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DEFINITIONS	2
IMPORTANT NOTICE TO OVERSEAS SHAREHOLDERS	11
CAUTIONARY STATEMENT	12
CORPORATE INFORMATION	1-3
1. INTRODUCTION	15
2. SUMMARY INFORMATION ON YZJFH AND THE SPIN-OFF GROUP	16
3. RATIONALE FOR THE PROPOSED SPIN-OFF	3
4. DETAILS OF THE PROPOSED SPIN-OFF	6
5. THE YZJFH DISTRIBUTION AS A MAJOR TRANSACTION	4-3
6. FINANCIAL EFFECTS OF THE YZJFH DISTRIBUTION	45
7. ADMINISTRATIVE PROCEDURES FOR THE YZJFH DISTRIBUTION	46
8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS	

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DEFINITIONS

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DEFINITION

YZJFH Distribution

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This Circular is not for distribution, directly or indirectly, in the United States of America. This Circular is not intended to, and does not constitute, an offer to sell or invitation to purchase or the

Cautionary Statement on the Proposed Spin-Off

The proposed Spin-Off is subject to, amongst other things, the obtaining of a requisite approval from relevant regulatory authorities, including the SGX-ST, market conditions prevailing at the relevant time and Shareholders' approval for the proposed Spin-Off pursuant to the offer of EG. The Board wishes to caution Shareholders that there is no certainty or assurance as at the date of this Circular that the relevant approvals will be obtained and that the proposed Spin-Off will ultimately materialise.

The Company reserves the right to not proceed with the proposed Spin-Off if, after assessing various factors, including the prevailing economic and capital market conditions and any other relevant factors, the Company does not consider the proposed Spin-Off to be in the best interests of the Company and/or if the requisite approval(s) required for the proposed Spin-Off have not been or cannot practically be obtained. The Company will make the relevant announcement as an interim report and as an interim material development arising in respect of the proposed Spin-Off.

Certain descriptions and disclosures (including but not limited to the financial information) in respect of YZJFH, the Spin-Off Group and its business have been included in this Circular. It should be noted that the information in relation to YZJFH and the Spin-Off Group and its business set out in the Introductory Document will be more comprehensive than that set out in this Circular, as it will be prepared in compliance with the Listing Manual and the SFA, and will contain prescribed information and presentation of information.

Shareholder Information and Corporate Governance (2022/23) (a)-(b)-(c)-(d)-(e)-(f)-(g)-(h)-(i)-(j)-(k)-(l)-(m)-(n)-(o)-(p)-(q)-(r)-(s)-(t)-(u)-(v)-(w)-(x)-(y)-(z)-(aa)-(ab)-(ac)-(ad)-(ae)-(af)-(ag)-(ah)-(ai)-(aj)-(ak)-(al)-(am)-(an)-(ao)-(ap)-(aq)-(ar)-(as)-(at)-(au)-(av)-(aw)-(ax)-(ay)-(az)-(ba)-(bb)-(bc)-(bd)-(be)-(bf)-(bg)-(bh)-(bi)-(bj)-(bk)-(bl)-(bm)-(bn)-(bo)-(bp)-(bq)-(br)-(bs)-(bt)-(bu)-(bv)-(bw)-(bx)-(by)-(bz)-(ca)-(cb)-(cc)-(cd)-(ce)-(cf)-(cg)-(ch)-(ci)-(cj)-(ck)-(cl)-(cm)-(cn)-(co)-(cp)-(cq)-(cr)-(cs)-(ct)-(cu)-(cv)-(cw)-(cx)-(cy)-(cz)-(da)-(db)-(dc)-(dd)-(de)-(df)-(dg)-(dh)-(di)-(dj)-(dk)-(dl)-(dm)-(dn)-(do)-(dp)-(dq)-(dr)-(ds)-(dt)-(du)-(dv)-(dw)-(dx)-(dy)-(dz)-(ea)-(eb)-(ec)-(ed)-(ee)-(ef)-(eg)-(eh)-(ei)-(ej)-(ek)-(el)-(em)-(en)-(eo)-(ep)-(eq)-(er)-(es)-(et)-(eu)-(ev)-(ew)-(ex)-(ey)-(ez)-(fa)-(fb)-(fc)-(fd)-(fe)-(ff)-(fg)-(fh)-(fi)-(fj)-(fk)-(fl)-(fm)-(fn)-(fo)-(fp)-(fq)-(fr)-(fs)-(ft)-(fu)-(fv)-(fw)-(fx)-(fy)-(fz)-(ga)-(gb)-(gc)-(gd)-(ge)-(gf)-(gg)-(gh)-(gi)-(gj)-(gk)-(gl)-(gm)-(gn)-(go)-(gp)-(gq)-(gr)-(gs)-(gt)-(gu)-(gv)-(gw)-(gx)-(gy)-(gz)-(ha)-(hb)-(hc)-(hd)-(he)-(hf)-(hg)-(hh)-(hi)-(hj)-(hk)-(hl)-(hm)-(hn)-(ho)-(hp)-(hq)-(hr)-(hs)-(ht)-(hu)-(hv)-(hw)-(hx)-(hy)-(hz)-(ia)-(ib)-(ic)-(id)-(ie)-(if)-(ig)-(ih)-(ii)-(ij)-(ik)-(il)-(im)-(in)-(io)-(ip)-(iq)-(ir)-(is)-(it)-(iu)-(iv)-(iw)-(ix)-(iy)-(iz)-(ja)-(jb)-(jc)-(jd)-(je)-(jf)-(jg)-(jh)-(ji)-(jj)-(jk)-(jl)-(jm)-(jn)-(jo)-(jp)-(jq)-(jr)-(js)-(jt)-(ju)-(jv)-(jw)-(jx)-(jy)-(jz)-(ka)-(kb)-(kc)-(kd)-(ke)-(kf)-(kg)-(kh)-(ki)-(kj)-(kk)-(kl)-(km)-(kn)-(ko)-(kp)-(kq)-(kr)-(ks)-(kt)-(ku)-(kv)-(kw)-(kx)-(ky)-(kz)-(la)-(lb)-(lc)-(ld)-(le)-(lf)-(lg)-(lh)-(li)-(lj)-(lk)-(ll)-(lm)-(ln)-(lo)-(lp)-(lq)-(lr)-(ls)-(lt)-(lu)-(lv)-(lw)-(lx)-(ly)-(lz)-(ma)-(mb)-(mc)-(md)-(me)-(mf)-(mg)-(mh)-(mi)-(mj)-(mk)-(ml)-(mm)-(mn)-(mo)-(mp)-(mq)-(mr)-(ms)-(mt)-(mu)-(mv)-(mw)-(mx)-(my)-(mz)-(na)-(nb)-(nc)-(nd)-(ne)-(nf)-(ng)-(nh)-(ni)-(nj)-(nk)-(nl)-(nm)-(no)-(np)-(nq)-(nr)-(ns)-(nt)-(nu)-(nv)-(nw)-(nx)-(ny)-(nz)-(oa)-(ob)-(oc)-(od)-(oe)-(of)-(og)-(oh)-(oi)-(oj)-(ok)-(ol)-(om)-(on)-(oo)-(op)-(oq)-(or)-(os)-(ot)-(ou)-(ov)-(ow)-(ox)-(oy)-(oz)-(pa)-(pb)-(pc)-(pd)-(pe)-(pf)-(pg)-(ph)-(pi)-(pj)-(pk)-(pl)-(pm)-(pn)-(po)-(pp)-(pq)-(pr)-(ps)-(pt)-(pu)-(pv)-(pw)-(px)-(py)-(pz)-(qa)-(qb)-(qc)-(qd)-(qe)-(qf)-(qg)-(qh)-(qi)-(qj)-(qk)-(ql)-(qm)-(qn)-(qo)-(qp)-(qq)-(qr)-(qs)-(qt)-(qu)-(qv)-(qw)-(qx)-(qy)-(qz)-(ra)-(rb)-(rc)-(rd)-(re)-(rf)-(rg)-(rh)-(ri)-(rj)-(rk)-(rl)-(rm)-(rn)-(ro)-(rp)-(rq)-(rr)-(rs)-(rt)-(ru)-(rv)-(rw)-(rx)-(ry)-(rz)-(sa)-(sb)-(sc)-(sd)-(se)-(sf)-(sg)-(sh)-(si)-(sj)-(sk)-(sl)-(sm)-(sn)-(so)-(sp)-(sq)-(sr)-(ss)-(st)-(su)-(sv)-(sw)-(sx)-(sy)-(sz)-(ta)-(tb)-(tc)-(td)-(te)-(tf)-(tg)-(th)-(ti)-(tj)-(tk)-(tl)-(tm)-(tn)-(to)-(tp)-(tq)-(tr)-(ts)-(tt)-(tu)-(tv)-(tw)-(tx)-(ty)-(tz)-(ua)-(ub)-(uc)-(ud)-(ue)-(uf)-(ug)-(uh)-(ui)-(uj)-(uk)-(ul)-(um)-(un)-(uo)-(up)-(uq)-(ur)-(us)-(ut)-(uu)-(uv)-(uw)-(ux)-(uy)-(uz)-(va)-(vb)-(vc)-(vd)-(ve)-(vf)-(vg)-(vh)-(vi)-(vj)-(vk)-(vl)-(vm)-(vn)-(vo)-(vp)-(vq)-(vr)-(vs)-(vt)-(vu)-(vv)-(vw)-(vx)-(vy)-(vz)-(wa)-(wb)-(wc)-(wd)-(we)-(wf)-(wg)-(wh)-(wi)-(wj)-(wk)-(wl)-(wm)-(wn)-(wo)-(wp)-(wq)-(wr)-(ws)-(wt)-(wu)-(wv)-(ww)-(wx)-(wy)-(wz)-(xa)-(xb)-(xc)-(xd)-(xe)-(xf)-(xg)-(xh)-(xi)-(xj)-(xk)-(xl)-(xm)-(xn)-(xo)-(xp)-(xq)-(xr)-(xs)-(xt)-(xu)-(xv)-(xw)-(xx)-(xy)-(xz)-(ya)-(yb)-(yc)-(yd)-(ye)-(yf)-(yg)-(yh)-(yi)-(yj)-(yk)-(yl)-(ym)-(yn)-(yo)-(yp)-(yq)-(yr)-(ys)-(yt)-(yu)-(yv)-(yw)-(yx)-(yy)-(yz)-(za)-(zb)-(zc)-(zd)-(ze)-(zf)-(zg)-(zh)-(zi)-(zj)-(zk)-(zl)-(zm)-(zn)-(zo)-(zp)-(zq)-(zr)-(zs)-(zt)-(zu)-(zv)-(zw)-(zx)-(zy)-(zz))

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(Company Registration No. 200517636Z)

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Ren Letian (*Executive Chairman and Chief Executive Officer*)
Xu Wen Jiong (*Non independent and Non executive Director*)
Teo Yi-dar (Zhang Yida) (*Lead Independent Director*)
Chen Timothy Teck Leng (*Independent Director*)

80 Robinson Road,
#02-00,
Singapore 068898

1 April 2022

To: The Shareholders of Yangzijiang Shipbuilding (Holdings) Ltd.

Dear Sir/Madam,

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On 29 November 2021, the Company announced that it proposes to spin-off its Investment Business via the transfer of existing investments to a newly incorporated company and the pr557830.0956(y)-275(N)-30.1d

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As the relative figures computed on the bases set out in Rule 1006 of the Listing Manual exceed 20.0% but do not exceed 100.0%, the YZJFH Distribution constitutes a major transaction as defined in Chapter 10 of the Listing Manual. Accordingly, the Company is required to seek the approval of the Shareholders for the YZJFH Distribution at the EGM.

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The purpose of this Circular is to provide Shareholders with relevant information relating to the Proposed Spin-Off, including the rationale and the *pro forma* financial effects of the YZJFH Distribution on the Group, and to seek Shareholders' approval for the resolutions relating to the Proposed Spin-off (comprising the YZJFH Distribution and the Proposed Listing) and for the YZJFH Distribution as a major transaction under Chapter 10 of the Listing Manual to be tabled at the EGM, notice of which is set out on pages N-1 to N-5 of this Circular.

By approving the ordinary resolutions relating to the Proposed Spin-Off at the EGM,

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Well-positioned to grow its investment portfolio

The Investment Management Business platform, underpinned by a deep war chest, being reserves of cash built up or cash stockpile forming the proprietary capital pool that will be used by the Spin-off Group for investments for both organic and inorganic growth should the opportunity arise, enables it to deploy funds for growth and capitalise on new opportunities in various fast-growing markets and sectors. As at 31 December 2021, the Spin-Off Group had S\$18.4 million of cash and cash equivalents, as well as S\$3.4 billion of Debt Investments (at amortised costs), which is expected to mature over the next 12 months. The Spin-Off Group envisages that the investment principal arising from the matured Debt Investments (at amortised costs) will be recycled into (a) investments with longer investment horizon, such as private debt and mezzanine funds, under the Investment Management Business in the PRC; and (b) its newly established offshore Investment Management Business in Singapore.

With approximately S\$2.0 billion (or approximately RMB9.4 billion) of proprietary capital earmarked for offshore investments, the Spin-Off Group will be able to further diversify its portfolio mix to a multi-country, multi-asset and multi-sector portfolio.

Strong capital management while upholding high regulatory standards

The Spin-Off Group's microfinance loan business is conducted by Jingjiang Runyuan Rural Microfinance Co., Ltd (興源農村金融有限公司), a subsidiary of the Spin-Off Group. As a microfinance company, sufficient liquidity and the ability to obtain debt financing when needed are among the crucial factors supporting its business development. Pursuant to the applicable laws and regulations of the PRC, the maximum amount of debt financing eligible for a microfinance company is determined with reference to its net capital and its accredited grading under the Microfinance Companies Regulatory Grading Scheme. More particularly, according to the Working Opinions on Supporting Jiangsu Rural Microfinance Companies with High Grades and Limiting the Jiangsu Rural Microfinance Companies with Low Grades (Provisional) (關於支持高信用等級江蘇農村金融公司發展及限制低信用等級江蘇農村金融公司發展的意見(試行)) issued by the Jiangsu Finance Office, a microfinance company with an "AA" or "AAA" grading is eligible for a maximum debt financing of 30.11% of its net capital. The maximum amount of debt financing eligible for a microfinance company is determined with reference to its net capital and its accredited grading under the Microfinance Companies Regulatory Grading Scheme. More particularly, according to the Working Opinions on Supporting Jiangsu Rural Microfinance Companies with High Grades and Limiting the Jiangsu Rural Microfinance Companies with Low Grades (Provisional) (關於支持高信用等級江蘇農村金融公司發展及限制低信用等級江蘇農村金融公司發展的意見(試行)) issued by the Jiangsu Finance Office, a microfinance company with an "AA" or "AAA" grading is eligible for a maximum debt financing of 30.11% of its net capital.

Alignment of Interests

In addition, by putting its own capital behind its ideas, the Spin-Off Group could achieve alignment of interests between itself and its investors, portfolio companies and other stakeholders.

Value Proposition

The Spin-Off Group believes that the combination of robust investment and risk management framework, coupled with effective asset allocation and strategy positioning are the key value drivers of its investment returns. Leveraging on its own independent in-house investment and risk management teams with in-depth local knowledge and management know-how, the Spin-Off Group could proactively identify quality and attractive investment projects, loans and Debt Investment opportunities, and third-party GPs, to create value for shareholders.

As at 31 December 2021, the Spin-off Group's Investment Management Business had deployed more than RMB5.0 billion of proprietary capital into various Fund Investments and has achieved cumulative historical investment returns in excess of RMB2.0 billion with an Internal Rate of Return ranging between 10.0% to 30.0%. Its Debt Investment Business has also managed to maintain its debt yield to between 10.0% to 15.0% with a default rate below 5.0% and recovery ratio of above 70.0%. The Debt Investment Business will be one of the components of the Spin-Off Group's existing investment portfolio. The Spin-Off Group's current Debt Investment Business is mainly concentrated on Debt Investments (at amortised costs) as well as Venture Capital-related investments in the form of financial assets, fair value through profit and loss and investments in associated companies in the balance sheet. Following completion of the Proposed Spin-Off, it is envisaged that the business of the Spin-Off Group will comprise the Debt Investment Business and the Investment Management Business, which includes direct investment, and the Fund/Wealth Management Business.

Notwithstanding the Proposed Spin-Off, interest income derived from the Debt Investments will still be the Spin-Off Group's main revenue generator in the foreseeable future.

The Spin-Off Group's non-interest income comprises dividend income, derived through dividends earned on its investments in financial assets at fair value through profit or loss, net changes in fair values of its investments in financial assets at FVTPL, and other income including rental income from investment properties and service income earned from consultation services. Please refer to the section entitled "Summary of our Financial Information" of the Introductory Document for a breakdown of the Spin-Off Group's sources of income.

The Spin-Off Group is also adapting to changing times and markets proactively to address the evolving investment landscape, in particular, with an increasing focus on ESG investing. On 20 January 2022, the Spin-Off Group allocated RMB900.0 million into an upcoming Venture Capital investment Fund focused on sectors such as healthcare, new materials, information technology services, smart manufacturing, new energy and ecological environment industries.

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The Spin-Off Group has assembled a strong leadership team with in-depth experience across various strategies and asset classes. On average, its leadership team has about 17 years of relevant experience.

Mr. Toe, its Executive Director, CEO and CIO – Singapore, has over 25 years of experience in v –uce bnd ge, bnct tnd C nger trbnct tndentrey, tnr r4 0 Td 6.0930.0956(e)-30.0956(,

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experience of the Spin-Off Group's investment professionals in investing across sectors throughout various stages of the economic cycle will provide the Spin-Off Group with access to ongoing market insights and deal flows. Through its industry focus and network of various prominent families, investment banks and sovereign wealth Funds, the Spin-Off Group is often able to obtain exclusive or limited access to investment opportunities with favourable valuations and terms.

Investment Strategy

Upon the listing of YZJFH on the Mainboard of the SGX-ST, the Spin-Off Group intends to pare down its Debt Investment Business and continue to strengthen its position by pursuing growth via its Investment Management Business and by entering into the Fund/Wealth Management Business, underpinned by focused strategies to (a) grow its Investment Portfolio in the PRC; (b) recycle capital from the Debt Investment Business to Fund Investments in the Investment Management Business; (c) extend its investment footprint into Singapore by partnering prominent Fund management companies to launch co-GP Funds; (d) diversify into fast-growing sectors and new asset classes; and (e) establish the Fund/Wealth Management Business via the acquisition of a CMS-licensed fund management company or the setting up of a fund management company in Singapore.

Continue to grow its Investment Portfolio in the PRC

The Spin-Off Group will continue to build on the track record established by its Fund Investments and strengthen its position by.

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Extend its investment footprint into Singapore by partnering prominent Fund management companies to launch co-GP Funds

The Spin-Off Group plans to start its Investment Management Business in Singapore via joint investments with other prominent investment management companies either as a LP or co-GP, while building on its talent pool and experiences. It will decide on which prominent investment management companies to partner with by taking into consideration, amongst other factors, the management companies' scale (in terms of number of investment professionals, clientele, AUM size, deal sourcing capabilities, resources and geographical presence), scope and quality of service and product offerings, past experiences and track record as well as reputation and reliability.

As at the Latest Practicable Date, the Spin-Off Group has identified and is in the process of negotiating the following Fund management projects with third parties:

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Fund A	Private Equity	Control and Growth Companies		Limited Partner	
Fund B	Fixed Income	Growth and Tech Companies		Co-General Partner	
Fund C	Real Estate	Purpose-Built Student Accommodation in the United Kingdom		Co-General Partner	
Fund D	Private Equity	Growth Companies		Co-General Partner	
Fund E	Private Equity	Unicorn Opportunities		Co-General Partner	
Fund F	PIPE/Equity	Absolute Returns		Co-General Partner	

Diversify into fast-growing sectors and new asset classes

The Spin-Off Group has identified a number of key strategic areas of growth, including but not limited to the following:

Investment Strategies

Initially, the Spin-Off Group expects that its Investment Portfolio will consist primarily of Fund Investments in the PRC. Over time, however, it expects that its Investment Portfolio will consist of a well-balanced geographical mix, with PRC and Singapore investments each accounting for 50.0% of the Spin-Off Group's total investment amount.

Upon the completion of the Group Restructuring Exercise and the Proposed Listing, the Spin-Off Group targets to deploy approximately RMB5.0 billion (or equivalent to approximately S\$1.0 billion) of its proprietary capital into offshore investments by the end of FY2022. Out of the total offshore investments, approximately 50.0% will be deployed under Investment Management Business and the remaining 50.0% will be used to seed its own-GP Funds, which will be managed by its in-house CMS-licensed fund manager. It also intends to leverage on the Qualified Domestic Limited Partnership (“**QDLP**”)

- (e) Opportunistic investments, which will be intended to enhance its returns to investors. These investments may include, but are not limited to, PIPE investors, initial public offering anchor investors, and special situations.

It believes that its extensive network, track record and long-standing presence in the public and private markets in the PRC represent a key competitive advantage. This will allow the Spin-Off Group to identify valuable, broad based and sustainable pipeline of investment opportunities to grow its businesses and thereby supporting its strategic growth objectives.

Subsequently, the Spin-Off Group plans to gradually increase its offshore investments over the next five (5) years, such that its Investment Portfolio will consist of a well-balanced geographical mix, with onshore (i.e. PRC) and offshore (i.e. Singapore) investments each accounting for 50.0% of the Spin-Off Group's total investment amount.

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The FY2022 offshore investment allocation of approximately S\$1.0 billion is expected to be equally deployed to the Investment Management Business in Singapore and the

As the Spin-Off Group executes its various growth strategies, it would look to deepen and/or add new capabilities to enhance and extend the capabilities of the current management team.

The Spin-Off Group could strengthen its management team via:

- (a) Organic growth: building on its talent pool and collective experience by
 - (i) employing global talents with diverse knowledge and experience, and
 - (ii) partnering other prominent investment management companies for joint investments; and
- (b) Inorganic growth: integrating the existing management team of the target companies that may be acquired by the Spin-Off Group, with the Spin-Off Group's existing management team.

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The GEM Acquisition will be conducted on an arm's length, willing-buyer willing-seller basis, will be on normal commercial terms and will not be prejudicial to the interests of the Spin-Off Group and its minority shareholders, due to the following reasons: (i) the value of the consideration in respect of the GEM Acquisition will take into account the valuation conducted, (ii) the provisions of the draft sale and purchase agreements will not unduly favour any party to the GEM Acquis

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It is currently envisaged that board of directors of YZJFH will comprise a total of five (5) directors, being two (2) executive directors and three (3) independent non-executive directors, satisfying the requirements under the Listing Manual and the Code of Corporate Governance 2018.

Following the Proposed Spin-Off, it is the intention of the Company that the Spin-Off Group will be managed by a management team that is separate and independent from the management team of the Remaining Group. Both groups will have an independent finance and administrative capabilities to support their respective businesses.

The proposed board of directors of YZJFH and the management of the Spin-off Group following the Proposed Spin-Off are as follows:

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Executive Chairman and Executive Director	Mr. Ren Yuanlin
Executive Director, Chief Executive Officer and Chief Investment Officer – Singapore	Mr. Toe Teow Heng
Lead Independent Director	Mr. Chew Sutat
Independent Director	Mr. Chua Kim Leng
Independent Director	Mr. Yee Kee Shian, Leon
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Chief Financial Officer and Chief Operating Officer	Ms. Liu Hua
Chief Compliance Officer – PRC	Mr. Su Qing
Chief Compliance Officer – Singapore	Mr. Lee Kam Wah Terence
Chief Investment Officer – PRC	Mr. Peng Xingkui

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Following the Proposed Spin-Off and as mentioned in Section 2.5.1 above, Ms. Liu Hua will move to the Spin-Off Group to head its accounting and finance department as the Chief Financial Officer. Mr. Ding Jianwen (“**D n**”), the current Deputy General Manager of the Company, will then be re-designated as the Deputy General Manager cum Chief Financial Officer of the Company. Save for the foregoing, there will be no change to the Board and the senior management team, of the Company (and the Remaining Group).

Mr. Ding was appointed as the Deputy General Manager of the Company in 2020, and has been the Chief Accountant of the Group since 2017. He is responsible for the Group’s financial, accounting, taxation, risk management as well as the overseeing of the trading logistics division. He has over 20 years of experience in the shipbuilding industry. Prior to joining the Group, from 1995 to June 2004, Mr. Ding worked in Chengxi Shipyard Co. During the period from 2004 to August 2010, he was the finance manager in Cosco Shipyard Group Co., Ltd. From September 2010 and following his joining the Group, he became the Head

of the financial department and Chief Accountant of Jiangsu New Yangzi Shipbuilding Co., Ltd., which is a wholly-owned subsidiary of the Company. In January 2020, he was promoted as Deputy General Manager of the Group and continued to assume the role of Chief Accountant of Jiangsu New Yangzi Shipbuilding. Mr. Ding holds a degree from Hebei GEO University which was conferred in 1995.

The nominating committee of the Company (“ ”) has considered:

- (a) Mr. Ding’s qualifications and past working experience, in particular his accounting and finance experience and familiarity with the Group and its operations;
- (b) his depth of experience of over 20 years in the shipbuilding industry; and



As set out above, the Company and YZJFH will have entirely separate boards of directors and management teams. In view of this, the Remaining Group and the Spin-Off Group will be managed independently of each other following the Proposed Spin-Off.

Please refer to the sections of the Introductory Document entitled “Directors, Management and

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As disclosed in Section 2.6.1 above, the Board had sought, in the Pre-Clearance Letter to the SGX-ST, the concurrence of the SGX-ST that the Proposed Spin-Off would not amount to a chain listing in contravention of Listing Rule 210(6), and the SGX-ST had informed the Company on 24 January 2022 that it had no objections to the Proposed Spin-Off, subject to compliance with the SGX-ST's listing requirements and guidelines. The following

- iii. The Remaining Group and the Spin-Off Group will have different sources of drawn revenue. The revenue streams of the Remaining Group will be predominantly from the building of ships, as well as trading of goods, charter hire income and ship demolition fees. Presently, the source of revenue of the Investment Business is interest income from Debt Investments, as well as capital appreciation and investment income through stakes in listed and unlisted companies, listed and unlisted funds, and property investments etc. Following the Proposed Spin-Off, it is envisaged that the revenue streams of the Spin-Off Group will expand to include the recurring fee-based income from managing third party investment funds and provision of wealth management services and capital appreciation and investment income through stakes in listed and unlisted companies, listed and unlisted funds, and property investments etc.
- iv. The Remaining Group and the Spin-Off Group have no overlapping major suppliers or major customers. The profiles of the target customers of the Remaining Group and the Spin-Off Group are different as well. While the target customers of the Remaining Group are predominantly shipowners who place orders for vessels, the Spin-Off Group intends to target institutional investors, funds, family offices and accredited investors for the proposed expansion into asset management, fund management and wealth management businesses as part of their proposed Fund/Wealth Management Business.
- v. The Remaining Group and the Spin-Off Group have different business risk profiles which arise from, amongst others, their different principal activities and the markets in which they operate. The risks relating to the Remaining Group's business are risks related largely to the Shipbuilding Business. Such risks include:
 - A. the highly cyclical nature of the commercial shipbuilding industry, and its sensitivity to the cyclical nature of the industries it serves (e.g. the oil, natural gas, shipping, transportation and other trade-related industries);
 - B. the high dependence of the demand and pricing of ships on global economic conditions. In particular, continued economic growth in the world economy is necessary to sustain a continued demand for ships; and
 - C. the shipbuilding industry's exposure to the risks of increases in the price of raw materials such as steel, as well as equipment and other components such as pumps, propellers and engines.

On the other hand, the risks faced by the Spin-Off Group include: (i) the risk of default by borrowers;

- vi. As illustrated in Section 2.5 above, the management teams of the Remaining Group and the Spin-Off Group will be separate and independent. The finance and administrative teams will also operate separately and independently of each other.

The carrying values of the Debt Investments and the FVTPL that are not transferred to the Spin-off Group are RMB2,498.3 million (equivalent to approximately S\$529.5 million) and RMB399.8 million (equivalent to approximately S\$84.7 million) respectively as at 31 December 2021.

Generally, the Remaining Group does not expect that there wo

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

The Board believes that the Proposed Spin-Off will benefit the Company, Shareholders and YZJFH by:

- i. unlocking value of the Remaining Group and the Spin-Off Group through separate valuations;
- ii. enabling management to focus on the groups' core businesses;
- iii. oiasoon man m

Following the Proposed Spin-Off, YZJFH will be operated ind

In addition, the six (6)-month average closing price of the Company's Shares prior to the Latest Practicable Date of S\$1.35 on the SGX-ST indicates that the Shares are trading at a 30.4% discount respectively to its audited consolidated NAV per Share as at 31 December 2021 of RMB9.16 (equivalent to approximately S\$1.94), and any secondary placement based on the undervalued share price for the sole purpose of fund raising may not be in the best interests for all Shareholders. Based on the profit attributable to Shareholders for FY2021 and the closing price of S\$1.52 on 29 March 2022, the Company has a price to earnings ratio of 7.59.

For FY2019, FY2020 and FY2021, the Investment Business of the Group recorded a revenue of RMB2,313.6 million, RMB2,480.1 million and RMB1,846.9 million respectively, as well as profits before tax of RMB2,155.7 million, RMB1,956.7 million and RMB2,050.1 million respectively. Please refer to the table set out in Section 2.6.2(c) above for the revenue, profit before tax, profit after tax and NAV of the Remaining Group and the Spin-Off Group for FY2019, FY2020 and FY2021. The Remaining Group, comprising the Shipbuilding Business, the Shipping Business and the Other Business, will have sufficient levels of operations to support the Company's listing on the Mainboard of the SGX-ST after the Proposed Spin-off and as such, the Proposed Spin-off is not expected to have a material impact on the business, financial condition and results of operations of the Remaining Group.

Please refer to Section 6 of this Circular for further details on the financial effects of the YZJFH Distribution.

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On 14 December 2021, YZJFH was incorporated in Singapore to hold the Investment Business. Immediately prior to the Group Restructuring Exercise, the issued ordinary share capital of YZJFH was S\$100 comprising 100 ordinary shares, with the shares wholly held by the Company.

In connection with the Proposed Spin-Off, the Group undertook a restructuring exercise to consolidate the Investment Business under YZJFH, details of which are set out below:

- (i) on 5 January 2022, a RMB18.6 billion dividend was declared by Jiangsu New Yangzi Shipbuilding to its 51.1% shareholder, Jiangsu Yangzijiang Shipbuilding. No dividends were declared in favour of the other two (2) shareholders of Jiangsu New Yangzi Shipbuilding (i.e. Yitian Investments Pte. Ltd. and Seavi Advent Asia Investments (III) Ltd, which collectively hold 48.9% of the shares in Jiangsu New Yangzi Shipbuilding, and which are wholly-owned subsidiaries of the Company). The RMB18.6 billion dividend was recorded in books of Jiangsu Yangzijiang Shipbuilding as a dividend receivable (the "Dividend receivable");
- (ii) on 31 January 2022, Jiangsu Yangzijiang Shipbuilding declared dividends amounting to RMB19.99 billion to the Company, and such amount was recorded in the books of the Company as a dividend receivable (the "Dividend receivable") and in the accounts of Jiangsu Yangzijiang Shipbuilding as a dividend payable (the "Dividend payable");

- (iii) on 8 February 2022, Jiangsu Yangzijiang Shipbuilding assigned the RMB18.6 billion JNYS Dividend Receivable, RMB1.4 billion cash, RMB19.99 JYS Dividend Payable and RMB0.01 billion share capital to Jiangsu Yangchuan, a separate PRC company established, following the company split of Jiangsu Yangzijiang Shipbuilding under PRC laws (the “Assignment”). As a consequence of the Assignment, the Company

Please refer to the section entitled “Restructuring Exercise” of the Introductory Document for further details on the Group Restructuring Exercise. In particular:

- i. For the Debt Investments that will not be transferred to the Spin-Off Group because they will mature before the Proposed Spin-Off, the Remaining Group will just simply hold these Debt Investments to maturity (i.e. the Remaining Group will remain as the creditor under these Debt Investments till the sums loaned are repaid or collected).
- ii. For the Debt Investments that are not transferred to the Spin-Off Group because the debtors disagree with the transfer of the Debt Investments upon discussion with the Company’s management, the Group will just simply hold these Debt Investments to maturity (i.e. the Remaining Group will remain as the creditor under these Debt Investments till the sums loaned are repaid).
- iii. For the Debt Investments that will not be acquired by the Spin-Off Group because of ongoing litigation proceedings with the debtors for overdue payment in relation to such Debt Investments, the Remaining Business will handle such Debt Investments by pursuing legal means (e.g. through the court process and the ancillary enforcement mechanisms such as seizure of assets for sale) to recover the debts owed.
- iv. With respect to the financial assets at FVTPL that are not transferred to the Spin-Off Group, the reasons and consequences of retaining these assets with the Remaining Group are as follows:
 - (a) three (3) of these FVTPL are investments by the Group in certain companies that are related to the Group’s Shipbuilding Business (e.g. investments in certain of the Group’s suppliers for raw materials required for the construction of vessels). For these, it is envisaged that the Remaining Group will simply continue to hold these investments;
 - (b) one (1) of the FVTPL investments is a small financial asset that will be disposed of soon;
 - (c) two (2) of the FVTPL investments relate to investments in companies that have delisted and are in the midst of restructuring. Given the practical difficulties in effecting a change of ownership in the shares amidst restructuring, the Remaining Group will simply continue to hold these investments; and
 - (d) two (2) of the FVTPL investments are not being transferred to the Spin-Off Group as the contractual terms prohibit a change of owner. In this case, the Remaining Group will simply continue to hold this investment.

4. Distribution

The YZJFH Distribution involves the distribution by the Company to the Shareholders of all the YZJFH Shares held by the Company, representing 100.0% of the issued YZJFH Shares, on the basis of one (1) YZJFH Share for each Share held by Shareholders or on their behalf as at the Books Closure Date. Subject to the satisfaction of the conditions set out in Section 4.3 of this Circular, the YZJFH Distribution will be effected by way of a dividend *in specie* and the Company will implement the following in connection with the YZJFH Distribution:

To effect the YZJFH Distribution as a dividend *in specie*, the Company will appropriate an amount of approximately S\$4,239.2 million out of the retained profits of the Company to meet the dividend to be declared based on the carrying value of the YZJFH Shares (after the Group Restructuring Exercise) in the accounts of the Company.

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For illustrative purposes and based on the envisaged number of issued Shares as at the Books Closure Date, an aggregate of 3,950,589,220 YZJFH Shares, representing 100.0% of the issued YZJFH Shares as at the Latest Practicable Date, will be distributed to Entitled Shareholders pursuant to the YZJFH Distribution. The final number of YZJFH Shares to be distributed to Entitled Shareholders will depend on the total number of Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.

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- (a) the approval of Shareholders of the ordinary resolutions set out in the Notice of EGM;
- (b) the eligibility-to-list letter from the SGX-ST for the admission of YZJFH to the Official List of the SGX-ST and the listing and quotation of the YZJFH Shares on the Mainboard of the SGX-ST having been obtained and not having been revoked or

or all of the Moratorium Shares or any other securities of YZJFH or any subsidiary of YZJFH), whether such transaction is settled by delivery of such Moratorium Shares or such other securities, in cash or otherwise;

- (b) enter into any agreement, transaction or arrangement (including any swap, hedge or derivative transaction) that will directly or indirectly constitute or will be deemed as a disposal of or transfer (in whole or in part) with a similar effect (economic or otherwise) to the foregoing of any or all of the Moratorium Shares or any other securities of YZJFH or any subsidiary of YZJFH (including any securities convertible into or exercisable or exchangeable for or which carry rights to subscribe for or purchase any or all of the Moratorium Shares or any other securities of YZJFH or any subsidiary of YZJFH), whether such agreement, transaction or arrangement is settled by delivery of such Moratorium Shares or such other securities, in cash or otherwise;
- (c) deposit any or all of the Moratorium Shares or any other securities of YZJFH or any subsidiary of YZJFH (including any securities convertible into or exercisable or exchangeable for or which carry rights to subscribe for or purchase any or all of the Moratorium Shares or any other securities of YZJFH or any subsidiary of YZJFH) in any depository receipt facilities, whether any such transaction described above is to be settled by the delivery of such Moratorium Shares or such other securities, in cash or otherwise;
- (d) enter into any transaction or arrangement which is designed or which may reasonably be expected to result in or have the same effect (economic or otherwise) as (in whole or in part) any of the above; and
- (e) offer or agree to make any announcement with respect to any of the foregoing transactions or publicly disclose any intention to do any of the above,

(collectively, the “**n**”), for a period of six (6) months from the date of admission of YZJFH to the Official List of the SGX-ST (the “**a**”).

In addition to the First Moratorium Period, they have further agreed to comply with the Restrictions in respect of 50.0% of their Moratorium Shares for the next six (6)-month period after the First Moratorium Period (the “**n** **a**”).

In addition, Julius Baer Trust Company (Singapore) Limited (in its capacity as trustee of the YZJ Settlement), which holds the entire issued share capital of Yangzi International Holdings Limited (“”), has agreed that in relation to all shares in YIHL held by it immediately after the Introduction (as adjusted for any bonus issue, subdivision or consolidation of shares of YIHL) (the “**a** **a**”), that it will not, without the prior written consent of each of the Issue Manager and YZJFH, directly or indirectly:

- (a) sell, contract to sell, offer, realise, transfer, assign, pledge, grant any option or right to purchase, sell any option or contract to purchase, purchase any option or contract to sell, grant any security over, encumber (such as by way of mortgage, assignment of rights, charge, pre-emption rights, rights of first refusal or otherwise) or otherwise transfer or dispose of any or all of the YIHL Moratorium Shares or any other securities of YIHL or any subsidiary of YIHL (including any securities convertible into or exercisable or exchangeable for or which carry rights to subscribe for or purchase any or all of the YIHL Moratorium Shares or any other securities of YIHL or any subsidiary

of YIHL), whether such transaction is settled by delivery of such YIHL Moratorium Shares or such other securities, in cash or otherwise;

- (b) enter into any agreement, transaction or arrangement (including any swap, hedge or derivative transaction) that will directly or indirectly constitute or will be deemed as a disposal of or transfer (in whole or in part) with a similar effect (economic or otherwise) to the foregoing of any or all of the YIHL Moratorium Shares or any other securities of YIHL or any subsidiary of YIHL (including any securities convertible into or exercisable or exchangeable for or which carry rights to subscribe for or purchase any or all of the YIHL Moratorium Shares or any other securities of YIHL or any subsidiary of YIHL), whether such agreement, transaction or arrangement is settled by delivery of such YIHL Moratorium Shares or such other securities, in cash or otherwise;
- (c) deposit any or all of the YIHL Moratorium Shares or any other securities of YIHL or any subsidiary of YIHL (including any securities convertible into or exercisable or exchangeable for or which carry rights to subscribe for or purchase any or 69(e)-3.1152(h)-30.0abge

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A B	35,642,064	15,642,064
t a a a D t	3,923,415	3,923,415
A a n	908.45	398.68

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	B	A
	D t n	D t n
A B	35,923,416	15,923,416
t a a a D t	3,923,415	3,923,415
A a n	915.62	405.86

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	B	A
	D t n	D t n
a a a t a a !	3,698,632	1,944,015
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a a n t a	3,861,050	3,861,050
n	95.79	50.35

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

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Persons registered in the Register and Depositors whose Securities Accounts are credited with Shares as at the Books Closure Date will be entitled to receive one (1) YZJFH Share for each Share held by them or on their behalf as at the Books Closure Date, fractional entitlements to be disregarded.

Subject to the Proposed Spin-off (comprising the YZJFH Distribution and the Proposed Listing) being approved by Shareholders at the EGM and the conditions in Section 4.3 of this Circular being satisfied, the transfer books and Register of the Company is expected to be closed on 25 April 2022 at 5.00 p.m. for the purpose of determining the entitlement of Entitled Shareholders to the YZJFH Distribution. Persons registered in the Register and Depositors whose Securities Accounts are credited with Shares as at the Books Closure Date would be entitled to receive one (1) YZJFH Share for every Share held by them or on their behalf as at the Books Closure Date, fractional entitlements to be disregarded. Entitled Shareholders who are not Depositors will be credited with YZJFH Shares by the entry of their names on the Register of YZJFH to be maintained by YZJFH's Share Registrar.

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

	Number of YZJFH Shares
1,000 B Shares	1,000 YZJFH Shares
250 B Shares	250 YZJFH Shares

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

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

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

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

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You will be regarded as an Overseas Shareholder if your registered address on the Register or the Depository Register (as the case may be) is not in Singapore as at the Books Closure Date. Shareholders who wish to change their registered address on the Register and the Depository Register (as the case may be) to provide an address in Singapore in substitution thereof prior to the Books Closure Date may do so by sending a notice in writing to the Company's Share Registrar (in the case of a change of address on the Register) and CDP (in the case of a change of address on the Depository Register), respectively not later than three (3) Market Days prior to the Books Closure Date.

Where the Directors are of the view that the distribution of the YZJFH Shares to any Overseas Shareholders may infringe any relevant foreign law or may necessitate compliance with conditions or requirements which they, in their sole and absolute discretion, regard as onerous or impracticable by reason of costs, delay or otherwise, the YZJFH Shares which such Overseas Shareholders would have been entitled to pursuant to the YZJFH Distribution (the "**v a a ! a) w!! n**") w!! n be distributed to such Overseas Shareholders. Instead, the Overseas Shareholders' YZJFH Shares shall be transferred to such person(s) as the Company may appoint who shall sell the Overseas Shareholders' YZJFH Shares and thereafter distribute the aggregate amount of the net proceeds, after deducting for all dealings and other expenses in connection therewith, proportionately among such Overseas Shareholders according to their respective entitlements to the YZJFH Shares as at the Books Closure Date in full satisfaction of their rights to the YZJFH Shares which they would otherwise have become entitled to under the YZJFH Distribution. Where such YZJFH Shares are sold on the SGX-ST, they will be sold at such price or prices as the Company may, in its sole and absolute discretion, decide and no Overseas Shareholder shall have any claim whatsoever against the Company, YZJFH, the Financial Adviser, CDP, CPF and/or YZJFH's Share Registrar and their respective officers in connection therewith.

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

For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than Singapore, where Shareholders may have their registered addresses, the Introductory Document has not been and will not be despatched to any jurisdictions outside Singapore. Overseas Shareholders who wish to change their registered address on the Register and the Depository Register (as the case may be) to provide an address in Singapore in substitution thereof prior to the Books Closure Date may do so by sending a notice in writing to the Company's Share Registrar (in the case of a change of address on the Register) and CDP (in the case of a change of address on the Depository Register), respectively not later than three (3) Market Days prior to the Books Closure Date.

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

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

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

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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 18 April 2022 at 4:00 p.m. for the purpose of considering and, if thought fit, passing, with or without any modification, the resolutions set out in the Notice of EGM.

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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 1 April 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 www.yzjship.com.

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Shareholders, including CPF and SRS investors, or, where applicable, their appointed proxy(ies) who have (or have been) pre-registered by 4.00 p.m. on 15 April 2022 deadline but have not received the Confirmation Email by 11.59 p.m.

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 4.00 p.m. on 15 April 2022 (the “**x** **a** ”) 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 yangzijiang.sg@yzjship.com (Attn Yangzijiang 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.

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- (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 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 at the EGM if they are pre-register via the pre-registration website and appointed as proxies by their respective CPF/SRS Operators, and should contact their respective CPF/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 to submit their votes by 5.00 p.m. on 6 April 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.

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.

AD

For the purposes of the Proposed Spin-Off:

- (a) CLSA Singapore Pte Ltd has been appointed as the financial adviser to the Company;
- (b) Shook Lin & Bok LLP has been appointed as the legal adviser to the Company as to Singapore law; and
- (c) Jingtian & Gongcheng has been appointed as the legal adviser to the Company as to PRC law.

- (a) CLSA Singapore Pte Ltd, named as the financial adviser to the Company in respect of the Proposed Spin-Off, has given and has not withdrawn its written consent to the issuance of this Circular with the inclusion of its name, the statements in Section 16 below and all references thereto, in the form and context in which they appear in this Circular;
- (b) PricewaterhouseCoopers LLP, named as the independent auditor to the Company, has given and has not withdrawn its written consent to the issuance of this Circular with the inclusion of its name, and all references thereto, in the form and context in which they appear in this Circular; and
- (c) Jingtian & Gongcheng, named as the legal adviser to the Company as to PRC law in respect of the Proposed Spin-Off, 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.

D **B** **A** **n** op (m p e g o u t h e c o u d i n s o n t h e c o n t e n t s o f t h e c i r c u l a r a n d t h e a d v i c e g i v e n c o n t a i n s n o g u a r a n t e e o f a c c u r a c y o r c o m p l e t e n e s s o f t h e i n f o r m a t i o n p r o v i d e n t h e r e i n .)

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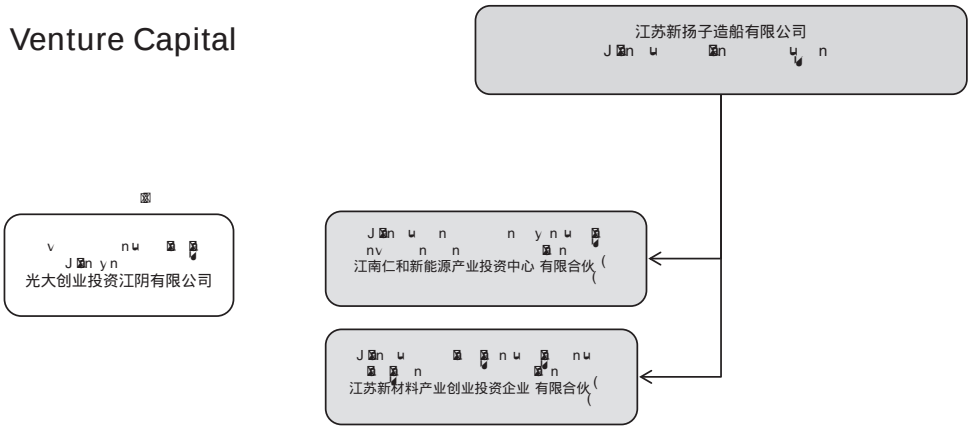
To the best of the Financial Adviser's knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Spin-Off, the Company and its subsidiaries, and the Financial Adviser is not aware of any facts the omission of which

Group Structure of the Group before the Proposed Spin-Off

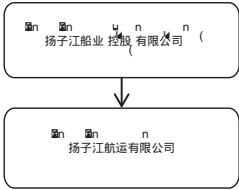
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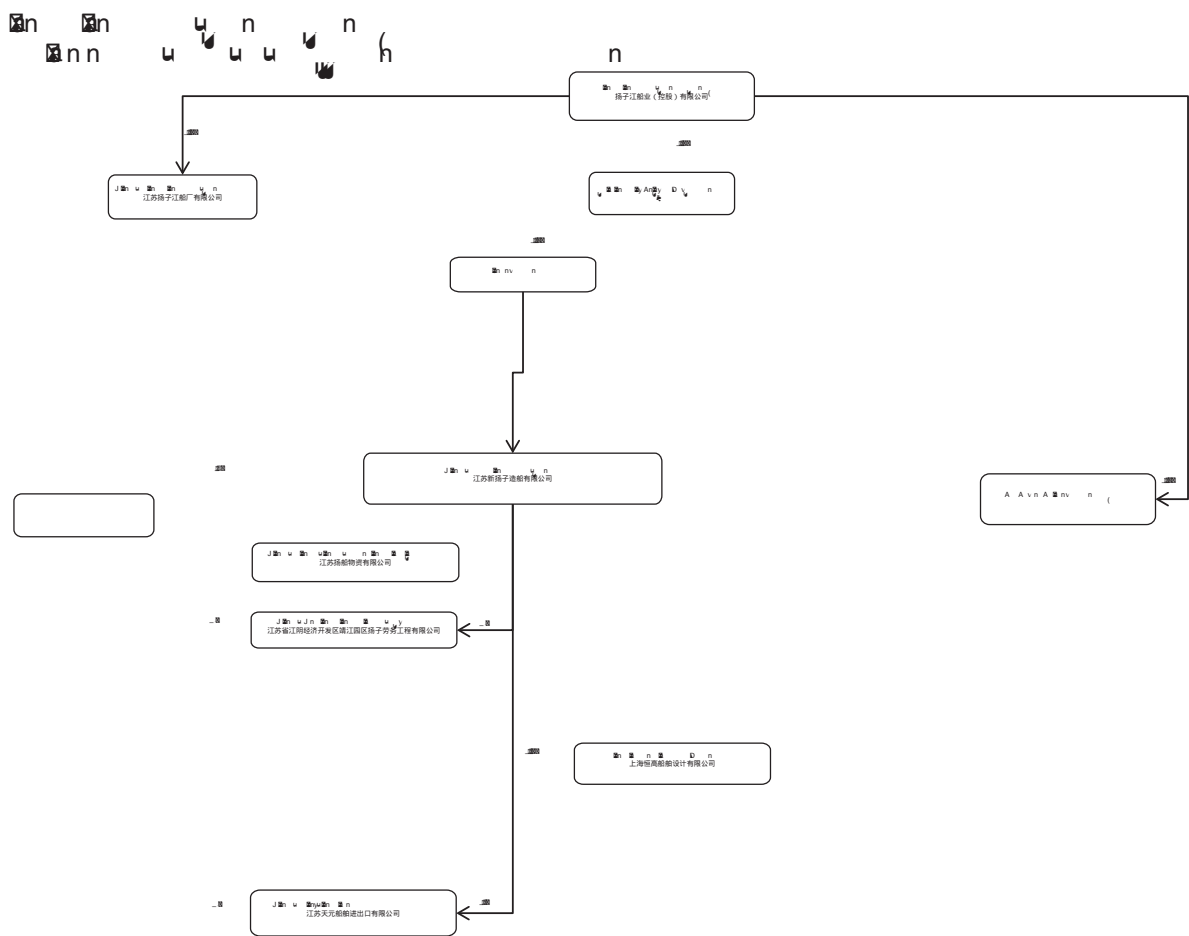
Venture Capital



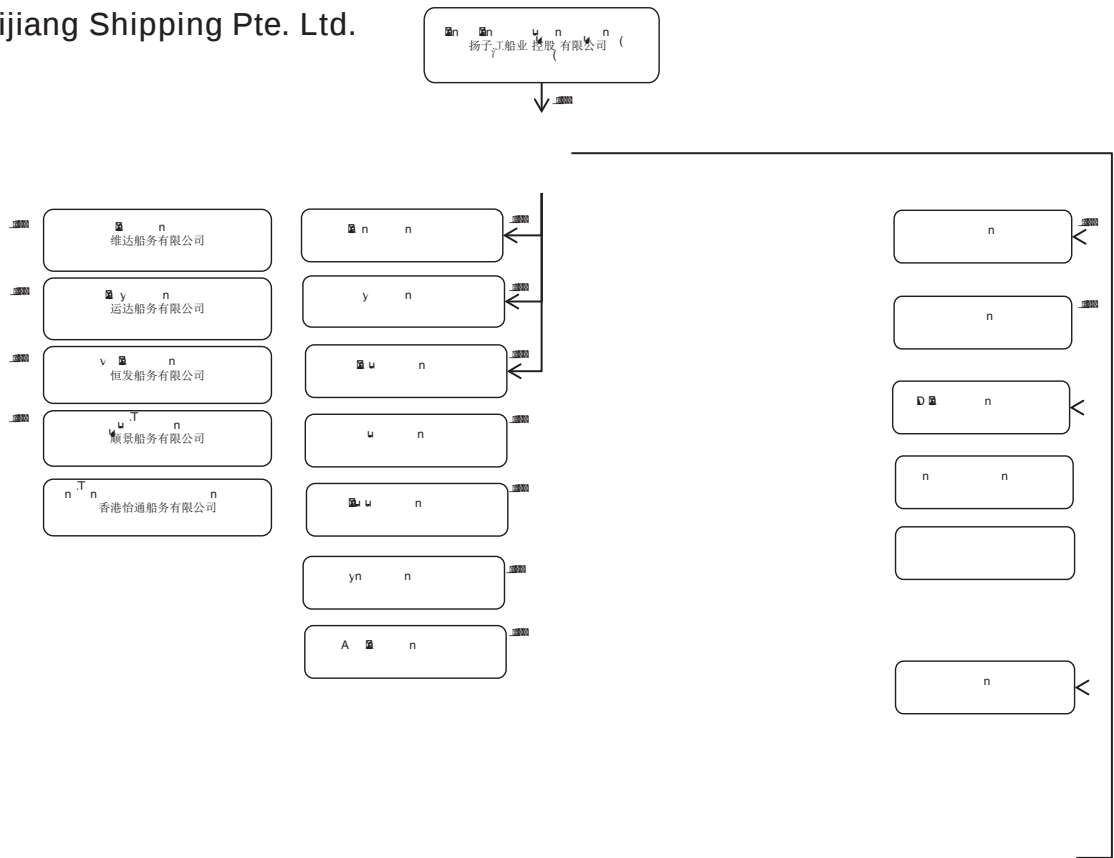
Yangzijiang Shipping Pte. Ltd.



Group Structure of the Remaining Group after the Proposed Spin-Off



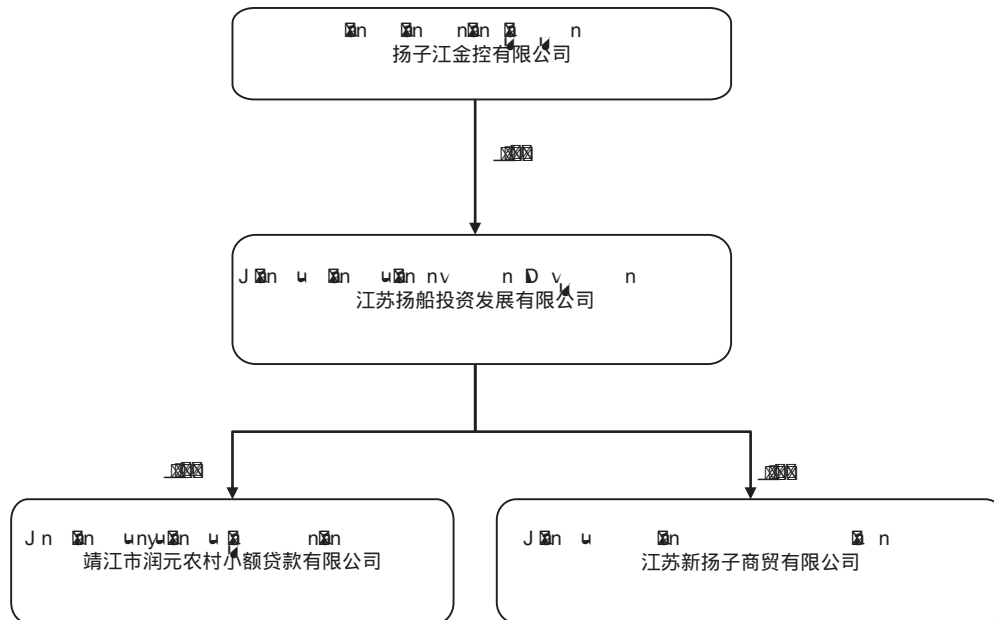
Yangzijiang Shipping Pte. Ltd.



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

Group Structure of the Spin-Off Group

Yan Jiang Financial Holding
Group structure before spin-off



YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200517636Z)

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting (“EGM”) of **YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.** (the “Company”) will be held by way of electronic means on **Monday, 18 April 2022 at 4.00 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 1 April 2022 (the “Circular”).

ORDINARY RESOLUTIONS:

RESOLVED THAT pursuant to the constitution:

1. Approval for the Proposed Spin-Off

Subject to the other conditions in Section 4.3 of the Letter to Shareholders in the Circular dated 1 April 2022 being satisfied, approval be and is hereby given for the Company to make a distribution (the “**YZJFH Distribution**”) of the entire issued share capital of YZJFH (the “**YZJFH Shares**”) held by the Company by way of a dividend *in specie* on the basis of one (1) YZJFH Share for each ordinary share in the issued share capital of the Company (the “**Shares**”) held by or on behalf of the shareholders of the Company (“**Shareholders**”, being registered holders of the Shares, other than the Company, except that where the registered holder is The Central Depository (Pte) Limited (“**CDP**”), the term “**Shareholders**” shall mean Depositors, other than the Company, as defined under the Companies Act 1967 (2020 Revised Edition) of Singapore) as at a books closure date to be determined by the Directors (the “**Books Closure Date**”), and the proposed listing by way of introduction of YZJFH on the Mainboard of the SGX-ST (the “**Proposed Listing**”, together with the YZJFH Distribution, the “**Proposed Spin-Off**”), such that:

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to which any particular Overseas Shareholder is entitled is less than S\$10.00, such net

NOTES:

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 Extraordinary General Meeting ("**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 www.yzjship.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 (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

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.

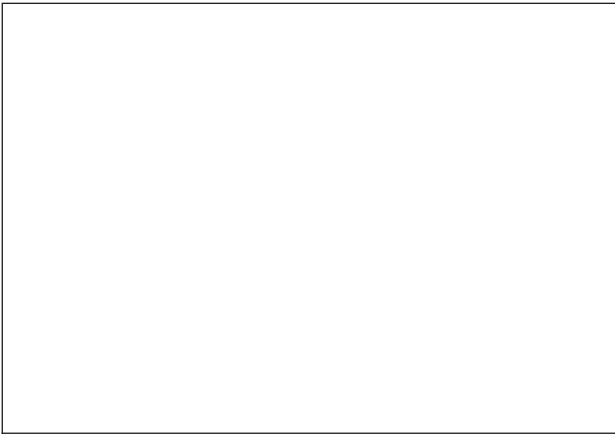
Shareholders and proxyholders will be required to log-in via the link in the Confirmation Email and enter the user ID and password to attend and participate in the Live Webcast of the EGM.

- (a) Live voting: Shareholders, including CPF/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/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 &

10. A Depositor's name must appear on the Depository Registe

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IMPORTANT NOTES

1. If you have Ordinary 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 Ordinary Shares. If you have Ordinary Shares registered in your name in the Register of Members, you should insert that number of Ordinary Shares. If you have Ordinary Shares entered against your name in the Depository Register and Ordinary Shares registered in your name in the Register of Members, you should insert the aggregate number of Ordinary 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 Ordinary Shares held by you.
2. **Due 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 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.yzjship.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) o

