



JINHUI SHIPPING AND TRANSPORTATION LIMITED

Q3 2021 Results Presentation
15 November 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.

Third Quarter 2021 Highlights

Financial Highlights

- Revenue for the quarter: US\$40 million
- Net profit for the quarter: US\$19 million
- EBITDA: US\$25 million
- Basic earnings per share: US\$0.177
- Return on equity : 5.72%

Third Quarter 2021 Highlights

- Consolidated net profit of US\$19 million for current quarter mainly due to:
 - chartering revenue increase 183% due to strong rebound of market freight rates as compared to last corresponding quarter;
 - took delivery of three vessels in the year to date which brought additional hire income during the quarter;
 - average daily time charter equivalent rates increase 171% to US\$23,592 for current quarter as compared to US\$8,713 of corresponding quarter in 2020;
 - increase in shipping related expenses, mainly due to increase in vessel running costs in proportional to the increase in hire income and also initial running costs incurred for newly-delivered of vessels during the quarter;

Third Quarter 2021 Highlights

- net loss of US\$3.0 million on financial assets at fair value through profit or loss as compared to net loss of US\$1.7 million in last corresponding quarter.
- During the quarter, the Group repaid US\$4 million bank loans;
- Capex of US\$12.9 million, mainly on acquisition of vessels during the quarter;
- Acquired a 2007-built Supramax at consideration of US\$15.2 million and was delivered in October 2021;
- Acquired a 2008-built Supramax at consideration of US\$17 million and was delivered in November 2021; and
- After reporting date, contract to acquire a 2007-built Supramax at consideration of US\$15.8 million which will be delivered in Q4 2021.

Financial Highlights

For the quarter and nine months ended 30 September 2021

US\$'000	Q3 2021 (Unaudited)	Q3 2020 (Unaudited)	9M 2021 (Unaudited)	9M 2020 (Unaudited)	2020 (Audited)
Revenue	40,405	14,257	88,488	31,981	47,118
Reversal of impairment loss on owned vessels	-	-	65,521	-	-
Operating profit (loss) before depreciation / amortization and finance costs	25,070	5,249	124,385	(8,908)	3,266
Operating profit (loss)	19,784	1,474	111,729	(20,226)	(11,902)
Finance costs	(400)	(620)	(1,363)	(2,576)	(3,117)
Net profit (loss) for the period / year	19,384	854	110,139	(22,802)	(15,252)
Basic earnings (loss) per share	US\$0.177	US\$0.008	US\$1.008	US\$(0.209)	US\$(0.140)

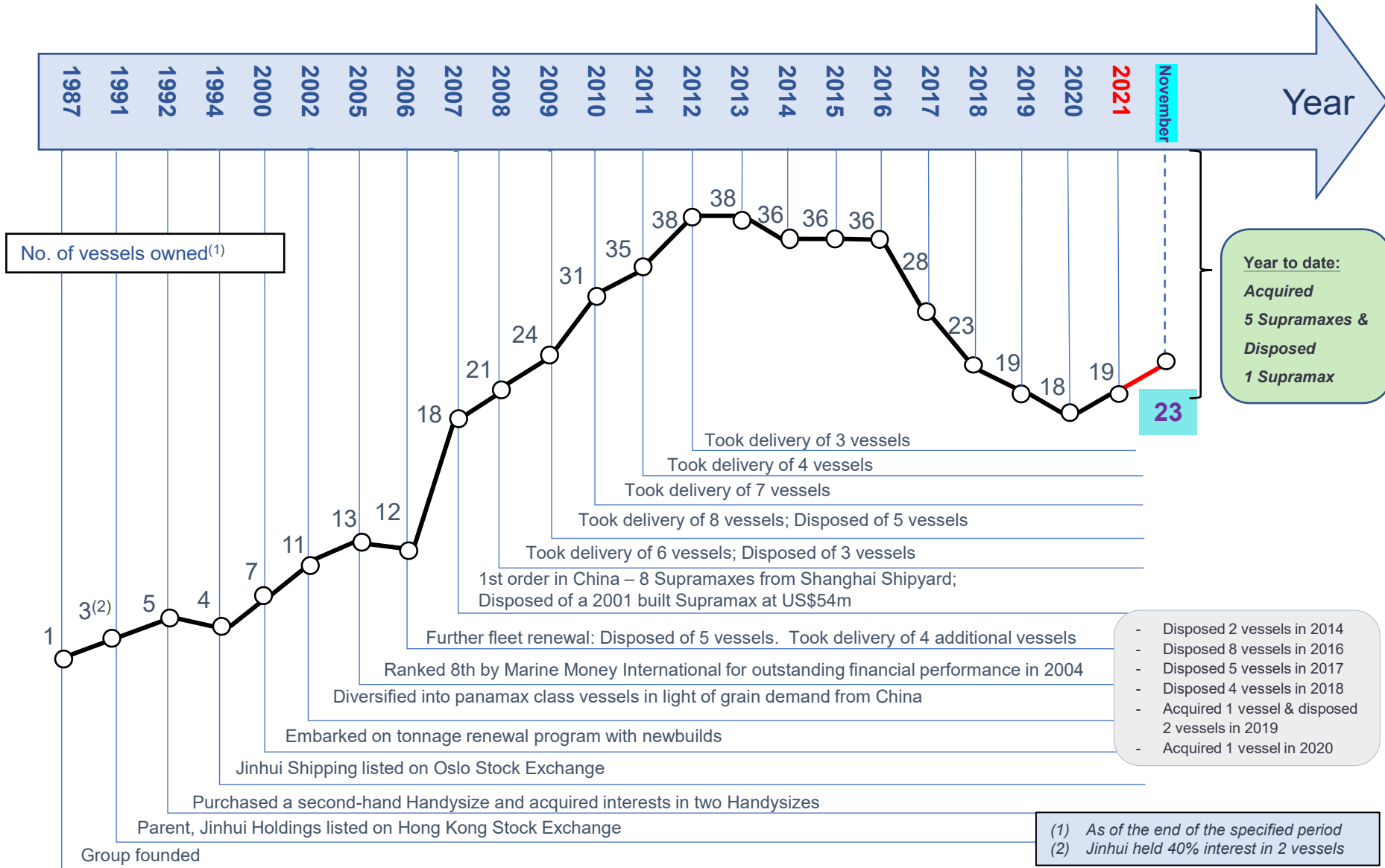
Key Financial Ratios

As at 30 September 2021

	Q3 2021 (Unaudited)	Q3 2020 (Unaudited)	2020 (Audited)
Total assets (US\$'000)	465,505	366,400	366,164
Secured bank loans (US\$'000)	95,829	118,591	108,345
Current ratio ¹	1.54 : 1	1.21 : 1	1.38 : 1
Net gearing ²	N/A	20%	15%
Working Capital (US\$'000)	43,033	16,928	28,503
Available liquidity (US\$'000) ³	96,314	71,559	73,220
Return on equity ⁴	5.72%	N/A	N/A
Return on total assets ⁵	4.23%	N/A	N/A

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. Gearing ratio as at Q3 2021 is not presented due to the increase in liquid assets that led to the drop of net debts below zero.
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.
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.

Our Fleet Development



Jinhui Fleet of Vessels

	<u>Fleet</u>	<u>Type</u>	<u>Size (dwt)</u>	<u>Year built</u>	<u>Shipyard</u>
1	JIN LANG	Post-Panamax	93,279	2010	Jiangsu New Yangzi
2	JIN MEI	Post-Panamax	93,204	2010	Jiangsu New Yangzi
3	JIN XIANG	Supramax	61,414	2012	Oshima
4	JIN HONG	Supramax	61,414	2011	Oshima
5	JIN YUE	Supramax	56,934	2010	Shanghai Shipyard
6	JIN AO	Supramax	56,920	2010	Shanghai Shipyard
7	JIN GANG	Supramax	56,927	2009	Shanghai Shipyard
8	JIN JI	Supramax	56,913	2009	Shanghai Shipyard
9	JIN WAN	Supramax	56,897	2009	Shanghai Shipyard
10	JIN JUN	Supramax	56,887	2009	Shanghai Shipyard
11	JIN RONG	Supramax	58,729	2008	Tsuneishi
12	JIN SUI	Supramax	56,968	2008	Shanghai Shipyard
13	JIN TONG	Supramax	56,952	2008	Shanghai Shipyard
14	JIN AN	Supramax	55,866	2007	Kawasaki
15	JIN YUAN	Supramax	55,496	2007	Oshima
16	JIN YI	Supramax	55,496	2007	Oshima
17	JIN XING	Supramax	55,496	2007	Oshima
18	JIN QUAN	Supramax	52,525	2006	Tsuneishi
19	JIN SHENG	Supramax	52,050	2006	IHI
20	JIN CHENG	Supramax	53,806	2004	New Century
21	JIN FENG	Supramax	52,686	2004	Oshima
22	JIN YAO	Supramax	52,050	2004	IHI
23	ATLANTICA	Supramax	50,259	2001	Shanghai Shipyard

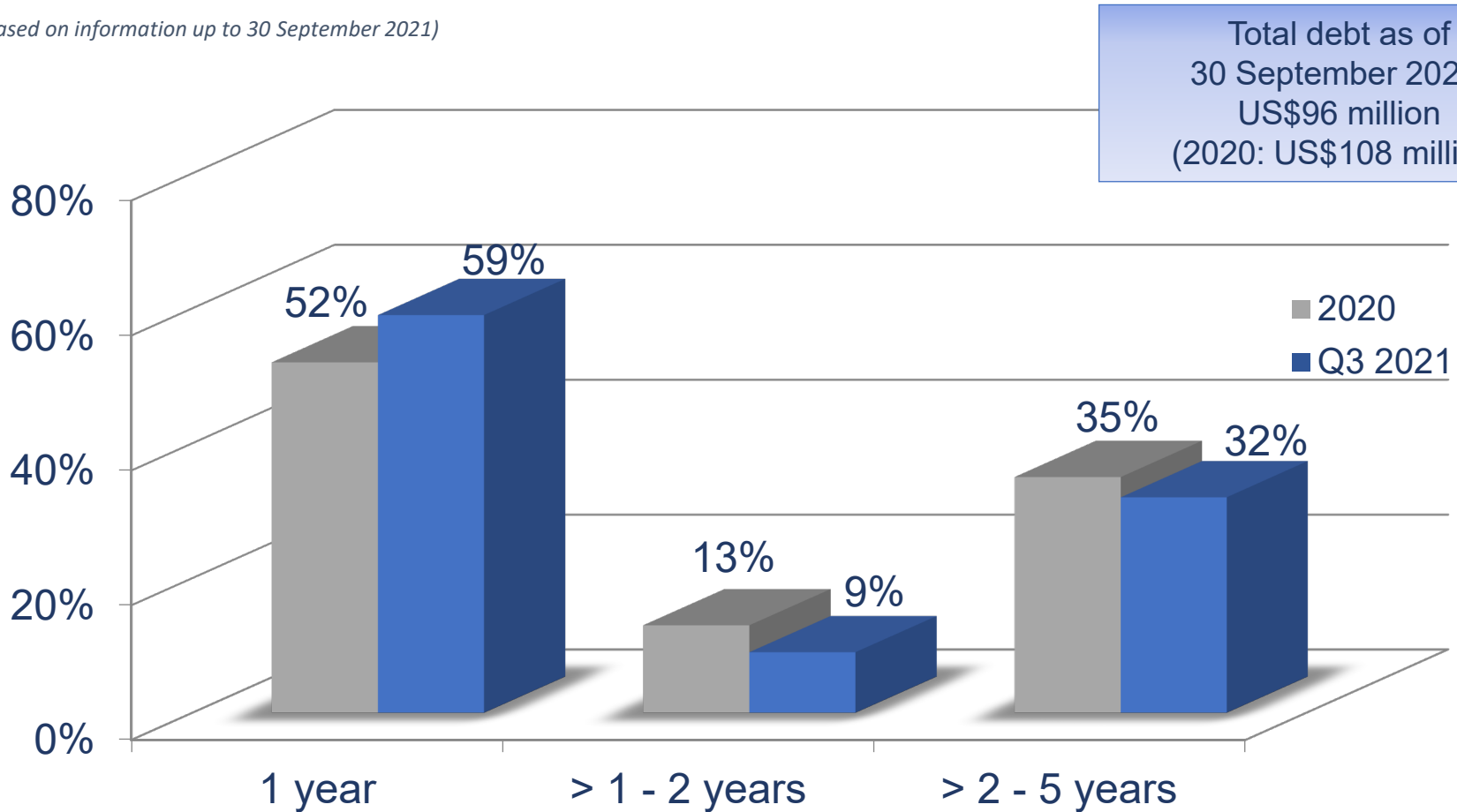
➤ As of 14 November 2021, we operated 23 motor vessels with total capacity of deadweight 1,359,168 metric tons and average age of 13.35 years.

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 TONG	Supramax	56,952	2008	Year 2021
2	JIN XIANG	Supramax	61,414	2012	Year 2022
3	JIN HONG	Supramax	61,414	2011	Year 2022
4	JIN LANG	Post-Panamax	93,279	2010	Year 2022
5	JIN MEI	Post-Panamax	93,204	2010	Year 2022
6	JIN YUE	Supramax	56,934	2010	Year 2022
7	JIN AO	Supramax	56,920	2010	Year 2022
8	JIN JI	Supramax	56,913	2009	Year 2022
9	JIN JUN	Supramax	56,887	2009	Year 2022
10	JIN AN	Supramax	55,866	2007	Year 2022
11	JIN YUAN	Supramax	55,496	2007	Year 2022
12	JIN YI	Supramax	55,496	2007	Year 2022
13	JIN XING	Supramax	55,496	2007	Year 2022
14	JIN SHENG	Supramax	52,050	2006	Year 2022
15	JIN YAO	Supramax	52,050	2004	Year 2022
16	ATLANTICA	Supramax	50,259	2001	Year 2022
17	JIN RONG	Supramax	58,729	2008	Year 2023
18	JIN SUI	Supramax	56,968	2008	Year 2023
19	JIN GANG	Supramax	56,927	2009	Year 2024

Debt Maturity Profile

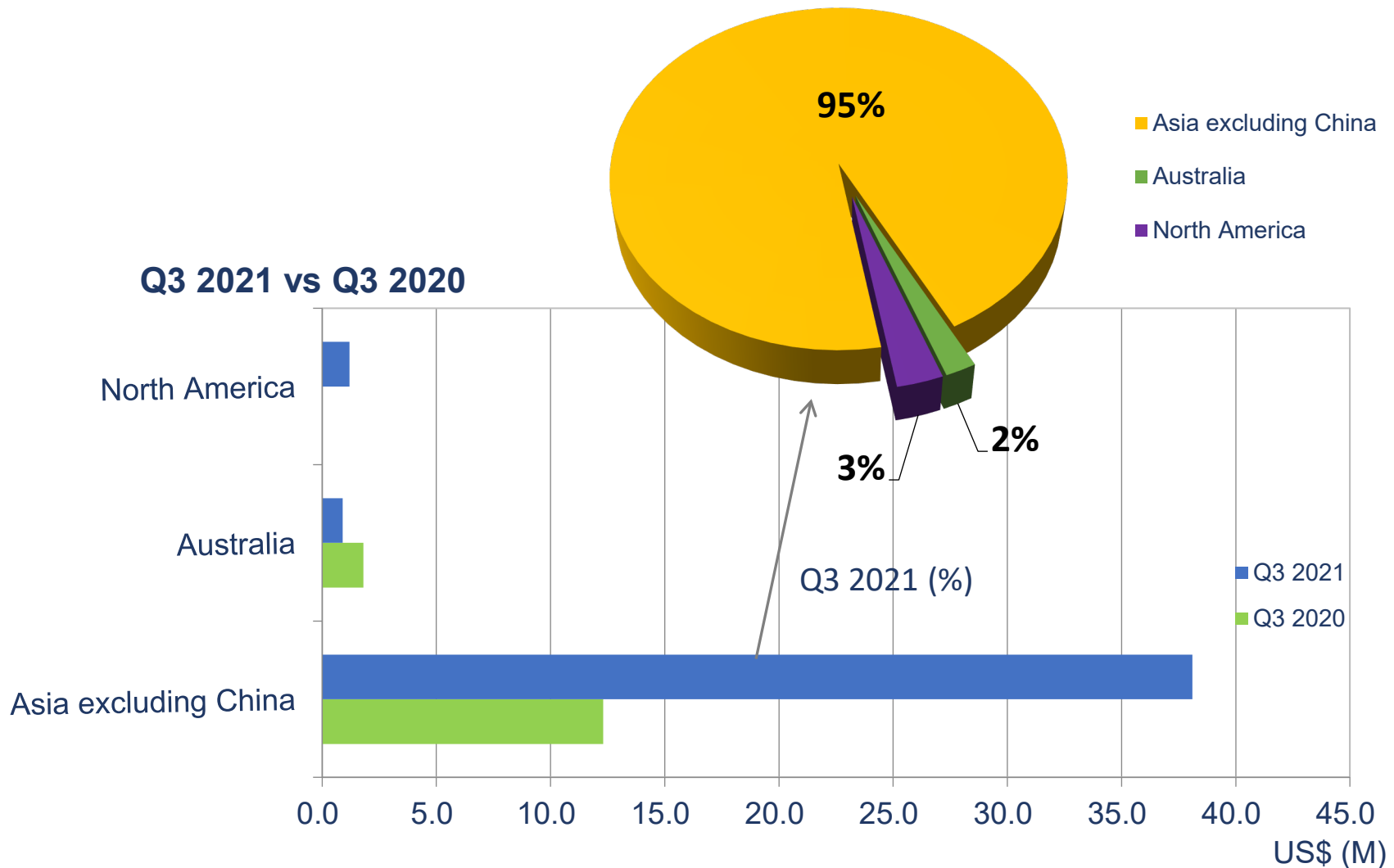
(Based on information up to 30 September 2021)



- 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.

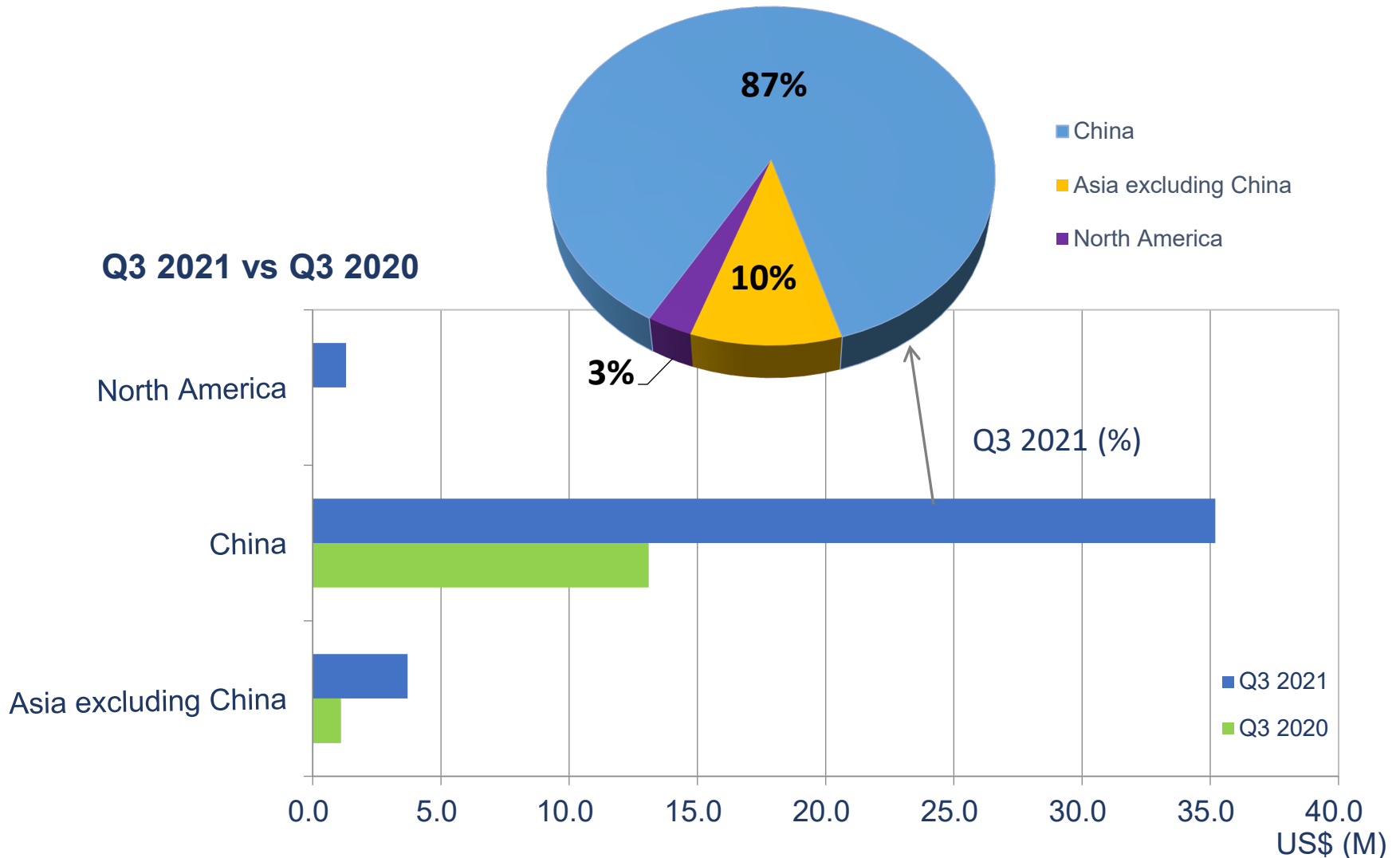
Loading Port Analysis Q3 2021

Chartering revenue expressed by Loading Ports



Discharging Port Analysis Q3 2021

Chartering revenue expressed by Discharging Ports

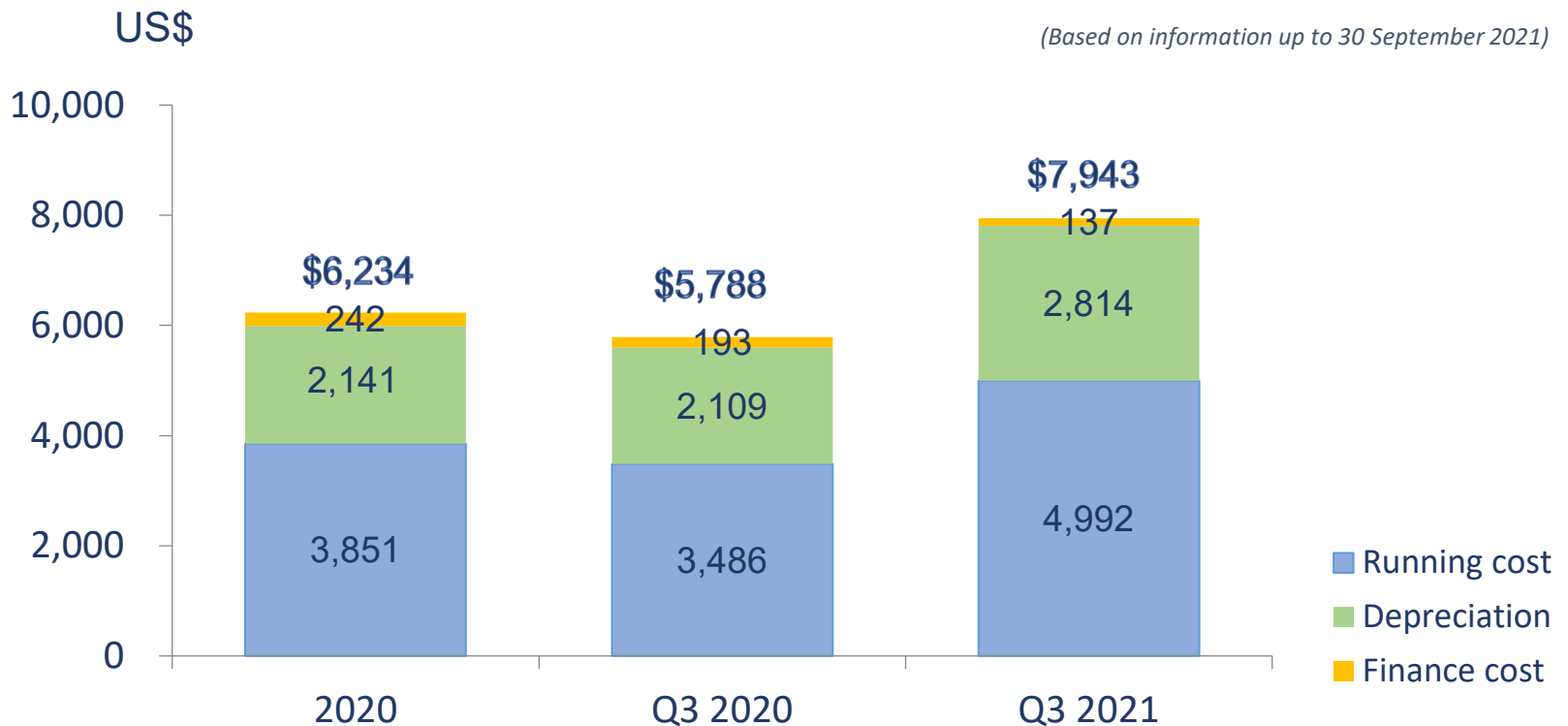


TCE of Jinhui Shipping's Owned Vessels

(Based on information up to 30 September 2021)

Average daily time charter equivalent rate (TCE)	Q3 2021	Q3 2020	9M 2021	9M 2020	2020
	US\$	US\$	US\$	US\$	US\$
Post-Panamax Fleet	20,248	11,805	14,806	9,050	9,929
Supramax Fleet	23,963	8,386	18,254	6,248	6,986
In average	23,952	8,713	17,881	6,499	7,269

Daily Vessel Running Costs of Owned Vessels



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.

The increase in running cost in current quarter mainly due to rose in crew wages due to inflation and certain initial running costs and expenses incurred for the newly-delivered vessels in Q3 2021.

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

Outlook

- Supply of newbuildings remain low;
- Cost side going up (COVID, repatriation costs, maintenance and spare parts);
- Demand will be affected by global economic trajectory;
- Volatility is to be expected given unstable geopolitics;
- Maintain healthy balance sheet remains to be key; and
- Opportunities approach to fleet management