



# JINHUI SHIPPING AND TRANSPORTATION LIMITED

Q3 2020 Results Presentation  
30 November 2020

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, financial market conditions including fluctuations in marketable securities value, 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

## Q3 2020 Financial Highlights

- Revenue for the quarter: US\$14 million
- Net profit for the quarter: US\$0.9 million
- EBITDA: US\$5 million
- Basic earnings per share: US\$0.008
- Gearing ratio as at 30 September 2020: 20%

# Highlights

- Recorded consolidated net profit for current quarter mainly due to decrease in net loss on financial assets at fair value through profit or loss as compared to last corresponding quarter;
- A realized gain of US\$0.4 million from financial assets at fair value through profit or loss was recognized in current quarter, as compared to realized loss of US\$1.6 million from last corresponding quarter;
- Increase in interest income was attributable to the stable interest income generated from loan receivables during the quarter;
- During the quarter, the Group repaid US\$3 million of bank loan;
- For the loan receivables, we have requested top-up repayment of loans in accordance to the facility agreements and such top-up led to the decrease in loan receivables during the quarter;

# Highlights

- Acquired a Supramax at consideration of US\$4 million in July 2020;
- Received a further update from the Investment Manager of Co-investment in property on 21 August 2020 that due to unexpected COVID-19 pandemic that has broadly affected different economic sectors, the vendor of Tower A has agreed on extension of the closing of acquisition to November 2020. We will update all shareholders on the significant investment update timely and accordingly.

# Financial Highlights

## For the quarter and nine months ended 30 September 2020

US\$'000	Q3 2020 (Unaudited)	Q3 2019 (Unaudited)	9M 2020 (Unaudited)	9M 2019 (Unaudited)	2019 (Audited)
Revenue	14,257	16,586	31,981	43,370	63,160
Operating profit (loss) before depreciation / amortization and finance costs	5,249	2,948	(8,908)	13,612	24,180
Operating profit (loss)	1,474	(851)	(20,226)	2,054	8,818
Finance costs	(620)	(1,121)	(2,576)	(3,208)	(4,323)
Net profit (loss) for the period / year	854	(1,972)	(22,802)	(1,154)	4,495
Basic earnings (loss) per share	US\$0.008	US\$(0.018)	US\$(0.209)	US\$(0.011)	US\$0.041

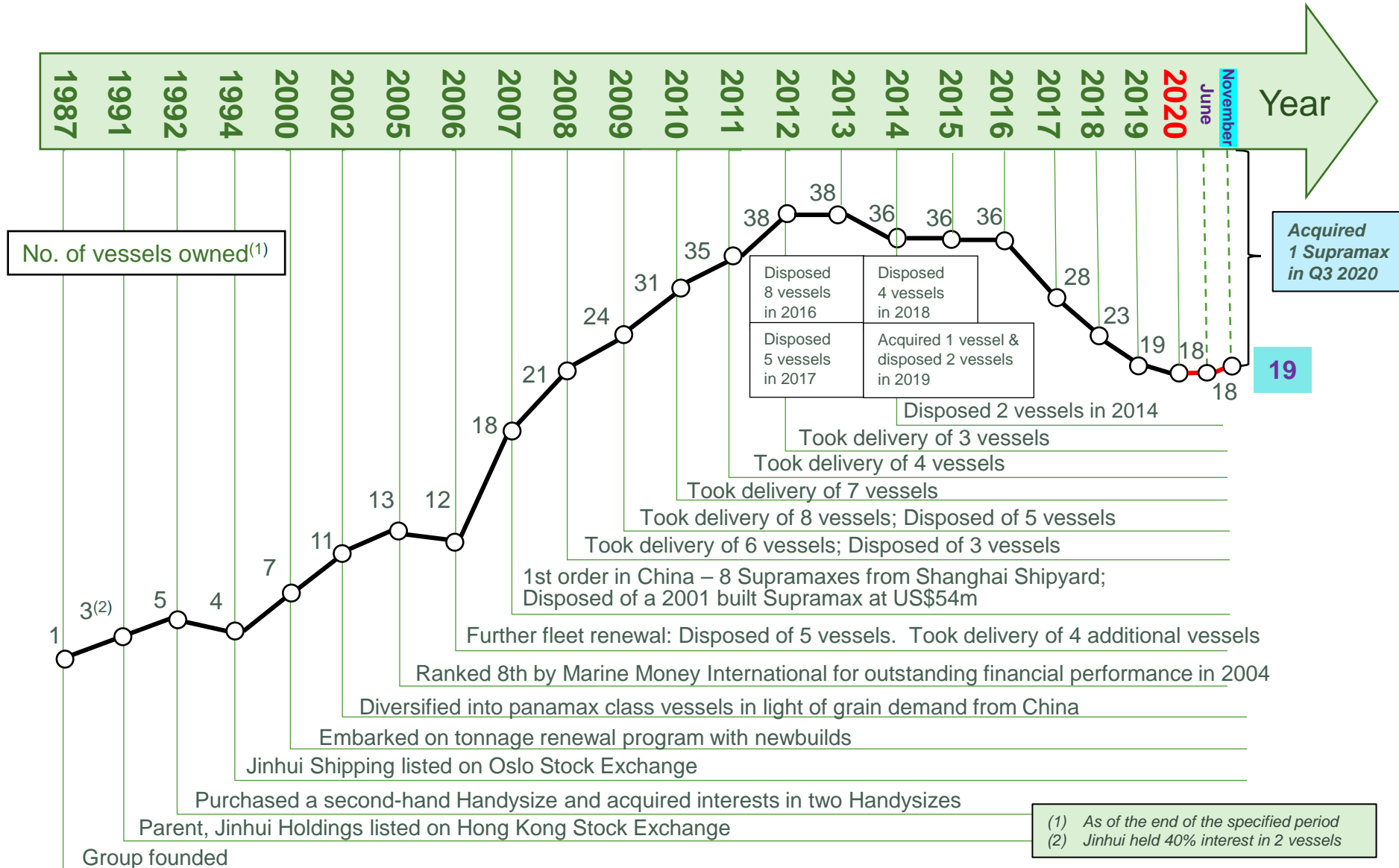
# Key Financial Ratios

## As at 30 September 2020

	Q3 2020 (Unaudited)	Q3 2019 (Unaudited)	2019 (Audited)
Total assets (US\$'000)	366,400	389,019	406,433
Secured bank loans (US\$'000)	118,591	121,043	133,915
Current ratio <sup>1</sup>	1.21 : 1	1.54 : 1	1.39 : 1
Net gearing <sup>2</sup>	20%	7%	14%
Working Capital (US\$'000)	16,928	44,170	34,458
Available liquidity (US\$'000) <sup>3</sup>	71, 559	102,718	97,662

1. Current ratio is calculated based on current assets divided by current liabilities.
2. 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.
3. Available liquidity included bank and cash balances, equity and debt securities as of reporting date.

# Our Fleet Development





# Jinhui 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 PING	Supramax	50,777	2002	Owned	Oshima
19	ATLANTICA	Supramax	50,259	2001	Owned	Shanghai Shipyard

- As of 29 November 2020, we operated 19 motor vessels with total capacity of deadweight 1,136,333 metric tons and average age of 12.16 years.

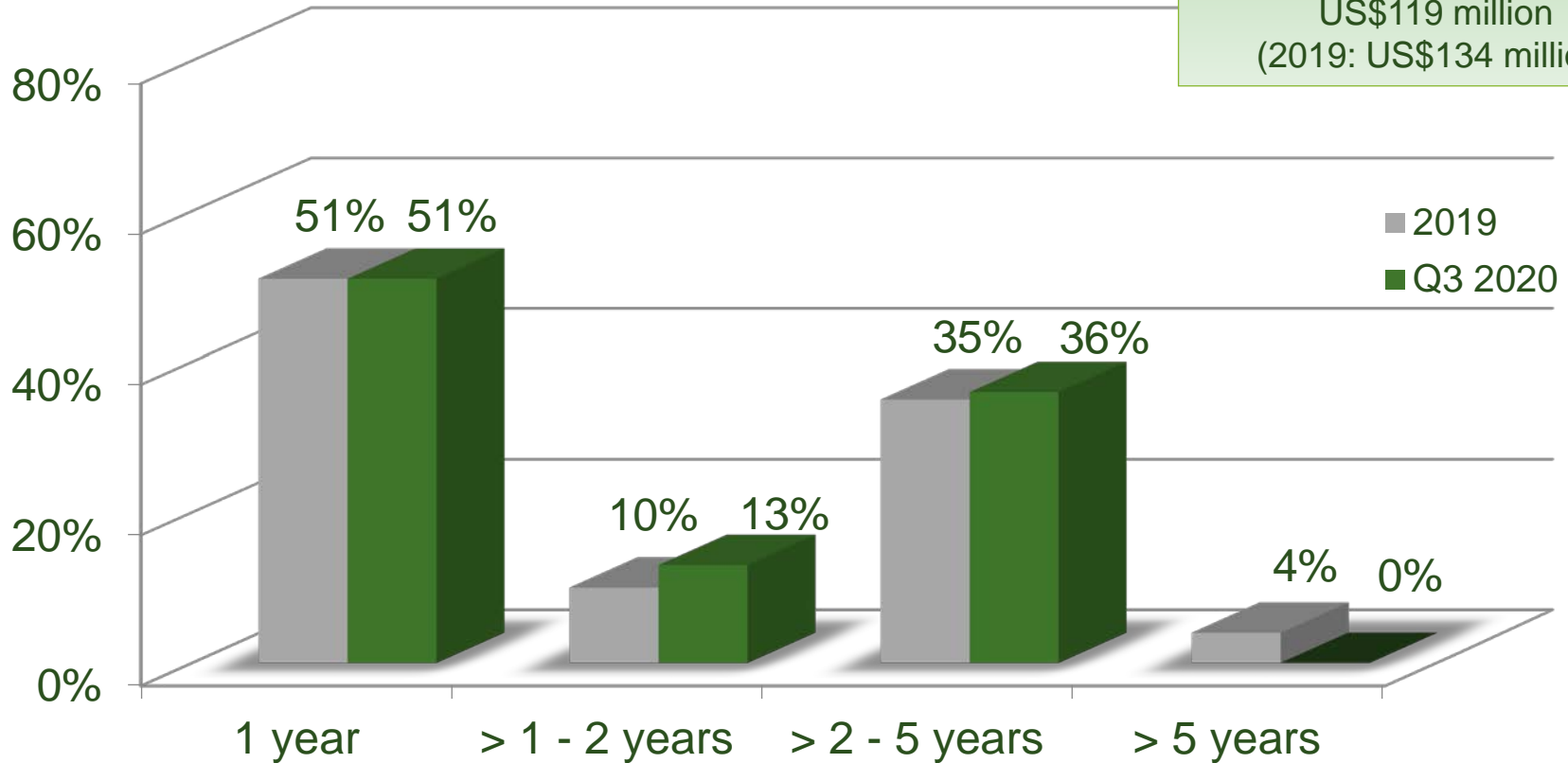
# Installation of ballast water treatment systems

	<u>Fleet</u>	<u>Type</u>	<u>Size (dwt)</u>	<u>Year built</u>	<u>Installation of ballast water treatment systems</u>
1	JIN WAN	Supramax	56,897	2009	Year 2021
2	JIN TONG	Supramax	56,952	2008	Year 2021
3	JIN XIANG	Supramax	61,414	2012	Year 2022
4	JIN HONG	Supramax	61,414	2011	Year 2022
5	JIN LANG	Post-Panamax	93,279	2010	Year 2022
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18	JIN SUI	Supramax	56,968	2008	Year 2023
19	JIN GANG	Supramax	56,927	2009	Year 2024

# Debt Maturity Profile

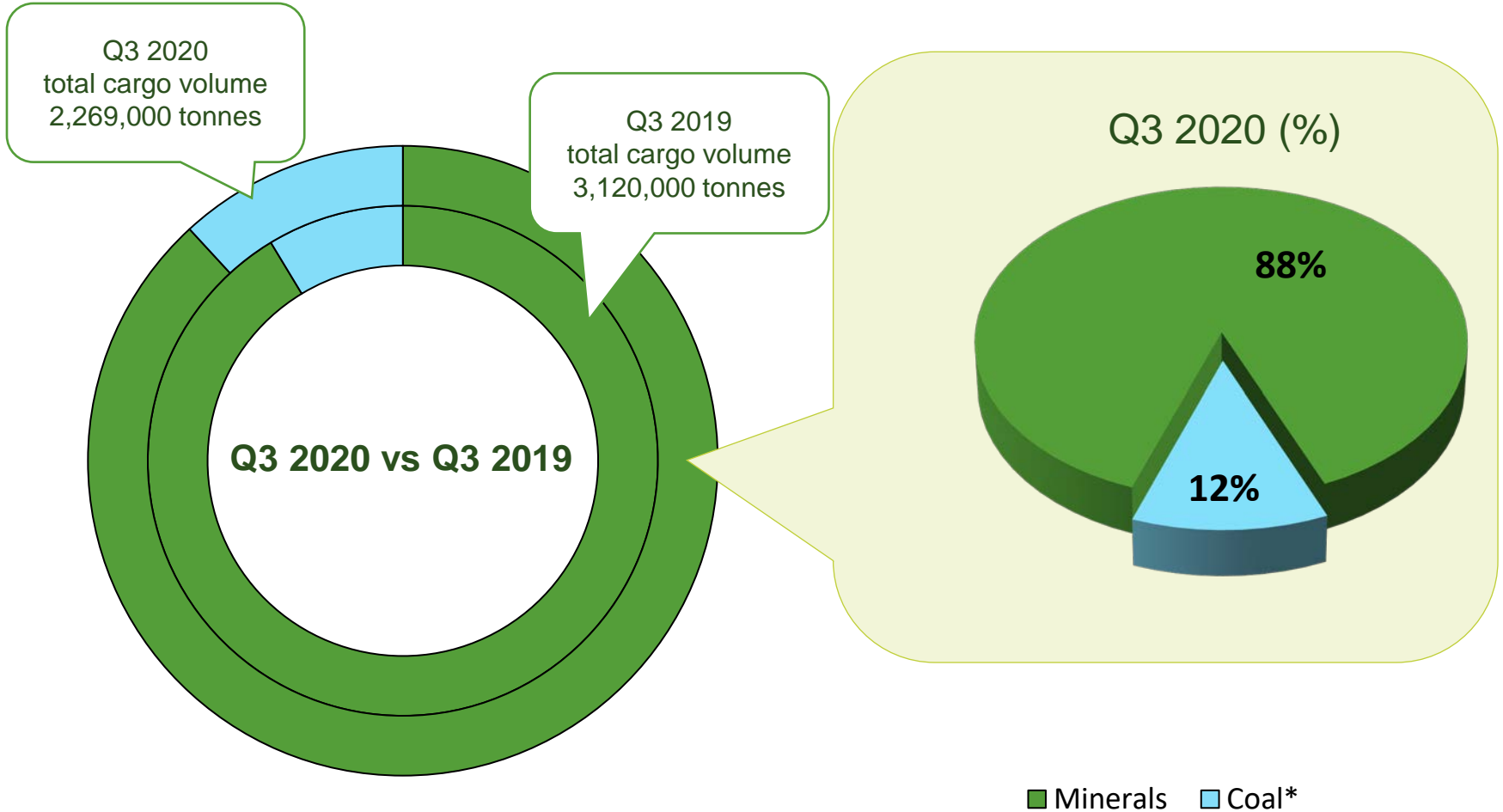
(Based on information up to 30 September 2020)

Total debt as of  
30 September 2020:  
US\$119 million  
(2019: US\$134 million)



- Secured bank loans represented vessel mortgage loans, revolving loans, term loans and property mortgage loans which were secured by the Group's motor vessels, land & buildings, investment properties, financial assets at fair value through profit or loss and loan receivables to secure credit facilities utilized by the Group.

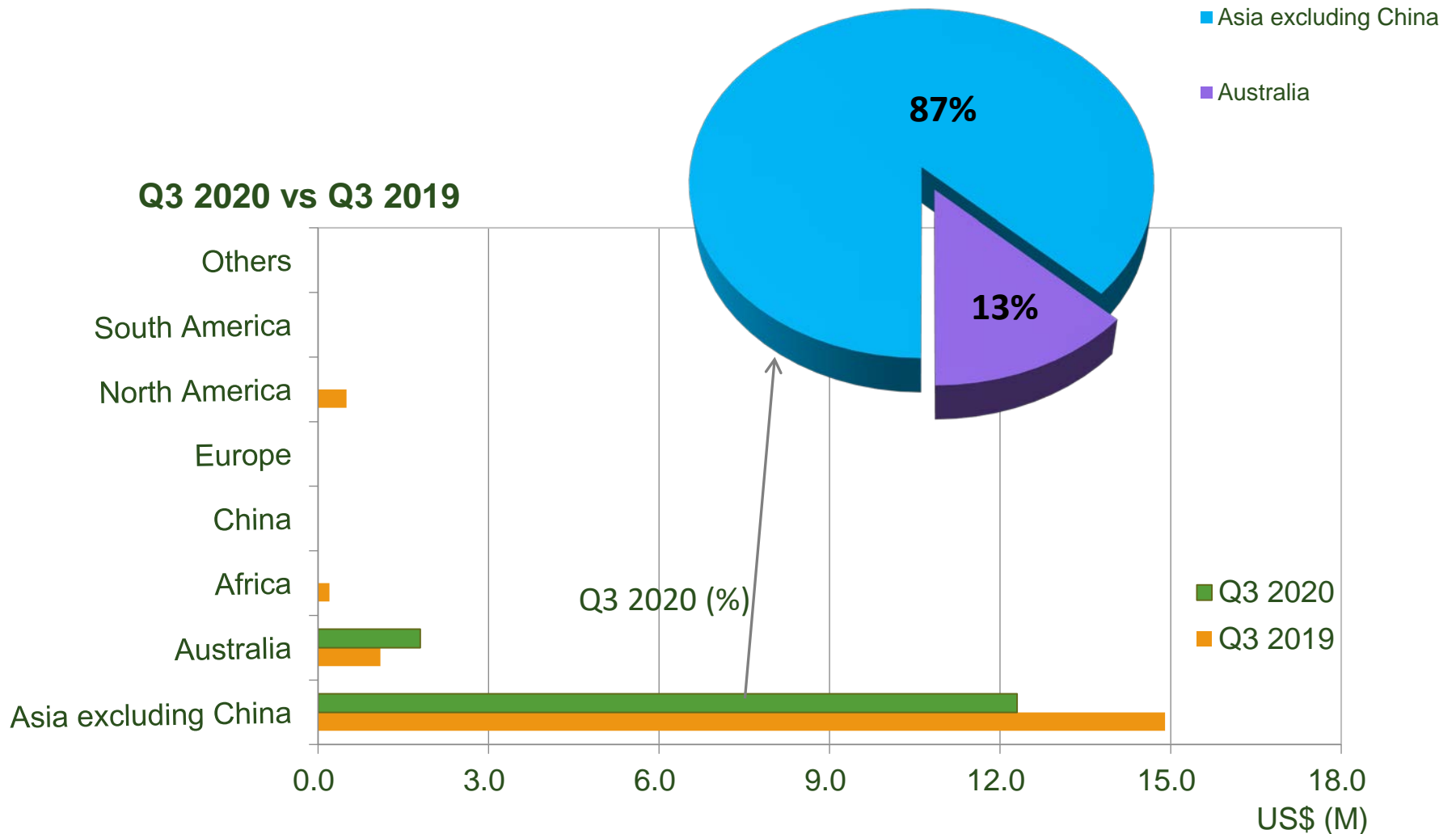
# Cargo Volume Analysis Q3 2020



\* Including steaming coal and coking coal

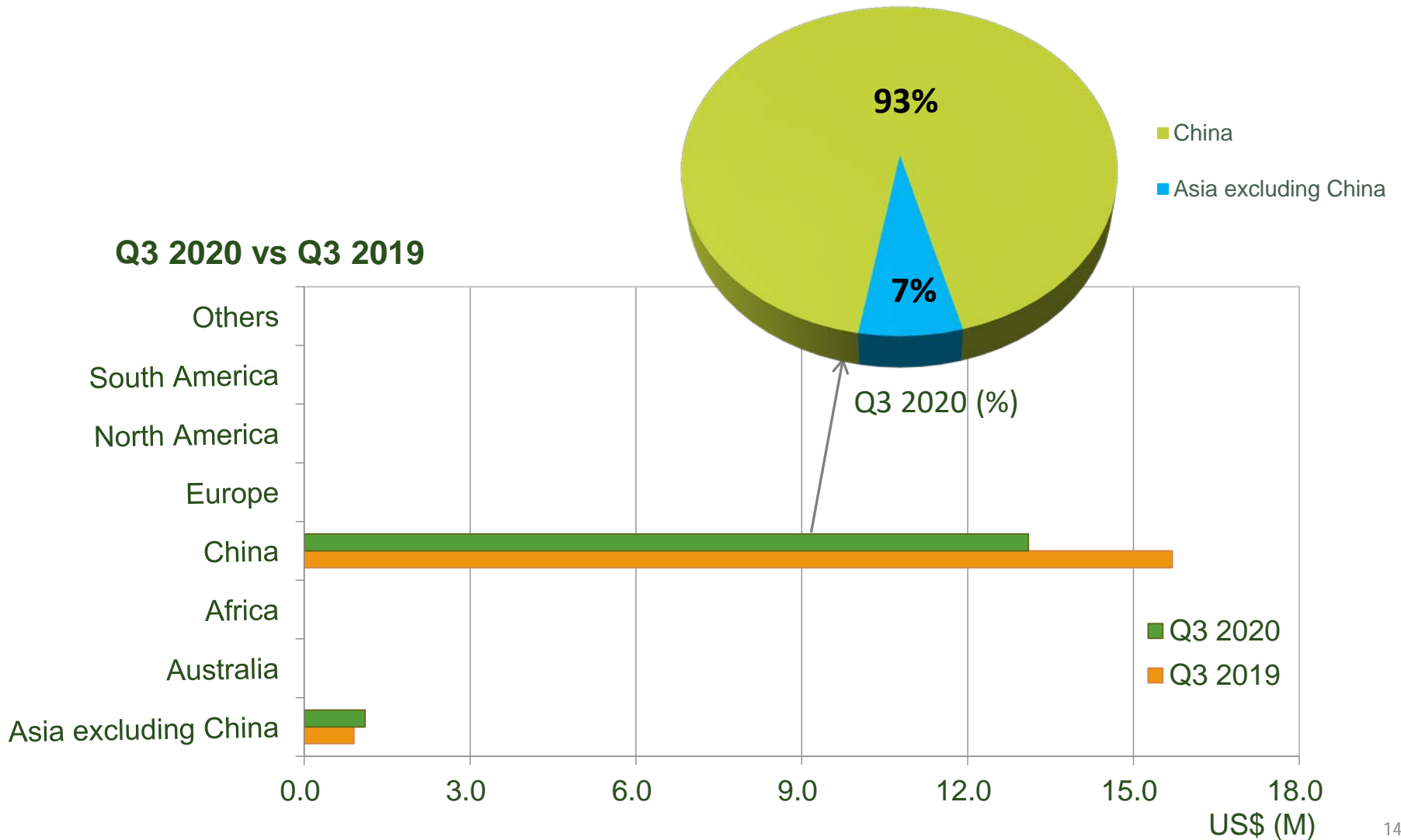
# Loading Port Analysis Q3 2020

## Chartering revenue expressed by loading ports



# Discharging Port Analysis Q3 2020

## Chartering revenue expressed by discharging ports



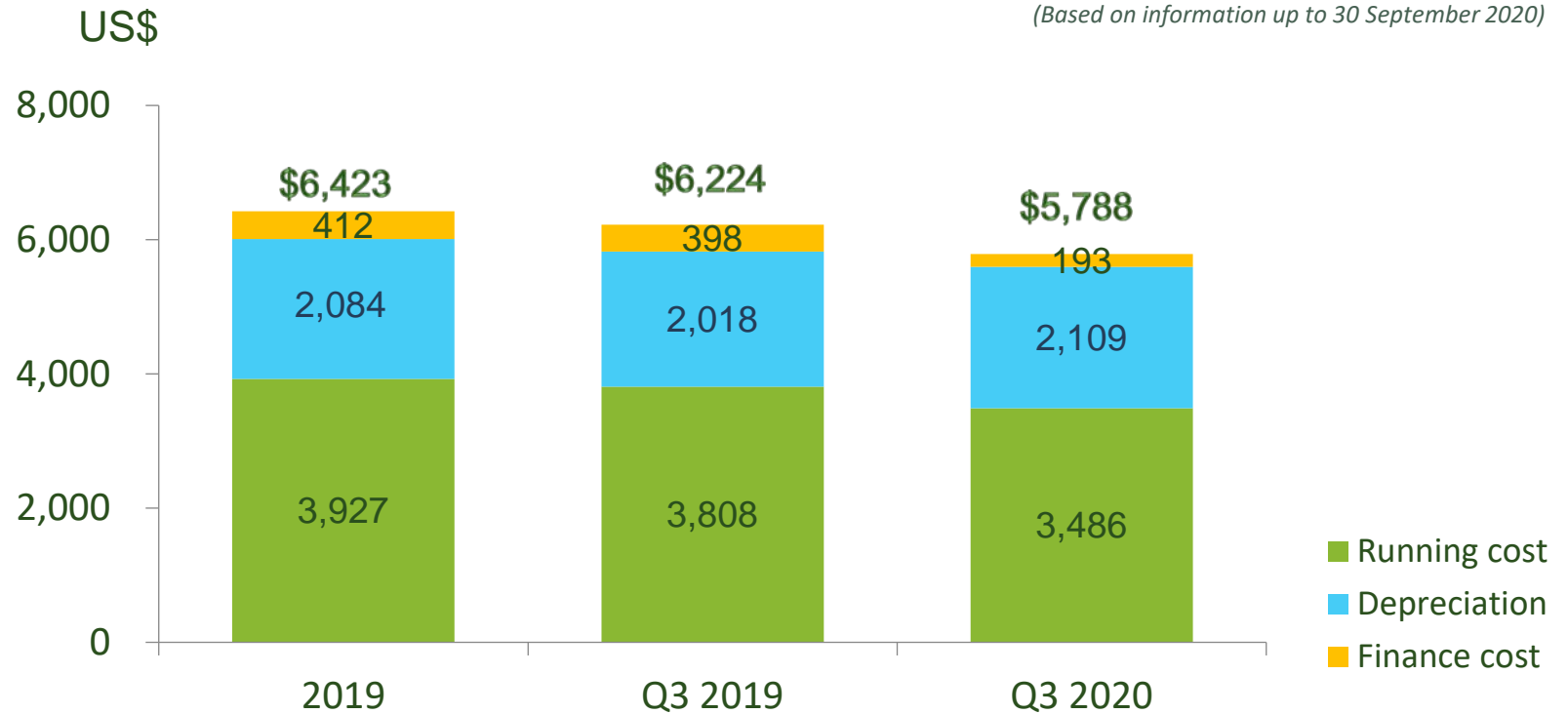
# TCE of Jinhui Shipping's Owned Vessels

*(Based on information up to 30 September 2020)*

Average daily time charter equivalent rate (TCE)	2020 Q3	2019 Q3	9M 2020	9M 2019	2019
	US\$	US\$	US\$	US\$	US\$
Post-Panamax Fleet	11,805	11,304	9,050	8,778	9,628
Supramax Fleet	8,386	9,855	6,248	8,876	9,522
In average	8,713	10,016	6,499	8,865	9,533

# Daily Vessel Running Costs of Owned Vessels

(Based on information up to 30 September 2020)



Daily vessel running cost 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.

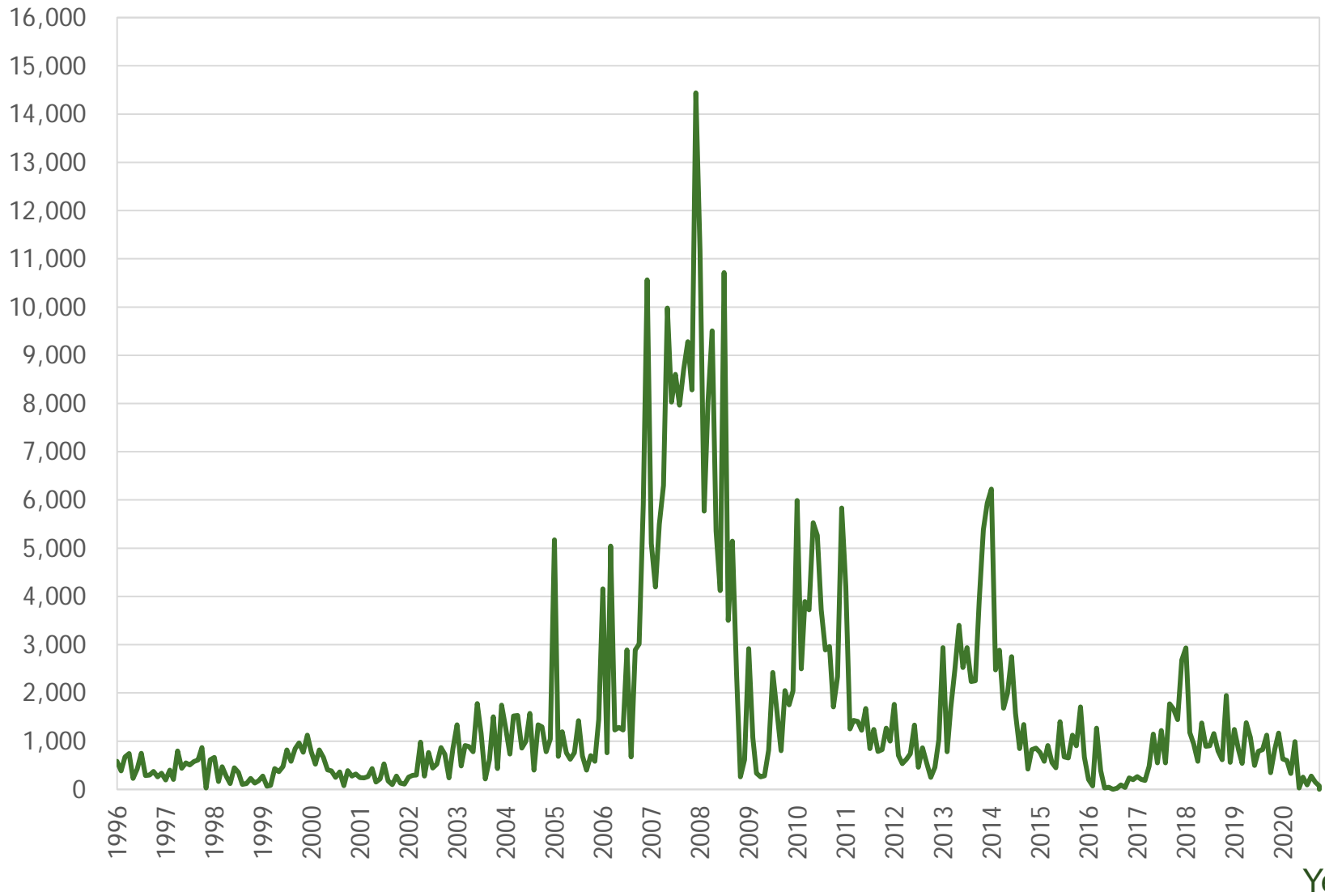
Daily vessel finance cost is calculated as the aggregate of vessels' finance costs divided by ownership days during the period.



# Investment in Dry Bulk Newbuildings

US\$m

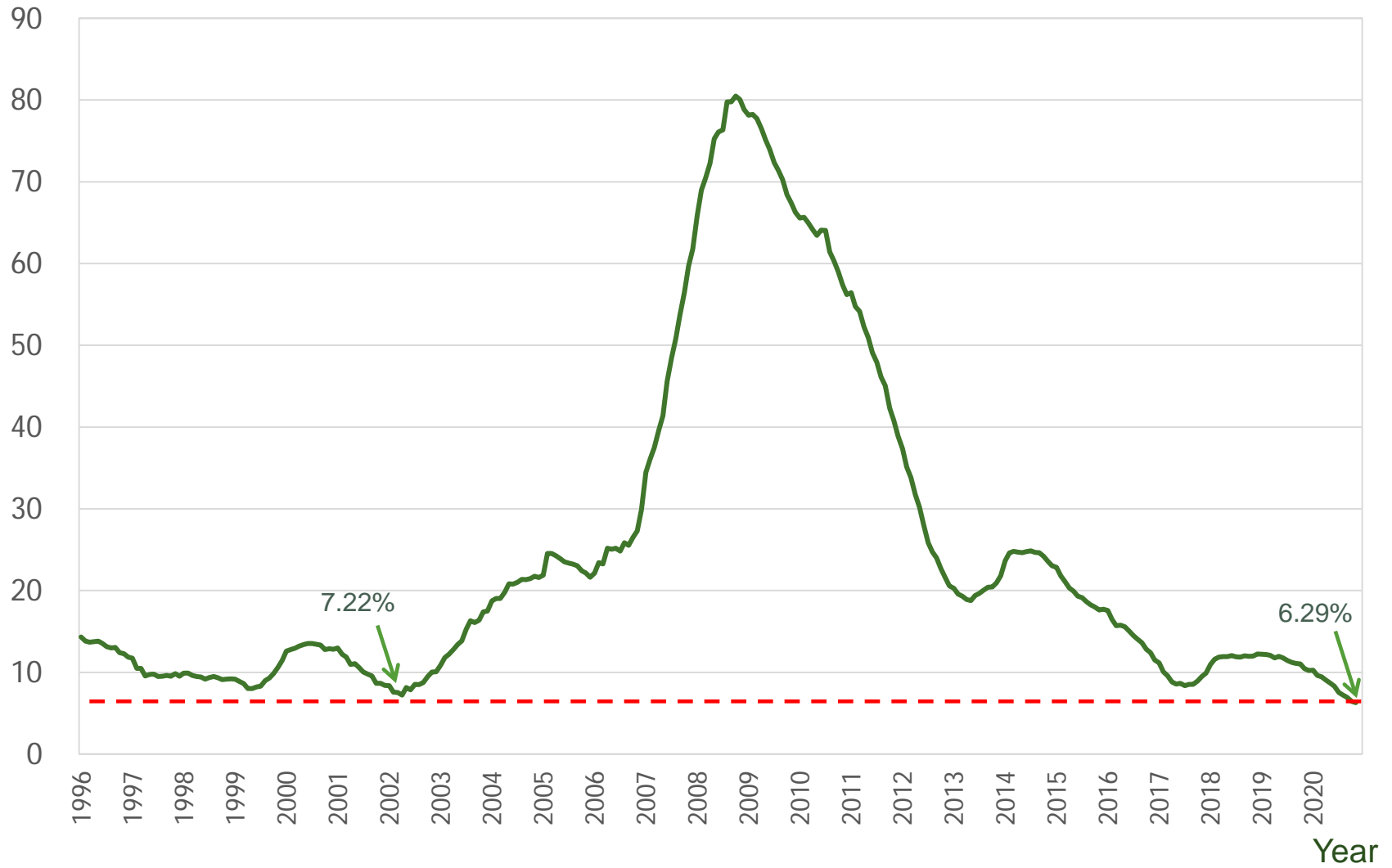
Source: Clarkson Research Services Limited 2020



# Global Dry Bulk Fleet Growth at Historical Low

% of fleet

Source: Clarkson Research Services Limited 2020



# Outlook

- Recovering demand with slowly easing COVID-19 worries;
- Environmental regulations leads to uncertainty in next generation technology for commercial vessels = low investment appetite;
- Maritime funding remains to be available on a selected basis despite a low interest rate environment;
- Easing geopolitical tensions in the horizon?