



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

Corporate Presentation

April 2021

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**SECTION I
BUSINESS UPDATE**

Update on Order Wins for 2021



Date of announcement	No. of Vessels	Type	Size	Total value (USD)
Feb 8, 2021	1	Dry Bulker	82,300DWT	0.17 billion
	4	Dry Bulker	66,000DWT	
	2	Great Lake Dry Bulker	31,800DWT	
	4	Containership	24,000TEU*	1.13 billion
	10	Containership	4,600TEU	
	8	Containership	1,800TEU	
Mar 5, 2021	10	Dry Bulker	82,300DWT	1.74 billion
	4	Containership	15,000TEU	
	5	Containership	12,200TEU	
	4	Containership	11,800TEU	
	4	Containership	2,600TEU	
	4	Containership	1,800TEU	
April 19, 2021	6	Containership	15,000TEU	0.97 billion
	2	Containership	2,400TEU	
	2	MR Tanker	50,000DWT	
	3	Dry Bulker	82,300DWT	
	2	Great Lake Dry Bulker	31,800DWT	
Total new orders for YTD2021 - 75 vessels				4.01 billion



Photo: 12,690TEU containership, the largest containership YZJ built and delivered so far

- YTD 2021 order wins are YZJ's largest order wins since 2008 (based on yearly orders)
- Majority of new orders placed were for containerships (51 vessels worth USD 3.36 billion)

*Orders placed for 24,000TEU containerships will be the largest containership in YZJ's portfolio, it is also currently the largest containership in-use in the world

Quarterly Highlights in Pictures





SECTION II FINANCIAL HIGHLIGHTS

Results Highlight – Income Statement

Financial Highlights	1Q2021	1Q2020	Change	Comments
	RMB'000	RMB'000	%	
Revenue	2,624,831	3,497,068	(25)	12 vessels delivered in 1Q2021, same as 1Q2020. Core shipbuilding revenue was lower at RMB1.8 billion for 1Q2021 due to lower shipbuilding activities. Trading revenue declined due to lower trading volume.
Gross Profit	802,286	714,140	12	Core shipbuilding margin improved to 15% in 1Q2021 (8% for 1Q2020), mainly due to construction of more containerships and larger size vessels in this quarter.
Gross Profit Margin	31%	20%	11 pts	
Reversal of impairment loss/ (impairment loss) on financial assets	154,319	(176,080)	n.m.	Net reversal of impairment loss on financial assets of RMB154 million in 1Q2021, compared to a provision of impairment loss of RMB176 million in 1Q2020.
Other Administrative Expenses	(110,231)	(139,959)	(21)	
Finance Costs	(5,853)	(14,419)	(59)	Lower bank borrowing and borrowing costs in 1Q2021
Other Income	91,013	89,142	2	Inched up to RMB 91 million in 1Q2021 due to higher income from the provision of service of RMB25 million in this quarter despite lower interest income from bank deposits.
Other Gains, net	63,831	107,039	(40)	RMB 212 million mark- to-market gain on USD denominated assets, partially offset by a fair value loss of RMB 170 million on derivative financial instruments to manage currency exposure to future US denominated income from shipbuilding business.
Net Profit Attributable to Equity Holders (PATMI)	761,725	403,832	89	
PATMI Margin	29%	12%	17 pts	

#: Expenses include finance expenses and administrative expenses, which include impairment loss/reversal of impairment losses

Revenue Breakdown



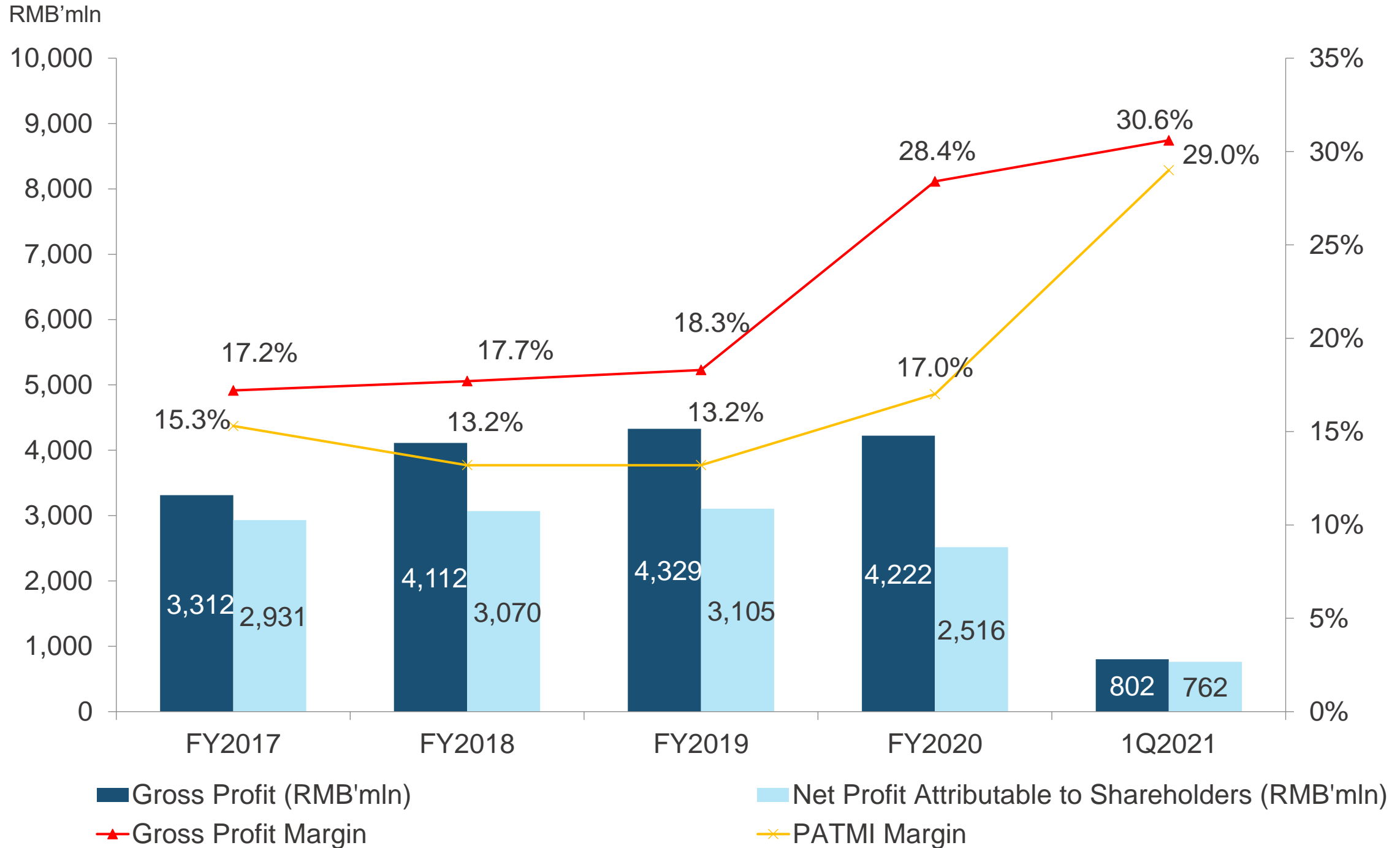
Shipbuilding Related Segment	1Q2021		1Q2020	
	RMB'000	%	RMB'000	%
Shipbuilding Turnover	1,835,203	100	2,307,220	100
Cost	(1,565,707)	-85	(2,113,693)	-92
Margin	269,496	15	193,527	8
Trading Turnover	115,901	100	538,007	100
Cost	(113,851)	-98	(529,381)	-98
Margin	2,050	2	8,626	2
Others* Turnover	186,450	100	145,108	100
Cost	(118,388)	-63	(114,017)	-79
Margin	68,062	37	31,091	21

*Other businesses such as shipping logistics & chartering and ship design services

Investment Segment	1Q2021		1Q2020	
	RMB'000	%	RMB'000	%
Interest Income	487,277	100	506,733	100
Sale taxes and levies	(24,599)	-5	(25,837)	-5
Net Interest Income	462,678	95	480,896	95

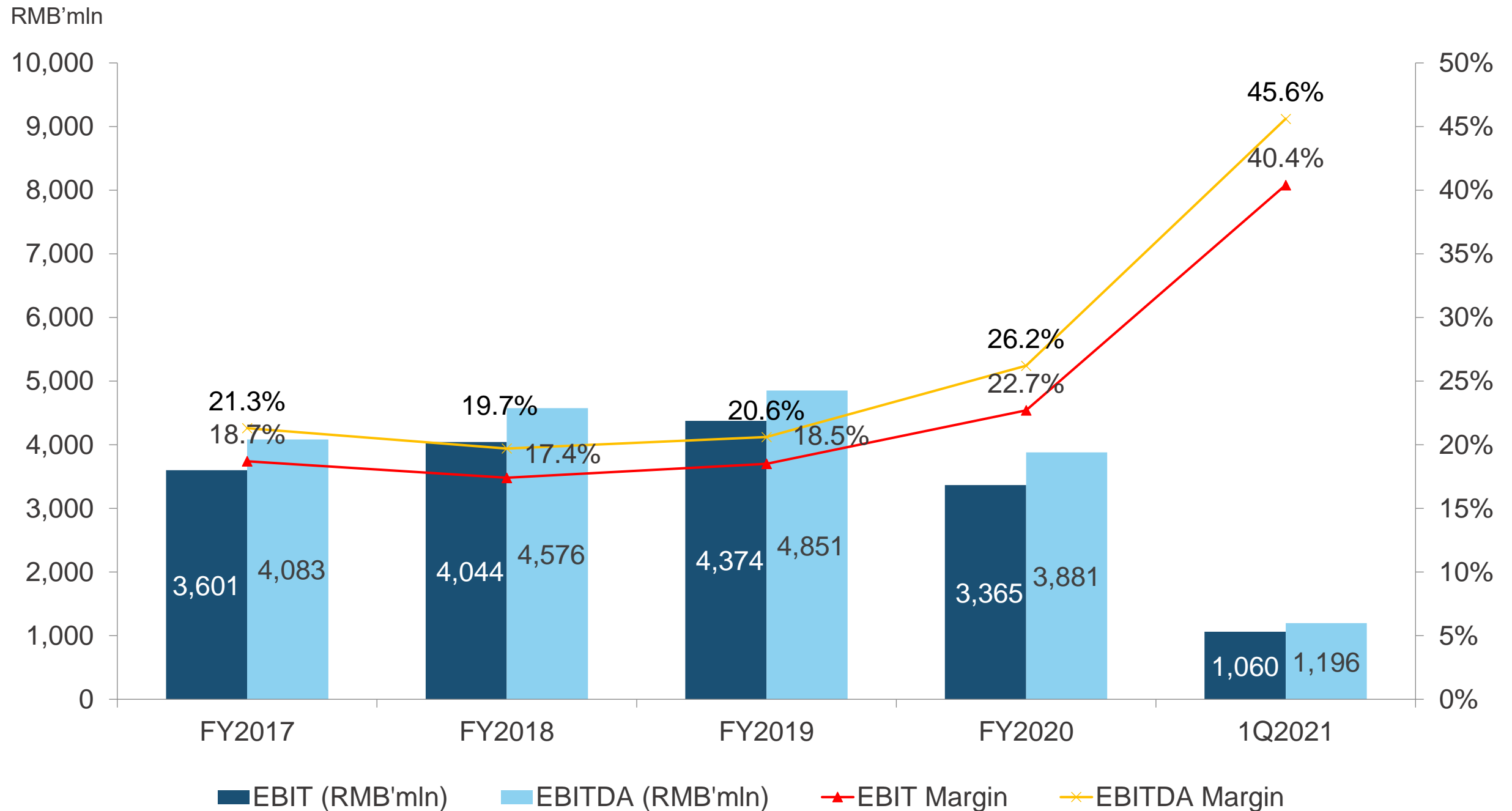
Profitability Trend

Gross Profit and Net Profit Attributable to Shareholders



Profitability Trend

EBIT AND EBITDA



Results Highlight – Balance Sheet



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



Financial Highlights	31 Mar 2021	31 Dec 2020
	RMB'000	RMB'000
Property, Plant and Equipment	5,106,724	5,226,004
Restricted Cash	5,140	15,624
Cash & Cash Equivalents	13,424,622	6,633,416
Debt Investments at Amortised Costs	14,857,186	16,957,689
Total Debt	4,601,165	4,244,053
Total Equity	34,138,946	33,376,515
Gross Gearing	13.5%	12.7%
Net Gearing (including Restricted Cash)	Net Cash	Net Cash
Net Asset Value per Ordinary Share (RMB cents)	859.86	839.51

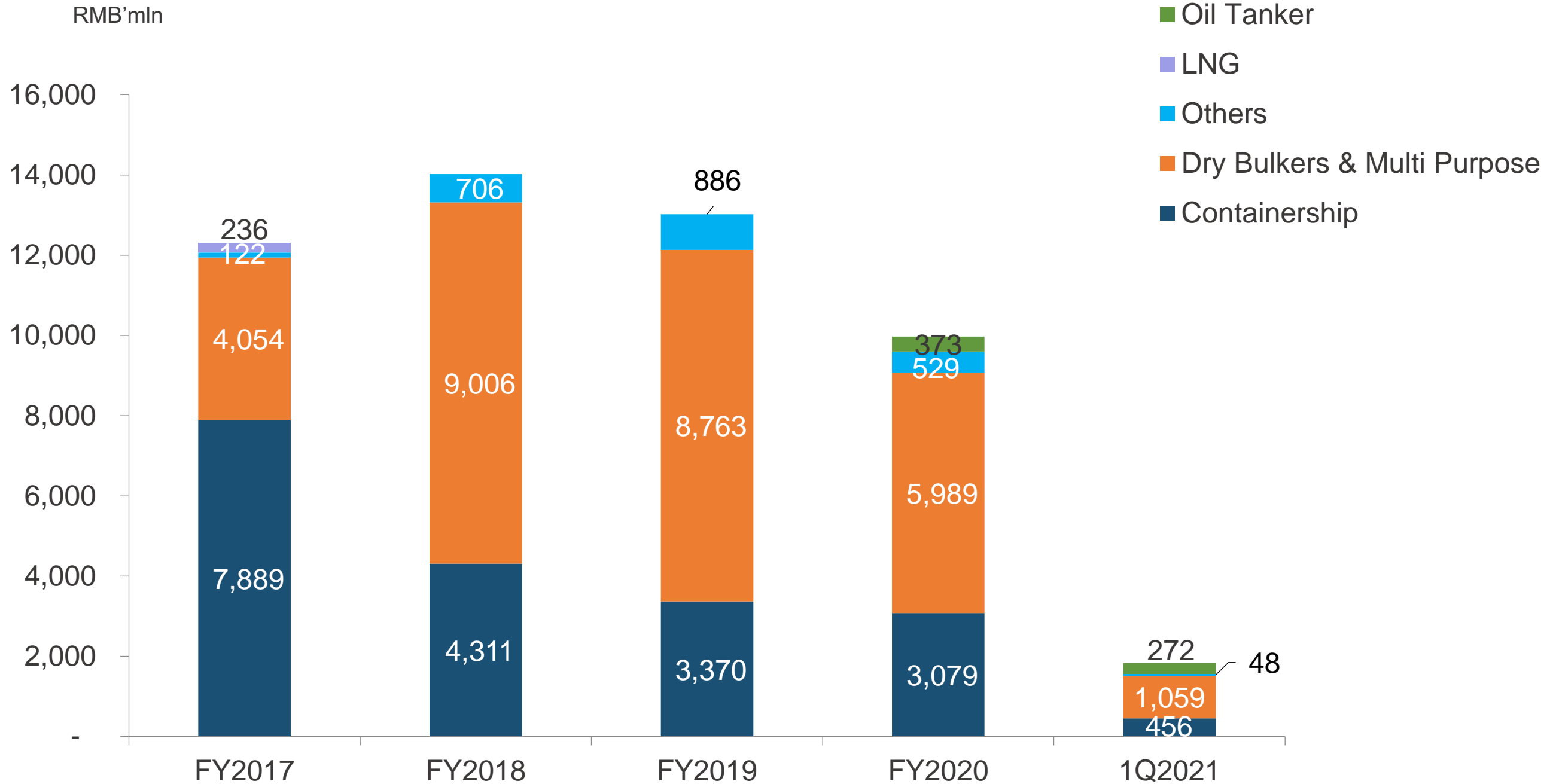


SECTION III SEGMENTAL REVIEW



Revenue Trend

Shipbuilding Revenue Breakdown



Overview of Order Book

146 vessels

US\$6.59 billion in contract value

7.38 million CGT

Delivery: 2021- 2023

Containerships

84 units
Total CGT – 5.49 million
Total value – US\$4.69 billion

Size	No. of Vessels
1,000 TEU	4
1,800 TEU	20
2,400 TEU	6
2,600 TEU	10
2,700 TEU	1
3,500 TEU	5
4,600TEU	10
11,800TEU	4
12,200TEU	5
12,690 TEU	1
14,000 TEU	2
15,000TEU	10
24,000 TEU	6

Bulk Carriers

53 units
Total CGT – 1.72 million
Total value – US\$1.65 billion

Size	No. of Vessels
29,800 DWT ^	1
31,800 DWT	8
38,500 DWT	1
40,000 DWT	4
56,000 DWT	2
59,000 DWT ^	2
66,000 DWT ^	4
82,300 DWT ^	24
83,500 DWT	1
180,000 DWT	1
208,000 DWT	1
325,000 DWT	4

LNG/Chemical Tanker

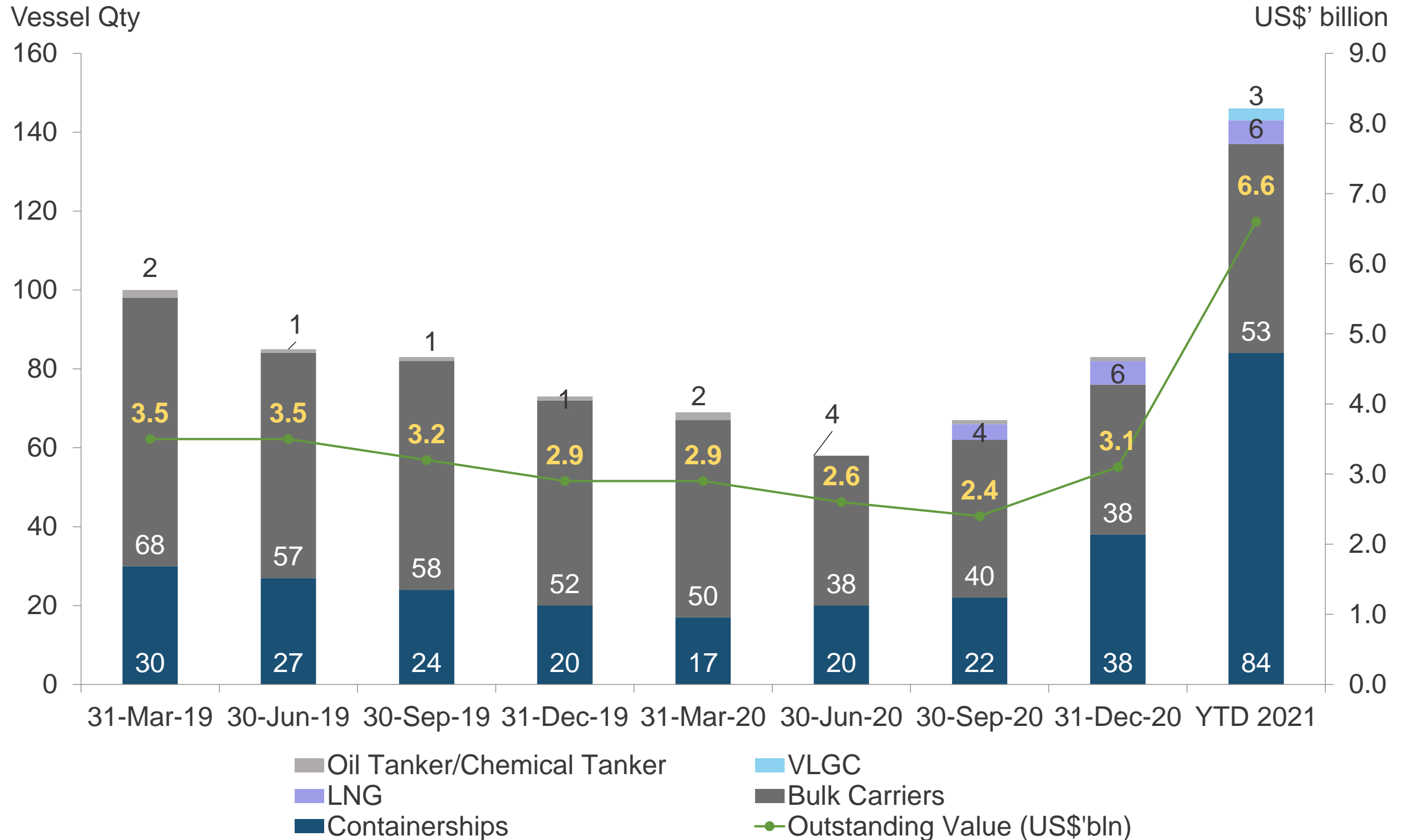
9 units
Total CGT – 0.17 million
Total value – US\$0.25 billion

Size	No. of Vessels
690 LNG	4
13,000 LNG	2
9,150 DWT CT *	1
50,000 DWT MR **	2

* Chemical Tanker
** Medium Range

Note: Order book is as at announcement date

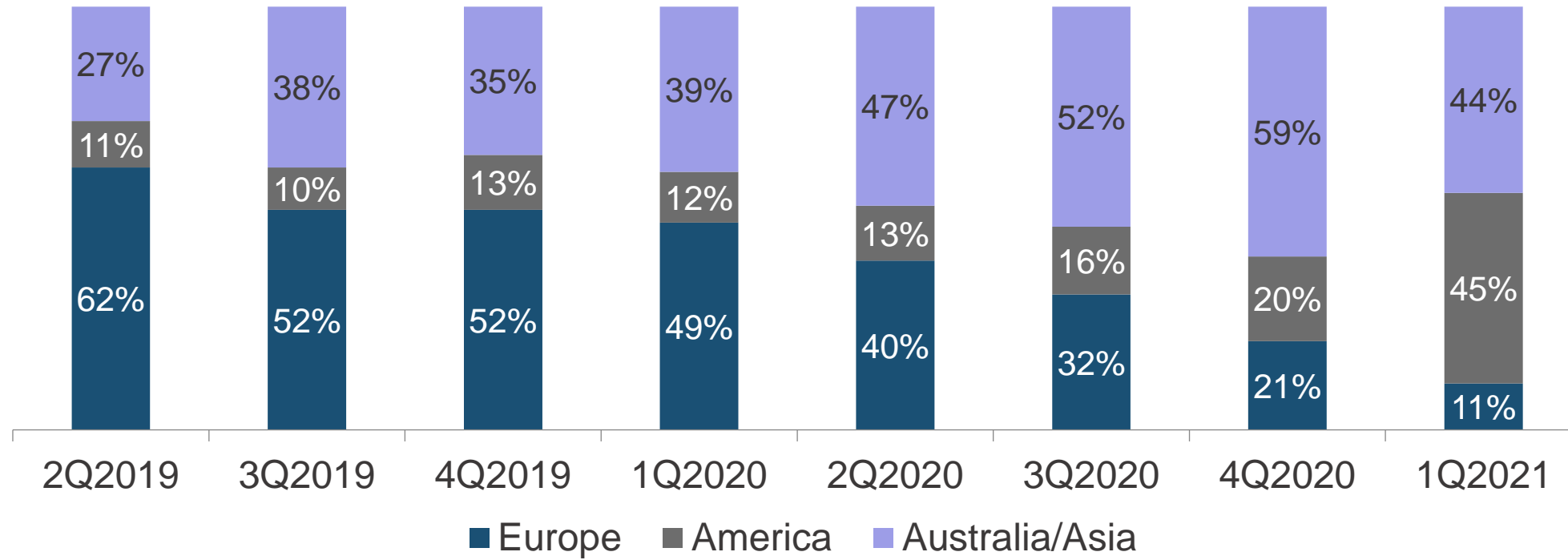
Historical Order Book



Order Book Customer Profile



Figures are stated as at 31 March 2021



LNG

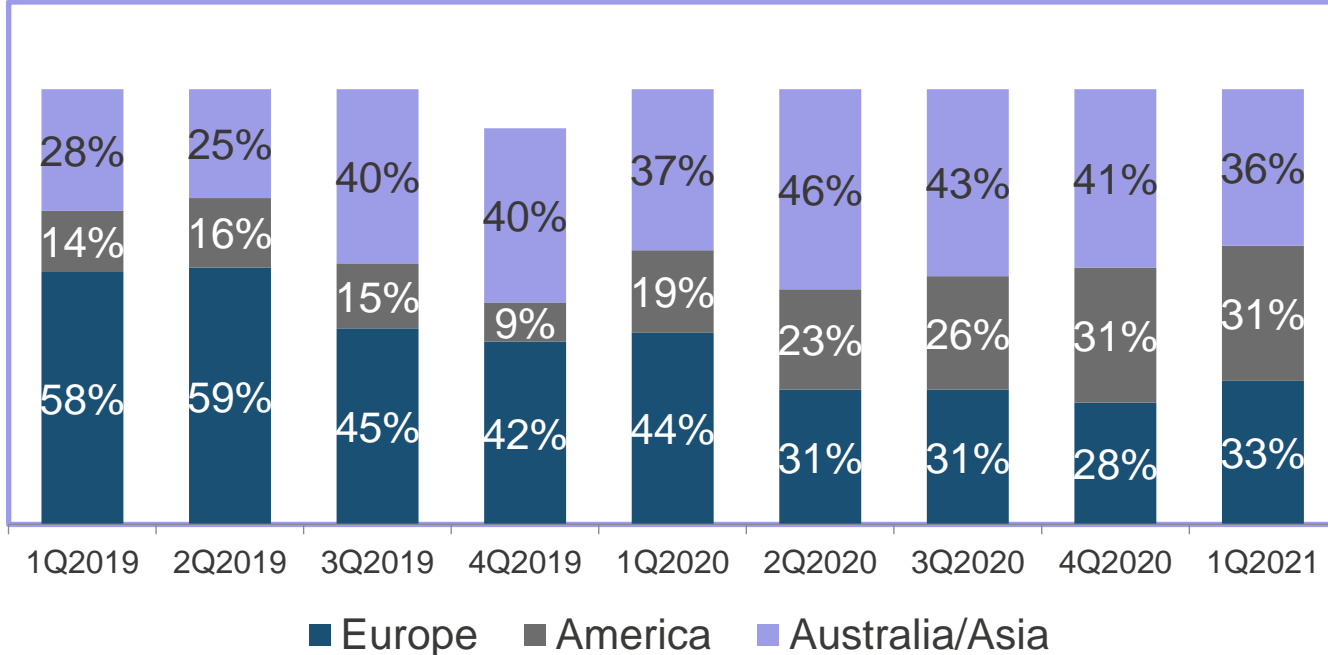
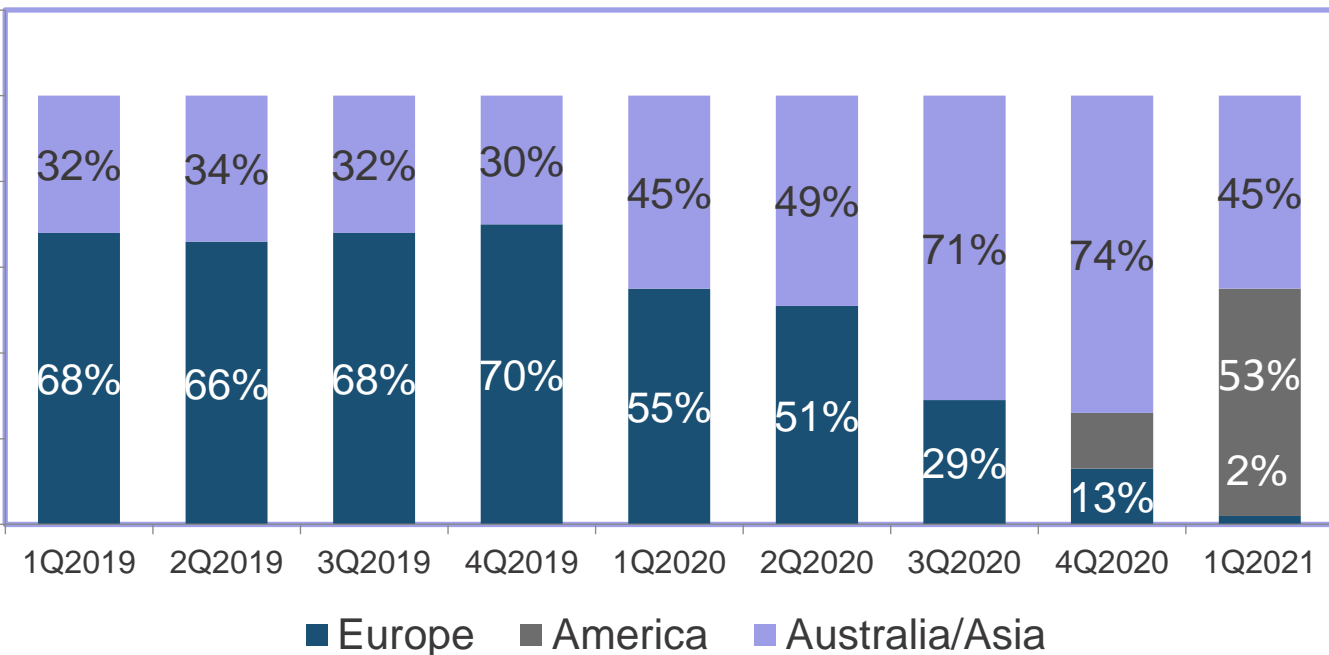
2 orders from Europe and 4 orders from Asia

Chemical Tanker

1 order from Europe

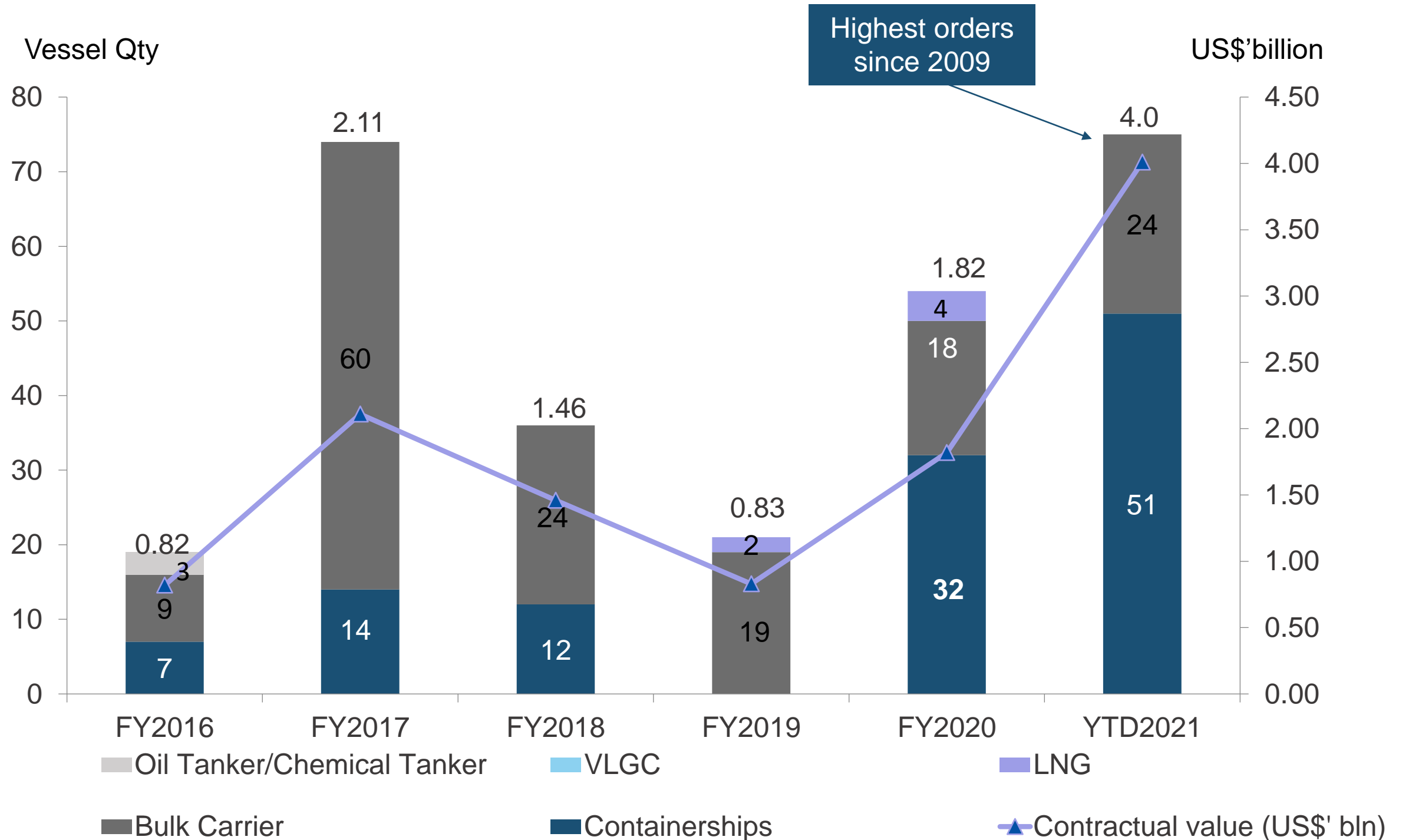
Containerships

Bulk Carriers



Order-Winning Momentum

New contracts secured in terms of vessel quantity and contract value





Strategy

- Leveraging on shipbuilding facilities, build and manage vessels and generate revenue
- To balance utilization
- A ready fleet to better meet shipowners' demand
- Flexible on fleet size and ready to sell when valuation is desirable
- **The current order book (slide 14) are all for external customers**

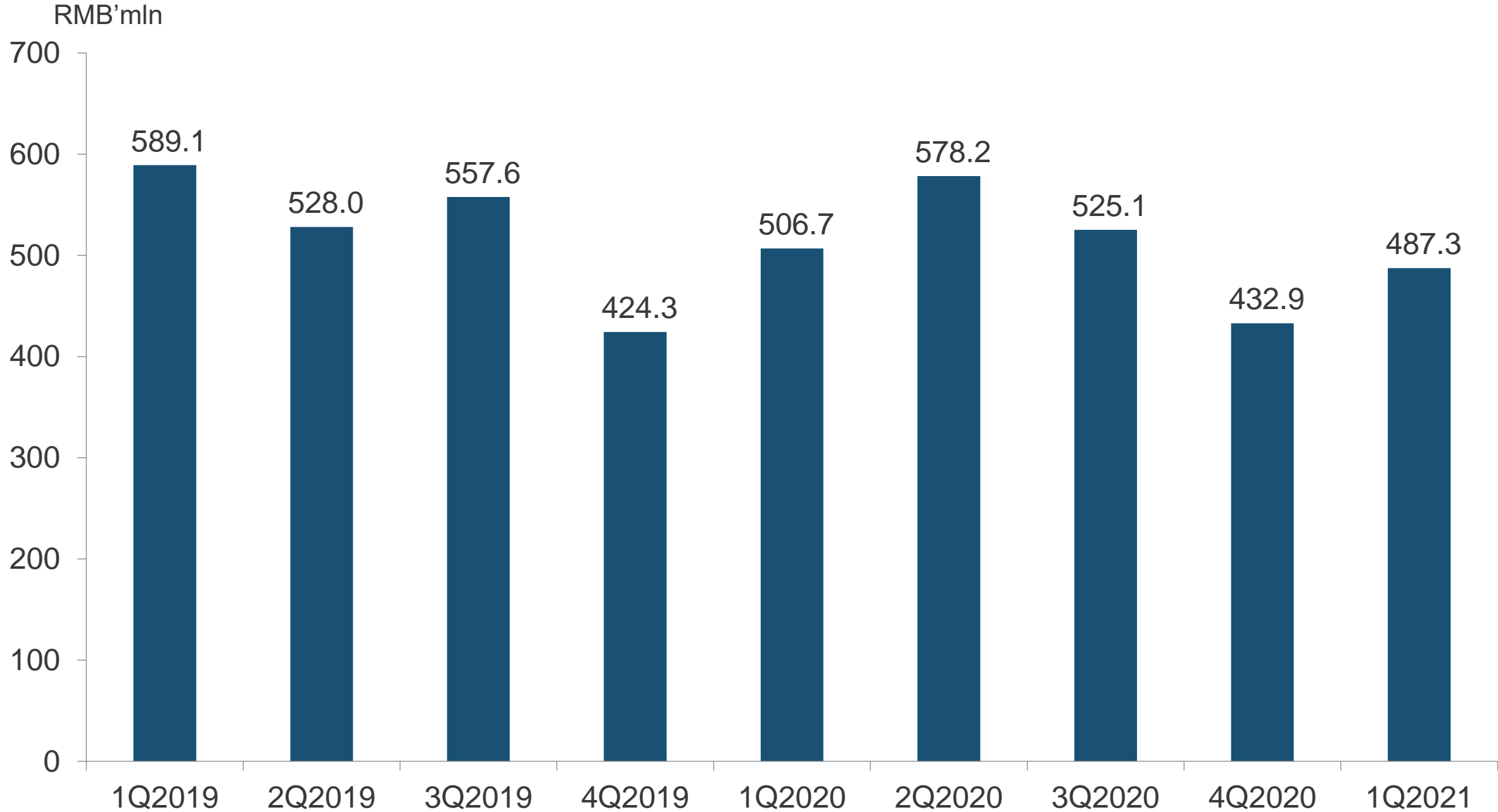
Current fleet (self-managed) – 24 vessels in total

- 7 x 92,500DWT, bulk carriers
- 6 x 82,000DWT, bulk carriers
- 3 x 64,000DWT, bulk carriers
- 1 x 19,900DWT, stainless steel chemical tanker
- 1 x 12,000DWT, stainless steel chemical tanker
- 4 X 47,350DWT, bulk carriers
- 1 X 79,600DWT, bulk carrier
- 1 x 12,500MPV, multiple purpose vessel



SECTION IV SEGMENTAL REVIEW

Interest Income Investment Segment



Source: Company Data

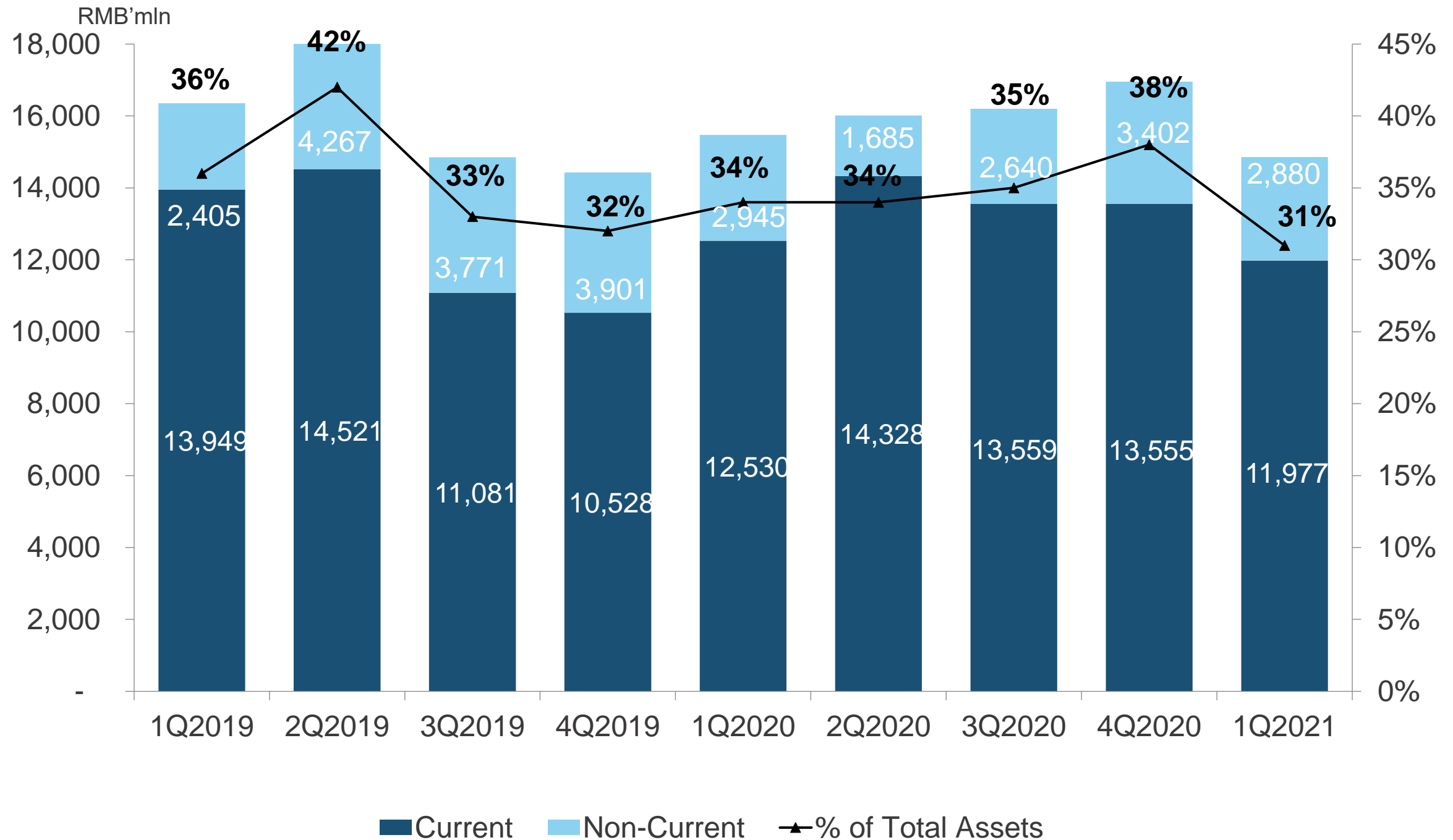
Debt Investments Movements



Debt Investments at amortized costs RMB'000	
Balance as at 31 Dec 2020	18,963,512
Additions	5,822,550
Redemptions	(8,079,049)
Debt portfolio before provisions	16,707,013
Provision for Impairment Loss	(1,849,827)
Balance as at 31 March 2021*	14,857,186

*As shown on the Group's Statements of Financial Position

Outstanding Balance Debt Investments at Amortised Cost



Source: Company Data

Debt Investment at Amortised Costs Investment Process



Team

- A team of 40 people, consisting of professionals with extensive experience with banking, legal and auditing backgrounds

Due Diligence

- Thorough due diligence based on the project proposal
- Vote by investment committee
- Legal review and opinion
- Project approval and fund disbursement
- Designated teams monitor and review project status (coverage ratio, payment progress etc.) in weekly meetings
- Include policy to cap loan-to-value ratio at strict level of 50% or below
- Accepted collaterals include publicly traded share, land, government guarantee

Role of Trust Company

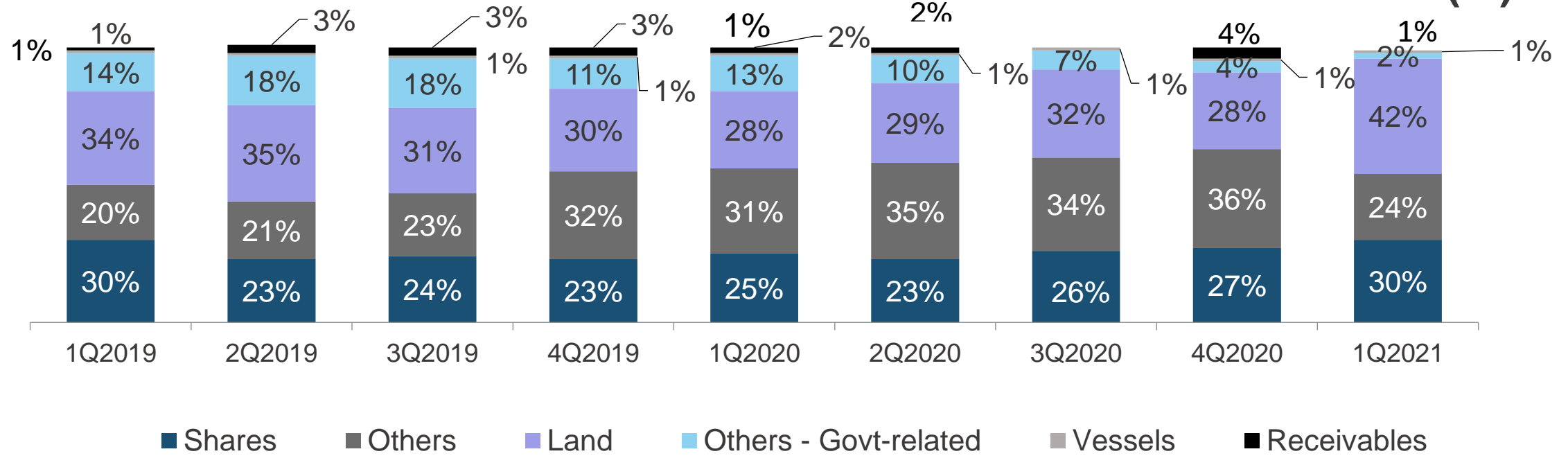
- Documentation
- Legal structure
- Safekeeping of collaterals

Current Strategy

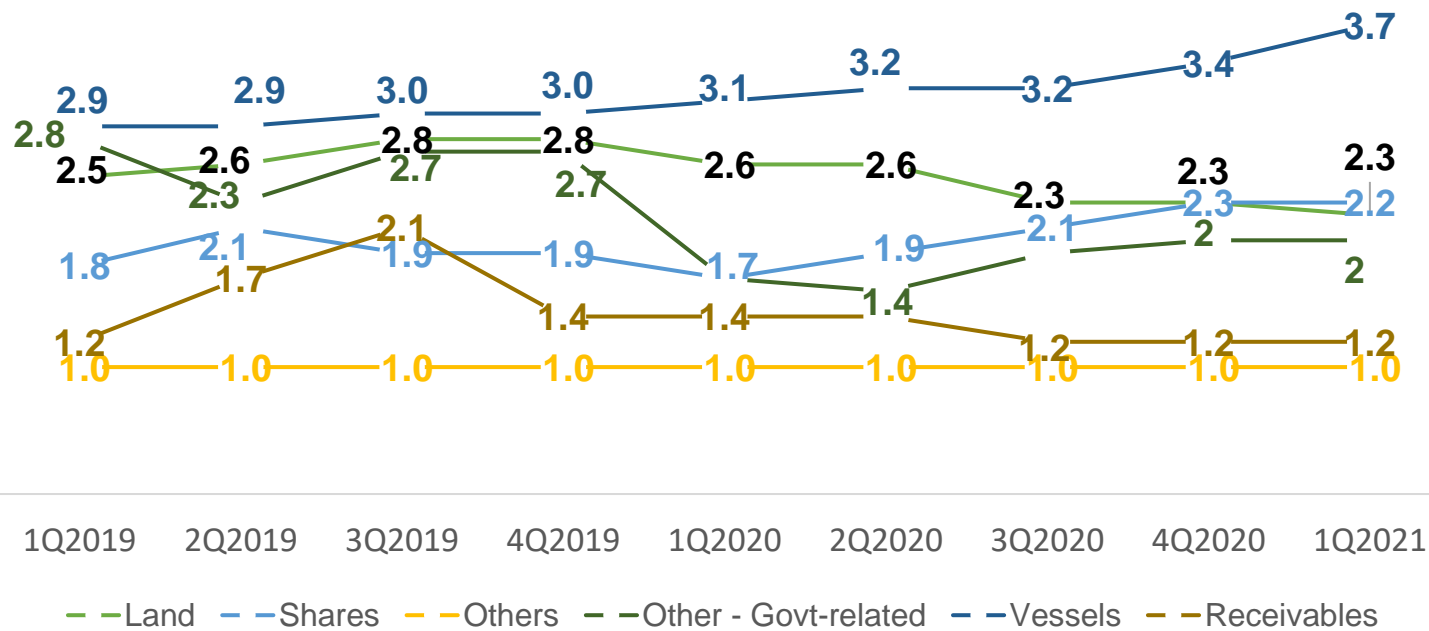
- Increase the 'current' portion in the portfolio for higher liquidity and tighter risk control
- Increase the requirement on collaterals and enhance coverage ratio when credit environment in China tightens

Debt Investment at Amortised Costs

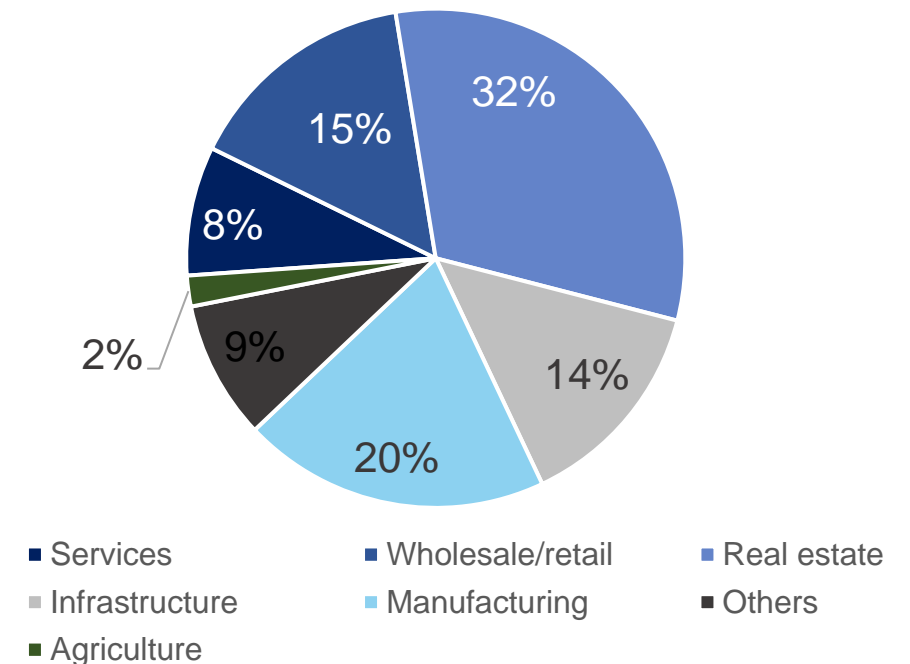
Breakdown of Investment Amount for which collaterals are secured (%)



Coverage Ratio



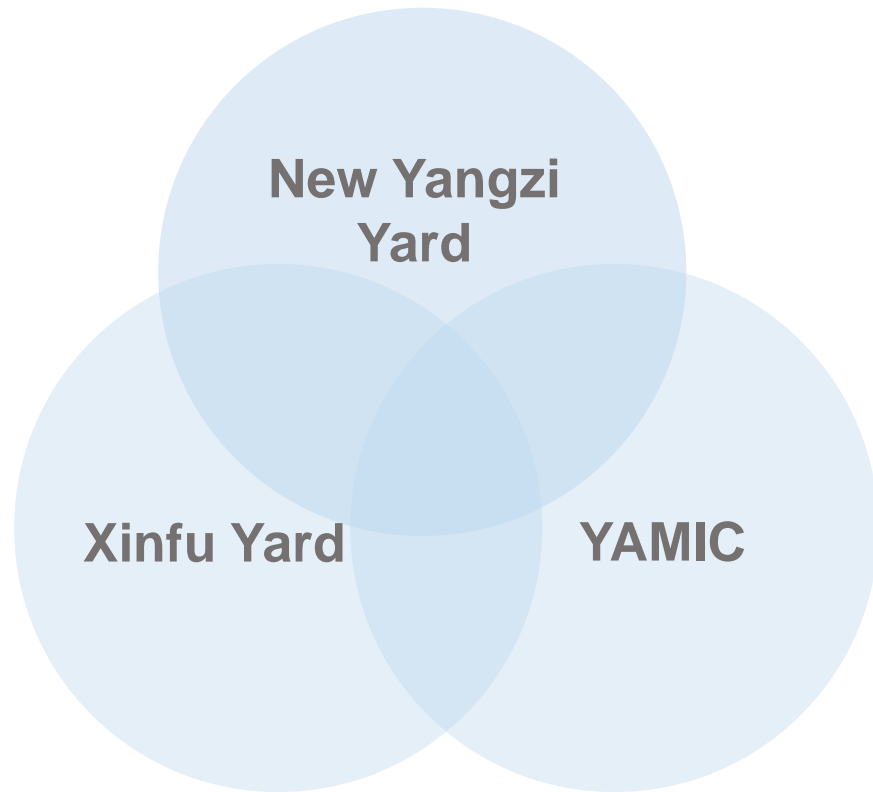
Breakdown of Borrowers (1Q2021)



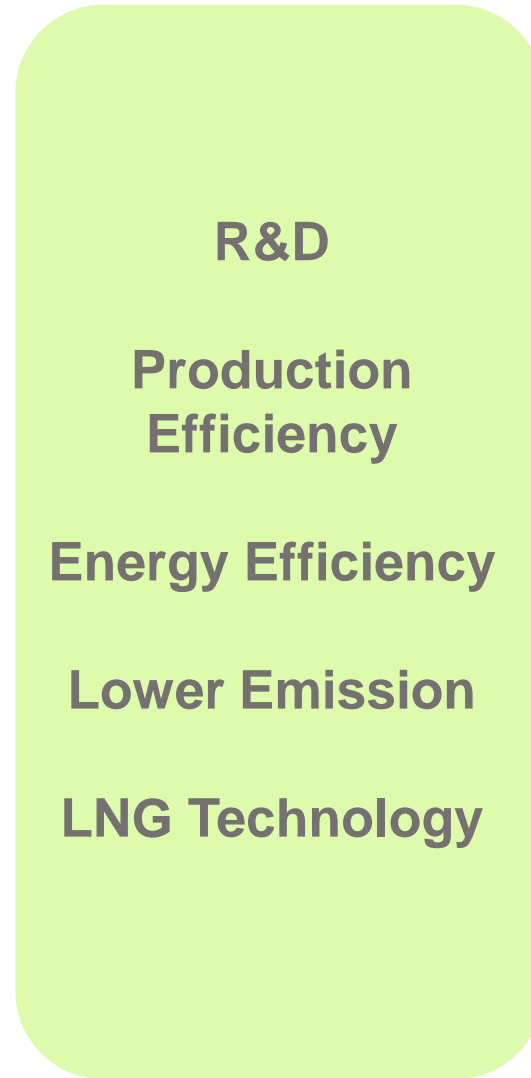


SECTION V STRATEGIES

Strategies



Optimise the use of capacity and expertise at the Group's three major yards



Production Base

Growth Areas

Vision:
A world-class shipbuilding group in these vessel types



Seeking vertical and horizontal integration to build capabilities across the LNG supply chain

YAMIC

- JV between Mitsui E&S Shipbuilding and YZJ, will allow the Group to strengthen its capabilities in building of LNG vessels

Expanding Partnerships

- Formed a company with venture partners Wuxi China Resources Gas Co., Ltd and Jiangyin Xinyangchuan Enterprise Management Center in 2021
- To build up on capabilities on the construction of LNG storage facilities, natural gas trading and businesses related to parts of the LNG supply chain.

Supported by long-term growth trends

Sustainable development a key priority for YZJ

- China aims to have carbon emissions peak before 2030 and to achieve carbon neutrality
- Global environment standards and major economies have also called for a carbon-neutrality target by 2050
- YZJ remains fully supportive of these global targets and will work towards building environmentally-friendly vessels, such as LNG carriers.

Strong Industry Outlook*

- LNG is expected to grow by 3.4% per annum to 2035, requiring about 100 million metric tons of additional capacity.
- By 2050, more than 200 million metric tons of new capacity will be needed to meet the demand for LNG.

YANGZIJIANG OFFSHORE

600t/186m 2013'
EKING



SECTION VI
STOCK INFORMATION

Share Buyback



Share Buyback Summary since April 2020

Average Share Price	S\$0.9485
Share Consideration	S\$66,712,227
Share buy-back over total number of shares issued	3%

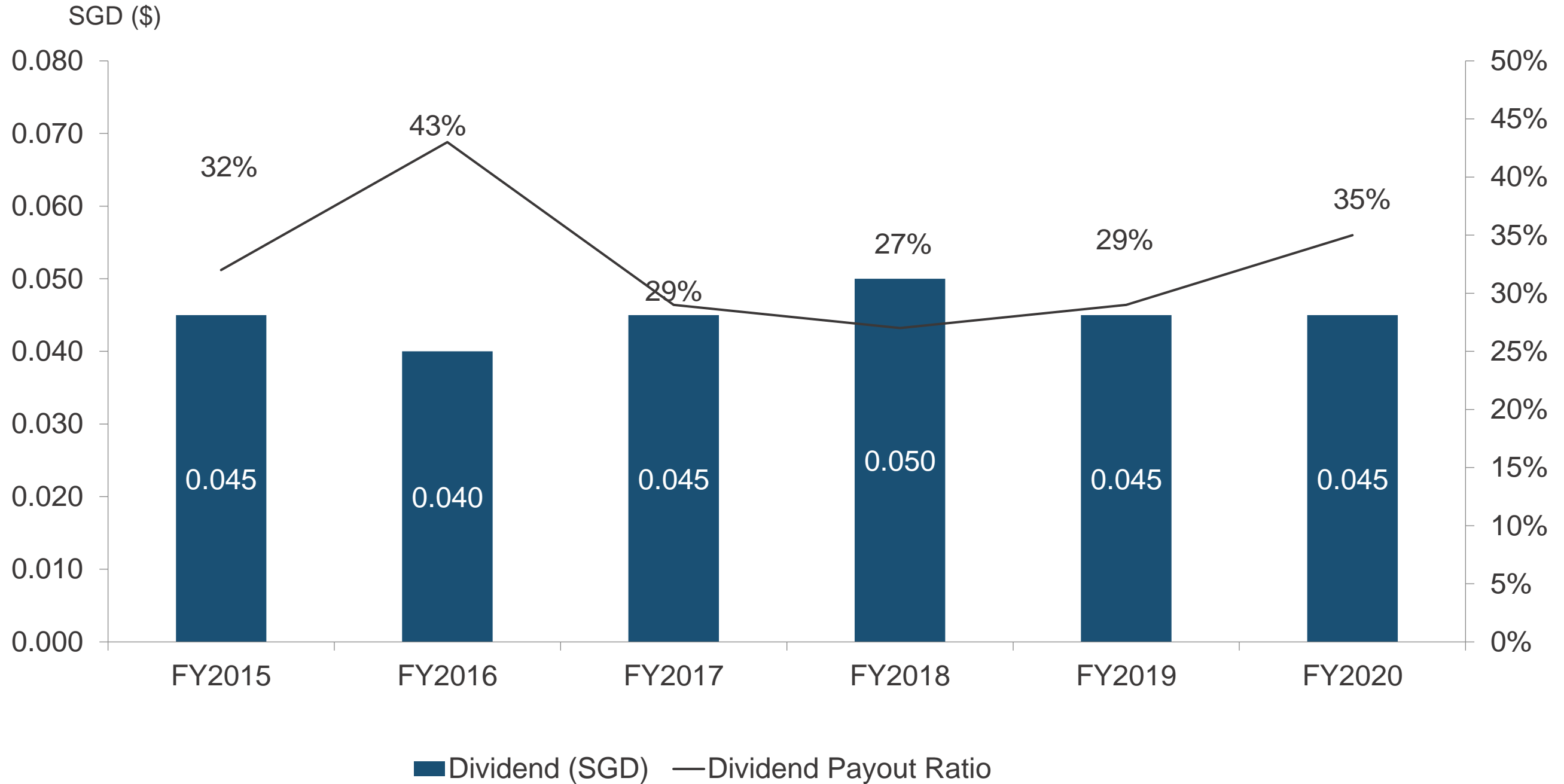
All Share Buybacks Summary

Total number of shares issued	3,974,077,000
Number of Treasury Shares as at 31 March 2021	125,561,000
Number of issued shares after purchase	3,848,546,000

Source: Company's data, as of 31 March , 2021

Dividend Summary

Dividend and dividend payout ratio



Top Shareholders



No.	Holder Name	Position	Filing Date	%
1	YANGZI INTERNATIONAL	852,845,825	12/31/2019	22.16
2	LIDO POINT INVESTMENTS LTD	394,134,000	12/31/2019	10.24
3	T ROWE PRICE GROUP INC	233,383,100	04/08/2021	6.06
4	BLACKROCK INC	195,107,017	12/12/2018	5.07
5	HENGYUAN ASSET INV LIMITED	163,697,370	04/30/2020	4.25
6	XINYANGCHUAN INTL LTD	150,000,000	04/30/2020	3.90
7	VANGUARD GROUP INC	65,781,876	01/31/2021	1.71
8	GRANTHAM MAYO VAN OTTERLOO & CO	51,993,798	02/28/2021	1.35
9	NINETY ONE UK LTD	50,546,400	02/28/2021	1.31
10	DIMENSIONAL FUND ADVISORS LP	27,051,536	02/28/2021	0.70
Total		2,184,540,922		56.75

Source: Bloomberg, as of 29 April, 2021

Stock Performance



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



Source: Bloomberg, as of 29 April, 2021



Thank You

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