



JINHUI SHIPPING AND TRANSPORTATION LIMITED

Q1 2017 Results Presentation
22 May 2017

Disclaimer

This presentation may contain forward looking statements. These statements are based upon various assumptions, many of which are based, in turn, upon further assumptions, including the Company's management's examination of historical operating trends. Although the Company believes that these assumptions were reasonable when made, because assumptions are inherently subject to significant uncertainties which are difficult or impossible to predict and are beyond its control, the Company cannot give assurance that it will achieve or accomplish these expectations, beliefs or targets.

Key risk factors that could cause actual results to differ materially from those discussed in this presentation will include but not limited to the way world economies, currencies and interest rate environment may evolve going forward, general market conditions including fluctuations in charter rates and vessel values, counterparty risk, changes in demand in the dry bulk market, changes in operating expenses including bunker prices, crewing costs, drydocking and insurance costs, availability of financing and refinancing, inability to obtain restructuring or rescheduling of indebtedness from lenders in liquidity trough, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents, piracy or political events, and other important factors described from time to time in the reports filed by the Company.

Highlights

Q1 2017 Financial Highlights

- Revenue for the quarter : US\$15 million
- Net loss for the quarter : US\$8 million, included non-cash impairment loss on assets held for sale (disposed vessels) of US\$6 million
- Basic loss per share: US\$0.095
- Gearing ratio: 62%

Q1 2017 Fleet Highlights

- Contract to dispose 4 Supramaxes in Q1 2017 with total consideration of US\$48m; two of the vessels had been delivered in Apr 2017; the remaining two will be delivered to the purchasers in Q2 2017;
- Contract to dispose a Handysize in early of Apr 2017 at US\$15m; with expected delivery in Q2 2017

Financial Highlights

For the quarter ended 31 March 2017

US\$'000	Q1 2017 (Unaudited)	Q1 2016 (Unaudited)	QoQ	2016 (Audited)
Revenue	15,301	9,959	54%	59,955
Impairment loss on owned vessels	-	-	-	(113,010)
Impairment loss on assets held for sale	(6,301)	-	-	(45,462)
Operating loss **	(6,681)	(17,260)	61%	(183,976)
Net loss for the quarter / year	(7,971)	(18,477)	57%	(189,091)
Basic loss per share	US\$(0.095)	US\$(0.220)	57%	US\$(2.250)

** Operating loss included impairment loss on assets held for sale recognized upon reclassification to assets held for sale of vessels for which the Group entered into disposal agreements during the period/year.

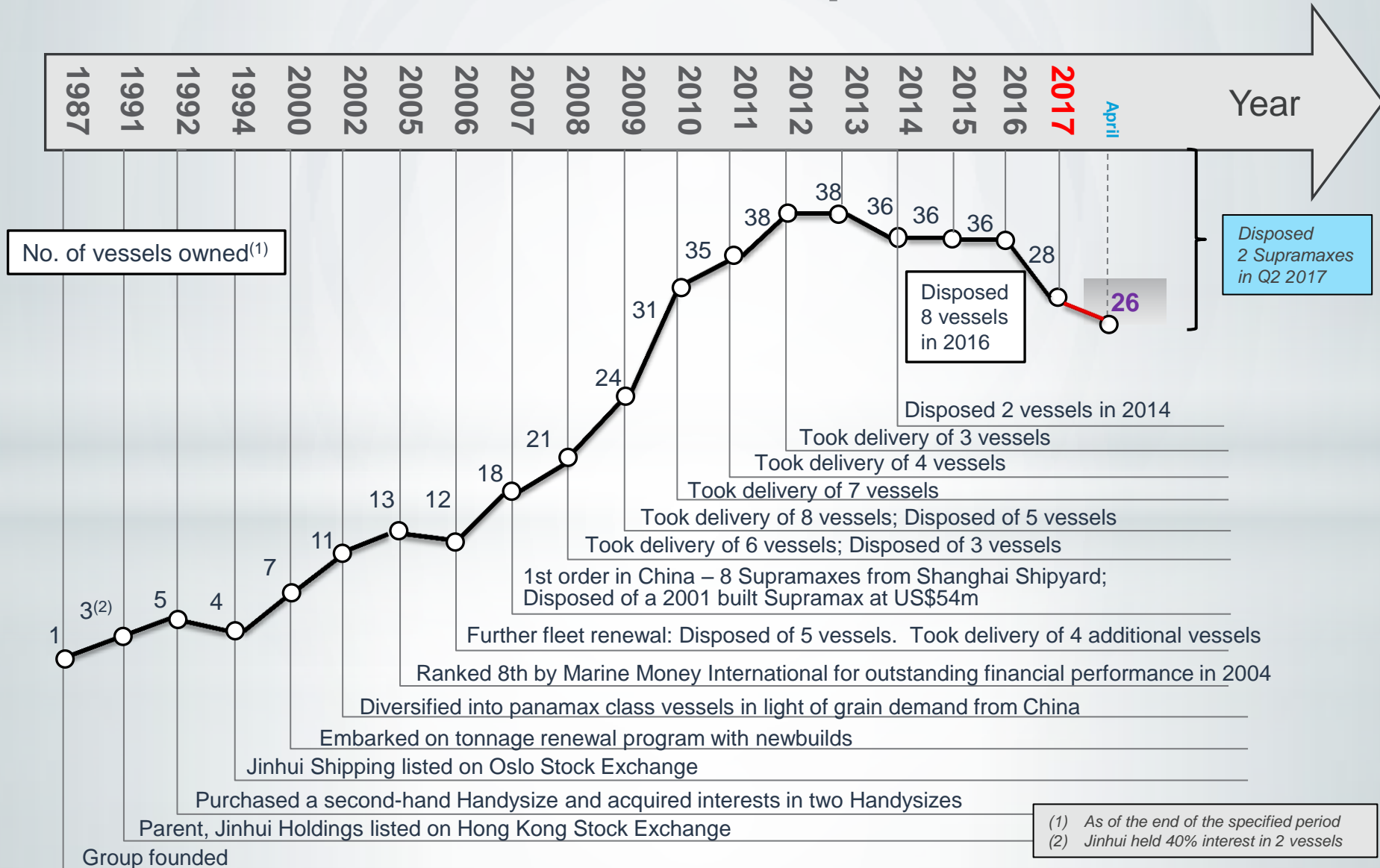
Key Financial Ratios

As at 31 March 2017

	Q1 2017 (Unaudited)	Q1 2016 (Unaudited)	2016 (Audited)
Total assets (US\$'000)	446,081	723,740	460,260
Total debt borrowings (US\$'000)	206,387	302,717	212,554
Return on equity ¹	-3.62%	-4.57%	-59.30%
Return on total assets ²	-1.76%	-2.49%	-31.01%
Current ratio ³	1.85 : 1	1.1 : 1	1.95 : 1
Net gearing ⁴	62%	52%	61%
Available liquidity (US\$'000) ⁵	71,864	97,839	74,722

1. ROE is calculated based on net profit (loss) divided by average equity
2. ROA is calculated based on net profit (loss) divided by average of total assets
3. Current ratio is calculated based on current assets divided by current liabilities
4. Net gearing is calculated on the basis of net debts (total interest-bearing debts net of equity and debt securities, bank balances and cash) over total equity
5. Available liquidity included bank and cash balances, equity and debt securities as of reporting date

Our Fleet Development



Young and Modern Fleet

<u>Owned Fleet</u>	<u>Type</u>	<u>Size (dwt)</u>	<u>Year built</u>	<u>Shipyard</u>
1 Jin Lang	Post-Panamax	93,279	2010	Jiangsu New Yangzi
2 Jin Mei	Post-Panamax	93,204	2010	Jiangsu New Yangzi
3 Jin Xiang	Supramax	61,414	2012	Oshima
4 Jin Hong	Supramax	61,414	2011	Oshima
5 Jin Yue	Supramax	56,934	2010	Shanghai Shipyard
6 Jin Ao	Supramax	56,920	2010	Shanghai Shipyard
7 Jin Heng ¹	Supramax	55,091	2010	Nantong Kawasaki
8 Jin Gang	Supramax	56,927	2009	Shanghai Shipyard
9 Jin Ji	Supramax	56,913	2009	Shanghai Shipyard
10 Jin Wan	Supramax	56,897	2009	Shanghai Shipyard
11 Jin Jun	Supramax	56,887	2009	Shanghai Shipyard
12 Jin Mao ¹	Supramax	54,768	2009	Oshima
13 Jin Sui	Supramax	56,968	2008	Shanghai Shipyard
14 Jin Tong	Supramax	56,952	2008	Shanghai Shipyard
15 Jin Yuan	Supramax	55,496	2007	Oshima
16 Jin Yi	Supramax	55,496	2007	Oshima
17 Jin Xing	Supramax	55,496	2007	Oshima
18 Jin Sheng	Supramax	52,050	2006	IHI
19 Jin Yao	Supramax	52,050	2004	IHI
20 Jin Cheng	Supramax	52,961	2003	Oshima
21 Jin Quan	Supramax	51,104	2002	Oshima
22 Jin Ping	Supramax	50,777	2002	Oshima
23 Jin Fu	Supramax	50,777	2001	Oshima
24 Jin Li	Supramax	50,777	2001	Oshima
25 Jin Zhou	Supramax	50,209	2001	Mitsui
26 Jin Yu ¹	Handysize	38,462	2012	Naikai Zosen

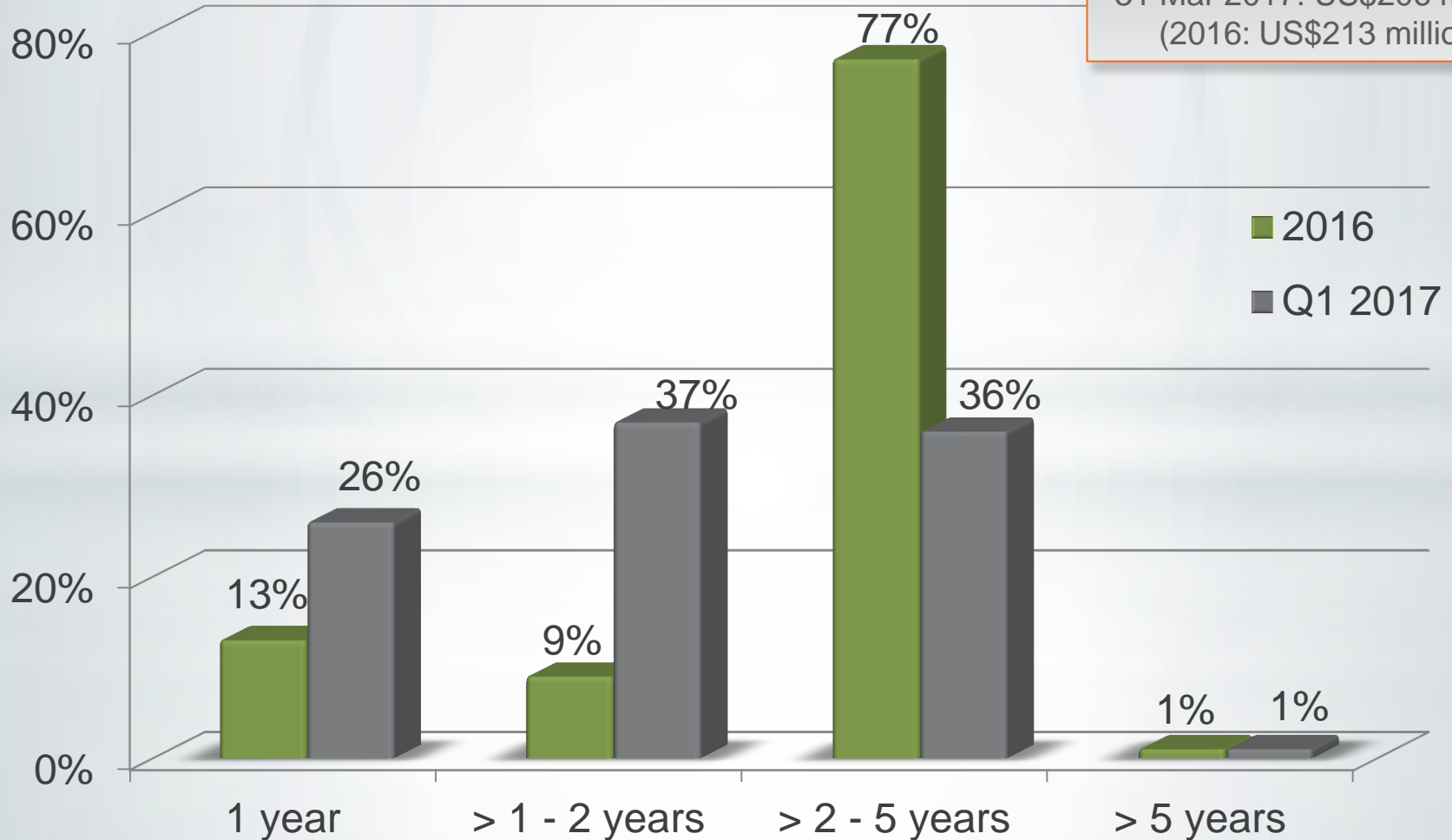
As of 21 May 2017,
Total capacity : 1,490,223 dwt
Average age: 9.81 years

¹ As of 21 May 2017 , 3 vessels were contracted to dispose at total consideration of US\$39.7m in order to enhance the liquidity position and reduce the indebtedness of the Group.

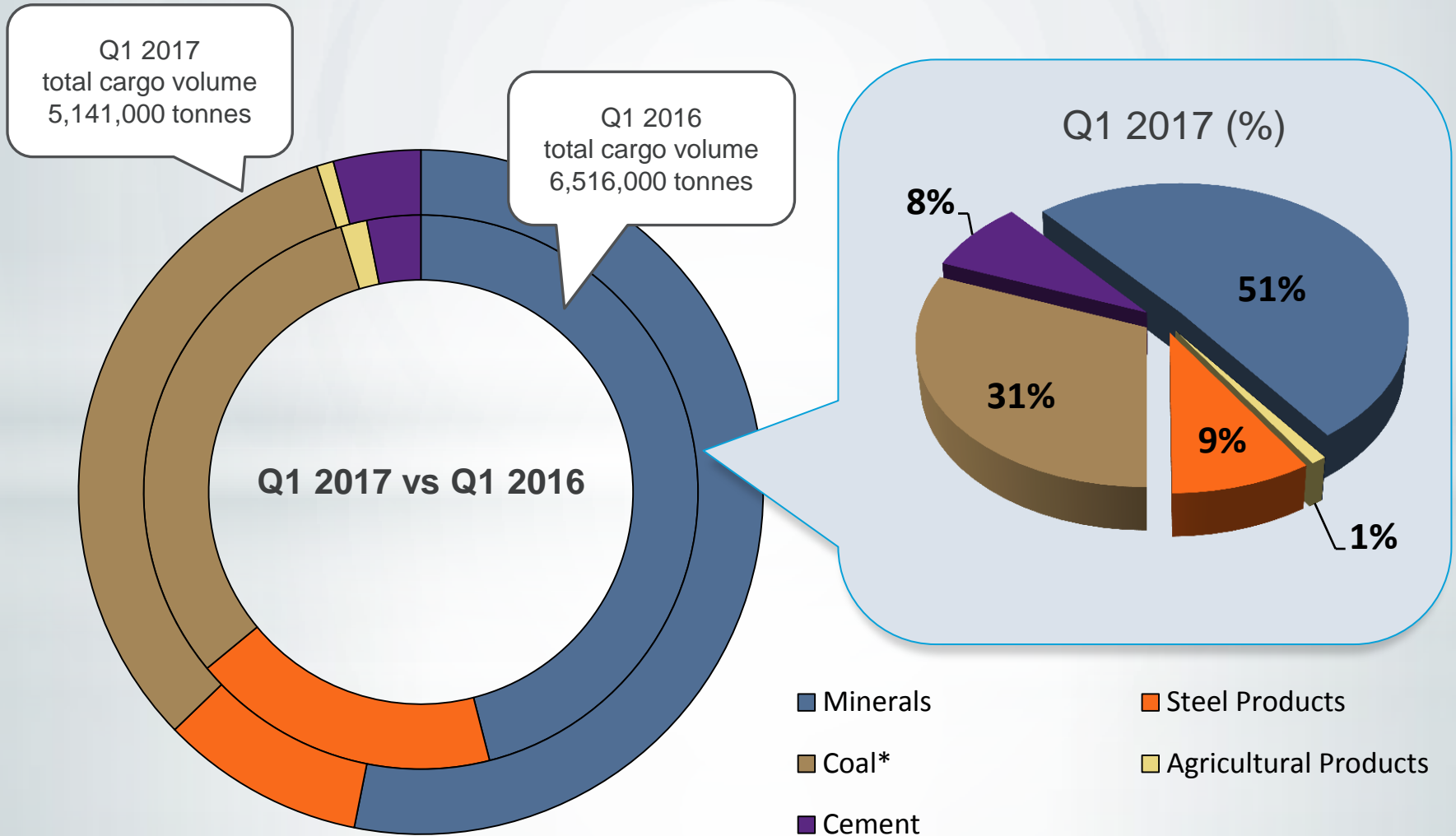
Debt Maturity Profile

(Based on information up to 31 March 2017)

Total debt as of
31 Mar 2017: US\$206 million
(2016: US\$213 million)



Cargo Volume Analysis Q1 2017



* Including steaming coal and coking coal

Loading Port Analysis Q1 2017

Chartering revenue expressed by loading ports

Q1 2017 vs Q1 2016

US\$ (M)

15.0

10.0

5.0

0.0

Asia
excluding
China

Australia

Africa

China

Europe

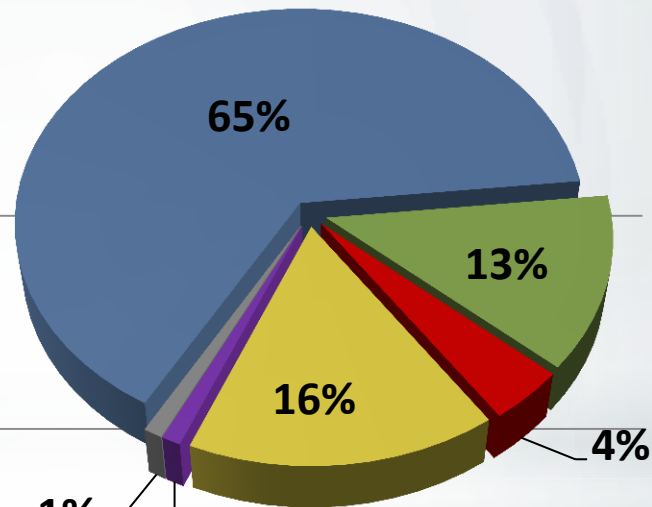
North
America

South
America

Others

◆ Q1 2016

■ Q1 2017



■ Asia excluding China

■ Australia

■ Africa

■ China

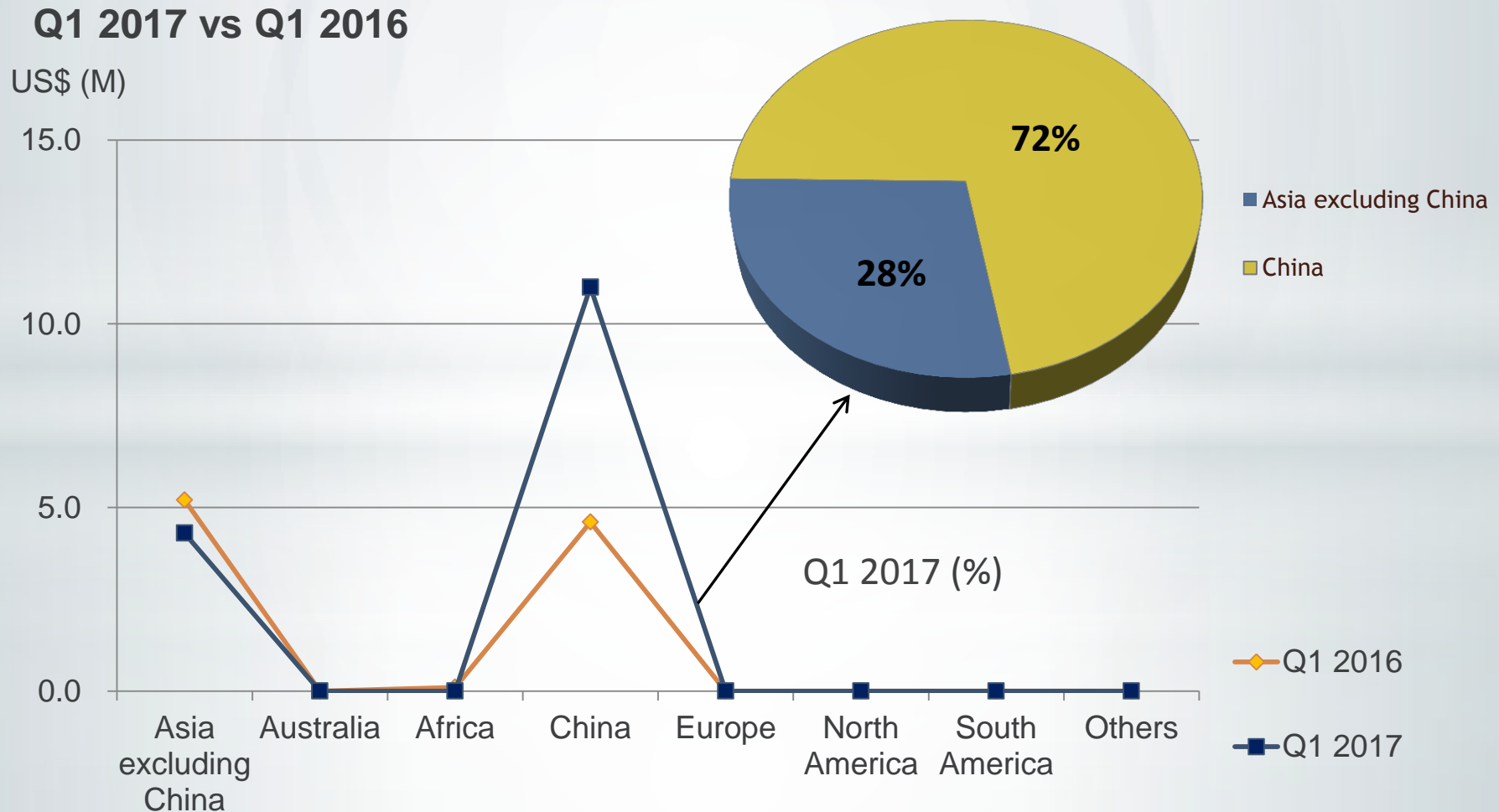
■ Europe

■ South America

Q1 2017 (%)

Discharging Port Analysis Q1 2017

Chartering revenue expressed by discharging ports



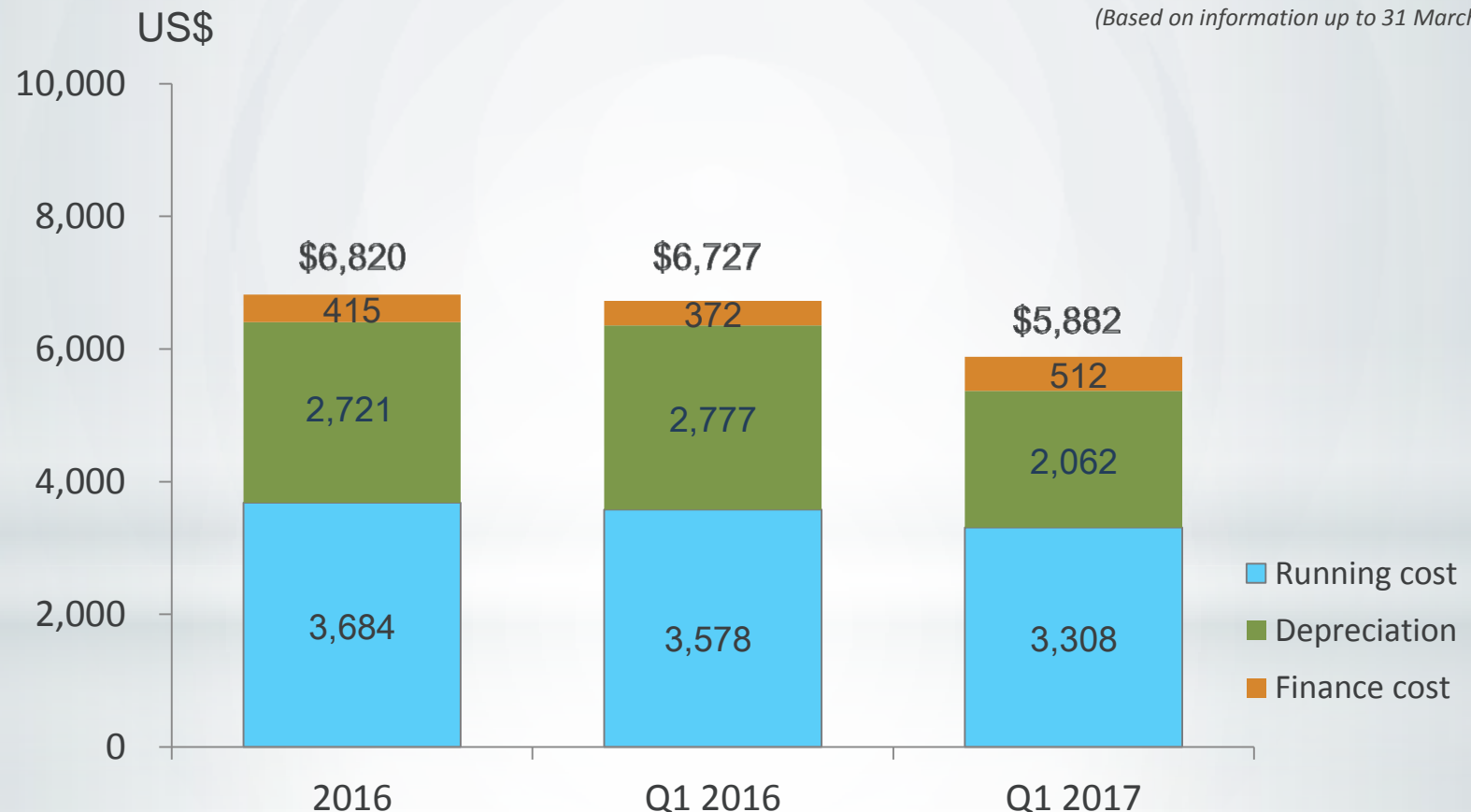
TCE of Jinhui Shipping's Fleet

(Based on information up to 31 March 2017)

Average daily time charter equivalent rate (TCE)	2017 Q1	2016 Q1	2016
	US\$	US\$	US\$
Post-Panamax / Panamax	6,538	1,995	4,475
Supramax / Handymax / Handysize Fleet	5,877	3,053	4,922
In average	5,925	2,934	4,871

Daily Vessel Costs of Owned Vessels

(Based on information up to 31 March 2017)



Daily running costs is calculated as the aggregate of crew expenses, insurance, consumable stores, spare parts, repairs and maintenance and other vessels' mis. expenses divided by ownership days during the period.

Daily running costs dropped from US\$3,578 for Q1 2016 to US\$3,308 for Q1 2017. The decrease was attributable to the Group's continuing effort in reduction of running costs in order to remain competitive in the current tough market environment.