



Yangzijiang Shipbuilding (Holdings) Ltd.  
揚子江船業(控股)有限公司

## 1Q2016 Results Briefing

Apr 28, 2016

### Disclaimer



Yangzijiang Shipbuilding (Holdings) Ltd.  
揚子江船業(控股)有限公司

PAGE 2

The presentation is prepared by Yangzijiang Shipbuilding (Holdings) Ltd. (the "Company") and is intended solely for your personal reference and is strictly confidential. The information contained in this presentation 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 securities 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 at the date of this presentation and are subject to change without notice. None of the underwriters nor any of their 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 forecast and projected.

This presentation and such materials is not and does 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.

Any investment in any securities issued by the Company or its affiliates should be made solely on the basis of the final offer document issued in respect of such securities.

Relaying copies of this presentation to other persons in your company or elsewhere is prohibited.

These materials are not for distribution, directly or indirectly, in or into the United States, Canada or Japan.

These materials are not an offer of securities for sale into the United States, Canada or Japan. The securities may not be offered or sold in the United States under the U.S. Securities Act of 1933, as amended, unless they are registered or exempt from registration. There will be no public offer of securities in the United States.



## SECTION I COMPANY OVERVIEW

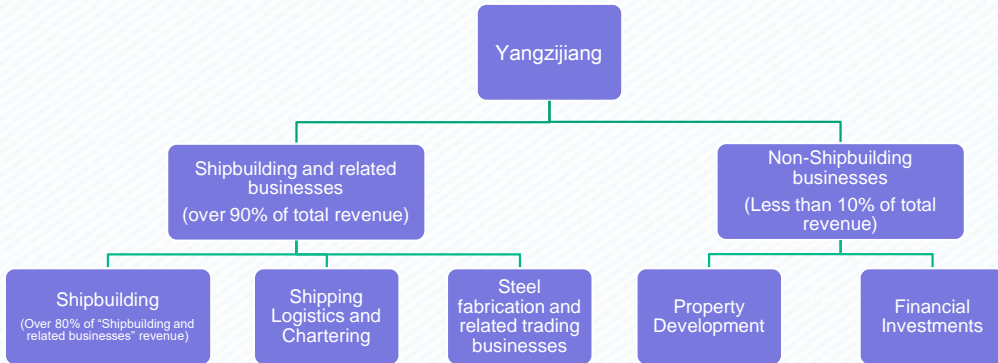
### A Primary Shipbuilding Group in China



- A leading shipbuilder in PRC in terms of manufacturing capability and capacity
- A top ten shipbuilder globally in terms of order book
- One of the **most profitable** Chinese yard among PRC listed peers
- Listed on SGX-Mainboard since April 2007
- STI constituent stock
- The **largest** Chinese listed entity on SGX-Mainboard



**Key Strategy: Enhance the R&D in shipbuilding to cater to and lead market demand, and build up Group's core strength in shipbuilding**



江苏新扬子造船有限公司  
 Jiangsu Xinyang Shipbuilding Co., Ltd.

年份	营业收入
2022	12.12亿元
2021	10.78亿元
2020	10.01亿元
2019	10.01亿元
2018	10.01亿元
2017	10.01亿元
2016	10.01亿元
2015	10.01亿元
2014	10.01亿元
2013	10.01亿元
2012	10.01亿元
2011	10.01亿元
2010	10.01亿元
2009	10.01亿元
2008	10.01亿元
2007	10.01亿元
2006	10.01亿元
2005	10.01亿元
2004	10.01亿元
2003	10.01亿元
2002	10.01亿元
2001	10.01亿元
2000	10.01亿元

江苏扬子江船厂有限公司  
 Jiangsu Yangzijiang Shipyard Co., Ltd.

年份	营业收入
2022	10.01亿元
2021	10.01亿元
2020	10.01亿元
2019	10.01亿元
2018	10.01亿元
2017	10.01亿元
2016	10.01亿元
2015	10.01亿元
2014	10.01亿元
2013	10.01亿元
2012	10.01亿元
2011	10.01亿元
2010	10.01亿元
2009	10.01亿元
2008	10.01亿元
2007	10.01亿元
2006	10.01亿元
2005	10.01亿元
2004	10.01亿元
2003	10.01亿元
2002	10.01亿元
2001	10.01亿元
2000	10.01亿元

江苏华元金属加工有限公司  
 Jiangsu Huayuan Metal Processing Co., Ltd.

年份	营业收入
2022	10.01亿元
2021	10.01亿元
2020	10.01亿元
2019	10.01亿元
2018	10.01亿元
2017	10.01亿元
2016	10.01亿元
2015	10.01亿元
2014	10.01亿元
2013	10.01亿元
2012	10.01亿元
2011	10.01亿元
2010	10.01亿元
2009	10.01亿元
2008	10.01亿元
2007	10.01亿元
2006	10.01亿元
2005	10.01亿元
2004	10.01亿元
2003	10.01亿元
2002	10.01亿元
2001	10.01亿元
2000	10.01亿元

巴柏赛斯船舶科技(上海)有限公司  
 BBS Ship Technology (Shanghai) Co., Ltd.

年份	营业收入
2022	10.01亿元
2021	10.01亿元
2020	10.01亿元
2019	10.01亿元
2018	10.01亿元
2017	10.01亿元
2016	10.01亿元
2015	10.01亿元
2014	10.01亿元
2013	10.01亿元
2012	10.01亿元
2011	10.01亿元
2010	10.01亿元
2009	10.01亿元
2008	10.01亿元
2007	10.01亿元
2006	10.01亿元
2005	10.01亿元
2004	10.01亿元
2003	10.01亿元
2002	10.01亿元
2001	10.01亿元
2000	10.01亿元

上海恒高船舶设计有限公司  
 Shanghai Hongyan Ship Design Co., Ltd.

年份	营业收入
2022	10.01亿元
2021	10.01亿元
2020	10.01亿元
2019	10.01亿元
2018	10.01亿元
2017	10.01亿元
2016	10.01亿元
2015	10.01亿元
2014	10.01亿元
2013	10.01亿元
2012	10.01亿元
2011	10.01亿元
2010	10.01亿元
2009	10.01亿元
2008	10.01亿元
2007	10.01亿元
2006	10.01亿元
2005	10.01亿元
2004	10.01亿元
2003	10.01亿元
2002	10.01亿元
2001	10.01亿元
2000	10.01亿元



New Yangzi Yard ranked No.2 in China and No.6 in the world in terms of outstanding order book as at the end of March 2016\*

- Strong R&D capabilities
- Diversified product portfolio
- Established client network
- Consistent delivery record
- Sound financial position

\* Source – eworldship.com



## SECTION II FINANCIAL HIGHLIGHTS

# Results Highlight – 1Q2016 YoY



Yangzijiang Shipbuilding (Holdings) Ltd.  
揚子江船業(控股)有限公司

PAGE 9

Financial Highlights	1Q2016	1Q2015	Change	Reason/s
	RMB'000	RMB'000	%	
Revenue	2,707,285	3,043,558	(11)	15 smaller vessels delivered versus 10 in 1Q2015); lower contribution from shipping & logistics business ; partially offset by increase in trading business
Gross Profit	648,482	783,239	(17)	Better shipbuilding margins supported by reversal of warranty provision
Gross Profit Margin	24.0%	25.7%	-	
Other Income	45,153	127,044	(64)	Decrease due to higher recognition of RMB88 million of forfeited deposits from the previous ship owners of the terminated shipbuilding contracts in 1Q2015
Other Gains	140,591	128,816	9	Foreign exchange related gains of RMB103 million and subsidy of RMB47 million
Expenses #	(138,867)	(119,186)	17	Mainly due to the Group's funding strategy to gradually shift its debt structure towards higher proportion of long term un-collateralized borrowings with a relatively higher interest rate
Net Profit Attributable to Equity Holders (PATMI)	447,977	706,878	(37)	
PATMI Margin	16.5%	23.2%	-	

#: Includes Administrative and Finance Expenses

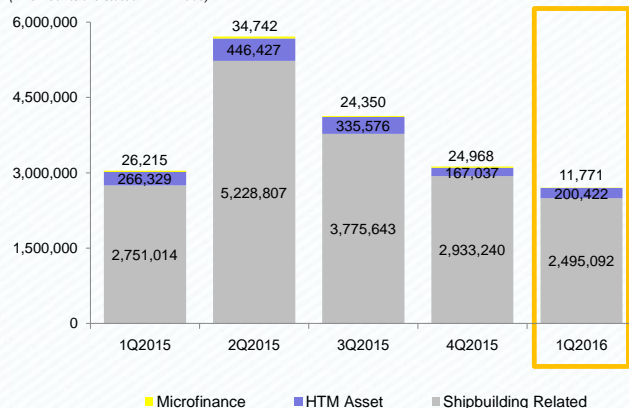
# Revenue Breakdown



Yangzijiang Shipbuilding (Holdings) Ltd.  
揚子江船業(控股)有限公司

PAGE 10

(All amounts are stated in RMB'000)



Shipbuilding Related Revenue Breakdown (1Q2016)	Percentage (%)
Shipbuilding	81%
Trading	17%
Others*	2%
<b>Total</b>	<b>100%</b>

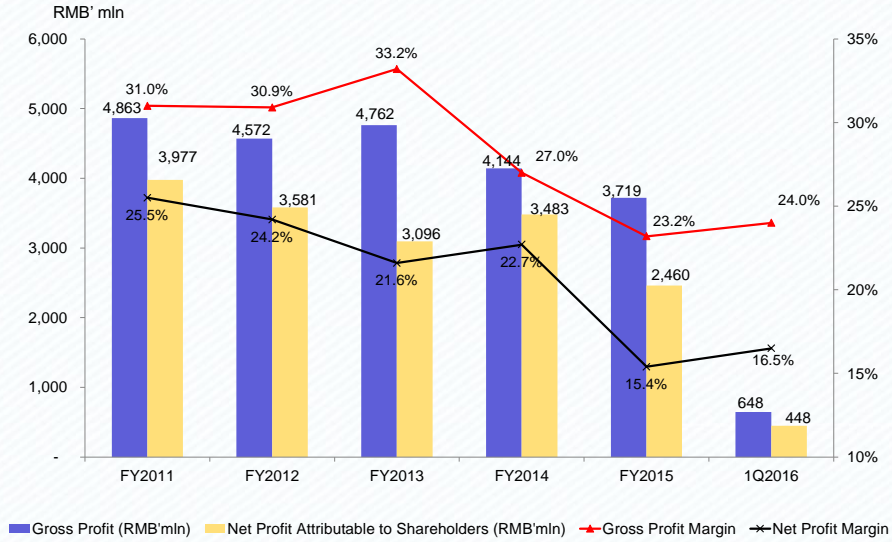
\* Includes revenue from Shipping Logistics and Chartering, Steel Fabrication and Ship Design Services etc.

	Gross Profits		Gross Profit Margins	
	1Q2016	1Q2015	1Q2016	1Q2015
Shipbuilding Related	449,217	507,624	18%	18%
HTM Investment	188,210	250,875	94%	94%
Micro Finance	11,055	24,740	94%	94%

# Profitability Trend



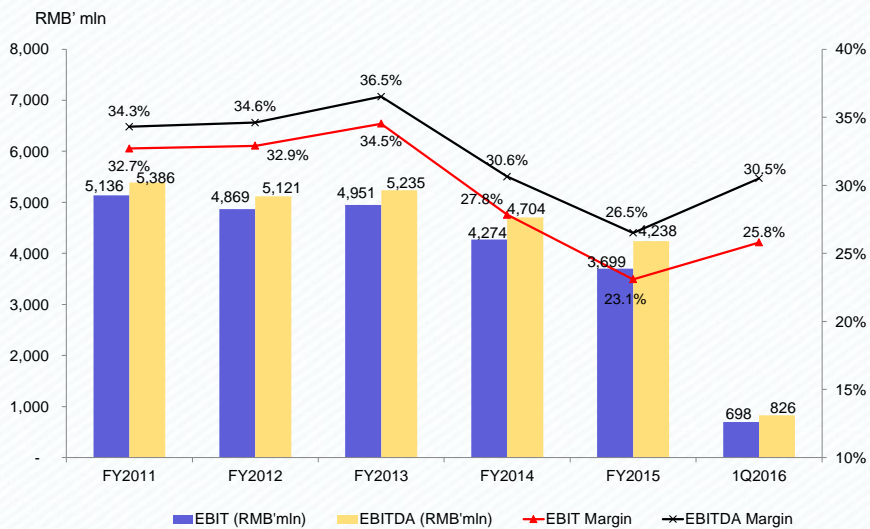
## Gross Profit and Net Profit Attributable to Shareholders



# Profitability Trend



## EBIT and EBITDA



# Results Highlight – Balance Sheet



Yangzijiang Shipbuilding (Holdings) Ltd.  
揚子江船業(控股)有限公司

PAGE 13

Financial Highlights	31 Mar 2016	31 Dec 2015
	RMB'000	RMB'000
Property, Plant and Equipment	6,293,247	6,401,967
Restricted Cash	1,580,177	1,028,550
Cash & Cash Equivalents	7,222,376	5,992,935
Financial Assets, Held-to-Maturity	10,574,122	9,972,406
Total Debt	8,210,151	8,282,421
Total Equity	22,818,592	22,358,981
Gross Gearing	36.0%	37.0%
Net Gearing (including restricted cash)	Net Cash	5.6%
Net Asset Value per Ordinary Share (RMB cents)	580.59	568.90



Yangzijiang Shipbuilding (Holdings) Ltd.  
揚子江船業(控股)有限公司

PAGE 14



## SECTION III - A SEGMENTAL REVIEW

### Shipbuilding & Related Segments

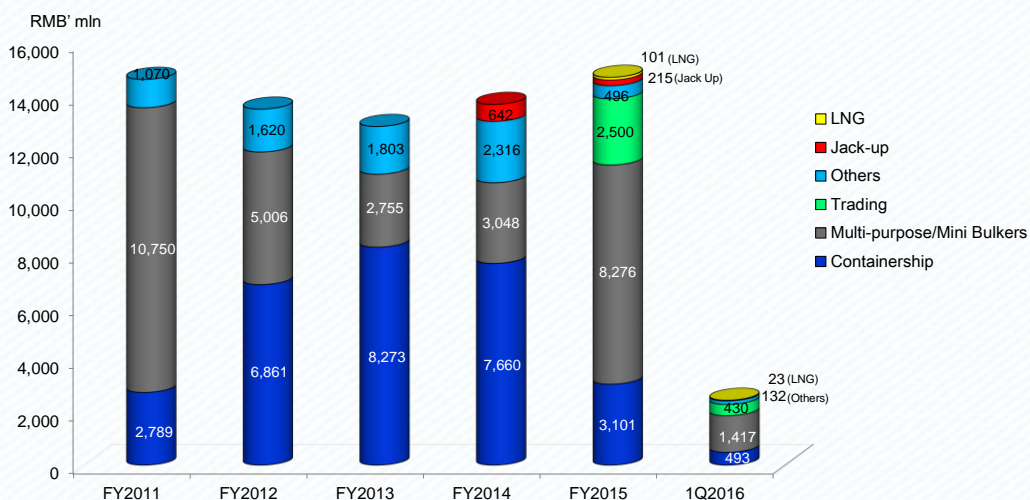


Yangzijiang Shipbuilding (Holdings) Ltd.  
揚子江船業(控股)有限公司

# Revenue Trend



## Shipbuilding-related Segment



# Strong Order Book



Total: 93 vessels; 4.03 million CGT @ US\$ 4.70 billion  
 42 containerships, 2.45 million CGT @ US\$ 2.68 billion  
 47 bulk carriers, 1.39 million CGT @ US\$ 1.73 billion  
 2 LNG Carriers, 0.06 million CGT @ US\$ 0.14 billion  
 2 VLGC, 0.13 million CGT @ US\$ 0.15 billion

### Containerships

- 1,100TEU x 1 vessels
- 1,668TEU x 2 vessels
- 1,900TEU x 2 vessels
- 2,700TEU x 7 vessels
- 3,800TEU x 8 vessels
- 10,000TEU x 10 vessels
- 11,800TEU x 12 vessels

### LNG Carriers

- 27,500LNG x 2 vessels

### Bulk Carriers

- 29,800DWT x 2 vessels
- 36,500DWT x 6 vessels
- 64,000DWT x 5 vessels
- 81,100DWT x 2 vessels
- 82,000DWT x 18 vessels
- 83,500DWT x 3 vessels
- 208,000DWT x 7 vessels
- 260,000DWT x 4 vessels

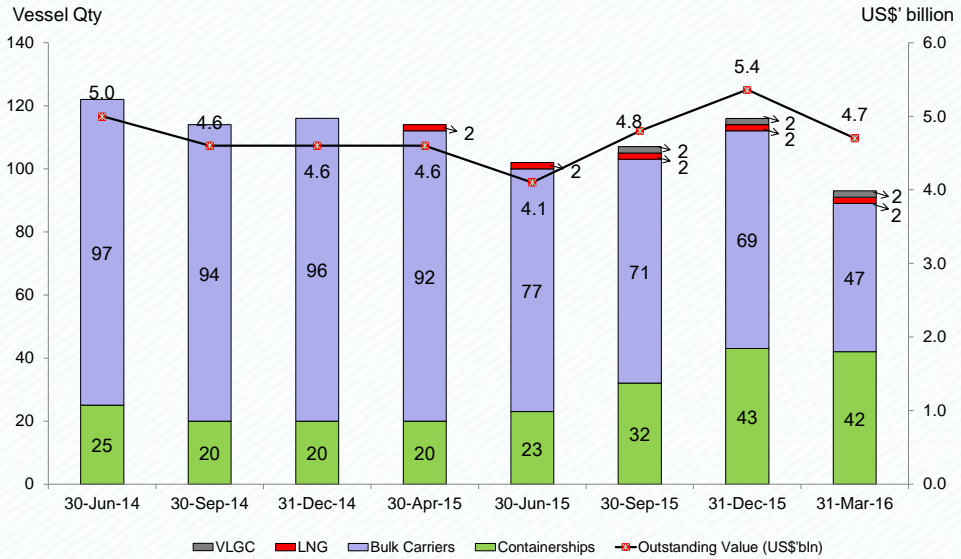
### VLGC

- 84,000VLGC x 2 vessels

Note: Order book is as at 31 March 2016  
 Does not include 6 VLGC secured in Apr 2016



# Historical Order Book



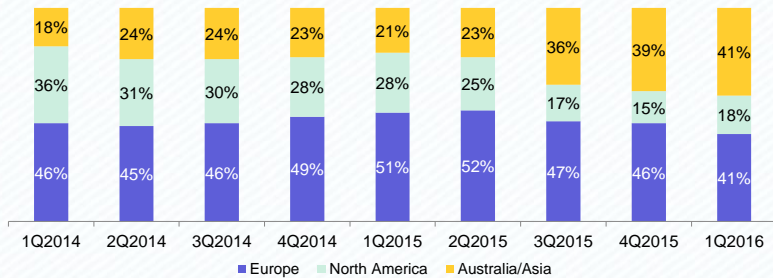
# Order Book Customer Profile



Figures are stated as at 31 Mar 2016

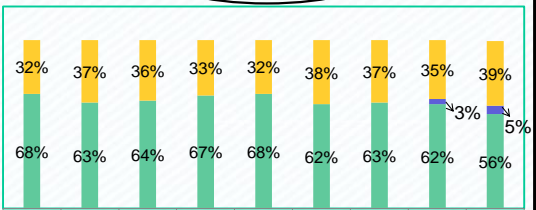
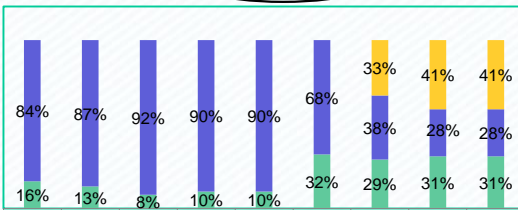
## Breakdown by Geographical Segments

2 LNG Vessel orders are from Europe  
 2 VLGC Vessel orders are from Australia/Asia



### Containerships

### Bulk Carriers



1Q2014 2Q2014 3Q2014 4Q2014 1Q2015 2Q2015 3Q2015 4Q2015 1Q2016  
 Europe North America Australia/Asia

1Q2014 2Q2014 3Q2014 4Q2014 1Q2015 2Q2015 3Q2015 4Q2015 1Q2016  
 Europe North America Australia/Asia

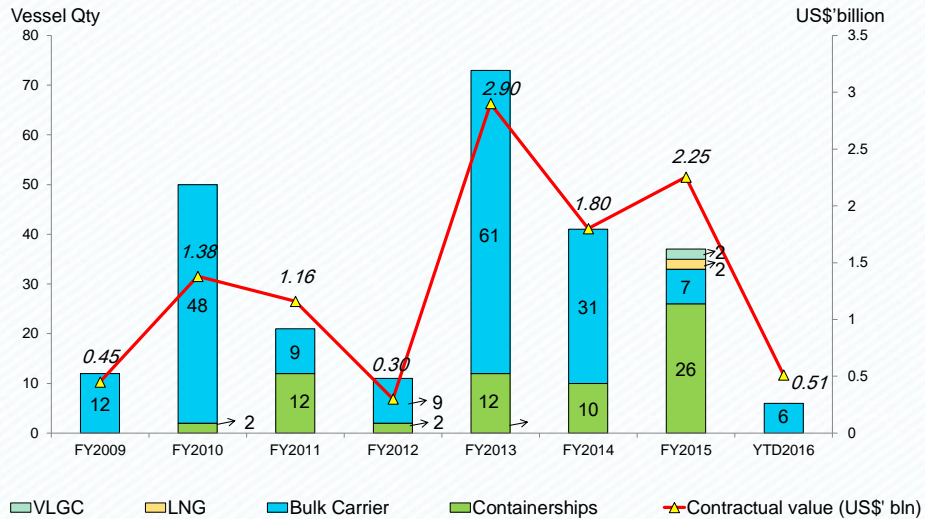
## Order-Winning Momentum



Yangzijiang Shipbuilding (Holdings) Ltd.  
揚子江船業(控股)有限公司

PAGE 19

### New contracts secured in terms of vessel quantity and contract value



## Shipping and Chartering



Yangzijiang Shipbuilding (Holdings) Ltd.  
揚子江船業(控股)有限公司

PAGE 20

### ▪ The idea:

- Leveraging on shipbuilding facilities, build and manage vessels and generate revenue
- To balance utilization
- A ready fleet to better meet shipowners' demand
- Based on forward planning, build vessels and sell the vessels when valuation picks up on the market

### ▪ Current fleet includes:

- 2 x 92,500DWT under bareboat hire purchase
- 8 x 92,500DWT, self managed by the Group
- 3 x 64,000DWT, self managed by the Group

### ▪ The strategy / plan for the business depends on the conditions on the shipbuilding market



## SECTION III - B SEGMENTAL REVIEW

### Financial Investments

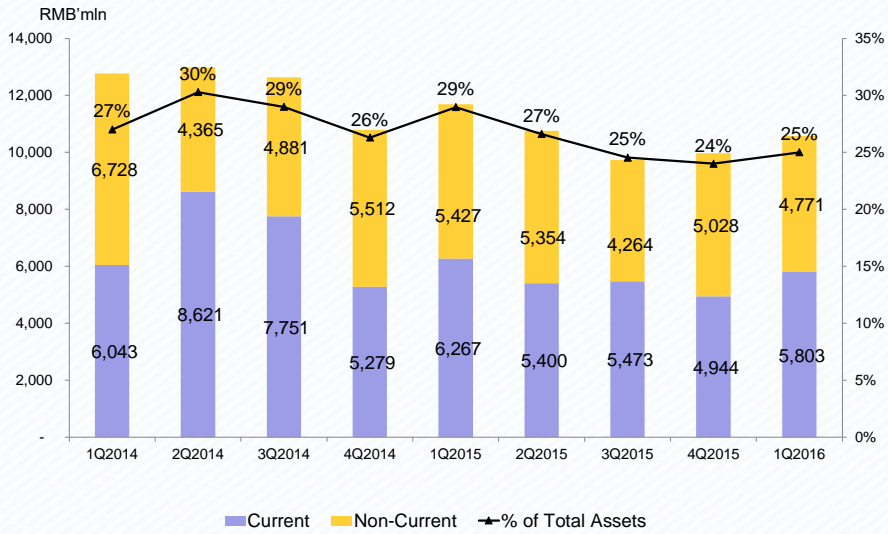


## Interest Income Trend - HTM Assets



Source: Company Data

# Held-to-Maturity Assets

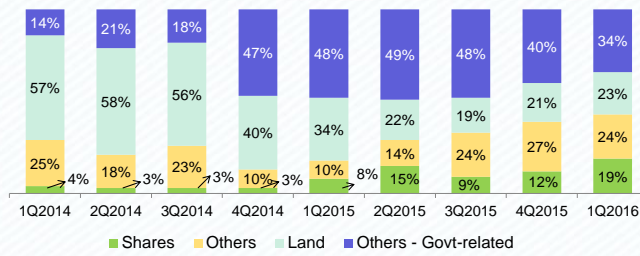


Source: Company Data

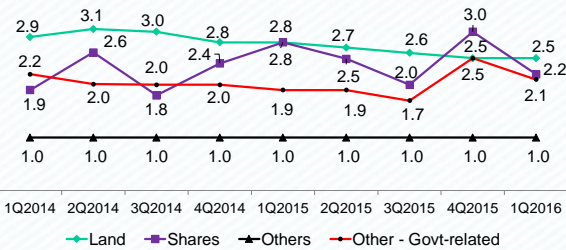
# Held-to-Maturity Assets



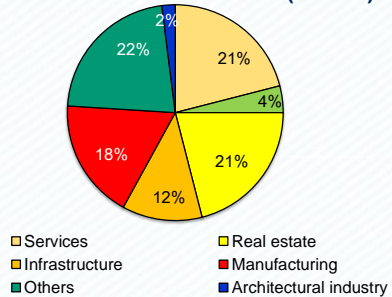
## Breakdown of Investment Amount for which collaterals are secured (%)

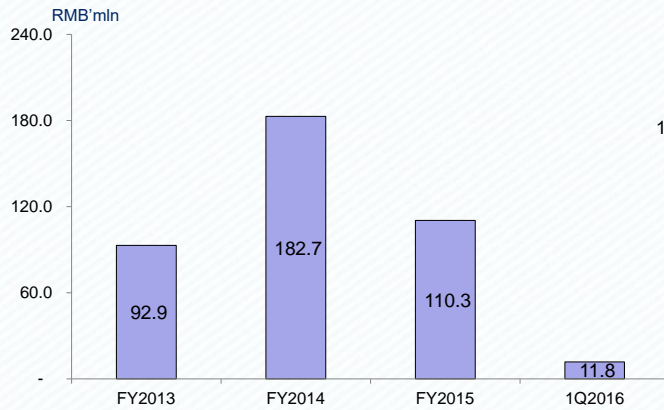


## Coverage Ratio

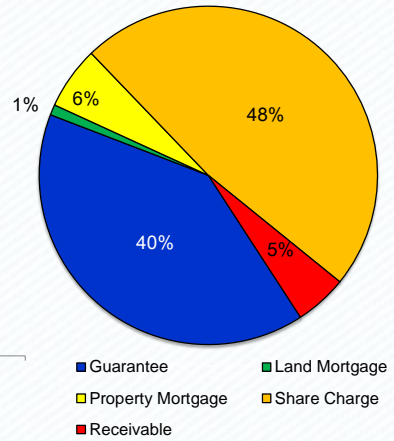


## Breakdown of Borrowers (1Q2016)





Breakdown of Collaterals  
 (As of 31 March 2016)

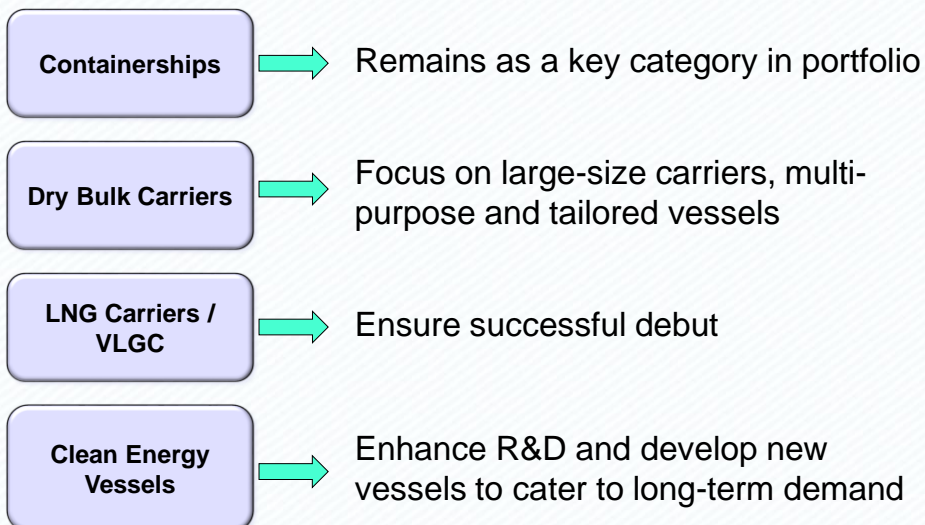


**SECTION IV**  
**STRATEGIES & TRENDS**



- Weaker shipping demand, low shipping rates, oversupply of vessels
- Lower shipbuilding orders globally: 60.2% decrease year-on-year \*
- New shipbuilding orders are expected to decrease further compared to 2015 as the shipbuilding industry is at the trough of a major business cycle
- China
  - Overcapacity in low-to-mid end shipbuilding, lack of expertise in high-tech, sophisticated vessels
  - Consolidation to continue and remove excess capacity

\*[http://www.eworldship.com/html/2016/NewShipMarket\\_0426/114537.html](http://www.eworldship.com/html/2016/NewShipMarket_0426/114537.html)





## SECTION V

### SOCIAL RESPONSIBILITY



## A Responsible Corporate Citizen



- Continuous efforts in building up R&D capabilities in the **design and development of green vessels**
  - Group is ISO9001 qualified by the China Classification Society
  - Quality management system is BV ISO9002 and CCS ISO2000 certified
  - Vessels are CCS, ABS, BV, NK, GL, LR, DNV and RINA certified
- 32% employees possess a diploma-level or higher certification. **R&D headcount accounts for 16%** of our total staff strength
- Environmental management system **ISO14001 and CSQA certified**
- Compliant with national and international standards on emissions, such as wastewater, waste gas, solid waste, dust, and noise generated in the production process
- Group won the **SIAS Most Transparent Company Award** 3 times in a row from 2010 to 2012
- **"Shipbuilding & Repair Yard Award"** of Seatrade Maritime Awards Asia 2015

# A Responsible Corporate Citizen



Yangzijiang Shipbuilding (Holdings) Ltd.  
揚子江船業(控股)有限公司

PAGE 31

- Group Executive Chairman, Mr. Ren Yuanlin believe in returning to the society. Over the years, the Group and Mr. Ren have given **hundreds of millions of RMB** to society for various purposes
- The Foundation primarily funds a charity for improving elderly service facilities; finances technological innovation, helps in disaster rescue and helps poor people
- Jiangyin Yuanlin Rehabilitation Centre Project set up and in progress (*Artist's impression as shown below*)
- Mr. Ren was listed as one of the Asian Philanthropist by Forbes in 2015. He donates the dividends from his one billion Yangzijiang shares to the Yuanlin Charity Foundation, which he founded in 2011



Yangzijiang Shipbuilding (Holdings) Ltd.  
揚子江船業(控股)有限公司

PAGE 32



## SECTION VI STOCK INFORMATION



Yangzijiang Shipbuilding (Holdings) Ltd.  
揚子江船業(控股)有限公司



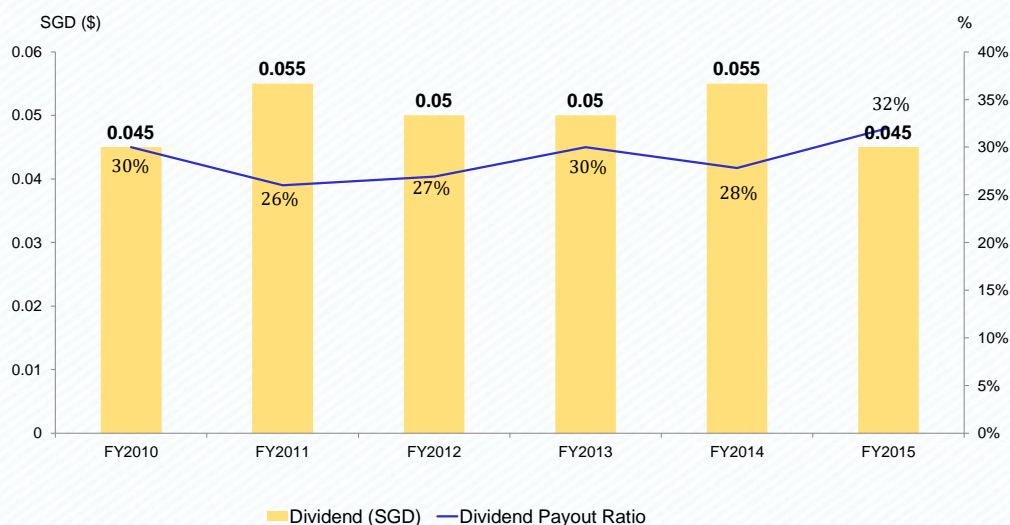
## Dividend Summary



Yangzijiang Shipbuilding (Holdings) Ltd.  
揚子江船業(控股)有限公司

PAGE 33

### Dividend and dividend payout ratio



## Top Shareholders



Yangzijiang Shipbuilding (Holdings) Ltd.  
揚子江船業(控股)有限公司

PAGE 34

No.	Holder Name	Position	Filing Date	%
1	YANGZI INTERNATIONAL	1,002,845,825	19/4/2016	<b>26.17</b>
2	LIDO POINT INVESTMENTS LTD	394,134,000	10/3/2015	<b>10.29</b>
3	HONGKONG HENGYUAN INVESTMENT	303,962,240	11/3/2016	<b>7.93</b>
4	BLACKROCK	191,361,840	6/5/2015	<b>4.99</b>
5	SEB	79,008,500	31/12/2015	<b>2.06</b>
6	VALUE PARTNERS LTD	74,440,200	30/6/2015	<b>1.94</b>
7	GRANTHAM MAYO VAN OTTERLOO & CO	65,938,280	30/11/2015	<b>1.72</b>
8	VANGUARD GROUP	38,846,962	31/3/2016	<b>1.01</b>
<b>Total</b>		<b>2,150,537,847</b>		<b>56.11</b>

Source: Bloomberg, as of April 28, 2016

# Stock Performance



Yangzijiang Shipbuilding (Holdings) Ltd.  
揚子江船業(控股)有限公司

PAGE 35



Source: Bloomberg, as of April 28, 2016

## Thank You Q&A



Yangzijiang Shipbuilding (Holdings) Ltd.  
揚子江船業(控股)有限公司

For more information,  
please contact:

**Financial PR Pte Ltd**

Investor Relations Consultants

Romil Singh / Reyna Mei

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

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

Tel: (65) 6438 2990

Fax: (65) 6438 0064

