2015 Third Quarter Trading Update

Navigating with resilience

Experienced team  Exceptional fleet  Customers first

5 Oct 2015
2015 Third Quarter Highlights

**Pacific Basin Dry Bulk**

- Our business model enabled us to outperform spot market in 3Q:

<table>
<thead>
<tr>
<th>Average Daily Earnings</th>
<th>Q3 US$/day</th>
<th>Q3 Outperformance</th>
<th>YTD US$/day</th>
</tr>
</thead>
<tbody>
<tr>
<td>Handysize TCE</td>
<td>$8,350</td>
<td>+39%</td>
<td>$8,070</td>
</tr>
<tr>
<td>Handymax TCE</td>
<td>$9,630</td>
<td>+15%</td>
<td>$9,460</td>
</tr>
</tbody>
</table>

- 3Q was highest quarter YTD but market rates have been weakening since early Sep
- Cost reduction program on track
- Currently operate 215 dry bulk ships (83 owned)
- Managing our business for a continued weak market in the medium term, focused on safeguarding our positive EBITDA generation and cash position

**PB Towage & RoRo**

- Consolidated towage results remain marginally profitable YTD
- Our RoRo exit is complete after our final RoRo vessel delivered to Grimaldi in August generating cash proceeds of around US$31m

**Finance**

- We bought back and cancelled 2016 convertible bonds of US$27.4m in 3Q15 (YTD total US$55.2m)
Cargo System Business Model – Outperforming Market Rates

- Experienced staff & global office network
- Large fleet of high-quality substitutable ships
- Large portfolio of cargo contracts & relationships → Direct end-user interaction
- High laden percentage (minimum ballast legs)
- Average premium last 5 years = US$2,380/day

Cargo Contract Business Model – Outperforming Market Indices

- Baltic Handysize Index - net rate
- PB Handysize Performance
Pacific Basin Dry Bulk – Earnings Cover

Handysize

<table>
<thead>
<tr>
<th>Year</th>
<th>1Q-3Q Completed</th>
<th>Covered</th>
<th>Uncovered</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>76% $9,250</td>
<td>59% $8,820</td>
<td>100% $9,670</td>
</tr>
<tr>
<td>2015</td>
<td>59% $8,820</td>
<td>59% $8,070</td>
<td>100% $8,070</td>
</tr>
<tr>
<td>2016</td>
<td>20% $10,040</td>
<td>20% $10,040</td>
<td>100% $10,040</td>
</tr>
</tbody>
</table>

Handymax

<table>
<thead>
<tr>
<th>Year</th>
<th>1Q-3Q Completed</th>
<th>Covered</th>
<th>Uncovered</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>71% $11,170</td>
<td>79% $8,400</td>
<td>100% $8,400</td>
</tr>
<tr>
<td>2015</td>
<td>79% $8,400</td>
<td>79% $8,400</td>
<td>100% $8,400</td>
</tr>
<tr>
<td>2016</td>
<td>20% $10,480</td>
<td>20% $10,480</td>
<td>100% $10,480</td>
</tr>
</tbody>
</table>

Currency: US$

Comparative data shows cargo cover secured as at 30 Sep 2015 vs 10 Oct 2014. Uncovered days excludes revenue days related to inward chartered vessels on index-linked rates.

- About same % cover as last year but at lower rates/day
Dry Bulk Spot Market

- QoQ improvement largely driven by healthier conditions in Atlantic on strong S. American agricultural exports
- Weak demand growth in Pacific largely due to continued slowdown in Chinese coal and iron ore imports
- Rates reducing since early September as S. American grain season tapering off

Source: Baltic Exchange
* Net rates are net of 5% commission
Handysize Vessel Values

Handysize vessel values at historical lows

- Second hand values substantially flat in recent months

Source: Clarksons Platou
Dry Bulk Supply & Demand

- Demand disappointment due primarily to much lower Chinese coal imports

Source: Clarksons Platou
Dry Bulk Supply – Self Correcting Factors

New Vessel Ordering is Down

Per quarter annualised in % of fleet (dwt)

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>24%</td>
<td>11%</td>
<td>1.6%</td>
<td></td>
</tr>
</tbody>
</table>

 Increased Scapping

<table>
<thead>
<tr>
<th>Year</th>
<th>FY14: 16 mil dwt</th>
<th>Jan - Sep 15: 24 mil dwt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mil dwt</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>2014</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>2015</td>
<td>8</td>
<td>8</td>
</tr>
</tbody>
</table>

- Handysize scrapping (25,000-39,000 dwt)
- Other dry bulk scrapping

Number of Chinese yards delivering Handy bulk vessels decreased from 54 in 2012 to 21 in 2015

Delivery Slippage

Orderbook Cancellations & Conversions

Fleet Growth is Reducing

Total Drybulk Year-on-Year Net Fleet Growth (%)

- Expecting net fleet growth for 2015 of about 2.5%

Source: Clarksons Platou
Chinese Minor Bulk Imports

YTD Chinese imports of minor bulks down 2% yoy but growing since March to lend some support to demand for Handysize and Handymax ships

- Chinese imports of Bauxite increased YOY and soybeans and cereal grains are up substantially;
- Chinese steel exports also increased

Source: Bloomberg
# 1H15 Balance Sheet

<table>
<thead>
<tr>
<th>US$m</th>
<th>PB Dry Bulk</th>
<th>PB Towage</th>
<th>30 Jun 15</th>
<th>31 Dec 14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vessels &amp; other fixed assets</td>
<td>1,535</td>
<td>39</td>
<td>1,578</td>
<td>1,585</td>
</tr>
<tr>
<td>Total assets</td>
<td>1,703</td>
<td>46</td>
<td>2,194</td>
<td>2,308</td>
</tr>
<tr>
<td>Total borrowings</td>
<td>930</td>
<td>-</td>
<td>930</td>
<td>1,000</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>1,144</td>
<td>9</td>
<td>1,199</td>
<td>1,306</td>
</tr>
<tr>
<td>Net assets</td>
<td>559</td>
<td>37</td>
<td>995</td>
<td>1,002</td>
</tr>
<tr>
<td>Net borrowings (total cash: US$392m)</td>
<td>538</td>
<td>636</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net borrowings to net book value of property, plant and equipment</td>
<td>34%</td>
<td>40%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Vessel average net book value: Handysize $15.7m, 9.5 years
  Handymax $23.3m, 6.4 years
- KPI: net gearing below 50%
Cash Flow

As at 30 June 2015

Operating cash flow: US$58.8m
EBITDA: US$41.5m

Sources and Uses of Group Cash Flow in 1H 2015

US$ Million

At 1 Jan 2015: +363
Operating cash inflow: +59
Towage sale proceeds: +73
RoRo sale proceeds: +30
Capex: -45
Decrease in borrowings: -61
Net interest paid: -13
Dividend paid: -12
Others: -2
At 30 Jun 2015: +392
(Net of US$124m CB proceeds)
**Borrowings and Capex**

**As at 30 June 2015**

*(2016 CB updated as at 1 Oct 2015)*

- **Bank borrowings (US$513 million) & finance lease liabilities (US$16 million due 2H 2015)** – undrawn committed bank facilities US$498m
- **Convertible bonds**, face value US$404 million, book value US$375 million
  - (as at 1 Oct 2015 after we bought back and cancelled 2016 CB with face value of US$27.4 million in 3Q)

---

**Vessel capital commitments (US$353 million)**

- **Investors’ put option Oct 2016**
- **Maturity Date**
- **Investors’ put option Jul 2019**
- **Maturity Date**

**US$ Million**

- **Bought back US$27 million of 2016 CB in 3Q15**

---

**Legend**

- Vessel capital commitments (US$353 million)
- Bank borrowings (US$513 million) & finance lease liabilities (US$16 million due 2H 2015) – undrawn committed bank facilities US$498m
- Convertible bonds, face value US$404 million, book value US$375 million
  - (as at 1 Oct 2015 after we bought back and cancelled 2016 CB with face value of US$27.4 million in 3Q)
1H15 Daily Vessel Costs – Handysize

As at 30 June 2015

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

### Owned

Including finance lease vessels

**Blended US$7,870 (2014: US$8,750)**

<table>
<thead>
<tr>
<th>Year</th>
<th>US$/day</th>
<th>2014</th>
<th>1H15</th>
<th>2014</th>
<th>1H15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct overheads</td>
<td></td>
<td>8,510</td>
<td>8,460</td>
<td>8,930</td>
<td>7,380</td>
</tr>
<tr>
<td>Charter-hire: Index-linked</td>
<td></td>
<td>1,210</td>
<td>1,210</td>
<td>3,040</td>
<td>4,210</td>
</tr>
</tbody>
</table>

### Chartered

**Inward Charter Commitments**

**Days & rates 2015-2016**

<table>
<thead>
<tr>
<th>Year</th>
<th>Vessel Days</th>
<th>LT days</th>
<th>ST days</th>
</tr>
</thead>
<tbody>
<tr>
<td>1H15</td>
<td>14,820</td>
<td>4,470</td>
<td>5,420</td>
</tr>
<tr>
<td>2H15</td>
<td>8,940</td>
<td>2,320</td>
<td>5,560</td>
</tr>
<tr>
<td>2016</td>
<td>11,190</td>
<td>1,800</td>
<td>8,830</td>
</tr>
</tbody>
</table>

**Blended US$7,870 (2014: US$8,750)**

- **Opex**
  - 2014: 45%
  - 1H15: 58%
- **Vessel Days**
  - 2014: 23,880
  - 1H15: 12,130
  - **55%**

- Direct overheads of US$660/day

- Note that cost of index linked vessels going up with rates in 3Q

*Chartered rates are shown net of provision*
Our Increased Focus on Dry Bulk

Early 2012
Four business units

- RoRo
- Dry Bulk Ships
- Terminals, etc

Minor player with no competitive advantage

Strong platform but only about 25% of our fleet was owned

US$1.6 billion of long-term assets
G&A: US$77 million

2015
Fully dry bulk focused

- ME Towage
- 17 Newbuildings

World's largest Handysize owner & operator

>40% of our fleet is owned

US$2 billion of long-term assets including newbuildings
G&A: US$57 million

As in Interim Results
Dry Bulk Market

- Uncertain market situation - Oversupplied global fleet and reduced growth in dry bulk commodity demand – especially coal into China
- Scrapping, NB cancellations & postponements and very little new ordering are helping to mitigate supply growth

Strategy

- Fully focused on our world-leading Handy dry bulk business, now well structured and out of non-core
- Reduce costs, optimise our teams and fleet and cargo combinations
- Redelivering expiring and long-term chartered-in ships
- Relying more on owned ships, complemented by shorter-term and index-linked chartered ships
- Managing our business for a continued weak market in the medium term, focused on safeguarding our positive EBITDA generation and cash position

Pacific Basin Benefits:

- Now fully Handy focused
- Business Model ➔ Premium
- High-quality predominately Japanese-built fleet
- Experienced staff, globally
- Access to Capital

➔ Well positioned
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 tugs and barges in the Middle East
- About 200 vessels serving major industrial customers around the world
- Hong Kong headquarters, 12 offices worldwide, 340 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

* As at Jul 2015
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 and strong track record sets us apart as a preferred counterparty.

Hong Kong listing & location facilitates good access to capital.

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.

DEPTH OF STAFF & GLOBAL OFFICE NETWORK

Integrated international service enhanced by experienced commercial and technical staff 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.
Appendix: Pacific Basin Dry Bulk – 1H15 Performance

### US$ million

<table>
<thead>
<tr>
<th></th>
<th>1H15</th>
<th>1H14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Dry Bulk net loss</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Handysize contribution</td>
<td>(15.4)</td>
<td>(11.4)</td>
</tr>
<tr>
<td>Handymax contribution</td>
<td>(0.6)</td>
<td>26.2</td>
</tr>
<tr>
<td>Post-Panamax contribution</td>
<td>10.4</td>
<td>(10.7)</td>
</tr>
<tr>
<td>Direct overheads</td>
<td>2.7</td>
<td>2.7</td>
</tr>
<tr>
<td>Indirect overheads</td>
<td>(24.6)</td>
<td>(24.7)</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>39.3</td>
<td>49.5</td>
</tr>
<tr>
<td><strong>Vessel net book value</strong></td>
<td>1,535</td>
<td>1,545</td>
</tr>
</tbody>
</table>

- 60% and 49% outperformance vs market rates (Handysize and Handymax)
- Positive turnaround in Handymax as concentrating on key trades
- Chartered in cost reduced by redelivery of medium & long-term charters, instead taking advantage of low cost short-term & index charters
- Maintained good control of our operating costs and intensified our efforts to reduce costs without compromising safety and customer service
## Appendix: 2015 Interim Financial Highlights

<table>
<thead>
<tr>
<th></th>
<th>1H15</th>
<th>1H14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pacific Basin Dry Bulk</strong></td>
<td>(15.4)</td>
<td>(11.4)</td>
</tr>
<tr>
<td><strong>PB Towage</strong></td>
<td>1.4</td>
<td>(9.2)</td>
</tr>
<tr>
<td><strong>Others</strong></td>
<td>(0.6)</td>
<td>(0.9)</td>
</tr>
<tr>
<td><strong>Underlying loss</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Unrealised derivative income/(expense)</td>
<td>16.7</td>
<td>(0.3)</td>
</tr>
<tr>
<td>• Sale of interests in bunker tanker joint venture</td>
<td>3.7</td>
<td>-</td>
</tr>
<tr>
<td>• Towage impairments and provisions</td>
<td>-</td>
<td>(63.9)</td>
</tr>
<tr>
<td>• RoRo exchange loss</td>
<td>-</td>
<td>(5.0)</td>
</tr>
<tr>
<td><strong>Profit/(Loss) attributable to shareholders</strong></td>
<td>5.8</td>
<td>(90.7)</td>
</tr>
</tbody>
</table>

- Dry bulk affected by one of the weakest ever dry bulk half-year periods
- We sold our 50% shares in our New Zealand bunker tanker for a US$3.7m profit
- Our significant reduced Towage operation generated US$1.4m profit
### Appendix: 1H15 Pacific Basin Dry Bulk

<table>
<thead>
<tr>
<th></th>
<th>1H15</th>
<th>1H14</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Handysize</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue days</td>
<td>(days)</td>
<td>26,620</td>
<td>27,200</td>
</tr>
<tr>
<td>TCE earnings</td>
<td>(US$/day)</td>
<td>7,940</td>
<td>10,210</td>
</tr>
<tr>
<td>Owned + chartered costs</td>
<td>(US$/day)</td>
<td>7,870</td>
<td>9,120</td>
</tr>
<tr>
<td>Handysize contribution</td>
<td>(US$m)</td>
<td>(0.6)</td>
<td>26.2</td>
</tr>
<tr>
<td><strong>Handymax</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue days</td>
<td>(days)</td>
<td>10,280</td>
<td>11,640</td>
</tr>
<tr>
<td>TCE earnings</td>
<td>(US$/day)</td>
<td>9,350</td>
<td>11,100</td>
</tr>
<tr>
<td>Owned + chartered costs</td>
<td>(US$/day)</td>
<td>8,330</td>
<td>11,890</td>
</tr>
<tr>
<td>Handymax contribution</td>
<td>(US$m)</td>
<td>10.4</td>
<td>(10.7)</td>
</tr>
</tbody>
</table>

- Reduction in Handymax days reflected changed strategy with tighter trade areas
- Weak market condition impacted both Handysize and Handymax TCE
- Redelivering of high cost Handymax charters
Diverse range of commodities reduces product risk
China and North America were our largest market
60% of business in Pacific and 40% in Atlantic

More than 400 customers!
## Appendix: Fleet List – 30 September 2015

<table>
<thead>
<tr>
<th>Fleet Details</th>
<th>Vessels in operation</th>
<th>Newbuildings on order</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Owned</td>
<td>Chartered</td>
<td>Total</td>
</tr>
<tr>
<td><strong>Dry Bulk Fleet</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Handysize</td>
<td>66</td>
<td>72</td>
<td>138</td>
</tr>
<tr>
<td>Handymax</td>
<td>16</td>
<td>59</td>
<td>75</td>
</tr>
<tr>
<td>Post-Panamax</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total Dry Bulk Vessels</strong></td>
<td>83</td>
<td>132</td>
<td>215</td>
</tr>
<tr>
<td><strong>Towage</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tugs</td>
<td>13</td>
<td>1</td>
<td>14</td>
</tr>
<tr>
<td>Barges</td>
<td>6</td>
<td>-</td>
<td>6</td>
</tr>
<tr>
<td>Other PB Towage Vessels</td>
<td>-</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total Towage Vessels</strong></td>
<td>19</td>
<td>2</td>
<td>21</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td>102</td>
<td>134</td>
<td>236</td>
</tr>
</tbody>
</table>

* Dry bulk fleet in operation defined as: number of owned ships at 30 September + average number of chartered ships in full month of September
Appendix: Experienced Management - Team

Chairman & BOD
Mats Berglund 3/29

CEO

Finance & Accounting, CFO
Andrew Broomhead 12/12

Company Secretary & Risk
Kitty Mok 19/19

Asset Management
Morten Ingebrigtsen 26/29

HR
P.B. Subbiah 12/21

Chartering
Pacific & Global Handysize
Surinder Brrar 8/30

Chartering
Atlantic & Global Handymax
Kristian Helt 13/15

Commercial Operation
Suresh Prabhakar 15/39

Technical & Crewing, CTO
Charlie Kocherta 15/37

Numbers Indicate Years in Company / Years in Shipping
Appendix: Sustainability

- Applying sustainable thinking in our decisions and the way we run our business
- Creating long-term value through good corporate governance and CSR

Corporate Social Responsibility (CSR)
- Guided by strategic objectives on (i) workplace practices (primarily safety), (ii) the environment, and (iii) our communities (where our ships trade and our people live and work)
- Active approach to CSR, with KPIs to measure effectiveness
- Reporting follows SEHK’s ESG Reporting Guide
- Disclosure also through CDP, HKQAA, CFR for HK-listed companies

Corporate Governance & Risk Management
- Adopted recommended best practices under SEHK’s CG Code (with quarterly trading update)
- Closely integrated Group strategy and risk management
- Transparency priority
- Stakeholder engagement includes in-depth customer and investor surveys
- Risk management committee interaction with management and business units
- Integrated Reporting following International <IR> Framework of IIRC
Appendix: PB Towage

- Towage activities significantly reduced after sale of harbour towage business and our shareholding in OMSA
- About US$3.7m gain on disposal of our share in a bunker tanker

**Middle East:**
- Remaining towage assets are operating in the oil and gas and construction sectors in ME
- Low charter rates due to low oil price environment but partly offset by continued demand for tug and barge activity in offshore construction and land reclamation projects in UAE and Qatar

**Australasia:**
- Two chartered-in vessels will redeliver later this year
- Remaining small tugs and barges in Australia are idle and being considered for sale
- Administrator’s efforts to sell WDR have been unsuccessful - WDR announced bankruptcy in April 2015 with no likelihood of returns to unsecured creditors

<table>
<thead>
<tr>
<th>1H15 US$ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Towage net profit</td>
</tr>
<tr>
<td>EBITDA</td>
</tr>
</tbody>
</table>

*Based on year-end exchange rates*
Appendix:
1H15 Daily Vessel Costs – Handymax

- Direct overheads of US$660/day
- Note that cost of index linked vessels going up with rates in 3Q

* Chartered rates are shown net of provision
## Appendix: Vessel Operating Lease Commitments

As at 30 June 2015

### Handysize

<table>
<thead>
<tr>
<th></th>
<th>1H2015</th>
<th>2H2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Vessel Days</td>
<td>Average daily rate (US$)</td>
<td>Vessel Days</td>
</tr>
<tr>
<td>Long-term (&gt; 1 year)</td>
<td>5,420</td>
<td>8,860</td>
<td>5,560</td>
</tr>
<tr>
<td>Short-term</td>
<td>4,930</td>
<td>7,110</td>
<td>1,060</td>
</tr>
<tr>
<td>Index-linked</td>
<td>4,470</td>
<td>5,870</td>
<td>2,320</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>14,820</td>
<td>7,380</td>
<td>8,940</td>
</tr>
</tbody>
</table>

### Handymax

<table>
<thead>
<tr>
<th></th>
<th>1H2015</th>
<th>2H2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Vessel Days</td>
<td>Average daily rate (US$)</td>
<td>Vessel Days</td>
</tr>
<tr>
<td>Long-term (&gt; 1 year)</td>
<td>1,820</td>
<td>10,210</td>
<td>2,030</td>
</tr>
<tr>
<td>Short-term</td>
<td>5,000</td>
<td>7,870</td>
<td>1,630</td>
</tr>
<tr>
<td>Index-linked</td>
<td>750</td>
<td>6,940</td>
<td>270</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,570</td>
<td>8,340</td>
<td>3,930</td>
</tr>
</tbody>
</table>
Appendix: Historical earnings

Performance vs Market KPI

**Handysize**

60% 1H2015 outperformance compared to market

- Our 60% and 49% outperformance in first half 2015 compared to spot market indices reflects the value of our fleet scale and cargo book, and our ability to optimise cargo combinations and match the right ships with the right cargoes.

Handymax

49% 1H2015 outperformance compared to market
Appendix:
Historical Owned and Chartered-in Cost

As in Interim Results

Handysize Chartered-in Cost before G&A

Handymax Chartered-in Cost before G&A

3Q15 Trading Update
### Appendix: Convertible Bonds Due 2016

<table>
<thead>
<tr>
<th>Issue size</th>
<th>US$230 million (US$20.5m face value put back and repaid on 14 April 2014; Remaining: US$210m)</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$7.98 (Current conversion price: HK$ 6.97 with effect from 27 April 2015)</td>
</tr>
</tbody>
</table>

#### Conversion Condition

- Before 11 Jan 2011: No Conversion is allowed
- 12 Jan 2011 – 11 Jan 2014: Share price for 5 consecutive days > 120% conversion price
- 12 Jan 2014 – 5 Apr 2016: Share price > conversion price

#### 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

**PB’s call option to redeem all bonds**
- Trading price for 30 consecutive days > 130% conversion price in effect

**Bondholders’ put option to redeem bonds**
- Trading price > conversion price

**Bondholders can convert to PB shares when trading price > conversion price**
- For 5 consecutive days

**No Conversion**
- Trading price < 120% conversion price
## 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$4.75 with effect from 27 April 2015) |
| 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
  - Trading price for 30 consecutive days > 130% conversion price in effect
- Bondholders' put option to redeem bonds
- Bondholders can convert all or some of their CB into shares

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
</table>
| Closing Date | 22 Oct 2012  
2 Dec 2012 |
| Maturity       | 22 Oct 2018  
12 Oct 2018  
22 Oct 2018 |
Appendix:
Convertible Bonds Due 2021

<table>
<thead>
<tr>
<th>Issue size</th>
<th>US$125 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maturity Date</td>
<td>3 July 2021 (approx. 6 years)</td>
</tr>
<tr>
<td>Investor Put Date and Price</td>
<td>3 July 2019 (approx. 4 years) at par</td>
</tr>
<tr>
<td>Coupon</td>
<td>3.25% p.a. payable semi-annually in arrears on 3 January and 3 July</td>
</tr>
<tr>
<td>Redemption Price</td>
<td>100%</td>
</tr>
<tr>
<td>Initial Conversion Price</td>
<td>HK$4.08</td>
</tr>
<tr>
<td>Intended Use of Proceeds</td>
<td>To maintain the Group’s balance sheet strength and liquidity and to continue to proactively manage its upcoming liabilities, including its Existing Convertible Bonds, as well as for general working capital purposes</td>
</tr>
</tbody>
</table>

Conditions
Shareholders’ approval at a SGM to approve the issue of the new Convertible Bonds and the issue of new shares upon conversion of the new Convertible Bonds.

Conversion/redemption Timeline

- **PB’s call option to redeem all bonds**
  - Trading price for 30 consecutive days > 130% conversion price in effect

- **Bondholders’ put option to redeem bonds**

- **Closing Date**
  - 8 Jun 2015
  - 19 Jul 2015

- **3 Jul 2019**
  - Bondholders can convert all or some of their CB into shares

- **23 Jun 2021**
  - Maturity

- **3 Jul 2021**
## Appendix: Understanding Our Core Market

<table>
<thead>
<tr>
<th>Bulk Carrier Ship Types</th>
<th>Percentage of Global Dry Bulk Capacity</th>
<th>Versatility</th>
<th>Main Commodities Carried</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major bulk without cranes</td>
<td>Capesize 120,000+ dwt</td>
<td>40%</td>
<td>Versatile</td>
</tr>
<tr>
<td>Minor bulk with cranes</td>
<td>Handymax 40,000-65,000 dwt</td>
<td>22%</td>
<td>More Versatile</td>
</tr>
<tr>
<td></td>
<td>Handysize 25,000-40,000 dwt</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Minor Bulks</td>
<td>Logs &amp; Forest Products, Agriculture Products, Fertiliser, Cement &amp; Cement Clinker</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Major Bulks</td>
<td>Bauxite, Alumina, Ores, Steel &amp; Scrap, Concentrates, Salt, Coal/Coke</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Our Focus

- Few ports, few customers, few cargo types, low scope for triangulation
- Many ports, many customers, many cargo types, high scope for triangulation
Appendix: Dry Bulk Supply

Handysize Orderbook
379 vessels (13.9m dwt)

<table>
<thead>
<tr>
<th></th>
<th>Scheduled orderbook 3Q 2015</th>
<th>Actual delivery</th>
<th>2015 remaining</th>
<th>2016</th>
<th>2017+</th>
</tr>
</thead>
<tbody>
<tr>
<td>m Dwt</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.5m</td>
<td>8.7%</td>
<td>6.6%</td>
<td>4.7%</td>
<td>8.9%</td>
<td>5.2%</td>
</tr>
</tbody>
</table>

Handysize (25,000-39,999 dwt)

Handymax (40,000-64,999 dwt)

Panamax (65,000-119,999 dwt)

Capesize (120,000+ dwt)

Total Dry Bulk Orderbook
1,644 vessels (133.7m dwt)

<table>
<thead>
<tr>
<th></th>
<th>Scheduled orderbook 3Q 2015</th>
<th>Actual delivery</th>
<th>2015 remaining</th>
<th>2016</th>
<th>2017+</th>
</tr>
</thead>
<tbody>
<tr>
<td>m Dwt</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>54.8m</td>
<td>7.1%</td>
<td>5.1%</td>
<td>4.7%</td>
<td>9.1%</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

Total Dry Bulk >10,000 dwt

Source: Clarksons Platou, as at 1 Oct 2015
Appendix:
China at Post Industrialisation Stage

Steel Consumption Per Capita

- 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

Source: Bloomberg
Appendix: Dry Bulk Effective Demand

- International cargo volumes
- Congestion effect
- Tonne-mile effect
- China coastal cargo, off-hire & ballast effect
- Net demand growth

Source: Clarksons, Platou, Bloomberg
Appendix:
China Dry Bulk Trade, Iron Ore & Coal Demand

Chinese Dry Bulk Trade Volume
- % of total dry Bulk trade
- Mil tonnes

China Coal Net Import
- Million Tonnes

China Iron Ore Sourcing for Steel Production
- Million Tonnes

Source: Clarksons Platou, Bloomberg