



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

1H2024 Results Presentation

13 August 2024

DISCLAIMER



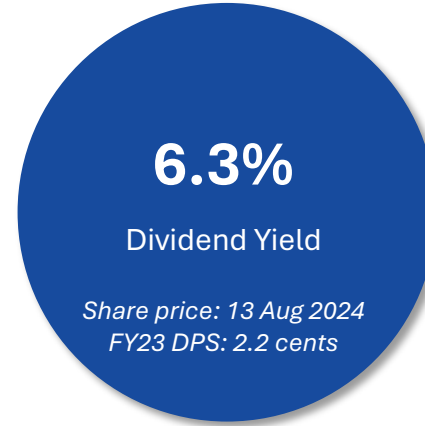
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AT A GLANCE



Investment Management

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



Maritime Fund and Maritime Investments

Maritime services	Maritime business
Loan services	Export and import business



Fund Management

Management of funds pooled by proprietary capital and 3rd party funds

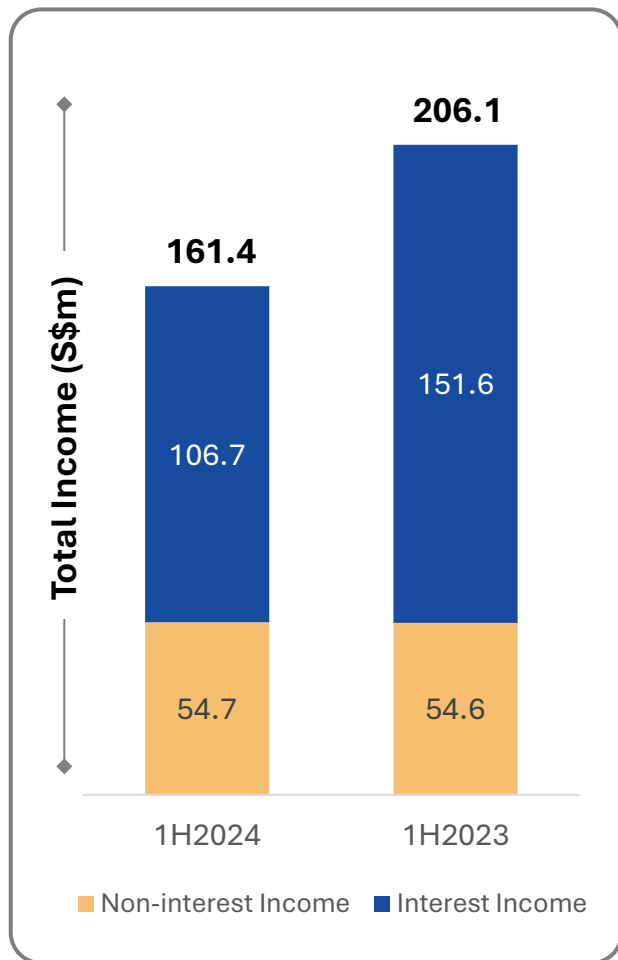


1H2024 FINANCIAL RESULTS

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 ¹	3.1	6.3	(51%)
Interest income (FV P/L) ²	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%)
Total expenses	(17.6)	(15.9)	11%
Profit before allowances	143.7	190.3	(24%)
(Allowance)/Reversal of allowance for credit and other losses	(30.9)	8.5	N.M.
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

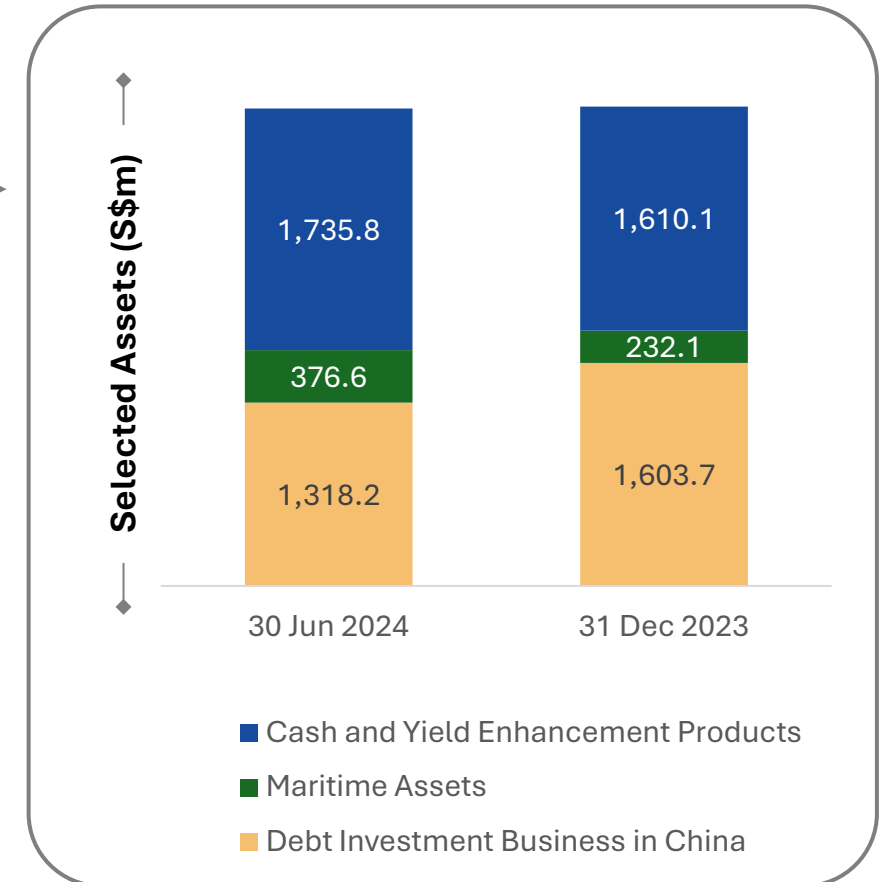
*Profit attributable to equity holders of the Company

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
Net asset attributable to equity holders	3,910.8	3,836.1
NAV/share (S\$)	1.11	1.07
NAV/share (RMB)	5.97 [^]	5.73 [^]



[^]SGD/RMB at 5.3610 as of Jun 2024, SGD/RMB at 5.3772 as of Dec 2023

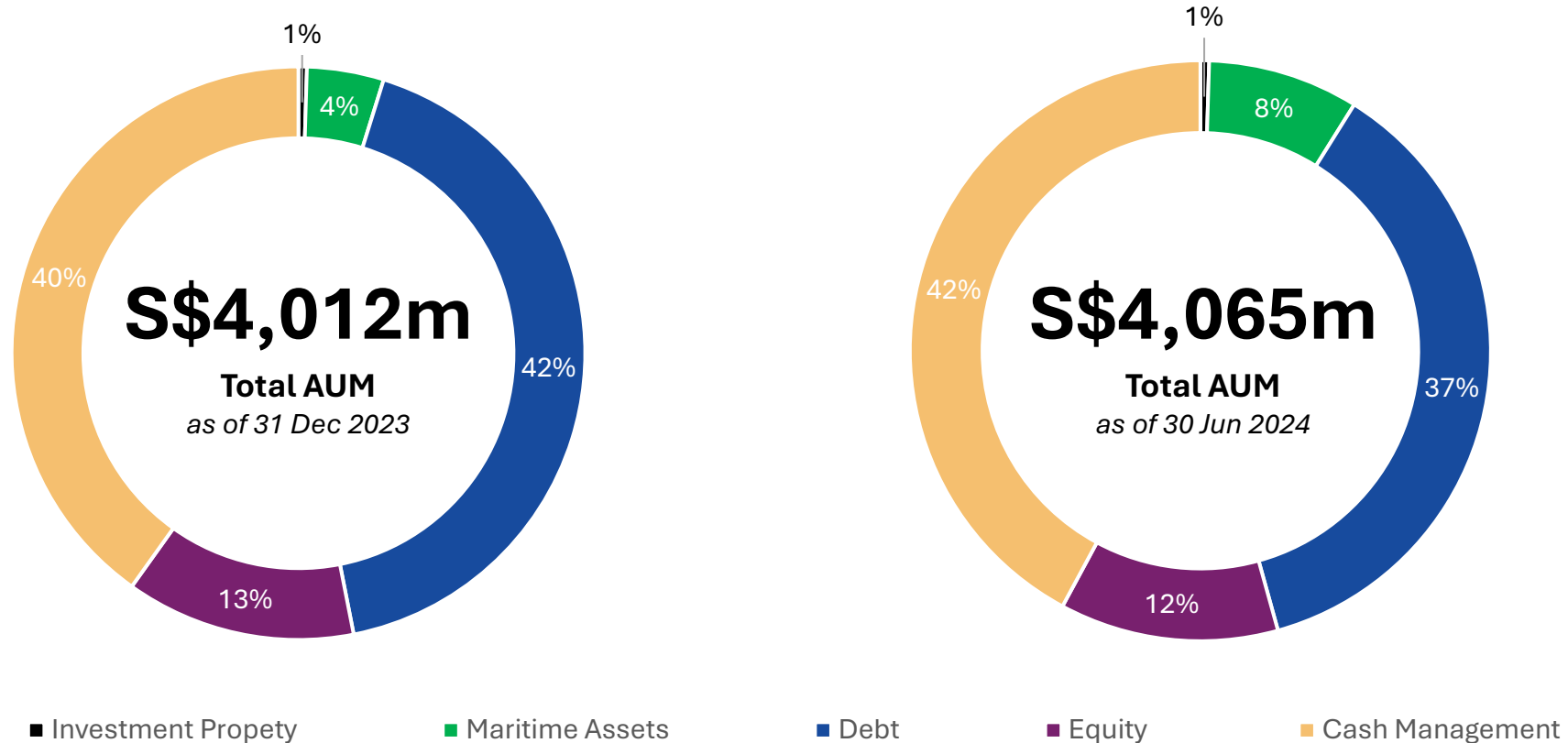


PORTFOLIO UPDATES

ASSETS UNDER MANAGEMENT



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

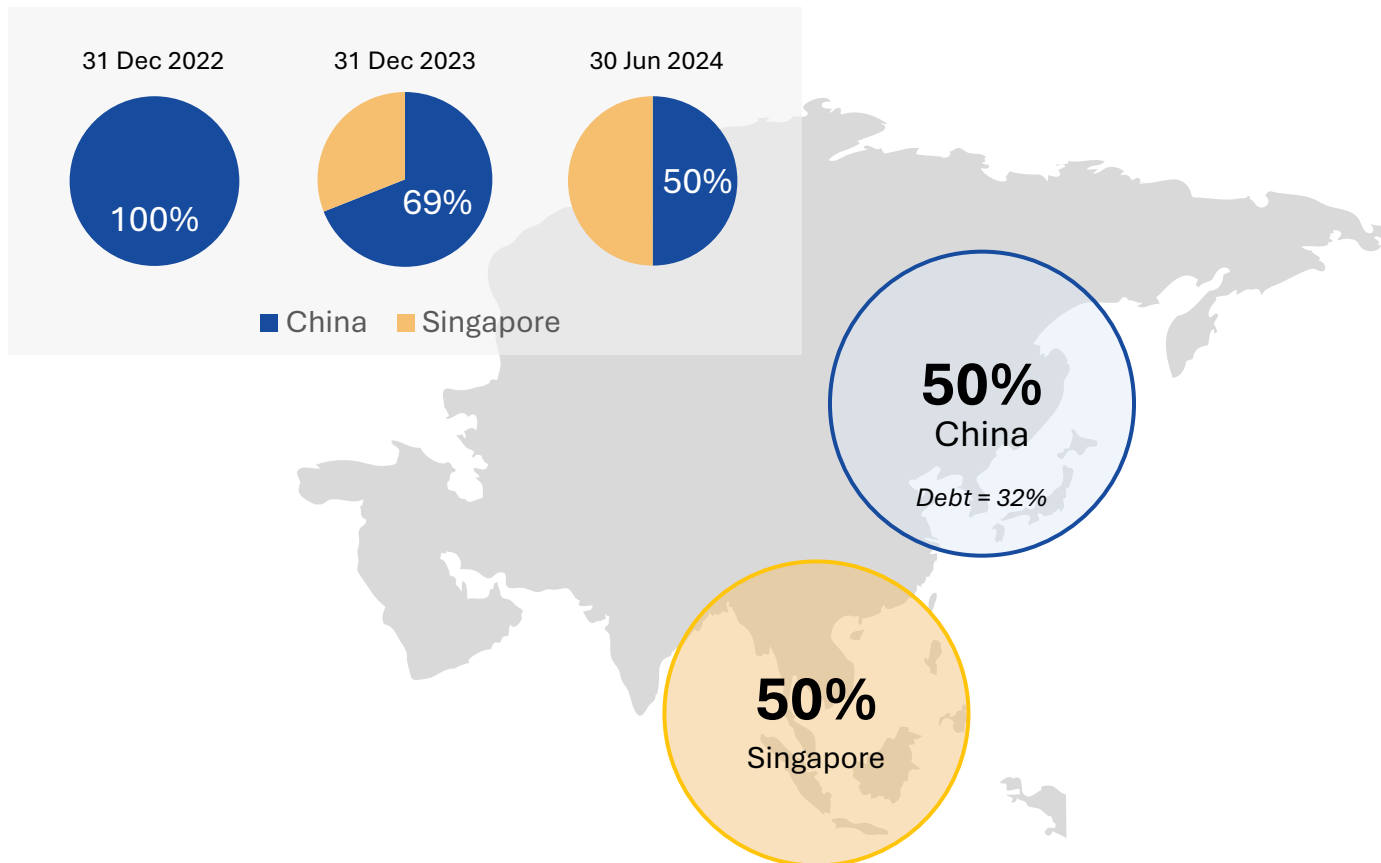


GEOGRAPHICAL FOOTPRINT



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%**

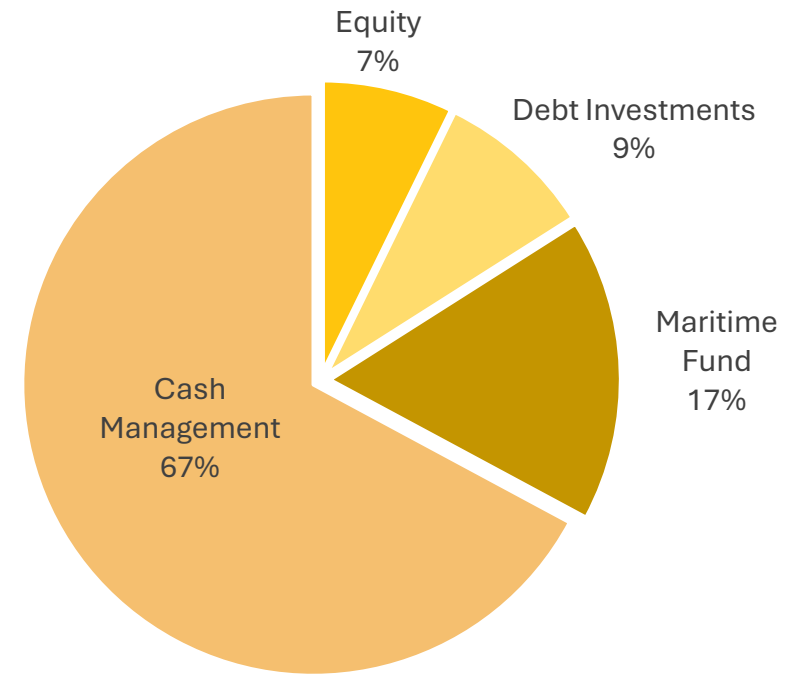
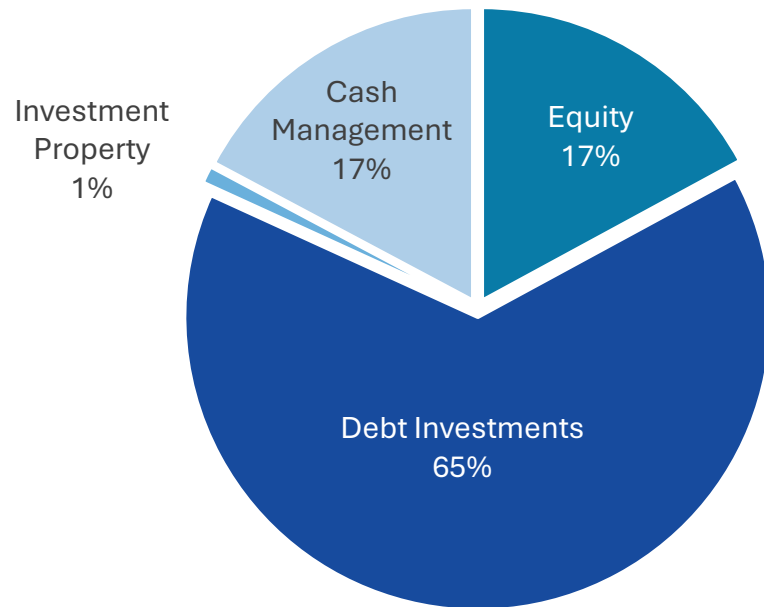
Total Investments in China **50%**

ASSET CLASS BREAKDOWN BY COUNTRIES



Total AUM by Geography (S\$m)

as of 30 Jun 2024

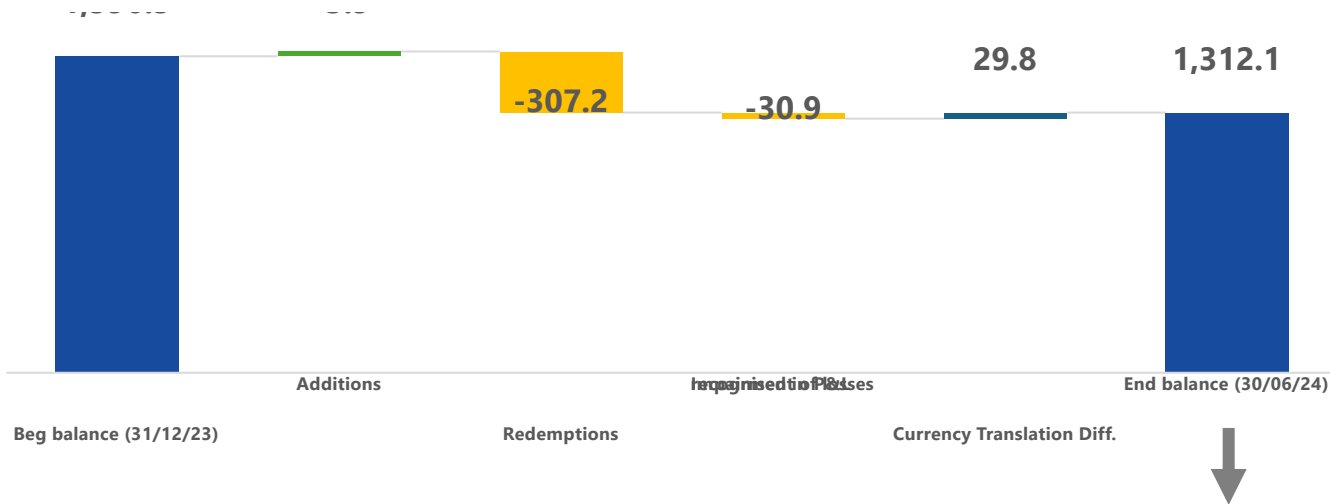


DEBT INVESTMENTS IN CHINA (EX-MICRO-FINANCE)



NPL ratio remained relatively flat; active credit risk management

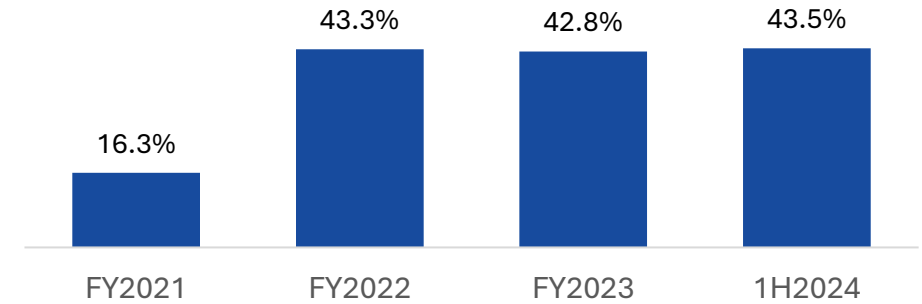
NET CHANGE IN PRC DEBT INVESTMENTS (S\$m)



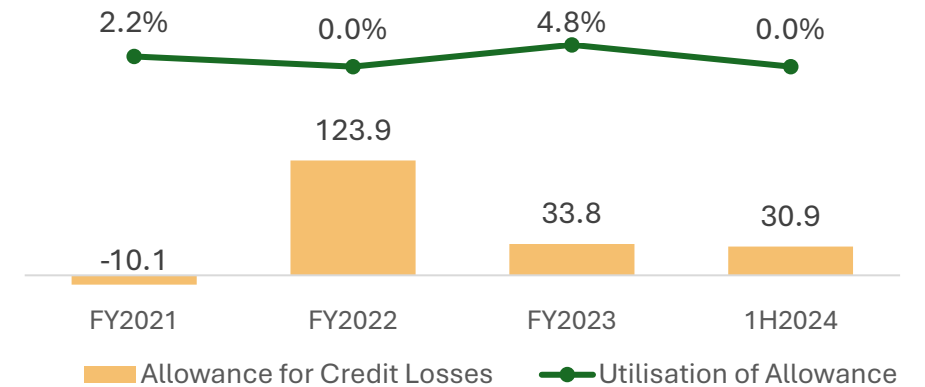
S\$ m	Performing	Under-performing	Non-performing	Total
Principal	594.5	307.5	695.4	1,597.4
Provision	(55.7)	(82.5)	(147.1)	(285.3)
Net balance	538.8	225.0	548.3	1,312.1

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	Maritime Fund - US\$600m Maritime Investments - US\$300m (NEW)
Investment Deployed	US\$325m
ESG-related Target	~40% of Maritime Fund to IMO-compliant assets



50 vessels

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

Geographical Coverage

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

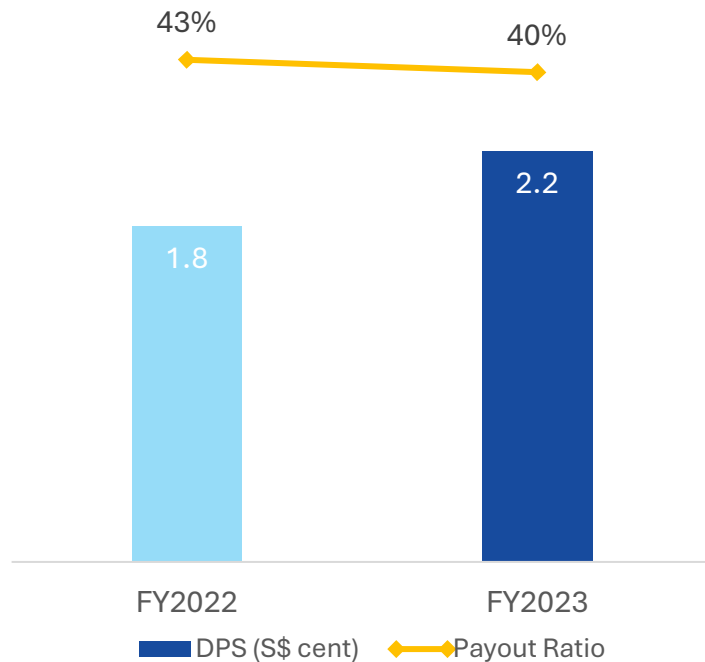
*Inclusive of maritime fund and new businesses ("Maritime Investments") approved in recent EGM dated 31 May 2024



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

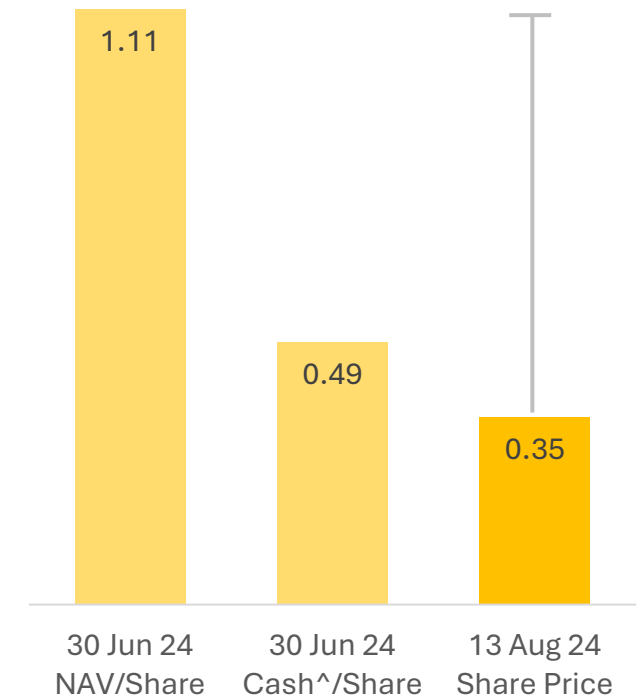
Number of shares
repurchased since July 2023

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

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APPENDIX: RISK MANAGEMENT PROCEDURES

