



JINHUI SHIPPING AND TRANSPORTATION LIMITED

Q4 2017 and 2017 Annual
Results Presentation
28 February 2018

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

Q4 2017 Financial Highlights

- Revenue for the quarter : US\$21 million
- Net profit for the quarter : US\$2 million
- Basic earnings per share: US\$0.023

Year 2017 Financial Highlights

- Revenue for the year : US\$74 million
- Net loss for the year : US\$4 million (included non-cash impairment loss on assets held for sale (disposed vessels) of US\$6 million)
- Basic loss per share: US\$0.043
- Gearing ratio as at 31 December 2017: 15%

Highlights

1. Recent corporate actions

(a) Rights Issue

- The Company announced on 3 July 2017, the Rights Issue to raise up to NOK202m in gross proceeds through the issuance of up to 25,213,602 new shares at a subscription price of NOK8 per share;
- Gross proceeds from the Rights Issue of NOK202m were 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;
- The Rights Issue had been completed on 2 August 2017 and the Company's new total issued share capital is US\$5,462,947.15 divided into 109,258,943 shares, each with a nominal value of US\$0.05.

Highlights

1. Recent corporate actions

(b) Exit of ICD

- The Group received consents from all four major lenders to exit and end the ICD on 31 Dec 2017; and repaid US\$31.4m to the respective lenders from internal resources on 10 Jan 2018;
- Bank borrowings dropped from US\$137.8m as at 31 Dec 2017 to US\$106.4m on 10 Jan 2018.

2. Fleet highlights

- 5 vessels (4 Supramaxes and 1 Handysize) were disposed and delivered during the year at total consideration of US\$63m.

Financial Highlights

For the quarter and year ended 31 December 2017

US\$'000	Q4 2017 (Unaudited)	Q4 2016 (Unaudited)	QoQ	2017 (Unaudited)	2016 (Audited)	YoY
Revenue	21,107	15,932	32%	73,547	59,955	23%
Impairment loss on owned vessels	-	(113,010)	-	-	(113,010)	-
Impairment loss on assets held for sale	-	(7,880)	-	(6,301)	(45,462)	86%
Operating profit (loss) **	3,557	(120,108)	103%	1,146	(183,976)	101%
Net profit (loss) for the quarter / period	2,478	(121,440)	102%	(4,031)	(189,091)	98%
Basic earnings (loss) per share	US\$0.023	US\$(1.441)	102%	US\$(0.043)	US\$(2.244)	98%

** 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.

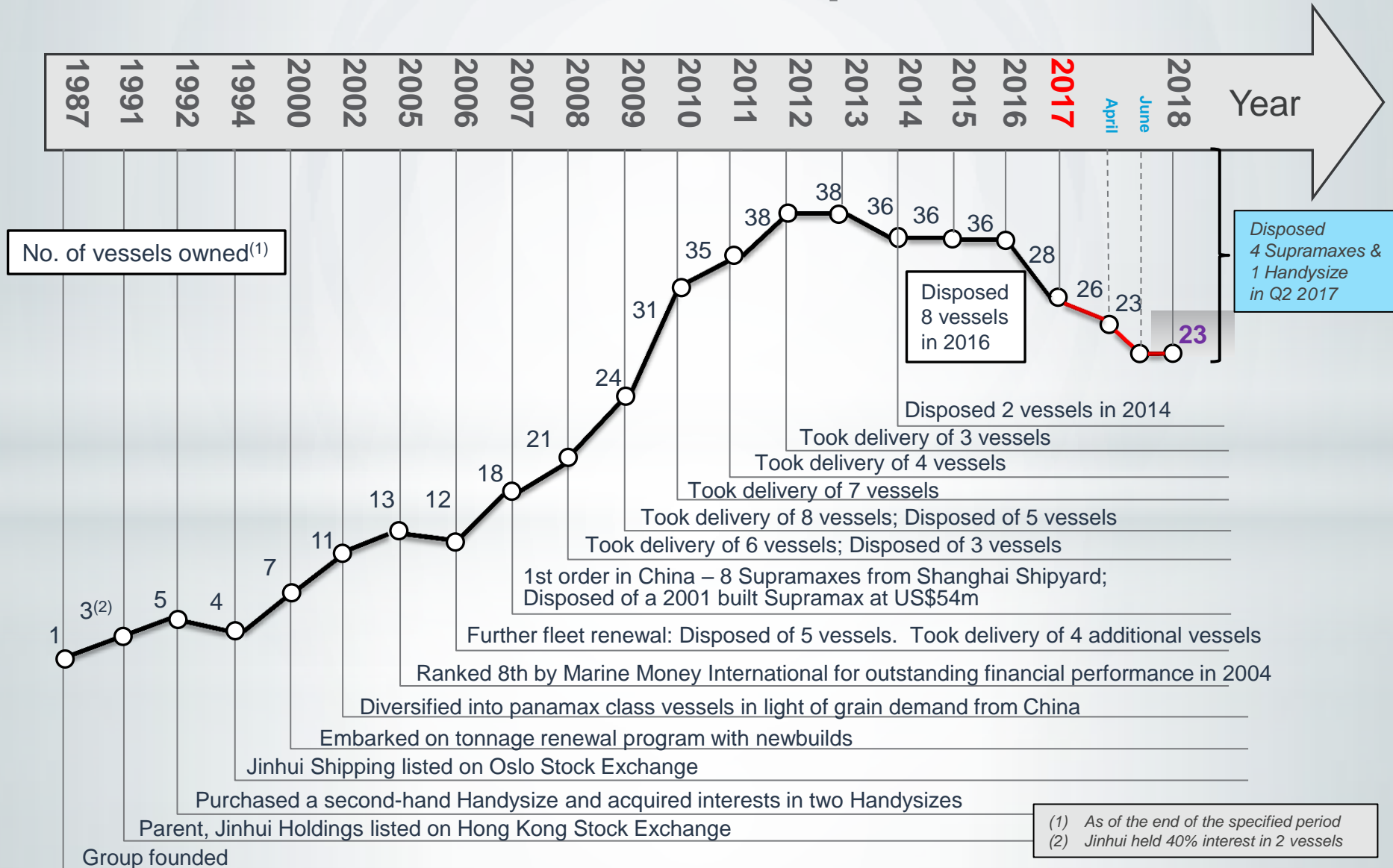
Key Financial Ratios

As at 31 December 2017

	2017 (Unaudited)	2016 (Audited)
Total assets (US\$'000)	405,469	460,260
Total debt borrowings (US\$'000)	137,825	212,554
Return on equity ¹	-1.72%	-59.30%
Return on total assets ²	-0.93%	-31.01%
Current ratio ³	1.50 : 1	1.95 : 1
Net gearing ⁴	15%	61%
Available liquidity (US\$'000) ⁵	101,920	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



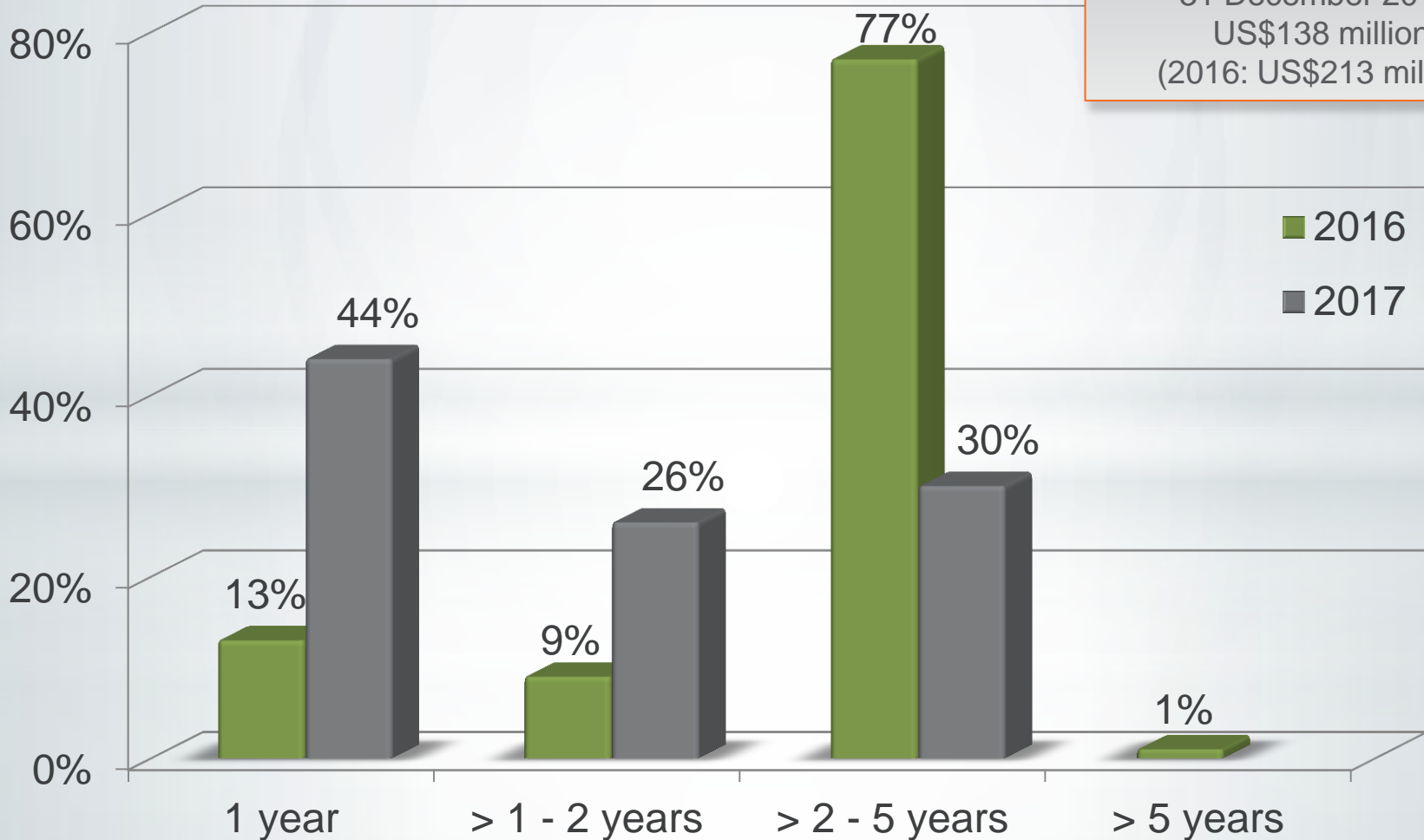
Young and Modern Fleet

	<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 27 February 2018, total capacity of owned vessels : 1,341,902 dwt with average age of 10.22 years

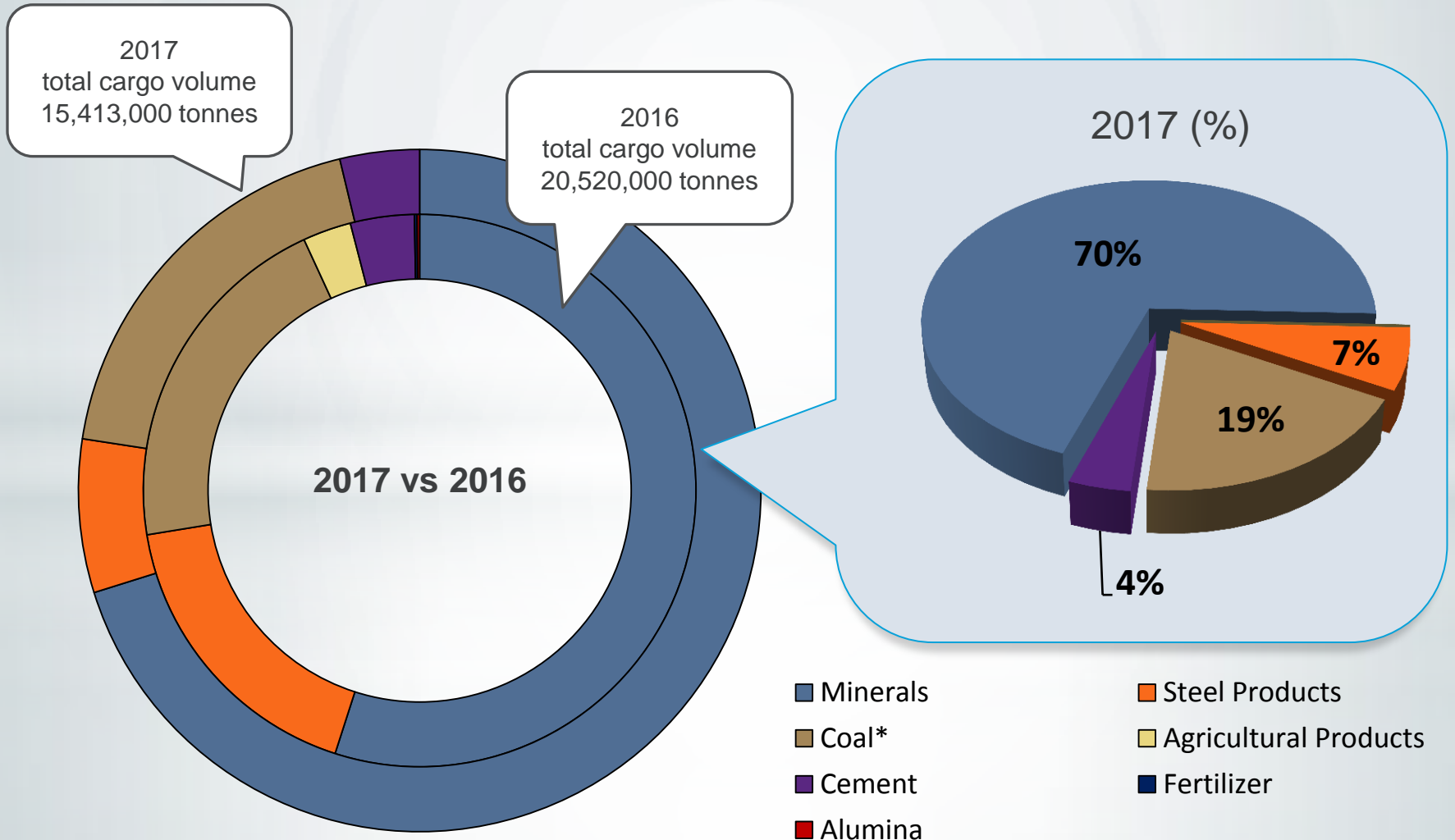
Debt Maturity Profile

(Based on information up to 31 December 2017)



Total debt as of
31 December 2017:
US\$138 million
(2016: US\$213 million)

Cargo Volume Analysis 2017



* Including steaming coal and coking coal

Loading Port Analysis 2017

Chartering revenue expressed by loading ports

2017 vs 2016

US\$ (M)

60.0

40.0

20.0

0.0

Asia
excluding
China

Australia

Africa

China

Europe

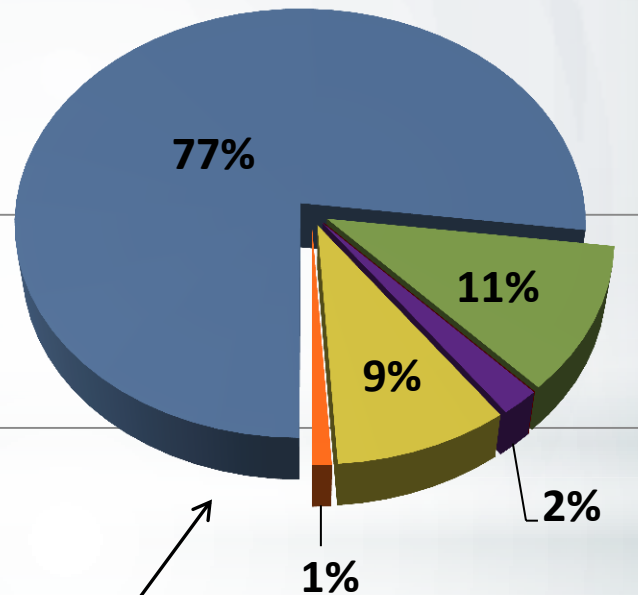
North
America

South
America

Others

◆ 2016

■ 2017

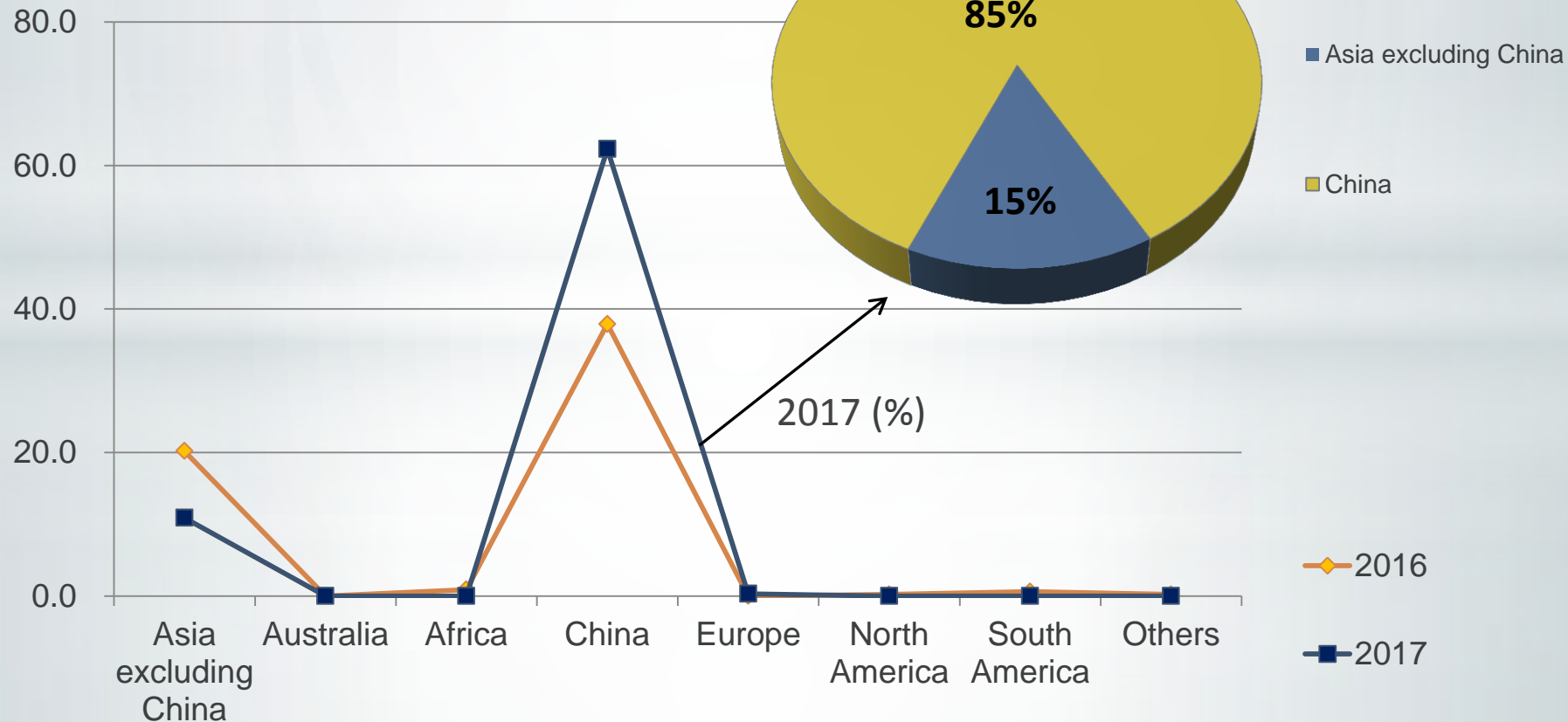


Discharging Port Analysis 2017

Chartering revenue expressed by discharging ports

2017 vs 2016

US\$ (M)



TCE of Jinhui Shipping's Owned Vessels

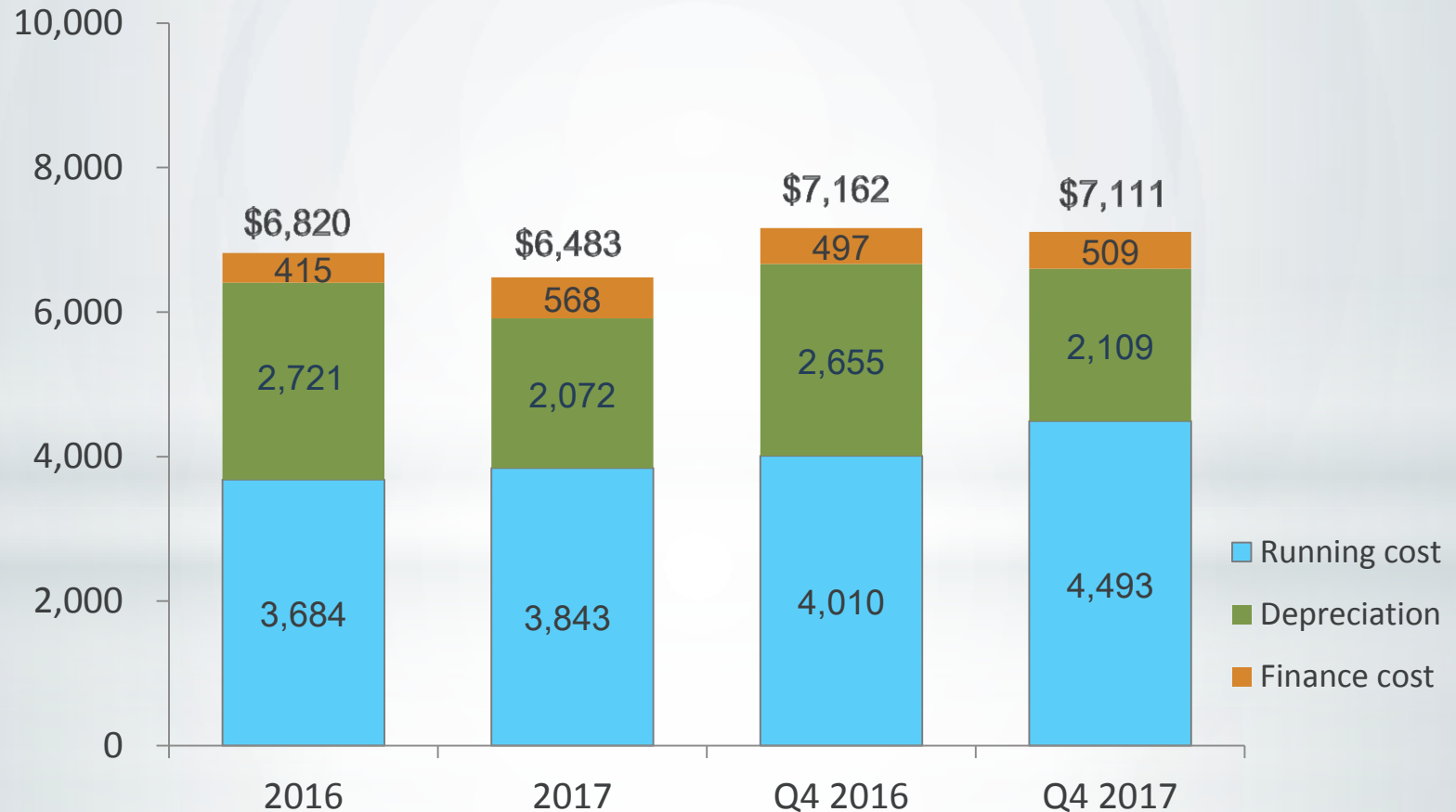
(Based on information up to 31 December 2017)

Average daily time charter equivalent rate (TCE)	2017 Q4	2016 Q4	2017	2016
	US\$	US\$	US\$	US\$
Post-Panamax / Panamax Fleet	11,430	6,173	8,645	4,475
Supramax / Handymax / Handysize Fleet	9,726	5,772	8,063	4,922
In average	9,880	5,812	8,111	4,871

Daily Vessel Costs of Owned Vessels

US\$

(Based on information up to 31 December 2017)



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