



JINHUI SHIPPING AND TRANSPORTATION LIMITED

Q1 2022 Results Presentation

31 May 2022

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' 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

Q1 2022 Financial Highlights

- Revenue for the quarter: US\$33 million
- Net profit for the quarter: US\$19 million included net gain on disposal of two motor vessels of US\$6 million
- EBITDA: US\$28 million
- Basic earnings per share: US\$0.174
- Gearing ratio as at 31 March 2022: 4%

Highlights

Consolidated net profit of US\$19 million for current quarter mainly due to:

- Chartering revenue increase 102% to US\$33 million, due to rebound of market dry bulk freight rates and increase of number of owned vessels as compared to last corresponding quarter;
- Average TCE in Q1 2022 significantly stronger than Q1 2021, increase 70% to US\$17,510;
- Reported TCE for Post-Panamax fleet and Supramax fleet of US\$22,288 and US\$16,997 respectively in the Q1 2022;
- Two Supramaxes were disposed at consideration of US\$17.8 million and were delivered to the purchasers during the quarter; recognized a total gain of US\$6.1 million;
- Net gain of US\$4.6 million on bunker was recognized during the quarter as compared to US\$1.4 million in last corresponding quarter;

Highlights

- Net gain of US\$2.6 million was recognized in current quarter on financial assets at fair value through profit or loss, as compared to net gain of US\$0.2 million from last corresponding quarter;
- During the quarter, the Group drawn new secured bank loan of US\$15.4 million and repaid US\$13 million;
- CAPEX of US\$42 million, of which US\$34.5 million was paid for two Supramaxes which were delivered during the quarter, and US\$7.5 million for dry docking and BWTS;
- Contract to acquire a 2014-built Supramax at consideration of US\$25.5 million in Q1 2022 which is expected to be delivered in July 2022;
- After reporting date, the Group entered into a charterparty for leasing a newly 2022-built Panamax for seven years, increase the carrying capacity of our fleet profile with minimal immediate capital expenditure.

Financial Highlights

For the quarter ended 31 March 2022

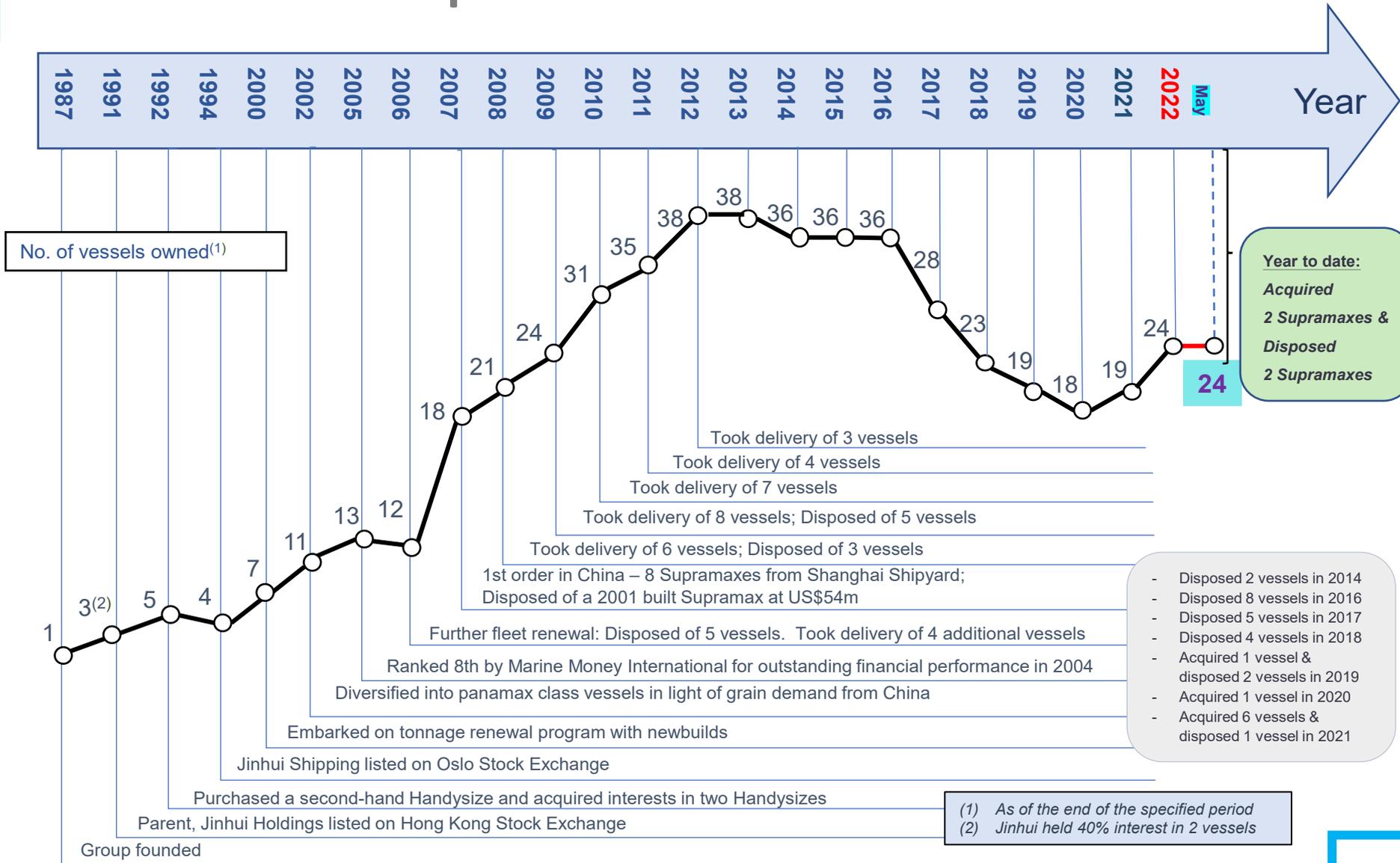
US\$'000	Q1 2022 (Unaudited)	Q1 2021 (Unaudited)	2021 (Audited)
Revenue	32,636	16,181	131,069
Net gain on disposal of owned vessels	6,146	-	-
Reversal of impairment loss on owned vessels	-	-	133,606
EBITDA	27,992	9,397	214,984
Operating profit	19,434	5,751	196,136
Finance costs	(416)	(498)	(1,749)
Net profit for the period / year	19,018	5,253	194,197
Basic earnings per share	US\$0.174	US\$0.048	US\$1.777

Key Financial Ratios as at 31 March 2022

	Q1 2022 (Unaudited)	Q1 2021 (Unaudited)	2021 (Audited)
Total assets (US\$'000)	572,567	380,800	547,725
Secured bank loans (US\$'000)	94,927	117,732	92,578
Current ratio ¹	1.39 : 1	1.32 : 1	1.50 : 1
Net gearing ²	4%	12%	4%
Working Capital (US\$'000)	32,785	28,319	37,887
Available liquidity (US\$'000) ³	77,652	89,108	76,407
Return on equity ⁴	4%	2%	58%
Return on total assets ⁵	3%	1%	43%

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.
4. Return on equity is calculated as net profit divided by average of opening balance and closing balance of total equity during the period / year.
5. Return on total assets is calculated as net profit divided by average of opening balance and closing balance of total assets during the period / year.

Our Fleet Development



Jinhui Fleet of Vessels – 24 vessels

Fleet	Size (dwt)	Year built	Shipyard	Fleet	Size (dwt)	Year built	Shipyard		
POST-PANAMAX				SUPRAMAX					
1	JIN LANG	93,279	2010	Jiangsu New Yangzi	13	JIN RONG	58,729	2008	Tsuneishi
2	JIN MEI	93,204	2010	Jiangsu New Yangzi	14	JIN SUI	56,968	2008	Shanghai Shipyard
SUPRAMAX				15	JIN TONG	56,952	2008	Shanghai Shipyard	
3	JIN XIANG	61,414	2012	Oshima	16	JIN AN	55,866	2007	Kawasaki
4	JIN MAO	56,469	2012	Jiangsu New Hantong	17	JIN YUAN	55,496	2007	Oshima
5	JIN BI	56,361	2012	Jiangsu New Hantong	18	JIN YI	55,496	2007	Oshima
6	JIN HONG	61,414	2011	Oshima	19	JIN XING	55,496	2007	Oshima
7	JIN YUE	56,934	2010	Shanghai Shipyard	20	JIN SHUN	53,350	2007	Shanghai Shipyard
8	JIN AO	56,920	2010	Shanghai Shipyard	21	JIN QUAN	52,525	2006	Tsuneishi
9	JIN GANG	56,927	2009	Shanghai Shipyard	22	JIN SHENG	52,050	2006	IHI
10	JIN JI	56,913	2009	Shanghai Shipyard	23	JIN FENG	52,686	2004	Oshima
11	JIN WAN	56,897	2009	Shanghai Shipyard	24	JIN YAO	52,050	2004	IHI
12	JIN JUN	56,887	2009	Shanghai Shipyard					

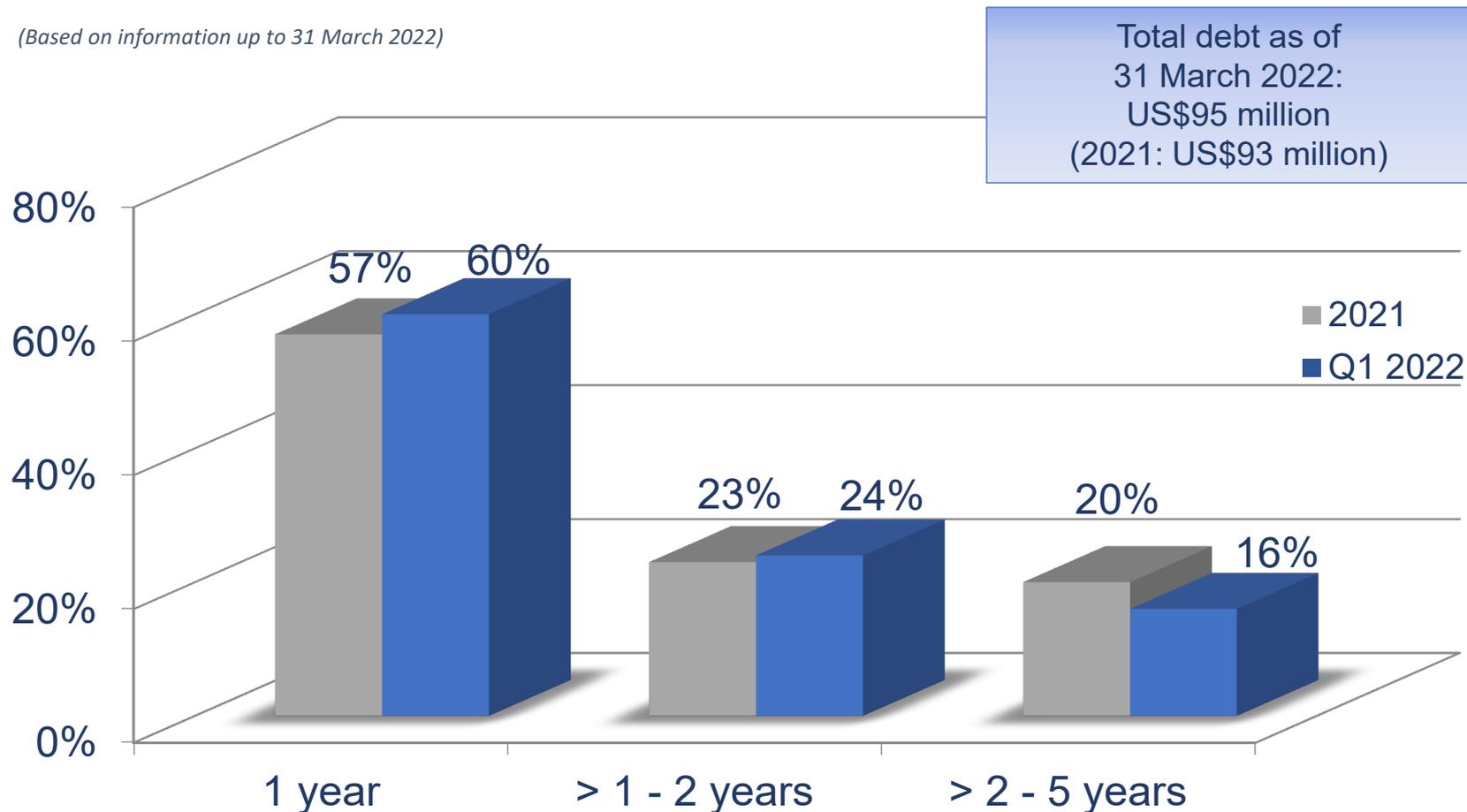
- As of 30 May 2022, we operated 24 motor vessels with total capacity of deadweight 1,421,283 metric tons and average age of 13.58 years.

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 XIANG	Supramax	61,414	2012	Year 2022
2	JIN MAO	Supramax	56,496	2012	Year 2022
3	JIN BI	Supramax	56,361	2012	Year 2022
4	JIN HONG	Supramax	61,414	2011	Year 2022
5	JIN LANG	Post-Panamax	93,279	2010	Year 2022
6	JIN MEI	Post-Panamax	93,204	2010	Year 2022
7	JIN YUE	Supramax	56,934	2010	Year 2022
8	JIN AN	Supramax	55,866	2007	Year 2022
9	JIN YUAN	Supramax	55,496	2007	Year 2022
10	JIN YI	Supramax	55,496	2007	Year 2022
11	JIN XING	Supramax	55,496	2007	Year 2022
12	JIN SHUN	Supramax	53,350	2007	Year 2022
13	JIN SHENG	Supramax	52,050	2006	Year 2022
14	JIN YAO	Supramax	52,050	2004	Year 2022
15	JIN RONG	Supramax	58,729	2008	Year 2023
16	JIN SUI	Supramax	56,968	2008	Year 2023
17	JIN GANG	Supramax	56,927	2009	Year 2024

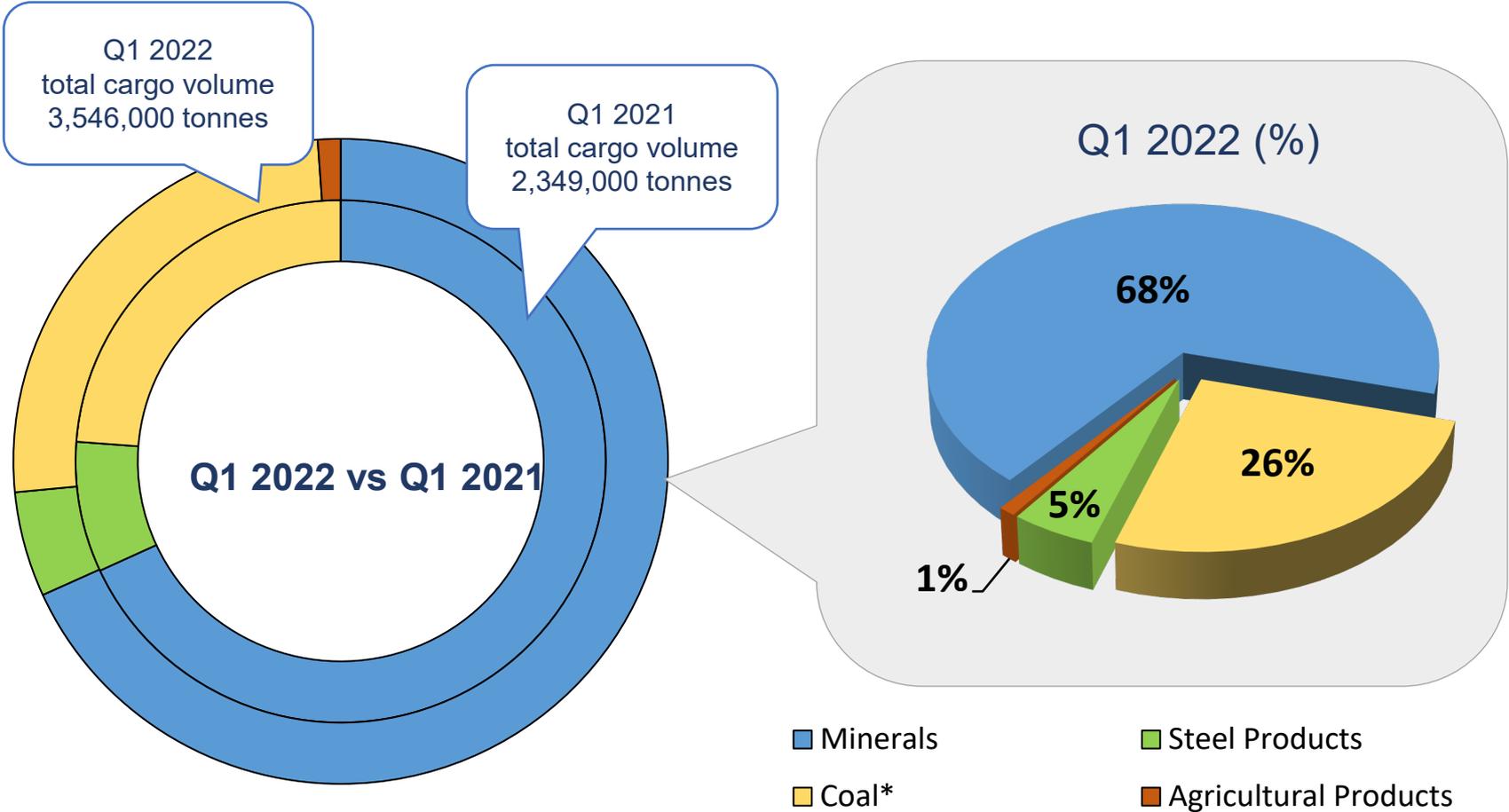
Debt Maturity Profile

(Based on information up to 31 March 2022)



- 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.

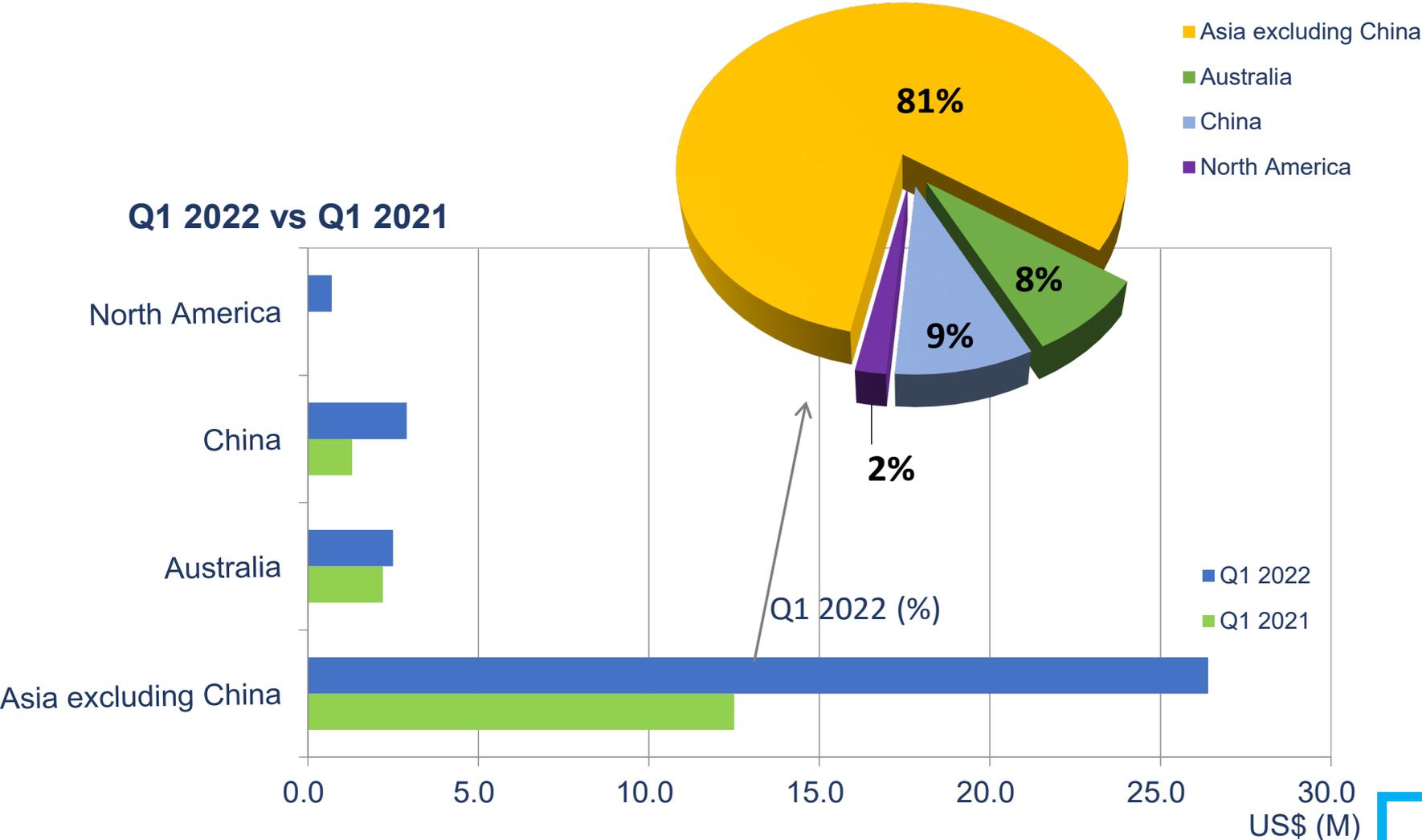
Cargo Volume Analysis Q1 2022



* Including steaming coal and coking coal

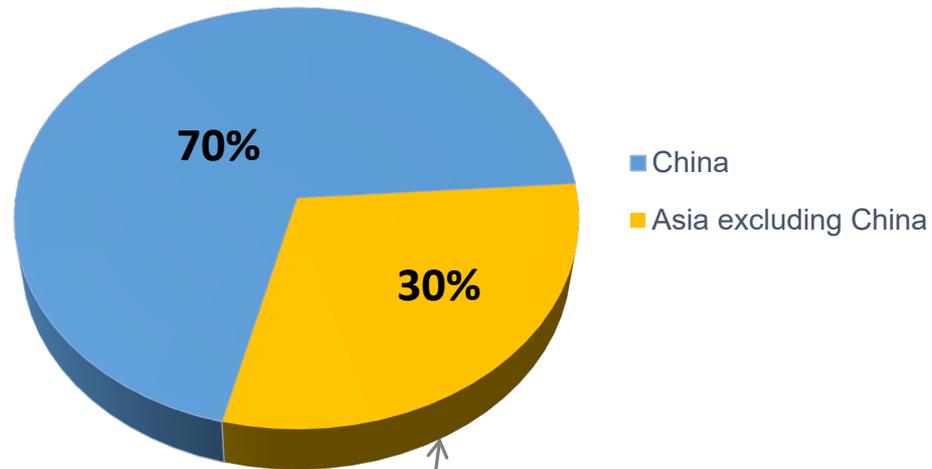
Loading Port Analysis Q1 2022

Chartering revenue expressed by Loading Ports



Discharging Port Analysis Q1 2022

Chartering revenue expressed by Discharging Ports



Q1 2022 vs Q1 2021



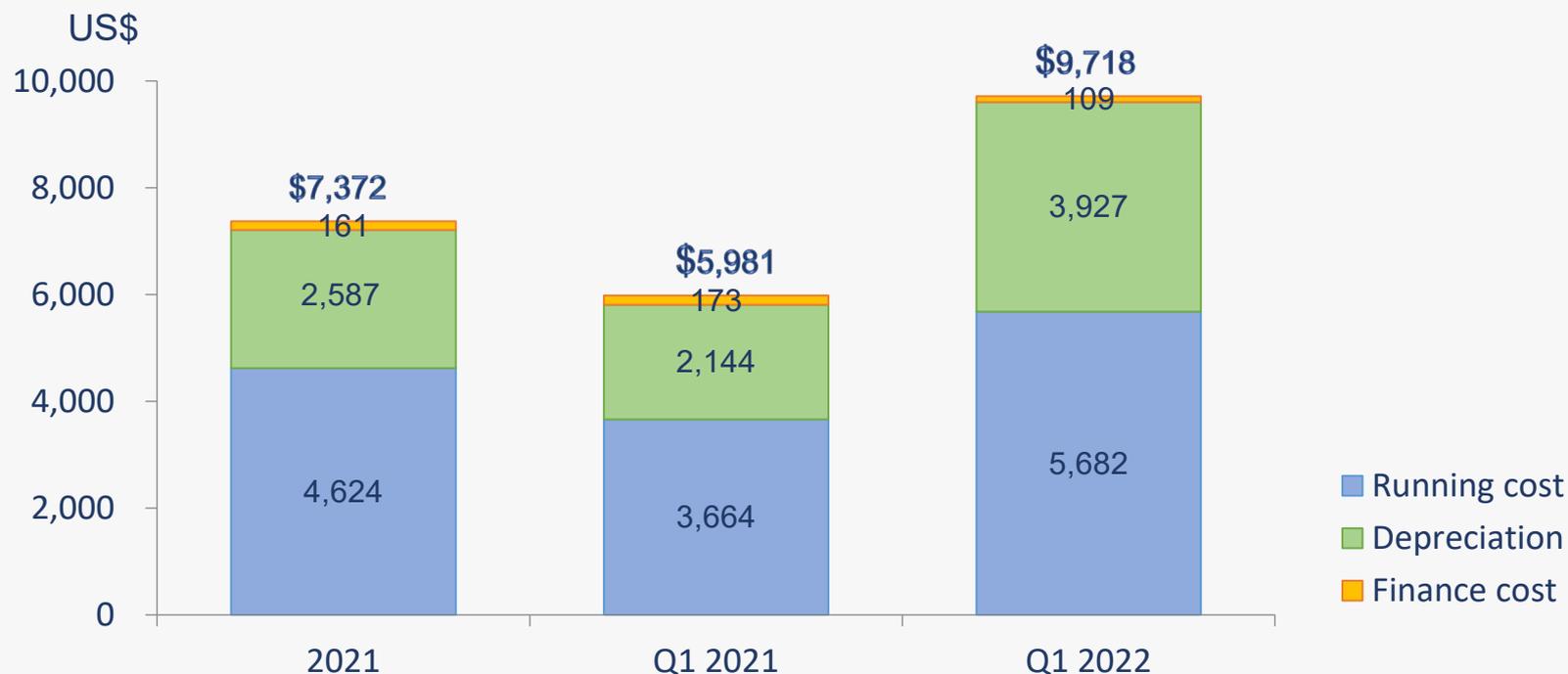
TCE of Jinhui Shipping's Owned Vessels

(Based on information up to 31 March 2022)

Average daily time charter equivalent rate (TCE)	Q1 2022	Q1 2021	2021
	US\$	US\$	US\$
Post-Panamax Fleet	22,288	12,250	19,116
Supramax Fleet	16,997	10,022	19,247
In average	17,510	10,279	19,233

Daily Vessel Running Costs of Owned Vessels

(Based on information up to 31 March 2022)



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.

Increase in running costs due to rise in crew wages from inflation and certain initial running costs incurred for the newly-delivered vessels.

Daily vessel finance cost is calculated as the aggregate of vessels' finance costs divided by ownership days during the period. The decrease during the year was mainly due to the drop in interest rate and repayment of secured bank during the period.

Outlook

- Geopolitical risks is top on our monitor;
- Potential increases in US sanctions;
- Focus on TCT;
- Supply remains in control, how about demand?
- Opportunistic approach to growth.