



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

**3Q2023 Business Update  
Presentation**  
November 2023

CLSA Singapore Pte Ltd is the Issue Manager for the listing of Yangzijiang Financial Holding Ltd. on the mainboard of the Singapore Securities Exchange Trading Limited by way of an introduction



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**2 REORGANISATION & LEADERSHIP  
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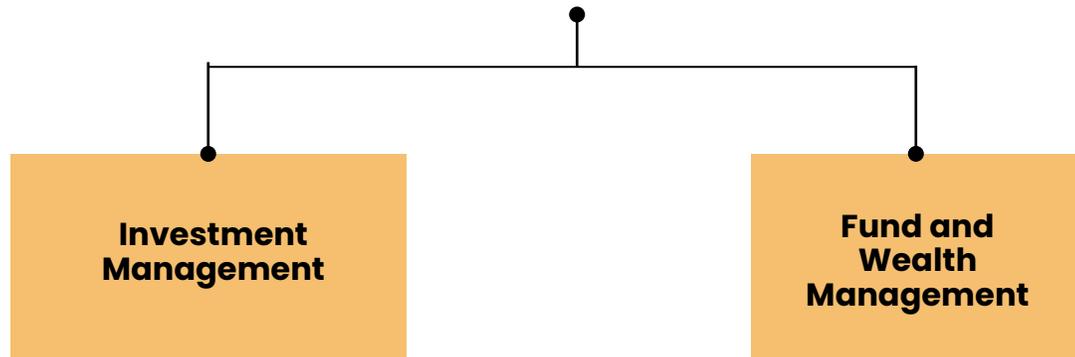
# AT A GLANCE

## \$S\$4.0b

Asset Under Management  
(As of Sep 2023)



## ESTABLISHED INVESTMENT MANAGER



Generate capital gains and long-term sustainable yield

To generate fee/advisory income

## SGX:YF8

Stock Code

## \$S\$1.15b

Market Cap  
(As of 23 Nov 2023)

## \$S\$3.84b

Net Asset Value  
(As of 30 Jun 2023)

## 43%

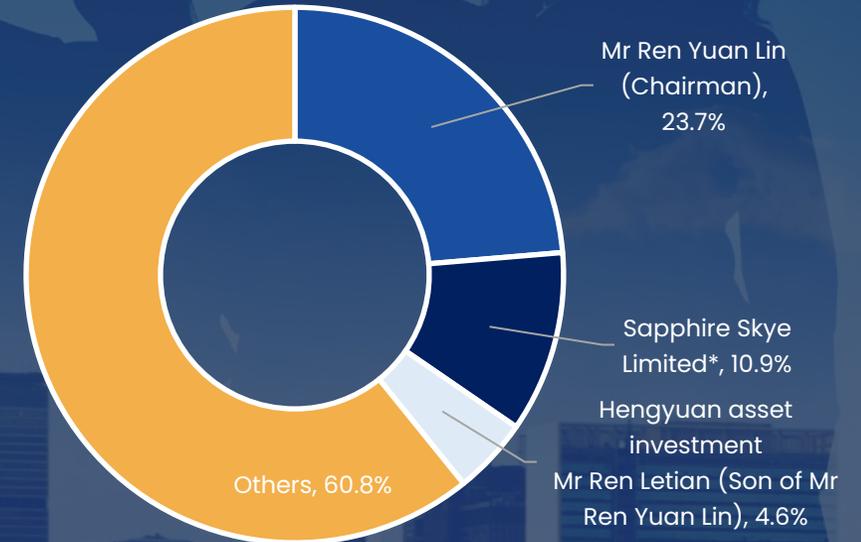
Dividend Payout Ratio  
(For FY2022)

## \$S\$129.0m

Shares Bought Back  
(~8.8% shares repurchased since program initiation)

## Shareholding

(As of 23 Nov 2023)



\*An employee benefit trust set up for the purpose of rewarding employees of YZJ Group



# OVERVIEW OF STRATEGIES

Yangzijiang Financial Holding Ltd.

## Investment Management Business

### Debt Investment (at amortised costs)



Fixed interest debt investment via entrusted loan structure arrangement

### Micro-Finance



Provision of micro-finance loans in Jiangsu Province

### Direct Investments



Investment in both public and private equity/debt, as well as deploying funds into various situations

### Fund Investments



Investment as LP or co-GP into funds managed by GEM or 3rd Party fund manager

Interest Income and Investment Return

PRC

PRC and outside PRC

## Fund Management

### Fund Management



Management of funds pooled by proprietary capital and third-party funds

Fee Income

SG

## Wealth Management Business

### Wealth Management



Provision of wealth management services, such as family office

Advisory Income

SG



# ESTABLISHED THE CORE TEAM

Since April 2022, the Group has grown its team to 80 professionals

**Board of Directors**

**Key Management**



**Ren Yuanlin**  
Executive Chairman



**Toe Teow Heng**  
CEO



**Liu Hua**  
CFO and COO

**Investment Team**

**Risk Management and Compliance**



**Alex Yan**  
Head of Shipping & Maritime Technology Fund



**Wu Menglin**  
Head of Fund of funds



**Peng Xingkui**  
Chief Investment Officer - PRC



**Alvin Chew**  
Head of Direct Investments



**Chiang Kheng Hong**  
Chief Risk Officer



**Su Qing**  
Chief Compliance Officer - PRC



**Barry Koh**  
General Counsel



# Reorganisation & Leadership Transition

## **CEO Role**

- Mr Vincent Toe will step down as CEO of the Group, effective 24 April 2024. He will remain at the helm during this transition period to provide business continuity
- Mr Ren will step in as CEO of the Group (in addition to his current Chairman role), effective 24 April 2024. He will oversee the Group's investments in both PRC and Singapore
- Ms Liu Hua will be appointed as Deputy CEO of the Group (in addition to her current CFO role), effective 24 April 2024. She will assist Mr Ren to expand the business in Singapore

## **CIO Role (SG & PRC)**

- The CIO roles (SG & PRC) will be removed following the management restructuring, effective 24 April 2024
- Mr Peng Xinkui (current CIO - PRC) will be re-assign to a new role in the organisation on the effective date and will remain as a member of the investment committee

## **General Counsel Role**

- Mr Barry Koh will step down as the General Counsel of the Group, effective 31 December 2023
- A confirmed candidate for the compliance scope is set to join the Group in January 2024.



# INVESTMENT MANAGEMENT

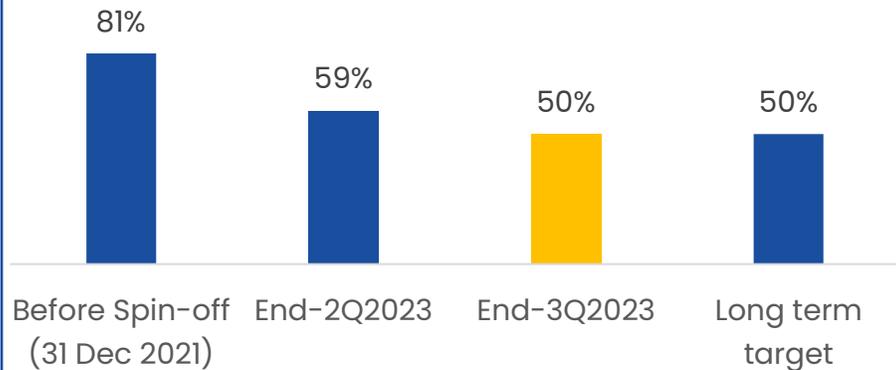


# WHERE WE WANT TO BE

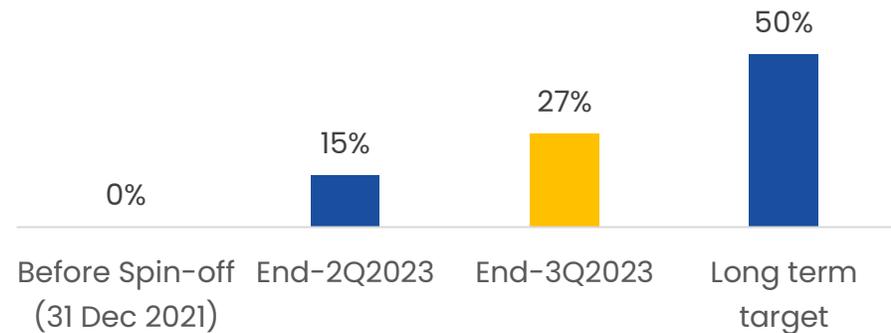
## Long Term Target & Progress

Grow the Group's AUM and diversify its exposure

Debt Investment In China



Increase Investment out of China



### Increase AUM by



Launch of own General Partner (GP) Funds (Target 20-60% of AUM to be raised from third parties)



Expand Fund/Wealth Management Business



Gradually increase its investments outside China over the next five years to 50%.



Deployed over S\$1.0 billion of its proprietary capital into investments outside China by 3Q2023.



# Facilitating the deployment of capital outside China

	<b>Dividend distribution (main scheme)</b>	<b>Liquidity pool scheme</b>
<b>What is it</b>	The transfer of funds between PRC companies and their Singapore holding company by declaring dividends.	Allows the transfer of funds between PRC companies and their overseas fellow subsidiaries (or vice versa) in the form of loans
<b>Related costs</b>	Withholding dividend tax rate of 5-10%	Inter-company related expenses
<b>Capital remitted (as of 23 Nov 2023)</b>	Net dividend: RMB 4.2 billion	Net outflow : RMB 1 billion



**Maximise cash management returns through interest rate differential** between Chinese RMB and other currencies, such as USD or SGD

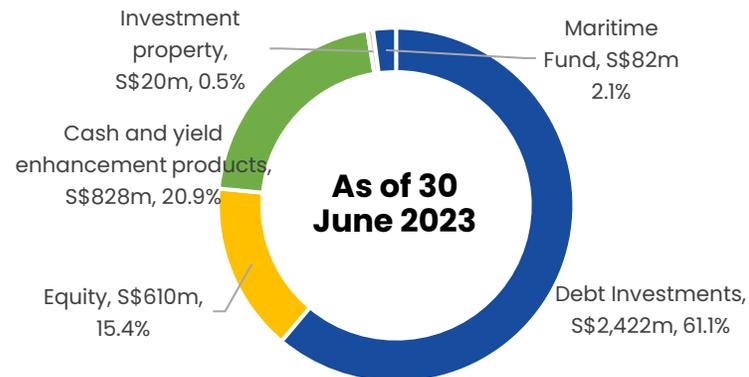
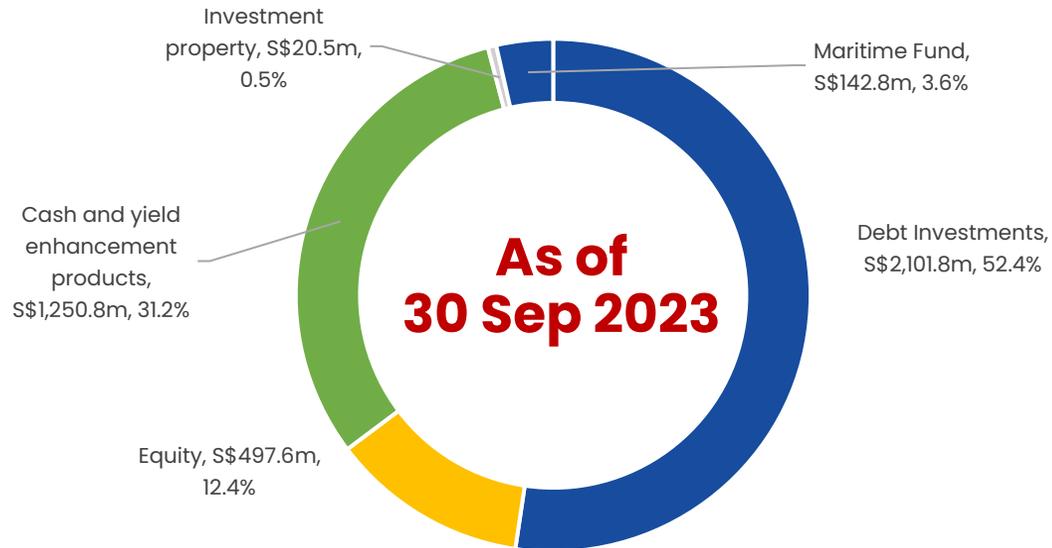


**Consolidate and centralise treasury management** to aid the efficient utilization of the Group's funds

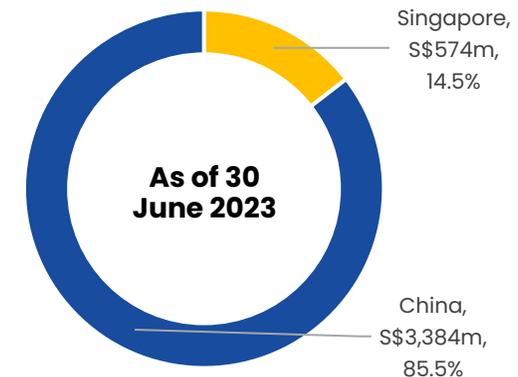
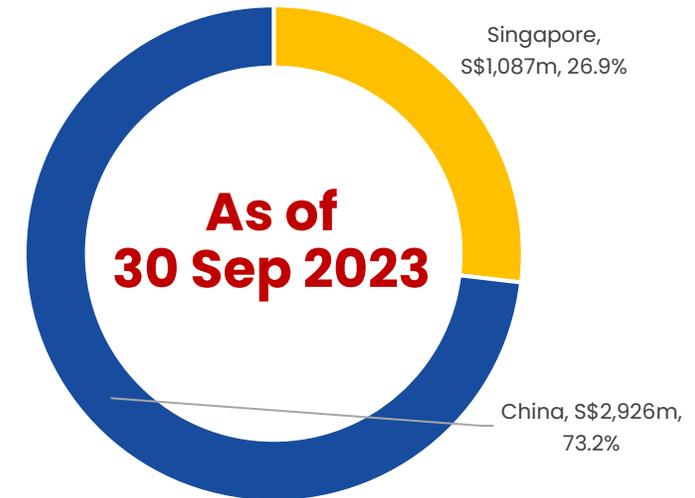


# WHERE WE ARE

## Portfolio Allocation By Asset Classes

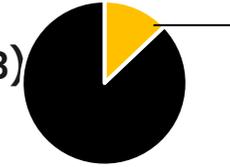


## Portfolio Allocation By Geography

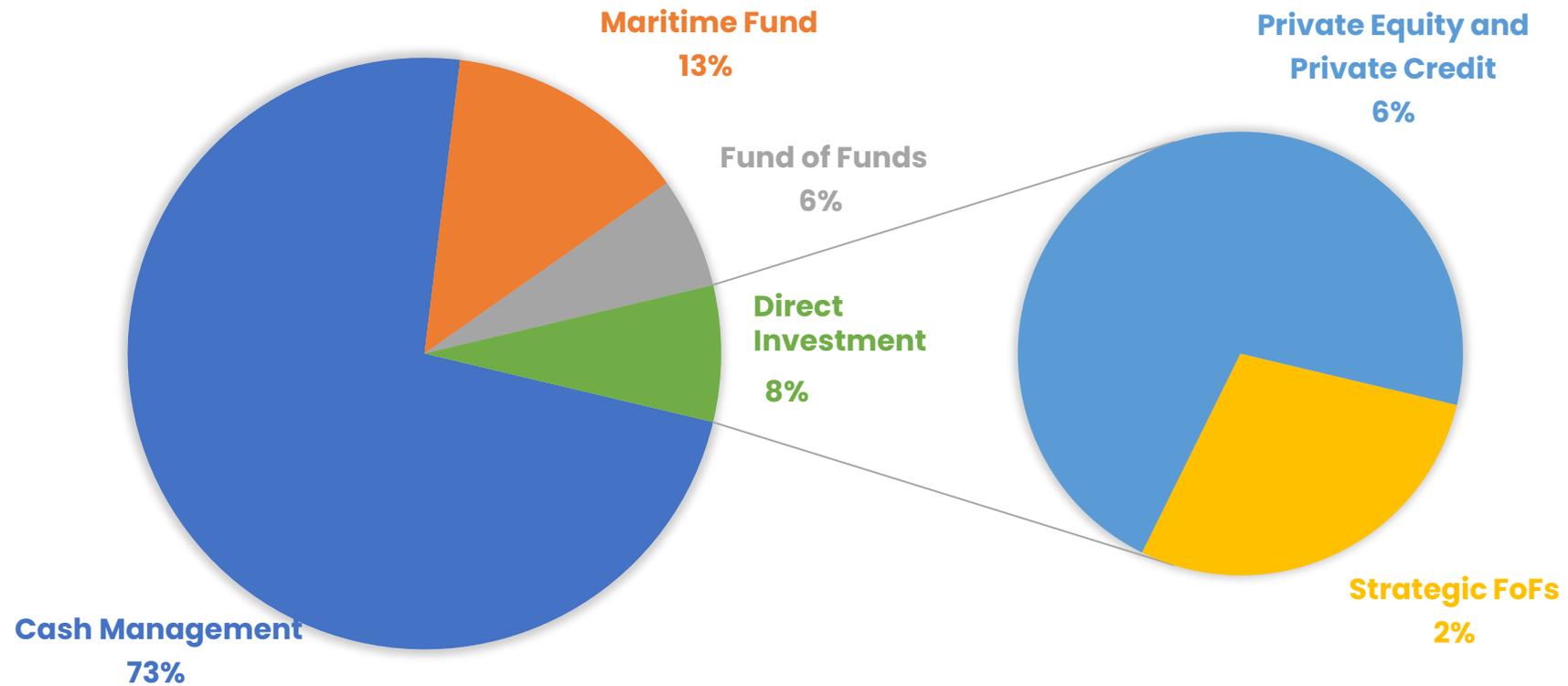




# INTERNATIONAL (EX-PRC) PORTFOLIO (as of 30 Sep 2023)

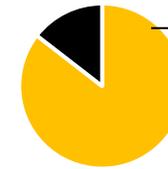


26.8% of  
Group portfolio

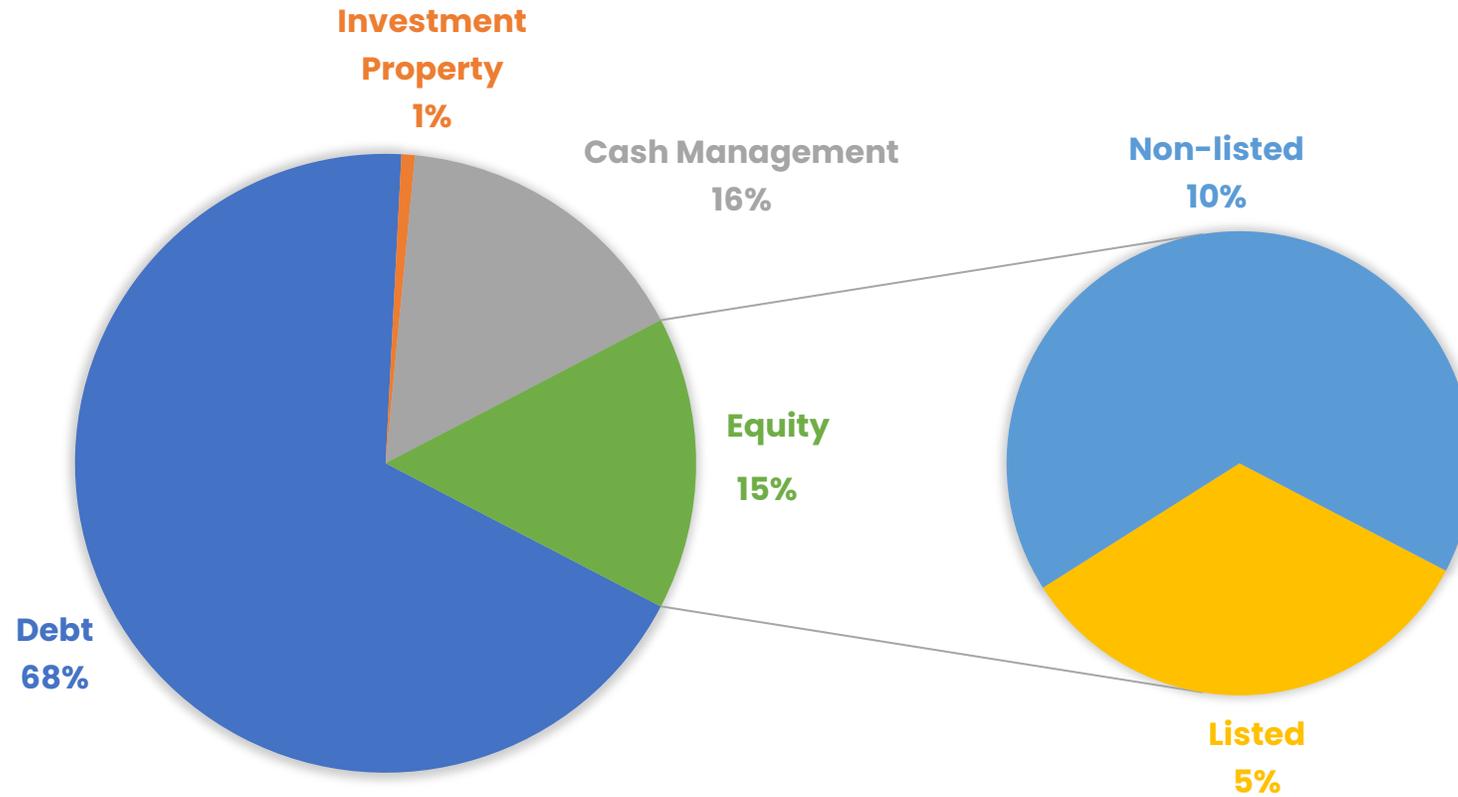




# PRC PORTFOLIO (as of 30 Sep 2023)



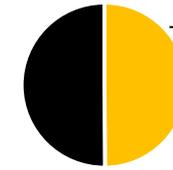
73.2% of Group portfolio





# PRC DEBT INVESTMENT PORTFOLIO

*(Excluding Micro-Finance)*



49.9% of Group portfolio

S\$ million	Sep 2023
<b>Beginning of financial period, 31 December 2022</b>	<b>2,402</b>
<i>Addition</i>	<i>521</i>
<i>Redemptions</i>	<i>(899)</i>
<i>Reversal of impairment of losses recognised in P&amp;L</i>	<i>14</i>
<b>End of financial period, 30 September 2023*</b>	<b>2,002</b>

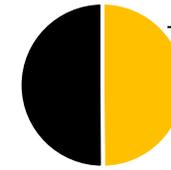
\* Net of currency translation difference

Sep 2023 SGD million	Principal	Provision	Net Balance*	Gross Balance %	Net Balance %
Performing	1,090	(63)	1,027	50%	51%
Under-performing	187	(21)	166	8%	8%
Non-performing	932	(123)	809	42%	41%
	<b>2,209</b>	<b>(207)</b>	<b>2,002</b>	<b>100%</b>	<b>100%</b>

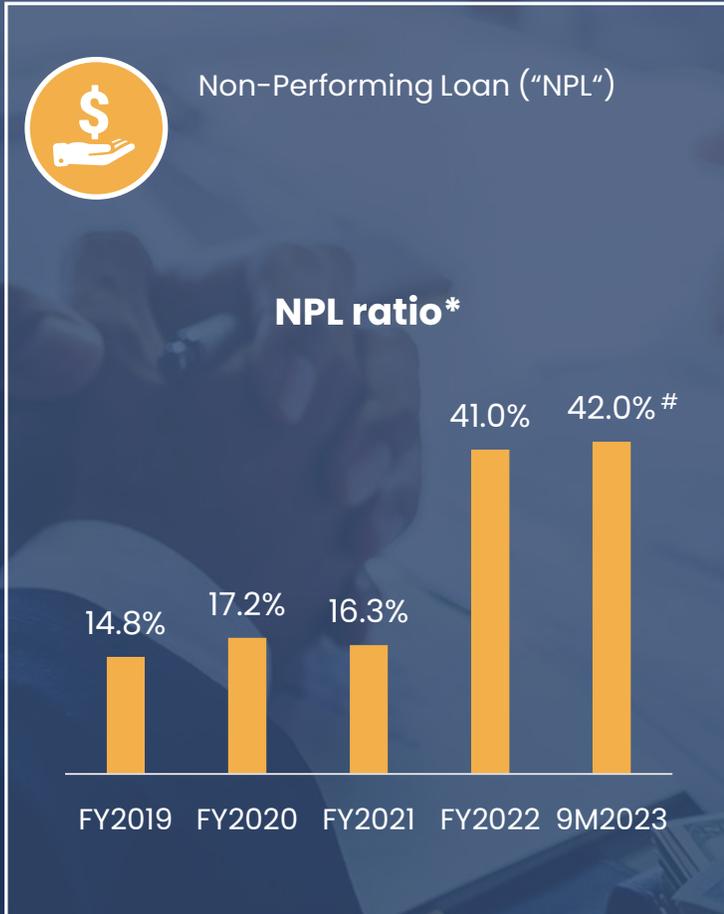


# PRC DEBT INVESTMENT PORTFOLIO

(Excluding Micro-Finance)



49.9% of Group portfolio



### Recovered NPL

Project	Principal SGD'000	Recovered Amount SGD'000
Project A	10,467	9,854
Project B	38,716	26,628

### Loans re-classified out of NPL

Project	Principal SGD'000*
Project C	63,526

\* Outstanding amount as of 30 September 2023

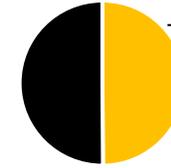
\*NPL ratio is calculated based on gross outstanding loan balance before impairment allowance.

<sup>#</sup>The increase in the NPL ratio as of 30 Sep 2023 is a consequence of the decline in the denominator (total loan portfolio).



# PRC DEBT INVESTMENT PORTFOLIO

*(Excluding Micro-Finance)*



49.9% of Group portfolio



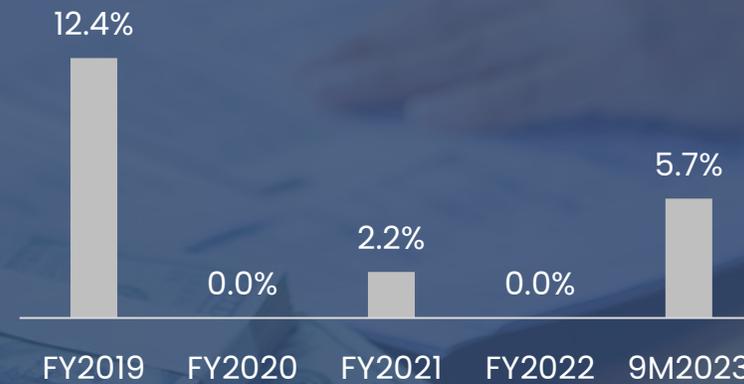
Increase in allowances for credit and other losses due to the Group's conservative policy for managing its non-performing loans.

**Allowances for/(reversal of allowances for) credit and other losses (\$ million)**



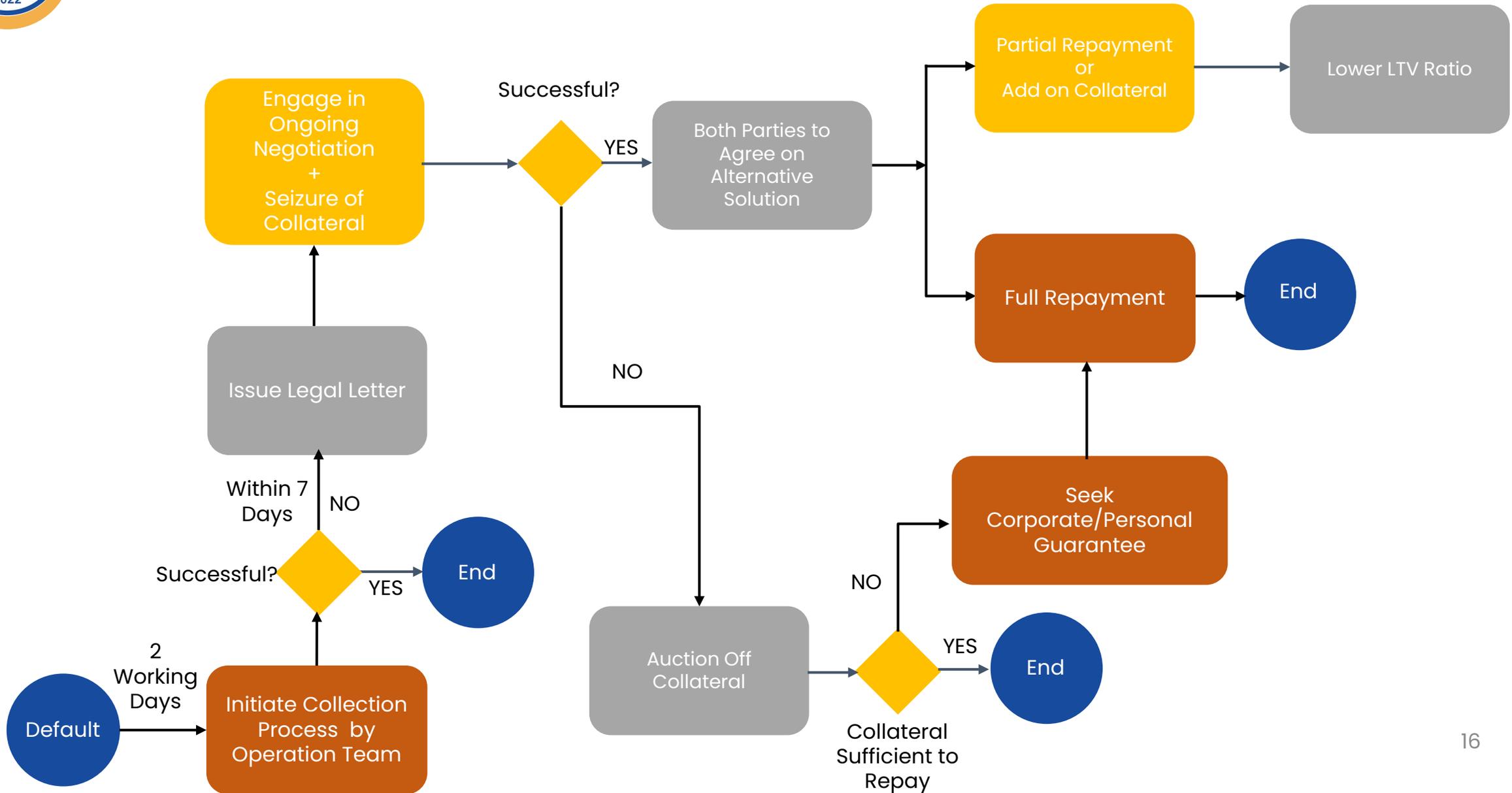
Active credit risk management and debt recovery efforts showcased in low utilization of allowance for impairment loss

**Utilisation of allowance for impairment loss**





# Risk Management Procedures





# KEY TAKEAWAY



# Key Takeaway

**0.3x Price/Book**

**S\$1.15b**

Market Cap  
(As of 23 Nov 2023)

**S\$3.84b**

Net Asset Value  
(As of 30 Jun 2023)



## Team of professional industry experts



## Aims to diversify across asset classes and geographies

- Reducing reliance on PRC Debt
- Increasing fund allocation outside of China



## Three-pronged strategy

- Self-managed funds; GEM
- Access to top-tier PE and Private Credit Funds
- Wealth management



**Key focus:** Generate good returns, sustainable dividend yield to investors

- **Dividend policy:** Paying out at least 40% of its profits as dividends
- **Share buyback:** S\$129 million worth of shares bought back (8.8% of shares repurchased) since programme initiation



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# THANK YOU

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