



JINHUI SHIPPING AND TRANSPORTATION LIMITED

Q1 2018 Results Presentation
28 May 2018

JINHUI SHIPPING

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 2018 Financial Highlights

- Revenue for the quarter : US\$18 million
- Net profit for the quarter : US\$2.5 million
- EBITDA: US\$8 million
- Basic earnings per share: US\$0.023
- Gearing ratio as at 31 March 2018: 13%

Highlights

- The Group exited and ended the ICD on 31 Dec 2017; and repaid all deferred installments during the forbearance period of US\$31.4m to the respective lenders from internal resources on 10 Jan 2018;
- The Group also fully repaid 2 vessel mortgage loans of US\$19.1m with higher interest margin;
- Bank borrowings dropped from US\$137.8m as at 31 Dec 2017 to US\$88.2m as at 31 Mar 2018.

Financial Highlights

For the quarter ended 31 March 2018

US\$'000	Q1 2018 (Unaudited)	Q1 2017 (Unaudited)	QoQ	2017 (Audited)
Revenue	17,976	15,301	17%	73,547
Impairment loss on assets held for sale	-	(6,301)	100%	(6,301)
Operating profit (loss) **	3,311	(6,681)	150%	1,146
Net profit (loss) for the quarter / year	2,471	(7,971)	131%	(4,031)
Basic earnings (loss) per share	US\$0.023	US\$(0.095)	124%	US\$(0.043)

** 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.

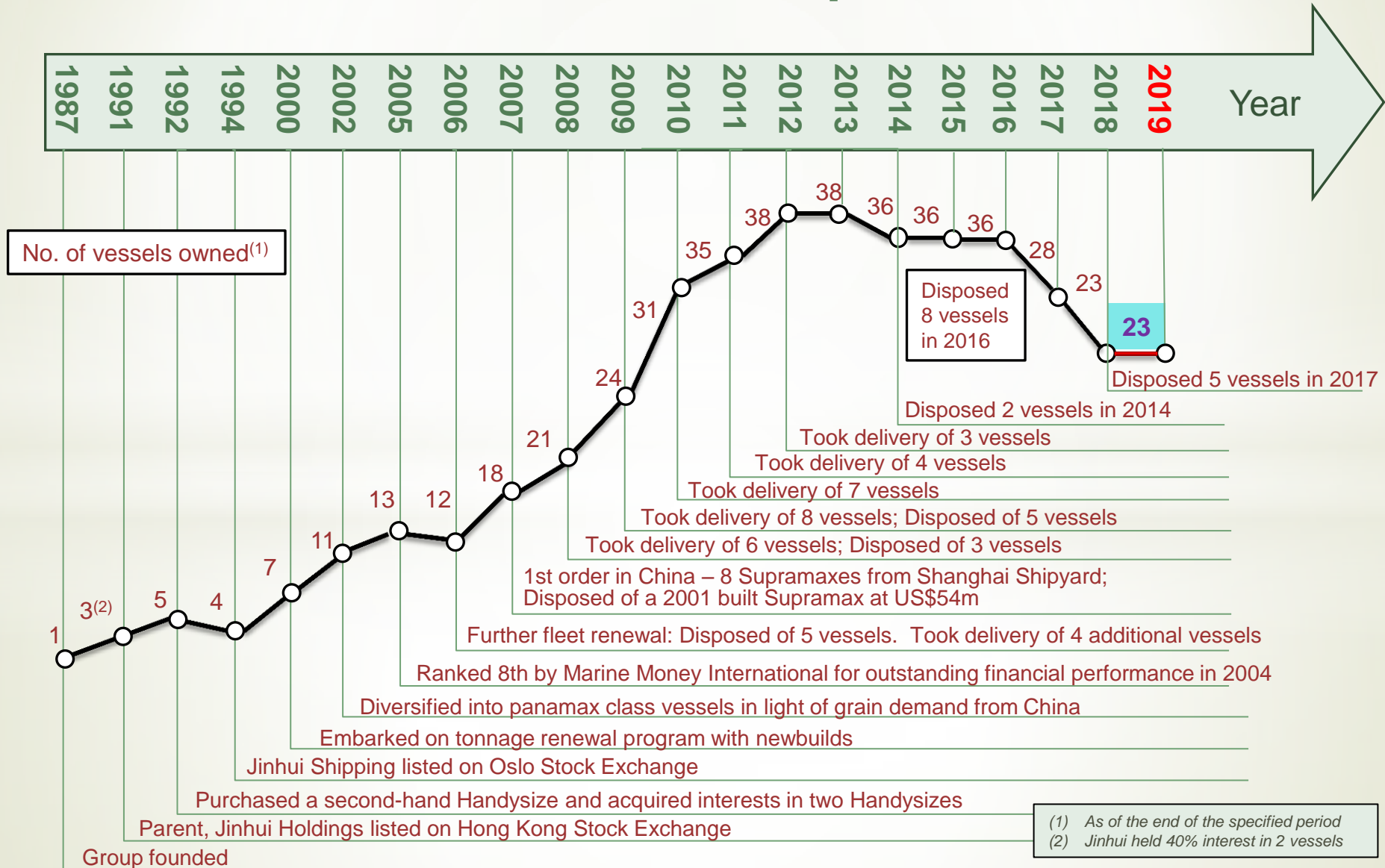
Key Financial Ratios

As at 31 March 2018

	Q1 2018 (Unaudited)	Q1 2017 (Unaudited)	2017 (Audited)
Total assets (US\$'000)	356,218	446,081	405,469
Total debt borrowings (US\$'000)	88,248	206,387	137,825
Return on equity ¹	1.00%	-3.62%	-1.72%
Return on total assets ²	0.65%	-1.76%	-0.93%
Current ratio ³	1.41 : 1	1.85 : 1	1.50 : 1
Net gearing ⁴	13%	62%	15%
Available liquidity (US\$'000) ⁵	56,070	71,864	101,920

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



(1) As of the end of the specified period
 (2) Jinhui held 40% interest in 2 vessels

Competitive Fleet with High Cargo Flexibility

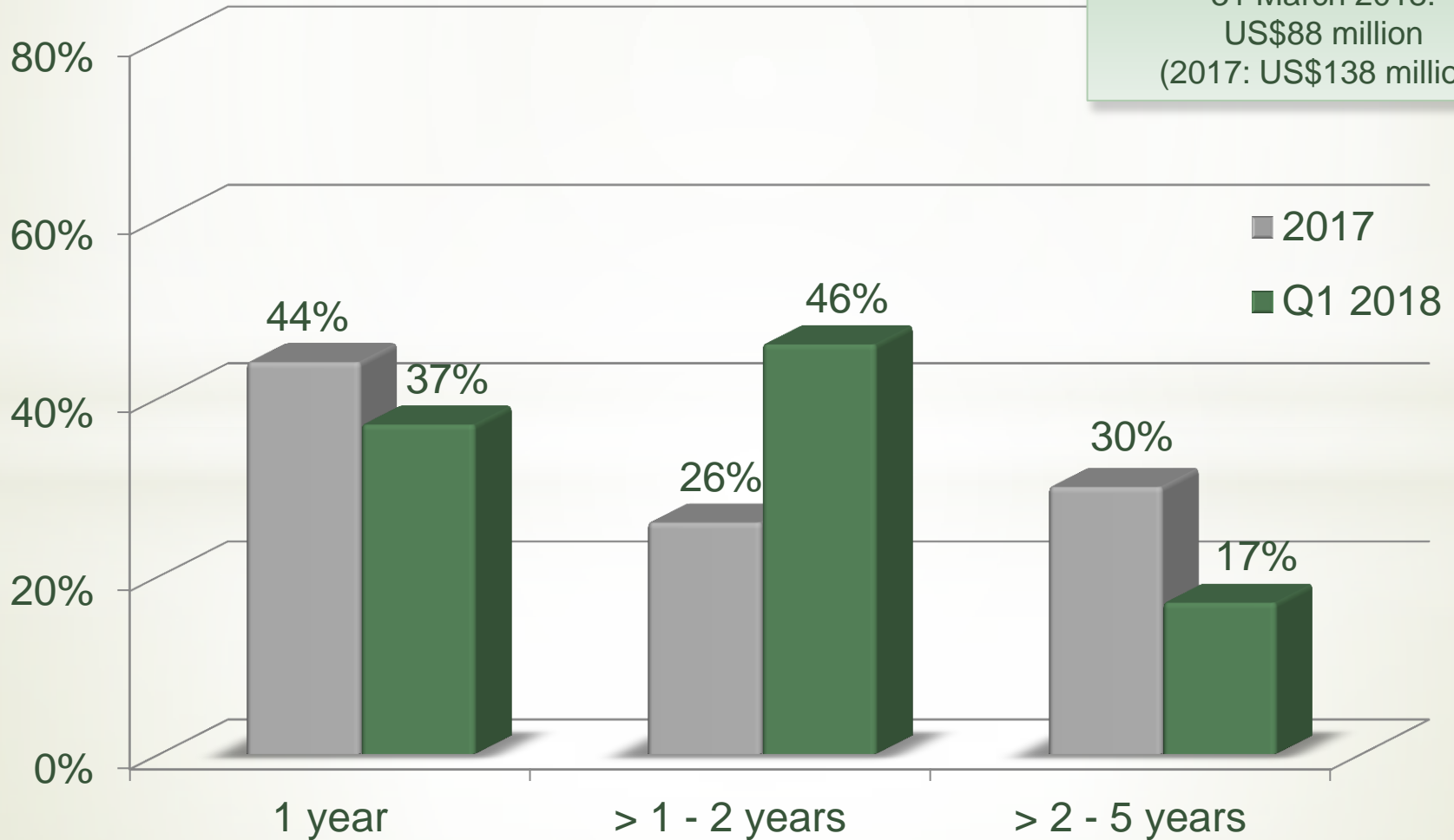
<u>Fleet</u>	<u>Type</u>	<u>Size (dwt)</u>	<u>Year built</u>	<u>Status</u>	<u>Shipyard</u>
1 Jin Lang	Post-Panamax	93,279	2010	Owned	Jiangsu New Yangzi
2 Jin Mei	Post-Panamax	93,204	2010	Owned	Jiangsu New Yangzi
3 Jin Xiang	Supramax	61,414	2012	Owned	Oshima
4 Jin Hong	Supramax	61,414	2011	Owned	Oshima
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 May 2018, total capacity of owned vessels : 1,341,902 dwt with average age of 11.22 years

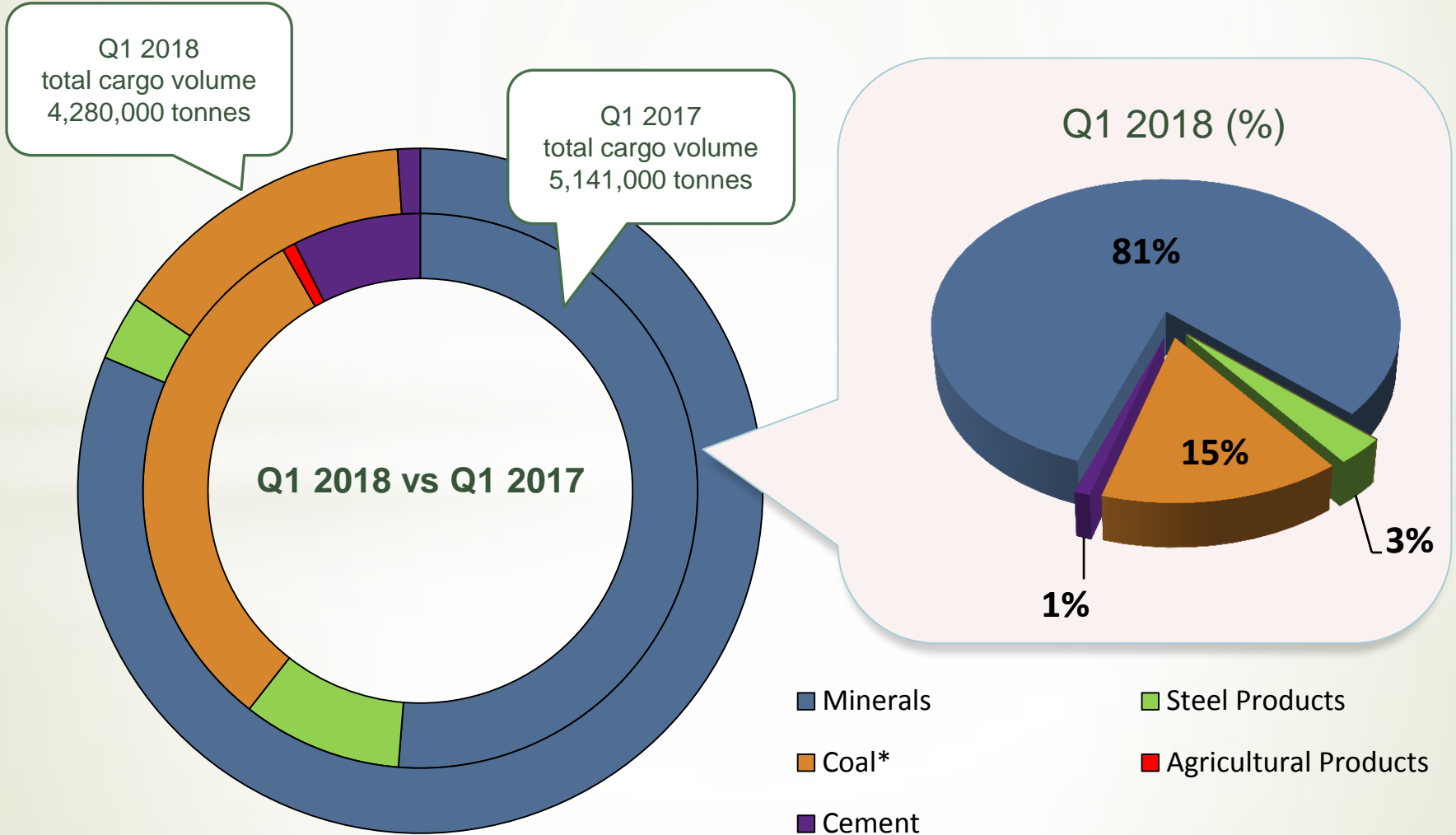
Debt Maturity Profile

(Based on information up to 31 March 2018)

Total debt as of
31 March 2018:
US\$88 million
(2017: US\$138 million)



Cargo Volume Analysis Q1 2018



* Including steaming coal and coking coal

Loading Port Analysis Q1 2018

Chartering revenue expressed by loading ports

Q1 2018 vs Q1 2017

US\$ (M)

20.0

15.0

10.0

5.0

0.0

Asia
excluding
China

Australia

Africa

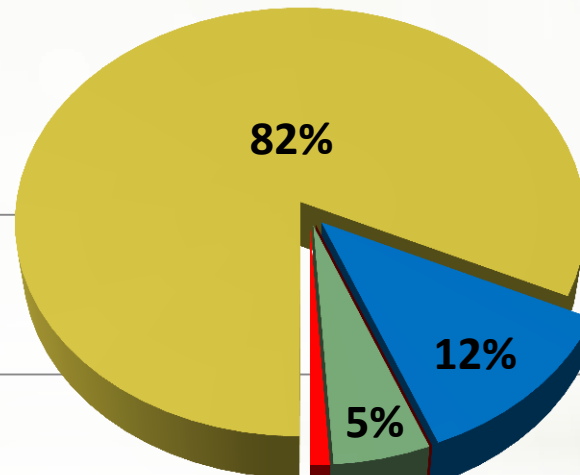
China

Europe

North
America

South
America

Others



Asia excluding China

Australia

China

Europe

Q1 2018 (%)

Q1 2017

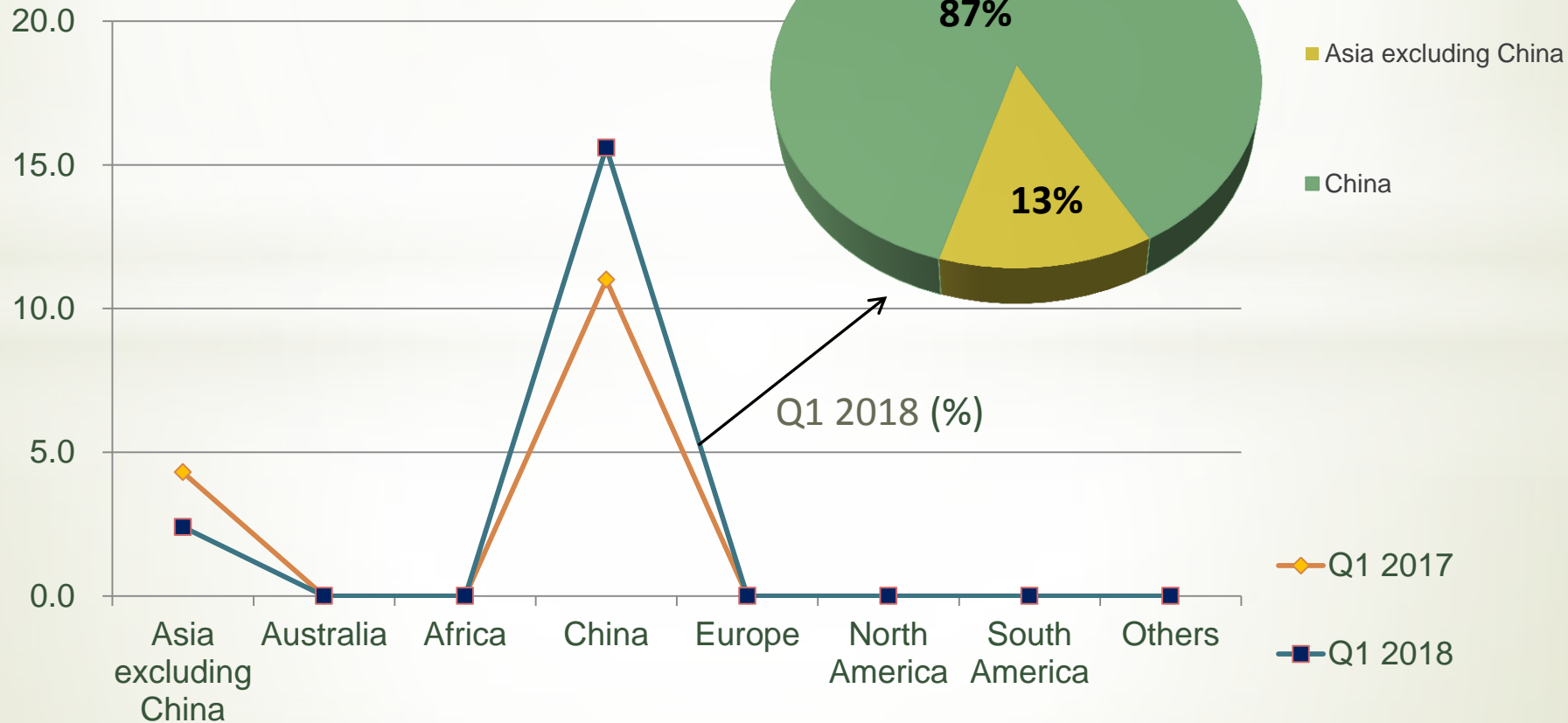
Q1 2018

Discharging Port Analysis Q1 2018

Chartering revenue expressed by discharging ports

Q1 2018 vs Q1 2017

US\$ (M)



TCE of Jinhui Shipping's Owned Vessels

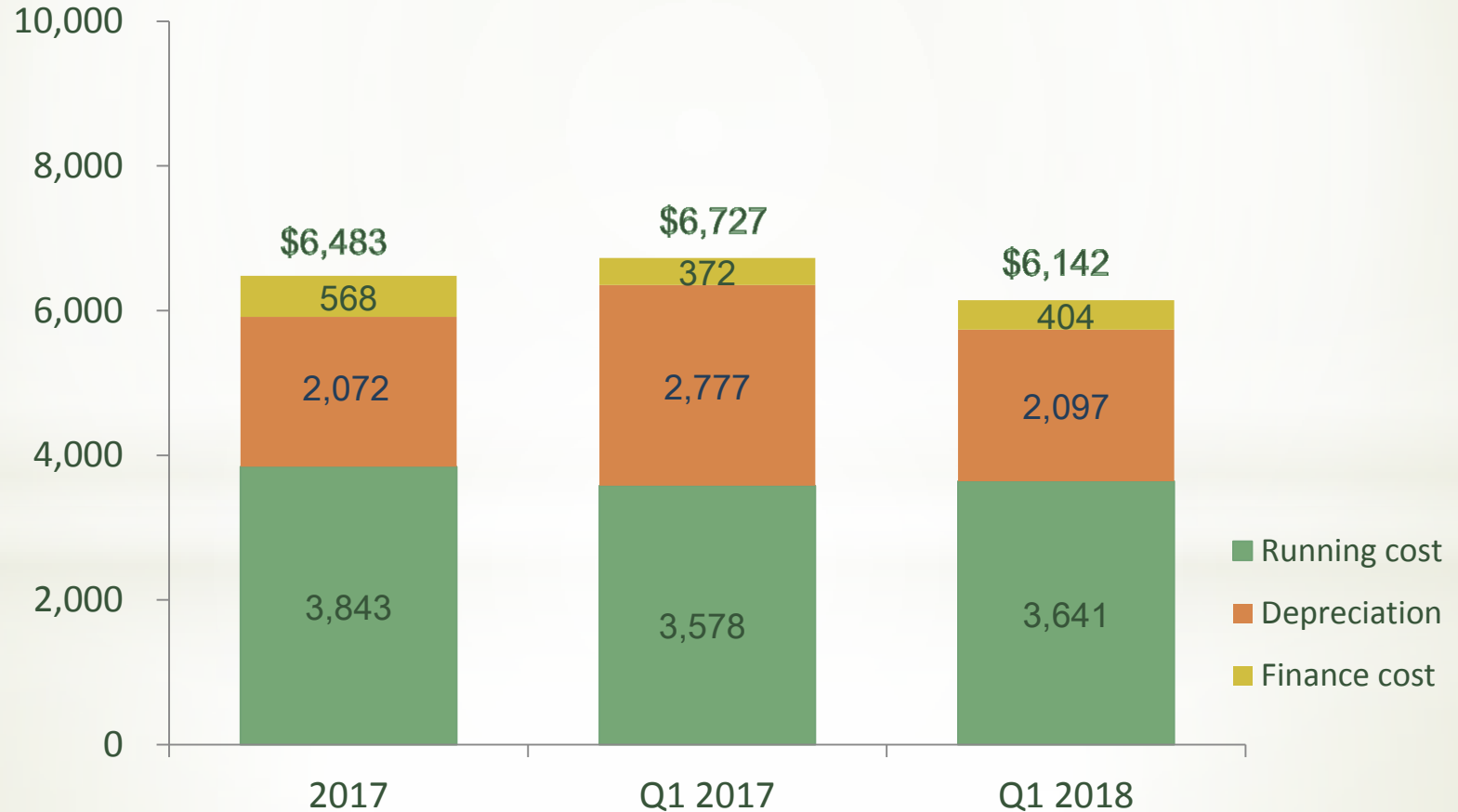
(Based on information up to 31 March 2018)

Average daily time charter equivalent rate (TCE)	2018 Q1	2017 Q1	2017
	US\$	US\$	US\$
Post-Panamax Fleet	11,480	6,538	8,645
Supramax / Handysize Fleet	8,537	5,877	8,063
In average	8,795	5,925	8,111

Daily Vessel Costs of Owned Vessels

US\$

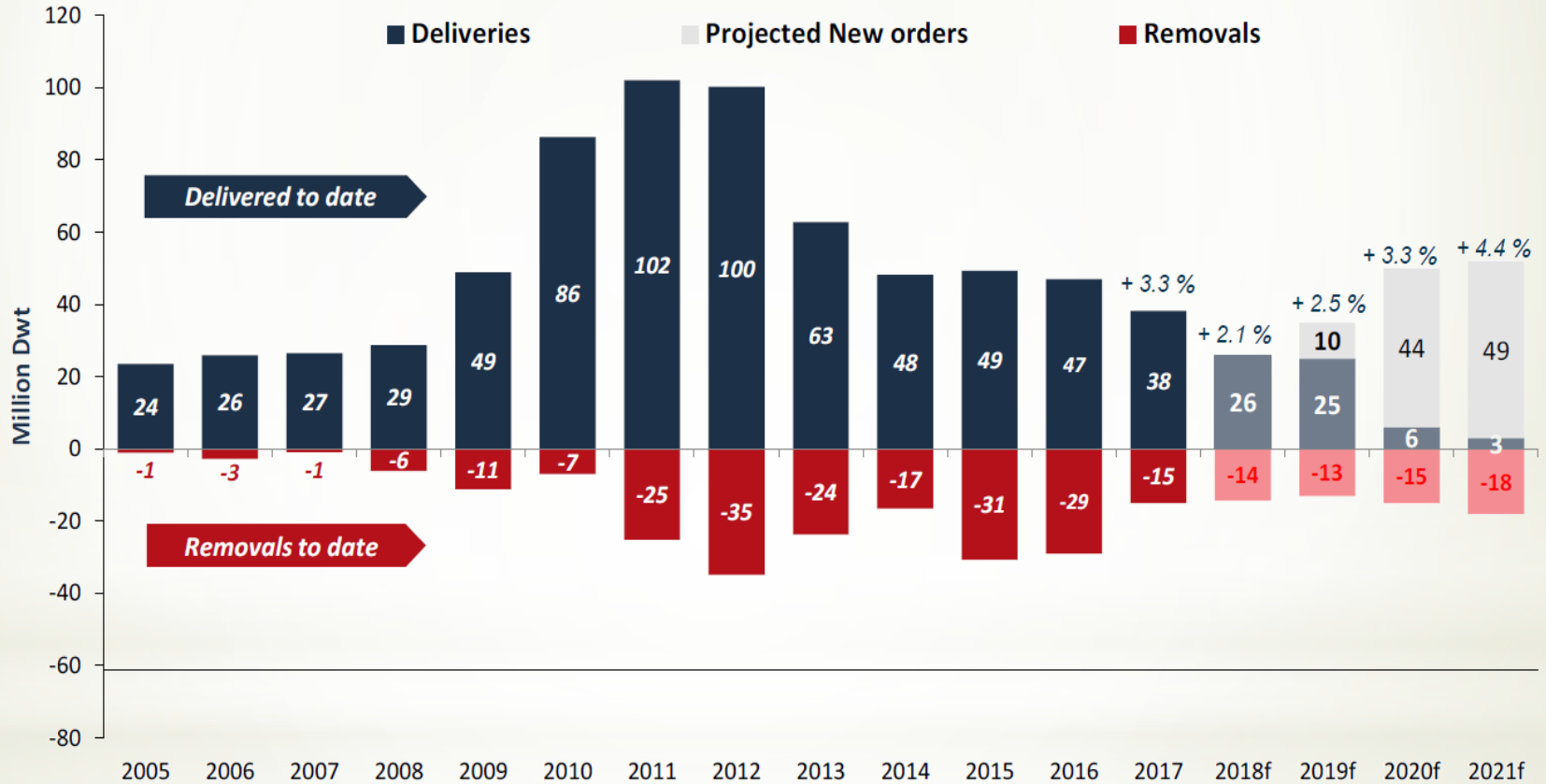
(Based on information up to 31 March 2018)



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.


Supply dynamics

Dry bulk fleet delivery and removal schedule



Source: Clarksons Research Services

Market Prospects

- Gradual improvement in world economic growth expected in coming years;
- General firmer commodity prices a positive signal;
- China's economic performance remain crucial for dry bulk demand;
- One belt One road  strong foreign investments in countries with limited steel production capacities ?
- Coal fired power capacity forecast to grow in the next few years, and import volume affected by the restructuring of domestic coal capacities;
- Minor bulk trades expect to experience healthy growth;
- Approximately 3% annual growth in demand for 2018, 2019 and 2020.