EMPOWERING GREEN LOGISTICS

ANNUAL REPORT 2024

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01

We produce a broad range of commercial vessels such as containerships, oil tankers, bulk carriers, LNG vessels and other gas carriers, our shipbuilding bases are strategically located along the Yangtze River:

Jiangsu New Yangzi Shipbuilding Co., Ltd (“New Yangzi Yard”)
Jiangsu Yangzi Xinfu Shipbuilding Co., Ltd (“Xinfu Yard”)
Jiangsu Yangzijiang Shipbuilding Group Co., Ltd (“Yangzijiang Yard”)
Jiangsu Yangzi-Mitsui Shipbuilding Co., Ltd. (“YAMIC Yard”)

* (RMB’MILLION)

FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022

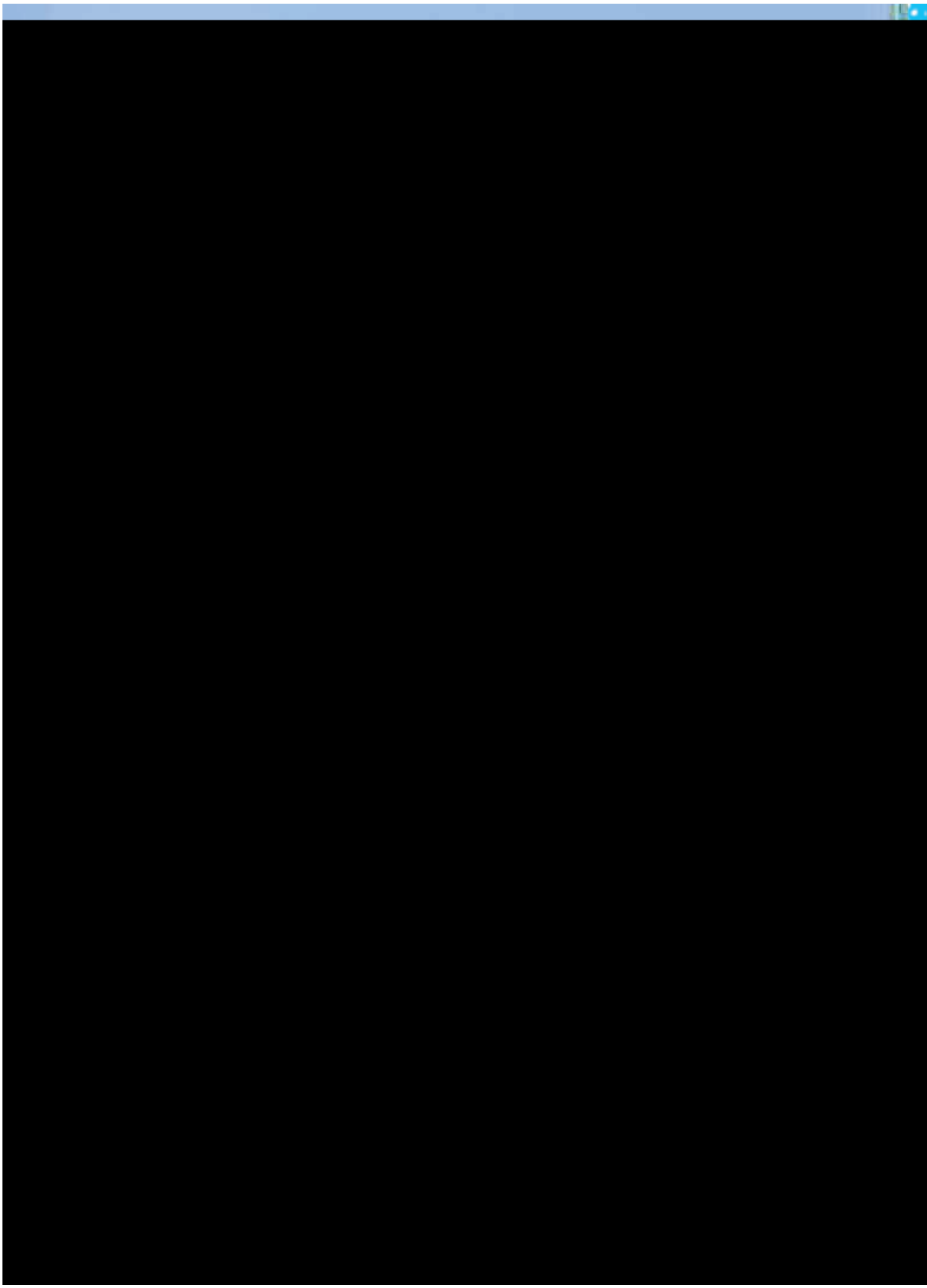
(RMB’MILLION)

FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
3,170	3,727	2,662	1,999		3,070	3,105	2,516	3,699*	2,807*

FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022

FINANCIAL HIGHLIGHTS

	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
RESULTS					
Revenue	**26,541,716**	24,112,330	20,705,076	15,137,154	14,841,266
Gross profit	**7,608,147**	5,410,253	3,197,198	2,084,327	4,222,147
Other income	**794,178**	577,891	454,626	436,344	478,850
Other gains/(losses)	**161,490**	(328,184)	233,110	958,719	(208,430)
Net profit from continuing operations	**6,633,616**	4,101,548	2,612,904	1,971,192	2,516,404
Net profit from discontinued operations	**–**	–	194,576	1,727,440	–
Net profit attributable to shareholders	**6,633,616**	4,101,548	2,807,480	3,698,632	2,516,404
Basic EPS (RMB cents)	**167.91**	103.82	71.25	95.79	64.39
FINANCIAL POSITION					
Total assets	**54,556,325**	40,864,327	32,967,103	51,612,264	44,910,661
Shareholders' equity	**26,277,952**	20,940,553	17,573,131	35,923,416	32,342,355
Cash and cash equivalents	**28,119,740**	16,560,685	10,778,393	12,363,193	6,633,416
Net asset value per ordinary shares (RMB cents)	**665.17**	530.06	444.82	915.62	839.51
MARKET CAPITALISATION AT PERIOD END					
Dividends (Singapore dollar)	**0.120**	0.065	0.05	0.05	0.045
Share price at Period End (Singapore dollar)	**2.990**	1.490	1.360	1.340	0.955
Payout ratio	**38%**	34%	36%	25%	34%
P/E	**9.48**	7.72	9.89	6.71	7.21
P/B	**2.39**	1.51	1.58	0.69	0.56
Dividend yield	**4.01%**	4.36%	3.68%	3.73%	4.71%
No. of shares ('000)	**3,950,589**	3,950,589	3,950,589	3,923,414	3,852,516



Driving technological innovation and operational efficiency, aiming to capture a larger pie in the global shifts toward a greener maritime value chain.

CHAIRMAN'S STATEMENT

DEAR SHAREHOLDERS,

GROWTH AND INNOVATION IN A TRANSFORMING INDUSTRY

FY2024 was yet another excellent year for Yangzijiang Shipbuilding, that showcases our resilience, innovation, and commitment to excellence amidst an evolving global landscape. With continued industry growth and heightened demand for clean energy vessels, we capitalised on our strong execution capabilities, achieving record-breaking new order wins and financial results. Our shipyards operated at full capacity, setting new benchmarks in operational excellence and reinforcing our position as one of the world's leading shipbuilders.

DELIVERING RECORD PERFORMANCE

In FY2024, we secured an unprecedented USD14.6 billion in new orders, driven primarily by robust demand for dual-fuel containerships, oil tankers, and gas carriers, reflecting the shipping industry's increasing commitment to decarbonisation. As a result, our total outstanding orderbook surged to an all-time high of USD24.4 billion, representing a 68% increase from the previous year and offering strong earnings visibility through 2028.

Revenue for the year reached a record RMB26.5 billion, marking a 10.1% year-on-year growth, fuelled by stronger shipbuilding revenue, primarily supported by higher newbuild prices, and stronger shipping revenue, supported by fleet expansion and improved charter

CHAIRMAN'S STATEMENT

rates. Gross profit rose impressively by 40.6% to RMB7.6 billion, with margins improving by 6.3 percentage points to 28.7%, reflecting higher vessel prices, a favorable exchange rate, and lower raw material costs. Our joint venture, Yangzi-Mitsui Shipbuilding Co., Ltd. ("**YAMIC**"), made significant contributions in FY2024, with earnings more than doubling year-on-year to RMB559.0 million. This growth was underpinned by the successful strategic shift of YAMIC toward building higher-end gas carriers that yield better profitability.

STRENGTHENING OUR MARKET LEADERSHIP AMID INDUSTRY SHIFTS

The global shipbuilding industry witnessed steady growth in 2024, although some shipowners recently exhibited caution amid concerns about oversupply and geopolitical uncertainties, including the US's Section 301 investigation into China's maritime sector. Despite these challenges, the industry's long-term outlook remains strong, supported by regulatory initiatives promoting greener and more efficient vessels. The International Maritime Organization ("**IMO**") has proposed new greenhouse gas reduction regulations, anticipated for adoption in 2025, aimed at accelerating the industry's transition to cleaner energy solutions.

In response, we have continued to invest in future-ready shipbuilding capabilities. Our capacity expansion initiative, Project Hongyuan, adjacent to Xinfu Yard, has commenced construction following final approvals from local authorities. This new facility, with an expected capital expenditure ("**CAPEX**") of approximately RMB3 billion, will feature state-of-the-art infrastructure designed for high-value vessels, including dual-fuel ships and high-end gas carriers. Construction is scheduled for completion for late 2026, with the first vessel delivery expected in 2027.

CHAIRMAN'S STATEMENT

I'm also pleased to update shareholders that our LNG terminal project is progressing well, reinforcing our commitment to sustainable maritime solutions. This project, with an expected capital expenditure of RMB2 billion, aligns with our long-term strategy to integrate into the LNG supply chain and support China's broader energy transition.

NAVIGATING THE SHIPPING MARKET

The shipping industry experienced notable volatility in FY2024, with the Baltic Exchange Dry Index ("**BDI**") fluctuating significantly due to geopolitical disruptions and shifts in global trade. Despite these challenges, our disciplined approach to chartering and fleet management enabled us to maintain stability and resilience in the segment. Our strategy focuses on securing 6-36 months charter contracts for a portion of our fleet at favourable rates during market upcycles, ensuring a balanced approach to market risks while preserving operational flexibility.

COMMITMENT TO SHAREHOLDER RETURNS

Our strong financial performance has enabled us to enhance returns to our shareholders. For FY2024, we are pleased to propose a total dividend of 12 Singapore cents per share, an 84.6% increase from FY2023. This represents a 38.6%[1] payout ratio and a 4.0%[2] dividend yield, consistent with our long-standing policy of distributing 30-40% of net profit to shareholders.

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[1] Calculated based on CNY/SGD of 5.3959 as of 21 February 2025.
[2] Calculated based on share price of S$2.99 as of 31 December 2024.

CHAIRMAN'S STATEMENT

APPRECIATION AND OUTLOOK

On behalf of the Board, I extend my deepest gratitude to our employees, customers, business partners, and shareholders for their unwavering support. Our team's dedication, expertise, and adaptability have been instrumental in achieving another record-breaking year.

As we move into FY2025, we remain committed to enhancing our competitive edge, driving innovation in clean energy vessel solutions, and delivering sustainable value for all stakeholders. With a robust orderbook, expanded capacity, and a clear strategic vision, Yangzijiang Shipbuilding is well-positioned for continued success in the evolving maritime landscape.

REN LETIAN
Executive Chairman & Chief Executive Officer
Yangzijiang Shipbuilding (Holdings) Ltd.

- Successful listing on SGX
- Launched New Yangzi Yard
-

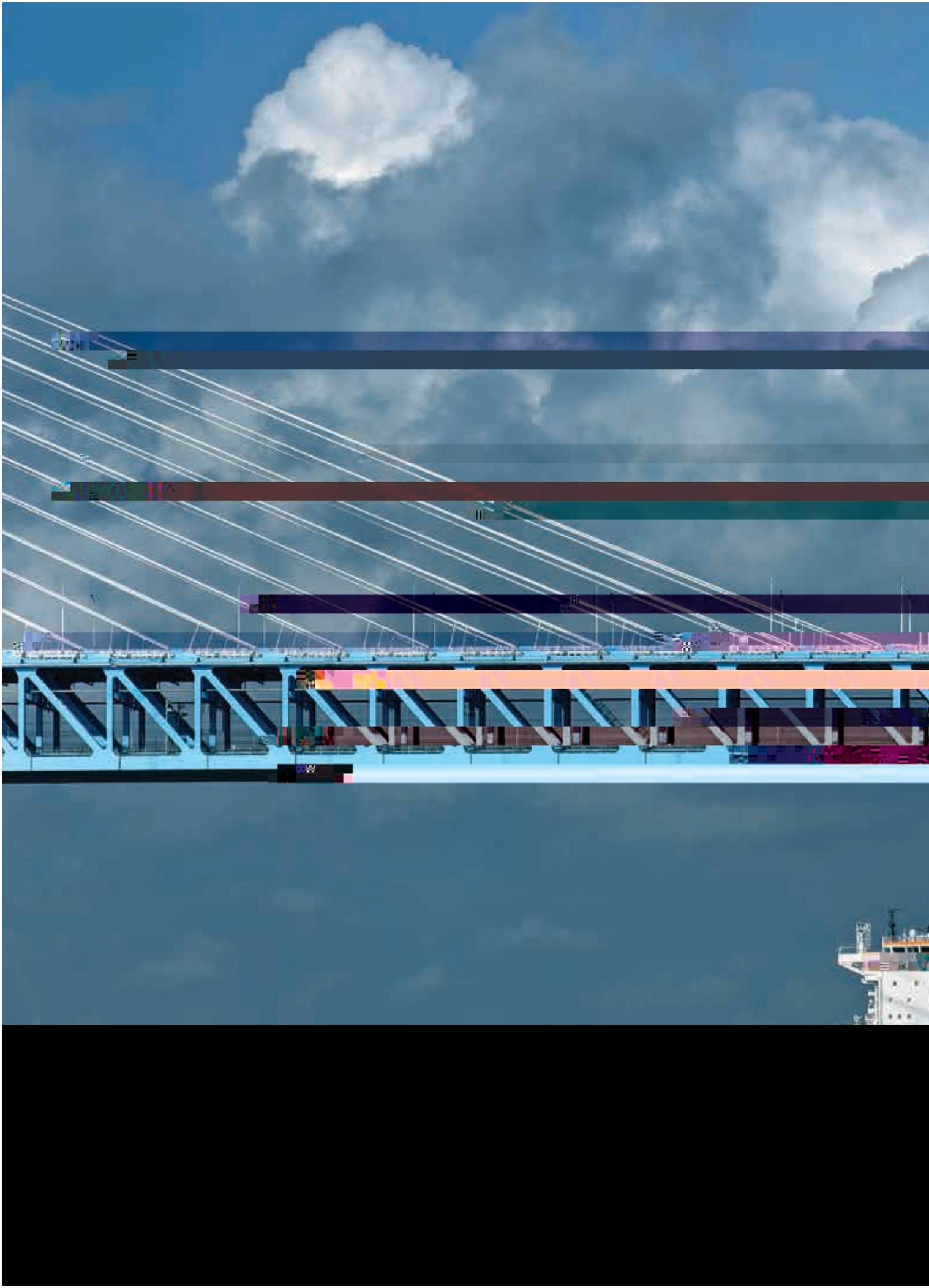
- Started operations of Jiangsu Yangzi-Mitsui Shipbuilding Company ("YAMIC") in August 2019, which is the JV between Mitsui E&S Shipbuilding and Yangzijiang Shipbuilding Holdings

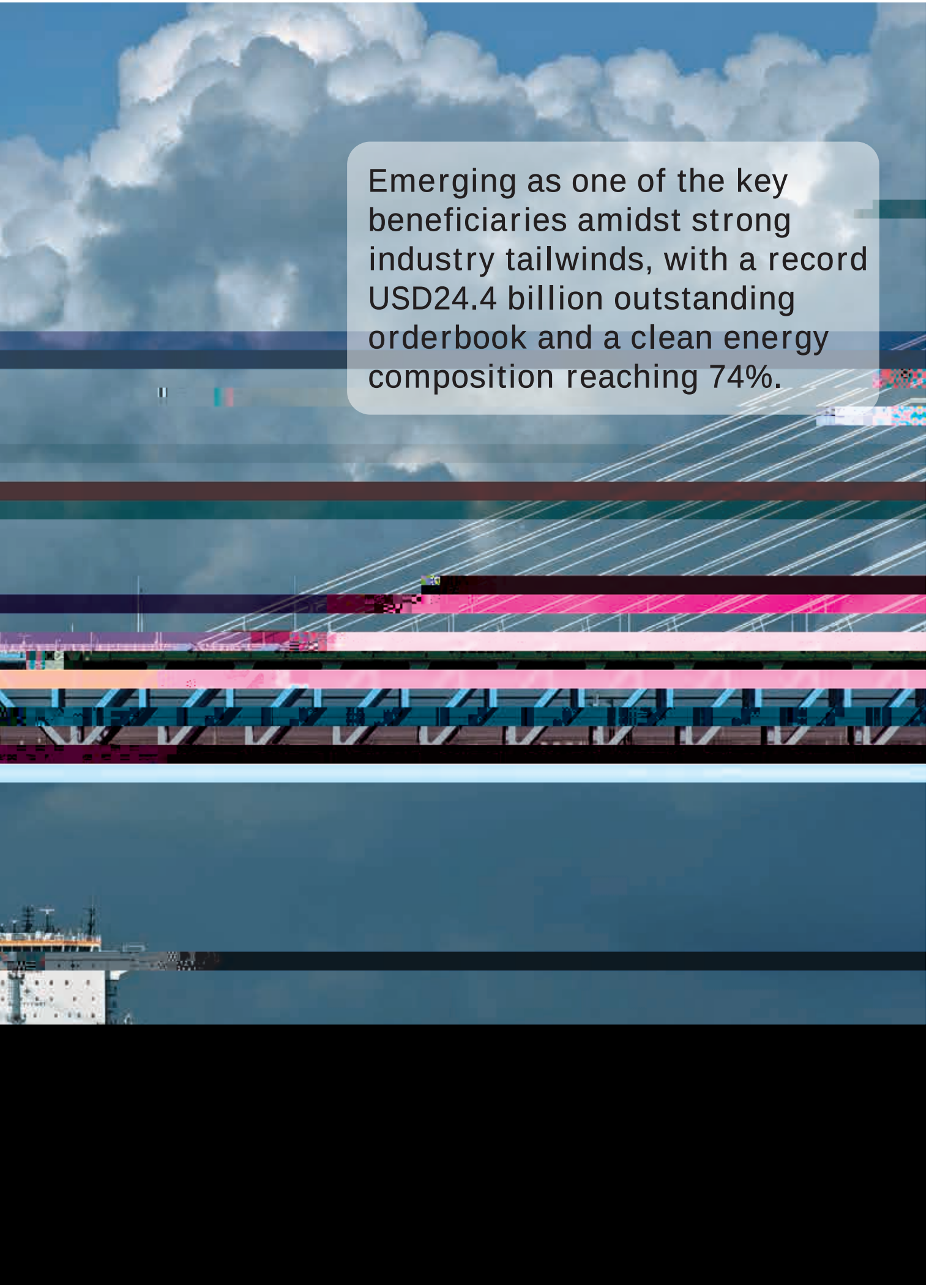
- Mr Ren Letian, Group CEO, was appointed as Executive Chairman in April 2020
- Successfully delivered its largest 12,690TEU containerships
- Clinched the first ever 24,000TEU containership orders in December 2020, which was the largest containership in-use in the world

- Achieved record order-wins of US$7.41 billion for 124 vessels
- Completed the acquisition of remaining 20% stake in Jiangsu Yangzi Xinfu Shipbuilding Co., which owns one of the Group's largest dock facilities
- Clinched its first batch of orders for 40,000CBM Liquefied Petroleum Gas ("**LPG**") carriers and 7,000TEU LNG dual-fuel containerships
- Proposed spin-off listing of its investment business on SGX Mainboard

("**TALA**") with GTT, a technological expert in membrane containment systems in September 2022
- Clinched its first order of two (2) units of 175,000 CBM LNG carriers in October 2022
- Successfully delivered its largest 15,000TEU containership in October 2022
- Successfully launched its largest 24,000TEU containerships in October 2022, which is the largest containership in the world
- Awarded runner-up of Most Transparent Company Award (Industrials Category) at the SIAS Investors' Choice Awards 2022
- Established an ESG Committee to optimise ESG management system and contribute to global environmental commitments
- New Yangzi Yard, Yangzi Xinfu Yard, and YAMIC were qualified as the High/New Technology Enterprise and were entitled to a preferential corporate income tax rate of 15% for three years from 2022

- Acquired additional 45% equity interest in Jiangsu Yangzi Jiasheng Terminal Co., Ltd., bringing total controlling stake to 100%
- Commenced construction of LNG storage facilities adjacent to Jiasheng Terminal
- Acquired a landmark office building in 39 Robinson Road Pte. Ltd. to enhance its profile and deepen its roots in Singapore
- Delivered its first 40,000CBM LPG carriers with ammonia-ready technology
- New Yangzi Yard, Yangzi Xinfu Yard, and YAMIC Yard were honoured "Green and Smart Factory" status
- Introduced 2030 sustainability checkpoint of achieving a 25% reduction in carbon intensity compared to 2023





Emerging as one of the key beneficiaries amidst strong industry tailwinds, with a record USD24.4 billion outstanding orderbook and a clean energy composition reaching 74%.

Mr. Yee Chia Hsing was appointed as Independent Director of our Company on 25 April 2024. Mr. Yee, a First-Class Honours graduate in Accountancy from Nanyang Technological University Singapore, has significant experience in corporate finance, capital markets and management.

Mr. Yee has more than 20 years of experience in the banking and finance industry. After his banking career, he went on to head a health supplements division of a SGX listed company, before taking on the Executive Director/CEO role in another SGX listed company with hospitality assets.

刘华

Non-Independent Non-Executive Director,
Member of ESG Committee

Ms. Liu was appointed as Non-Independent Non-Executive Director of our Company on 4 August 2022. Ms. Liu joined Yangzijiang Shipbuilding (Holdings) Ltd. as finance controller in November 2007 and was redesignated as Chief Financial Officer of the Group in June 2008. She currently also serves as Chief Financial Officer of Yangzijiang Financial Holdings Ltd.

Ms. Liu has extensive experience in finance and corporate

Deputy General Manager,
Member of ESG Committee

Mr. Zhang serves as the Deputy Chairman of the Group and concurrently holds the position of Chairman of the LNG Energy Business Division. In addition, he oversees the Group's labor union activities, enterprise management, and human resources functions.

Mr. Zhang brings nearly 30 years of expertise in the shipbuilding industry. Before joining the Group, he worked at Chengxi Shipyard Co. from 1997 to November 2002. After joining the Group in November 2004, he held key leadership roles, including Director of the Construction Department and Assistant General Manager of Jiangsu New Yangzi Shipbuilding Co., Ltd. In recognition of his contributions, he was promoted to Deputy General Manager of the Group in January 2016.

Mr. Zhang holds an Engineering Degree from Jiangxi University of Science and Technology which he was conferred in 1997.

Deputy General Manager

Mr. Song was appointed as Deputy General Manager of the Group in 2013. He currently also serves as the General Manager of Jiangsu Yangzi-Mitsui Shipbuilding Co., Ltd. and Jiangsu Yangzijiang Offshore Engineering Co., Ltd., overseeing the operations of both companies.

Mr. Song has over 20 years of experience in the shipbuilding industry. From 2000 and before joining the Group, he worked at Tsuji Co. in Japan. From 2003 to May 2009, he was the Director of Shipbuilding Division and the Manager of Production Management Department, responsible for the production management of the shipbuilding site in Tsuji Heavy Industry (Jiangsu) Co., Ltd. From June 2009 and after joining the Group, he successively was the Deputy General Manager and General Manager of Jiangsu Zhongzhou Offshore Engineering & Equipment Co., Ltd. From 2013 to 2019, he was appointed as the Deputy General Manager of the Group and the General Manager of Jiangsu Yangzijiang Shipbuilding Co. Ltd and Jiangsu Yangzijiang Offshore Engineering Co., Ltd.

Mr. Song ever studied in Ocean University of Qingdao and Jiangsu University of Science and Technology with the major of Naval Architecture and Ocean Engineering.

He was appointed as the Deputy General Manager and Head of Quality Control Department in Jiangsu New Yangzi Shipbuilding Co., Ltd. in January 2006. He is now the Deputy General Manager of the Group and the General Manager of Jiangsu New Yangzi Shipbuilding Co., Ltd., and is responsible for operations of Jiangsu New Yangzi Shipbuilding Co., Ltd.

Mr. Du has over 30 years of experience
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Assistant General Manager

Mr. Ding was appointed as the Deputy General Manager in 2020 and Chief Financial Officer on 19 April 2022. He is also Chief accountant of the Group since 2017 who is responsible for Group's financial, accounting, taxation and risk management.

Mr. Ding has 30 years of experience in the shipbuilding industry. Before joining the Group, He worked at Chengxi Shipyard Co. from 1995 to June 2004. From 2004 to August 2010, he served as Finance Manager at Cosco Shipyard Group Co., Ltd. In September 2010, he became the Head of the Financial Department and Chief Accountant at Jiangsu New Yangzi Shipbuilding Co., Ltd. In January 2020, he was promoted to Deputy General Manager of the Group, while continuing his role as Chief Accountant at Jiangsu New Yangzi Shipbuilding Co., Ltd.

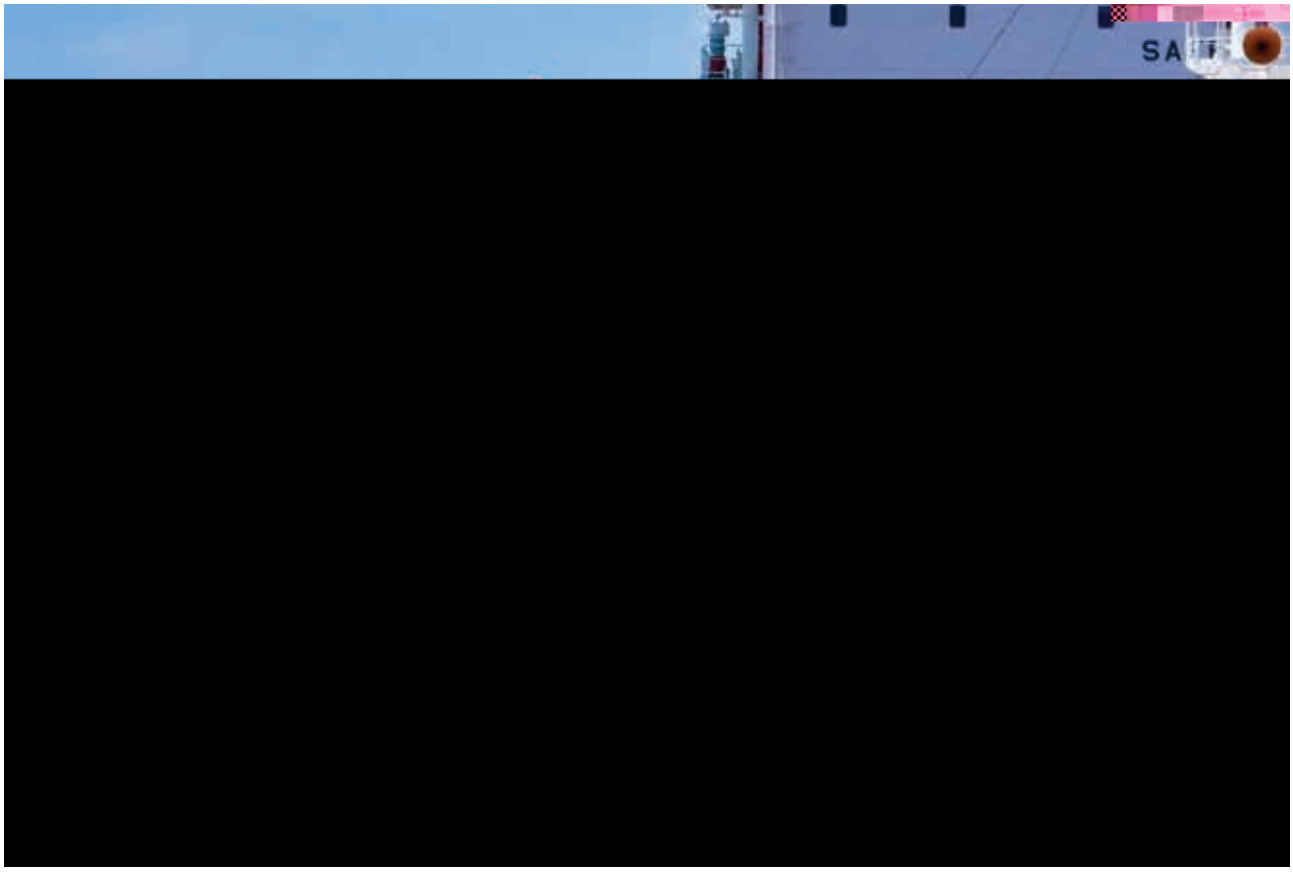
Mr. Ding earned his degree from Hebei GEO University in

Mr. Yang was appointed as Assistant General Manager of the Group in 2023. He is currently also the General Manager of Jiangsu Yangzi Xinfu Shipbuilding Co., Ltd. and Jiangsu Yangzi Hongyuan Shipbuilding Co., Ltd.

Mr. Yang has 20 years of shipbuilding experience under his belt. He began his career in 2004 as an Operations Associate in the Production Management Department and steadily advanced through the ranks. Over the years, he has contributed to 14 research projects focused on ship design and construction methods, leading to substantial improvements in operational efficiency, shorter production lead times, and enhanced overall quality of the ships built by the Group.

Mr. Yang graduated from the East China Shipbuilding Industry College (now known as Jiangsu University of Science and Technology) in 2004.

Aiming to become a responsible corporate citizen, creating long-term sustainable value for stakeholders.



Underpinned by strong newbuild demand from maritime decarbonisation and fleet renewal, Yangzijiang Shipbuilding delivered another outstanding performance for FY2024, achieving record-high revenue and profitability.

Notably, over 85% of vessels delivered in FY2024 already complied with the International Maritime Organisation's ("**IMO**") latest Energy Efficiency Design Index Phase 3 ("**EEDI 3**") standards, well ahead of the 2025 enforcement for most ship types. This reinforces the Group's leadership in green shipbuilding and its ability to meet evolving regulatory requirements.

In FY2024, the Group secured total new order-wins of USD14.6 billion, exceeding its annual target of USD4.5 billion more than threefold. Among these new order-wins, approximately 82% in terms of contract

infrastructure, enhancing productivity and operational efficiency.

Furthermore, in FY2024, the Group repositioned its joint venture company, YAMIC yard, to focus on constructing

OUTLOOK AND STRATEGY

Despite the short-term headwinds from the U.S. Section 301 investigation into China's maritime, logistics, and shipbuilding industries, the Group remains confident in the industry's long-term prospects, driven by the ongoing maritime decarbonisation and the growing demand to replace aging vessels with more fuel-efficient ones.

The shipping market is expected to continue to fluctuate in the near term, primarily due to heightened geopolitical uncertainties, intense trade conflicts, and

CORPORATE GOVERNANCE REPORT

Yangzijiang Shipbuilding (Holdings) Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") is committed to achieving and maintaining high standards of corporate governance, in all activities undertaken by the Group. The Group's corporate governance practices and processes are guided by the principles and provisions of the Code of Corporate Governance 2018 (the "**Code**") and relevant sections of the Listing Manual ("**Listing Manual**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

This report sets out the Group's corporate governance practices in the financial year ended 31 December 2024 ("**FY2024**"), and which are benchmarked against the Code. The Company has complied with the principles and substantially with the provisions of the Code. Where there are deviations from the provisions of the Code, appropriate explanations are provided in this report.

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Role of the Board (Provisions 1.1 & 1.2)

The Board has the overall responsibility to oversee the strategic direction, performance and affairs of the Group and provides overall guidance to the management of the Company ("**Management**"). Besides its statutory responsibilities, the Board's principal duties include:

(a) providing entrepreneurial leadership, setting the strategic directions and the long-term goals of the Group and ensuring that adequate resources are available to meet these objectives;

(b) constructively challenge Management and review its performance;

(c) ensuring the adequacy of internal controls, risk management, financial reporting and compliance;

(d) assumption of corporate governance responsibilities;

(e) assessment of Management's performance;

(f) considering sustainability issues including environmental and social factors in the Group's strategic formulation; and

(g) ensuring transparency and accountability to key stakeholder groups.

Directors are fiduciaries of the Company and are collectively and individually always obliged to act objectively in the best interests of the Company. The Board of Directors (the "**Board**") has put in a place a code of conduct and ethics to set the appropriate tone from the top for the Group in respect of ethics, values and organizational culture, and ensure proper accountability within the Group. Pursuant to the code of conduct and ethics, when faced with conflicts of interests, the Directors shall recuse themselves from discussions and decisions involving issues of conflict.

Currently, the Company does not have a formal training programme for new Director(s). However, the Board ensures that incoming new Director(s) are given comprehensive and tailored induction on joining the Board including onsite visits, if necessary, to get familiarised with the business of the Group and corporate governance practices upon their appointment and to facilitate the effectiveness in discharging their duties. Newly appointed Director(s) will be provided a formal letter setting out their duties and obligations. They will be given briefings by Management on the business activities of the Group and its strategic directions as well as its corporate governance practices. The newly appointed Directors who have no prior experience as a director of a listed company in Singapore must undergo mandatory training in his/her roles and responsibilities as prescribed by the SGX-ST.

Following their appointment, Directors are provided with opportunities for continuing education in areas such as directors' duties and responsibilities and changes to regulations, risk management and accounting standards. The objective is to enable them to be updated on matters that affect or go towards enhancing their performance as Directors or Board Committee members. Directors may also contribute by recommending suitable training and development programmes to the Board.

In addition, all Directors have completed the Environmental, Social and Governance Essentials course conducted by Singapore Institute of Directors.

Board Approval (Provision 1.3)

Matters requiring the Board's approval include the following:

(a) the Group policies, strategies and objectives;

(b) annual budgets;

(c) annual and interim financial statements;

(d) all announcements of the Company;

(e) appointment of Directors and key management personnel;

(f) hedging policies;

(g) interim dividends and other returns to Shareholders;

(h) share or bond issuances;

(i) annual report and sustainability reports;

(j) major investments or divestments;

(k) material acquisitions or disposals of assets; and

(l) remuneration policy and framework for key management personnel.

Matters requiring the Board's approval have been clearly communicated to Management in writing. Save for Board and/or Board Committee (as defined below) meetings, the Board approvals are also obtained through the circulation of Directors' Resolutions in Writing.

Delegation by the Board (Provision 1.4)

The Board has delegated specific responsibilities to the committees of the Board, namely, the Nominating Committee (the "**NC**"), the Remuneration Committee (the "**RC**"), the Audit and Risk Committee (the "**ARC**") (collectively, the "**Board Committees**") to assist the Board in carrying out and discharging its duties and responsibilities efficiently and effectively, and reporting back to the Board. Each Board Committee has its own specific Terms of Reference ("**TOR**") which clearly sets out the composition, duties, authority and responsibilities of such Board Committee, qualifications for membership in such Board Committee, and procedures governing the manner in which such Board Committee operates and makes decisions.

CORPORATE GOVERNANCE REPORT

Board and Board Committee Meetings (Provision 1.5)

The Board meets on a regular basis to approve, among others, announcements of the Group's half and full year financial results. Additional meetings are also convened to discuss and deliberate on urgent substantive matters or issues when circumstances require. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of the Company. Board and Board Committees meetings as well as the annual general meeting ("**AGM**") are scheduled in advance in consultation with the Board.

The Company's Constitution provides for meetings to be held via telephone conference or other methods of simultaneous communication by electronic or telegraphic means in the event when Directors were unable to attend meetings in person. Management has access to the Directors for guidance or exchange of views outside of the formal environment of the Board meetings.

The number of meetings of Board and Board Committees, as well as the Annual General Meeting held during FY2024 and the attendance of each Director at those meetings are set out as follows:

	Board of Directors		Audit and Risk Committee		Nominating Committee		Remuneration Committee		Annual General Meeting
	No.of meeting		No. of meeting		No. of meeting		No. of meeting		
Name of Directors	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	
Ren Letian	4	4	–	–	–	–	–	–	1
Chen Timothy Teck Leng[1]	4	1	4	1	1	1	1	1	1
Yee Kee Shian, Leon[2]	4	4	4	4	1	1	1	1	1
Liu Hua	4	4	4	4	1	1	1	1	1
Poh Boon Hu Raymond[3]	4	4	4	4	1	1	1	1	1
Yee Chia Hsing[4]	4	3	4	3	–	–	–	–	–

(1) Mr Chen Timothy Teck Leng retired as the Lead Independent Non-Executive Director, Chairman of ARC, a member of NC and RC on 25 April 2024.

(2) Mr Yee Kee Shian, Leon was re-designated as the Lead Independent Non-Executive Director and relinquished his role as the Chairman of RC on 25 April 2024.

(3) Mr Poh Boon Hu Raymond was appointed as the Chairman of RC effective on 25 April 2024.

(4) Mr Yee Chia Hsing was appointed as an Independent Non-Executive Director, Chairman of ARC and a member of NC and RC on 25 April 2024.

Access to Information (Provision 1.6)

The Directors also have the opportunity to visit the Group's operational facilities and meet with Management to obtain a better understanding of the business operations. Below are some of the updates that have been provided to the Directors in FY2024:

- the external auditors, PricewaterhouseCoopers LLP, has briefed the ARC members on the latest developments in accounting and corporate governance standards at their attendance in the ARC meetings;
- information on the new audit quality indicators framework;
- Executive Chairman and Chief Executive Officer ("**CEO**") has updated the Board at each Board meeting on the business outlook of shipbuilding industry and the direction of the Group; and
- Chief Financial Officer ("**CFO**") has also updated the Board at each Board meetings on each segmental business operation and development of the Group.

Management recognises the importance of ensuring the flow of complete, adequate and timely information to the Directors on an ongoing basis to enable them to make informed decisions to discharge their duties and responsibilities. Board and Board Committee papers are generally issued to members prior to the meeting. The papers are distributed to the Directors prior to the meetings with sufficient time to enable them to obtain further explanations, where necessary, in order to be briefed properly and prepare for the meetings. Any additional material or information requested by the Directors is promptly furnished.

Management's proposals to the Board for approval to provide background and explanatory information such as facts, resources needed, risk analysis and mitigation strategies, financial impact, expected outcomes, conclusions and recommendations. Employees who can provide additional insight into matters to be discussed will be present at the relevant time during the Board and Board Committees meetings. In order to keep Directors abreast of the Group's operations, the Directors are also updated on initiatives and developments on the Group's business as soon as practicable and/or possible and on an on-going basis.

Access to Management, Company Secretary and Advisers (Provision 1.7)

All Directors have access to the Company's senior management, including CEO, CFO and other key management, as well as the Group's internal and external auditors at all times.

To facilitate direct access to Management, Directors are also provided with the names and contact details of the management team. The Directors also have separate and independent access to the Company Secretary through e-mail, telephone and face-to-face meetings. The Company Secretary is responsible for, among other things, ensuring that the Board's procedures are observed and the Company's Constitution, relevant rules and regulations, including requirements of the Securities and Futures Act 2001, Companies Act 1967 and the Listing Manual are complied with.

The Company Secretary and/or their representative attend all Board meetings and Board Committees meetings and records the proceedings and decisions of the Board and of the Board Committees. The Company Secretary ensures that the corporate secretarial aspects of procedures concerning the Board are duly complied. The appointment and the removal of the Company Secretary are subject to the Board's approval.

The Directors, whether as a full Board or in their individual capacity may seek independent professional advice in the furtherance of their duties from time to time. The cost of such professional advice will be borne by the Company. There was no such requirement during the year under review.

Board Composition and Guidance

During the FY2024, the Independent Directors and their immediate family members have no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Independent Directors' independent business judgment with a view to the best interests of the Company.

Board Composition (Provision 2.4)

In FY2024, the Board comprises of five (5) Directors, comprises one (1) Executive Director, four (4) Non-Executive Directors with three (3) of them are independent. The members of the Board and their membership on the Board Committees of the Company are as follows:–

Name of Directors	Board Membership	Audit and Risk Committee	Nominating Committee	Remuneration Committee
Ren Letian	Executive Chairman	–	–	–
Chen Timothy Teck Leng[1]	Lead Independent Non-Executive Director	–	–	–
Liu Hua	Non-Independent Non-Executive Director	Member	Member	Member
Yee Kee Shian, Leon[2]	Lead Independent Non-Executive Director	Member	Chairman	Member
Poh Boon Hu Raymond[3]	Independent Non-Executive Director	Member	Member	Chairman
Yee Chia Hsing[4]	Independent Non-Executive Director	Chairman	Member	Member

(1) Mr Chen Timothy Teck Leng retired as the Lead Independent Non-Executive Director, Chairman of ARC, a member of NC and RC on 25 April 2024.

(2) Mr Yee Kee Shian, Leon was re-designated as the Lead Independent Non-Executive Director on 25 April 2024 and relinquished his role as the Chairman of RC on 25 April 2024.

(3) Mr Poh Boon Hu Raymond was appointed as the Chairman of RC effective on 25 April 2024.

(4) Mr Yee Chia Hsing was appointed as an Independent Non-Executive Director, Chairman of ARC and a member of NC and RC on 25 April 2024.

The Directors bring with them a broad range of business and financial experience, skills and expertise in law, finance, industry, business and management and general corporate matters. Their profiles are set out on pages 14 to 15 of this Annual Report.

The NC is of the view that the present Board size of five is appropriate for the Group's present scope of operations to facilitate quality decision making and the Board has an adequate mix of competency to discharge its duties and responsibilities. Further, no individual or small group of individuals dominates the Board's decision-making process.

Since FY2022, the Company has put in place a Board Diversification Policy which sets out the Company's policy, objectives and targets pertaining to diversity on the Board. The NC is responsible for setting and continually reviewing the Board Diversity Policy, as appropriate, to ensure its effectiveness, and will recommend appropriate revisions to the Board for consideration and approval. The Company prioritizes diversity in experience, encompassing professional, industry, cultural, and social backgrounds, regardless of gender.

The diversity plans and timelines since the adoption of the Board Diversification Policy are set out below:

(a) Objectives and Targets:

Our Board Diversification Policy is a testament to our dedication to promoting diversity within our board. This policy sets clear objectives, which include:

i. To promote diversity, including but not limited to, diversity in terms of gender, skills, and experience on the board.

ii. To create a board composition that reflects the diversity of our workforce and stakeholders.

iii. To foster an inclusive environment where all board members feel valued and can contribute to the Company's growth.

In line with these objectives, we have set specific targets for our board composition. These targets include gender

ii. Diversity of Skills and Backgrounds:

In addition to gender diversity, we have taken substantial steps to ensure diversity in skills and backgrounds among our directors. The Board now comprises members from a wide array of industries and professional backgrounds. This diversification of skills and experiences has enhanced our decision-making processes, bringing in fresh perspectives and innovative thinking.

Furthermore, in February 2023, we proudly welcomed a new director Mr Poh Boon Hu Raymond to our board who brings an impressive background in banking industry and capital markets. This strategic appointment exemplifies our commitment to enhancing the diversity of skills and backgrounds on our board, ensuring that our governance structure remains well-rounded and well-equipped to address the ever-changing challenges of our industry and capitalize on emerging opportunities. The board's skills matrix has been continuously assessed and updated to align with our evolving needs and diversity goals.

In the same spirit, we appointed Mr. Yee Chia Hsing ("**Mr Yee**") as an Independent Director on 25 April 2024. A First-Class Honours graduate in Accountancy from Nanyang Technological University Singapore, Mr. Yee has over 20 years of experience in banking, finance, and corporate management. He has held leadership roles in SGX-listed companies, including as Executive Director/CEO of a listed company with hospitality assets.

Mr. Yee also serves as an Independent Director on several boards, including Beng Kuang Marine Limited, Hiap Tong Corporation Ltd, Union Gas Holdings Ltd, and Zhongmin Baihui Retail Group Ltd. He is a Member of the Audit Committee at Ren Ci Hospital and previously served as a Member of Parliament for Chua Chu Kang GRC (Nanyang division) from 2015 to 2020. His expertise further strengthens our board, reinforcing our focus on strong governance and sustainable growth.

The combination of these achievements has not only made our board more representative of our organization's values but also strengthened our governance structure. The diversity of skills and backgrounds among our Directors has led to more informed and well-rounded decisions and ultimately serving the needs and plans of our Company.

Non-Executive Directors meet regularly without the presence of Management (Provision 2.5)

The Non-Executive Directors communicated without the presence of Management as and when the need arose. The Chairman of such meetings provides feedback to the Board and/or Executive Chairman as appropriate.

FY2024, the Non-Executive Directors have met more than once in the absence of Management.

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Roles of the Executive Chairman and Chief Executive Officer (Provisions 3.1 and 3.2)

Currently, Mr Ren Letian is both the Executive Chairman and CEO of the Company. The Board is of the view that the discharge of responsibilities in the two roles by Mr Ren Letian will not be compromised. Through the establishment of various Board Committees chaired by the Independent Non-Executive Directors and putting in place internal controls for proper accountability and effective oversight by the Board of the Company's business, the Board ensures that there is an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making. Accordingly, the Board believes that there is no need for the role of Executive Chairman and CEO to be separated.

Within the Group, there had always been a clear succession plan in place to ensure a smooth transition and handover of corporate leadership. The Board will continue to review the succession plan, in particular, the CEO position, at an appropriate time.

The division of responsibilities between the Executive Chairman and CEO are also clearly established in the

Lead Independent Director (Provision 3.3)

As the Executive Chairman and CEO is the same person, Mr Yee Kee Shian, Leon is appointed as the Lead Independent Non-Executive Director of the Company and is available to Shareholders where they have concerns or issues which communication with the Executive Chairman and CEO and/or CFO has failed to resolve or where such communication is inappropriate. Mr Yee Kee Shian, Leon will also take the lead in ensuring compliance with the Code.

Led by the Lead Independent Non-Executive Director, the Independent Non-Executive Directors meet periodically without the presence of the other Directors, and the Lead Independent Non-Executive Director will provide feedback to the Executive Chairman and CEO after such meetings as appropriate.

Board Membership

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Process for the selection, appointment and re-appointment of Directors (Provision 4.3)

The NC has in place a formal process for the selection of new Directors and re-appointment of Directors to increase transparency of the nominating process in identifying and evaluating nominees or candidates for appointment or re-appointment. In selecting potential new Directors, the NC will seek to identify the competencies and expertise required to enable the Board to fulfil its responsibilities. The NC will evaluate the suitability of the nominee or candidate based on his/her qualifications, business and related experience, commitment, ability to contribute to the Board process and such other qualities and attributes that may be required by the Board, before making its recommendation to the Board. In recommending a candidate for re-appointment to the Board, the NC considers, amongst other things, his/her contributions to the Board (including attendance and participation at meetings, time and effort accorded to the Company's or Group's business and affairs) and his/her independence. The Board is to ensure that the selected candidate is aware of the expectations and the level of commitment required. The Board, on the recommendation of the NC, appoints new Directors.

Pursuant to the Company's Constitution, one-third of the Directors for the time being including the Managing Director (or the equivalent), shall retire from office at least once every 3 years at each AGM. The Board, at the recommendation of the NC, has nominated Mr Yee Chia Hsing and Mr Poh Boon Hu Raymond, who will retire by rotation at the forthcoming 19th AGM, for re-election by the Company's Shareholders.

Determination of Independence of a Director (Provision 4.4)

As set out above, the NC has reviewed the independence of the Directors as mentioned under Provision 2.1 of the Code and Rule 210(5)(d) of the Listing Rules of the S DirectId DirectIdof cCode and Rire5 (f o)0.5 (5 (()0.5 (d)0.5 ()(t)0.5 (i)0.5

The Board provides for the appointment of alternate directors when any of the Directors think fit. The Board will take into consideration the same criteria for selection of Directors such as his/her qualifications, mix skills sets and competencies.

Directors' Ability to Commit Time and Key Information on Directors (Provision 4.5)

Key information of each director's academic, professional qualifications and other principal commitments can be found on pages 14 and 15 of the "**Board of Directors**" section of this Annual Report.

Directors' key information are set out below:

Name of Directors	Date of First Appointment	Date of Last Re-election	Present Directorships and Chairmanships in Other Listed Companies	Other Principal Commitments
Ren Letian	30 April 2020	24 April 2023	Nil	Nil
Yee Kee Shian, Leon	1 May 2022	25 April 2024	– F J Benjamin Holdings Ltd – Yangzijiang Financial Holding Ltd. – Teho International Inc Ltd. – Oxley Holdings Limited – Oxpay Financial Limited	– Selvam LLC – Duane Morris & Selvam LLP
Liu Hua	4 August 2022	25 April 2024	Nil	– Yangzijiang Financial Holding Ltd.
Poh Boon Hu Raymond	2 February 2023	24 April 2023	Nil	– TIXIT LLP
Yee Chia Hsing	25 April 2024	–	– Beng Kuang Marine Limited – Hiap Tong Corporation Ltd. – Union Gas Holdings Limited – Zhongmin Baihui Retail Group Ltd.	Nil

Pursuant to Rule 720(6) of the Listing Rules of the SGX-ST, the information relating to the retiring Directors as set out in Appendix 7.4.1 of the Listing Rules of the SGX-ST are disclosed below:

	Yee Chia Hsing
Date of Appointment	25 April 2024
Date of last re-appointment (if applicable)	–
Age	53
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Yee Chia Hsing as the-Independent Non-Executive Director was recommended by the NC and the Board has accepted the recommendation, after taking into consideration of his qualifications, past experience and overall contribution since he was appointed as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Independent Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Chairman of Audit and Risk Committee, a Member of Nominating Committee and a Member of Remuneration Committee
Professional qualifications	Bachelor of Accountancy Degree (First Class Honours) – Nanyang Technological University
Working experience and occupation(s) duriTJ0 (n)0.5 (d)0.16 (p)0.5 (o)0.5 (r)03bility d[Bachelor ofng experien (i)0.5 (l)0.5 (i)0D.5 (t)0.5 (e)0.5 (e)0.5 (s)0.5 n)0.5 (s)]ience and occ r.5 (l)0.5 (U)0.5 (n)0.5 (i)0.5 (v)0.5 (e)0.5 (r)0.5 (s)0.5 (i)	

	Yee Chia Hsing
Present	– Beng Kuang Marine Limited – Hiap Tong Corporation Ltd. – Union Gas Holdings Limited – Zhongmin Baihui Retail Group Ltd.
Information required Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.	
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2	

CORPORATE GOVERNANCE REPORT

		Yee Chia Hsing
(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
(h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
(i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No

		Yee Chia Hsing
(j)	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–	
	i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No
	ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No
	iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No
	iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No
(k)	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No

	Poh Boon Hu Raymond
Date of Appointment	2 February 2023
Date of last re-appointment (if applicable)	24 April 2023
Age	56
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Poh Boon Hu Raymond as the Independent Non-Executive Director was recommended by the NC and the Board has accepted the recommendation, after taking into consideration of his qualifications, past experience and overall contribution since he was appointed as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Independent Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Chairman of Remuneration Committee, a Member of Nominating Committee and a Member of Audit and Risk Committee
Professional qualifications	– MAS Licensed Representative – Bachelor of Science in Aerospace Engineering
Working experience and occupation(s) during the past 10 years	– June 2021 to Feb 2023: Chief Executive Officer of SDAX Exchange Pte Ltd and SDAX Capital Markets Pte Ltd – August 2010 to May 2021: Executive Director of JPMorgan Chase Bank Singapore
Shareholding interest in the listed issuer and its subsidiaries	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil
Conflict of interest (including any competing business)	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments Including Directorships	Yes
Past (for the last 5 years)	CEO and Executive Director of SDAX Exchange Pte Ltd and CEO of SDAX Capital Markets Pte Ltd Executive Director of SDAX Exchange Pte Ltd
Present	Partner of TIXIT LLP
Information required Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.	

		Poh Boon Hu Raymond
(a)	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
(b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
(c)	Whether there is any unsatisfied judgment against him?	No
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No

		Poh Boon Hu Raymond
(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence	

		Poh Boon Hu Raymond
(j)	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–	
	i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No
	ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No
	iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No
	iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No
(k)	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No

CORPORATE GOVERNANCE REPORT

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Performance Criteria and Assessment Criteria (Provisions 5.1 & 5.2)

The NC has in place a framework for the evaluation of the Board, the Board Committees, and individual members of the Board to assess their effectiveness. The evaluation is carried out annually by means of a questionnaire relating to the size and composition of the Board, information flow to the Board, Board procedures and accountability, matters concerning CEO/key management personnel and standards of conduct of Board members being completed by each individual Director. Completed questionnaires are collated by the Company Secretary and the findings presented to the NC for discussion with comparatives from the previous year's results. Based on the findings, the NC and the Board are generally satisfied as to the effectiveness of the Board as a whole, each Board Committee, and the contribution by each Director. The NC highlighted certain areas for improvement and the Board has agreed to implement measures to address them.

The Board has not engaged any external facilitator in conducting the assessment of the Board's performance in FY2024.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

RC Composition and Role (Provisions 6.1, 6.2 & 6.3)

The RC currently consists of three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director, the majority of whom, including the RC Chairman, are independent:

Mr Poh Boon Hu Raymond, Chairman	(Independent Non-Executive Director)
Mr Yee Kee Shian, Leon	(Lead Independent Non-Executive Director)
Ms Liu Hua	(Non-Independent Non-Executive Director)
Mr Yee Chia Hsing	(Independent Non-Executive Director)

The RC will meet at least once a year. During FY2024, the RC held once scheduled meeting with full attendance. The RC carries out its duties in accordance with a set of terms of reference which includes mainly, the following:

- reviewing and recommending to the Board for endorsement, a framework of remuneration policies to determine the specific remuneration packages for each Director and key management personnel, including employees related to the Executive Directors and controlling shareholders. The framework covers all aspect of remuneration, including but not limited to Director's fees, salaries, allrg (e)0.5 (w)0.0.0.0.0.0.0.0.0a26 Tc 0.058 Trg shareholdleifk p r Y (i)0.5 (c)0.5 (i)0.5 (o)00.5(l)0.5 l Yiccg

- reviewing and determining the contents of any service contracts for any Director; and

- carrying out other duties as may be agreed by the RC and the Board, subject always to any regulations or restrictions that may be imposed upon the RC by the Board of Directors from time to time.

The RC is responsible for ensuring a formal and transparent procedure is in place for fixing the remuneration packages of individual Directors and key management personnel. All aspects of remuneration frameworks, including but not limited to directors' fees, salaries, allowances, bonuses and other benefits-in-kind are reviewed by the RC. The recommendations of the RC are submitted for endorsement by the Board. Such frameworks are reviewed periodically to ensure that the Directors and key management personnel are adequately but not excessively remunerated as compared to industry benchmarks and other comparable companies.

Remuneration Consultants (Provisions 6.4)

The RC may from time to time seek advice on the remuneration of all Directors from external remuneration consultants whose independence and objectivity are not affected by any existing relationships with the Company. The Company did not appoint an external remuneration consultant during FY2024.

Level and Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Remuneration of Directors and KMPs (Provisions 7.1, 7.2 & 7.3)

The remuneration of the Executive Directors and key management personnel has been formulated to attract, retain

Disclosure on Remuneration

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Disclosure of Remuneration (Provisions 8.1 & 8.3)

Details of the remuneration of Directors and top five (5) key management personnel of the Group for FY2024 are set out below:

Name of Directors	Designation	Fees[2] (S$)	Salary[1] (S$)	Variable Bonus & Cash-based Incentives (S$)	Total (S$)

Except for Mr Ren Letian, the remuneration of each of the above top five (5) key management personnel did not exceed S$250,000. In aggregate, the total remuneration (including CPF contribution thereon and bonus) paid to the top 6 key management personnel in FY2024 was approximately S$1,818,290. The aggregate remuneration (including contributions to defined contribution plans thereon and bonus) paid to Mr Ren Letian amounted to approximately S$1,120,944.

Remuneration of Immediate Family Members of a Director, CEO or Substantial Shareholder (Provision 8.2)

During FY2024, the following immediate family member of a Director, CEO or Substantial Shareholder was the employee of the Group:

Name of employee who is the immediate family member	Family relationship
Ren Letian	Son of Ren Yuanlin, the Honorary Chairman and the substantial shareholder of the Company

The aggregate remuneration (including contributions to define contribution plans thereon and bonus) paid to Mr Ren Letian amounted to approximately S$1,120,944.

Save as disclosed above, the Group does not have any other employee who is an immediate family member of a Director, CEO or Substantial Shareholder and whose remuneration exceeded S$100,000 during the financial year.

The Company does not adopt any Employee Share Options or Share Schemes.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Oversight of Risk Management (Provision 9.1)

The Board is responsible for the overall risk management and internal control framework of the Group. The Board recognises the importance of balancing risks and rewards to achieve an optimal level of risk that the Group can tolerate in achieving its strategic objectives. To assist the Board, the Board has established the ARC which responsibilities include reviewing the risk profile of the Group and to make recommendations to the Board on risk strategy, risk appetite and risk limits. Further details on the composition of the ARC can be found in Principle 10.

The Group recognises risk management as a collective effort beginning with the individual subsidiaries and business units, followed by the operating segments and ultimately Management and the Board, working as a team. The process

With regard to sanctions-related risks, the Board and the ARC are responsible for (a) monitoring the Company's risk of becoming subject to, or violating, any sanctions-related law or regulation; and (b) ensuring timely and accurate disclosures to SGX-ST and other relevant authorities. The Board confirms that there has been no material change in its risk of being subject to any sanctions-related law or regulation as at the date of this Annual Report, and if there is any material change this would be immediately announced on SGXNET.

All significant matters are highlighted to the Board and the ARC for further discussion. The Board and the ARC also work with the Internal Audit Team, independent auditors and Management on their recommendations to institute and execute relevant controls with a view to managing such risks.

Assurances from CEO and CFO (Provision 9.2)

The Board notes that no cost-effective system of internal controls could provide absolute assurance against the occurrence of material errors, losses, fraud or other irregularities. In view of the above and based on the internal controls established and maintained by the Group, work performed by the Internal Audit Team, independent auditors, and reviews performed by Management, various Board Committees and the Board, so far, the Board, with the concurrence of the ARC, is of the opinion that the Group's risk management and internal control systems, addressing financial, operational, environmental, compliance, and information technology risks put in place during the financial year were adequate and effective. This is in turn supported by (a) assurance from CEO and the CFO that the financial records of the Company have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances are in accordance with the relevant accounting standards; and (b) the assurance from CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of risk management and internal control systems.

Audit and Risk Committee
Principle 10: The Board has an Audit and Risk Committee ("ARC") which discharges its duties objectively.

Composition, Power and Duties of the ARC (Provisions 10.1, 10.2, 10.3)

The Board recognises the importance of providing accurate and relevant information on a timely basis. To ensure that the corporate governance is effectively practiced, the Board has established self-regulatory and monitoring mechanisms, including the establishment of the ARC to ensure that the Company maintains a sound system of internal controls to safeguard Shareholders' investments and the Group's assets as well as to manage potential risks. The ARC currently consists of three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director, the majority of whom, including the ARC Chairman, are independent:

Mr Yee Chia Hsing, Chairman	(Independent Non-Executive Director)
Mr Yee Kee Shian, Leon	(Lead Independent Non-Executive Director)
Ms Liu Hua	(Non-Independent Non-Executive Director)
Mr Poh Boon Hu Raymond	(Independent Non-Executive Director)

The Board has ensured that all the ARC members, having the necessary accounting and/or related financial management expertise, are appropriately qualified to discharge their responsibilities. None of the ARC members comprise former partners or directors of the Company's existing auditing firm or auditing corporation.

The ARC meets on a quarterly basis and plays a key role in assisting the Board to review significant financial reporting issues and judgments to ensure the quality and integrity of the accounting reports, the audit procedures, internal controls, financial statements and any announcements relating to the Group's financial performance. During FY2024, the ARC held four scheduled meetings with full attendance.

The members of ARC carry out their duties in accordance with a set of terms of reference which includes, mainly, reviewing the following:

(a) review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;

(b) review the periodic consolidated financial statements and any formal announcements relating to the financial performance of the Group before submission to the Board for approval;

(c) review the Company's key financial risk areas, with a view to providing an independent oversight of the financial reporting of the Group, the outcome of such review to be disclosed in the annual reports or of the findings are material, to be immediately announced via SGXNET;

(d) receive and review at least quarterly reports from Management on major risk exposures and the steps taken to monitor, control and mitigate such risks;

(e) review the risk profile of the Group and the appropriate steps to be taken to mitigate and manage risks at acceptable levels determined(p)0.5 (s)0.5 0.5 (s)0.5 0.5 (n)0.5 (e)0.5 (d(p)0.e)0.5 (o)0.5 (f)0.5 (tI0.5 0.5 (s-( )]TJ0.025 T5 (e)0.

(d)

Following the amendments to Rule 705 of the Listing Manual of SGX-ST, the Company will not be required to carry out quarterly reporting of its financial statements. The Board had agreed to cease to release its financial statements on a quarterly basis to the SGX-ST ("**Quarterly Reporting**") as the Company was not required to do Quarterly Reporting following the amendments to the Listing Manual of the SGX-ST. The Board believed that reporting the financial results of the Group on a half-yearly basis coupled with continuing disclosure requirements under the SGX-ST Listing Manual, will be adequate to keep the market informed of the Company's state of affairs and enables the Company to report its business growth with a longer-term reporting cycle.

The ARC discussed with Management on the accounting treatment and methodology applied as well as the assumptions used in judgmental assessment which might impact the results of financial statements. The external auditors had reviewed the financial statements of the Group and highlighted some key audit matters that might significantly impact the financial statements and were reviewed by ARC.

The ARC has discussed significant financial reporting matters with Management and the external auditors which have been included as key audit matters ("**KAMs**") in the independent auditors' report for FY2024, as set out on pages 60 to 62 of this Annual Report.

In assessing each KAM, the ARC took into consideration the approach and methodology applied by Management in the determination of construction revenue recognition using percentage-of-completion method, provision of foreseeable losses on certain construction contracts and the valuation of assets. The reasonableness of the estimates and key assumptions used were also considered by the ARC. Where necessary, views of subject matter experts such as independent valuers were consulted where necessary.

The ARC also considered the report from the external auditors, including their findings and views on the key areas of audit focus. The ARC concluded that the Group's accounting treatment and estimates in each of the KAMs were appropriate.

The ARC also reviews the independence and objectivity of the independent auditors and having reviewed the scope and value of non-audit services provided to the Group by the independent auditors, PricewaterhouseCoopers LLP, ARC is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the independent auditors. The aggregate amount of audit and non-audit fees paid or payable to the aice prsicAon auoooperеoovaebbb pa thet oaiudimatesluof ateelees aggrebre A

The ARC's responsibilities over the Group's internal controls and risk management are complemented by the work of the Internal Audit Team. On an annual basis, the ARC reviews the internal audit program of the Group so as to align it to the changing needs and risk profile of the Group's activities. The Group had established its own internal audit team that is independent on the activities of its audits and its primary line of reporting is to the Chairman of the ARC. Administratively, the Internal Audit Team report directly to the CEO. The Internal Audit Team carries out its functions under the direction of the ARC which assists the Board in monitoring and managing risks and internal controls of the Group, and reports its findings and make recommendations to the ARC.

Internal audit (Provision 10.4)

The Internal Audit Team carrying out of its function with reference to the standards set by the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The ARC ensures that Management provides good support to the Internal Audit Team and provides adequate access to documents, records, properties and personnel when requested in order for the Internal Audit Team to carry out its function accordingly. The primary reporting line of the internal audit function is to the ARC and the Internal Audit Team has full access to the Company's documents, records, properties and personnel, including the ARC, and has appropriate standing within the Company. The ARC reviews and endorses the internal audit plan and internal audit reports of the Group. Any material non-compliance or weaknesses in the internal control system and recommendations for improvements are reported to the ARC.

In FY2024, the Company engaged an external professional service firm, Yang Lee & Associates, to perform an agreed scope internal audit, to supplement the activities of the Internal Audit Team.

The internal audit function primarily focusing on whether the current system of internal control provides reasonable assurance on:

- compliance with applicable laws, regulations, policy and procedures;
- reliability and integrity of information; and
- safeguarding of assets.

Meeting with External and Internal Auditors without Management (Provision 10.5)

The ARC has reviewed and is generally satisfied that the Internal Audit Team is independent, adequate resourced and effective.

The ARC will review the adequacy and effectiveness of the internal audit function annually.

The ARC meets with the external auditors and internal auditors, in each case without the presence of Management, at least once a year.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

General Meetings (Provision 11.1)

The Company believes that active participation from Shareholders in general meetings will greatly enhance Shareholders' visibility of the Group's operations and performance and will further align Shareholders' interest with the Group's future directions and strategies. To encourage active participation at general meetings, the Company is committed to providing Shareholders with adequate, timely and sufficient information. Information on general meetings is disseminated through notices in the annual reports or circulars sent to all Shareholders. The notices are also released via SGXNET and published in local newspapers, as well as posted on the Company's website. Shareholders may also download the Annual Report from the Company's website and SGXNET.

Conduct of General Meetings (Provisions 11.2, 11.3 & 11.4)

The Company's Constitution allows all Shareholders to appoint proxies to attend general meetings and vote on their behalf. Voting in absentia and by electronic mail may only be possible following careful study to ensure that the integrity of the information and authentication of the identity of shareholder via the internet is not compromised.

Dividend Policy (Provision 11.6)

The Board embraces openness and transparency in the conduct of the Group's affairs, whilst safeguarding its commercial interests. Material information on the Group has been released to the public through the Company's announcements via the SGXNET.

Internal Investor Relations (Provisions 12.2 & 12.3)

The Company does not have an internal investor relations team but has designated personnel, assisted by an external investor relations firm, to handle investor queries and deal with all matters related to investor relations.

MANAGING STAKEHOLDERS RELATIONSHIPS

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Shareholder mandate is not applicable as the aggregate value was less than 3% of Group's NTA as at 31 December 2024.

The Group has adopted an interested person transactions ("**IPT**") policy on 9 April 2007. Subsequently, the Company revised its IPT policy on 24 December 2024 which sets out the procedures for the identification, approval and monitoring of IPTs, along with maintaining an IPT register. All IPTs are subject to review by the ARC on a timely manner and the transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Group and its minority Shareholders. The Company did not enter into any IPTs which require Shareholders' approval under SGX-ST Listing Rules regulating IPTs during the financial year ended 31 December 2024.

RISK MANAGEMENT
(Rule 1207(4) of the Listing Manual of SGX-ST)

Management regularly reviews the Company's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. Management reviews all significant control policies and procedures and will highlight all significant matters to the Directors and the ARC.

The ARC assisted the Board to regularly review the Company's risk management process and activities to mitigate and manager risk at an acceptable level as determined by the Board.

Financial risk factors have been described in Note 36 of the Financial Statements.

MATERIAL CONTRACTS
(Rule 1207(8) of the Listing Manual of SGX-ST)

Save for the service agreement entered into between the Company and the Executive Chairman and CEO and except as disclosed in the Directors' Statements and the Financial Statements and in this Corporate Governance Report, there were no other material contracts of the Company and its subsidiaries involving the interests of the CEO or any director or controlling shareholder, either subsisting at the end of the financial year or if not then subsisting, which were entered into since the end of the previous financial year.

DEALING IN SECURITIES
(Rule 1207(19) of the SGX-ST)

The Group has a policy for the Directors and employees of the Group which applies the best practices recommended in the Listing Manual. Under the policy, Directors and employees are prohibited from dealing in the Group's securities while in possession of unpublished material price sensitive information. Directors and certain prescribed employees are prohibited from dealing in the Group's securities during the one-month period immediately preceding the announcement of the Company's half-year and full-year financial statements ("blackout period"). An email would be sent to Directors and such prescribed employees prior to the commencement of a blackout period to remind them of their obligation not to dealing in securities during the blackout period. Directors and employees are also discouraged from dealing in securities of the Group on short-term considerations. Save for the foregoing, the Company has complied with the best practices recommended in the Listing Manual in FY2024.

WHISTLE-BLOWING POLICY

The Company has a whistle-blowing policy which encourages all persons, including employees, to raise concerns about any wrongdoings or improprieties, including the breach of any applicable law and policy, within the Group. The policy provides for independent investigation of any reported incidents and appropriate follow-up actions. The policy encourages reporting of such matters by ensuring, to the extent possible, that the identity of the whistle-blower will be kept confidential and that the Company will not tolerate the harassment or victimization of a whistle-blower who reports in good faith.

The ARC is responsible for the monitoring and oversight of whistle-blowing and whistle-blowing reports are made to the ARC Chairman, save where the report is about the ARC Chairman, in which case the reports are made to the ARC Member. The ARC will be provided with resources to conduct investigations on any report, either by way of the Company designating the appropriate department or engaging, at the Group's expense, independent advisors to assist in the investigation.

The policy and the procedures for making a report are disclosed on the Company's intranet website and made available to all employees. The policy, including the procedures for raising concerns is covered and explained to employees during their onboarding process.

As at the date of this Report, there were no reports received through the whistle-blowing mechanism.

CORPORATE DISCLOSURE

The Company believes that a high level of disclosure is essential to enhance the standard of corporate governance. Hence, the Company is committed to provide a high level of disclosure in all public announcements, press releases and annual reports.

Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

Audit and Risk Committee

The members of the Audit and Risk Committee (“ARC”) at the end of the financial year were as follows: (w)0.6 (s)0.5 (: (ws)0.5 (: .

Audit and Risk Committee (Continued)

(j) review and make recommendations to the Board on the appointment or re-appointment or termination of the external auditors, including approving the remuneration and terms of engagement of the external auditors;

(k) review with the internal and external auditors, the audit plans, scope of work, their evaluation of the Company's system of internal controls, audit reports, their management letters and the response of the Management, and the results of audits compiled by the internal and external auditors;

(l) review and discuss with the internal and external auditors, any issues and concerns arising from their audits, any suspected fraud, irregularity or infringement of any relevant laws, rules and regulations, which has or is likely to have a material impact on the Group's financial performance or financial position and the Management's response;

(m) review with the external auditors the Group's existing financial and accounting policies and practices and the impact of any new or proposed changes in accounting principles or regulatory requirements on the financial statements of the Company and the Group;

(n) review the co-operation given by the Management to the Company's internal and external auditors;

(o) review the Group's compliance with such functions and duties as may be required under the relevant statutes, the Code or the Listing Manual, including such amendments made thereto from time to time; and

(p) review and approve any interested person transactions falling within the scope of Chapter 9 of the Listing Manual ("Interested Person Transactions") and review procedures thereof.

The Audit and Risk Committee, having reviewed all non-audit services provided by the independent auditor to the Group, is satisfied that the nature and extent of such services would not affect the independence of the independent auditor.

The Audit and Risk Committee has recommended to the Board that the independent auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Independent auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

REN LETIAN
Director

YEE CHIA HSING
Director

26 March 2025

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of Yangzijiang Shipbuilding (Holdings) Ltd. ("the Company") and its subsidiaries ("the Group") and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the consolidated statement of comprehensive income of the Group for the financial year ended 31 December 2024;
- the balance sheet of the Group as at 31 December 2024;
- the balance sheet of the Company as at 31 December 2024;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 December 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	**How our audit addressed the key audit matter**
1. Shipbuilding contracts	
Refer to Notes 2.2(a), 3(a), 4, and 30 of the financial statements Shipbuilding revenue amounted to RMB25.216 billion (2023: RMB22.788 billion), representing 95% (2023: 94.5%) of the Group's total revenue for the financial year ended 31 December 2024. Shipbuilding revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of the performance obligation. The measure of progress is determined based on percentage of completion ("POC"), which is measured by reference to the proportion of costs incurred to the estimated total costs for the shipbuilding contract. In addition, the Group's provision for onerous contracts amounted to Nil, on shipbuilding contracts as at 31 December 2024. A provision for onerous contract is recognised when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits expected to be received under it. We focused on the recognition of shipbuilding revenue, including the estimation of total shipbuilding cost, and provision for onerous contracts because of the use of significant judgement in estimating inputs to determining the extent of satisfaction of the performance obligation, including contingencies that could arise from variation to original contract terms and claims.	Our audit procedures included the following: a. evaluating the key controls and testing the operating effectiveness of those relating to: • the preparation of and revisions to the estimated total costs for shipbuilding contracts; and • the recording of actual costs incurred for these contracts; b. based on our understanding of the components that make up the estimated total shipbuilding costs for each type of vessel, reviewing, on a sample basis, the appropriateness of the significant cost components against supporting documents; c. assessing the reliability of management's estimates by comparing the estimated total shipbuilding costs with the actual costs for a sample of contracts completed during the year; d. on a sample basis, agreeing material and subcontractor costs to the suppliers' invoices and approved payment vouchers, and also checking the allocation of overheads to each contract; e. testing the accuracy of the contract value by agreeing to the agreed price and terms of the shipbuilding contracts including 5 (i)0.5 (n)0.5 (g)0(i)0.6 (a)0.5 (t)0

Key audit matter	How our audit addressed the key audit matter
	g. on a sample basis, reviewing the overall reasonableness of the progress towards completion for vessels under construction through physical verification and by comparing to the contract delivery schedule; h. on a sample basis, performing checks on customers using publicly available information, and/or sighting to receipts of milestone payments due during the year and after the year end, to identify credit risks exposures to assess the adequacy of allowances for credit risk; and i. assessing the existence and completeness of the provision for onerous contracts and/or customer

Key audit matter	How our audit addressed the key audit matter
2. Land use rights ("LUR") premium	
Refer to Notes 3(c) and 25 of the financial statements Included in property, plant and equipment at 31 December 2024 is aggregate RMB327.9 million of LUR premium, net of amortisation, paid for a petrochemical terminal and the storage and distribution site on adjacent land in the downstream Yangtze River region for the conversion into a terminal, storage and distribution facility for liquefied natural gas ("LNG"). The carrying amount of the cash-generating-unit ("CGU") to which the LUR premium is attributed, is RMB588 million. The recoverable amount of the CGU to which the LUR premium is attributed, is determined based on value-in-use ("VIU"), measured using discounted cash flows projections. We focused on this area because of the critical assumptions applied on the significant estimates of the revenue cashflows (including the estimated price and volume of the LNG terminal businesses which comprise of terminal tolling services and supply of LNG), the conversion construction costs and the discount rate applied in determining the recoverable amount of the CGU. The significant assumptions and judgements are disclosed in Note 3(c) to the financial statements.	Our audit procedures included the following: a. obtaining evidence of government approvt a.

Other Information (Continued)

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and take appropriate actions in accordance with SSAs.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

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	Note	The Group 2024 RMB'000	2023 RMB'000
Revenue	4	**26,541,716**	24,112,330
Cost of sales	7	**(18,933,569)**	(18,702,077)
Gross profit		**7,608,147**	5,410,253
Other income			
– Interest	5	**735,144**	484,484
– Others	5	**59,034**	93,407
Other gains/(losses) – net	6	**161,490**	(328,184)
Expenses			
– Administrative	7		
– Reversal of impairment loss/(impairment loss) on financial assets – net		**42,175**	(33,647)
– Impairment loss on investment property		**(180,865)**	–
– Others		**(681,977)**	(597,721)
		(820,667)	(631,368)
– Finance	9	**(118,772)**	(96,089)
Share of profits of associated companies and joint ventures	22,23	**558,975**	198,014
Profit before income tax		**8,183,351**	5,130,517
Income tax expense	10	**(1,549,088)**	(1,061,019)
Profit for the year		**6,634,263**	4,069,498
Profit/(loss) attributable to:			
Equity holders of the Company		**6,633,616**	4,101,548
Non-controlling interests		**647**	(32,050)
		6,634,263	4,069,498

The accompanying notes form an integral part of these financial statements.

	Note	The Group 2024 RMB'000	2023 RMB'000
Profit for the year		**6,634,263**	4,069,498
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Cash flow hedges			
– Fair value gains/(losses)	33	**21,949**	(245,901)
– Reclassification	33	**94,903**	330,986
Share of other comprehensive income from the associated company and joint venture			
– Currency translation gains – net	22,23	**2,137**	2,391
Currency translation differences arising from consolidation			
– Gains		**9,981**	177,422
– Reclassification		**(56,701)**	25,660
Items that will not be reclassified subsequently to profit or loss:			
Currency translation (losses)/gains attributable to non-controlling interests		**(2,393)**	6,137
Other comprehensive income, net of tax		**69,876**	296,695
Total comprehensive income		**6,704,139**	4,366,193
Total comprehensive income/(loss) attributable to:			
Equity holders of the Company		**6,705,885**	4,392,106
Non-controlling interests		**(1,746)**	(25,913)
		6,704,139	4,366,193
Earnings per share attributable to equity holders of the Company (expressed in RMB cents per share)			
– Basic and diluted	11	**167.91**	103.82

The accompanying notes form an integral part of these financial statements.

	Note	The Group 31 December 2024 RMB'000	2023 RMB'000
ASSETS			
Current assets			
Cash and cash equivalents	12	**28,119,740**	16,560,685
Restricted cash	13	**19,997**	88
Derivative financial instruments	14	**–**	4,200
Financial assets, at fair value through profit or loss	15	**16,022**	18,294
Debt investments at amortised cost	16	**–**	–

BALANCE SHEETS - GROUP

AS AT 31 DECEMBER 2024

	Note	The Group 31 December 2024 RMB'000	2023 RMB'000
LIABILITIES			
Current liabilities			
Trade and other payables	28	**4,319,720**	3,671,836
Contract liabilities	4	**14,320,166**	8,146,046
Derivative financial instruments	14	**219,094**	260,227
Borrowings	29	**4,500,000**	3,965,046
Current income tax liabilities		**872,134**	1,089,363
Provisions	30	**653,271**	443,775
		24,884,385	17,576,293
Non-current liabilities			
Derivative financial instruments	14	**11,350**	4,394
Borrowings	29	**2,300,000**	1,629,600
Deferred income tax liabilities	31	**983,461**	511,090
		3,294,811	2,145,084
Total liabilities		**28,179,196**	19,721,377
NET ASSETS		**26,377,129**	21,142,950
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	32	**7,361,990**	7,361,990
Treasury shares	32	**(127,753)**	(127,753)
Other reserves	33	**1,417,238**	1,122,235
Retained earnings		**17,626,477**	12,584,081
		26,277,952	20,940,553
Non-controlling interests		**99,177**	202,397
Total equity		**26,377,129**	21,142,950

The accompanying notes form an integral part of these financial statements.

	Note	The Company 31 December 2024 RMB'000	2023 RMB'000
ASSETS			
Current assets			
Cash and cash equivalents	12	**115,443**	56,717
Trade and other receivables	17	**7,013,554**	6,855,050
		7,128,997	6,911,767
Non-current assets			
Trade and other receivables	19	**5,607,691**	4,801,518
Investments in subsidiaries	21	**9,510,713**	8,069,753
Investments in joint ventures	22	**309,327**	309,327
Investments in associated companies	23	**134,062**	134,062
Property, plant and equipment	25	**–**	235
		15,561,793	13,314,895
Total assets		**22,690,790**	20,226,662
LIABILITIES			
Current liabilities			
Other payables	28	**1,174,468**	2,508,521
Borrowings	29	**–**	355
Current income tax liabilities		**5,584**	12,370
		1,180,052	2,521,246666666666666666

	Note	Share capital RMB'000	Treasury shares RMB'000	Sta re RM
As at 1 January 2024		**7,361,990**	**(127,753)**	**3,7**
Profit for the year		–	–	
Other comprehensive income/ (loss) for the year		–	–	
Total comprehensive income/ (loss) for the year		–	–	
Dividends	34	–	–	
Acquisition of the non-controlling interests of a subsidiary		–	–	
Dissolution of subsidiary		–	–	
Capital injection by non-controlling interest of a subsidiary	21	–	–	
Transfer	33	–	–	
Total transactions with owners, recognised directly in equity		–	–	
As at 31 December 2024		**7,361,990**	**(127,753)**	**4,**

The accompanying notes form an integral part of these fina

	Note	Attributable to equity holders of the Company									
		Share capital RMB'000	Treasury shares RMB'000	Statutory reserve RMB'000	Hedging reserve RMB'000	Currency translation reserve RMB'000	Other reserves RMB'000	Retained earnings RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
2023											
As at 1 January 2023		7,361,990	(127,753)	4,624,921	(235,103)	(30,359)	(2,685,589)	8,665,024	17,573,131	131,629	17,704,760
Profit/(loss) for the year		–	–	–	–	–	–	4,101,548	4,101,548	(32,050)	4,069,498
Other comprehensive income for the year		–	–	–	85,085	205,473	–	–	290,558	6,137	296,695
Total comprehensive income/ (loss) for the year		–	–	–	85,085	205,473	–	4,101,548	4,392,106	(25,913)	4,366,193
Dividends	34	–	–	–	–	–	–	(1,024,427)	(1,024,427)	(28,230)	(1,052,657)
Acquisition of the non-controlling interest of a subsidiary		–	–	–	–	–	(257)	–	(257)	257	–
Capital injection by non-controlling interests of a subsidiary	21	–	–	–	–	–	–	–	–	124,654	124,654
Transfer	33	–	–	(841,936)	–	–	–	841,936	–	–	–
Total transactions with owners, recognised directly in equity		–	–	(841,936)	–	–	(257)	(182,491)	(1,024,684)	96,681	(928,003)
As at 31 December 2023		7,361,990	(127,753)	3,782,985	(150,018)	175,114	(2,685,846)	12,584,081	20,940,553	202,397	21,142,950

The accompanying notes form an integral part of these financial statements.

	Note	The Group 2024 RMB'000	2023 RMB'000
Cash flows from operating activities			
Profit for the year		**6,634,263**	4,069,498
Adjustments for:			
– Income tax expense		**1,549,088**	1,061,019
– Depreciation of property, plant and equipment		**433,202**	475,315
– Depreciation of investment property		**23,463**	15,770
– Amortisation of intangible assets		**4,602**	4,285
– Finance expenses		**118,772**	96,089
– Gain on:			
• dissolution of subsidiaries		**–**	(1,088)
• disposal of property, plant and equipment		**(28,302)**	(100,831)
– Fair value change on:			
• derivative financial instruments		**–**	(5,645)
• financial assets at fair value, through profit or loss		**23,252**	5,464
– Impairment loss on goodwill		**–**	5,997
– Impairment loss on Investment property		**180,865**	–
– Interest income		**(735,144)**	(484,484)
– Dividend income		**(539)**	(336)
– Share of profits of associated companies and joint ventures		**(558,975)**	(198,014)
		7,644,547	4,943,039
Change in working capital, net of effects from acquisition and disposal of subsidiaries:			
– Inventories		**(911,701)**	312,277
– Contract balances		**7,519,588**	1,457,165
– Trade and other receivables		**(1,250,599)**	(629,855)
– Trade and other payables		**300,494**	571,774
– Debt investments at amortised cost		**–**	1,575,780
– Provisions		**209,496**	79,357
– Restricted cash		**(11,472)**	6,546
Cash generated from operations		**13,500,353**	8,316,083
Interest paid		**(118,772)**	(96,089)
Interest received		**735,144**	484,484
Income tax paid		**(1,155,654)**	(731,169)
Net cash provided by operating activities		**12,961,071**	7,973,309

The accompanying notes form an integral part of these financial statements.

	Note	The Group 2024 RMB'000	2023 RMB'000
Cash flows from investing activities			
Proceeds from sales of property, plant and equipment		**99,747**	521,968
Proceeds from sales of financial assets at FVTPL		**4,020**	95,396
Dividend received from financial assets at FVTPL		**539**	336
Dividend received from joint venture		**315,315**	23,980
Additions to property, plant and equipment		**(1,056,461)**	(790,100)
Additions to investment property		**(40,829)**	–
Acquisition of asset, net of cash acquired	12	**–**	(2,053,761)
Transaction costs for acquisition of asset		**–**	(39,119)
Acquisition of a subsidiary, net of cash acquired	12	**(19,388)**	–
Acquisition of intangible assets		**(4,672)**	(5,619)
Additions to investment in a joint venture		**–**	(43,177)
Loan to non-related parties		**(447,000)**	–
Loan to an associated company – net		**(20,000)**	–
Net cash used in investing activities		**(1,168,729)**	(2,290,096)
Cash flows from financing activities			
Proceeds from bank borrowings	29	**5,550,000**	3,308,292
Repayments of bank borrowings	29	**(4,344,571)**	(2,280,401)
Capital injection by non-controlling interests		**47,000**	124,654
Acquisition of non-controlling interests		**(139,539)**	–
Principal payment of lease liabilities	29	**(350)**	(809)
Dividends paid to equity holders	34	**(1,345,827)**	(1,024,427)
Dividends paid to non-controlling interests		**–**	(28,230)
Net cash (used in)/provided by financing activities		**(233,287)**	99,079

7)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

Yangzijiang Shipbuilding (Holdings) Ltd. (the "Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office was 9 Raffles Place, #26-01, Republic Plaza, Singapore 048619.

With effect from 15 January 2025, the address of its registered office was changed to 36 Robinson Road, #20-01 City House, Singapore 068877. The principal place of business remains at 9 Raffles Place, #54-01, Republic Plaza, Singapore 048619.

The principal activities of the Company are investment holding and agency service for shipbuilding and related activities. The principal activities of its subsidiaries are set out in Note 42.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)s") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I)s requires management to exercise judgement in applying the Group's accounting policies. It also requires the use of accounting estimates and

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Revenue recognition

(a) Shipbuilding revenue

The Group enters into contracts with customers to construct vessels. At contract inception, the Group assesses whether the Group transfers control of the vessels over time or at a point in time by determining if (a) its performance does not create an asset with an alternative use to the Group; and (b) the Group has an enforceable right to payment for performance completed to date.

Management has considered that the vessels have no alternative use for the Group due to contractual restriction on the Group from readily re-directing the vessels to other customers during the construction

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Revenue recognition (Continued)

(b) Revenue from sale of completed vessels and steel parts

Sale of completed vessels

The Group also enters into contracts to sell completed vessels. For such a contract, revenue is recognised when control of the vessel is transferred to its customer, being when the vessel is collected by the customer, the customer has full discretion over the usage of the vessel and there is no unfulfilled obligation that could affect the customer's acceptance of the vessel.

Collection occurs when the physical possession of the vessels has been transferred to the customers, and either the customers have accepted the vessels in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Sale of steel parts

Revenue from sale of steel parts is recognised when the control of the goods has transferred to its customers, being when the goods are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the goods.

(c) Revenue from sale of goods – material and others

The Group enters into contracts with customers to supply goods (including metal products). Revenue is recognised when control of the goods has transferred, being when the goods are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Delivery occurs when the goods have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the goods in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Revenue is measured at the price specified in the contract. Prepayments received from customers are accounted for as contract liabilities (deferred revenue) prior to the delivery of goods.

The Group assesses its role as an agent or principal for each transaction and in a transaction where the Group acts as an agent, revenue would exclude amounts collected on behalf of the principal.

(d) Rendering of services

Ship design

The Group renders ship design services and revenue is recognised when such services are rendered.

Rental income

Revenue includes rental income and service charges.

Rental income from operating leases is recognised on a straight-line basis over the lease term.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Revenue recognition (Continued)

(d) Rendering of services (Continued)

Rental income (Continued)

Revenue from service charges is recognised in the accounting period in which control of the services are passed to the customer, which is when the service is rendered.

(e) Charter income

Income from time charter, which is of operating leases in nature, is recognised on a straight-line basis over the period of the charter.

(f) Interest income

Interest income, including income arising from finance leases and other financial instruments, is recognised using the effective interest method.

(g) Dividend income

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

2.3 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Group accounting (Continued)

(a) Subsidiaries (Continued)

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill. Please refer to the paragraph "Intangible assets – Goodwill" for the subsequent accounting policy on goodwill.

If those amounts are less than the fair value of the identifiable net assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a gain from bargain purchase.

Before recognising a gain on a bargain purchase, management shall reassess whether it has correctly identified all of the assets acquired and all of the liabilities assumed and shall recognise any additional assets or liabilities that are identified in that review. The objective is to ensure that measurements appropriately reflect consideration of all available information as of the acquisition date.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Group accounting (Continued)

(a) Subsidiaries (Continued)

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific SFRS(I).

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries, associated companies and joint ventures" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(c) Associated companies and joint ventures

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above.

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in associated companies and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies and joint ventures represents the excess of the cost of acquisition of the associated companies or joint ventures over the Group's share of the fair value of the identifiable net assets of the associated companies or joint ventures and is included in the carrying amount of the investments.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Group accounting (Continued)

(c) Associated companies and joint ventures (Continued)

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Group's share of its associated companies' or joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associated companies or joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associated company or joint venture equals to or exceeds its interest in the associated company or joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associated company or joint venture. If the associated company or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in an associated company or joint venture includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

Unrealised gains on transactions between the Group and its associated companies or joint ventures are eliminated to the extent of the Group's interest in the associated companies or joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associated companies or joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Changes in ownership interest

An increase in the Group's ownership interest in existing associate or a joint venture, where the Group continues to have significant influence or joint controls, is accounted for using a cost accumulation approach. The cost of acquiring the additional stake, including any directly attributable costs, is added to the carrying amount of the associate or joint venture. The notional fair value for the additional stake is calculated using fair value information at the date when the additional interest is acquired. Remeasurement of the previously held interest is not required if there is no change in status of the investment.

If a Group's ownership interest in an associate or a joint venture is reduced, but the investment continues to be classified either as an associate or a joint venture respectively, only a prop(r)0.5 (o)acFFFFFbable costs, is ad (c)0.5 (tr d)0.(e)0.5 (r)0.5 antuus of t om Gre pntuo Gr(n)0.5 a pn cosep a, iaed65 () (5h).2 Tw 0 0.5 ant bus oftl

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Group accounting (Continued)

(c)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.4 Property, plant and equipment (Continued)

(d) Construction-in-progress

Construction-in-progress represents buildings, plant and machinery under construction or pending installation and is stated at cost less accumulated impairment losses, if any. This includes cost of construction, plant and equipment and other directly attributable costs. No depreciation is made on construction-in-progress until such time as the relevant assets are completed and ready for intended use. When the assets concerned are brought into use, the costs are transferred to respective asset classes within property, plant and equipment and depreciated in accordance with the policy stated above.

(e) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(f) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within “other gains/(losses) – net”.

2.5 Intangible assets

(a) Goodwill

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on acquisition of joint ventures and associated companies represents the excess of the cost of the acquisition over the Group’s share of fair value of the identifiable net assets acquired. Goodwill on associated companies and joint ventures is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiaries, joint ventures and associated companies include the carrying amount of goodwill relating to the entity sold.

(b) Acquired computer software licenses

Acquired computer software licenses are initially capitalised at cost which includes the purchase pr26 Tw 0.258 0 Td

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.5 Intangible assets (Continued)

(b)

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.8 Investments in subsidiaries, associated companies and joint ventures

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.9 Impairment of non-financial assets (Continued)

(b) *Intangible assets*
Property, plant and equipment
Right-of-use assets
Investment property
Investments in subsidiaries, associated companies and joint ventures (Continued)

For an asset other than goodwill, management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accohD (r)0.6 (t)0.5 (y)0.5 (,)0.5 (p)0.5 (l0 (n)0.5 (d)0. (e)0.0.5 (r)0.5 (m)0.5 (ed5 (d)0.5 (e

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.10 Financial assets (Continued)

(a) Classification and measurement (Continued)

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise of cash and cash equivalents and trade and other receivables.

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

(ii) Equity investments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in “other gains/(losses) – net”. Dividends from equity investments are recognised in profit or loss as “dividend income”.

(b) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 36 details how the Group determines whether there has been a significant increase in credit risk.

For cash and cash equivalents, loan to subsidiaries and other receivables, the general 3 stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

For trade receivables, lease receivables and contract assets, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Debt financial assets carried at amortised cost are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where debt financial assets carried at amortised cost are written off, the company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.10 Financial assets (Continued)

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss.

2.11 Derivative financial instruments

A derivative financial instrument is initially recognised at fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates its hedge as cash flow hedge.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis on whether the hedging relationship meets the hedge effectiveness requirements under SFRS(I) 9.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 14. The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months. The fair value of a trading derivative is presented as a current asset or liability.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.11 Derivative financial instruments (Continued)

The following hedge in place qualified as cash flow hedges under SFRS(I) 9.

Cash flow hedge

- *Currency forwards*

  The Group has entered into currency forwards that qualify as cash flow hedges against highly probable forecasted transactions in foreign currencies. The fair value changes on the effective portion of the currency forwards designated as cash flow hedges are recognised in other comprehensive income. Amounts accumulated in equity are reclassified to profit and loss when the hedged transaction affects profit and loss.

  The fair value changes on the ineffective portion of currency forwards are recognised immediately in profit or loss. When a forecasted transaction is no longer expected to occur, the gains and losses that were previously recognised in other comprehensive income are reclassified to profit or loss immediately.

2.12 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.13 Financial guarantees

The Company has issued corporate guarantees to customers of its joint venture and subsidiaries. These guarantees are financial guarantees as they require the Company to reimburse the customers of its joint venture and subsidiaries if the joint venture or the subsidiaries fail to fulfil the obligations in accordance with the terms of their shipbuilding contracts.

Financial guarantee contracts are initially measured at fair value plus transaction costs and subsequently measured at the higher of:

(a) premium received on initial recognition less the cumulative amount of income recogni.5 (r)0.5 (e)0ofse aoranc ihtheporncíples ofSfF()1 and

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2.14 Borrowings

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.15 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.16 Leases

(a) When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

- *Right-of-use assets*

  The Group recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

  These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

  Right-of-use assets are presented within “Property, plant and equipment”.

- *Lease liabilities*

  The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

  Lease payments include the following:

  – Fixed payments (including in-substance fixed payments), less any lease incentives receivable;

  – Variable lease payments that are based on an index or rate, initially measured using the index or rate as at the commencement date;

  – Amounts expected to be payable under residual value guarantees;

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.16 Leases (Continued)

(a) When the Group is the lessee: (Continued)

- *Lease liabilities* (Continued)

  – The exercise price of a purchase option if is reasonably certain to exercise the option; and

  – Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

  For a contract that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone prices of the lease and non-lease components. The Group has elected to not separate lease and non-lease components for property leases and account these as one single lease component.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.16 Leases (Continued)

(b) When the Group is the lessor:

The Group leases vessels under finance leases and operating leases to non-related parties.

- *Lessor – Finance leases*

  Leases where the Group has transferred substantially all risks and rewards incidental to ownership of the leased assets to the lessees, are classified as finance leases.

  The leased asset is derecognised and the present value of the lease receivable is recognised on the balance sheet and included in "trade and other receivables". The difference between the gross receivable and the present value of the lease receivable is recognised as unearned finance income.

  Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance income is recognised in profit or loss on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable.

  Initial direct costs incurred by the Group in negotiating and arranging finance leases are added to finance lease receivables and reduce the amount of income recognised over the lease term.

- *Lessor – Operating leases*

  Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

  Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

  Contingent rents are recognised as income in profit or loss when earned.

2.17 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of work-in-progress and development properties comprise raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses. Raw materials used in the construction contracts are not written down to net realisable value if the overall construction contract is expected to be profitable.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.18 Income taxes

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.21 Currency translation (Continued)

(b) Transactions and balances (Continued)

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within "finance expenses". All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "other gains/(losses) – net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair value is determined.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management team who are responsible for allocating resources and assessing performance of the operating segments.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Estimation of total contract costs

The Group has significant ongoing contracts to construct vessels. For these contracts, revenue is recognised over time by reference to the Group's progress towards completing the construction of the vessels. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs ("input method").

Management has to estimate the total contract costs to complete, which are used in the input method to determine the Group's recognition of shipbuilding revenue. When it is probable that the total contract costs will exceed the total shipbuilding revenue, a provision for onerous contracts is recognised immediately.

Significant judgement is used to estimate these total contract costs to complete. In making these estimates, management has used their accumulative knowledge of the industry, market conditions, and its customers, corroborated with the experience gained from the most recent deliveries.

As at 31 December 2024, RMB5,843,093,000 (2023: RMB7,076,911,000) of the Group's contract assets is subject to the estimation of progress towards completion using the input method. If the total contract cost of on-going contracts to be incurred had been higher by 5% (2023: 5%) from management's estimates, the Group's revenue and contract assets would have been lower by RMB540,343,000 (2023: RMB616,483,000). If the total contract cost of on-going contracts to be incurred had been lower by 5% (2023: 5%) from management's estimates, the Group's revenue and contract assets would have been higher by RMB597,222,000 (2023: RMB672,184,000). If the total contract costs of on-going contracts to be incurred had been higher by 5% (2023: 5%) from management's estimates, additional provision for onerous contracts of Nil (2023: RMB1,476,000) would have been recognised.

(b) Impairment of trade receivables and contract assets

As at 31 December 2024, the Group's trade receivables and contract assets amounted to RMB247,792,000 (2023: RMB837,273,000) (Note 17) and RMB5,843,093,000 (2023: RMB7,076,011,000) [Note 4(b)] respectively, arising from the Group's different revenue segments – shipbuilding, shipping and others.

Based on the Group's historical credit loss experience, trade receivables exhibited significantly different loss patterns for each revenue segment. Accordingly, management has adopted different approaches in measuring expected credit loss across revenue segment.

No loss allowance for trade receivables was recognised as at 31 December 2024 and 31 December 2023.

The Group's and the Company's credit risk exposure for trade receivables and contract assets and significant estimation in measuring expected credit loss allowance by different revenue segment are set out in Note 36(b).

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

(c) Recoverable amount of land use rights ("LUR") premium classified under property, plant and equipment ("PPE")

4. REVENUE

(a) Disaggregation of revenue

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines.

	At a point in time RMB'000	Over time RMB'000	Total RMB'000
The Group			
2024			
Shipbuilding segment			
– Shipbuilding revenue	**–**	**24,986,421**	**24,986,421**
– Sale of steel parts	**229,185**	**–**	**229,185**
Shipping segment			
Charter hire income	**–**	**1,242,528**	**1,242,528**
Others segment			
Rendering of ship design services	**19,357**	**–**	**19,357**
Sale of goods – materials and others	**7,717**	**–**	**7,717**
Rental income (Note 24)	**–**	**25,253**	**25,253**
Others	**31,255**	**–**	**31,255**
Total revenue	**287,514**	**26,254,202**	**26,541,716**
2023			
Shipbuilding segment			
– Shipbuilding revenue	–	21,930,313	21,930,313
– Sale of completed vessels and steel parts	857,430	–	857,430
Shipping segment			
Charter hire income	–	1,021,910	1,021,910
Others segment			
Rendering of ship design services	22,262	–	22,262
Sale of goods – materials and others	193,271	–	193,271
Interest income from debt investments at amortised cost	–	14,850	14,850
Rental income (Note 24)	–	16,694	16,694
Others	55,600	–	55,600
Total revenue	1,128,563	22,983,767	24,112,330

(b) Contract assets and liabilities

	31 December		1 January
	2024 RMB'000	2023 RMB'000	2023 RMB'000
The Group			
Contract assets			
– Shipbuilding contracts	**5,843,093**	7,076,911	5,595,675
Contract liabilities			
– Shipbuilding contracts	**(14,320,166)**	(8,146,046)	(5,597,040)

4. REVENUE (CONTINUED)

(b) Contract assets and liabilities (Continued)

Contract assets relate to fixed price shipbuilding contracts. The changes in contract assets are due to progress in shipbuilding activities, offset by consideration received from customer or billings raised to customer as per agreed payment schedule.

Contract liabilities relate to consideration received from customers ahead of shipbuilding activities. The changes in contract liabilities are due to consideration received per agreed payment schedule, offset by progress in shipbuilding activities.

(i) Revenue recognised in relation to contract liabilities

	The Group	
	2024	**2023**
	RMB'000	**RMB'000**
Revenue recognised in current period that was included in the contract liabilities balance at the beginning of the period		
– Shipbuilding contracts	**2,644,187**	3,232,773

(ii) Unsatisfied performance obligations

As at 31 December 2024, the aggregate amount of the transaction price allocated to the remaining performance obligation is RMB118 billion (2023: RMB68 billion) and the Group expects to recognise this revenue over the next 1 to 5 years (2023: 1 to 5 years).

(c) Trade receivables from contracts with customers

	31 December		1 January
	2024	**2023**	**2023**
	RMB'000	**RMB'000**	**RMB'000**
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

6. OTHER GAINS/(LOSSES) – NET

	The Group	
	2024	**2023**
	RMB'000	**RMB'000**
Foreign exchange gains/(losses)	**116,645**	(277,011)
Less: Cash flow hedges, reclassified from hedging reserve (Note 33(b))	**(111,650)**	(389,395)
Foreign exchange related gains/(losses), net	**4,995**	(666,406)
Fair value gain/(loss):		
– Derivative financial instruments	**–**	5,645
– Financial assets, at fair value through profit or loss (Note 15)	**(23,252)**	(5,464)
Gain on disposal of property, plant and equipment	**28,302**	100,831
Subsidies and incentives	**136,689**	219,613
Others	**14,756**	17,597
	161,490	(328,184)

7. EXPENSES BY NATURE

	The Group	
	2024	**2023**
	RMB'000	**RMB'000**
Raw materials and consumables used (Note 18)	**13,428,704**	12,950,693
Amortisation of intangible assets (Note 27)	**4,602**	4,285
Depreciation of investment property (Note 24)	**23,463**	15,770
Depreciation of property, plant and equipment (Note 25)	**433,202**	475,315
Impairment loss on:		
– Debt investments at amortised costs (Note 16)	**–**	65,878
– Investment property (Note 24)	**180,865**	–
Bad debt recovery	**(42,175)**	(32,231)
Employee compensation (Note 8)	**426,075**	380,945
Subcontracting costs	**2,512,433**	3,182,561
Other shipbuilding related fees and charges	**888,275**	733,915
Business tax on interest income from debt instruments at amortised cost	**–**	841
Provision for warranty – net (Note 30)	**201,303**	69,568
Utilities	**170,585**	169,793
Transportation expenses	**51,368**	49,301
Auditors' remuneration paid/payable to		
– Auditor of the Company	**4,192**	4,332
– Other auditors	**319**	1,256
Other fees paid/payable to an oversea network firm of the Auditor of the Company	**1,783**	5,621
Professional fees	**77,122**	18,589
Vessel operations expenses	**536,060**	522,537
Commission	**350,848**	317,202
Others	**505,212**	397,274
Total cost of sales and administrative expenses	**19,754,236**	19,333,445

8. EMPLOYEE COMPENSATION

	The Group	
	2024	**2023**
	RMB'000	**RMB'000**
Salaries and wages	**201,421**	289,991
Employer's contributions to defined contribution plans	**73,380**	64,968
Share appreciation rights	**130,405**	7,524
Other employee benefits	**20,869**	18,462
	426,075	380,945

Contributions to defined contribution plans

The employees of the Group who are employed in the PRC participate in a defined contribution plan administered by the relevant provincial government. For the financial year ended 31 December 2024, the Group is required to make monthly defined contribution to these plans at approximately 36% to 37% (2023: approximately 34% to 39%) of eligible employees' monthly salaries and wages as stipulated by local rules and regulations. The employees of the Group who are employed in Singapore participate in a defined contribution plan administered by the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

The Group's contributions are recognised as employee compensation expense when they are due and incurred.

Share appreciation rights

The Group granted share appreciation rights to employees as part of their remuneration package during the year. The employees will be entitled to a future cash payment, based on the difference between the subscription price of the phantom shares (not actual shares issued by the Company) and market price of the publicly traded shares at point of withdrawal, following their annual subscription on 1 July each year. The Group measures the services acquired and the liability incurred at the fair value of the liability as the employees render service. Until the liability is settled, the Group remeasures the fair value of the liability at the end of each reporting period and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

The Group has no other obligations for the payment of retirement and other post-retirement benefits of employees or retirees other than the payments disclosed in this note.

9. FINANCE EXPENSES

	The Group	
	2024	**2023**
	RMB'000	**RMB'000**

10. INCOME TAXES

The Group is subject to income tax on an individual entity basis on profit arising or derived from the tax jurisdiction in which the Group entities are domiciled and operates. Except for Jiangsu New Yangzi Shipbuilding

10. INCOME TAXE₿PcCONTINUED)

(b) The tax charge relating to each component of other comprehensive income is as follows:

	Before Tax RMB'000	Tax charge RMB'000	After tax RMB'000
Group			
2024			
Fair value gains and reclassification adjustments on cash flow hedges	**(137,473)**	**20,621**	**(116,852)**
2023			
Fair value losses and reclassification adjustments on cash flow hedges	(100,100)	15,015	(85,085)

(c) OECD Pillar Two model rules

The Group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation was enacted in Singapore, the jurisdiction in which the Company is incorporated, and has come into effect from 1 January 2025. Since Pillar Two legislation was not effective at the reporting date, the Group has no related current tax exposure. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

Under the legislation, the Group is liable to pay a top-up tax for the difference between the GloBE effective tax rate for each jurisdiction and the 15% minimum rate.

The Group is in the process of assessing its exposure to the Pillar Two legislation for when it comes into effect. Management does not expect the application of Pillar Two legislation to have material impact on the going concern of the Group and the Company, or on the Group's annual effective tax rate.

11. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	The Group Total	
	2024	2023
Net profit attributable to equity holders of the Company (RMB'000)	**6,633,616**	4,101,548
Weighted average number of ordinary shares in issue for basic earnings per share ('000)	**3,950,589**	3,950,589
Basic earnings per share (RMB cents)	**167.91**	103.82

Diluted earnings per share is equivalent to the basic earnings, as the Company does not have any dilutive potential ordinary shares.

12. CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000
Cash at bank and on hand	**28,119,740**	16,560,685	**115,443**	56,717

Acquisition of subsidiary

On 13 March 2024, the Group acquired 100% of Jiangsu Yangxing Property Co., Ltd., a property development entity developing a residential project in Dongxing Town, Jingjiang, Jiangsu, PRC. The effects of the acquisition on the cash flows of the Group were:

	The Group March 2024 RMB'000
Carrying amounts of assets and liabilities as at the date of acquisition:	
Cash and bank balances	**612**
Restricted cash	**8,437**
Trade and other receivables	**5,193**
Inventories	**45,860**
Property, plant and equipment (including LUR premium) (Note 25)	**20,588**
Total assets	**80,690**
Trade and other payables	**(60,690)**
Total liability	**(60,690)**
Net assets acquired by the Group	**20,000**
Cash outflows arising from acquisition:	
Purchase consideration	**20,000**
Less: Cash and bank balances acquired	**(612)**
Net cash outflow on acquisition	**19,388**

12. CASH AND CASH EQUIVALENTS (CONTINUED)

Acquisition of subsidiary (Continued)

On 26 April 2023, the Group, through Yangzijiang Realty Pte Ltd ("YZJR"), acquired 39 Robinson Road Pte Ltd, an entity owning a 21-storey building, "39 Robinson", located within the central business district of Singapore. The effects of the acquisition on the cash flows of the Group were:

	The Group April 2023 RMB'000
Carrying amounts of assets and liabilities as at the date of acquisition:	
Cash and cash equivalents	13,319
Trade and other receivables	671
Investment property (Note 24)	2,064,785
Total assets	2,078,775
Trade and other payables	(9,936)
Current income tax liabilities	(1,759)
Total liabilities	(11,695)
Net assets acquired by the Group	2,067,080
Cash outflows arising from acquisition:	
Purchase consideration	2,067,080
Less: Cash and cash equivalents acquired	(13,319)
Net cash outflow on acquisition	2,053,761

Disposal of subsidiaries – dissolution of subsidiaries

In 2024, the Group dissolved two of its 100% owned subsidiaries, Dongyuan Ship Leasing (Tianjin) Co., Ltd. and Newyangzi International Trading Pte. Ltd.. Additionally, the Group dissolved one of its 49.48% owned subsidiary,

13. RESTRICTED CASH

The restricted cash was held in designated bank accounts as deposits for performance guarantees, letters of credits, borrowings and pre-sale payments received from house buyers.

	The Group	
	2024	**2023**
	RMB'000	**RMB'000**
Restricted cash	**19,997**	88

14. DERIVATIVE FINANCIAL INSTRUMENTS

	Contract notional amount	**Fair value**			
		Assets		**Liabilities**	
		Current	**Non-current**	**Current**	**Non-current**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
Group					
31 December 2024					
Derivatives held for cash flow hedges:					
– Currency forwards	**3,586,870**	–	–	**(219,094)**	**(11,350)**
Total		–	–	**(219,094)**	**(11,350)**
31 December 2023					
Derivatives held for cash flow hedges:					
– Currency forwards	13,473,829	4,200	4,154	(260,227)	(4,394)
Total		4,200	4,154	(260,227)	(4,394)

The contract notional amount included above is on a gross basis.

The derivative contracts are entered into to manage foreign currency risk arising from shipbuilding contracts entered by the Group.

14. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Hedging instruments used in Group's hedging strategy in 2024

		Carrying amount		Changes in fair value used for calculating hedge ineffectiveness				
	Contractual notional amount	Liabilities – net	Financial statement line item	Hedging instrument	Hedged item	Hedge ineffectiveness recognised in P&L	Weighted average hedged rate	Maturity date
	RMB'000	RMB'000		RMB'000	RMB'000	RMB'000		
Group								
Cash flow hedge								
Foreign exchange risk								
– Forward contracts to hedge highly probable transactions	**3,586,870**	**(230,444)**	**Derivative financial instruments**	**(230,444)**	**230,444**	**–**	**USD 1: RMB6.7727**	**January 2025 – March 2026**

Hedging instruments used in Group's hedging strategy in 2023

		Carrying amount		Changes in fair value used for calculating hedge ineffectiveness				
	Contractual notional amount	Liabilities – net	Financial statement line item	Hedging instrument	Hedged item	Hedge ineffectiveness recognised in P&L	Weighted average hedged rate	Maturity date
	RMB'000	RMB'000		RMB'000	RMB'000	RMB'000		
Group								
Cash flow hedge								
Foreign exchange risk								
– Forward contracts to hedge highly probable transactions	13,473,829	(256,267)	Derivative financial instruments	(256,267)	256,267	–	USD 1: RMB6.8238	January 2023 – March 2026

15. FINANCIAL ASSETS, AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group	
	2024	**2023**
	RMB'000	RMB'000
Beginning of financial year	**45,594**	146,454
Fair value loss through profit and loss (Note 6)	**(23,252)**	(5,464)
Disposal	**(4,020)**	(95,396)
End of financial year	**18,322**	45,594

15. FINANCIAL ASSETS, AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Financial assets, at fair value through profit or loss are analysed as follows:

	The Group	
	2024	**2023**
	RMB'000	**RMB'000**
Current		
Unlisted		
– Equity securities – PRC	**16,022**	18,294
Non-Current		
Unlisted		
– Equity securities – PRC	**2,300**	27,300
	18,322	45,594

17. TRADE AND OTHER RECEIVABLES – CURRENT

	The Group		The Company	
	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000
Finance lease receivables (Note 20)	**295,602**	166,302	**–**	–
Trade receivables				
– Customers	**194,444**	746,772	**–**	–
– Joint venture	**53,348**	90,501	**–**	–
Other receivables				
– Subsidiaries	**–**	–	**6,854,224**	6,854,621
– Non-related parties	**93,533**	349,864	**591**	–
– Joint venture	**207,722**	128	**158,528**	128
– Associated company	**94**	92	**94**	92
Other receivables – net	**301,349**	350,084	**7,013,437**	6,854,841
Other assets				
– Value added tax recoverable	**300,885**	169,176	**117**	85
– Deposits [Note (a)]	**185,000**	124	**–**	124
Prepayments [Note (b)]	**4,939,537**	3,148,003	**–**	–
	6,270,165	4,670,962	**7,013,554**	6,855,050

(a) As at 31 December 2024, deposits of RMB185,000,000 relate to the acquisition of land use rights in Xinqiao Park of the Jingjiang Economic and Technological Development Zone in PRC.

(b) Prepayments mainly represent advances paid to suppliers for the purchase of raw materials, such as steel, imported equipment to be installed in the vessels, and other materials for the Group's shipbuilding activities.

The non-trade amounts due from subsidiaries, joint venture and associated company are unsecured, interest-free and repayable on demand.

18. INVENTORIES

	The Group	
	2024 RMB'000	2023 RMB'000
Raw materials	**709,111**	830,613
Work-in-progress	**1,084,410**	88,226
Development properties	**82,879**	–
	1,876,400	918,839

Raw materials consist mainly of metal steel products and equipment which are used in the Group's shipbuilding activities and consumables which are used in the Group's shipping activities. Work-in-progress consists of vessels under construction. Development properties consist of residential and commercial units in Dongxing Town, Jingjiang, PRC.

The cost of inventories recognised as expense and included in "cost of sales" amounts to RMB13,428,704,000 (2023: RMB12,950,693,000).

19. TRADE AND OTHER RECEIVABLES – NON-CURRENT

	The Group		The Company	
	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000
Finance lease receivables (Note 20)	**884,283**	1,252,621	**–**	–
Other receivables				
– Loans to subsidiaries [Note (a)]	**–**	–	**5,607,691**	4,801,518
– Loan to an associated company [Note (b)]	**20,000**	–	**–**	–
– Loans to non-related parties [Note (c)]	**447,000**	–	**–**	–
– Non-related parties	**284**	2,582	**–**	–
	1,351,567	1,255,203	**5,607,691**	4,801,518

(a) As at 31 December 2024, included in loans to subsidiaries is RMB1,579,924,000 (2023: RMB1,596,500,000). This loan is secured by a pledge over the shares of YZJR, bore interest at 4.56% to 4.93% per annum in 2023, and the interest is waived by the Company from 1 January 2024 onwards. The loan is repayable after 10 (2023: 11) years from balance sheet date. The remaining loans to subsidiaries are unsecured, interest-free with no fixed terms of repayment, and are not expected to be repaid within the next 12 months from the balance sheet date.

(b) The loan to an associated company is unsecured, interest bearing at 5% per annum and is repayable in full by January 2026.

(c) Included in loans to non-related parties is RMB400,000,000 secured by a pledge over a land in Jingjiang, PRC. This loan bears interest at 6% per annum and is repayable in full by October 2026. The remaining loans to a non-related party are unsecured, interest bearing at 6% per annum and is repayable in full by June 2027.

The fair values of the Group and Company's non-current trade and other receivables approximate their

20. FINANCE LEASE RECEIVABLES (CONTINUED)

The net investment in finance leases is analysed as follows:

	The Group	
	2024	**2023**
	RMB'000	**RMB'000**
Current (Note 17)	**295,602**	166,302
Non-current (Note 19)	**884,283**	1,252,621
	1,179,885	1,418,923

The net investment in finance leases decreased primarily from the regular receipts of lease payments, the early exercise of a purchase option in 2024 and the cancellation by the Group of two finance lease contracts for defaulted payments. The vessels secured under the cancelled leases were repossessed by the Group and included as additions within property, plant and equipment in Note 25.

21. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2024	**2023**
	RMB'000	**RMB'000**
Equity investments at cost		
As at 1 January	**8,069,753**	7,226,917
Additions [Note (a)]	**1,440,960**	1,023,463
Liquidation [Note (b)]	**–**	(627)
Return of capital [Note (c)]	**–**	(180,000)
As at 31 December	**9,510,713**	8,069,753

(a) Additions

In 2024, the Company:

(i) incorporated a wholly owned subsidiary, Jiangsu Yangzi Hongyuan Shipbuilding Co., Ltd. with issue and paid-up share capital of RMB709,278,000;

(ii) incorporated Jiangsu Yangzi Chengkang Marine Heavy Industry Co., Ltd. and paid RMB47,000,000 for its 50% share of the subscribed and issued share capital;

(iii) acquired the remaining 19% equity interest in YZJR with a consideration of RMB139,539,000; and

(iv) subscribed for new equity shares in JXF, issued as consideration to capitalise dividends of RMB545,143,000.

In 2023, the Company:

(i) incorporated a wholly owned subsidiary, YZJR with issued and paid-up share capital of RMB656,073,000. 19% of the shares were transferred to the third party non-controlling shareholders for a total consideration of RMB125 million in April 2024. Following the disposal, the Company retains 81% shareholding interest in YZJR; and

(ii) subscribed for new equity shares in JXF, issued as consideration to capitalise dividends of approximately RMB492 million.

22. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Summarised financial information for joint venture

Set out below is the summarised financial information for Yangzi-Mitsui.

Summarised balance sheet

	Yangzi-Mitsui 31 December	
	2024	**2023**
	RMB'000	**RMB'000**
Current assets	**6,484,875**	5,773,159
Includes:		
– Cash and bank balances	**1,479,948**	938,226
Current liabilities	**(5,226,685)**	(4,849,593)
Includes:		
– Financial liabilities (excluding trade payables)	**(530,469)**	

22. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Summarised statement of comprehensive income (Continued)

The following table summarises the Group's share of loss and other comprehensive income of the immaterial joint venture accounted for using the equity method:

	31 December	
	2024	**2023**
	RMB'000	**RMB'000**
Loss for the year	**(12)**	(10)
Other comprehensive income	**34**	39
Total comprehensive income	**22**	29

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in joint ventures, is as follows:

	Yangzi-Mitsui 31 December	
	2024	**2023**
	RMB'000	**RMB'000**
Net assets	**1,716,103**	1,281,203
Group's equity interest	**56%**	56%
Group's share of net assets	**961,018**	717,474
Less: Unrealised gains on transactions	**(55,242)**	(53,282)
Carrying value	**905,776**	664,192
Add: Carrying value of immaterial joint venture	**2,339**	2,317
Carrying value of Group's interest in joint ventures	**908,115**	666,509

23. INVESTMENTS IN ASSOCIATED COMPANIES

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Equity investments at cost				
As at 1 January and 31 December			**134,062**	134,062
As at 1 January	**54,403**	47,424		
Share of profits	**2,088**	4,627		
Share of other comprehensive income – currency trBt,5 (y)0.5 5 (o)[(i)0.5 (n)0.5 (c)Ns564]TJ/TTs.9455 (v)0.5 (e)]TJ0 Tc Td(2,088)-Ts.9455( )Tj0.026 6 (i)0.				

24. INVESTMENT PROPERTY

	Freehold land RMB'000	Building RMB'000	Construction in progress RMB'000	Total RMB'000
Group				
2024				
Cost				
As at 1 January	**1,892,623**	**292,000**	**–**	**2,184,623**
Additions [Note (a)]				

24. INVESTMENT PROPERTY (CONTINUED)

The following amounts are recognised in profit and loss:

	The Group	
	2024	**2023**
	RMB'000	**RMB'000**
Rental income (Note 4(a))	**25,253**	16,694
Direct operating expenses	**(17,425)**	(9,595)

At the reporting date, the details of the Group's investment property is as follows:

			Carrying amount as at 31 December	
			2024	**2023**
Location	**Description**	**Tenure**	**RMB'000**	**RMB'000**
39 Robinson Road,				

25. PROPERTY, PLANT AND EQUIPMENT

	Buildings RMB'000	Machinery RMB'000	Vehicles RMB'000	Furniture, fittings and equipment RMB'000	Vessels RMB'000	Leasehold prepayments – land use rights RMB'000	Construction in progress RMB'000	Total RMB'000
The Group								
2024								
Cost								
As at 1 January	**4,574,826**	**2,474,147**	**160,617**	**180,352**	**4,582,610**	**1,566,889**	**136,936**	**13,676,377**
Acquisition of a subsidiary (Note 12)	**–**	**–**	**–**	**10**	**–**	**20,578**	**–**	**20,588**
Additions	**–**	**44,226**	**6,700**	**38,563**	**809,725**	**24,473**	**155,633**	**1,079,320**
Transfers	**40,711**	**42,939**	**67**	**5,898**	**141**	**(49,892)**	**(39,864)**	**–**
Disposals	**(3,549)**	**(55,087)**	**(6,882)**	**(14,796)**	**(137,040)**	**–**	**–**	**(217,354)**
Currency translation difference	**–**	**–**	**–**	**–**	**66,461**	**–**	**–**	**66,461**
As at 31 December	**4,611,988**	**2,506,225**	**160,502**	**210,027**	**5,321,897**	**1,562,048**	**252,705**	**14,625,392**
Accumulated depreciation and impairment losses								
As at 1 January	**(2,643,047)**	**(2,000,581)**	**(145,665)**	**(148,683)**	**(1,219,120)**	**(300,219)**	**–**	**(6,457,315)**
Depreciation charge (Note 7)	**(200,449)**	**(52,064)**	**(7,191)**	**(12,558)**	**(136,578)**	**(24,362)**	**–**	**(433,202)**
Disposals	**2,635**	**19,618**	**5,309**	**4,278**	**114,069**	**–**	**–**	**145,909**
Currency translation difference	**106**	**–**	**–**	**–**	**(17,522)**	**–**	**–**	**(17,416)**
As at 31 December	**(2,840,755)**	**(2,033,027)**	**(147,547)**	**(156,963)**	**(1,259,151)**	**(324,581)**	**–**	**(6,762,024)**
Net book value								
As at 31 December 2024	**1,771,233**	**473,198**	**12,955**	**53,064**	**4,062,746**	**1,237,467**	**252,705**	**7,863,368**

	Buildings RMB'000	Machinery RMB'000	Vehicles RMB'000	Furniture, fittings and equipment RMB'000	Vessels RMB'000	Leasehold prepayments – land use rights RMB'000	Construction in progress RMB'000	Total RMB'000
The Group								
2023								
Cost								
As at 1 January	4,575,048	2,472,294	157,567	172,699	4,670,411	1,566,889	81,323	13,696,231
Additions	–	8,193	4,641	7,041	693,693	–	80,898	794,466
Transfers	142	22,189	132	2,822	–	–	(25,285)	–
Disposals	(364)	(28,529)	(1,723)	(2,210)	(844,134)	–	–	(876,960)
Currency translation difference	–	–	–	–	62,640	–	–	62,640
As at 31 December	4,574,826	2,474,147	160,617	180,352	4,582,610	1,566,889	136,936	13,676,377
Accumulated depreciation and impairment losses								
As at 1 January	(2,443,360)	(1,934,703)	(139,658)	(136,863)	(1,488,258)	(275,621)	–	(6,418,463)
Depreciation charge (Note 7)	(199,977)	(92,330)	(7,639)	(13,615)	(137,156)	(24,598)	–	(475,315)
Disposals	290	26,452	1,632	1,795	425,654	–	–	455,823
Currency translation difference	–	–	–	–	(19,360)	–	–	(19,360)
As at 31 December	(2,643,047)	(2,000,581)	(145,665)	(148,683)	(1,219,120)	(300,219)	–	(6,457,315)
Net book value								
As at 31 December 2023	1,931,779	473,566	14,952	31,669	3,363,490	1,266,670	136,936	7,219,062

25. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) Bank borrowings are secured on certain land use rights of the Group with carrying amounts of Nil (2023: RMB20,128,000) and buildings of the Group with carrying amounts of Nil (2023: RMB33,911,000).

(b) The Group's interest in land use rights in the PRC is held on leases with periods ranging from 35 years to 70 years (2023: 35 years to 50 years).

As at 31 December 2024, included in Leasehold prepayments – land use rights is aggregate RMB327.9 (2023: RMB365.1) million of LUR premium, net of amortisation, paid for a petrochemical terminal and the storage and distribution site on adjacent land in the downstream Yangtze River region. The Group's plan was to convert the combined sites into a terminal, storage and distribution facility for liquified natural gas ("LNG"). The Group has obtained the relevant government approvals for the conversion of the terminal in 2024. Significant judgements are required in determining the recoverable amount of the LUR premium (Note 3(c)).

The recoverable amount of the CGU to which the LUR premium is attributed, is determined based on value-in-use ("VIU") (2023: fair value less costs to sell ("FVLCTS")) model, measured using discounted cash flows projections. Cash flow projections used in the VIU calculation were based on projected cash flows approved by management covering a twenty-nine-year period and applying a post-tax discount rate of 10% per annum (pre-tax discount rate of 12.5% per annum). The discount rate applied to the cash flow projections reflects management's estimate of the assumption that market participants would use when pricing the asset. The recoverable amount of the CGU to which the LUR premium is attributed was determined to be higher than its carrying amount. This is a Level 3 fair value measurement.

Included within additions in the 2023's consolidated financial statements are machinery and equipment acquired amounting to RMB4,366,000 paid in 2024.

See Note 3(c) for the sensitivity analyses of the VIU model.

	Buildings RMB'000
Company	
2024	
Cost	
As at 1 January	**1,494**
Derecognition	**(1,494)**
As at 31 December	**–**
Accumulated depreciation	
As at 1 January	**(1,259)**
Depreciation charge	**(341)**
Currency translation difference	**106**
Derecognition	**1,494**
As at 31 December	**–**
Net book value	
As at 31 December 2024	**–**
2023	
Cost	
As at 1 January and 31 December	1,494
Accumulated depreciation	
As at 1 January	(449)
Depreciation charge	(810)
As at 31 December	(1,259)
Net book value	
As at 31 December 2023	235

26. LEASES

Nature of the Group's leasing activities – The Group as a lessee

Buildings

The Group leases office space for the purpose of head office operations.

Leasehold land

The Group has made upfront payments to secure the right-of-use of leasehold land with lease terms ranging from 35 years to 70 years, which are used in the Group's operations in China. These leasehold lands are recognised within property, plant and equipment (Note 25).

There is no externally imposed covenant on these lease arrangements.

(a) Carrying amounts

ROU assets classified within property, plant and equipment

	2024 RMB'000	2023 RMB'000
The Group and the Company		
Land use rights	**1,237,467**	1,266,670
Buildings	**–**	236

(b) Depreciation charge during the year

	2024 RMB'000	2023 RMB'000
The Group		
Leasehold land	**24,362**	24,598
Buildings	**341**	810
	24,703	25,408

(c) Interest expense

	2024 RMB'000	2023 RMB'000
The Group		
Interest expense on lease liabilities (Note 9)	**3**	32

(d) Total cash outflow for all the leases in 2024 was RMB353,000 (2023: RMB841,000).

Nature of the Group's leasing activities – The Group as a lessor

The Group leases out vessels under finance leases and operating leases to non-related parties. Leases where the Group transferred substantially all risks and rewards incidental to ownership of the vessels to the lessees are classified as finance leases.

26. LEASES (CONTINUED)

Nature of the Group's leasing activities – The Group as a lessor (Continued)

The maturity analysis of lease payments for the finance leases is disclosed in Note 20. The credit risk of the finance lease receivables is disclosed in Note 36(b)(iii).

The Group leases out their owned investment property to third parties for monthly lease payments. These leases are classified as operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred. Rental income from this investment property is disclosed in Note 24.

Maturity analysis of operating lease payments – Group as a lessor

The table below discloses the undiscounted lease payments to be received by the Group for its leases after the reporting date as follows:

	The Group	
	2024	**2023**
	RMB'000	**RMB'000**
Less than one year	**497,498**	403,947
One to two years	**48,507**	49,861
Two to three years	**–**	15,382
Three to four years	**–**	14,217
Four to five years	**–**	1,207
	546,005	484,614

27. INTANGIBLE ASSETS

Computer software licenses

	The Group	
	2024	**2023**
	RMB'000	**RMB'000**
Cost		
Beginning of financial year	**42,369**	36,750
Additions	**4,672**	5,619
End of financial year	**47,041**	42,369
Accumulated amortisation		
Beginning of financial year	**(21,190)**	(16,905)
Amortisation charge (Note 7)	**(4,602)**	(4,285)
End of financial year	**(25,792)**	(21,190)
Net book value as at 31 December	**21,249**	

28. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000
Current				
Trade payables				
– Third parties	**2,956,391**	2,139,418	**–**	–
Other payables				
– Subsidiaries [Note (a)]	**–**	–	**1,089,065**	2,501,215
– Non-related parties	**1,036,990**	1,179,394	**85,403**	7,306
Deferred compensation income [Note (b)]	**157,553**	166,427	**–**	–
Other operating accruals	**168,786**	186,597	**–**	–
	4,319,720	3,671,836	**1,174,468**	2,508,521

(a) The non-trade amounts due to subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

(b) Deferred compensation income mainly relates to the government grant received for the relocation of shipbuilding premises at Jiangsu Yangzijiang Shipbuilding Group Co., Lt Groo., L t governmnmsu

29. BORROWINGS (CONTINUED)

The exposure of the Group and the Company to interest rate changes and the contractual repricing dates at the balance sheet date are as follows:

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Floating rate:				
– Between six months to 12 months	**–**	18,400	**–**	–
– One to two years	**–**	29,600	**–**	–
Fixed rate:				
– Within one year	**4,500,000**	3,946,646	**–**	355
– One to two years	**2,300,000**	1,600,000	**–**	–
	6,800,000	5,594,646	**–**	355

(a) These bank borrowings are secured by legal mortgages over certain land use rights and buildings (Note 25).

(b) Fair value of non-current borrowings at fixed rate

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Borrowings				
– RMB	**2,199,867**	1,525,647	**–**	–

The fair value is determined from the cash flow analysis discounted at market borrowing rate of an equivalent instrument which the directors expect to be available to the Group at the balance sheet date. The discount rates are as follows:

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
Borrowings				
– RMB	**3.60%**	4.20%	**–**	**–**

The fair values are within Level 2 of the fair value hierarchy.

29. BORROWINGS (CONTINUED)

(c) Reconciliation of liabilities arising from financing activities

The Group	1 January 2024 RMB'000	Proceeds from borrowings RMB'000	Principal and interest payments RMB'000	Non-cash changes			31 December 2024 RMB'000
				Interest expense RMB'000	Foreign exchange movement RMB'000	Others RMB'000	
Bank borrowings	**5,594,291**	5,550,000	(4,463,340)	118,769	280	–	**6,800,000**
Lease liabilities	**355**	–	(353)	3	(5)	–	**–**

The Group	1 January 2023 RMB'000	Proceeds from borrowings RMB'000	Principal and interest payments RMB'000	Non-cash changes			31 December 2023 RMB'000
				Interest expense RMB'000	Foreign exchange movement RMB'000	Others RMB'000	
Bank borrowings	4,566,400	3,308,292	(2,376,458)	96,057	–	–	5,594,291
Lease liabilities	1,140	–	(841)	32	–	24	355

30. PROVISIONS

	The Group	
	2024 RMB'000	2023 RMB'000
Warranty	**630,251**	431,027
Legal claims	**23,020**	12,748
	653,271	443,775

The Group provides warranties on completed and delivered vessels and undertakes to repair or replace items that fail to perform satisfactorily. The provision for warranty is based on estimates from known and expected warranty work and legal and constructive obligation for further work to be performed after construction. The estimated warranty expense is 1% of the shipbuilding contract price.

Movement in provision is as follows:

	Warranty		Legal claims	
	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000
As at 1 January	**431,027**	364,418	**12,748**	–
Write back of provision	**(97,691)**	(119,905)	**–**	–
Provision made	**298,994**	189,473	**10,082**	12,748
Provision utilised	**(2,079)**	(2,959)	**–**	–
Currency translation difference	**–**	–	**190**	–
As at 31 December	**630,251**	431,027	**23,020**	12,748

30. PROVISIONS (CONTINUED)

In 2023, a provision made for claims arising from a vessel accident in India. The Group entered into an arbitration with the claimant in 2023 and agreed to provide bank guarantee of approximately RMB12,748,000 (Indian Rupee 15 crores) in order to release the vessel. Subsequent to the release in 2024, the vessel has been sold to a third party.

In 2024, a provision was recognised for RMB10,082,000 based on the arbitration award against the Group for legal fees payable in PRC.

31. DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same taxation authority.

The amounts, determined after appropriate offsetting, are shown on the balance sheet as follows:

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Deferred income tax assets	**(222,215)**	(198,001)	**–**	–
Deferred income tax liabilities	**983,461**	511,090	**76,058**	–
Net deferred tax liabilities	**761,246**	313,089	**76,058**	–

Movements in net deferred income tax accounts are as follows:

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
As at 1 January	**313,089**	273,557	**–**	–
Charged to profit or loss (Note 10(a))	**427,536**	24,517	**76,058**	–
Credited to other comprehensive income (Note 10(b))	**20,621**	15,015	**–**	–
As at 31 December	**761,246**	313,089	**76,058**	–

31. DEFERRED INCOME TAX (CONTINUED)

The expiry date of tax losses of the Group are summarised as follows:

	The Group	
	2024	**2023**
	RMB'000	**RMB'000**
Within one year	**753**	1,885
Between one year to two years	**246**	753
Between three years to five years	**5,143**	5,389
No expiry date	**23**	23
	6,165	8,050

The movement in deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) is as follows:

The Group

Deferred income tax assets

	Impairment losses RMB'000	**Warranty provision RMB'000**	**Fair value loss RMB'000**	**Total RMB'000**
2024				
As at 1 January	**(93,798)**	**(65,763)**	**(38,440)**	**(198,001)**
Charged/(credited) to:				
– profit or loss	**1,337**	**(29,424)**	**(16,748)**	**(44,835)**
– other comprehensive income	**–**	**–**	**20,621**	**20,621**
As at 31 December	**(92,461)**	**(95,187)**	**(34,567)**	**(222,215)**
2023				
As at 1 January	(305,002)	(56,970)	–	(361,972)
Charged/(credited) to:				
– profit or loss	211,204	(8,793)	(53,455)	148,956
– other comprehensive income	–	–	15,015	15,015
As at 31 December	(93,798)	(65,763)	(38,440)	(198,001)

32. SHARE CAPITAL

	Number of shares		Amount	
	Issued share capital '000	Treasury shares '000	Share capital RMB'000	Treasury shares RMB'000
The Group				
2024				
As at 1 January and 31 December	**3,974,077**	**(23,488)**	**7,361,990**	**(127,753)**
2023				
As at 1 January and 31 December	3,974,077	(23,488)	7,361,990	(127,753)
Company				
2024				
As at 1 January and 31 December	**3,974,077**	**(23,488)**	**7,326,773**	**(127,753)**
2023				
As at 1 January and 31 December	3,974,077	(23,488)	7,326,773	(127,753)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

33. OTHER RESERVES

	Group		Company	
	2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000
Composition:				
Statutory reserves [Note (a)]	**4,028,378**	3,782,985	**–**	–
Hedging reserve [Note (b)]	**(33,166)**	(150,018)	**–**	–
Currency translation reserve [Note (c)]	**130,531**	175,114	**–**	–
Other reserve [Note (d)]	**(2,708,505)**	(2,685,846)	**180,637**	180,637
	1,417,238	1,122,235	**180,637**	180,637

(a) Statutory reserves

In accordance with the relevant rules and regulations, the Group's subsidiaries in the PRC are required to appropriate certain percentage of their profits to various reserve funds.

All subsidiaries which are considered as Wholly Owned Foreign Enterprise may discontinue the contribution to the reserve fund when the aggregate sum of the reserve fund is more than 50% of the registered capital in accordance with the "Law of the PRC on Enterprise Operated Exclusively with Foreign Capital".

During the financial year ended 31 December 2024, the Group's subsidiaries have appropriated RMB245,393,000 (2023: RMB132,309,000) from their profits to statutory reserves and converted Nil (2023: RMB974,245,000) of its statutory reserves into share capital.

33. OTHER RESERVES (CONTINUED)

(b) Hedging reserve

Movements in hedging reserve by risk category:

	The Group Foreign exchange risk	
	2024 **RMB'000**	**2023** **RMB'000**
Beginning of financial year	**150,018**	235,103
– Fair value (gains)/losses	**(25,823)**	289,295
– Tax on fair value gains/(losses)	**3,873**	(43,394)
	128,068	481,004
Reclassification to profit or loss, as hedged item has affected profit or loss		
– Other losses – net (Note 6)	**(111,650)**	(389,395)
Tax on reclassification adjustments	**16,748**	58,409
	(94,902)	(330,986)
End of financial year	**33,166**	150,018

(c) Currency translation reserve

Currency translation reserve represents the currency translation differences resulting from the translation of the Group entities' financial statements that have a functional currency different from the Group's presentation currency.

(d) Other reserve

Other reserve represents capital investments and distributions relating to equity transactions with non-controlling shareholders and gain on re-issue of treasury shares.

The movement in other reserve during 2024 relates to the difference between the non-controlling interests of RMB116,880,000 at the date of acquisition and the consideration paid to the non-controlling shareholder to acquire the Group's remaining 19% equity interest in Yangzijiang Realty Pte. Ltd. The consideration paid for this acquisition was RMB139,539,000.

The movement in other reserve during 2023 relates to the difference between the cumulative losses attributable to the non-controlling interest of RMB0.3 million at the date of acquisition and the consideration paid to the non-controlling shareholder to acquire the Group's remaining 49% equity interest in Shanghai Econovo Marine Engineering Co., Ltd. The consideration paid for this acquisition was Nil.

34. DIVIDENDS

	The Group	
	2024	2023
	RMB'000	RMB'000
Ordinary dividends		
Final exempt dividend paid in respect of the previous financial year of SGD6.5 cents (2023: SGD5.0 cents) per share	**1,345,827**	1,024,427

A final exempt (one-tier) dividend of SGD12 cents per share amounting to approximately SGD474,070,680 (equivalent of RMB2,522,720,000) will be recommended for the shareholders' approval at the Annual General Meeting on 29 April 2025. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the financial year ending 31 December 2025.

35. CAPITAL COMMITMENT

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements are as follows:

	The Group	
	2024	2023
	RMB'000	RMB'000
Property, plant and equipment	**857,134**	822,707
Investment property	**4,299**	–
	861,433	822,707

36. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance. The Group uses financial instruments such as forwards to manage or hedge certain financial risk exposures.

The management is responsible for setting the objectives and underlying principles of financial risk management for the Group, including establishing operating guidelines governing the activities of the Group, such as risk identification and measurement, risk management, oversight responsibilities, authority levels and exposure limits.

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk

(i) Currency risk

The Group has shipbuilding contracts with customers around the world and is exposed to currency risk mainly arising from USD. The Group manages this risk by entering into currency forwards for these highly probable forecast transactions denominated in USD.

The Group applied hedge accounting on currency forwards which met all qualifying criteria for hedge accounting. The objective of the cash flow hedge accounting is to fairly present the management of volatility arising from the Group's foreign currency exposure from shipbuilding contracts denominated in USD. Hedge effectiveness is determined at the inception of the hedging relationship, and through periodic prospective effective assessments to ensure that an economic relationship exists between the hedged item and hedged instrument.

The Group does not hedge 100% of the contract value of individual shipbuilding contracts and therefore, the hedged item is identified as a proportion of individual shipbuilding contract. The Group enters into currency forwards as disclosed in Note 14 with the same critical terms as the hedged item, such as currency pair, timing and notional amount. When all critical terms matched during the year, the economic relationship was assessed as 100% effective.

As the Group enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match with that of the hedging instrument, the Group assesses if an economic relationship continues to exist between the hedged item and instrument and computes hedge effectiveness, as appropriate. Hedge ineffectiveness may occur due to changes in critical terms such as difference in timing between the maturity period of the currency forward and the timing of USD receipts under the shipbuilding contracts.

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (Continued)

(i) Currency risk (Continued)

	RMB RMB'000	USD RMB'000	EUR RMB'000	SGD RMB'000	Total RMB'000
The Group					
At 31 December 2023					
Financial assets					
Cash and cash equivalents	9,648,800	6,798,749	240	112,896	16,560,685
Restricted cash	88	–	–	–	88
Financial assets at fair value through profit or loss	45,594	–	–	–	45,594
Trade and other receivables excluding prepayment and value added tax recoverable	1,056,250	1,484,610	66,746	1,380	2,608,986
	10,750,732	8,283,359	66,986	114,276	19,215,353
Financial liabilities					
Trade and other payables excluding deferred compensation income	(3,219,223)	(270,544)	(6,208)	(9,434)	(3,505,409)
Borrowings	(5,536,000)	–	(58,292)	(355)	(5,594,647)
	(8,755,223)	(270,544)	(64,500)	(9,789)	(9,100,056)
Net financial assets	1,995,509	8,012,815	2,486	104,487	10,115,297
Less: Net financial assets denominated in the respective entities' functional currency	(1,995,509)	(1,960,686)	–	–	
Less: Forward foreign exchange contracts	–	(13,473,829)	–	–	
Add: Contract assets	–	7,023,642	–	–	
Add: Highly probable forecasted transactions in foreign currencies	–	64,894,085	–	–	
Currency exposure	–	64,496,027	2,486	104,487	

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (Continued)

(i) Currency risk (Continued)

	RMB RMB'000	USD RMB'000	SGD RMB'000	Total RMB'000
The Company				
At 31 December 2024				
Financial assets				
Cash and cash equivalents	**–**	**112,688**	**2,755**	**115,443**
Trade and other receivables	**7,235,468**	**3,727,620**	**1,658,040**	**12,621,128**
	7,235,468	**3,840,308**	**1,660,795**	**12,736,571**
Financial liabilities				
Other payables	**(1,106,822)**	**(60,762)**	**(6,884)**	**(1,174,468)**
Net financial assets	**6,128,646**	**3,779,546**	**1,653,911**	**11,562,103**
Less: Net financial assets denominated in the company's functional currency	**(6,128,646)**	**–**	**–**	
Currency exposure	**–**	**3,779,546**	**1,653,911**	
At 31 December 2023				
Financial assets				
Cash and cash equivalents	1	4,669	52,047	56,717
Trade and other receivables	7,076,940	2,907,310	1,700,448	11,684,698
	7,076,941	2,911,979	1,752,495	11,741,415
Financial liabilities				
Other payables	(1,125,013)	(1,411,725)	–	(2,536,738)
Borrowings	–	–	(354)	(354)
	(1,125,013)	(1,411,725)	(354)	(2,537,092)
Net financial assets	5,951,928	1,500,254	1,752,141	9,204,323
Less: Net financial assets denominated in the company's functional currency	(5,951,928)	–	–	
Currency exposure	–	1,500,254	1,752,141	

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (Continued)

(i) Currency risk (Continued)

If the USD, EUR and SGD change against the RMB by 10% (2023: 10%) with all other variables including tax rate being held constant, the effects arising from the net financial assets excluding equity instruments that are exposed to currency risk will be as follows:

	Increase/(decrease) Profit after tax	
	2024	**2023**
	RMB'000	**RMB'000**
The Group		
USD against RMB:		
– strengthened	**1,278,512**	481,053
– weakened	**(1,278,512)**	(481,053)
EUR against RMB:		
– strengthened	**282**	198
– weakened	**(282)**	(198)
SGD against RMB:		
– strengthened	**3,165**	8,305
– weakened	**(3,165)**	(8,305)
The Company		
USD against RMB:		
– strengthened	**313,702**	124,521
– weakened	**(313,702)**	(124,521)
SGD against RMB:		
– strengthened	**137,275**	145,428
– weakened	**(137,275)**	(145,428)

(ii) Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Group's interest rate risks arise primarily from its cash and cash equivalents, restricted cash and borrowings from financial institutions. The Group's policy is to minimise exposure to variable interest rates of interest-bearing assets.

The Group's exposure to cash flow interest rate risk on borrowings at variable rates is immaterial.

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (Continued)

(iii) Price risk

The Group is exposed to equity securities price risk arising from the investments held by the Group which are classified as financial assets, at FVPL. To manage its price risk arising from these investments, the Group ensures that the investments are within authorised mandate based on its approved financial risk management and operating guidelines.

If prices for equity securities in PRC had increased/decreased by 10% (2023: 10%) with all other variables including tax rate being held constant, the net of tax effects on profit after tax ("PAT") would have been:

	Increase/(decrease)	
	2024 PAT RMB'000	**2023 PAT RMB'000**
The Group		
Increased by	**1,374**	3,420
Decreased by	**(1,374)**	(3,420)

(b) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group.

Except as disclosed below, the maximum exposure to credit risk for those financial assets which the Group and the Company do not hold collaterals is the carrying amount of that class of financial instruments presented on the balance sheet.

The Group's and the Company's credit risk exposure in relation to financial assets at amortised cost and contract assets under SFRS(I) 9 as at 31 December 2024 are set out in the as follows:

(i) Cash and cash equivalents and restricted cash

Cash and cash equivalents and restricted cash are considered to have low credit risk as the Group and the Company adopt the policy of dealing only with major banks or financial institutions of high credit standing throughout the world.

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

(ii) Trade receivables and contract assets related to shipbuilding activities

In 2024, credit risk exposure relating to shipbuilding activities is RMB5,872,705,000 (2023: RMB7,730,462,000), which comprises of RMB29,612,000 (2023: RMB653,551,000) included in trade and other receivables and contract assets of RMB5,843,093,000 (2023: RMB7,076,911,000).

The Group adopts the policy of dealing with customers with appropriate credit history, including obtaining letters of credit from customers' banks or the customer's parent entities. In addition, the Group has contractual safeguards in place to minimise credit risk. The Group has the right over collateral (vessels) in the event of default in scheduled payment by customers.

The Group measures the lifetime expected credit loss allowance for trade receivables and contract assets related to shipbuilding activities. These are assessed on a customer-by-customer basis.

Credit risk of each customer is evaluated periodically with due consideration on historical loss rate, past payment patterns, compliance with milestone payments during the contract period and any publicly available information on the customer.

Trade receivables and contract assets as at balance sheet date are assessed to be subject to immaterial credit losses due to the Group's progressive collection on the scheduled payments over the construction period. The remaining credit risk exposure will be covered by the collateral in the event of default in scheduled payment by customer.

(iii) Finance lease receivables, other receivables and other financial assets

Finance lease receivables of RMB1,179,885,000 (2023: RMB1,418,923,000) are subject to immaterial credit loss as the Group entered into lease arrangements of vessels with counterparties of appropriate credit history. The Group also has contractual safeguards in place to minimise credit risk where the Group has the right over collateral (vessels) in the event of default in scheduled payment by lessees.

Other receivables and other financial assets are due substantially from counterparties with a good collection track record with the Group and/or financial capacity to meet the contractual obligations and subject to immaterial credit losses.

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b)

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

(iv) Debt investments at amortised cost (Continued)

The loss allowance for debt investments as at 31 December 2023 reconciles to the opening loss allowance for that provision as follows:

	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Total RMB'000
The Group				
2023				
Balance at 1 January 2023	–	–	1,155,041	1,155,041
Loss allowance recognised in profit or loss during the year on:				
– Reversal of unutilised amount	–	–	(493,871)	(493,871)
– Changes in risk parameters*	–	–	559,749	559,749
	–	–	65,878	65,878
Utilisation	–	–	(1,220,919)	(1,220,919)
Balance at 31 December 2023	–	–	–	–

* For the performing and under-performing debt investments, the change in the loss allowance is due to change in the probability of default used or estimated loss given default to calculate the expected credit losses.

For the non-performing debt investments, the change in the loss allowance is due to change in the estimated loss given default to calculate the lifetime expected credit loss.

(v) Loans to subsidiaries and other receivables due from subsidiaries

The Company has assessed that its subsidiaries have strong financial capacity to meet the contractual obligation of RMB12,461,915,000 (2023: RMB11,656,139,000) and considered to have low credit risk. The loans and other receivables are measured on 12-month expected credit losses and subject to immaterial credit loss.

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (Continued)

(vi) Financial guarantees

As at balance sheet date, the Company has issued refund guarantees to customers of a joint venture and subsidiaries. These guarantees are subject to the impairment requirement of SFRS(I) 9. The Company has assessed that its joint venture and subsidiaries have strong financial capability to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantees. The amount of these guarantees issued by the Company is as follows:

	The Company	
	2024	**2023**
	RMB'000	**RMB'000**
For refund guarantees* issued to a customer of a joint venture	**830,865**	304,443
For refund guarantees* issued to customers of subsidiaries	**939,150**	953,671

*

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents and marketable securities to enable them to meet their normal operating commitments.

The table below analyses the maturity profile of the Group's and Company's non-derivative financial liabilities into relevant maturity groupings on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000
The Group				
As at 31 December 2024				
Trade and other payables	**(4,162,167)**	**–**	**–**	**–**
Bank borrowings	**(4,591,259)**	**(2,310,738)**	**–**	**–**
	(8,753,426)	**(2,310,738)**	**–**	**–**
As at 31 December 2023				
Trade and other payables	(3,505,409)	–	–	–
Lease liabilities	(355)	–	–	–
Bank borrowings	(4,031,760)	(1,634,607)	–	–
	(7,537,524)	(1,634,607)	–	–
The Company				
As at 31 December 2024				
Trade and other payables	**(1,174,468)**	**–**	**–**	**–**
Financial guarantees*	**(238,281)**	**(622,925)**	**(908,809)**	**–**
As at 31 December 2023				
Trade and other payables	(2,508,521)	–	–	–
Lease liabilities	(355)	–	–	–
	(2,508,876)	–	–	–
Financial guarantees*	(718,894)	(234,777)	(304,443)	–

* This represents the maximum exposure of the Company in relation to guarantees provided by the Company, without taking into consideration of the collaterals held. However, based on management's assessment, it is not probable that the counterparties to these financial guarantee contracts will claim under the contracts.

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (Continued)

The table below analyses the derivative financial instruments of the Group and the Company for which contractual maturities are essential for an understanding of the timing of the cash flows into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000
The Group				
As at 31 December 2024				
Gross-settled currency forwards – cash flow hedges				
– Receipts	**3,268,022**	**318,848**	**–**	**–**
– Payments	**(3,487,116)**	**(330,199)**	**–**	**–**
As at 31 December 2023				
Gross-settled currency forwards – cash flow hedges				
– Receipts	12,029,511	1,125,471	318,849	–
– Payments	(12,285,538)	(1,128,370)	(316,189)	–

The Company did not have any derivative held for hedging as at 31 December 2024 and 31 December 2023.

(d) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings. The Group monitors capital on the basis of the total liabilities to total assets ratio.

The Group's strategy is to maintain a stable total liabilities to total assets ratio. The ratios at balance sheet date were as follows:

	The Group	
	2024 RMB'000	2023 RMB'000
Total liabilities	**28,179,196**	19,721,377
Total assets	**54,556,325**	40,864,327
Liability-to-asset ratio	**51.65%**	48.26%

The Group and the Company are not subject to any externally imposed capital requirements for the financial years ended 31 December 2024 and 31 December 2023.

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e)

36. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Fair value measurements (Continued)

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

The following table presents the changes in Level 3 instruments:

	Unlisted equity securities RMB'000
The Group	
2024	
Beginning of the financial year	**45,594**
Disposal	**(4,020)**
Fair value loss recognised in – Profit and loss	**(23,252)**
End of financial year	**18,322**
Change in unrealised loss for the period included in profit or loss for financial assets held at the end of the financial year	(23,252)
2023	
Beginning and end of the financial year	45,594

(f) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the balance sheet and in Note 14 to the financial statements, except for the following:

	The Group RMB'000	**The Company RMB'000**
31 December 2024		
Financial assets, at amortised cost	**30,521,047**	**12,736,081**
Financial liabilities, at amortised cost	**(10,962,167)**	**(1,174,468)**
31 December 2023		
Financial assets, at amortised cost	19,169,760	11,741,415
Financial liabilities, at amortised cost	(9,266,482)	(2,537,093)

37. RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties, at terms agreed between the parties:

(a) Related party transactions

The Group had the following transactions with the following related parties.

	The Group	
	2024	**2023**
	RMB'000	**RMB'000**
Sales of goods to a joint venture	**81,434**	7,109
Sales of equipment to a joint venture	**13,905**	–
Provision of services to a joint venture	**18,038**	32,249
Provision of services to an associated company	**144**	123
Rental income from a joint venture	**92,189**	99,737
Rental income from an associated company	**4,770**	3,742
Interest income from loan to an associated company	**895**	1,669
Loan to an associated company	**40,000**	27,000
Repayment of loan to an associated company	**20,000**	47,000
Purchase of goods from an associated company	**–**	61,237
Purchase of vessels from a joint venture	**212,307**	212,272
Service provided by a joint venture	**18,529**	12,117
Professional services received from a related party	**931**	26
Purchase of goods from a joint venture	**427,342**	214,484

Related party is a company which is controlled or significantly influenced by the Group's directors, key management personnel and/or their close family members.

Other outstanding balances with related parties as at balance sheet date are disclosed in Notes 17, 19 and 28 respectively.

37. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Key management personnel compensation

Key management personnel compensation is analysed as follows:

	The Group	
	2024	**2023**
	RMB'000	**RMB'000**
Directors		
Basic salaries	**4,162**	2,800
Directors' fees	**1,820**	1,839
Contributions to defined contribution plans	**130**	133
Discretionary bonuses	**1,562**	369**1,562**

Basic salaries

38. SEGMENT INFORMATION (CONTINUED)

The segment information provided to the Management Team for the reportable segments for the years ended 31 December 2024 and 2023 are as follows:

	Shipbuilding RMB'000	Shipping RMB'000	Others RMB'000	Total RMB'000
The Group				
For the financial year ended 31 December 2024				
Segment revenue	**25,215,606**	**1,242,528**	**83,582**	**26,541,716**
Segment result	**6,971,299**	**659,342**	**(205,925)**	**7,424,716**
Included within segment result:				
Raw materials and consumables used	**(13,413,148)**	**–**	**(15,556)**	**(13,428,704)**
Subcontracting costs	**(2,512,433)**	**–**	**–**	**(2,512,433)**
Vessel operations expenses	**–**	**(536,060)**	**–**	**(536,060)**
Finance expenses	**(117,998)**	**–**	**(774)**	**(118,772)**
Fair value loss on financial assets, at fair value through profit or loss	**–**	**–**	**(23,252)**	**(23,252)**
Impairment loss on investment property	**–**	**–**	**(180,865)**	**(180,865)**
Depreciation of property, plant and equipment	**(286,293)**	**(136,579)**	**(10,330)**	**(433,202)**
Depreciation of investment property	**–**	**–**	**(23,463)**	**(23,463)**
Dividend income	**–**	**–**	**539**	**539**
Share of profits of associated companies	**–**	**–**	**2,088**	**2,088**
Share of profits of joint venture	**556,901**	**(14)**	**–**	**556,887**
Sales of bunker stock	**–**	**9,257**	**–**	**9,257**
Subsidy income	**136,394**	**–**	**295**	**136,689**
Bad debt recovery/(written off)	**43,303**	**(1,128)**	**–**	**42,175**
Cash flow hedges, reclassified from hedging reserve	**(111,650)**	**–**	**–**	**(111,650)**
(Loss)/gain on disposal of:				
• Property, plant and equipment	**(6,578)**	**34,880**	**–**	**28,302**
Interest income – finance lease	**–**	**86,824**	**–**	**86,824**
Segment assets	**44,312,102**	**6,434,421**	**3,587,587**	**54,334,110**
Segment assets includes:				
Investment in associated companies	**52,780**	**–**	**5,814**	**58,594**
Investments in joint ventures	**908,115**	**–**	**–**	**908,115**
Additions to property, plant and equipment	**199,779**	**810,133**	**89,996**	**1,099,908**
Segment liabilities	**(25,952,251)**	**(191,431)**	**(179,919)**	**(26,323,601)**

38. SEGMENT INFORMATION (CONTINUED)

	Shipbuilding RMB'000	Shipping RMB'000	Others RMB'000	Total RMB'000
The Group				
For the financial year ended 31 December 2023				
Segment revenue	**22,787,743**	**1,021,910**	**302,677**	**24,112,330**
Segment result	**4,667,732**	**568,210**	**(36,752)**	**5,199,190**
Included within segment result:				
Raw materials and consumables used	(12,950,693)	–	(10,398)	(12,961,091)
Subcontracting costs	(3,182,561)	–	–	(3,182,561)
Vessel operations expenses	–	(522,537)	–	(522,537)
Finance expenses	(94,245)	–	(1,813)	(96,058)
Fair value loss on financial assets, at fair value through profit or loss	–	–	(5,464)	(5,464)
Impairment loss on debt investments at amortised cost	–	–	(65,878)	(65,878)
Depreciation of property, plant and equipment	(322,460)	(137,155)	(15,700)	(475,315)
Depreciation of investment property	–	–	(15,770)	(15,770)
Dividend income	–	–	336	336
Share of profits of associated companies	4,627	–	–	4,627
Share of profits of joint venture	193,387	–	–	193,387
Sales of bunker stock	–	7,320	–	7,320
Subsidy income	219,255	–	358	219,613
Bad debt recovery	28,378	–	3,853	32,231
Cash flow hedges, reclassified from hedging reserve	(389,395)	–	–	(389,395)
(Loss)/gain on disposal of:				
• Property, plant and equipment	(1,694)	102,525	–	100,831
Business tax on interest income from debt investments at amortised cost	–	–	(841)	(841)
Interest income – finance lease	–	117,193	–	117,193
Income from forfeiture of advances received	20,694	–	–	20,694
Segment assets	**31,683,915**	**5,599,335**	**3,383,076**	**40,666,326**
Segment assets includes:				
Investment in associated companies	48,464	–	5,939	54,403
Investments in joint ventures	666,509	–	–	666,509
Additions to property, plant and equipment	64,402	693,693	36,371	794,466
Segment liabilities	**(17,755,117)**	**(264,674)**	**(101,133)**	**(18,120,924)**

38. SEGMENT INFORMATION (CONTINUED)

The Management Team assesses the performance of the operating segments based on a measure of segment results. Certain administrative expenses and foreign currency exchange differences are not allocated to segments, as these types of activities and differences are shared by all segments. Interest income on cash and cash equivalents, and foreign currency translation differences on borrowings (classified under finance expenses) are not allocated to segments, as these types of activities are driven by the treasury department of the Group, which manages the cash position of the Group.

(a) Reconciliation

(i) Segment profits

A reconciliation of segment results to profit before tax is as follows:

	2024 RMB'000	2023 RMB'000
Segment results for reportable segments	**7,630,641**	5,235,942
Segment results for other segments	**(205,925)**	(36,752)
Unallocated:		
Other income	**697,206**	432,348
Other gains/(losses) - net	**131,400**	(429,196)

38. SEGMENT INFORMATION (CONTINUED)

(a) Reconciliation (Continued)

(iii) Segment liabilities

RMB'000

The amounts provided to the Management Team with respect to total liabilities are measured in a manner consistent with that of the financial statements. All liabilities are allocated to the reportable segments other than current income tax liabilities and deferred income tax liabilities.

Segment liabilities are reconciled to total liabilities as follows:

	2024 RMB'000	2023 RMB'000
Segment liabilities for reportable segments	**(26,143,682)**	(18,019,791)
Other segment liabilities	**(179,919)**	(101,133)
Unallocated:		
Current income tax liabilities	**(872,134)**	(1,089,363)
Deferred income tax liabilities	**(983,461)**	(511,090)
Total liabilities		

38. SEGMENT INFORMATION (CONTINUED)

(c) Geographical information

The Group's revenue based on the customers' locations are as follows:

	2024 RMB'000	2023 RMB'000
Greater China	**1,046,454**	3,376,409
Canada	**7,962,715**	7,513,907
Japan	**359,729**	2,055,738
Italy	**8,332,125**	8,308,966
Greece	**2,608,329**	1,151,001
Germany	**411,481**	–
Bulgaria	**1,144,427**	578,492
United Kingdom	**1,029,333**	–
Singapore		

40. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2024 and which the Group has not early adopted.

SFRS(I) 18 – Presentation and Disclosure in Financial Statements (effective for annual reporting periods beginning on or after 1 January 2027)

SFRS(I) 18 replaces SFRS(I) 1-1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though SFRS(I) 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance (comprising of the statement of profit or loss and other comprehensive income) and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of SFRS(I) 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, the following items might potentially impact operating profit:

    - Foreign exchange differences currently aggregated in the line item 'other gains/(losses) – net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.

    - SFRS(I) 18 has specific requirements on the category in which derivative gains or losses are recognised – which is the same category as the income and expenses affected by the risk that the derivative is used to manage. Although the Group currently recognises some gains or losses in operating profit and others gains/(losses) – net, there might be a change to where these gains or losses are recognised, and the Group is currently evaluating the need for change.

- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.

40. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS (CONTINUED)

SFRS(I) 18 – Presentation and Disclosure in Financial Statements (effective for annual reporting periods beginning on or after 1 January 2027) (Continued)

- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
  - management-defined performance measures;
  - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
  - for the first annual period of application of SFRS(I) 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying SFRS(I) 18 and the amounts previously presented applying SFRS(I) 1-1.
- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with SFRS(I) 18.

41. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Yangzijiang Shipbuilding (Holdings) Ltd. passed on 26 March 2025.

42. LISTING OF SIGNIFICANT SUBSIDIARIES IN THE GROUP

Name of subsidiaries	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by the Company		Proportion of ordinary shares directly held by the Group		Proportion of ordinary shares held by non-controlling interest	
			2024 %	2023 %	2024 %	2023 %	2024 %	2023 %
Jiangsu New Yangzi Shipbuilding Co., Ltd.[1][5]	Shipbuilding, ship repairing, production and processing of large-scale steel structures	PRC	**51.2**	51.2	**100**	100	**–**	–
Jiangsu Yangzi Xinfu Shipbuilding Co., Ltd.[1][5]	Shipbuilding, ship repairing, production and processing of large-scale steel structures	PRC	**55.1**	55.1	**100**	100	**–**	–
Jiangsu Yangzijiang Shipbuilding Group Co., Ltd.[2][5]	Shipbuilding, ship repairing, production and processing of large-scale steel structures	PRC	**100**	100	**100**	100	**–**	–
Jiangsu Yangzi Hongyuan Shipbuilding Co., Ltd.[4][5]	Shipbuilding, ship repairing, production and processing of large-scale steel structures	PRC	**100**	–	**100**	–	**–**	–
Jiangsu Yangzijiang Offshore Engineering Co., Ltd.[1][5]	Shipbuilding, production and processing of large-scale steel structures	PRC	**–**	–	**79.6**	79.6	**20.4**	20.4
Jiangsu Tianchen Marine Import and Export Co., Ltd.[4][5]	Facilitating the sale and export of ships for the ship builder and trading of ship related equipment	PRC	**–**	–	**100**	100	**–**	–
Jiangsu Yanghong Marine Import and Export Co., Ltd.[4][5]	Facilitating the sale and export of ships for the ship builder and trading of ship related equipment	PRC	**96.8**	96.8	**100**	100	**–**	–
Jiangsu Tianhong Marine Import and Export Co., Ltd.[4][5]	Facilitating the sale and export of ships for the ship builder and trading of ship related equipment	PRC	**88.5**	88.5	**100**	100	**–**	–
Pleasant Way Analyse Development Limited[5]	Investment holding of shipping entities	BVI	**100**	100	**100**	100	**–**	–
Yangzijiang International Trading Pte. Ltd.[6]	Trading of shipbuilding related materials/supplies	Singapore	**100**	100	**100**	100	**–**	–
Shanghai Huayuan Shipping Co., Ltd.[4][5]	Domestic cargo transportation, cargo storage and offshore, aeronautical and highway international cargo transportation agency services	PRC	**–**	–	**100**	100	**–**	–
Fujian Liyang Shipping Co., Ltd.[4][5]	Domestic cargo transportation, cargo storage and offshore, aeronautical and highway international cargo transportation agency services	PRC	**–**	–	**100**	100	**–**	–
Shanghai Econovo Marine Engineering Co., Ltd.[1][5]	Naval architecture and marine engineering field	PRC	**–**	–	**100**	100	**–**	–
Jiangsu Yangzi Jiasheng Terminal Co., Ltd.[1][5]	Owns and operates a tank terminal	PRC	**–**	–	**100**	100	**–**	–
Jiangsu Jiasheng Gas Co., Ltd.[1][5]	Tank related services	PRC	**–**	–	**100**	100	**–**	–
39 Robinson Road Pte. Ltd.[3]	Holding of investment property	Singapore	**–**	–	**100**	81	**–**	19
Jiangsu Yangxing Property Co., Ltd.[4][5]	Properties development	PRC	**–**	–	**100**	–	**–**	–

42. LISTING OF SIGNIFICANT SUBSIDIARIES IN THE GROUP (CONTINUED)

(1) Audited by Jiangyin Tian Cheng CPAs Co. Limited for statutory purpose.

(2)

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	19	0.11	178	0.00
100 – 1,000	2,082	11.96	1,786,778	0.05
0186 1,001 – 10,000 0,01	(7)036			(7)0.6

Substantial Shareholders

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Ren Yuanlin[1]	–	–	852,845,825	21.6	852,845,825	21.6
Yangzi International Holdings Limited	852,845,825	21.6	–	–	852,845,825	21.6
Julius Baer Trust Company (Singapore) Limited as trustee of YZJ Settlement	–	–	852,845,825	21.6	852,845,825	21.6
Lido Point Investments Ltd	382,302,970	9.7	–	–	382,302,970	9.7
Sapphire Skye Limited as nominee of Zedra Trust Company (Singapore) Limited, which is in turn the trustee of The Lido Trust[2]	–	–	382,302,970	9.7	382,302,970	9.7

(1) Ren Yuanlin (as Settlor of the YZJ Settlement) is deemed to be interested in the shares held through his interest in Yangzi International Holdings Limited, which is wholly-owned by Julius Baer Trust Company (Singapore) Limited as trustee of the YZJ Settlement, by virtue of Section 7 of the Companies Act 1967.

(2) Zedra Trust Company (Singapore) Limited is the professional trustee of The Lido Trust, an irrevocable employee benefit trust set up for the purpose of rewarding employees of the Group. As announced by the Company on 24 December 2021, Mr. Wang Dong, as 100% shareholder of Lido Point Investments Ltd, which held 394,134,000 shares of the Company, transferred all the shares of Lido Point Investments Ltd to the employee benefit trust. The employee benefit trust will be managed and administered by Zedra Trust Company (Singapore) Limited as professional trustees, alongside an employee council comprising of persons selected by the labour union of the Group from time to time. Mr. Wang Dong, Executive Chairman and Group CEO Mr. Ren Letian, and their respective families are not included in the potential beneficiary pool nor will they form part of the aforementioned employee council.

SHAREHOLDING HELD IN PUBLIC HANDS

Approximately 60.741% of the shareholding of the Company is held in the hands of the public as at 18 March 2025 and Rule 723 of the Listing Manual is complied with.

NOTICE IS HEREBY GIVEN that the Nineteenth Annual General Meeting of the Company will be held at Big Picture Theatre, 168 Robinson Road, Level 9 Capital Tower, Singapore 068912 on Tuesday, 29 April 2025 at 3.00 p.m. to transact the following business:–

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors' Statements and the Auditors' Report thereon. **(Resolution 1)**

2. To declare a tax exempt (one-tier) final dividend of S$0.12 per ordinary share in respect of the financial year ended 31 December 2024. **(Resolution 2)**

3. To approve the proposed Directors' fees of S$342,000 for the financial year ended 31 December 2024. (2023: S$342,000) **(Resolution 3)**

4. To re-elect Mr Poh Boon Hu Raymond, who is retiring by rotation pursuant to Regulation 94 of the Company's Constitution. *[See Explanatory Note (a)]* **(Resolution 4)**

5. To re-elect Mr Yee Chia Hsing, who is retiring by rotation pursuant to Regulation 95 of the Company's Constitution. *[See Explanatory Note (b)]* **(Resolution 5)**

6. To re-appoint Messrs PricewaterhouseCoopers LLP as Auditors and to authorise the Directors to fix their remuneration. **(Resolution 6)**

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following as Ordinary Resolutions with or without modifications:

7. **AUTHORITY TO ALLOT AND ISSUE SHARES**

THAT pursuant to Section 161 of the Companies Act 1967 and the listing rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), authority be and is hereby given to the Directors of the Company to:

(a) (i) issue ordinary shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and

(b) issue Shares in pursuance of any Instruments made or granted by the Directors while such authority was in force (notwithstanding that such issue of Shares pursuant to the Instruments may occur after the expiration of the authority contained in this resolution),

provided that:

(1) the aggregate number of the Shares to be issued pursuant to such authority (including the Shares to be issued in pursuance of Instruments made or granted pursuant to such authority), does not exceed 50% of the total number of issued Shares (as calculated in accordance with paragraph (2) below), and provided further that where shareholders of the Company are not given the opportunity to participate in the same on a pro-rata basis, then the Shares to be issued under such circumstances (including the Shares to be issued in pursuance of Instruments made or granted pursuant to such authority) shall not exceed 20% of the total number of issued Shares (as calculated in accordance with paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of

(ii) off-market purchase(s) (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 of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act 1967 ("**Off-Market Purchase**");

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**"),

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of 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

(ii) the date by which the next annual general meeting of the Company is required by law to be held; or

(iii) the date on which the purchases or acquisitions of the Shares pursuant to Share Purchase Mandate are carried out to the full extent mandated.

(c) in this Resolution:

"**Maximum Limit**" means that number of issued Ordinary Shares representing 10% of the total number of the issued Ordinary Shares as at the date of the passing of this Resolution (excluding the Ordinary Shares held in treasury and subsidiary holdings as at that date);

"**Maximum Price**", in relation to an Ordinary Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed:–

(i) in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter); and

(ii) in the case of an Off-Market Purchase, 120% of Average Closing Price (as defined hereinafter), pursuant to an equal access scheme;

"**Average Closing Price**" means the average of the closing market prices of a Share for the five (5) consecutive Market Days on which the Shares are transacted on the SGX-ST immediately preceding the date of Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted in accordance with the Listing Rules for any corporate action which occurs after the relevant five (5) Market Days;

"**date of the making of the offer**" means the date on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase 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 of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution. *[See Explanatory Note (d)]* **(Resolution 8)**

9. To transact any other business which may be properly transacted at an Annual General Meeting.

By Order of the Board

Lee Wei Hsiung
Company Secretary
8 April 2025
Singapore**Trilentepa25**

NOTES:

1. Members of the Company are invited to attend physically at the forthcoming Annual General Meeting ("**AGM**"). There will be no option for members to participate virtually. This Notice of AGM and the proxy form will be published on the Company's website at URL www.yzjship.com and on SGXNet at the URL https://www.sgx.com/securities/company-announcements. For convenience, printed copies of this Notice of AGM and the proxy form ("**Proxy Form**") will also be sent by post to members. Printed copies of the Annual Report will not be sent to shareholders. Shareholders who wish to receive a printed copy of the Annual Report should request the same via email to yangzijiang.sg@yzjship.com.

2. Members (including Central Provident Fund Investment Scheme investors ("**CPFIS Investors**") and/or Supplementary Retirement Scheme investors ("**SRS Investors**")) may participate in the AGM by:

   (a) attending the AGM in person;

   (b) raising questions at the AGM or submitting questions in advance of the AGM; and/or

   (c) voting at the AGM

      (i) themselves personally; or

      (ii) through their duly appointed proxy(ies).

   CPFIS Investors and SRS Investors who wish to appoint the Chairman of the AGM (and not third-party proxy(ies)) as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 3.00 p.m. on 16 April 2025, being seven (7) working days prior to the date of the AGM.

3. A Depositor (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore) shall not be regarded as a member of the Company entitled to attend the AGM and to speak and vote thereat unless his name appears on the Depository Register at least 72 hours before the AGM. Depositors who are individuals and who wish to attend the AGM in person need not take any further action and can attend and vote at the AGM without the lodgement of any Proxy Form.

4. Please bring along your NRIC/passport so as to enable the Company to verify your identity. Members are requested to arrive early to facilitate the registration process and are advised not to attend the AGM if they are feeling unwell. Members are strongly encouraged to exercise social responsibility to rest at home and consider appoint a proxy(ies) to attend the Meeting. We encourage members to mask up when attending the AGM.

5. Question and answer

   Investors holding shares through relevant intermediaries (other than CPF/SRS investors) who wish to participate in the AGM by (a) attending the AGM in person; (b) submitting questions to the Company in advance of, or at, the AGM; and/or (c) voting at the AGM, should contact the relevant intermediary through which they hold such Shares as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.

   Shareholders, including CPF and SRS investors are also encouraged to submit questions related to the resolutions to be tabled for approval at the AGM in advance of the AGM and must take the following manner no later than seven (7) working days in advance of the AGM (i.e. by 3.00 p.m. on 16 April 2025):

   (a) By e-mail to kamal@financialpr.com.sg/zhouyan@financialpr.com.sg; or

   (b) If submitted by post, to be deposited at the: 9 Raffles Place, #29-03, Republic Plaza Singapore 048619 (Attn: Yangzijiang IR team)

   Shareholders whos so 5-;0.5 (e)0.5 areholceld6dc(t)0.5 (e)0.5 et0.5 (n)0.5 (ge6.5 (p)m5 (I)0.6 (R)fs 5-;0.5 (e)0.5)0..5 -v3ns 5-;0.5 (e)0.5 nanRet theh.g6(m)0.5 (u

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8. Appointment of Proxy(ies)

Shareholder who is not a relevant intermediary (as defined in Section 181 of the Companies Act 1967) is entitled to appoint not more than two proxies. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument. 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 AGM (i.e. by 3.00 p.m. on 26 April 2025) ("**proxy form cut-off date/time**") in the following manner:

(a) By Post: To be deposited at the registered office of the Company at 36 Robinson Road, #20-01 City House, Singapore 068877; or

(b) By e-mail: To be emailed to yangzijiang.sg@yzjship.com (Attn: Yangzijiang Team).

9. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, 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 two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

10. Persons who hold shares through relevant intermediaries

(a) Persons who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act 1967), other than those investors who holds shares under the Central Provident Fund Investment Scheme ("**CPF Investor**") and/or the Supplementary Retirement Scheme ("**SRS Investor**"), and who wish to participate in the AGM by (i) attending the AGM; (ii) submitting questions in advance of the AGM; and/or (iii) voting at the AGM, should contaterec/e0.5 .5 (M)0.5 (b)0.5 (ySeg6(i)0.5 (i)0.5 (i)0.5 s0.5 (s)0.5 (w50.5 (h)0.5 (o)0.6 (h)0.5 (o)0.6 (l)0.5 (/TT0 1 Tfh.5 (i)0.5 (i).6

YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.
(Company Registration number: 200517636Z)
(Incorporated in the Republic of Singapore)

LETTER TO SHAREHOLDERS

Directors:

Mr Ren Letian (Executive Chairman and Chief Executive Officer)
Ms Liu Hua (Non-Independent Non-Executive Director)
Mr Yee Kee Shian, Leon (Lead Independent Non-Executive Director)
Mr Poh Boon Hu Raymond (Independent Non-Executive Director)
Mr Yee Chia Hsing (Independent Non-Executive Director)

Registered Office:

36 Robinson Road,
#20-01 City House
Singapore 068877

4 April 2025

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

Dear Sir/Madam

THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

1. Introduction

1.1 Yangzijiang Shipbuilding (Holdings) Ltd. (the "**Company**") proposes to seek the approval of shareholders of the Company (the "**Shareholders**") at the Nineteenth Annual General Meeting of the Company (the "**19th AGM**")

1.4 The Shareholders had at the extraordinary general meeting of the Company ("**EGM**") held on 25 April 2008, approved the Share Purchase Mandate (the "**2008 Mandate**") for the Directors to exercise all the powers of the Company to purchase or acquire up to 10% of the issued ordinary share capital of the Company (excluding treasury shares and subsidiary holdings) on the terms of that mandate. The Share Purchase Mandate was renewed at the I(0)0.5 e 0.14 Tw [")0.5.6 (e)0.5 (S)S 24eld on 25 April 2024 with such mandate taking effect until the

1.5

While the Share Purchase Mandate would authorise a purchase or acquisition of Shares up to the said 10% limit during the duration referred to in paragraph 3.2 below, Shareholders should note that the Share Purchase Mandate may not be exercised to the full extent authorised. Purchases or acquisitions of Shares pursuant to the Share Purchase Mandate would be made only as and when the Directors consider it to be in the best interests of the Company and in circumstances which they believe will not result in any material adverse effect to the financial position of the Company or the Group, or result in the Company being delisted from the SGX-ST. The Directors will use their best efforts to ensure that after a purchase or acquisition of Shares pursuant to the Share Purchase Mandate, the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of the Shares on the SGX-ST.

3. Authority and Limits on the Share Purchase Mandate

The authority and limitations placed on share purchases or acquisitions of Shares by the Company under the proposed Share Purchase Mandate, are similar in terms to those previously approved by Shareholders, and are summarised below:

3.1 Maximum Number of Shares

3.2 Duration of Authority

Purchases or acquisitions of Shares pursuant to the proposed Share Purchase Mandate may be made, at any

Pursuant to the Listing Manual, if the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will issue an offer document to all Shareholders containing 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 purchase or acquisition of Shares;

(d) the consequences, if any, of the purchases or acquisitions of Shares by the Company that will arise under the Singapore Code on Take-over and Mergers (the "**Take-over Code**") or other applicable take-over rules;

(e) whether the purchase or acquisition of Shares, if made, would have any effect on the listing of the Shares on the SGX-ST;

(f) details of any purchase or acquisition of Shares made by the Company in the previous twelve (12) months (whether through Market P0.5 (r)56 (e)0.5 (t)0.5 Sriterroughher t50.5 (e)0.5 (d)0.5 (p)05 (d)0.over Cod (,)0.5 g(

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

"**Market Day**" means a day on which the SGX-ST is open for trading in securities.

3.5 Status of Purchased Shares

Under Section 76B of the Companies Act, Shares purchased or acquired by the Company are deemed 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. Accordingly, the total number of

3.6.3 Disposal and Cancellation

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

(a) sell the treasury shares for cash;

(b) transfer the treasury shares for the purposes of or pursuant to an employees' share scheme;

(c)

APPENDIX

The notification of such purchase or acquisition of Shares to the SGX-ST shall be in the form of Appendix 8.3.1 to the Listing Manual and shall comprise such details as the SGX-ST may prescribe, including, *inter alia*, details of the date of the purchase, 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 (as applicable), the total consideration (including stamp duties and clearing charges) paid or payable for the Shares, the number of Shares purchased as at the date of announcement (on a cumulative basis), the number of issued Shares excluding treasury shares and subsidiary holdings after the purchase, the number of treasury shares held after the purchase and the number of subsidiary holdings after the purchase.

The Company shall make arrangements with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications to the SGX-ST.

5. Source of Funds

The Company may only apply funds for the purchase or acquisition of its Shares as provided in the Constitution and in accordance with the applicable laws in Singapore. The Company may not purchase its Shares for a consideration other than in cash or, in the case of a Market Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST.

The Companies Act permits the Company to purchase or acquire its own Shares out of capital, as well as from its distributable profits, so long as the Company is solvent. Under the Companies Act, it is an offence for a director or chief executive officer of a company to approve or authorise the purchase or acquisition of shares, knowing that the company is not solvent.

For this purpose, pursuant to the Companies Act, a company is solvent:

(a) if there is no ground on which the company could be found to be unable to pay its debts;

(b) if:

  (i) it is intended to commence winding up of the company within the period of twelve (12) months immediately after the date of the payment, the company will be able to pay its debts in full within the period of twelve (12) months after the date of commencement of the winding up; or

  (ii) it is not int0.5 (n)nded so to commence winding up, the company will be able to pay its debts as they fall due during the period of twelve (12) months immediately after the date of the payment; and

(c) if 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).

Apart from using its internal sources of funds, the Company may obtain or incur borrowings to finance its purchase or acquisition of Shares.

6. Financial Effects

It is not possible for the Company to realistically calculate or quantify the financial impact of purchases or acquisitions of Shares that may be made pursuant to the Share Purchase Mandate as the resultant effect would depend on, *inter alia*, the aggregate number of Shares purchased or acquired, whether the purchase

APPENDIX

For illustrative purposes only and based on the assumptions set out in sub-paragraphs (a), (b) and (c) above and assuming that (i) the purchase or acquisition of Shares is financed solely by internal sources of funds; (ii) the Share Purchase Mandate had been effective on 31 December 2024; and (iii) the Company had on 31 December 2024 purchased or acquired 395,058,922 Shares, representing 10% of its total number of issued Shares at the Latest Practicable Date (excluding treasury shares and subsidiary holdings), the financial effects of the purchase or acquisition of 395,058,922 Shares by the Company pursuant to the Share Purchase Mandate:

(1) by way of purchases made entirely out of capital and held as treasury shares; and

(2) by way of purchases made entirely out of capital and cancelled,

on the audited financial statements of the Company and the Group for the financial year ended 31 December 2024 are set out below:

(1) Purchases made entirely out of capital and held as treasury shares

(A) Market Purchases

	Group		Company	
	Before Share Purchase RMB'000	**After Share Purchase RMB'000**	**Before Share Purchase RMB'000**	**After Share Purchase RMB'000**
As at 31 December 2024				
Issued capital and reserves	26,405,705	26,251,819	21,562,433	21,408,547
Treasury shares	(127,753)	(5,257,283)	(127,753)	(5,257,283)
Total shareholders' equity	26,277,952	20,994,536	21,434,680	16,151,264
NTA (excl. non-controlling interests)	26,277,952	20,994,536	21,434,680	16,151,264
Profit after taxation and minority interest	6,633,616	6,479,730	5,075,090	4,921,204
Net debt	Net Cash	Net Cash	Net Cash	5,014,087
Number of Shares (excluding treasury shares) ('000)	3,950,589	3,555,530	3,950,589	3,555,530
Treasury shares ('000)	23,488	418,547	23,488	418,547
Financial Ratios				
NTA per share (cents)	665.17	590.48	542.57	454.26
Gross debt gearing (%)	25.88	56.82	–	31.76
Net debt gearing (%)	Net Cash	Net Cash	Net Cash	31.04
Current ratio (times)	1.69	1.40	6.04	1.11
Earnings before interest, tax, depreciation and amortisation divided by interest expenses (times)	73.78	32.14	1,737,332.85	33.87
Basic EPS (cents)				
(before exceptional items)	167.91	182.24	128.46	138.41
(after exceptional items)	167.91	182.24	128.46	138.41
Return on equity (%)	25.24	30.86	23.68	30.47

(B) Off-Market Purchases

	Group		Company	
	Before Share Purchase RMB'000	**After Share Purchase RMB'000**	**Before Share Purchase RMB'000**	**After Share Purchase RMB'000**
As at 31 December 2024				
Issued capital and reserves	26,405,705	26,229,808	21,562,433	21,386,536
Treasury shares	(127,753)	(5,990,974)	(127,753)	(5,990,974)
Total shareholders' equity	26,277,952	20,238,834	21,434,680	15,395,562
NTA (excl. non-controlling interests)	26,277,952	20,238,834	21,434,680	15,395,562
Profit after taxation and minority interest	6,633,616	6,457,719	5,075,090	4,899,193
Net debt	Net Cash	Net Cash	Net Cash	5,747,778
Number of Shares (excluding treasury shares) ('000)	3,950,589	3,555,530	3,950,589	3,555,530
Treasury shares ('000)	23,488	418,547	23,488	418,547
Financial Ratios				
NTA per share (cents)	665.17	569.22	542.57	433.00
Gross debt gearing (%)	25.88	62.57	–	38.08
Net debt gearing (%)	Net Cash	Net Cash	Net Cash	37.33
Current ratio (times)	1.69	1.36	6.04	0.99
Earnings before interest, tax, depreciation and amortisation divided by interest expenses (times)	73.78	29.74	1,737,332.85	29.63
Basic EPS (cents)				
(before exceptional items)	167.91	181.62	128.46	137.79
(after exceptional items)	167.91	181.62	128.46	137.79
Return on equity (%)	25.24	31.91	23.68	31.82

APPENDIX

(2) Purchases made entirely out of capital and cancelled

(A) Market Purchases

	Group		Company	
	Before Share Purchase RMB'000	**After Share Purchase RMB'000**	**Before Share Purchase RMB'000**	**After Share Purchase RMB'000**
As at 31 December 2024				
Issued capital and reserves/Total shareholders' equity	26,277,952	20,994,536	21,434,680	16,151,264
NTA (excl. non-controlling interests)	26,277,952	20,994,536	21,434,680	16,151,264
Profit after taxation and minority interest	6,633,616	6,479,730	5,075,090	4,921,204
Net debt	Net Cash	Net Cash	Net Cash	5,014,087
Number of Shares ('000)	3,950,589	3,555,530	3,950,589	3,555,530
Treasury shares ('000)	23,488	418,547	23,488	418,547
Financial Ratios				
NTA per share (cents)	665.17	590.48	542.57	454.26
Gross debt gearing (%)	25.88	56.82	–	31.76
Net debt gearing (%)	Net Cash	Net Cash	Net Cash	31.04
Current ratio (times)	1.69	1.40	6.04	1.11
Earnings before interest, tax, depreciation and amortisation divided by interest expenses (times)	73.78	32.14	1,737,332.85	33.87
Basic EPS (cents)				
(before exceptional items)	167.91	182.24	128.46	138.41
(after exceptional items)	167.91	182.24	128.46	138.41
Return on equity (%)	25.24	30.86	23.68	30.47

(B) Off-Market Purchases

	Group		Company	
	Before Share Purchase RMB'000	**After Share Purchase RMB'000**	**Before Share Purchase RMB'000**	**After Share Purchase RMB'000**
As at 31 December 2024				
Issued capital and reserves/Total shareholders' equity	26,277,952	20,238,834	21,434,680	15,395,562
NTA (excl. non-controlling interests)	26,277,952	20,238,834	21,434,680	15,395,562
Profit after taxation and minority interest	6,633,616	6,457,719	5,075,090	4,899,193
Net debt	Net Cash	Net Cash	Net Cash	5,747,778
Number of Shares (excluding treasury shares) ('000)	3,950,589	3,555,530	3,950,589	3,555,530
Treasury shares ('000)	238,457	238,457		

Ratios

NTA per share (cents)	665.17	569.22	542.57	433.00
				Gross debt gearing (%
				Net debt gearing (%)
				Current ratio (times)
				Earnings before intere depreciation and am by interest expenses
Basic EPS (cents)				
(before exceptional items)	167.91	181.62	128.46	137.79
				(after exceptional item

7. Take-over Implications

Appendix 2 of the Take-over Code contains the Share Buyback 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.

7.1 Obligation to make a Take-over Offer

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and person(s) acting in concert with him increases to 30% or more, or, if the Shareholder and person(s) acting in concert with him holds between 30% and 50% of the Company's voting capital, would increase by more than 1% in any six (6) months' period, such Shareholder or group of Shareholders acting in concert would be obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code.

7.2 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 such company.

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

(a) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the foregoing companies, any companies whose associated companies include any of the foregoing

(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 foregoing persons, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing persons and/or entities for the purchase of voting rights.

The circumstances under which the Shareholders (including the 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 purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Takeover Code.

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

In general terms, the effect of Rule 14 and Appendix 2 is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 if, as a result of the Company purchasing or acquiring its Shares:

(a) the voting rights of such Directors and their concert parties would increase to 30% or more; or

(b) if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six (6) months.

In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares and subsidiary holdings shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder who is not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the Share Purchase Mandate Renewal Resolution.

Based solely on the interests of the Substantial Shareholders (as defined in Paragraph 8 below) as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date, none of the Substantial Shareholders will become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase by the Company of the maximum limit of 10% of its issued Shares as at the Latest Practicable Date.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of any purchase or acquisition of Shares by the Company should consult

8. Listing Rules

10. Directors' and Substantial Shareholders' Interests

10.1 Directors' Interests

The interests of the Directors in the Shares as recorded in the Register of Directors' Shareholdings as at the Latest Practicable Date are set out below:

	Number of Shares	
Director	**Direct Interest**	**Deemed Interest**
Ren Letian[(1)]	–	165,797,370
Liu Hua	–	–
Yee Kee Shian, Leon	–	–
Poh Boon Hu Raymond	–	–
Yee Chia Hsing	–	–

10.2 Substantial Shareholders' Interests

The interests of the Substantial Shareholders of the Company in the Shares as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date are set out below:

	Number of Shares		Total Percentage
Substantial Shareholders	**Direct Interest**	**Deemed Interest**	**Interest (%)**[(2)]

11. Directors' Recommendations

The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interest of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the Share Purchase Mandate Renewal Resolution as set out in the Notice of the 19th AGM.

12. Annual General Meeting

The 19th AGM, notice of which is set out on pages 157 to 162 of the Notice of 19th AGM attached to the Annual Report 2024 of the Company, will be held on Tuesday, 29 April 2025 at 3.00 p.m. at Big Picture Theatre, 168 Robinson Road, Level 9 Capital Tower, Singapore 068912 for the purpose of, *inter alia*, considering and, if thought fit, passing the Share Purchase Mandate Renewal Resolution as set out in the Notice of the 19th AGM.

13. Action To Be Taken By Shareholders

Shareholders' approval for the proposed renewal of the Share Purchase Mandate is sought at the AGM. The resolution relating to the proposed renewal of the Share Purchase Mandate is contained in the Notice of AGM as ordinary resolution 8.

If a Shareholder is unable to attend the AGM and wishes to appoint a proxy to attend and vote on its behalf, that Shareholder should complete, sign and return the Proxy Form attached to the Annual Report in accordance with the instructions printed thereon.

The completion and lodgement of a Proxy Form by a Shareholder does not preclude that Shareholder from attending and voting in person at the AGM if it so wishes.

14. Directors' Responsibility Statement

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of Share Purchase 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 Appendix misleading. Where information in the Appendix 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

16. Documents Available for Inspection

The following documents may be inspected at the registered office of the Company at 36 Robinson Road, #20-01 City House, Singapore 068877 during normal business hours from the date hereof up to and including the date of the 19th AGM:

(a) the Constitution; and

(b) the audited consolidated financial statements of the Group for the financial year ended 31 December 2024.

Yours faithfully,
For and on behalf of the Board of Directors of
YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.

Ren Letian
Executive Chairman and Chief Executive Officer

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Proxy Form

Yangzijiang Shipbuilding (Holdings) Ltd.

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

IMPORTANT:

1. The Annual General Meeting of the Company will be held physically with no option for members to participate virtually. Printed copies of this Proxy Form and Notice of AGM will be sent to members.
2. Central Provident Fund Investment Scheme ("**CPFIS**") and/or Supplementary Retirement Scheme ("**SRS**") investors who hold shares through CPF Agent Banks/SRS Operators:
   (a) may vote at the AGM if they 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
   (b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should contact their CPF Agent Banks/SRS Operators to submit their votes not less than seven (7) working days before the AGM (i.e. by 3 p.m. on 16 April 2025).
3. Investors holding shares of the Company ("**Shares**") through Relevant Intermediaries (other than CPFIS/SRS investors) and who wish to participate in the AGM by (a) attending the AGM in person; (b) submitting questions to the Company in advance of, or at, the AGM; and/or (c) voting at the AGM, should contact the relevant intermediary through which they hold such Shares as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.
4. 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.
5. By submitting this Proxy Form, a member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 8 April 2025.
6. 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 AGM.

I/We _____ (name) _____ (NRIC/Passport No.)

of _____ (address)
being a member/members of Yangzijiang Shipbuilding (Holdings) Ltd. (the "**Company**"), hereby appoint

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

*and/or (delete as appropriate)

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

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting, as *my/our proxy to attend and to vote for *me/us on *my/our behalf at the Annual General Meeting ("**AGM**") of the Company to be held at Big Picture Theatre, 168 Robinson Road, Level 9 Capital Tower, Singapore 068912 on Tuesday, 29 April 2025 at 3.00 p.m. and at any adjournment thereof. *I/We direct my/our proxy/proxies to vote for or against or abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder.

IMPORTANT NOTES

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), 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

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CORPORATE INFORMATION

REN LETIAN
Executive Chairman and Chief Executive Officer

YEE KEE SHIAN, LEON
Lead Independent Director

YEE CHIA HSING
Independent, Non-Executive Director

POH BOON HU RAYMOND
Independent, Non-Executive Director

LIU HUA
Non-Independent, Non-Executive Director

LEE WEI HSIUNG

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East Tower, Level 12
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Partner-in-charge:
DANIEL KHOO
(Appointed since Financial Year ended
31 December 2022)