



# Second Quarter 2023 Results Presentation

Jinhui Shipping and Transportation Limited

28 August 2023



# Disclaimer

A decorative graphic on the left side of the slide consists of several hexagons. There is a large orange hexagon in the center, a smaller light blue hexagon above it, a white outline hexagon to its left, and a small orange hexagon below it.

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' 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

## Q2 2023 Financial Highlights

- ↳ Revenue for the quarter: US\$23 million
- ↳ Net loss for the quarter: US\$7 million
- ↳ Basic loss per share: US\$0.060
- ↳ Gearing ratio as at 30 June 2023: 8%

# Highlights for Q2 2023



Given the considerable pressure in freight rates of shipping market in first half of 2023, the Group reported consolidated net loss for the current quarter of US\$7 million;



Chartering revenue decreased 55% to US\$23 million for the current quarter as compared to US\$51 million of corresponding quarter in 2022; mainly due to weak dry bulk shipping market sentiment amid the challenging macroeconomic and financial environment in first half of 2023 as compared to strong market freight rates in last year;



Reported average TCE of the Group's fleet was US\$10,132 per day for Q2 2023, represented a decrease of 62% as compared to US\$26,397 per day for Q2 2022;



Decline in vessel running cost mainly due to drop in crew cost and continue reduction in pandemic related manning expenses as a result of lifting Covid related restrictions;



Net loss of US\$1 million on bunker was recognized during the quarter as compared to net gain of US\$4 million on bunker in corresponding quarter in 2022;



Other operating expenses decreased as the Group recorded net loss of US\$2.2 million on financial assets at fair value through profit or loss in current quarter as compared to net loss of US\$4.5 million from corresponding quarter in 2022;



# Highlights for Q2 2023



Depreciation and amortization decreased from US\$9.1 million for the second quarter of 2022 to US\$7.9 million for the second quarter of 2023; mainly due to the decrease in depreciation on owned vessels as a result of reduced in carrying amounts of owned vessels after the recognition of impairment loss of owned vessels in 2022, and partially offset by the recognition of depreciation on right-of-use assets during the quarter;



Finance costs was increased for the current quarter mainly due to rising of average interest rates;



As at 30 June 2023, secured bank loans decreased from US\$83 million as of 31 December 2022 to US\$81 million as of 30 June 2023; Current portion and non-current portion of secured bank loans was US\$24 million and US\$57 million respectively;



During 1H 2023, net repayment of bank borrowings of US\$2 million;



CAPEX was under control, about US\$1.6 million was spent on dry-docking and BWTS during the quarter;



2022 declared final dividend of US\$0.04 per share, total US\$4.4 million was paid in Jun 2023;

# Financial Highlights

## For the quarter and six months ended 30 June 2023

US\$'000	Q2 2023 (Unaudited)	Q2 2022 (Unaudited)	1H 2023 (Unaudited)	1H 2022 (Unaudited)	2022 (Audited)
Revenue	22,797	50,629	37,227	83,265	152,466
Net gain on disposal of owned vessels	-	-	-	6,146	5,636
Impairment loss on owned vessels, net	-	-	-	-	(49,326)
EBITDA	2,493	29,963	46	57,955	36,215
Operating profit (loss)	(5,449)	20,821	(16,854)	40,255	(3,655)
Finance costs	(1,060)	(474)	(2,407)	(890)	(3,438)
Net profit (loss) for the periods / year	(6,509)	20,331	(19,261)	39,349	(7,113)
Basic earnings (loss) per share	US\$(0.060)	US\$0.186	US\$(0.176)	US\$0.360	US\$(0.065)

# Key Financial Ratios as at 30 June 2023

	Q2 2023 (Unaudited)	Q2 2022 (Unaudited)	2022 (Audited)
Total assets (US\$'000)	501,571	605,905	538,312
Net equity (US\$'000)	387,215	459,576	411,137
Secured bank loans (US\$'000)	80,857	76,675	82,838
Current ratio <sup>1</sup>	1.83 : 1	1.61 : 1	1.64 : 1
Net gearing <sup>2</sup>	8%	1%	5%
Working Capital (US\$'000)	33,309	44,523	34,153
Available liquidity (US\$'000) <sup>3</sup>	49,982	70,087	61,504

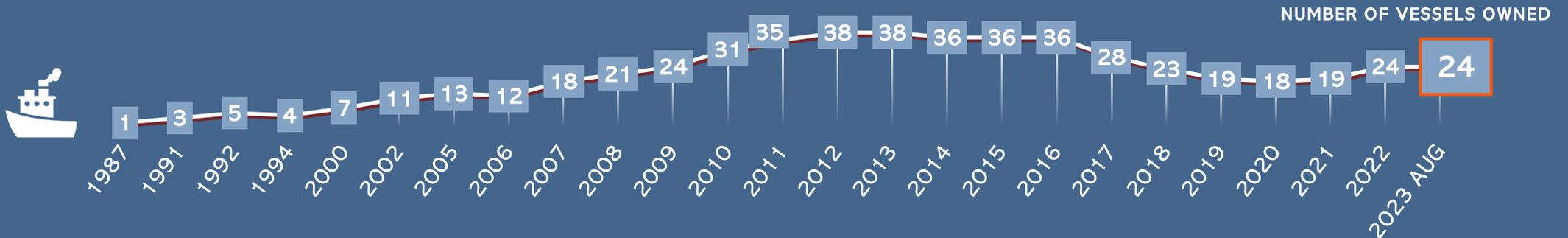
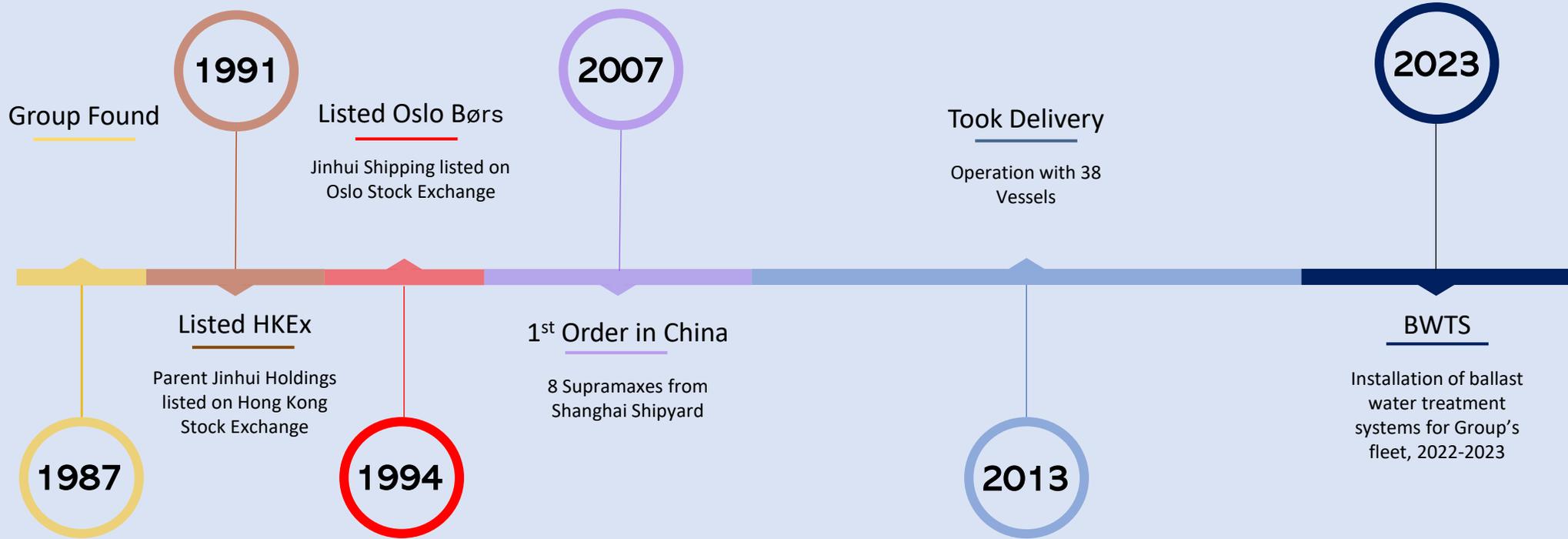
1. Current ratio is calculated based on current assets divided by current liabilities.

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

(Based on information up to 27 August 2023)



# Jinhui Fleet of 24 Supramax Vessels

As of 27 August 2023, we are operating 24 owned vessels with total capacity of deadweight 1,373,222 metric tons and average age of 13.83 years.

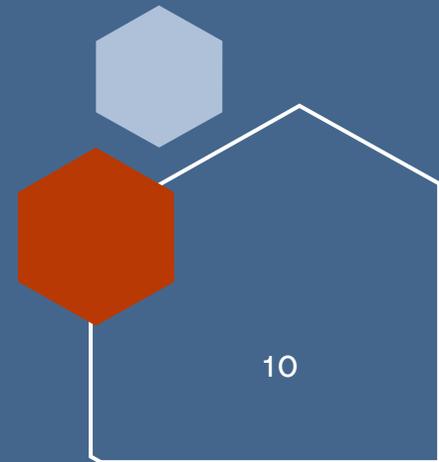


Fleet	Size (dwt)	Year built	Shipyard	Fleet	Size (dwt)	Year built	Shipyard
1 JIN HENG	63,518	2014	Jiangsu Hantong	13 JIN JUN	56,887	2009	Shanghai Shipyard
2 JIN PING	63,485	2014	Jiangsu Hantong	14 JIN RONG	58,729	2008	Tsuneishi
3 JIN CHAO	63,469	2014	Jiangsu Hantong	15 JIN SUI	56,968	2008	Shanghai Shipyard
4 JIN XIANG	61,414	2012	Oshima	16 JIN TONG	56,952	2008	Shanghai Shipyard
5 JIN MAO	56,469	2012	Jiangsu Hantong	17 JIN AN	55,866	2007	Kawasaki
6 JIN BI	56,361	2012	Jiangsu Hantong	18 JIN SHUN	53,350	2007	Shanghai Shipyard
7 JIN HONG	61,414	2011	Oshima	19 JIN YUAN	55,496	2007	Oshima
8 JIN YUE	56,934	2010	Shanghai Shipyard	20 JIN YI	55,496	2007	Oshima
9 JIN AO	56,920	2010	Shanghai Shipyard	21 JIN XING	55,496	2007	Oshima
10 JIN GANG	56,927	2009	Shanghai Shipyard	22 JIN QUAN	52,525	2006	Tsuneishi
11 JIN JI	56,913	2009	Shanghai Shipyard	23 JIN SHENG	52,050	2006	IHI
12 JIN WAN	56,897	2009	Shanghai Shipyard	24 JIN FENG	52,686	2004	Oshima

# Jinhui Chartered-in Vessel

As of 27 August 2023, we are operating 1 chartered-in vessel.

Fleet	Type	Size (dwt)	Year built	Chartered-in date	Expiry
TAHO CIRCULAR	Panamax / Kamsarmax	84,484	2022	Jun 2022	Feb 2029



96% Jinhui  
vessels  
finished  
BWTS

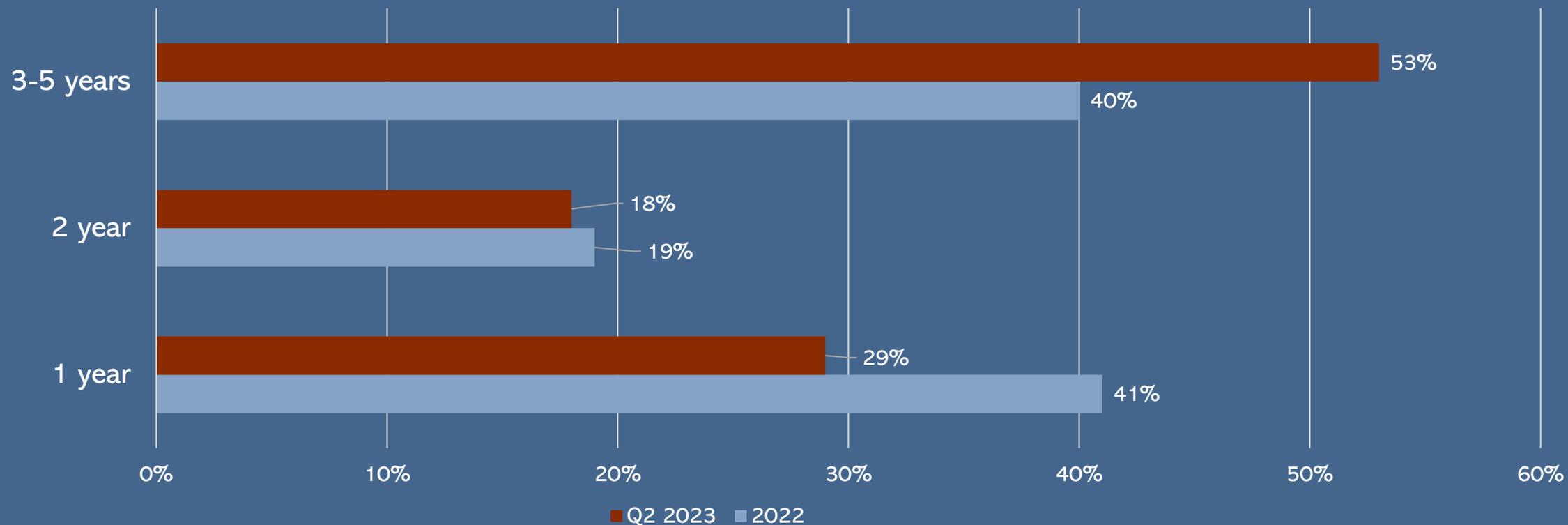
## Installation of Ballast Water Treatment Systems

JIN GANG  
by 2024

*(Based on information up to 27 August 2023)*

# Debt Maturity Profile

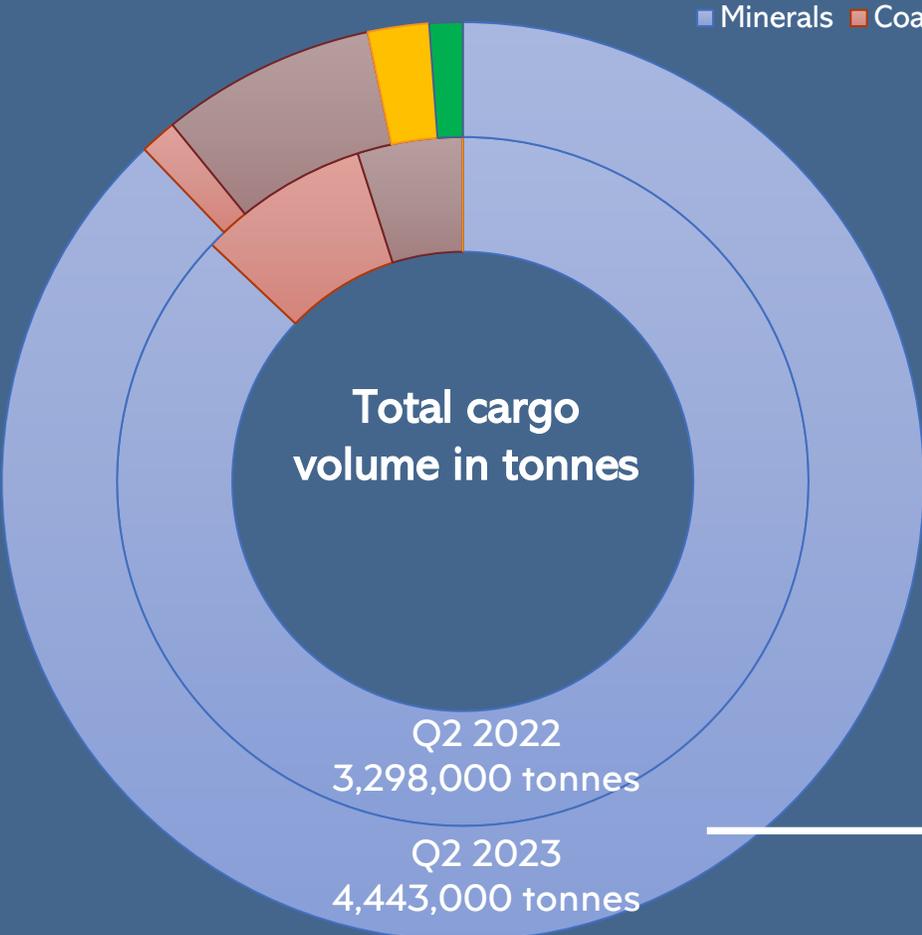
Total debt as of 30 June 2023:  
US\$81 million  
(2022: US\$83 million)



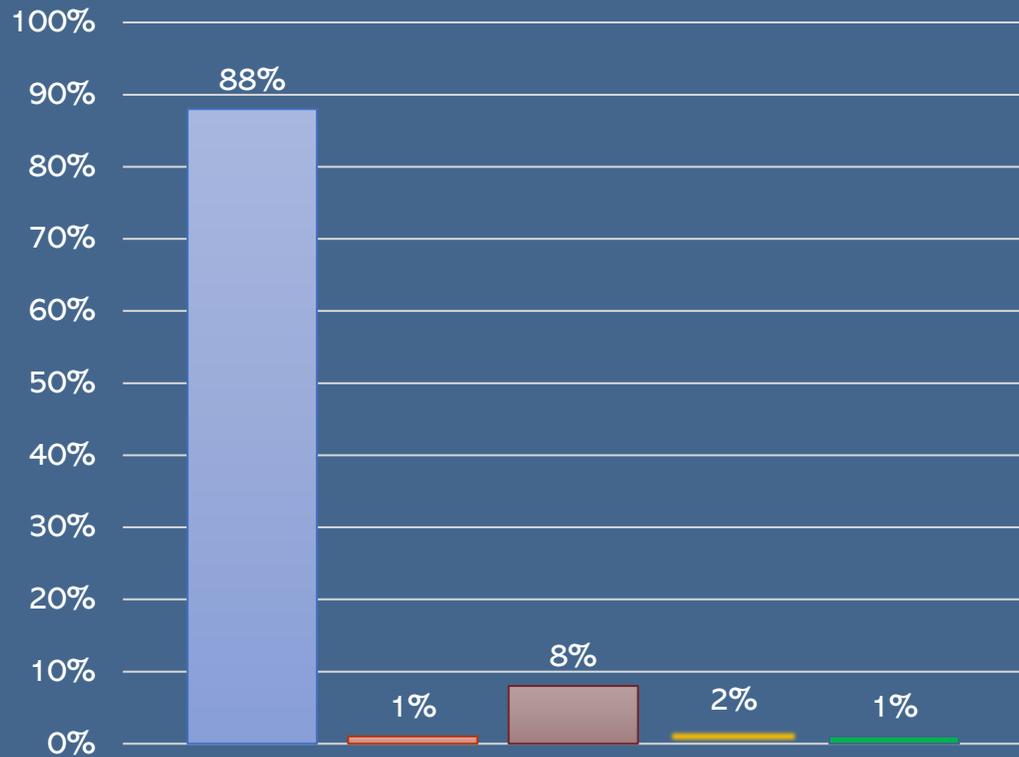
(Based on information up to 30 June 2023)

*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 and financial assets at fair value through profit or loss to secure credit facilities utilized by the Group.*

# Cargo Mix Analysis



■ Minerals ■ Coal\* ■ Steel Products ■ Agricultural Products ■ Cement



Q2 2023 Cargo Mix (%)

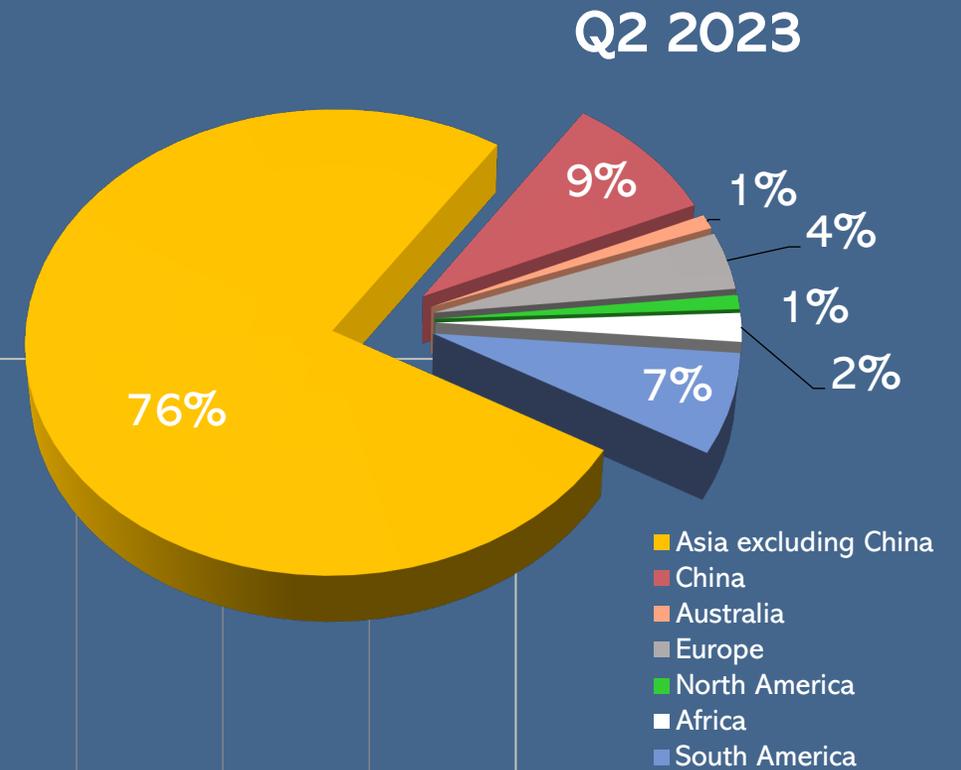
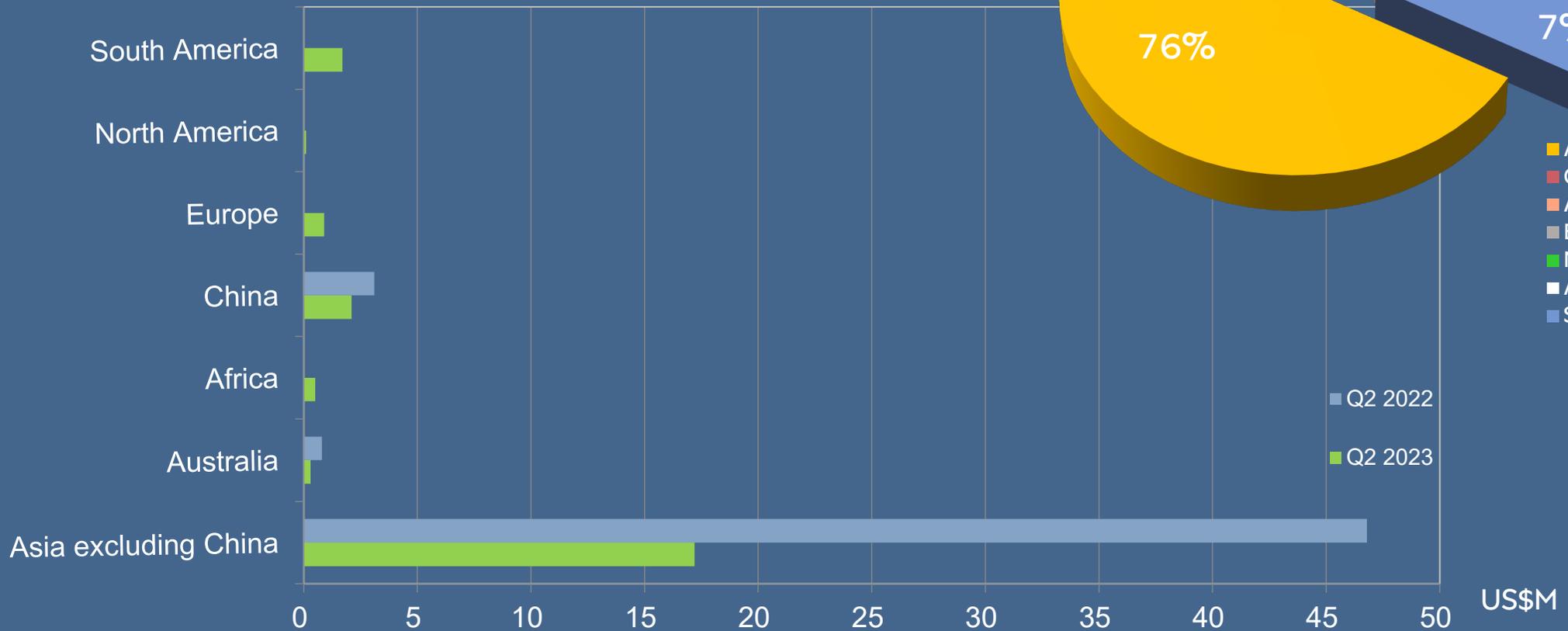
\* Including steaming coal and coking coal

# Distribution of Cargo

Loading Port Analysis Q2 2023

Chartering revenue expressed by Loading Ports

Q2 2023 vs Q2 2022



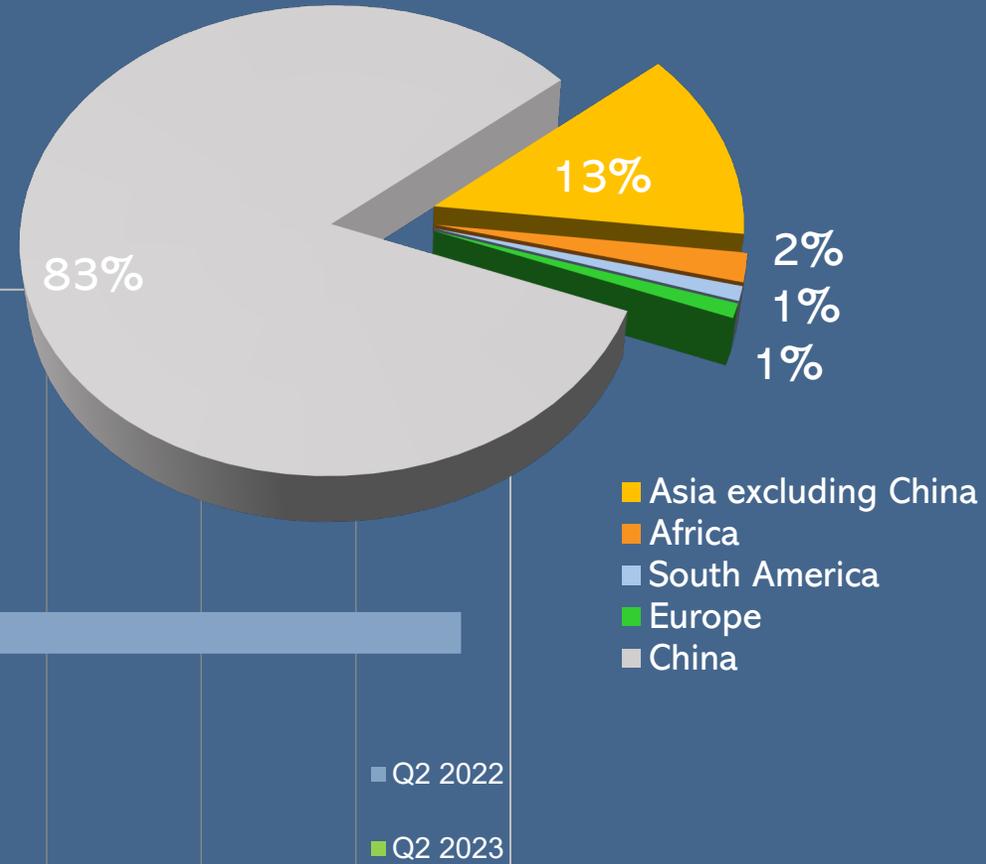
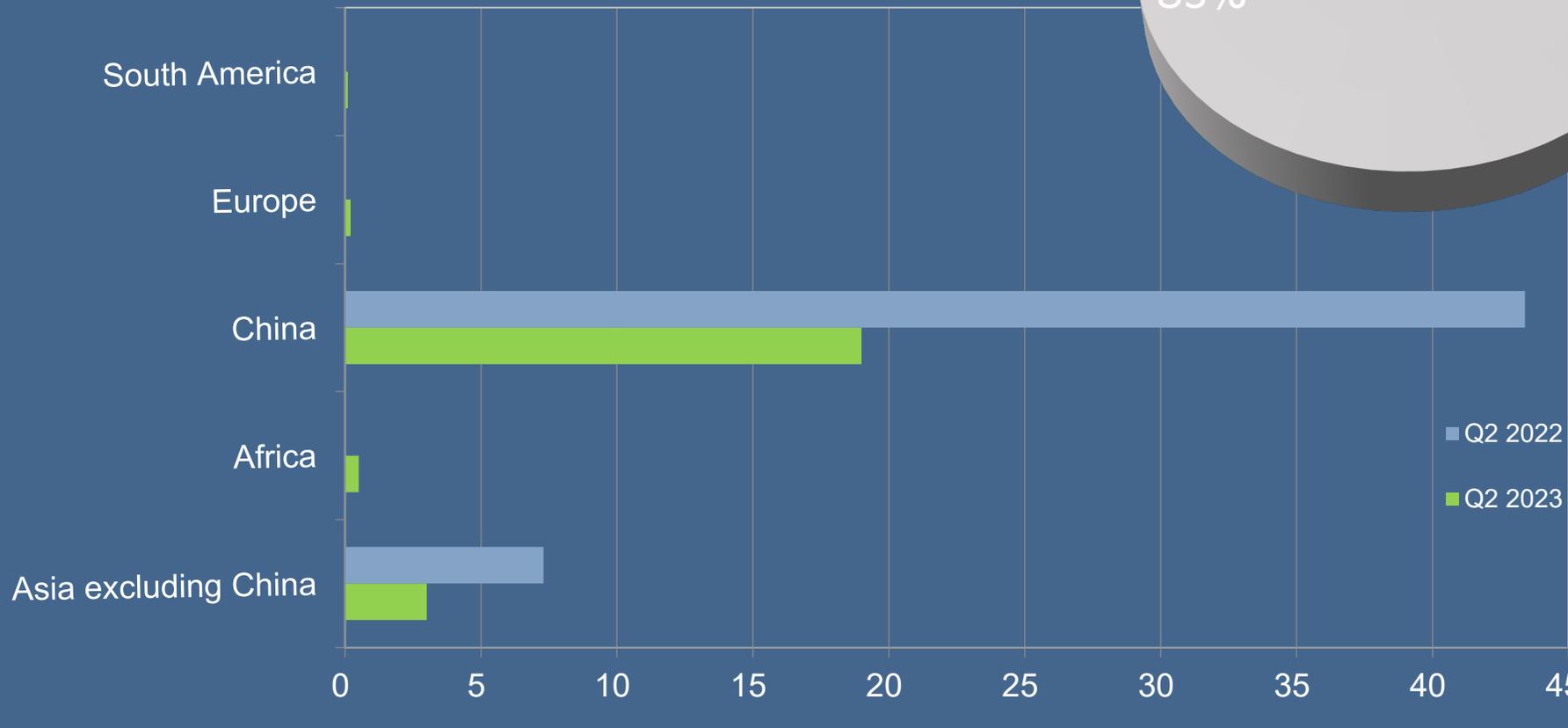
# Distribution of Cargo

Discharging Port Analysis Q2 2023

Chartering revenue expressed by Discharging Ports

Q2 2023

Q2 2023 vs Q2 2022



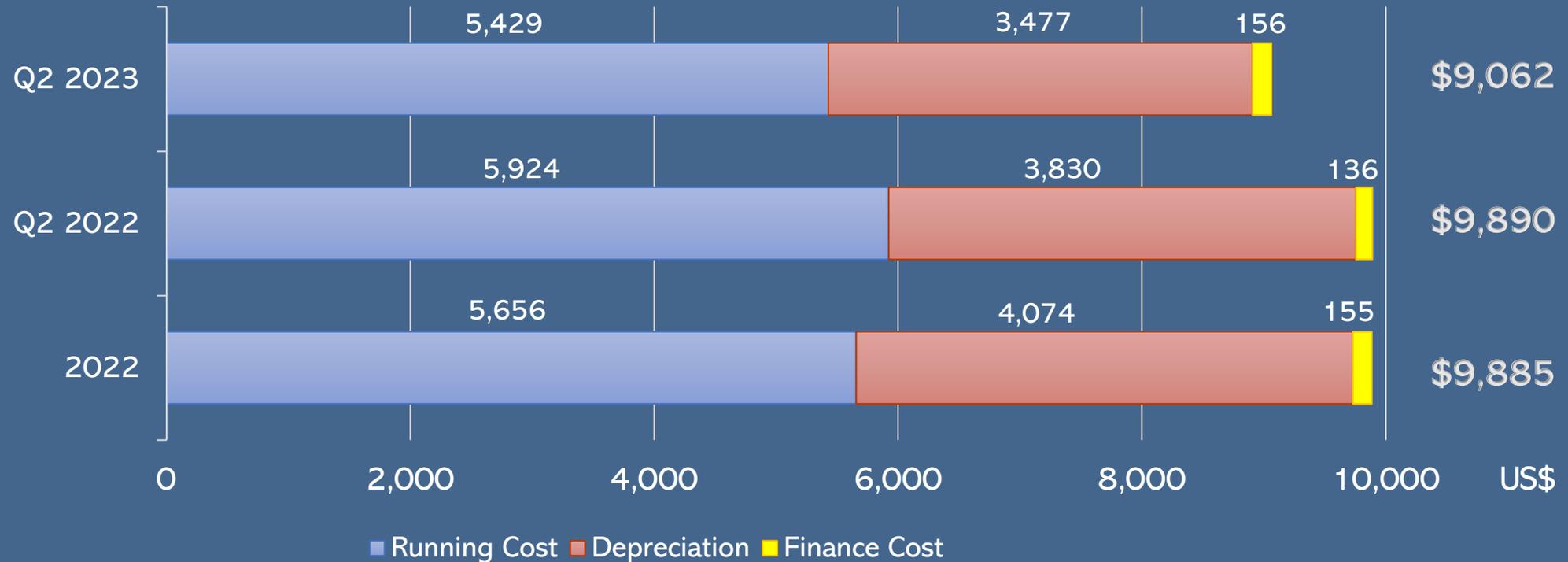
US\$M

# TCE of Jinhui Shipping's Fleet

Average daily time charter equivalent rate (TCE)	Q2 2023	Q2 2022	1H 2023	1H 2022	2022
	US\$	US\$	US\$	US\$	US\$
Post-Panamax / Panamax Fleet	4,719	23,171	8,894	22,569	20,180
Supramax Fleet	10,360	26,544	8,357	21,988	18,681
In average	10,132	26,397	8,379	22,029	18,813

# Daily Vessel Running Costs of Owned Vessels

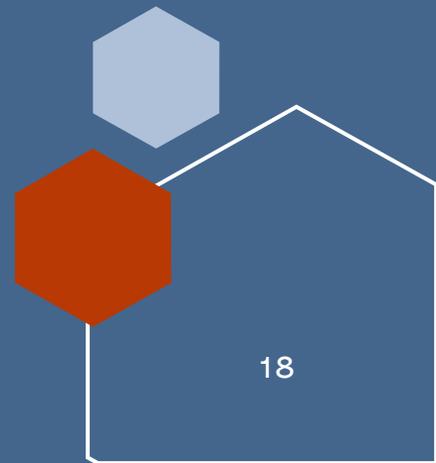
(Based on information up to 30 June 2023)



- 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. Decrease in daily running costs due to decrease in crew costs under cost reduction strategy and lower crew repatriation costs as Covid-related controls have been relaxed in 2023.
- Daily vessel finance cost is calculated as the aggregate of vessels' finance costs divided by ownership days during the period. Increase in daily vessel finance cost during the quarter as a result of rising interest rate as compared to 2022.
- Daily vessel depreciation is calculated as the aggregate of vessels' depreciation divided by ownership days during the period. The decrease during the quarter was mainly due to the decrease in carrying amounts of owned vessels after the recognition of impairment loss vessels in 2022.

# Outlook

- ⚓ Global economic growth remains dampened;
- ⚓ Industry fundamentals —————> low supply growth offers support;
- ⚓ Upside requires further stimulate policy from key commodity importing nations;
- ⚓ Cautious yet nimble to any opportunities for fleet renewal / maintain young fleet profile.





# Thank you

Raymond Ching

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