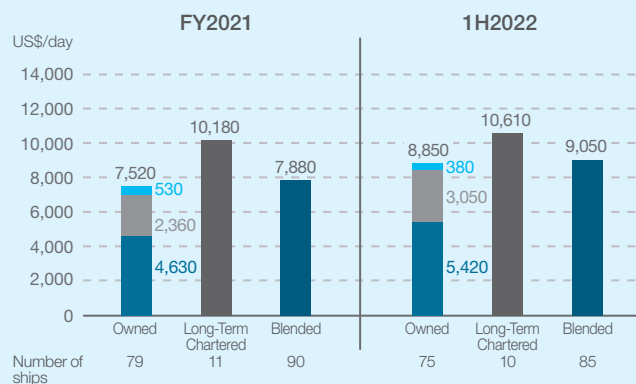


CORE BUSINESS VESSEL COSTS

Daily Vessel Costs

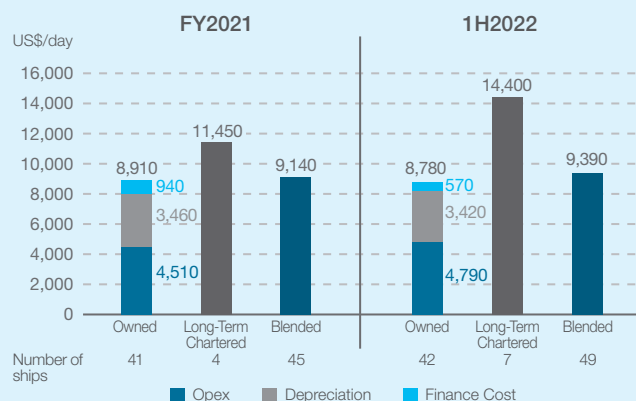
Handysize

Blended **US\$9,050**



Supramax

Blended **US\$9,390**



Owned Vessel Costs

Operating expenses

Our average Handysize and Supramax daily operating expenses (“Opex”) increased by 13% to US\$5,200 per day (FY2021: US\$4,590). This was mainly due to continued high crew travel cost and other pandemic-related manning expenses. However, our Opex remained at competitive levels in the industry as a result of efficient management, good cost control and scale benefits, including operational and procurement cost efficiencies.

During the period, our fleet of owned vessels experienced on average 0.8 days (FY2021: 1.7 days) of unplanned technical off-hire per vessel of which 0.3 days (FY2021: 0.8 days) were Covid related.

Depreciation

Our Handysize depreciation costs increased by 29% mainly due to the reversal of an impairment provision in December 2021. Our Supramax depreciation costs were substantially unchanged.

Finance costs

Our average Handysize and Supramax daily finance costs decreased by 33% to US\$450 per day (FY2021: US\$670), mainly due to lower borrowings.

Long-term Chartered Vessel Costs

Long-term chartered vessel costs are mainly accounted for as depreciation of right-of-use assets, interest expenses of lease liabilities and technical management service costs for leases over 12 months. Our long-term chartered vessel daily costs increased by 4% to US\$10,610 and 26% to US\$14,400 for Handysize and Supramax respectively, primarily due to higher charter costs on new chartered vessels due to strong market conditions.

Blended Costs

Our daily blended costs for owned and long-term chartered vessels increased to US\$9,050 and US\$9,390 for Handysize and Supramax respectively (FY2021: US\$7,880 and US\$9,140 respectively).

General and Administrative (“G&A”) Overheads

Our adjusted total G&A overheads increased to US\$41.8 million (1H2021: US\$34.1 million and FY2021: US\$82.0 million) primarily due to an increase in staff costs during the period. Spread across our total vessel days, our daily G&A overheads remain competitive at US\$940 (FY2021: US\$870), comprising US\$1,210 and US\$690 (FY2021: US\$1,150 and US\$630) per day for owned and chartered ships respectively.

Vessel Days

The following table shows an analysis of our vessel days in 1H2022 and FY2021:

Days	Handysize		Supramax	
	FY2021	1H2022	FY2021	1H2022
Core business revenue days	32,080	15,520	15,480	8,360
– Owned revenue days	27,580	13,700	14,040	7,430
– Long-term chartered days	4,500	1,820	1,440	930
Short-term core days ⁽¹⁾	8,710	3,830	19,110	6,960
Operating activity days	4,910	2,260	13,330	6,940
Owned off-hire days	770	370	130	150
Total vessel days	46,470	21,980	48,050	22,410

⁽¹⁾ Short-term chartered ships used to support our core business

Future Long-term Chartered Vessel Costs

The following table shows the average daily charter costs for our long-term chartered Handysize and Supramax vessels during their remaining charter period by year:

Year	Handysize		Supramax	
	Vessel days	Average cost (US\$)	Vessel days	Average cost (US\$)
2H2022	2,080	10,860	1,570	17,810
2023	2,690	11,330	2,530	19,240
2024	2,400	11,390	710	21,180
2025	1,100	12,230	–	–
2026	370	12,730	–	–
Total	8,640		4,810	

