



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

FY2023 Results Presentation

27 February 2024



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FY2023 Snapshot

Record PATMI, greatly improved gross margin, more than doubled FY2023 order-win target



FY23 FINANCIAL RESULTS

Revenue	Gross Margin	PATMI*
RMB24.1b	22.4%	RMB4.1b
+16% y-o-y	+7ppts** y-o-y	+57% y-o-y
ROE*	Dividend	Dividend Payout***
19.6%	6.5	33.7%
+4.7 pts vs FY2022	SG Cents	

* PATMI/ROE based on profit attributable to equity holders from continuing operations
 ** ppt = percentage point
 *** Applied SGD/CNY= 0.1860, Bloomberg data as of 31 December 2023

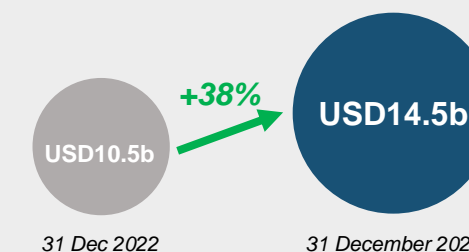


FY23 OPERATIONAL HIGHLIGHTS



Outstanding Orderbook

CLEAN-ENERGY VESSELS account for 58% of total value



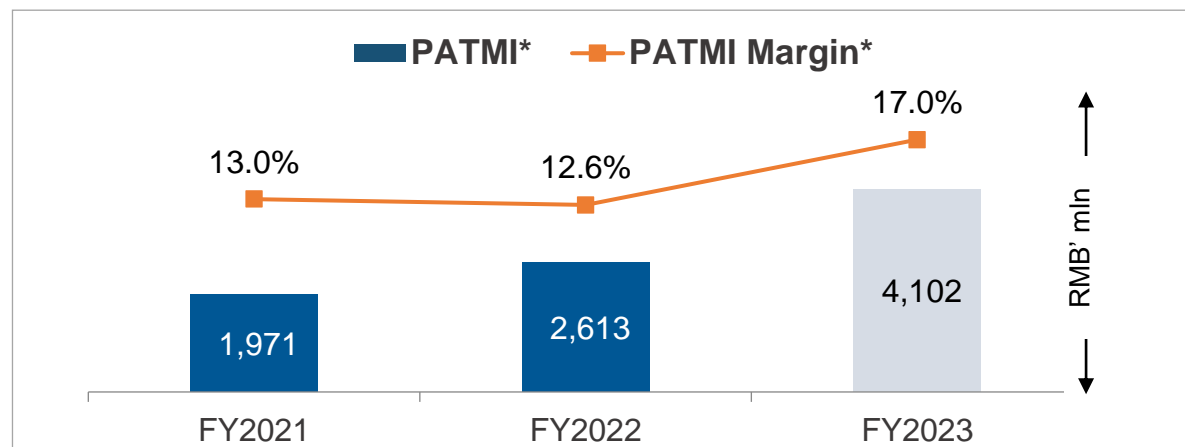
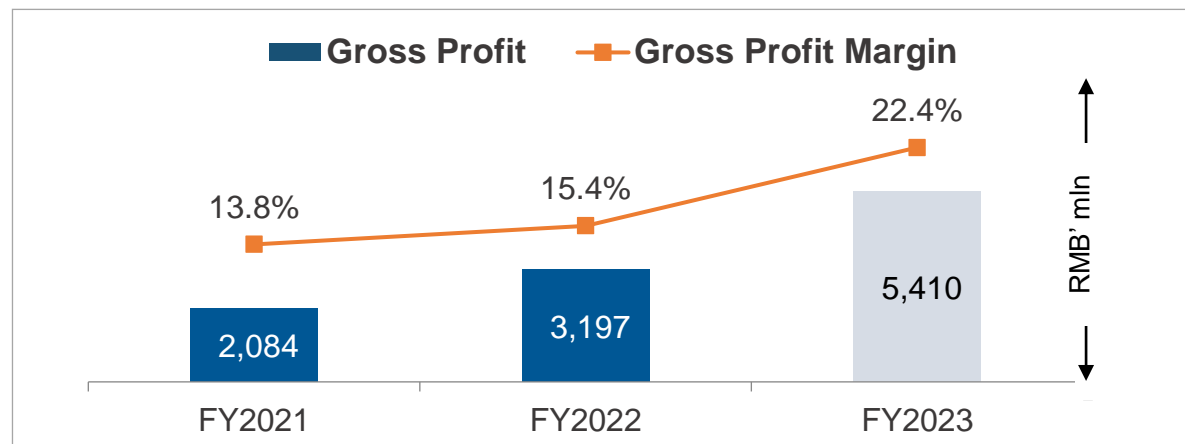
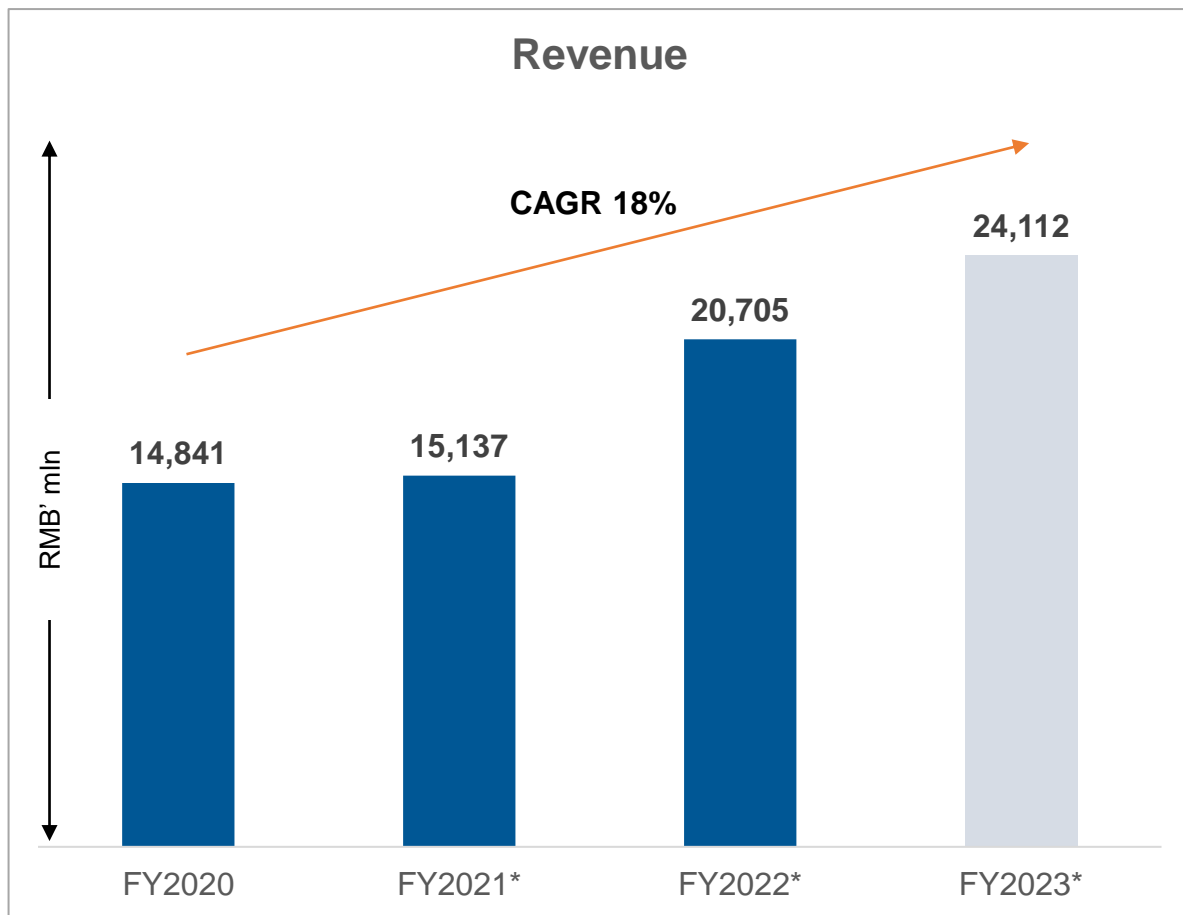


FINANCIAL HIGHLIGHTS



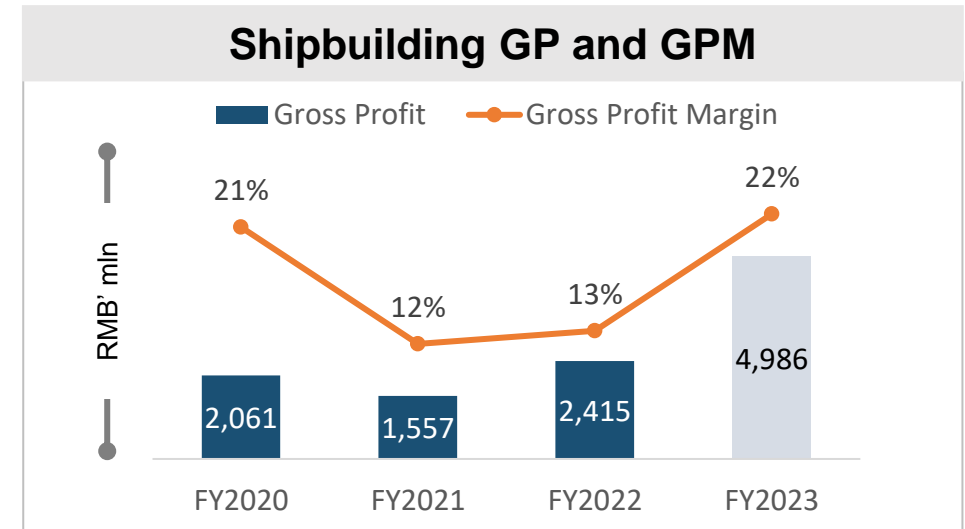
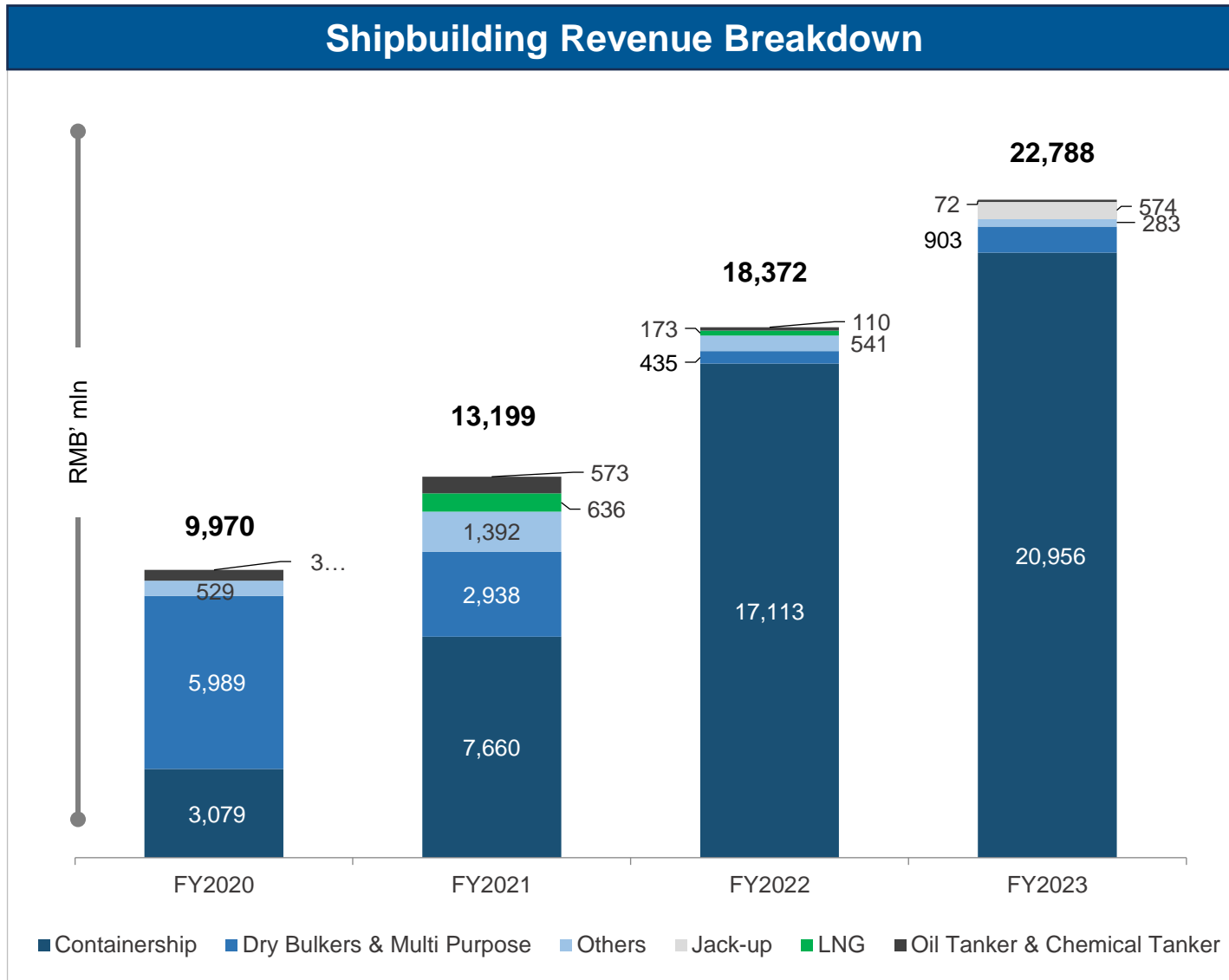
FY2023 Financial Performance

Strong FY2023 performance driven by increased new-build prices, favourable foreign exchange rate and reduced raw material costs



* Revenue, Gross profits and PATMI for FY2021, FY2022, and FY2023 from continuing operations only

Core Shipbuilding Segment



Shipbuilding revenue growth due to



- (1) increased vessel prices
- (2) a favourable foreign exchange rate

Gross profit expansion driven by

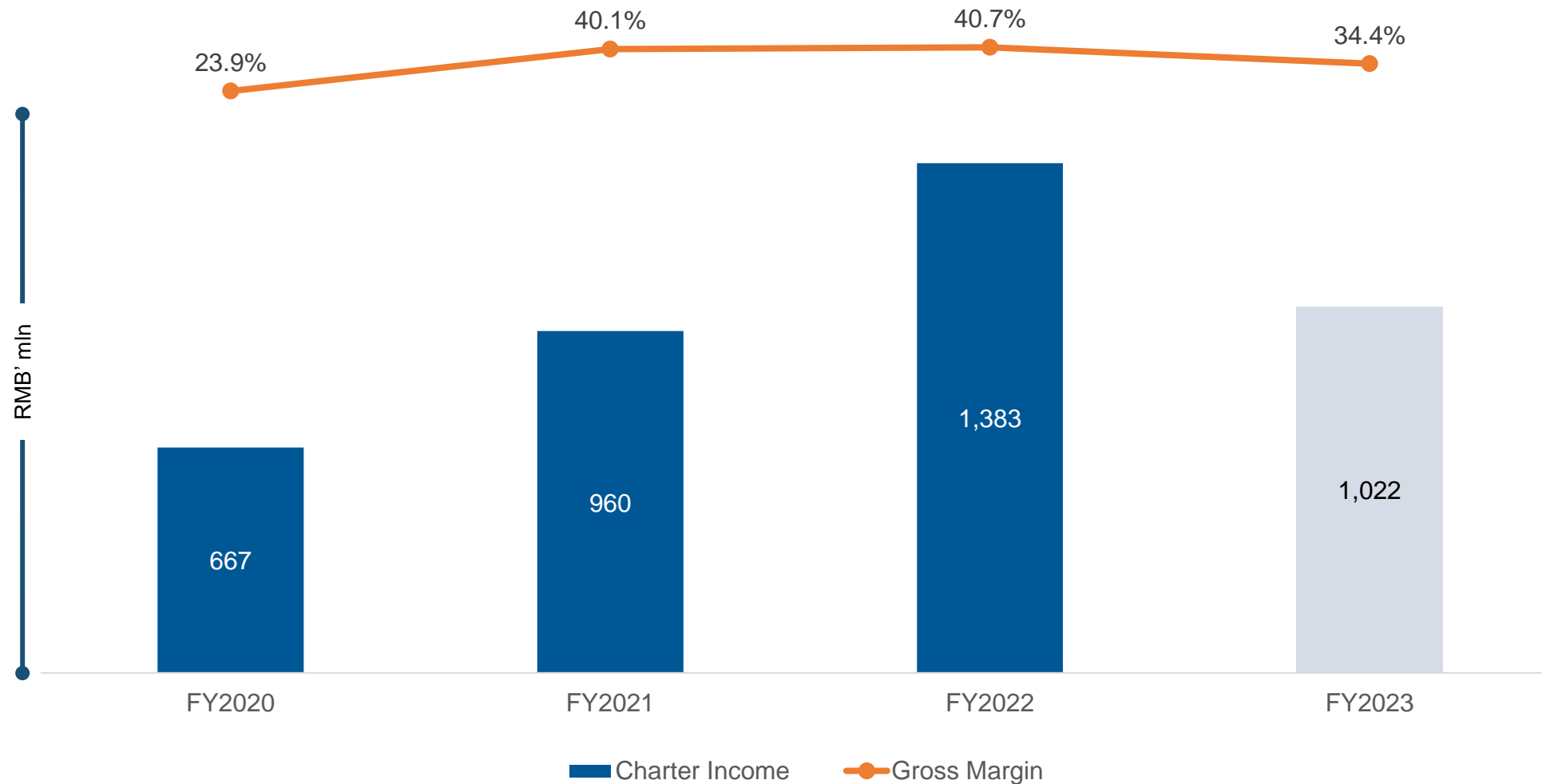


- (1) reduced raw material costs, particularly for steel
- (2) GP contribution from the re-sale of the jack-up rig



Shipping Segment

Margin compression due to lower charter rates; the Group has strategically locked in short-term contracts which gives us flexibility to reassess in the near-term



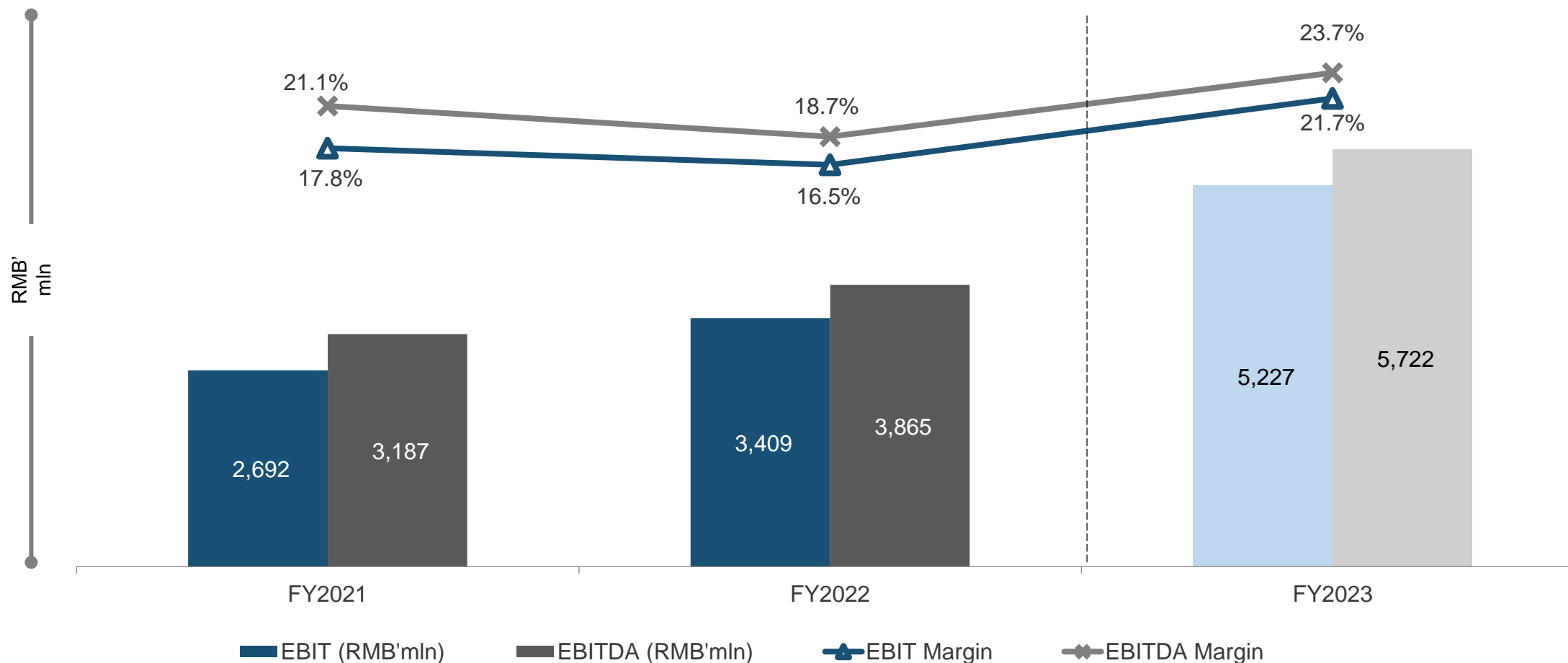


FY2023 Profitability Trend

Notable improvements in the Group's profitability

EBIT and EBITDA Trends

(From Continuing Operations)



Balance Sheet Highlights

Robust balance sheet with a strong net cash position

Financial Highlights	31 Dec 2023	31 Dec 2022
	RMB'000	RMB'000
Property, Plant and Equipment	7,219,062	7,277,768
- Property, Plant and Equipment – Shipping Segment	3,363,792	3,182,454
Cash & Cash Equivalents	16,560,685	10,778,393
Total Borrowings	5,594,646	4,567,540
Total Equity	21,142,950	17,704,760
Gross Gearing	26.5%	25.8%
Net Gearing	Net cash position	Net cash position



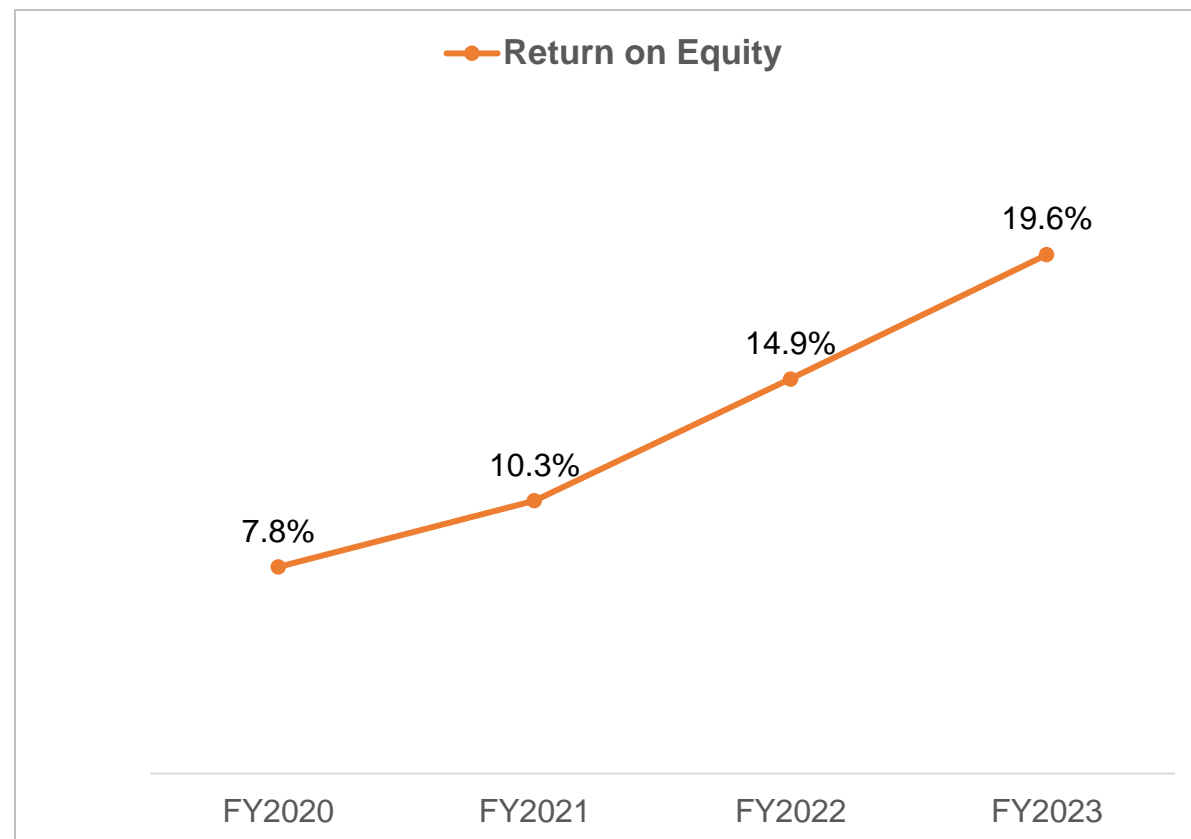
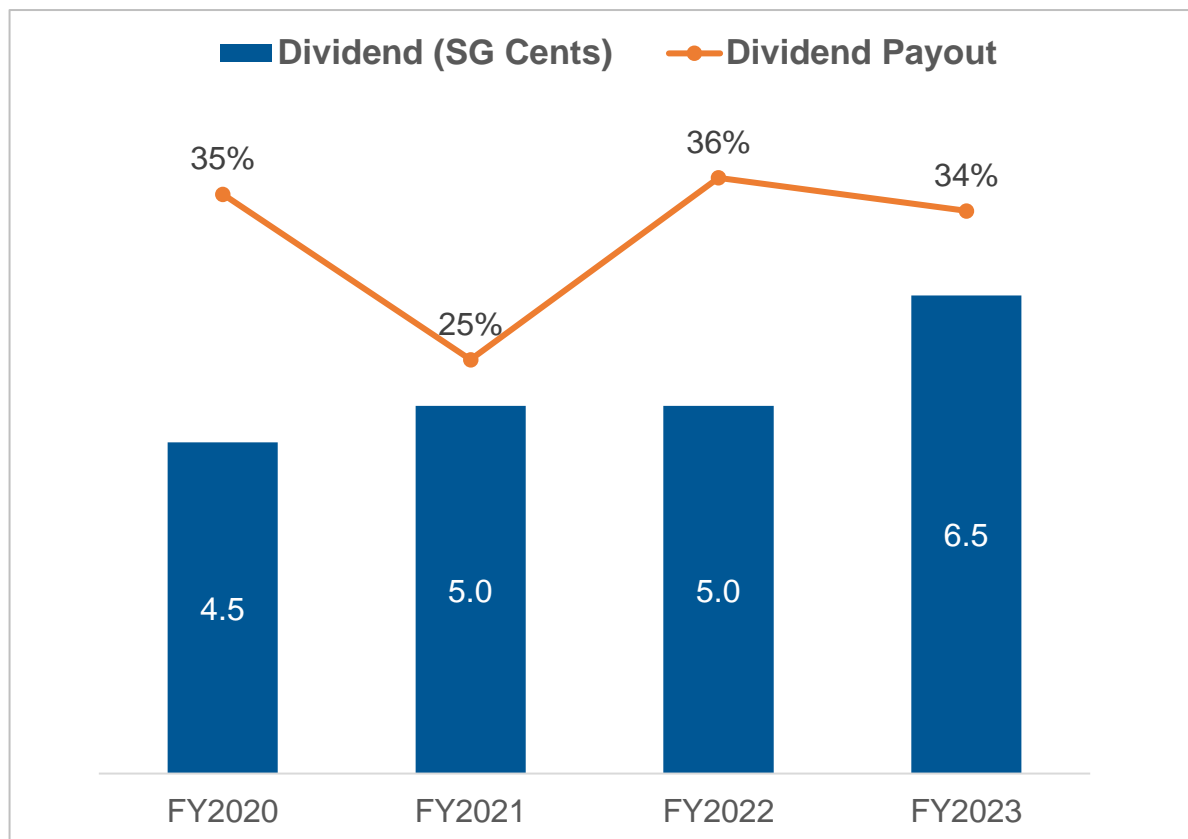
Marginal decline due to the disposal of ageing vessels and depreciation, partially offset by fleet expansion



Remains at a healthy gearing position

Commitment to Shareholders

Sustainable dividend and improved return on equity to reward shareholders' long-term unwavering support



*ROE for FY2022 and FY2023 was calculated using PATMI from continuing operations only



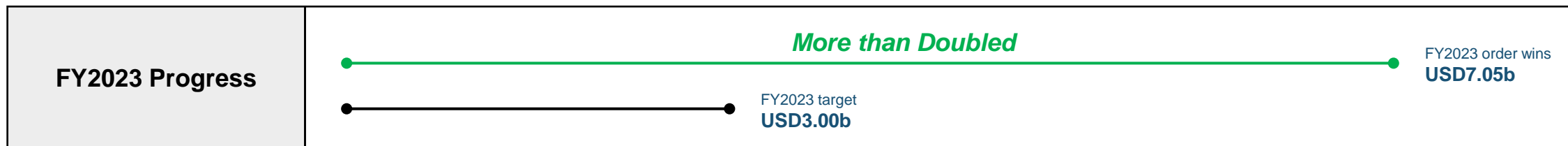
SHIPBUILDING SEGMENT HIGHLIGHTS



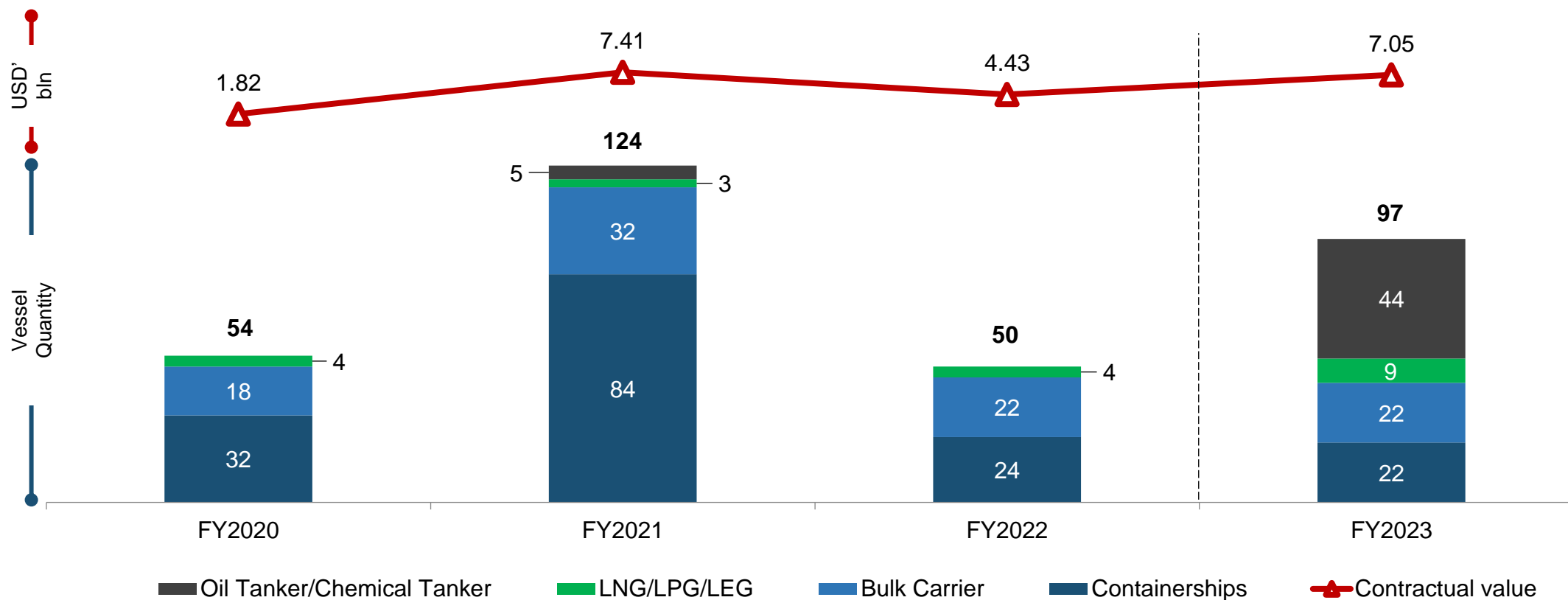


FY2023 Order Win

More than doubled FY2023 order-win target of USD3 billion



Order-win Trend



FY2023 Order Win Breakdown

Significant proportion of new order-wins was classified as eco-friendly vessels, aligning with the green transition trend

Vessel Type	Size & Specifications	Quantity
CONTAINERSHIPS <i>Total Quantity: 22</i>	8,000TEU	2
	Methanol Dual-fuel 950TEU	4
	Methanol Dual-fuel 9,000TEU	6
	LNG Dual-fuel 24,000TEU	10
LNG/LPG/LEG <i>Total Quantity: 9</i>	36,000 CBM LEG	1
	40,000 CBM LPG	8
BULK CARRIERS <i>Total Quantity: 22</i>	Combination 83,300 DWT	3
	80,000DWT	5
	82,500DWT	14
OIL TANKERS <i>Total Quantity: 44</i>	50,000DWT MR OT	31
	75,000DWT LR1 OT	8
	114,000DWT LR2 OT	5

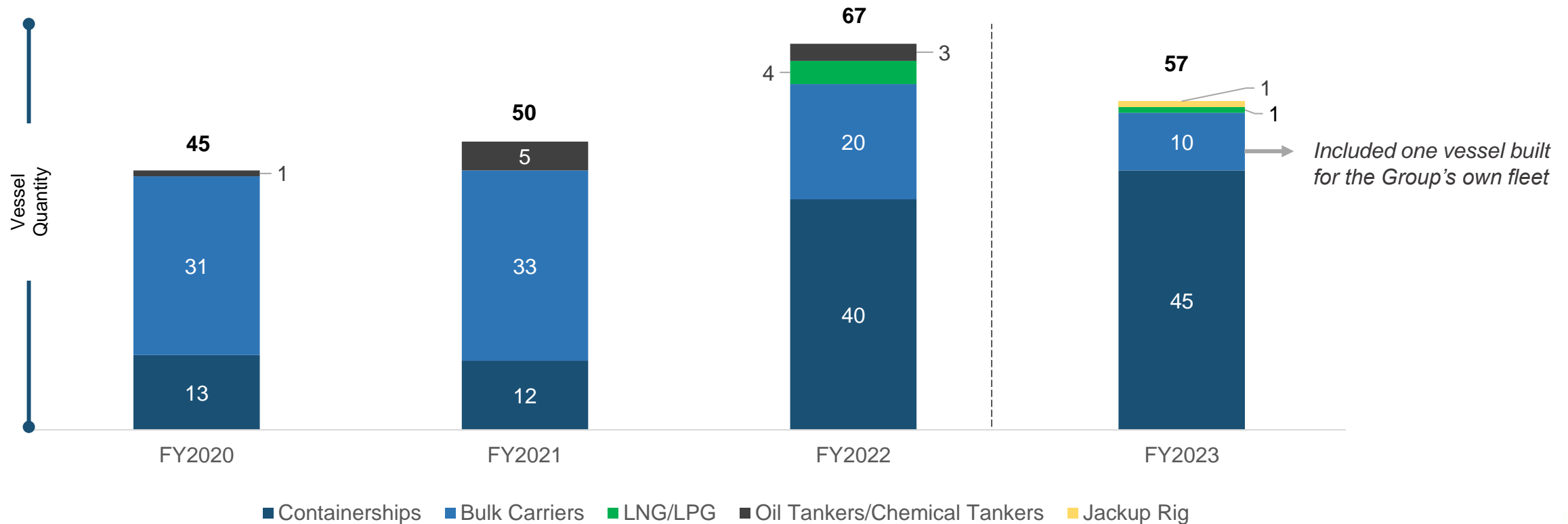
Newly secured eco-friendly vessel orders

Vessel Delivery

Achieved 100% of FY2023 vessel delivery target



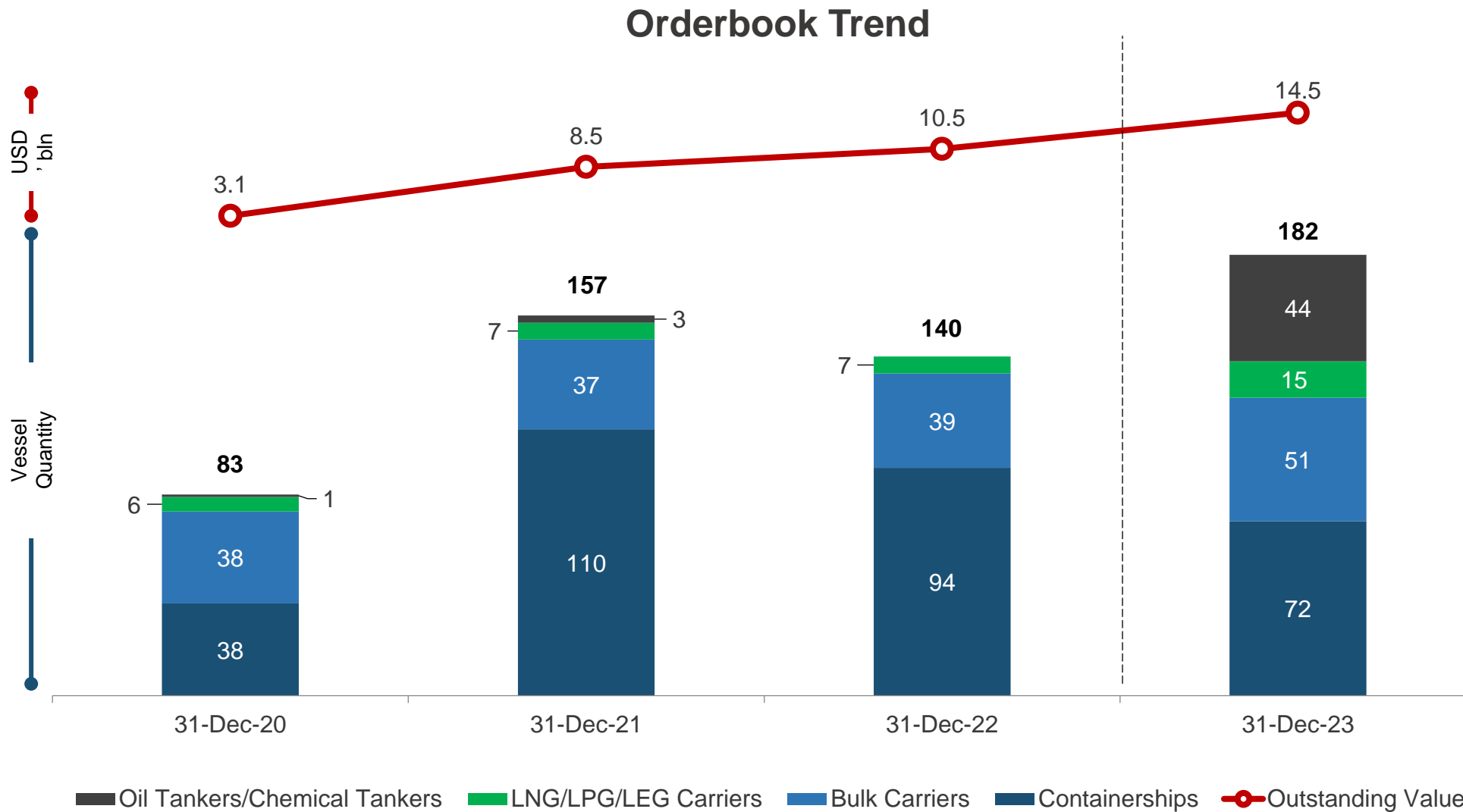
Vessel Delivery Trend





Outstanding Orderbook

Strong outstanding orderbook brings revenue visibility up to 2027





Outstanding Orderbook Breakdown

Clean energy vessels account for ~58% of the total outstanding orderbook value

182

Vessels

7.58m

Compensated gross tonnage (CGT)

USD14.48b

Total Contract Value

2024 – 2028

Delivery Timeframe

Containerships	
72	4.99m
Vessels	Total CGT
USD9.07b	
Total Value	
Size & Specifications	Quantity
1,800TEU	3
2,400TEU	1
3,300TEU	1
3,500TEU	3
4,600TEU	2
8,000TEU	4
15,000TEU	1
16,000TEU	9
Methanol Dual-Fuel 950TEU	4
Methanol Dual-Fuel 9,000TEU	6
LNG Dual-Fuel 7,000TEU	12
LNG Dual-Fuel 8,000TEU	4
LNG Dual-Fuel 16,000TEU	12
LNG Dual-Fuel 24,000TEU	10

Bulk Carriers	
51	1.02m
Vessels	Total CGT
USD2.02b	
Total Value	
Size & Specifications	Quantity
29,800DWT	1
32,000DWT	4
40,000DWT	6
45,000DWT	4
63,200DWT	2
66,000DWT	10
80,000DWT	5
82,500DWT	16
Combination 83,300DWT	3

LNG/LPG/LEG	
15	0.46m
Vessels	Total CGT
USD1.34b	
Total Value	
Size & Specifications	Quantity
36,000 CBM LEG	3
40,000 CBM LPG	10
175,000 CBM LNG	2

Oil Tankers	
44	1.11m
Vessels	Total CGT
USD2.05b	
Total Value	
Size & Specifications	Quantity
50,000DWT MR OT	31
75,000DWT LR1 OT	8
114,000DWT LR2 OT	5

Note: Order book data as of 31 December 2023



SHIPPING SEGMENT HIGHLIGHTS



Fleet Portfolio

Well-diversified fleet enables us to offer comprehensive services to our clients



	Quantity	Average Age (Years)	Total Capacity
Bulk Carriers	24	8.00	1,776,600 DWT
Stainless Steel Chemical Tankers	3	8.50	52,200 DWT
Containerships	2	1.80	3,600 TEU
Multiple Purpose Vessels	1	10.70	12,500 DWT
Total	30	7.70	



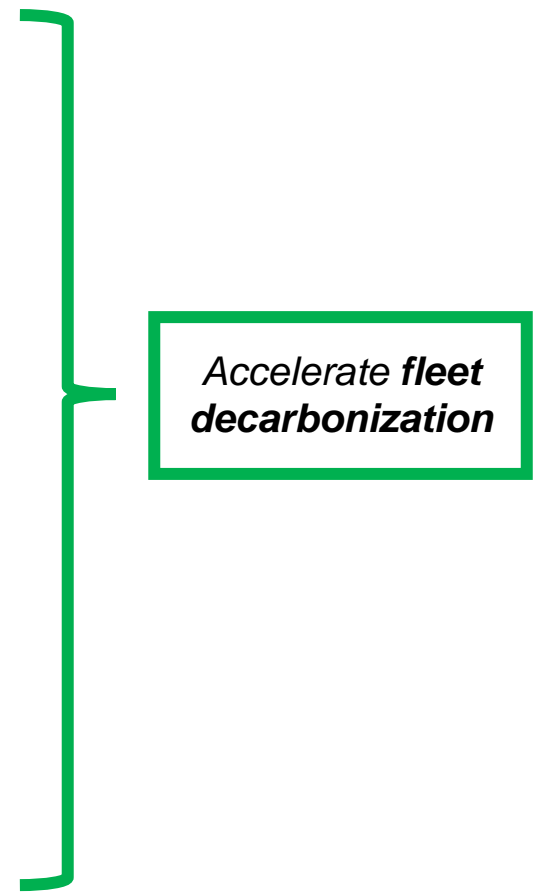
OUTLOOK & GUIDANCE



Industry Outlook

Regulatory factors will continue to boost new-build orders

<p>International Regulations</p>	<p>▶ The United Nations Climate Change Conference (“COP28”) Nov 2023</p> <ul style="list-style-type: none"> Highlighted the importance of greenhouse gas (“GHG”) emission reduction Emphasized on the phase-down of reliance on fossil fuel 												
<p>China Regulations</p>	<p>▶ Green Development in the Shipbuilding Industry Dec 2023</p> <table border="0" style="width: 100%;"> <tr> <td style="text-align: center;"><u>Carbon Peak</u></td> <td style="text-align: center;"><u>Carbon Neutrality</u></td> <td colspan="2" style="text-align: center;"><u>Guidance to Establish Green Shipbuilding Roadmap</u></td> </tr> <tr> <td style="text-align: center;"><i>By 2030</i></td> <td style="text-align: center;"><i>By 2060</i></td> <td style="text-align: center;">Initial Setup</td> <td style="text-align: center;"><i>By 2025</i></td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">Full Implementation</td> <td style="text-align: center;"><i>By 2030</i></td> </tr> </table>	<u>Carbon Peak</u>	<u>Carbon Neutrality</u>	<u>Guidance to Establish Green Shipbuilding Roadmap</u>		<i>By 2030</i>	<i>By 2060</i>	Initial Setup	<i>By 2025</i>			Full Implementation	<i>By 2030</i>
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<p>Maritime Industry Regulations</p>	<p>▶ 2023 IMO Strategy on Greenhouse Gas (“GHG”) Emission Reduction Jul 2023</p> <table border="0" style="width: 100%;"> <tr> <td style="text-align: center;"><u>Net Zero</u></td> <td colspan="3" style="text-align: center;"><u>Two Indicative Checkpoints</u></td> </tr> <tr> <td style="text-align: center;"><i>By 2050</i></td> <td style="text-align: center;">20-30% Reduction</td> <td style="text-align: center;"><i>By 2030</i></td> <td style="text-align: center;">70-80% Reduction</td> </tr> <tr> <td></td> <td></td> <td></td> <td style="text-align: center;"><i>By 2040</i></td> </tr> </table> <p>▶ Inclusion of Maritime Emissions into EU Emissions Trading System Jan 2024</p> <ul style="list-style-type: none"> Mandated ship operators to purchase and surrender emission allowances Any non-compliance could result in finances, refusal of port calls, and potential detention of the ship 	<u>Net Zero</u>	<u>Two Indicative Checkpoints</u>			<i>By 2050</i>	20-30% Reduction	<i>By 2030</i>	70-80% Reduction				<i>By 2040</i>
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			<i>By 2040</i>										



Accelerate fleet decarbonization

Source: United Nations, IMO, China Government, European Union

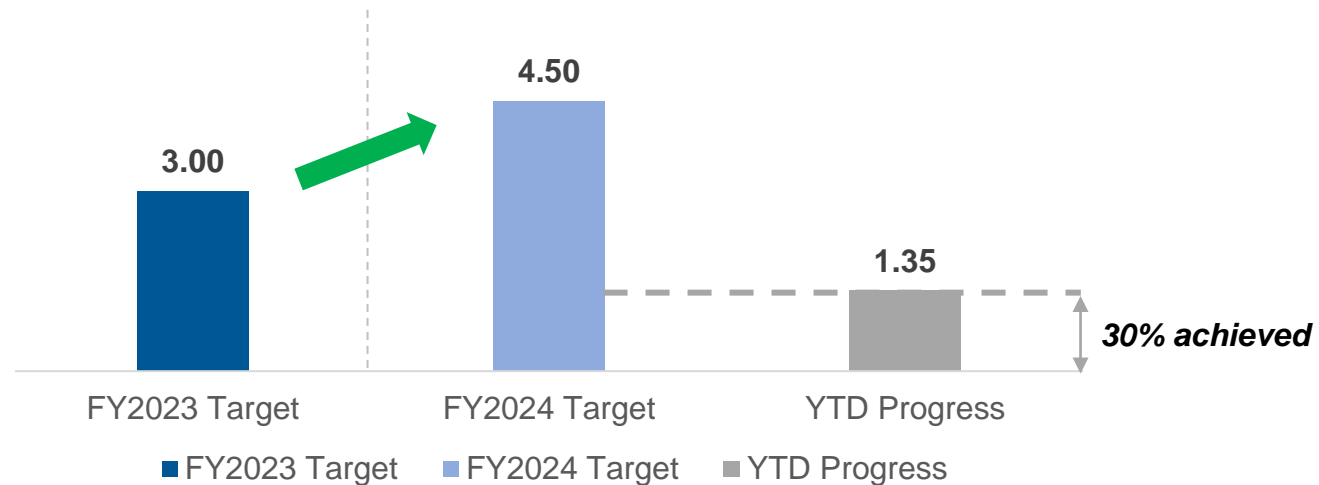
FY2024 Operational Guidance

Cautiously optimistic about the long-term green fleet renewal trend; increases order-win target to US\$4.5 billion for FY2024



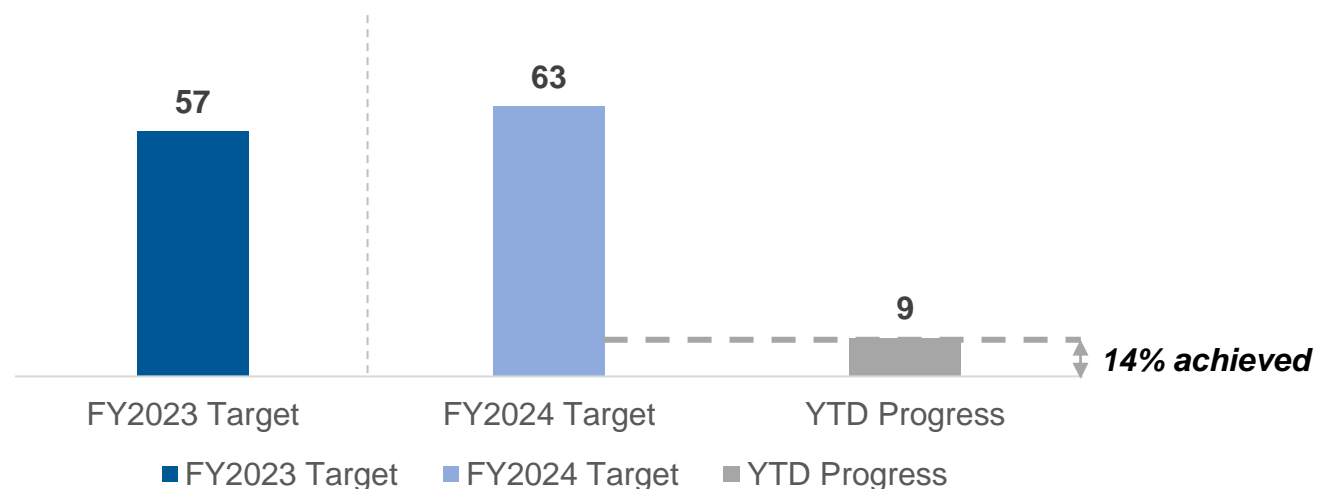
2024 Order-win Target

New orders will be primarily from alternative fueled vessels and tankers



2024 Vessel Delivery Target

2024 Vessel deliveries stem from orders placed in 2021 and 2022.





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THANK YOU!



For more information,
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