

CIRCULAR DATED 24 MAY 2022

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

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

This Circular is issued by Yangzijiang Financial Holding Ltd. (the “**Company**”). Its purpose is to explain the rationale and provide information to the Shareholders (as defined in this Circular) for the proposed adoption of the Share Buy-Back Mandate (as defined in this Circular) to be tabled at an extraordinary general meeting of the Company to be held on Wednesday, 8 June 2022 at 3:00 p.m. by way of electronic means (the “**EGM**”). The notice of the EGM and the Proxy Form (as defined in this Circular) have been, or will be, made available to Shareholders on the same date as the date of this Circular, via SGXNET (as defined in this Circular) and the Company’s corporate website at <https://www.yzjfin.com>.

In line with the Alternative Arrangements Order (as defined herein), Shareholders (as defined herein) will not be able to attend the EGM in person. Instead, alternative arrangements have been put in place to allow Shareholders to participate at the EGM via “live” audio-visual webcast or “live” audio-only stream, which will allow for (i) real-time remote electronic voting and (ii) real-time electronic communication. Shareholders may also submit questions relating to the resolutions to be tabled for approval in advance of the EGM. Please refer to the Notice of EGM dated 24 May 2022 for further information, including the steps to be taken by Shareholders to participate at the EGM. Printed copies of this Circular and the accompanying Notice of EGM and Proxy Form will not be sent to Shareholders. Instead, this Circular, the Notice of EGM and Proxy Form will be sent to 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 below) at the URL <https://www.sgx.com/securities/company-announcements>.

If you have sold or transferred all your shares in the capital of the Company, you should forward this Circular immediately to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.

CLSA Singapore Pte Ltd is the Issue Manager for the listing of Yangzijiang Financial Holding Ltd. on the Mainboard of the Singapore Securities Exchange Trading Limited by way of an introduction.



YANGZIJIANG FINANCIAL HOLDING LTD.

(Incorporated in Singapore on 14 December 2021)
(Company Registration No. 202143180K)

CIRCULAR IN RELATION TO THE PROPOSED ADOPTION OF THE SHARE BUY-BACK MANDATE

IMPORTANT DATES AND TIMES:

Last date and time to pre-register online to attend the EGM	:	5 June 2022 at 3:00 p.m.
Last date and time for lodgement of Proxy Form	:	5 June 2022 at 3:00 p.m.
Date and time of the EGM	:	8 June 2022 at 3:00 p.m.
Place of the EGM	:	The EGM will be held by way of electronic means

This page has been intentionally left blank.

CONTENTS

DEFINITIONS	2
LETTER TO SHAREHOLDERS	8
1. INTRODUCTION	8
2. THE PROPOSED ADOPTION OF THE SHARE BUY-BACK MANDATE	9
3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS	26
4. EGM	27
5. ACTION TO BE TAKEN BY SHAREHOLDERS	27
6. ADVISER	30
7. CONSENT	30
8. DIRECTORS' RECOMMENDATIONS	30
9. DIRECTORS' RESPONSIBILITY STATEMENT	31
10. DOCUMENTS AVAILABLE FOR INSPECTION	31
NOTICE OF EXTRAORDINARY GENERAL MEETING	N-1
PROXY FORM	

DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

General

- “ACRA” or “Registrar of Companies”** : The Accounting and Corporate Regulatory Authority of Singapore
- “AGM”** : Annual general meeting of the Company
- “Alternative Arrangements Order”** : The COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020
- “Approval Date”** : The date of the EGM at which the Proposed Adoption of the Share Buy-Back Mandate is approved
- “Associate”** : (a) In relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of thirty per cent. (30%) or more; and
- (b) In relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of thirty per cent. (30%) or more
- “Average Closing Market Price”** : The average of the closing market prices of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded before the day on which the purchases are made, and deemed to be adjusted for any corporate action that occurs during the relevant five (5)-day period and the day on which the purchases are made
- “Board” or “Board of Directors”** : The board of directors of the Company

DEFINITIONS

“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular dated 24 May 2022
“Company”	:	Yangzijiang Financial Holding Ltd.
“Companies Act”	:	The Companies Act 1967 of Singapore (2020 Revised Edition), as may be amended, supplemented or modified from time to time
“Constitution”	:	The constitutive documents of the Company for the time being in force as originally framed, or as amended or modified from time to time
“Controlling Shareholder”	:	A person who: (a) holds directly or indirectly fifteen per cent. (15%) or more of the Company’s total voting rights. The SGX-ST may determine that a person who satisfies this paragraph (a) is not a controlling shareholder; or (b) in fact exercises control over the Company
“Council”	:	The Securities Industry Council
“CPF”	:	The Central Provident Fund
“CPF Agent Banks”	:	Agent banks included under the CPFIS
“CPF Investors”	:	Investors who have purchased Shares pursuant to the CPFIS
“CPFIS”	:	CPF Investment Scheme
“Depositor”	:	Has the meaning ascribed to it in Section 81SF of the SFA
“Depository Agent”	:	Has the meaning ascribed to it in Section 81SF of the SFA
“Depository Register”	:	Has the meaning ascribed to it in Section 81SF of the SFA
“Director”	:	A director of the Company as at the date of this Circular
“EGM”	:	Extraordinary general meeting
“EPS”	:	Earnings per Share
“FY”	:	Financial year ending or ended 31 December
“FY2021”	:	Financial year ended 31 December 2021

DEFINITIONS

“Group”	:	The Company and its Subsidiaries
“Latest Practicable Date”	:	13 May 2022, being the latest practicable date prior to the release of this Circular
“Listing Manual”	:	The Listing Manual of the SGX-ST, as may be amended, supplemented or modified from time to time
“Market Day”	:	A day on which the SGX-ST is open for trading of securities
“Maximum Price”	:	(a) In the case of an On-Market Share Buy-Back, 105 per cent. (105%) of the Average Closing Market Price of the Shares; and (b) in the case of an Off-Market Share Buy-Back, 120 per cent. (120%) of the Average Closing Market Price of the Shares
“Notice of EGM”	:	Notice of the EGM dated 24 May 2022
“NTA”	:	Net tangible assets
“Off-Market Share Buy-Back”	:	Off-market purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as defined in Section 76C of the Companies Act as may be determined or formulated by the Directors as they may consider fit and in the best interests of the Company, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Listing Manual
“On-Market Share Buy-Back”	:	On-market purchases through the SGX-ST’s ready market or, as the case may be, any other stock exchange on which the Shares may, for the time being, be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for such purpose
“Proposed Adoption of the Share Buy-Back Mandate”	:	The proposed adoption of the Share Buy-Back Mandate
“Proxy Form”	:	The proxy form in respect of the EGM
“Register of Directors’ Shareholdings”	:	A register of the shareholdings of the directors of the Company
“Register of Members”	:	A register of the members of the Company
“Register of Substantial Shareholders”	:	A register of the Substantial Shareholders

DEFINITIONS

“Relevant Period”	:	The period commencing from the Approval Date and until the date the next AGM is held or is required by law to be held, whichever is the earlier (whereupon the Share Buy-Back Mandate will lapse, unless renewed at such meeting) or until the Share Buy-Back Mandate is varied or revoked by the Company in a general meeting (if so varied or revoked prior to the date the next AGM is held or is required by law to be held, whichever is the earlier)
“Securities Accounts”	:	The securities account maintained with CDP, but not including the securities accounts maintained with a Depository Agent
“SFA”	:	The Securities and Futures Act 2001 of Singapore (2020 Revised Edition), as may be amended, supplemented or modified from time to time
“SGXNET”	:	A system network used by listed companies to send information and announcements to the SGX-ST or any other system network prescribed by the SGX-ST
“SGX-ST”	:	The Singapore Exchange Securities Trading Limited
“Share Buy-Back”	:	The purchase of Shares by the Company pursuant to the Share Buy-Back Mandate, which can be by way of an Off-Market Share Buy-Back or an On-Market Share Buy-Back
“Share Buy-Back Guidance Note”	:	The share buy-back guidance note found in Appendix 2 of the Take-over Code, as may be amended, supplemented or modified from time to time
“Share Buy-Back Mandate”	:	The general mandate given by Shareholders to authorise the Directors to purchase Shares in accordance with the terms set out in this Circular and the rules and regulations set forth in the Companies Act and the Listing Manual
“Shareholders”	:	Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” in relation to Shares held by CDP shall, where the context admits, means the persons named as Depositors in the Depository Register maintained by CDP and to whose Securities Accounts such Shares are credited
“Shares”	:	Ordinary shares in the capital of the Company
“SRS”	:	Supplementary Retirement Scheme
“SRS Agent Banks”	:	Agent banks included under the SRS

DEFINITIONS

“SRS Investors”	:	Investors who have purchased Shares pursuant to the SRS
“Subsidiary”	:	Has the meaning ascribed to it in Section 5 of the Companies Act
“Subsidiary Holdings”	:	Shares held by a Subsidiary in accordance with the Companies Act
“Substantial Shareholder”	:	A person who has an interest or interests (directly or indirectly) in voting Shares representing not less than five per cent. (5%) of all the voting Shares
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers, as may be amended, supplemented or modified from time to time
“Treasury Shares”	:	Issued Shares which were (or are treated as having been) purchased by the Company in circumstances which Section 76H of the Companies Act applies and have, since they were so purchased, been continuously held by the Company
“YSL”	:	Yangzijiang Shipbuilding (Holdings) Ltd.
“YSL Group”	:	Yangzijiang Shipbuilding (Holdings) Ltd. and its subsidiaries

Currencies, units and others

“S\$”, “SGD” or “\$” and “cents”	:	Singapore dollars and cents respectively
“%” or “per cent.”	:	Percentage or per centum

Any reference in this Circular to any enactment is a reference to that enactment for the time being in force, as may be amended or re-enacted. Any word defined under the Companies Act, the Listing Manual, the SFA, the Take-over Code or any statutory modification thereof and used in this Circular shall have the meaning assigned to it under the Companies Act, Listing Manual, SFA, Take-over Code or its statutory modification, as the case may be, unless the context otherwise requires.

Words importing the singular number shall include the plural number where the context admits and *vice versa*. Words importing the masculine gender shall include the feminine gender where the context admits. Reference to persons shall, where applicable, include corporations.

Any reference to any agreement or document shall include such agreement or document as amended, modified, varied, novated, supplemented or replaced from time to time.

Any reference to a time of day or date in this Circular is a reference to a time of day or date, as the case may be, in Singapore, unless otherwise stated.

DEFINITIONS

Any discrepancies in this Circular between the sum of the figures stated 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.

[The rest of this page has been intentionally left blank]

LETTER TO SHAREHOLDERS



YANGZIJIANG FINANCIAL HOLDING LTD.

(Incorporated in Singapore on 14 December 2021)
(Company Registration No. 202143180K)

Directors:

Ren Yuanlin (Executive Chairman)
Toe Teow Heng (Executive Director)
Chew Sutat (Lead Independent Director)
Chua Kim Leng (Independent Director)
Yee Kee Shian, Leon (Independent Director)

Registered Office:

80 Robinson Road, #02-00,
Singapore 068898

24 May 2022

To: Shareholders of Yangzijiang Financial Holding Ltd.

Dear Sir/Madam,

THE PROPOSED ADOPTION OF THE SHARE BUY-BACK MANDATE

1. INTRODUCTION

It is a requirement under the Companies Act and the Listing Manual that a company which wishes to purchase or otherwise acquire its own shares must obtain the approval of its shareholders at a general meeting. Accordingly, approval is being sought from the Shareholders for the adoption of the Share Buyback Mandate at the upcoming EGM. If approved at the EGM, the Share Buyback Mandate will take effect from the date thereof and continue in force until the date of the next AGM or otherwise as set out in Section 2.2.2 below. The proposed renewal of the Share Buyback Mandate may be tabled at each subsequent AGM for Shareholders' approval, at the discretion of the Directors.

The purpose of this Circular is to provide Shareholders with the relevant information relating to, and to seek Shareholders' approval for the Proposed Adoption of the Share Buy-Back Mandate. The Notice of EGM has been, or will be, made available to Shareholders on the same date as the date of this Circular via SGXNET and may also be accessed via the Company's website at <https://www.yzjfin.com>.

The Directors propose to convene an EGM to be held on 8 June 2022 at 3:00 p.m. by electronic means to seek Shareholders' approval for the Proposed Adoption of the Share Buy-Back Mandate.

If you are in any doubt as to the course of action to take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

This Circular has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than Shareholders) or for any other purpose.

LETTER TO SHAREHOLDERS

The SGX-ST assumes no responsibility for the accuracy of any statements made, opinions expressed or reports contained in this Circular.

2. THE PROPOSED ADOPTION OF THE SHARE BUY-BACK MANDATE

2.1 Rationale for the Proposed Adoption of the Share Buy-Back Mandate

The Company proposes to seek Shareholders' approval for the Proposed Adoption of the Share Buy-Back Mandate to give the Directors the flexibility to undertake Share Buy-Backs at any time when circumstances permit, with the objective of increasing Shareholders' value and to improve, *inter alia*, the return of equity of the Group. A Share Buy-Back made at an appropriate price level is one of the ways through which the return on equity of the Group may be enhanced.

The Directors believe that the Share Buy-Back Mandate provides the Company with a mechanism to facilitate the return of surplus cash over and above the Group's working capital requirements in an expedient and cost-efficient manner. Share Buy-Backs also allow the Directors to exercise control over the Company's share structure and, depending on market conditions, may lead to an enhancement of the EPS and/or NTA per Share. The Directors further believe that Share Buy-Backs may also help to mitigate short-term market volatility and offset the effects of share price speculation.

If and when circumstances permit, the Directors will decide whether to effect the Share Buy-Backs via On-Market Share Buy-Backs or Off-Market Share Buy-Backs, after taking into account the amount of surplus cash available, the then prevailing market conditions and the most cost effective and efficient approach.

Share Buy-Backs will only be undertaken as and when the Directors consider it to be in the best interests of the Company and/or Shareholders. Shareholders should note that although the Share Buy-Back Mandate will authorise purchases or acquisitions of Shares to be carried out to the ten per cent. (10%) limit, the Company may not fully utilise the ten per cent. (10%) limit. No Share Buy-Backs will be made in circumstances which the Directors believe will have or may have a material adverse effect on the financial condition, the liquidity and the orderly trading of the Shares, or the working capital requirements and gearing level of the Company and the Group.

2.2 Authority and limits of the Share Buy-Back Mandate

The authority and limitations placed on the Share Buy-Backs by the Company under the Share Buy-Back Mandate, if adopted at the upcoming EGM, are summarised below.

2.2.1 Maximum number of Shares

Only Shares that are issued and fully paid-up may be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate.

LETTER TO SHAREHOLDERS

The total number of Shares that may be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate during the Relevant Period is limited to that number of Shares representing not more than ten per cent. (10%) of the total issued ordinary share capital of the Company (excluding Treasury Shares and Subsidiary Holdings, and as ascertained as at the date of the upcoming EGM at which the Proposed Adoption of the Share Buy-Back Mandate is approved by Shareholders (the “**Approval Date**”), unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered).

For the purposes of calculating the percentage of issued Shares above, any of the Shares which are held as Treasury Shares and any Subsidiary Holdings will be disregarded.

For illustrative purposes only, based on the existing issued and paid-up capital of the Company as at the Latest Practicable Date of S\$4,264,195,899 comprising 3,950,589,220 Shares and nil Subsidiary Holdings held, and assuming that no further Shares are issued on or prior to the EGM, not more than 395,058,922 Shares (representing ten per cent. (10%) of the issued ordinary share capital of the Company as at the date of the EGM, excluding Treasury Shares and Subsidiary Holdings) may be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate.

2.2.2 Duration of authority

Under the Share Buy-Back Mandate, Share Buy-Backs may be made, at any time and from time to time, on and from the Approval Date, up to the earliest of:

- (i) the conclusion of the next AGM or the date by which such AGM is required by law to be held;
- (ii) the date on which the Share Buy-Backs are carried out to the full extent mandated; or
- (iii) the date on which the authority contained in the Share Buy-Back Mandate is revoked or varied by Shareholders in a general meeting.

The authority conferred on the Directors by the Share Buy-Back Mandate to purchase Shares may be renewed at each AGM or other general meeting of the Company. When seeking the approval of Shareholders for the Proposed Adoption of the Share Buy-Back Mandate, the Company is required to disclose details pertaining to any Share Buy-Backs made during the previous twelve (12) months, including both Off-Market Share Buy-Backs and On-Market Share Buy-Backs, the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such Share Buy-Backs, where relevant, the total consideration paid for such Share Buy-Backs and whether the Shares purchased by the Company will be cancelled or kept as Treasury Shares.

LETTER TO SHAREHOLDERS

2.2.3 Manner of Share Buy-Backs

Share Buy-Backs may be made by way of, *inter alia*:

- (i) on-market purchases through the SGX-ST's trading system or, as the case may be, any other stock exchange on which the Shares may, for the time being, be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for such purpose (the "**On-Market Share Buy-Back**"); and/or
- (ii) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as defined in Section 76C of the Companies Act, as may be determined or formulated by the Directors as they may consider fit and in the best interests of the Company, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Listing Manual (the "**Off-Market Share Buy-Back**").

The Directors may impose such terms and conditions, which are not inconsistent with the Share Buy-Back Mandate, the Listing Manual and the Companies Act, as they consider fit, in the interests of the Company in connection with, or in relation to, any equal access scheme(s). Under the Companies Act, an equal access scheme must satisfy all of the following conditions:

- (a) offers for the Share Buy-Backs shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (b) all of those persons shall be given a reasonable opportunity to accept the offers made to them; and
- (c) the terms of all the offers are the same, except that there shall be disregarded:
 - (I) differences in consideration attributable to the fact that the offers relate to Shares with different accrued dividend entitlements;
 - (II) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and
 - (III) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

In addition, the Listing Manual provides that, in making an Off-Market Share Buy-Back, the Company must issue an offer document to all Shareholders which must contain at least the following information:

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed Share Buy-Back;
- (d) the consequences, if any, of Share Buy-Backs by the Company that will arise under the Take-over Code or other applicable take-over rules;

LETTER TO SHAREHOLDERS

- (e) whether the Share Buy-Back, if made, would have any effect on the listing of the Shares on the official list of the SGX-ST;
- (f) details of any Share Buy-Back made by the Company in the previous twelve (12) months (whether On-Market Share Buy-Backs or Off-Market Share Buy-Backs), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such Share Buy-Backs (where relevant) and the total consideration paid for such Share Buy-Backs; and
- (g) whether the Shares purchased by the Company will be cancelled or kept as Treasury Shares.

2.2.4 Maximum purchase price to be paid for the Shares

The purchase price (excluding brokerage, commission, stamp duties, applicable goods and services tax and other related expenses) to be paid for the Shares will be determined by the Directors.

However, the purchase price to be paid for a Share pursuant to a Share Buy-Back, as determined by the Directors, must not exceed:

- (i) in the case of an On-Market Share Buy-Back, 105 per cent. (105%) of the Average Closing Market Price (as defined below) of the Shares; and
- (ii) in the case of an Off-Market Share Buy-Back, 120 per cent. (120%) of the Average Closing Market Price of the Shares,

(the “**Maximum Price**”) in either case, excluding related expenses of the Share Buy-Back.

For the above purposes, the “**Average Closing Market Price**” means the average of the closing market prices of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded before the day on which the purchases are made, or as the case may be, the day of the making of the offer pursuant to the Off-Market Share Buy-Back, and deemed to be adjusted for any corporate action that occurs during the relevant five (5)-day period and the day on which the purchases are made.

The term “**day of the making of the offer**” means the day on which the Company announces its intention to make an offer for an Off-Market Share Buy-Back, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Share Buy-Back calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Share Buy-Back.

2.3 **Status of purchased Shares under the Share Buy-Back Mandate**

A Share purchased or acquired by the Company under the Share Buy-Back Mandate is deemed to be cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless such Share is held by the Company as a Treasury Share.

LETTER TO SHAREHOLDERS

2.4 Cancellation of purchased Shares

Any Share which is purchased or acquired by the Company shall, unless held as Treasury Shares to the extent permitted under the Companies Act, be deemed cancelled immediately on purchase, and all rights and privileges attached to that Share shall expire on cancellation. The total number of Shares will be diminished by such number of Shares purchased or acquired by the Company and which are not held as Treasury Shares.

Any Shares purchased or acquired by the Company (other than Treasury Shares held by the Company to the extent permitted by the Companies Act) and cancelled will be automatically de-listed by the SGX-ST and (where applicable) all certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following the settlement of any such purchase or acquisition.

2.5 Purchased Shares held as Treasury Shares

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as Treasury Shares. Some of the provisions on Treasury Shares under (i) the Listing Manual and (ii) the Companies Act, are summarised below.

2.5.1 Maximum holdings

The number of Shares held as Treasury Shares cannot at any time exceed ten per cent. (10%) of the total number of issued Shares.

In the event that the Company holds more than ten per cent. (10%) of the total number of its issued Shares as Treasury Shares, the Company shall cancel or dispose of the excess Treasury Shares in the manner set out under Section 2.5.3 below within six (6) months beginning with the day on which that contravention occurs, or such further period as the Registrar of Companies may allow.

2.5.2 Voting and other rights

The Company cannot exercise any right in respect of Treasury Shares. In particular and for the purposes of the Companies Act, the Treasury Shares shall be treated as having no voting rights and as such, the Company cannot exercise any right to attend or vote at meetings. Any purported exercise of such a right is void.

In addition, no dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be made to the Company in respect of Treasury Shares. However, the allotment of Shares as fully paid bonus shares in respect of Treasury Shares is allowed. Also, a subdivision or consolidation of any Treasury Share into Treasury Shares of a smaller or larger amount is allowed so long as the total value of the Treasury Shares after the subdivision or consolidation is the same as before.

LETTER TO SHAREHOLDERS

2.5.3 Disposal and cancellation

Where Shares are held as Treasury Shares, the Company may at any time but subject always to the Take-over Code:

- (i) sell the Treasury Shares (or any of them) for cash;
- (ii) transfer the Treasury Shares (or any of them) for the purposes of or pursuant to any share scheme, whether for its employees, Directors or other persons;
- (iii) transfer the Treasury Shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancel the Treasury Shares (or any of them); or
- (v) sell, transfer or otherwise use the Treasury Shares for such other purposes as may be prescribed by the Minister for Finance of Singapore.

The Shares purchased or acquired under the Share Buy-Back Mandate will be held as Treasury Shares or cancelled by the Company taking into consideration the then prevailing circumstances and requirements of the Company at the relevant time.

2.5.4 Reporting obligation under the Listing Manual

Under the Listing Manual, the Company must immediately announce any sale, transfer, cancellation and/or use of Treasury Shares, stating the following:

- (i) date of the sale, transfer, cancellation and/or use;
- (ii) purpose of such sale, transfer, cancellation and/or use;
- (iii) number of Treasury Shares sold, transferred, cancelled and/or used;
- (iv) number of Treasury Shares before and after such sale, transfer, cancellation and/or use;
- (v) percentage of the number of Treasury Shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (vi) value of the Treasury Shares sold, transferred, cancelled and/or used.

LETTER TO SHAREHOLDERS

2.6 Source of funds for the Share Buy-Backs

In undertaking Share Buy-Backs, the Company may only apply funds legally available for such purchases in accordance with the Constitution, the Listing Manual and the applicable laws in Singapore. The Company may not purchase its Shares for a consideration other than cash or, in the case of an On-Market Share Buy-Back, for settlement other than in accordance with the trading rules of the SGX-ST.

Pursuant to the Constitution and the Companies Act, any payment made by the Company in consideration for Share Buy-Backs may only be made out of the Company's capital or profits so long as the Company is solvent. For this purpose, pursuant to Section 76F(4) of the Companies Act, a company is "solvent" if the following conditions are satisfied:

- (i) there is no ground on which the company could be found to be unable to pay its debts;
- (ii) the company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and
- (iii) 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 purchase, acquisition, variation or release (as the case may be), become less than the value of its liabilities (including contingent liabilities).

Where the consideration paid by the Company for the Share Buy-Backs is made out of profits, such consideration (excluding related brokerage, goods and services tax, stamp duties and clearance fees) will correspondingly reduce the amount of profits available for the distribution of cash dividends by the Company. However, where the consideration paid by the Company for the Share Buy-Backs is made out of capital, the amount of profits available for the distribution of cash dividends by the Company will not be reduced.

The Company intends to use its internal resources and/or external borrowings or a combination of both to finance its Share Buy-Backs.

2.7 Financial effects of the Share Buy-Back Mandate

It is not possible for the Company to realistically calculate or quantify the impact of Share Buy-Backs that may be made pursuant to the Proposed Adoption of the Share Buy-Back Mandate as the financial effects on the Company and the Group arising from the Share Buy-Backs will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, whether the Share Buy-Backs are made by way of On-Market Share Buy-Backs or Off-Market Share Buy-Backs, the price at which the Share Buy-Backs are made, the amount (if any) borrowed by the Company to fund the Share Buy-Backs and whether the Shares are cancelled or held in treasury.

LETTER TO SHAREHOLDERS

For illustrative purposes only, the financial effects on the Company and the Group arising from the Share Buy-Backs, based on the unaudited financial statements of the Company and the Group for FY2021, are prepared based on the assumptions set out below:

- (a) the Share Buy-Backs comprised 395,058,922 Shares (representing ten per cent. (10%) of the 3,950,589,220 issued Shares as at the Latest Practicable Date, and assuming no further Shares are issued and no Shares are held by the Company as Treasury Shares and no Shares are held as Subsidiary Holdings on or prior to the EGM);
- (b) in the case of On-Market Share Buy-Backs, the Maximum Price was S\$0.46 (being five per cent. (5%) above the average of the closing market prices of the Shares for the last five (5) Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date). Accordingly, the maximum amount of funds required for effecting such On-Market Share Buy-Backs (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses), would amount to approximately S\$184,097,458;
- (c) in the case of Off-Market Share Buy-Backs, the Maximum Price was S\$0.53 (being twenty per cent. (20%) above the average of the closing market prices of the Shares for the last five (5) Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date). Accordingly, the maximum amount of funds required for effecting such Off-Market Share Buy-Backs (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses), would amount to approximately S\$210,566,405;
- (d) the Share Buy-Backs were made entirely out of the Company's capital and financed entirely by internal cash and borrowings of the Group;
- (e) the Share Buy-Backs pursuant to the Share Buy-Back Mandate had taken place on 31 December 2021 for the purpose of computing the financial effects on Shareholders' equity, NTA per Share and gearing of the Group and the Company;
- (f) transaction costs incurred during the Share Buy-Backs pursuant to the Share Buy-Back Mandate are assumed to be insignificant and have thus been ignored for the purposes of computing the financial effects; and
- (g) where Shares purchased are held as Treasury Shares, the maximum number of Shares permitted under the Companies Act to be held in treasury are held in treasury, and the balance is cancelled.

LETTER TO SHAREHOLDERS

Share Buy-Backs with the Shares cancelled thereafter

	Group			Company		
	Before Share Buy-Backs	After Share Buy-Backs		Before Share Buy-Backs	After Share Buy-Backs	
	S\$'000	On-Market Share Buy-Back S\$'000	Off-Market Share Buy-Back S\$'000	S\$'000	On-Market Share Buy-Back S\$'000	Off-Market Share Buy-Back S\$'000
<u>As at 31 December 2021</u>						
Share capital	4,248,800	4,248,800	4,248,800	0	0	0
Shareholders' fund	4,248,800	4,059,180	4,031,917	0	(189,620)	(216,883)
NTA	4,248,800	4,059,180	4,031,917	0	(189,620)	(216,883)
Current assets	3,481,160	3,475,637	0	0	0	0
Current liabilities	68,289	252,386	278,855	0	189,620	216,883
Cash and cash equivalents ⁽¹⁾	18,374	12,851	12,057	0	0	0
Total borrowings	0	184,097	210,566	0	184,097	210,566
Net borrowings ⁽²⁾	Net Cash	171,246	198,509	(0)	184,097	210,566
Net (loss)/profit for FY2021	327,238	321,715	320,921	0	(5,523)	(6,317)
Number of Shares as at 31 December 2021 ('000)	3,950,589	3,555,530	3,555,530	3,950,589	3,555,530	3,555,530
Weighted average number of Shares as at 31 December 2021 ('000)	3,950,589	3,950,589	3,950,589	3,950,589	3,950,589	3,950,589
<u>Financial Ratios</u>						
NTA per Share (cents) ⁽³⁾	107.55	114.17	113.40	0	(5.33)	(6.10)
Gross gearing (times) ⁽⁴⁾	0	4.54	5.22	0	(97.09)	(97.09)
Net gearing (times) ⁽⁵⁾	Net Cash	4.08	4.77	Net Cash	(97.09)	(97.09)
Current ratio (times) ⁽⁶⁾	50.98	13.77	12.46	N.A.	0.00	0.00
(Loss)/profit per Share (cents) ⁽⁷⁾	8.28	8.14	8.12	0	(0.14)	(0.16)

Notes:

- (1) Based on the assumption that the Company will finance the Share Buy-Backs from funds within the Group and external borrowings.
- (2) "Net borrowings" represents total borrowings less cash and cash equivalents. In the event there is no borrowing or in a net cash position, a symbol "0" is stated.
- (3) "NTA per Share" represents NTA divided by the number of Shares as at 31 December 2021.
- (4) "Gross gearing" represents total borrowings divided by total equity.
- (5) "Net gearing" represents net borrowings divided by total equity. In the event there is no borrowing or in a net cash position, a symbol "0" is stated.
- (6) "Current ratio" represents current assets divided by current liabilities.
- (7) Profit/(loss) per Share represents net profit attributable to owners of the Company for FY2021 respectively divided by the weighted average number of Shares for FY2021.

LETTER TO SHAREHOLDERS

Share Buy-Backs with the Shares held as Treasury Shares

	Group			Company		
	Before Share Buy-Backs	After Share Buy-Backs		Before Share Buy-Backs	After Share Buy-Backs	
	S\$'000	On-Market Share Buy-Back S\$'000	Off-Market Share Buy-Back S\$'000	S\$'000	On-Market Share Buy-Back S\$'000	Off-Market Share Buy-Back S\$'000
As at 31 December 2021						
Share capital	4,248,800	4,248,800	4,248,800	0	0	0
Shares held in Treasury	0	(184,097)	(210,566)	0	(184,097)	(210,566)
Shareholders' fund	4,248,800	4,059,180	4,031,917	0	(189,620)	(216,883)
NTA	4,248,800	4,059,180	4,031,917	0	(189,620)	(216,883)
Current assets	3,481,160	3,475,637	0	0	0	0
Current liabilities	68,289	252,386	278,855	0	189,620	216,883
Cash and cash equivalents ⁽¹⁾	18,374	12,851	12,057	0.1	0	0
Total borrowings	0	184,097	210,566	0	184,097	210,566
Net borrowings ⁽²⁾	Net Cash	171,246	198,509	(0)	184,097	210,566
Net (loss)/profit for FY2021	327,238	321,715	320,921	0	(5,523)	(6,317)
Number of Shares as at 31 December 2021 ('000)	3,950,589	3,555,530	3,555,530	3,950,589	3,555,530	3,555,530
Weighted average number of Shares as at 31 December 2021 ('000)	3,950,589	3,950,589	3,950,589	3,950,589	3,950,589	3,950,589
Financial Ratios						
NTA per Share (cents) ⁽³⁾	107.55	114.17	113.40	0.00	(5.33)	(6.10)
Gross gearing (times) ⁽⁴⁾	0	4.54	5.22	0	(97.09)	(97.09)
Net gearing (times) ⁽⁵⁾	Net Cash	4.08	4.77	Net Cash	(97.09)	(97.09)
Current ratio (times) ⁽⁶⁾	50.98	13.77	12.46	N.A.	0.00	0.00
(Loss)/profit per Share (cents) ⁽⁷⁾	8.28	8.14	8.12	0	(0.14)	(0.16)

Notes:

- (1) Based on the assumption that the Company will finance the Share Buy-Backs from funds within the Group and external borrowings.
- (2) "Net borrowings" represents total borrowings less cash and cash equivalents. In the event there is no borrowing or in a net cash position, a symbol "0" is stated.
- (3) "NTA per Share" represents NTA divided by the number of Shares as at 31 December 2021.
- (4) "Gross gearing" represents total borrowings divided by total equity.
- (5) "Net gearing" represents net borrowings divided by total equity. In the event there is no borrowing or in a net cash position, a symbol "0" is stated.
- (6) "Current ratio" represents current assets divided by current liabilities.
- (7) Profit/(loss) per Share represents net profit/(loss) attributable to owners of the Company for FY2021 respectively divided by the weighted average number of Shares for FY2021.

LETTER TO SHAREHOLDERS

The Directors do not propose to exercise the Share Buy-Back Mandate to such an extent that it would have a material adverse effect on the financial condition, the liquidity and the orderly trading of the Shares, or the working capital requirements and gearing level of the Company and the Group. The Share Buy-Backs will only be effected after taking into consideration both financial factors (such as cash surplus, debt position and working capital requirements of the Group) and non-financial factors (such as market conditions and performance of the Shares).

Shareholders should note that the financial effects set out above are for illustrative purposes only. In particular, it is important to note that the above analysis is not necessarily representative of the future financial performance of the Company and the Group.

Although the Proposed Adoption of the Share Buy-Back Mandate would authorise the Company to purchase up to ten per cent. (10%) of the Company's issued Shares (excluding Treasury Shares and Subsidiary Holdings), the Company may not necessarily buy back or be able to buy back ten per cent. (10%) of the issued Shares in full. In addition, the Company may cancel all or part of the Share Buy-Backs or hold all or part of the Share Buy-Backs as Treasury Shares.

2.8 Listing Manual

Under the Listing Manual, a listed company may only purchase shares by way of a market acquisition at a price which is not more than five per cent. (5%) above the average closing market price. The term "**average closing market price**" is defined as the average of the closing market prices of the shares over the last five (5) Market Days on which transactions in the shares were recorded, before the day on which purchases are made, and deemed to be adjusted for any corporate action that occurs during the relevant five (5)-day period and the day on which the purchases are made. The Maximum Price for a Share in relation to market purchases by the Company, referred to in Section 2.2.4 of this Circular, conforms to this restriction.

Further, the Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9:00 a.m., (i) in the case of an On-Market Share Buy-Back, on the Market Day following the day of its purchase or acquisition of any of its shares; and (ii) in the case of an Off-Market Share Buy-Back, on the second Market Day after the close of acceptances of the offer. Such announcement should be made in compliance with Appendix 8.3.1 of the Listing Manual, which requires the inclusion of details such as the date of the purchases, the total number of Shares purchased, the number of Shares cancelled, the number of Shares held as Treasury Shares, the purchase price per Share or the highest and lowest prices paid for such Shares, and the total consideration (including stamp duties, clearing charges, etc.) paid or payable for the Shares, as applicable.

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an "**insider**" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Buy-Back Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In particular, in compliance with Rule 1207(19)(c) of the Listing Manual, the Company will not purchase or acquire any Shares through Share Buy-Backs

LETTER TO SHAREHOLDERS

during the period commencing one (1) month immediately preceding the announcement of the Company's half year and full year financial statements (where the Company is not required to announce its quarterly financial statements).

Rule 723 of the Listing Manual requires a listed company to ensure that at least ten per cent. (10%) of any class of its listed securities are held by public shareholders. The "public", as defined in the Listing Manual, are persons other than the Directors, Chief Executive Officer, Substantial Shareholders and Controlling Shareholders of the Company and its Subsidiaries, as well as the Associates of such persons.

For illustrative purposes only, as at the Latest Practicable Date, approximately 52.5% of the issued share capital of the Company (excluding Treasury Shares) are held by public Shareholders. Assuming that the Company undertakes Share Buy-Backs up to the maximum of ten per cent. (10%) pursuant to the Proposed Adoption of the Share Buy-Back Mandate, the percentage of Shares held by the public would be approximately 47.2%.

Accordingly, the Company is of the view that there are sufficient Shares in issue held by public Shareholders which would permit the Company to undertake Share Buy-Backs up to the full ten per cent. (10%) limit pursuant to the Share Buy-Back Mandate without adversely affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading.

2.9 Tax implications

Shareholders who are in doubt as to their respective tax positions or the tax implications of the Share Buy-Backs by the Company or who may be subject to tax whether in or outside of Singapore should consult their own professional advisers.

2.10 Take-over Code obligations arising from Share Buy-Backs

Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below:

2.10.1 Obligation to make a take-over offer

If, as a result of Share Buy-Backs, a Shareholder's proportionate interest in the voting capital of the Company increases, such an increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such an increase results in the change of effective control, or, as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code.

2.10.2 Persons acting in concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

LETTER TO SHAREHOLDERS

Unless the contrary is established, the following persons will, *inter alia*, be presumed to be acting in concert:

- (a) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
- (b) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the aforementioned companies, any company whose associated companies include any of the foregoing companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights. For this purpose, a company is an associated company of another company if the second company owns or controls at least twenty per cent. (20%) but not more than fifty per cent. (50%) of the voting rights of the first-mentioned company;
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total ten per cent. (10%) or more of the client's equity share capital;
- (f) directors of a company, together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts, which is subject to an offer or where the directors have reason to believe a *bona fide* offer for their company may be imminent;
- (g) partners; and
- (h) an individual, his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the aforementioned, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing persons for the purchase of voting rights.

The circumstances under which Shareholders (including Directors) and persons acting in concert with them, respectively, will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a Share Buy-Back by the Company are set out in Appendix 2 of the Take-over Code.

LETTER TO SHAREHOLDERS

2.10.3 Effect of Rule 14 and Appendix 2 of the Take-over Code

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to thirty per cent. (30%) or more, or, if such Shareholder holds between thirty per cent. (30%) and fifty per cent. (50%) of the Company's voting rights, the voting rights of such Shareholder would increase by more than one per cent. (1%) in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Proposed Adoption of the Share Buy-Back Mandate, unless so required under the Companies Act, e.g. for a shareholder whose shares are to be bought via a selective share buy-back by an unlisted public company.

With regard to Directors and persons acting in concert with them, if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to thirty per cent. (30%) or more, or if the voting rights of such Directors and their concert parties fall between thirty per cent. (30%) and fifty per cent. (50%) of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than one per cent. (1%) in any period of six (6) months, such Directors and persons acting in concert with them will be exempted from the requirement to make a take-over offer under Rule 14 of the Take-over Code, subject to the following conditions:

- (a) this Circular to contain advice to the effect that by voting for the Proposed Adoption of the Share Buy-Back Mandate, Shareholders are waiving their right to a general offer at the required price from Directors and parties acting in concert with them who, as a result of the Company buying back its Shares, would increase their voting rights to thirty per cent. (30%) or more, or, if they together hold between thirty per cent. (30%) and fifty per cent. (50%) of the Company's voting rights, would increase their voting rights by more than one per cent. (1%) in any period of six (6) months; and the names of such Directors and persons acting in concert with them, their voting rights at the time of the resolution and after the proposed Share Buy-Back to be disclosed in this same Circular;
- (b) the resolution to authorise the Proposed Adoption of the Share Buy-Back Mandate to be approved by a majority of those Shareholders present and voting at the meeting on a poll who could not become obliged to make an offer as a result of the Proposed Adoption of the Share Buy-Back Mandate;
- (c) Directors and/or persons acting in concert with them to abstain from voting for and/or recommending Shareholders to vote in favour of the resolution to authorise the Proposed Adoption of the Share Buy-Back Mandate;
- (d) within seven (7) days after the passing of the resolution to authorise the Proposed Adoption of the Share Buy-Back Mandate, each of the Directors to submit to the Council a duly signed form as prescribed by the Council;
- (e) Directors and/or persons acting in concert with them not to have acquired and not to acquire any Shares between the date on which they know that the announcement of the Share Buy-Back proposal is imminent and the earlier of:

LETTER TO SHAREHOLDERS

- the date on which the authority of the Share Buy-Back Mandate expires; and
- the date on which the Company announces it has bought back such number of Shares as authorised by Shareholders at the latest general meeting or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the Share Buy-Back, would cause their aggregate voting rights to increase to thirty per cent. (30%) or more; and

- (f) Directors and/or persons acting in concert with them, together holding between thirty per cent. (30%) and fifty per cent. (50%) of the Company's voting rights, not to have acquired and not to acquire any Shares between the date on which they know that the announcement of the Share Buy-Back proposal is imminent and the earlier of:

- the date on which the authority of the Share Buy-Back Mandate expires; and
- the date on which the Company announces it has bought back such number of Shares as authorised by Shareholders at the latest general meeting or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the Share Buy-Back, would cause their aggregate voting rights to increase by more than one per cent. (1%) in the preceding six (6) months.

It follows that where the aggregate voting rights held by a Director and persons acting in concert with him increase by more than one per cent. (1%) solely as a result of the Share Buy-Back and none of them has acquired any Shares during the relevant period defined above, then such Director and/or persons acting in concert with him would be eligible for Council's exemption from the requirement to make a general offer under Rule 14, or where such exemption had been granted, would continue to enjoy the exemption.

Shareholders (including Directors) and their concert parties who hold more than fifty per cent. (50%) of the Company's voting rights are under no obligation to make a take-over offer if the voting rights of such Shareholders and their concert parties were to increase as a result of the Company purchasing or acquiring Shares.

If the Company decides to cease the Share Buy-Backs before it has purchased in full such number of Shares authorised by its Shareholders at the latest AGM, the Company will promptly inform its Shareholders of such cessation. This will assist Shareholders to determine if they can buy any more Shares without incurring an obligation under Rule 14 of the Take-over Code.

LETTER TO SHAREHOLDERS

2.10.4 Application of the Take-over Code

The shareholdings of the Substantial Shareholders as at the Latest Practicable Date and after the purchase by the Company (other than from the Substantial Shareholders) of the maximum of ten per cent. (10%) of the issued share capital of the Company (excluding Treasury Shares and Subsidiary Holdings) pursuant to the Share Buy-Back Mandate as the case may be, are as follows:

Substantial Shareholders	Before Share Buy-Backs			After Share Buy-Backs		
	Number of Shares			Number of Shares		
	Direct Interest	Deemed Interest	% ⁽¹⁾	Direct Interest	Deemed Interest	% ⁽²⁾
Ren Yuanlin	–	852,845,825	21.6		852,845,825	24.0
Yangzi International Holdings Limited ⁽³⁾	852,845,825	–	21.6	852,845,825	–	24.0
Julius Baer Trust Company (Singapore) Limited (as trustee of the YZJ Settlement and the Xinyangchuan Settlement) ⁽⁴⁾	–	1,000,845,825	25.3	–	1,000,845,825	28.1
Sapphire Skye Limited (as nominee of Zedra Trust Company (Singapore) Limited) ⁽⁵⁾	–	394,134,000	10.0	–	394,134,000	11.1
Lido Point Investments Ltd	394,134,000	–	10.0	394,134,000	–	11.1
T. Rowe Price Associates, Inc.	–	295,981,100	7.5	–	295,981,100	8.3

Notes:

- (1) The percentage shareholding is based on the total issued share capital of the Company of 3,950,589,220 Shares, as at the Latest Practicable Date.
- (2) The percentage shareholding is based on the total issued share capital of the Company of 3,555,530,298 Shares after purchase by the Company (other than from the Substantial Shareholders) of the maximum of ten per cent. (10%) of the issued share capital of the Company pursuant to the Share Buy-Back Mandate.
- (3) Yangzi International Holdings Limited is a company incorporated in the British Virgin Islands and is wholly owned by Julius Baer Trust Company (Singapore) Limited in its capacity as trustee of the YZJ Settlement. Ren Yuanlin is the sole beneficiary of the YZJ Settlement. Accordingly, Ren Yuanlin can control the exercise of the rights of the 852,845,825 Shares held by Yangzi International Holdings Limited under the YZJ Settlement.
- (4) Julius Baer Trust Company (Singapore) Limited is the trustee of the YZJ Settlement and the Xinyangchuan Settlement. The YZJ Settlement is a "purpose trust". As at the Latest Practicable Date, Mr. Ren is the sole beneficiary under the YZJ Settlement. The 852,845,825 Shares held by Yangzi International Holdings Limited are assets of the YZJ Settlement. The settlor of the YZJ Settlement is Ren Yuanlin. The Xinyangchuan Settlement is an employee trust. As at the Latest Practicable Date, the beneficiaries are employees of YSL. The 150,000,000 Shares held by Xinyangchuan International Limited are assets of the Xinyangchuan 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 and the 150,000,000 Shares held by Xinyangchuan International Limited.
- (5) Sapphire Skye Limited is wholly-owned by Zedra Trust Company (Singapore) Limited, which is the trustee of the Lido Trust, an employee benefit trust set up for the purpose of rewarding employees of the YSL Group. Wang Dong is the settlor of the Lido Trust. Under the terms of the Lido Trust, Zedra Trust Company (Singapore) Limited manages the 394,134,000 Shares that Sapphire Skye Limited is deemed interested in and Wang Dong does not have any control over such Shares. The beneficiaries of the Lido Trust are not fixed. Wang Dong, as the 100.0% shareholder of Lido Point Investments Ltd, which held 394,134,000 shares of YSL, had transferred all the shares of Lido Point Investments Ltd to the Lido Trust set up for the purpose of rewarding employees of the YSL Group in December 2021. Wang Dong was a founding member of YSL and over the years had contributed to the success of the YSL Group. He had retired in 2019 from his role as Deputy General Manager to pursue his personal interests. It was his wish that the employee benefit trust would reward and motivate the YSL Group to reach greater heights and foster a sense of personal ownership amongst the employees.

LETTER TO SHAREHOLDERS

Based on the above shareholdings of the Substantial Shareholders as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date, in the event the Company undertakes Share Buy-Backs of up to ten per cent. (10%) of the issued Shares (excluding Treasury Shares and Subsidiary Holdings) as permitted under the Share Buy-Back Mandate, the individual shareholdings and voting rights of each of Ren Yuanlin, Yangzi International Holdings Limited, Julius Baer Trust Company (Singapore) Limited, Sapphire Skye Limited, Lido Point Investments Ltd and T. Rowe Price Associates, Inc. and their associates will remain below thirty per cent. (30%), of the issued share capital of the Company. Accordingly, none of the Substantial Shareholders of the Company would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code.

Shareholders who are in any doubt as to whether they would incur any obligations to make a take-over offer as a result of any Share Buy-Back pursuant to the Share Buy-Back Mandate are advised to consult their professional advisers and/or the Securities Industry Council of Singapore and/or the relevant authorities at the earliest opportunity before they acquire any Shares during the period when the Share Buy-Back Mandate is in force.

2.11 Details of Share Buy-Backs pursuant to the Share Buy-Back Mandate

No purchases were made by the Company by way of On-Market Share Buy Backs or Off-Market Share Buy Backs during the last twelve (12) months immediately preceding and up to the Latest Practicable Date.

2.12 Reporting requirements

Within thirty (30) days of the passing of a Shareholders' resolution to approve or renew the Share Buy-Back Mandate, the Company shall lodge a copy of such resolution with ACRA. The Company shall also lodge a notice with ACRA within thirty (30) days of a Share Buy-Back. Such notification is to include details such as the date of the Share Buy-Back, the number of Shares purchased or acquired by the Company, the number of Shares cancelled, the number of Shares held as Treasury Shares, the Company's issued share capital before and after the Share Buy-Back, the amount of consideration paid by the Company for the Share Buy-Back, whether the Shares were purchased out of profits or the capital of the Company and any such other particulars that may be prescribed.

Within 30 days of the cancellation or disposal of Treasury Shares in accordance with the provisions of the Companies Act, the Directors shall lodge with the Registrar the notice of cancellation or disposal of Treasury Shares in the prescribed form.

2.13 Limits on shareholdings

The Company does not have any limits on the shareholdings of Shareholders.

LETTER TO SHAREHOLDERS

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of Directors and Substantial Shareholders in the Shares as recorded in the Register of Directors' Shareholdings and Register of Substantial Shareholders, respectively, as at the Latest Practicable Date, are as follows:

	Number of Shares			
	Direct Interest	Deemed Interest	Total Interest	%(¹)
Directors				
Ren Yuanlin	–	852,845,825	852,845,825	21.6
Toe Teow Heng ⁽²⁾	600,000	5,000,000	5,000,000	0.1
Chew Sutat	500,000	–	500,000	0.0
Chua Kim Leng	200,000	–	200,000	0.0
Yee Kee Shian, Leon	–	–	–	–
Substantial Shareholders who are also not Directors				
Yangzi International Holdings Limited	852,845,825	–	852,845,825	21.6
Julius Baer Trust Company (Singapore) Limited (as trustee of the YZJ Settlement)	–	1,000,845,825	1,000,845,825	25.3
Sapphire Skye Limited (as nominee of Zedra Trust Company (Singapore) Limited)	–	394,134,000	394,134,000	10.0
Lido Point Investments Ltd	394,134,000	–	394,134,000	10.0
T. Rowe Price Associates, Inc.	–	295,981,100	295,981,100	7.5

Notes:

- (1) The percentage shareholding is based on the total issued share capital of the Company of 3,950,589,220 Shares, as at the Latest Practicable Date.
- (2) Toe Teow Heng holds 29.99% of ICH Group Ltd., which holds an aggregate of 5,000,000 Shares through its wholly-owned subsidiaries. By virtue of Section 4 of the SFA, Toe Teow Heng is deemed to have an interest in the 5,000,000 Shares that are held by ICH Group Ltd..

LETTER TO SHAREHOLDERS

4. EGM

The EGM, notice of which is set out on pages N-1 to N-5 of this Circular, will be held by electronic means (via “live” audio-visual webcast or “live” audio-only stream, which will allow for (i) real-time remote electronic voting and (ii) real-time electronic communication), on 8 June 2022 at 3:00 p.m. for the purpose of considering and, if thought fit, passing, with or without any modification, the ordinary resolution relating to the Proposed Adoption of the Share Buy-Back Mandate.

5. ACTION TO BE TAKEN BY SHAREHOLDERS

In line with the Alternative Arrangements Order, the Company has put in place alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream, which will also allow for (i) real-time remote electronic voting and (ii) real-time electronic communication), as set out in the Notice of EGM dated 24 May 2022. The Notice of EGM has been uploaded on SGXNet on the same day as this Circular. The announcement and Notice of EGM may also be accessed at the Company’s corporate website at <https://www.yzjfin.com>.

(a) Pre-Registration

Shareholders who wish to attend the EGM via live audio-visual webcast or live audio-only stream, must complete the following steps:

All Shareholders, CPF Investors and SRS Investors, can pre-register themselves or, where applicable, their appointed proxy(ies), for the EGM via the pre-registration website at <https://smartagm.sg/yzjfh-egm2022> for verification purposes by 3:00 p.m. on 5 June 2022, being 72 hours before the time fixed for the EGM.

Following the verification, authenticated Shareholders, including CPF Investors and SRS Investors, or, where applicable, their duly appointed proxy(ies) who have (or have been) pre-registered will be provided with a confirmation email for the EGM containing details as well as instructions on attending the EGM (the “**Confirmation Email**”), via the e-mail address provided during pre-registration.

Shareholders, including CPF Investors and SRS Investors, or, where applicable, their appointed proxy(ies) who have (or have been) pre-registered by 3:00 p.m. on 5 June 2022 deadline but have not received the Confirmation Email by 11:59 p.m. on 7 June 2022 should immediately contact the Company at public@yzjfin.com.

(b) Asking questions “live” during the EGM

Shareholders, proxyholders, CPF Investors and SRS Investors attending the EGM via the live webcast will be able to ask the Chairman of the EGM substantial and relevant questions related to the resolutions to be tabled for approval at the EGM, by typing in and submitting their questions through the live chat function via the audio-visual webcast platform.

LETTER TO SHAREHOLDERS

Investors holding Shares through relevant intermediaries (other than CPF Investors and SRS Investors) should approach their respective relevant intermediaries through which they hold Shares as soon as possible in order for the necessary arrangements to be made for them to submit questions in advance of the EGM or ask questions during the EGM via the live webcast. Shareholders, including CPF Investors and SRS Investors, are also encouraged to submit questions related to the resolutions to be tabled for approval at the EGM to the Chairman of the EGM, in advance of the EGM in the following manner no later than seven (7) working days in advance of the EGM (i.e. by 3:00 p.m. on 27 May 2022):

- (i) By e-mail to kamal@financialpr.com.sg/zhouyan@financialpr.com.sg; or
- (ii) if submitted by post, to be deposited at: 4 Robinson Rd, #04-01 The House of Eden, Singapore 048543.

Shareholders who submit questions via email or by post to the Company must provide the following information:

- (a) the Shareholder's full name;
- (b) the Shareholder's address; and
- (c) the manner in which the Shareholder holds Shares (e.g. via CDP, CPF or SRS).

The Board of Directors will endeavour to address, during the EGM, substantial and relevant questions (as determined by the Board in its sole opinion) submitted by Shareholders. However, there may not be sufficient time to address all such questions.

(c) Voting

Live voting will be conducted during the EGM for Shareholders and proxyholders attending the EGM via the live webcast. It is important for Shareholders and proxyholders to have their own web-browser enabled devices ready for voting during the EGM.

Shareholders and proxyholders will be required to log-in via the link in the Confirmation Email and enter the user ID and password to attend and participate in the live webcast of the EGM.

- (i) Live voting: Shareholders, including CPF Investors, SRS Investors and proxyholders attending the EGM may cast their votes in real time for each resolution to be tabled at the EGM via the live webcast. Shareholders and proxyholders will have the opportunity to cast their votes via the live voting feature on the live webcast platform. Shareholders, including CPF Investors, SRS Investors and proxyholders must have a web-browser enabled device in order to cast their vote.
- (ii) Voting via appointing proxy(ies) or the Chairman of the EGM as proxy: As an alternative to the above, Shareholders may also vote at the EGM by appointing proxy(ies) or the Chairman of the EGM as proxy to vote on their behalf. Please refer to sub-paragraph (d) below for information on the submission of Proxy Forms.

LETTER TO SHAREHOLDERS

A Shareholder who has submitted a Proxy Form but wishes to attend and participate in the live voting during the EGM instead, must inform the Company's Singapore Share Registrar and Share Transfer Office, Boardroom Corporate & Advisory Services Pte. Ltd., at +65 6536 5335 (during office hours) or at srs.teamb@boardroomlimited.com by 3:00 p.m. on 5 June 2022. Alternatively, kindly log-in prior to the commencement of the EGM as proxy revocation is not allowed after proxy form cut-off date/time (as defined below).

(d) Appointment of Proxies

A Shareholder who is not a relevant intermediary (as defined below) is entitled to appoint not more than two proxies and a Shareholder who is a relevant intermediary is entitled to appoint more than two proxies wish to vote at the EGM via a proxy(ies) must submit the Proxy Form, which is released together with this Notice of EGM, to appoint the proxy(ies) or the Chairman of the EGM as their proxy to cast votes on their behalf. Shareholders are requested to complete, sign and return the Proxy Form in accordance with the instructions printed thereon not less than seventy-two (72) hours before the time appointed for the EGM (i.e. by 3:00 p.m. on 5 June 2022 (the "**proxy form cut-off date/time**") in the following manner:

- (i) By Post: To be deposited at the registered office of the Company at 80 Robinson Road #02-00, Singapore 068898; or
- (ii) Via e-mail: To be emailed to public@yzjfin.com (Attn Yangzijiang Financial Team).

A Shareholder who wishes to submit an instrument of proxy must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and submitting it by email to the email address provided above.

Persons who hold Shares through relevant intermediaries

- (a) Persons who hold Shares through relevant intermediaries (as defined in Section 181(6) of the Companies Act), including a CPF Investor or a SRS Investor, and who wish to participate in the EGM by (i) observing and/or listening to the EGM proceedings via live audio-visual webcast or live audio-only stream; (ii) submitting questions in advance of, or live at the EGM; and/or (iii) voting at the EGM, (a) live via electronic means by being appointed as proxy by their relevant intermediary; or (b) by appointing the Chairman of the Meeting, as proxy to attend and vote on their behalf at the EGM, should contact the relevant intermediaries through which they hold such Shares as soon as possible in order for the necessary arrangements to be made for their participation in the EGM.
- (b) CPF Investors or SRS Investors (i) may vote live via electronic means at the EGM if they pre-register via the pre-registration website and are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies, or (ii) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks/SRS Operators to submit their votes by 3:00 p.m. on 27 May 2022.
- (c) The Proxy Form is not valid for use by CPF Investors or SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

LETTER TO SHAREHOLDERS

The Company shall be entitled to reject the Proxy Form if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form (such as in the case the appointor submits more than one instrument of proxy).

A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited at least seventy-two (72) hours before the time fixed for holding the EGM in order for the Depositor to be entitled to vote on any or all of the resolutions at the EGM. In view of Section 81SJ(4) of the SFA, a Depositor shall not be regarded as a shareholder of the Company entitled to attend the EGM and to speak and vote thereat unless his/her name appears in the Depository Register maintained by the CDP at least seventy-two (72) hours before the EGM. Any Shareholder who is holding his/her Shares via the CDP but whose name is not registered with the CDP seventy-two (72) hours before the EGM will not be entitled to attend and vote at the EGM. Accordingly, even if such Shareholder deposits his/her Proxy Form seventy-two (72) hours before the EGM, such Shareholder or his/her proxy will not be entitled to vote on his/her behalf at the EGM.

6. ADVISER

The Company has appointed Shook Lin & Bok LLP as its legal adviser in respect of the Proposed Adoption of the Share Buy-Back Mandate.

7. CONSENT

Shook Lin & Bok LLP, named as the legal adviser to the Company in respect of the Proposed Adoption of the Share Buy-Back Mandate, 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.

8. DIRECTORS' RECOMMENDATIONS

The Directors, having carefully considered the terms and rationale of the Proposed Adoption of the Share Buy-Back Mandate, are of the view that the Proposed Adoption of the Share Buy-Back Mandate is in the best interests of the Company and accordingly, recommend that Shareholders vote in favor of the ordinary resolution to approve the Proposed Adoption of the Share Buy-Back Mandate.

Shareholders, in deciding whether to vote in favour of the Proposed Adoption of the Share Buy-Back Mandate, should read carefully the terms and conditions, rationale and financial effects (where applicable) of the Share Buyback Mandate. In giving the above recommendations, the Board has had no regard to the specific investment objectives, financial situation, tax position or unique needs or constraints of any individual Shareholder. As different Shareholders would have different investment objectives and profiles, the Directors recommend that any individual Shareholder who may require specific advice in relation to his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers.

LETTER TO SHAREHOLDERS

9. 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 Adoption of the Share Buy-Back Mandate, 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.

10. DOCUMENTS AVAILABLE FOR INSPECTION

The Constitution and the letter of consent referred to in Section 7 of this Circular may be inspected at the registered office of the Company at 80 Robinson Road #02-00, Singapore 068898, during normal business hours from the date of this Circular up to and including the date of the EGM.

This Circular is also available on the Company's corporate website (<https://www.yzjfin.com>) and SGXNET.

Yours faithfully

For and on behalf of the Board of Directors of
YANGZIJIANG FINANCIAL HOLDING LTD.

Toe Teow Heng
Executive Director and Chief Executive Officer

NOTICE OF EXTRAORDINARY GENERAL MEETING

YANGZIJIANG FINANCIAL HOLDING LTD.

(Incorporated in Singapore on 14 December 2021)

(Company Registration No. 202143180K)

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting (“**EGM**”) of **YANGZIJIANG FINANCIAL HOLDING LTD.** (the “**Company**”) will be held by way of electronic means on **8 June 2022 at 3:00 p.m.** for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions which will each be proposed as an ordinary resolution:

*All capitalised terms used in this Notice of EGM which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the circular issued by the Company to the Shareholders dated 24 May 2022 (the “**Circular**”).*

PROPOSED ADOPTION OF THE SHARE BUY-BACK MANDATE

RESOLVED THAT pursuant to the Constitution:

That:

- (a) for the purposes of the Companies Act 1967 of Singapore (2020 Revised Edition) (the “**Act**”) and the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the Directors be and are hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire the issued ordinary shares in the capital of the Company (the “**Shares**”) not exceeding in aggregate the Prescribed Limit (as hereafter defined) during the Relevant Period (as hereinafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:
 - (i) on-market purchases (“**Market Purchases**”) transacted on the SGX-ST through the ready market or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
 - (ii) off-market purchases (“**Off-Market Purchases**”) (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act, and otherwise in accordance with all other provisions of the Act and the Listing Manual of the SGX-ST as may for the time being be applicable (the “**Share Purchase Mandate**”);
- (b) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:
 - (i) the date on which the next Annual General Meeting of the Company is held or required by law or the Constitution to be held;
 - (ii) the date on which purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated; or

NOTICE OF EXTRAORDINARY GENERAL MEETING

(iii) the date on which the authority contained in the Share Purchase Mandate is varied or revoked by the shareholders of the Company in a general meeting;

(c) in this Resolution:

“Prescribed Limit” means that number of Shares representing 10% of the issued ordinary share capital as at the date of the passing of this Resolution, unless the Company has effected a reduction of its share capital in accordance with the applicable provisions of the Act at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered;

“Relevant Period” means the period commencing from the date on which the Annual General Meeting at which this Resolution is passed and expiring on the date the next Annual General Meeting is held or is required by law or the Constitution to be held, whichever is the earlier, after the date of this Resolution; and

“Maximum Price” in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of a Market Purchase: 105% of the Average Closing Price; and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme: 120% of the Average Closing Price,

where:

“Average Closing Price” means the average of the closing market prices of a Share over the last five market days, on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase or, as the case may be, the day of the making of the offer pursuant to an Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after such five-market day period; and

“day of the making of the offer” means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

(d) the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.

BY ORDER OF THE BOARD
YANGZIJIANG FINANCIAL HOLDING LTD.

Lee Wei Hsiung
Company Secretary

24 May 2022
Singapore

NOTICE OF EXTRAORDINARY GENERAL MEETING

Important notes on the EGM to be held by electronic means:

1. Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, this EGM will be conducted solely by way of electronic means. Accordingly, this Notice of EGM and Proxy Form are made available to members via publication on the SGX website at <https://www.sgx.com/securities/company-announcements> and on the Company's website at <https://www.yzjfin.com>.

Please note that printed copies of the EGM documents will NOT be sent to members of the Company.

Alternative arrangements have been put in place to allow shareholders to participate at the EGM by:

- (a) attending and/or listening to the EGM proceedings via the live audio-visual webcast and live audio-only stream (the "**Live Webcast**");
 - (b) submitting questions relating to the resolutions to be tabled at the EGM, to the Chairman of the EGM in advance of, or live at, the EGM;
 - (c) voting at the EGM
 - (i) live by the Shareholder or his/her/its duly appointed proxy(ies) (other than the Chairman of the EGM) via electronic means; or
 - (ii) by appointing the Chairman of the EGM as proxy to vote on the Shareholder's behalf at the EGM.
2. Pre-registration for the EGM

Shareholders, proxyholders and persons who hold shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act, 1967 of Singapore), including Central Provident Fund ("**CPF**") and Supplementary Retirement Scheme ("**SRS**") investors will be able to observe and/or listen to the EGM proceedings through the Live Webcast via their mobile phones, tablets or computers.

All Shareholders, CPF Investors and SRS Investors, can pre-register themselves or, where applicable, their appointed proxy(ies), for the EGM via the pre-registration website at <https://smartagm.sg/yzjfh-egm2022> for verification purposes by 3:00 p.m. on 5 June 2022, being 72 hours before the time fixed for the EGM.

Following the verification, authenticated Shareholders, including CPF Investors and SRS Investors, or, where applicable, their duly appointed proxy(ies) who have (or have been) pre-registered will be provided with a confirmation email for the EGM containing details as well as instructions on attending the EGM (the "**Confirmation Email**"), via the e-mail address provided during pre-registration.

Shareholders, including CPF Investors and SRS Investors, or, where applicable, their appointed proxy(ies) who have (or have been) pre-registered by 3:00 p.m. on 5 June 2022 deadline but have not received the Confirmation Email by 11:59 p.m. on 7 June 2022 should immediately contact the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, by telephone at 6536 5355 during Monday to Friday, from 9.30 a.m. to 5.30 p.m. (excluding public holidays in Singapore), or by email to public@yzjfin.com (Attention: Yangzijiang Financial Team).

3. Question and answer

Shareholders, proxyholders, CPF Investors and SRS Investors attending the EGM via the Live Webcast will be able to ask the Chairman of the EGM substantial and relevant questions related to the resolutions to be tabled for approval at the EGM, by typing in and submitting their questions through the live chat function via the audio-visual webcast platform.

Investors holding Shares through relevant intermediaries (other than CPF Investors/SRS investors) should approach their respective relevant intermediaries through which they hold Shares as soon as possible in order for the necessary arrangements to be made for them to submit questions in advance of the EGM or ask questions during the EGM via the Live Webcast.

Shareholders, including CPF Investors and SRS Investors are also encouraged to submit questions related to the resolutions to be tabled for approval at the EGM to the Chairman of the EGM, in advance of the EGM in the following manner no later than seven (7) working days in advance of the EGM (i.e. by 3:00 p.m. on 27 May 2022):

- (a) By e-mail to kamal@financialpr.com.sg/zhouyan@financialpr.com.sg; or
- (b) if submitted by post, to be deposited at 4 Robinson Rd, #04-01 The House of Eden, Singapore 048543.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Shareholders who submit questions via email or by post to the Company must provide the following information:

- (i) the Shareholder's full name;
- (ii) the Shareholder's address; and
- (iii) the manner in which the Shareholder holds shares in the Company (e.g. via CDP, CPF or SRS).

The Board of Directors of the Company (the "**Board**") will endeavour to address, during the EGM, substantial and relevant questions (as determined by the Board in its sole opinion) submitted by Shareholders. However, there may not be sufficient time to address all such questions.

4. The Proxy Form, which may be used to vote at the EGM, is released together with the Notice of EGM.

5. Voting

Live voting will be conducted during the EGM for Shareholders and proxyholders attending the EGM via the Live Webcast. It is important for Shareholders and proxyholders to have their own web-browser enabled devices ready for voting during the EGM.

Shareholders and proxyholders will be required to log-in via the link in the Confirmation Email and enter the user ID and password to attend and participate in the Live Webcast of the EGM.

- (a) Live voting: Shareholders, including CPF Investors/SRS Investors and proxyholders attending the EGM may cast their votes in real time for each resolution to be tabled at the EGM via the Live Webcast. Shareholders and proxyholders will have the opportunity to cast their votes via the Live Voting feature on the live Webcast platform. Shareholders, including CPF Investors/SRS Investors and proxyholders must have a web-browser enabled device in order to cast their vote.
- (b) Voting via appointing proxy(ies) or the Chairman of the EGM as proxy: As an alternative to the above, Shareholders may also vote at the EGM by appointing proxy(ies) or the Chairman of the EGM as proxy to vote on their behalf. Please refer to paragraph 6 below for information on the submission of Proxy Forms.

A Shareholder, who has submitted a Proxy Form, but wishes to attend and participate in the live voting during the EGM instead, must inform the Company's Singapore Share Registrar and Share Transfer Office, Boardroom Corporate & Advisory Services Pte. Ltd., at +65 6536 5335 (during office hours) or at srs.teamb@boardroomlimited.com by 3:00 p.m. on 5 June 2022. Alternatively, kindly log-in prior to the commencement of the EGM as proxy revocation is not allowed after proxy form cut-off date/time.

6. Appointment of Proxies

A Shareholder who is not a relevant intermediary (as defined below) is entitled to appoint not more than two proxies and a Shareholder who is a relevant intermediary is entitled to appoint more than two proxies wish to vote at the EGM via a proxy(ies) must submit the Proxy Form, which is released together with this Notice of EGM, to appoint the proxy(ies) or the Chairman of the EGM as their proxy to cast votes on their behalf. Shareholders are requested to complete, sign and return the Proxy Form in accordance with the instructions printed thereon not less than seventy-two (72) hours before the time appointed for the EGM (i.e. by 3:00 p.m. on 5 June 2022 ("**proxy form cut-off date/time**") in the following manner:

- (a) By Post: To be deposited at the registered office of the Company at 80 Robinson Road #02-00, Singapore 068898; or
- (b) Via e-mail: To be emailed to public@yzjfin.com (Attention: Yangzijiang Financial Team).

A Shareholder who wishes to submit an instrument of proxy must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and submitting it by email to the email address provided above.

7. Persons who hold Shares through relevant intermediaries

- (a) Persons who hold Shares through relevant intermediaries (as defined in section 181(6) of the Companies Act 1967 (2020 Revised Edition) of Singapore), including a CPF Investor and/or SRS Investor, and who wish to participate in the EGM by (i) participating the EGM proceedings via live audio-visual webcast or live audio-only stream; and/or (ii) appointing the Chairman of the Meeting as proxy to attend and vote on their behalf at the EGM, should contact the relevant intermediaries (which would include, in the case of CPF Investors and SRS Investors, their respective CPF Agent Banks and SRS Operators) through which they hold such Shares as soon as possible in order to make the necessary arrangements for them to participate in the EGM.

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (b) CPF Investors or SRS Investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 3:00 p.m. on 27 May 2022.
 - (c) The Proxy Form is not valid for use by CPF Investors or SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
8. The proxy, who is the Chairman of the Meeting, need not be a member of the Company.
9. The Proxy Form shall be under the hand of the member or by his/her attorney duly authorised in writing, or if the member is a corporation, under seal or under the hand of its attorney duly authorised in writing. The power of attorney or other authority, if any, under which the instrument of proxy is signed on behalf of the member or duly certified copy of that power of attorney or other authority (failing previous registration with the Company), shall be attached to the instrument of proxy.
10. A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited 72 hours before the time fixed for holding the EGM in order for the Depositor to be entitled to vote at the EGM.
11. As there may be new measures (including new guidance or requirements for the holding or conduct of meetings) to deal with the evolving COVID-19 situation in Singapore, the Company may have to change the EGM arrangements at short notice. The Company will announce any changes to the holding or conduct of the EGM via the SGXNet at <https://www.sgx.com/securities/company-announcements>. Members are advised to check the SGXNet and the Company's website at <https://www.yzjfin.com> regularly for updates on the EGM.

PERSONAL DATA PRIVACY

Where a member of the Company submits (a) an application to pre-register to participate in the EGM via live webcast, (b) questions relating to the resolutions to be tabled for approval at the EGM, and/or (c) an instrument appointing a proxy to vote at the EGM and/or any adjournment thereof, the member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purposes of (a) processing the member's application to pre-register to participate in the EGM via live webcast and providing the member with any technical assistance where possible, (b) addressing any selected questions submitted by the member and following up with the member where necessary, (c) the processing and administration by the Company (or its agents) of the proxy appointed for the EGM (including any adjournment thereof), and (d) the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines, and (ii) 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 action or omission.

YANGZIJIANG FINANCIAL HOLDING LTD.

(Incorporated in the Republic of Singapore)
(Company registration no. 202143180K)

**PROXY FORM
EXTRAORDINARY GENERAL MEETING**

(Please see notes overleaf before completing this Form)

This form of proxy has been made available on SGXNet and may be accessed at the URL: <https://www.sgx.com/securities/companyannouncements>. A printed copy of this form of proxy will NOT be despatched to members.

IMPORTANT:

1. This Extraordinary General Meeting ("EGM") is being conducted solely via a live audio-video webcast and a live audio-only stream pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Accordingly, this Proxy Form is made available to members on SGXNet at <https://www.sgx.com/securities/company-announcements> and on the Company's website at <https://www.yzjfin.com>. For convenience, the Notice of EGM are made available on these two websites together with this Proxy Form.
2. Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-video webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the EGM, addressing of substantial and relevant questions at the EGM and voting by real-time electronic voting or by appointing the Chairman of the Meeting as proxy at the EGM, are set out in the Notice of EGM dated 24 May 2022.
3. This Proxy Form is not valid for use by CPF investors and SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF or SRS investors (i) may vote live via electronic at the EGM if they are pre-register via the pre-registration website and appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies, or (ii) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks or SRS Operators by 3:00 p.m. on 27 May 2022 to submit their votes.
4. **Please read the important notes overleaf which contain instructions on, *inter alia*, the appointment of the Chairman of the Meeting as a member's proxy to attend and vote on his/her/its behalf at the EGM.**

I/We*, (Name) _____
(NRIC no./Passport no./UEN*) _____
of _____ (address)
being a member/members* of Yangzijiang Financial Holdings Ltd. (the "Company"), hereby appoint

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

and/or (delete as appropriate)

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

or the Chairman of the Meeting, as my/our* proxy/proxies* to attend and vote for me/us* on my/our* behalf at the Extraordinary General Meeting ("EGM") of the Company to be convened and held by way of electronic means on **8 June 2022 at 3:00 p.m.** and at any adjournment thereof. I/We* direct the my/our proxy/proxies to vote for or against or abstain from voting on the resolutions to be proposed at the EGM as indicated hereunder.

Ordinary Resolutions	For	Against	Abstain
To approve the Proposed Adoption of the Share Buy-Back Mandate			

* Please delete accordingly

** Voting will be conducted by poll. If you wish your proxy/proxies to exercise all your votes for or against or abstain from voting in respect of all your Shares the above Resolution, please tick (✓) within the relevant box provided. Alternatively, if you wish your proxy/proxies to exercise some and not all of your votes for or against and/or abstain from voting for the Resolution and/or if you wish your proxy/proxies to abstain from voting in respect of the Resolution, please indicate the number of votes "For", the number "Against" and/or the number "Abstaining" in the boxes provided for the Resolution. In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deems fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the EGM.

Dated this _____ day of _____ 2022

Total No. of Shares in	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature of Member(s) or Common Seal of Corporate Member

* Delete as appropriate

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM



IMPORTANT NOTES

1. If you have ordinary shares in the capital of the Company ("**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 of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. 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 of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the Proxy Form shall be deemed to relate to all the Shares held by you.
2. **Due to the current COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, this Extraordinary General Meeting of the Company ("EGM") will be conducted solely by way of electronic means.** This Proxy Form is made available to members on SGXNet at <https://www.sgx.com/securities/company-announcements> and on the Company's website at www.yzjfin.com. Printed copies of the EGM documents, including this Proxy Form will NOT be despatched to members.
3. A member entitled to attend, speak and vote at the EGM, who is not a relevant intermediary (as defined in Section 181(6) of the Companies Act 1967), is entitled to appoint not more than two proxies to attend, speak and vote in his/her stead. Where such member appoints more than one proxy, the appointments shall be invalid unless he/she/it specifies the proportion of his/her/its shareholding (expressed as a percentage of the whole) to be represented by each proxy in the Proxy Form.
4. A member who is a relevant intermediary entitled to attend, speak and vote at the EGM is entitled to appoint more than two (2) proxies to attend, speak and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than one proxy, it should annex to the instrument appointing a proxy(ies) (the "**Proxy Form**") the list of proxies, setting out, in respect of each proxy, the name, email address, NRIC/Passport number and proportion of shareholding (expressed in number of Shares and as a percentage of the whole) in relation to which each proxy has been appointed. The appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed in the Proxy Form. For the avoidance of doubt, a CPF Agent Bank/SRS Operator who intends to appoint CPF investors/SRS investors as its proxies shall comply with this Note.
5. A proxy need not be a member of the Company.

fold along this line (1)

Affix
Postage
Stamp

The Company Secretary
Yangzijiang Financial Holding Ltd.
80 Robinson Road,
#02-00,
Singapore 068898

fold along this line (2)

6. A member who wishes to submit an instrument of proxy must complete and sign the Proxy Form, before submitting to the Company in the following manner:
 - (a) By Post: To be deposited at the registered office of the Company at 80 Robinson Road #02-00, Singapore 068898; or
 - (b) By e-mail: To be emailed to public@yzjfin.com (Attention: **Yangzijiang Financial Team**),in either case, this Proxy Form must be received by the Company Secretary by 3:00 p.m. on 5 June 2022.
Given the restriction orders and safe distancing measures to deal with the COVID-19 situation in Singapore, members are strongly encouraged to submit the duly completed and signed Proxy Form via email.
7. CPF Investors or SRS Investors:
 - (a) may vote live via electronic at the EGM if they are pre-register via the pre-registration website and appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies, or
 - (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 3:00 p.m. on 27 May 2022.
8. This Proxy Form must be executed under the hand of the appointor or by his/her attorney duly authorised in writing or, where it is executed by a corporation, be executed under its common seal or signed on its behalf by an attorney or duly authorised officer of the corporation. Where this Proxy Form 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 this Proxy Form, failing which this Proxy Form may be treated as invalid.
9. The Company shall be entitled to reject this Proxy Form, if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this Proxy Form. In addition, in the case of a member whose Ordinary Shares are entered against his/her/its name in the Depository Register, the Company may reject this Proxy Form if the member, being the appointor, is not shown to have Ordinary Shares entered against his/her/its 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.
10. A Depositor shall not be regarded as a member of the Company entitled to vote at the EGM unless his/her/its name appears on the Depository Register 72 hours before the time set for the EGM.