



Yangzijiang Financial Holding Ltd.  
扬子江金融控股有限公司

# 1H2024 Results Presentation

13 August 2024

# DISCLAIMER



The presentation is prepared by Yangzijiang Financial Holding Ltd. (the “Company”) and is intended solely for your personal reference and is strictly confidential. The information contained in this presentation is for information only and is subject to change without notice, its accuracy is not guaranteed, and it may not contain all material information concerning the Company. Neither the Company nor any of its affiliates, advisors or representatives make any representation regarding and assumes no responsibility or liability whatsoever (in negligence or otherwise) for, the accuracy or completeness of, or any errors or omissions in, any information contained herein nor for any loss howsoever arising from any use of these materials. By attending this presentation, you are agreeing to be bound by the restrictions set out below. Any failure to comply with these restrictions may constitute a violation of applicable laws.

The information contained in these materials has not been independently verified. No representation or warranty, expressed or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of, the information or opinions contained herein. It is not the intention to provide, and you may not rely on these materials as providing, a complete or comprehensive analysis of the Company's financial or trading position or prospects. The information and opinions contained in these materials are provided as of the date of this presentation and are subject to change without notice. None of the Company nor any of its respective affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of these materials.

In addition, the information contains projections and forward-looking statements that reflect the Company's current views with respect to future events and financial performance. These views are based on a number of estimates and current assumptions which are subject to business, economic and competitive uncertainties and contingencies as well as various risks and these may change over time and in many cases are outside the control of the Company and its directors. No assurance can be given that future events will occur, that projections will be achieved, or that the Company's assumptions are correct. Actual results may differ materially from those forecasted and projected.

This presentation and such materials is not and do not constitute or form part of any offer, invitation or recommendation to purchase or subscribe for any securities and no part of it shall form the basis of or be relied upon in connection with any contract, commitment or investment decision in relation thereto. This document may not be used or relied upon by any other party, or for any other purpose, and may not be reproduced, disseminated or quoted without the prior written consent of the Company.

# AT A GLANCE



## Investment Management

<b>Debt Investment</b>	Fixed interest debt investment and microfinance loans
<b>Direct Investment</b>	Public and private equity/debt, others
<b>Fund Investment</b>	LP/Co-GP into funds managed by GEM/3 <sup>rd</sup> party fund manager



## Maritime Fund and Maritime Investments

<b>Maritime services</b>	<b>Maritime business</b>
<b>Loan services</b>	<b>Export and import business</b>



## Fund Management

Management of funds pooled by proprietary capital and 3<sup>rd</sup> party funds

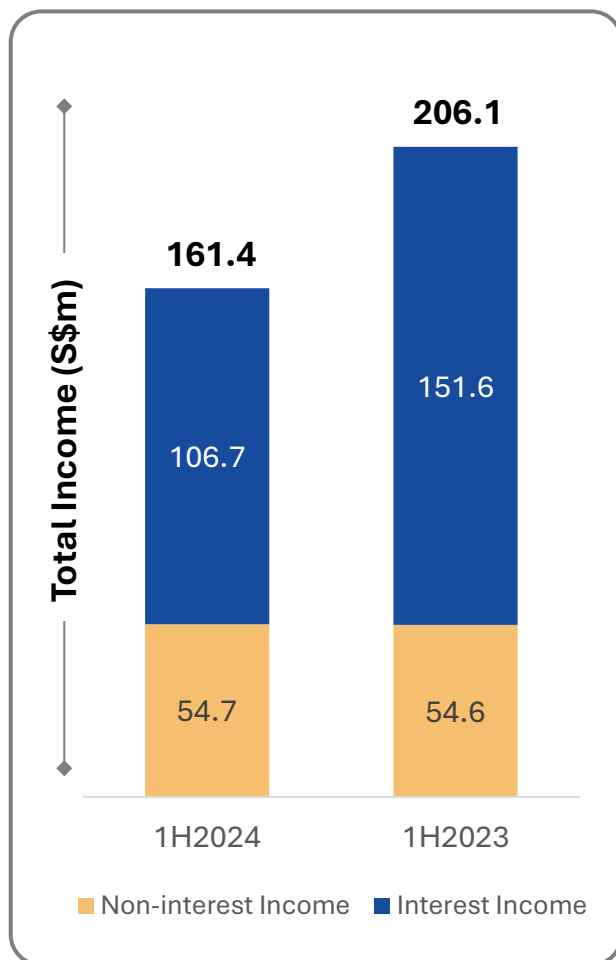


# 1H2024 FINANCIAL RESULTS

# INCOME STATEMENT SNAPSHOT



Total income declined largely due to re-allocation from debt to cash, which is transitory as the Group plans to deploy its cash into maritime-related assets and fund investment in Singapore



Interest Income (\$m)	1H2024	1H2023	YoY
Debt investments (China)	71.4	140.8	(49%)
Cash Management Activities	35.3	10.8	> 3x

## Key Factors

**Lower proportion** of debt assets with ongoing re-allocation exercise

**Higher proportion** of cash and yield enhancement products and **higher yield** obtained

Non-interest Income (\$m)	1H2024	1H2023	YoY
Income from maritime fund assets	22.1	0.3	> 63x
Other net changes (FV P/L)	25.3	42.2	(40%)
Dividend income <sup>1</sup>	3.1	6.3	(51%)
Interest income (FV P/L) <sup>2</sup>	3.8	5.1	(26%)
Other income	0.5	0.7	(23%)

Contribution from relatively nascent maritime fund, **primarily maritime financing**

Mainly derived from net FV gain from **derivative financial instruments**

(1) Venture capital funds in China (2) Private credit funds in Singapore

# INCOME STATEMENT SNAPSHOT



Net profit declined in tandem with lower total income and allowance for credit losses

S\$m	1H2024	1H2023	YoY
Total income	161.4	206.1	(22%)
<b>Total expenses</b>	<b>(17.6)</b>	<b>(15.9)</b>	<b>11%</b>
Profit before allowances	143.7	190.3	(24%)
<b>(Allowance)/Reversal of allowance for credit and other losses</b>	<b>(30.9)</b>	<b>8.5</b>	<b>N.M.</b>
Profit before tax	129.4	214.5	(40%)
Net profit*	107.4	162.5	(34%)
Diluted EPS (S\$ cent)	3.04	4.39	(31%)

## Key Factors

- **New operating costs from maritime fund investments**
- **Larger team** to support expansion in Singapore following diversification of assets from China
- **Higher expected credit losses on debt investments** due to headwinds in China's Real Estate market

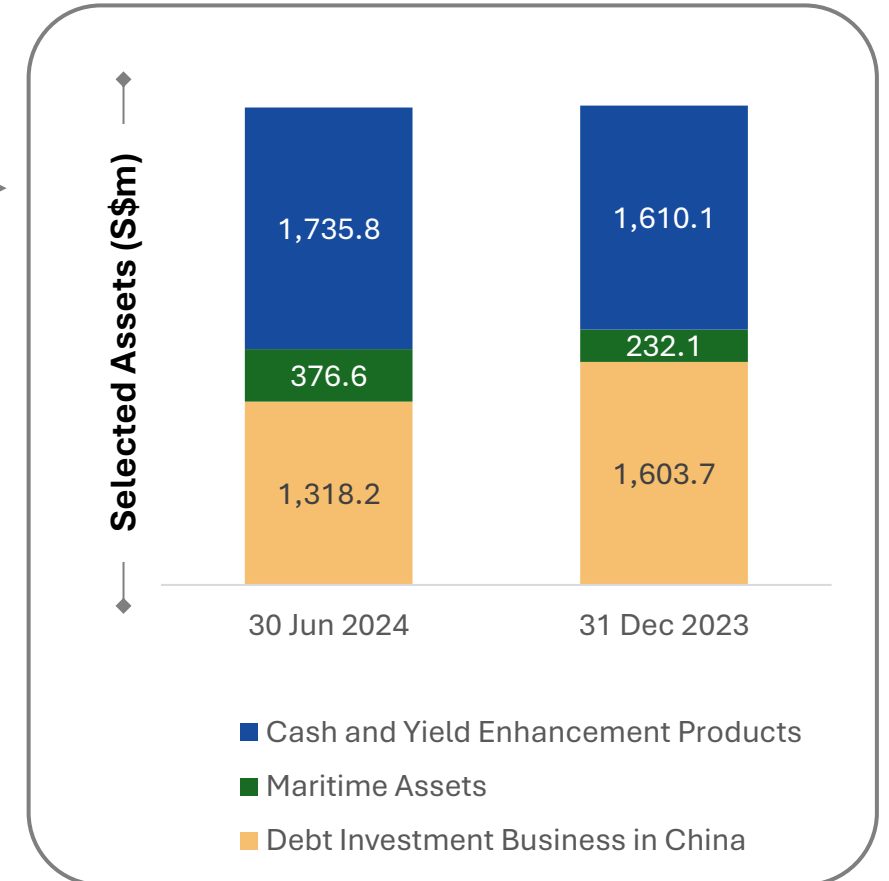
\*Profit attributable to equity holders of the Company

# BALANCE SHEET SNAPSHOT



*Changes in asset composition with lower debt investments in China and higher maritime assets*

S\$m	30 Jun 2024	31 Dec 2023
Total assets	4,287.7	4,176.0
Total liabilities	217.3	262.5
<b>Net asset attributable to equity holders</b>	<b>3,910.8</b>	<b>3,836.1</b>
NAV/share (S\$)	1.11	1.07
NAV/share (RMB)	5.97 <sup>^</sup>	5.73 <sup>^</sup>



<sup>^</sup>SGD/RMB at 5.3610 as of Jun 2024, SGD/RMB at 5.3772 as of Dec 2023



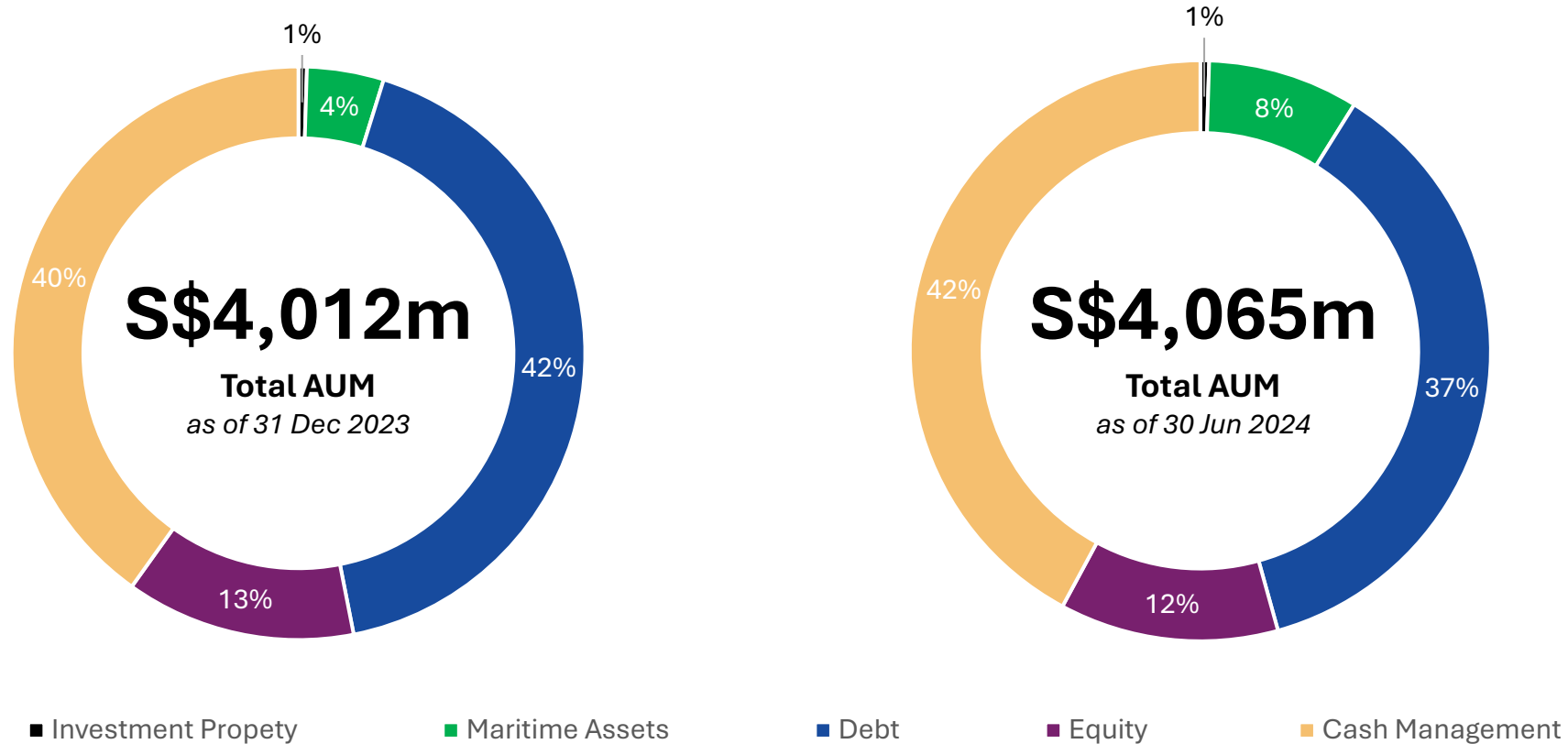
# PORTFOLIO UPDATES



# ASSETS UNDER MANAGEMENT



*Ongoing portfolio reallocation strategy on track with higher maritime assets and lowering debt investments in China*

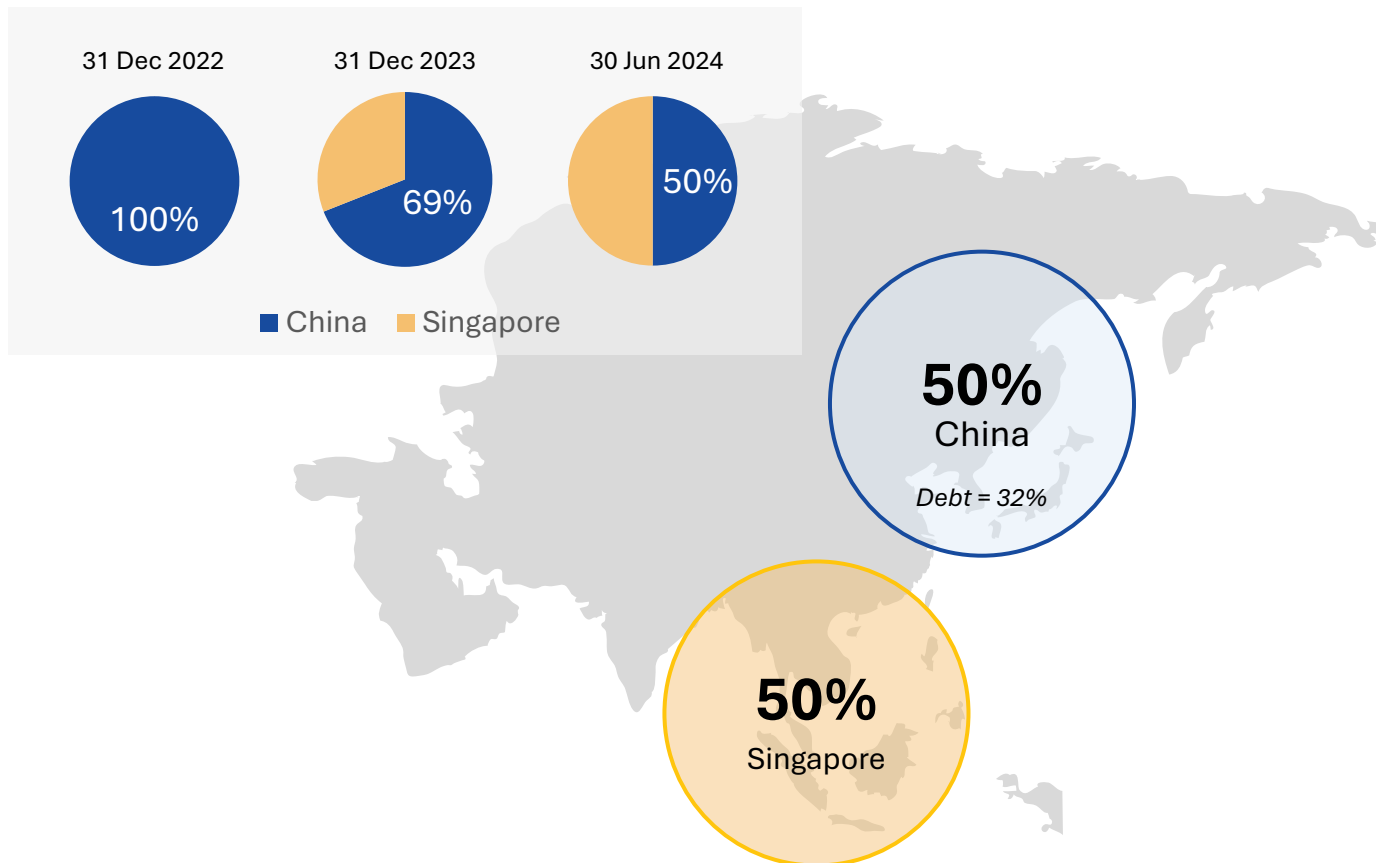


# GEOGRAPHICAL FOOTPRINT



Attained geographical diversification target ahead of schedule; close to reaching debt investment target in China

## Portfolio Allocation by Geography (30 Jun 2024)



Ahead of schedule in attaining mid-term diversification target to reduce **single-country risk**

Debt Investments in China **30%**

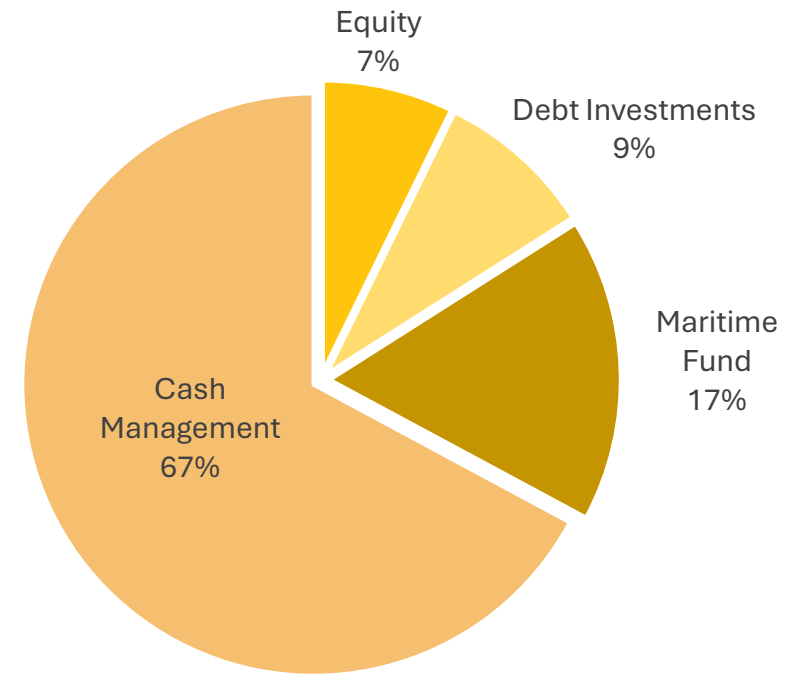
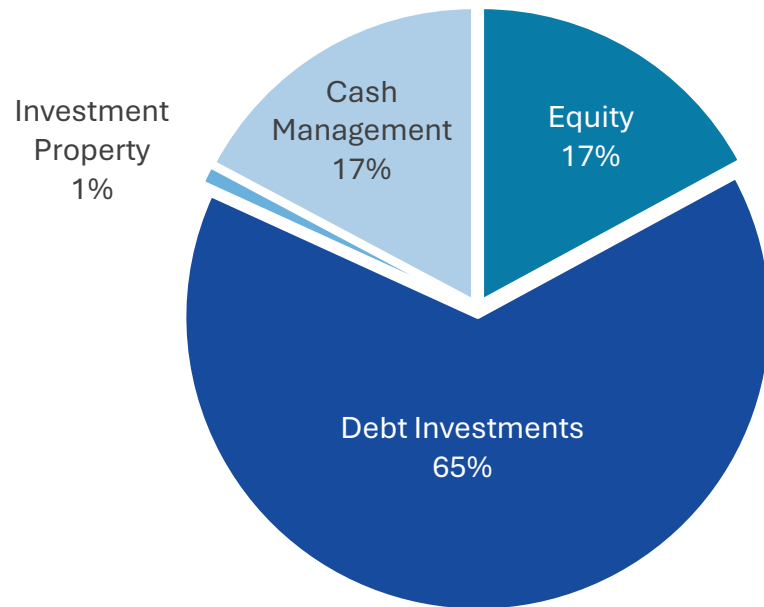
Total Investments in China **50%**

# ASSET CLASS BREAKDOWN BY COUNTRIES



## Total AUM by Geography (S\$m)

as of 30 Jun 2024

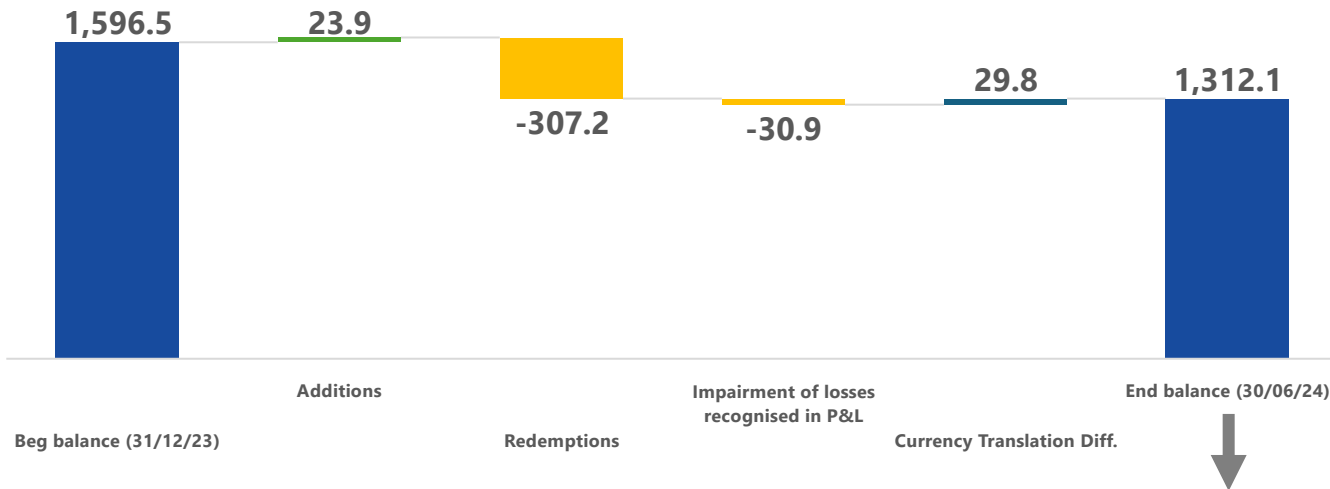


# DEBT INVESTMENTS IN CHINA (EX-MICRO-FINANCE)



NPL ratio remained relatively flat; active credit risk management

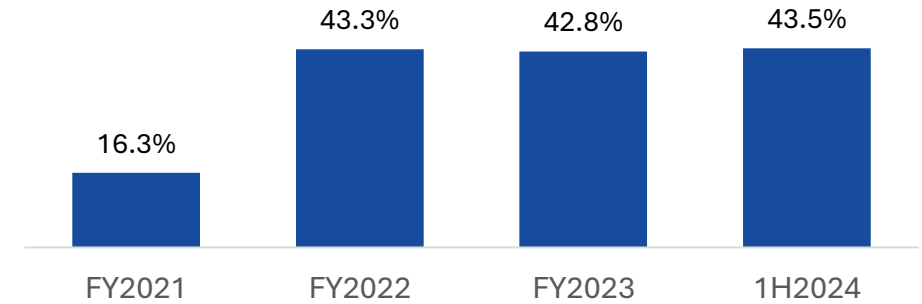
## NET CHANGE IN PRC DEBT INVESTMENTS (S\$m)



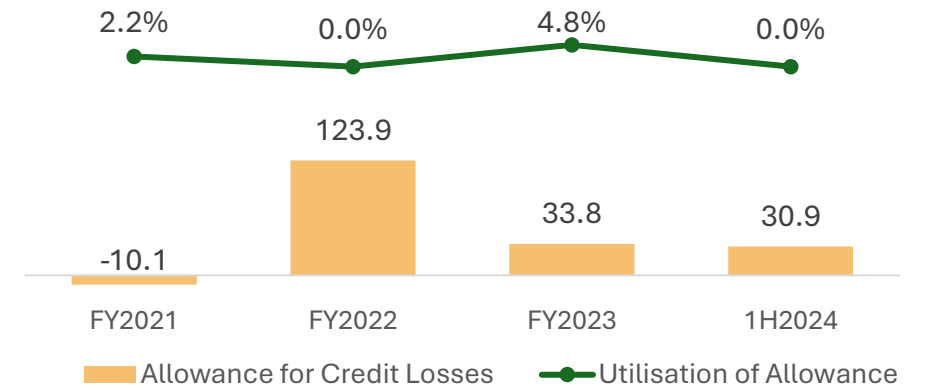
S\$ m	Performing	Under-performing	Non-performing	Total
<b>Principal</b>	594.5	307.5	695.4	1,597.4
<b>Provision</b>	(55.7)	(82.5)	(147.1)	(285.3)
<b>Net balance</b>	538.8	225.0	548.3	<b>1,312.1</b>

**S\$151.7m** Loans re-classified out of NPL in 1H2024

## NON-PERFORMING LOAN (NPL) RATIO



## ALLOWANCE FOR CREDIT LOSSES (S\$m)



# MARITIME FUND AND MARITIME INVESTMENTS\*



*Expects strong growth in maritime fund and maritime investments going forward*

## Types of Investment Activities

### Maritime Services

Tailored maritime services including **finance leases, operating leases, ship agency, and shipbroking services**

### Loan Services

Loan services to companies in the shipping industry including **pre-delivery loans and secured loans**

### Maritime Business

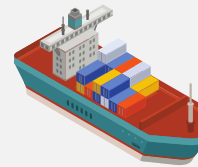
JV with operating partner(s) to **acquire new/existing vessels with long charter coverage**

### Import and Export

**Import and export** of ships, offshore vessels, as well as marine equipment, components, and material

## Latest Updates

As of 30 June 2024	Value
Target Size	<b>Maritime Fund - US\$600m Maritime Investments - US\$300m (NEW)</b>
Investment Deployed	<b>US\$325m</b>
ESG-related Target	<b>~40% of Maritime Fund to IMO-compliant assets</b>



## 50 vessels

Consisting of tankers, gas carrier, bulkers, containerships, OSVs

### Geographical Coverage

- Singapore
- UK
- USA
- Europe
- Hong Kong SAR
- South Korea
- UAE
- India

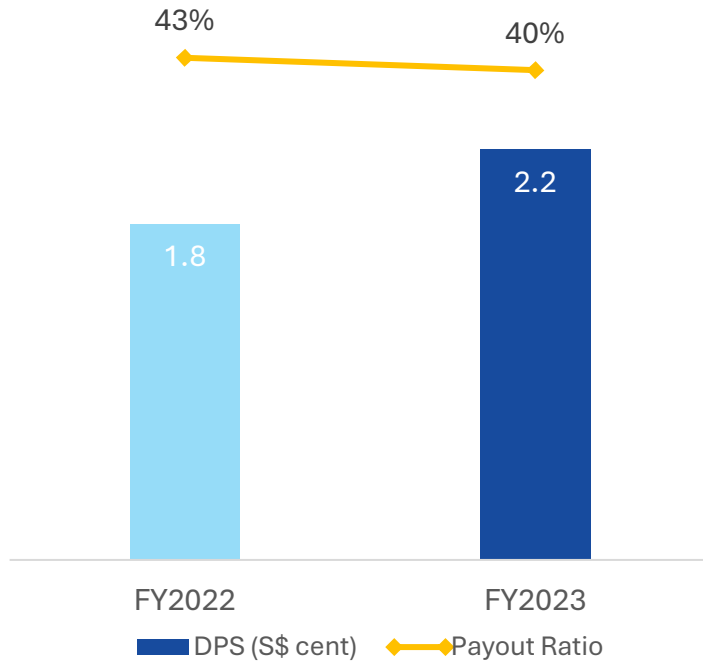
\*Inclusive of maritime fund and new businesses ("Maritime Investments") approved in recent EGM dated 31 May 2024



# KEY TAKEAWAY

Trading at an attractive valuation, offering strong yield, coupled with robust growth prospects

**Stable dividend payout of 40%**  
Trading at an implied yield of 6.3%



**Consistent share buyback to increase value**

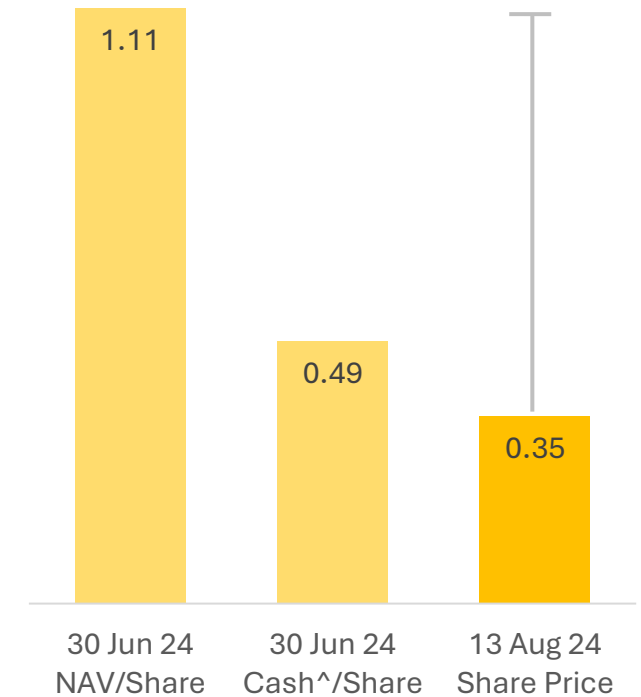
Number of shares repurchased since July 2023

**136.6m**

% of shares outstanding repurchased since July 2023

**~3.7%\***

**Trading at a P/B ratio of 0.3x**



\*Based on shares outstanding excluding treasury shares as of June 2023

^Inclusive of cash and yield enhancement products



# THANK YOU

**For media and investor enquiries:**

[hongee@financialpr.com.sg](mailto:hongee@financialpr.com.sg)

[zhouyan@financialpr.com.sg](mailto:zhouyan@financialpr.com.sg)



# APPENDIX: RISK MANAGEMENT PROCEDURES

