



YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.
(Company Registration No. 200517636Z)
(Incorporated in the Republic of Singapore on 21 December 2005)

PROPOSED SPIN-OFF OF THE GROUP'S INVESTMENT SEGMENT THROUGH THE DIVIDEND *IN SPECIE* OF ALL THE ISSUED SHARES IN YANGZIJIANG FINANCIAL HOLDING LTD. TO SHAREHOLDERS, WHICH CONSTITUTES A MAJOR TRANSACTION UNDER CHAPTER 10 OF THE SGX-ST LISTING MANUAL AND THE PROPOSED LISTING OF YANGZIJIANG FINANCIAL HOLDING LTD. BY WAY OF AN INTRODUCTION ON THE MAINBOARD OF THE SGX-ST

Reference is made to the previous announcements of the Company dated 29 November 2021, 7 December 2021, 16 December 2021, 24 January 2022, 9 March 2022, 24 March 2022, 25 March 2022 and 31 March 2022 (the "**Previous Announcements**"). Capitalised terms in this announcement (the "**Announcement**") shall have the same meanings as those defined in the Previous Announcements, unless otherwise defined.

1. INTRODUCTION

The board of directors (the "**Board**" or the "**Directors**") of Yangzijiang Shipbuilding (Holdings) Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Previous Announcements in relation to the proposed spin-off of its investment business via a dividend *in specie* (the "**YZJFH Distribution**") and the proposed listing (the "**Proposed Listing**") of Yangzijiang Financial Holding Ltd ("**YZJFH**") on the Mainboard of the SGX-ST by way of an introduction (the "**Proposed Spin-Off**"). The YZJFH Distribution will involve the distribution by the Company to the Shareholders of all the shares in YZJFH (the "**YZJFH Shares**") that are held by the Company, representing 100% of the issued YZJFH Shares, by way of a dividend *in specie*.

2. THE PROPOSED SPIN-OFF

2.1 CLSA Singapore Pte Ltd has been appointed by the Company as the financial adviser (the "**Financial Adviser**") in relation to the Proposed Spin-Off.

2.2 Rationale for the Proposed Spin-Off

The business of the Group is divided into four (4) separate and distinct business segments, namely: (a) building and sale of completed vessels, offshore marine equipment construction and ship design (the "**Shipbuilding Business**"); (b) the leasing and chartering of vessels (the "**Shipping Business**"); (c) the sale of goods (e.g. steel) (the "**Others Business**"); and (d) debt investments at amortised costs and venture capital-related investments in the form of financial assets, fair value through profit or loss and investments in associated companies in the balance sheet etc. (the "**Investment Business**"). After the Proposed Spin-Off, the Group excluding YZJFH and its group of companies (the "**Remaining Group**") will continue to be engaged in the Shipbuilding Business, the Shipping Business and the Others Business, whereas YZJFH and its subsidiaries and associated entities (the "**Spin-Off Group**") will continue to be engaged in the Investment Business.

The Board has considered the interests of the Company's shareholders (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, the Shareholders and YZJFH by:

- (a) unlocking value of the Remaining Group and the Spin-Off Group through separate valuations;
- (b) enabling management to focus on the groups' core businesses;
- (c) creating investment flexibility for the Shareholders; and
- (d) establishing YZJFH's financial independence and allowing it to have direct access to the capital markets.

(i) Unlocking value through separate valuation

As a single listed entity, banks, financial institutions and the investing public view the Group (comprising the Spin-Off Group and the Remaining Group) as one (1) entity, despite their distinct business activities and assets. In general, the Shipbuilding Business is typically valued by the market based on its cash flow and earnings, whilst the Investment Business is typically valued based on revalued net asset value.

As the Shipbuilding Business has driven most of the growth of the Group since the listing of the Company on the Mainboard of the SGX-ST, the Proposed Spin-Off will allow analysts, Shareholders and the investing public to better appraise the value of the underlying businesses and assets of each group and consequently allow for the value of such businesses and assets to be better reflected, thereby reducing any possible conglomerate discount. By separating the Shipbuilding Business from the Investment Business, the Proposed Spin-Off will enable the market to accord an appropriate value to each of the principal businesses currently held within the Group, based on their respective performance and growth potential.

(ii) Enabling the management's focus on the groups' core businesses

Building on the significant momentum from the Shipbuilding Business' strengthened financial position, operating performance and order book in FY2021, the Proposed Spin-Off will provide the management of the Remaining Group and the Spin-Off Group with greater autonomy to better focus their attention and resources on their respective core businesses and oversee the strategies, growth opportunities and operations of each group more effectively without the constraints of a conglomerate structure. This will also enable both groups to react to market demands faster and more effectively, through a more efficient allocation of capital and resources.

Investors may also prefer the cash flow generated from the Shipbuilding Business to be deployed towards growing the Shipbuilding Business and/or distributed to Shareholders.

Following the Proposed Spin-Off, YZJFH will be operated independently from the Company. The board of directors of YZJFH, together with its shareholders, will be able to:

- (a) have full autonomy over YZJFH's business processes and organisation, management control and performance;
- (b) independently establish YZJFH's own business direction and identity;
- (c) pursue and fund YZJFH's own growth strategies; and
- (d) focus on YZJFH's own strategic opportunities.

Further, the Proposed Spin-Off is expected to improve the accountability of YZJFH's management to its shareholders, since YZJFH's results will be independent from the Company's results.

(iii) Creating investment flexibility for the Shareholders

Following the Proposed Spin-Off, the Shareholders will become direct shareholders of YZJFH. The Proposed Spin-Off therefore enables Shareholders to individually and directly participate in the ownership of, and enjoy returns from, shares held in two (2) separately listed companies without any additional cash outlay. Shareholders will have the discretion and flexibility to separately decide on their holdings of the Company and YZJFH according to their individual investment objectives. Shareholders will be able to retain, purchase more, sell all or such number of the YZJFH Shares as they may in their absolute discretion decide in the open market for cash upon the Proposed Spin-Off. However, there is no assurance that the combined market value of the Company's shares (the "**Shares**") and YZJFH Shares held by Shareholders following the Proposed Spin-Off would be equal to or more than the market value of the Shares held by Shareholders before the Proposed Spin-Off.

(iv) Establishing financial independence and allowing direct access to capital markets for YZJFH

YZJFH's business is capital intensive in nature and its ability to grow and develop depends largely on capital spending. Following the Proposed Spin-Off, both the Remaining Group and the Spin-Off Group will be analysed and valued on their own respective merits, risks and strategies.

Under the current Group structure, any funding required for the Spin-Off Group will have to be borne by the Group and the Group will have to divert excess capital resources from the Shipbuilding Business to fund the development and expansion needs of the Spin-Off Group. Maintaining the current listing structure of the Group is therefore detrimental to Shareholders. Following the Proposed Spin-Off, YZJFH will also enjoy greater corporate visibility and be better able to independently and directly access capital markets to benefit from specific economic conditions and/or exclude specific risks that the Group may be exposed to. The Proposed Spin-Off will also enable the Remaining Group to redeploy its financial and other resources to the Shipbuilding Business and the Shipping Business, and in particular, the Company's environmental, social and governance (ESG) initiatives as part of its strategic repositioning. Each of the Company and YZJFH will also be able to tap on equity and debt capital markets separately for funding, depending on market conditions.

2.3 Conditions to the Proposed Spin-Off

The Proposed Spin-Off and the completion thereof are subject to:

- (a) the approval of Shareholders by way of an ordinary resolutions for the Proposed Spin-Off (comprising the YZJFH Distribution and the Proposed Listing) at the extraordinary general meeting ("**EGM**") of the Company to be convened;
- (b) the eligibility-to-list letter from the SGX-ST for the admission of YZJFH to the Official List of the SGX-ST and the listing and quotation of the YZJFH Shares on the Mainboard of the SGX-ST having been obtained and not having been revoked or withdrawn;
- (c) certain filings with the China Securities Regulatory Commission ("**CSRC**"), which may be required in connection with the Proposed Listing under PRC laws. As at 24 December 2021, the CSRC issued the Administrative Provisions of the State Council on Overseas Issuance and Listing of Securities by Domestic Enterprises (Draft for Comment) and Administrative Measures for the Record-filing of Overseas Issuance and Listing of Securities by Domestic Enterprises (Draft for Comment), which explicitly provide that domestic PRC enterprises seeking to list their securities overseas will be required to submit certain filings to the CSRC. If the foregoing regulatory guidance were formally adopted and made effective in its proposed form, the PRC entities that are part of the Spin-Off Group will be required to submit certain filings to the CSRC in connection with the Proposed Listing. For the

avoidance of doubt, the foregoing regulatory guidance has not come into effect as at the date of this Announcement; and

- (d) 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.

2.4 Approval in-principle from the SGX-ST

Listing Rule 210(6) 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 17 December 2021, the Board had sought, in its 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). Pursuant to its response letter sent on 24 January 2022, the SGX-ST 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.

2.5 Selected financial information of the Spin-Off Group

Further financial information on the Spin-Off Group will be contained in the circular to Shareholders in connection with the Proposed Spin-Off (the "**Circular**") and the introductory document in connection with the Proposed Listing of YZJFH (the "**Introductory Document**"), which will be released to Shareholders in due course.

3. THE YZJFH DISTRIBUTION AS A MAJOR TRANSACTION

The YZJFH Distribution will be effected by the distribution of all the YZJFH Shares which will be held by the Company after the completion of the Group Restructuring Exercise (as defined below), representing 100% of the issued YZJFH Shares, to Shareholders by way of a dividend *in specie*, on the basis of one (1) YZJFH Share for each Share held by a Shareholder or on their behalf as at a books closure 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 YZJFH Distribution. 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.

No payment will be required from Shareholders for the YZJFH Shares to be received from the YZJFH Distribution. The YZJFH Shares will be distributed free of encumbrances and together with all rights attaching thereto on and from the date the YZJFH Distribution is effected.

As at 31 December 2021, YZJFH has a book value and net tangible asset ("**NTA**") value of approximately S\$4,249 million. Following the restructuring exercise to be undertaken in connection with the Proposed Spin-Off to consolidate the Investment Business under YZJFH (the "**Group Restructuring Exercise**"), the book value and NTA value of YZJFH is expected to be approximately S\$4,249 million. As YZJFH is not publicly listed and its shares are not freely traded as at the date of this Announcement, there is no latest open market value available. No independent valuation on the YZJFH Shares was carried out for the purpose of the YZJFH Distribution, as it involves a disposal of shares.

Further information on the Group Restructuring Exercise and the YZJFH Distribution are contained in the Circular.

Based on the latest announced audited consolidated financial statements of the Group for the financial year ended 31 December 2021, the relative figures for the YZJFH Distribution

computed on the bases set out in Rule 1006 of the listing manual of the SGX-ST (the “**Listing Manual**”) are as follows:

Listing Rule	Bases of computation	Relative figures (%)
Rule 1006(a)	Net asset value ⁽¹⁾ (“ NAV ”) of the assets to be disposed of, compared with the Group’s net asset value. This basis is not applicable to an acquisition of assets.	55.5 ⁽¹⁾⁽²⁾
Rule 1006(b)	Net profits ⁽³⁾ attributable to the assets acquired or disposed of, compared with the Group’s net profits.	46.8 ⁽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 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 net asset value of the assets to be disposed of was approximately S\$4,239.2 million.
- (2) 55.5% was calculated based on the proposed NAV of YZJFH of S\$4,239.2 million out of the audited NAV of the Group of RMB36,061.6 million (equivalent to approximately S\$7,643.6 million) as at 31 December 2021.
- (3) “Net profits” means profit or loss including discontinued operations that have not been disposed 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\$476.3 million.
- (4) 46.8% was calculated based on the net profit of RMB2,285.9 million (equivalent to approximately S\$476.3 million) attributable to the assets to be disposed of out of the audited net profits of the Group of RMB4,881.7 million (equivalent to approximately S\$1,017.2 million) for the financial year ended 31 December 2021.

As the relative figures computed on the bases set out in Rule 1006 exceed 20.0% but do not exceed 100.0%, the YZJFH 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 YZJFH Distribution at the EGM.

4. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

As at the date of this Announcement, the Company has an existing issued and paid-up share capital of 3,913,414,500 Shares (excluding 60,662,500 treasury shares). The interests of

directors (the “**Directors**”) and substantial shareholders of the Company (the “**Substantial Shareholders**”) in the Shares of the Company, as at the date of this Announcement, are as follows:

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Directors						
Ren Letian	-	-	165,797,370	4.24	165,797,370	4.24
Chen Timothy Teck Leng	-	-	-	-	-	-
Teo Yi-Dar (Zhang Yida)	150,000	0.0038	-	-	150,000	0.0038
Xu Wen Jiong	-	-	-	-	-	-
Substantial Shareholders (other than Directors)						
Ren Yuanlin ⁽¹⁾	-	-	852,845,825	21.8	852,845,825	21.8
Yangzi International Holdings Limited	852,845,825	21.8	-	-	852,845,825	21.8
Julius Baer Trust Company (Singapore) Limited (as trustee of the YZJ Settlement)	-	-	852,845,825	21.8	852,845,825	21.8
Lido Point Investments Ltd ⁽²⁾	394,134,000	10.1	-	-	394,134,000	10.1
Sapphire Skye Limited as nominee of Zedra Trust Company (Singapore) Limited, which is in turn the trustee of The Lido Trust ⁽²⁾	-	-	394,134,000	10.1	394,134,000	10.1
T. Rowe Price Associates, Inc.	-	-	275,361,200	7.0	275,361,200	7.0

Notes:

- (1) Ren Yuanlin (as settlor of the YZJ Settlement) is deemed to be interested in the shares held through his interest in Yangzi International Holdings Limited, which is wholly-owned by Julius Baer Trust Company (Singapore) Limited as trustee of the YZJ Settlement, by virtue of section 7 of the Companies Act 1967 (2020 Revised Edition) of Singapore (the “**Companies Act**”).
- (2) Zedra Trust Company (Singapore) Limited is the professional trustee of The Lido Trust, an irrevocable employee benefit trust set up for the purpose of rewarding employees of the Group. As announced by the Company on 24 December 2021, Mr. Wang Dong, as 100% shareholder of Lido Point Investments Ltd, which held 394,134,000 Shares of the Company, transferred all the shares of Lido Point Investments Ltd to The Lido Trust. The employee benefit trust will be managed and administered by Zedra Trust Company (Singapore) Limited as professional trustee, alongside an employee council comprising of persons selected by the labour union of the Group from time to time. Mr. Wang Dong, Honorary Chairman Mr. Ren

Yuanlin, Executive Chairman and Group CEO Mr. Ren Letian, and their respective families are not included in the potential beneficiary pool nor will they form part of the aforementioned employee council.

As at the date of this Announcement, save as disclosed herein, none of the Directors or the Substantial Shareholders or their respective associates have any direct or indirect interest in the Proposed Spin-Off, other than through their respective directorships and shareholding interests in the Company (if any).

5. FINANCIAL EFFECTS OF THE YZJFH DISTRIBUTION

5.1 Bases and Assumptions

The *pro forma* financial effects of the YZJFH Distribution on the Group 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 Group after completion of the YZJFH Distribution.

The *pro forma* financial effects of the YZJFH Distribution on the Group as set out below have been prepared based on the audited consolidated financial statements of the Group and the audited combined financial statements of the Spin-Off Group for FY2021 and the following bases and assumptions:

- (a) the transaction costs incurred for the Group Restructuring Exercise and the YZJFH Distribution are insignificant and ignored for computational purposes;
- (b) in relation to balance sheet items, the Group Restructuring Exercise and the YZJFH Distribution had been completed on 31 December 2021;
- (c) in relation to profit and loss items, the Group Restructuring Exercise and the YZJFH Distribution had been completed on 1 January 2021, and after excluding the profit and loss of the Investment Business-related assets that will be retained by the Remaining Group; and
- (d) the YZJFH Shares amount to 100% of the total issued share capital of YZJFH, representing a dividend distribution of RMB20 billion.

Following the Proposed Spin-Off, the Remaining Group's business divisions comprising the Shipbuilding Business, the Shipping Business and the Others 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 Mainboard of the SGX-ST after the Proposed Spin-Off and as such the Proposed Spin-Off (comprising the YZJFH 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.

5.2 Share Capital

There will be no change in the number of issued Shares of the Company as a result of the YZJFH Distribution.

5.3 NTA per Share

	Before the YZJFH Distribution	After the YZJFH Distribution
NTA (RMB'000)	35,642,064	15,642,064
Number of issued shares as at 31 December 2021 ('000)	3,923,415	3,923,415

NTA per Share (cents)	908.45	398.68
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5.4 NAV per Share

	Before the YZJFH Distribution	After the YZJFH Distribution
NAV (RMB'000)	35,923,416	15,923,416
Number of issued shares as at 31 December 2021 ('000)	3,923,415	3,923,415
NAV per Share (cents)	915.62	405.86

5.5 Earnings per Share ("EPS")

	Before the YZJFH Distribution	After the YZJFH Distribution
Profit after tax attributable to Shareholders for FY2021 (RMB'000)	3,698,632	1,944,015
Weighted average number of issued shares ('000)	3,861,050	3,861,050
EPS (cents)	95.79	50.35

5.6 Impact on profit or loss on the YZJFH Distribution

There is no impact on profit or loss on the YZJFH Distribution since from an accounting perspective, the YZJFH Distribution is considered to be a distribution rather than a disposal. The YZJFH Shares will be distributed to the Entitled Shareholders in proportion to their shareholding in the Company as at the Books Closure Date (as defined below).

6. EGM AND CIRCULAR TO SHAREHOLDERS

The Directors will be convening the EGM to seek the approval of Shareholders for the Proposed Spin-Off (comprising the YZJFH Distribution and the Proposed Listing) and for the YZJFH Distribution as a major transaction under Chapter 10 of the Listing Manual. The Circular containing, amongst others, details in relation to the Proposed Spin-Off and setting out the information required pursuant to Chapter 10 of the Listing Manual including the rationale for, the tangible benefits of and the financial effects of the Proposed Spin-Off, will be released to Shareholders in due course.

7. OVERSEAS SHAREHOLDERS

You will be regarded as an overseas shareholder (an "Overseas Shareholder") if your registered address on the register of members (the "Register") of the Company or the depository register maintained by The Central Depository (Pte) Limited ("CDP") (the "Depositor Register") (as the case may be) is not in Singapore as at 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 YZJFH Distribution (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 share registrar, Boardroom Corporate & Advisory Services Pte. Ltd. (the “**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 (3) market days prior to the Books Closure Date.

Where the Directors are of the view that the distribution of the YZJFH 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 YZJFH Shares which such Overseas Shareholders would have been entitled to pursuant to the YZJFH Distribution (the “**Overseas Shareholders’ YZJFH Shares**”) **will not** be distributed to such Overseas Shareholders. Instead, the Overseas Shareholders’ YZJFH Shares shall be transferred to such person(s) as the Company may appoint who shall sell the Overseas Shareholders’ YZJFH 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 YZJFH Shares as at the Books Closure Date in full satisfaction of their rights to the YZJFH Shares which they would otherwise have become entitled to under the YZJFH Distribution. Where such YZJFH 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, YZJFH, the Financial Adviser, CDP, the Central Provident Fund and/or the Share Registrar and their respective officers in connection therewith.

Where the net proceeds to which any particular Overseas Shareholder is entitled is 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.

8. SERVICE CONTRACTS

No person is proposed to be appointed as a Director of the Company in connection with the Proposed Spin-Off. Accordingly, no service contract for such appointment is proposed to be entered into between the Company and any such person.

9. DIRECTORS’ RECOMMENDATIONS

Having considered the terms of and the rationale for the Proposed Spin-Off, the Directors are of the opinion that the Proposed Spin-Off is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolutions relating to the Proposed Spin-Off (including the YZJFH Distribution) at the EGM.

10. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Announcement constitutes full and true disclosure of all material facts about the Proposed Spin-Off (comprising the YZJFH Distribution and the Proposed Listing), the Company and its subsidiaries (excluding the information herein relating to the Spin-Off Group), and the Directors are not aware of any facts the omission of which would make any statement in this Announcement misleading. Where information in this Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source (including the Introductory Document), 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 Announcement in its proper form and context.

11. DOCUMENTS FOR INSPECTION

Subject to prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be issued by the relevant authorities, copies of the following documents are available for inspection at the current registered office of the Company in Singapore at 80 Robinson Road, #02-00 Singapore 068898 during normal business hours for a period of three (3) months from the date of this Announcement:

- (a) the annual report of the Company for FY2020;
- (b) the constitution of the Company;
- (c) the resolutions and transfer agreements entered in connection with the Group Restructuring Exercise; and
- (d) the audited consolidated financial statements of the Group for FY2021.

Shareholders who wish to inspect the documents at the registered office of the Company are required to send an email request to yangzijiang.sg@yzjship.com (Attention: Yangzijiang Team) to make an appointment in advance. The Company will arrange a date when each Shareholder can come to the registered office to inspect accordingly. The inspection of documents will be arranged with each Shareholder to limit the number of people who are present at the registered office at any one point in time and such arrangements are subject to the prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be implemented by the relevant authorities from time to time.

12. FURTHER ANNOUNCEMENTS AND CAUTIONARY STATEMENT

The Company would like to highlight that the Proposed Spin-Off is in its preliminary stages and is dependent on, *inter alia*, the results of preparatory work to be undertaken, requisite approvals from the relevant regulatory authorities and the then-prevailing market conditions.

The Company will announce any material developments on the Proposed Spin-Off as and when appropriate.

In the meantime, Shareholders and potential investors are advised to exercise caution when dealing in the Shares and to refrain from taking any action in respect of their Shares which may be prejudicial to their interests. There is no certainty or assurance as at the date of this announcement that the Proposed Spin-Off will be undertaken or that the requisite approvals for the Proposed Spin-Off will be obtained. Shareholders should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers if they have any doubt about the actions that they should take.

By Order of the Board

Ren Letian
Executive Chairman and Chief Executive Officer

1 April 2022

IMPORTANT NOTICE

This document contains certain statements that are not statements of historical fact, i.e. forward-looking statements. These forward-looking statements are based on current expectations, projections and assumptions about future events. Although the Company believes that these expectations, projections and assumptions are reasonable, these forward-looking statements are subject to the risks (whether known or unknown), uncertainties and assumptions. Investors are advised not to place undue reliance on the information in this document. If underlying assumptions prove inaccurate or known or unknown risks or uncertainties materialise, actual results could vary materially from the expectations and projections of Company. Risks and uncertainties include, but are not limited to: the Company's ability to satisfy the necessary conditions to consummate the Proposed Spin-Off on a timely basis or at all, the Company's ability to successfully spin-off the proposed Spin-Off Group and realise the anticipated benefits from the Proposed Spin-Off, the Spin-Off Group's ability to succeed as a standalone publicly traded company, economic factors, such as interest rate and currency exchange rate fluctuations; competition; changes to applicable laws and regulations, including tax laws; financial instability of international economies and legal systems and sovereign risk. Any forward-looking statement made in this announcement speaks only as of the date of this announcement. The Company does not undertake to update any forward-looking statement as a result of new information or future events or developments.