

YANGZIJIANG FINANCIAL HOLDING LTD.

(Company Registration No.: 202143180K)

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

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- (A) 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, 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;
- (B) THE PROPOSED DILUTION (AS DEFINED HEREIN); AND
- (C) THE PROPOSED CAPITAL REDUCTION AND YZJ MARITIME DISTRIBUTION (AS DEFINED HEREIN)
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1. INTRODUCTION

The Board of Directors (the "**Board**" or the "**Directors**") of Yangzijiang Financial Holding Ltd. (the "**Company**") and together with its subsidiaries, the "**Enlarged Group**") refers to the announcements dated 27 April 2025 and 2 July 2025 respectively (the "**Previous Announcements**") in relation to the proposed spin-off of its maritime segment (the "**Proposed Spin-off**") via a capital reduction and a distribution *in specie* by the Company to the shareholders of the Company ("**Shareholders**") of shares in the capital of Yangzijiang Maritime Development Pte. Ltd. (to be renamed Yangzijiang Maritime Development Ltd.) ("**YZJ Maritime**" and together with its subsidiaries, the "**Spin-off Group**") (the "**YZJ Maritime Shares**" and the distribution, the "**YZJ Maritime Distribution**") and the proposed listing of YZJ Maritime on the Main Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") by way of an introduction (the "**Proposed Listing**").

In connection with the Proposed Listing, YZJ Maritime proposes to issue new YZJ Maritime Shares to accredited investors and institutional investors in reliance on certain exemption(s) under the Securities and Futures Act 2001 of Singapore ("**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.

Unless defined, all capitalised terms used and not defined in this announcement shall have the same meanings as defined in the Previous Announcements.

2. THE PROPOSED SPIN-OFF

2.1 SAC Capital Private Limited 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 Enlarged Group is divided into three main separate and distinct business segments, namely, (a) debt investments in the PRC, direct investments in both public and private companies, as well as deploying funds into various situations in the PRC and Singapore and investing as a limited partner or a co-general partner into funds managed by GEM Asset Management Pte. Ltd. or a third-party fund manager ("**Investment Management Business**"); (b) ship agency and shipbroking, ship leasing and sales facilitation, direct vessel investments, the provision of ship financing services and the distribution of, among others, merchant ships and offshore engineering products and shipping equipment ("**Maritime Fund and Maritime Investments Business**") and the (c) management of funds pooled by proprietary capital and third-party funds, cash management and the provision of wealth management services, such as family offices in Singapore ("**Fund Management Business**").

The Board has considered the interests of the Shareholders and is of the view that (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 Enlarged Group excluding the Spin-off Group after the Group Restructuring Exercise (as defined below) (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.
- (i) Unlocking Shareholders' value**

Following the Proposed Spin-off, YZJ Maritime will function as a dedicated maritime investment platform, 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.

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 price/net asset value ("**NAV**") ratio for the last 24 months prior to 1 August 2025 (the "**Latest Practicable Date**") is below its NAV, with the mean price/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.

(ii) 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.

(iii) 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 of new shares in the capital of YZJ Maritime and the allotment and issuance of the Over-allotment Shares (collectively, 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.

(iv) 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.

(v) 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.

2.3 Conditions of the Proposed Spin-off

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

- (a) Shareholders' approval for the following proposals at the upcoming extraordinary general meeting ("**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 (as defined below), pursuant to Rule 805(2) of the Listing Manual; and
 - (ii) the special resolution to approve the Proposed Capital Reduction (as defined below) 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 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

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.

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, *inter alia*, the Proposed Spin-off (the "**Circular**") and the introductory document in connection with the Proposed Listing of YZJ Maritime (the "**Introductory Document**"), which will be released to Shareholders in due course.

3. THE YZJ MARITIME DISTRIBUTION

The YZJ Maritime Distribution will be effected by the distribution of YZJ Maritime Shares held by the Company after the completion of the restructuring exercise to be undertaken in connection with the Proposed Spin-off to consolidate the Maritime Fund and Maritime Investments Business under YZJ Maritime (the "**Group Restructuring Exercise**"), representing 100.0% of the issued YZJ Maritime Shares, to Shareholders, on the basis of one YZJ Maritime Share for each share in the capital of the Company ("**Share**") held by a Shareholder or on their behalf as at the Books Closure Date (as defined below), 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.

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 to be carried out by the Company pursuant to Section 78C of the Companies Act 1967 of Singapore (the "Proposed Capital Reduction").

As at 31 December 2024, YZJ Maritime has a book value and net tangible assets ("**NTA**") value 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 yet publicly listed and its shares are not freely traded as at the Latest Practicable Date, there is no latest open market value available. Further information on the Group Restructuring Exercise and the YZJ Maritime are contained in the Circular.

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.

4. 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 of the Company, 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
Yangzi International Holdings Limited	852,845,825	24.50	-	-	852,845,825	24.50
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, 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 Yangzi

International Holdings Limited, which in turn holds 852,845,825 Shares as assets of the YZJ Settlement. Accordingly, Ren Yuanlin is deemed to be interested in the 852,845,825 Shares held by Yangzi International Holdings Limited, by virtue of Section 4 of the SFA.

- (2) Mr. Ren Letian is a beneficiary of the YZJ Settlement, pursuant to a Deed of Addition of Beneficiary dated 22 May 2025. Accordingly, Ren Letian is deemed to be interested in 852,845,825 Shares held by Yangzi International, by virtue of Section 4 of the SFA. Additionally, 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 Yangzi International Holdings Limited, 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 Yangzi International Holdings Limited, 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 Yangzi International Holdings Limited.
- (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 YSL 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 Spin-off, the Proposed Dilution, the Proposed Capital Reduction, the YZJ Maritime Distribution and the Proposed Placement (collectively, the "**Proposed Transactions**"), other than through their respective directorships and shareholding interests in the Company (if any).

5. FINANCIAL EFFECTS OF THE PROPOSED CAPITAL REDUCTION AND THE YZJ MARITIME DISTRIBUTION

5.1 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 the financial year ended 31 December 2024 ("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.

5.2 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⁾	2,087,472,354

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 translation.

5.3 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 Shareholders 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 entities in the Enlarged Group which are currently engaged in the import and export business (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.

5.4 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 Shareholders 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	3,480,450,520	3,480,450,520

shares) in the share capital of the Company

NTA per Share (S\$)	1.17	0.54
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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.

5.5 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	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 the 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.

5.6 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.

6. PROPOSED DILUTION

The Proposed Placement will result in a dilution of the Company's shareholding interest in YZJ Maritime (the "**Proposed Dilution**"). Shareholders should note that the actual level of the dilution of the Company's shareholding interest in YZJ Maritime will depend on, among other things, the Placement Price and the total number of YZJ Maritime Shares to be issued in connection with the Proposed Placement (the "**Placement Shares**").

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 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 YZJ Maritime Shares 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.

7. EGM AND CIRCULAR TO SHAREHOLDERS

The Board will be convening the EGM to seek the approval of Shareholders for the Proposed Transactions. 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.

8. 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 YZJ Maritime 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 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 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, 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 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.

9. 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.

10. 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 of the Circular), 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.

11. 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 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 announcement misleading. Where information in this announcement 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 announcement in its proper form and context.

12. FINANCIAL ADVISER'S RESPONSIBILITY STATEMENT

To the best of the Financial Adviser's knowledge and belief, this announcement 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 announcement misleading.

13. 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 announcement:

- (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; and
- (d) the audited consolidated financial statements of the Enlarged Group for FY2024.

14. FURTHER ANNOUNCEMENTS AND CAUTIONARY STATEMENT

The Company would like to highlight that the Proposed Spin-off is subject to, *inter alia*, the results of preparatory work to be undertaken, requisite approvals from the relevant regulatory authorities and prevailing market conditions.

The Company will announce any material developments on the Proposed Spin-off and Proposed Listing in due course, and in accordance with the requirements of the Listing Manual.

Shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company as there is no certainty or assurance as at the date of this announcement that the Proposed Spin-off and Proposed Listing will be undertaken, that the requisite approvals for the Proposed Spin-off and Proposed Listing will be obtained or that the Proposed Spin-off and Proposed Listing will proceed to completion. Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they have any doubt as to the actions that they should take.

By order of the Board

YANGZIJIANG FINANCIAL HOLDING LTD.

Ren Yuanlin

Executive Chairman and Chief Executive Officer

12 August 2025