JINHUI SHIPPING AND TRANSPORTATION LIMITED

Q3 2018 Results Presentation

28 November 2018

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, 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 2018 Financial Highlights

- Revenue for the quarter : US$18 million
- Net profit for the quarter : US$6.5 million
- EBITDA: US$11.6 million
- Basic earnings per share: US$0.059
- Gearing ratio as at 30 September 2018: 1%

Highlights

- The Group exited and ended the ICD on 31 Dec 2017; repaid all deferred installments during the forbearance period of US$31.4m to the respective lenders from internal resources on 10 Jan 2018;
- To reduce interest expenses, two vessel mortgage loans of US$19.1m with higher interest margin were fully repaid;
- New revolving bank loan of US$12m for working capital purposes;
- Bank borrowings reduced from US$137.8m as at 31 Dec 2017 to US$85.2m as at 30 September 2018;
- Disposal of 3 Supramaxes in Q3 2018 for US$25.7m, with net gain of US$5m;
- US$8m invested in real estate market in Q3 2018.
- Refinancing deal signed in Q4 2018, extending the debt maturity profile

Financial Highlights
For the quarter and nine months ended 30 September 2018

US$'000	Q3 2018 (Unaudited)	Q3 2017 (Unaudited)	QoQ	9M 2018 (Unaudited)	9M 2017 (Unaudited)	YoY	2017 (Audited)
Revenue	18,303	18,144	1%	58,397	52,440	11%	73,547
Net gain on disposal of owned vessels	5,012	-	-	5,012	-	-	-
Impairment loss on assets held for sale	-	-	-	-	(6,301)	-	(6,301)
Operating profit (loss) **	7,262	3,314	119%	14,128	(2,411)	686%	1,146
Net profit (loss) for the period / year	6,477	2,246	188%	11,789	(6,509)	281%	(4,031)
Basic earnings (loss) per share	US$0.059	US$0.022	168%	US$0.108	US$(0.073)	248%	US$(0.043)

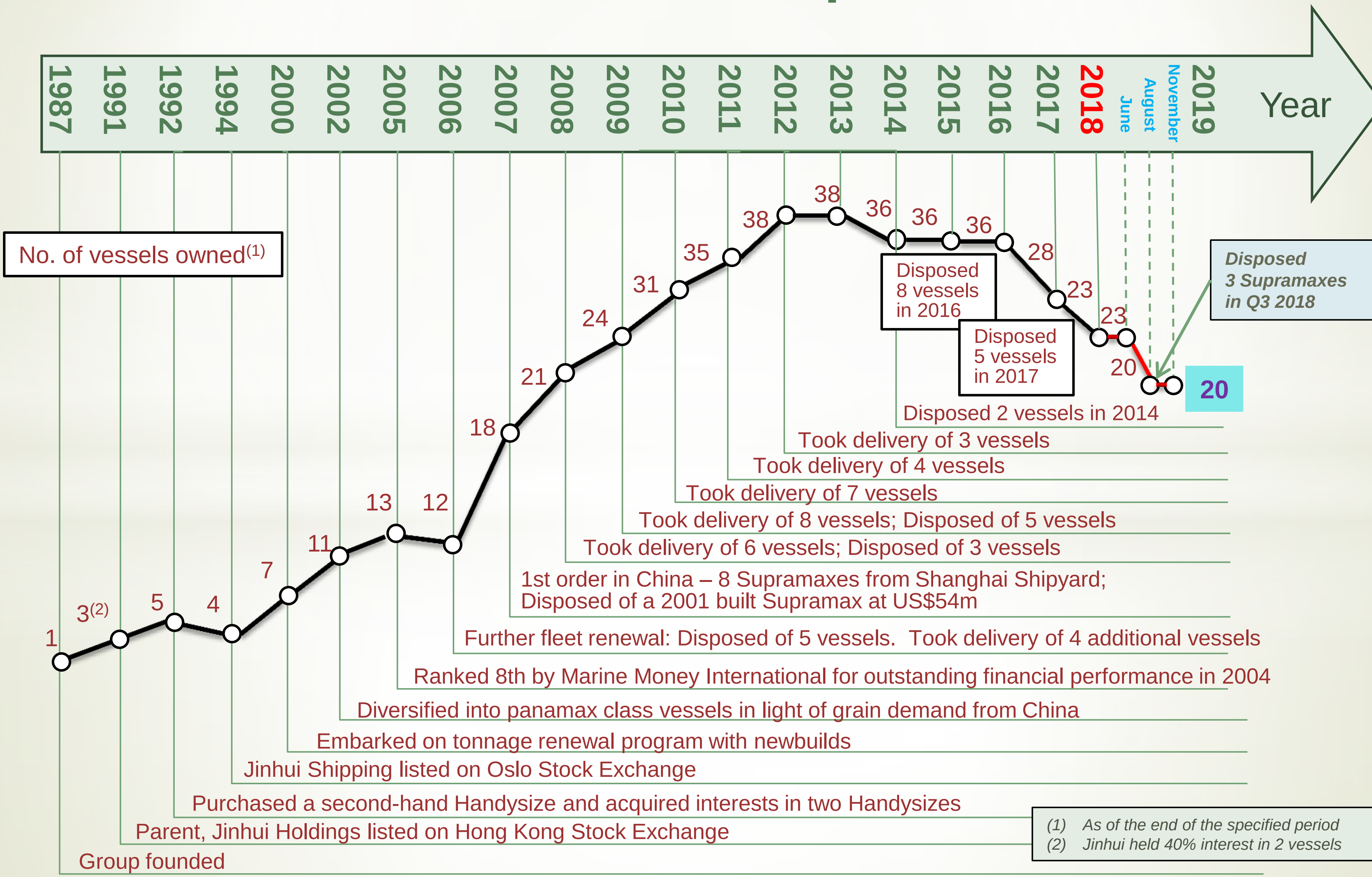
** Operating profit (loss) included impairment loss on assets held for sale recognized upon reclassification to assets held for sale of vessels for which the Group entered into disposal agreements during the quarter/period.

Key Financial Ratios
As at 30 September 2018

	Q3 2018 (Unaudited)	Q3 2017 (Unaudited)	2017 (Audited)
Total assets (US$'000)	359,876	404,906	405,469
Total debt borrowings (US$'000)	85,220	140,244	137,825
Return on equity[1]	2.57%	0.98%	-1.72%
Return on total assets[2]	1.80%	0.57%	-0.93%
Current ratio[3]	1.53 : 1	3.56 : 1	1.50 : 1
Net gearing[4]	1%	16%	15%
Available liquidity (US$'000)[5]	82,968	100,243	101,920

1. ROE is calculated based on net profit (loss) divided by average equity
2. ROA is calculated based on net profit (loss) divided by average of total assets
3. Current ratio is calculated based on current assets divided by current liabilities
4. 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
5. Available liquidity included bank and cash balances, equity and debt securities as of reporting date

Our Fleet Development



Competitive Fleet with High Cargo Flexibility

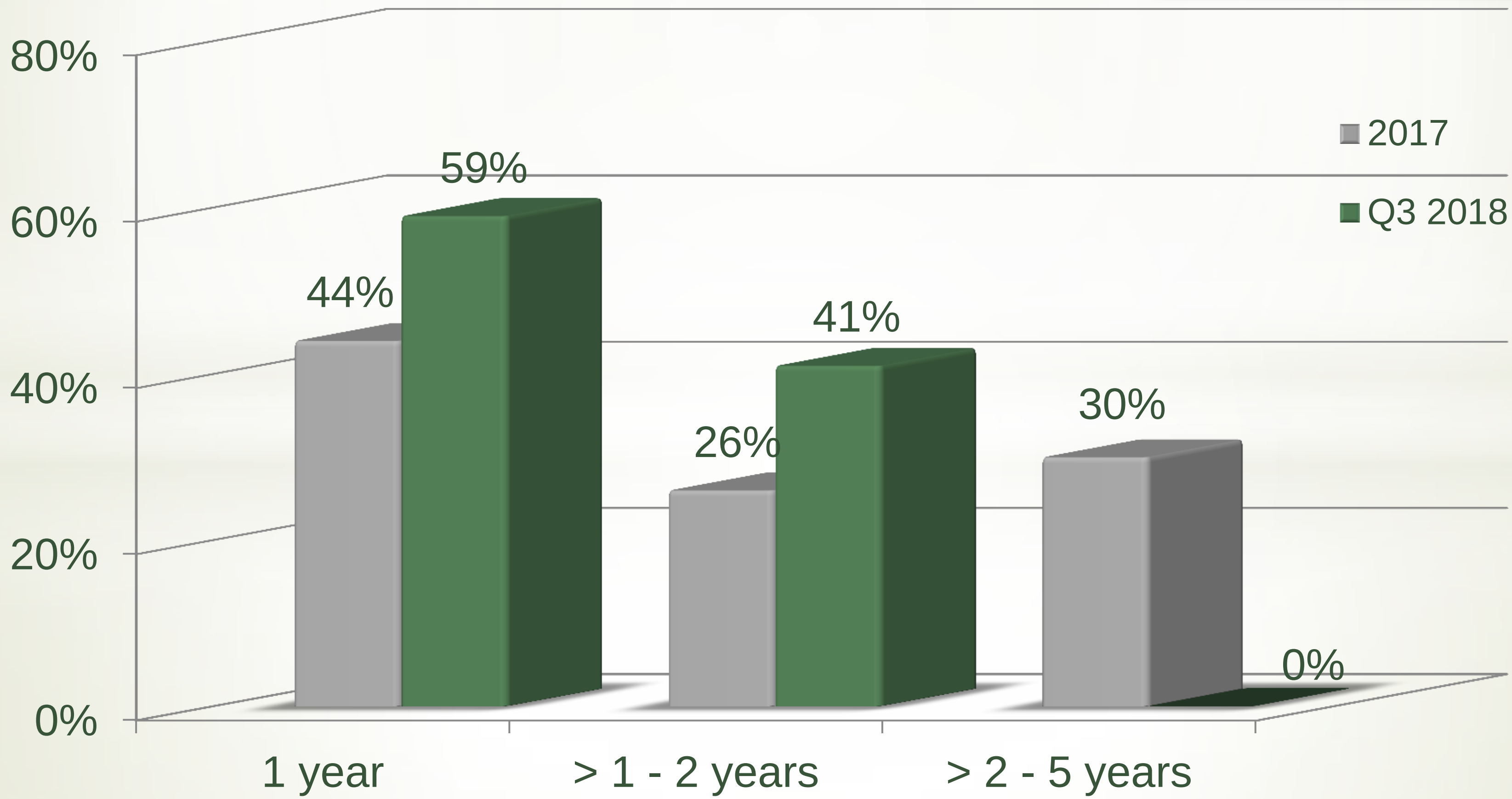
	Fleet	Type	Size (dwt)	Year built	Status	Shipyard
1	Jin Lang	Post-Panamax	93,279	2010	Owned	Jiangsu New Yangzi
2	Jin Mei	Post-Panamax	93,204	2010	Owned	Jiangsu New Yangzi
3	Jin Xiang	Supramax	61,414	2012	Owned	Oshima
4	Jin Hong	Supramax	61,414	2011	Owned	Oshima
5	Jin Yue	Supramax	56,934	2010	Owned	Shanghai 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 Quan	Supramax	51,104	2002	Owned	Oshima
19	Jin Ping	Supramax	50,777	2002	Owned	Oshima
20	Jin Zhou	Supramax	50,209	2001	Owned	Mitsui

As of 27 November 2018, total capacity of owned vessels : 1,187,387 dwt with average age of 10.45 years

Debt Maturity Profile

Total debt as of
30 September 2018:
US$85 million
(2017: US$138 million)

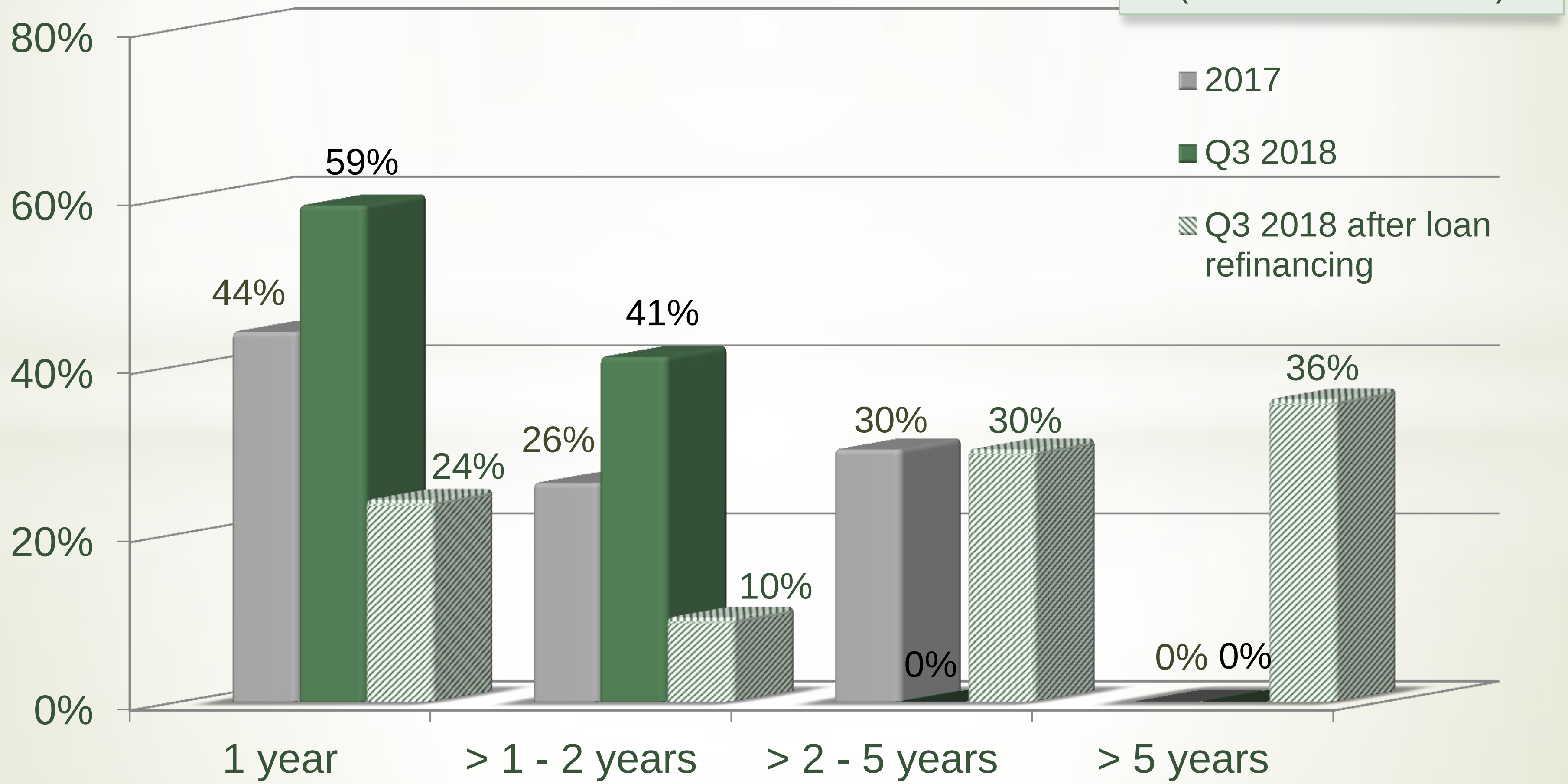
(Based on information up to 30 September 2018)



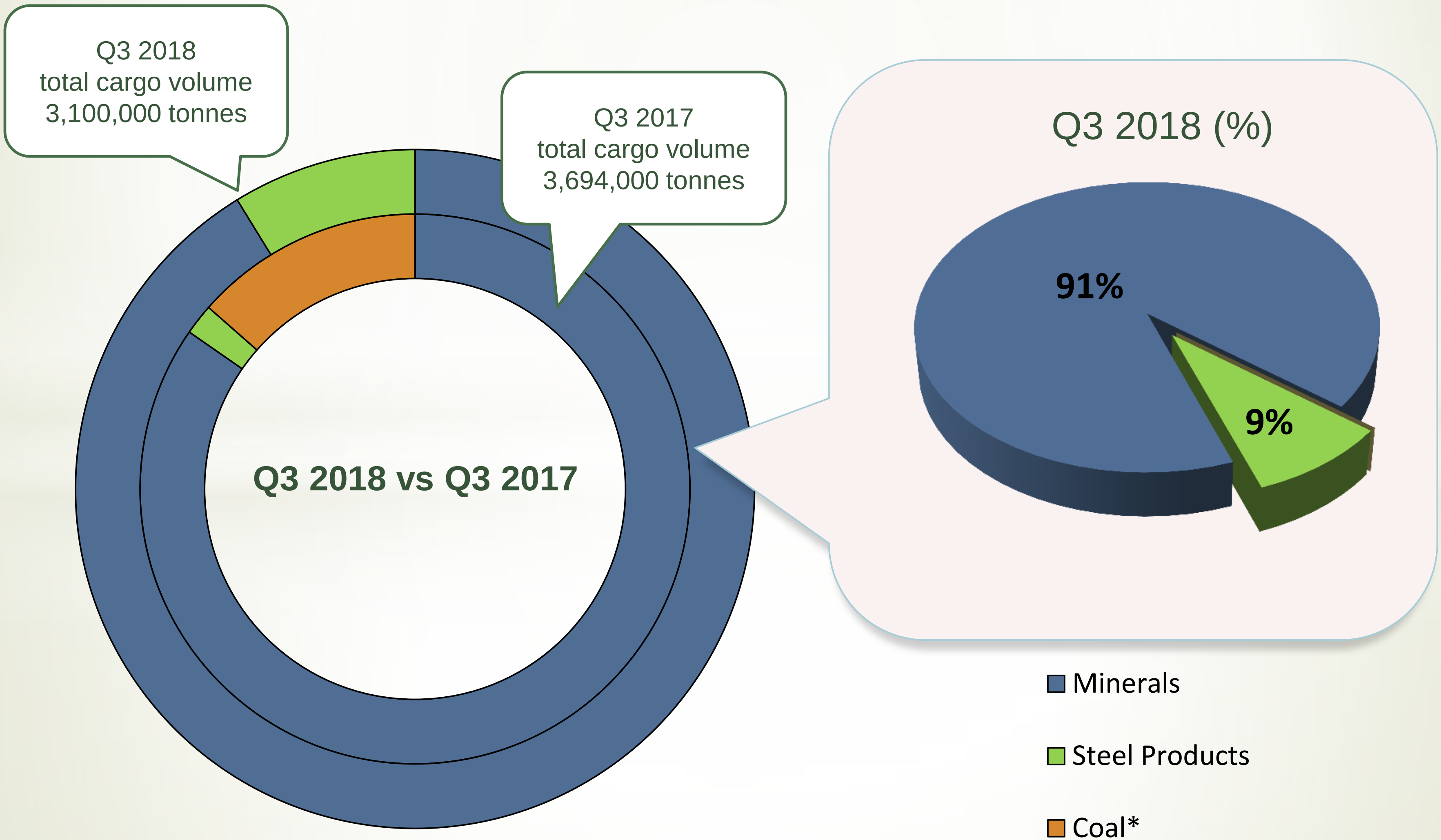
Debt Maturity Profile with Loan refinancing

(Based on information up to 30 September 2018)

Total debt as of
30 September 2018:
US$85 million
(2017: US$138 million)



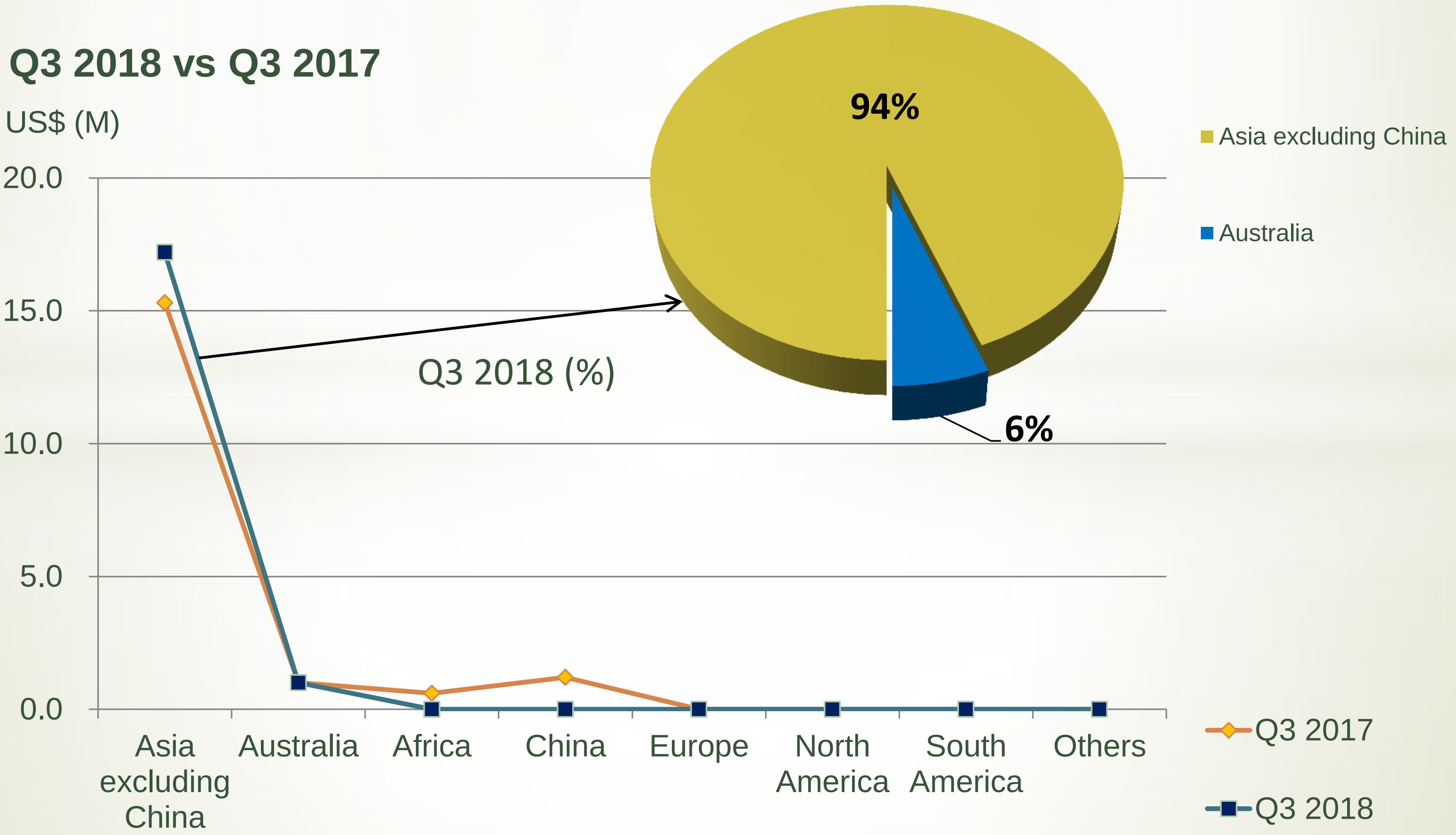
Cargo Volume Analysis Q3 2018



** Including steaming coal and coking coal*

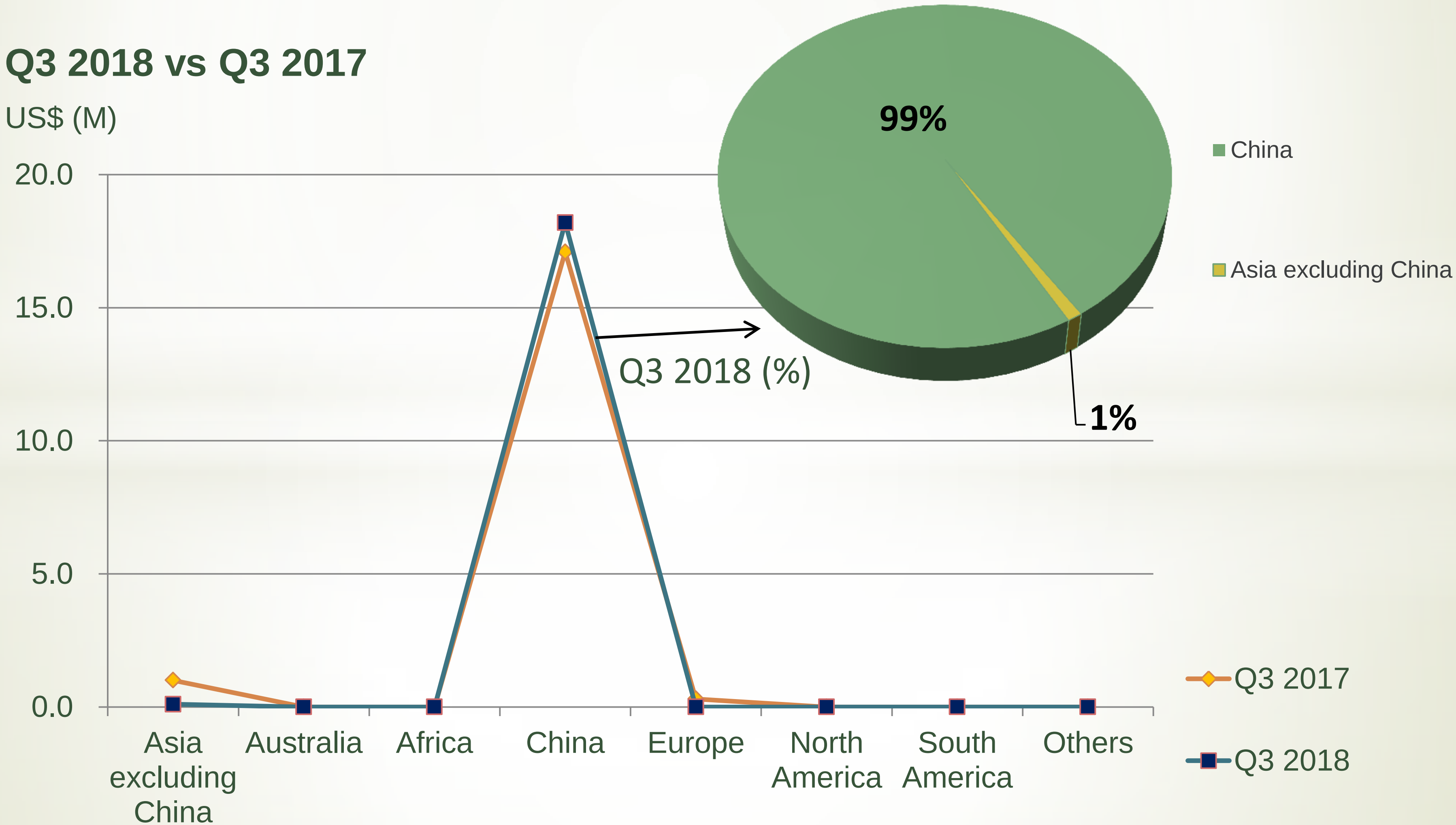
Loading Port Analysis Q3 2018

Chartering revenue expressed by loading ports



Discharging Port Analysis Q3 2018

Chartering revenue expressed by discharging ports



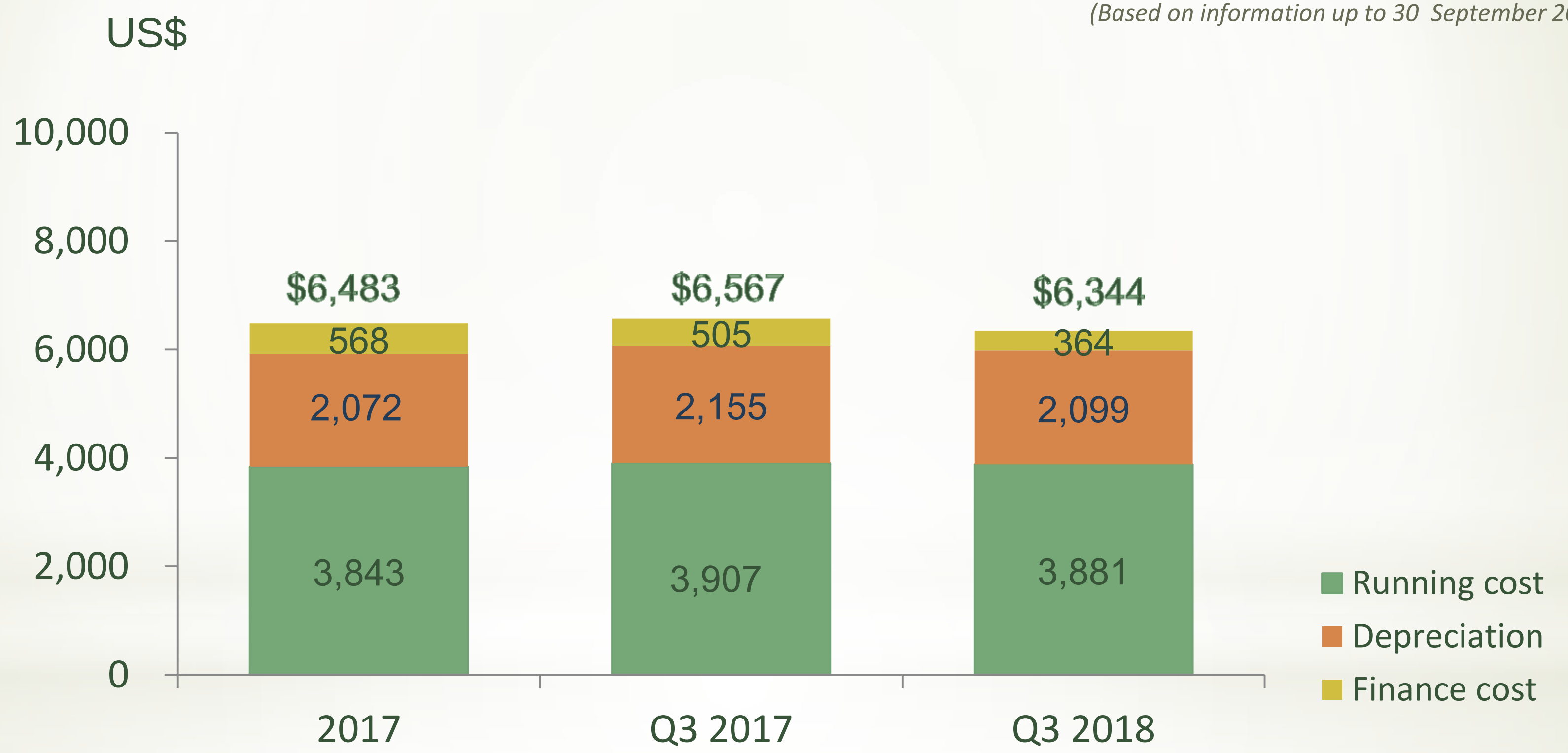
TCE of Jinhui Shipping's Owned Vessels

(Based on information up to 30 September 2018)

Average daily time charter equivalent rate (TCE)	2018 Q3	2017 Q3	9M 2018	9M 2017	2017
	US$	US$	US$	US$	US$
Post-Panamax Fleet	11,245	8,311	11,554	7,706	8,645
Supramax / Handysize Fleet	9,967	8,906	9,799	7,569	8,063
In average	**10,096**	**8,852**	**9,955**	**7,580**	**8,111**

Daily Vessel Costs of Owned Vessels

(Based on information up to 30 September 2018)



Daily running costs 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.

Drop in finance costs mainly due to reduction in loan principal from repaid all deferred installments (US$31.4m) when exit the ICD in early 2018. Also the Group also fully repaid 2 vessel mortgage loans with high interest margin in Q1 2018 (US$19.1m).

Market Outlook

- Market sentiment has weakened lately – fear of a global slowdown
- US-China trade dispute continues to hinder business sentiment, and unlikely to end in the short term;
- Economic growth in China will somewhat be affected, recent renewed focus on infrastructure is a positive;
- Growth in trade volume in dry bulk likely to remain stable;
- Supply of new vessels continue to be moderate, key factor to a healthy freight market;
- 2020 Sulphur Cap;
- Cautiously optimistic and will remain financially nimble