



**Yangzijiang Financial Holding Ltd.**  
16 Raffles Quay #41-01B Hong Leong  
Building Singapore 048581  
(Co. Reg. No. 202143180K)

**MEDIA RELEASE–FOR IMMEDIATE RELEASE**

## **Yangzijiang Financial Secures Liquidity Pool Scheme to Facilitate Investments outside of China**

- **The Group’s wholly-owned subsidiaries have been awarded the liquidity pool scheme by the People’s Bank of China that allows the Group to grant intercompany transfers of up to RMB10 billion**
- **As a result of the scheme, the Group will be able to deploy its capital in and out of China in a cost-efficient manner through intra-group transfers**
- **The centralized cash management of cash is expected to increase the Group’s return on cash from forex and interest rate differential between RMB and other currencies**

**Singapore, November 25, 2022** – Yangzijiang Financial Holding Ltd. (“**Yangzijiang Financial**”, together with its subsidiaries, the “**Group**”), a Singapore-incorporated financial holding company engaged in the (i) investment management business; and (ii) provision of wealth management services; and (iii) fund management business, is pleased to announce that its wholly-owned subsidiaries, Jiangsu New Yangzi Commerce & Trading Co., Ltd and GaoHong International Limited., have been awarded the liquidity pool scheme of up to RMB10 billion (or approximately S\$1.9 billion) from the People’s Bank of China.

Under the liquidity pool scheme, the Group will be able to deploy its capital in and out of China in a cost-efficient manner through intra-group transfers. The initiative presents the Group with several key benefits including the following:

- 1. The ability to deploy its capital outside of China in a faster and more cost-efficient manner.** The Group has a long-term target to diversify half of its investment portfolio to markets outside of China.
- 2. Maximize cash management returns through forex and interest rate differential between RMB and other currencies, such as USD or SGD,** while the Group looks to redeploy its capital for other investments.



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3. **Consolidate and centralize its cash management** to aid the efficient utilization of the Group’s domestic and foreign funds in a tax efficient manner.

Mr Vincent Toe, Chief Executive Officer and Chief Investment Officer of Yangzijiang Financial, commented, *“Recent market volatility has created several long-term investment opportunities for quality assets in the region. We are starting to see pockets of opportunity for long-term investments that have the potential to generate good returns and a sustainable dividend yield for our shareholders. As such, the liquidity pool scheme has come at an opportune time and marks a step forward in our ability to efficiently deploy capital from China to oversea.”*

**Methods of transferring funds from China to oversea**

	<b>Qualified Domestic Limited Partnership (QDLP)</b>	<b>Liquidity Pool Scheme</b>	<b>Declaring Dividends</b>
<b>What is it</b>	Foreign asset managers raise RMB from wealthy individuals and institutional investors in China for overseas investments	Allows the transfer of funds between Chinese companies and their group companies outside of China in the form of intra-group loans	The transfer of funds out from Chinese companies to their overseas holding companies by declaring dividends out of available profits
<b>Related costs</b>	N.A.	Only inter-company related interest expenses that will be eliminated at Group level	Withholding dividend tax rate of 5-10%

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## **Company Profile**

Yangzijiang Financial Holding Ltd. is a Singapore-incorporated company whose principal business comprise the (i) investment management business, which seeks capital appreciation and investment income from investments in both public and private companies, funds and debt investments; (ii) provision of wealth management services for advisory income and (iii) fund management business to generate recurring fee-based income from the management of third-party investment funds.

For more information, please visit the website at: [www.yzjfin.com](http://www.yzjfin.com)

Issued for and on behalf of Yangzijiang Financial Holding Ltd.

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