2013 Annual Results – Group Highlights

- Group results were affected by:
  - valuable business model → 22% outperformance
  - Good control over our vessel costs
  - Stronger, volatile market in 2H
    - weakest 1H dry bulk market since 1986
    - significantly reduced 2H contribution from PB Towage
    - one-off finance lease break costs

- Balance sheet remains healthy:
  - US$486m total cash and deposits
  - 34% group net gearing

<table>
<thead>
<tr>
<th>Underlying Profit</th>
<th>EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2012</td>
</tr>
<tr>
<td>US$ Million</td>
<td>47.8</td>
</tr>
<tr>
<td>2012</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Profit / (Loss)</td>
<td>US$1.5m</td>
</tr>
<tr>
<td>Earnings per Share</td>
<td>HK¢0.6</td>
</tr>
<tr>
<td>Cash Position</td>
<td>US$486m</td>
</tr>
<tr>
<td>Dividend per Share</td>
<td>HK¢5 (proposed)</td>
</tr>
</tbody>
</table>
Reduced vessel operating margins were partly offset by increased revenue days.

Outperformance reflects value of our industrial and customer-focused business model.

**2013 Investment in Dry Bulk**
- Purchased 43 high-quality vessels:
  - 26 secondhand ships
  - 17 Japanese newbuildings
- Long-term chartered vessels:
  - 3 secondhand ships
  - 15 newbuildings

Started to deliver over 2013

<table>
<thead>
<tr>
<th>Handysize</th>
<th>Outperformed Market by: 22%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daily Earnings</td>
<td>US$9,520</td>
</tr>
<tr>
<td>Daily Costs</td>
<td>US$8,480</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Handymax</th>
<th>Outperformed Market by: 11%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daily Earnings</td>
<td>US$10,880</td>
</tr>
<tr>
<td>Daily Costs</td>
<td>US$10,440</td>
</tr>
</tbody>
</table>

**US$ million**

<table>
<thead>
<tr>
<th>Dry Bulk net profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Handysize contribution</td>
</tr>
<tr>
<td>Handymax contribution</td>
</tr>
<tr>
<td>Direct overheads</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>115.0</td>
</tr>
<tr>
<td>1H: 51.0</td>
</tr>
<tr>
<td>2H: 64.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Return on net assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>5%</td>
</tr>
</tbody>
</table>

With you for the long haul
Pacific Basin Dry Bulk – Earnings Coverage

PB Dry Bulk Fleet Development
No. of vessels at year end (including Newbuildings)

Handysize

- 2013: 52,550 days
- 2014: 36,750 days
- Market Rate (US$ Net): 2013 Avg. $7,770, 24 Feb: $9,342
- Covered: 100%, 53% US$10,090

Handymax

- 2013: 20,660 days
- 2014: 12,520 days
- Market Rate (US$ Net): 2013 Avg. $9,760, 24 Feb: $10,887
- Covered: 100%, 68% US$10,810

- Uncovered capacity exposed to spot market rates
- 2014 cover excludes revenue days chartered in on index-linked basis
Dry Bulk Market Information

- 2013 started with weakest half-year market since 1986
- 2H freight rates improved significantly albeit regionally - 4Q Handysize rates reaching 2011 levels
- Weak first 2 months of 2014 – Indonesia minerals export ban + usual seasonal fluctuations
- Ship values improved faster than freight rates:
  - 5 year old Handysize value: US$21m (+35% since start of 2013)
  - Tight supply of modern, high-quality ships ➔ more buyers now looking to shipyards for new capacity

**Baltic Handysize Index (BHSI) & Baltic Supramax Index (BSI)**

**Handysize Vessel Values**

* US$ freight rates are net of 5% commission

Source: The Baltic Exchange, data as at 24 Feb 2014

Source: Clarksons

2013 Annual Results | 5

With you for the long haul
Dry Bulk Demand

Overall dry bulk demand increased by a healthy 9% YOY

Minor bulk demand growth influenced by:
- 24% increase in Chinese imports of 7 important minor bulks (13% excluding Bauxite)

Chinese imports increased 24% in 2013

These 7 commodities make up over one third of the cargo volumes we carry:
- logs, soyabean, fertiliser, bauxite, nickel, copper concs & manganese ore

Source: R.S. Platou, Bloomberg
Global Dry Bulk Fleet Development

<table>
<thead>
<tr>
<th>net fleet growth</th>
<th>Handysize</th>
<th>Dry Bulk overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>1H13</td>
<td>+0.8%</td>
<td>+3.4%</td>
</tr>
<tr>
<td>2H13</td>
<td>+0.3%</td>
<td>+2.4%</td>
</tr>
<tr>
<td><strong>2013</strong></td>
<td><strong>+1%</strong></td>
<td><strong>+6%</strong></td>
</tr>
</tbody>
</table>

Dry bulk net fleet growth:
- Driven by 62m tonnes of new capacity
- Partially offset by 22m tonnes of scrapping
- Strong 1H vs Slower 2H

Handysize Age Profile (25,000-39,999 dwt)
- 2,206 vessels (70.9m dwt)
- 73% 0-15 years
- 11% 16-24 years
- 8% 25-29 years
- 8% 30+ years

Dry Bulk Supply & Demand

Source: Clarksons, Bloomberg, as at 1 Feb 2014

Dry Bulk Scrapping versus BDI

Source: Clarksons, Bloomberg, as at 1 Feb 2014
Dry Bulk Orderbook

- Dry bulk orderbook bottomed out Aug 2013 at 18%
- Current orderbook: 21%
- New orders generally not possible for deliveries before:
  - 2017 in Japan
  - 2016 in China

**Handysize Orderbook**
397 vessels (14.6m dwt)

|       | 2013 | 2014 | 2015 | 2016+
|-------|------|------|------|------
| Scheduled | 8.9m | 8.3m | 8.7m | 4.1m
| Actual | 5.9m |       |      |      |

- Shortfall 35%

**Total Dry Bulk Orderbook**
1,857 vessels (153.3m dwt)

|       | 2013 | 2014 | 2015 | 2016+
|-------|------|------|------|------
| Scheduled | 102m | 9.4m | 6.9m | 4.9m
| Actual | 62m |       |      |      |

- Shortfall 39%

**Orderbook as % of Existing Fleet**
21% 11 4% 3%
**Average Age**
21% 11 16% 7%
**Over 25 Years**
24% 9 5% 3%
**Scrapping as % of Existing Fleet**
19% 8 2% 1%
**Scheduled orderbook**
110 80 50 20

**Actual delivery**
110 80 50 20

**Total Dry Bulk >10,000 dwt**

- **Handysize** (25,000-39,999 dwt)
  - 21% 11 4% 3%
- **Handymax** (40,000-64,999 dwt)
  - 24% 9 5% 3%
- **Panamax** (65,000-119,999 dwt)
  - 19% 8 2% 1%
- **Capesize** (120,000+ dwt)
  - 22% 8 2% 3%

*Source: Clarksons, as at 1 Feb 2014*
Pacific Basin Dry Bulk – Outlook

- China’s continued strong demand for minor bulks despite slower economic growth
  - Increased overseas mining output and lower commodity prices
  - Continued US economic recovery and reviving industrialisation in North America + stronger than expected recovery in Europe
  - Moderate newbuilding deliveries in 2014 and continued scrapping

- Shipowner optimism resulting in less scrapping and increased vessel ordering
  - Credit squeeze in China leading to slower economic and industrial growth and slower growth in dry bulk imports
  - Lower fuel prices causing vessels to speed up
  - Increased national protectionism

PB Outlook:
- Cyclical upturn has started
- Expect overall stronger, volatile dry bulk market in 2014
- Healthy trade + marked slow-down in newbuilding deliveries ➔ healthier supply/demand balance
- Weak first 2 months of 2014 ➔ weak 1H and a stronger 2H

Strategy:
- We remain selectively open to acquisition of Handysize and Handymax ships at appropriate prices
- Expand our customer and cargo portfolio
PB Towage – 2013 Performance

2013 Performance

- Solid 1H contribution followed by a significantly weaker 2H:
  - Wind-down of existing projects + start-up of new operations ➔ reduced revenue and increased costs

<table>
<thead>
<tr>
<th></th>
<th>2013 US$ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Towage net profit</td>
<td>10.5</td>
</tr>
<tr>
<td>EBITDA</td>
<td>24.2</td>
</tr>
<tr>
<td>Return on net assets</td>
<td>5%</td>
</tr>
</tbody>
</table>

Harbour Towage

- 8% YOY increase in job numbers at main Australian container ports
- 35% increase in bulk port activity on commencement of new operation in Newcastle

Offshore Towage

- Increased 50% shareholding in OMSA JV
- Gorgon project extended to Dec 2015, but expect decline in activity as project approaches production phase
- Gladstone project completed
- Redeployed 4 tugs for new contract in Australia’s Northern Territory - start up costs + heavy rain impacted operations
Towage Segment Operating Performance Before Overheads

As at 31 December 2013

Towage Operating Performance

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offshore &amp; Infrastructure projects</td>
<td>39.4</td>
<td>29.5</td>
</tr>
<tr>
<td>Harbour Towage</td>
<td>14.6</td>
<td>8.2</td>
</tr>
<tr>
<td>Middle East &amp; others</td>
<td>1.1</td>
<td>1.3</td>
</tr>
</tbody>
</table>

- One-off Newcastle start-up costs in 2H
- Declining Gorgon towage activity

US$m

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>24.2</td>
<td></td>
</tr>
<tr>
<td>Segment net profit</td>
<td>10.5</td>
<td></td>
</tr>
<tr>
<td>Direct overheads</td>
<td>(19.0)</td>
<td></td>
</tr>
<tr>
<td>Operating performance</td>
<td>29.5</td>
<td></td>
</tr>
</tbody>
</table>
PB Towage – Outlook

- Continued project activity in Australasia providing further demand for project and construction cargo logistics
  - Growth in Australian bulk exports, containerised trade and port infrastructure development supporting continued growth of our harbour towage activity
  - Exclusive licences in a number of bulk ports up for tender in 2015 onwards
- Labour market shortages and cost pressures in Australia impacting project economics and timelines
  - Increased competition from other operators
  - Credit squeeze in China, impacting growth in dry bulk trades and Australian port activity

PB Outlook:
- Underlying harbour towage demand drivers continue to remain positive
  - Our short-term performance depends on growth in Newcastle
- Challenging outlook for offshore towage
  - Expect weak short-term results due to new projects start up costs
  - Performance depends on securing new employment following completed projects

Strategy:
- Continue to look for new projects and growth opportunities
  - Harbour towage - Expand into other ports
  - Offshore towage - i) Secure contract renewal opportunities
    - ii) New offshore construction developments
    - iii) Project transportation solutions
### 2013 Financial Highlights

<table>
<thead>
<tr>
<th>Segment net profit</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treasury</td>
<td>36.0</td>
<td>78.0</td>
</tr>
<tr>
<td>Discontinued Operations - RoRo</td>
<td>(4.4)</td>
<td>(6.1)</td>
</tr>
<tr>
<td>Non direct G&amp;A</td>
<td>(0.5)</td>
<td>(12.1)</td>
</tr>
<tr>
<td></td>
<td>(15.5)</td>
<td>(12.0)</td>
</tr>
<tr>
<td>Underlying profit</td>
<td>15.6</td>
<td>47.8</td>
</tr>
<tr>
<td>Unrealised derivative income/(expenses)</td>
<td>1.8</td>
<td>(3.3)</td>
</tr>
<tr>
<td>RoRo exchange loss &amp; vessel impairment</td>
<td>(7.8)</td>
<td>(198.6)</td>
</tr>
<tr>
<td>Expenses relating exercising 10 finance lease purchase options</td>
<td>(15.3)</td>
<td>-</td>
</tr>
<tr>
<td>Towage exchange gain &amp; others</td>
<td>7.2</td>
<td>(4.4)</td>
</tr>
<tr>
<td>Profit/(Loss) attributable to shareholders</td>
<td>1.5</td>
<td>(158.5)</td>
</tr>
</tbody>
</table>

- Underlying profit affected by significantly weaker second half towage results
- 3 RoRo bareboats commenced resulting in FX reserve transfer
- Secured ownership of 10 vessels by exercised options but associated break costs.
## Pacific Basin Dry Bulk

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue days (days)</strong></td>
<td>52,550</td>
<td>41,000</td>
<td>+28%</td>
</tr>
<tr>
<td><strong>TCE earnings (US$/day)</strong></td>
<td>9,520</td>
<td>10,460</td>
<td>-9%</td>
</tr>
<tr>
<td><strong>Owned + chartered costs (US$/day)</strong></td>
<td>8,480</td>
<td>8,910</td>
<td>-5%</td>
</tr>
<tr>
<td><strong>Handysize contribution (US$m)</strong></td>
<td>51.8</td>
<td>62.0</td>
<td>-16%</td>
</tr>
<tr>
<td><strong>Handymax contribution (US$m)</strong></td>
<td>8.5</td>
<td>6.7</td>
<td>+27%</td>
</tr>
<tr>
<td><strong>Post Panamax contribution (US$m)</strong></td>
<td>5.7</td>
<td>5.9</td>
<td>-3%</td>
</tr>
<tr>
<td><strong>Direct overhead (US$m)</strong></td>
<td>(40.0)</td>
<td>(35.3)</td>
<td>+13%</td>
</tr>
<tr>
<td><strong>Dry Bulk Net profit (US$m)</strong></td>
<td>26.1</td>
<td>39.3</td>
<td>-34%</td>
</tr>
<tr>
<td><strong>Annualised return on net assets (%)</strong></td>
<td>5%</td>
<td>5%</td>
<td>-</td>
</tr>
</tbody>
</table>

- Revenue days reflects delivery of cyclically low priced vessel purchases starting to deliver
- Daily costs reduction reflects lower market rates for chartered-in vessels
Daily Vessel Costs – Handysize

As at 31 December 2013

**Owned**
Including finance lease vessels

**Chartered**

**Blended US$8,480 (2012: US$8,910)**

- **Finance cost**
- **Depreciation**
- **Opex**

- **Charter-hire: Short-term (ST) / Long-term (LT)**

- **Charter-hire: Index-linked**

- Overall direct overheads for Handysize and Handymax vessels US$540 per day

- Currently estimate 23,750 owned vessel days in 2014

---

**Inward Charter Commitments**

**Days & rates 2013-2015**

- **Vessel Days**
  - 2013: 8,720
  - 2014: 10,850
  - 2015: 4,830

- **Market rate**
  - ST: $9,010
  - LT: $9,860

- **Charter-hire**
  - Short-term (ST) / Long-term (LT)

- **Finance cost**
- **Depreciation**
- **Opex**

- **Charter-hire: Index-linked**

---

**Finance cost**

**Charter-hire: Short-term (ST) / Long-term (LT)**

**Depreciation**

**Charter-hire: Index-linked**

---

**2013 Annual Results**

**15**

---

With you for the long haul
Daily Vessel Costs – Handymax

As at 31 December 2013

2013 Annual Results

Owned
Chartered

Vessel Days

Finance cost
Charter-hire: Short-term (ST) / Long-term (LT)
Depreciation
Charter-hire: Index-linked
Opex


Finance cost
Depreciation
Opex

Charter-hire: Short-term (ST) / Long-term (LT)
Charter-hire: Index-linked

Inward Charter Commitments

Days & Rates
2013-2015

2013
2014
2015

Vessel Days

US$/Day

14,000
12,000
10,000
8,000
6,000
4,000
2,000
0

8,550
8,010
11,430
10,840

3,300
3,320
4,140
550

5,250
4,140

550

3,300

3,320

Finance cost
Depreciation
Opex

Charter-hire: Short-term (ST) / Long-term (LT)
Charter-hire: Index-linked

LT:
3,150 days
$11,680
ST:
12,380 days
$10,700

LT:
2,190 days
$10,450
ST:
12,050 days
$13,220

Finance cost
Depreciation
Opex

Charter-hire: Short-term (ST) / Long-term (LT)
Charter-hire: Index-linked

LT:
3,150 days
$11,680
ST:
12,380 days
$10,700

LT:
2,190 days
$10,450
ST:
12,050 days
$13,220

Finance cost
Depreciation
Opex

Charter-hire: Short-term (ST) / Long-term (LT)
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LT:
3,150 days
$11,680
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12,380 days
$10,700

LT:
2,190 days
$10,450
ST:
12,050 days
$13,220

LT:
3,150 days
$11,680
ST:
12,380 days
$10,700

LT:
2,190 days
$10,450
ST:
12,050 days
$13,220

Currently estimate 5,000 owned vessel days in 2014

With you for the long haul
## Balance Sheet

<table>
<thead>
<tr>
<th>US$m</th>
<th>PB Dry Bulk</th>
<th>PB Towage</th>
<th>Treasury</th>
<th>Discontinued RoRo</th>
<th>31 Dec 13</th>
<th>31 Dec 12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vessels &amp; other fixed assets</td>
<td>1,436</td>
<td>183</td>
<td>-</td>
<td>-</td>
<td>1,622</td>
<td>1,270</td>
</tr>
<tr>
<td>Total assets</td>
<td>1,655</td>
<td>244</td>
<td>579</td>
<td>32</td>
<td>2,537</td>
<td>2,470</td>
</tr>
<tr>
<td>Long term borrowings</td>
<td>1,015</td>
<td>22</td>
<td>-</td>
<td>-</td>
<td>1,037</td>
<td>931</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>1,160</td>
<td>40</td>
<td>12</td>
<td>4</td>
<td>1,233</td>
<td>1,138</td>
</tr>
<tr>
<td>Net assets</td>
<td>495</td>
<td>204</td>
<td>567</td>
<td>28</td>
<td>1,304</td>
<td>1,332</td>
</tr>
</tbody>
</table>

| Net borrowings (after total cash of US$442m) | 551 | 178 |
| Net borrowings to net book value of property, plant and equipment | 34% | 14% |

- Vessel average net book value: Handysize $16.7m, 7.6 years
  - Handymax $24.8m, 5.1 years
- US$314m bank borrowing facilities arranged in 2013 and US$24m undrawn
- KPI: net gearing below 50%

Note: 31 December 2013 total includes other segments and unallocated

---

2013 Annual Results | 17
The Group had cash balances of US$486m, borrowings of US$1,037m and a net borrowings ratio of 34% against the Net Book Value of property, plant and equipment.
Cash Flow – 2013 Sources and Uses of Group Cash Flow

2014 cash levels expected to be affected by:
- Pace of capital expansion
- New loan facilities to be secured using our existing unmortgaged vessels and committed new vessels

<table>
<thead>
<tr>
<th>Source/Use</th>
<th>Amount (US$ Milion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Cash (1Jan13)</td>
<td>+753</td>
</tr>
<tr>
<td>Operating cash inflow</td>
<td>+98</td>
</tr>
<tr>
<td>Net new borrowings</td>
<td>+100</td>
</tr>
<tr>
<td>RoRo proceeds</td>
<td>+55</td>
</tr>
<tr>
<td>Capex</td>
<td>-458</td>
</tr>
<tr>
<td>Dividend paid</td>
<td>-12</td>
</tr>
<tr>
<td>Net Interest paid</td>
<td>-37</td>
</tr>
<tr>
<td>Others</td>
<td>-13</td>
</tr>
<tr>
<td>Closing Cash (31Dec13)</td>
<td>+486</td>
</tr>
</tbody>
</table>

Operating cash flow: US$98m
EBITDA: US$130m
Our Outlook and Strategy

Dry Bulk

- Cyclical upturn has started – supply and demand balance continues to improve… expect a stronger, volatile dry bulk market in 2014
- We remain selectively open to appropriately priced ship acquisitions to further position ourselves for a stronger market
- **Strategy:** i) Expand our fleet of owned and chartered Handysize and Handymax fleet
  ii) Grow our customer and cargo portfolio in tandem with fleet expansion

Towage

- Challenging and weak results for offshore towage as contracts wind down and we compete for new business
- Underlying harbour towage demand drivers remain positive
- **Strategy:** Continue to look for new projects and growth opportunities
  - Harbour towage - Expand into other ports
  - Offshore towage - i) Secure contract renewal opportunities
    ii) New offshore construction developments
    ii) Project transportation solutions
Disclaimer

This presentation contains certain forward looking statements with respect to the financial condition, results of operations and business of Pacific Basin and certain plans and objectives of the management of Pacific Basin.

Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance of Pacific Basin to be materially different from any future results or performance expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding Pacific Basin's present and future business strategies and the political and economic environment in which Pacific Basin will operate in the future.

Our Communication Channels:

- **Financial Reporting**
  - Annual (PDF & Online) & Interim Reports
  - Voluntary quarterly trading updates
  - Press releases on business activities

- **Shareholder Meetings and Hotlines**
  - Analysts Day & IR Perception Study
  - Sell-side conferences
  - Investor/analyst calls and enquiries

Contact IR – Emily Lau
E-mail: elau@pacificbasin.com
ir@pacificbasin.com
Tel : +852 2233 7000

- **Company Website - www.pacificbasin.com**
  - Corporate Information
  - CG, Risk Management and CSR
  - Fleet Profile and Download
  - Investor Relations:
    - financial reports, news & announcements, excel download, awards, media interviews, stock quotes, dividend history, corporate calendar and glossary

- **Social Media Communications**
  - Follow us on Facebook, Twitter and Linkedin!
Appendix:
Pacific Basin Overview

- A leading dry bulk owner/operator of Handysize & Handymax dry bulk ships
- Flexible Pacific Basin Dry Bulk business model
  - Large fleet of uniform, interchangeable, modern ships
  - Mix of owned and long-term, short-term chartered ships
  - Operating mainly on long term cargo contract (COA) and spot basis
  - Diversified customer base of mainly industrial producers and end users
  - Extensive network of offices positions PB close to customers

- Also owning/operating offshore and harbour tugs
- >300 vessels serving major industrial customers around the world
- Hong Kong headquarters, 16 offices worldwide, 380 shore-based staff, 3,000 seafarers*
- Our vision: To be a shipping industry leader and the partner of choice for customers, staff, shareholders and other stakeholders

www.pacificbasin.com
Pacific Basin business principles
Appendix: Strategic Model

OUR LARGE VERSITILE FLEET

Fleet scale and interchangeable high-quality dry bulk ships facilitate service flexibility to customers, optimised scheduling and maximised vessel utilisation.

In-house technical operations facilitate enhanced health & safety, quality and cost control, and enhanced service reliability and seamless, integrated service and support to customers.

OUR STRONG CORPORATE & FINANCIAL PROFILE

Striving for best-in-class internal and external reporting, transparency and corporate stewardship.

Robust balance sheet through conservative financial structure sets us apart as a preferred counterparty.

Well positioned to deploy capital through selective investment in our core market when conditions are right.

Responsible observance of stakeholder interests and our commitment to good corporate governance and CSR.

OUR MARKET LEADING CUSTOMER FOCUS & SERVICE

Priority to build and sustain long-term customer relationships.

Solution-driven approach ensures accessibility, responsiveness and flexibility towards customers.

Close partnership with customers generates enhanced access to spot cargoes and long-term cargo contract opportunities of mutual benefit.

OUR COMPREHENSIVE GLOBAL OFFICE NETWORK

Integrated international service enhanced by commercial and technical offices around the world.

Being local facilitates clear understanding of and response to customers’ needs and first-rate personalised service.

Being global facilitates comprehensive market intelligence and cargo opportunities, and optimal trading and positioning of our fleet.
Diverse range of commodities reduces product risk
- China and North America were our largest market
- 60% of business in Pacific and 40% in Atlantic
## Appendix: Fleet List – As at 24 Feb 2014*

**Pacific Basin Dry Bulk Fleet: 278 (currently operating: 241)**
average age of core fleet: 6.6 years old

<table>
<thead>
<tr>
<th></th>
<th>Owned</th>
<th>Chartered</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Delivered</td>
<td>Newbuilding</td>
<td>Delivered</td>
</tr>
<tr>
<td><strong>Handysize</strong></td>
<td>62</td>
<td>13</td>
<td>98</td>
</tr>
<tr>
<td><strong>Handymax</strong></td>
<td>15</td>
<td>6</td>
<td>64</td>
</tr>
<tr>
<td><strong>Post-Panamax</strong></td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>78</td>
<td>19</td>
<td>163</td>
</tr>
</tbody>
</table>

**PB Towage: 52**

<table>
<thead>
<tr>
<th></th>
<th>Owned</th>
<th>Chartered</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Delivered</td>
<td>Newbuilding</td>
<td>Delivered</td>
</tr>
<tr>
<td><strong>Tugs</strong></td>
<td>31</td>
<td>0</td>
<td>9</td>
</tr>
<tr>
<td><strong>Barges</strong></td>
<td>10</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Others</strong></td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>42</td>
<td>0</td>
<td>158</td>
</tr>
</tbody>
</table>

* Excluding 4 RoRo ships

1 Including recent secondhand acquisitions of 3 Handysize and 2 Handymax vessels not yet delivered
Appendix: Vessels Commitments

Total US$525m

2014: Handysize x 16, US$329m, Handymax x 8, US$196m
2015: Handysize x 16, US$329m, Handymax x 8, US$196m
2016: Handysize x 16, US$143m, Handymax x 8, US$93m
2017: Handysize x 16, US$19m, Handymax x 8, US$19m

- Further commitments expected in Dry Bulk
## Appendix: Convertible Bonds Due 2016

<table>
<thead>
<tr>
<th>Issue size</th>
<th>US$230 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maturity Date</td>
<td>12 April 2016 (6 years)</td>
</tr>
<tr>
<td>Investor Put Date and Price</td>
<td>12 April 2014 (4 years) at par</td>
</tr>
<tr>
<td>Coupon</td>
<td>1.75% p.a. payable semi-annually in arrears on 12 April and 12 October</td>
</tr>
<tr>
<td>Redemption Price</td>
<td>100%</td>
</tr>
<tr>
<td>Initial Conversion Price</td>
<td>HK$7.98 (Current conversion price: HK$ 7.18 with effect from 24 April 2013)</td>
</tr>
</tbody>
</table>

### Conversion Condition

<table>
<thead>
<tr>
<th>Before 11 Jan 2011:</th>
<th>No Conversion is allowed</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 Jan 2011 – 11 Jan 2014:</td>
<td>Share price for 5 consecutive days &gt; 120% conversion price</td>
</tr>
<tr>
<td>12 Jan 2014 – 5 Apr 2016:</td>
<td>Share price &gt; conversion price</td>
</tr>
</tbody>
</table>

### Intended Use of Proceeds

To purchase the 3.3% Existing Convertible Bonds due 2013, then redeem the 2013 Convertible Bonds (now all redeemed & cancelled).

### Conditions

- Shareholders’ approval at SGM to approve the issue of the New Convertible Bonds and the specific mandate to issue associated shares.
- If the specific mandate is approved by the shareholders at the SGM, the Company would not pursue a new general share issue mandate at the forthcoming AGM on 22 April 2010.

### Conversion/Redemption Timeline

- **Closing Date**: 12 Apr 2010
- **Maturity**: 12 Apr 2016
- **12 Apr 2010** to **12 Jan 2011**: No Conversion
- **12 Jan 2011** to **12 Jan 2014**: Bondholders can convert to PB shares after trading price > 120% conversion price in effect for 5 consecutive days
- **12 Jan 2014** to **5 Apr 2016**: No Conversion
- **5 Apr 2016** to **12 Apr 2016**: Bondholders can convert to PB shares when trading price > conversion price
- **12 Apr 2016** to **5 Apr 2016**: Bondholders’ put option to redeem bonds

PB’s call option to redeem all bonds:

1. Trading price for 30 consecutive days > 130% conversion price in effect
2. >90% of Bond converted / redeemed / purchased / cancelled
Appendix: Convertible Bonds Due 2018

<table>
<thead>
<tr>
<th>Issue size</th>
<th>US$123.8 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maturity Date</td>
<td>22 October 2018 (6 years)</td>
</tr>
<tr>
<td>Investor Put Date and Price</td>
<td>22 October 2016 (4 years) at par</td>
</tr>
</tbody>
</table>
| PB's Call Option | 1) Trading price for 30 consecutive days > 130% conversion price in effect  
                            2) >90% of Bond converted / redeemed / purchased / cancelled |
| Coupon           | 1.875% p.a. payable semi-annually in arrears on 22 April and 22 October |
| Redemption Price | 100%             |
| Initial Conversion Price | HK$4.96 (current conversion price: HK$4.90 with effect from 24 April 2013) |
| Intended Use of Proceeds | To acquire additional Handysize and Handymax vessels, as well as for general working capital |

Conversion/redemption Timeline

PB’s call option to redeem all bonds
1) Trading price for 30 consecutive days > 130% conversion price in effect
2) >90% of Bond converted / redeemed / purchased / cancelled

Closing Date
22 Oct 2012  2 Dec 2012

Bondholders’ put option to redeem bonds

Maturity
22 Oct 2016  12 Oct 2018  22 Oct 2018

Bondholders can convert all or some of their CB into shares
Appendix:
China at late-Industrialisation Stage

- China growth matches historical trend in Japan and Korea
- Suggests strong growth in dry bulk segment to remain for medium term
- Similar trend for electricity and cement

Steel Consumption Per Capita

<table>
<thead>
<tr>
<th>Years from Start Date</th>
<th>Tons per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>China (from 1990)</td>
</tr>
<tr>
<td>0</td>
<td>0.1</td>
</tr>
<tr>
<td>5</td>
<td>0.2</td>
</tr>
<tr>
<td>10</td>
<td>0.3</td>
</tr>
<tr>
<td>15</td>
<td>0.4</td>
</tr>
<tr>
<td>20</td>
<td>0.5</td>
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<tr>
<td>25</td>
<td>0.6</td>
</tr>
<tr>
<td>30</td>
<td>0.7</td>
</tr>
</tbody>
</table>
Appendix:
China Dry Bulk Trade, Iron Ore & Coal Demand

China is a significant net importer of coal

Import
Domestic
Total requirement for steel production

Source: Clarksons, Bloomberg