

# Our Performance

Our business generated an underlying loss of US\$0.6 million (2018: underlying profit of US\$28.0 million) in markedly weaker dry bulk market conditions. We generated daily earnings that outperformed the BHSI and BSI indices and continued to maintain good control of our vessel operating costs.

## Dry Bulk Operating Performance

US\$ Million	Six months ended 30 June		
	2019	2018	Change
Handysize Contribution	21.2	38.4	-45%
Supramax Contribution	7.4	15.8	-53%
Post-Panamax Contribution	2.1	2.7	-22%
Operating performance before overheads	30.7	56.9	-46%
G&A overheads	(30.5)	(28.4)	-7%
Tax and others	(0.8)	(0.5)	-60%
<b>Underlying (loss)/profit</b>	<b>(0.6)</b>	<b>28.0</b>	<b>&gt;-100%</b>
Vessel net book value	1,842.7	1,815.1	+2%

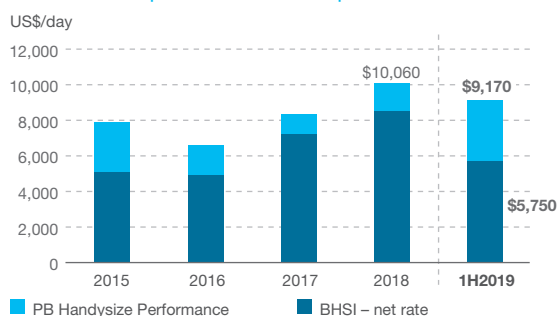
+/- Note: In our tabulated figures, positive changes represent an improving result and negative changes represent a worsening result.

## Key Performance Indicators KPI

### PERFORMANCE VS MARKET

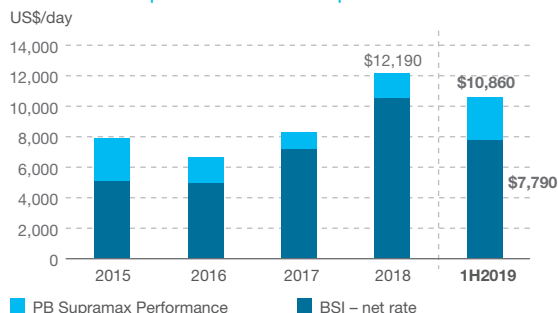
Handysize

**59%** 1H2019 outperformance compared to market



Supramax

**39%** 1H2019 outperformance compared to market

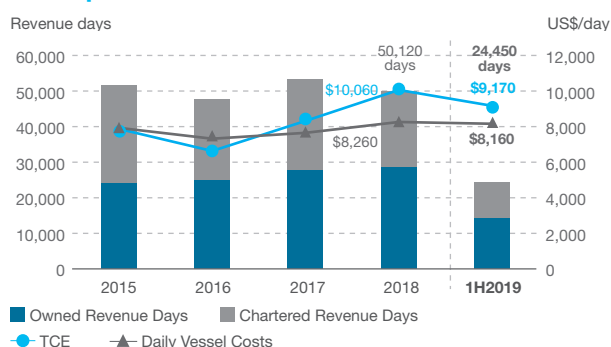


- Our outperformance in first half 2019 compared to spot market indices reflects the value of our fleet scale and cargo book, and our ability to optimise cargo combinations and match the right ships with the right cargoes to maximise our utilisation and vessel earnings.

### PROFITABILITY

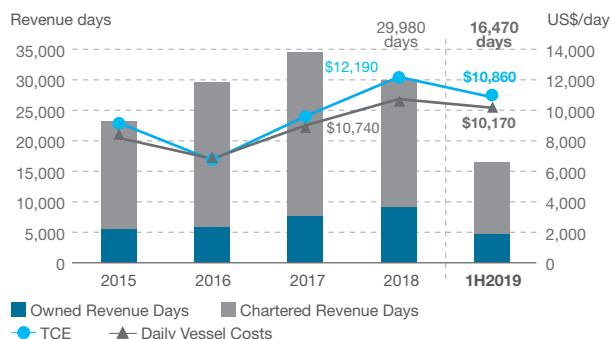
Handysize

**US\$21.2m** contribution



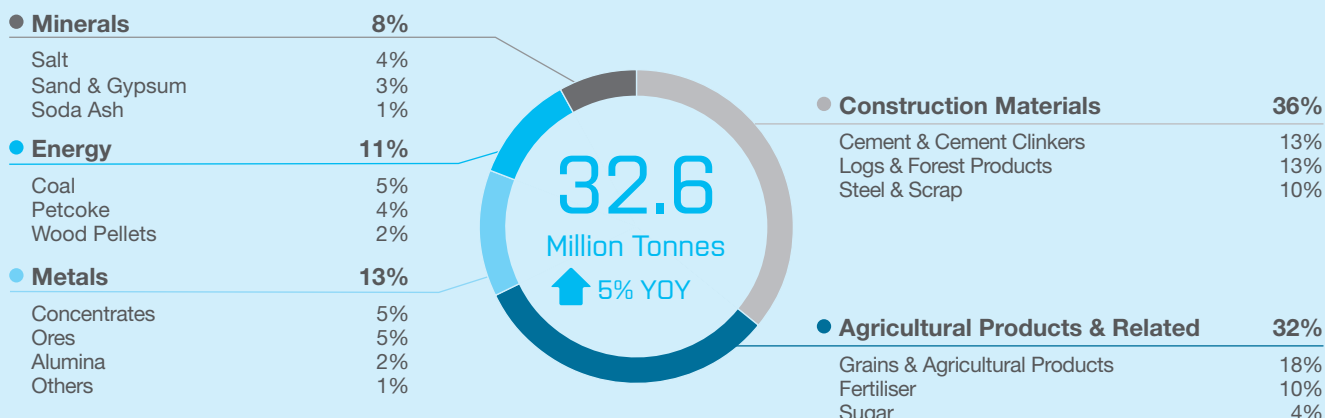
Supramax

**US\$7.4m** contribution



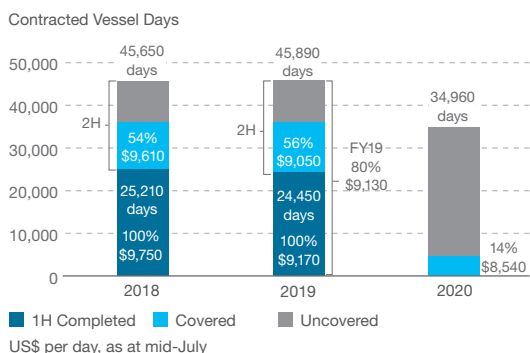
- We generated Handysize daily earnings of US\$9,170 with daily costs of US\$8,160 on 24,450 revenue days.
- We generated Supramax daily earnings of US\$10,860 with daily costs of US\$10,170 on 16,470 revenue days.
- Our Handysize and Supramax contributions reduced significantly due to markedly weaker dry bulk market conditions, despite our strong outperformance compared to spot market indices and our good cost control.

## Our Cargo Volumes in 1H 2019

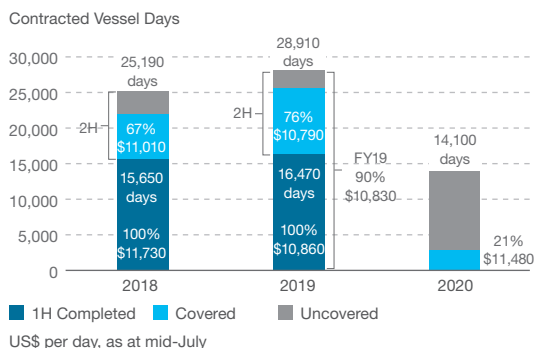


## FUTURE EARNINGS AND CARGO COVER

### Handysize



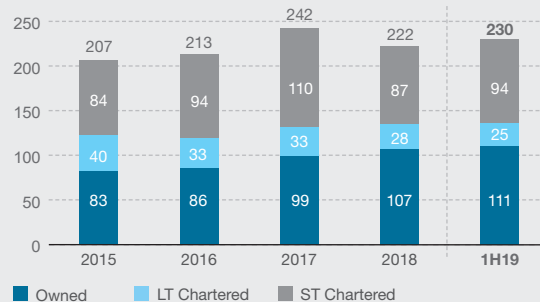
### Supramax



- We have covered 56% and 76% of our 21,440 Handysize and 12,440 Supramax vessel days currently contracted for the second half of 2019 at US\$9,050 and US\$10,790 per day net respectively. (Cargo cover excludes vessel days related to inward-chartered vessels on variable, index-linked rates)
- While ship operators such as ourselves typically face significant exposure to the spot market, our contract cover provides a degree of earnings visibility.

## PACIFIC BASIN FLEET DEVELOPMENT

Average No. of Handysize and Supramax Ships Operated During the Period



As at 30 June 2019, we owned 82 Handysize and 30 Supramax ships

- Excluding our two Post-Panamax vessels, we operated an average of 137 Handysize and 93 Supramax ships in the first half of 2019 resulting in a 3% reduction and a 5% increase in our Handysize and Supramax revenue days respectively compared to the same period last year. This mainly reflects redeliveries of long-term chartered Handysize ships and the expansion of our owned and chartered-in Supramax fleet.

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Financial Statements Note 11

Net book value of our owned vessels

