

Core Business Vessel Costs

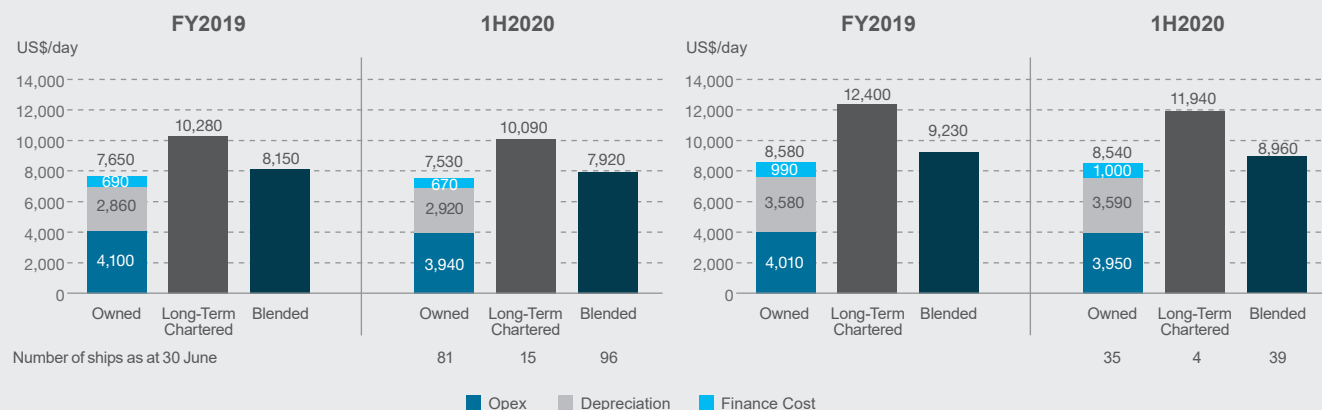
Daily Vessel Costs (Before G&A Overheads)

Handysize

US\$ 7,920 per day (blended)

Supramax

US\$ 8,960 per day (blended)



Owned Vessel Costs

Operating expenses

Our daily vessel operating expenses ("Opex") decreased by 4% and 1% compared to FY2019 for Handysize and Supramax respectively mainly due to decreased crew travel costs partly offset by increased repair and maintenance costs. Our Opex remained at very competitive levels as a result of efficient management, good cost control and scale benefits, including operational and procurement cost efficiencies.

Our blended Handysize and Supramax Opex averaged US\$3,940 per day (FY2019: US\$4,080).

During the period, our fleet of owned vessels experienced on average 0.4 days (FY2019: 0.9 days) of unplanned technical off-hire per vessel.

Depreciation

Our daily depreciation costs (including capitalisation of dry-docking costs) increased principally due to the installation of ballast water treatment systems and scrubbers.

Finance costs

Our daily finance costs were substantially unchanged. Our blended Handysize and Supramax finance costs averaged US\$770 per day (FY2019: US\$770)

Long-term Chartered Vessel Costs

The long-term chartered vessel daily costs mainly comprise the depreciation of right-of-use assets, interest expenses of lease liabilities and technical management service costs for leases over 12 months.

Blended Costs

Our daily blended costs for owned and long-term chartered vessels were US\$7,920 and US\$8,960 for Handysize and Supramax respectively (FY2019: US\$8,150 and US\$9,230).

General and Administrative ("G&A") Overheads

Our adjusted total G&A overheads reduced to US\$30.0 million (1H2019: US\$30.5 million and FY2019: US\$61.2 million) due primarily to a decrease in our travel and entertainment costs during the period. Spread across all our vessel days, our daily G&A overheads per ship remain competitive at US\$770 (FY2019: US\$730), comprising US\$950 and US\$550 (FY2019: US\$940 and US\$530) per day for owned and chartered ships respectively.

Long-Term Chartered Commitments

Year	Handysize		Supramax	
	Vessel days	Average cost	Vessel days	Average cost
2H2020	2,590	10,370	710	11,890
2021	3,490	10,270	590	11,190
2022	2,880	9,980	340	10,980
2023	2,200	10,560	-	-
2024	1,660	10,630	-	-
2025+	370	10,930	-	-
Total	13,190		1,640	

Vessel Days

Days	Handysize		Supramax	
	FY2019	1H2020	FY2019	1H2020
Core revenue days	36,220	16,980	12,380	6,950
– Owned revenue days	29,270	14,330	10,090	6,060
– Long-term chartered days	6,950	2,650	2,290	890
Short-term core days	5,770	2,150	13,270	5,390
Operating days	6,230	3,490	7,970	3,450
Owned off-hire days	680	460	1,050	230
Total vessel days	48,900	23,080	34,670	16,020