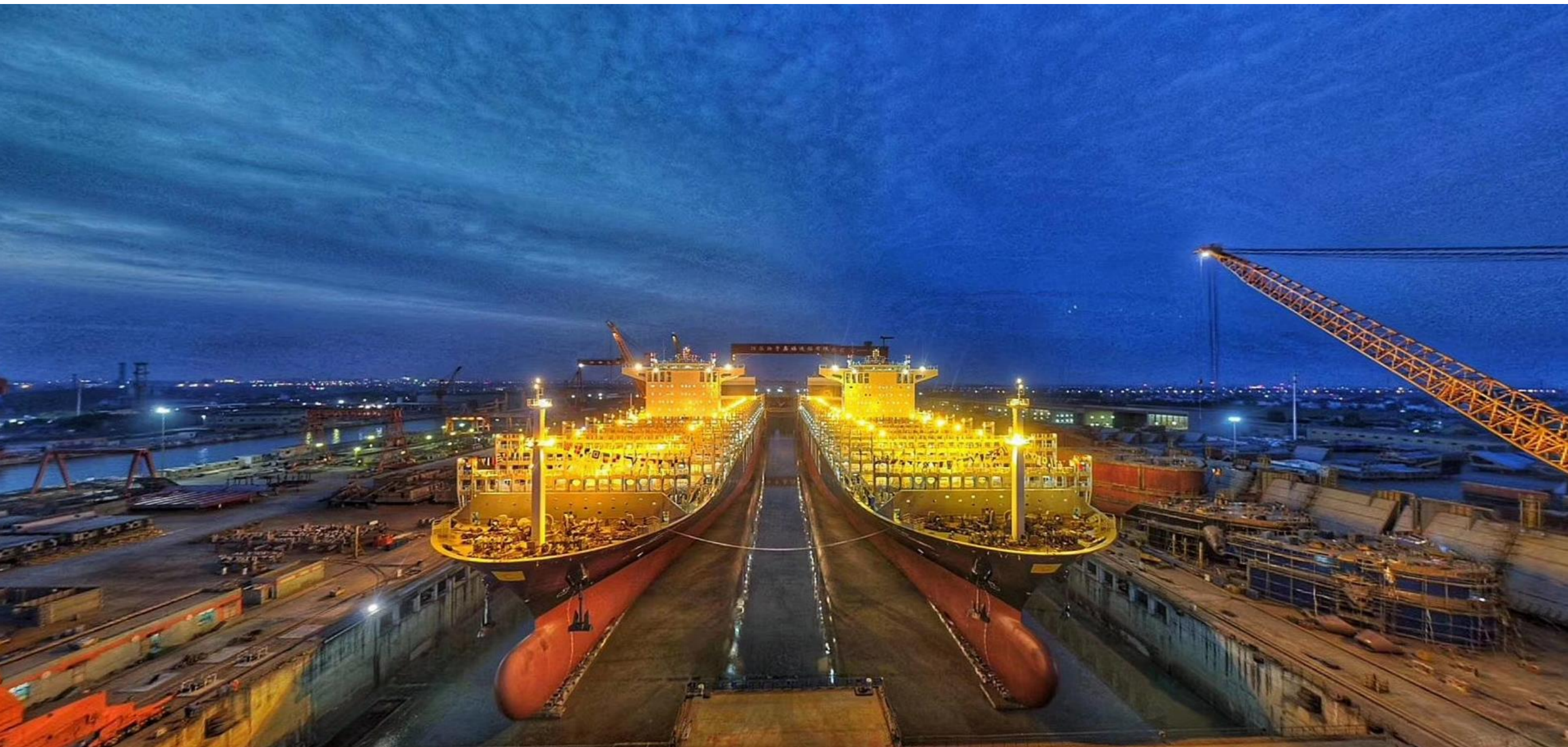




Yangzijiang Shipbuilding (Holdings) Ltd.
揚子江船業(控股)有限公司



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

3Q2020 Results Briefing

5 November, 2020

Disclaimer

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

BUSINESS UPDATE



Operational Highlights

Production and Delivery

- All production on or ahead of schedule
- 9 vessels were delivered in 3Q2020
- 37 vessels delivered in 9M2020, 73% of delivery target for FY2020

Order Book

- **Added USD317 million worth of new orders since 1H2020 results announcement**
- Outstanding order book at USD2.4 bn as of 30 September

Market Conditions

- Shipping rate rebounded on major routes
- Major shipping companies reported above-expectation financial results
- Rising demand for flexible shipping services, smaller vessels are better fits
- Orderbook to fleet ratio of around 7% is at 30-year low

YZJ's third 12,690TEU containership delivered in September 2020





Quarterly Highlights in Pictures



Pictures – selected recent vessel deliveries / inside a 2,700TEU containership / frontline workers at delivery ceremony



SECTION II

FINANCIAL HIGHLIGHTS



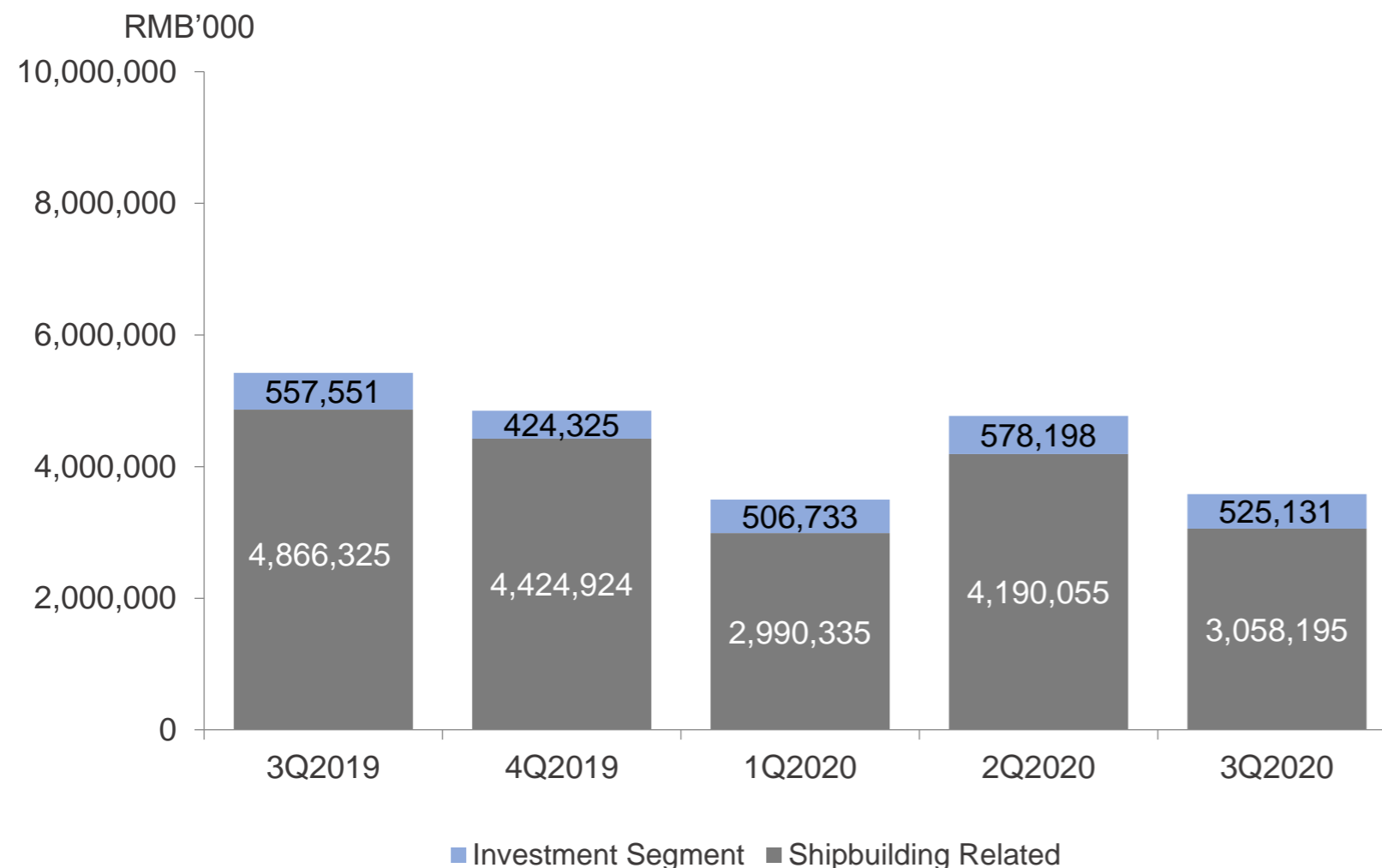
Results Highlight – Income Statement

Financial Highlights	3Q2020	3Q2019	Change	Comments
	RMB'000	RMB'000	%	
Revenue	3,583,326	5,423,876	(34)	9 vessels delivered 3Q2020 vs 13 vessels in 3Q2019. Core shipbuilding revenue was lower at RMB2.6 billion for 3Q2020. Trading revenue was about RMB1.1 billion lower than 3Q2019
Gross Profit	1,264,421	1,059,814	19	Core shipbuilding margin was 27% in 3Q2020 (14% for 3Q2019), mainly due to construction and delivery of several large size containerships with higher profit margins and the net reversal of RMB94 million loss provision for onerous contracts in 3Q2020.
Gross Profit Margin	35.3%	19.5%	-	
Other Income	104,762	70,412	49	Increased as higher dividend income of RMB37 million from financial assets and income from forfeiture of advances received outweigh the lower interest income from bank deposits following interest rate cuts on USD.
Other Losses, net	(290,880)	(44,455)	554	The losses are primarily due to a higher foreign exchange related losses which mainly arose from translation losses on USD bank deposit and USD denominated shipbuilding construction contract assets.
Expenses #	288,046	189,588	52	Total admin expenses increased to RMB288 million from RMB190 million in 3Q2019. Higher impairment loss on debt investment at amortised costs of RMB190 million for 3Q2020 (vs. RMB63 million for 3Q2019)
Net Profit Attributable to Equity Holders (PATMI)	585,190	702,260	(17)	
PATMI Margin	16.3%	12.9%	-	

#: Expenses include finance expenses and administrative expenses, which include impairment loss



Revenue Breakdown



Shipbuilding Related Revenue Breakdown (3Q2020)	Percentage (%)
Shipbuilding	83.5%
Trading	10.2%
Others*	6.3%
Total	100%

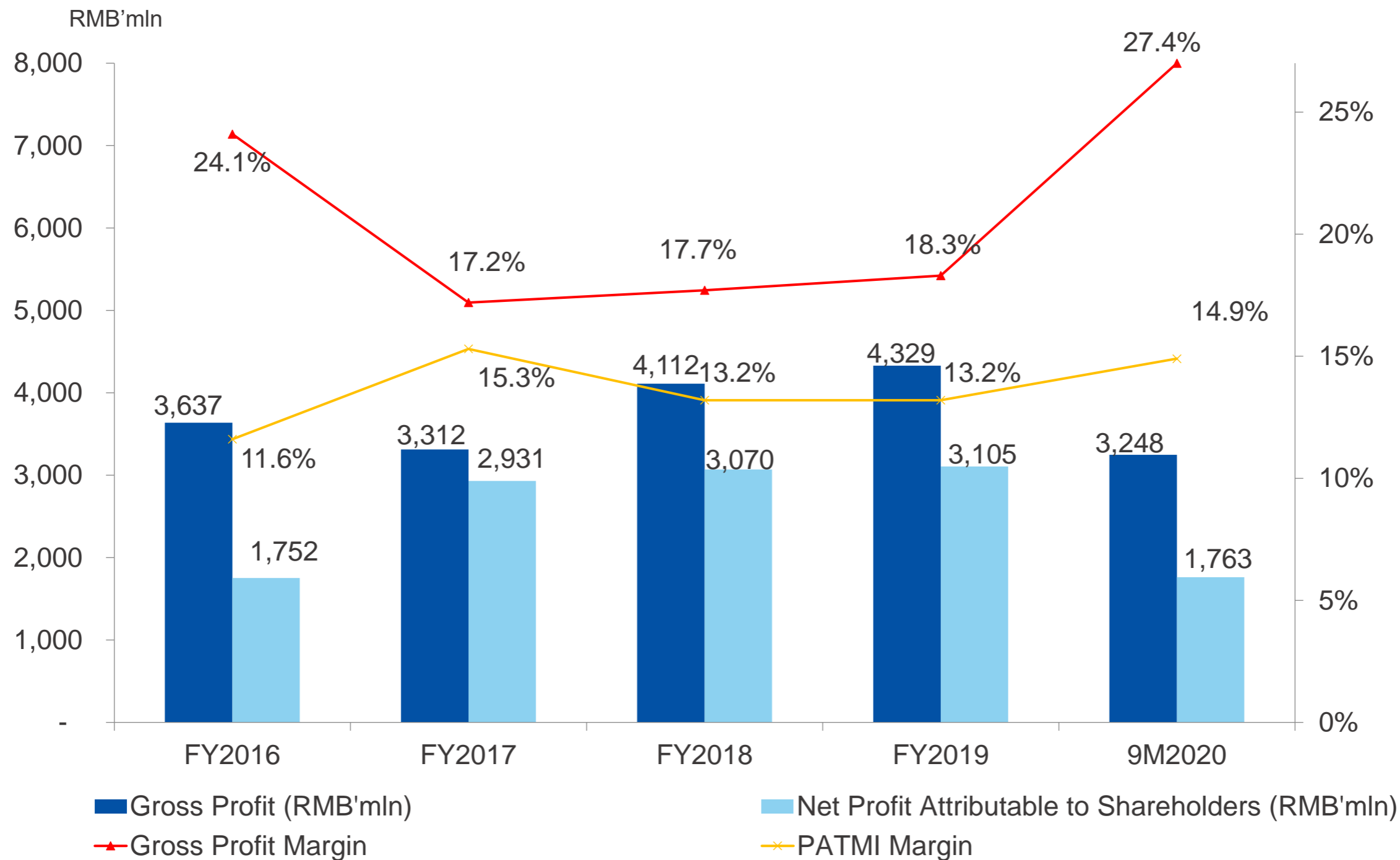
* Includes revenue from shipping logistics and chartering and ship design services etc.

RMB'000	Gross Profits		Gross Profit Margins	
	3Q2020	3Q2019	3Q2020	3Q2019
Shipbuilding Related	762,555	528,143	25%	11%
Investment Segment	501,866	531,671	96%	95%



Profitability Trend

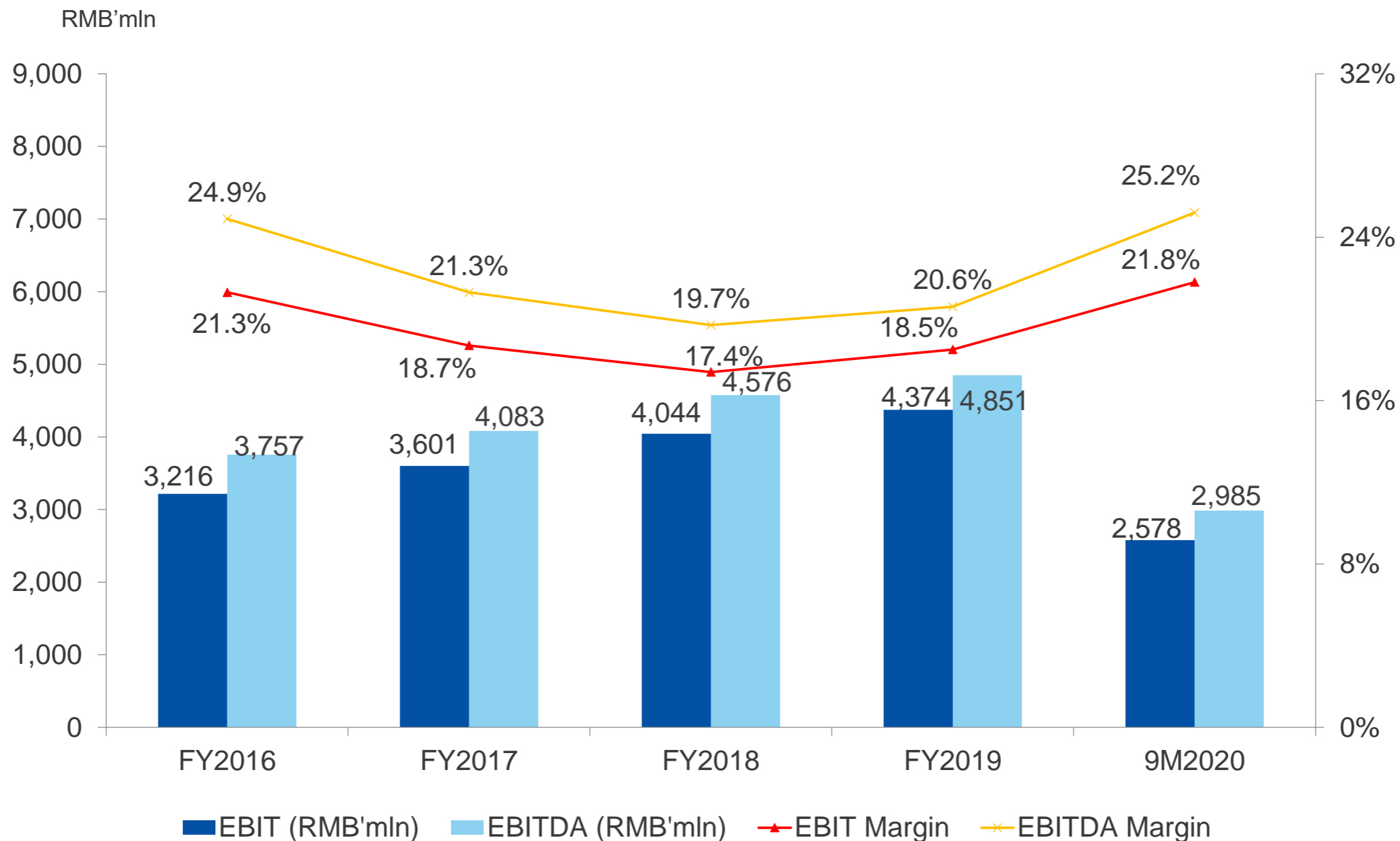
Gross Profit and Net Profit Attributable to Shareholders





Profitability Trend

EBIT AND EBITDA





Results Highlight – Balance Sheet

Financial Highlights	30 Sep 2020	31 Dec 2019
	RMB'000	RMB'000
Property, Plant and Equipment	5,583,150	5,678,063
Restricted Cash	17,048	17,049
Cash & Cash Equivalents	9,938,865	10,183,019
Debt Investments at Amortised Costs	16,199,331	14,428,382
Total Debt	5,528,582	5,032,932
Total Equity	32,854,021	32,054,525
Gross Gearing	16.8%	15.7%
Net Gearing (including Restricted Cash)	Net Cash	Net Cash
Net Asset Value per Ordinary Share (RMB cents)	816.67	793.51



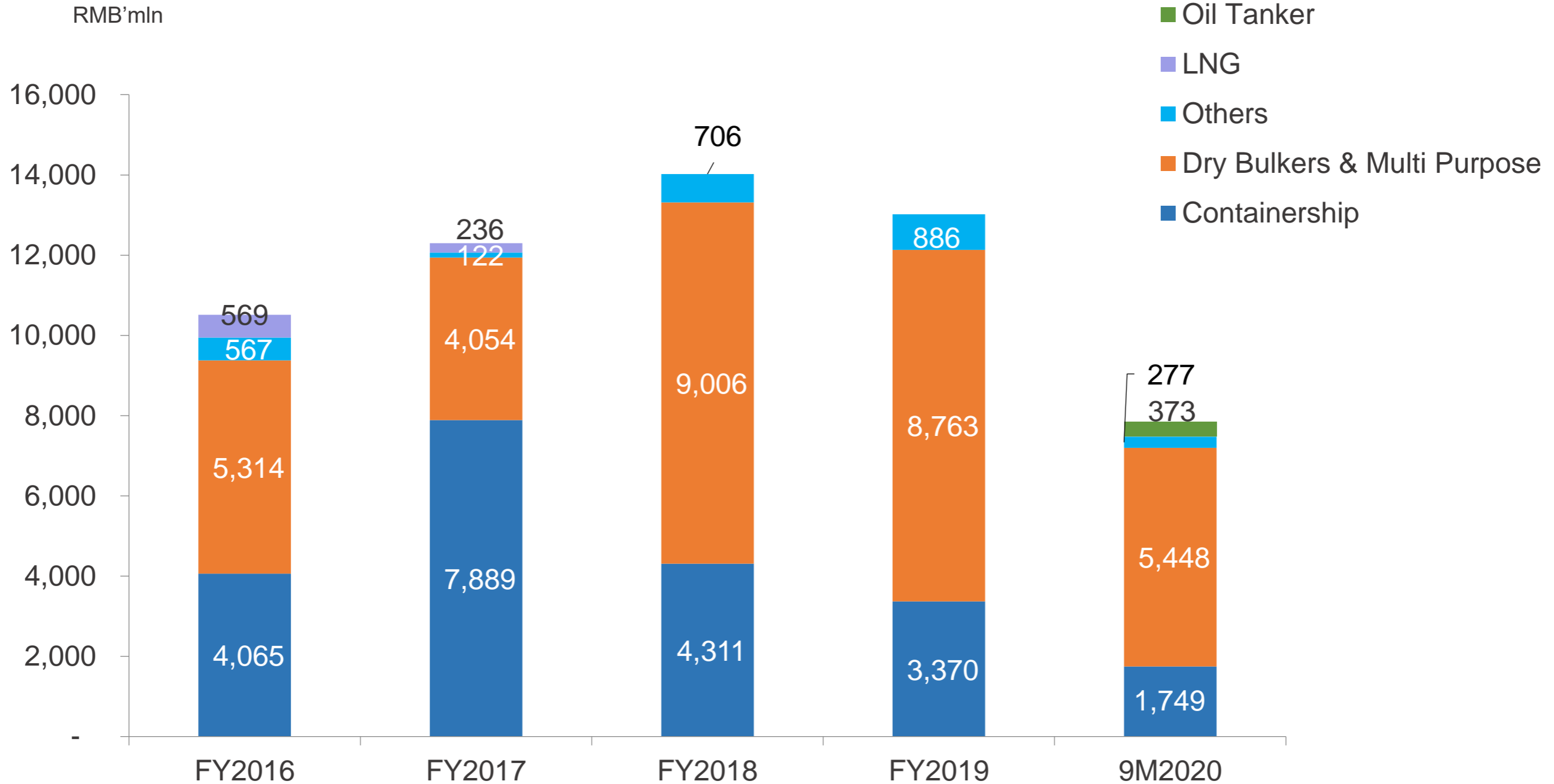
SECTION III SEGMENTAL REVIEW

**Shipbuilding &
Related Segments**



Revenue Trend

Shipbuilding Revenue Breakdown



Overview of Order Book

67 vessels

US\$2.42 billion in contract value

2.49 million CGT

Delivery: 2020- 2022

Containerships

22 units

Total CGT – 0.67 million

Total value – US\$0.82 billion

- 1,000TEU x 4 vessels
- 1,800TEU x 9 vessels
- 2,400TEU x 1 vessels
- 2,700TEU x 4 vessels
- 12,690TEU x 2 vessels
- 14,000TEU x 2 vessels

Bulk Carriers

40 units

Total CGT – 1.73 million

Total value – US\$1.47 billion

- 29,800DWT* x 1 vessel
- 31,800DWT x 4 vessels
- 38,500DWT x 1 vessel
- 40,000DWT x 4 vessels
- 82,000DWT* x 13 vessels
- 83,500DWT x 4 vessels
- 180,000DWT x 1 vessel
- 208,000DWT x 6 vessels
- 325,000DWT x 4 vessels
- 56,000DWT x 2 vessels

LNG/Chemical Tanker

5 units

Total CGT – 0.09 million

Total value – US\$0.13 billion

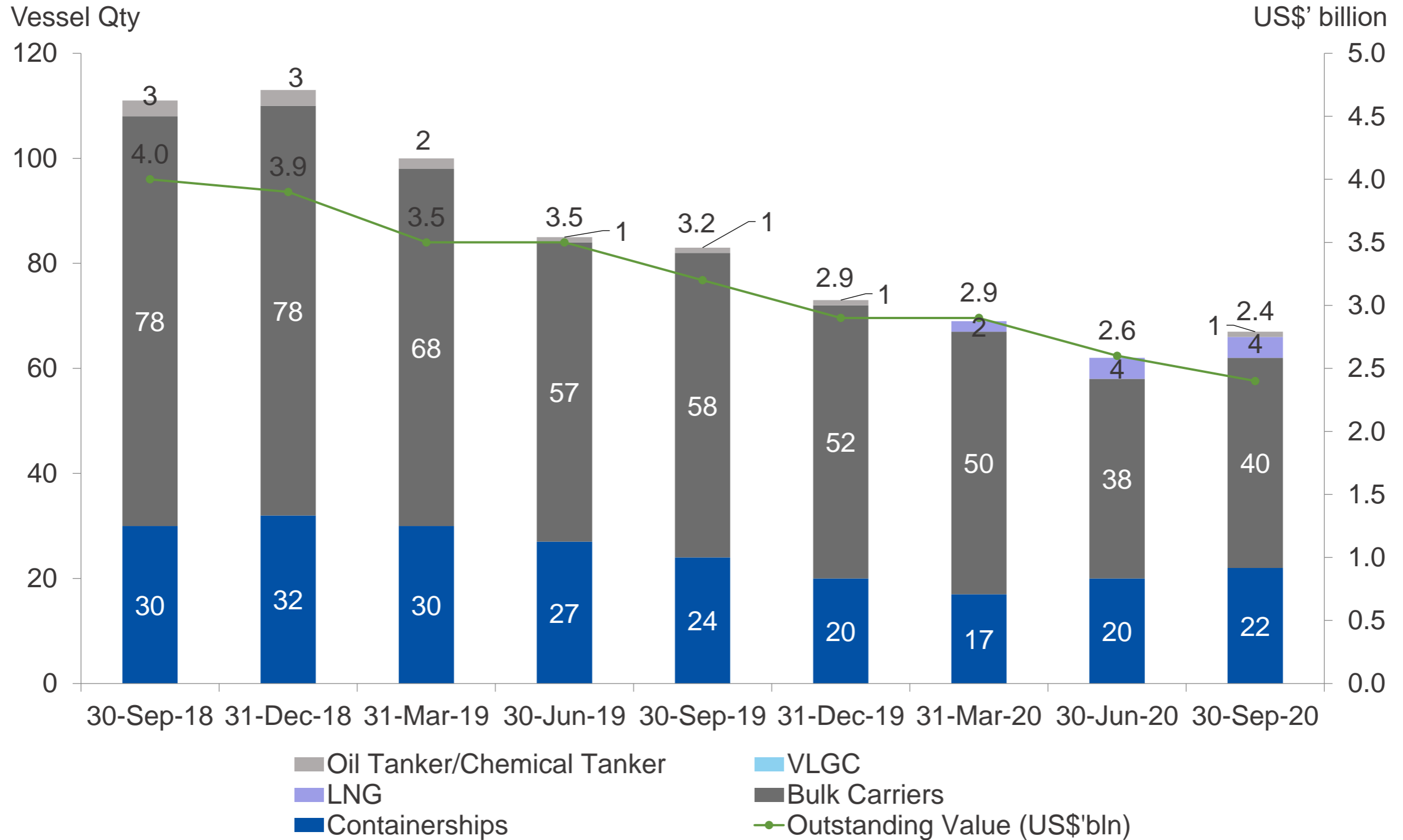
- 690LNG x 2 vessels
- 13,000LNG x 2 vessels
- 9,150 DWT CT** x 1 vessel
 ** Chemical Tanker

Note: Order book is as at 30 September 2020

* 1 unit of 29,800DWT carrier and 10 units of 82,000DWT with a total contract value of USD313 million will be built and delivered by YAMIC.



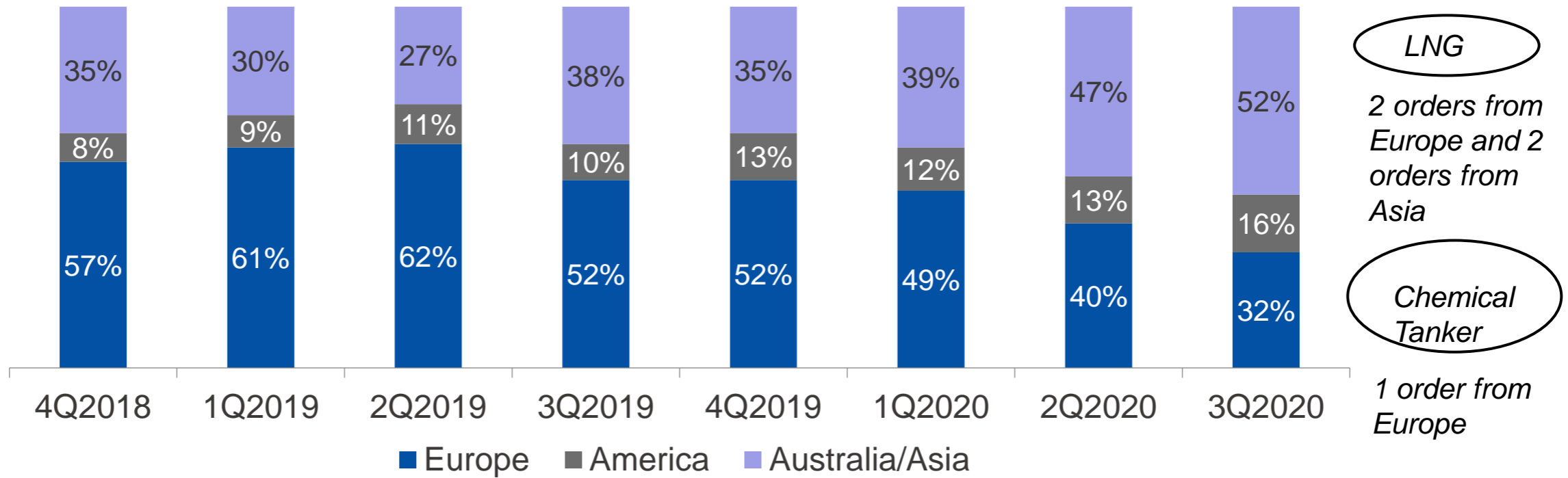
Historical Order Book





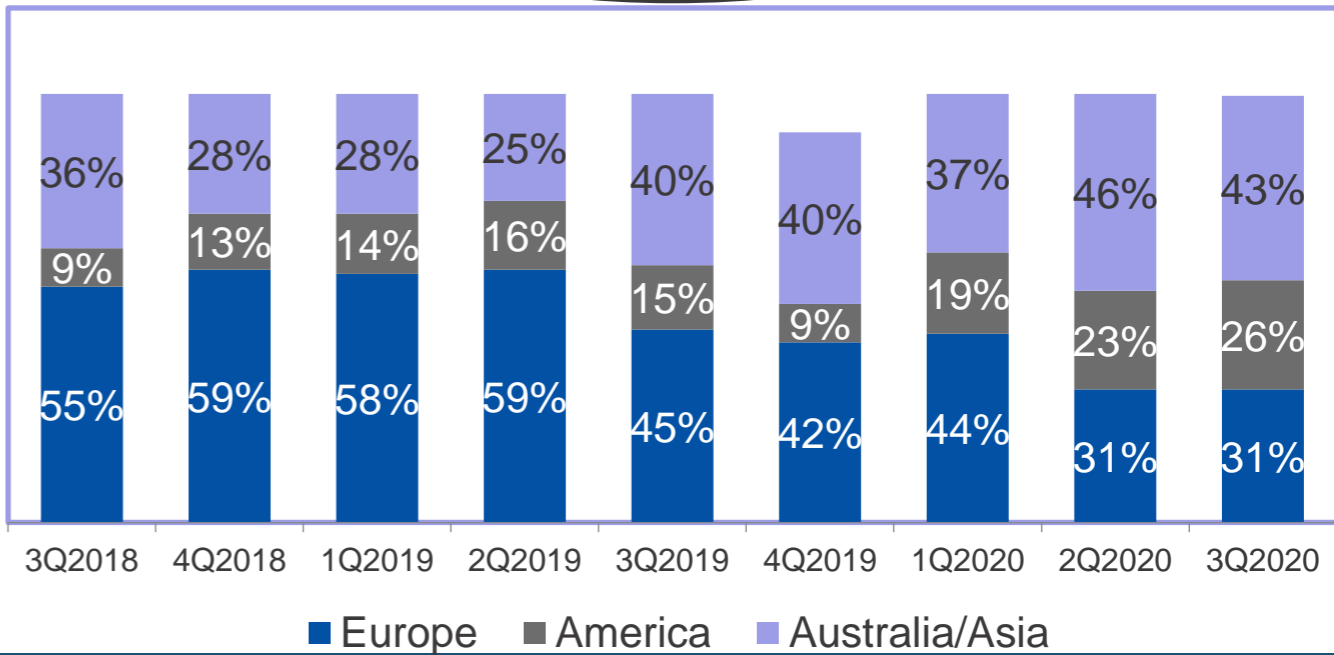
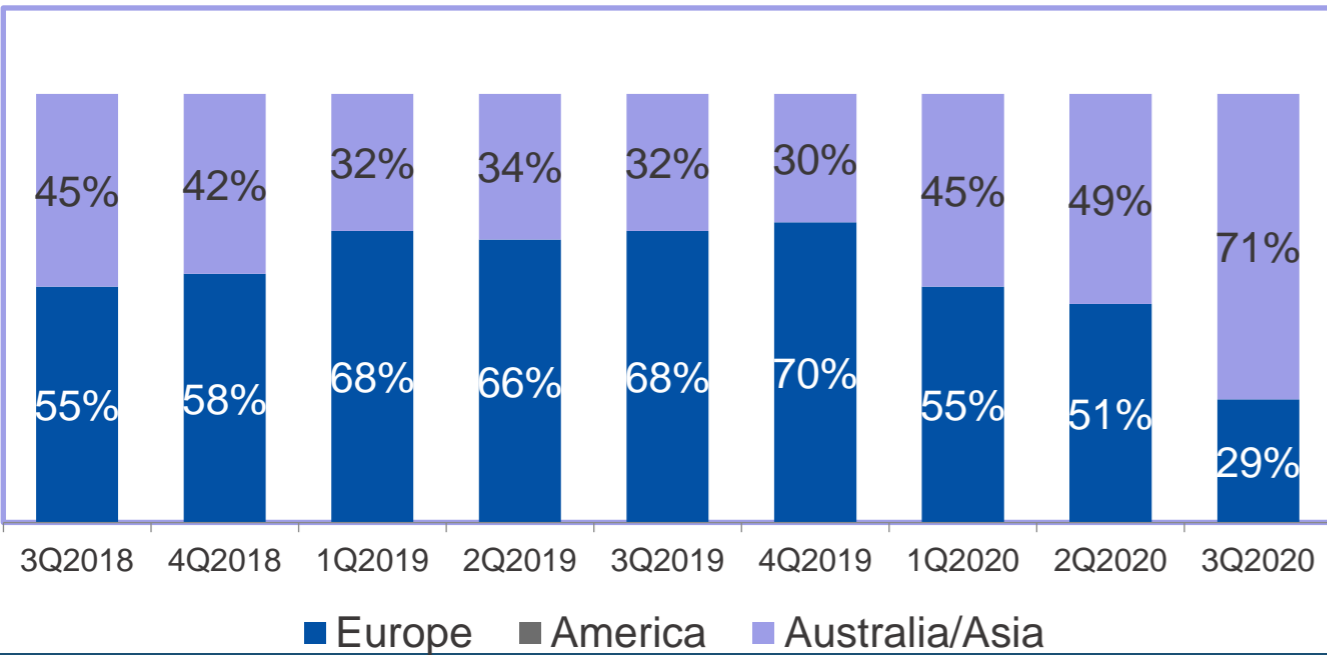
Order Book Customer Profile

Figures are stated as at 30 September 2020



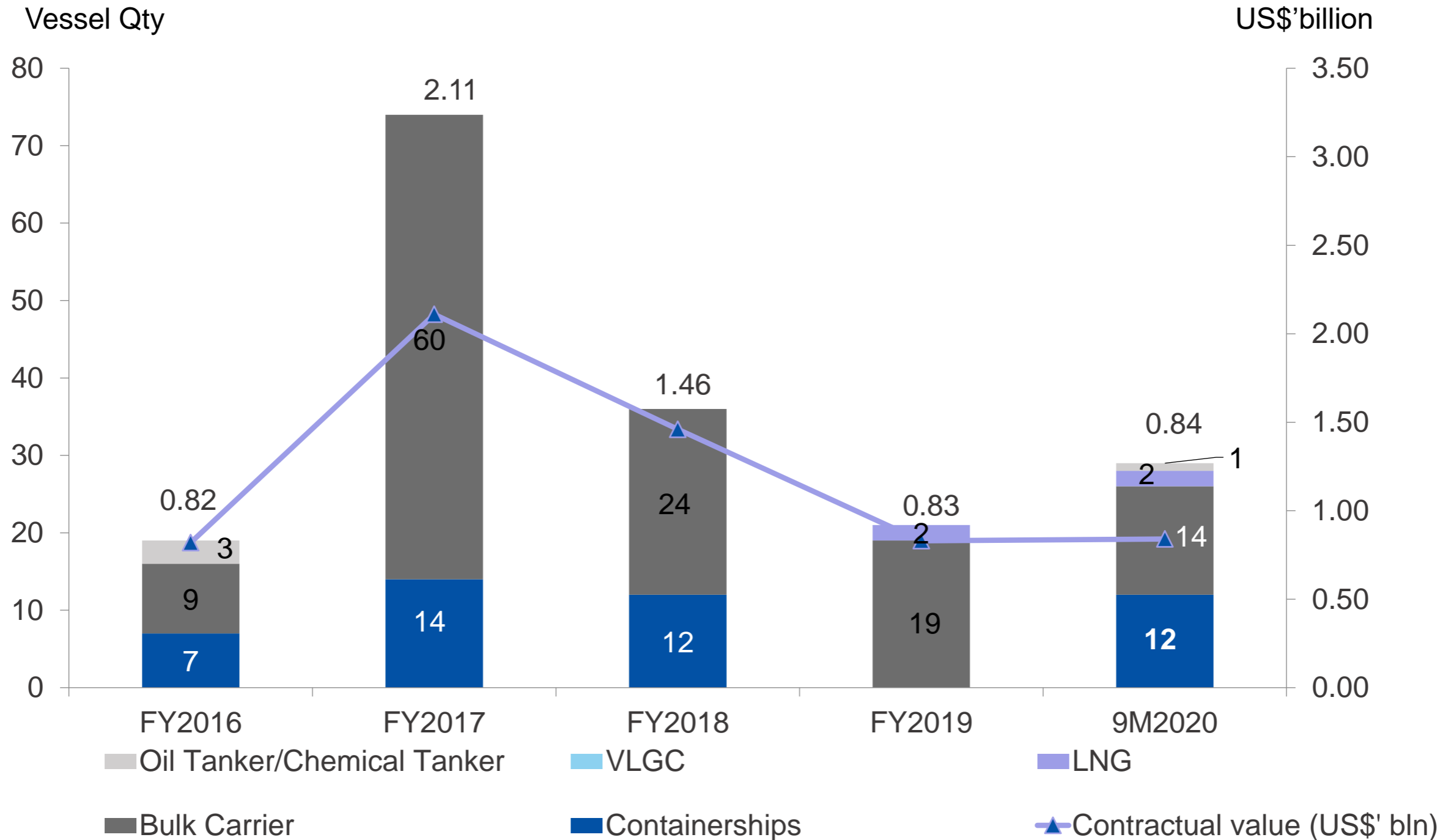
Containerships

Bulk Carriers



Order-Winning Momentum

New contracts secured in terms of vessel quantity and contract value





Shipping and Chartering

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

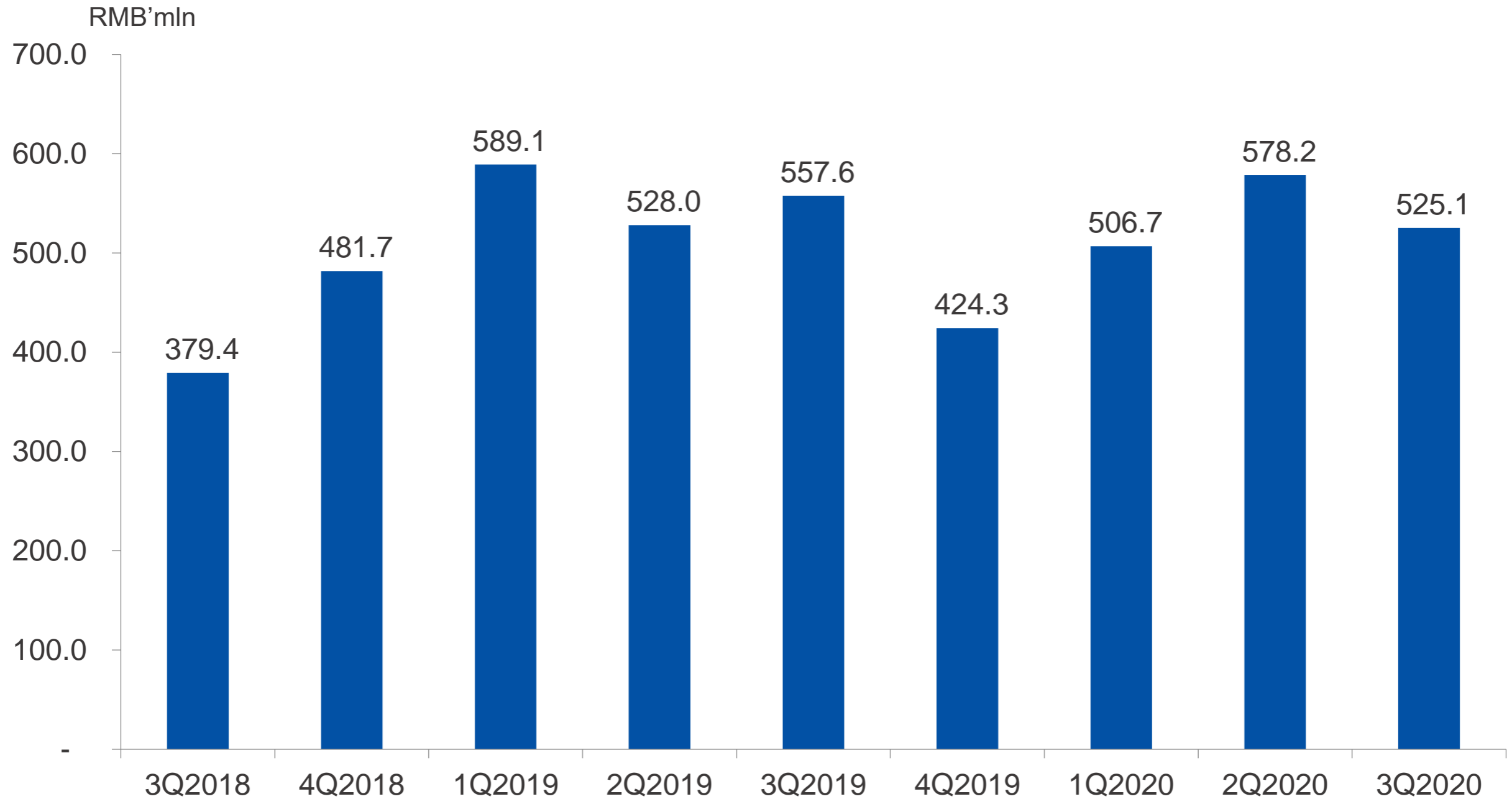
- 7 x 92,500DWT, bulk carriers
- 6 x 82,000DWT, bulk carriers
- 3 x 64,000DWT, bulk carriers
- 1 x 19,900DWT, stainless steel chemical tanker
- 1 x 12,000DWT, stainless steel chemical tanker
- 4 X 47,350DWT, bulk carriers
- 1 X 79,600DWT, bulk carrier
- 1 x 12,500MPV, multiple purpose vessel



SECTION IV SEGMENTAL REVIEW

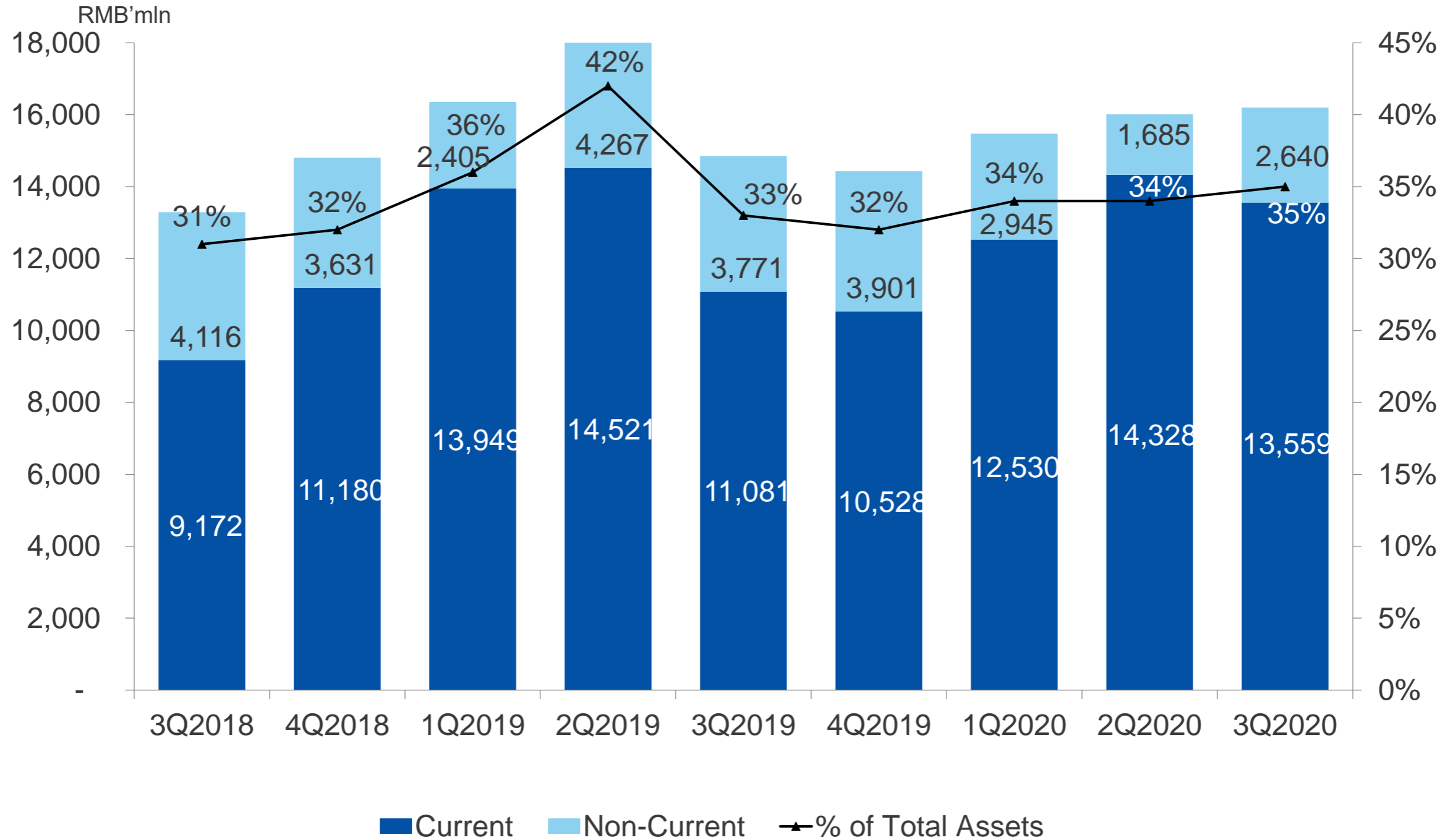
Financial Investments

Interest Income Investment Segment



Source: Company Data

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

Structure –

Role of Trust Company

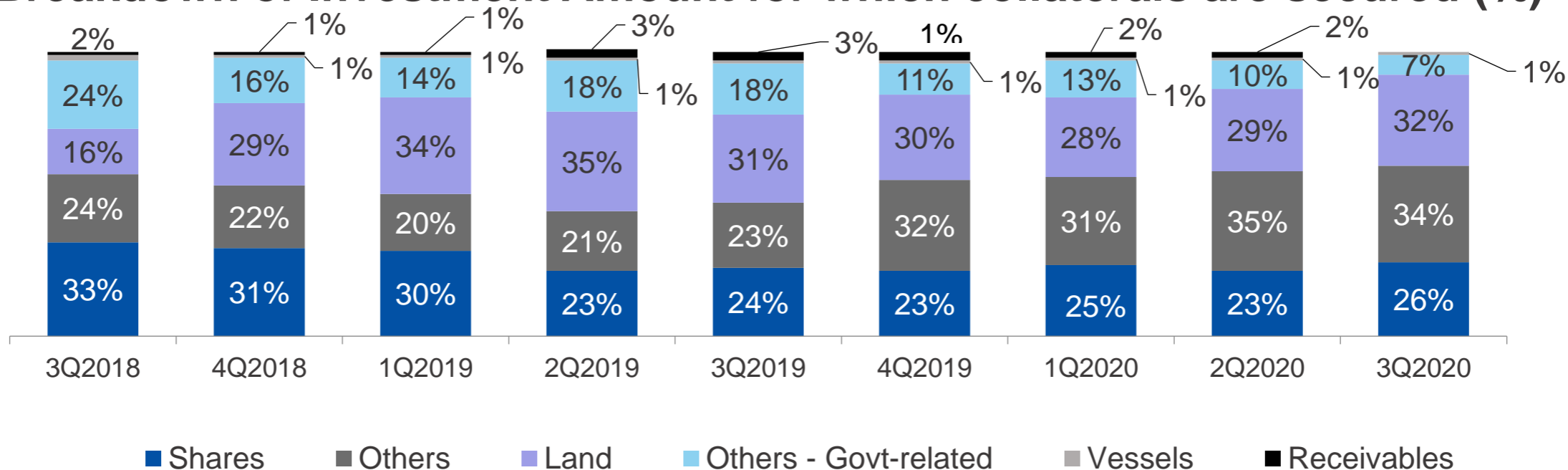
- Documentation
- Legal structure
- Safekeeping of collaterals

Current Strategy

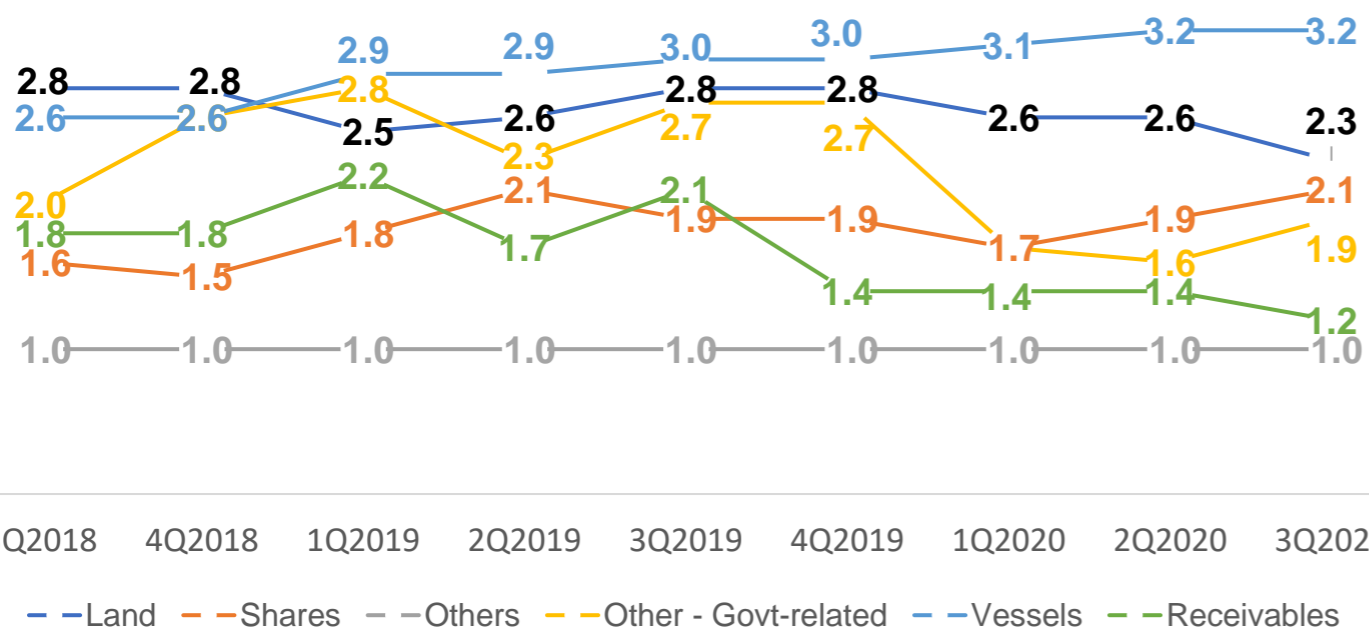
- Increase the 'current' portion in the portfolio for higher liquidity and tighter risk control
- Increase the requirement on collaterals and enhance coverage ratio when credit environment in China tightens

Debt Investment at Amortised Costs

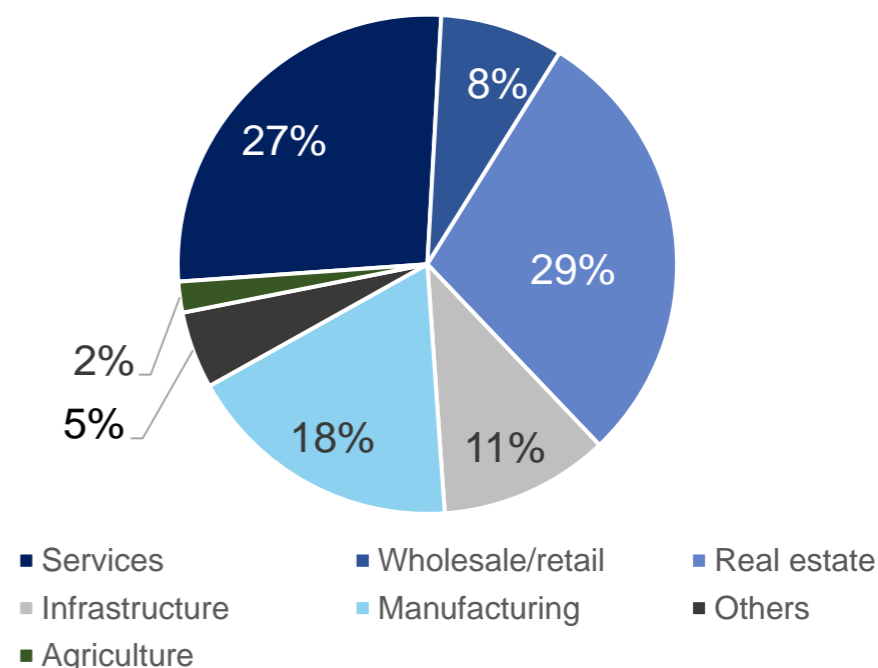
Breakdown of Investment Amount for which collaterals are secured (%)



Coverage Ratio



Breakdown of Borrowers (3Q2020)



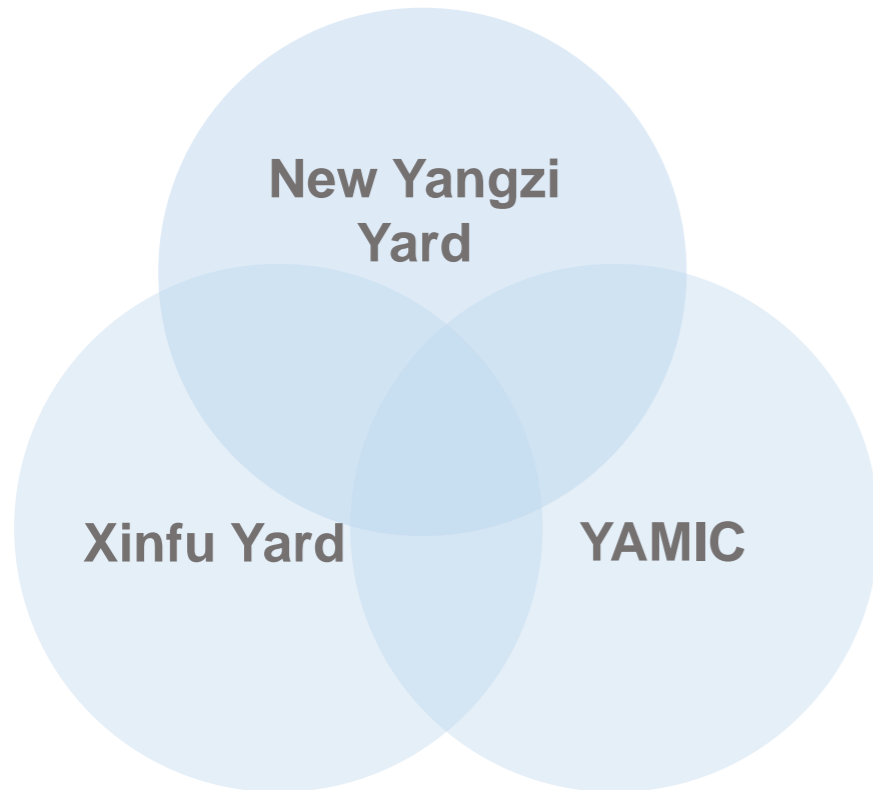


SECTION V

STRATEGIES



Strategies



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

R&D

Production Efficiency

Energy Efficiency

Lower Emission

LNG Technology

- Large Containerships**
- Large Dry Bulkers**
- Mid-sized LNG Carriers**
- Other Clean Energy Vessels**

Production Base

Growth Areas

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

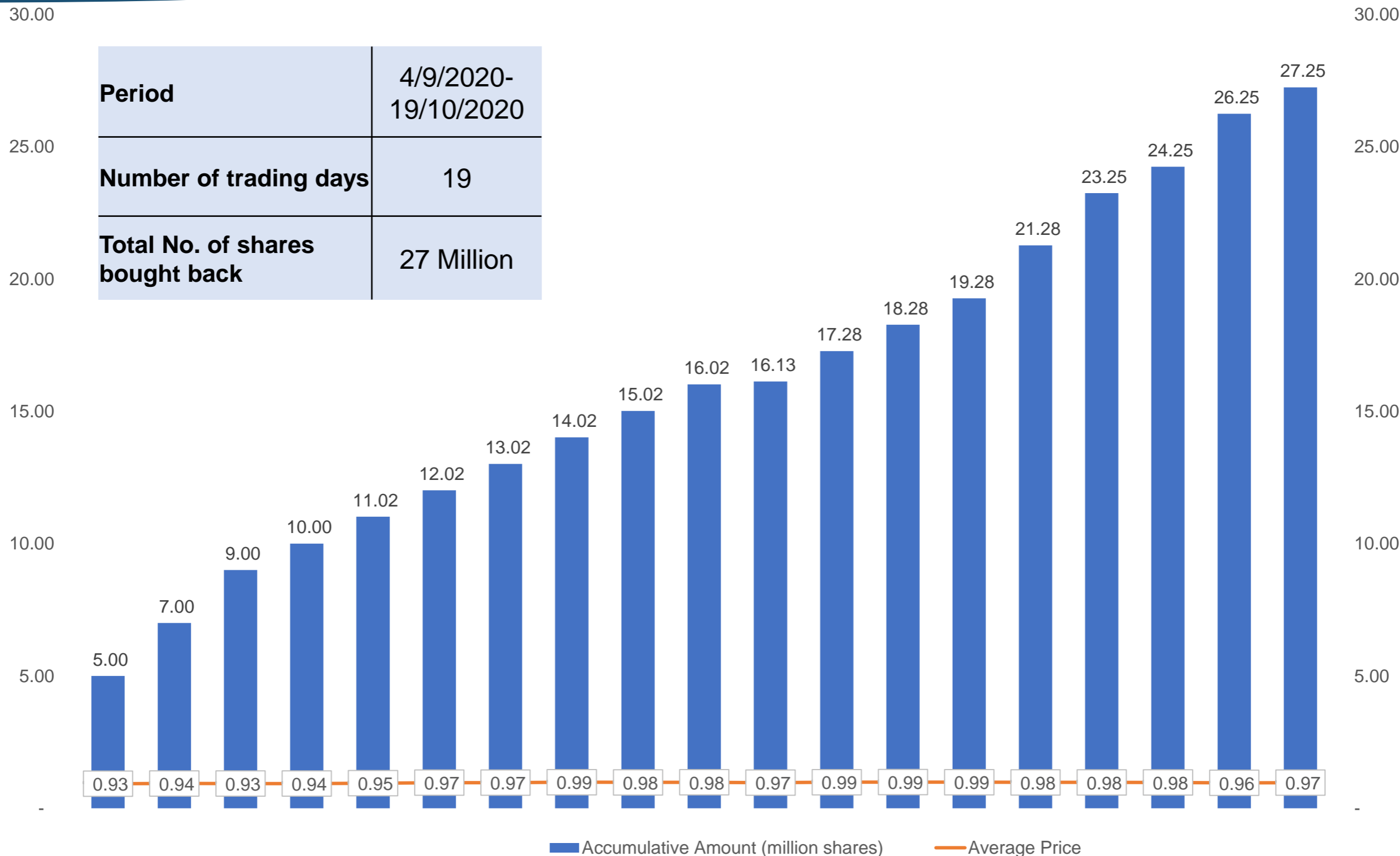


SECTION VI

STOCK INFORMATION



Share Buyback

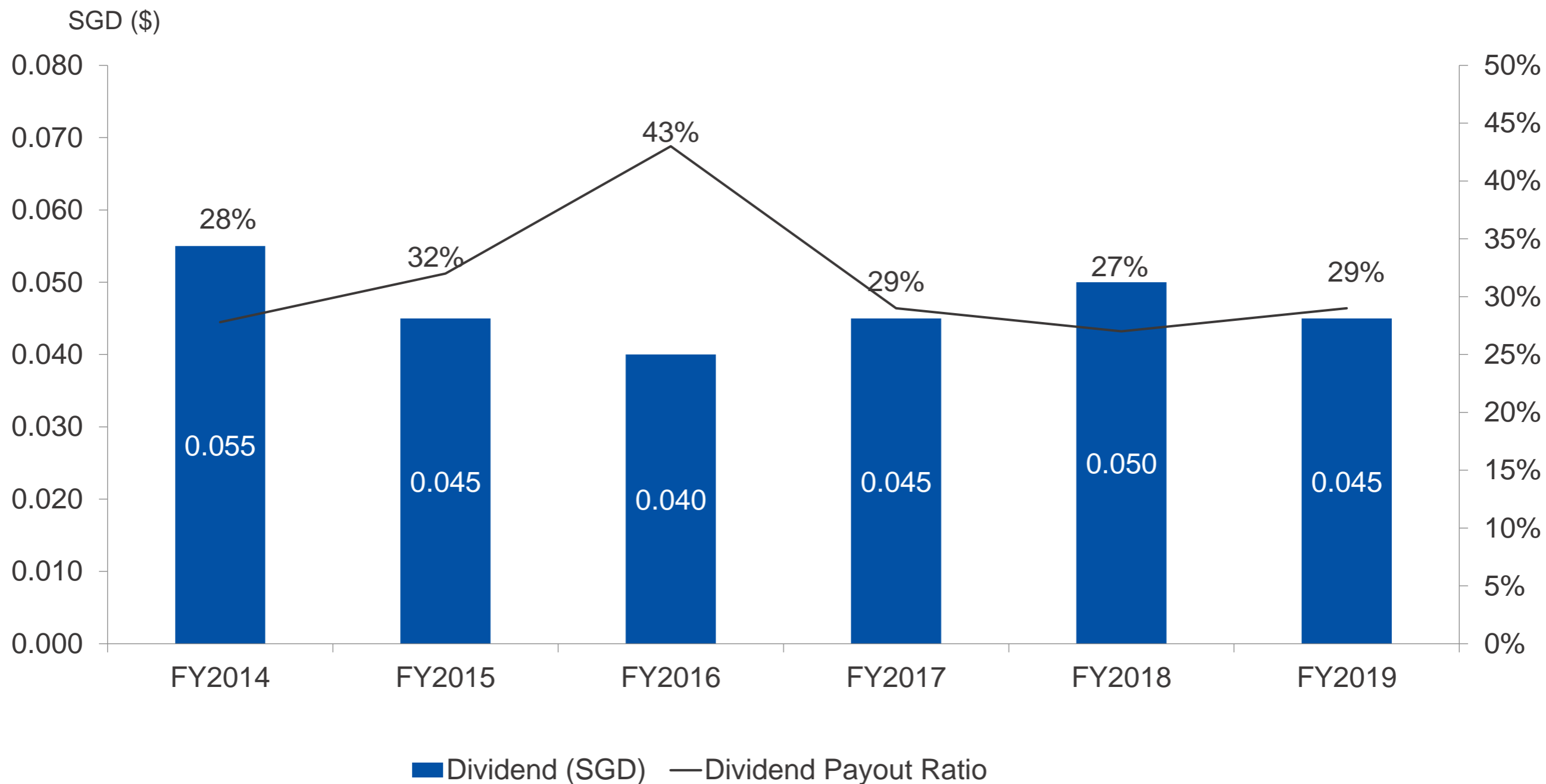


Source: Company's data, as of 4 November, 2020



Dividend Summary

Dividend and dividend payout ratio





Top Shareholders

No.	Holder Name	Position	Filing Date	%
1	YANGZI INTERNATIONAL	852,845,825	12/31/2019	21.92
2	LIDO POINT INVESTMENTS LTD	394,134,000	12/31/2019	10.13
3	BLACKROCK INC	195,107,017	12/12/2018	5.01
4	HENGYUAN ASSET INV LTD	163,697,370	04/30/2020	4.21
5	XINYANGCHUAN INTL LTD	150,000,000	04/30/2020	3.85
6	GRANTHAM MAYO VAN OTTERLOO & Co LLC	37,921,800	08/31/2020	0.97
7	VANGUARD GROUP INC/WAYNE	34,654,415	06/30/2020	0.89
8	NINETY ONE GUERNSEY LTD	33,232,300	08/31/2020	0.85
9	GRANTHAM MAYO VAN OTTERLOO & Co LLC	28,840,451	08/31/2019	0.74
10	GOVERNMENT PENSION FUND -GLOBAL	24,119,386	12/31/2019	0.62
Total		1,914,552,564		49.00

Source: Bloomberg, as of 4 November, 2020



Stock Performance



Source: Bloomberg, as of 4 November, 2020



Thank You

For more information,
please contact:

Financial PR Pte Ltd

Investor Relations: Romil Singh / Reyna Mei

romil@financialpr.com.sg

reyna@financialpr.com.sg

Tel: (65) 6438 2990; Fax: (65) 6438 0064

