JINHUI SHIPPING AND TRANSPORTATION LIMITED

Q1 2019 Results Presentation

31 May 2019

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

Q1 2019 Financial Highlights

- Revenue for the quarter: US$13 million
  - Decrease by 29% as compared to Q1 2018 due to weak in market freight rates at start of the year -
    - US-China trade conflict
    - Chinese restrictions on coal imports
    - slow world GDP growth rates
    - accidents at iron ore suppliers in Brazil and Australia
- Net profit for the quarter: US$2 million
- EBITDA: US$6.8 million
- Basic earnings per share: US$0.018

Highlights

- Disposes a Supramax in early of Jan 2019 at US$7.4m, with net gain of US$0.6m;
- During the quarter, the Group drawn new revolving loans of US$33m for working capital purposes;
- Invests US$4.3m in real estate market which expects generate steady and recurring stream of income for the Group;
- Contracts to acquire two second hand Supramaxes at total consideration of US$12m in Q2 2019, one was delivered in May 2019

Financial Highlights
For the quarter ended 31 March 2019

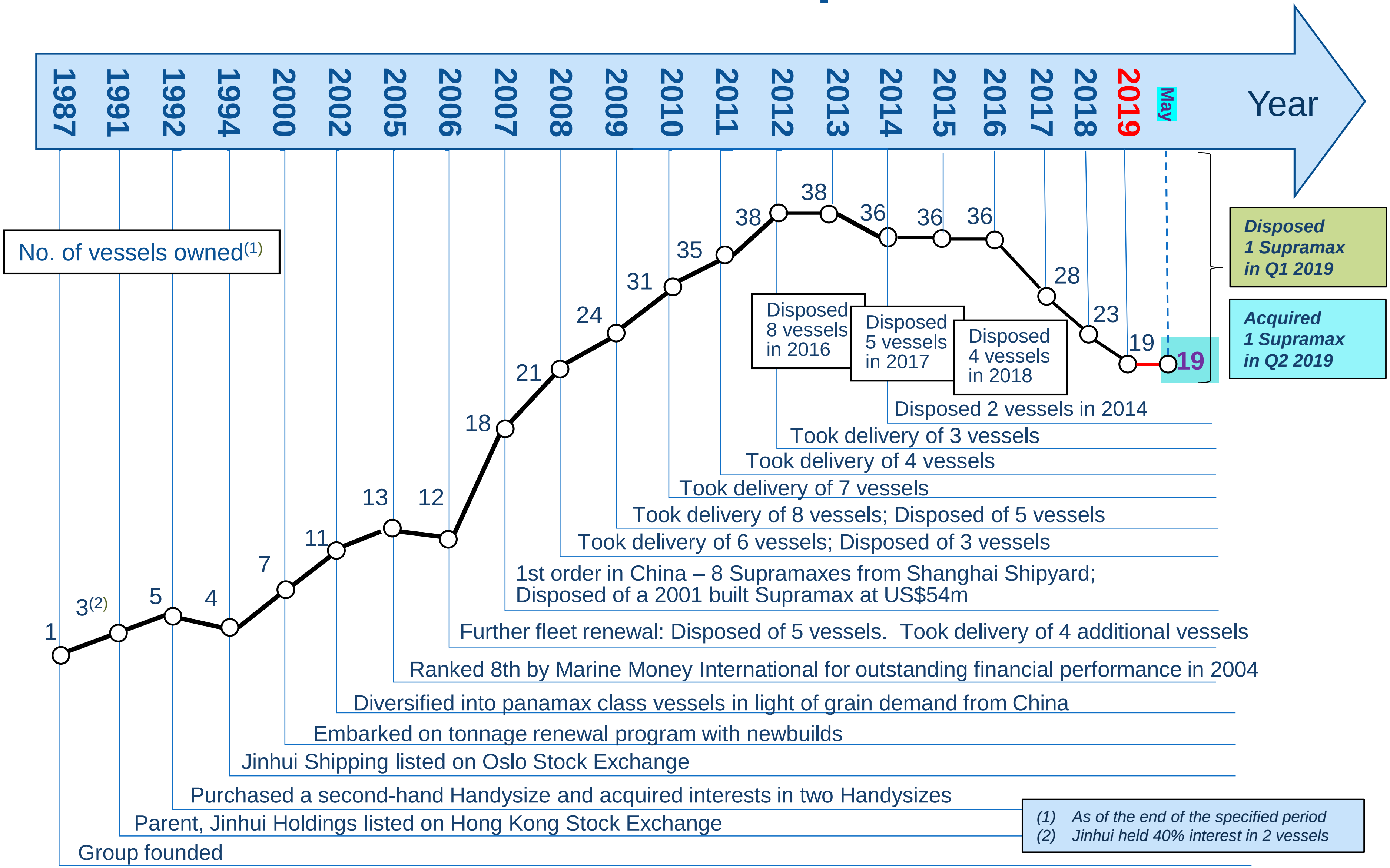
US$'000	Q1 2019 (Unaudited)	Q1 2018 (Unaudited)	QoQ	2018 (Audited)
Revenue	12,765	17,976	-29%	76,113
Net gain on disposal of owned vessels	-	-	-	5,437
Operating profit	2,943	3,311	-11%	11,874
Net profit for the period / year	1,965	2,471	-20%	8,713
Basic earnings per share	US$0.018	US$0.023	-22%	US$0.080

Key Financial Ratios
As at 31 March 2019

	Q1 2019 (Unaudited)	Q1 2018 (Unaudited)	2018 (Audited)
Total assets (US$'000)	390,487	356,218	361,637
Total debt borrowings (US$'000)	116,627	88,248	90,183
Return on equity[1]	0.78%	1.00%	3.51%
Return on total assets[2]	0.52%	0.65%	2.27%
Current ratio[3]	1.88 : 1	1.41 : 1	2.54 : 1
Net gearing[4]	-	13.00%	0.65%
Working capital (US$'000)	65,232	23,530	69,172
Available liquidity (US$'000)[5]	118,992	53,963	88,551

1. ROE is calculated based on net profit divided by average equity.
2. ROA is calculated based on net profit 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. Net gearing for Q1 2019 is not presented due to the increase in liquid assets that led to net debts dropped below zero.
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 Ping	Supramax	50,777	2002	Owned	Oshima
19	Jin Ming	Supramax	50,230	2001	Owned	Shanghai Shipyard

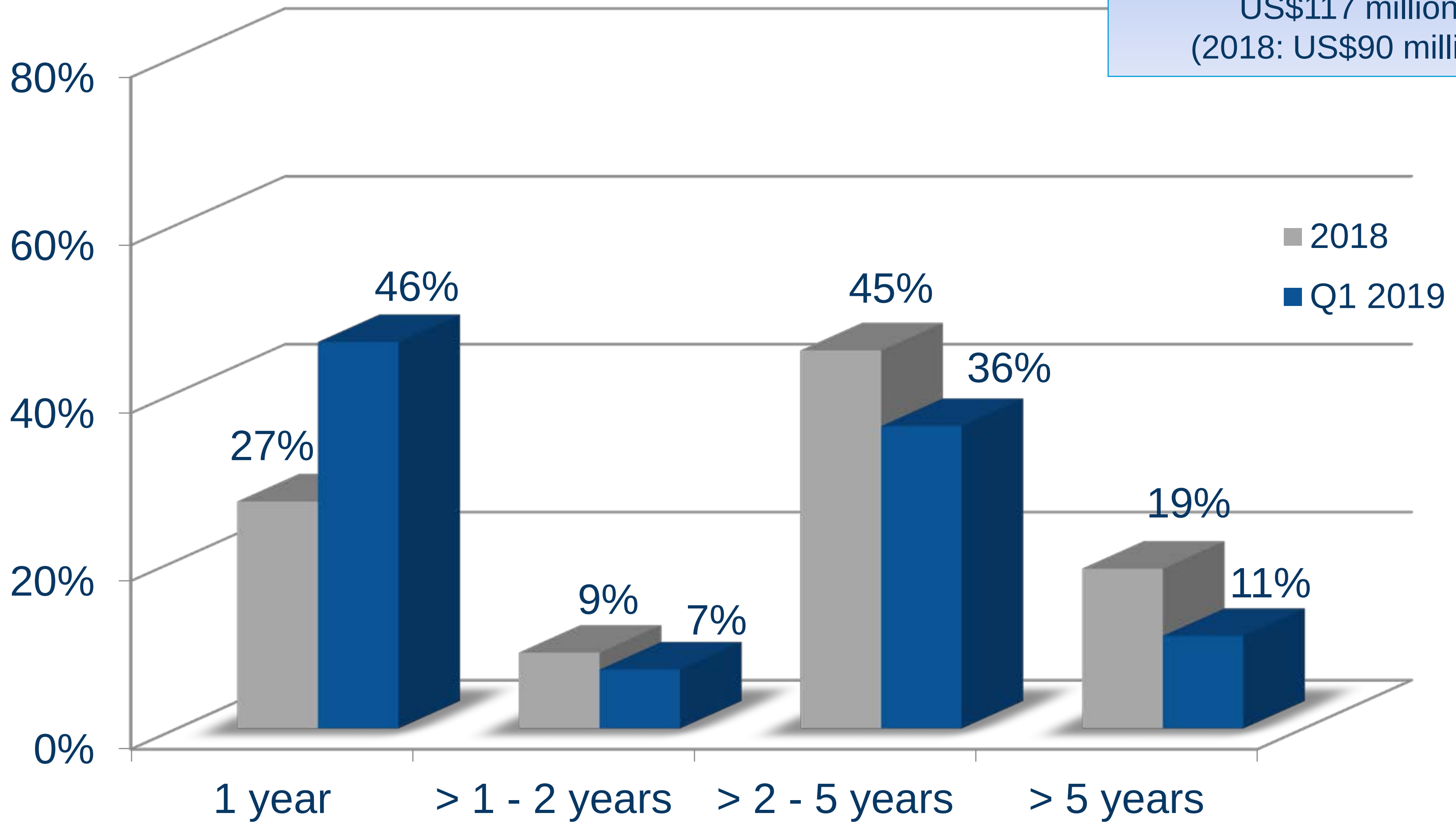
As of 30 May 2019, we operated 19 motor vessels with total capacity of deadweight 1,136,304 and average age of 11.16 years

- In Q1 2019, we completed the sale of a Supramax;
- In Q2 2019, we took delivery of a second hand Supramax which was committed for purchase in April 2019.

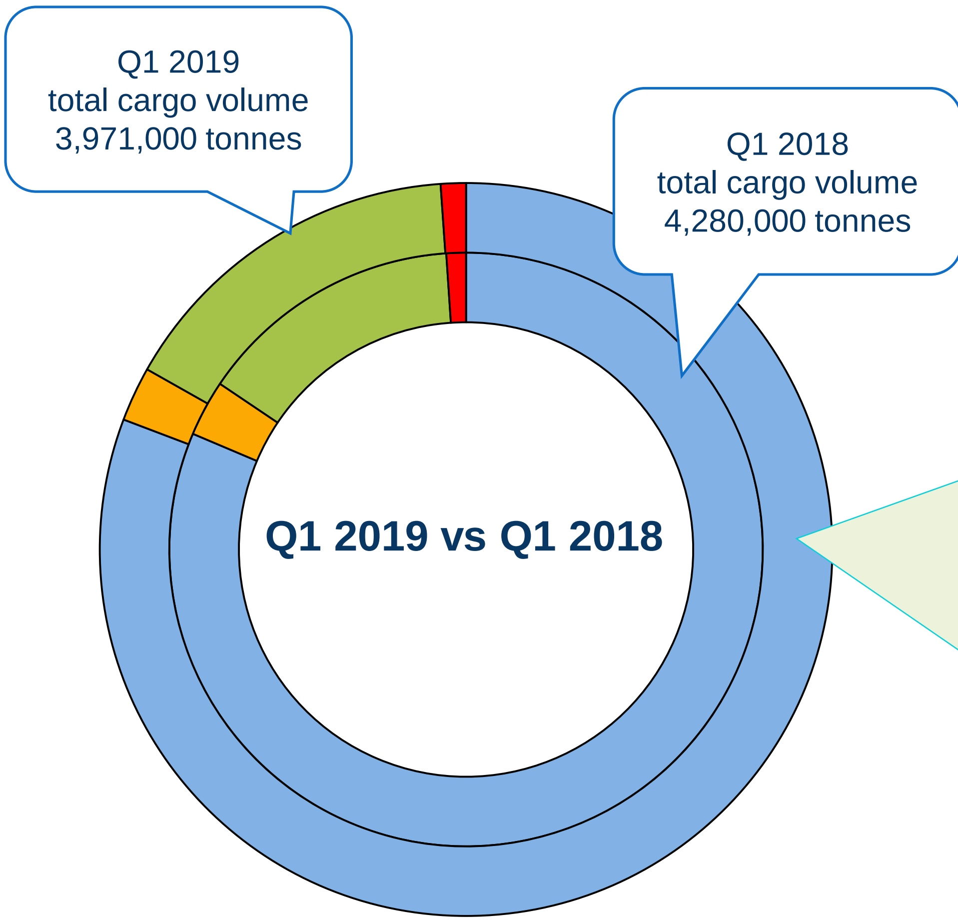
Debt Maturity Profile

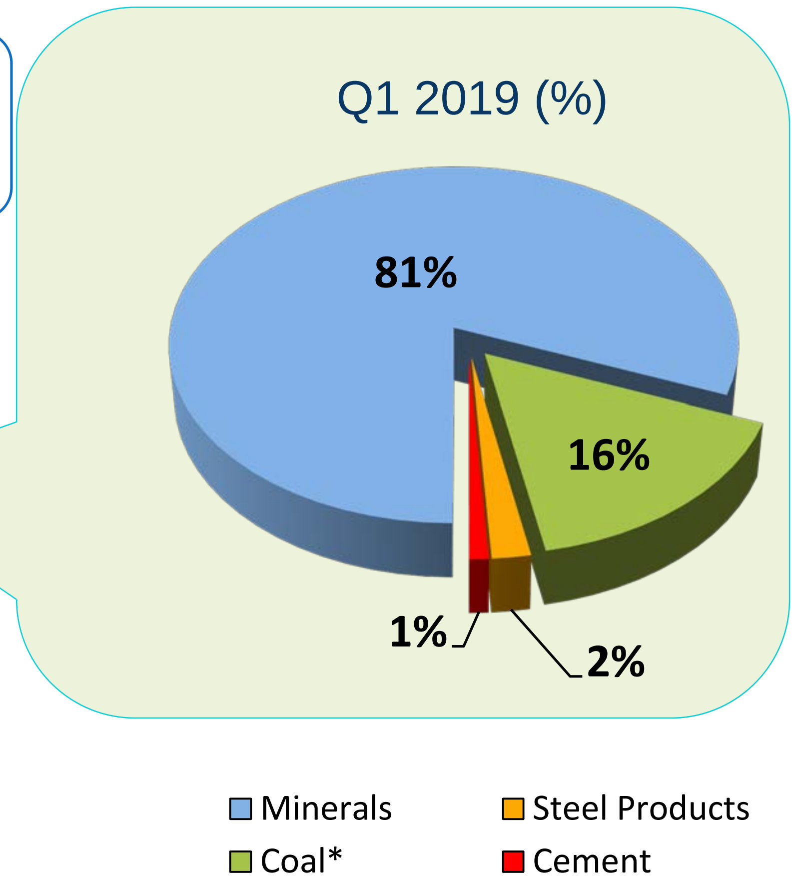
(Based on information up to 31 March 2019)

Total debt as of
31 March 2019:
US$117 million
(2018: US$90 million)



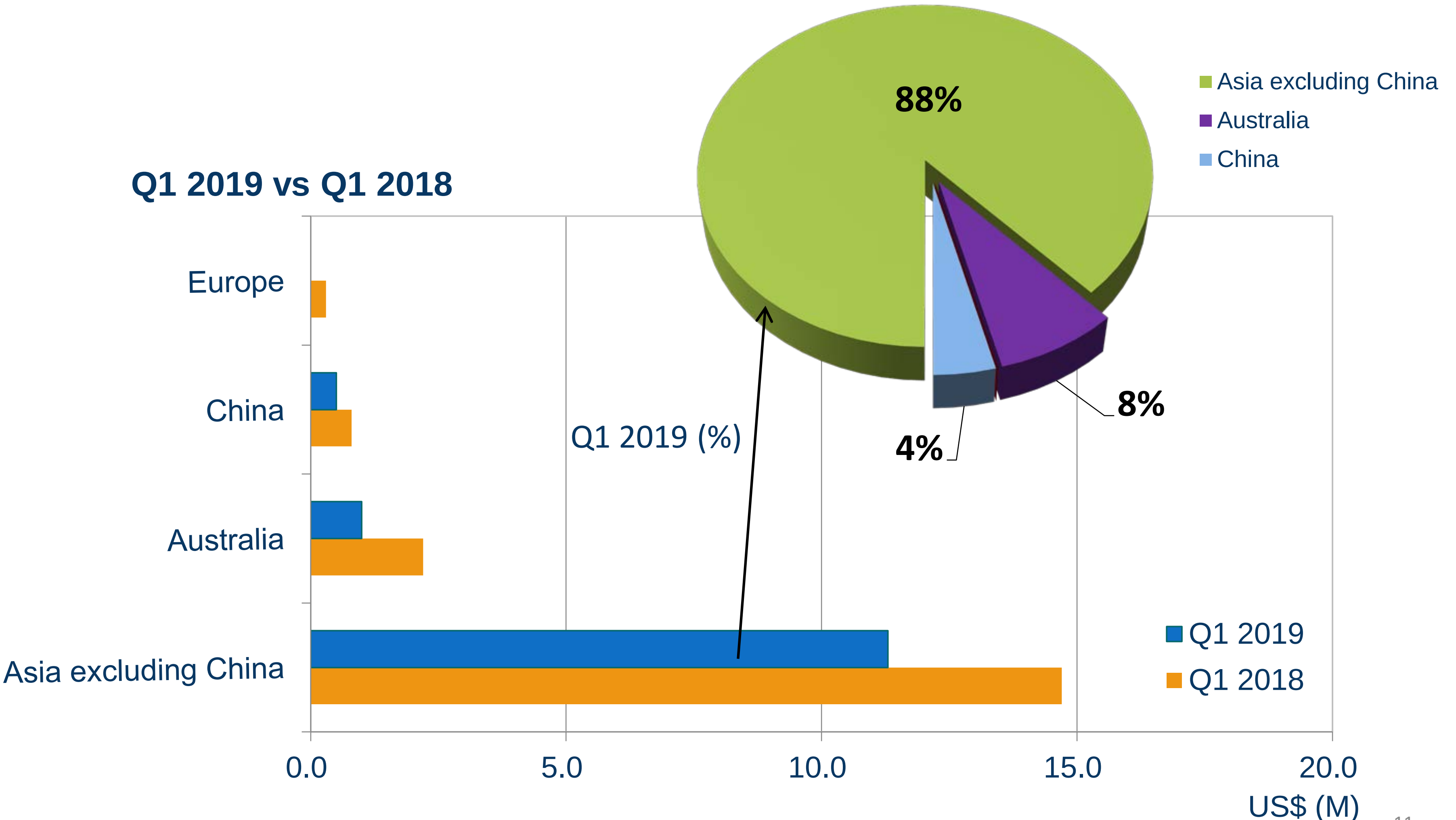
Cargo Volume Analysis Q1 2019



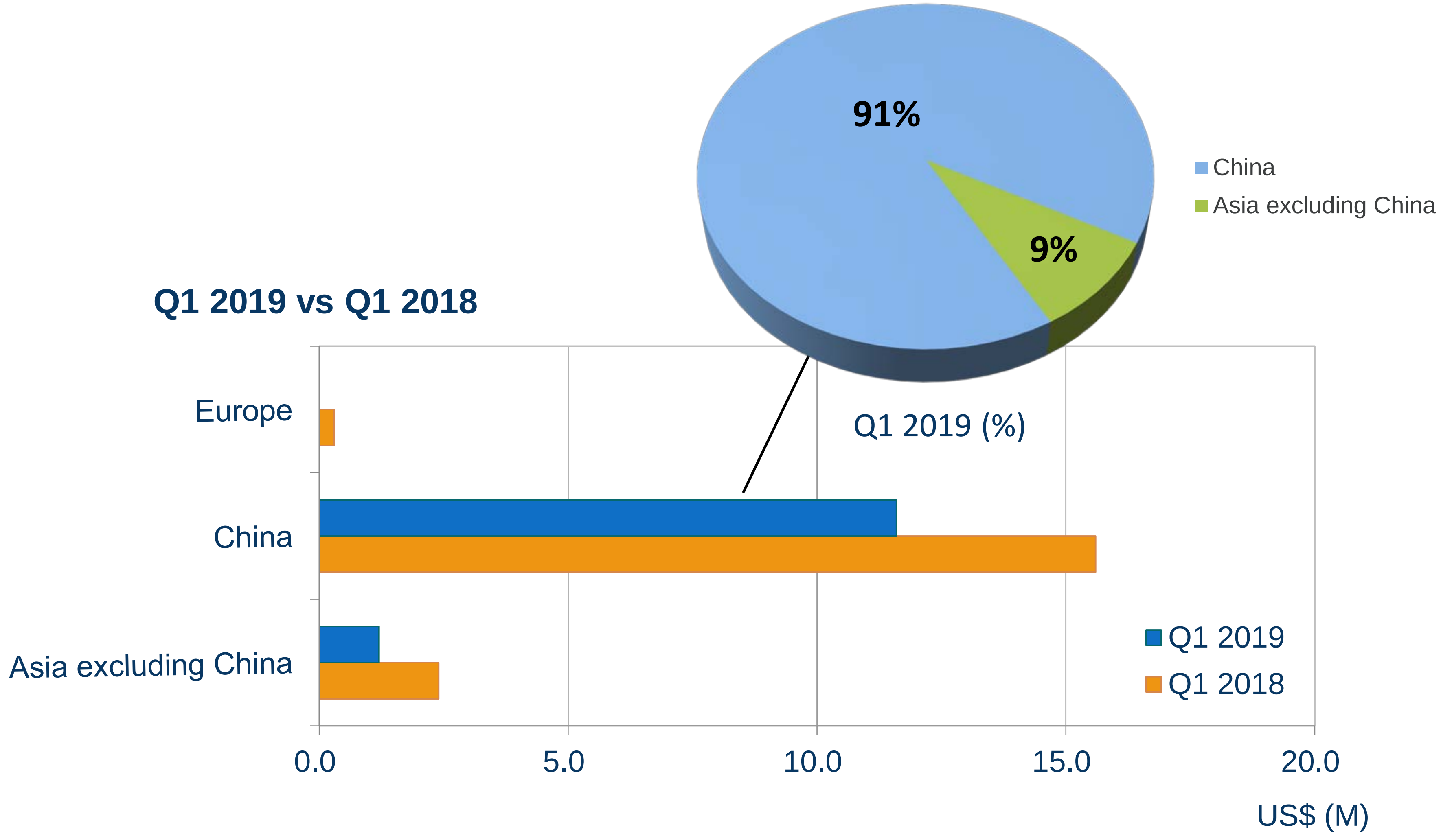


** Including steaming coal and coking coal*

Loading Port Analysis Q1 2019
Chartering revenue expressed by loading ports



Discharging Port Analysis Q1 2019
Chartering revenue expressed by discharging ports

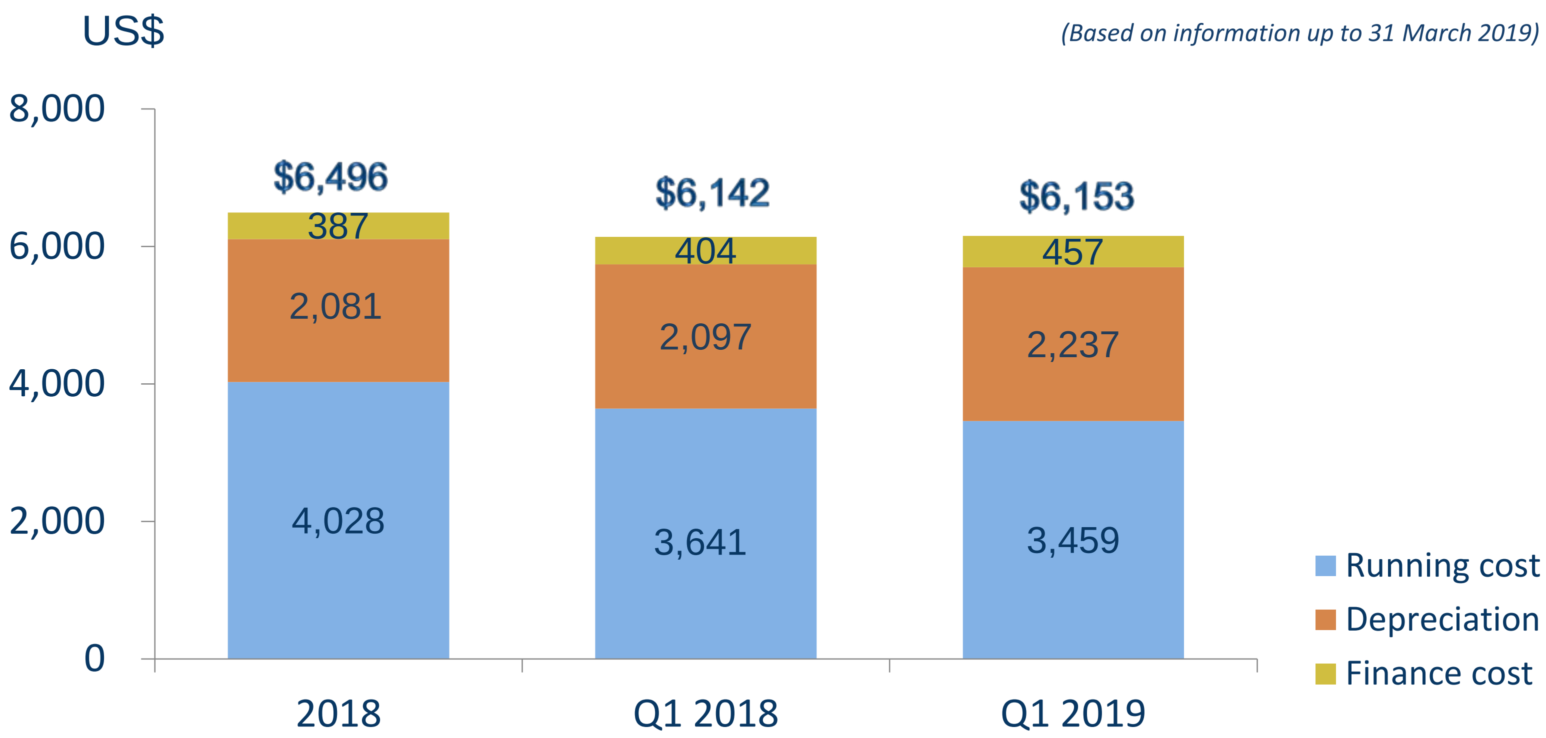


TCE of Jinhui Shipping's Owned Vessels

(Based on information up to 31 March 2019)

Average daily time charter equivalent rate (TCE)	2019 Q1	2018 Q1	2018
	US$	US$	US$
Post-Panamax Fleet	6,262	11,480	11,689
Supramax Fleet	7,827	8,537	9,743
In average	**7,658**	**8,795**	**9,922**

Daily Vessel Costs of Owned Vessels



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.

Increase in finance cost in Q1 2019 mainly due to the impact of rising LIBOR as the Group's bank borrowings were committed on floating rate basis and increase in new revolving loans for current quarter

Market Outlook

- Instability in global trade due to the tense US-China relationship;
- Market sentiment likely to remain weak until more clarity on geopolitical events;
- Global economic growth to remain sluggish;
- Trade volume in dry bulk likely to remain stable, expect further changes in long term composition and trade routes;
- Supply of new vessels continue to be moderate, key factor to a support to the freight market;
- 2020 Sulphur Cap;
- Cautiously optimistic and will remain financially nimble