



Yangzijiang Shipbuilding (Holdings) Ltd.  
扬子江船业(控股)有限公司



# STAYING THE COURSE, DELIVERING VALUE

ANNUAL REPORT 2025

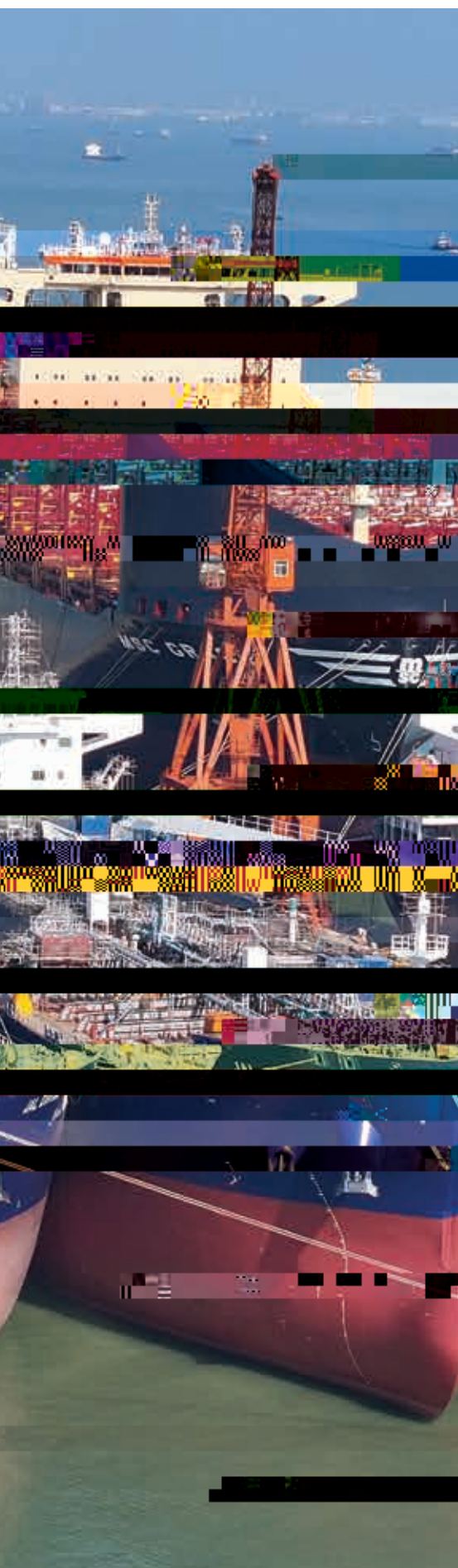


# CORPORATE PROFILE

**WE ARE ONE OF THE LARGEST  
PUBLICLY LISTED  
SHIPBUILDING COMPANIES  
IN CHINA; EN ROUTE TO  
WORLD-CLASS EXCELLENCE**

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.  
("YAMI Yard")
- Jiangsu Yangzi Hongyuan Shipbuilding Co., Ltd.  
("Hongyuan Yard") (under construction)



**REVENUE\*** (RMB'MILLION)

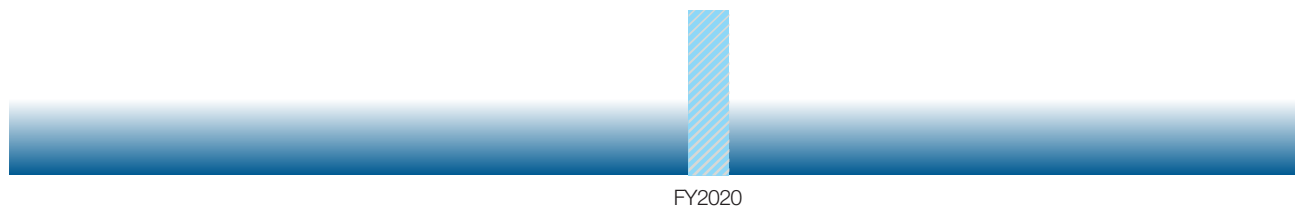
15,354 16,014 15,089 19,206 23,238 23,597 14,841 15,137 20,705 24,112



\* Revenue from FY2021 onwards relate to revenue from continuing operations only

**NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS** (RMB'MILLION)

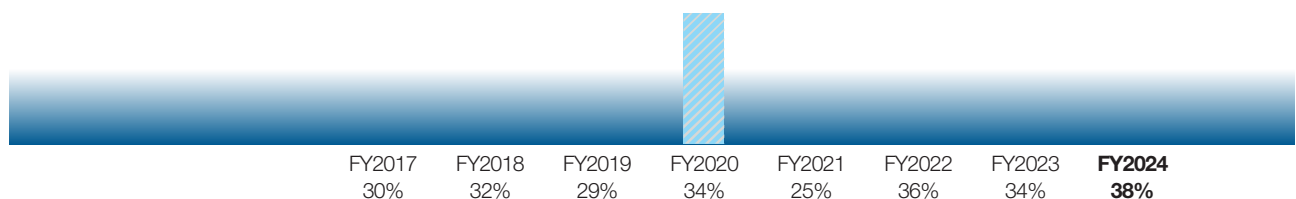
2,516



\* Net profit attributable to shareholders for FY2021 and FY2022 relate to profit from both continuing operations and discontinued operations

**DIVIDEND** (SINGAPORE DOLLARS)/DIVIDEND PAYOUT RATIO (%)

4.5 5.0 4.5 4.5 5.0 5.0 6.5 **12.0**



FINANCIAL  
HIGHLIGHTS

	2025 RMB'000	2024 RMB'000	2023 RMB'000	2022 RMB'000	2021 RMB'000
<b>RESULTS</b>					
Revenue	<b>28,504,820</b>	26,541,716	24,112,330	20,705,076	15,137,154
Gross profit	<b>9,760,973</b>	7,608,147	5,410,253	3,197,198	2,084,327
Other income	<b>953,154</b>	794,178	577,891	454,626	436,344
Other gains/(losses)	<b>51,652</b>	161,490	(328,184)	233,110	958,719
Net profit from continuing operations	<b>8,637,076</b>	6,633,616	4,101,548	2,612,904	1,971,192
Net profit from discontinued operations	<b>-</b>	-	-	194,576	1,727,440
Net profit attributable to shareholders	<b>8,637,076</b>	6,633,616	4,101,548	2,807,480	3,698,632
Basic EPS (RMB cents)	<b>219.23</b>	167.91	103.82	71.25	95.79

<b>FINANCIAL POSITION</b>					
Total assets	<b>58,333,847</b>	54,556,325	40,864,327	32,967,103	51,612,264
Shareholders' equity	<b>32,141,914</b>	26,277,952	20,940,553	17,573,131	35,923,416
Cash and cash equivalents	<b>20,075,701</b>	28,119,740	16,560,685	10,778,393	12,363,193
Net asset value per ordinary shares (RMB cents)	<b>816.70</b>	665.17	530.06	444.82	915.62

<b>MARKET CAPITALISATION AT PERIOD END</b>					
Dividends (Singapore dollar)	<b>0.200</b>	0.120	0.065	0.05	0.05
Share price at Period End (Singapore dollar)	<b>3.480</b>	2.990	1.490	1.360	1.340
Payout ratio	<b>50%</b>	38%	34%	36%	25%
P/E	<b>8.66</b>	9.48	7.72	9.89	6.71
P/B	<b>2.33</b>	2.39	1.51	1.58	0.69
Dividend yield	<b>5.75%</b>	4.01%	4.36%	3.68%	3.73%
No. of shares ('000)	<b>3,935,589</b>	3,950,589	3,950,589	3,950,589	3,923,414





## STAYING THE COURSE IN A DYNAMIC MARKET ENVIRONMENT

Staying focused amid market volatility, the Group delivered record profitability, supported by disciplined execution and operational excellence.



## DEAR SHAREHOLDERS,

### STAYING THE COURSE IN TURBULENT WATERS

2025 was a challenging year for the global maritime economy, where heightened geopolitical uncertainties, evolving trade policies, and regulatory pressures tested the resilience of the industry worldwide. Notwithstanding these headwinds, Yangzijiang Shipbuilding delivered a solid financial performance, achieving record high revenue and profitability. This strong performance is a testament to our disciplined execution and commitment to quality production, positioning Yangzijiang Shipbuilding to further strengthen our orderbook visibility.

### RECORD HIGH REVENUE AND PROFITABILITY

During the year, our total outstanding orderbook stood at S\$22.4 billion, comprising 245 vessels scheduled for delivery between 2026 to 2030. Notably, green vessels accounted for 71% of the total orderbook value, underscoring our strategic focus on energy efficiency vessels in support of the industry's transition to maritime decarbonisation. At the same time, we delivered a total of 56 vessels, including 11 vessels delivered via

At the same time, we delivered a total of 56 vessels, including 11 vessels delivered via

CHAIRMAN'S  
STATEMENT**STRENGTHENING OUR CORE**

The global maritime industry continues to navigate an environment marked by volatility and uncertainty. In the first half of the year, tariff measures introduced renewed headwinds to global trade flows, delaying shipowners' ordering decisions. Despite these near-term disruptions, market sentiment gradually improved in the second half of 2025 with order momentum picking up. This positive momentum is expected to continue

into 2026, supported by ongoing fleet renewal needs and growing demand for green vessels amid the global decarbonisation push.

Against this backdrop, Yangzijiang Shipbuilding remains focused on strengthening our core capabilities and investing in long-term capacity expansion. Construction of the Hongyuan yard remains on track for completion by end 2026, with preliminary shipbuilding activities such as steel fabrication having

already commenced in early 2026. The first vessel delivery from the yard is expected to be in 2027.

With shipyard capacity largely committed after the second half of 2029, we will continue to pursue new orders on a disciplined, market-oriented basis. We have set a 2026 order-win target of S\$4.5 billion, focusing on securing the remaining delivery slots in 2029 while progressively opening delivery positions for 2030.



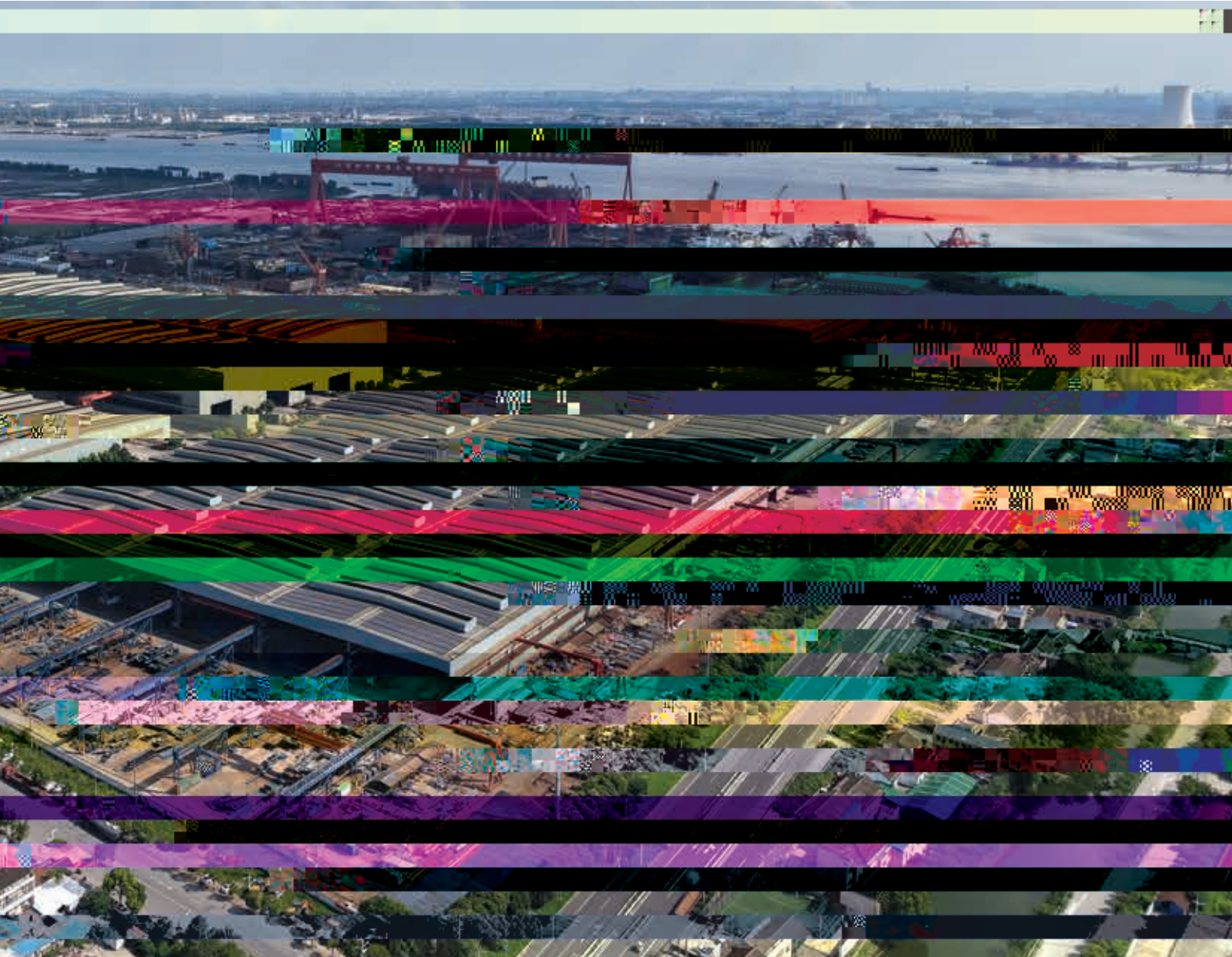
## REMAINING AGILE AMID MARKET VOLATILITY

The Baltic Exchange Dry Index (“**BDI**”) remained volatile in 2025, averaging 1,681 points for the full year<sup>1</sup>, reflecting evolving trade patterns and shifting supply demand dynamics. Despite these challenges, we remain focused on maintaining our fleet scale. Through selective acquisitions and disposals, we continue to strengthen asset quality and ensure alignment with evolving



<sup>1</sup> Bloomberg data

<sup>2</sup> Calculated based on NY/SGD of 0.1832 as of 31 December 2025.

CHAIRMAN'S  
STATEMENT

As we turn the page to the next chapter, we remain steadfast in our commitment to sharpening our competitive edge. Our strategic priorities remain centered on expanding our capabilities and advancing innovation in energy efficiency vessels, paving the way toward a low-carbon future. Backed

by a robust orderbook and a clear vision, we will navigate the evolving maritime landscape with confidence and continue delivering sustainable value to our shareholders.

Thank you for your continued support and confidence in Yangzijiang Shipbuilding.

**REN LETIAN**

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

# CORPORATE MILESTONES

## 2007

- Successful listing on SGX
- Launched New Yangzi Yard

## 2008

- Expanded shipyard by 1 million square meters

## 2009

- Awarded runner-up for Most Transparent Company (Foreign Listing category) at SIAS Investors Choice Awards 2009

## 2010

- First Chinese-majority owned company listed on Taiwan Stock Exchange
- Largest and most profitable S-chip company listed on SGX

## 2011

- Awarded Most Transparent Company Award 2011 (Foreign Listing category) at SIAS Investors Choice Awards 2011
- Launched the first Chinese-built ship with a Groot cross-bow
- First Chinese yard to receive orders for 10,000TE containership vessels

## 2012

- Executive Chairman, Mr Ren Yuanlin, was voted by Lloyd's List as one of the top 100 most influential personalities in the shipping industry
- Awarded Most Transparent Company Award 2012 (Foreign Listing category) at SIAS Investor Choice Awards 2012
- New vessel designs, such as 45,000DWT, 46,500DWT, and 8,500DWT vessels, were awarded "New-High-Technology" certifications by the Jiangsu Provincial Technology Board in 2012

## 2013

- Launched China's first ever 10,000TE containership in September 2013
- First company to trade its shares in RMB on SGX, in addition to its existing SGD counter on SGX dual-currency trading platform
- Completed the placement of 330,000,000 warrants at an issue price of RMB0.3072 (S\$0.0605) for each warrant, with each warrant carrying the right to subscribe for one (1) new share in the capital of the company at the price of RMB7.617

## 2014

- Yangzi Xinfu Yard became fully operational and successfully delivered six (6) 10,000TE containerships
- Won orders of its four (4) largest ever 260,000DWT Very Large Ore Carriers ("VLOC") from its first Australian customer
- New Yangzi Yard was qualified as a High/New Technology Enterprise and was entitled to a preferential corporate income tax rate of 15% for three years from 2013

## 2015

- Diversified shipbuilding product mix to LNG carriers with orders worth S\$135 million
- Re-entered STI index from 21 September 2015
- Awarded Gold at PR Awards 2015 for Best IR Campaign in March 2015
- Awarded prestigious Shipbuilding & Repair Yard Award at Seatrade Maritime Awards Asia 2015 in November 2015

## 2016

- Successfully delivered its first 260,000DWT VLO which was the largest ever in terms of deadweight tonnage
- Awarded new shipbuilding orders for six (6) 400,000DWT VLOs by I B Leasing, marking a rare case where a Chinese state-owned shipowner placed orders with a non-state-owned shipyard

## 2017

- Successfully delivered its first Liquefied Natural Gas ("LNG") carrier
- Successfully delivered its largest 11,800TE containerships
- Successfully launched the first batch of 400,000DWT VLO which was the largest dry bulk carriers in the world
- Yangzi Xinfu Yard was qualified as a High/New Technology Enterprise and was entitled to a preferential corporate income tax rate of 15% for three years from 2016

## 2018

- Successfully delivered the first batch of 400,000DWT VLO
- Joint-ventured with the prominent Japanese shipbuilding yard, Mitsui E&S Shipbuilding Co., Ltd. and Mitsui & Co., Ltd. to establish a shipbuilding joint venture in Taicang, Jiangsu Province

## 2019

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

CORPORATE  
MILESTONES

## 2020

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

## 2021

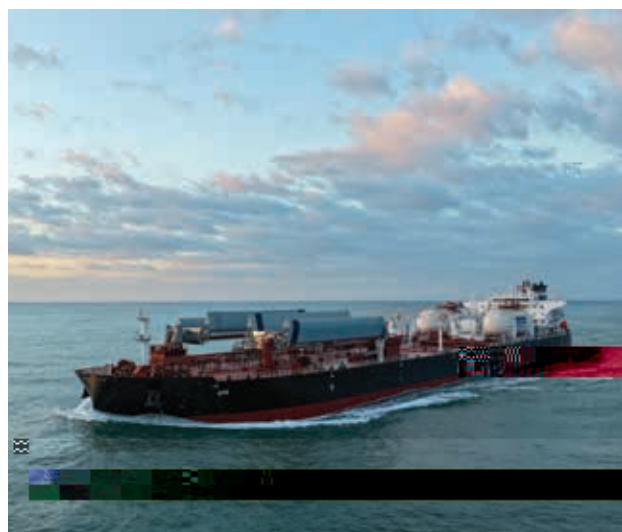
- Achieved record order-wins of S\$7.41 billion for 124 vessels
- Completed the acquisition of remaining 20% stake in Jiangsu Yangzi Xinfu Shipbuilding Co., Ltd., which owns one of the Group's largest dock facilities
- Won its first batch of orders for 40,000 BM Liquefied Petroleum Gas ("LPG") carriers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

## 2022

- Completed the spin-off of its investment business on SGX Mainboard in April 2022
- Built a record number of vessels of 71 units in 2022, of which 67 units were delivered to customers and 4 units were added to own fleet
- Won its first-ever orders of four (4) 8,000TEU LNG dual-fuel containerships that carry the GTT Mark III technology and equipped with an ammonia-ready fuel tank in July 2022
- Entered a Technical Assistance and License Agreement ("TALA") with GTT, a technological expert in membrane containment systems in September 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 YAMI 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

## 2023

- 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 40,000 BM LPG carriers with ammonia-ready technology
- New Yangzi Yard, Yangzi Xinfu Yard, and YAMI Yard were honoured "Green and Smart Factory" status
- Introduced 2030 sustainability checkpoint of achieving a 25% reduction in carbon intensity compared to 2023

## 2024

- Repositioned YAMI Yard to focus on high-end gas carrier construction. Profit contribution from YAMI more than doubled in the year
- Launched Project Hongyuan, a new world-class clean energy ship manufacturing base adjacent to Xinfu Yard, which is expected to commission by end-2026
- Commenced full construction of the LNG terminal project, including terminal conversion and LNG storage facilities construction
- Delivered the maiden 1,260TEU methanol dual-fuel containership in May 2024
- Completed the first batch of 40,000 BM LPG/LAG dual-fuel carriers in September 2024
- Delivered the first 16,000TEU LNG dual-fuel containership in October 2024
- Awarded the "Highest Returns to Shareholders Over Three (3) Years" at the Edge Singapore Billion Dollar Club 2024

## 2025

- Completed the acquisition of a 34% equity interest in Tsuneishi Group (Zhoushan) Shipbuilding Co., Ltd., combining the strengths of both groups in research and development, shipbuilding and supply chain capabilities to maximise synergies and achieve complementary benefits
- Delivered the maiden batch of three 36,000m<sup>3</sup> dual-fuel LEG carriers from YAMI Yard in October 2025, reflecting further progress in high-end gas carrier construction capability.
- Awarded the "Highest Returns to Shareholders Over Three (3) Years" in the Industrials category at *The Edge Singapore Billion Dollar Club 2025*





## POSITIONING FOR SUSTAINABLE GROWTH

Through continued investment in capacity expansion and advanced vessel capabilities, we are positioning the Group for sustained growth in a decarbonising maritime industry.



**REN LETIAN**

Executive Chairman and  
Chief Executive Officer,  
Chairman of ESG Committee

Mr. Ren Letian was appointed as Executive Chairman of the company on 30 April 2020 and the Chief Executive Officer of the Group on 1 May 2015.

Mr. Ren Letian joined the Group as a site project manager in year 2006. Since then, he has assumed several managerial roles at various levels and business divisions in the Group, and gained in-depth knowledge of the operations of the Group.

Under the management of Mr. Ren Letian, the Group’s Yangzi Xinfu Yard had successfully delivered 6 vessels of 10,000TEU containerships in 2014 despite numerous challenges faced by the Yangzi Xinfu Yard which only turned operational in 2013. In addition, in 2022, the company clinched its first-ever orders of four (4) 8,000TEU LNG dual-fuel containerships that carry the GTT Mark III technology and equipped with an ammonia-ready fuel tank. He has also received several recognitions from the local government for his outstanding achievements.

He now helms the Group’s overall shipbuilding operations and exhibits increased maturity and capability in overseeing various business functions that are integral to the successful delivery of quality vessels.



**YEE CHIA HSING**

Independent Non-Executive Director,  
Chairman of  
Audit and Risk Committee

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.

Mr. Yee is a Member of the Audit Committee of Ren Ji Hospital (non-director role). He also sits on the boards of Beng Kuang Marine Limited, Hiap Tong Corporation Ltd, Union Gas Holdings Ltd, Sunpower Group Ltd. and Zhongmin Baihui Retail Group Ltd as Independent Director. Mr. Yee served as a Member of Parliament of Jiaohu Kang GR (“Nanyang division”) from 2015 to 2020.



**BOARD OF DIRECTORS**

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 Executive Chairman of Yangzijiang Financial Holdings Ltd.

Ms. Liu has extensive experience in finance and corporate financial management. Prior to joining Yangzijiang Shipbuilding, Ms. Liu was the Finance Controller of Global Container Freight Pte Ltd, in charge of overall financial function of its subsidiaries in Singapore, China, Taiwan, Malaysia, Myanmar, Cambodia, Thailand and Vietnam.

Ms. Liu graduated from Oxford Brookes University with a Bachelor’s Degree in Applied Accounting in 2003. She has been a member of the Institute of Certified Public Accountants of Singapore since 2004 and was awarded the Chartered Financial Analyst (CFA) designation by the CFA Institute in 2007. Ms. Liu was also admitted as a Fellow Member of the Association of Chartered Certified Accountants in 2009.



**LIU HUA (刘华)**  
 Non-Independent Non-Executive Director,  
 Member of ESG Committee

On 2 February 2023, Mr. Poh Boon Hu Raymond became an Independent, Non-Executive Director, underscoring his commitment to professionalism and accountability. His career began at General Electric Aircraft Engines, where he held leadership roles across various functions, including production, client services, IT, sales, and engineering. He later joined JPMorgan in Singapore and Hong Kong, where he excelled as Head of Global Markets Cross-Asset Sales, demonstrating expertise in managing corporate and financial institutional sectors across diverse markets in the region.

Throughout his tenure at both companies, Mr. Poh earned Six Sigma Master Black Belt certifications, focusing on operational excellence and team development. He played a key role in driving revenue growth and productivity, even in challenging economic conditions.

After retiring from JPMorgan, Mr. Poh was appointed CEO of a Digital Securities platform regulated by the Monetary Authority of Singapore. Under his leadership, the company successfully launched a digital securities exchange and restructured operations to support fractionalized investments.

Mr. Poh holds a Bachelor of Science in Aerospace Engineering, cum laude, from West Virginia University, as well as a post-graduate diploma in Marketing from Temasek Polytechnic. He also completed the Asian Financial Leaders Programme, sponsored by the Monetary Authority of Singapore.



**POH BOON HU RAYMOND**  
 Independent Non-Executive Director,  
 Chairman of Remuneration Committee





**ZHANG HONGFEI**  
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.



Mr. Song was appointed as Deputy General Manager of the Group in 2013. He





Mr. Yang was appointed as Assistant General Manager of the Group in 2023. He







## **PRECISION IN EVERY HULL. COMMITMENT IN EVERY DELIVERY. DELIVERING STRONGER RETURNS TO SHAREHOLDERS**

**Underpinned by strong performance and cash flow visibility, the Group increased its dividend to 20 Singapore cents per share, with the payout ratio raised to 50%, enhancing returns to shareholders.**

# FINANCIAL AND OPERATIONS REVIEW



In FY2025, Yangzijiang Shipbuilding delivered an exceptional set of results, achieving record performance in both revenue and profitability. This outstanding performance was driven by the timely execution and delivery of vessels from our orderbook.

During the year, the Group secured new contract wins of S\$2.5 billion, in line with prevailing market demand dynamics, and successfully delivered a total of 56 vessels with timely and quality execution. The Group ended FY2025 on a strong note, with an outstanding orderbook of S\$22.4 billion, with deliveries spanning from 2026 to 2030. Containerships remained the dominant vessel type within the orderbook, while green vessels accounted for approximately 71% of the total orderbook value.

## SEGMENTAL REVIEW

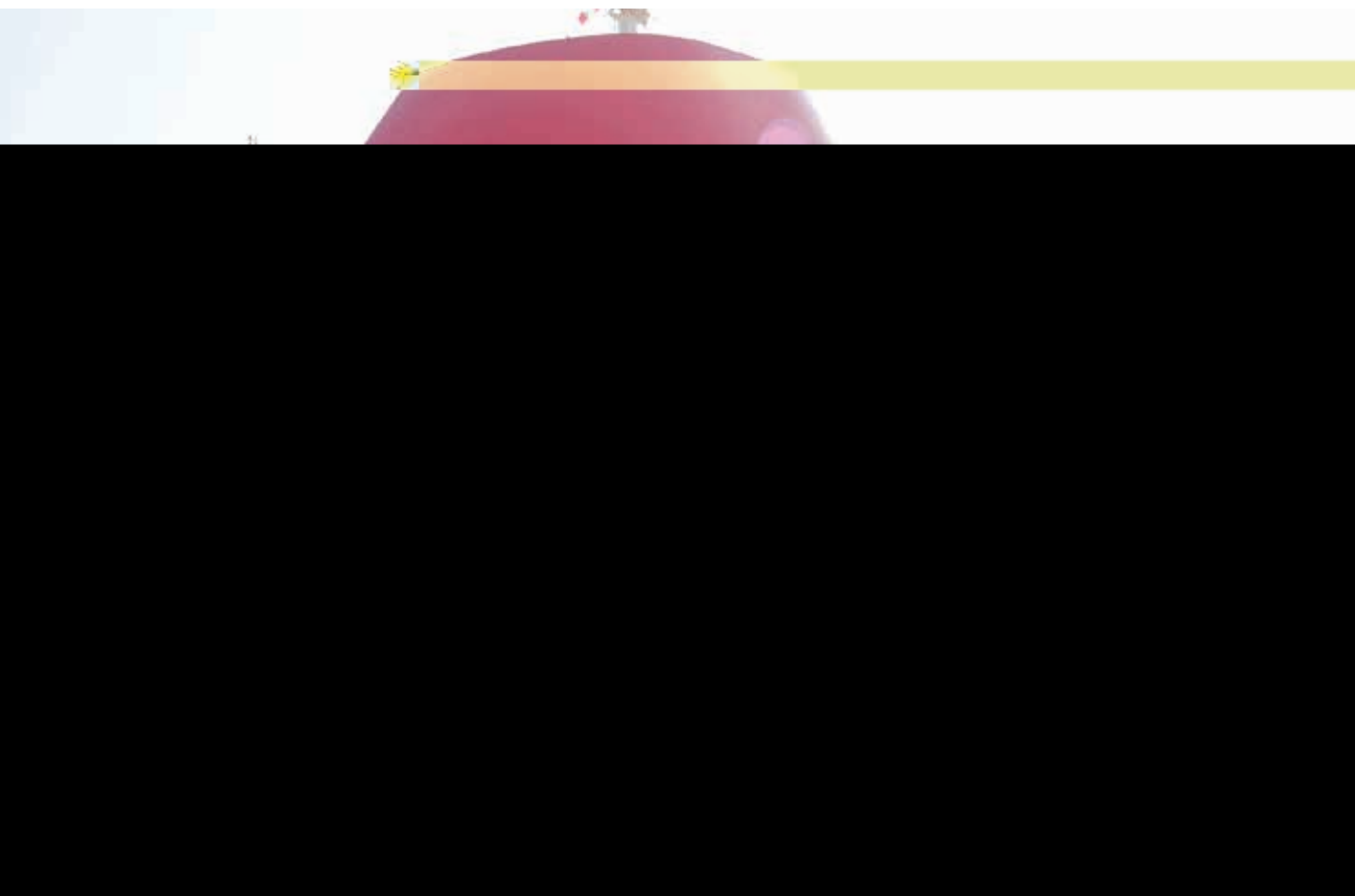
### Shipbuilding

The global maritime industry continues to operate against a backdrop of volatility and uncertainty, with macroeconomic headwinds and geopolitical tensions weighing on market sentiment. In the first half of the year, tariff-related concerns and proposed port fees in the United States introduced uncertainty over global trade flows and potential increases in vessel operating costs, leading shipowners to adopt a more cautious stance and defer ordering decisions. Notwithstanding these near-term disruptions, sentiment improved progressively in the second half of the year, with ordering activity gaining traction.

Project Hongyuan remains on track towards completion by end-2026. Preliminary shipbuilding activities, including steel fabrication, have already commenced, with the first vessel scheduled for delivery in 2027. With capital expenditure of approximately RMB3.0 billion, this new facility is designed to produce sophisticated vessels such as dual-

fuel ships and gas carriers. Located

# FINANCIAL AND OPERATIONS REVIEW



## OUTLOOK AND STRATEGY

Shipbuilding order momentum has continued into 2026, driven primarily by fleet replacement demand. At the same time, industry demand has begun rotating from large-sized containerships towards small- to mid-sized containerships and oil tankers. Against this backdrop, the Group remains focused on the timely execution and high-quality delivery of vessels, while continuing to pursue new orders on a disciplined and market-oriented basis. The Group will focus on securing the remaining delivery slots for 2029 while progressively opening positions for 2030.

The dry bulk shipping outlook remains mixed in early 2026, with the Baltic Dry Index hovering at around 1,900. Under such market conditions, the Group will maintain its overall fleet scale while progressively renewing vessels to enhance fuel efficiency and environmental performance. The Group will continue to closely monitor market developments and aims to secure time charter contracts at favourable rates to mitigate the impact of short-term market volatility.

Looking ahead, the Group remains focused on long-term growth and value creation as industry dynamics continue to evolve. Following the

announcement in March 2026 of the proposed acquisition of 10% in Poseidon Corp, the Group continues to strengthen its strategic relationship with Seaspan Corporation to support closer long-term collaboration and integration along the value chain. Our capacity expansion plans remain on track to support future demand, while our continued commitment to green shipbuilding and the development of green shipyards supports the industry's transition toward sustainability. With these initiatives in place, the Group is well positioned to deliver sustainable long-term value for shareholders.

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 2025 (“**FY2025**”), 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, exercising due care, skills and diligence and avoiding conflicts of interest. The Board of Directors (the “**Board**”) has put in 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 compliance with legislative and regulatory requirements, 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 Thbyhand (cate at adequate5corprespect of eth09lues and organizatTworkxttEEnsuring that adequ0.028 TGroup and (e)

# CORPORATE GOVERNANCE REPORT

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, at the company's expenses. 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 in July 2023.

## **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 AGM held during FY2025 and the attendance of each Director at those meetings are set out as follows:

Name of Directors	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		
	Held	Attended	Held	Attended	Held	Attended	Held	Attended	
Ren Letian	4	4	–	–	–	–	–	–	1
Yee Kee Shian, Leon	4	4	4	4	1	1	1	1	1
Liu Hua	4	4	4	4	1	1	1	1	1
Poh Boon Hu Raymond	4	4	4	4	1	1	1	1	1
Yee Chia Hsing	4	4	4	4	1	1	1	1	1

## **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 FY2025:

- the external auditors, Pricewaterhouse Coopers LLP, has briefed the AR members on the latest developments in accounting and corporate governance standards at their attendance in the AR 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.

# CORPORATE GOVERNANCE REPORT

Management's proposals submitted to the Board for approval include 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. To keep the Directors abreast of the Group's operations, the Board is regularly updated on key initiatives and developments relating to the Group's business on a timely 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.

Mr Yee Kee Shian, Leon is the chairman of Duane Morris & Selvam LLP (“DMS”), one of several law firms which provides legal services to and receives fees from the Group. He has recused himself from the selection and appointment of legal counsels for the Group in situations where DMS is involved in the selection process. Any appointment of DMS would have to be in compliance with the Group’s Interested Person Transactions policy and any such appointment would have to be cleared by the AR (with Mr Yee Kee Shian, Leon recusing) as well. Although his interest in DMS is more than 5% but the fees paid by the Group to DMS for the provision of its legal services do not form a significant portion of DMS’s revenue for the relevant period.

The N (with Mr Yee Kee Shian, Leon recusing) also noted that this business relationship has not affected his conduct at meetings where his deliberations, constructive views and ability to maintain objectivity consistently reflect his independent business judgement and is of the view that he is independent. The Board concurs with the N’s determination that Mr Yee Kee Shian, Leon has demonstrated independence in the discharge of his duties and responsibilities as a director and that his independence was not affected by the foregoing business relationship.

As the chairman of the Board is not independent, Independent Non-executive Directors make up a majority of the Board. The Board believes that the Executive chairman has always acted and will continue to act at all times in the best interest of Shareholders as a whole and will strive to protect and enhance the long-term shareholder values and the financial performance of the Group.

**Independent Element on the Board (Provisions 2.1, 2.2 & 2.3)**

Under provision 2.2 of the code, the Independent Directors should make up a majority of the Board where the chairman is not independent. Provision 2.3 of the code further requires Non-Executive Directors to make up a majority of the Board. The Independent Non-Executive Directors of the company do make a majority of the Board.

During the FY2025, 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 FY2025, the Board comprises five (5) Directors, consisting of one (1) Executive Director and four (4) Non-Executive Directors, three (3) of whom are independent. The members of the Board and their membership on the Board committees of the company are as follows:-

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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 N 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 N is responsible for setting and continually reviewing the Board Diversification Policy, as appropriate, to ensure its effectiveness, and will recommend appropriate revisions to

(c) Progress Tracking:

# CORPORATE GOVERNANCE REPORT

## **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 already 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 constitution of the Company. The Executive Chairman manages the business of the Board whilst the CEO and his management team translate the Board's decisions into executive action. The CEO has executive responsibilities for the Group's businesses and is accountable to the Board.

The Executive Chairman:

- is responsible for leadership of the Board and is pivotal in creating the conditions for overall effectiveness of the Board, Board Committees and individual Directors;
- takes a leading role in the Company's drive to achieve and maintain high standards of corporate governance with the full support of the Directors, Company Secretary and Management;
- approves agendas for the Board meeting and ensures sufficient allocation of time for thorough discussion of agenda items;
- promotes an open environment for debates and ensures Non-Executive Directors are able to speak freely and contribute effectively;
- exercises control over the quality, quantity and timeliness of information flow between the Board and Management;
- provides close oversight, guidance, advice and leadership to CEO and Management; and
- plays a pivotal role in fostering constructive dialogue between Shareholders, the Board and Management at AGMs and other Shareholders' meetings.

Whereas the CEO is the highest ranking executive officer of the Group who is responsible for:

- running the day-to-day business of the Group, within the authorities delegated to him by the Board;
- ensuring the implementation of policies and strategy across the Group as set by the Board;
- day to day management of the executive and senior management team;

# CORPORATE GOVERNANCE REPORT

- leading the development of senior management within the Group with aim of assessing the training and development of suitable individuals for future Director's roles;
- ensuring that the Board is kept apprised in a timely manner of issues faced by the Group and of any important events and developments; and
- leading the development of the Group's future strategy including identifying and assessing risks and opportunities for the growth of its business and reviewing the performance of its existing businesses.

The Executive Chairman schedules the meeting and sets the meeting agenda of the Board and reviews the Board papers before they are presented to the Board. In addition, the Executive Chairman also assists to ensure the company's compliance with the Code.

Under Provision 4.1(a) of the Code, one of the responsibilities of the N is to make recommendations to the Board on relevant matters relating to the review of succession plans for Directors, including the Chairman, CEO and other key management personnel. Succession planning for the CEO and key management personnel is under the purview of the N to ensure continuity of leadership. In addition, N conducts an annual review of the Board and Board committees' composition, including their size and diversity of skills and experience. The N also recommends to the Board the appointment of new Directors, whether to fill vacancies arising from retirement or to strengthen the existing Board composition, with a view to addressing any identified gaps in skill, taking into account the Group's strategy and business operations.

### **Lead Independent Director (Provision 3.3)**

As the 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**

**Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.**

### **NC Composition and Role (Provisions 4.1 & 4.2)**

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

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

The N will meet at least once a year. During FY2025, the N held one scheduled meeting with full attendance. The N, which has written TOR, is responsible for making recommendations to the Board on all Board appointments and re-appointments. The key TOR of the N include the following:

- (a) determining the formal and transparent process for search, nomination, selection and appointment of new Board members and assessing nominees or candidates for appointment and re-election to the Board;



# CORPORATE GOVERNANCE REPORT

The NED and Board have reviewed the independence of the Independent Non-Executive Directors. Pursuant to the review and NED recommendation, the Board was of the view that each Independent Non-Executive Director has engaged the Board in constructive discussion, his/her contributions were relevant and reasoned and he/she has exercised independent judgment.

In assisting the NED to determine whether Directors who are on multiple boards have committed adequate time to discharge their responsibilities towards the company's affairs, the NED had considered the attendances and contributions of Directors to the Board and Board committees. The NED does not make any recommendation on setting the maximum number of listed company board appointments to which any Director may hold as long as the multiple Board representations by that Director do not hinder that Director from carrying out his/her duties as a Director of the company adequately. Having reviewed each Director's directorships in other companies as well as each Director's attendance and contribution to the Board in FY2025, the NED is satisfied that the Directors have spent adequate time on the company's affairs and have duly discharged their responsibilities. All Independent Non-Executive Directors are required to declare their Board representations at the Board meeting whenever there is change and at the beginning of each financial year.

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:

<b>Name of Directors</b>	<b>Date of First Appointment</b>	<b>Date of Last Re-election</b>	<b>Present Directorships and Chairmanships in Other Listed Companies</b>	<b>Other Principal Commitments</b>
Ren Letian	30 April 2020	24 April 2023	Nil	Nil
Yee Kee Shian, Leon	1 May 2022	25 April 2024	<ul style="list-style-type: none"> <li>- F J Benjamin Holdings Ltd</li> <li>- Yangzijiang Financial Holding Ltd.</li> <li>- TEHO International Inc Ltd.</li> <li>- Oxley Holdings Limited</li> <li>- Oxpay Financial Limited</li> </ul>	<ul style="list-style-type: none"> <li>- Selvam LL</li> <li>- Duane Morris &amp; Selvam LLP</li> </ul>
Liu Hua	4 August 2022	25 April 2024	Yangzijiang Financial Holding Ltd.	- Yangzijiang Financial Holding Ltd.
Poh Boon Hu Raymond	2 February 2023	29 April 2025	Nil	- TIXIT LLP
Yee Hsia Hsing	25 April 2024	29 April 2025	<ul style="list-style-type: none"> <li>- Beng Kuang Marine Limited</li> <li>- Hiap Tong Corporation Ltd.</li> <li>- Union Gas Holdings Limited</li> <li>- Sunpower Group Ltd.</li> <li>- Zhongmin Baihui Retail Group Ltd.</li> </ul>	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:

	<b>Ren Letian</b>
Date of Appointment	30 April 2020
Date of last re-appointment (if applicable)	24 April 2023
Age	44
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 Ren Letian as the Executive Chairman was recommended by the Nominations Committee 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	Executive
Job Title (e.g. Lead Director, Chairman, Member etc.)	Executive Chairman and Chief Executive Officer
Professional qualifications	Master's Degree from London Southbank University.
Working experience and occupation(s) during the past 10 years	Chief Executive Officer of Yangzijiang Shipbuilding (Holdings) Ltd.  Alternate Director to Mr Ren Yuanlin, former Executive Chairman of Yangzijiang Shipbuilding (Holdings) Ltd.
Shareholding interest in the listed issuer and its subsidiaries	Deemed interest: 165,797,370 ordinary shares in the share capital of Yangzijiang Shipbuilding (Holdings) Ltd. through Hengyuan Asset Investment Limited.  Deemed interest: 852,845,825 ordinary shares in the share capital of Yangzijiang Shipbuilding (Holdings) Ltd. through Yangzi International Holdings Limited.
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 shareholder of the Company.	

# CORPORATE GOVERNANCE REPORT

	Ren Letian
<p><b>Information required</b></p> <p>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.</p>	
(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

# CORPORATE GOVERNANCE REPORT

	<b>Ren Letian</b>
(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
(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  ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing surcsa/Spain elsewhere; or	No

# CORPORATE GOVERNANCE REPORT

	<b>Ren Letian</b>
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

	<b>Yee Kee Shian, Leon</b>
Date of Appointment	1 May 2022
Date of last re-appointment (if applicable)	25 April 2024
Age	50
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 Kee Shian, Leon as the Lead Independent Non-Executive Director was recommended by the Nominating Committee 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	Lead Independent Non-Executive
Job Title (e.g. Lead Director, Chairman, Member etc.)	Chairman of Nominating Committee, a Member of Remuneration Committee and a Member of Audit and Risk Committee
Professional qualifications	<ul style="list-style-type: none"> <li>– Advocate &amp; Solicitor of the Supreme Court of Singapore</li> <li>– Solicitor of England and Wales</li> </ul>
Working experience and occupation(s) during the past 10 years	<ul style="list-style-type: none"> <li>– March 2017 to Present: Chairman of Duane Morris &amp; Selvam LLP</li> <li>– April 2013 to Present: Managing Director of Duane Morris &amp; Selvam LLP and Selvam LL</li> <li>– January 2011 to April 2013: Director with Duane Morris &amp; Selvam LLP</li> <li>– January 2007 to April 2013: Director with Selvam LL</li> </ul>

	<b>Yee Kee Shian, Leon</b>
Shareholding interest in the listed issuer and its subsidiaries	No
Any relationship (including immediate family members) with	0.57 32 0.562.04 0 -1.333 (relationship)Os) with

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	<b>Yee Kee Shian, Leon</b>
Present	<ul style="list-style-type: none"> <li>- Selvam LL</li> <li>- Duane Morris &amp; Selvam LLP</li> <li>- Duane Morris &amp; Selvam Pty Ltd</li> <li>- F J Benjamin Holdings Ltd</li> <li>- Christ's College, Cambridge Fund (Singapore) Limited</li> <li>- Char Yong (Dabu) Foundation Limited</li> <li>- St. Joseph's Institution Philanthropic Fund For the Lasallian Mission Ltd.</li> <li>- Aelius Pte. Ltd.</li> <li>- Ee Hoe Hean Club</li> <li>- Cambridge Alliance Capital Pte. Ltd.</li> <li>- Cambridge Alliance Consultancy Pte. Ltd.</li> <li>- Ladderman Limited</li> <li>- Ladderman (HK) Limited</li> <li>- Yangzijiang Financial Holding Ltd.</li> <li>- Oxpay Financial Limited</li> <li>- TEHO International Inc. Ltd</li> <li>- Oxley Holdings Limited</li> <li>- Victory Wellness Pte Ltd</li> <li>- The Lasallian Trust of Singapore Ltd.</li> </ul>
<p><b>Information required</b></p> <p>Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer,</p>	

# CORPORATE GOVERNANCE REPORT

	<b>Yee Kee Shian, Leon</b>
(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?	<p>Yes</p> <p>The relevant entity is Laura Ashley Holdings Plc (the "<b>Laura Ashley</b>"). Mr Yee Kee Shian, Leon stepped down as a Director of the company on 16 March 2020.</p> <p>Laura Ashley subsequently appointed Pricewaterhouse Coopers as administrators on 23 March 2020. This was due to the COVID-19 outbreak, which had an immediate and significant impact on trading of Laura Ashley and its subsidiaries (the "<b>LA Group</b>"). Based on the LA Group's cashflow forecasts and the increased uncertainty, the LA Group expected that it would not be in a position to draw down additional funding in a timely manner sufficient to support its working capital requirements, and therefore Laura Ashley appointed administrators.</p> <p>Laura Ashley moved into creditors' voluntary liquidation with the appointment of a voluntary liquidator on 31 March 2021. Mr Yee Kee Shian, Leon had not undertaken any executive roles and responsibilities in Laura Ashley. Apart from Laura Ashley, he is not a director of any entities which has been wound up or dissolved at present or at any time within two (2) years from the date that he ceased to be a director.</p>
(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

# CORPORATE GOVERNANCE REPORT

	<b>Yee Kee Shian, Leon</b>
(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
(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

# CORPORATE GOVERNANCE REPORT

	Yee Kee Shian, Leon
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  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

## **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 N has in place a framework for the evaluation of the Board, the Board committees, and individual members of the Board to assess their effectiveness and the contribution by the chairman and each individual director to the Board. 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 N for discussion with comparatives from the previous year's results. Based on the findings, the N 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 Board is of the view that the chairman and each individual Director have contributed effectively. The N 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 FY2025.

# CORPORATE GOVERNANCE REPORT

## 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 FY2025, 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, allowances, bonuses, options, share-based incentives and awards and benefits in kind;
- reviewing and recommending the remuneration of the Non-Executive Directors, taking into account factors such as their effort, time spent and their responsibilities;
- reviewing and recommending to the Board for endorsement on the payment of performance bonus to certain Executive Directors and executive officers pursuant to the employee incentive plan of the company;
- 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 of 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 FY2025.

# CORPORATE GOVERNANCE REPORT

## 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 and motivate such individuals and to create long-term value for its Shareholders. The remuneration package of each Executive Director and key management personnel comprises of a fixed component and a variable component, which is based on the Group's and the individual's performance. An appropriate proportion of the remuneration of such individuals is structured to link rewards to corporate and individual performance.

With regard to the remuneration of Non-Executive Directors, the Board ensures that the Non-Executive Directors are remunerated to a level that is commensurate with their level of contribution taking into account factors such as effort and time spent, and their responsibilities. Non-Executive Directors receive a basic fee for their services. Each member of the Board abstains from voting on any resolutions in respect of his/her own remuneration package.

## 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 FY2025 are set out below:

Name of Directors	Designation	Fees <sup>(2)</sup> (S\$)	Salary <sup>(1)</sup> (S\$)	Variable Bonus (S\$)	Share- based Cash Incentives (S\$)	Total (S\$)
Ren Letian	Executive Chairman and Chief Executive Officer	–	636,950	120,461	135,535	892,946
Yee Kee Shian, Leon	Lead Independent Non-Executive Director	125,500	–	–	–	125,500
Liu Hua	Non-Independent Non-Executive Director	125,500	–	–	–	125,500
Poh Boon Hu Raymond	Independent Non-Executive Director	125,500	–	–	–	125,500
Yee Chia Hsing	Independent Non-Executive Director	125,500	–	–	–	125,500

### Notes:

- (1) In accordance with the CEO Service Agreement.
- (2) The directors' fees are subject to the approval of the Shareholders at the 20th AGM.

# CORPORATE GOVERNANCE REPORT

Name of Top 5 Key Management Personnel	Designation	Breakdown of Remuneration in Percentage (%)		
		Fixed (%)	Variable (%)	Total (%)
<b>Band S\$250,000 ~ S\$500,000</b>				
Zhang Hongfei	Deputy General Manager	12	88	100
<b>Below S\$250,000</b>				
Du hengzhong	Deputy General Manager	16	84	100
Ding Jianwen	Deputy General Manager and Chief Financial Officer	16	84	100
Song Shuming	Deputy General Manager	11	89	100
Yang Xueyan	Deputy General Manager	11	89	100

Except for Mr Ren Letian and Mr Zhang Hongfei, the remuneration of each of the remaining four (4) key management personnel did not exceed S\$250,000. In aggregate, the total remuneration (including PF contribution thereon and bonus) paid to the top 6 key management personnel in FY2025 was approximately S\$1,779,147. The aggregate remuneration (including contributions to defined contribution plans thereon and bonus) paid to Mr Ren Letian amounted to approximately S\$892,946.

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

During FY2025, Mr Ren Letian, the son of Mr Ren Yuanlin (Honorary Chairman and substantial shareholder of the company), served as Executive Chairman and Chief Executive Officer of the company:

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 defined contribution plans thereon and bonus) paid to Mr Ren Letian amounted to approximately S\$892,946.

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 operate any employee share option scheme or equity-settled share scheme. However, the Group maintains a phantom share plan which is cash-settled and does not involve the issuance of shares.

# CORPORATE GOVERNANCE REPORT

## 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 AR 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 AR 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 identifies relevant potential risks across the Group's operations with the aim to bring them to within acceptable cost and tolerance parameters.

Management regularly reviews and updates the Board on the Group's business and operational activities in respect of the key risk control areas including financial, operational, compliance, environmental, information technology and sanctions-related risks and continues to apply appropriate measures to control and mitigate these risks.

With regard to sanctions-related risks, the Board and the AR 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 AR for further discussion. The Board and the AR also work with the Internal Audit Team, external 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, external auditors, and reviews performed by Management, various Board committees and the Board, so far, the Board, with the concurrence of the AR, 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 and the Group 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.



- (i) appoint, re-appoint or remove the accounting or auditing firm or corporation to which the internal audit function is outsourced (including the review of their fees and scope of work);
- (j)

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

The AR also reviews the independence and objectivity of the external auditors and having reviewed the scope and value of non-audit services provided to the Group by the external auditors, Pricewaterhouse Coopers LLP, the AR is satisfied that the nature and extent of such services do not prejudice the independence and objectivity of the external auditors. The aggregate amount of audit and non-audit fees paid or payable to the Pricewaterhouse Coopers LLP, Singapore and its member firm for FY2025 were S\$841,000 and S\$48,148 respectively. The AR has recommended to the Board the nomination of Pricewaterhouse Coopers LLP for re-appointment as external auditors of the company at the forthcoming 20th AGM.

In respect of company

# CORPORATE GOVERNANCE REPORT

- reliability and integrity of information; and
- safeguarding of assets.

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

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

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

The AR 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. Separate resolutions on each distinct issue are tabled at general meetings and explanatory notes are set out in the notices of general meetings where appropriate. All Directors including Executive Chairman of the Board and the respective Chairman of the Board committees, senior management and the external auditors are intended to be in attendance at forthcoming 20<sup>th</sup> AGM to address any queries of Shareholders.

The Board acknowledges voting by poll is integral in the enhancement of corporate governance and lead to greater transparency of the level of support for each resolution where Shareholders are accorded rights proportionate to the shareholding and all votes counted. To enhance Shareholders' participation, the Group puts all resolutions at general meetings to vote by electronic poll and announces the results by showing the number of votes cast for and against each resolution and the respective percentage via SGXNET after the general meetings.

# CORPORATE GOVERNANCE REPORT

## **Minutes of General Meetings (Provision 11.5)**

The Company Secretary prepares minutes of general meetings that include substantial and pertinent comments from Shareholders relating to the agenda of the meetings and responses from Management and the Board. Such minutes will be available to Shareholders upon their written request. Copy of the minutes will also be released via SGXNET and the Company's website as soon as practicable.

## **Dividend Policy (Provision 11.6)**

The Company has adopted a dividend policy that it believes appropriately reflects its goals, strategy and risk profile while providing attractive long-term return to investors. The Board is recommending S\$0.20 per ordinary share for FY2025 as the first and final one-tier tax-exempt dividend payable to the Shareholders, subject to the approval of Shareholders at the forthcoming 20<sup>th</sup> AGM. In considering the form, frequency and amount of dividends that the Board may recommend or declare in respect of any particular year or period, the Board takes into account various factors including:

- the results of operations and cash flow;
- the expected financial performance and working capital needs;
- future prospects; and
- capital expenditures and other investment plans;

as well as general economic and business operations in the countries in which we operate and other factors deemed relevant by the Board and statutory restrictions on the payment of dividends.

## **Engagement with Shareholders**

**Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.**

## **Shareholder Communication (Provision 12.1)**

The Group acknowledges the importance of regular communication with Shareholders and investors through which Shareholders can have an overview of the Group's performance and operation. The Board ensures that all the Company's Shareholders are treated equitably and the rights of all investors, including non-controlling Shareholders are protected. Information is communicated to Shareholders on a timely basis through the Company's annual report, circulars to Shareholders (if any), interim financial results and the various announcements.

The Company is committed to ensuring that its Shareholders have access to accurate information vis-à-vis the Company on a timely basis. This is achieved through posting announcements and news releases on the SGXNet on a timely and consistent basis. Thereafter, the Company had provided Shareholders with half-year and full-year financial statements for FY2025 as prescribed in the Listing Manual. Such half-year and full-year financial statements would be reviewed and approved by the Board prior to release to Shareholders by announcement on the SGXNet. In presenting the half-year and full-year financial statements to Shareholders, the Board seeks to provide Shareholders with a balanced, clear and understandable assessment of the Company and the Group's performance, position and prospects.

In line with the Company's commitment to provide its Shareholders with accurate information on a timely basis, the Company provides, on a voluntary basis, with business updates in between the announcement of its half-year and full-year financial statements. Such business updates contain, among other things, information on the Group's business and operational developments.

The company communicates with Shareholders and the investing community through the timely release of announcements to the SGX-ST via SGXNet, as well as analyst briefings, roadshows, meetings, and site visits. Financial results of the company and the Group were released within 45 days from the half year ended and 60 days from the full year financial year ended during the year. In addition, the Annual Report FY2025 (online digital copy) is published through the and 60 l com-1.atory period befo yel co20ineaseor reladigis firm,yst htimletineaseor qumrnee timede, tity taar.matth

# CORPORATE GOVERNANCE REPORT

## Corporate Website (Provision 13.3)

The company maintains a corporate website at <http://www.yzship.com> to communicate and engage with stakeholders.

## OTHER CORPORATE GOVERNANCE MATTERS

### INTERESTED PERSON TRANSACTIONS (Rule 907 of the Listing Manual of SGX-ST)

The following table sets out the current total of all relevant transactions with the interested persons for FY2025:

Name of interested persons	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) RMB'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) RMB'000
<b><u>YEE KEE SHIAN, LEON</u></b>  <b><u>Duane Morris &amp; Selvam LLP</u></b> Receipt of legal services	RMB34,835* (Equivalent to SGD6,510)	Nil

Shareholder mandate is not applicable as the aggregate value was less than 3% of Group's NTA as at 31 December 2025.

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 AR 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 FY2025.

### RISK MANAGEMENT (Rule 1207(10) 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 AR.

The AR 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 35 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.

# CORPORATE GOVERNANCE REPORT

## **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 20-term considerations. Save for the foregoing, the company has complied with the best practices recommended in the Listing Manual in FY2025.

## **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 AR is responsible for the monitoring and oversight of whistle-blowing and whistle-blowing reports are made to the AR Chairman, save where the report is about the AR Chairman, in which case the reports are made to the AR Member. The AR 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.

# DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

The directors present their statement to the shareholders together with the audited financial statements of the Group for the financial year ended 31 December 2025 and the balance sheet of the company as at 31 December 2025.

In the opinion of the directors,

- (a) the balance sheet of the company and the consolidated financial statements of the Group as set out on pages 10 to 108 are drawn up so as to give a true and fair view of the financial position of the company and of the Group as at 31 December 2025 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements, and
- (b) at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

## Directors

The directors of the company in office at the date of this statement are as follows:

Ren Letian  
Yee Hsia Hsing  
Yee Kee Shian, Leon  
Liu Hua  
Poh Boon Hu Raymond

## Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the company a party to any arrangement whose object was to enable the directors of the company to acquire benefits by means of the acquisition of shares in, or debentures of, the company or any other body corporate.

## Directors' interests in shares or debentures

- (a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the company or its related corporations, except as follows:

	Holdings registered in name of director		Holdings in which a director is deemed to have an interest	
	At 31.12.2025	At 1.1.2025	At 31.12.2025	At 1.1.2025
<b>The Company</b> (No. of ordinary shares)				
Ren Letian	–	–	1,018,643,195	165,797,370

- (b) The directors' interests in the ordinary shares of the company as at 21 January 2026 were the same as those as at 31 December 2025.

**Share options**

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

# DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 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, Pricewaterhouse Coopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the company.

## Independent auditor

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

On behalf of the directors

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REN LETIAN  
Director

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YEE HIA HSING  
Director

26 March 2026

# INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.

## 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 (together "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 2025 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 2025;
- the balance sheet of the Group as at 31 December 2025;
- the balance sheet of the company as at 31 December 2025;
- 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"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also 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.

# INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.

## 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 2025. 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
<p><b>1. Shipbuilding contracts</b></p> <p><i>Refer to Notes 2.2(a), 3(a), 4, and 29 of the financial statements</i></p> <p>Shipbuilding revenue amounted to RMB26.826 billion (2024: RMB25.216 billion), representing 94% (2024: 95%) of the Group's total revenue for the financial year ended 31 December 2025. 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 ("PO %"), which is measured by reference to the proportion of costs incurred to the estimated total costs for the shipbuilding contract.</p> <p>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. There were no provisions for onerous contracts as at 31 December 2025.</p> <p>We focused on the recognition of shipbuilding revenue, including the estimation of total shipbuilding costs and the provision for onerous contracts because of the use of significant judgement in estimating inputs to determine the extent of satisfaction of the performance obligation, including contingencies that could arise from variation to original contract terms and claims.</p>	<p>Our audit procedures included the following:</p> <ol style="list-style-type: none"> <li>a. evaluating the key controls and testing the operating effectiveness of those relating to: <ul style="list-style-type: none"> <li>• the preparation of and revisions to the estimated total costs for shipbuilding contracts; and</li> <li>• the recording of actual costs incurred for these contracts;</li> </ul> </li> <li>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;</li> <li>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;</li> <li>d. testing the accuracy of the contract value by agreeing to the agreed price and terms of the shipbuilding contracts including variation orders;</li> <li>e. 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;</li> <li>f. on a sample basis, recomputing the PO % for vessels which is determined based on the proportion of the contracts cost incurred to date to the estimated total shipbuilding costs;</li> </ol>

Key audit matter	How our audit addressed the key audit matter
	<p data-bbox="810 439 1433 591">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;</p> <p data-bbox="810 629 1437 656">h. on a sample bc1 ,hpmi0.5 (ba0.5 (b,babh)papbc1 ,h)b</p>

Key audit matter	How our audit addressed the key audit matter
<b>2. Liquefied natural gas (“LNG”) Terminal and LNG Storage and Distribution facility</b>	
<p><i>Refer to Note 3(c) of the financial statements</i></p> <p>A total investment of approximately RMB1.9 billion is planned for the construction of a LNG Terminal and LNG Storage and Distribution facility (the “facilities”). The carrying amount of the facilities is RMB1.1 billion (2024: RMB587.8 million) as at year end.</p> <p>The LNG Terminal and LNG Storage and Distribution facility is assessed as one cash-generating unit (“G”) because the business strategy of the Group is to make use of the infrastructures at both the terminal and the storage and distribution facilities to provide a one-stop service and charge its customers an all-in service fee.</p> <p>The recoverable amount of the G is determined based on value-in-use (“VI”), measured using discounted cash flows projections.</p> <p>We focused on this area because of the substantial investment committed to a business segment that is relatively new to the Group. Critical judgements and assumptions are also involved in the significant estimates of the expected revenue cashflows, the construction costs to complete and the long-term discount rate, applied in determining the recoverable amount of the G.</p> <p>The significant assumptions and judgements are disclosed in Note 3(c) to the financial statements.</p>	<p>Our audit procedures included the following:</p> <ol style="list-style-type: none"> <li>a. assessing the appropriateness of the identification of cash-generating units;</li> <li>b. assessing the appropriateness of the valuation methodology used;</li> <li>c. assessing the reasonableness of key assumptions based on our knowledge of the business and industry and with the involvement of our valuation specialists;</li> <li>d. performing sensitivity analysis to assess the impact on the recoverable amount by reasonable possible</li> </ol>

### **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.

# INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF YANGZIJIANG SHIPBUILDING (HOLDINGS) LTD.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Daniel Khoo.

PricewaterhouseCoopers LLP  
Public Accountants and Chartered Accountants  
Singapore, 26 March 2026



	Note	The Group	
		2025 RMB'000	2024 RMB'000
<b>Profit for the year</b>		<b>8,631,892</b>	6,634,263
<b>Other comprehensive income:</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
ash flow hedges			
– Fair value gains	32	<b>187,755</b>	

# BALANCE SHEETS - GROUP

AS AT 31 DECEMBER 2025

	Note	The Group 31 December	
		2025 RMB'000	2024 RMB'000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	12	20,075,701	28,119,740
Restricted cash	13	6,068,489	19,997
Derivative financial instruments	14	57,113	–
Financial assets, at fair value through profit or loss	15	12,529	16,022
Trade and other receivables	16	7,923,067	6,270,165
Inventories	17	3,557,854	1,876,400
Contract assets	4	5,580,827	5,843,093
		<b>43,275,580</b>	<b>42,145,417</b>
<b>Non-current assets</b>			
Financial assets, at fair value through profit or loss	15	300	2,300
Trade and other receivables	18	963,846	1,351,567
Investments in joint ventures	21	1,447,388	908,115
Investments in associated companies	22	1,097,666	58,594
Investment property	23	2,249,316	1,983,500
Property, plant and equipment	24	9,084,541	7,863,368
Intangible assets	26	20,841	21,249
Deferred income tax assets	30	194,369	222,215
		<b>15,058,267</b>	<b>12,410,908</b>
<b>Total assets</b>		<b>58,333,847</b>	<b>54,556,325</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	27	3,791,579	4,319,720
Contract liabilities	4	13,140,238	14,320,166
Derivative financial instruments	14	65,304	219,094
Borrowings	28	5,500,000	4,500,000
Current income tax liabilities		1,293,083	872,134
Provisions	29	750,205	653,271
		<b>24,540,409</b>	<b>24,884,385</b>
<b>Non-current liabilities</b>			
Other payables	27	318,468	–
Derivative financial instruments	14	–	11,350
Borrowings	28	–	2,300,000
Deferred income tax liabilities	30	1,217,148	983,461
		<b>1,535,616</b>	<b>3,294,811</b>
<b>Total liabilities</b>		<b>26,076,025</b>	<b>28,179,196</b>
<b>NET ASSETS</b>		<b>32,257,822</b>	<b>26,377,129</b>
<b>EQUITY</b>			
<b>Capital and reserves attributable to equity holders of the Company</b>			
Share capital	31	7,361,990	7,361,990
Treasury shares	31	(285,966)	(127,753)
Other reserves	32	1,739,531	1,417,238
Retained earnings		23,326,359	17,626,477
		<b>32,141,914</b>	<b>26,277,952</b>
Non-controlling interests		115,908	99,177
<b>Total equity</b>		<b>32,257,822</b>	<b>26,377,129</b>

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

		<b>The Company</b>	
		<b>31 December</b>	
<b>Note</b>		<b>2025</b>	<b>2024</b>
		<b>RMB'000</b>	<b>RMB'000</b>
<b>ASSETS</b>			
<b>Current assets</b>			
	cash and cash equivalents	12	47,074
	Trade and other receivables	16	11,355,510
			11,402,584
			115,443
			7,013,554
<b>Non-current assets</b>			
	Trade and other receivables	18	4,803,977
	Investments in subsidiaries	20	10,029,470
	Investments in joint ventures	21	303,011
	Investments in associated companies	22	855,172
			15,991,630
			5,607,691
			9,510,713
			309,327
			134,062
			22,690,790
			27,394,214
<b>Total assets</b>			
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
	Other payables	27	308,394
	Current income tax liabilities		60,502
			368,896
			1,174,468
			5,584
<b>Non-current liabilities</b>			
	Other payables	27	36,731
	Deferred income tax liabilities	30	144,315
			181,046
			76,058
			1,256,110
			26,844,272
<b>Total liabilities</b>			
<b>NET ASSETS</b>			
<b>EQUITY</b>			
<b>Capital and reserves attributable to equity holders of the Company</b>			
	Share capital	31	7,326,773
	Treasury shares	31	(285,966)
			7,326,773
			(127,753)

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

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Note	Attributable to equity holders of the Company									
	Share capital	Treasury shares	Statutory reserve	Hedging reserve	Currency translation reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>2025</b>										
<b>As at 1 January 2025</b>	7,361,990	(127,753)	4,028,378	(33,166)	130,531	(2,708,505)	17,626,477	26,277,952	99,177	26,377,129
Profit/(loss) for the year	-	-	-	-	-	-	8,637,076	8,637,076	(5,184)	8,631,892
Other comprehensive income/(loss) for the year	-	-	-	33,166	(40,235)	-	-	(7,069)	(585)	(7,654)
<b>Total comprehensive income/(loss) for the year</b>	-	-	-	33,166	(40,235)	-	8,637,076	8,630,007	(5,769)	8,624,238
Dividends	-	-	-	-	-	-	(2,607,832)	(2,607,832)	-	(2,607,832)
Purchase of treasury shares	-	(158,213)	-	-	-	-	-	(158,213)	-	(158,213)
Capital injection by non-controlling interest of a subsidiary	-	-	-	-	-	-	-	-	22,500	22,500
Transfer	-	-	329,362	-	-	-	(329,362)	-	-	-
<b>Total transactions with owners, recognised directly in equity</b>	-	(158,213)	329,362	-	-	-	(2,937,194)	(2,766,045)	22,500	(2,743,545)
<b>As at 31 December 2025</b>	7,361,990	(285,966)	4,357,740	-	90,296	(2,708,505)	23,326,359	32,141,914	115,908	32,257,822

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

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Note	Attributable to equity holders of the Company									
	Share capital	Treasury shares	Statutory reserve	Hedging reserve	Currency translation reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>2024</b>										
<b>As at 1 January 2024</b>	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
Profit for the year	-	-	-	-	-	-	6,633,616	6,633,616	647	6,634,263
Other comprehensive income/(loss) for the year	-	-	-	116,852	(44,583)	-	-	72,269	(2,393)	69,876
<b>Total comprehensive income/(loss) for the year</b>	-	-	-	116,852	(44,583)	-	6,633,616	6,705,885	(1,746)	6,704,139
Dividends	-	-	-	-	-	-	(1,345,827)	(1,345,827)	-	(1,345,827)
Acquisition of the non-controlling interests of a subsidiary	-	-	-	-	-	(22,659)	-	(22,659)	(116,880)	(139,539)
Dissolution of subsidiary	-	-	-	-	-	-	-	-	(31,594)	(31,594)
Capital injection by non-controlling interest of a subsidiary	-	-	-	-	-	-	-	-	47,000	47,000
Transfer	-	-	245,393	-	-	-	(245,393)	-	-	-
<b>Total transactions with owners, recognised directly in equity</b>	-	-	245,393	-	-	(22,659)	(1,591,220)	(1,368,486)	(101,474)	(1,469,960)
<b>As at 31 December 2024</b>	7,361,990	(127,753)	4,028,378	(33,166)	130,531	(2,708,505)	17,626,477	26,277,952	99,177	26,377,129

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	The Group	
		2025 RMB'000	2024 RMB'000
<b>Cash flows from operating activities</b>			
Profit for the year		<b>8,631,892</b>	6,634,263
Adjustments for:			
– Income tax expense		<b>2,044,680</b>	1,549,088
– Depreciation of property, plant and equipment		<b>525,358</b>	433,202
– Depreciation of investment property		<b>105</b>	23,463
– Amortisation of intangible assets		<b>4,421</b>	4,602
– Finance expenses		<b>115,420</b>	118,772
– Gain on disposal of property, plant and equipment		<b>(86,700)</b>	(28,302)
– Fair value change on:			
• derivative financial instruments		<b>(1,364)</b>	–
• financial assets at fair value, through profit or loss		<b>(2,687)</b>	23,252
– Impairment loss on Investment property		<b>–</b>	180,865
– Interest income		<b>(850,482)</b>	(735,144)
– Dividend income		<b>(296)</b>	(539)
– Share of profits of associated companies and joint ventures		<b>(860,867)</b>	(558,975)
		<b>9,519,480</b>	7,644,547
Change in working capital, net of effects from acquisition and disposal of subsidiaries:			
– Inventories		<b>(1,660,876)</b>	(911,701)
– Contract balances		<b>(1,099,531)</b>	7,519,588
– Trade and other receivables		<b>(1,426,851)</b>	(1,250,599)
– Trade and other payables		<b>(351,524)</b>	300,494
– Provisions		<b>96,934</b>	209,496
– Restricted cash		<b>19,908</b>	(11,472)
Cash generated from operations		<b>5,097,540</b>	13,500,353
Interest paid		<b>(115,420)</b>	(118,772)
Interest received		<b>850,482</b>	735,144
Income tax paid		<b>(1,368,052)</b>	(1,155,654)
<b>Net cash provided by operating activities</b>		<b>4,464,550</b>	12,961,071

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

	Note	The Group	
		2025 RMB'000	2024 RMB'000
<b>Cash flows from investing activities</b>			
Proceeds from sales of property, plant and equipment		272,032	99,747
Proceeds from partial disposal of investment in a joint venture		100,774	–
Proceeds from sales of financial assets at fair value, through profit or loss		8,180	4,020
Dividend received from financial assets at fair value, through profit or loss		296	539
Dividend received from a joint venture		158,528	315,315
Dividend received from an associated company		10,360	–
Additions to property, plant and equipment		(1,952,959)	(1,056,461)
Additions to investment property		(181,105)	(40,829)
Acquisition of a subsidiary, net of cash acquired	12	–	(19,388)
Acquisition of intangible assets		(4,013)	(4,672)
Investment in an associated company		(833,051)	–
Return of capital by an associated company		5,814	–
Loan to non-related parties		(22,500)	(447,000)
Repayment of loan by/(loan to) an associated company – net		20,000	(20,000)
Repayment of loan by a non-related party		4,000	–
Increase in restricted cash		(6,068,400)	–
<b>Net cash used in investing activities</b>		<b>(8,482,044)</b>	<b>(1,168,729)</b>
<b>Cash flows from financing activities</b>			
Purchase of treasury shares		(158,213)	–
Proceeds from bank borrowings	28	2,250,000	5,550,000
Repayments of bank borrowings	28	(3,550,000)	(4,344,571)
Capital injection by non-controlling interests		22,500	47,000
Acquisition of non-controlling interests		–	(139,539)
Principal payment of lease liabilities	28	–	(350)
Dividends paid to equity holders	33	(2,607,832)	(1,345,827,344,571)

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 is 36 Robinson Road, #20-01 City House, Singapore 068877. The principal place of business is 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 41.

## **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 the process of applying the Group’s accounting policies. It also requires the use of accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

#### **Interpretations and amendments to published standards effective in 2025**

On 1 January 2025, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”) that are mandatory for application for the financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.

### **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 inwith l) INT

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 2.2 Revenue recognition (Continued)

#### (a) *Shipbuilding revenue (continued)*

The Group receives deposit from customers before the start of construction works and the period between the receipt of the deposit and the transfer of control may exceed one year. For such contracts, there is no significant financing component present as the payment terms is an industry practice to protect the Group from the customers' failure to complete some or all of its obligations under the contract. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

The customer is invoiced on a milestone payment schedule. If the value of the construction works by the Group exceed the payments received, a contract asset is recognised. If the payments received exceed the value of the construction works, a contract liability is recognised.

Income from forfeiture of payments received from shipbuilding contracts is recognised when the shipbuilding contracts are terminated by the Group and the payments received from the customer is non-refundable.

For costs incurred in fulfilling the contract which are within the scope of another SFRS(I) (eg. Inventories), these have been accounted for in accordance with those other SFRS(I). If these are not within the scope of another SFRS(I), the Group will capitalise these as contract costs assets only if (a) these cost relate directly to a contract or an anticipated contract which the Group can specifically identify; (b) these costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (c) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue over time. An impairment loss is recognised in the profit or loss to the extent that the carrying amount of capitalised contract costs exceeds the expected remaining consideration less any directly related costs not yet recognised as expenses.

#### (b) *Revenue from 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). 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. Revenue is recognised when service is rendered or 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.

## **2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

### **2.2 Revenue recognition (Continued)**

*(d) Revenue from sale of residential units*

Revenue from sale of residential units is recognised when or as the control of the asset is transferred to

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 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.

##### (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.

## **2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

### **2.3 Group accounting (Continued)**

(a) *Subsidiaries* ( continued)

(ii) *Acquisitions* ( continued)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 2.3 Group accounting (Continued)

(c) *Associated companies and joint ventures (continued)*

(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.

(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 proportionate share of the amounts previously recognised in other comprehensive income relating to that associate or joint venture are reclassified to profit or loss and form part of the gain or loss on partial disposal.



## **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 – 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

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 2.5 Intangible assets (Continued)

(b) *Acquired computer software licenses* (continued)

Computer software licenses are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of 3 to 5 years.

The amortisation period and amortisation method of computer software licenses are reviewed at least at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

### 2.6 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to assets under construction. This includes those costs on borrowings acquired specifically for assets under construction, as well as those in relation to general borrowings used to finance assets under construction.

Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to assets under construction that are financed by general borrowings.

### 2.7 Investment property

Investment property comprises those portions of an office building that is held for long-term rental yields and/or for capital appreciation.

Investment property is initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful lives of the building components between 4 to 34 years. No depreciation is provided on freehold land.

Cost includes expenditure that is directly attributable to the acquisition of the investment property.

The residual values, useful life and depreciation method of investment property are reviewed and adjusted as appropriate at each balance sheet date. The effects of any revision are included in profit or loss when the changes arise.

Investment property is subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 2.8 Investments in subsidiaries, associated companies and joint ventures

Investments in subsidiaries, associated companies and joint ventures are carried at cost less accumulated impairment losses in the company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

### 2.9 Impairment of non-financial assets

#### (a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGUs") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

#### (b) Intangible assets

*Property, plant and equipment*

*Right-of-use assets*

*Investment property*

*Investments in subsidiaries, associated companies and joint ventures*

Intangible assets, property, plant and equipment, right-of-use assets, investment property and investments in subsidiaries, associated companies and joint ventures are tested for impairment whenever there is any indication or objective evidence that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

## 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 accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

### 2.10 Financial assets

- (a) *Classification and measurement*

The Group classifies its financial assets in the following measurement categories:

- Amortised cost; and
- Fair value through profit or loss (FVPL).

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

#### At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 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, receivables, and other financial assets.

Debt instruments that are held for sale are classified as (or reclassified as) current assets if they are held for sale in the ordinary course of business.

## 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 recognised in accordance with the principles of SFRS(I) 15; and
- (b) the amount of expected loss computed using the impairment methodology under SFRS(I) 9.

### **2.14 Borrowings**

Borrowings are presented as current liabilities unless, at the end of the reporting period, the Group has the

**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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 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 it 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 contains 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 for these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is a modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(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.

## **2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

### **2.16 Leases (Continued)**

(b) When the Group is the lessor: (continued)

- *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.

### **2.18 Income taxes**

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 2.18 Income taxes (Continued)

Deferred income tax is measured:

- (a) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (b) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Pillar Two related top-up tax expenses are recognised and disclosed separately from other current income tax expenses. Qualified domestic top-up tax expenses are recognised and presented as current income tax expenses by the relevant entities in the Group that have the legal obligation to settle qualifying domestic top-up taxes with the tax authorities. This includes the designated filing entity and any other entities that have elected to pay a portion of the qualified domestic top-up tax expenses.

### 2.19 Provisions

Provisions for warranty and legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

The Group recognises the estimated liability to repair or replace products still under warranty at the balance sheet date. This provision is calculated based on historical experience of the level of repairs and replacements.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 2.20 Employee compensation

Employee benefits are recognised as an expense unless the cost qualifies to be capitalised as an asset.

(a) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund in Singapore and the social security plans in People's Republic of China (the "PRC") on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

In accordance with the relevant regulations in the PRC, the premiums and welfare benefit contributions borne by the Group are calculated based on certain percentages of the total salary of employees, subject to a certain ceiling, and are paid to the labour and social welfare authorities.

(b) *Share appreciation rights*

For cash-settled share appreciation rights, the fair value of the employee services received in exchange for the grant of share appreciation rights is recognised as an expense with the recognition of a corresponding liability over the vesting period. Until the liability is settled, it is re-measured at each reporting date with changes in fair value recognised in profit or loss.

(c) *Dividend equivalent rights*

The Group recognises as expense dividend equivalent rights, based on a formula that takes into consideration the dividend per share approved at the Annual General Meeting following each financial year end.

### 2.21 Currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Renminbi ("RMB"), which is the functional currency of the Company.

(b) *Transactions and balances*

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. Monetary items include primarily financial assets (other than equity investments), contract assets and financial liabilities.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 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 – 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.

## **2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

### **2.23 Cash and cash equivalents**

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and demand deposits with financial institutions which are subject to an insignificant risk of change in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

### **2.24 Share capital and treasury shares**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the company's ordinary shares ("treasury shares"), the carrying amount of the shares is deducted from the share capital account.

2.23

2.23 Cash and cash equivalents

### **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

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

(c) *Recoverable amount of LNG Terminal and LNG Storage and Distribution facility*

A total investment of approximately RMB1.9 billion is planned for the conversion of LNG Terminal and the construction of LNG Storage and Distribution facility (the “facilities”) on the adjacent land in the downstream Yangtze River region. The Group obtained the relevant government approvals for the conversion of the terminal in 2024. The carrying amount of the facilities is RMB1.1 billion (2024: RMB587.8 million) as at year end.

The recoverable amount of the facilities is determined based on value-in-use (“VI”) model, measured using discounted cash flow projections. Cash flow projections used in the VI calculation were based on projected cash flows approved by management covering a twenty-eight-year period and applying a post-tax discount rate of 10% per annum (pre-tax discount rate of 13.8% per annum). The terminal conversion and storage construction works are in progress as of 31 December 2025. Significant judgements are required in estimating the revenue cashflows (including the estimated price and volume of the LNG businesses which comprise of one-stop transmission and transshipment services), the construction costs to complete and the discount rate applied in determining the recoverable amount of the G. In making these estimates, management has relied on its expectations of market and industry developments in PR.

The impact arising from a change in the key estimate inputs on the recoverable amount of the G as at 31 December is as follows:

	2025		2024	
	Higher/(lower) %	Change of recoverable amount RMB'000	Higher/(lower) %	Change of recoverable amount RMB'000
Estimated revenue cashflows	<b>(5%)</b>	<b>(196,412)</b>	(5%)	(179,577)
Construction costs to complete	<b>5%</b>	<b>(99,349)</b>	5%	(116,877)
Discount rate (post-tax)	<b>0.5%</b>	<b>(125,406)</b>	0.5%	(180,918)

A reasonably possible change on the key estimate inputs does not materially cause the estimated recoverable amount to be lower than its carrying amount.

#### 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.

	<b>At a point in time RMB'000</b>	<b>Over time RMB'000</b>	<b>Total RMB'000</b>
<u>The Group</u>			
<b>2025</b>			
<i>Shipbuilding segment</i>			
– Shipbuilding revenue	–	26,577,181	26,577,181
– Sale of steel parts	248,436	–	248,436
<i>Shipping segment</i>			
charter hire income	–	1,141,452	1,141,452
<i>Others segment</i>			
Rendering of ship design services	14,875	–	14,875
Sale of goods – materials and others	452,429	–	452,429
Rental income (Note 23)	–	6,803	6,803
Sale of residential units	63,503	–	63,503
Others	141	–	141
Total revenue	<b>779,384</b>	<b>27,725,436</b>	<b>28,504,820</b>
<b>2024</b>			
<i>Shipbuilding segment</i>			
– Shipbuilding revenue	–	24,986,421	24,986,421
– Sale of steel parts	229,185	–	229,185
<i>Shipping segment</i>			
charter hire income	–	1,242,528	1,242,528
<i>Others segment</i>			
Rendering of ship design services	19,357	–	19,357
Sale of goods – materials and others	7,717	–	7,717
Rental income (Note 23)	–	25,253	25,253
Others	31,255	–	31,255
Total revenue	<b>287,514</b>	<b>26,254,202</b>	<b>26,541,716</b>

(b) Contract assets and liabilities

	<b>31 December 2025 RMB'000</b>	<b>2024 RMB'000</b>	<b>1 January 2024 RMB'000</b>
<u>The Group</u>			
<i>Contract assets</i>			
– Shipbuilding contracts	<b>5,580,827</b>	5,580,827	5,580,827

5,580,827 5,580,827 5,580,827

#### 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	
	2025 RMB'000	2024 RMB'000
<i>Revenue recognised in current period that was included in the contract liabilities balance at the beginning of the period</i>		
– Shipbuilding contracts	<b>4,053,048</b>	2,644,187

(ii) Unsatisfied performance obligations

As at 31 December 2025, the aggregate amount of the transaction price allocated to the remaining performance obligation is RMB108 billion (2024: RMB118 billion) and the Group expects to recognise this revenue over the next 1 to 5 years (2024: 1 to 5 years).

(c) Trade receivables from contracts with customers

	31 December		1 January
	2025 RMB'000	2024 RMB'000	2024 RMB'000
<u>The Group</u>			
<b>Current assets</b>			
Trade receivables from customers (Note 16)	<b>470,635</b>	247,792	837,273

#### 5. OTHER INCOME

	The Group	
	2025 RMB'000	2024 RMB'000
Interest income		
– Cash and cash equivalents and restricted cash	<b>760,258</b>	648,320
– Finance leases	<b>65,698</b>	86,824
– Loan to non-related parties	<b>24,526</b>	–
Sale of bunker stock and scrap materials	<b>32,050</b>	11,767
Dividend income	<b>296</b>	539
Others	<b>70,326</b>	46,728

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 6. OTHER GAINS – NET

	The Group	
	2025 RMB'000	2024 RMB'000
Foreign exchange (losses)/gains	<b>(335,527)</b>	116,645
Less: cash flow hedges, reclassified from hedging reserve (Note 32(b))	<b>181,869</b>	(111,650)
Foreign exchange related (losses)/gains, net	<b>(153,658)</b>	4,995
Fair value gains/(losses):		
– Derivative financial instruments	<b>1,364</b>	–
– Financial assets, at fair value through profit or loss (Note 15)	<b>2,687</b>	(23,252)
Gain on disposal of property, plant and equipment	<b>86,700</b>	28,302
Subsidies and incentives	<b>143,253</b>	136,689
Others	<b>(28,694)</b>	14,756
	<b>51,652</b>	161,490

## 7. EXPENSES BY NATURE

	The Group	
	2025 RMB'000	2024 RMB'000
Raw materials and consumables used (Note 17)	<b>13,069,810</b>	13,428,704
Amortisation of intangible assets (Note 26)	<b>4,421</b>	4,602
Depreciation of investment property (Note 23)	<b>105</b>	23,463
Depreciation of property, plant and equipment (Note 24)	<b>525,358</b>	433,202
Impairment loss on:		
– Investment property (Note 23)	–	180,865
Bad debt recovery	<b>(39,989)</b>	(42,175)
Employee compensation (Note 8)	<b>597,091</b>	426,075
Subcontracting costs	<b>3,049,968</b>	2,512,433
Other shipbuilding related fees and charges	<b>849,310</b>	888,275
Inventories write-down (Note 17)	<b>13,975</b>	–
Provision for warranty – net (Note 29)	<b>91,452</b>	201,303
Utilities	<b>170,456</b>	170,585
Transportation expenses	<b>38,891</b>	51,368
Auditors' remuneration paid/payable to		
– Auditor of the company	<b>5,630</b>	4,192
– Other auditors	<b>750</b>	319
Other fees paid/payable to an overseas network firm of the Auditor of the company	<b>139</b>	1,783
Professional fees	<b>52,344</b>	77,122
Vessel operations expenses	<b>570,874</b>	536,060
Commission	<b>168,121</b>	350,848
Others	<b>409,795</b>	505,212
<b>Total cost of sales and administrative expenses</b>	<b>19,578,501</b>	19,754,236

**8. EMPLOYEE COMPENSATION**

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Salaries and wages	<b>304,006</b>	201,421



## 10. INCOME TAXES (CONTINUED)

(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
<u>Group</u>			
<b>2025</b>			
Fair value gains and reclassification adjustments on cash flow hedges	<b>(39,020)</b>	<b>5,854</b>	<b>(33,166)</b>
<b>2024</b>			
Fair value gains and reclassification adjustments on cash flow hedges	(137,473)	20,621	(116,852)

(c) OECD Pillar Two model rules

The Group is within the scope of the OECD Pillar Two model rules, and it applies the SFRS(I) 1-12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. In December 2024, Singapore enacted the Pillar Two legislation and implemented the Income Inclusion Rule ("IIR") and a Domestic Minimum Top-up Tax ("DTT"), effective from 1 January 2025. Under the legislation, the Group is liable to pay a top-up tax for the difference between its GloBE effective tax rate in each jurisdiction and the 15% minimum rate.

The Group has applied the transitional country-by-country reporting ("CbR") safe harbour rules in Pillar Two, which allow an entity to avoid undertaking detailed GloBE calculations in respect of a jurisdiction if the entity can demonstrate, based on its qualifying CbR and financial accounting data, that in that jurisdiction it has: (i) revenue and income below the de minimis threshold, (ii) an effective tax rate (ETR) based on a simplified ETR test that equals or exceeds an agreed rate, or (iii) no excess profits after excluding routine profits. Based on the simplified calculations under the CbR safe harbour rules, no jurisdictional top-up tax is required for the financial year ended 31 December 2025.

## 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.

	<b>The Group Total</b>	
	<b>2025</b>	<b>2024</b>
Net profit attributable to equity holders of the company (RMB'000)	<b>8,637,076</b>	6,633,616
Weighted average number of ordinary shares in issue for basic earnings per share ('000)	<b>3,939,674</b>	3,950,589
Basic earnings per share (RMB cents)	<b>219.23</b>	167.91

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	
2025	2024	2025	2024
RMB'000	RMB'000	RMB'000	<del>RMB'000</del>



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## 14. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Hedging instruments used in Group's hedging strategy in 2025

	Carrying amount		Changes in fair value used for calculating hedge ineffectiveness		Hedge ineffectiveness recognised in P&L RMB'000	Weighted average hedged rate	Maturity date	
	Contractual notional amount RMB'000	Liabilities – net RMB'000	Financial statement line item	Hedging instrument RMB'000				Hedged item RMB'000
	<b>Group</b>							
<b>Cash flow hedge</b>								
Foreign exchange risk								
– Forward contracts to hedge highly probable transactions	318,848	(9,555)	Derivative financial instruments	(9,555)	9,555	–	USD 1: RMB6.7610 January 2026 – March 2026	

Hedging instruments used in Group's hedging strategy in 2024

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

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

	The Group	
	2025 RMB'000	2024 RMB'000
Beginning of financial year	18,322	45,594
Fair value gain/(loss) through profit and loss (Note 6)	2,687	(23,252)
Disposal	(8,180)	(4,020)
End of financial year	12,829	18,322

## 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	
	2025 RMB'000	2024 RMB'000
Current		
listed		
– Equity securities – PR	<b>12,529</b>	16,022
Non-current		
listed		
– Equity securities – PR	<b>300</b>	2,300
	<b>12,829</b>	18,322

The instruments are all mandatorily measured at fair value through profit or loss.

## 16. TRADE AND OTHER RECEIVABLES – CURRENT

	The Group		The Company	
	2025 RMB'000	2024 RMB'000	2025 RMB'000	2024 RMB'000
Finance lease receivables (Note 19)	<b>84,390</b>	295,602	–	–
Trade receivables				
– Non-related parties	<b>106,562</b>	194,444	–	–
– Joint venture	<b>364,073</b>	53,348	–	–
Other receivables				
– Subsidiaries	–	–	<b>11,355,005</b>	6,854,224
– Non-related parties	<b>198,971</b>	93,533	–	591
– Joint venture	<b>274</b>	207,722	<b>274</b>	158,528
– Associated company	<b>184</b>	94	<b>184</b>	94
– Loan to a non-related party [Note (a)]	<b>400,000</b>	–	–	–
Other receivables – net	<b>599,429</b>	301,349	<b>11,355,463</b>	7,013,437
Other assets				
– Value added tax recoverable	<b>449,400</b>	300,885	<b>47</b>	117
– Deposits [Note (b)]	–	185,000	–	–
Prepayments [Note (c)]	<b>6,319,213</b>	4,939,537	–	–
	<b>7,923,067</b>	6,270,165	<b>11,355,510</b>	7,013,554

(a) As at 31 December 2025, the loan to a non-related party is secured by a pledge over a land in Jingjiang, PR . This loan bears interest at 6% per annum and is repayable in full by October 2026.

(b) 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 PR . The deposits were fully refunded following the completion of the acquisition of land use rights in 2025.

(c) 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.

**17. INVENTORIES**

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Raw materials	<b>927,126</b>	709,111
Work-in-progress	<b>2,584,265</b>	1,084,410
Development properties	<b>46,463</b>	82,879
	<b>3,557,854</b>	<b>1,876,400</b>

## 19. FINANCE LEASE RECEIVABLES

The Group leases vessels to non-related parties under finance leases. There were no new finance lease agreements entered by the Group in 2025. The various agreements expire between 2026 and 2034 (2024: 2025 and 2034), and the non-related parties have the obligation to purchase the vessels upon their respective expiry dates.

	The Group	
	2025 RMB'000	2024 RMB'000
Gross receivables due		
– Less than one year	<b>138,910</b>	362,539
– One to two years	<b>300,866</b>	142,064
– Two to three years	<b>66,886</b>	307,697
– Three to four years	<b>66,703</b>	68,405
– Four to five years	<b>66,703</b>	68,218
– More than five years	<b>473,541</b>	552,512
	<b>1,113,609</b>	1,501,435
Less: earned finance income	<b>(248,960)</b>	(321,550)
Net investment in finance leases [Note (a)]	<b>864,649</b>	1,179,885

The net investment in finance leases is analysed as follows:

	The Group	
	2025 RMB'000	2024 RMB'000
Current (Note 16)	<b>84,390</b>	295,602
Non-current (Note 18)	<b>780,259</b>	884,283
	<b>864,649</b>	1,179,885

(a) The net investment in finance leases decreased primarily from the regular receipts of lease payments and maturity of a finance lease in 2025.

## 20. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2025 RMB'000	2024 RMB'000
<i>Equity investments at cost</i>		
Beginning of financial year	<b>9,510,713</b>	8,069,753
Additions [Note (a)]	<b>532,093</b>	1,440,960
Disposal [Note (b)]	<b>(6,148)</b>	–
Impairment [Note (c)]	<b>(7,188)</b>	–
End of financial year	<b>10,029,470</b>	9,510,713

## 20. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

### (a) Additions

In 2025, the company:

- (i) injected additional capital into Jiangsu Yangzi Hongyuan Shipbuilding Co., Ltd amounting to RMB358,805,000;
- (ii) injected additional capital into Jiangsu Yanghong Marine Import and Export Co., Ltd. amounting to RMB143,600,000;
- (iii) injected additional capital into Jiangsu Yangzi Hengkang Marine Heavy Industry Co., Ltd. amounting to RMB22,500,000; and
- (iv) injected capital into Jiangsu Yangzi Runze Shipbuilding Co., Ltd amounting to RMB7,187,600.

In 2024, the company:

- (i) incorporated a wholly owned subsidiary, Jiangsu Yangzi Hongyuan Shipbuilding Co., Ltd. with issued and paid-up share capital of RMB709,278,000;
- (ii) incorporated Jiangsu Yangzi Hengkang Marine Heavy Industry Co., Ltd. and paid RMB47,000,000 for its 50% share of the subscribed and issued share capital;
- (iii)

## 21. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Set out below is the joint venture of the Group which is material to the Group.

Name of company	Principal activity	Place of business/ country of incorporation	Effective equity holding	
			2025 %	2024 %
Jiangsu Yangzi – Mitsui Shipbuilding Co., Ltd. <sup>(1)</sup>	Shipbuilding	China	51	56

(1) The joint venture is audited by other accounting firms for local statutory purpose.

Yangzi-Mitsui is involved in shipbuilding, production and processing of large-scale steel structure in the People's Republic of China. Control over the financial and operating decisions of Yangzi-Mitsui is jointly exercised with the other shareholders in accordance with the shareholders' agreement.

As at the date of these financial statements, Yangzi-Mitsui qualifies for the HITE incentive up to November 2027. On the basis that the qualifying conditions for HITE are met, the applicable tax rate for Yangzi-Mitsui is 15%.

There are no contingent liabilities relating to the Group's interest in the joint ventures.

### Summarised financial information for joint venture

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

### Summarised balance sheet

	Yangzi-Mitsui 31 December	
	2025 RMB'000	2024 RMB'000
Current assets	<b>7,749,164</b>	6,484,875
Includes:		
– Cash and bank balances	<b>1,522,041</b>	1,479,948
Current liabilities	<b>(5,289,821)</b>	(5,226,685)
Includes:		
– Financial liabilities (excluding trade payables)	<b>(249,866)</b>	(530,469)
Non-current assets	<b>525,276</b>	514,232
Non-current liabilities	<b>(67,806)</b>	(56,319)
Includes:		
– Financial liabilities (excluding trade payables)	<b>(48,352)</b>	(41,099)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 21. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Summarised statement of comprehensive income

	Yangzi-Mitsui 31 December	
	2025 RMB'000	2024 RMB'000
Revenue	5,728,619	4,826,845
Interest income	6,950	5,653
Expenses includes:		
– Depreciation and amortisation	(15,601)	(15,685)
Profit before income tax	1,415,894	1,177,434
Income tax expense	(15,685)	(15,685)
Total comprehensive income	1,199,415	997,963
Dividend received	–	315,315

The information above reflects the amounts presented in the financial statements of the joint venture (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the joint venture.

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	
	2025 RMB'000	2024 RMB'000
Loss for the year	(15,685)	(15,685)
Other comprehensive income	6,264	15,634
Total comprehensive income	6,259	15,622

Reconciliation of summarised financial information

Carrying value	1,457,790	905,776
Add: Carrying value of immaterial joint venture	8,598	2,339
Carrying value of Group's interest in joint ventures	1,447,388	908,115

487,575

961,018

## 22. INVESTMENTS IN ASSOCIATED COMPANIES

	The Group		The Company	
	2025 RMB'000	2024 RMB'000	2025 RMB'000	2024 RMB'000
<i>Equity investments at cost</i>				
Beginning of financial year	<b>58,594</b>	54,403	<b>134,062</b>	134,062
Addition [Note (a)]	<b>833,050</b>	–	<b>833,050</b>	–
Return of capital [Note (b)]	<b>(5,814)</b>	–	–	–
Impairment [Note (c)]	–	–	<b>(111,940)</b>	–
Dividend	<b>(10,360)</b>	–	–	–
Share of profits	<b>225,369</b>	2,088	–	–
Share of other comprehensive (loss)/income – currency translation reserve	<b>(3,173)</b>	2,103	–	–
End of financial year	<b>1,097,666</b>	58,594	<b>855,172</b>	134,062

- (a) In 2025, the Group acquired a 34% equity interest in Tsuneishi Group (Zhoushan) Shipbuilding Co., Ltd. (“Tsuneishi”) with a cash consideration of RMB833,050,000.
- (b) In 2025, the Group received a return of capital of RMB5,814,000 following the dissolution of its 30%-owned associated company, Jiangsu Run Yuan Energy Co., Ltd..
- (c) In 2025, the company impaired its investment in one of the associated companies which has ceased operation.

Set out below is the associated company which is material to the Group.

Name of company	Principal activity	Place of business/ country of incorporation	Effective equity holding	
			2025 %	2024 %
Tsuneishi Group (Zhoushan) Shipbuilding Co., Ltd. <sup>(1)</sup>	Shipbuilding	China	<b>34%</b>	–

(1) The associated company is audited by other accounting firms for local statutory purpose.

Tsuneishi is involved in shipbuilding, production and processing of large-scale steel structure in the People's Republic of China.

There are no contingent liabilities relating to the Group's interest in the associated companies.

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## 22. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)

Summarised financial information for associated company

Set out below is the summarised financial information for Tsuneishi.

Summarised balance sheet

	<b>Tsuneishi 31 December 2025 RMB'000</b>
Current assets	4,071,206
Current liabilities	(1,831,907)
Non-current assets	887,545
Non-current liabilities	(79)

Summarised statement of comprehensive income

	<b>Tsuneishi 31 December 2025 RMB'000</b>
Revenue	5,419,960
Profit from continuing operations	904,459
Post-tax profit from continuing operations	676,617

The information above reflects the amounts presented in the financial statements of the associated company (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the associated company.

**22. INVESTMENTS IN ASSOCIATED COMPANIES (CONTINUED)**Summarised statement of comprehensive income (continued)

The following table summarises the Group's share of profit/(loss) and other comprehensive income/(loss) of the Group's individually immaterial associated companies accounted for using the equity method:

	<b>31 December</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
(Loss)/profit for the year	<b>(4,681)</b>	2,088
Other comprehensive (loss)/income	<b>(3,173)</b>	2,103
Total comprehensive (loss)/income	<b>(7,854)</b>	4,191

Reconciliation of summarised financial information

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

	<b>Tsuneishi</b>	
	<b>31 December</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Net assets	<b>3,126,765</b>	–
Group's equity interest	<b>34%</b>	–
Group's share of net assets	<b>1,063,100</b>	–
Carrying value	<b>1,063,100</b>	–
Add: Carrying value of individually immaterial associated companies, in aggregate	<b>34,566</b>	58,594
Carrying value of Group's interest in associated companies	<b>1,097,666</b>	58,594

## 23. INVESTMENT PROPERTY

	Freehold land RMB'000	Building RMB'000	Construction in progress RMB'000	Total RMB'000
<i>Group</i>				
<b>2025</b>				
<b>Cost</b>				
Beginning of financial year	1,873,335	289,024	40,830	2,203,189
Additions	–	–	215,789	215,789
currency translation difference	47,426	7,317	1,053	55,796
End of financial year	1,920,761	296,341	257,672	2,474,774
<b>Accumulated depreciation and impairment loss</b>				
Beginning of financial year	–	(219,689)	–	(219,689)
Depreciation charge	–	(105)	–	(105)
currency translation difference	–	(5,664)	–	(5,664)
End of financial year	–	(225,458)	–	(225,458)
<b>Net book value</b>				
<b>As at 31 December 2025</b>	<b>1,920,761</b>	<b>70,883</b>	<b>257,672</b>	<b>2,249,316</b>
<b>2024</b>				
<b>Cost</b>				
Beginning of financial year	1,892,623	292,000	–	2,184,623
Additions [Note (a)]	–	–	40,830	40,830
currency translation difference	(19,288)	(2,976)	–	(22,264)
End of financial year	1,873,335	289,024	40,830	2,203,189
<b>Accumulated depreciation and impairment loss</b>				
Beginning of financial year	–	(16,086)	–	(16,086)
Depreciation charge	–	(23,463)	–	(23,463)
Impairment loss (Note 7) [Note (b)]	–	(180,865)	–	(180,865)
currency translation difference	–	725	–	725
End of financial year	–	(219,689)	–	(219,689)
<b>Net book value</b>				
<b>As at 31 December 2024</b>	<b>1,873,335</b>	<b>69,335</b>	<b>40,830</b>	<b>1,983,500</b>

(a)

**23. INVESTMENT PROPERTY (CONTINUED)**

The following amounts are recognised in profit and loss:

<b>The Group</b>	
<b>2025</b>	<b>2024</b>
<b>RMB'000</b>	<b>RMB'000</b>

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## 24. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Machinery	Vehicles	Furniture, fittings and equipment	Vessels	Leasehold prepayments – land use rights	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<u>The Group</u>								
<b>2025</b>								
<b>Cost</b>								
As at 1 January	4,611,988	2,506,225	160,502	210,027	5,321,897	1,562,048	252,705	14,625,392
Additions	53,875	77,372	18,693	23,184	259,449	197,381	1,399,860	2,029,814
Transfers	148,641	88,413	1,134	4,747	–	(11,440)	(231,495)	–
Reclassification	–	–	–	–	–	(20,578)	–	(20,578)
Disposals	(8,750)	(22,985)	(7,481)	(2,185)	(204,063)	–	–	(245,464)
currency translation difference	–	–	–	–	(106,921)	–	–	(106,921)
As at 31 December	4,805,754	2,649,025	172,848	235,773	5,270,362	1,727,411	1,421,070	16,282,243
<b>Accumulated depreciation and impairment losses</b>								
As at 1 January	(2,840,755)	(2,033,027)	(147,547)	(156,963)	(1,259,151)	(324,581)	–	(6,762,024)
Depreciation charge (Note 7)	(213,434)	(47,074)	(4,273)	(20,814)	(211,158)	(28,605)	–	(525,358)
Disposals	5,152	21,698	7,219	1,922	24,141	–	–	60,132
currency translation difference	–	–	–	–	29,548	–	–	29,548
As at 31 December	(3,049,037)	(2,058,403)	(144,601)	(175,855)	(1,416,620)	(353,186)	–	(7,197,702)
<b>Net book value</b>								
As at 31 December 2025	1,756,717	590,622	28,247	59,918	3,853,742	1,374,225	1,421,070	9,084,541

	Buildings	Machinery	Vehicles	Furniture, fittings and equipment	Vessels	Leasehold prepayments – land use rights	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<u>The Group</u>								
<b>2024</b>								
<b>Cost</b>								
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
<b>Accumulated depreciation and impairment losses</b>								
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)
<b>Net book value</b>								
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

(a) The Group's interest in land use rights in the PR is held on leases with periods ranging from 35 years to 50 years (2024: 35 years to 70 years).

**24. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

	<b>Buildings RMB'000</b>
<u>Company</u>	
<b>2024</b>	
<b>Cost</b>	
As at 1 January	1,494
Derecognition	(1,494)
As at 31 December	–
<b>Accumulated depreciation</b>	
As at 1 January	(1,259)
Depreciation charge	(341)
Currency translation difference	106
Derecognition	1,494
	–
<b>Net book value</b>	
<b>As at 31 December 2024</b>	<b>–</b>

**25. LEASES**

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

**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 50 years, which are used in the Group's operations in China. These leasehold lands are recognised within property, plant and equipment (Note 24).

There is no externally imposed covenant on these lease arrangements.

(a) Carrying amounts

ROU assets classified within property, plant and equipment

	<b>2025 RMB'000</b>	<b>2024 RMB'000</b>
<u>The Group</u>		
Land use rights	<b>1,374,225</b>	1,237,467

(b) Depreciation charge during the year

	<b>2025 RMB'000</b>	<b>2024 RMB'000</b>
<u>The Group</u>		
Leasehold land	<b>28,605</b>	24,362
Buildings	–	341
	<b>28,605</b>	24,703

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## 25. LEASES (CONTINUED)

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

(c) Interest expense

	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<u>The Group</u>		
Interest expense on lease liabilities (Note 9)	-	3

(d) Total cash outflow for all the leases in 2025 was nil (2024: RMB353,000).

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.

Interest income from finance leases is disclosed in Note 5. The maturity analysis of lease payments for the finance leases is disclosed in Note 19. The credit risk of the finance lease receivables is disclosed in Note 35(b)(iii).

Revenue from operating lease of the vessels is disclosed in Note 4(a).

The Group leased 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 23.

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:

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Less than one year	<b>459,737</b>	497,498
One to two years	<b>2,205</b>	48,507
	<b>461,942</b>	546,005

## 26. INTANGIBLE ASSETS

*Computer software licenses*

	The Group	
	2025 RMB'000	2024 RMB'000
<b>Cost</b>		
Beginning of financial year	47,041	42,369
Additions	4,013	4,672
End of financial year	51,054	47,041
<b>Accumulated amortisation</b>		
Beginning of financial year	(25,792)	(21,190)
Amortisation charge (Note 7)	(4,421)	(4,602)
End of financial year	(30,213)	(25,792)
<b>Net book value as at 31 December</b>	<b>20,841</b>	<b>21,249</b>
Net book value as at 1 January	21,249	21,179

The amortisation expenses are classified as administrative expenses in profit or loss.

## 27. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2025 RMB'000	2024 RMB'000	2025 RMB'000	2024 RMB'000
<b>Current</b>				
Trade payables				
– Third parties	2,017,384	2,956,391	–	–
– Associated company	34,506	–	–	–
Other payables				
– Subsidiaries [Note (a)]	–	–	239,546	1,089,065
– Non-related parties	1,156,180	1,036,990	68,848	85,403
– Associated companies [Note (b)]	212,304	–	–	–
– Loan from an associated company [Note (c)]	17,000	–	–	–
Deferred compensation income [Note (d)]	194,737	157,553	–	–
Other operating accruals	159,468	168,786	–	–
	<b>3,791,579</b>	<b>4,319,720</b>	<b>308,394</b>	<b>1,174,468</b>
<b>Non-current</b>				
Other payables				
– Non-related parties	318,468	–	36,731	–
	<b>4,110,047</b>	<b>4,319,720</b>	<b>345,125</b>	<b>1,174,468</b>

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

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

(c) As at 31 December 2025, the loan from an associated company bears interest at 4% per annum and is repayable in full by January 2026.

(d) As at 31 December 2025, included in deferred compensation income is the government grant of RMB157 million received for the relocation of shipbuilding premises at Jiangsu Yangzijiang Shipbuilding Group Co., Ltd. (“JYS”). A portion of the government grant is deferred as the performance conditions attached to this portion of the grant have yet been met.

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## 28. BORROWINGS

	The Group		The Company	
	2025 RMB'000	2024 RMB'000	2025 RMB'000	2024 RMB'000
<b>Current</b>				
Bank borrowings (unsecured)	<b>5,500,000</b>	4,500,000	-	-
	<b>5,500,000</b>	4,500,000	-	-
<b>Non-current</b>				
Bank borrowings (unsecured)	-	2,300,000	-	-
	-	2,300,000	-	-
	<b>5,500,000</b>	6,800,000	-	-

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	
	2025 RMB'000	2024 RMB'000	2025 RMB'000	2024 RMB'000
Fixed rate:				
- Within one year	<b>5,500,000</b>	4,500,000	-	-
- One to two years	-	2,300,000	-	-
	<b>5,500,000</b>	6,800,000	-	-

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

	The Group		The Company	
	2025 RMB'000	2024 RMB'000	2025 RMB'000	2024 RMB'000
Borrowings				
- RMB	-	2,199,867	-	-

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	
	2025	2024	2025	2024
Borrowings				
- RMB	-	3.60%	-	-

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

## 28. BORROWINGS (CONTINUED)

(b) Reconciliation of liabilities arising from financing activities

	1 January 2025 RMB'000	Proceeds from borrowings RMB'000	Principal and interest payments RMB'000	Non-cash changes		31 December 2025 RMB'000
				Interest expense RMB'000	Foreign exchange movement RMB'000	
<b>The Group</b>						
Bank borrowings	<b>6,800,000</b>	2,250,000	(3,665,359)	115,359	–	<b>5,500,000</b>

	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	
<b>The Group</b>						
Bank borrowings	5,594,291	5,550,000	(4,463,340)	118,769	280	6,800,000
Lease liabilities	355	–	(353)	3	(5)	–

## 29. PROVISIONS

	The Group	
	2025 RMB'000	2024 RMB'000
Warranty	<b>713,967</b>	630,251
Legal claims	<b>36,238</b>	23,020
	<b>750,205</b>	653,271

The Group provides warranties on completed and delivered vessels and undertakes to repair or replace items that fail to perform satisfactorily within the warranty period. 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	
	2025 RMB'000	2024 RMB'000	2025 RMB'000	2024 RMB'000
As at 1 January	<b>630,251</b>	431,027	<b>23,020</b>	12,748
Write back of provision	<b>(170,400)</b>	(97,691)	–	–
Provision made	<b>261,852</b>	298,994	<b>23,587</b>	10,082
Provision utilised	<b>(7,736)</b>	(2,079)	<b>(10,082)</b>	–
currency translation difference	–	–	<b>(287)</b>	190
As at 31 December	<b>713,967</b>	630,251	<b>36,238</b>	23,020



**30. DEFERRED INCOME TAX (CONTINUED)**

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

<b>The Group</b>	
<b>2025</b>	<b>2024</b>
<b>RMB'000</b>	<b>RMB'000</b>

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## 30. DEFERRED INCOME TAX (CONTINUED)

The company

Deferred income tax liabilities

	Unremitted dividends from subsidiaries RMB'000
<b>2025</b>	
As at 1 January	76,058
Charged to profit or loss	68,257
As at 31 December	<u>144,315</u>
<b>2024</b>	
As at 1 January	–
Charged to profit or loss	76,058
As at 31 December	<u>76,058</u>

## 31. SHARE CAPITAL

	Number of shares		Amount	
	Issued share capital '000	Treasury shares '000	Share capital RMB'000	Treasury shares RMB'000
The Group				
<b>2025</b>				
As at 1 January	3,974,077	(23,488)	7,361,990	(127,753)
Share buyback [Note (a)]	–	(15,000)	–	(158,213)
As at 31 December	<u>3,974,077</u>	<u>(38,488)</u>	<u>7,361,990</u>	<u>(285,966)</u>
<b>2024</b>				
As at 1 January and 31 December	3,974,077	(23,488)	7,361,990	(127,753)
The company				
<b>2025</b>				
As at 1 January	3,974,077	(23,488)	7,326,773	(127,753)
Share buyback [Note (a)]	–	(15,000)	–	(158,213)
As at 31 December	<u>3,974,077</u>	<u>(38,488)</u>	<u>7,326,773</u>	<u>(285,966)</u>
<b>2024</b>				
As at 1 January and 31 December	3,974,077	(23,488)	7,326,773	(127,753)

(a) The company bought back 15,000,000 (2024: Nil) shares of the company by way of market acquisition, which are held as treasury shares.

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



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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 33. DIVIDENDS

	The Group	
	2025 RMB'000	2024 RMB'000
<i>Ordinary dividends</i>		
Final exempt dividend paid in respect of the previous financial year of SGD12.0 cents (2024: SGD6.5 cents) per share	<b>2,607,832</b>	1,345,827

A final exempt (one-tier) dividend of SGD20.0 cents per share amounting to approximately SGD787,117,844 (equivalent of RMB4,296,561,000) will be recommended for the shareholders' approval at the Annual General Meeting on 28 April 2026. 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 2026.

## 34. CAPITAL COMMITMENT

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

	The Group	
	2025 RMB'000	2024 RMB'000
Property, plant and equipment	<b>2,010,861</b>	857,134
Investment property	<b>313,475</b>	4,299
	<b>2,324,336</b>	861,433

## 35. 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.

#### (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.

### 35. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk ( continued)

(i) *Currency risk* ( continued)

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 SD receipts under the shipbuilding contracts.

The Group's currency exposure based on the information provided to key management is as follows:

	RMB RMB'000	USD RMB'000	EUR RMB'000	SGD RMB'000	Total RMB'000
<u>The Group</u>					
<b>At 31 December 2025</b>					
<b>Financial assets</b>					
Cash and cash equivalents	18,062,807	1,996,785	1,163	14,946	20,075,701
Restricted cash	6,068,489	-	-	-	6,068,489
Financial assets at fair value through profit or loss	12,829	-	-	-	12,829
Trade and other receivables excluding prepayment and value added tax recoverable	993,740	1,005,793	-	680	2,000,213
	<b>25,137,865</b>	<b>3,002,578</b>	<b>1,163</b>	<b>15,626</b>	<b>28,157,232</b>
<b>Financial liabilities</b>					
Trade and other payables excluding deferred compensation income	(3,729,703)	(138,902)	-	(46,705)	(3,915,310)
Borrowings	(5,500,000)	-	-	-	(5,500,000)
	<b>(9,229,703)</b>	<b>(138,902)</b>	<b>-</b>	<b>(46,705)</b>	<b>(9,415,310)</b>
<b>Net financial assets/ (liabilities)</b>	<b>15,908,162</b>	<b>2,863,676</b>	<b>1,163</b>	<b>(31,079)</b>	<b>18,741,922</b>
Less: Net financial (assets)/ liabilities denominated in the respective entities' functional currency	(15,908,162)	(866,891)	-	46,208	
Less: Forward and option foreign exchange contracts	-	(2,385,940)	-	-	
Add: Contract assets	-	5,580,827	-	-	
Add: Highly probable forecasted transactions in foreign currencies	-	98,613,681	-	-	
<b>Currency exposure</b>	<b>-</b>	<b>103,805,353</b>	<b>1,163</b>	<b>15,129</b>	

# NOTES TO THE FINANCIAL STATEMENTS

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## 35. 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
<u>The Group</u>					
<b>At 31 December 2024</b>					
<b>Financial assets</b>					
Cash and cash equivalents	10,959,986	17,107,593	3,760	48,401	28,119,740
Restricted cash	19,997	–	–	–	19,997
Financial assets at fair value through profit or loss	18,322	–	–	–	18,322
Trade and other receivables excluding prepayment and value added tax recoverable	1,125,690	1,254,429	–	1,191	2,381,310
	<u>12,123,995</u>	<u>18,362,022</u>	<u>3,760</u>	<u>49,592</u>	<u>30,539,369</u>
<b>Financial liabilities</b>					
Trade and other payables excluding deferred compensation income	(3,904,847)	(226,739)	–	(30,581)	(4,162,167)
Borrowings	(6,800,000)	–	–	–	(6,800,000)
	<u>(10,704,847)</u>	<u>(226,739)</u>	<u>–</u>	<u>(30,581)</u>	<u>(10,962,167)</u>
<b>Net financial assets</b>	1,419,148	18,135,283	3,760	19,011	<u>19,577,202</u>
Less: Net financial (assets)/ liabilities denominated in the respective entities' functional currency	(1,419,148)	(1,088,453)	–	23,186	
Less: Forward foreign exchange contracts	–	(3,586,870)	–	–	
Add: Contract assets	–	5,564,771	–	–	
Add: Highly probable forecasted transactions in foreign currencies	–	108,143,167	–	–	
<b>Currency exposure</b>	<u>–</u>	<u>127,167,898</u>	<u>3,760</u>	<u>42,197</u>	

### 35. 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				
<b>At 31 December 2025</b>				
<b>Financial assets</b>				
Cash and cash equivalents	-	41,848	5,226	47,074
Trade and other receivables	<u>11,582,550</u>	<u>2,707,437</u>	<u>1,869,453</u>	<u>16,159,440</u>
	<b>11,582,550</b>	<b>2,749,285</b>	<b>1,874,679</b>	<b>16,206,514</b>
<b>Financial liabilities</b>				
Other payables	<u>(345,125)</u>	-	-	<u>(345,125)</u>
<b>Net financial assets</b>	<b>11,237,425</b>	<b>2,749,285</b>	<b>1,874,679</b>	<b><u>15,861,389</u></b>
Less: Net financial assets denominated in the company's functional currency	<u>(11,237,425)</u>	-	-	
<b>Currency exposure</b>	<b>-</b>	<b>2,749,285</b>	<b>1,874,679</b>	
<b>At 31 December 2024</b>				
<b>Financial assets</b>				
Cash and cash equivalents	-	112,688	2,755	115,443
Trade and other receivables	<u>7,235,468</u>	<u>3,727,620</u>	<u>1,658,040</u>	<u>12,621,128</u>

**35. FINANCIAL RISK MANAGEMENT (CONTINUED)**

(a) Market risk ( continued)

(i) *Currency risk* ( continued)

If the SD, E R and SGD change against the RMB by 10% (2024: 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 ~~al~~ as follows:**

### 35. 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 PR had increased/decreased by 10% (2024: 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)	
	2025	2024
	PAT	PAT
	RMB'000	RMB'000
The Group		
Increased by	962	1,374
Decreased by	(962)	(1,374)

(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 2025 are set out 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.

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

In 2025, credit risk exposure relating to shipbuilding activities is RMB5,976,548,000 (2024: RMB5,872,705,000), which comprises of RMB395,721,000 (2024: RMB29,612,000) included in trade and other receivables and contract assets of RMB5,580,827,000 (2024: RMB5,843,093,000).

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.

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## 35. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

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

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 RMB864,649,000 (2024: RMB1,179,885,000) 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.

(iv) *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 RMB16,158,982,000 (2024: RMB12,461,915,000) 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.

(v) *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:

	<b>The Company</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
For refund guarantees* issued to a customer of a joint venture	<b>1,212,356</b>	830,865
For refund guarantees* issued to customers of subsidiaries	<b>685,308</b>	939,150

\* Such refund guarantees are issued in relation to shipbuilding advances received from customers.

Without taking into consideration the collaterals held directly or indirectly by the company, the maximum exposure to credit risk of the above financial guarantees is the notional amount of the guarantees as above.

### 35. 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
<b>The Group</b>				
<u>As at 31 December 2025</u>				
Trade and other payables	(3,915,310)	-	-	-
Bank borrowings	(5,532,124)	-	-	-
	<b>(9,447,434)</b>	-	-	-
<u>As at 31 December 2024</u>				
Trade and other payables	(4,162,167)	-	-	-
Bank borrowings	(4,591,259)	(2,310,738)	-	-
	(8,753,426)	(2,310,738)	-	-
<b>The Company</b>				
<u>As at 31 December 2025</u>				
Trade and other payables	(345,125)	-	-	-
Financial guarantees*	(9,447,434)	-	-	-

# NOTES TO THE FINANCIAL STATEMENTS

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## 35. 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
<b>The Group</b>				
As at 31 December 2025				
Gross-settled currency forwards – cash flow hedges				
– Receipts	318,848	–	–	–
– Payments	(328,403)	–	–	–
Gross-settled currency forwards and options – non-hedging				
– Receipts	14,240,248	–	–	–
– Payments	(14,238,884)	–	–	–
As at 31 December 2024				
Gross-settled currency forwards – cash flow hedges				
– Receipts	3,268,022	318,848	–	–
– Payments	(3,487,116)	(330,198)	–	–

The company did not have any derivative held for hedging as at 31 December 2025 and 31 December 2024.

### (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	
	2025 RMB'000	2024 RMB'000
Total liabilities	26,076,025	28,179,196
Total assets	58,333,847	54,556,325
Liability-to-asset ratio	44.70%	51.65%

The Group and the company are not subject to any externally imposed capital requirements for the financial years ended 31 December 2025 and 31 December 2024.

**35. FINANCIAL RISK MANAGEMENT (CONTINUED)**

## (e) Fair value measurements

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

- (i) Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (ii) Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- (iii) Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<u>The Group</u>				
<b>31 December 2025</b>				
<b>Assets</b>				
Financial assets, at fair value through profit or loss	–	–	12,829	12,829
Derivative financial instruments, non-hedging	–	57,113	–	57,113
<b>Liabilities</b>				
Derivative financial instruments, non-hedging	–	(55,749)	–	(55,749)
Derivative financial instruments held for hedging	–	(9,555)	–	(9,555)
<b>31 December 2024</b>				
<b>Assets</b>				
Financial assets, at fair value through profit or loss	–	–	18,322	18,322
<b>Liabilities</b>				
Derivative financial instruments held for hedging	–	(230,444)	–	(230,444)

There were no transfers between Levels 1 and 2 during the year.

The fair values of unlisted equity securities, classified as financial assets at fair value through profit or loss have been determined by reference to the Group's share in attributable net assets in the investee companies. The investee companies have measured their own investments at fair value. The fair values are within Level 3 of the fair value hierarchy.

The fair values of foreign exchange currency forwards and options have been determined using quoted forward currency rates at the balance sheet date. These instruments are included in Level 2 of the fair value hierarchy.

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 35. FINANCIAL RISK MANAGEMENT (CONTINUED)

### (e) Fair value measurements (continued)

The following table presents the changes in Level 3 instruments:

	<b>Unlisted equity securities RMB'000</b>
<u>The Group</u>	
<b>2025</b>	
Beginning of the financial year	<b>18,322</b>
Fair value gain recognised in	
– Profit and loss	<b>2,687</b>
Disposal	<b>(8,180)</b>
End of financial year	<b>12,829</b>
Change in unrealised gain for the period included in profit or loss for financial assets held at the end of the financial year	<b>2,687</b>
<b>2024</b>	
Beginning of the financial year	45,594
Fair value loss recognised in	
– Profit and loss	(23,252)
Disposal	(4,020)
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)

### (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:

	<b>The Group RMB'000</b>	<b>The Company RMB'000</b>
<b>31 December 2025</b>		
Financial assets, at amortised cost	<b>28,144,403</b>	<b>16,206,514</b>
Financial liabilities, at amortised cost	<b>(9,415,310)</b>	<b>(345,125)</b>
<b>31 December 2024</b>		
Financial assets, at amortised cost	30,521,047	12,736,081
Financial liabilities, at amortised cost	(10,962,167)	(1,174,468)

### 36. 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.

	<b>The Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Sales of goods to a joint venture	<b>342,093</b>	81,434
Sales of goods to an associated company	<b>320,780</b>	–
Sales of equipment to a joint venture	<b>499</b>	13,905
Provision of services to a joint venture	<b>11,310</b>	18,038
Provision of services to associated companies	<b>145</b>	144
Rental income from a joint venture	<b>83,280</b>	92,189
Rental income from an associated company	<b>2,939</b>	4,770
Interest income from loan to an associated company	<b>804</b>	895
Loan to an associated company	<b>35,000</b>	40,000
Repayment of loan by an associated company	<b>55,000</b>	20,000
Loan from an associated company	<b>17,000</b>	–
Purchase of goods from an associated company	<b>44,854</b>	–
Purchase of vessels from a joint venture	–	212,307
Service provided by a joint venture	<b>23,536</b>	18,529
Professional services received from a related party	<b>35</b>	931
Purchase of goods from a joint venture	<b>231,431</b>	427,342

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 16, 18 and 27 respectively.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 36. RELATED PARTY TRANSACTIONS (CONTINUED)

### (b) Key management personnel compensation

Key management personnel compensation is analysed as follows:

	The Group	
	2025	2024
	RMB'000	RMB'000
<b>Directors</b>		
Basic salaries	3,369	4,162
Directors' fees	1,862	1,820
Contributions to defined contribution plans	120	130
Discretionary bonuses	660	1,562
Dividend equivalent rights	743	127
<b>Senior management</b>		
Basic salaries	295	295
Contributions to defined contribution plans	349	319
Discretionary bonuses	1,736	2,690
Dividend equivalent rights	2,475	417
	<b>11,609</b>	<b>11,522</b>

## 37. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Executive Chairman and head of respective business departments (collectively known as "Management Team") that are used to make strategic decisions.

The Management Team considers the business mainly from a business segment perspective. Geographically, management manages and monitors the business in the two primary geographic areas namely, Singapore and the PRC.

The principal activities of the shipbuilding segment are that of shipbuilding. The principal activities of the shipping segment consist of charter hire income earned by vessel owning companies.

Other segments include terminal services, ship design services, property investment. The results of these operations are included in "Others".

### 37. SEGMENT INFORMATION (CONTINUED)

The segment information provided to the Management Team for the reportable segments for the years ended 31 December 2025 and 2024 are as follows:

	Shipbuilding RMB'000	Shipping RMB'000	Others RMB'000	Total RMB'000
<u>The Group</u>				
<b>For the financial year ended</b>				
<b>31 December 2025</b>				
<b>Segment revenue</b>	<b>26,825,617</b>	<b>1,141,452</b>	<b>537,751</b>	<b>28,504,820</b>
<b>Segment result</b>	<b>9,717,553</b>	<b>510,310</b>	<b>(19,778)</b>	<b>10,208,085</b>
<i>Included within segment result:</i>				
Raw materials and consumables used	(12,754,017)	–	(315,793)	(13,069,810)
Subcontracting costs	(2,998,613)	–	(51,355)	(3,049,968)
Vessel operations expenses	–	(570,874)	–	(570,874)
Finance expenses	(115,359)	–	(61)	(115,420)
Fair value gain on:				
• Derivatives financial instruments	1,364	–	–	1,364
• Financial assets, at fair value through profit or loss	–	–	2,687	2,687
Depreciation of property, plant and equipment	(312,061)	(211,158)	(2,139)	(525,358)
Depreciation of investment property	–	–	(105)	(105)
Dividend income	–	–	296	296
Share of profits/(losses) of associated companies	230,050	–	(4,681)	225,369
Share of profits/(losses) of joint ventures	635,503	(5)	–	635,498
Sales of bunker stock	–	32,050	–	32,050
Subsidies and incentives	134,474	8,225	554	143,253
Bad debt recovery	38,861	1,128	–	39,989
cash flow hedges, reclassified from hedging reserve	181,869	–	–	181,869
(Loss)/gain on disposal of:				
• Property, plant and equipment	(2,787)	91,709	(2,222)	86,700
Interest income – finance lease	–	65,698	–	65,698
<b>Segment assets</b>	<b>47,534,759</b>	<b>5,576,560</b>	<b>5,028,159</b>	<b>58,139,478</b>
<i>Segment assets includes:</i>				
Investment in associated companies	1,097,666	–	–	1,097,666
Investments in joint ventures	1,447,388	–	–	1,447,388
Additions to property, plant and equipment	1,383,341	259,449	387,025	2,029,815
Addition to investment property	–	–	215,789	215,789
<b>Segment liabilities</b>	<b>(23,042,970)</b>	<b>(163,041)</b>	<b>(359,783)</b>	<b>(23,565,794)</b>

**37. SEGMENT INFORMATION (CONTINUED)**

<b>Shipbuilding</b>	<b>Shipping</b>	<b>Others</b>	<b>Total</b>
<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>

**37. SEGMENT INFORMATION (CONTINUED)**

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 37. SEGMENT INFORMATION (CONTINUED)

### (b) Revenue from major products and services

Revenue of shipbuilding segment is derived from the construction of container ships, multiple purpose cargo ships, oil tankers and other types of vessels. Revenue of shipping segment is derived from the charter income earned by vessel owning companies. Revenue from other segment is mainly derived from sales of metal products.

Breakdown of the revenue by major product and service types is as follows:

	2025 RMB'000	2024 RMB'000
Construction of container ships	16,077,062	19,897,006
Construction of multiple purpose cargo ships	2,066,591	2,086,107
Construction of oil tankers	7,997,466	3,003,308
Construction of gas carriers	436,062	–
Sales of steel parts	248,436	229,185
Sales of goods – materials and others	452,429	7,717
Sales of residential units	63,503	–
Charter hire income	1,141,452	1,242,528
Rendering of ship design services	14,875	19,357
Rental income	6,803	25,253
Others	141	31,255
<b>Total revenue</b>	<b>28,504,820</b>	<b>26,541,716</b>

### (c) Geographical information

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

	2025 RMB'000	2024 RMB'000
Greater China	981,968	1,046,454
Canada	122,766	7,962,715
Japan	1,190,578	359,729
Italy	6,864,562	8,332,125
Greece	5,453,764	2,608,329
France	3,922,168	–
Bulgaria	443,980	1,144,427
United Kingdom	1,569,550	1,029,333
Singapore	2,266,523	2,517,497
Denmark	2,166,384	–
Switzerland	713,965	–
Other European countries	955,278	411,481
Other Asian countries	1,853,334	1,129,626
<b>Total revenue</b>	<b>28,504,820</b>	<b>26,541,716</b>

Revenues of approximately RMB15,136,858,000 (2024: RMB18,717,822,000) are derived from four (2024: three) major customers. These revenues are attributable to the shipbuilding segment.

The Group's non-current assets located in the PR and Singapore amount to RMB6,927,052,000 (2024: RMB4,785,177,000) and RMB2,249,316,000 (2024: RMB1,983,500,000) respectively.

### 37. SEGMENT INFORMATION (CONTINUED)

(c) Geographical information (continued)

The Group's shipping assets are included within "Others" as the Group's shipping business operates on international shipping routes. The Group does not consider the domicile of its shipping subsidiaries, its customers or the flag state of its vessels as a relevant decision-making guideline and hence does not consider it meaningful to allocate its shipping business assets and revenues to specific geographical locations.

### 38. EVENTS OCCURRING AFTER BALANCE SHEET DATE

- (a) Three wholly owned subsidiaries of the Group were in substantive arbitration proceedings in an arbitration tribunal in London with third parties and the tribunal issued partial arbitration awards that were favourable to the Group's subsidiaries during the year. As at the balance sheet date, the Group's subsidiaries were in appeal proceedings with the third parties. Subsequent to the balance sheet date, the English High Court dismissed the appeal and refused the third parties' application for permission to appeal further. Accordingly, the arbitration awards are upheld. The final outcome of the appeal proceedings does not have a material effect on the Group's financial position for the financial year ending 31 December 2026.
- (b) On 10 March 2026, the Group entered into definitive agreements for the acquisition of 10% equity interest in Poseidon Corp., a corporation incorporated in Marshall Islands and the holding company of Seaspan Corporation Pte. Ltd. ("Seaspan Corporation"). Seaspan Corporation owns and operates containerships by primarily long-term time charters to major container liner companies. The aggregate purchase consideration of USD825.7 million (approximately RMB5.8 billion) is determined on a willing-buyer, willing-seller basis and will be satisfied in cash, funded through the Group's internal resources. The acquisition process is ongoing and has not been completed as at the date of these financial statements.
- (c) On 8 August 2025, a subsidiary of the Group entered into a memorandum of agreement to acquire a vessel from a third party for a purchase consideration of USD24,960,000 (approximately RMB175,439,000). As at the balance sheet date, the subsidiary has paid a security deposit amounting to 10% of the purchase price. Subsequent to the balance sheet date, the vessel was delivered to the subsidiary with the remaining consideration fully paid in cash. The Group does not expect the completion of the acquisition to have a material effect on its financial position for the financial year ending 31 December 2026.

### 39. 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 2026 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.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 39. 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)

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.
- 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.

#### 40. 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 2026.

#### 41. 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	
			2025 %	2024 %	2025 %	2024 %
Jiangsu New Yangzi Shipbuilding o., Ltd. <sup>(1)(5)</sup>	Shipbuilding, ship repairing, production and processing of large-scale steel structures	PR	51.2	51.2	100	100
Jiangsu Yangzi Xinfu Shipbuilding o., Ltd. <sup>(1)(5)</sup>	Shipbuilding, ship repairing, production and processing of large-scale steel structures	PR	55.1	55.1	100	100
Jiangsu Yangzijiang Shipbuilding Group o., Ltd. <sup>(2)(5)</sup>	Shipbuilding, ship repairing, production and processing of large-scale steel structures	PR	100	100	100	100
Pleasant Way Analyse Development Limited <sup>(4)(5)</sup>	Investment holding of shipping entities	BVI	100	100	100	100
39 Robinson Road Pte. Ltd. <sup>(3)(5)</sup>	Holding of investment property	Singapore	–	–	100	100
Jiangsu Yangzi Jiasheng Terminal o., Ltd. <sup>(1)(5)</sup>	Owns and operates a tank terminal	PR	–	–	100	100
Jiangsu Jiasheng Gas o., Ltd. <sup>(1)(5)</sup>	Tank related services	PR	–	–	100	100
Jiangsu Yangxing Property o., Ltd. <sup>(4)(5)</sup>	Properties development	PR	–	–	100	100

(1)

## DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	19	0.13	330	0.00
100 – 1,000	2,181	14.22	1,805,285	0.05
1,001 – 10,000	9,449	61.62	50,739,909	1.29
10,001 – 1,000,000	3,656	23.84	149,241,602	3.79
1,000,001 AND ABOVE	29	0.19	3,733,802,094	94.87
<b>TOTAL</b>	<b>15,334</b>	<b>100.00</b>	<b>3,935,589,220</b>	<b>100.00</b>

## TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	ITIBANK NOMINEES SINGAPORE PTE LTD	1,577,252,983	40.08
2	HSB (SINGAPORE) NOMINEES PTE LTD	876,643,039	22.27
3	DBSN SERVICES PTE. LTD.	715,003,565	18.17
4	RAFFLES NOMINEES (PTE.) LIMITED	279,266,173	7.10
5	DBS NOMINEES (PRIVATE) LIMITED	138,681,113	3.52
6	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	32,228,758	0.82
7	BPSS NOMINEES SINGAPORE (PTE.) LTD.	23,241,460	0.59
8	OB SECURITIES PRIVATE LIMITED	10,319,600	0.26
9	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	10,193,859	0.26
10	PHILLIP SECURITIES PTE LTD	10,021,374	0.25
11	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	8,758,976	0.22
12	MAYBANK SECURITIES PTE. LTD.	5,917,400	0.15
13	OB NOMINEES SINGAPORE PRIVATE LIMITED	5,710,501	0.15
14	IFAST FINANCIAL PTE. LTD.	5,404,536	0.14
15	OB KAY HIAN PRIVATE LIMITED	4,961,200	0.13
16	ABN AMRO CLEARING BANK N.V.	4,487,500	0.11
17	TIGER BROKERS (SINGAPORE) PTE. LTD.	4,368,400	0.11
18	GS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	4,073,500	0.10
19	MERRILL LYNCH (SINGAPORE) PTE. LTD.	2,430,757	0.06
20	LIM & TAN SECURITIES PTE LTD	2,355,400	0.06
<b>TOTAL</b>		<b>3,721,320,094</b>	<b>94.56</b>

# STATISTICS OF SHAREHOLDINGS

AS AT 20 MAR H 2026

## SUBSTANTIAL SHAREHOLDERS

Substantial shareholder	Direct interest		Deemed interest		Total Interest	
	Number of shares	%	Number of shares	%	Number of shares	%
Mr. Ren Yuanlin <sup>(1)</sup>	–	–	852,845,825	21.7	852,845,825	21.7
Yangzi International Holdings Limited	852,845,825	21.7	–	–	852,845,825	21.7
Julius Baer Trust Company (Singapore) Limited as trustee of YZJ Settlement	–	–	852,845,825	21.7	852,845,825	21.7
Mr. Ren Letian <sup>(2)</sup>	–	–	1,018,643,195	25.9	1,018,643,195	25.9
Ms. Ren Qifan <sup>(3)</sup>	–	–	852,845,825	21.7	852,845,825	21.7
Lido Point Investments Ltd	379,259,170	9.6	–	–	379,259,170	9.6
Sapphire Skye Limited as nominee of Zedra Trust Company (Singapore) Limited, which is in turn the trustee of the Lido Trust <sup>(4)</sup>	–	–	379,259,170	9.6	379,259,170	9.6

- (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) Ren Letian is a beneficiary of the YZJ Settlement (“YZJ Trust”). Accordingly, Ren Letian is deemed to be interested in the 852,845,825 Shares held by Yangzi International Holdings Limited, by virtue of Section 4 of the Securities and Futures Act 2001 of Singapore (“SFA”). In addition, Ren Letian is also deemed to be interested in the 165,797,370 Shares which are held by Hengyuan Asset Investment Limited (“Hengyuan”) through his interests in Hengyuan by virtue of Section 4 of the SFA.
- (3) Ren Qifan (a minor under the age of 21 and daughter of Ren Letian) became a beneficiary of the YZJ Trust with effect from 16 July 2025, in addition to the existing beneficiaries, Ren Yuanlin and Ren Letian. As Ren Qifan (being a minor under the age of 21) is deemed to be interested in the 852,845,825 Shares by virtue of Section 4 of the SFA, Ren Letian is correspondingly deemed to be interested in the 852,845,825 Shares by virtue of Section 133(1) read with Section 133(4)(a) of the SFA, notwithstanding that he is already a beneficiary of the YZJ Trust and had disclosed his own deemed interest in respect of the 852,845,825 Shares on 26 May 2025.
- (4) 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 60.669% of the shareholding of the company is held in the hands of the public as at 20 March 2026 and Rule 723 of the Listing Manual is complied with.

# NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twentieth Annual General Meeting of Yangzijiang Shipbuilding (Holdings) Ltd. (the “Company”) will be held at Big Picture Theatre, 168 Robinson Road, Level 9 Capital Tower, Singapore 068912 on Tuesday, 28 April 2026 at 2.30 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 2025 together with the Directors’ Statements and the Auditors’ Report thereon. **(Resolution 1)**
2. To declare a tax exempt (one-tier) final dividend of S\$0.20 per ordinary share in respect of the financial year ended 31 December 2025. **(Resolution 2)**
3. To approve the proposed Directors’ fees of S\$502,000 for the financial year ended 31 December 2025. (2024: S\$342,000) **(Resolution 3)**
4. To re-elect Mr Ren Letian, 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 Kee Shian, Leon, who is retiring by rotation pursuant to Regulation 94 of the company’s constitution. [See Explanatory Note (b)] **(Resolution 5)**
6. To re-appoint Messrs Pricewaterhouse Coopers 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 determining the aggregate number of the Shares that may be issued under paragraph (1) above, the total number of issued Shares shall be based on the issued Shares of the company (excluding treasury shares and subsidiary holdings) at the time such authority was conferred, after adjusting for:
  - (a) new Shares arising from the conversion or exercise of any convertible securities;
  - (b) new Shares arising from exercising of share options or the vesting of share awards which are outstanding or subsisting at the time such authority was conferred; and
  - (c) any subsequent bonus issue, consolidation or subdivision of the Shares;

and, in relation to an Instrument, the number of Shares shall be taken to be that number as would have been issued had the rights therein been fully exercised or effected on the date of the making or granting of the Instrument;

- (3) in exercising the authority conferred by this Resolution, the company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Listing Rule of the SGX-ST for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act 1967 and otherwise, and the constitution of the company for the time being; and
- (4) (unless revoked or varied by the company in a general meeting) the authority so conferred shall continue in force until the conclusion of the next Annual General Meeting of the company or the date by which the next annual general meeting of the company is required by law to be held, whichever is earlier.  
*[See Explanatory Note (c)]* **(Resolution 7)**

## 8. RENEWAL OF 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 the 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)



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 NRI /passport so as to enable the company to verify your identity. Members are requested to arrive

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

**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

**10 April 2026**

**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 Twentieth Annual General Meeting of the Company (the “**20<sup>th</sup> AGM**”) to be held on 28th April 2026 at 2.30 p.m. at Big Picture Theatre, 168 Robinson Road, Level 9 Capital Tower, Singapore 068912 for the proposed renewal of the share purchase mandate to authorise the Company’s directors (the “**Directors**”) from time to time to purchase shares (whether by market purchases and/or off-market purchases in accordance with an equal access scheme) up to 10% of the issued ordinary share capital of the Company (excluding treasury shares and subsidiary holdings) as at the date of the passing of proposed ordinary resolution 8 at the 20<sup>th</sup> AGM, at the price of up to but not exceeding the Maximum Price (as defined below), subject to the constitution of the Company (the “**Constitution**”) and the Listing Manual of the Singapore Exchange Securities Trading Limited.



### 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

Only Shares which are issued and fully paid-up may be repurchased by the company. In accordance with Rule 882 of the Listing Manual, the total number of Shares which may be purchased or acquired by the company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) ascertained as at the date of the 20<sup>th</sup> AGM at which the Share Purchase Mandate Renewal Resolution is passed (the “**Approval Date**”) (unless the company has effected a reduction of its share capital in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period (as defined below), in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered.

“**Relevant Period**” means the period commencing from the Approval Date and expiring on the date the next AGM is held or required by law to be held, whichever is the earlier, after the date the Share Purchase Mandate Renewal Resolution is passed.

As at 20 March 2026 (the “**Latest Practicable Date**”), the company holds 38,487,780 treasury shares and does not have subsidiary holdings.

**For illustrative purposes only**, on the basis of 3,935,589,220 Shares in issue as at the Latest Practicable Date (excluding treasury shares and subsidiary holdings), and assuming on or prior to the 20<sup>th</sup> AGM:

- (a) no further Shares are issued and the company does not reduce its share capital;
- (b) no Shares are held as subsidiary holdings; and
- (c) no further Shares are purchased or acquired by the company, or held as treasury shares,

not more than 393,558,922 Shares, representing 10% of the total number of Shares (excluding treasury shares and subsidiary holdings) as at that date, may be purchased by the company pursuant to the proposed Share Purchase Mandate during the Relevant Period.

#### 3.2 Duration of Authority

Purchases or acquisitions of Shares pursuant to the proposed Share Purchase Mandate may be made, at any time and from time to time, on and from the date of the 20<sup>th</sup> AGM, at which the renewal of the Share Purchase Mandate is approved, up to:

- (a) the date on which the next AGM of the company is held or required by law to be held; or
- (b) the date on which the purchases or acquisitions of Shares pursuant to the proposed Share Purchase Mandate are carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Shareholders in a general meeting,

whichever is the earliest.

The authority conferred on the Directors by the Share Purchase Mandate to purchase Shares may be renewed at the next AGM (after the 20<sup>th</sup> AGM) or an EGM to be convened immediately after the conclusion or adjournment of the next AGM. When seeking the approval of the Shareholders for the renewal of the Share Purchase Mandate, the company is required to disclose details pertaining to purchases or acquisitions of Shares pursuant to the Share Purchase Mandate made during the previous twelve (12) months, including the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for such purchases or acquisitions of Shares, where relevant, and the total consideration paid for such purchases or acquisitions.

### 3.3 Manner of Purchases or Acquisitions of Shares

Purchases or acquisitions of Shares may be made by way of:

- (a) on-market purchase(s) ("**Market Purchase**"), transacted on the SGX-ST through the SGX-ST's trading system, through one or more duly licensed stock brokers appointed by the company for the purpose; and/or
- (b) off-market purchase(s) ("**Off-Market Purchase**") effected pursuant to an equal access scheme in accordance with Section 76 of the companies Act.

The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the companies Act, as amended or modified from time to time, as they consider fit in the interests of the company in connection with or in relation to any equal access scheme(s). Pursuant to the companies Act, an Off-Market Purchase must, however, satisfy all the following conditions:

- (a)

- (f) details of any purchase or acquisition of Shares made by the company in the previous twelve (12) months (whether through Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases of

3.6 Treasury Shares

#### 4. Reporting Requirements

Within thirty (30) days of the passing of a Shareholders' resolution to approve the purchase or acquisition of Shares by the company, the company shall lodge a copy of such resolution with A RA.

The company shall notify A RA within thirty (30) days of a purchase or acquisition of Shares by the company on the SGX-ST or otherwise. Such notification shall include details of the purchase or acquisition, the date of the purchase or acquisition, the total number of Shares purchased or acquired by the company, the number of shares cancelled, the number of Shares held as treasury shares, the company's total number of issued Shares before and after the purchase or acquisition of Shares, the amount of consideration paid by the company for the purchase or acquisition of Shares, whether the Shares were purchased or acquired out of the profits or the capital of the company, and such other particulars as may be required in the prescribed form.

Within thirty (30) days of the cancellation or disposal of treasury shares in accordance with the provisions of the Companies Act, the Directors shall lodge with A RA the notice of cancellation or disposal of treasury shares in the prescribed form.

The company is required under Rule 886 of the Listing Manual to notify the SGX-ST of all purchases or acquisitions of its Shares not later than 9.00 a.m.:

- (a) in the case of a Market Purchase, on the Market Day following the day of purchase of any of its Shares, and
- (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptance of the offer for the Off-Market Purchase.

The notification of such purchase or acquisition of Shares to the SGX-ST shall be in the form of Appendix or payable for the Shares, the number of Shares purchased as at the date of announcement (on a cumulative

The company must 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 must only apply funds for the purchase or acquisition of its Shares as provided in the constitution)24 ( )TJ0.028

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 intended 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 or acquisition is made out of capital or profits, the purchase prices paid for such Shares and the amount (if any) borrowed by the company to fund the purchases or acquisitions and whether the Shares purchased or acquired are cancelled or held as treasury shares.

The financial effects are the same whether the Shares are purchased on-market or off-market. The company's total number of issued Shares will be diminished by the total number of the Shares purchased by the company and which are cancelled. The net tangible assets ("

**For illustrative purposes only**, the financial effects of the Share Purchase Mandate on the company and the Group, based on the audited financial statements of the Group for the financial year ended 31 December 2025 are based on the assumptions set out below:

- (a) based on 3,935,589,220 Shares in issue as at the Latest Practicable Date (excluding treasury shares and subsidiary holdings), and assuming that no further Shares are issued and that the company does not reduce its share capital on or prior to the 20<sup>th</sup> AGM, not more than 393,558,922 Shares, representing 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the 20<sup>th</sup> AGM, may be purchased by the company pursuant to the proposed Share Purchase Mandate;
- (b) in the case of Market Purchases by the company and assuming that the company purchases or acquires 393,558,922 Shares at the Maximum Price of S\$4.2084 for one (1) Share (being the price equivalent to 5% above the Average Closing Price of BT0 0 0 rL92 Tw 0 -1.333 Td8,9-chaiabove th e equiva,a,c[51Day/

Case Purchase) proposed price 0.00029 Tw -21.2 -2.667 Td(date)0.

(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
<b>As at 31 December 2025</b>				
Issued capital and reserves	32,427,880	32,247,081	27,130,238	26,949,439
Treasury shares	(285,966)	(9,325,931)	(285,966)	(9,325,931)
Total shareholders' equity	32,141,914	22,921,149	26,844,272	17,623,507
NTA (excl. non-controlling interests)	32,141,914	22,921,149	26,844,272	17,623,507
Profit after taxation and minority interest	8,637,076	8,456,277	8,175,636	7,994,837
Net debt	Net ash	Net ash	Net ash	8,992,891
Number of Shares (excluding treasury shares) ('000)	3,935,589	3,542,030	3,935,589	3,542,030
Treasury shares ('000)	38,488	432,047	38,488	432,047
<b>Financial Ratios</b>				
NTA per share (cents)	816.70	647.12	682.09	497.55
Gross debt gearing (%)	17.11	63.43	Net ash	51.29
Net debt gearing (%)	Net ash	Net ash	Net ash	51.03
Current ratio (times)	1.76	1.28	30.91	1.19
Earnings before interest, tax, depreciation and amortisation divided by interest expenses (times)	98.14	38.24	n.m.	46.14
Basic EPS (cents)				
(before exceptional items)	219.23	238.47	207.52	225.45
(after exceptional items)	219.23	238.47	207.52	225.45
Return on equity (%)	26.87	36.89	30.46	45.36

(B) **Off-Market Purchases**

	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase

**(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
<b>As at 31 December 2025</b>				
Issued capital and reserves/Total shareholders' equity	32,141,914	22,921,149	26,844,272	17,623,507
NTA (excl. non-controlling interests)	32,141,914	22,921,149	26,844,272	17,623,507
Profit after taxation and minority interest	8,637,076	8,456,277	8,175,636	7,994,837
Net debt	Net ash	Net ash	Net ash	8,992,891
Number of Shares ('000)	3,935,589	3,542,030	3,935,589	3,542,030
Treasury shares ('000)	38,488	38,488	38,488	38,488
<b>Financial Ratios</b>				
NTA per share (cents)	816.70	647.12	682.09	497.55
Gross debt gearing (%)	17.11	63.43	Net ash	51.29
Net debt gearing (%)	Net ash	Net ash	Net ash	51.03
current ratio (times)	1.76	1.28	30.91	1.19
Earnings before interest, tax, depreciation and amortisation divided by interest expenses (times)	98.14	38.24	n.m.	46.14
<i>Basic EPS (cents)</i>				
(before exceptional items)	219.23	238.47	207.52	225.45
(after exceptional items)	219.23	238.47	207.52	225.45
Return on equity (%)	26.87	36.89	30.46	45.36

**(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
<b>As at 31 December 2025</b>				
Issued capital and reserves/Total shareholders' equity	32,141,914	21,602,019	26,844,272	16,304,377
NTA (excl. non-controlling interests)	32,141,914	21,602,019	26,844,272	16,304,377
Profit after taxation and minority interest	8,637,076	8,430,411	8,175,636	7,968,971
Net debt	Net ash	Net ash	Net ash	10,286,156
Number of Shares (excluding treasury shares) ('000)	3,935,589	3,542,030	3,935,589	3,542,030
Treasury shares ('000)	38,488	38,488	38,488	38,488
<b>Financial Ratios</b>				
NTA per share (cents)	816.70	609.88	682.09	460.31
Gross debt gearing (%)	17.11	73.30	Net ash	63.38
Net debt gearing (%)	Net ash	Net ash	Net ash	63.09
current ratio (times)	1.76	1.23	30.91	1.05
Earnings before interest, tax, depreciation and amortisation divided by interest expenses (times)	98.14	35.17	n.m.	40.37
<i>Basic EPS (cents)</i>				
(before exceptional items)	219.23	237.74	207.52	224.72
(after exceptional items)	219.23	237.74	207.52	224.72
Return on equity (%)	26.87	39.03	30.46	48.88

# APPENDIX

Shareholders should note that the financial effects set out above are purely for illustrative purposes only and are based on the assumptions set out above. Although the proposed Share Purchase Mandate would authorise the Company to purchase or acquire up to 10% of its issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of its issued Shares (excluding treasury shares and subsidiary holdings). In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.

Shareholders who are in doubt as to their respective tax positions or any tax implications arising from the Share Purchase Mandate or who may be subject to tax in a jurisdiction other than Singapore should consult their own professional advisers at the earliest opportunity.

## 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 companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights. For this purpose, a company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company;
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;

- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser;
- (f) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and
- (h) an individual, his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the 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, 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

the purchase by the Company of the maximum limit of 10% of its issued Shares as at the Latest Practicable Date.

## **8. Listing Rules**

While the Listing Manual does not expressly prohibit purchase or acquisition of shares by a listed company during any particular time or times, the listed company would be considered an “insider” in relation to any proposed purchase or acquisition of its issued shares. In this regard, the company will not purchase any Shares pursuant to the Share Purchase Mandate after a price-sensitive development has occurred or has been the subject of consideration and/or a decision of the Board of Directors until such time as the price-sensitive information has been publicly announced. In particular, in line with the Principles of Best Practice for Handling of Confidential Information and Dealings in Securities issued by SGX-ST in December 2017 and in order to comply with Rule 1207(19) of the Listing Manual, the company will not purchase or acquire any Shares through Market Purchases during the period of:

- (a) two (2) weeks before the announcement of the company’s financial statements for each of the first three

## 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:

Director	Number of Shares	
	Direct Interest	Deemed Interest
Ren Letian <sup>(1)</sup>	–	1,018,643,195
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:

Substantial Shareholders	Number of Shares		Total Percentage Interest (%) <sup>(2)</sup>
	Direct Interest	Deemed Interest	
Ren Yuanlin <sup>(3)</sup>	–	852,845,825	21.7
Yangzi International Holdings Limited	852,845,825	–	21.7
Julius Baer Trust Company (Singapore) Limited as trustee of YZJ Settlement <sup>(4)</sup>	–	852,845,825	21.7
Lido Point Investments Ltd	379,259,170	–	9.6
Sapphire Skye Limited as nominee of Zedra Trust Company (Singapore) Limited, which is in turn the trustee of the Lido Trust <sup>(6)</sup>	–	379,259,170	9.6
Ren Letian <sup>(1)</sup>	–	1,018,643,195	25.9
Ren Qifan <sup>(5)</sup>	–	852,845,825	21.7

#### Notes:

- (1) Ren Letian is a beneficiary of the YZJ Settlement ("YZJ Trust"). Accordingly, Ren Letian is deemed to be interested in the 852,845,825 Shares held by Yangzi International Holdings Limited, by virtue of Section 4 of the Securities and Futures Act 2001 of Singapore ("SFA"). In addition, Ren Letian is also deemed to be interested in the 165,797,370 Shares which are held by Hengyuan Asset Investment Limited ("Hengyuan") through his interests in Hengyuan by virtue of Section 4 of the SFA.
- (2) Based on 3,935,589,220 Shares in issue as at the Latest Practicable Date, excluding subsidiary holdings and 38,487,780 treasury shares as at the Latest Practicable Date.
- (3) Ren Yuanlin is the settlor and a beneficiary of the YZJ Trust, which is revocable by the settlor and established as a "purpose trust". Under the terms of the YZJ Trust, Ren Yuanlin has the powers, as settlor, to direct Julius Baer Trust Company (Singapore) Limited, as trustee, as to the investment in the Shares which form the assets of the YZJ Trust. Such powers

# APPENDIX

- (5) Ren Qifan (a minor under the age of 21 and daughter of Ren Letian) became a beneficiary of the YZJ Trust with effect from 16 July 2025, in addition to the existing beneficiaries, Ren Yuanlin and Ren Letian. Pursuant to Section 133 of the SFA, a director of a corporation is deemed to have an interest in shares of the corporation if those shares are held or deemed to be held by his family members, including his children below the age of 21 years. As Ren Qifan (being a minor under the age of 21) is deemed to be interested in the 852,845,825 Shares by virtue of Section 4 of the SFA, Ren Letian is correspondingly deemed to be interested in the 852,845,825 Shares by virtue of Section 133(1) read with Section 133(4)(a) of the SFA, notwithstanding that he is already a beneficiary of the YZJ Trust and had disclosed his own deemed interest in respect of the 852,845,825 Shares on 26 May 2025.
- (6) Sapphire Skye Limited is wholly-owned by Zedra Trust Company (Singapore) Limited which is the trustee of an employee benefit trust set up for the purpose of rewarding employees of the Group ("**Lido Trust**"). Under the terms of Lido Trust, Zedra Trust Company (Singapore) Limited manages 379,259,170 Shares held by Lido Point Investments Ltd. By virtue of Section 4 of the SFA, Sapphire Skye Limited (as nominee of Zedra Trust Company (Singapore) Limited) is deemed interested in the 379,259,170 Shares held by Lido Point Investments Ltd.

## 11. Directors' Recommendations

The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interests 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 20<sup>th</sup> AGM.

## 12. Annual General Meeting

The 20<sup>th</sup> AGM, notice of which is set out on pages 147 to 152 of the Notice of 20<sup>th</sup> AGM attached to the Annual Report 2025 of the company, will be held on 28<sup>th</sup> April 2026 at 2.30 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 20<sup>th</sup> 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 correctly extracted from those sources and/or reproduced in the Appendix in its proper form and context.

**15. SGX-ST's Disclaimer**

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

**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 20<sup>th</sup> AGM:

- (a) the constitution; and
- (b) the audited consolidated financial statements of the Group for the financial year ended 31 December 2025.

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 PF Agent Banks/SRS Operators:  
(a) may vote at the AGM if they are appointed as proxies by their respective PF Agent Banks/SRS Operators, and should contact their respective PF 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 PF Agent Banks/SRS Operators to submit their votes not less than seven (7) working days before the AGM (i.e. by 2.30 p.m. on 16 April 2026).
3. Investors holding shares of the company (“**Shares**”) through Relevant Intermediaries (other than PFIS/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 PFIS 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 10 April 2026.
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) \_\_\_\_\_ (NRI /Passport No.)

of \_\_\_\_\_ (address)

being a member/members of Yangzijiang Shipbuilding (Holdings) Ltd. (the “**Company**”), hereby appoint

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## 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 shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the Proxy Form shall be deemed to relate to all the shares held by you.
2. A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend and vote at the AGM. Where such member appoints two (2) proxies, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be presented by each proxy in the Proxy Form.
3. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend 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 Proxy Form. A proxy need not be a member of the company.

"**Relevant Intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

4. A member who wishes to submit an instrument of proxy must complete and sign the Proxy Form, before submitting to the company in the following manner:
  - (a) By Post: To be deposited at the registered office of the company at 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);

In either case, by 2.30 p.m. on 25 April 2026, being no later than 72 hours before the time set for the AGM. A member who wishes to submit a Proxy Form must complete and sign the Proxy Form, before submitting it by post to the address provided above, or before sending it by email to the email address provided above.

5. This Proxy Form must be executed under the hand of the appointor or by his/her attorney duly authorised in writing or, where it is executed by a corporation, be executed under its common seal or signed on its behalf by an attorney or duly authorised officer of the corporation. Where this Proxy Form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the company) be lodged with this Proxy Form, failing which this Proxy Form may be treated as invalid.
6. The company shall be entitled to reject this Proxy Form, if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this Proxy Form. In addition, in the case of a member whose Ordinary Shares are entered against his/her/its name in the Depository Register, the company may reject this Proxy Form if the member, being the appointor, is not shown to have Ordinary Shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the company.
7. A Depositor shall not be regarded as a member of the company entitled to vote at the AGM unless his/her/its name appears on the Depository Register 72 hours before the time set for the AGM.

AFFIX  
POSTAGE  
STAMP

The Company Secretary  
**Yangzijiang Shipbuilding (Holdings) Ltd.**  
36 Robinson Road  
#20-01 City House  
Singapore 068877

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Wangzhiyang Shipbuilding (Holdings) Ltd



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