



2023 Q4 & Annual Results Presentation

Jinhui Shipping and Transportation Limited

27 February 2024



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

Q4 2023 Financial Highlights

- ↳ Revenue for the quarter: US\$25M
- ↳ Net loss for the quarter: US\$28M, included non-cash impairment loss on Group's fleet of US\$19.7M
- ↳ Basic loss per share: US\$0.254

Year 2023 Financial Highlights

- ↳ Revenue for the year: US\$82M
- ↳ Net loss for the year: US\$55M, included non-cash impairment loss on Group's fleet of US\$19.7M
- ↳ Basic loss per share: US\$0.504
- ↳ Gearing ratio as at 31 December 2023: 7%

Highlights for 2023



Given the weak dry bulk shipping market in 2023, driven by rising interest rates, tighter monetary conditions due to inflationary pressure, as well as heightened geopolitical tensions, the Group reported consolidated net loss for the year of US\$55 million, including an impairment loss on owned vessels and right-of-use assets of US\$19.7 million;



Chartering revenue decreased 46% to US\$82 million as compared to US\$152 million of last year; due to the lackluster freight rates as compared with 2022;



Reported average TCE of the Group's fleet was US\$9,063 per day for 2023, represented a decrease of 52% as compared to US\$18,813 per day for 2022;



Decline in vessel running cost mainly due to drop in crew cost under cost reduction strategy and lower crew repatriation costs as Covid-related controls have been relaxed in 2023;



Net loss of US\$1.3 million on bunker was recognized during the year as compared to net gain of US\$2.4 million on bunker in 2022;



Other operating expenses increased mainly due to fair value loss on investment properties in amount of US\$2.3 million and an impairment loss on assets held for sale of US\$1.3 million on disposal of a Supramax during the fourth quarter which was delivered to the purchaser in January 2024;



Highlights for 2023



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



Secured bank loans increased from US\$83 million as of 31 December 2022 to US\$88 million as of 31 December 2023 with current portion and non-current portion of US\$32 million and US\$56 million respectively;



CAPEX of US\$24.3 million, mainly on acquisition of vessel, dry-docking and installation of BWTS during the year;



A 2014-built Supramax was acquired and delivered in the fourth quarter of 2023;



Three Supramaxes were disposed at total consideration of US\$28.2 million during the year; two were delivered in 2023 and one was delivered to the purchaser in January 2024;



Entered into a charterparty for leasing one 2021-built Panamax for minimum of twenty-two months; and



Subsequent to reporting date, contract to acquire one 2012-built Capesize at US\$31 million and one 2019-built Panamax at US\$31 million.

Financial Highlights

For the quarter and year ended 31 December 2023

US\$'000	Q4 2023 (Unaudited)	Q4 2022 (Unaudited)	2023 (Unaudited)	2022 (Audited)
Revenue	24,603	29,622	81,868	152,466
Net gain (loss) on disposal of owned vessels	(880)	(510)	(880)	5,636
Impairment loss on owned vessels and right-of-use assets	(19,704)	(49,326)	(19,704)	(49,326)
EBITDA	(15,899)	(34,019)	(11,828)	36,215
Operating loss	(25,693)	(45,263)	(48,822)	(3,655)
Finance costs	(2,023)	(1,484)	(6,234)	(3,438)
Net loss for the periods / year	(27,715)	(46,751)	(55,055)	(7,113)
Basic loss per share	US\$(0.254)	US\$(0.428)	US\$(0.504)	US\$(0.065)

Key Financial Ratios as at 31 December 2023

	2023 (Unaudited)	2022 (Audited)
Total assets (US\$'000)	483,633	538,312
Net equity (US\$'000)	349,930	411,137
Secured bank loans (US\$'000)	88,167	82,838
Current ratio ¹	1.75 : 1	1.64 : 1
Net gearing ²	7%	5%
Working capital (US\$'000)	40,643	34,153
Available liquidity (US\$'000) ³	62,613	61,504

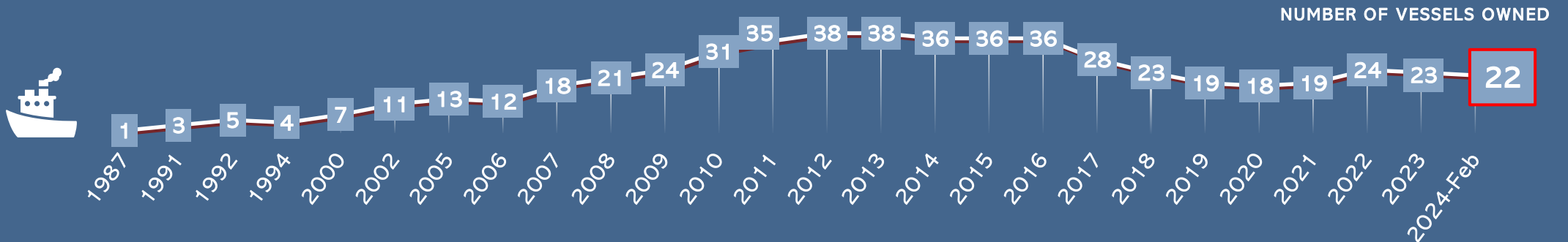
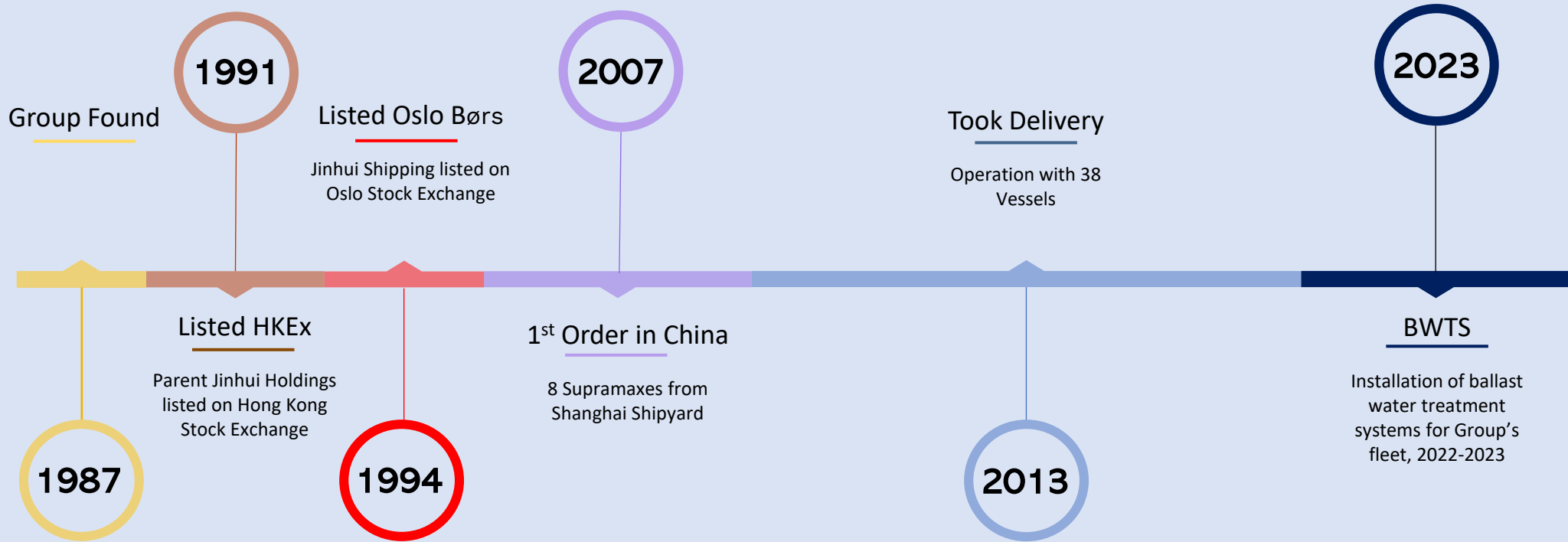
1. Current ratio is calculated based on current assets divided by current liabilities.

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 26 February 2024)



Jinhui Fleet of 22 Supramax Vessels

As of 26 February 2024, we are operating 22 owned vessels with total capacity of deadweight 1,279,396 metric tons and average age of 14.09 years.

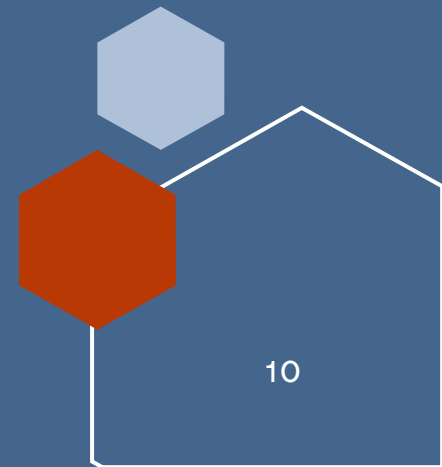


Fleet	Size (dwt)	Year built	Shipyard	Fleet	Size (dwt)	Year built	Shipyard
1 JIN HENG	63,518	2014	Jiangsu Hantong	12 JIN JI	56,913	2009	Shanghai Shipyard
2 JIN PING	63,485	2014	Jiangsu Hantong	13 JIN WAN	56,897	2009	Shanghai Shipyard
3 JIN CHAO	63,469	2014	Jiangsu Hantong	14 JIN JUN	56,887	2009	Shanghai Shipyard
4 JIN RUI	63,435	2014	Jiangsu Hantong	15 JIN RONG	58,729	2008	Tsuneishi
5 JIN XIANG	61,414	2012	Oshima	16 JIN SUI	56,968	2008	Shanghai Shipyard
6 JIN MAO	56,469	2012	Jiangsu Hantong	17 JIN TONG	56,952	2008	Shanghai Shipyard
7 JIN BI	56,361	2012	Jiangsu Hantong	18 JIN AN	55,866	2007	Kawasaki
8 JIN HONG	61,414	2011	Oshima	19 JIN XING	55,496	2007	Oshima
9 JIN YUE	56,934	2010	Shanghai Shipyard	20 JIN YI	55,496	2007	Oshima
10 JIN AO	56,920	2010	Shanghai Shipyard	21 JIN YUAN	55,496	2007	Oshima
11 JIN GANG	56,927	2009	Shanghai Shipyard	22 JIN SHUN	53,350	2007	Shanghai Shipyard

Jinhui Chartered-in Vessels

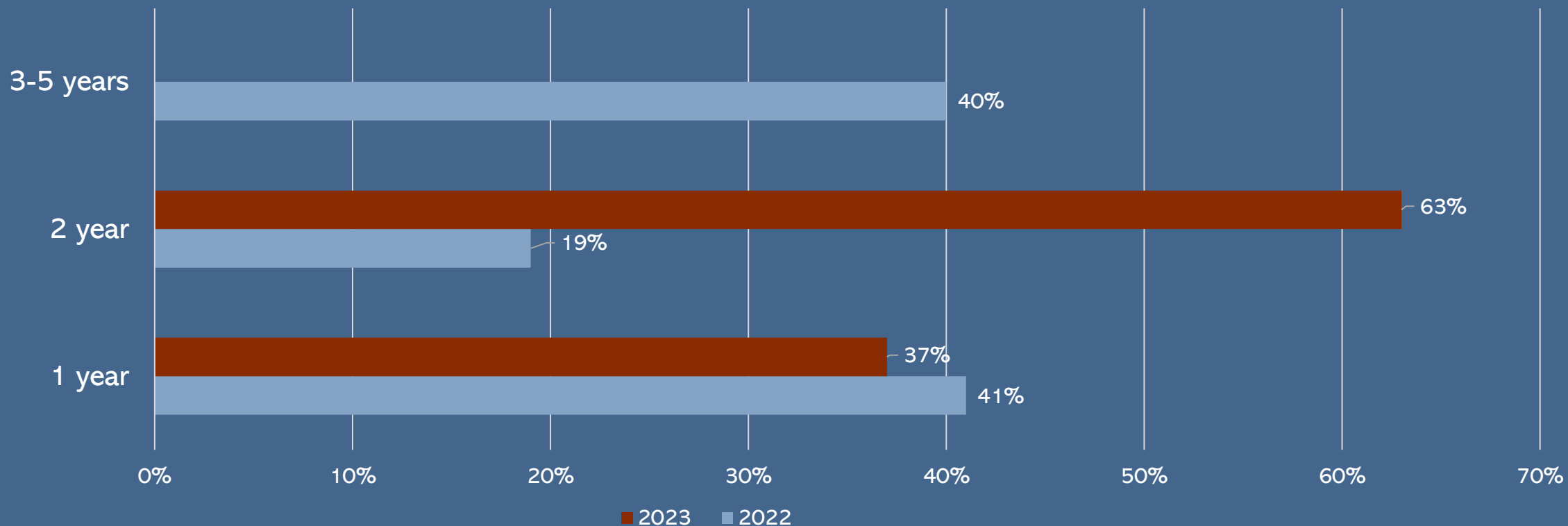
As of 26 February 2024, we are operating 2 chartered-in vessels.

Fleet	Type	Size (dwt)	Year built	Chartered-in date	Expiry
EVER SHINING	Panamax / Kamsarmax	81,842	2021	Jan 2024	Oct 2025
TAHO CIRCULAR	Panamax / Kamsarmax	84,484	2022	Jun 2022	Feb 2029



Debt Maturity Profile

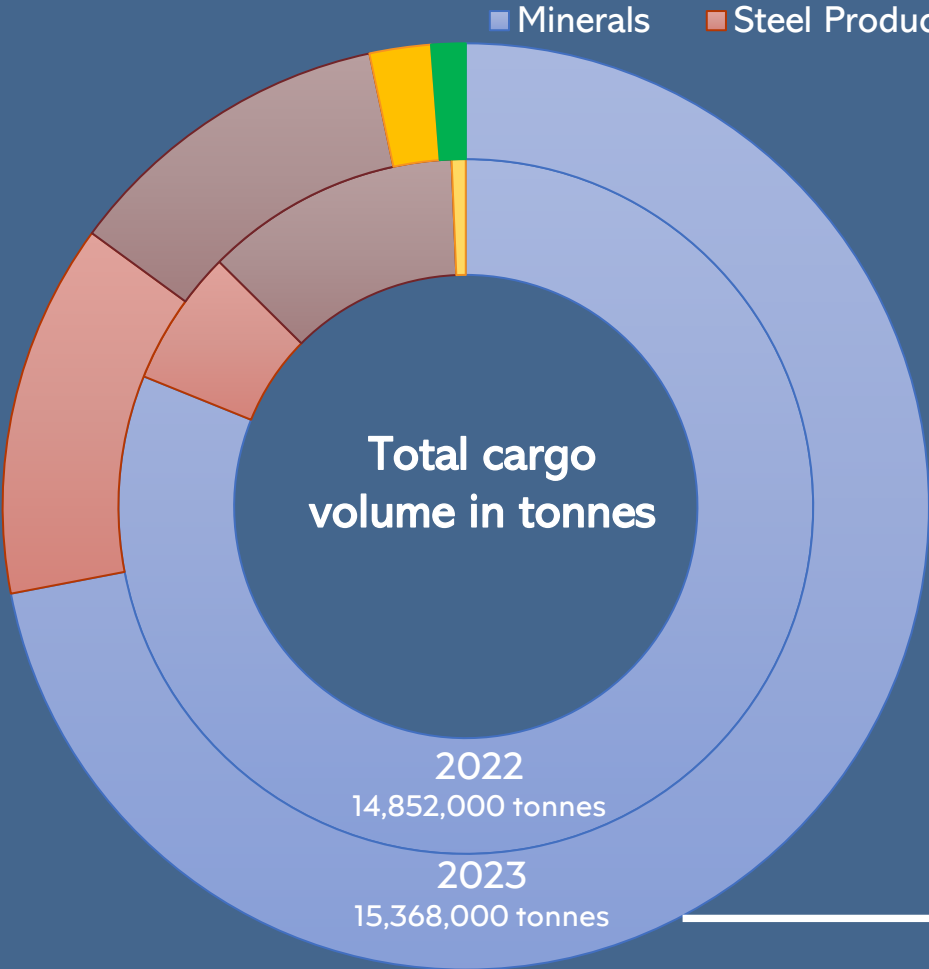
Total debt as of 31 Dec 2023:
US\$88 million
(2022: US\$83 million)



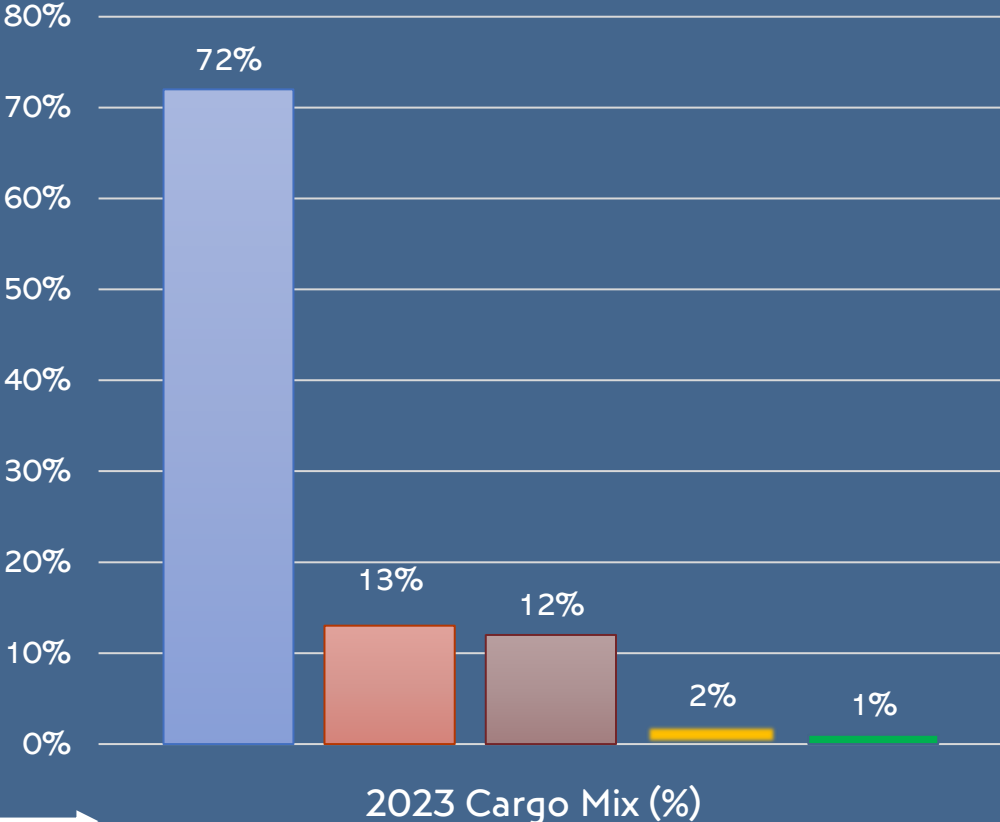
(Based on information up to 31 December 2023)

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
 ■ Steel Products
 ■ Coal*
 ■ Agricultural Products
 ■ Others

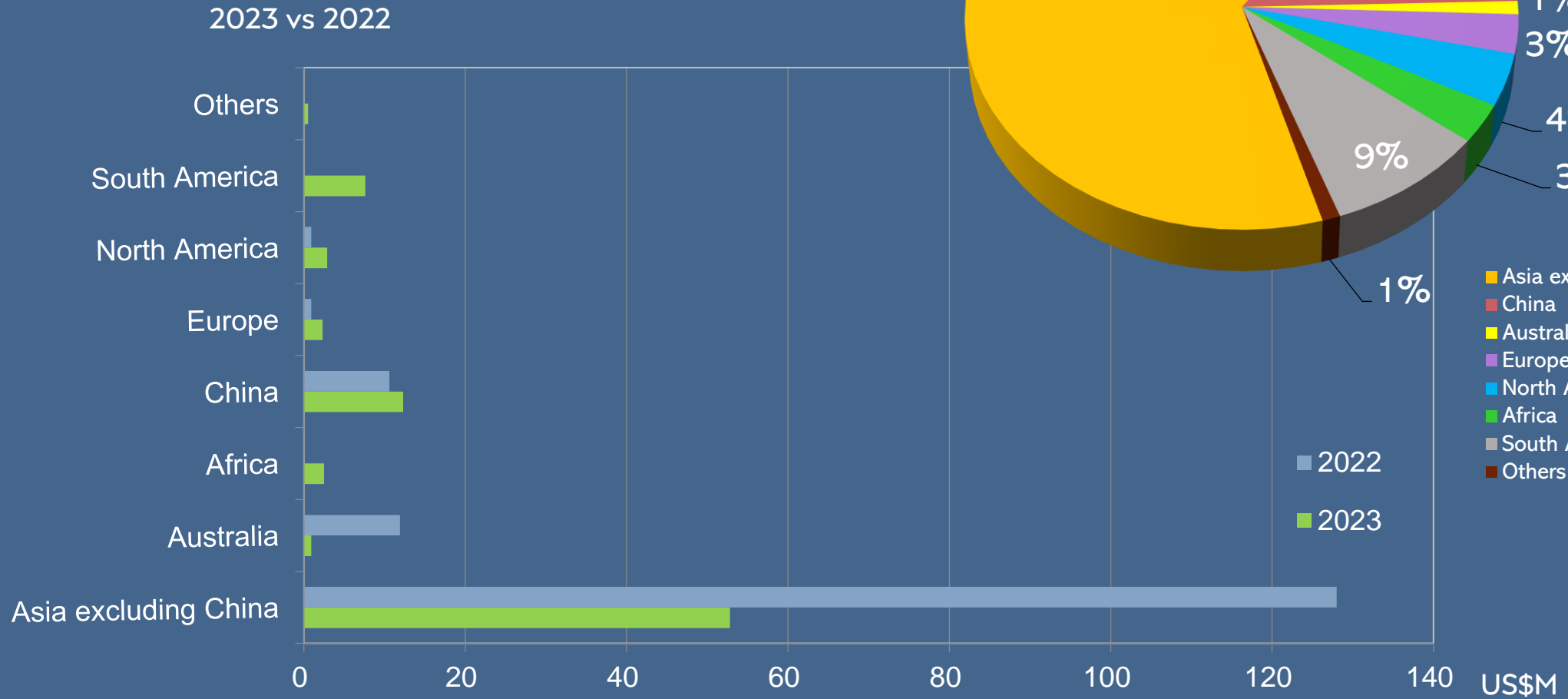
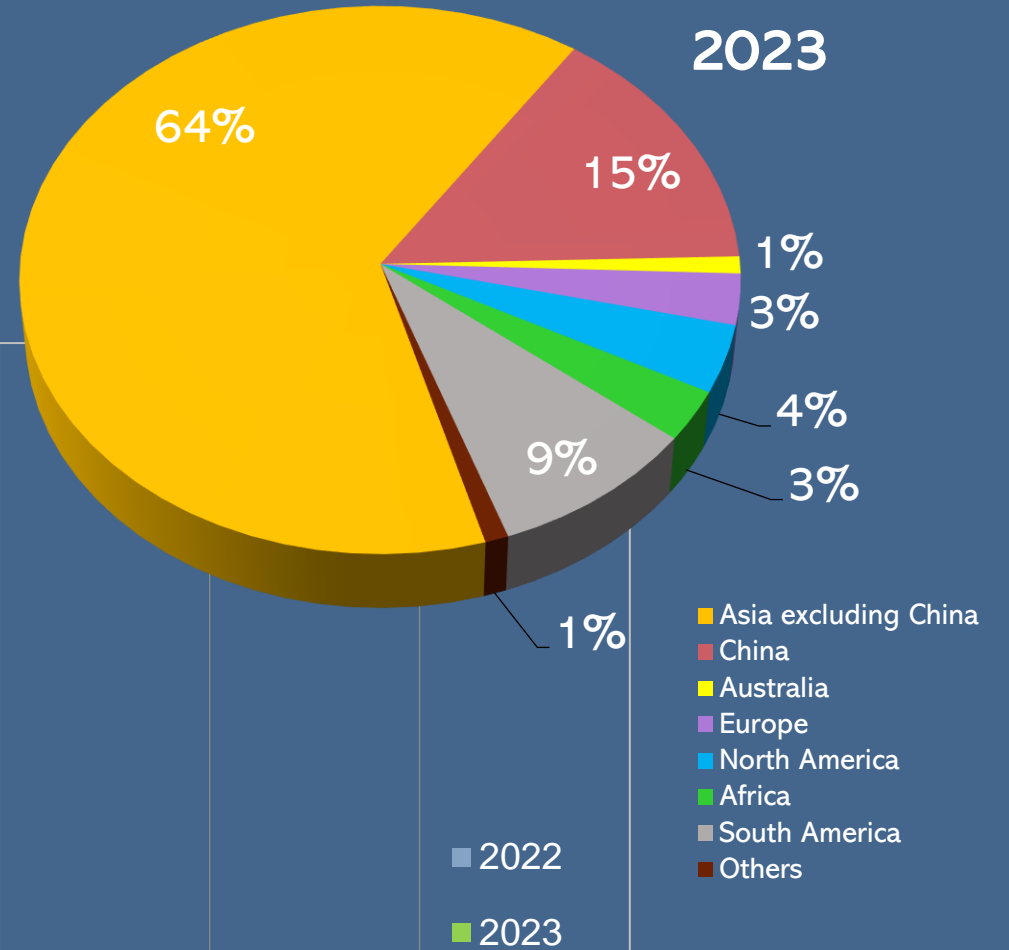


* Including steaming coal and coking coal

Distribution of Cargo

Loading Port Analysis 2023

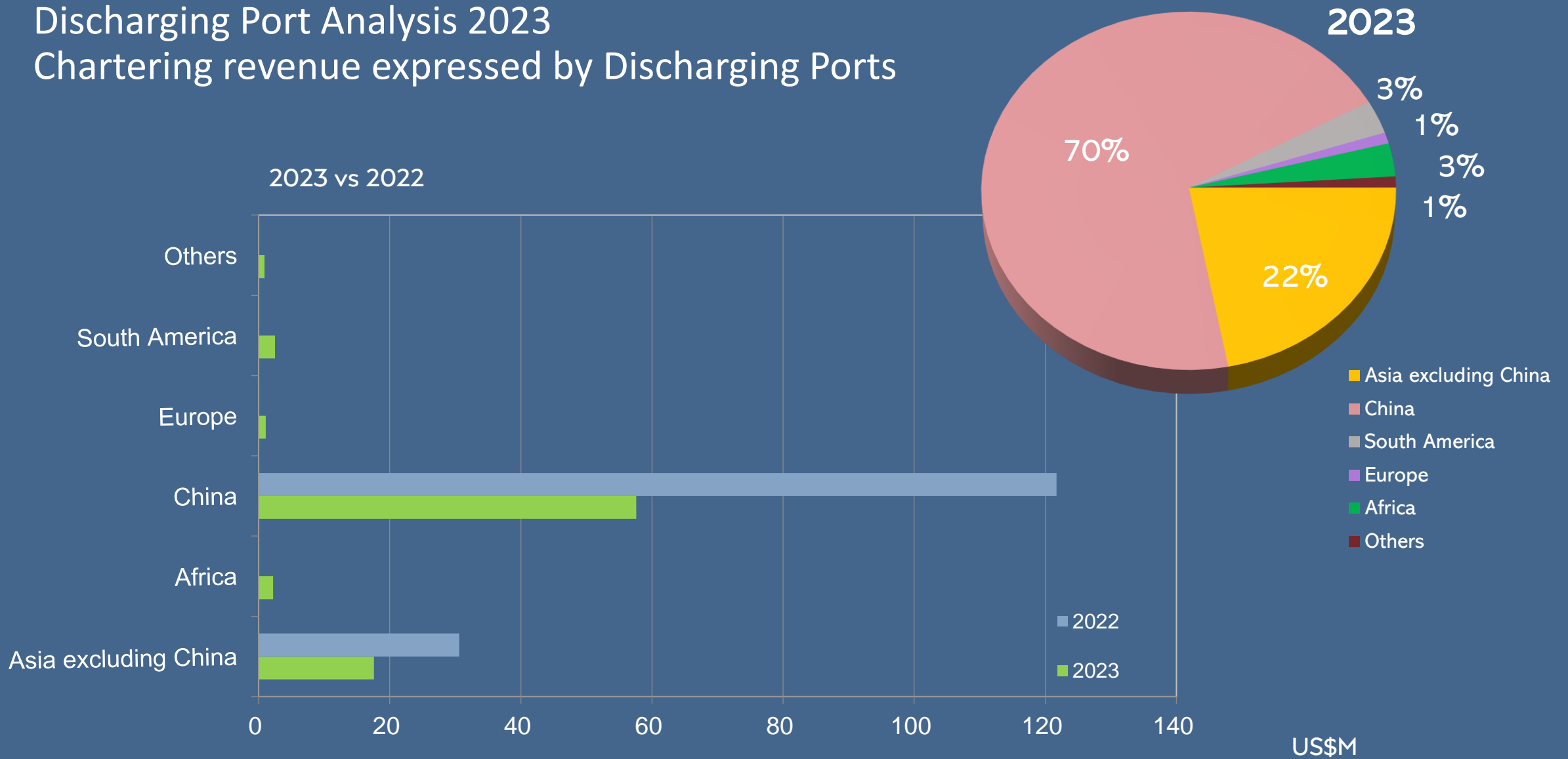
Chartering revenue expressed by Loading Ports



Distribution of Cargo

Discharging Port Analysis 2023

Chartering revenue expressed by Discharging Ports

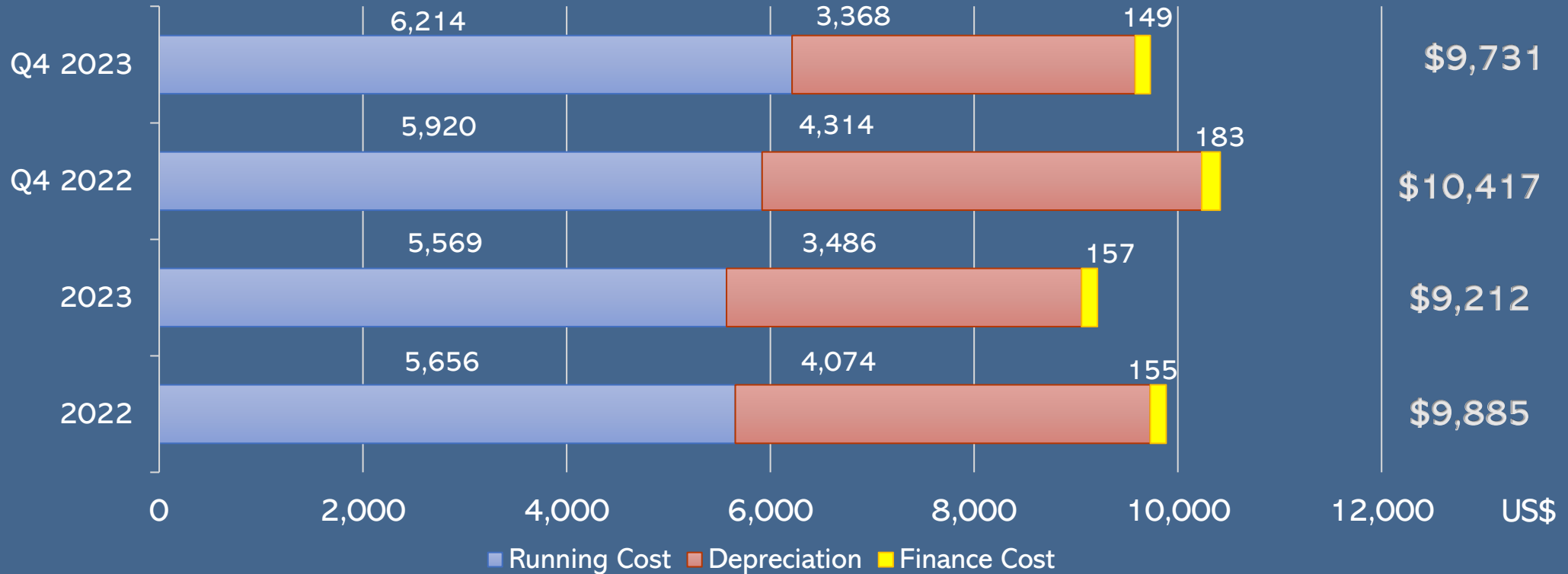


TCE of Jinhui Shipping's Fleet

Average daily time charter equivalent rate (TCE)	Q4 2023	Q4 2022	2023	2022
	US\$	US\$	US\$	US\$
Post-Panamax / Panamax Fleet	19,472	16,168	13,126	20,180
Supramax Fleet	10,276	12,591	8,892	18,681
In average	10,642	12,879	9,063	18,813

Daily Vessel Running Costs of Owned Vessels

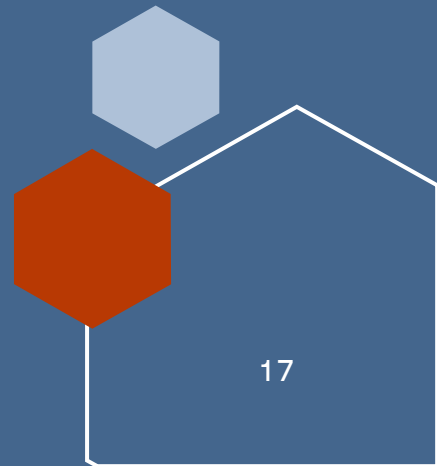
(Based on information up to 31 December 2023)



- 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 year / period.
- Daily vessel depreciation is calculated as the aggregate of vessels' depreciation divided by ownership days during the year / 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

- ⚓ Charterers are getting more confident as per their increased enquiry for period deals;
- ⚓ Younger and more efficient secondhand tonnages, from cape to medium size bulkers being sought after;
- ⚓ With newbuilding supply limited in the foreseeable horizon, meaningful increase in activities are expected;
- ⚓ Will look for opportunities to capture via fleet renewal or charter-in tonnages; and
- ⚓ Continue to look for growth while maintaining a conservative financial position.





Thank you

Raymond Ching

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