



# JINHUI SHIPPING AND TRANSPORTATION LIMITED

Q1 2021 Results Presentation  
21 May 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

## Q1 2021 Financial Highlights

- Revenue for the quarter: US\$16 million
- Net profit for the quarter: US\$5 million
- EBITDA: US\$9 million
- Basic earnings per share: US\$0.048
- Gearing ratio as at 31 March 2021: 12%

# Highlights

- Consolidated net profit of US\$5 million for current quarter mainly due to:
  - chartering revenue increase 76% due to rebound of market dry bulk freight rates as compared to last corresponding quarter;
  - net gain of US\$1.4 million on bunker was recognized during the quarter;
  - decrease in shipping related expenses, mainly due to bunker related expenses of US\$5 million in last corresponding quarter;
  - realized net gain of US\$1.6 million upon disposal of equity and debt securities was recognized in current quarter, as compared to realized net gain of US\$0.3 million from last corresponding quarter;

# Highlights

- During the quarter, the Group drawn new secured bank loan of US\$12.6 million and repaid US\$3.2 million.
- A Supramax which was contracted to be disposed at consideration of US\$5.5 million in December 2020 was delivered to the purchaser during the quarter;
- Acquired a 2004-built Supramax at consideration of US\$7.3 million in Q1 2021;
- After reporting date, contract to acquire a 2004-built Supramax and a 2006-built Supramax at consideration of US\$10.8 million and US\$9.3 million respectively in Q2 2021;

# Financial Highlights

## For the quarter ended 31 March 2021

US\$'000	Q1 2021 (Unaudited)	Q1 2020 (Unaudited)	2020 (Audited)
Revenue	16,181	9,214	47,118
Operating profit (loss) before depreciation / amortization and finance costs	9,397	(13,604)	3,266
Operating profit (loss)	5,751	(17,278)	(11,902)
Finance costs	(498)	(1,093)	(3,117)
Net profit (loss) for the period / year	5,253	(18,371)	(15,252)
Basic earnings (loss) per share	US\$0.048	US\$(0.168)	US\$(0.140)

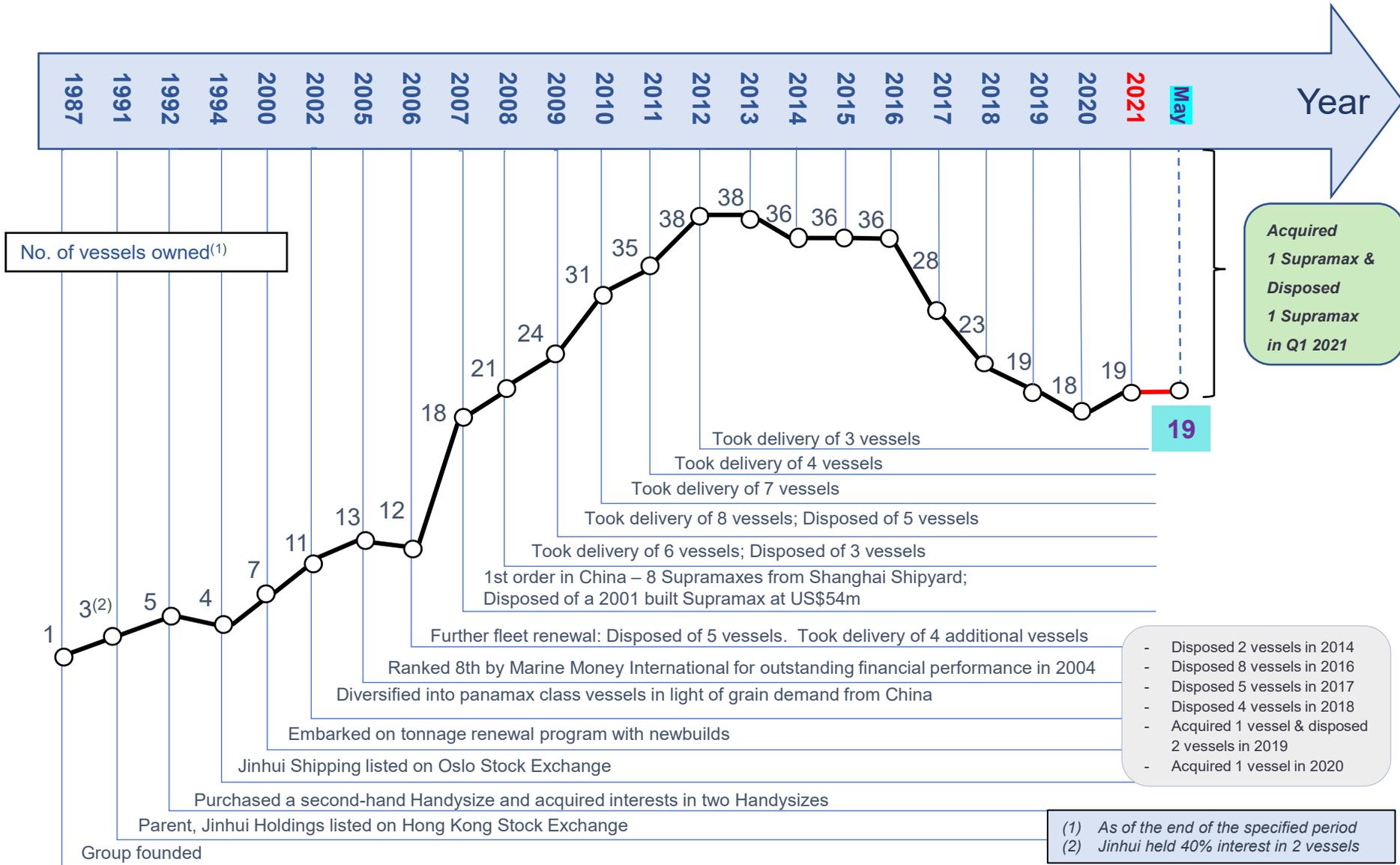
# Key Financial Ratios

## As at 31 March 2021

	Q1 2021 (Unaudited)	Q1 2020 (Unaudited)	2020 (Audited)
Total assets (US\$'000)	380,800	383,390	366,164
Secured bank loans (US\$'000)	117,732	129,722	108,345
Current ratio <sup>1</sup>	1.32 : 1	1.22 : 1	1.38 : 1
Net gearing <sup>2</sup>	12%	23%	15%
Working Capital (US\$'000)	28,319	18,244	28,503
Available liquidity (US\$'000) <sup>3</sup>	89,108	76,952	73,220

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



(1) As of the end of the specified period  
 (2) Jinhui held 40% interest in 2 vessels

# 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	JIN CHENG	Supramax	53,806	2004	Owned	New Century
19	ATLANTICA	Supramax	50,259	2001	Owned	Shanghai Shipyard

➤ As of 20 May 2021, we operated 19 motor vessels with total capacity of deadweight 1,139,362 metric tons and average age of 12.05 years.

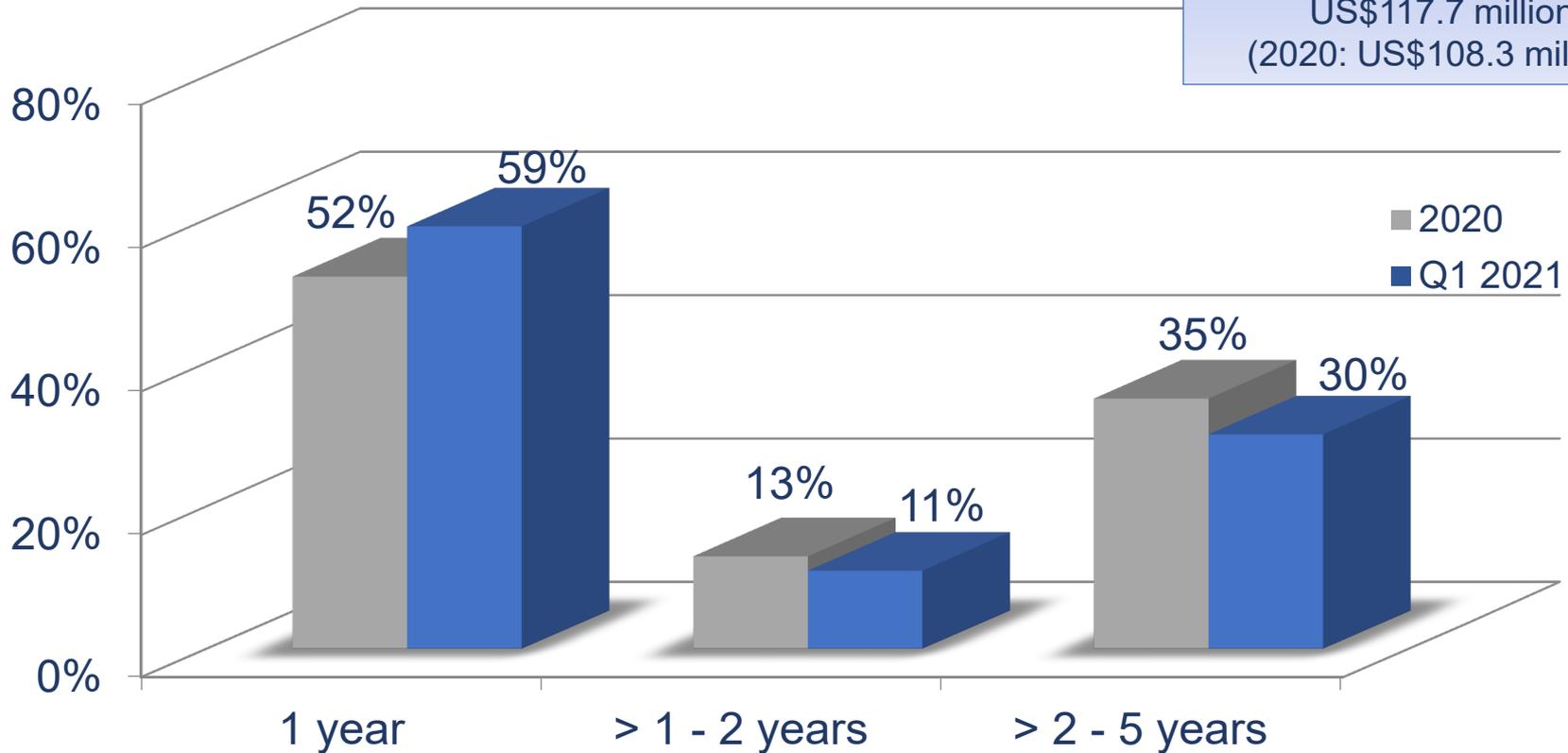
# Installation of ballast water treatment systems

	<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 CHENG	Supramax	53,806	2004	Year 2021
4	JIN XIANG	Supramax	61,414	2012	Year 2022
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17	ATLANTICA	Supramax	50,259	2001	Year 2022
18	JIN SUI	Supramax	56,968	2008	Year 2023
19	JIN GANG	Supramax	56,927	2009	Year 2024

# Debt Maturity Profile

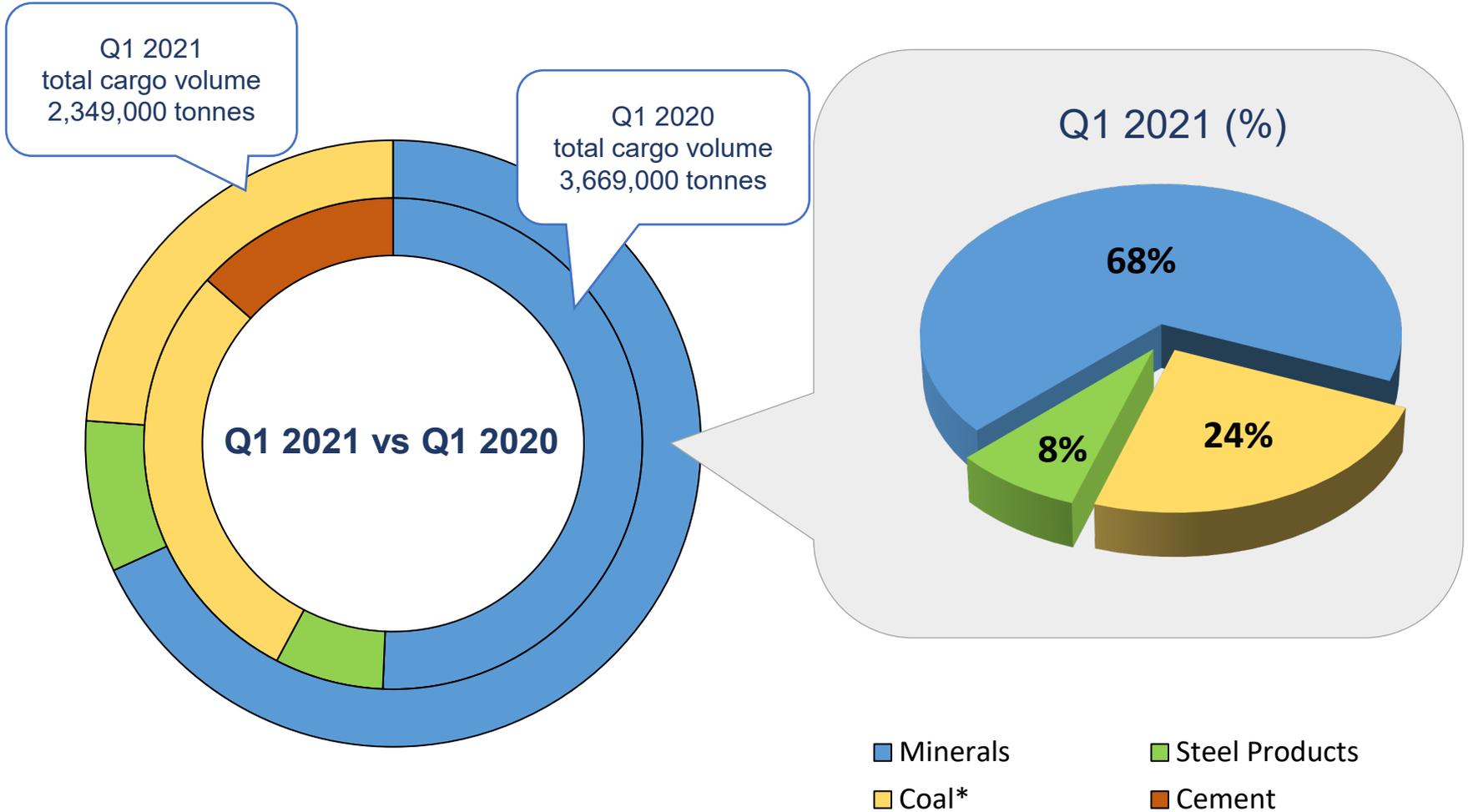
(Based on information up to 31 March 2021)

Total debt as of  
31 March 2021:  
US\$117.7 million  
(2020: US\$108.3 million)



- 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.

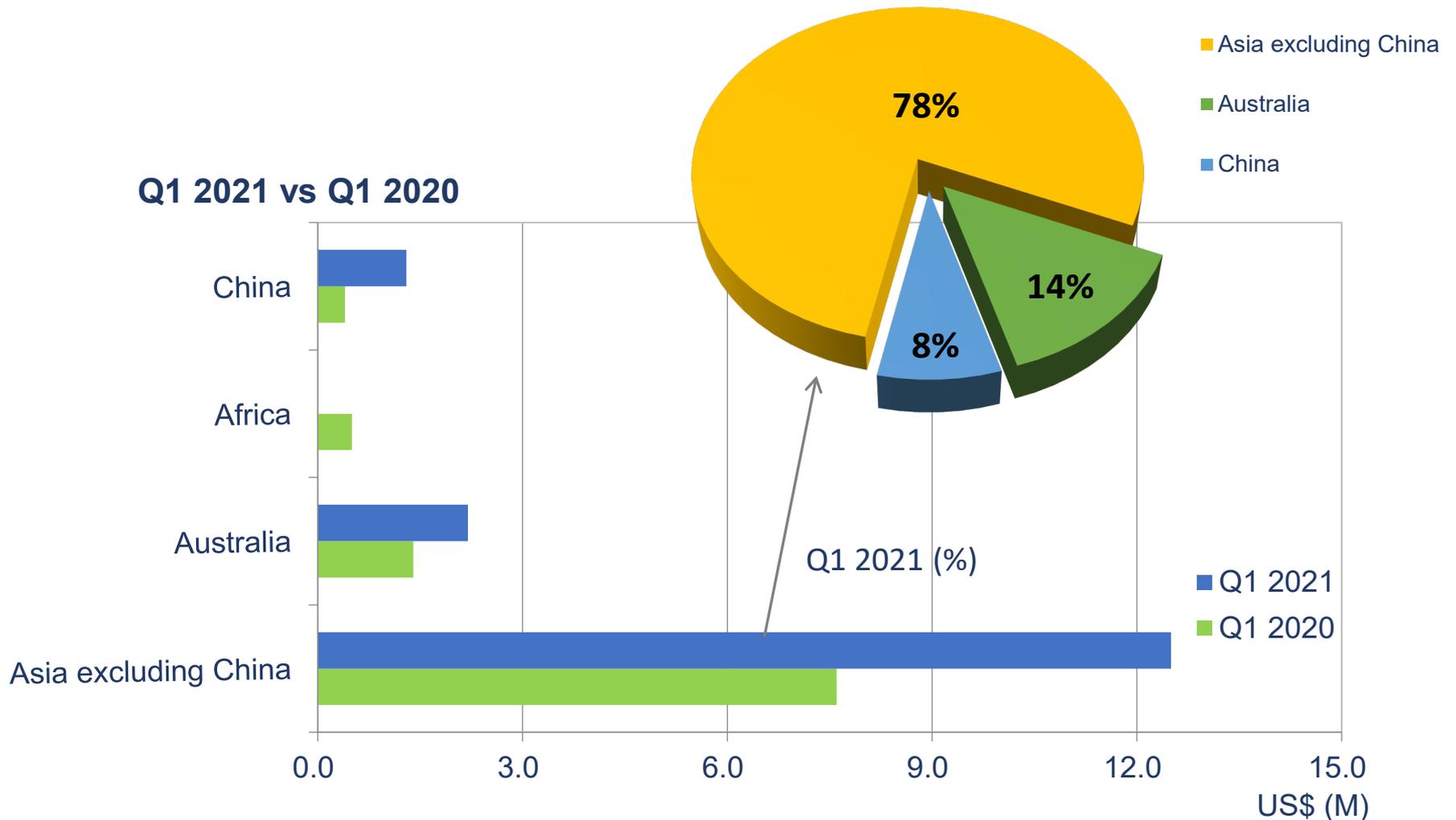
# Cargo Volume Analysis Q1 2021



\* Including steaming coal and coking coal

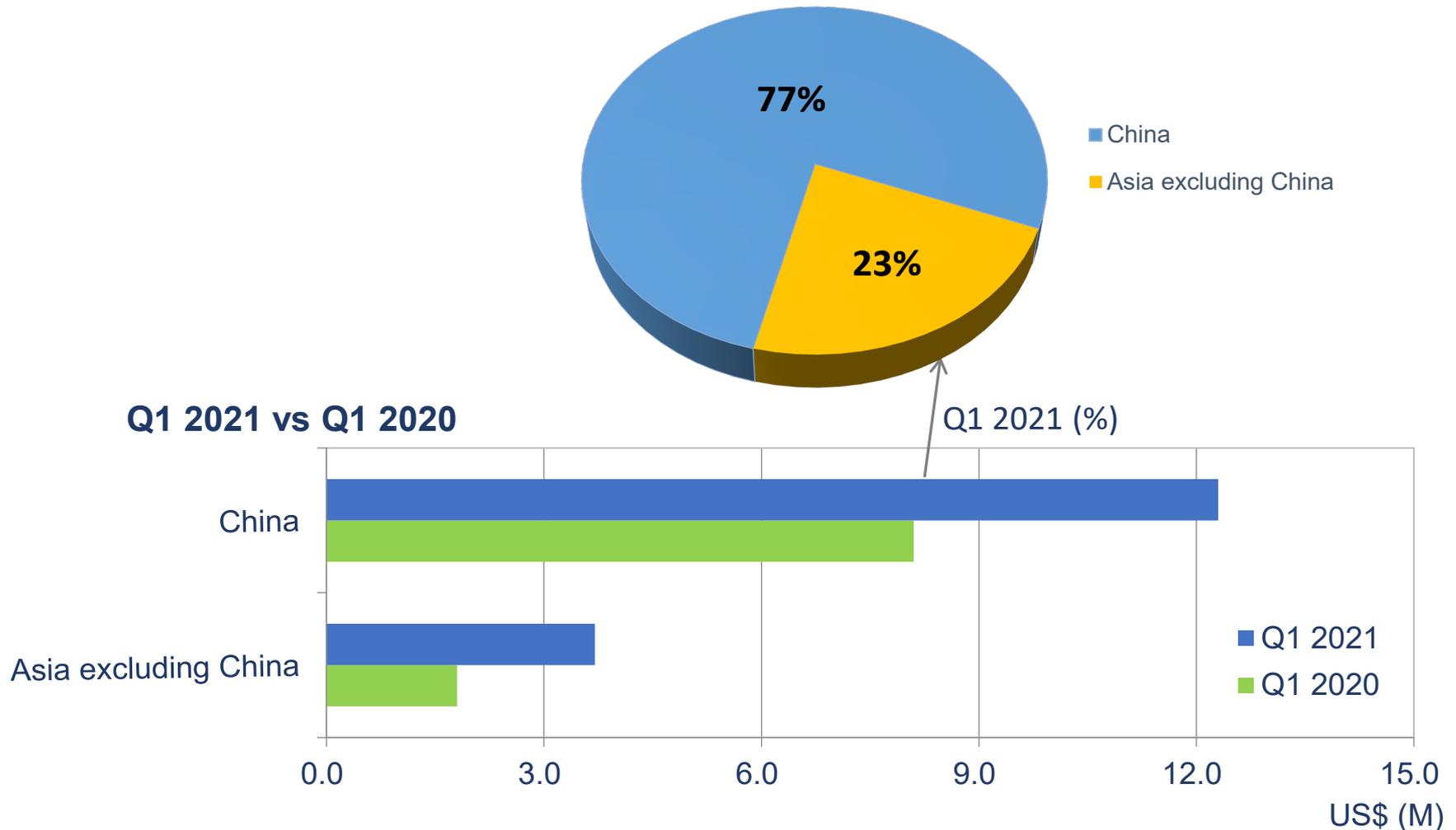
# Loading Port Analysis Q1 2021

## Chartering revenue expressed by loading ports



# Discharging Port Analysis Q1 2021

## Chartering revenue expressed by discharging ports



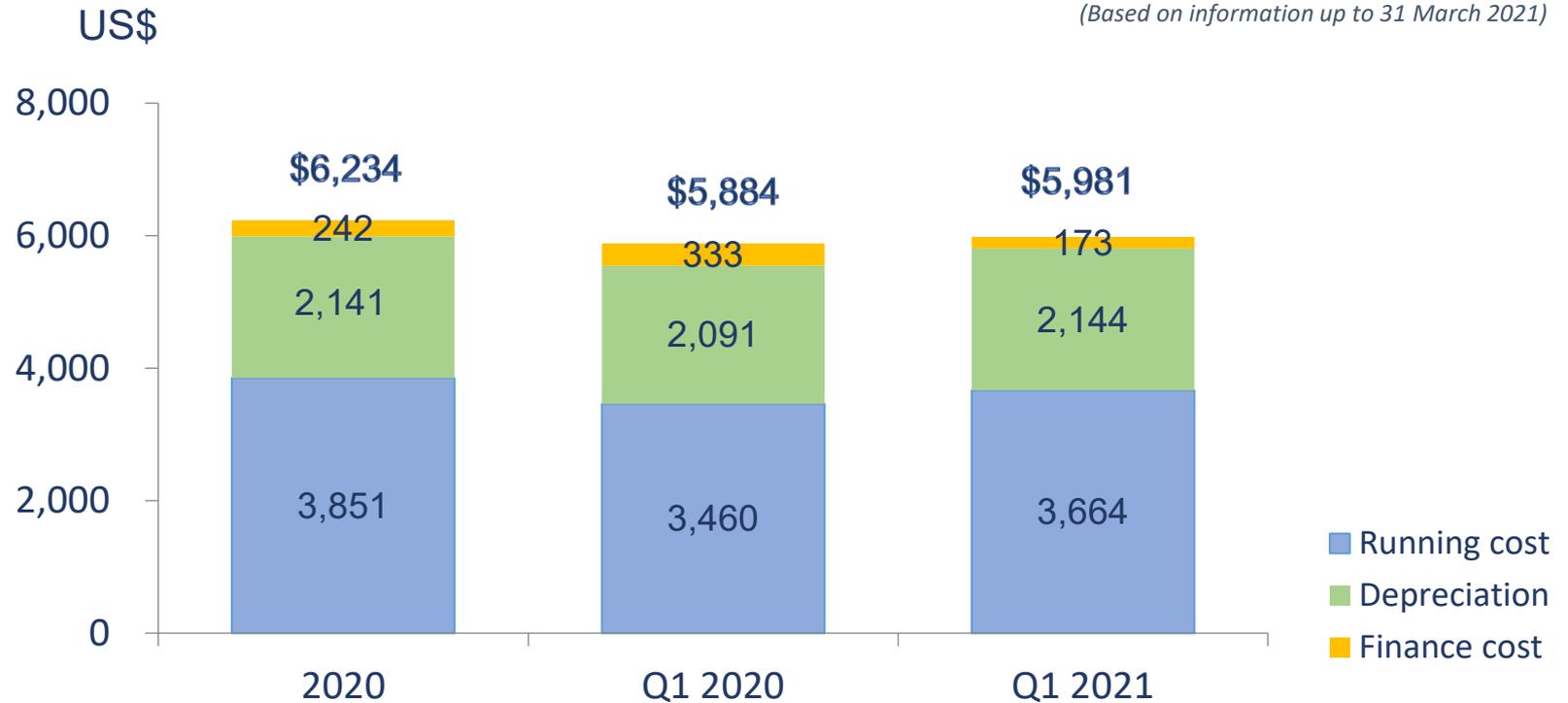
# TCE of Jinhui Shipping's Owned Vessels

*(Based on information up to 31 March 2021)*

Average daily time charter equivalent rate (TCE)	Q1 2021	Q1 2020	2020
	US\$	US\$	US\$
Post-Panamax Fleet	12,250	8,223	9,929
Supramax Fleet	10,022	5,007	6,986
In average	10,279	5,349	7,269

# Daily Vessel Running Costs of Owned Vessels

(Based on information up to 31 March 2021)



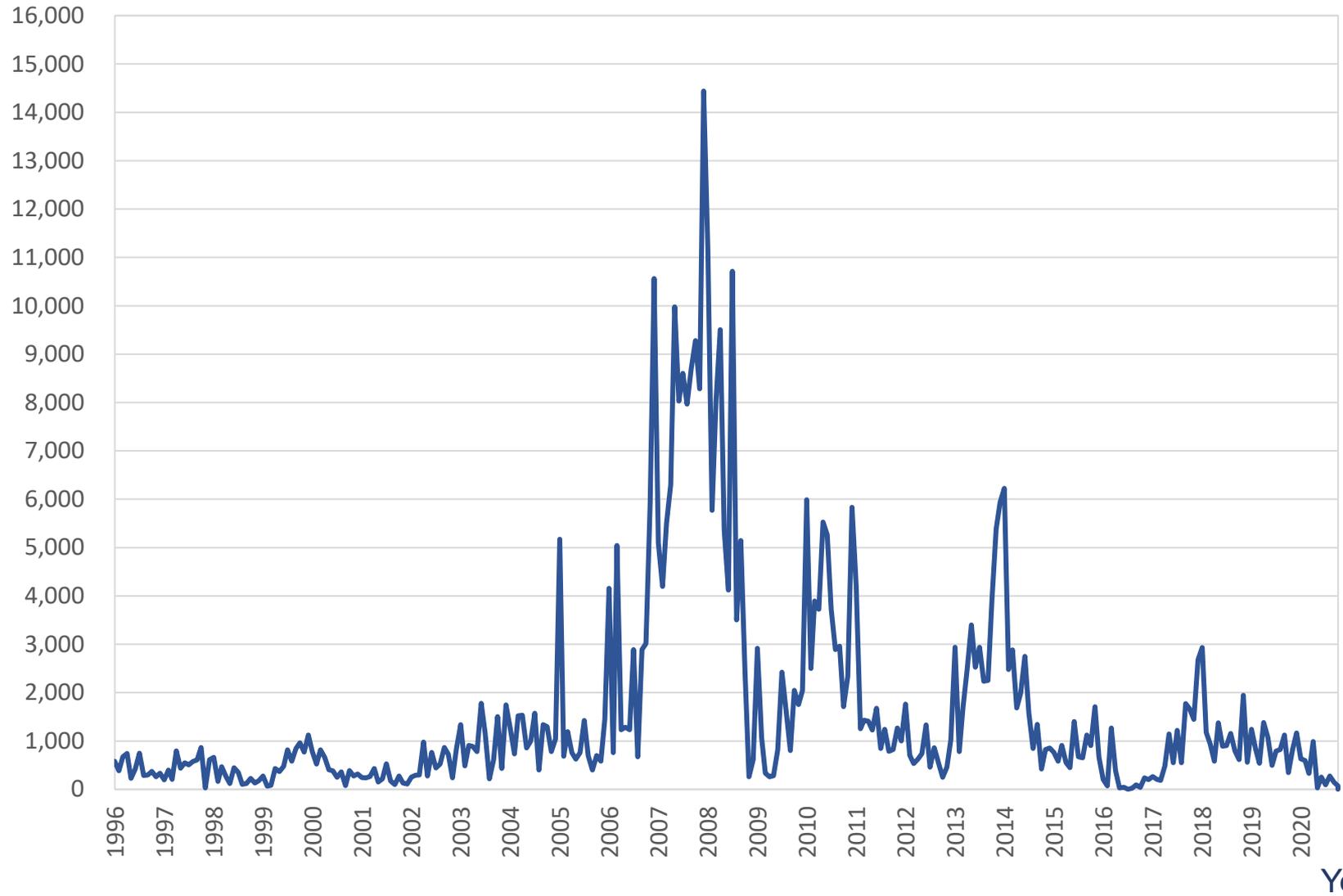
Daily vessel running cost is calculated as the aggregate of crew expenses, insurance, consumable stores, spare parts, repairs and maintenance and other vessels' miscellaneous expenses divided by ownership days during the period.

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 repayment of secured bank during the period.

# Investment in Dry Bulk Newbuildings

US\$m

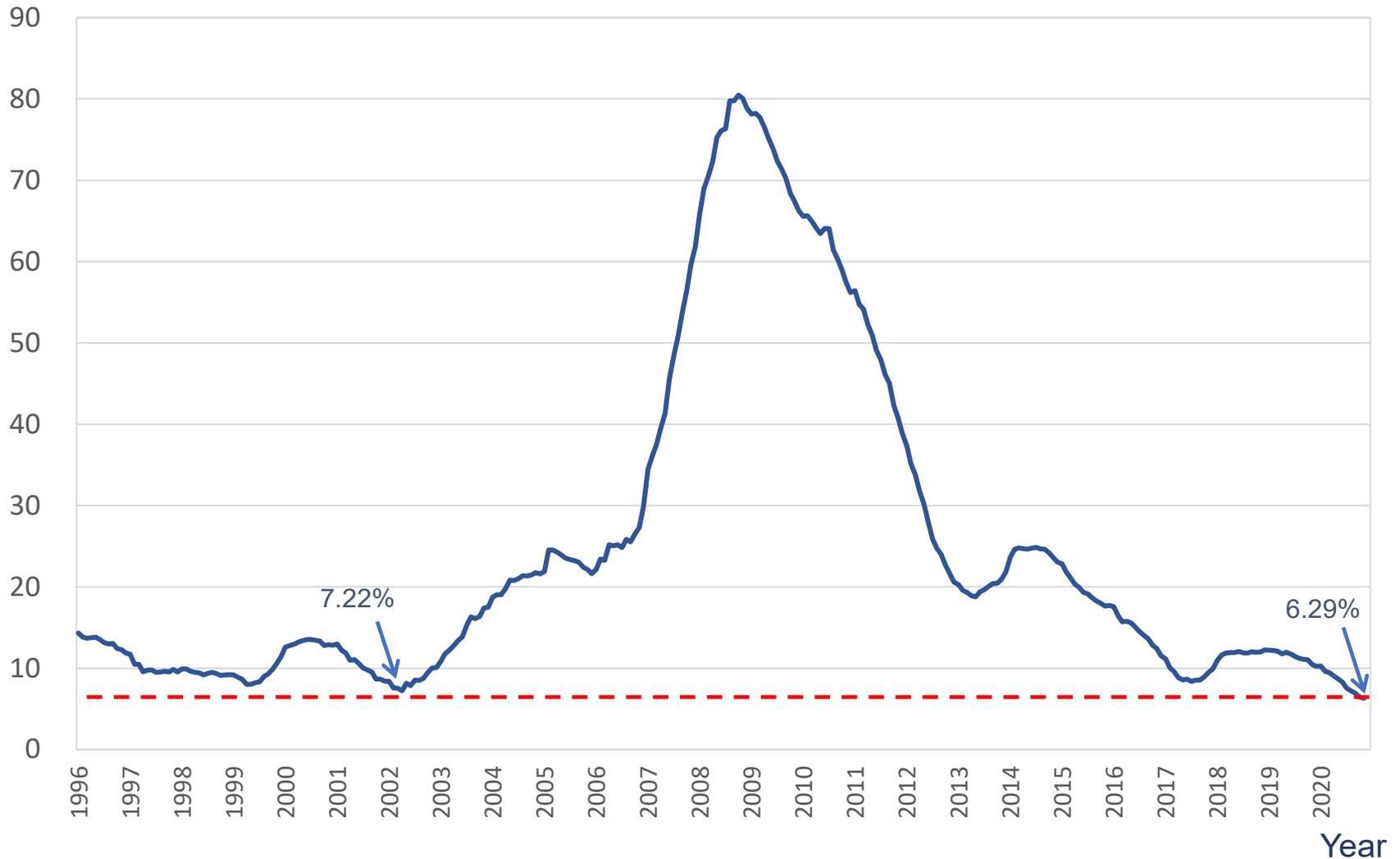
Source: Clarkson Research Services Limited 2020



# Global Dry Bulk Fleet Growth at Historical Low

% of fleet

Source: Clarkson Research Services Limited 2020



# Outlook

- Freight market expected to stabilize at favourable levels;
- Healthy demand of dry commodities across the board, from iron ore, coal grain, nickel and timber;
- Supply of new vessels remains low, strong support for asset values;
- Opportunities approach to potential bolt an acquisition of second hand vessels to increase tonnage;
- Mindful of potential risks, including but not limited to COVID-19, geo-political and changes in monetary policies going forward.