

Nasdaq: YGMZ

MingZhu Logistics Holdings Limited

Investor Presentation

January 2021



Safe Harbor & Free Writing Prospectus Statement



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This presentation includes statements that are, or may be deemed, "forward-looking statements." In some cases these forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes," "estimates," "anticipates," "expects," "plans," "intends," "may," "could," "might," "will," "should," "approximately," "potential," or in each case, their negative or other variations thereon or comparable terminology, although not all forward-looking statements contain these words. They appear in several places throughout this presentation and include statements regarding our intentions, beliefs, projections, outlook, analyses or current expectations concerning, among other things, the trucking service market in China and the prospects of our businesses as stated herein.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events, competitive dynamics, and regulatory developments and depend on the economic circumstances that may or may not occur in the future or may occur on longer or shorter timelines than anticipated. Although we believe that we have a reasonable basis for each forward-looking statement contained in this presentation, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial conditions and liquidity, and the development of the industry in which we operate may differ materially from the forward-looking statements contained in this presentation as a result of, among other factors, the factors referenced in the "Risk Factors" section of the prospectus contained in the registration statement on Form F-1 initially filed with the Securities and Exchange Commission (the "SEC") on September 27, 2019, as amended (Registration No. 333-233992) (the "Registration Statement"). In addition, even if our results of operations, financial conditions and liquidity, and the development of the industry in which we operate are consistent with the forward-looking statements contained in this presentation, they may not be predictive of results or developments in future periods. Any forward-looking statement that we make in this presentation speaks only as of the date of such statement, and we undertake no obligation to update such statements to reflect events or circumstances after the date of this presentation.

This presentation highlights basic information about us. Because it is a summary, it does not contain all of the information that you should consider before investing. You should read carefully the factors described in the "Risk Factors" section of the prospectus contained in the Registration Statement to better understand the risks and uncertainties inherent in our business and any forward-looking statements.



4A-grade trucking service provider in China

2nd largest trucking service provider in the Guangdong region in 2017

18

Years of
Operation

\$29.4M

2019 Revenue

\$1.6M

2019 Net Income

2

Regional
Terminals

132

Tractors

83

Trailers



- 1 Investment Highlight
- 2 Company Introduction
- 3 Business Overview
- 4 Industry Analysis
- 5 Financials



Equity Snapshot



Ticker Symbol	NasdaqCM: YGMZ
Stock Price (1/07/21)	\$10.82
52-Week Price Range	\$3.66 - 18.84
Market Cap.	\$121.9M
Enterprise Value ("EV")	\$125.4M
Shares Outstanding	12,354,040
Revenue (ttm)	\$28.6M
EBITDA (ttm)	\$3.76M
Net Income (ttm)	\$1.43M
EPS (ttm)	\$0.15
P/E Ratio(ttm)	72x
P/S Ratio (ttm)	4.3x
EV/ EBITDA (ttm)	48.5x
Cash and Short-term Investments (mrq)	\$0.4M
Fiscal Year Ends	December 31

1

Market Trend

Favorable trend in trucking service sector of transportation, driven by the growth of e-commerce and domestic economic growth in China, government support through official policies and planning support, and infrastructure improvement.

2

Business Model

A combination of own and sub-contractor fleets allows for scale and flexibility while maintaining service quality and profitability. Information technology system improves customer experience and operating efficiency.

3

Network & Relationships

We offer diversified logistic services from two terminals (Guangdong and Xinjiang) with service network covering 85.3% of provinces and regions in China and maintain strong long-term relationship with many of our customers.

4

Industry Barriers

The industry has high entry barriers, which require significant capital investment in fleet, broad service network and strong customer relationships to be able to compete effectively.

5

Expansion Plan

Nasdaq listing will provide additional capital and publicity, allowing for growth acceleration through fleet expansion, operational improvement, and strategic acquisitions and alliances.

Wide-open field with no dominant player (top 5 players only accounted for 0.71% of the Guangdong market in 2017), offering opportunity for us to potentially become a consolidator.



Primarily provide dedicated trucking services within the PRC


- Over 18 years of operating history
- Operate through a mix of self-owned fleet and subcontractors' fleet
- Offer both network density and broad geographic coverage to meet customers' diverse transportation needs



51.7% **Guangdong Terminal**
Revenue for 2019




48.3% **Xinjiang Terminal**
Revenue for 2019



Revenue from Guangdong province is primarily generated from highway transportation services and subcontracting business of air freight services.

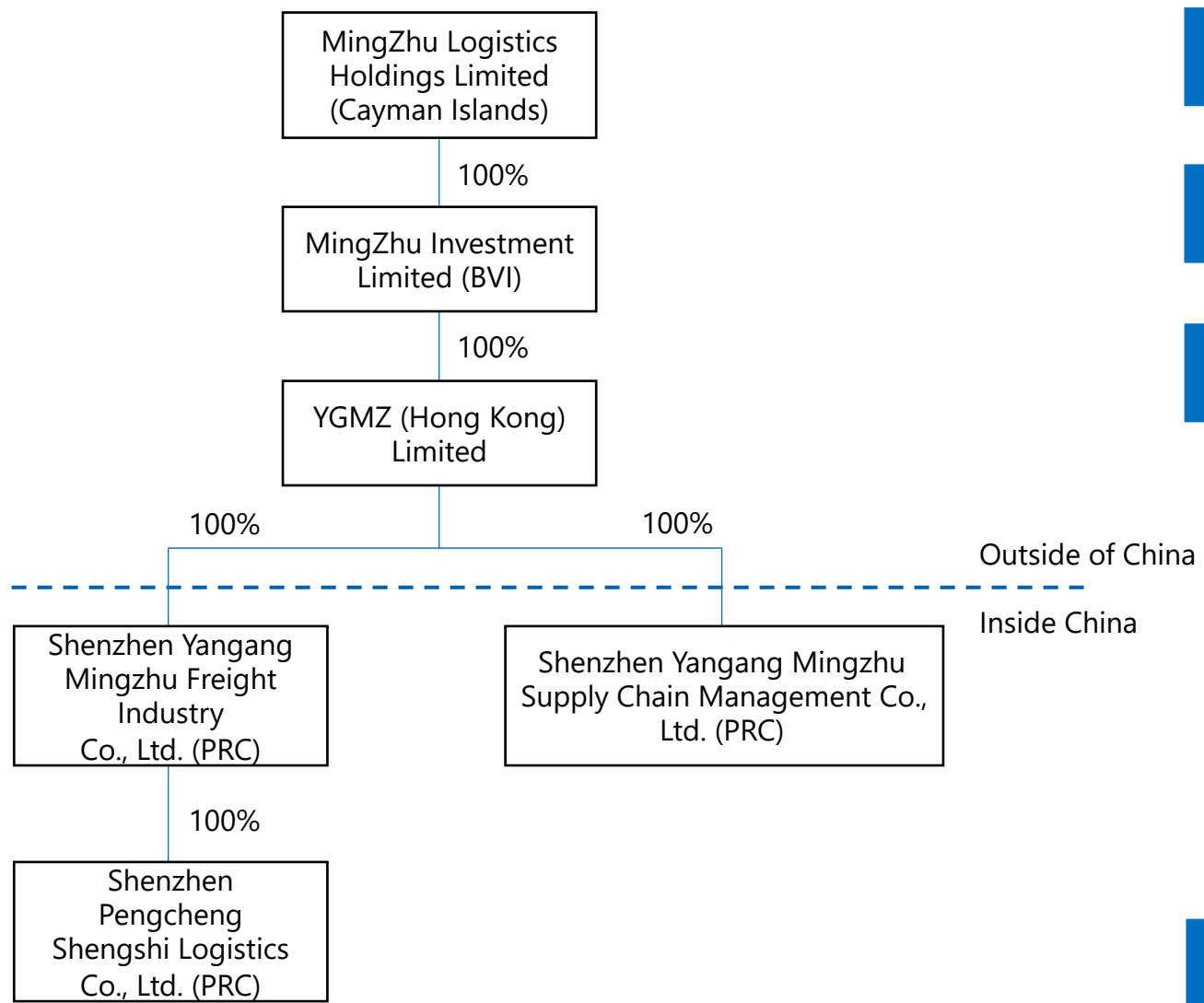
Services are mostly embarking from the Pearl River Delta Region to other provinces in the PRC.

2nd largest trucking service provider in the Guangdong in 2017.



Revenue from Xinjiang province is primarily generated from transportation services within the Xinjiang province.

Primary services are for the delivery of slack coal within Xinjiang province.



- 2002** Shenzhen Yangang MingZhu Freight Industry Co., Ltd. ("MingZhu") was established
- 2010** Shenzhen Pengcheng Shengshi Logistics Co., Ltd. was established
- 2018** MingZhu Logistics Holdings Limited was established
MingZhu Investment Limited was established
YGMZ (Hong Kong) Limited was established
- Shenzhen Yangang MingZhu Supply Chain Management Co., Ltd. was established
- 2020** IPO Launched



Jinlong Yang
Chairman & CEO

- Chairman and CEO of the Company since April 2018
- Executive Director and General Manager of MingZhu since August 2012; joined MingZhu as a sales manager in 2009
- Previously an officer at the Exit and Entry Frontier Inspection Stations in Shenzhen
- Bachelor of Law degree from the Party School of the Central Committee of the Communist Party of China



Zhuo Wang
Director

- Director of the Company since April 2018
- Marketing Manager of Springview Enterprises Private Limited since June 2018
- Managing Director of China International Securities Limited since May 2017
- Director of China International Corporate Management Limited since March 2017
- Bachelor of Science degree in Business Management from Babson College in Boston, Massachusetts



Jingwei Zhang
CFO

- CFO of the Company since April 2018 and Financial Director of MingZhu since December 2016
- Corporate Accountant of ERI Management from May 2015 to November 2016
- Accountant at St. Plum-Blossom Press Pty. Ltd. from January 2014 to May 2015
- Associate degree in Business Administration from City University of Hong Kong Bachelor of Business and Commerce degree in Accounting from Monash University in Melbourne

Mikael Charette

Independent Director

- Vice Chairman and Director of the Canadian Chamber of Commerce in Shanghai since April 2019
- Vice President of Fung & Yu CPA Ltd. since April 2019
- President of Well Asia Group since May 2006
- Partner of Harvey Law Group from February 2005 to May 2006 and January 2009 to December 2015
- Master's degree in Law from City University of Hong Kong; Juris Doctor degree from University of Victoria

Yanhong Xue

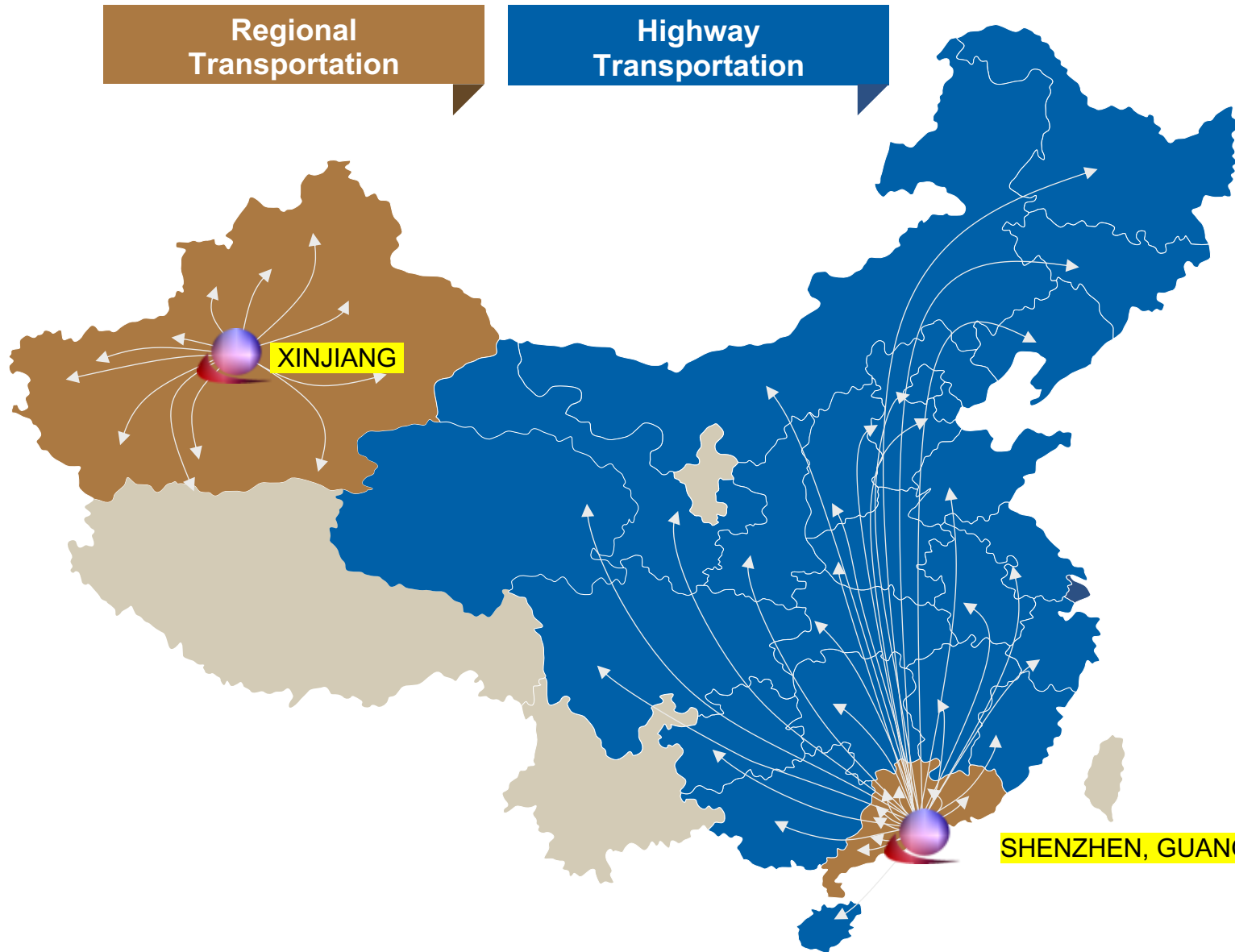
Independent Director

- CFO of iFresh Inc. (Nasdaq: IFMK) since March 2020
- Partner of Wall Street CPA Services, LLC since October 2010
- CFO of XT Energy Group, Inc. (OTCQB: XTEG) from July 2018 to March 2020
- Bachelor's degree in history from Peking University Master's degree in accounting from State University of New York at Binghamton
- Certified Public Accountant in the State of New York
- Member of American Institute of Certified Public Accountants

To Wai Suen

Independent Director

- Independent director of China Zenix Auto International Ltd. (OTC: ZXAIY)
- Independent director, CFO, and/or corporate secretary of various private and HK-listed public companies from 2013 to 2019
- Senior accountant/ audit manager of Deloitte Touche Tohmatsu CPA Ltd. and Deloitte Touche Tohmatsu Limited from 2001 to 2013
- Bachelor of Arts degree from The Chinese University of Hong Kong; Bachelor of Commerce degree from The University of Western Australia
- Member of the Hong Kong Institution of Certified Public Accountant; Certified Practicing Accountant of Australia



Our delivery network covers 29 out of the 34 provinces and autonomous regions in China, representing 85.3% of network coverage.

SHENZHEN, GUANGDONG

Tractor



Trailer



We have a sizable fleet and a network of subcontractors, which enables us to provide reliable and flexible trucking services



Self-owned fleet

- 132 tractors and 83 trailers
- Invested in 61 of Liquefied Natural Gas (LNG) transportation vehicles to reduce carbon emissions
- Install GPS systems in vehicles for real-time location tracking
- All vehicles are insured against losses and damages for both drivers and third parties



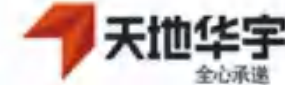
Subcontractors' fleet

- Coupled with our subcontractors to provide a fleet of 200 tractors and 200 trailers on a stable basis
- 4 subcontractors accounted for 49.9%, 18.0%, 16.6% and 13.0% of the Company's total subcontracting costs for 2019

CUSTOMERS:

Customers are mainly sizeable third-party logistics companies, freight forwarders, warehouse operators, and other supply chain service providers in the PRC.

Long-term relationships with some customers: Best Inc. (NYSE:BSTI) - 9 years; ANE Group – 9 years.



SUPPLIERS:

The supplies we need for our trucking service business mainly include tires, vehicles, fuel oil and gas.

Our major suppliers for the past two years include:



(Huizhou Branch)



Accredited by the China Federation of Logistics & Purchasing as a 4A-grade trucking services company for the period of September 2020 to September 2023.

A 4A-grade trucking services provider must meet the criteria of being able to cover routes across provinces and have (1) RMB300 million to RMB1.65 billion freight revenue per year, (2) have been operating for at least three years to five years, (3) have RMB200 million to RMB1.1 billion total assets (no higher than 70% of debt ratio), (4) own 400 to 1500 transport vehicles (or total weight of 2000 to 7500 tones), (5) have 30 to 50 operating outlets, and (6) operate an effective institution with operating systems for management, finance, statistics, and have technical departments in place.

Recognized as a Green Card Enterprise by the Shenzhen Bureau of Transportation in 2007 and 2008.





Substantial Industry Experience



- Over 18 years of operation in the transportation service industry
- Cater to the needs of all customers in a timely manner

Long-Standing Relationship



- Strong customer base across different industries
- 40 customers during 2019
- Over 9 years of business relationship with customers like Best Inc. and ANE Group

Experienced and Motivated Management Team



- Senior management team has an average of 14 years of experience in the transportation industry

Sizable Fleet



- Self-owned fleet consist of 132 tractors and 83 trailers
- Business relationships with several external transportation companies
- Ability to mobilize 200 tractors and 200 trailers on a stable daily basis

Well-Functioned Network



- 2 regional terminals: Guangdong and Xinjiang
- Comprehensive services and routes with established network of transport nodes

Fleet and Maintenance System Designated to Optimize Life Cycle Investment



- Focused on personnel safety, regulatory compliance and adoption of a comprehensive insurance



Attract/Retain Talents

- Attract, retain, and develop the best talent in the industry across all levels
- Provide training and other education to equip employees with additional skills



Expand/Upgrade Fleet

- Acquire additional tractors, trailers and trucks
- Upgrade and replace existing transportation vehicles with liquefied natural gas-powered transportation vehicles
- Minimize fleet downtime and disruption of our services



Strengthen Info. Tech. System

- Acquire a customized integrated transportation tracking system to better monitor job completion progress
- Acquire additional hardware to support the implementation of the system



Expand Customer Base

- Maintain good relationships with existing customers and suppliers
- Seek out new customers through marketing activities such as participating in trade fairs and functions



Expand In New Markets

- Target market/geographic regions with high demand but untapped by competitors
- Devote more resources to increase presence in Xinjiang and other emerging regions by strengthening sales and marketing and forming more strategic alliances

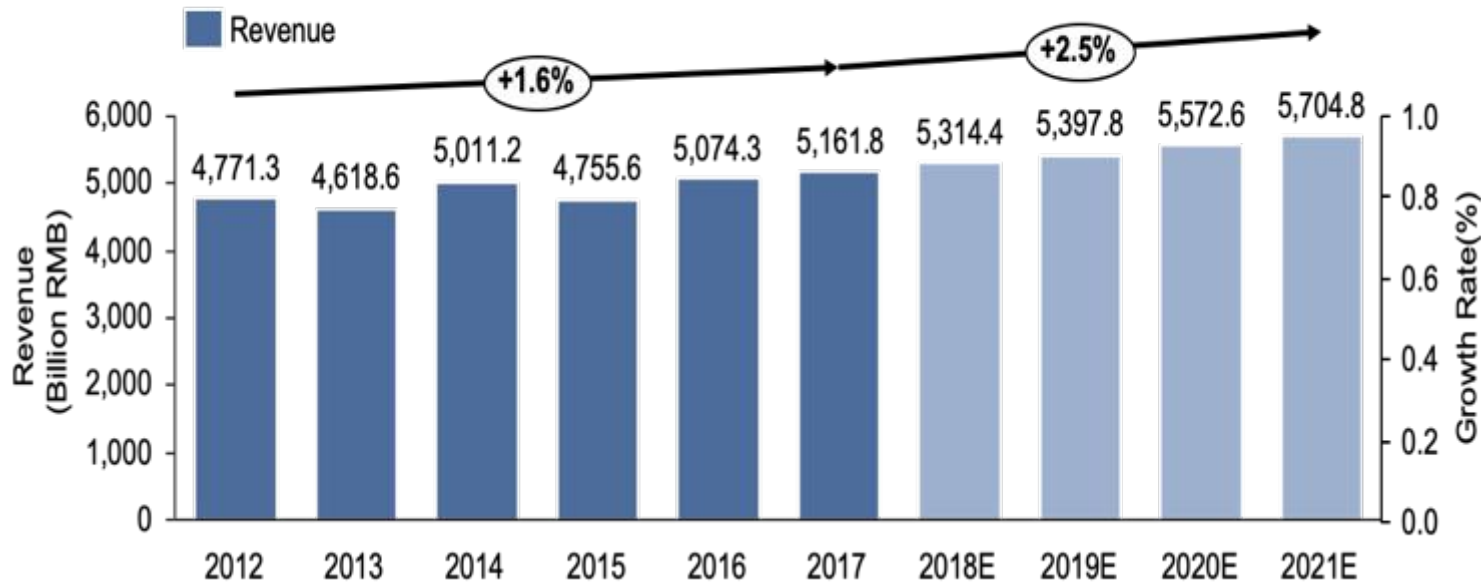


Acquire/Invest in Strategic Entities

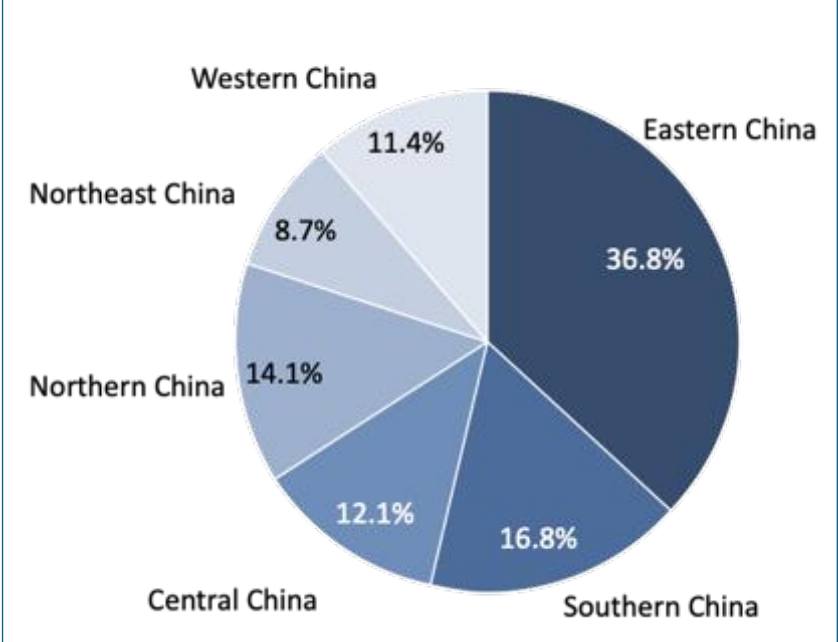
- Plan to pursue selected M&As and form strategic alliances to complement the organic growth of existing operations
- Highly fragmented market with top 5 players only accounting for 0.71% of the Guangdong market in 2017 (Frost and Sullivan Report, July 2019)

- The revenue of China's trucking service market grew at a CAGR of 1.6% from RMB4.77 trillion (approximately \$694.0 billion) in 2012 to RMB5.16 trillion (approximately \$750.8 billion) in 2017 and is projected to further grow at a CAGR of 2.5% to RMB5.70 trillion (approximately \$829.7 billion) in 2021.
- Freight turnover increased at a CAGR of 2.5% from 17,377 billion ton per kilometer in 2012 to 19,613 billion ton per kilometer in 2017, with the eastern region of China contributing to the highest percentage of freight turnover (36.8% of total).

Revenue of Trucking Service Market (China), 2012 – 2021E

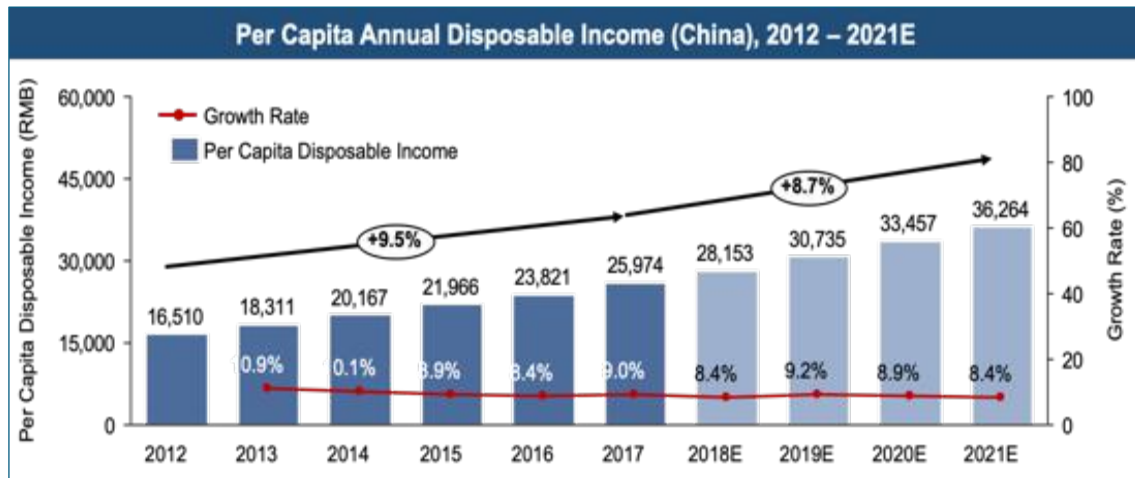
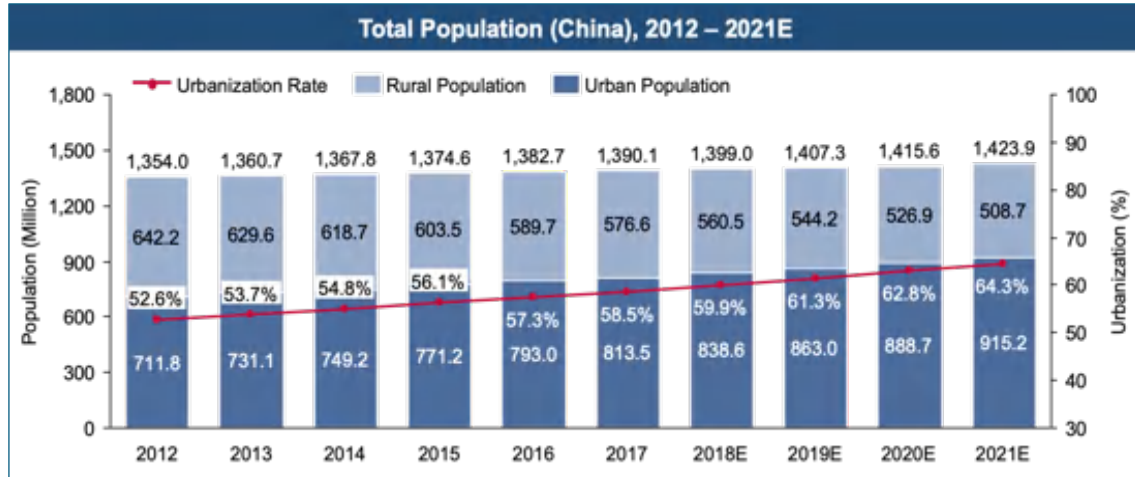


Freight Turnover (China), 2017



Source: National Bureau of Statistics; The Frost & Sullivan Report, July 2019*
 *Information not updated to reflect the effects of COVID-19 on the trucking service market in China

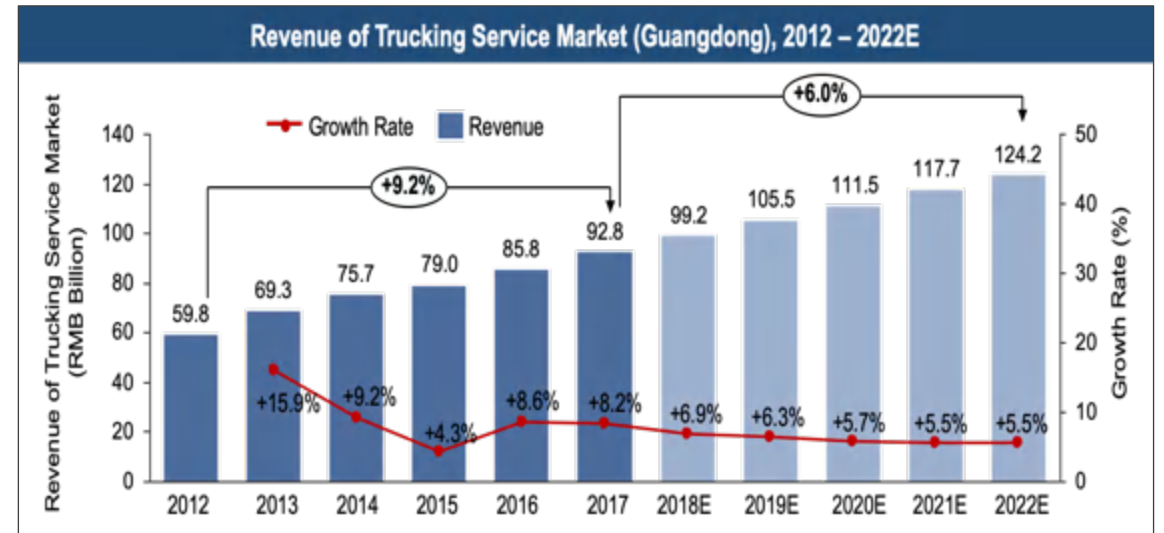
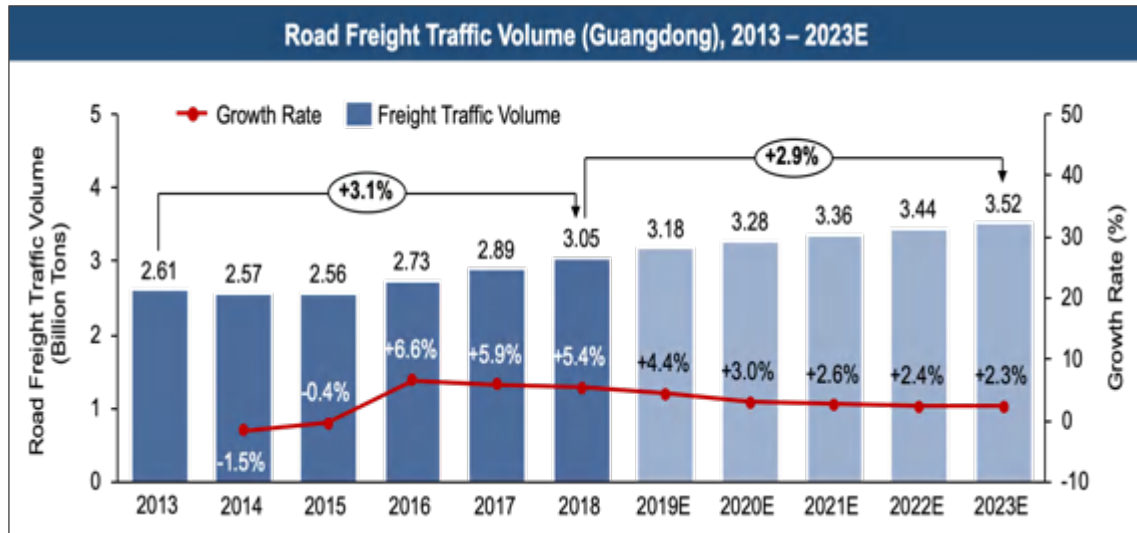
- The growth of the trucking service market is driven by population growth, economic growth, particularly the e-commerce boom, the infrastructure buildout, and government support.



Source: National Bureau of Statistics; The Frost & Sullivan Report, July 2019*

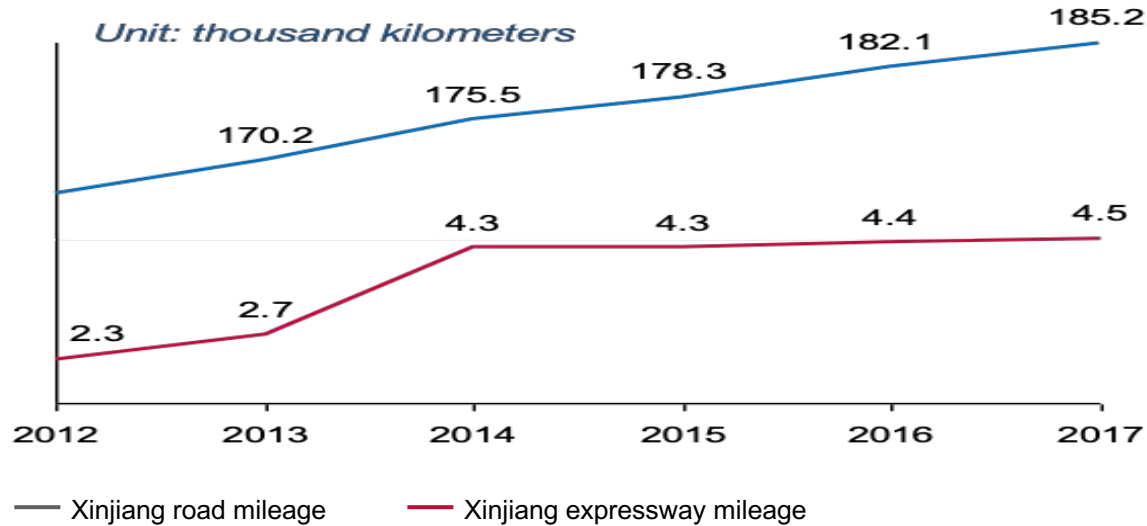
*Information not updated to reflect the effects of COVID-19 on total population, nominal GDP, per capita annual disposable income and road mileage in China

- Total road freight traffic volume in Guangdong grew at a CAGR of 3.1% from 2.61 billion tons in 2013 to 3.05 billion tons in 2018 and is projected to further grow at a CAGR of 2.9% to 3.52 billion tons in 2023.
- Revenue of the trucking service market in Guangdong reached RMB92.8 billion (approximately \$13.5 billion) in 2017 with a CAGR of 9.2% from 2012 to 2017, and is projected to further grow to RMB124.2 billion (approximately \$18.1 billion) in 2022.
- Guangdong’s advantageous location, bordering the southeast coast of China, also known as the beginning of “The Silk Roads”, gives it easy access to many ports and is ideal for domestic and foreign trade.
- Guangdong has taken efforts to improve their port and transportation network infrastructure significantly.
- The Guangdong government has issued many supportive policies to standardize and modernize the transportation industry.



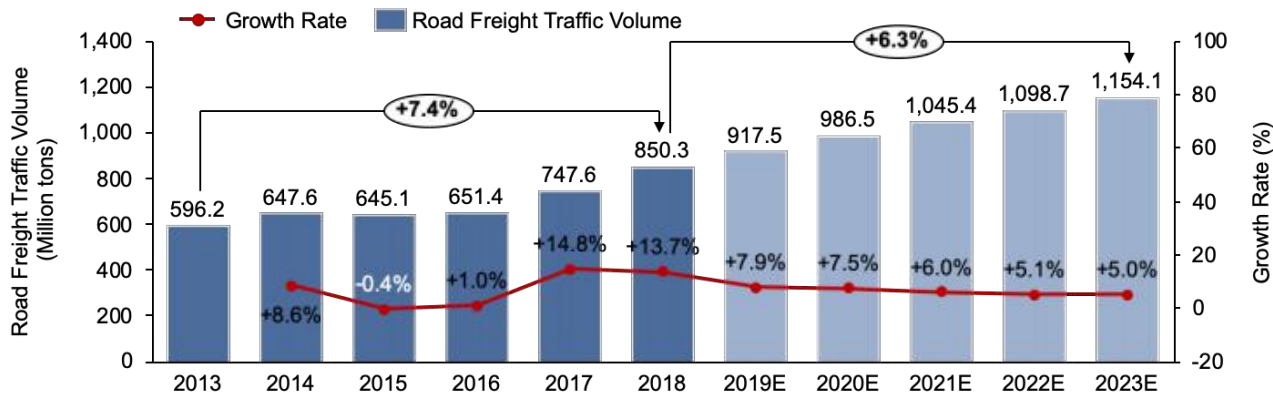
Source: National Bureau of Statistics; The Frost & Sullivan Report, July 2019*

*Information not updated to reflect the effects of COVID-19 on road freight traffic volume and revenue of trucking service market in Guangdong



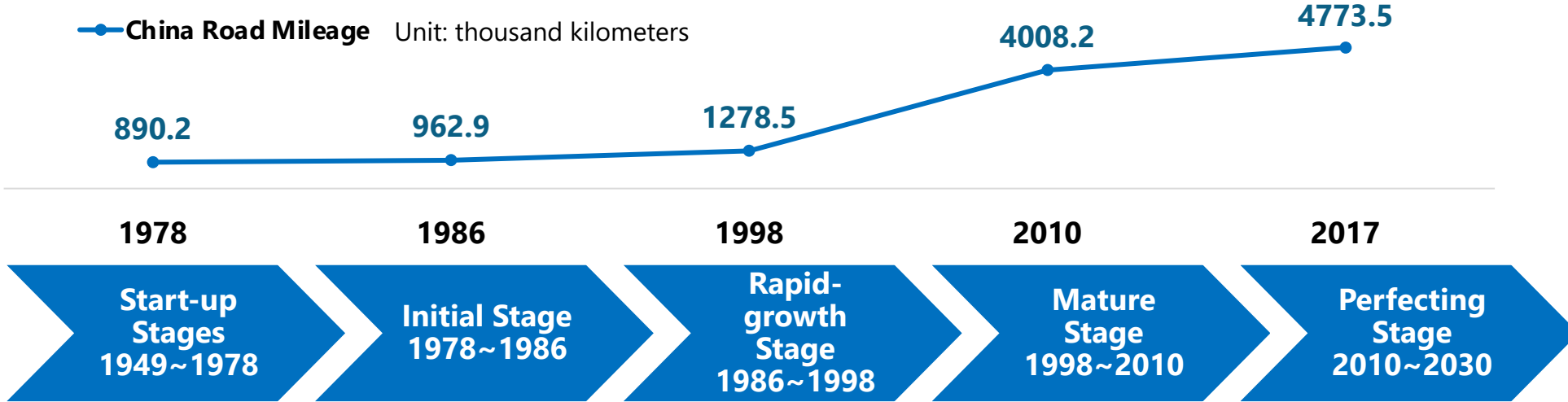
- Xinjiang houses a crucial segment of the Silk Road leading to Euroasia and is expected to benefit from the “One Belt, One Road” initiative.
- Xinjiang’s GDP grew from approximately RMB0.75 trillion (approximately \$0.11 trillion) in 2012 to RMB0.96 trillion (approximately \$0.14 trillion) in 2016 and is expected to further rise to RMB 1.42 trillion (approximately \$0.20 trillion) in 2021.
- Xinjiang’s road mileage increased from 165.9 thousand kilometers in 2012 to 185.2 thousand kilometers in 2017.
- The volume of road freight in Xinjiang grew at a CAGR of 7.4% from 596.2 million tons in 2013 to 850.3 million tons in 2018 and is projected to further increase to 1,154.1 million tons in 2023.
- Market growth is primarily driven by continuous road upgrading and economic development in the area.

Road Freight Traffic Volume (Xinjiang), 2013 – 2023E



Source: National Bureau of Statistics; The Frost & Sullivan Report, July 2019*
 *Information not updated to reflect the effects of COVID-19 on road mileage and road freight traffic volume in Xinjiang

—●— China Road Mileage Unit: thousand kilometers



- Reconstructed the original road and built mass of new roads
- The road level was relatively low but was able to suited with the economic development

- With the recovery of national economy, the demand for trucking service increased largely
- The low-level roads could not meet the rapid economic development

- Government specified that transportation industry was the bottleneck industry of China's economy
- The overall transportation industry experienced structural adjustment.

- China's economic transformation promoted the requirement of transportation efficiency
- China road mileage largely increased especially the expressway

- China's trucking service market enters the perfecting stage
- The growth rate of road mileage and market size of the industry is slowing down

Future Trends

- Development of comprehensive transportation network
- Environmental-friendly transportation vehicles
- Increasing industry concentration with increasing operational standardization

Ranking of Top 5 Trucking Service Providers (Guangdong), 2017

Rank	Company Name	Revenue (RMB Millions)	Market Share(%)
1	Company A	149.6	0.16%
2	Mingzhu	144.0	0.16%
3	Company B	131.0	0.14%
4	Company C	129.0	0.14%
5	Company D	105.2	0.11%
Total Revenue of Top 5 Players		658.8	0.71%
Other Players		92,153.6	99.29%
Total		92,812.4	100%

- Highly competitive and fragmented with thousands of small players, none of which dominates the market.
- Ranked 2nd largest trucking service provider in the Guangdong region*.
- Top 5 players only accounted for 0.71% of the transportation service market in the Guangdong region in 2017*.
- Service and price are the principal factors considered by customers in the trucking service industry.
- Increasing entry barriers include: 1) having an established transportation network with multiple transport lines that can support the transport needs of customers, heavy initial, 2) subsequent capital investments for acquiring manpower, equipment, and for business expansion, and long-term customer relationships, and 3) customers' preference for working with businesses with an existing track record and a strong reputation.

Total Revenue of Trucking Service Market in Guangdong in 2017: RMB92.8 billion (approximately \$13.5 billion)

* Source: The Frost and Sullivan Report, July 2019

We are closely monitoring the development of the COVID-19 pandemic and will continually assess its potential impact to our business

The outbreak of COVID-19 since the beginning of 2020 has adversely impacted the global economy. With daily life in China gradually returning to normal since April, our business related to logistics industry has gone back to normal as well. However some new cases found in Xinjiang region caused heavy lockdown starting from June. Our revenue generated from Xinjiang was substantially reduced during June 2020.

Decrease in Customer Demand

- The demand for transportation has largely diminished.
- No customer contract has been terminated due to COVID-19 pandemic.
- The trucks provided by our subcontractors are still able to satisfy the needs required.

Extended Collection Time

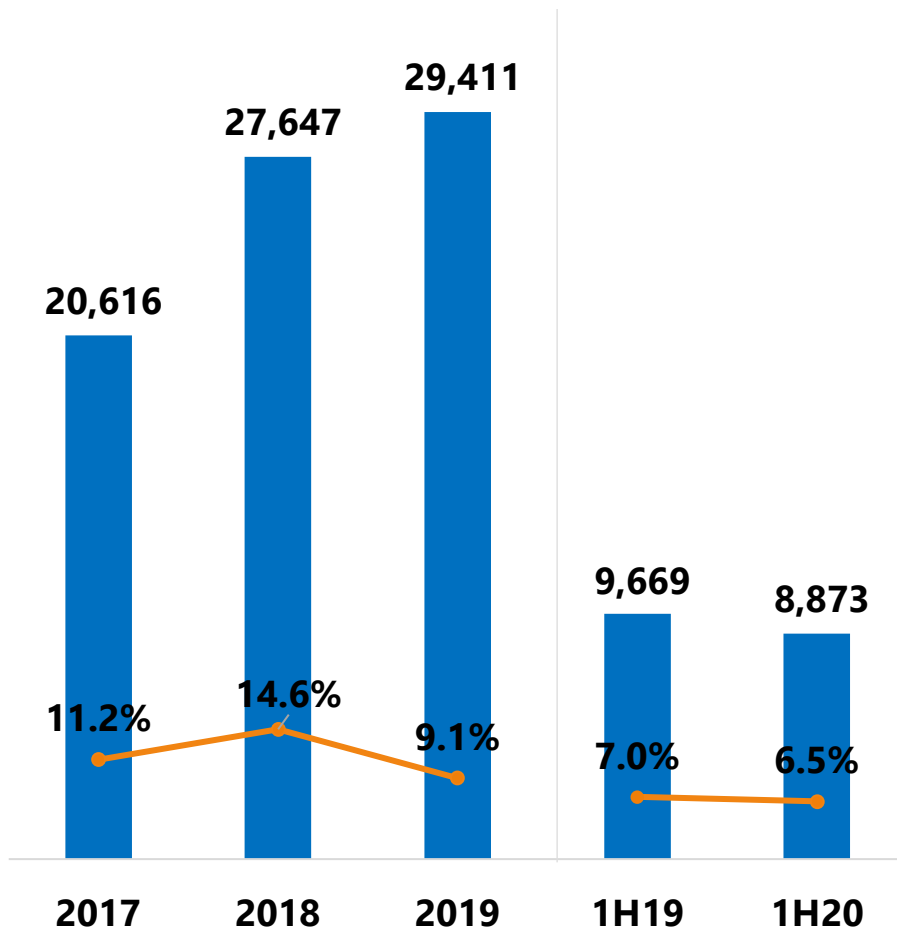
- Our customers may require additional time to pay us.
- The provision for doubtful accounts was increased by 185.2% for 1H20.

Shortage of Drivers

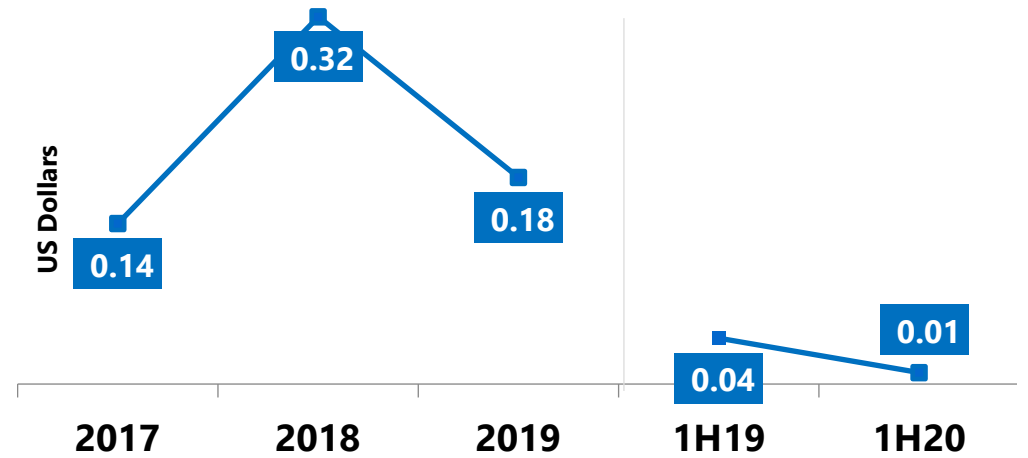
- Some of our drivers in Xinjiang region have not been able to get back on road for work.
- Our subcontractors were more than capable to provide services to our customers.



Revenue (\$'000) and Operating Margin (%)



EPS (\$)



- Revenue decreased by 8.2% to \$8.9 million for 1H20 and the decrease was primarily attributed to the decrease of customer demands from Xinjiang province during the period
- Operating margin decreased by 0.5 % to 6.5% for 1H20, and the decrease was primarily due to the increased operation expense
- EPS was \$0.01 for 1H20 as compared to \$0.04 for 1H19

Income Statement (\$'000, except per share data)	2018	2019	1H19	1H20
Revenues	27,647	29,411	9,669	8,873
Transportation costs	22,399	25,358	8,350	7,679
General and administrative expenses	1,147	1,299	698	831
Sales and marketing expenses	66	78	32	41
Total costs and expenses	23,612	26,735	9,080	8,561
Income from operations	4,035	2,676	589	312
Interest expenses	(355)	(371)	(166)	(211)
Other expenses	(8)	(13)	(8)	-
Other income	189	172	90	110
Total other expenses, net	(174)	(212)	(84)	(101)
Income before income taxes	3,861	2,464	505	211
Provision for income taxes	1,006	821	188	104
Net income	2,855	1,643	317	107
Foreign currency translation adjustment	(420)	(121)	(91)	(62)
Comprehensive income	2,435	1,522	226	44
Weighted average number of shares	9,000	9,000	9,000	9,000
EPS - basic and diluted	0.32	0.18	0.04	0.01

Balance Sheet (US\$ thousands)	2018	2019	1H20
Cash	648	224	353
Restricted cash	160	0	
Accounts receivable, net	7,393	10,884	6,177
Operating supplies	4	0	
Prepayments	1,868	1,934	2,427
Other receivables	443	430	3,839
Amount due from related parties	52	1,954	1,768
Total Current Assets	10,568	15,426	14,564
Property and equipment, net	4,989	4,595	3,854
Deferred tax assets	22	20	96
Deposits	305	345	295
Total Assets	15,884	20,386	18,808
Short-term bank borrowings	1,214	2,607	2,205
Accounts payable	845	1,566	1,468
Other payables and accrued liabilities	956	626	270
Amount due to related parties	193	740	746
Tax payable	1,398	2,206	2,390
Current maturities of long-term bank borrowings	175	1,120	1,019
Current portion of capital lease and financing obligations	737	711	64
Current maturities of loans from other financial institutions	-	265	340
Total Current Liabilities	5,518	9,841	8,503
Long-term bank borrowings	1,134	0	
Long-term loans from other financial institutions	-	356	230
Long-term portion of capital lease and financing obligations	727	162	4
Total other liabilities	1,861	518	234
Total Liabilities	7,379	10,359	8,737
Ordinary shares	9	9	9
Share subscription receivables	(847)	(847)	(847)
Additional paid-in capital	4,116	4,116	4,116
Statutory reserves	538	760	820
Retained earnings	4,821	6,241	6,288
Accumulated other comprehensive (loss) income	(132)	(252)	(315)
Total Shareholders' Equity	8,505	10,027	10,071
Total Liabilities and Shareholders' Equity	15,884	20,386	18,808

Statement of Cash Flows (US\$ thousands)	2018	2019
Net income	2,855	1,643
Loss on disposal of equipment	7	(26)
Provision of doubtful accounts	64	34
Amortization of deferred financing fees	218	176
Depreciation for property and equipment	1,375	1,366
Deferred income tax expenses(benefit)	3	2
Changes in operation assets and liabilities		
Accounts receivable	(72)	(3,645)
Operating supplies	167	4
Prepayments	(536)	292
Other receivables	247	(35)
Deposits	87	34
Accounts payable	(803)	742
Other payables and accrued liabilities	(377)	(314)
Tax payables	564	844
Net cash provided by (used in) operating activities	3,799	1,117
Purchase of equipment	(109)	(917)
Proceeds from disposal of equipment	92	-
Net cash provided by (used in) investing activities	(17)	(917)
Proceeds from short-term bank borrowings	1,816	3,329
Repayment of short-term bank borrowings	(3,581)	(1,910)
Proceeds from long-term bank borrowings	1,362	-
Repayment of long-term bank borrowings	(757)	(174)
Proceeds from other financial institutions	-	642
Repayments of loans from other financial institutions	-	(95)
Repayment of obligations under capital leases	(1,179)	(1,078)
Amounts advanced from related parties	7,305	9,263
Repayments to related parties	(8,548)	(10,766)
Capital contribution	3,917	-
Capital distribution	(3,630)	-
Net cash provided by (used in) financing activities	(3,295)	(789)
Effect of exchange rate change on cash	(32)	5
Net change in cash and restricted cash	455	(584)
Cash and restricted cash - BoP	353	808
Cash and restricted cash - EoP	808	224



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