



JINHUI SHIPPING AND TRANSPORTATION LIMITED

Q2 2017 Results Presentation
30 August 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

Q2 2017 Financial Highlights

- Revenue for the quarter : US\$19 million
- Net loss for the quarter : US\$0.8 million
- Basic loss per share: US\$0.009
- Gearing ratio: 33%

Q2 2017 Fleet Highlights

- Four Supramaxes and one Handysize which were contracted to dispose in Q1 2017 and early of Apr 2017 at a total consideration of US\$63 million had been delivered to the respective buyers in Q2 2017;
- By using the net proceeds from disposals, the Group's indebtedness had been reduced by US\$52.3 million in Q2 2017.

Recent corporate action

- JST announced on 3 July 2017, the Rights Issue to raise up to NOK202 million in gross proceeds through the issuance of up to 25,213,602 new shares at a subscription price of NOK8 per share;
- The Rights Issue was 3.69% oversubscribed, raising gross proceeds of NOK201,708,816. The gross proceeds from the Rights Issue will be used to further reduce the overall indebtedness, putting the Company on an even sounder and stronger financing footing to operate in an expected slowly recovering market going forward.

Financial Highlights

For the quarter and six months ended 30 June 2017

US\$'000	Q2 2017 (Unaudited)	Q1 2016 (Unaudited)	QoQ	1H 2017 (Unaudited)	1H 2016 (Unaudited)	YoY
Revenue	18,995	15,064	26%	34,296	25,023	37%
Impairment loss on assets held for sale	-	(12,552)	100%	(6,301)	(12,552)	50%
Operating profit (loss) **	956	(19,450)	105%	(5,725)	(36,710)	84%
Net loss for the quarter / period	(784)	(20,667)	96%	(8,755)	(39,144)	78%
Basic loss per share	US\$(0.009)	US\$(0.246)	96%	US\$(0.104)	US\$(0.466)	78%

** Operating profit (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 quarter/period.

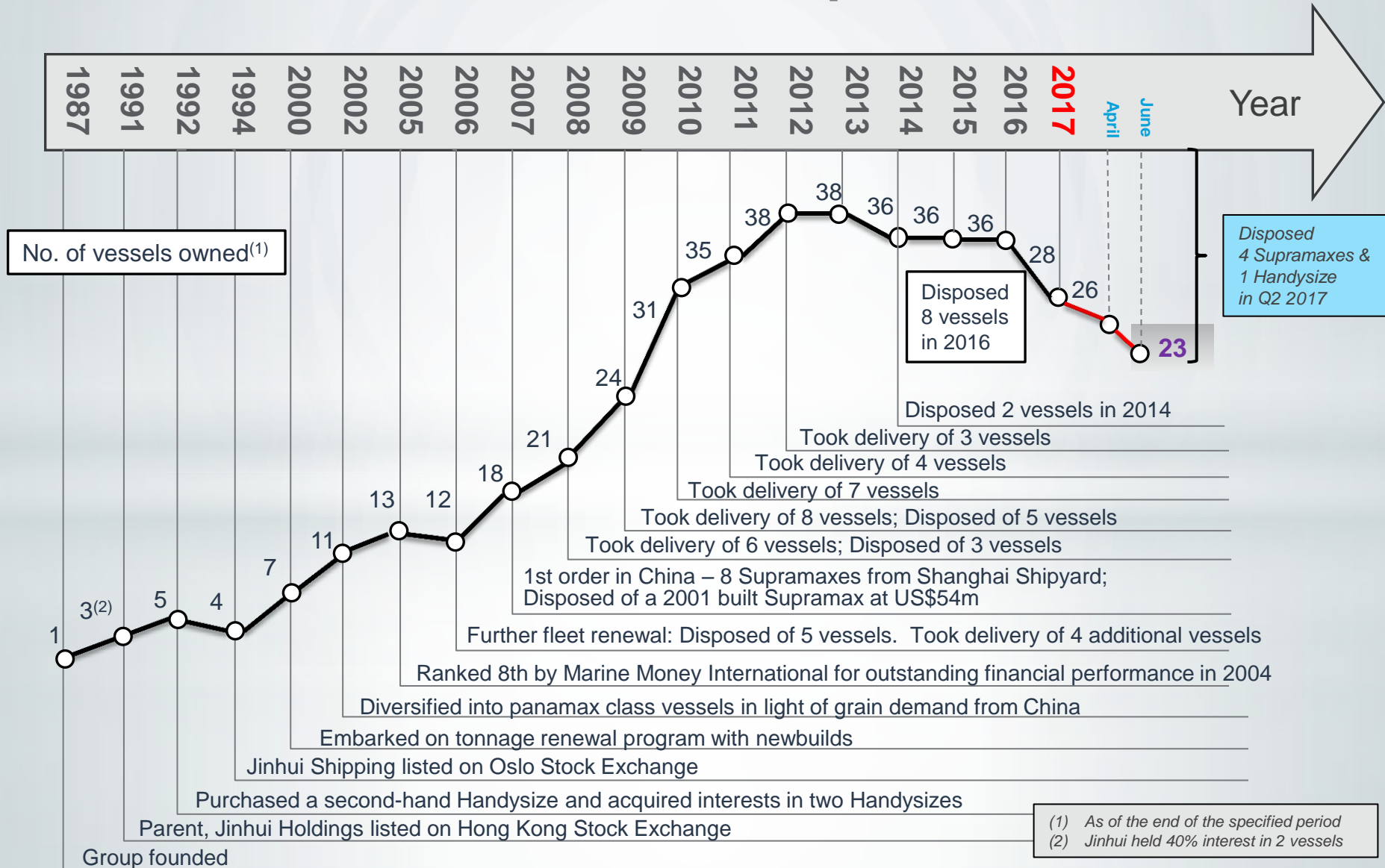
Key Financial Ratios

As at 30 June 2017

	Q2 2017 (Unaudited)	Q2 2016 (Unaudited)	2016 (Audited)
Total assets (US\$'000)	381,380	694,270	460,260
Total debt borrowings (US\$'000)	144,794	293,525	212,554
Return on equity ¹	-0.36%	-5.37%	-59.30%
Return on total assets ²	-0.19%	-2.91%	-31.01%
Current ratio ³	2.91 : 1	1.03 : 1	1.95 : 1
Net gearing ⁴	33%	54%	61%
Available liquidity (US\$'000) ⁵	74,354	89,958	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

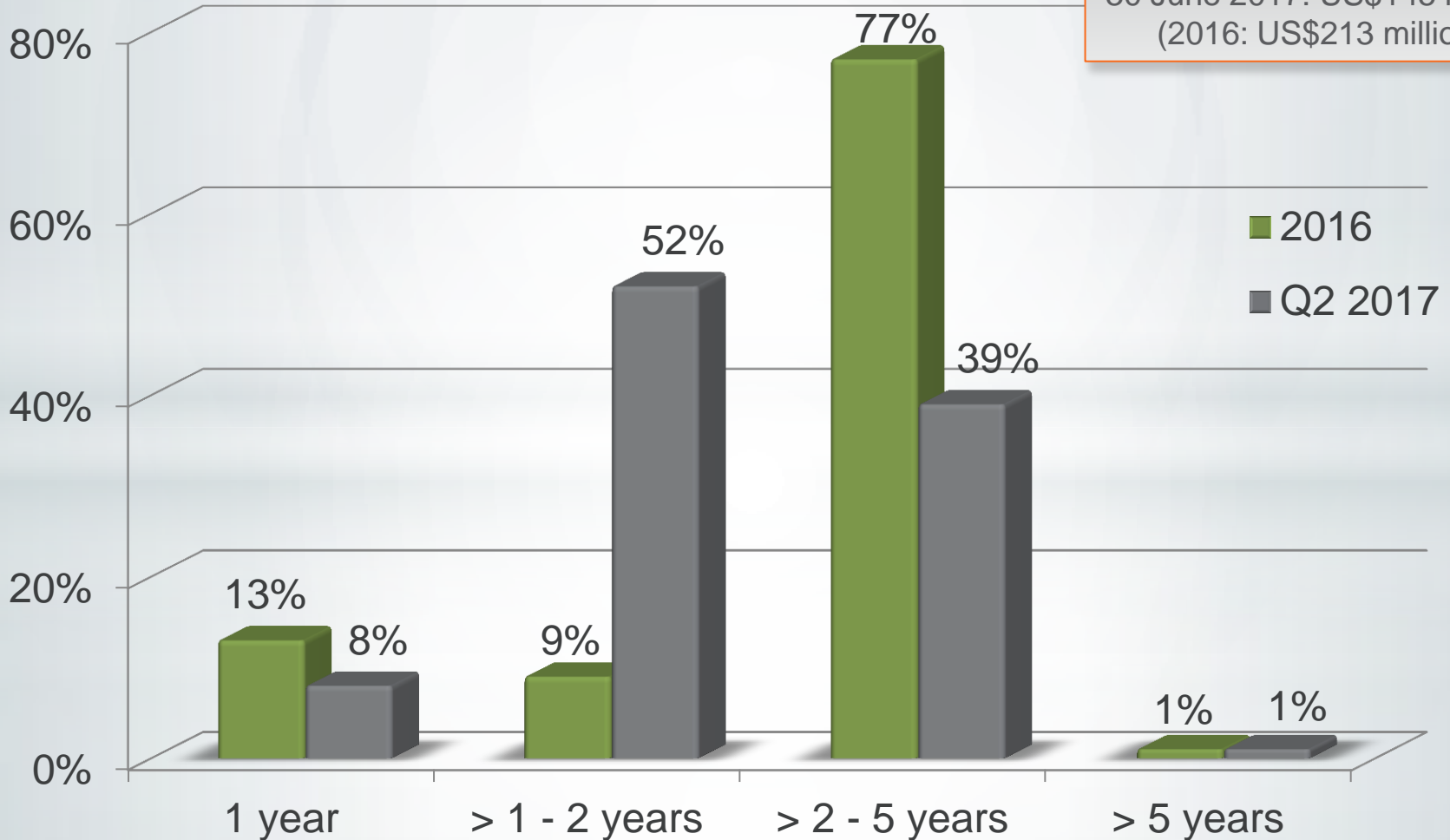
<u>Fleet</u>	<u>Type</u>	<u>Size (dwt)</u>	<u>Year built</u>	<u>Status</u>	<u>Shipyard</u>
1 Jin Lang	Post-Panamax	93,279	2010	Owned	Jiangsu New Yangzi
2 Jin Mei	Post-Panamax	93,204	2010	Owned	Jiangsu New Yangzi
3 Jin Xiang	Supramax	61,414	2012	Owned	Oshima
4 Jin Hong	Supramax	61,414	2011	Owned	Oshima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

As of 29 August 2017, total capacity : 1,341,902 dwt with average age of 10.22 years

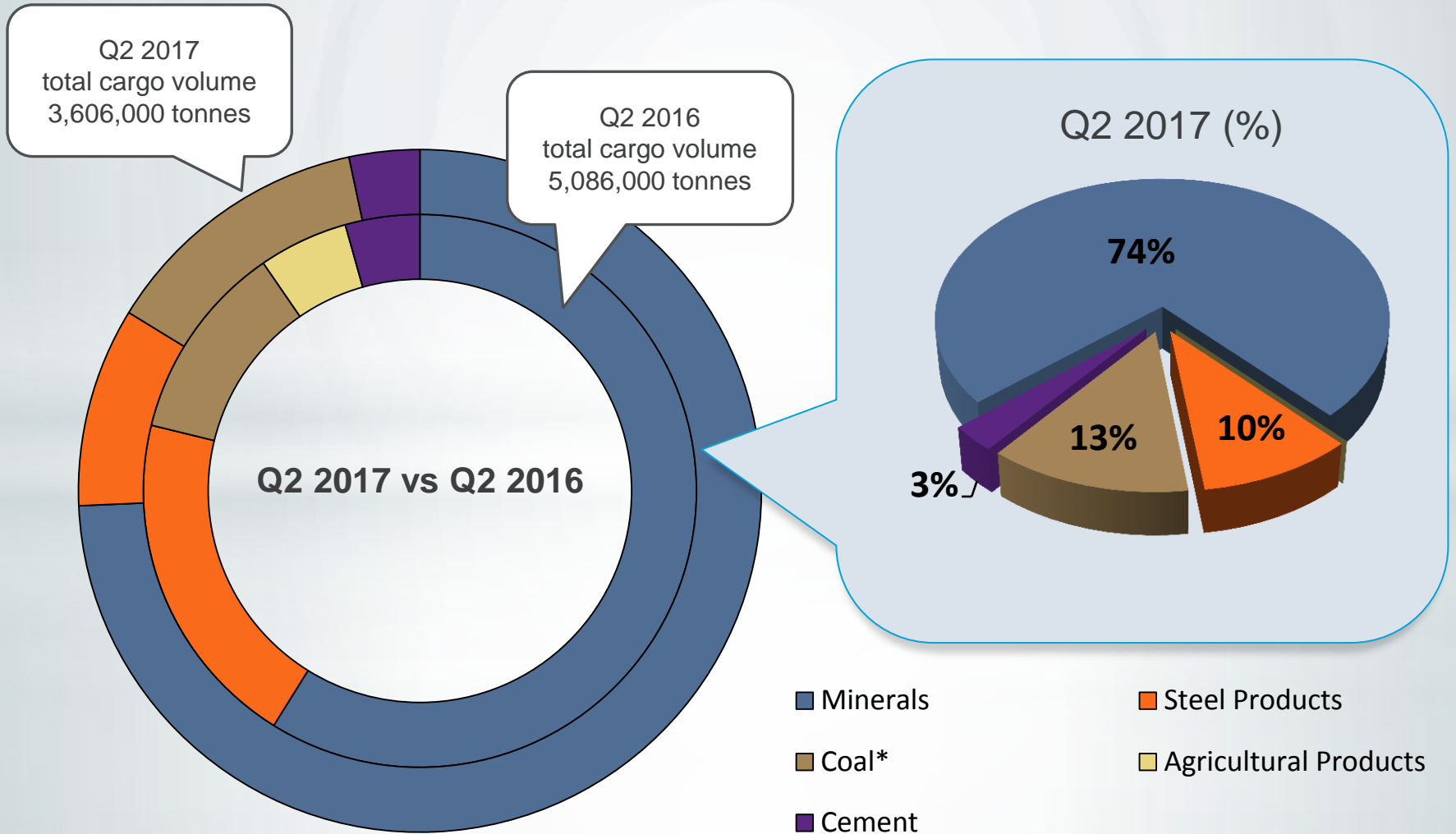
Debt Maturity Profile

(Based on information up to 30 June 2017)

Total debt as of
30 June 2017: US\$145 million
(2016: US\$213 million)



Cargo Volume Analysis Q2 2017



* Including steaming coal and coking coal

Loading Port Analysis Q2 2017

Chartering revenue expressed by loading ports

Q2 2017 vs Q2 2016

US\$ (M)

20.0

15.0

10.0

5.0

0.0

Asia
excluding
China

Australia

Africa

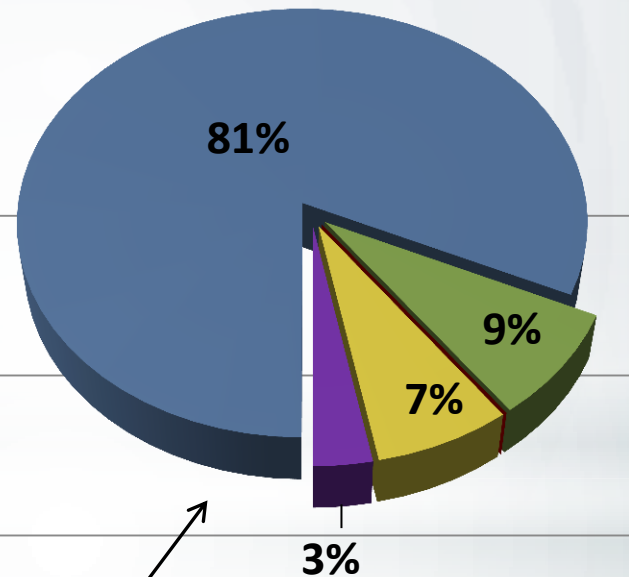
China

Europe

North
America

South
America

Others



■ Asia excluding China

■ Australia

■ China

■ Europe

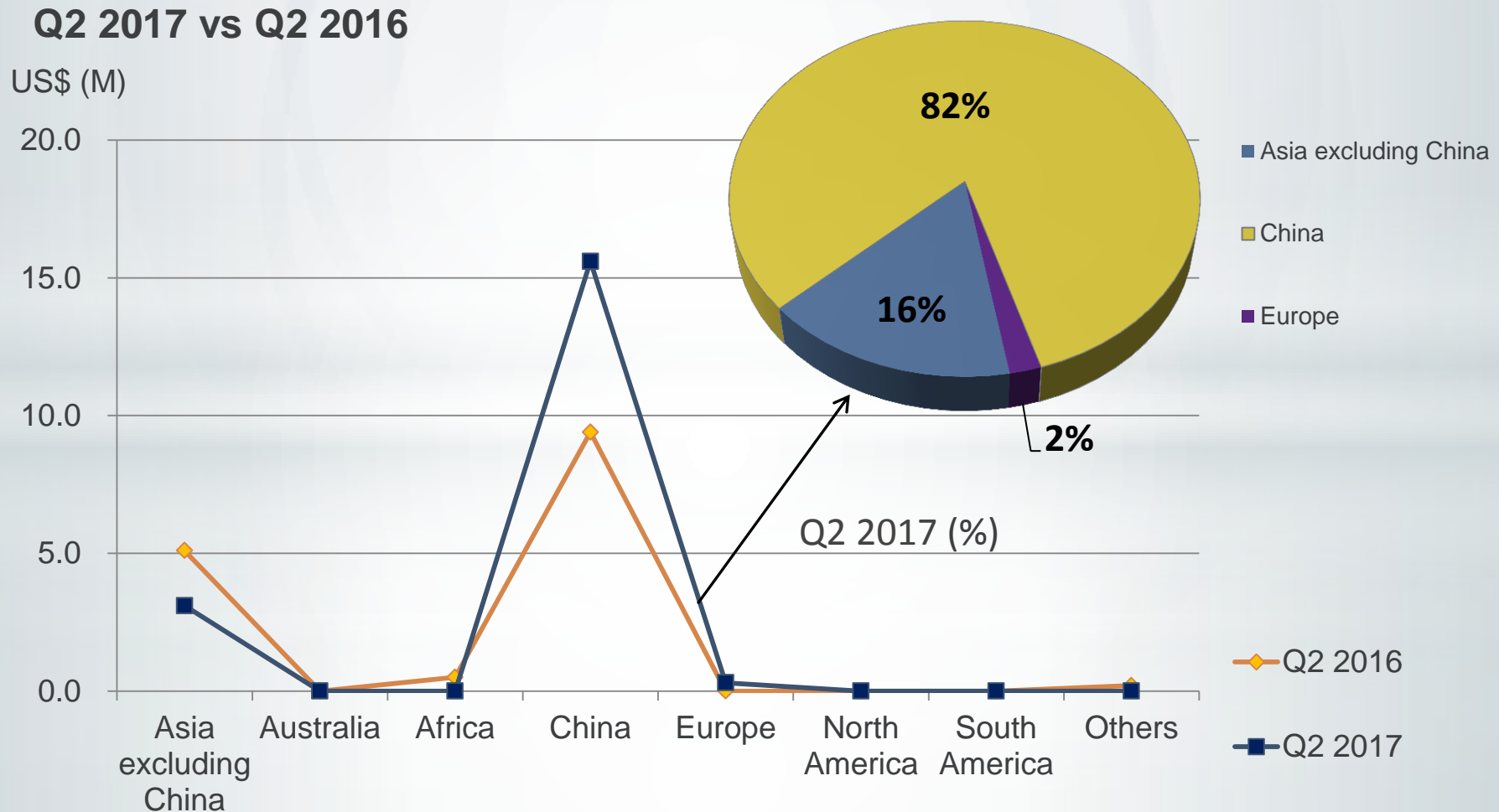
Q2 2017 (%)

◆ Q2 2016

■ Q2 2017

Discharging Port Analysis Q2 2017

Chartering revenue expressed by discharging ports



TCE of Jinhui Shipping's Fleet

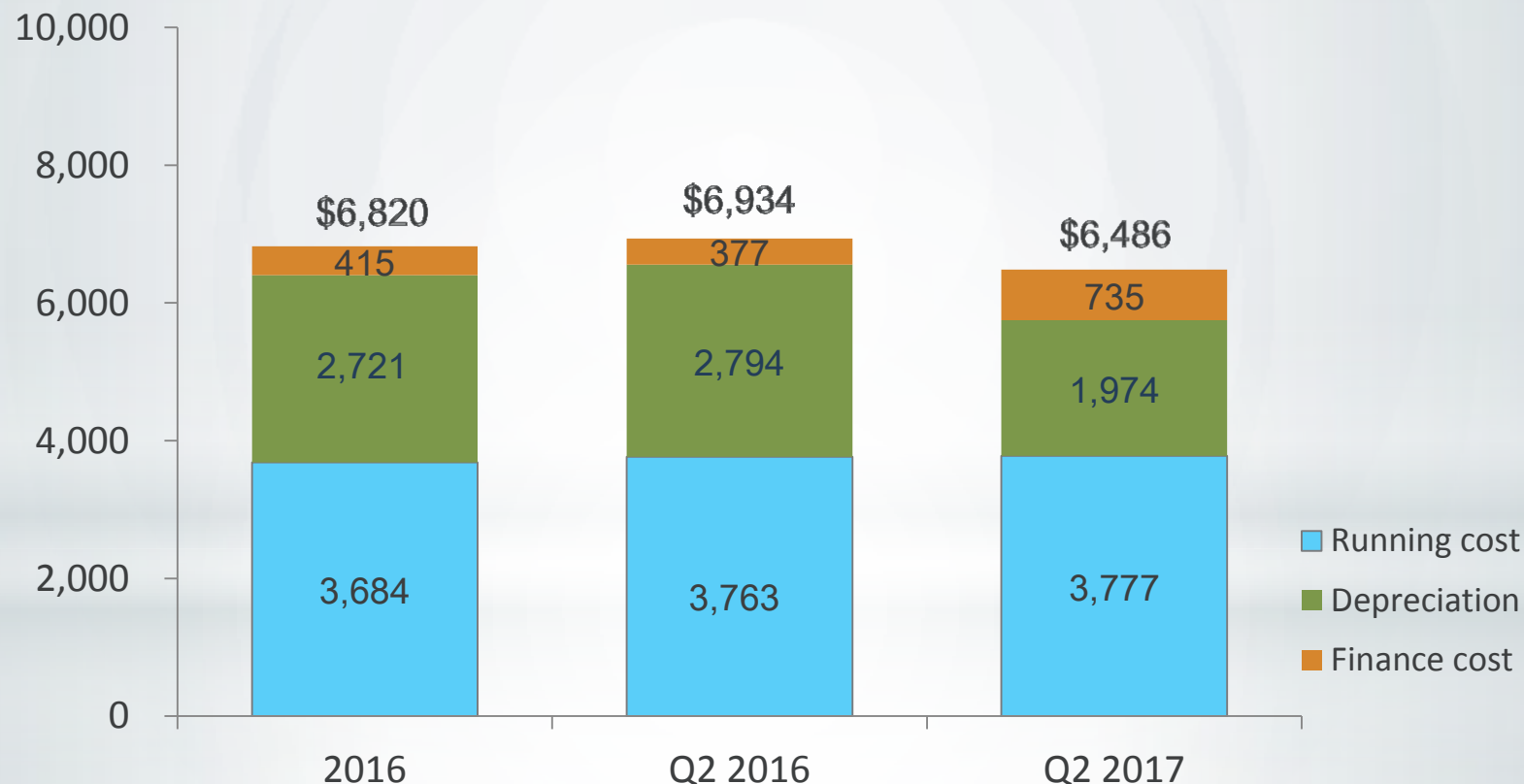
(Based on information up to 30 June 2017)

Average daily time charter equivalent rate (TCE)	2017 Q2	2016 Q2	1H 2017	1H 2016	2016
	US\$	US\$	US\$	US\$	US\$
Post-Panamax / Panamax Fleet	8,251	4,905	7,399	3,450	4,475
Supramax / Handymax / Handysize Fleet	8,230	4,764	7,015	3,891	4,922
In average	8,231	4,781	7,044	3,841	4,871

Daily Vessel Costs of Owned Vessels

US\$

(Based on information up to 30 June 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 finance cost increased from US\$377 for Q2 2016 to US\$735 for Q2 2017. The increase was attributable to the rising interest rates on both market LIBOR and increased margin on the rescheduling of indebtedness arrangement.

Daily depreciation dropped due to the readjusted depreciation upon the recognition of impairment loss on owned vessels at end of 2016.