings may be terminated by the financial institutions' sole discretion as the banks typically have an overriding right of repayment on demand that can be exercised, irrespective of whether the Spin-off Group has complied with the covenants and met the scheduled repayment obligations and, hence, such borrowings are classified as current liabilities in its financial statements. Where such right of repayment on demand is exercised by a financial institution, the Spin-off Group shall repay to the financial institution the amount then outstanding immediately as demanded. Upon the occurrence of certain events (such as an exercise by a financial institution of its right or repayment on demand, a breach of covenants, the failure to make interest payments and/or rectify any breach in the agreements), the Spin-off Group may not be able to refinance its existing borrowings or the terms of any refinancing will not be as favourable as the terms of its existing borrowings. This may adversely affect the business, financial position, results of operations and prospects of the Spin-off Group.

(c) **The Spin-off Group is dependent on sustained demand from its customers and is exposed to their credit risk**

The Spin-off Group primarily generates income from, among others, fees from the chartering of vessels, and interest income from the provision of loans and ship financing. The Spin-off Group's revenue is closely tied to customer demand for such vessels and financing solutions. There can be no assurance that such customer demand will not reduce or that the Spin-off Group's customers will not switch to its competitors. Any changes in market conditions that negatively impact the Spin-off

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Group's customers' businesses or the industries in which they operate could in turn decrease their demand for services. A significant loss of customers or reduction in demand could have a material adverse impact on the Spin-off Group's business, financial position, results of operations and prospects.

The Spin-off Group's business involves extending credit to its customers and collecting instalment payments from them. These activities expose the Spin-off Group to the credit risk of its customers arising from the non-payment of any instalment, or other similar failures, which could be due to the deterioration in the creditworthiness of its customer or as a consequence of a bankruptcy or similar insolvency proceeding affecting a customer. In addition, given that the Spin-off Group's credit exposure spans the medium to long term, the Spin-off Group is vulnerable to adverse changes in economic conditions over time. Such changes may weaken the Spin-off Group's customers' creditworthiness, affecting the quality of the Spin-off Group's credit exposure.

While as part of its enterprise risk management framework, the Spin-off Group will actively monitor counterparty risk, credit exposure and market conditions, there is no assurance that the Spin-off Group's know-your-customer procedures and credit risk assessments will be sufficient to fully prevent customer default. In the event that the Spin-off Group's customers default on their payment obligations and the Spin-off Group is not able to repossess the vessels, take enforcement measures on collateral and/or recover the full amount due to it, the Spin-off Group may have to write off the outstanding loan or receivables as bad debt, which will in turn reduce its profitability and may have a material adverse impact on its business, financial position, results of operations and prospects. Furthermore, any such default by its customers may also divert the Spin-off Group's management's attention, time and resources to recover the vessels and/or payments, which could materially affect the efficiency of the Spin-off Group operations.

(d) **The Spin-off Group is dependent on the services of its Executive Chairman and other key executives**

The Spin-off Group's performance depends on the continued services and performance of its Executive Chairman and senior management. The loss of service of Mr. Ren Yuanlin, its Executive Chairman who is responsible for the overall strategic management and corporate development of the Spin-off Group, and Mr. Alex Yan Zhongbing, its group CEO and Head of Maritime Fund who is responsible for ensuring that the strategies and policies agreed upon by the board of directors of YZJ Maritime are effectively implemented by the management team, could impair the Spin-off Group's ability to operate and make it difficult to execute its business strategies. Its continued success is therefore dependent to a large extent on its ability to retain such key management personnel. The loss of services of any of its key management personnel without suitable and timely replacements may materially and adversely affect the Spin-off Group's business, financial position, results of operations and prospects.

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The Spin-off Group's performance and its future success also depends on its ability to attract, retain and motivate its officers and employees. In the event that they need to substantially increase employee compensation levels to attract, retain and motivate any key personnel, their costs may increase and their financial performance may be materially and adversely affected. The loss of the services of key personnel, without suitable or comparable replacements in a timely manner, or the inability to identify, hire, train and retain other qualified technical and/or managerial personnel in the future may materially and adversely affect their business, financial position, results of operations and prospects and adversely affect the performance of the Spin-off Group.

- (e) **The Spin-off Group's business operations may be materially and adversely affected if it fails to comply with laws, regulations and conditions stipulated in any licences, permits, registrations or approvals, and/or are unable to obtain, maintain and/or renew the required licences, permits, registrations and approvals**

In carrying out their business operations, the Spin-off Group is required to comply with relevant laws and regulations (including any applicable labour laws and regulations) and obtain certain licences, permits, registrations and approvals from various governmental authorities in the countries that they operate in. Further, the securities and financial services industry is highly regulated and its business is subject to regulation under various applicable laws, regulations, rules, guidelines and codes in Singapore. For example, the laws and regulations they are subject to in Singapore include the SFA (in respect of capital markets activities) and the subsidiary regulations promulgated under the SFA. Changes in the regulatory landscape of the maritime investments, maritime services, securities and financial services industry in Singapore and in other jurisdictions in which the Spin-off Group's Maritime Fund and Maritime Investments Business operates or would operate could directly affect its business.

In the event that it fails to comply with the relevant laws and regulations (including any applicable labour laws and regulations), it may be penalised and/or subject to civil liabilities, investigations and enforcement actions for such breaches of law or regulation and/or may be required, and its business, financial position, results of operations and prospects may be adversely affected as a result. The requirements of these laws and regulations increase the administrative and compliance burden on the Spin-off Group, and can affect the resale value or useful lives of the Spin-off Group's vessels, require ship modifications, result in a reduction in cargo capacity, or operational changes or restrictions, lead to increased cost or decreased availability of insurance coverage for environmental matters, limit access to certain jurisdictional waters or result in the denial of access to, or detention in, certain ports. The Spin-off Group is also exposed to potential reputational damage due to non-compliance with applicable laws and regulations, and could face substantial liability for penalties, fines, damages, cleanup obligations and remediation costs associated with hazardous substance spills or other discharges into the environment involving the Spin-off Group's vessels, as well as misconduct or incidents of non-compliance by the Spin-off Group's crewmembers and employees under environmental laws and regulations.

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In addition, some of these licences, permits, registrations and approvals may be subject to periodic renewal and reassessment by the relevant authorities, and the standards of compliance required in relation thereto may from time to time be subject to changes. New laws, regulations or policies may also be introduced. Accordingly, the Spin-off Group has to constantly monitor and ensure compliance with the relevant conditions, laws and regulations.

There is also no assurance that the regulatory environments in which the Spin-off Group operates will not change significantly or become more stringent or potentially more adverse in the future. Compliance with any changes in existing or new laws and regulations may increase its compliance costs, which may adversely affect its business, financial position, results of operations and prospects. In addition, there is no assurance that it would be able to comply with such amended or new laws and regulations, which may have an adverse effect on its business, financial position, results of operations and prospects. In the event that it fails to comply with the relevant laws and regulations, it may be penalised for such breaches of law or regulation, and their business, financial position, results of operations and prospects may be adversely affected as a result.

- (f) **The Spin-off Group's insurance coverage may not be adequate to indemnify it against all possible liabilities, and the Spin-off Group's lessees may not properly maintain or adequately insure the Spin-off Group's leased vessels**

The Spin-off Group is exposed to various risks arising from its business operations, including without limitation the risk of explosion, fire, natural disasters, machinery or equipment failure, improper installation and accidents. These risks could cause injury, death or damage or destruction to property, which may result in its operations being suspended or disrupted. The Spin-off Group may also face civil and/or criminal penalties arising from any such incidents. The Spin-off Group may be subject to claims from its customers concerning defective products or the quality of its products or as a result of its infringement of intellectual property rights of third parties.

The Spin-off Group maintains insurance coverage that is necessary and customary for the business in which it operates, and to the extent insurance is available on reasonable terms. However, there can be no assurance that such insurance can be obtained on commercially reasonable terms or at all, or that any such coverage will sufficiently cover any losses suffered by the Spin-off Group. The occurrence of a significant event or adverse claim in excess of insurance coverage that it maintains, or that is not covered by its insurance, could result in the Spin-off Group having to pay compensation or damages and/or result in the loss of revenue and could have a material adverse effect on its financial position and results of operations.

There is no guarantee that lessees will, upon expiry of the lease term, return the leased vessels in satisfactory condition. If lessees fail to properly maintain the leased vessels in accordance with the leasing arrangements, the Spin-off Group may have to incur substantial costs to repair the vessels to a satisfactory level, which may lead to an increase in financial costs. The market value of the vessels may also decrease due to their unsatisfactory condition, and the Spin-off Group may be unable to re-lease or sell them on favourable terms. Any of the aforesaid circumstances may materially and adversely affect the business, financial position, results of operations and prospects of the Spin-off Group.

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In addition, while lessees are generally required under the lease agreements to obtain specified levels of insurance for and insure against losses resulting from the operation of the leased vessels, there is no guarantee that the lessees will maintain adequate insurance coverage throughout the operation of the leased vessels, nor that they will pay the insurance premium in a timely manner. Inadequate insurance coverage or the failure to make timely premium payment may cause the Spin-off Group to not receive insurance proceeds in the event that the Spin-off Group suffers a loss as a result of any damage to or the lessees' operation of the vessels.

(g) The Spin-off Group's vessels have finite economic life, and their value will depreciate over time

Vessels are subject to the risk of becoming obsolete, particularly if certain events occur which shorten their economic life. These events include but are not limited to (i) introduction of newer or more advanced vessels; (ii) changes in market demand and preferences; (iii) changes in regulatory framework or industry standards over marine safety and technical standards, and (iv) the condition of the vessels. The demand for shipping assets may shift towards LNG-powered, hydrogen-fuelled, or electric vessels, reducing financing opportunities for conventional ships. In general, the cost of maintaining a vessel in good operating condition also increases with the age of the vessel. The Spin-off Group's fleet of 66 wholly-owned and co-owned vessels will incur increased costs as the age of its fleet continues to increase. Newer vessels benefit from gradual improvements in engine technology and other features, meaning that older vessels tend to be less fuel efficient and more costly to maintain. Higher cargo insurance rates for older vessels make such vessels less desirable to customers, and may result in the Spin-off Group contracting lower rates for such vessels. Furthermore, IMO instruments, standards, governmental regulations and safety or other equipment standards related to the age of vessels (including decarbonisation initiatives) may also require expenditures for alterations or the addition of new equipment to the Spin-off Group's vessels and may restrict the type of activities in which certain of the Spin-off Group's vessels may engage. In addition, the effective service life of the Spin-off Group's vessels is determined by the vessel type and market demand for such vessels once they reach a minimum age.

In the event that certain vessels become obsolete, their selling price or lease rates may decline, and the Spin-off Group's depreciation expenses charges may increase. If the vessels are sold at a price lower than their depreciated book value, the Spin-off Group may recognise a loss on such a sale, which may materially and adversely affect the results of the operations for the period in which such loss is recognised. Further, decreases in selling prices and lease rates cause lower revenue and cash flow.

In addition, if the Spin-off Group does not have the cash flow to replace older vessels with newer models in a timely manner, the Spin-off Group's asset portfolio may become relatively less attractive, which may affect the Spin-off Group's competitiveness. This may materially and adversely affect the Spin-off Group's business, results of operations, financial conditions and prospects.

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(h) **The Maritime Fund and Maritime Investments Business is exposed to the risk of losses from maritime disasters, piracy, mechanical failures and other similar events that may disrupt its operations**

The Spin-off Group's Maritime Fund and Maritime Investments Business can suffer significant losses if a vessel is lost, subject to an accident or its operations are otherwise disrupted. Investments in vessels have inherent risks, including but not limited to: maritime disasters; mechanical malfunction, failure or loss of the vessels or their equipment; human error; inclement weather; war, piracy and terrorist attacks that could damage the Spin-off Group's vessels, impose security-related costs and liabilities, prohibit the use of certain ports, close trade routes or decrease world trade generally; and business interruptions due to social or political instability, including hostilities, labour strikes, port and canal closings and boycotts. The occurrence of one or more of these risks could lead to a number of adverse effects on the Spin-off Group, including deaths or injuries, pollution or loss of property; delays in the delivery of shipments; loss of revenues from, or termination of, time charter contracts and decreases in the Spin-off Group's backlog; claims from third parties; governmental fines, penalties or restrictions on conducting the Spin-off Group's business; higher insurance rates; and damage to the Spin-off Group's reputation and customer relationships generally.

Acts of piracy have historically affected ocean-going vessels trading in regions of the world in which the Spin-off Group's vessels operate. While the day-to-day operations and security measures are managed by the vessel operators, a piracy incident involving vessels in which the Spin-off Group holds an economic interest could result in significant consequences, including bodily injury, loss of life, or damage to the vessel or cargo. Although operators typically maintain kidnap and ransom (K&R) insurance coverage and may implement additional onboard security measures such as deploying security personnel or upgrading safe rooms, there is no guarantee that such may materially and adversely affect the Spin-off Group's business, financial position, results of operations and prospects.

(i) **Maritime claimants could arrest the Spin-off Group's vessels, which could interrupt the Spin-off Group's cash flow**

Crewmembers, suppliers of goods and services to a vessel, shippers of cargo and other parties may be entitled to a maritime lien against that vessel (and, in some jurisdictions, any vessel owned or controlled by the same owner) for unsatisfied debts, claims or damages, even when protection and indemnity insurance is available to cover any such debts, claims or damages. In many jurisdictions, a maritime lien holder may enforce its lien by arresting a vessel through foreclosure proceedings. The arrest or attachment of one or more of the Spin-off Group's vessels could interrupt the Spin-off Group's cash flow and require the Spin-off Group to pay large sums to have the arrest or attachment lifted. Any such arrest or attachment of one or more of the Spin-off Group's vessels could have a material adverse effect on the Spin-off Group's business, financial position, results of operations and prospects.

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(j) **The Spin-off Group may be adversely affected by risks associated with its joint venture agreements, as well as its strategic partnerships**

The Spin-off Group has established, and likely will establish, joint venture arrangements and strategic partnerships to operate and expand its business. The success of the Spin-off Group's joint ventures and strategic partnerships is subject to a number of risks, including a deterioration of the partners' relationship, a failure by the partner to provide anticipated expertise or services, exposure to liability or expenses related to a partner's conduct, and divergent economic and commercial interests between the Spin-off Group and its partners. Additionally, certain of the Spin-off Group's joint venture agreements are subject to restrictions on voting and transfer, including "change of control" provisions. In the event of a change of control of the Spin-off Group, these clauses could be triggered and could result in the termination or rescission of these agreements.

The Spin-off Group also relies on local partners in certain jurisdictions to assist in gaining access to crew, strengthen and maintain relationships with customers, and liaise with local authorities responsible for licensing and permitting regimes. However, the Spin-off Group's arrangements with its local partners may not be effective, may result in losses for the Spin-off Group or may be terminated, and there is no guarantee that the Spin-off Group can obtain alternative arrangements on similar terms, or at all, with new local partners.

If the Spin-off Group's local partnerships and joint ventures are not successful, or are terminated, this could have a material adverse effect on the Spin-off Group's business, financial position, results of operations and prospects.

(k) **The future performance of the Spin-off Group's Maritime Fund and Maritime Investments Business depends on the Spin-off Group's ability to secure new time charter contracts and to do so in a timely fashion**

The Spin-off Group generally secures new time charter contracts through direct negotiations with potential customers led by the Spin-off Group's joint venture partners. Charter rates may fluctuate over time as a result of changes in the supply-demand balance relating to current and future vessel capacity. This supply demand relationship largely depends on a number of factors outside the Spin-off Group's control. A substantial or extended decline in demand for oil and oil products could materially adversely affect the Spin-off Group's ability to re-charter its vessels at acceptable rates or to acquire and profitably operate new vessels.

If the Spin-off Group is unable to successfully negotiate new time charter contracts that start immediately after the end of its current time charter contracts, or if new time charter contracts contain day rates substantially below existing day rates, or are awarded on terms that are otherwise less favourable than those of existing and expiring time charter contract terms, or which leave the Spin-off Group with significant mobilisation or demobilisation costs that cannot be fully recovered, this could have a material adverse effect on the Spin-off Group's business, financial position, results of operations and prospects.

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(l) **The debt which may be incurred by the Maritime Fund and Maritime Investments Business could have a negative impact on the Spin-off Group's liquidity**

Debt incurred from the operational costs of the Maritime Fund and Maritime Investments Business may (i) require the Spin-off Group to allocate a higher portion of cash flow to the repayment of bank borrowings (including interest thereon) (if any), which may reduce the availability of cash flow from operations to fund working capital and capital expenditure and for other general corporate purposes, (ii) increase vulnerability to adverse economic, industry and market conditions, (iii) limit ability to pursue additional debt financing and (iv) potentially restrict the Spin-off Group from pursuing other business opportunities. Further, some creditors are entitled to, under some financing agreements, require the Spin-off Group to repay its debts earlier if any of the prepayment events occur. If the Spin-off Group is required to repay these debts earlier, the Spin-off Group's liquidity, cash flow, business, operations, financial conditions and prospects may be materially and adversely affected.

(m) **The Spin-off Group is subject to risks inherent in investing in entities which the Spin-off Group does not have control over and the manner in which the Spin-off Group holds its investments and property interests**

Under the Spin-off Group's Maritime Fund and Maritime Investments Business, the Spin-off Group holds, and expects in the future to hold, a portion of its investments through interests and investments in entities that are not its subsidiaries and over which it does not have majority control, such as limited partnerships and Fund of Funds. The performance of these entities and the Spin-off Group's share of their results is subject to the same or similar risks that affect external Fund managers and there can be no assurance that Spin-off Group will be able to influence the management, operation and performance of these entities or the underlying investments, whether through the Spin-off Group's voting rights, contractually, or as manager of some of these entities, in a manner which would be favourable to the Spin-off Group, or at all. Further, disagreements may occur between the Spin-off Group, the limited partners and/or third-party Fund investors, as the case may be, regarding the business and operations of the limited partnerships and/or Fund of Funds which may not be resolved amicably. In addition, the Spin-off Group's limited partners and/or third-party Fund investors may (i) have economic or business interests or goals that are not aligned with that of the Spin-off Group, (ii) take actions contrary to the Spin-off Group's instructions, requests, policies or objectives, (iii) be unable or unwilling to fulfil their obligations and (iv) have financial difficulties, or have disputes with the Spin-off Group as to the scope of their responsibilities and obligations. While there have been no past instances of such events having occurred which have had a material adverse effect on the Spin-off Group's businesses, financial position and results of operations, such events, if and when they do occur, may have a material adverse effect on the Spin-off Group's business, financial position, results of operations and prospects.

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(n) **The value of the Spin-off Group's leased assets, and the other collateral or guarantees, may not be sufficient to compensate losses of the Spin-off Group**

As part of the Spin-off Group's risk management strategy for its Loan Services business segment, the Spin-off Group may obtain ownership of leased assets as security and/or require its customers to provide additional collateral and guarantees, such as ship mortgages. This enables the Spin-off Group to recover and dispose of the leased assets and/or enforce its security rights in the event of a material breach by its customers.

However, there is no assurance that the value of the Spin-off Group's leased assets, or the other collateral and guarantees, will be sufficient to compensate for any losses it may incur as a result of its customers' default. The value of these assets, collateral, or guarantees may decline significantly due to factors such as damage, wear and tear, age, excess market supply, or reduced market demand. Any material deterioration in the business performance, financial condition, or creditworthiness of the Spin-off Group's customers may also reduce the amount it may be able to recover. The Spin-off Group cannot guarantee that it will be able to obtain additional security from its customers if the value of the leased assets, collateral, or guarantees proves insufficient to cover its losses. Any decline in the value of the Spin-off Group's leased assets, collateral, or guarantees, or any failure to obtain additional security from its customers, may require it to make additional allowances for, or write off, non-performing assets. This could, in turn, materially and adversely affect the Spin-off Group's business, financial position, results of operations and prospects.

(o) **The Spin-off Group's Import and Export Business is subject to import and export controls that could subject it to liability or impair its ability to compete in international markets**

The Spin-off Group's Import and Export Business is subject to import and export control laws that may limit where and to whom it may sell certain of its products and with whom it undertake business activities. Moreover, export licences are required from government agencies for some of the Spin-off Group's products in accordance with various statutory and regulatory authorities, and in some cases, the Spin-off Group is not allowed to undertake any business activities. Failure to obtain these necessary licences, to pay required customs duties or to comply with applicable export controls, or the termination or significant limitation on the Spin-off Group's ability to export certain of the Spin-off Group's products, could have a material adverse effect on the Spin-off Group's business, financial position, results of operations and prospects.

The Spin-off Group may also be affected by import and export control regulations or trade sanctions imposed by other states in which the Spin-off Group operates in or in which suppliers or customers are located. Certain supply items or products might be subject to export and import control under local laws and may require a permit that might be withheld by the competent national authorities. In addition, the Spin-off Group may be affected by trade sanctions and restrictions that prohibit the import or export of certain items from specific countries under international, or domestic law. In recent times, there has been an increase in the imposition of tariffs and other trade barriers by various countries, which may affect the cost and flow of goods across borders. Changes in tariff regimes, the introduction of new tariffs, or the escalation of existing tariffs can increase the cost of importing raw materials, components, or

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finished products, and may also impact the competitiveness of the Spin-off Group's products in certain markets. These developments can arise with little notice and may be the result of broader geopolitical tensions or shifts in trade policy. The imposition of tariffs or retaliatory measures by other countries could disrupt the Spin-off Group supply chains, increase the Spin-off Group's operational costs, and adversely affect its ability to serve customers in affected regions.

Further, international shipping is subject to various security and customs inspections and related procedures in countries of origin and destination. Inspection procedures can result in the seizure of contents of the Spin-off Group's vessels; delays in the loading, offloading or delivery of the products carried by the Spin-off Group's vessels; and the levying of fines and other penalties against the Spin-off Group. It is possible that changes to inspection procedures could impose material additional financial and legal obligations on the Spin-off Group. Furthermore, changes to inspection procedures could also impose additional costs and obligations on the Spin-off Group's customers and may, in certain cases, render the shipment of certain types of cargo impractical or unprofitable. The occurrence of such events in the future may have a material adverse effect on the Spin-off Group's business, financial position, results of operations and prospects.

The realisation of any of these risks, including the imposition of new or increased tariffs, could have a material adverse effect on the Spin-off Group's business, financial position, results of operations and prospects.

(p) **The Spin-off Group may be adversely affected by the uncertain global economic outlook**

The Spin-off Group's business, financial condition, results of operations, profitability and prospects may be affected by general global economic conditions. Many countries have experienced increasing inflationary pressure as a result of liberal monetary policy or excessive foreign fund inflow, or both. Geopolitical issues and controversy over trade barriers have triggered the implementation or proposed implementation of tariffs on certain imported products into different nations. For example, the continued threats of tariffs, trade restrictions, trade barriers and tensions over trade and technology between the PRC and the United States, changes to The Organisation of the Petroleum Exporting Countries' oil production plan could have a generally disruptive impact on the global economy, including increases in the costs of raw materials and supplies and negatively affecting consumer spending and corporate capital expenditure confidence levels, including those of the Spin-off Group's customers and potential customers. Fast-changing trade policies could significantly undermine the stability of the global economies.

It is difficult to predict how long such a situation will last and how the markets and businesses may be affected. Accordingly, these circumstances could potentially present risks to the Spin-off Group, including increased costs for the procurement of supplies and services required for the provision of the Spin-off Group's services, dampened consumer demand and corporate spending and/or an increase in interest expenses on bank borrowings, thereby materially and adversely affecting the Spin-off Group's business operations and future financial performance. Given the uncertainties of the future economic outlook, the Spin-off Group cannot give any assurance that it will be able to maintain or continue to grow the Spin-off Group's revenue and profits, or that it will be able to react promptly to any change in economic conditions. In the

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event that it fails to react promptly to the changing economic conditions, the Spin-off Group's business, financial position, results of operations and prospects may be materially and adversely affected.

2.5 Selected Financial Information of the Spin-off Group

As at 31 December 2024, YZJ Maritime has a book value and NTA value attributable to equity holders of YZJ Maritime of approximately S\$2.20 billion. Following the Group Restructuring Exercise, the book value and NTA value attributable to equity holders of YZJ Maritime is expected to be approximately S\$2.00 billion. As YZJ Maritime is not publicly listed and its shares are not freely traded as at the Latest Practicable Date, there is no latest open market value available. Further details on the financial information of the Spin-off Group are set out in Section 3.2(b) below.

2.6 Proposed Directors and Key Executives of the Spin-off Group and the Remaining Group

2.6.1 Proposed Board of Directors and Key Executives of the Spin-off Group

It is currently envisaged that the board of directors of YZJ Maritime will comprise a total of four directors, being one executive director and three independent non-executive directors, satisfying the requirements under the Listing Manual and the Code.

Following the Proposed Spin-off, it is the intention of the Company that save as provided in Section 2.6.2 below, the Spin-off Group will be managed by a management team that is separate and independent from the management team of the Remaining Group. Both groups will have independent finance and administrative capabilities to support their respective businesses.

The proposed board of directors of YZJ Maritime and the proposed key executives of the Spin-off Group following the Proposed Spin-off are as follows:

Position	Name
Board of Directors of YZJ Maritime	
Executive Chairman	Mr. Ren Yuanlin
Lead Independent Director	Mr. Chen Timothy Teck Leng
Independent Director	Mr. Wang Jiansheng
Independent Director	Mr. Lyu Jianwei
Key executives of the Spin-off Group	
Group CEO and Head of Maritime Fund	Mr. Alex Yan Zhongbing
CFO	Ms. Xu Xinmeng
CIO	Mr. Sun Jianping
Chief Compliance Officer	Mr. Zhou Bing

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2.6.2 Board of Directors and Key Executives of the Remaining Group

Executive Chairman

Following the Proposed Spin-off, Ms. Liu Hua, the Company's current Deputy CEO and CFO, will assume the role of Executive Chairman, succeeding Mr. Ren Yuanlin.

Ms. Liu Hua joined YZJ Shipbuilding Group in November 2007 as Financial Controller and was re-designated as CFO in June 2008. Ms. Liu Hua was re-designated as the CFO and Chief Operating Officer of the Company following the completion of its restructuring exercise in connection with the 2022 Spin-off Exercise and she was appointed as Deputy CEO of the Company on 24 April 2024.

As our Deputy CEO and CFO, Ms. Liu Hua is responsible for the financial management functions, as well as the sourcing and management of funds for the Company. She oversees matters involving treasury, accounting and capital management. Ms. Liu Hua also collaborates with our Executive Chairman and the CEO in setting and driving the Enlarged Group's vision, operational strategy and hiring needs. She is responsible for driving organisational excellence by overseeing the Enlarged 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 Hua has extensive experience in finance and corporate finance management. Prior to joining YZJ Shipbuilding Group 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, Malaysia, Myanmar, Cambodia, Thailand and Vietnam.

Ms. Liu Hua 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 Hua was also admitted as a Fellow Member of the Association of Chartered Certified Accountants in 2009.

Ms. Liu Hua will be succeeded by Mr. Peng Xingkui and Mr. Qian Jiang, who will assume the roles of CEO and CFO of the Company respectively.

CEO

Mr. Peng Xingkui has extensive experience in investment management in respect of both Singapore and the PRC. Following the Proposed Spin-off, he will be the overall in-charge of the Remaining Group's Singapore and PRC operations. Mr. Peng Xingkui joined the YZJ Shipbuilding Group in April 2015 and following the completion of its restructuring exercise in connection with the 2022 Spin-off Exercise, he was re-designated as the CIO – PRC of the Company, a role which he held till 24 April 2024. Mr. Peng Xingkui is currently an investment adviser to the Enlarged Group and a member of the Enlarged Group's investment committee, where he provides recommendations and advisory support to the Board on matters relating to the Enlarged Group's strategic investments and overall investment strategy. Prior to joining the YZJ Shipbuilding Group, Mr. Peng Xingkui worked in the International Business Department of Jiangsu Jiangyin Rural Commercial Bank Co., Ltd from April 2010 to April 2015. From April 2015 to May 2016, he was the Deputy Chief of the Capital Business section of Jiangsu New Yangzi Shipbuilding Co., Ltd.. From May 2016 to May 2017 and from May 2017 to December 2019, Mr. Peng Xingkui held the position of Director of the President's Office and Investment Director of the Investment Management Department respectively in Jiangsu Yangzijiang Shipbuilding Co., Ltd. He has

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been the Head of the Investment Management Department of Jiangsu Yangzijiang Shipbuilding Co., Ltd. since January 2020. Mr. Peng Xingkui obtained a Bachelor of Economics (International Economics and Trade) degree from Shandong University of Finance and Economics in June 2007 and a Master's degree in Economics (International Trade) from the Nanjing University of Finance and Economics in April 2010.

The NC has considered:

- (a) Mr. Peng Xingkui's qualifications and past working experience, and in particular, his management and finance experience and familiarity with the Enlarged Group and its operations; and
- (b) his depth of experience of over 15 years in finance and business management.

Based on the above, the NC is of the view that Mr. Peng Xingkui has the relevant experience and is suitable for the position of CEO of the Company. Further, after making all reasonable enquiries, and to the best of their knowledge and belief, nothing has come to the attention of the NC members to cause them to believe that Mr. Peng Xingkui does not have the competence, character and integrity expected of a CEO of a listed issuer.

CFO

Mr. Qian Jiang has over 15 years of experience in auditing and financial management. He joined the Company in April 2022 as a Finance Director, where he was responsible for overseeing the Company's financial planning, risk management, and capital allocation. Mr. Qian Jiang began his career at Sichuan Changhong Co., Ltd. in June 2008, and eventually progressed to the role of Lead Auditor. In September 2010, he joined the YZJ Shipbuilding Group, where he held various supervisory and managerial positions within the finance and audit departments of YZJ Shipbuilding Group and its subsidiary, Jiangsu Xinyang Ship Investment Co., Ltd.. Mr Qian Jiang obtained his Bachelor of Auditing from the Nanjing Audit University in 2008 and is a Certified Internal Auditor.

The NC has considered:

- (a) Mr. Qian Jiang's qualifications and past working experience, in particular management and finance experience and familiarity with the Enlarged Group and its operations;
- (b) his depth of experience of over 15 years in finance and corporate finance; and
- (c) noted the absence of any negative feedback from the external auditor, PricewaterhouseCoopers LLP.

Based on the above, the NC is of the view that Mr. Qian Jiang has the relevant experience and is suitable for the position of CFO of the Company. Further, after making all reasonable enquiries, and to the best of their knowledge and belief, nothing has come to the attention of the NC members to cause them to believe that Mr. Qian Jiang does not have the competence, character and integrity expected of a CFO of a listed issuer. Further, Mr. Qian Jiang has been actively involved in the preparation and reviewing of financial statements of the Enlarged Group for the past three years including the audit process, and therefore he has sufficient knowledge and experience in preparing financial statements in accordance with the Singapore Financial Reporting Standards (International).

In connection with the Proposed Spin-off, Mr. Yee Kee Shian, Leon, who is presently an Independent Director of the Company, will be re-designated as the lead Independent Director of the Company, succeeding Mr. Chen Timothy Teck Leng, who will resign as an Independent Director of the Company and be appointed as the lead Independent Director

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of YZJ Maritime. The Company intends to appoint a third Independent Director to the Board on or prior to the Proposed Spin-off.

The Board and the key executives of the current Enlarged Group prior to the Proposed Spin-off, as well as the expected composition of the Board and the key executives of the Remaining Group and Spin-off Group, are as follows:

	The Company (Current)	The Company (After the Proposed Spin-off and Proposed Listing)	YZJ Maritime	
BOARD OF DIRECTORS				
<i>Executive Director(s)</i>	Ren Yuanlin <i>Executive Chairman and CEO</i>	Liu Hua <i>Executive Chairman</i>	Ren Yuanlin <i>Executive Chairman</i>	
<i>Independent Non-executive Directors</i>	Chen Timothy Teck Leng <i>Lead Independent Director</i>	Yee Kee Shian, Leon <i>Lead Independent Director</i>	Chen Timothy Teck Leng <i>Lead Independent Director</i>	
	Yee Kee Shian, Leon <i>Independent Director</i>	Xu Wen Jiong <i>Independent Director</i>	Wang Jiansheng <i>Independent Director</i>	
	Xu Wen Jiong <i>Independent Director</i>	To be appointed ⁵ <i>Independent Director</i>	Lyu Jianwei <i>Independent Director</i>	
KEY EXECUTIVES				
	Liu Hua <i>Deputy CEO & CFO</i>	Peng Xingkui <i>CEO</i>	Alex Yan Zhongbing <i>Group CEO and Head of Maritime Fund</i>	
	Alex Yan Zhongbing <i>CEO GEM & Head of Maritime Fund</i>	Qian Jiang <i>CFO</i>	Xu Xinmeng <i>CFO</i>	
			Sun Jianping ⁽¹⁾ <i>CIO</i>	
	Su Qing ⁽²⁾ <i>Chief Compliance Officer – PRC</i>	Mr. Alvin Chew <i>Managing Director, Head of Direct Investments</i>	Zhou Bing <i>Chief Compliance Officer</i>	
	Chiang Kheng Hong <i>Managing Director, Head of Cash Management</i>			
	Alvin Chew Lee Guan (“Mr. Alvin Chew”) ⁽³⁾ <i>Managing Director, Head of Direct Investments</i>			
Wu Menglin <i>Director of Maritime Fund Investments</i>				

⁵ The Company will announce the details of the third Independent Director to be appointed in due course.

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Notes:

- (1) Pursuant to the Group Restructuring Exercise, the Existing Import and Export Business will remain as part of the Remaining Group. Please refer to Section 5.2(b) of this Circular for further details. Notwithstanding that Mr. Sun Jianping will not be designated as an executive officer of the Company or be employed under the Remaining Group following the Proposed Spin-off, he will, on an as-required basis, continue to be consulted on matters relating to the Existing Import and Export Business of the Remaining Group until the existing contracts entered into by the Existing Import and Export Business of the Remaining Group are fully performed or until the term of such existing contracts is completed. The services of Mr. Sun Jianping for the management of the Existing Import and Export Business of the Remaining Group will only be engaged on an as-required basis. This is because the relevant contracts for the Existing Import and Export Business have already been entered into. As such, at this stage, active management is not required and the managerial role principally revolves around the monitoring of such projects.

The Company presently estimates that the management fee for the Existing Import and Export Business, in the event that such management services are required by the Remaining Group, will be less than S\$100,000 per annum, which is below the threshold prescribed under Rules 905(3) and 906(2) of the Listing Manual for the computation of interested person transactions under Rules 905 and 906 of the Listing Manual.

The Remaining Group will have an independent team of relevant personnel who will be in-charge of the day-to-day running and performance of the contracts and as such, Mr. Sun Jianping will only be needed to provide his management services on an as-required basis. In terms of the amount of fees to be paid for management services rendered by Mr. Sun Jianping, it will be charged in accordance with the amount of time spent by him on the engagement, to be *pro-rated* based on his monthly salary.

- (2) Mr. Su Qing resigned from the Enlarged Group in May 2025. Following his resignation, the Board considered the Remaining Group's future plans and strategic shift to reduce investments in the PRC and to allocate resources more equally across international markets after the Proposed Spin-off, the consequent reduction in PRC-specific regulatory and compliance requirements, the decrease in operational scale and complexity which allows for a more streamlined compliance structure, and the extensive compliance experience of the incoming CEO and CFO. The Board therefore concluded that it is not necessary to appoint a new Chief Compliance Officer – PRC for the Remaining Group, and that the CEO and CFO will assume responsibility for the Remaining Group's compliance function going forward.
- (3) Pursuant to the Group Restructuring Exercise, the Relevant Sub-funds and Projects will be part of the Spin-off Group. Please refer to Section 5.2(a) of this Circular for further details. Notwithstanding that Mr. Alvin Chew will not be designated as an executive officer of the YZJ Maritime or be employed under the Spin-off Group, he will, on an as-required basis, continue to be consulted on matters relating to Sub-fund 1, Sub-fund 4 and the Relevant GEM Direct Projects which are part of his current portfolio in his role as the Managing Director, Head of Direct Investments of the current Enlarged Group and following the Proposed Spin-off, the Remaining Group. The services of Mr. Alvin Chew for the management of Sub-fund 1, Sub-fund 4 and the Relevant GEM Direct Projects will only be engaged on an as-required basis. This is because in relation to Sub-fund 1, Sub-fund 4 and the Relevant GEM Direct Projects, the investments have already been made or committed to. As such, at this stage of the projects, active management is not required and the managerial role principally revolves around the monitoring of such investments.

The Company presently estimates that the management fee for Sub-fund 1, Sub-fund 4 and the Relevant GEM Direct Project, in the event that such management services are required by the Spin-off Group, will be less than S\$100,000 per annum, which is below the threshold prescribed under Rules 905(3) and 906(2) of the Listing Manual for the computation of interested person transactions under Rules 905 and 906 of the Listing Manual.

The Spin-off Group will have an independent team of relevant personnel who will be in-charge of the day-to-day management of the projects and as such, Mr. Alvin Chew will only be needed to provide his management services on an as-required basis. In terms of the amount of fees to be paid for management services rendered by Mr. Alvin Chew, it will be charged in accordance with the amount of time spent by him on the engagement, to be *pro-rated* based on his monthly salary.

Accordingly, given the limited and non-executive nature of Mr Alvin Chew's role and involvement in the Spin-off Group, the ad-hoc nature of his involvement with the projects, the independence of the Spin-off Group's management team overseeing the projects, and the management fees payable to Mr. Alvin Chew falling below the prescribed threshold for interested person transactions under the Listing Manual, the Audit and Risk Committee is of the view that there is no conflict of interest arising from Mr. Alvin Chew's ad-hoc involvement in the management of Sub-fund 1, Sub-fund 4 and the Relevant GEM Direct Projects.

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As illustrated above, the Company and YZJ Maritime will have entirely separate boards of directors and senior management/executive officers, save that, on an as-required basis, (a) Mr. Alvin Chew will continue to be consulted on matters relating to Sub-fund 1, Sub-fund 4 and the Relevant GEM Direct Projects and that (b) Mr. Sun Jianping will continue to be consulted on matters relating to the Existing Import and Export Business. In view of this, the Remaining Group and the Spin-off Group will be managed independently of each other after the Proposed Spin-off.

Further information on the directors, management and employees of YZJ Maritime will also be set out in the Introductory Document.

2.6.3 Independence of the finance team and administrative capabilities

To ensure the independence of the Remaining Group and the Spin-off Group, both the Remaining Group and the Spin-off Group will have their own independent finance and administrative capabilities to support their respective businesses.

Finance Team

The finance team of the Remaining Group will be headed by the Company's proposed new CFO, Mr. Qian Jiang, while Ms. Xu Xinmeng, the current financial controller of the Company, will be transferred over to the Spin-off Group as the proposed new CFO to head and oversee a separate finance team. The Remaining Group and the Spin-off Group will maintain separate financial records and independently prepare their financial statements to be reported by them respectively, following the Proposed Spin-off and Proposed Listing.

Administrative Capabilities

The Remaining Group and the Spin-off Group will have separate teams and personnel carrying out administrative functions, including human resources and information technology. The two groups will use separate servers and data storage hardware for their respective information technology functions. Such segregation will better allow each group to maintain the confidentiality of corporate data and other sensitive information.

3 THE PROPOSED SPIN-OFF

3.1 Approvals sought from the SGX-ST

Rule 210(6) of the Listing Manual prescribes that a subsidiary or parent company of an existing listed issuer will not normally be considered suitable for listing if the assets and operations of the listing applicant are substantially the same as those of the existing issuer. On 7 May 2025, the Board had sought, in its pre-clearance letter to SGX RegCo (the "**Pre-clearance Letter**"), the concurrence of the SGX-ST that the Proposed Spin-off would not amount to a chain listing in contravention of Rule 210(6) of the Listing Manual. Pursuant to its response letter sent on 1 July 2025, the SGX RegCo had advised that it concurs with the Company's view that the Proposed Spin-off would not amount to a chain listing, subject to compliance with the SGX-ST's listing requirements and guidelines. For further details, please refer to the Company's announcement dated 2 July 2025.

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The YZJ Maritime Shares will be listed on the Main Board of the SGX-ST by way of an introduction, subject to YZJ Maritime's receipt of the letter of conditional eligibility-to-list from the SGX-ST for the listing and quotation of the YZJ Maritime Shares on the Main Board of the SGX-ST. The Company will make the relevant update announcement(s) to inform Shareholders of any updates in due course in relation to the Proposed Spin-off and the Proposed Listing.

3.2 Compliance with the Spin-off Guidance

As disclosed in Section 3.1 above, the Board had sought, in the Pre-clearance Letter to the SGX-ST, the concurrence of the SGX-ST that the Proposed Spin-off would not amount to a chain listing in contravention of Listing Rule 210(6), and the SGX-ST had informed the Company on 1 July 2025 that it had no objections to the Proposed Spin-off, subject to compliance with the SGX-ST's listing requirements and guidelines. The following describes how the Proposed Spin-off complies with the Spin-off Guidance:

(a) **The businesses and assets of the Spin-off Group and its associated companies are substantially different from those of the Remaining Group**

The business of the Enlarged Group is presently divided into three separate and distinct business segments, namely, (i) the Investment Management Business, (ii) the Maritime Fund and Maritime Investments Business and (iii) the Fund Management Business.

Following the Proposed Spin-off, the Remaining Group will continue to be engaged in the Investment Management Business and the Fund Management Business, whereas the Spin-off Group and its associated companies will be engaged in the Maritime Fund and Maritime Investments Business.

Following the completion of the Proposed Spin-off, the Spin-off Group will be a pure-play maritime development company focusing on its Maritime Fund and Maritime Investments Business, while the Remaining Group will continue to focus on funds, diversified asset management capabilities and investment operations. The Company believes that there is a clear delineation between the business of the Remaining Group and the business of the Spin-off Group due to the following factors:

(i) **Business delineation**

The investments made by the Investment Management Business and the Fund Management Business are diversified across various asset classes and sectors, mainly in the Asia region, whereas the Maritime Fund and Maritime Investments Business focuses and/or is envisaged to focus on global investments specifically in the maritime industry and related maritime businesses and maritime non-financial businesses, such as ship leasing and maritime consulting.

Further, the nature of the investments by the Remaining Group and the Spin-Off Group are differentiated as well. The investments of the Remaining Group are mainly financial focused, being held as financial assets (funds and debt securities), debt investments and direct investments (in listed and unlisted equities). In contrast, save for the grouping of the Relevant Sub-funds and Projects under the Spin-off Group, the business and investments of the Spin-off Group and its associated companies tend to be more operationally focused on

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the maritime sector, including direct investment in vessels, ship chartering, ship financing and leasing and sales facilitation.

(ii) **Different risk profiles of business operations**

The Remaining Group and the Spin-off Group have different business risk profiles which arise from, *inter alia*, their different principal activities and the markets in which they operate.

The risks faced by the Remaining Group pertain largely to its Investment Management Business and Fund Management Business, which include: (a) the risk of defaults by borrowers, (b) the fact that the operating cash flow is dependent on the Remaining Group's realisation of investments in its portfolio companies, and that its earnings are derived from an appreciation of its investments, (c) the risk of an inaccurate valuation of its portfolio companies, (d) the volatility in international capital markets, (e) fluctuations and uncertainties of the financial markets, which may affect the value and returns of its funds. Such fluctuations and uncertainties can arise due to changes in factors such as interest rates, exchange rates, equity prices, commodity prices, or credit spreads and (f) regulatory and compliance risks, including licensing, reporting and conduct standards.

While the Spin-off Group may be similarly exposed to the risks that the Remaining Group faces as described above, as a maritime service provider, the Spin-off Group will be particularly exposed to specific risks pertaining to the maritime sector. Such risks include: (a) the cyclical nature of the maritime sector, and the cyclical nature of the industries it serves (e.g. the oil, natural gas, shipping, transportation and other trade-related industries), (b) global and regional economic and political conditions, developments in international trade which may affect the demand for Maritime Investments and Services, and (c) other maritime sector specific risks such as number and types of vessels available globally, delivery of new vessels and retirement of older vessels, introduction of new marine technologies, changes in marine transportation, changes in regulatory regimes governing the marine industry, fluctuations in foreign exchange and interest rates, fuel prices as well as extreme weather conditions. Any adverse changes in the maritime cycle may significantly reduce the demand for the Spin-off Group's Maritime Investments and Services. The Spin-off Group is also exposed to the risk of depreciation of the value of vessels, given that they have a finite economic life.

Please refer to Section 2.4 of this Circular for further information on the risks faced by the Spin-off Group.

(b) **The Remaining Group after the Proposed Spin-off will remain viable and profitable and the Remaining Group will continue to comply with the SGX-ST Main Board admission criteria**

(i) **The Remaining Group's business following the Proposed Spin-off will be viable and profitable**

On completion of the Proposed Spin-off, the Remaining Group will continue to focus on its remaining business segments, i.e. the Investment Management

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Business and the Fund Management Business, as described in Section 2.1 of this Circular. As at 31 December 2024, and assuming the completion of the Group Restructuring Exercise as of such date, the Remaining Group has an AUM amounting to approximately RMB10.3 billion (or equivalent to S\$1.9 billion)⁶ which comprises 62.5% of sums owing to the Remaining Group from its abovementioned debt investments business, 25.0% of cash management assets, 11.5% of venture capital investments and 1.0% of investment properties. These are expected to provide the Remaining Group with a stable revenue from capital gains and dividend yield. While the Remaining Group currently holds venture capital investments, such investments are not classified as direct investments and do not constitute the Remaining Group's direct investments in its financial statements. Rather, they are classified as fund investments.

⁶ Based on the exchange rate of RMB1.00 : S\$0.18 as at the Latest Practicable Date, as extracted from S&P Capital IQ.

Assuming the completion of the Proposed Spin-off, the *pro forma* financial performance of the Remaining Group and the Spin-off Group for each of FY2022, FY2023 and FY2024 is summarised as follows:

S\$'000	FY2022			FY2023			FY2024		
	Remaining Group ⁽¹⁾	Spin-off Group ⁽¹⁾	Total (Audited)	Remaining Group ⁽¹⁾	Spin-off Group ⁽¹⁾	Total (Audited)	Remaining Group ⁽¹⁾	Spin-off Group ⁽¹⁾	Total (Audited)
Total income	297,901	2,540	300,441	293,906	54,528	348,434	128,218	198,008	326,226
<i>As a % of the Enlarged Group</i>	99.2%	0.8%		84.4%	15.6%		39.3%	60.7%	
Profit before tax	149,129	47,267	196,396	234,655	42,462	277,117	175,329	197,807	373,136
<i>As a % of the Enlarged Group</i>	75.9%	24.1%		84.7%	15.3%		47.0%	53.0%	
Profit after tax	115,488	46,514	162,002	164,022	38,669	202,691	123,438	186,238	309,676
<i>As a % of the Enlarged Group</i>	71.3%	28.7%		80.9%	19.1%		39.9%	60.1%	
NAV attributable to the owner	3,359,582	514,237	3,873,819	2,617,818	1,218,234	3,836,052	1,870,425	2,195,430	4,065,855
<i>As a % of the Enlarged Group</i>	86.7%	13.3%		68.2%	31.8%		46.0%	54.0%	

Note:

- (1) The split between the Remaining Group and the Spin-off Group is based on the *pro forma* allocation performed by the Company's management, which is unaudited as of date of this Circular.

Based on the above, for FY2022, FY2023 and FY2024, the Remaining Group had contributed approximately 99.2%, 84.4% and 39.3% to the Enlarged Group's total income, approximately 71.3%, 80.9% and 39.9% to the Enlarged Group's profit after tax and approximately 86.7%, 68.2% and 46.0% to its NAV, respectively. The Remaining Group's businesses, namely the Investment Management Business and Fund Management Business will, following the Proposed Spin-off, remain substantial in terms of operating scale and financial contribution in their own right.

As such, the Company is of the view that on completion of the Proposed Spin-off, the business of the Remaining Group will continue to be viable and profitable.

(c) **The Remaining Group will continue to comply with the SGX-ST Main Board admission criteria following the Proposed Spin-off**

Based on the audited financial statements of the Enlarged Group for FY2022, FY2023 and FY2024, the total income, profit before tax from continuing operations and NAV of the Remaining Group and Spin-off Group are set out as follows:

S\$'000	Remaining Group		
	FY2022	FY2023	FY2024
Total income	297,901	293,906	128,218
Profit before tax from continuing operations	149,129	234,655	175,329
Profit before tax from continuing operations after excluding fair value gain/(loss) on investment properties, net	149,129	234,655	175,329
NAV attributable to the owner	3,359,582	2,617,818	1,870,425

S\$'000	Spin-off Group		
	FY2022	FY2023	FY2024
Total income	2,540	54,528	198,008
Profit before tax from continuing operations	47,267	42,462	197,807
Profit before tax from continuing operations after excluding fair value gain/(loss) on investment properties, net	47,267	42,462	197,807
NAV attributable to the owner	514,237	1,218,234	2,195,430

The Remaining Group does not anticipate any material impairment or loss as a result of the Proposed Spin-off. Accordingly, taking into consideration the historical performance of the Enlarged Group for FY2022, FY2023 and FY2024 and the Remaining Group's historical contribution to the Enlarged Group's total audited profit after tax as disclosed in the table in Section 3.2 above, the Company is of the view that Remaining Group will continue to fulfil the admission criteria for listing on the Main Board of the SGX-ST under Rules 210(2)(a) and 210(4) of the Listing Manual following the Proposed Spin-off.

Further, the Company currently meets the SGX-ST public shareholding requirements with a public float of approximately 64.17% as at 28 February 2025.

(d) Salient differences between the Remaining Group and the Spin-off Group

(i) Salient differences in key assets

The Remaining Group will continue to focus on funds and debt securities, debt investments (which include the provision of microfinance loans) and direct investments (which includes investments in listed and unlisted equities, venture capital investments and investment properties). Its key assets will include the Remaining Group's receivables from its debt investment businesses, listed and unlisted debt securities and equities that it holds, as part of its investment portfolio, all of which are not maritime related (save for the future receivables which it will receive under its Existing Import and Export Business), as well as cash and cash equivalents.

On the other hand, the Spin-off Group will engage in the Maritime Fund and Investments Business following the Proposed Spin-off. Its key assets will include equities and listed and unlisted debt securities, which are maritime-related that it holds as part of its maritime investments portfolio (save for the Relevant Sub-funds and Projects), cash and cash equivalents, as well as its maritime fund assets, including vessels.

(ii) Salient differences in major and target customers

Key customers of the Remaining Group's Investment Management Business are borrowers whom the Remaining Group extends loans to, and entities which the Remaining Group invests in. Key customers of the Remaining Group's Fund Management Business are primarily family offices and third-party funds which look to the Remaining Group to provide fund and wealth management services.

On the other hand, the Spin-off Group will be engaged in the Maritime Fund and Maritime Investments Business which will primarily focus on the ship agency and shipbroking, ship chartering and sales facilitation, direct vessel investments through acquiring vessels and ship chartering, including maritime consultancy services. The Spin-off Group will also be engaged in the provision of maritime loans, which primarily refers to the provision of pre-delivery and secured loans to companies in the shipping industry, and ramp up its Import and Export Business following the Proposed Spin-off and Proposed Listing. The key customers of the Spin-off Group would thus include the following:

- A. Ship agency, shipbroking and sales facilitation: customers include shipbuilders, shipowners and interested purchasers of vessels;
- B. Ship chartering: customers include companies looking to lease vessels e.g. container shipping and logistics companies;
- C. Maritime consultancy: customers include individuals and organisations in the maritime industry requiring guidance as to various aspects of maritime operations, including ship design, construction, safety management etc.;
- D. Maritime loans: customers include companies in the shipping industry which require financing for their purchase of vessels and maritime assets; and
- E. Import and Export Business: customers include companies which require certain shipping equipment, material and/or components.

(iii) Salient differences in major suppliers

Due to the nature of the Investment Management Business and Fund Management Business of the Remaining Group, the Remaining Group does not have any suppliers that accounted for 5% or more of its purchases for any of FY2022, FY2023 or FY2024.

On the other hand, the Spin-off Group will be engaged in the Import and Export Business and its suppliers for this business segment would be the third-party manufacturers and suppliers of such shipping equipment, material and/or components. As for its ship agency and shipbroking, ship chartering and sales facilitation, the major suppliers include shipbuilders, ship owners and financial institutions.

4 RATIONALE FOR THE PROPOSED SPIN-OFF

4.1 Rationale

The Board has considered the interests of the Shareholders and are of the view that for the following reasons, (a) there will be tangible economic benefits to the Shareholders that are substantial, quantifiable and clearly achievable and (b) maintaining the current listing structure would be detrimental to Shareholders:

The Board believes that the Proposed Spin-off will benefit the Company, Shareholders and YZJ Maritime by:

- (a) unlocking Shareholders' value;
- (b) unlocking the development potential of the Spin-off Group and the Remaining Group;
- (c) promoting financial independence and direct access to capital markets for the Spin-off Group;
- (d) allowing for greater investment flexibility; and
- (e) allowing management's attention to be more focused and foster greater accountability.

4.2 Unlocking Shareholders' value

The Proposed Spin-off is expected to increase the value to the Shareholders in the following ways:

- (a) Following the Proposed Spin-off, YZJ Maritime will function as a dedicated maritime development company, and its focus will be on unlocking value across the entire maritime value chain. From finance leasing and brokerage services to broader investment participation, YZJ Maritime aims to capitalise on its expertise in both shipbuilding and investment to proactively capture high-growth opportunities in the maritime industry, thereby generating sustainable long-term value for its shareholders. As a pure-play maritime development company, it is anticipated that YZJ Maritime will enhance market valuation through sharper capital allocation, tighter strategic focus and improved operational efficiency.

- (b) As a single entity, analysts, Shareholders and the investing public view the Enlarged Group (comprising the Remaining Group and the Spin-off Group) as one entity, despite their distinct business activities and focus. The Proposed Spin-off will also enable the Spin-off Group to be assessed and valued separately from the other businesses of the Remaining Group. The Proposed Spin-off will assist analysts, Shareholders and the investing public to better appraise the value of the Enlarged Group's different underlying businesses and sector exposure of each business segment. This will consequently allow for the value of such businesses and assets to be better reflected, thereby reducing any possible conglomerate discount.

For example, the downturn in the PRC's property market in the past years have affected the Enlarged Group's debt investments in the PRC. Notwithstanding that the Enlarged Group has demonstrated significant efforts and results to navigate the risks associated with the debt investments in the PRC over the years, including diversification of its portfolio and reducing its exposure in the PRC, increases in net reversal of credit loss allowances and prudent management of its non-performing loans, the Company believes that its market valuation continues to be affected, despite significant progress being made in the expansion and strengthening of the Maritime Fund and Maritime Investments Business. This is demonstrated by the fact that the Company's historical trailing P/NAV ratio for the last 24 months prior to the Latest Practicable Date is below its NAV, with the mean P/NAV multiple during the aforementioned period being only 0.40 times.

Therefore, by separating the Maritime Fund and Maritime Investments Business from the Enlarged Group, the Proposed Spin-off will enable the market to accord an appropriate value to each of the principal businesses currently held within the Enlarged Group, based on their respective performance and growth potential.

The Proposed Spin-off will also allow YZJ Maritime to position itself as an issuer on the SGX-ST with a unique and specific focus on maritime investments and maritime-related businesses including maritime financing, leasing and consulting, and the Company believes that YZJ Maritime will be one of the few issuers on the SGX-ST with such maritime investments and maritime-related business offerings. YZJ Maritime can also benefit from a more focused and distinctive branding and positioning, to attract more attention and support from investors, analysts, customers, and partners who are interested in or specialised in the maritime sector.

4.3 Unlocking the development potential of the Spin-off Group and the Remaining Group

The Proposed Spin-off will allow both the Spin-off Group and the Company to pursue their respective strategic priorities with greater agility and bring improvements in operational efficiency. Both groups are expected to streamline their governance, management, decision-making and reporting structures, and align each of their strategies based on their respective goals and challenges. The Proposed Spin-off will allow YZJ Maritime to concentrate on its core competencies and tap on growth opportunities in the maritime investments sector.

The Proposed Spin-off will also provide each entity with tailored capital structures aligned with their business models and investment horizons, optimising funding flexibility and capital efficiency. These are expected to enable targeted growth and responsiveness to market opportunities, position both entities to independently explore strategic partnerships, co-investments, and capital raising initiatives aligned to their unique mandates.

4.4 Promoting financial independence and direct access to capital markets for the Spin-off Group

As the Spin-off Group has been managed within the Enlarged Group's business segments as a single listed entity, banks and potential investors tend to view the Enlarged Group as one entity with indistinguishable business segments, notwithstanding their distinctive businesses and assets.

Following the Proposed Spin-off, the Spin-off Group would be able to independently and directly access capital markets based on its own merits. Shareholders and potential investors will be able to evaluate the Spin-off Group and the Remaining Group independently based on their respective performance and growth potential. The Proposed Placement also aims to raise immediate funds for the Spin-off Group to pursue its growth strategies and pave the way for future capital raising in the capital markets to fund its expansion plans without imposing financial burden on the Remaining Group.

4.5 Allowing for greater investment flexibility

The Proposed Spin-off will afford Shareholders and investors greater transparency and choice, and opportunity to align their portfolios more closely with their specific risk and investment preferences in either maritime-focused or diversified fund management strategies.

The Proposed Spin-off may entice potential investors who are keen only on investing in maritime fund and maritime investments-related businesses to invest in the Spin-off Group as a pure play, whereas without the Proposed Spin-off, they may not have considered such an investment decision due to the nature of the various businesses of the Enlarged Group. As such, both Shareholders and new investors will benefit from the flexibility to invest in the shares of either or both listed entities, in accordance with their personal preferences, investment goals and risk appetites.

4.6 Allowing management's attention to be more focused and foster greater accountability

Upon completion of the Proposed Spin-off, the management teams of the Remaining Group and the Spin-off Group will be separate. This will allow the management teams of each group to focus their attention on their assigned business segments and deliver the best possible value to their respective shareholders. The Remaining Group and the Spin-off Group are, and will be, managed by separate operational and finance teams, hence improving corporate visibility, management control and accountability, and enhancing performance measurement.

Additionally, it is envisaged that the Proposed Spin-off will enable the Spin-off Group to attract top talent from relevant fields to join the Spin-off Group in senior management positions and also as board members which will enhance the leadership team in the Spin-off Group upon completion of the Proposed Spin-off.

5 DETAILS OF THE PROPOSED SPIN-OFF

5.1 Group Restructuring Exercise

In connection with the Proposed Spin-off, the Enlarged Group is presently undertaking a restructuring exercise to consolidate the Maritime Fund and Maritime Investments Business under YZJ Maritime, details which are set out below:⁷

- (a) On 28 April 2025, YZJ Maritime was incorporated as a wholly owned subsidiary of the Company;
- (b) On 30 June 2025, GEM Direct, GEM Yield and GEM Asset Management declared dividends of US\$93.8 million (approximately S\$119.7 million) to the Company, of which an aggregate amount of approximately US\$87.5 million (approximately S\$111.6 million) was payable to the Company;
- (c) On 18 July 2025, 100% of the issued and paid-up share capital of each of GEM Direct and GEM Yield was transferred from the Company to YZJ Maritime at a consideration of S\$100 and S\$100 respectively. 100% of the issued and paid-up share capital of GEM Asset Management will also be transferred from the Company to YZJ Maritime at a consideration of S\$9.8 million, of which S\$7.3 million is to be paid in cash. Consequentially, there will be an aggregate amount of S\$2.5 million payable by YZJ Maritime to the Company for the transfers. The consideration for the transfer of GEM Direct, GEM Yield and GEM Asset Management from the Company to YZJ Maritime was arrived at on a willing-buyer-willing-seller basis, taking into consideration, among other things, the respective unaudited NAV of GEM Direct, GEM Yield and GEM Asset Management as at 30 June 2025; and
- (d) On 30 June 2025, the Company contributed (i) the net receivables due from each of GEM Direct and GEM Yield to YZJ Maritime of US\$1,361.2 million (approximately S\$1,736.6 million), which represents the aggregate net receivables previously due from GEM Direct and GEM Yield to the Company as at 30 June 2025. As part of the Group Restructuring Exercise, these receivables were novated from the Company to YZJ Maritime and contributed as consideration in kind for the issuance of new shares in YZJ Maritime to the Company, such that the Company no longer holds these receivables directly but instead holds an increased investment in YZJ Maritime, (ii) the dividend receivable of US\$87.5 million (approximately S\$111.6 million) arising from the step in (b) above, and (iii) the aggregate amount of S\$2.5 million arising from the restructuring step in (c) above owing from YZJ Maritime to the Company in return for 1,450,669,712⁸ new fully-paid shares in the capital of YZJ Maritime,

(collectively, the “**Group Restructuring Exercise**”).

Immediately after the completion of the Group Restructuring Exercise described above, the number of YZJ Maritime Shares will increase to 1,450,669,812 shares.

In addition, as the YZJ Maritime Distribution will be effected by the distribution of YZJ Maritime Shares held by the Company after the completion of the Group Restructuring Exercise, representing 100.0% of the issued YZJ Maritime Shares, to Shareholders by way of a distribution *in specie*, the Company will, in due course, approve a share split of the YZJ Maritime Shares pursuant to which 1,450,669,812 YZJ Maritime Shares will be subdivided

7 The exchange rate of US\$1.00 : S\$1.2758 based on MAS daily closing exchange rate on 30 June 2025 was used in calculating the relevant figures as disclosed in the Group Restructuring Exercise.

8 The issuance of 1,450,669,712 shares is based on a price of US\$1.00 per YZJ Maritime Share, for the aggregate amount of US\$1,450.7 million arising from the Group Restructuring Exercise.

into such number of YZJ Maritime Shares, to allow the distribution of one YZJ Maritime Share for each Share held by a Shareholder or on their behalf as at the Books Closure Date, fractional entitlements to be disregarded.

In respect of the transfer of GEM Asset Management from the Remaining Group to the Spin-off Group, the Remaining Group intends to apply for a new CMS licence from the MAS to allow it to continue conducting licensed fund management activities in Singapore. The Remaining Group will not be able to carry on any licensed fund management activities in Singapore in the period following the Proposed Spin-off and prior to the receipt of the new CMS licence (the “**Transition Period**”). However, the Company does not expect this to have any material adverse impact on its Fund Management Business because the Transition Period is not expected to be protracted. This is given that the assets held under the Fund Management Business consist primarily of cash and management fee receivables, which will not be affected by the Group Restructuring Exercise due to their liquid nature. These assets will continue to be managed and utilised by the Remaining Group in the ordinary course of business during the Transition Period.

Further, the income from the Fund Management Business of the current Enlarged Group is relatively insignificant, and the amount of fees received by the current Enlarged Group from third parties under its Fund Management Business (which excludes inter-company management fees paid from and to entities within the Enlarged Group) is approximately S\$0.08 million, S\$0.09 million and S\$0.16 million for FY2022, FY2023 and FY2024 respectively. While the Remaining Group will not be able to undertake any licensed fund management activities in Singapore during the Transition Period, it will be able to continue with its Investment Management Business. Prior to obtaining the CMS licence, the Remaining Group can structure its investments in other ways, for instance through direct investments, through channeling its funds to a third-party manager or through investing in fund of funds.

5.2 Technical overlaps in the businesses of the Remaining Group and the Spin-off Group and mitigating factors

(a) Relevant Sub-funds and Projects

GEM Growth Fund VCC, GEM Asia Private Equity (“**Sub-fund 1**”), which is an equity fund; GEM Global Fund Investment, which is a fund of funds (“**Sub-fund 3**”); GEM Asia Private Credit, which is a bond fund (“**Sub-fund 4**”) and the non-maritime investment projects directly held under GEM Direct (the “**Relevant GEM Direct Projects**” and together with Sub-fund 1, Sub-fund 3 and Sub-fund 4, the “**Relevant Sub-funds and Projects**”) will be transferred to the Spin-off Group notwithstanding that the nature of the business of the Relevant Sub-funds and Projects is related to the Remaining Group.

The rationale for this treatment is because GEM Direct is currently the sponsor to Sub-fund 2, which holds a substantial proportion of the Maritime Fund and Maritime Investments Business of the current Enlarged Group. Sub-fund 2 is a close-ended fund which generates a steady stream of income and returns through investing in maritime assets for the purposes of leasing, chartering and/or sale, and providing financing for small to medium sized shipping companies. GEM Direct holds the Relevant GEM Direct Projects and maritime phase II projects through Apatite River Shipping Pte. Ltd.. GEM Direct is also the sponsor to the sub-funds which are held under GEM Growth Fund VCC. As such, to avoid complex and potentially costly restructuring, the Relevant Sub-Funds and Projects will consequentially be transferred to the Spin-off Group along with the transfer of GEM Direct.

As the management of the Company has decided to transfer GEM Direct to the Spin-off Group, the individual sub-funds will not be transferred individually as they fall under GEM Growth Fund VCC. Therefore, the Company had previously explored transferring (a) only GEM Direct, together with its interest in Sub-fund 2, to the Spin-off Group; or (b) only the interests in Sub-fund 2 to the Spin-off Group, while GEM Direct and the Relevant Sub Funds and Projects remain with the Remaining Group. However, neither of these options were found to be cost-effective nor practical.

This is because if the Relevant Sub-funds and Projects were to remain with the Remaining Group, the transfer of GEM Asset Management (which holds a CMS licence to conduct fund management activities in Singapore) to the Spin-off Group as part of the Group Restructuring Exercise would result in the Remaining Group no longer being licensed to conduct fund management activities in Singapore, until such time the Remaining Group successfully obtains its own licence. It would be disruptive and costly for the Relevant Sub-funds and Projects to be transferred back to the Remaining Group and placed under the management of a third-party fund manager. The Company therefore believes that, in the interests of ensuring stable management of the Relevant Sub-funds and Projects, it is more pragmatic for the Relevant Sub-funds and Projects to be transferred to the Spin-off Group together with GEM Direct.

In relation to the Relevant GEM Direct Projects, there are three of such projects as at the date of this Circular. The remaining lifespans of the projects are relatively short: two of such projects are due to mature in 2026 and one in 2027. Retaining the Relevant GEM Direct Projects in the Remaining Group is also neither cost-effective nor a practical solution. Collectively, the three Relevant GEM Direct Projects represent a relatively small investment size of approximately S\$29.0 million in aggregate, which represents approximately less than 1.6% of the Remaining Group's NAV as at 31 December 2024. Accordingly, taking into consideration the small investment size of the Relevant GEM Direct Projects, the fact that they will mature relatively soon in the near future, and the potential tax exposure to GEM Direct, the factors weighing against transferring the Relevant GEM Direct Projects back to the Remaining Group outweigh any potential contribution the Relevant GEM Direct Projects might make to the Remaining Group.

Sub-fund 2 and Sub-fund 3 will be managed by GEM Asset Management. In particular, Sub-fund 2 will be managed by Mr. Alex Yan Zhongbing, who will be assisted by Ms. Wu Menglin. Sub-fund 3, which is a fund of funds, will be managed by Ms. Wu Menglin. However, for completeness, as the funds under Sub-fund 3 have already been fully deployed, it is anticipated that the management of Sub-fund 3 by Ms. Wu Menglin will largely involve a comparatively passive supervision of existing investments rather than the active making of investment decisions on the deployment of funds.

Despite this technical overlap, any conflict of interest between the business of the Relevant Sub-funds and Projects, and the Remaining Group following the Proposed Spin-off will be mitigated, as going forward:

- (i) **No investments in new equities, stocks, funds or bonds by the Relevant Sub-funds and Projects:** The Relevant Sub-funds and Projects will not invest or re-invest in any new equities, stocks, other funds or bonds and will only passively hold their existing investments and receive income and distributions from these existing investments, save for investments which were committed prior to the Proposed Spin-off. This is unlike the Remaining Group which will continue to invest in new equities, stocks, funds and bonds. Such existing investments of the

Relevant Sub-funds and Projects will mature and/or be wound down eventually, and the cash realised from the maturing and/or winding down of the investments will be recycled by the Spin-off Group into its Maritime Fund and Maritime Investments Business. In relation to Sub-fund 1, it is estimated that the completion of the maturity and/or winding down of its underlying investments which have been committed to-date is expected to take place between 2030 and 2031; in relation to Sub-fund 2, it is estimated that the completion of the maturity and/or winding down of its underlying investments which have been committed to-date is expected to take place sometime in 2028; in relation to Sub-fund 3, it is estimated that the completion of the maturity and/or winding down of its underlying investments which have been committed to-date is expected to take place between 2031 and 2033 and as for Sub-fund 4 and the Relevant GEM Direct Projects, it is estimated to take place between 2025 and 2027;

Contribution of the Relevant Sub-funds and Projects: As at 31 December 2024, the AUM of the Relevant Sub-funds and Projects amounted to approximately S\$383.9 million, which is approximately 17% of the total AUM of the Spin-off Group. The total income, profit before tax, profit after tax and NAV of the Relevant Sub-funds and Projects, and the respective percentages compared to the Enlarged Group's financials, for FY2022, FY2023 and FY2024, are set out in **Appendix B** to this Circular;

- (ii) **Deed of undertaking that the Remaining Group will not engage in any maritime fund investment opportunities:** It is currently intended that the Remaining Group will enter into a deed of undertaking in favour of the Spin-off Group to undertake that upon completion of the Proposed Listing, (A) the Remaining Group will not engage in any maritime fund investments and (B) in respect of any potential maritime fund investment opportunities, whether new or existing, the Remaining Group shall undertake to inform the Spin-off Group, and shall use all reasonable commercial endeavours to procure that the third parties renew or enter into the contracts with the Spin-off Group. To ensure compliance of the undertakings by the Remaining Group, the Audit and Risk Committee of the Company shall review and monitor every quarter that the Remaining Group does not engage in any businesses relating to maritime fund investments other than its engagements and contracts, which are entered into or committed prior to the Proposed Spin-off by the Remaining Group, and which they shall only hold and/or fulfil obligations thereunder till completion or termination of such engagements and contracts. The Audit and Risk Committee of the Company shall monitor compliance of the Remaining Group with the terms of the undertaking; and
- (iii) **The Remaining Group and the Spin-off Group will have separate boards of directors and management teams:** As illustrated in Section 2.6 above, in order to mitigate any potential conflict of interests, there will be no overlap in the directors and executive officers of the Remaining Group and the Spin-Off Group. Following the Proposed Spin-off and Proposed Listing, the Remaining Group and the Spin-off Group will have separate boards of directors and management teams. For completeness, to maintain the operational stability of Sub-fund 1, Sub-fund 4 and the Relevant GEM Direct Projects, while Mr. Alvin Chew, the Managing Director, Head of Direct Investments of the Remaining Group will not be designated as an executive officer of the YZJ Maritime or be employed under the Spin-off Group, he will continue to be consulted on matters relating to Sub-fund 1, Sub-fund 4 and the Relevant GEM Direct Projects, which are part of his current portfolio in his role as the Managing Director, Head of Direct Investments of the current Enlarged Group.

For the avoidance of doubt, the Relevant Sub-funds and Projects do not have any maritime-related investments presently.

(b) *Import and Export Entities*

The entities in the Enlarged Group which are currently engaged in the Import and Export Business (the “**Import and Export Entities**”) will remain as part of the Remaining Group. While the intention is for the Spin-off Group to conduct the Import and Export Business in the future following the Proposed Spin-off, the transfer of the Import and Export Entities to the Spin-off Group (when considered on an aggregate basis with all the other PRC investments held directly under Jiangsu New Yangtze Trading Co., Ltd.) will entail a potential significant tax exposure or liability to Jiangsu New Yangtze Trading Co., Ltd. (which is part of the Remaining Group), which is estimated to be approximately RMB300 million to RMB500 million. In contrast, the contribution of the Import and Export Business to the Enlarged Group for FY2022, FY2023 and FY2024 was relatively immaterial, amounting to less than 0.3% of the Enlarged Group’s total income for each of FY2022, FY2023 and FY2024. Accordingly, the potential tax exposure to the Remaining Group would outweigh the potential contribution of the Import and Export Entities to the Spin-off Group.

Whilst the business of the Import and Export Entities is related to and technically overlaps with the intended Import and Export Business of the Spin-off Group, any conflict of interest between the business of the Import and Export Entities and the Spin-off Group following the Proposed Spin-off will be mitigated, as going forward:

- (i) **No undertaking of new engagements or contracts by the Import and Export Entities and the Remaining Group:** The Import and Export Entities and the Remaining Group will not take on any new engagements or enter into any new contracts in relation to the Import and Export Business. The intention is only for the Remaining Group to continue to fulfil its current obligations under any existing contracts related to the Import and Export Business, to term. There is no intention on the part of the Remaining Group to renew any such existing contracts upon their expiration or to carry out or take on any new engagements in relation to the Import and Export Business, such that the existing businesses of the Import and Export Entities will be completed and/or be wound down eventually, which is estimated to take place in the next one to two years (i.e. in 2026 or 2027);
- (ii) **Contribution of the Existing Import and Export Business to the Remaining Group:** The total income, profit before tax, profit after tax and NAV of the Existing Import and Export Business, and the respective percentages compared to the Enlarged Group’s financials, for FY2022, FY2023 and FY2024, are set out in **Appendix B** to this Circular;
- (iii) **Deed of undertaking that the Remaining Group will not compete with the Import and Export Business of the Spin-off Group:** It is currently intended that the Remaining Group will enter into a deed of undertaking in favour of the Spin-off Group to undertake that upon completion of the Proposed Listing, (A) the Remaining Group (including the Import and Export Entities) will not engage in any businesses relating to the Import and Export Business other than its engagements and contracts, which are entered into or committed prior to the Proposed Spin-off, and which they shall only hold and/or fulfil obligations thereunder till completion or termination of such engagements and contracts (as the case may be) (the “**Existing Import and Export Business**”), and (B) in respect of any potential Import and Export Business opportunities, whether new or existing, the Remaining Group shall undertake to inform the Spin-off Group, and shall use all reasonable commercial endeavours to procure that the third

parties renew or enter into the contracts with the Spin-off Group. To ensure compliance of the undertakings by the Remaining Group, the Audit and Risk Committee of the Company shall review and monitor every quarter that the Remaining Group does not engage in any businesses relating to the Import and Export Business other than its engagements and contracts, which are entered into or committed prior to the Proposed Spin-off by the Import and Export Entities, and which they shall only hold and/or fulfil obligations thereunder till completion or termination of such engagements and contracts. The Audit and Risk Committee of the Company will monitor compliance of the Remaining Group with the terms of the undertaking; and

- (iv) **The Remaining Group and the Spin-off Group will have separate boards of directors and management teams:** As illustrated in Section 2.6 above, in order to mitigate any potential conflict of interests, there will be no overlap in the directors and executive officers of the Remaining Group and the Spin-Off Group. Following the Proposed Spin-off and Proposed Listing, the Remaining Group and the Spin-off Group will have separate boards of directors and management teams. For completeness, to maintain the operational stability of the Import and Export Business of the Remaining Group, while Mr. Sun Jianping, the proposed CIO of the Spin-off Group, will not be designated as an executive officer of the Company or be employed under the Remaining Group following the Proposed Spin-off, he will continue to be consulted on matters relating to the Existing Import and Export Business until the current contracts entered into by the Import and Export Business of the Remaining Group are fully performed or until the term of such contracts is completed.

For completeness, the other businesses of the Enlarged Group, namely the Investment Management Business and the Fund Management Business, will be retained in the Remaining Group following the Group Restructuring Exercise. As GEM Asset Management, the entity within the current Enlarged Group which holds the CMS licence will be transferred to the Spin-off Group, the Remaining Group can only provide fund management services under a new licence following the Proposed Spin-off, and it is in the process of applying for the new CMS licence. As at the date of this Circular, save for transactions relating to the Group Restructuring Exercise, there are no other intercompany balances between the Spin-off Group and the Remaining Group.

YZJ Maritime's submissions on the abovementioned technical overlaps are subject to regulatory review and any material developments will be set out in the Introductory Document.

5.3 Technical overlaps in the businesses of the Spin-off Group and the YZJ Shipbuilding Group and mitigating factors

By way of background, the Enlarged Group was spun-off from YZJ Shipbuilding in 2022 and the Company was listed on the Main Board of the SGX-ST in 2022. Certain businesses of the Spin-off Group are related to and technically overlap with the business of the YZJ Shipbuilding Group.

YZJ Shipbuilding is primarily focused on shipbuilding, and it derives revenue from the building and sale of completed vessels, offshore marine equipment construction, liquefied natural gas terminals, ship design and the chartering of vessels. On the other hand, following the Proposed Spin-off, YZJ Maritime will primarily focus on maritime investments, ship agency and shipbroking and the provision of ship financing services under the Maritime Fund and Maritime Investments Business. In addition, YZJ Maritime intends to also further develop the Import and Export Business following the Proposed Spin-off.

There are technical overlaps in the businesses of YZJ Shipbuilding and YZJ Maritime as both entities are or will be engaged in (i) the chartering of vessels and (ii) the provision of ship agency services and (iii) the Import and Export Business. However, such overlaps are mitigated in light of the following:

(a) *Chartering of vessels*

YZJ Shipbuilding conducts the chartering of vessels business on its own whereas YZJ Maritime undertakes this business by entering into joint ventures and/or strategic partnerships with third parties and as such, YZJ Shipbuilding will not compete with YZJ Maritime for partnership or joint venture opportunities in this respect. Further, YZJ Shipbuilding is involved in the business only in its capacity as operating owner whereas YZJ Maritime's involvement in such business is as a financial investor.

There is currently no transaction between YZJ Shipbuilding and YZJ Maritime in relation to the chartering of vessels business.

(b) *Provision of ship agency services*

YZJ Shipbuilding provides ship agency services in relation to vessels owned or built by it whereas YZJ Maritime provides ship agency services in relation to vessels owned or built by third parties.

There is currently no transactions between YZJ Shipbuilding and YZJ Maritime in relation to the ship agency business.

(c) *Import and Export Business*

YZJ Shipbuilding is involved in the Import and Export Business in relation to its own shipyards unlike YZJ Maritime, which is only involved in the Import and Export Business insofar as it relates to the provision of goods and services to its customers.

YZJ Maritime's submissions on the abovementioned technical overlaps are subject to regulatory review and any material developments will be set out in the Introductory Document.

5.4 Conditions of the Proposed Spin-off

The Proposed Spin-off and its completion are subject to:

- (a) the approval of Shareholders for the following proposals at the upcoming EGM:
 - (i) the ordinary resolutions to approve (A) the Proposed Spin-off, which constitutes a major transaction under Chapter 10 of the Listing Manual and (B) the Proposed Dilution, pursuant to Rule 805(2) of the Listing Manual; and
 - (ii) the special resolution to approve the Proposed Capital Reduction and the YZJ Maritime Distribution;
- (b) the eligibility-to-list letter from the SGX-ST for the admission of YZJ Maritime to the Official List of the SGX-ST and the listing and quotation of the YZJ Maritime Shares on the Main Board of the SGX-ST having been obtained and not having been revoked or withdrawn; and

- (c) such other approvals, authorisations, consents and confirmations from the regulatory authorities as may be required or advisable and the same remaining in force, including without limitation, such approvals from the SGX-ST and other third parties being obtained for or in connection with the Proposed Spin-off.

5.5 The YZJ Maritime Distribution

- (a) The YZJ Maritime Distribution will be effected by the distribution of YZJ Maritime Shares held by the Company after the completion of the Group Restructuring Exercise, representing 100.0% of the issued YZJ Maritime Shares, to Shareholders by way of a distribution *in specie*, on the basis of one YZJ Maritime Share for each Share held by a Shareholder or on their behalf as at the Books Closure Date, fractional entitlements to be disregarded. Fractional entitlements, if any, will be aggregated and sold for the benefit of the Company, or otherwise dealt with in such manner and on such terms and conditions as the Directors may in their discretion, deem fit. Please refer to Sections 7, 8 and 9 of this Circular for further details on the YZJ Maritime Distribution.
- (b) The effect of the YZJ Maritime Distribution is to distribute the YZJ Maritime Shares held by the Company on the basis of one YZJ Maritime Share for each Share held by Shareholders or on their behalf as at the Books Closure Date, fractional entitlements to be disregarded. On completion of the YZJ Maritime Distribution, the Company will cease to hold any YZJ Maritime Shares and Shareholders will hold listed shares in both the Company and YZJ Maritime.
- (c) Subject to the conditions in Section 5.4 above being satisfied, the Securities Accounts of Shareholders who are Depositors will be credited with YZJ Maritime Shares. Shareholders who are not Depositors will be credited with YZJ Maritime Shares by the entry of their names on the Register of YZJ Maritime to be maintained by YZJ Maritime's Share Registrar. Please refer to Section 9.3 below for further details.

5.6 Taxation

Shareholders should note that the following statements are not to be regarded as advice on the tax position of any Shareholder or on any tax implications arising from the YZJ Maritime Distribution. Shareholders who are in doubt as to their respective tax positions or any such tax implications or who may be subject to tax in a jurisdiction outside Singapore should consult their own professional advisers.

(a) Tax implications for the Shareholders

For Singapore income tax purposes, the YZJ Maritime Distribution made by the Company (being a Singapore resident company) to its Shareholders by way of the Proposed Capital Reduction should generally be classified as a return of capital (which is a capital in nature and not subject to tax). As such, for Singapore income tax purposes, the YZJ Maritime Distribution should generally not be taxable from a Singapore income tax perspective, unless the proceeds constitute taxable revenue gains or profits from a trade or business carried on by the Shareholders.

(b) Stamp Duty

The Company will bear stamp duty, if any, chargeable for the transfer of the YZJ Maritime Shares by the Company to Shareholders pursuant to the YZJ Maritime Distribution. Stamp duty is not ordinarily payable if the transfer of YZJ Maritime Shares from the Company to a Shareholder is effected through CDP since there will be no instrument of conveyance, transfer or assignment involved. However, stamp duty is payable where instruments of conveyance, transfer or assignment are required to transfer the YZJ Maritime Shares which are in the form of physical share certificates

and the total amount of stamp duty payable by the Company will be based on the market value of the YZJ Maritime Shares (as derived from the NAV of the YZJ Maritime Shares since the YZJ Maritime Shares will be distributed prior to the Proposed Listing) and the number of Shareholders who will receive the YZJ Maritime Shares in the form of physical share certificates.

5.7 Proposed Listing

The YZJ Maritime Shares will be listed on the Main Board of the SGX-ST. Shareholders who have received the YZJ Maritime Shares pursuant to the YZJ Maritime Distribution will then hold listed investments in both the Company and YZJ Maritime.

5.8 Moratorium

To demonstrate their commitment to the Spin-off Group, it is intended that each of Mr. Ren Yuanlin, Mr. Ren Letian, Julius Baer Trust Company (Singapore) Limited and YIHL will agree that in relation to all YZJ Maritime Shares held by him/it (whether directly or indirectly) immediately after the Proposed Listing (as adjusted for any bonus issue, subdivision or consolidation of YZJ Maritime Shares) (the “**Moratorium Shares**”), that he/it will not, without the prior written consent of each of the Issue Manager and YZJ Maritime, directly or indirectly:

- (a) offer, pledge, sell, contract to sell, realise, assign, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, hypothecate, grant any security over or encumber or otherwise transfer or dispose of, directly or indirectly, any of his/its shares, any securities convertible into, exercisable or exchangeable for or which carry rights to subscribe for or purchase any YZJ Maritime Shares or enter into a transaction that would have the same effect, whether any such transaction described above is to be settled by delivery of YZJ Maritime Shares or such other securities, in cash or otherwise;
- (b) enter into any swap, hedge or other transaction or arrangement (including a derivative transaction) that transfers to another, in whole or in part, any of the economic consequences of ownership of the YZJ Maritime Shares (or any securities convertible into or exercisable or exchangeable for or which carry rights to subscribe or purchase any of the YZJ Maritime Shares), whether any such transaction described above is to be settled by delivery of YZJ Maritime Shares or such other securities, in cash or otherwise;
- (c) deposit any YZJ Maritime Shares or any securities convertible into, exercisable or exchangeable for, or which carry rights to subscribe for or purchase any YZJ Maritime Shares in any depository receipt facilities (other than in a CDP designated moratorium account for the purposes of complying with his/its obligations under the deed of undertaking), whether any such transaction described above is to be settled by delivery of YZJ Maritime Shares or such other securities, in cash or otherwise;
- (d) enter into a transaction which is designed or which may reasonably be expected to result in any of the above; and
- (e) announce, agree to make any announcement, or publicly disclose any intention to do any of the above.

It is intended that the foregoing restrictions will apply to all the Moratorium Shares held by Mr. Ren Yuanlin, Mr. Ren Letian, Julius Baer Trust Company (Singapore) Limited and YIHL immediately after the Listing Date for the period commencing from the date of their

respective lock-up undertakings until the date falling six months from the Listing Date (both dates inclusive) (such period, being the “**First Lock-Up Period**”) and to 50.0% of the Moratorium Shares for the period commencing on the day immediately following the expiry of the First Lock-Up Period until the date falling 12 months from the Listing Date (both dates inclusive).

In addition, it is also intended that Julius Baer Trust Company (Singapore) Limited (in its capacity as trustee of the YZJ Settlement), which holds the entire issued share capital of YIHL, will agree that in relation to all shares in YIHL held by it immediately after the completion of the Proposed Listing (as adjusted for any bonus issue, subdivision or consolidation of shares of YIHL) (the “**YIHL Moratorium Shares**”), that it will not, without the prior written consent of each of the Issue Manager and YZJ Maritime, directly or indirectly:

- (a) offer, pledge, sell, contract to sell, realise, assign, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, hypothecate, grant any security over or encumber or otherwise transfer or dispose of, directly or indirectly, any of the YIHL Moratorium Shares, any securities convertible into, exercisable or exchangeable for or which carry rights to subscribe for or purchase any YIHL Moratorium Shares or enter into a transaction that would have the same effect, whether any such transaction described above is to be settled by delivery of YIHL Moratorium Shares or such other securities, in cash or otherwise;
- (b) enter into any swap, hedge or other transaction or arrangement (including a derivative transaction) that transfers to another, in whole or in part, any of the economic consequences of ownership of the YIHL Moratorium Shares (or any securities convertible into or exercisable or exchangeable for or which carry rights to subscribe or purchase any of the YIHL Moratorium Shares), whether any such transaction described above is to be settled by delivery of YIHL Moratorium Shares or such other securities, in cash or otherwise;
- (c) deposit any YIHL Moratorium Shares or any securities convertible into, exercisable or exchangeable for, or which carry rights to subscribe for or purchase any YIHL Moratorium Shares in any depository receipt facilities (other than in a CDP designated moratorium account for the purposes of complying with its obligations under the deed of undertaking), whether any such transaction described above is to be settled by delivery of YIHL Moratorium Shares or such other securities, in cash or otherwise;
- (d) enter into a transaction which is designed or which may reasonably be expected to result in any of the above; and
- (e) announce, agree to make any announcement, or publicly disclose any intention to do any of the above,

for the period commencing from the date of its lock-up undertaking until the date falling 12 months from the Listing Date (both dates inclusive).

It is also intended that Mr. Ren Yuanlin, as the settlor of the YZJ Settlement, will undertake to the Issue Manager and YZJ Maritime that he shall procure that each of Julius Baer Trust Company (Singapore) Limited and YIHL complies with their respective deeds of moratorium undertakings to be given to the Issue Manager and YZJ Maritime.

6 THE PROPOSED CAPITAL REDUCTION

6.1 Introduction

The Board has decided to undertake the YZJ Maritime Distribution by way of the Proposed Capital Reduction pursuant to Section 78C of the Companies Act. The Proposed Capital Reduction will be effected by returning to Entitled Shareholders surplus capital of the Company in excess of its needs by reducing the issued and paid-up share capital of the Company from approximately S\$4.09 billion at the Latest Practicable Date to approximately S\$2.09 billion, taking into account the net book value of YZJ Maritime as at 30 June 2025. **There will not be any cancellation of the Shares or reduction in the number of issued Shares. Accordingly, the number of Shares held by each Shareholder will remain the same before and immediately after the Proposed Capital Reduction. No payment will be required from Entitled Shareholders for the YZJ Maritime Distribution. The YZJ Maritime Shares will be distributed free of encumbrances and together with all rights attaching thereto on and from the date of completion of the YZJ Maritime Distribution by way of the Proposed Capital Reduction.**

Section 78C of the Companies Act requires that a public company proposing to undertake a capital reduction exercise should, *inter alia*, obtain the approval of its shareholders at a general meeting by way of a special resolution to be tabled at such general meeting.

In determining the YZJ Maritime Distribution to Shareholders, the Board has ensured that the Company has retained sufficient capital to support its existing operations and pay its debts, if any. Pursuant to this and in compliance with the provisions of Section 78C of the Companies Act, all the Directors will each make a solvency statement (the “**Solvency Statement**”) confirming that:

- (a) as regards the Company’s situation at the date of the Solvency Statement, there is no ground on which the Company could be found to be unable to pay its debts;
- (b) the Company will be able to pay its debts as and when they fall due during the period of 12 months immediately following the date of the Solvency Statement; and
- (c) 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 Capital Reduction, become less than the value of its liabilities (including contingent liabilities).

Copies of the Solvency Statement signed by the Directors will be available for inspection at the EGM, as well as at the registered office of the Company throughout the six weeks beginning with the date of the EGM.

The final number of YZJ Maritime Shares to be received by each Entitled Shareholder will depend on the total number of Shares held by the Entitled Shareholder as at the Books Closure Date, fractional entitlements to be disregarded.

6.2 Conditions Precedent to the Proposed Capital Reduction and the YZJ Maritime Distribution

Completion of the Proposed Capital Reduction and the YZJ Maritime Distribution are conditional on, *inter alia*, the following:

- (a) the Directors making the solvency statement in compliance with Section 78C of the Companies Act in relation to the reduction of the issued and paid-up share capital of the Company and compliance with other relevant solvency requirements as prescribed by the Companies Act;
- (b) the Proposed Capital Reduction to be approved by way of a special resolution, i.e. by a majority of not less than three-fourths of the Shareholders present and voting at the EGM, of which not less than 21 days' notice of the EGM shall have been given;
- (c) the Company complying with the relevant publicity requirements as prescribed in the Companies Act;
- (d) no application being made for the cancellation of the Proposed Capital Reduction resolution by any creditor of the Company within the timeframe prescribed in the Companies Act or, if such application was made, the withdrawal of such application or dismissal thereof by the judicial authorities;
- (e) lodgement of the following documents with ACRA after the end of six weeks (but before the end of eight weeks) beginning with the date of the Proposed Capital Reduction resolution:
 - (i) a statement made by the Directors confirming that the requirements under Section 78C(1)(c) of the Companies Act have been complied with, and that no application for cancellation of the resolution has been made; and
 - (ii) a notice containing information in relation to the Proposed Capital Reduction specified under the Companies Act;
- (f) such other approvals, authorisations, consents and confirmations from the regulatory authorities as may be required or advisable and the same remaining in force, including without limitation such approvals from the SGX-ST and other third parties being obtained for or in connection with the Proposed Capital Reduction, and if such approvals are given subject to any conditions, such conditions being acceptable to the Company; and
- (g) the Company complying with such other requirements under the Companies Act.

6.3 Effective Date of the Proposed Capital Reduction

As set out in Section 6.2 above, the Proposed Capital Reduction is subject to the satisfaction or, *inter alia*, the conditions set out therein. After Shareholders' approval has been obtained for the Proposed Transactions at the EGM, the Company will lodge with ACRA, amongst others, a notice containing the text of the Proposed Capital Reduction resolution. If no creditor of the Company objects to, and applies to the High Court of Singapore for the cancellation of the Proposed Capital Reduction resolution, the Company will lodge further requisite documents with ACRA as provided under Section 78E(2) of the Companies Act after the end of six weeks, and before the end of eight weeks, beginning with the date of the Proposed Capital Reduction resolution upon which the Proposed Capital Reduction will take effect. If, however, a creditor objects to, and makes an

application to the High Court of Singapore for the cancellation of, the Proposed Capital Reduction resolution, within the prescribed time periods, the Proposed Capital Reduction will only take effect if the High Court of Singapore dismisses the creditor's application. It is envisaged that the capital reduction exercise will be completed prior to the date of the Proposed Listing. The Company will then publicly announce and notify Shareholders of the effective date of the capital reduction through an SGXNET announcement.

As the YZJ Maritime Distribution will be effected by the Proposed Capital Reduction, no payment will be required from Shareholders for the YZJ Maritime Shares to be received from the YZJ Maritime Distribution. The YZJ Maritime Shares will be distributed free of encumbrances and together with all rights attaching thereto on and from the date the YZJ Maritime Distribution is effected.

7 THE YZJ MARITIME DISTRIBUTION

7.1 Rule 1006 Listing Manual Computation

Based on the latest announced consolidated financial statements of the Enlarged Group, the relative figures of the YZJ Maritime Distribution computed on the bases set out in Rule 1006 of the Listing Manual are as follows:

Listing Rule	Bases of Computation	Relative Figures (%)
Rule 1006(a)	NAV ⁽¹⁾ of the assets to be disposed of, compared with the Enlarged Group's NAV. This basis is not applicable to an acquisition of assets.	53.7 ⁽¹⁾⁽²⁾
Rule 1006(b)	Net profits ⁽³⁾ attributable to the assets acquired or disposed of, compared with the Enlarged Group's net profits.	56.0 ⁽³⁾⁽⁴⁾
Rule 1006(c)	Aggregate value of the consideration received, compared with the Company's market capitalisation based on the total number of issued Shares excluding treasury shares.	Not applicable
Rule 1006(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable
Rule 1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Enlarged Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil and gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable

Notes:

- (1) "Net asset" means total assets less total liabilities. The NAV of the assets to be disposed of was approximately S\$2.16 billion as at 30 June 2025.
- (2) 53.7% was calculated based on the proposed NAV of YZJ Maritime of approximately S\$2.16 billion out of the unaudited NAV of the Enlarged Group of approximately S\$4.02 billion as at 30 June 2025.
- (3) "Net profits" means profit or loss including discontinued operations that have not been disposed of and before income tax and non-controlling interests. The net profit before income tax, minority interest and extraordinary items attributable to assets to be disposed of was approximately S\$95.45 million for 1H2025.
- (4) 56.0% was calculated based on the net profit of approximately S\$95.45 million attributable to the assets to be disposed of out of the unaudited net profits of the Enlarged Group of approximately S\$170.27 million for 1H2025.

As the relative figures computed on the bases set out in Rules 1006(a) and 1006(b) exceed 20.0% but do not exceed 100.0%, the YZJ Maritime Distribution constitutes a major transaction as defined in Chapter 10 of the Listing Manual. Accordingly, the Company is proposing to seek the approval of the Shareholders for the YZJ Maritime Distribution at the EGM.

7.2 Valuation

No independent valuation on the YZJ Maritime Shares was carried out for the purpose of the YZJ Maritime Distribution.

7.3 Financial effects of the YZJ Maritime Distribution

The financial effects of the YZJ Maritime Distribution are set out in Section 8 below.

7.4 The proposed dilution of equity interest in YZJ Maritime arising from the Proposed Placement

It is currently intended that the YZJ Maritime Distribution and the Proposed Placement will take place concurrently with the Proposed Listing. Shareholders should note that the Placement Shares to be issued pursuant to the Proposed Placement will not affect their respective interests or entitlements under the YZJ Maritime Distribution. However, the proportionate shareholding interest of Shareholders in YZJ Maritime will ultimately be reduced, owing to the enlarged share capital of YZJ Maritime arising from the issuance of the Placement Shares in connection with the Proposed Placement. Shareholders should also note that the actual level of the dilution of their respective shareholding interest in YZJ Maritime will depend on, among other things, the Placement Price and the total number of Placement Shares to be issued in connection with the Proposed Placement.

Rule 805(2)(b) of the Listing Manual requires an issuer to obtain the prior approval of shareholders in a general meeting if a principal subsidiary issues shares or convertible securities or options that will or may result in a percentage reduction of 20.0% or more of the issuer's equity interest in the principal subsidiary, which is a subsidiary whose latest audited consolidated pre-tax profits (excluding the minority interest relating to that subsidiary) as compared with the latest audited pre-tax profits of the group (excluding minority interest relating to that subsidiary) accounts for 20.0% or more of such pretax profits of the group. In determining profits, exceptional and extraordinary items are to be excluded.

The unaudited consolidated pre-tax profit of the Spin-off Group (excluding minority interests) for FY2024 was approximately S\$197.8 million while the audited consolidated pre-tax profit of the Enlarged Group (excluding non-controlling interests) was S\$373.1 million. Accordingly, the Spin-off Group accounted for approximately 53.0% of the Enlarged Group's pre-tax profit for FY2024 and hence is considered a principal subsidiary of the Company.

Under the Proposed Placement, new shares in the capital of YZJ Maritime are proposed to be issued. Although the relevant details of the Proposed Placement have not been determined presently, as at the Latest Practicable Date, the Company envisages that based on an amount of up to S\$250 million to be raised from the Proposed Placement, it will result in a percentage reduction of 20.0% or more of the Company's equity interest in YZJ Maritime, under Rule 805(2)(b) of the Listing Manual. Following the completion of the Proposed Capital Reduction and YZJ Maritime Distribution but prior to the completion of the Proposed Placement, the Company's equity interest in YZJ Maritime will be reduced to 0%. Following completion of the Proposed Placement, the Company's equity interest in YZJ Maritime is still expected to be 0% as none of the Placement Shares are expected to be issued to the Company. Accordingly, in addition to Shareholders' approval for the Proposed Spin-off, the Company is seeking Shareholders' approval for the Proposed Dilution at the EGM.

8 FINANCIAL EFFECTS OF THE PROPOSED CAPITAL REDUCTION AND THE YZJ MARITIME DISTRIBUTION

8.1 Bases and Assumptions

The *pro forma* financial effects of the Proposed Capital Reduction and the YZJ Maritime Distribution on the Company as set out below are purely for illustrative purposes only and are neither indicative nor do they represent any projection of the actual future financial position or financial performance of the Remaining Group after completion of the Proposed Capital Reduction and the YZJ Maritime Distribution.

The *pro forma* financial effects of the Proposed Capital Reduction and the YZJ Maritime Distribution on the Company as set out below have been prepared based on the audited consolidated financial statements of the Enlarged Group and the unaudited combined financial statements of the Spin-off Group for FY2024 and the following bases and assumptions:

- (a) the transaction costs incurred for the Group Restructuring Exercise and the YZJ Maritime Distribution are insignificant and ignored for computational purposes;
- (b) in relation to balance sheet items, the Group Restructuring Exercise and the YZJ Maritime Distribution had been completed on 31 December 2024; and
- (c) in relation to profit and loss items, the Group Restructuring Exercise and the YZJ Maritime Distribution had been completed on 1 January 2024.

Following the Proposed Spin-off, the Remaining Group's business segments comprising the Investment Management Business and the Fund Management Business, the core operations of which are entirely distinct and different from that of the Spin-off Group, will have sufficient levels of operations to support the Company's listing on the Main Board of the SGX-ST after the Proposed Spin-off and as such the Proposed Spin-off (comprising the YZJ Maritime Distribution and the Proposed Listing) is not expected to have a material impact on the business, financial condition and results of the operations of the Remaining Group.

8.2 Share Capital

The Proposed Capital Reduction and YZJ Maritime Distribution will not have any impact on the number of Shares held by Shareholders after the Proposed Capital Reduction and YZJ Maritime Distribution. The *pro forma* financial effects of the Proposed Capital Reduction and YZJ Maritime Distribution on the share capital of the Company for FY2024 are as follows:

	Before the Proposed Capital Reduction and the YZJ Maritime Distribution	After the Proposed Capital Reduction and the YZJ Maritime Distribution
Number of issued Shares	3,480,450,520	3,480,450,520
Amount of issued and paid-up share capital of the Company (S\$)	4,092,802,534 ⁽¹⁾	2,087,472,534

Note:

(1) This number differs from S\$3,653,262,000 as stated in the Company's FY2024 annual report due to differences arising from currency conversion.

8.3 Earnings per Share

	Before the Proposed Capital Reduction and the YZJ Maritime Distribution	After the Proposed Capital Reduction and the YZJ Maritime Distribution
Profit after tax ⁽¹⁾ attributable to equity holders of the Company for FY2024 (S\$ million)	304.6 ⁽²⁾	123.4
Weighted average number of issued Shares as at 1 January 2024, being the beginning of the most recently completed financial year whose results have been announced (excluding treasury shares)	3,519,420,361	3,519,420,361
EPS (S\$ cents)	8.66	3.51

Notes:

(1) The profit after tax is inclusive of the contribution from the Import and Export Entities that are retained with the Remaining Group after the Group Restructuring Exercise.

(2) The profit after tax attributable to equity holders of the Company of S\$304.6 million for FY2024 represents the amount after deducting the share of profit attributable to non-controlling interests from the total profit after tax of S\$309.7 million.

8.4 NTA

	Before the Proposed Capital Reduction and the YZJ Maritime Distribution	After the Proposed Capital Reduction and the YZJ Maritime Distribution
Consolidated NTA ⁽¹⁾ attributable to equity holders of the Company as at 31 December 2024, being the end of the most recently completed financial year whose results have been announced (S\$ million)	4,065.9	1,870.4
Number of issued Shares as at 31 December 2024 (excluding treasury shares) in the share capital of the Company	3,480,450,520	3,480,450,520
NTA per Share (S\$)	1.17	0.54

Note:

- (1) The consolidated NTA is inclusive of the contribution from the Import and Export Entities that are retained with the Remaining Group after the Group Restructuring Exercise.

8.5 Gearing

	Before the Proposed Capital Reduction and the YZJ Maritime Distribution	After the Proposed Capital Reduction and the YZJ Maritime Distribution
Loans and borrowings as at 31 December 2024 (S\$ million) ⁽¹⁾	23.6	–
Lease liabilities as at 31 December 2024 (S\$ million)	0.3	0.3
Cash as at 31 December 2024 (S\$ million)	1,413.3	433.0
Total debt (S\$ million)	23.9	0.3
Net debt/Total equity ratio (times)	Net Cash	Net Cash
Net debt (without lease liabilities)/Total equity ratio (times)	Net Cash	Net Cash

Note:

- (1) The bank borrowings previously related to cash enhancement products under the Enlarged Group's cash management activities and were not attributable to the Maritime Fund and Maritime Investments Business. As these cash management activities will be transferred to the Spin-off Group pursuant to the Proposed Spin-off, there will be no borrowings remaining with the Remaining Group. As of 30 June 2025, there are no outstanding bank borrowings relating to both the Remaining Group and the Spin-off Group.

8.6 Impact on profit or loss on the YZJ Maritime Distribution

There is no immediate impact on profit or loss on the YZJ Maritime Distribution since from an accounting perspective, the YZJ Maritime Distribution is considered to be a distribution rather than a disposal. The YZJ Maritime Shares will be distributed to the Entitled Shareholders in proportion to their shareholding in the Company as at the Books Closure Date, fractional entitlements to be disregarded.

9 ADMINISTRATIVE PROCEDURES FOR THE YZJ MARITIME DISTRIBUTION

9.1 Books Closure Date and Entitlements

Persons registered in the Register and Depositors whose Securities Accounts are credited with Shares as at the Books Closure Date will be entitled to receive one YZJ Maritime Share for each Share held by them or on their behalf as at the Books Closure Date, fractional entitlements to be disregarded.

Subject to the Proposed Transactions being approved by Shareholders at the EGM and the conditions in this Circular being satisfied, the transfer books and Register of the Company will be closed for the purpose of determining the entitlement of Entitled Shareholders to the YZJ Maritime Distribution and the Company will announce the Books Closure Date in due course. Persons registered in the Register and Depositors whose Securities Accounts are credited with Shares as at the Books Closure Date would be entitled to receive one YZJ Maritime Share for every Share held by them or on their behalf, fractional entitlements to be disregarded, as at the Books Closure Date. Entitled Shareholders who are not Depositors will be credited with YZJ Maritime Shares by the entry of their names on the Register of YZJ Maritime to be maintained by YZJ Maritime’s Share Registrar. It is expected that the crediting of YZJ Maritime Shares to the Securities Accounts of Entitled Shareholders or by the entry of their names on the Register of YZJ Maritime will take place on or around the date of listing of YZJ Maritime on the Main Board on the SGX-ST.

For illustrative purposes, Shareholders as at the Books Closure Date shall receive YZJ Maritime Shares as follows:

	Number of YZJ Maritime Shares the Shareholder is entitled
If a Shareholder holds 1,000 Shares as at the Books Closure Date	1,000 YZJ Maritime Shares
If a Shareholder holds 250 Shares as at the Books Closure Date	250 YZJ Maritime Shares

9.2 Depositors

In the case of Shareholders being Depositors, entitlements to the YZJ Maritime Shares will be determined on the basis of the number of Shares standing to the credit of their respective Securities Accounts as at the Books Closure Date, fractional entitlements to be disregarded. Following the Books Closure Date, CDP will credit the Securities Accounts with the relevant number of YZJ Maritime Shares on the credit date to be announced by the Company in due course and CDP will send to each such Depositor a notification letter confirming the number of YZJ Maritime Shares that has been credited to the Depositor’s Securities Account.

9.3 Scrip Shareholders

In the case of Shareholders who hold Shares registered in their own names in the Register, entitlements to the YZJ Maritime Shares will be determined on the basis of their holdings of Shares in the Register as at the Books Closure Date. Following the Books Closure Date, the names of each such Shareholder as well as the relevant number of YZJ Maritime Shares to be distributed to such Shareholder will be entered into the Register of YZJ Maritime and the share certificates in respect of the YZJ Maritime Shares will be sent to them by registered post to their address stated in the Register of YZJ Maritime. Shareholders should note that they will not be able to trade in such YZJ Maritime Shares on the SGX-ST unless they have a Securities Account and make appropriate arrangements for the share certificates of the YZJ Maritime Shares to be deposited with CDP for crediting into the said Securities Account.

Shareholders holding their Shares in scrip form and who wish to have the YZJ Maritime Shares credited to their Securities Accounts pursuant to the YZJ Maritime Distribution or wish to trade the YZJ Maritime Shares on the SGX-ST on or immediately after the YZJ Maritime Distribution should deposit with CDP their existing share certificates in respect of their Shares, together with the duly executed instruments of transfer in favour of CDP, no later than 5.00 p.m. on the date falling 12 Market Days prior to the Books Closure Date so as to enable CDP to credit their Securities Accounts with the relevant Shares by the Books Closure Date and thereafter for CDP to credit their Securities Accounts with the YZJ Maritime Shares.

9.4 CPFIS Investors

In the case of Shareholders who have purchased Shares using their CPF funds, entitlements to the YZJ Maritime Shares will be determined based on the number of Shares standing to the credit of their respective investment accounts with the CPFIS Agent Banks as at the Books Closure Date. Following the Books Closure Date, CDP will credit their CPFIS Agent Banks' Securities Accounts with the relevant number of YZJ Maritime Shares on the credit date to be announced by the Company in due course. The respective CPFIS Agent Banks will notify the relevant Shareholders of the credit and such Shareholders are advised to consult their CPFIS Agent Banks as to the crediting status of their YZJ Maritime Shares in their respective investment accounts as CDP will not be sending any notifications to such Shareholders.

9.5 Overseas Shareholders

You will be regarded as an Overseas Shareholder if your registered address on the Register or the Depository Register (as the case may be) is not in Singapore as at the Books Closure Date. Shareholders who wish to change their registered address on the Register and the Depository Register (as the case may be) to provide an address in Singapore in substitution thereof prior to the Books Closure Date may do so by sending a notice in writing to the Company's Share Registrar (in the case of a change of address on the Register) and CDP (in the case of a change of address on the Depository Register), respectively not later than three Market Days prior to the Books Closure Date.

Where the Directors are of the view that the distribution of the YZJ Maritime Shares to any Overseas Shareholders may infringe any relevant foreign law or may necessitate compliance with conditions or requirements which they, in their sole and absolute discretion, regard as onerous or impracticable by reason of costs, delay or otherwise, the YZJ Maritime Shares which such Overseas Shareholders would have been entitled to pursuant to the YZJ Maritime Distribution (the "**Overseas Shareholders' YZJ Maritime Shares**") **will not** be distributed to such Overseas Shareholders. Instead, the Overseas

Shareholders' YZJ Maritime Shares shall be transferred to such person(s) as the Company may appoint who shall sell the Overseas Shareholders' YZJ Maritime Shares and thereafter distribute the aggregate amount of the net proceeds, after deducting for all dealings and other expenses in connection therewith, proportionately among such Overseas Shareholders according to their respective entitlements to the YZJ Maritime Shares as at the Books Closure Date in full satisfaction of their rights to the YZJ Maritime Shares which they would otherwise have become entitled to under the YZJ Maritime Distribution. Where such YZJ Maritime Shares are sold on the SGX-ST, they will be sold at such time and at such price or prices as the Company may, in its sole and absolute discretion, decide and no Overseas Shareholder shall have any claim whatsoever against the Company, YZJ Maritime, the Financial Adviser, CDP, CPF and/or YZJ Maritime's Share Registrar and their respective officers in connection therewith.

Where the net proceeds to which any particular Overseas Shareholder is entitled are less than S\$10.00, such net proceeds shall be retained for the benefit of the Company, and no Overseas Shareholder shall have any claim whatsoever against the Company or any other person in connection therewith.

For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than Singapore, where Shareholders may have their registered addresses, the Introductory Document has not been and will not be despatched to any jurisdictions outside Singapore. Overseas Shareholders who wish to change their registered address on the Register and the Depository Register (as the case may be) to provide an address in Singapore in substitution thereof prior to the Books Closure Date may do so by sending a notice in writing to the Company's Share Registrar (in the case of a change of address on the Register) and CDP (in the case of a change of address on the Depository Register), respectively not later than three Market Days prior to the Books Closure Date.

10 INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, the Company has an existing issued and paid-up share capital of 3,480,450,520 Shares. The interests of Directors and Substantial Shareholders in the Shares, as at the Latest Practicable Date, are as follows:

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Directors						
Mr. Ren Yuanlin ⁽¹⁾	–	–	852,845,825	24.50	852,845,825	24.50
Mr. Chen Timothy Teck Leng	–	–	–	–	–	–
Mr. Yee Kee Shian, Leon	–	–	–	–	–	–
Mr. Xu Wen Jiong	–	–	–	–	–	–
Substantial Shareholders (other than Directors)						
Mr. Ren Letian ⁽²⁾	–	–	1,018,643,195	29.27	1,018,643,195	29.27
Ms. Ren Qifan ⁽³⁾	–	–	852,845,825	24.50	852,845,825	24.50
YIHL	852,845,825	24.50	–	–	852,845,825	24.50

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Julius Baer Trust Company (Singapore) Limited as trustee of YZJ Settlement ⁽⁴⁾	–	–	852,845,825	24.50	852,845,825	24.50
Sapphire Skye Limited (as nominee of Zedra Trust Company (Singapore) Limited) ⁽⁵⁾	–	–	419,566,200	12.06	419,566,200	12.06
Lido Point Investments Ltd	419,566,200	12.06	–	–	419,566,200	12.06

Notes:

- (1) Mr. Ren Yuanlin is the settlor and a beneficiary of the YZJ Settlement, which is revocable by the settlor and established as a “purpose trust”. Under the terms of the YZJ Settlement, Mr. 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 Settlement. 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 YIHL, which in turn holds 852,845,825 Shares as assets of the YZJ Settlement. Accordingly, Mr. Ren Yuanlin is deemed to be interested in the 852,845,825 Shares held by YIHL, by virtue of Section 4 of the SFA.
- (2) Mr. Ren Letian is a beneficiary of the YZJ Settlement, pursuant to a Deed of Addition of Beneficiary dated 22 May 2025. Accordingly, Mr. Ren Letian is deemed to be interested in 852,845,825 Shares held by YIHL, by virtue of Section 4 of the SFA. Additionally, Mr. 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.
- (3) Ms. Ren Qifan is a beneficiary of the YZJ Settlement, pursuant to a Deed of Addition of Beneficiary dated 16 July 2025. She has a deemed interest in the 852,845,825 Shares held by YIHL, by virtue of Section 4 of the SFA. Notwithstanding that Ms. Ren Qifan, being a beneficiary of the YZJ Settlement, is deemed to be interested in 15.0% or more of the voting shares of the Company, she only receives an economic benefit under YZJ Settlement but has no control over the property comprised in the YZJ Settlement and also does not, in fact, have any voting rights in or exercise control over the Company.
- (4) Julius Baer Trust Company (Singapore) Limited is the trustee of the YZJ Settlement. Julius Baer Trust Company (Singapore) Limited wholly owns YIHL, which holds 852,845,825 Shares as assets of the YZJ Settlement. 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 YIHL.
- (5) 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 YZJ Shipbuilding and its subsidiaries (“**Lido Trust**”). Under the terms of Lido Trust, Zedra Trust Company (Singapore) Limited manages 419,566,200 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 419,566,200 Shares held by Lido Point Investments Ltd.

As at the Latest Practicable Date, save as disclosed, none of the Directors or the Substantial Shareholders or their respective associates have any direct or indirect interest in the Proposed Transactions, other than through their respective directorships and shareholding interests in the Company (if any).

11 SERVICE CONTRACTS

No person is proposed to be appointed as a Director of the Company in connection with the Proposed Transactions, save that in connection with the Proposed Spin-off, it is proposed that Ms. Liu Hua will be appointed as the Executive Chairman of the Company and that a third Independent Director of the Company will be appointed, and it is intended that in the case of (i) Ms. Liu Hua, she will enter into a new service contract or deed of amendment to vary her existing service contract with the Company and (ii) in the case of the third independent director, he or she will enter into an appointment letter with the Company respectively.

12 CONDITIONALITY OF THE RESOLUTIONS TO BE PASSED

In voting for the resolutions set out in the Notice of EGM, Shareholders should note that the Ordinary Resolution 1 on the Proposed Spin-off, Ordinary Resolution 2 on the Proposed Dilution and the Special Resolution on the Proposed Capital Reduction and YZJ Maritime Distribution are inter-conditional upon one other. This means that if either the Ordinary Resolution 1 on the Proposed Spin-off, Ordinary Resolution 2 on the Proposed Dilution or the Special Resolution on the Proposed Capital Reduction and YZJ Maritime Distribution is not approved by Shareholders, all of Ordinary Resolution 1 on the Proposed Spin-off, Ordinary Resolution 2 on the Proposed Dilution and the Special Resolution on the Proposed Capital Reduction and YZJ Maritime Distribution will not be passed.

13 DIRECTORS' RECOMMENDATIONS

Having considered the terms of and the rationale for the Proposed Transactions (including the technical overlaps between the Company and the Spin-off Group as set out in Section 5.2 above), the Directors are of the opinion that the Proposed Transactions are in the best interests of the Company and the Shareholders, including minority Shareholders. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolutions to approve the Proposed Spin-off, which constitutes a major transaction under Chapter 10 of the Listing Manual and to approve the Proposed Dilution pursuant to Rule 805(2) of the Listing Manual and the Special Resolution to approve the Proposed Capital Reduction and the YZJ Maritime Distribution at the EGM.

14 EGM

The EGM, notice of which is set out at pages N-1 to N-5 of this Circular, will be held at 60 Stevens Road, Level 2, Metropolitan YMCA Singapore, The Vine Ballroom, Singapore 257854 on 4 September 2025 at 3.00 p.m., for the purpose of considering and, if thought fit, passing with or without any modification(s), Ordinary Resolution 1, Ordinary Resolution 2 and the Special Resolution, as set out in the Notice of EGM.

15 ACTION TO BE TAKEN BY SHAREHOLDERS

15.1 Submission of Proxy Forms to vote

The Resolutions will require Shareholders' approval at the EGM, notice of which is set out at pages N-1 to N-5 of this Circular.

Voting Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend on their behalf are requested to complete, sign and return the Proxy Form appended in this Circular in accordance with the instructions printed thereon as soon as possible and, in any event, and (a) if submitted by post, be lodged at the registered office of the Company at 9 Raffles Place #26-01, Republic Plaza, Singapore 048619 or (b) if submitted electronically, be submitted via email to public@yzjfin.com (Attention: YZJFH Team), not less than 72 hours before the time appointed for holding the EGM.

The completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM if he subsequently wishes to do so. In such an event, the Proxy Form shall be deemed to be revoked.

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote at the EGM unless he is shown to have Shares entered against his name in the Depository Register, as certified by the CDP at least 72 hours before the EGM.

In the event that Shareholders and other investors are in doubt as to the actions they should take, they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

15.2 Submission of Questions in Advance

Shareholders can submit substantial and relevant questions relating to the resolutions to be tabled for approval at the EGM, in advance of the EGM, to the Company electronically via email to kamal@financialpr.com.sg and zhouyan@financialpr.com.sg (Attention: YZJFH Team), by 3.00 p.m. on 28 August 2025 (the “**Cut-Off Time**”).

When submitting substantial and relevant questions electronically via email or by post, Shareholders must provide the Company with the following details to enable the Company to verify their status as Shareholders: (a) status: individual shareholder or corporate representative; (b) full name/full company name (as per CDP/CPF/SRS/Scrip-based records); (c) NRIC/FIN/Passport number/Registration number; (d) email address; and (e) contact number (optional).

Persons who hold Shares through Relevant Intermediaries (as defined under Section 181(6) of the Companies Act) (other than CPF/SRS investors) should contact their respective Relevant Intermediaries through which they hold such Shares to submit their questions relating to the resolutions to be tabled for approval at the EGM based on the abovementioned instructions.

The Company will endeavour to address all substantial and relevant questions received from Shareholders prior to the EGM, before or during the EGM.

16 ADVISERS

In relation to the Proposed Transactions:

- (a) SAC Capital Private Limited has been appointed as the Financial Adviser to the Company; and
- (b) Rajah & Tann Singapore LLP has been appointed as the legal adviser to the Company as to Singapore law.

17 CONSENTS

- (a) SAC Capital Private Limited, named as the financial adviser to the Company in relation to the Proposed Transactions, has given and has not withdrawn its written consent to the issuance of this Circular with the inclusion of its name, the statements in Section 19 below and all references thereto, in the form and context in which they appear in this Circular; and

- (b) PricewaterhouseCoopers LLP, named as the independent auditor to the Company, has given and has not withdrawn its written consent to the issuance of this Circular with the inclusion of its name, and all references thereto, in the form and context in which they appear in this Circular.

18 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Transactions, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular 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 this Circular in its proper form and context.

19 FINANCIAL ADVISER'S RESPONSIBILITY STATEMENT

To the best of the Financial Adviser's knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Transactions, the Company and its subsidiaries, and the Financial Adviser is not aware of any facts the omission of which would make any statement in this Circular misleading.

20 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 9 Raffles Place #26-01, Republic Plaza, Singapore 048619, during normal business hours for three months from the date of this Circular:

- (a) the annual report of the Company for FY2024;
- (b) the Constitution of the Company;
- (c) the resolutions and transfer agreements entered in connection with the Group Restructuring Exercise;
- (d) the audited consolidated financial statements of the Enlarged Group for FY2024; and
- (e) the consent letters stated in Section 17 of this Circular.

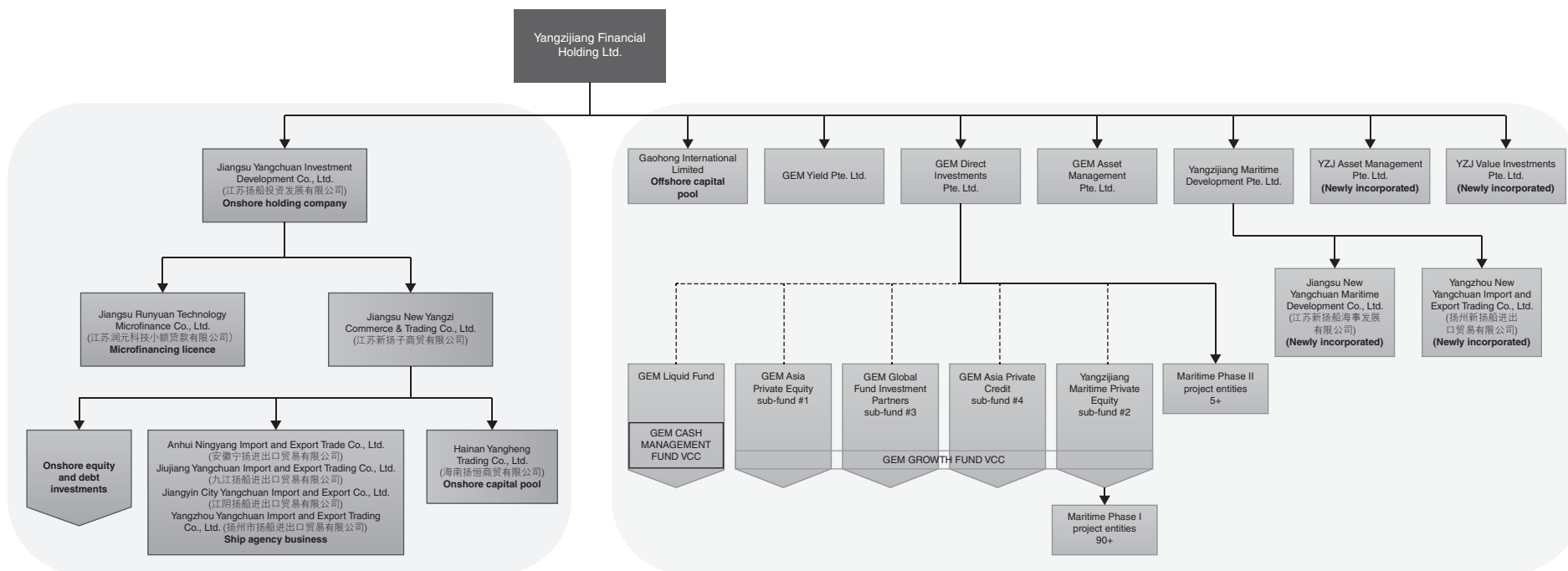
Yours faithfully

For and on behalf of the Board of Directors of Yangzijiang Financial Holding Ltd.

Ren Yuanlin
Executive Chairman and CEO

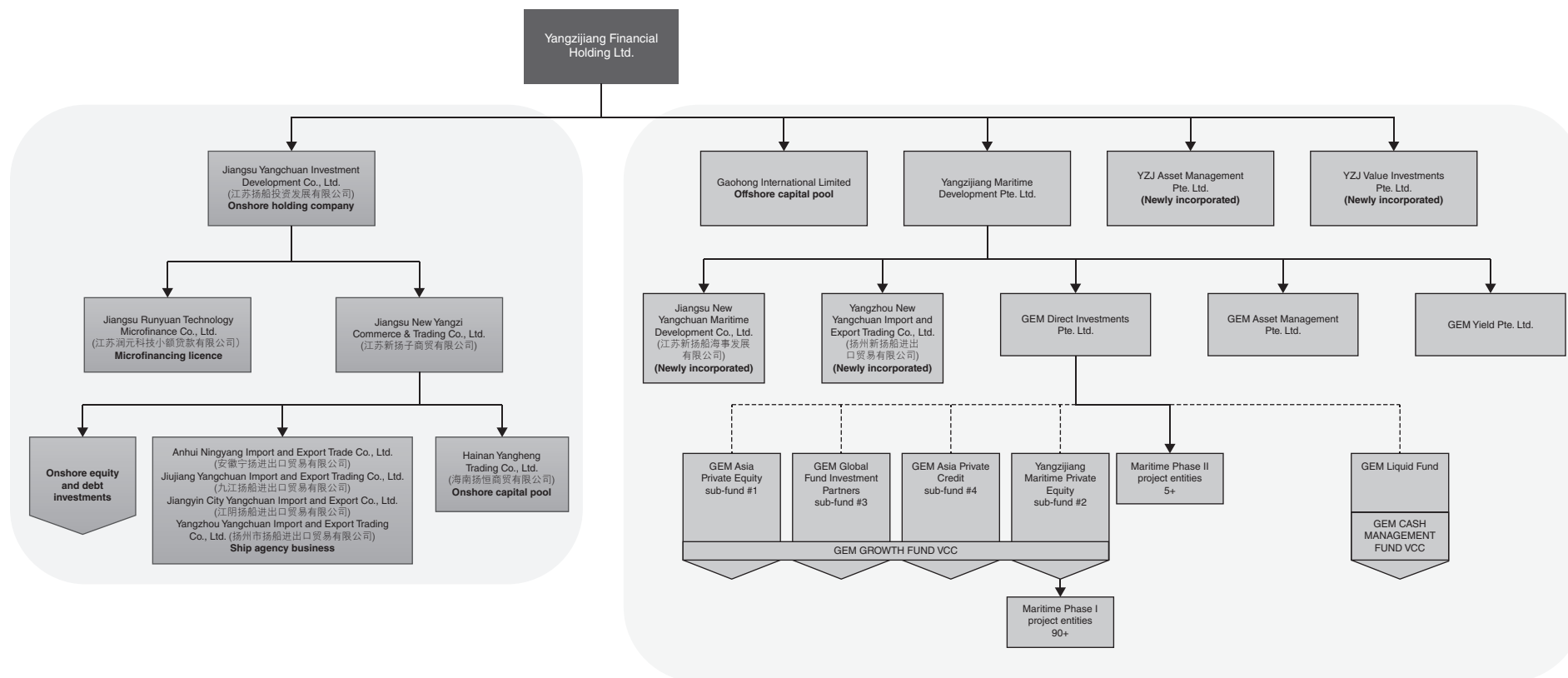
APPENDIX A – GROUP STRUCTURE BEFORE AND AFTER THE PROPOSED SPIN-OFF

Enlarged Group Structure before the Group Restructuring Exercise



APPENDIX A – GROUP STRUCTURE BEFORE AND AFTER THE PROPOSED SPIN-OFF

Enlarged Group Structure after the Group Restructuring Exercise, before the Proposed Spin-off

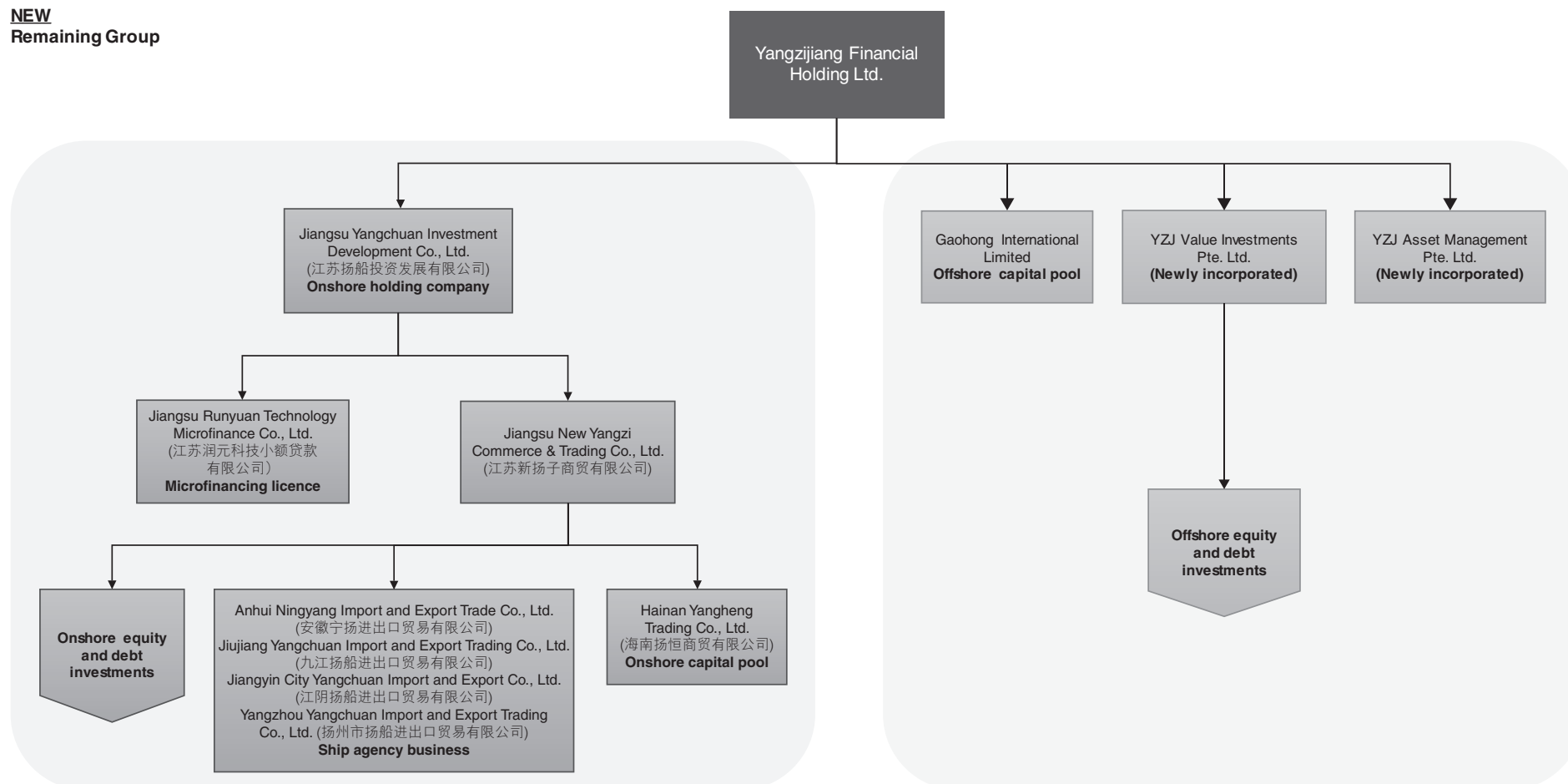


APPENDIX A – GROUP STRUCTURE BEFORE AND AFTER THE PROPOSED SPIN-OFF

Remaining Group Structure After the Proposed Spin-off

NEW

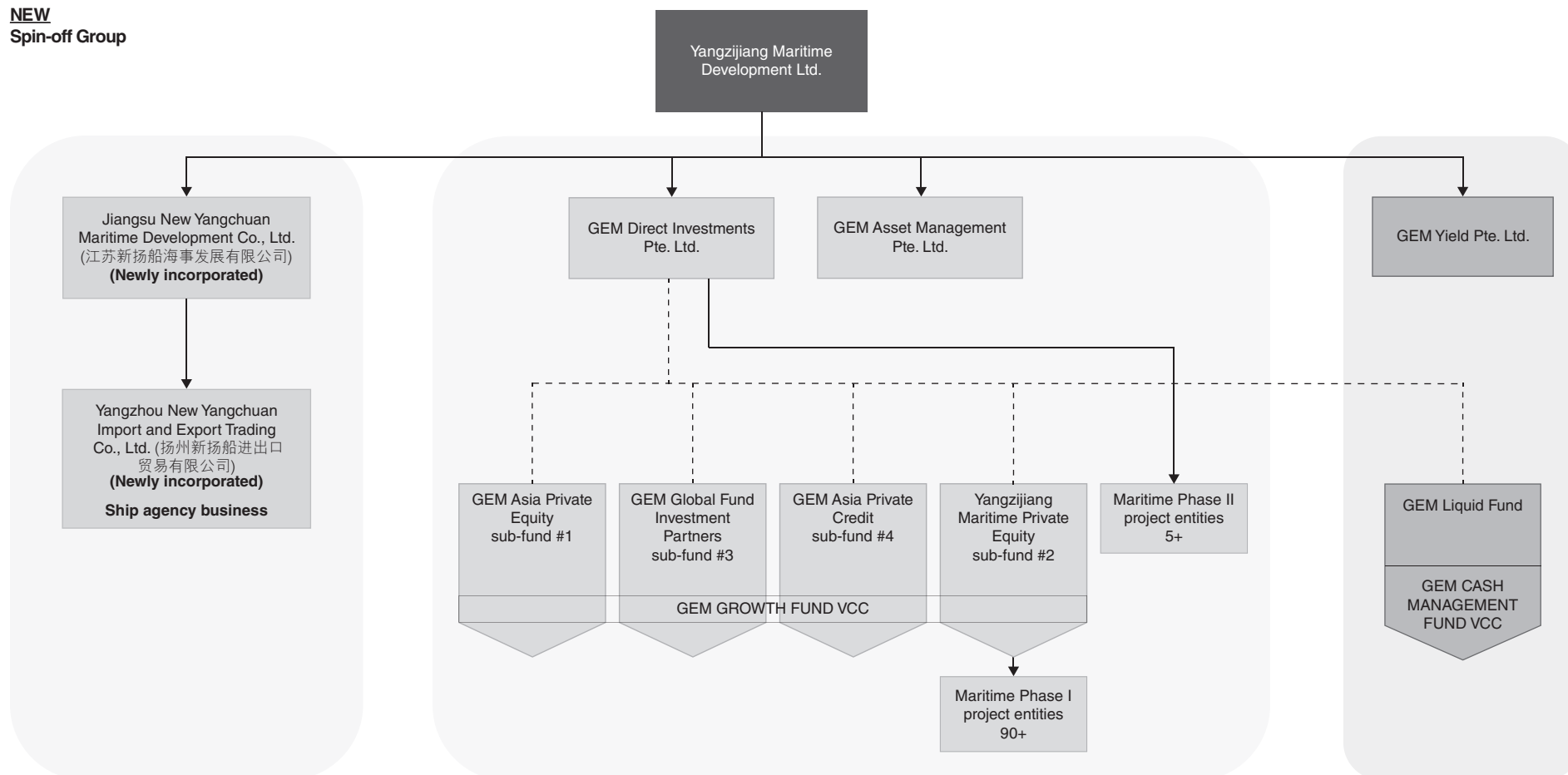
Remaining Group



APPENDIX A – GROUP STRUCTURE BEFORE AND AFTER THE PROPOSED SPIN-OFF

Spin-off Group Structure After the Proposed Spin-off

NEW
Spin-off Group



APPENDIX B – SELECTED FINANCIAL INFORMATION OF THE ENLARGED GROUP BEFORE AND AFTER THE PROPOSED SPIN-OFF

Relevant Sub-funds and Projects	Total Income (S\$ million)/ Percentage against Enlarged Group's total income (%)	Profit/(Loss) before tax (S\$ million)/ Percentage against Enlarged Group's profit before tax (%)	Profit/(Loss) after tax (S\$ million)/ Percentage against Enlarged Group's profit after tax (%)	NAV (S\$ million)/ Percentage against Enlarged Group's NAV (%)
FY2022	Nil	(0.1)/*	(0.2)/*	65.2/1.7
FY2023	20.7/5.9	20.5/7.4	19.9/9.8	187.0/4.9
FY2024	38.2/11.7	34.8/9.3	34.7/11.2	383.9/9.4

Import and Export Business	Total income (S\$ million)/ Percentage against Enlarged Group's total income (%)	Profit/(Loss) before tax (S\$ million)/ Percentage against Enlarged Group's profit before tax (%)	Profit/(Loss) after tax (S\$ million)/ Percentage against Enlarged Group's profit after tax (%)	NAV/(NAL) (S\$ million)/ Percentage against Enlarged Group's NAV (%)
FY2022	*/*	*/*	*/*	19.3/0.5
FY2023	0.2/0.1	(0.2)/(0.1)	(0.2)/(0.1)	(0.2)/*
FY2024	0.8/0.2	1.9/0.5	1.4/0.5	1.2/*

Note:

* Negligible

NOTICE OF EXTRAORDINARY GENERAL MEETING

YANGZIJIANG FINANCIAL HOLDING LTD.

(Company Registration No.: 202143180K)
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

*Unless otherwise defined, all capitalised terms herein shall bear the same meanings as used in the circular dated 12 August 2025 (the “**Circular**”) issued by Yangzijiang Financial Holding Ltd. (the “**Company**”).*

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of the Company will be held at 60 Stevens Road, Level 2, Metropolitan YMCA Singapore, The Vine Ballroom, Singapore 257854, on Thursday, 4 September 2025 at 3.00 p.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following ordinary resolutions and special resolution.

ORDINARY RESOLUTION 1 – THE PROPOSED SPIN-OFF, WHICH CONSTITUTES A MAJOR TRANSACTION UNDER CHAPTER 10 OF THE LISTING MANUAL

THAT subject to and contingent upon the passing of Ordinary Resolution 2, the Special Resolution and the satisfaction of the other conditions in the Circular, pursuant to Chapter 10 of the Listing Manual, approval be and is hereby given for the proposed spin-off of the Maritime Fund and Maritime Investments Business of the Company (the “**Proposed Spin-off**”), which constitutes a major transaction under Chapter 10 of the Listing Manual, and that:

- (a) approval be and is hereby given for the Company to carry out and implement the Proposed Spin-off, as well as any other transactions contemplated thereunder;
- (b) approval be and is hereby given for the payment of all fees and expenses relating to the Proposed Spin-off;
- (c) the Company and any Director be and is/are hereby authorised and empowered to complete and do all such acts and things (including executing all such documents as may be required) and to approve, amend, modify, supplement and execute such documents, as they may consider expedient or necessary in connection with any of the aforesaid transactions or to give effect to any of the aforesaid transactions and generally to do all such things as he deems necessary or expedient for all the foregoing purposes; and
- (d) any acts, matters and things done or performed, and/or documents signed, executed, sealed and/or delivered by any one Director in connection with the Proposed Spin-off and this resolution be and are hereby approved, confirmed and ratified.

ORDINARY RESOLUTION 2 – THE PROPOSED DILUTION

THAT subject to and contingent upon the passing of Ordinary Resolution 1 and the Special Resolution and the receipt of the relevant approvals set out in the Circular:

- (a) pursuant to Rule 805(2) of the Listing Manual, approval be and is hereby given for the dilution of the Company’s interest in YZJ Maritime by 20.0% or more resulting from the Proposed Placement;

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (b) the Directors and each of them be and are hereby authorised to do all acts and things and to execute all such documents as they or he may consider necessary or expedient to give effect to the Proposed Placement as set out in these resolutions; and
- (c) any acts, matters and things done or performed, and/or documents signed, executed, sealed and/or delivered by any one Director in connection with the Proposed Placement and this resolution be and are hereby approved, confirmed and ratified.

SPECIAL RESOLUTION – THE PROPOSED CAPITAL REDUCTION AND YZJ MARITIME DISTRIBUTION

THAT subject to and contingent upon the passing of Ordinary Resolution 1 and Ordinary Resolution 2, and the receipt of the relevant approvals set out in the Circular, pursuant to Regulation 11A of the Constitution of the Company and Section 78C of the Companies Act:

- (a) the issued and paid-up share capital of the Company be reduced by approximately S\$2.00 billion, from approximately S\$4.09 billion as at the Latest Practicable Date to approximately S\$2.09 billion as at the Latest Practicable Date (the “**Proposed Capital Reduction**”) and that such reduction be effected by the YZJ Maritime Distribution to the Entitled Shareholders, being registered holders of the Shares, other than the Company, except that where the registered holder is The Central Depository (Pte) Limited (“**CDP**”), the term “**Shareholders**” shall mean the Depositors (other than the Company) as defined under the Companies Act as at a books closure date to be determined by the Directors (the “**Books Closure Date**”);
- (b) the YZJ Maritime Shares be distributed free of encumbrances and together with all rights attaching thereto on and from the Books Closure Date;
- (c) any fractional entitlements to YZJ Maritime Shares be disregarded, or otherwise dealt with in such manner and on such terms and conditions as the Directors may, in their absolute discretion, deem fit for the benefit of the Company;
- (d) where the Directors of the Company are of the view that the distribution of the YZJ Maritime Shares to any Shareholder whose registered address as recorded in the Register of Members of the Company or in the Depository Register maintained by CDP on the Books Closure Date is outside Singapore (the “**Overseas Shareholders**”) may infringe any foreign law or may necessitate compliance with conditions or requirements which the Directors, in their sole and absolute discretion, regard as onerous or impracticable by reason of costs, delay or otherwise, such YZJ Maritime Shares shall not be distributed to such Overseas Shareholders, but shall be dealt with in the manner set out in paragraph (e) below;
- (e) the YZJ Maritime Shares which would otherwise be distributed to the Overseas Shareholders pursuant to the YZJ Maritime Distribution be distributed to such person(s) as the Directors may appoint, who shall sell the same and thereafter distribute the aggregate amount of the net proceeds, after deducting all dealings and other expenses in connection therewith, proportionately among such Overseas Shareholders in accordance with their respective entitlements to the YZJ Maritime Shares as at the Books Closure Date, in full satisfaction of their rights to the YZJ Maritime Shares, provided that where the net proceeds to which any particular Overseas Shareholder is entitled are less than S\$10.00, such net proceeds shall be retained for the benefit of the Company, and no Overseas Shareholder shall have any claim whatsoever against the Company or any other person in connection therewith;

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (f) the Directors and each of them be and are hereby authorised to do all acts and things (including, without limitation, executing all such documents as may be required) as they or each of them deem desirable, necessary or expedient to give effect to the Proposed Capital Reduction and YZJ Maritime Distribution as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Company; and
- (g) any acts, matters and things done or performed, and/or documents signed, executed, sealed and/or delivered by any one Director in connection with the Proposed Capital Reduction, the YZJ Maritime Distribution and this resolution be and are hereby approved, confirmed and ratified.

Shareholders should note that **Ordinary Resolution 1, Ordinary Resolution 2 and the Special Resolution are inter-conditional**, meaning that:

- (a) the passing of the Special Resolution is conditional upon the passing of Ordinary Resolution 1 and Ordinary Resolution 2;
- (b) the passing of Ordinary Resolution 1 is conditional upon the passing of Ordinary Resolution 2 and the Special Resolution; and
- (c) the passing of Ordinary Resolution 2 is conditional upon the passing of Ordinary Resolution 1 and the Special Resolution.

BY ORDER OF THE BOARD

YANGZIJIANG FINANCIAL HOLDING LTD.

Ren Yuanlin
Executive Chairman and CEO
12 August 2025

NOTES:

Access to Documents for the EGM

1. The Company has opted for electronic dissemination of the Circular and printed copies of the Circular will not be sent to Shareholders. Instead, the Circular will be sent to Shareholders by electronic means via publication on SGXNet and the Company's corporate website at the URL <https://www.yzjfin.com/>.
2. Printed copies of this Notice of EGM and the accompanying Proxy Form will be sent by post to Shareholders and have also been published on SGXNet and the Company's website (together with the Circular) at the URL <https://www.yzjfin.com/>.
3. Shareholders may access the Circular, this Notice of EGM and the accompanying Proxy Form at the Company's website at the URL <https://www.yzjfin.com/>. Any Shareholder who wishes to request for a printed copy of the Circular should email their request to public@yzjfin.com no later than 26 August 2025 and provide their particulars as follows:
 - (a) Full name (for individuals)/company name (for corporates);
 - (b) NRIC or Passport Number (for individuals)/Company Registration Number (for corporates); and
 - (c) Mailing address.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Submission of Proxy Forms to Vote

4. (a) A member of the Company who is not a relevant intermediary is entitled to appoint not more than two proxies to attend physically, speak and vote at the EGM. Where such member's proxy form appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy (expressed as a percentage as a whole) shall be specified in the proxy form. If no percentage is specified, the first named proxy shall be deemed to represent 100 per cent of the shareholdings and the second named proxy shall be deemed to be an alternate to the first named proxy.
- (b) A member of the Company who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member's proxy form appoints more than two proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the proxy form. In relation to a relevant intermediary who wishes to appoint more than two proxies, it should annex to the proxy form the list of proxies, setting out, in respect of each proxy, the name, address, NRIC/passport number and proportion of shareholding (number of Shares, class of Shares and percentage) in relation to which the proxy has been appointed. For the avoidance of doubt, a CPF Agent Bank who intends to appoint CPF/SRS investors as its proxies shall comply with this Note.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

5. A proxy need not be a member of the Company.
6. The instrument appointing a proxy or proxies must, (a) if submitted by post, be lodged at the registered office of the Company at 9 Raffles Place, #26-01, Republic Plaza, Singapore 048619 or (b) if submitted electronically, be submitted via email to public@yzjfin.com (Attention: YZJFH Team), in any case, by no later than 3.00 p.m. on 1 September 2025, being not less than 72 hours before the time appointed for the EGM. Completion and return of the instrument appointing a proxy shall not preclude a member from attending and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the EGM in person and, in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the EGM.
7. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and vote thereat unless his name appears on the Depository Register 72 hours before the time appointed for the EGM.

Submission of Questions

8. Shareholders can submit substantial and relevant questions relating to the resolutions to be tabled for approval at the EGM, in advance of the EGM, to the Company electronically via email to yzjfh@financialpr.com.sg (Attention: YZJFH Team), by 3.00 p.m. on 28 August 2025.
9. When submitting substantial and relevant questions electronically via email or by post, Shareholders must provide the Company with the following details to enable the Company to verify their status as Shareholders: (a) status: individual shareholder or corporate representative; (b) full name/full company name (as per CDP/CPF/SRS/Scrip-based records); (c) NRIC/FIN/Passport number/Registration number; (d) email address; and (e) contact number (optional).
10. Persons who hold Shares through Relevant Intermediaries (as defined under Section 181(6) of the Companies Act) (other than CPF/SRS investors) should contact their respective Relevant Intermediaries through which they hold such Shares to submit their questions relating to the resolution to be tabled for approval at the EGM based on the abovementioned instructions.

Other Information

11. We will publish the minutes of the EGM on our corporate website and SGXNet within one month after EGM, and the minutes will include the responses to substantial and relevant questions from Shareholders which are addressed during the EGM.
12. The voting at the EGM will be conducted by poll.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM 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 proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (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, regulations 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.

PROXY FORM

YANGZIJIANG FINANCIAL HOLDING LTD.

(Company Registration No. 202143180K)

(Incorporated in the Republic of Singapore)

IMPORTANT:

- The Extraordinary General Meeting (the "EGM" or the "Meeting") of Yangzijiang Financial Holding Ltd. (the "Company") will be held at 60 Stevens Road, Level 2, Metropolitan YMCA Singapore, The Vine Ballroom, Singapore 257854 on Thursday, 4 September 2025 at 3.00 p.m..
- The Notice of EGM and accompanying Proxy Form are made available to members via publication on the website of SGX-ST at the URL <https://www.sgx.com/securities/company-announcements> and the Company's corporate website at the URL <https://www.yzjfin.com>. Printed copies of this Notice of EGM and the accompanying Proxy Form will be sent to shareholders by post. Unless otherwise defined, all capitalised terms used herein shall have the same meanings as the Circular.
- Pursuant to Section 181 of the Companies Act 1967 of Singapore, Relevant Intermediaries may appoint more than two proxies to attend, speak and vote at the EGM.
- For Central Provident Fund ("CPF")/Supplementary Retirement Scheme ("SRS") investors who have used their CPF/SRS monies to buy Shares in the Company, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies.
- Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of the Chairman of the Meeting (or any person other than the Chairman) as a shareholder's proxy to vote on his/her/its behalf at the EGM.

PROXY FORM EXTRAORDINARY GENERAL MEETING

*I/We _____ (Name) _____ (*NRIC/Passport/Co. Reg. No.)

of _____ (Address)

being a *member/members of Yangzijiang Financial Holding Ltd. (the "Company"), hereby appoint:

Name	Address	NRIC/Passport No.	Proportion of Shareholdings	
			No. of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport No.	Proportion of Shareholdings	
			No. of Shares	%

or failing whom, the Chairman of the EGM as my/our* proxy/proxies* to attend, speak and vote for me/us* on my/our* behalf at the EGM of the Company to be held at 60 Stevens Road, Level 2, Metropolitan YMCA Singapore, The Vine Ballroom, Singapore 257854 on Thursday, 4 September 2025 at 3.00 p.m. and at any adjournment thereof. I/We* direct my/our* proxy/proxies* to vote for, against or to abstain from voting in respect of the Ordinary Resolutions and the Special Resolution to be tabled at the EGM as indicated hereunder. If no specific direction as to voting or abstention is given or in the event of any other matter arising at the EGM and at any adjournment thereof, my/our* proxy/proxies* may vote or abstain from voting at his or her discretion. Where the Chairman of the EGM is appointed as proxy and in the absence of specific directions as to voting, the appointment of the Chairman as my/our* proxy for that resolution will be treated as invalid. Please indicate your vote "For", "Against" or "Abstain" with a tick (✓) within the boxes provided below. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll. Unless otherwise defined, all capitalised terms herein shall bear the same meaning as used in the circular dated 12 August 2025 issued by the Company.

ORDINARY RESOLUTIONS	For*	Against*	Abstain*
To approve the Proposed Spin-off, which constitutes a major transaction under Chapter 10 of the Listing Manual			
To approve the Proposed Dilution			
SPECIAL RESOLUTION			
To approve the Proposed Capital Reduction and the YZJ Maritime Distribution			

* Please delete whichever is not applicable

Signed this _____ day of _____ 2025

Total number of Shares in:	No. of Shares
(a) Depository Register	
(b) Register of Members	

Signature(s) of Member(s)/Corporation's Common Seal

IMPORTANT:

PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM



PROXY FORM

NOTES:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number. If you have shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number. If no number is inserted, this form of proxy will be deemed to relate to all the Shares held by you.
2. (a) A member of the Company who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the EGM. Where such member's proxy form appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy (expressed as a percentage as a whole) shall be specified in the proxy form. If no percentage is specified, the first named proxy shall be deemed to represent 100 per cent of the shareholdings and the second named proxy shall be deemed to be an alternate to the first named proxy.

(b) A member of the Company who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member's proxy form appoints more than two proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the proxy form. In relation to a relevant intermediary who wishes to appoint more than two proxies, it should annex to the proxy form the list of proxies, setting out, in respect of each proxy, the name, address, NRIC/Passport Number and proportion of shareholding (number of Shares, class of Shares and percentage) in relation to which the proxy has been appointed. For the avoidance of doubt, a CPF Agent Bank who intends to appoint CPF/SRS investors as its proxies shall comply with this Note.

"Relevant Intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

3. A proxy need not be a member of the Company.
4. The instrument appointing a proxy or proxies must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged at the registered office of the Company at 9 Raffles Place, #26-01, Republic Plaza, Singapore 048619; or
 - (b) if submitted electronically, be submitted via email to public@yzjfin.com (Attention: YZJFH Team),in either case, by 3.00 p.m. on 1 September 2025 (being not less than 72 hours before the time appointed for the EGM). Completion and return of the instrument appointing a proxy shall not preclude a member from attending and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the EGM in person and, in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the EGM.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor 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 a duly authorised officer.
6. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
7. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to vote thereat unless his name appears on the Depository Register 72 hours before the time appointed for the EGM.

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 EGM dated 12 August 2025.

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