



## JINHUI SHIPPING AND TRANSPORTATION LIMITED

### JIN - PROFIT WARNING ANNOUNCEMENT

This announcement is made by the board of directors (the “Board”) of **Jinhui Shipping and Transportation Limited** (the “Company”) for information only.

The Board wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that, based on a preliminary assessment of the unaudited consolidated management accounts, the Company is expected to record a significant consolidated net loss for the first quarter ended 31 March 2020 as compared to a consolidated net profit of US\$2 million for the corresponding quarter in 2019.

The aforesaid expected consolidated net loss is mainly attributable to (1) poor business sentiment as affected by the outbreak of the novel coronavirus (“COVID-19”) pandemic leading to a reduction in chartering freight and hire revenue and decrease in fleet utilization rate; (2) the significant unrealized fair value loss on financial assets at fair value through profit or loss of US\$10 million amid the COVID-19 pandemic that triggered an adverse global financial markets sell off in early 2020; and (3) an increase in shipping related expenses, in particular the bunker related expenses of US\$5 million as a result of both a bunker fuel price slump as well as an increase in bunker consumption due to positioning of owned vessels in between time charter contracts of vessels.

The Company is still in the process of preparing and finalizing the financial results for the first quarter ended 31 March 2020. Further details of the financial information of the Company will be disclosed in its first quarter report in late May 2020.

The information contained in this announcement is only a preliminary assessment by the Board based on information currently available to the Company and the information has not been audited or reviewed by the Company’s auditor. **Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board

**Ng Siu Fai**

*Chairman*

8 May 2020