



JINHUI SHIPPING AND TRANSPORTATION LIMITED

Q4 2020 and 2020 Annual
Results Presentation
25 February 2021

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

Q4 2020 Financial Highlights

- Revenue for the quarter: US\$15 million
- Net profit for the quarter: US\$8 million
- EBITDA: US\$12 million
- Basic earnings per share: US\$0.069

Year 2020 Financial Highlights

- Revenue for the year: US\$47 million
- Net loss for the year: US\$15 million
- EBITDA: US\$3 million
- Basic loss per share: US\$0.140
- Gearing ratio as at 31 December 2020: 15%

Highlights

- Consolidated net loss of US\$15 million for current year mainly due to:
 - 1. poor business sentiment by the outbreak of COVID-19, leading to a reduction in chartering freight and hire revenue;
 - 2. significant unrealized fair value loss on financial assets at fair value through profit or loss due to adverse global financial markets;
 - 3. increase in shipping related expenses, mainly due to bunker consumption from positioning of owned vessels between time charter contracts and bunker related expenses of US\$5 million;
- A net loss of US\$3.9 million from financial assets at fair value through profit or loss was recognized in current year, as compared to net gain of US\$1.5 million from last year;
- Increase in interest income of 34% was attributable to the stable interest income generated from loan receivables during the year;
- During the year, the Group drawn new secured bank loan of US\$19 million and repaid US\$45 million;

Highlights

- Acquired a Supramax at consideration of US\$4 million in July 2020;
- Contract to dispose a Supramax at consideration of US\$5.5 million in Dec 2020 and was delivered to purchaser in Jan 2021.
- Additional US\$2.1 million has been paid to the co-investment property project in Shanghai; with total paid amount of US\$9.6 million during the year;
- Received a further update from the Investment Manager of Co-investment in property in 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 and was eventually completed the acquisition in early December 2020;
- 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 and a total of US\$12 million was repaid from the borrowers during the year.

Financial Highlights

For the quarter and year ended 31 December 2020

US\$'000	Q4 2020 (Unaudited)	Q4 2019 (Unaudited)	2020 (Unaudited)	2019 (Audited)
Revenue	15,137	19,790	47,118	63,160
Operating profit before depreciation / amortization and finance costs	12,174	10,568	3,266	24,180
Operating profit (loss)	8,324	6,764	(11,902)	8,818
Finance costs	(541)	(1,115)	(3,117)	(4,323)
Net profit (loss) for the period / year	7,550	5,649	(15,252)	4,495
Basic earnings (loss) per share	US\$0.069	US\$0.052	US\$(0.140)	US\$0.041

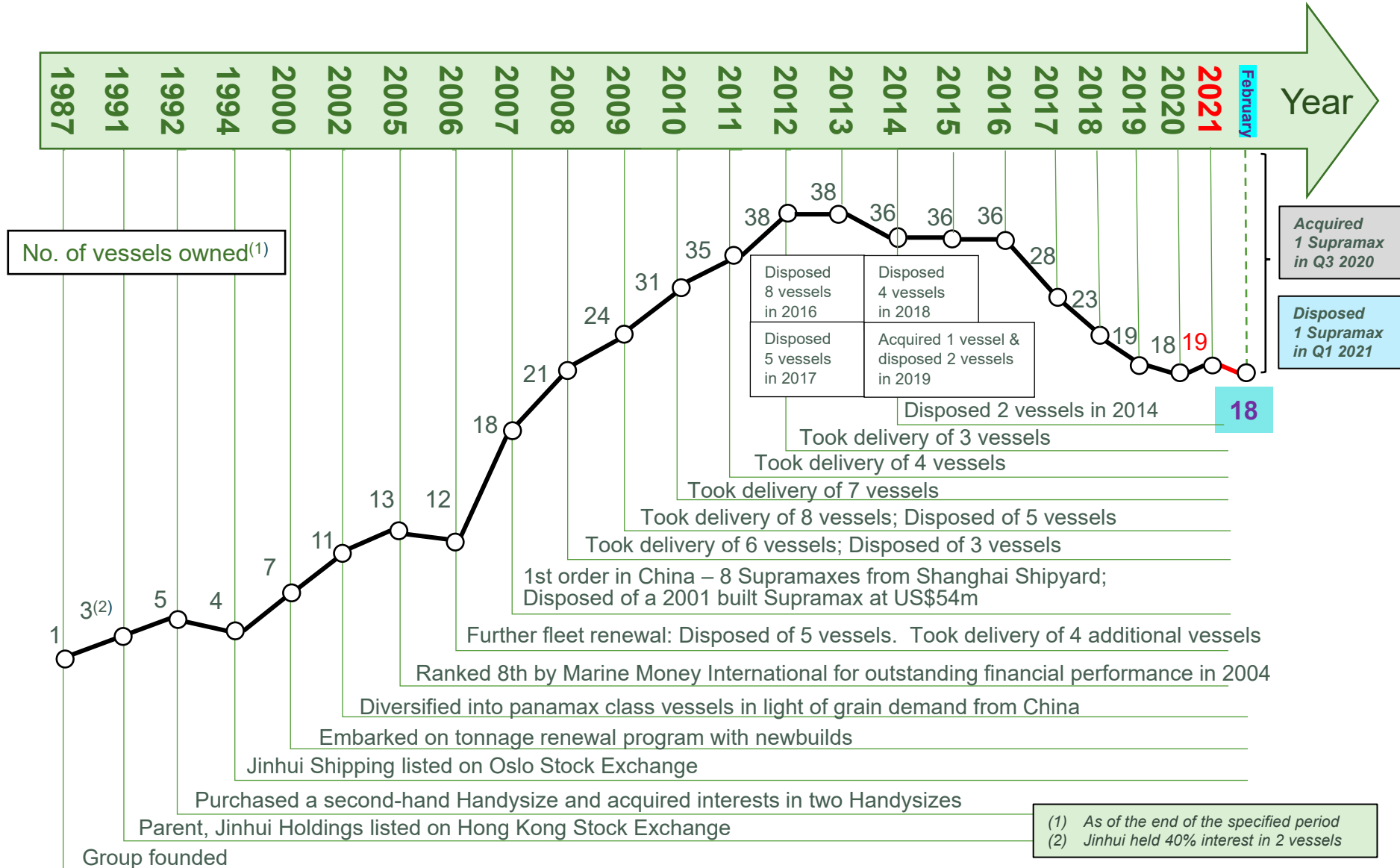
Key Financial Ratios

As at 31 December 2020

	2020 (Unaudited)	2019 (Audited)
Total assets (US\$'000)	366,164	406,433
Secured bank loans (US\$'000)	108,345	133,915
Current ratio ¹	1.38 : 1	1.39 : 1
Net gearing ²	15%	14%
Working Capital (US\$'000)	28,503	34,458
Available liquidity (US\$'000) ³	73,220	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 of Vessels

<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 ATLANTICA	Supramax	50,259	2001	Owned	Shanghai Shipyard

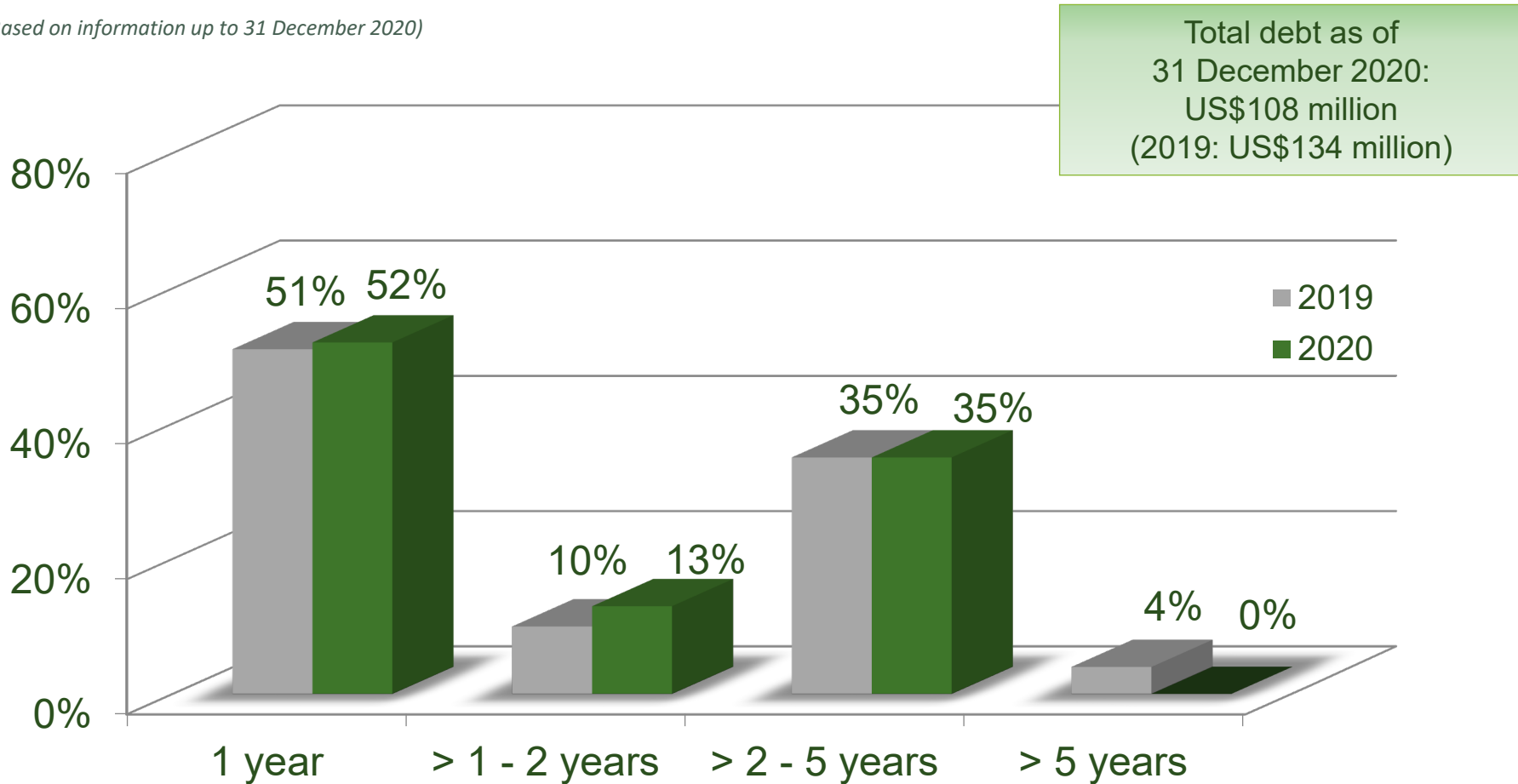
- As of 24 February 2021, we operated 18 motor vessels with total capacity of deadweight 1,085,556 metric tons and average age of 11.83 years.

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
6	JIN MEI	Post-Panamax	93,204	2010	Year 2022
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18	JIN GANG	Supramax	56,927	2009	Year 2024

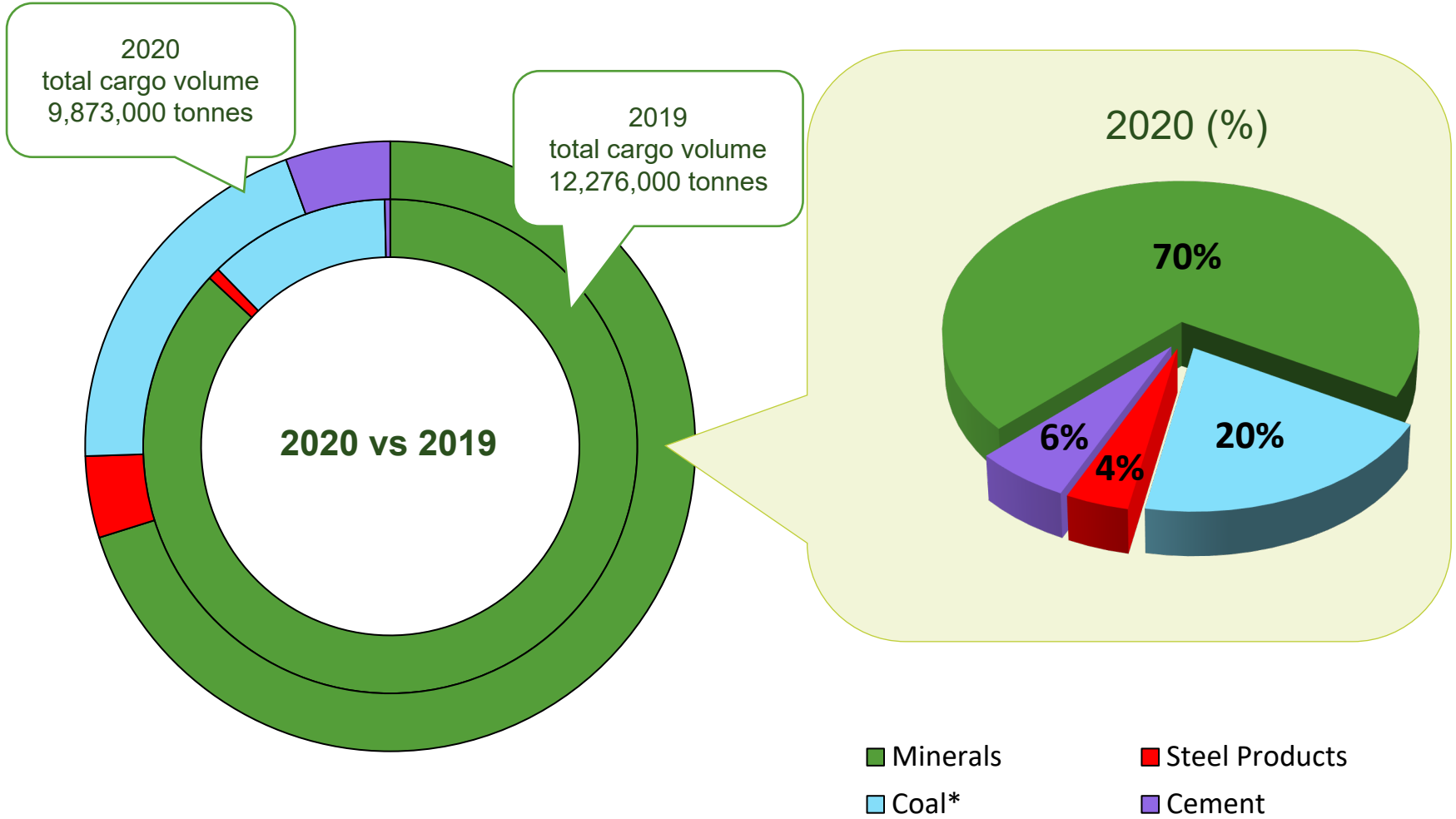
Debt Maturity Profile

(Based on information up to 31 December 2020)



- 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.

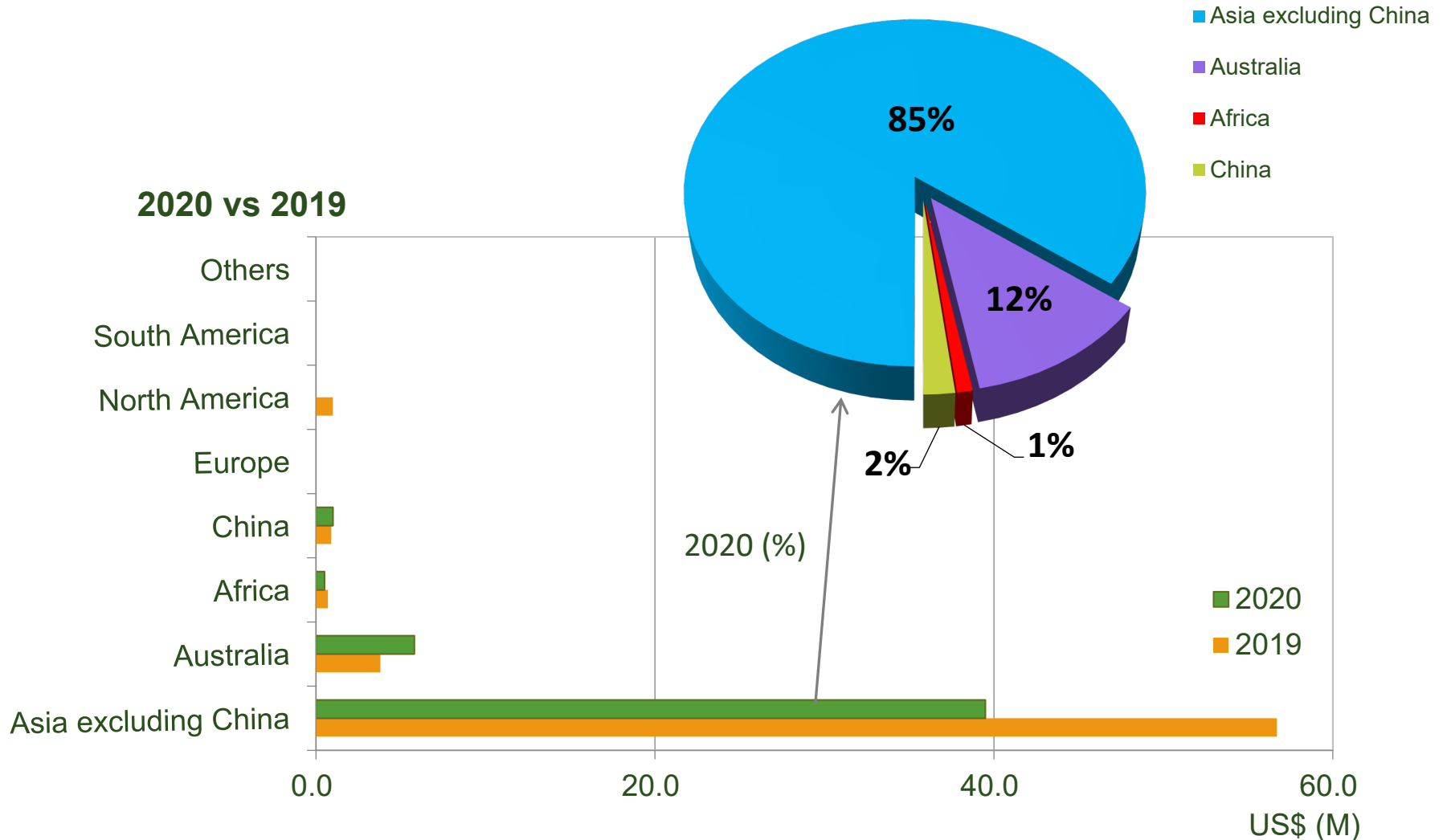
Cargo Volume Analysis 2020



* Including steaming coal and coking coal

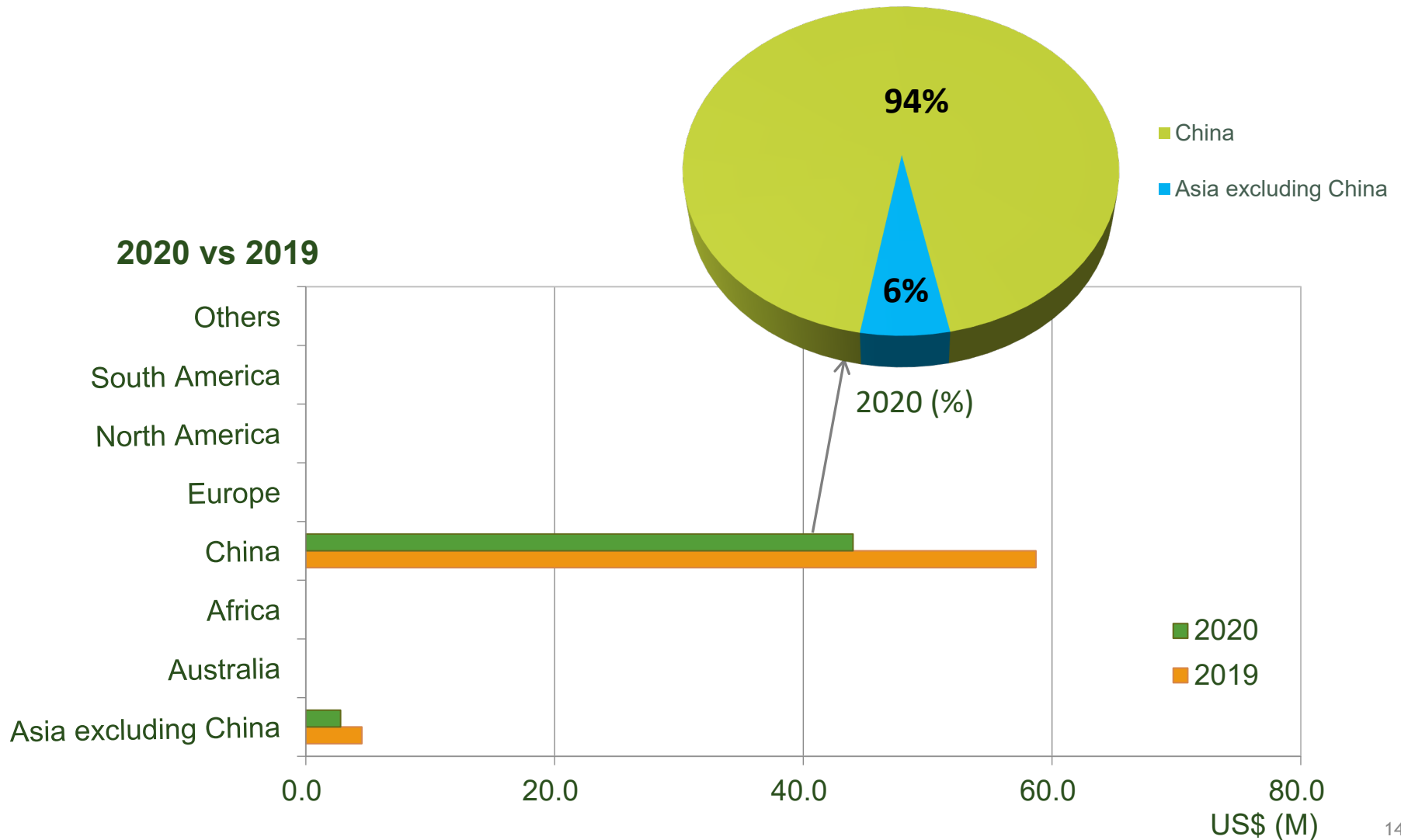
Loading Port Analysis 2020

Chartering revenue expressed by loading ports



Discharging Port Analysis 2020

Chartering revenue expressed by discharging ports



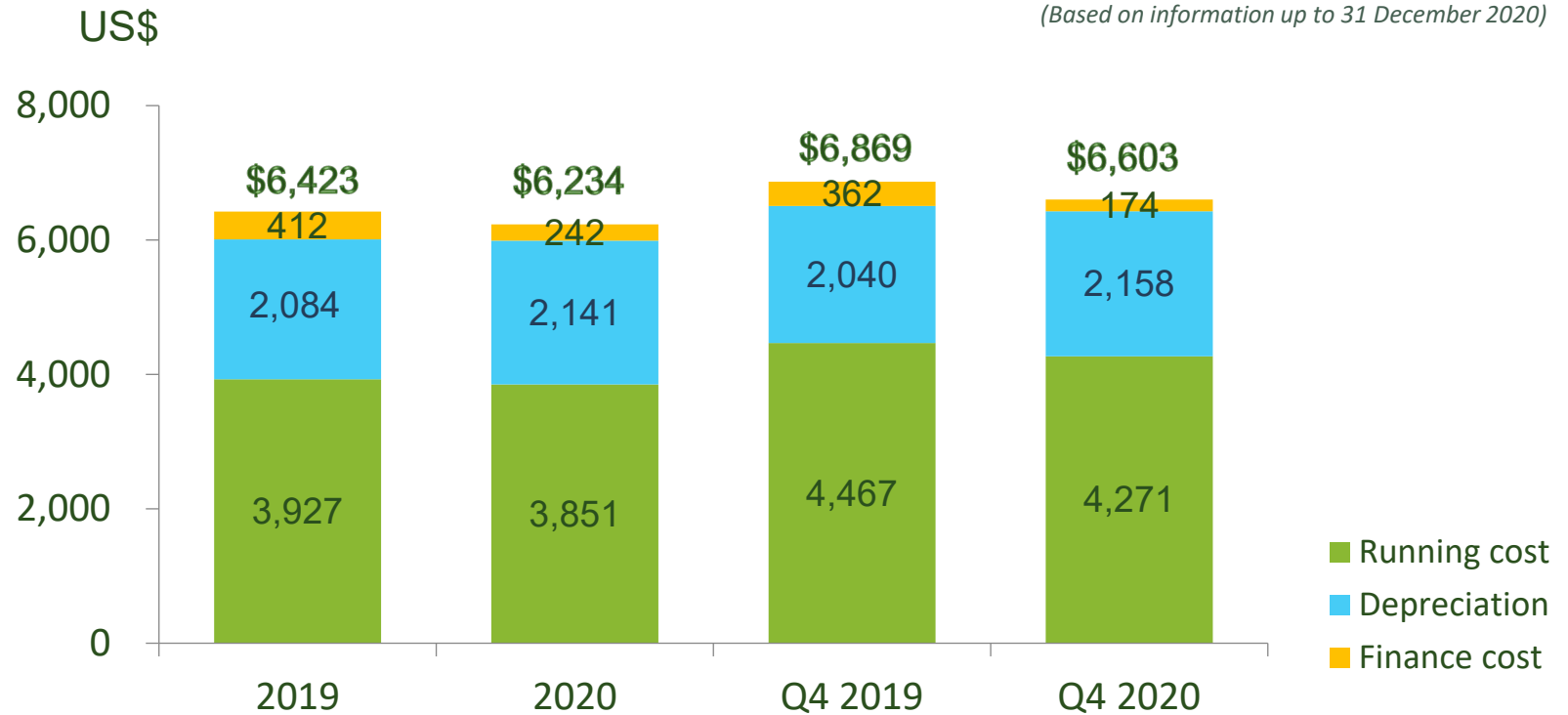
TCE of Jinhui Shipping's Owned Vessels

(Based on information up to 31 December 2020)

Average daily time charter equivalent rate (TCE)	2020 Q4	2019 Q4	2020	2019
	US\$	US\$	US\$	US\$
Post-Panamax Fleet	11,891	12,122	9,929	9,628
Supramax Fleet	9,173	11,336	6,986	9,522
In average	9,487	11,419	7,269	9,533

Daily Vessel Running Costs of Owned Vessels

(Based on information up to 31 December 2020)



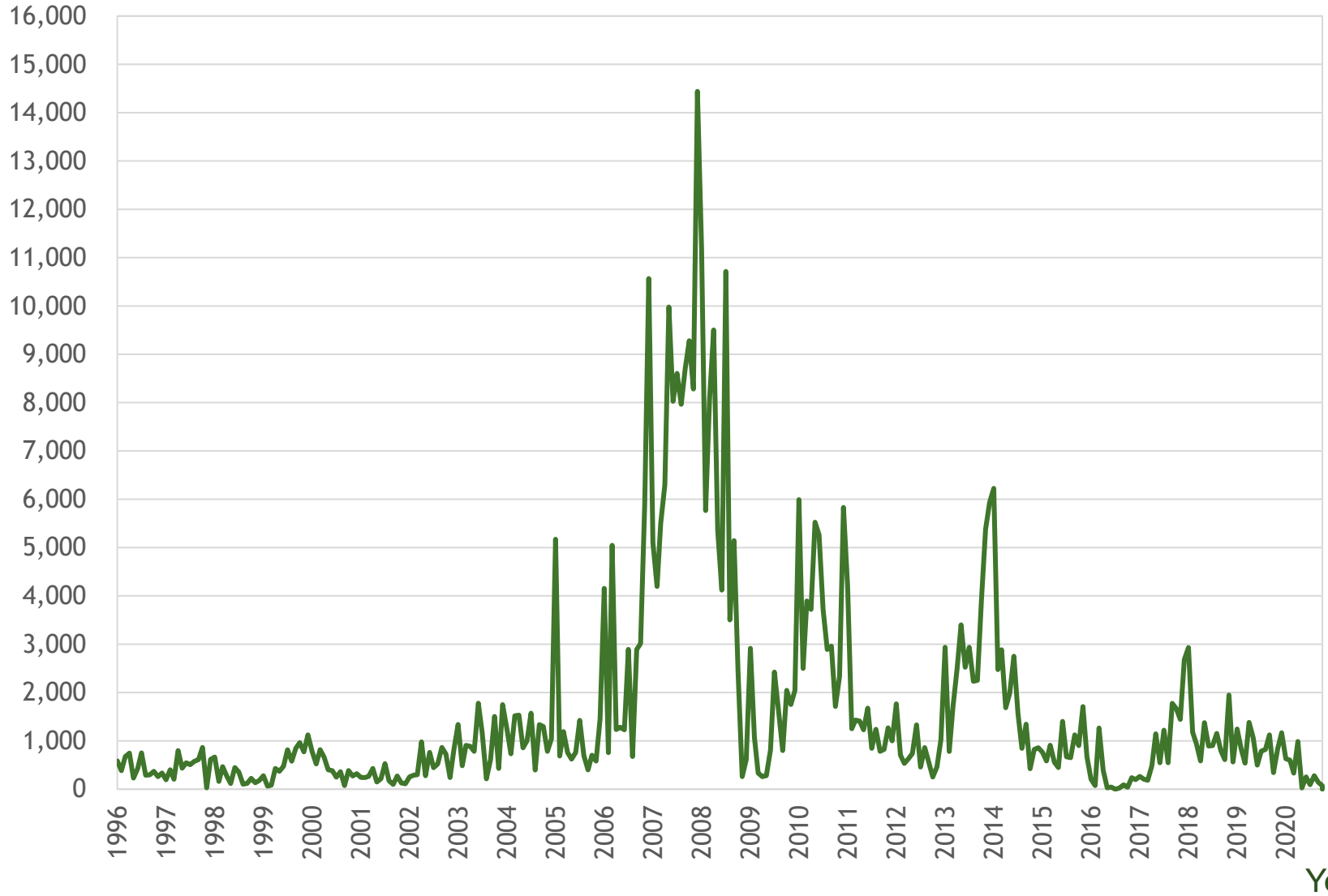
Daily vessel running cost is calculated as the aggregate of crew expenses, insurance, consumable stores, spare parts, repairs and maintenance and other vessels' miscellaneous expenses divided by ownership days during the period.

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

Investment in Dry Bulk Newbuildings

US\$m

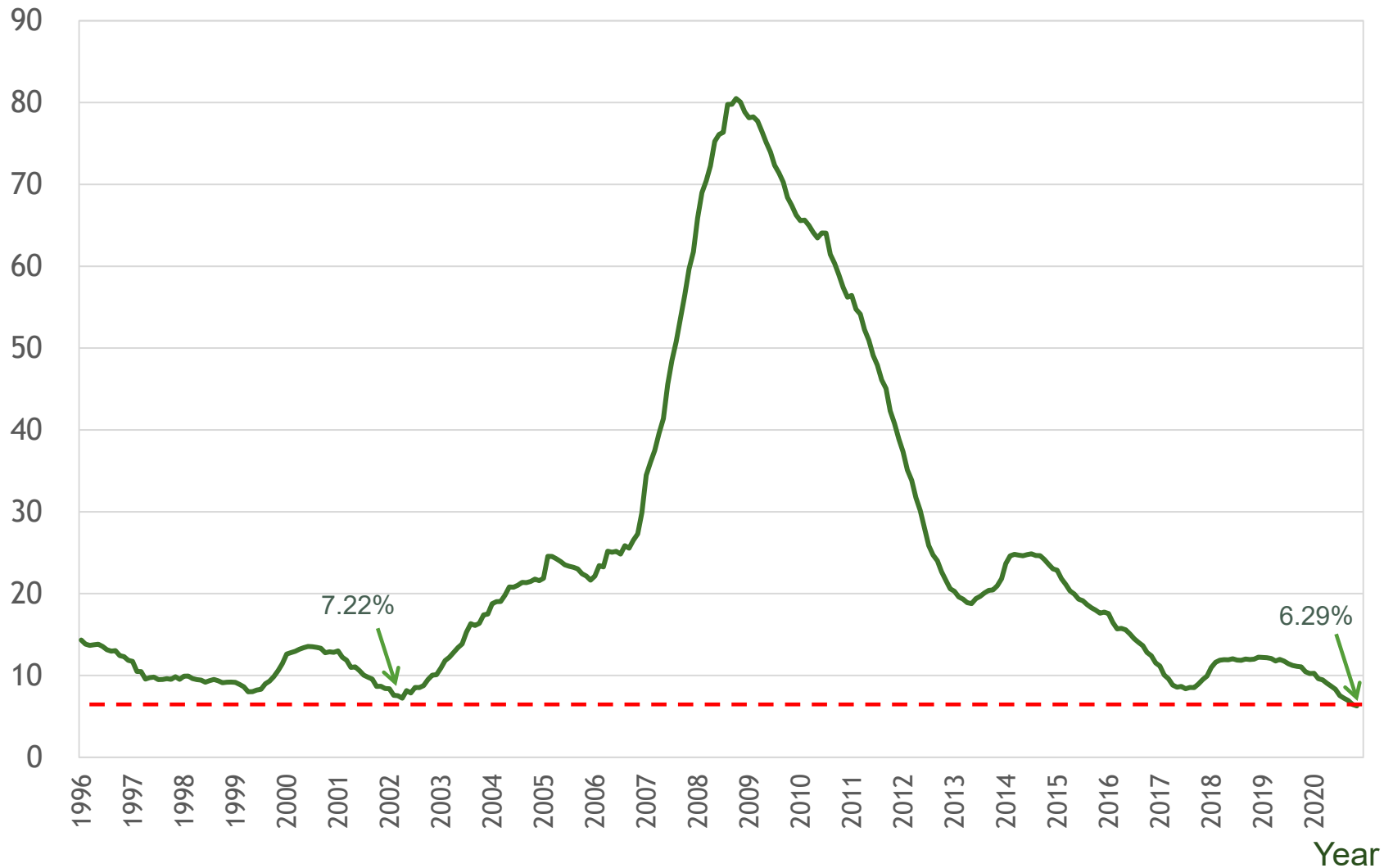
Source: Clarkson Research Services Limited 2020



Global Dry Bulk Fleet Growth at Historical Low

% of fleet

Source: Clarkson Research Services Limited 2020



Outlook

- Worldwide economy on recovery path as COVID-19 pressure eases with vaccines rolling out
- Business confidence slowly recovering, as with consumers' confidence
- Signs of some easing in political tensions
- Monetary policy remains accommodative going forward
- Restocking and procurement of energy, industrial and agricultural commodities