

BUSINESS HIGHLIGHTS

Our Best Ever Interim Results

During the first half of 2022, we generated our best interim results in Pacific Basin's history, producing an underlying profit of US\$457.5 million, a net profit of US\$465.1 million and an EBITDA of US\$566.9 million. This yielded an exceptionally strong return on equity of 48% with basic EPS of HK74.5 cents.

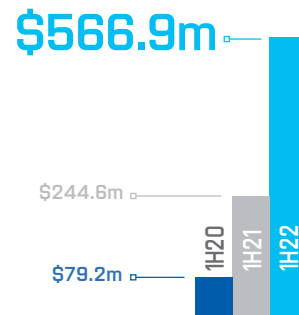
Our financial position continues to strengthen with available committed liquidity of US\$698.6 million and a net cash position of US\$68.9 million as at 30 June 2022.

The Board has declared an interim basic dividend of HK35 cents per share, representing 50% of our net profit for the period, and an additional special dividend of HK17 cents per share, representing 25% of our net profit for the period. The basic dividend and the special dividend together amount to a total dividend of HK52 cents per share, equal to US\$348.0 million or 75% of the net profit.

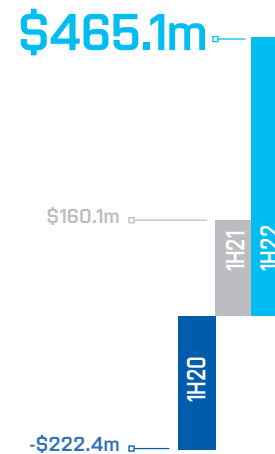
Strong Minor Bulk Fundamentals

The minor bulk freight market in the first half of 2022 was driven by broad based global demand for commodities, further supported by low fleet growth and continued fleet inefficiencies.

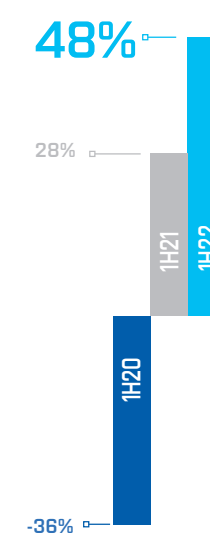
Minor bulk rates continue to be supported despite concerns over global economic growth, on-going conflict in Ukraine, and Covid-related impacts on the Chinese economy.



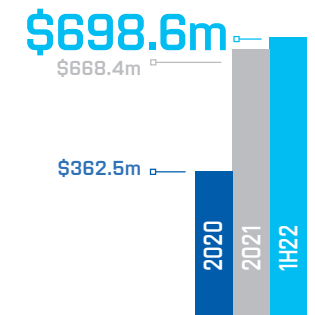
EBITDA (US\$)



Net Profit/(Loss) (US\$)



Return on Equity



Available Committed Liquidity (US\$)
as at 31 December and 30 June

Delivering Excellent Results

- Our core business achieved Handysize and Supramax net daily TCE earnings of **US\$26,370** and **US\$33,840** respectively, generating a total contribution of US\$468.2 million before overheads
- Our operating activity achieved a strong daily margin of **US\$3,330** net over 9,200 operating days, generating a contribution of US\$30.7 million before overheads
- Our P&L break-even was US\$10,260 and US\$10,600 per day for Handysize and Supramax respectively; our costs remain competitive despite higher crewing and repatriation related costs and increased depreciation as a result of the reversal of a vessel impairment provision in 2021
- In light of a softening global economy we expect dry bulk demand to moderate in the second half of 2022, but favourable supply dynamics make us optimistic about the long-term potential of the market

Fleet Optimisation for the Future

- We currently own 117 Handysize and Supramax ships and have around 240 owned and chartered ships on the water overall
- During the period we sold five of our older Handysize ships, while taking delivery of one Ultramax vessel purchased in 2021
- We remain committed to our long-term strategy of further growing our Supramax fleet and renewing our Handysize fleet with younger, larger and more efficient vessels, thereby further optimising our fleet to more easily meet tightening environmental regulations
- We are well positioned to comply with IMO carbon intensity reduction rules coming into force in 2023 through technical enhancements, operational measures and gradual fleet renewal