



Stock Code : 2612 TT

Investor Presentation

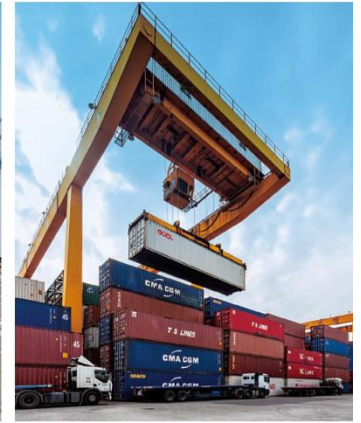
by : Ban-Jen Tarng
Vice President, Shipping Division

30th June 2021

Summary of Presentation

- Capesize Market Outlook
- Dry Bulk Shipping Market Trends
- The Company Overview
- Appendices

Outlook



Capesize Market Outlook

Freight Rates Rose Further in Q2 2021

- 5TC average reached highest level of the year at US\$ 44,817 and spot rate averaged US\$ 30,965 in Q2 despite correction in May
- Iron ore price reached 10-year high to average US\$ 183/ton in 1H 2021

PRC' s Strong Demand for Iron Ore

- PRC import volume between January and May increased by 5.5% y-o-y
- Major port stockpile remains at relatively low levels therefore further demand growth is expected

Net Fleet Growth Will be Subdued From 2021

- 43 new ships joined the fleet so far in 2021, while demolition is set to continue this year
- Capesize fleet' s net DWT growth is 1.82% between January and May 2021

Short-term Outlook

- So far in 2021, steel demand has increased that steel mills are enjoying record revenue and profits which lead to stronger demand for iron ore
- Spot rates and forward curves have been improving amid healthier supply/demand balance which will likely have positive impact on period rates



Newbuilding Program

- To expand its fleet size, CMT has contracted with Qingdao Beihai Shipbuilding to construct two 210k DWT Newcastlemaxes for delivery in 2023; each ship' s contract price is US\$ 58.5 million
- As part of the global maritime community' s efforts to protect the environment, we have upgraded ships' specifications including shaft generators, LNG dual fuel-ready, AMP-ready and other energy saving devices
- Two eco-energy saving ships will meet the IMO EEDI Phase II requirement and relevant emission standards
- During construction, the company will enhance ships' fuel efficiency, smart ship technology and cyber security to improve fleet' s competitive advantage

Focal Points of 2H 2021



1

Global Economy to Recover This Year

Global economy is expected to grow by 6% this year as Covid-19 vaccine develops rapidly and PRC economy continues to improve going forward

2

Tension Between PRC and Australia

PRC' s boycott of Australian coal continues and market is paying close attention to improvement of bilateral relationships, while looking for signs of PRC to continue importing more coal from other exporting countries such as Indonesia and long haul destinations

3

PRC' s Actions to Curb Inflation

The government vows to restrict sharp rises in steel and iron ore prices to prevent negative impact on the economy therefore the market is following up closely of any further actions

4

Performance of Sub-cape Bulklers

Sub-cape bulklers have performed well in Q2 due to stronger grain export volumes from South America. Market is anticipating yet another spill-over effect to take place in all bulker segments

PRC Key Economy Indicators

- PRC' s gross domestic product in Q1 grew by 18.3% y-o-y, while full year guidance is around 8.4%
- PRC' s crude steel production between January and May reached 473 million tons, up by 13.9% y-o-y; the country exported 30 million tons between January and May, up by 24.0% y-o-y
- PRC' s (CSPI) soared by 40.4% in mid-May to 174.81 points, reflecting stronger than expected demand both domestically and abroad
- The country imported 472 million tons of iron ore between January and May, up by about 6% y-o-y, while coal imports reached 111 million tons, down by about 25% y-o-y

Shipping Market Outlook - Demand

Iron Ore



Clarksons Platou forecasts Chinese iron ore imports to remain the same level in 2021 while Brazilian export volume is expected to raise by 10% and Australian export volume increases by 2%; global iron ore demand is projected to grow by 3% in 2021

Coal



Clarksons Platou forecasts Chinese coal imports to drop by 5% in 2021 while Australian export volume is expected to increase by 2% and Indonesian export volume raise by 7%; global coal demand is projected to grow by 5% in 2021

Shipping Market Outlook - Supply

Newbuildings



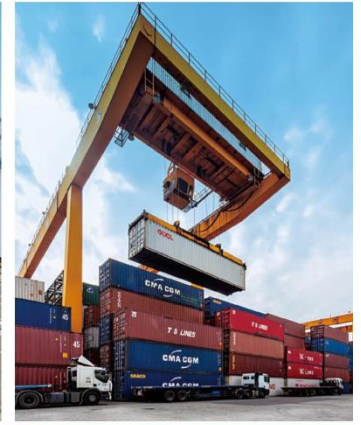
According to IHS Markit, 103 newbuildings (100-400k DWT) are projected to be delivered in 2021 while fleet net growth is estimated at 3.5% for this year; 46 large bulkers (100-400k dwt) are expected to be delivered in 2022

Ship Scrapping

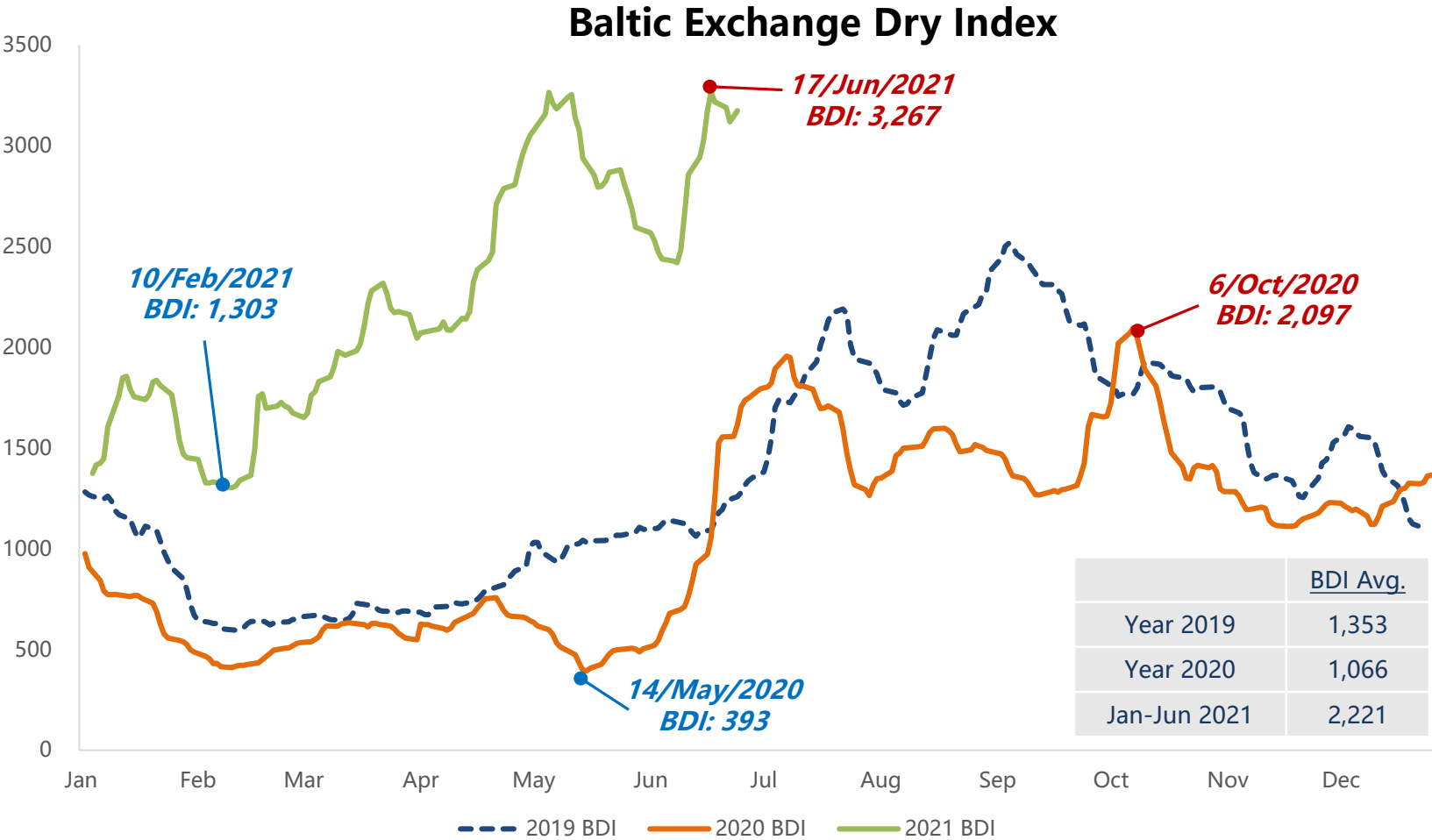


Demolition quantity of large bulkers (100-400k DWT) reached 56 in 2020 while more vintage bulkers are to be recycled this year- 30 to 40 units are expected to be scrapped in 2021

Dry Bulk Shipping Market Trends



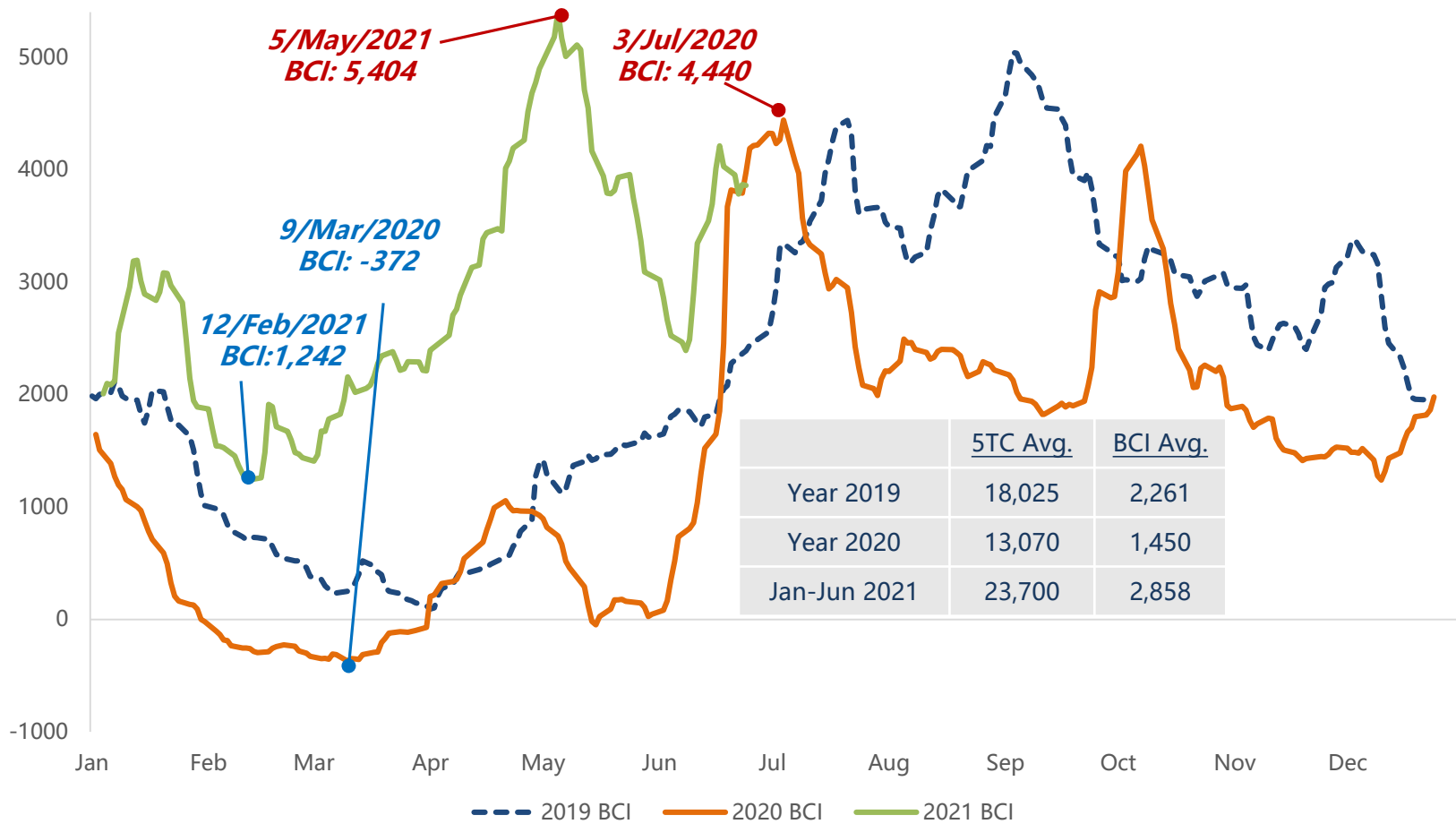
BDI 2019- Q2/2021



Source: Clarksons Platou

BCI 2019- Q2/2021

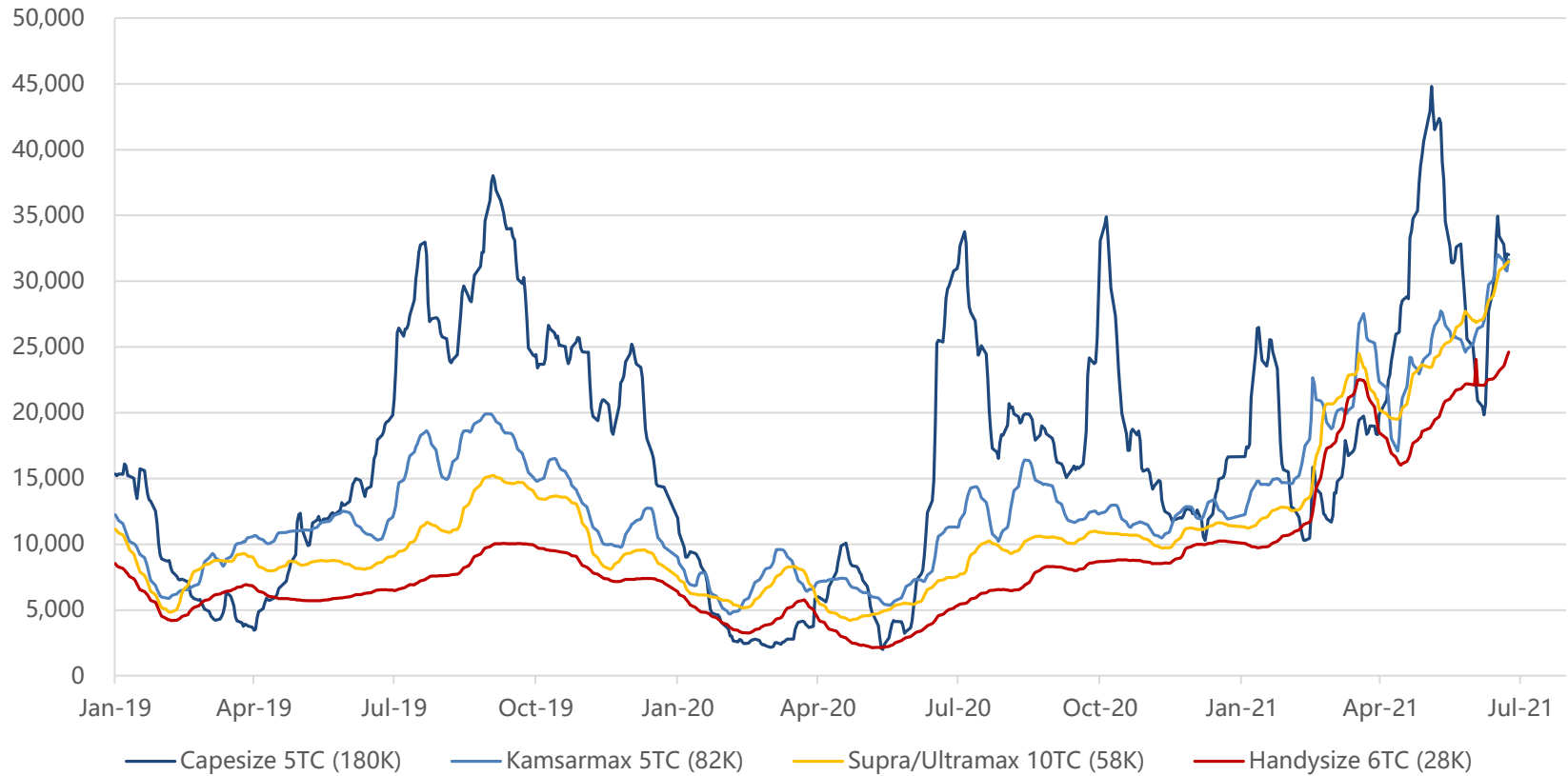
Baltic Exchange Capesize Index



Source: Clarksons Platou

2019- 2021 BCI/BPI/BSI/BHSI Indices

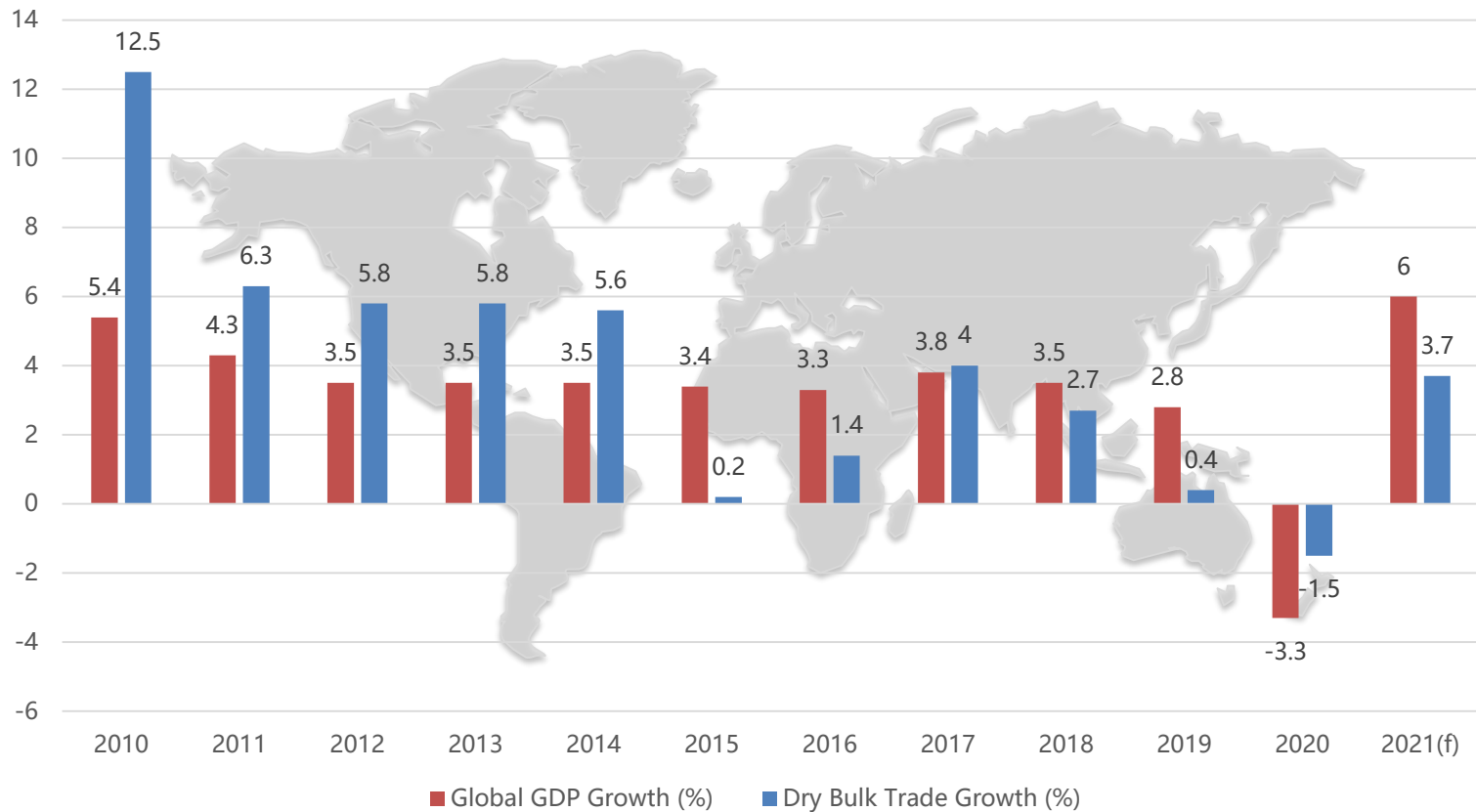
Spot TCE (US\$)



Source: Clarksons Platou

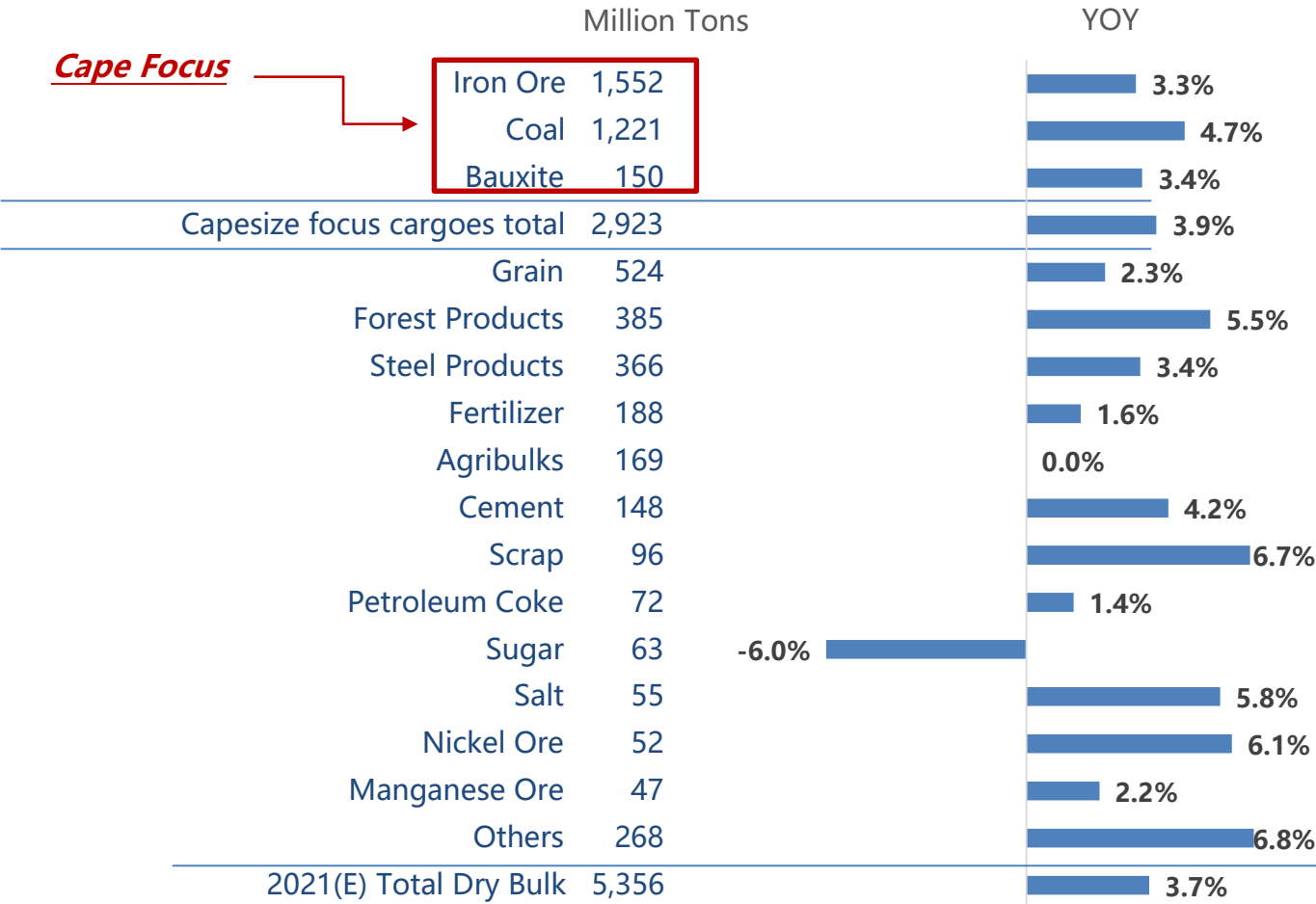
Global Economy Recovers from 2020

- IMF projects global GDP to grow by 6.0% in 2021
- Clarksons Platou forecasts dry bulk seaborne trade to increase by 3.7% in 2021



Source: IMF & Clarksons Platou

Dry Bulk Seaborne Trade Expects to Grow by 3.7%

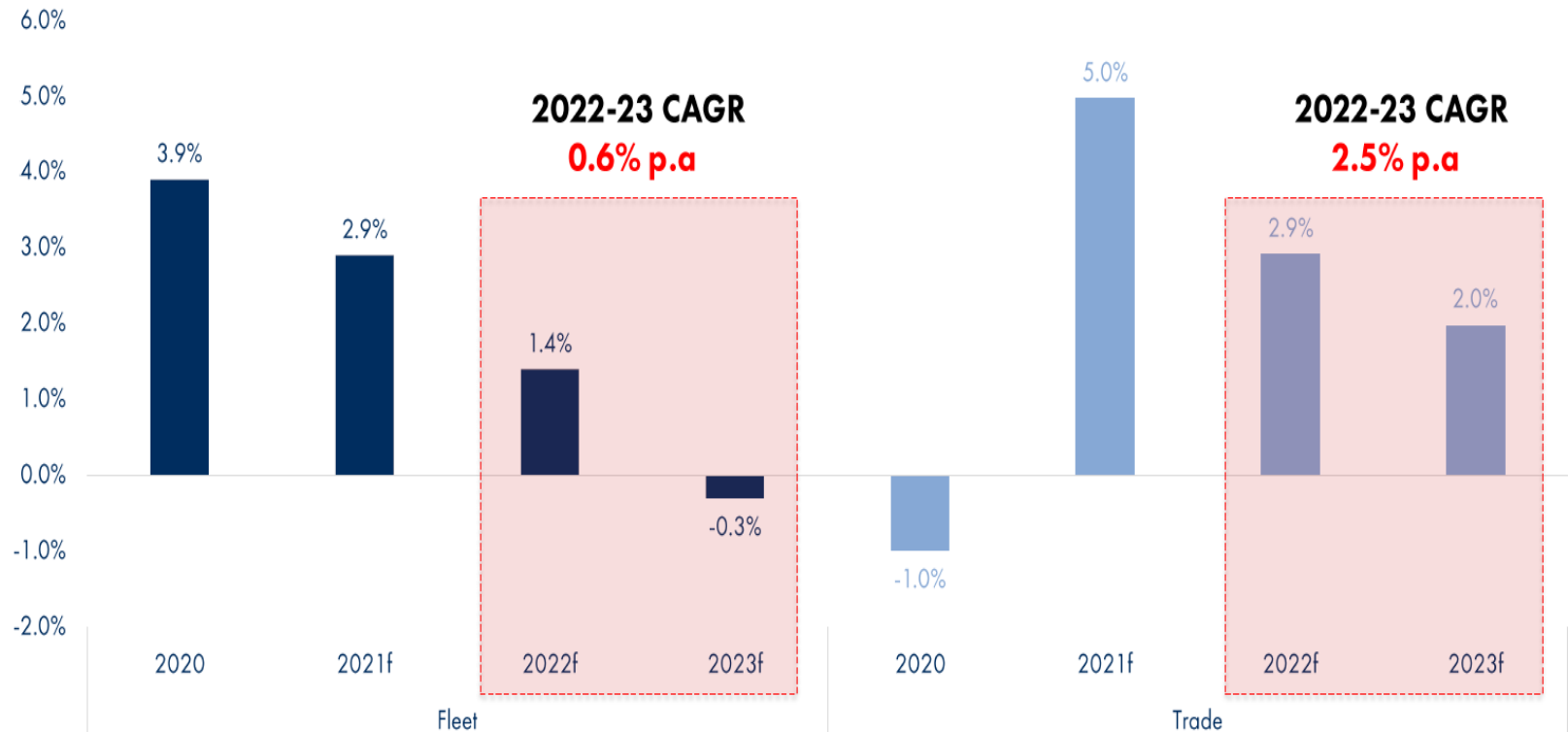


Source: Clarksons Platou

Dry Bulk Seaborne Trade vs. Fleet Growth

Dry bulk seaborne trade vs fleet growth estimates

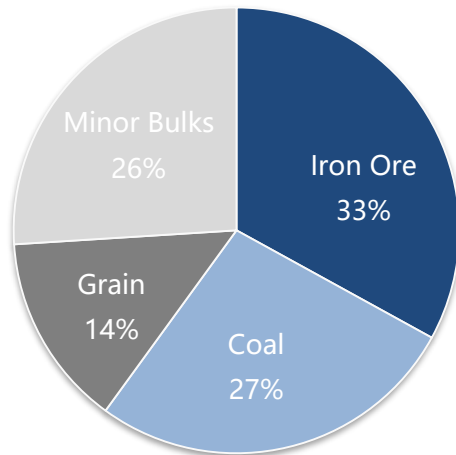
Year-on-year growth



Source: Arrow

Commodity Shares Based Vessel Types

% of Dry Bulk Cargoes



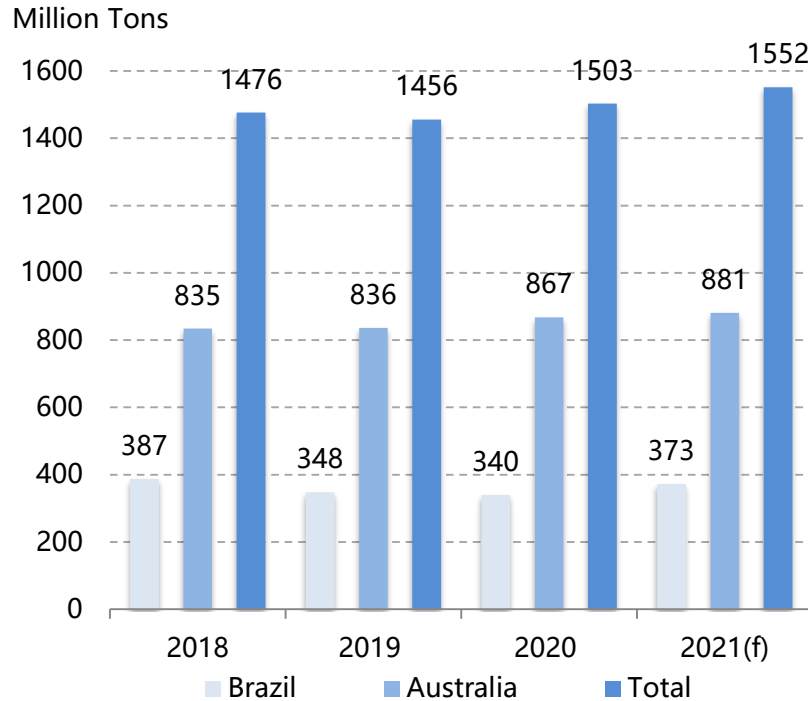
	Handysize	Supramax	Panamax	Capesize	Total
Coal	10%	24%	51%	19%	27%
Iron Ore	2%	7%	8%	76%	33%
Agricultural goods	25%	16%	27%	0%	14%
Alumina / Bauxite	4%	4%	6%	4%	5%
Steel Products	16%	7%	0%	0%	4%
Fertilizers	12%	8%	1%	0%	4%
Minerals	7%	6%	1%	0%	3%
Minor Ores	5%	8%	1%	0%	3%
Semi-Processed	5%	5%	0%	0%	2%
Biomass	3%	6%	1%	0%	2%
Construction	5%	5%	2%	0%	3%
Wood Products	5%	0%	0%	0%	1%
Other	1%	1%	0%	0%	0%
Other Ferrous	1%	1%	0%	0%	1%

Source: Maersk Broker

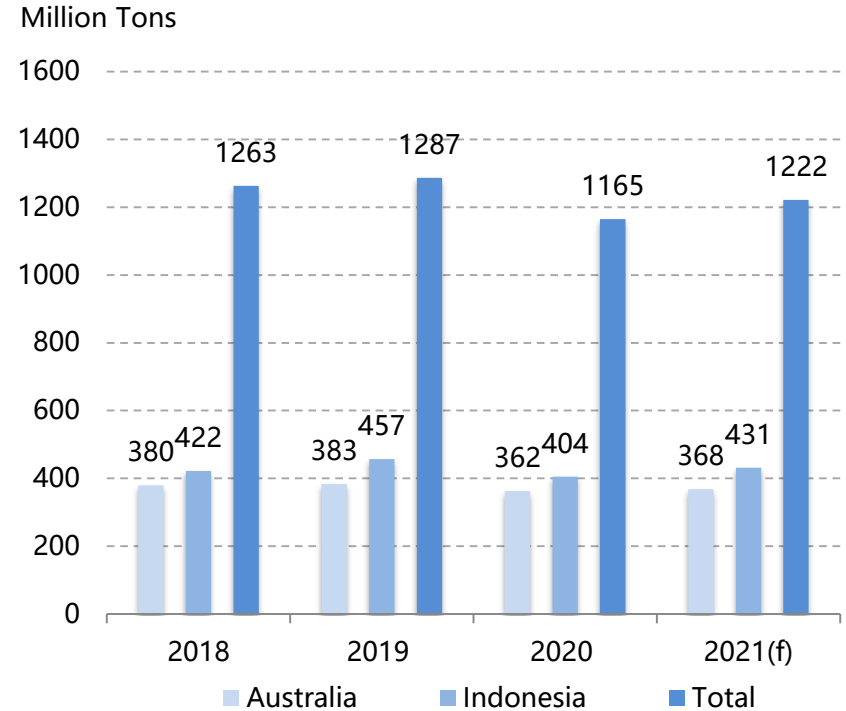
Global Iron Ore/Coal Exports

Clarksons Platou forecasts global iron ore exports to increase by 3% while coal exports to increase by 5% in 2021

Iron Ore



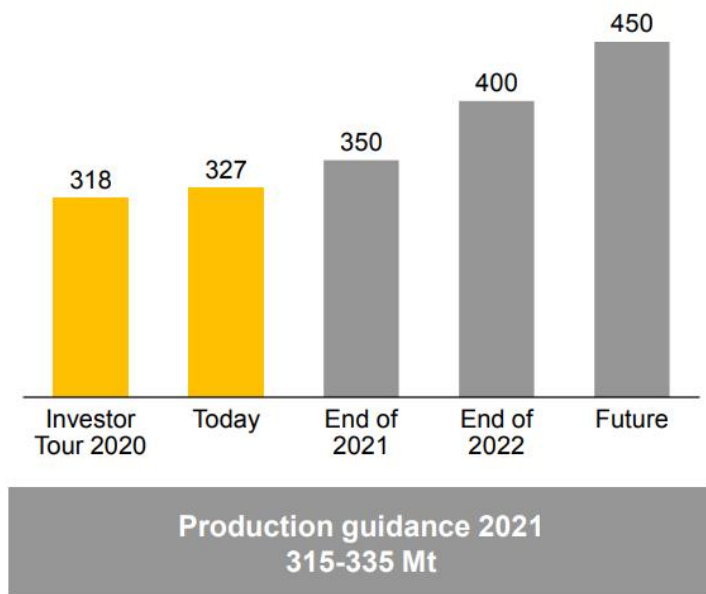
Coal



Source: Clarksons Platou

Vale's Iron Ore Production Outlook

Iron ore capacity (Mtpy)



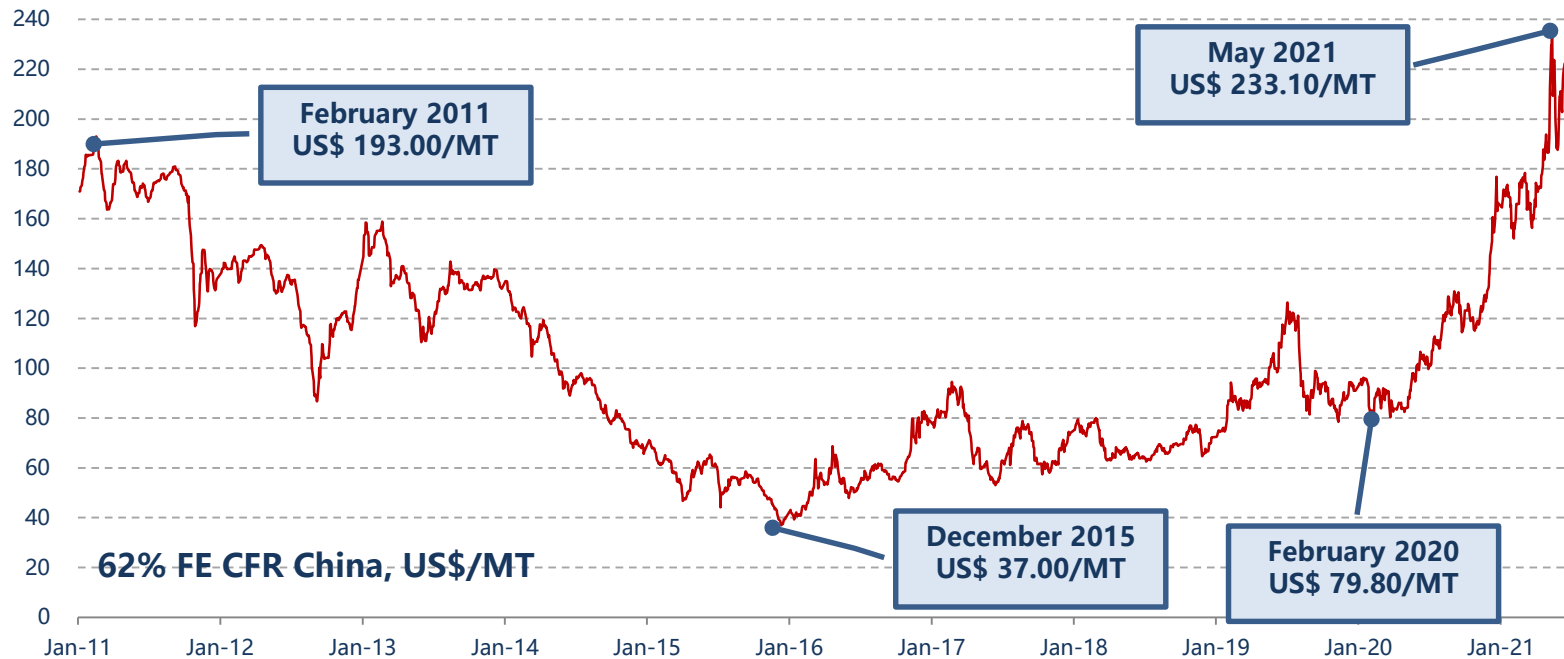
Recent achievements

Northern System
Southeastern System
Southern System

January 2021	<ul style="list-style-type: none"> • Vargem Grande pellet plant: resumption of operations, adding 7 Mtpy of pellet capacity • Vargem Grande: approval received to start VGR's conveyor belt tests • Fábrica: approval received to start tests at beneficiation plant facilities
February 2021	<ul style="list-style-type: none"> • Serra Norte: Board approval of N3 mining front development (start-up in 2022) • Itabira: removal of Itabiruçu dam emergency level¹
March 2021	<ul style="list-style-type: none"> • Timbopeba: Plant's adaptation for tailings disposal at Timbopeba pit, adding 7 Mtpy capacity • Vargem Grande: start-up of tailings filtration plant

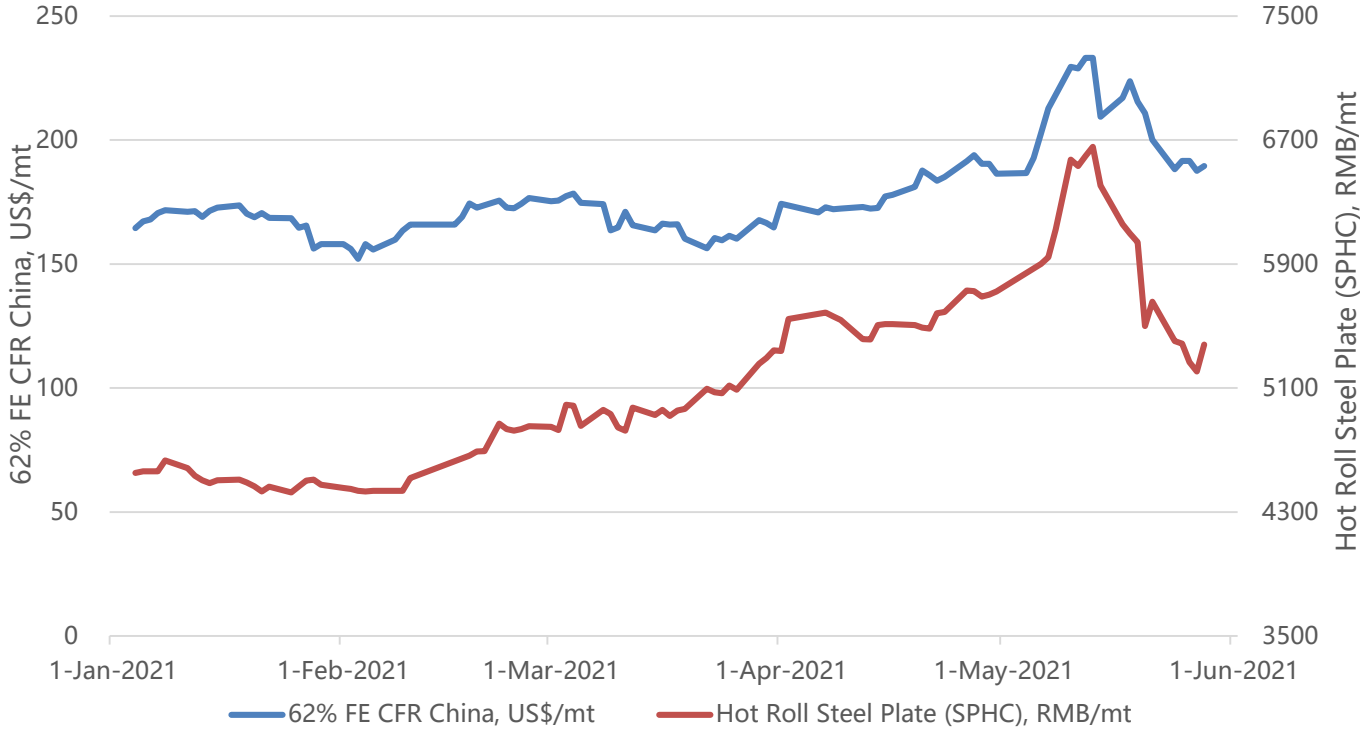
Source: Vale

Iron Ore Price Set a Record High



Source: SSY

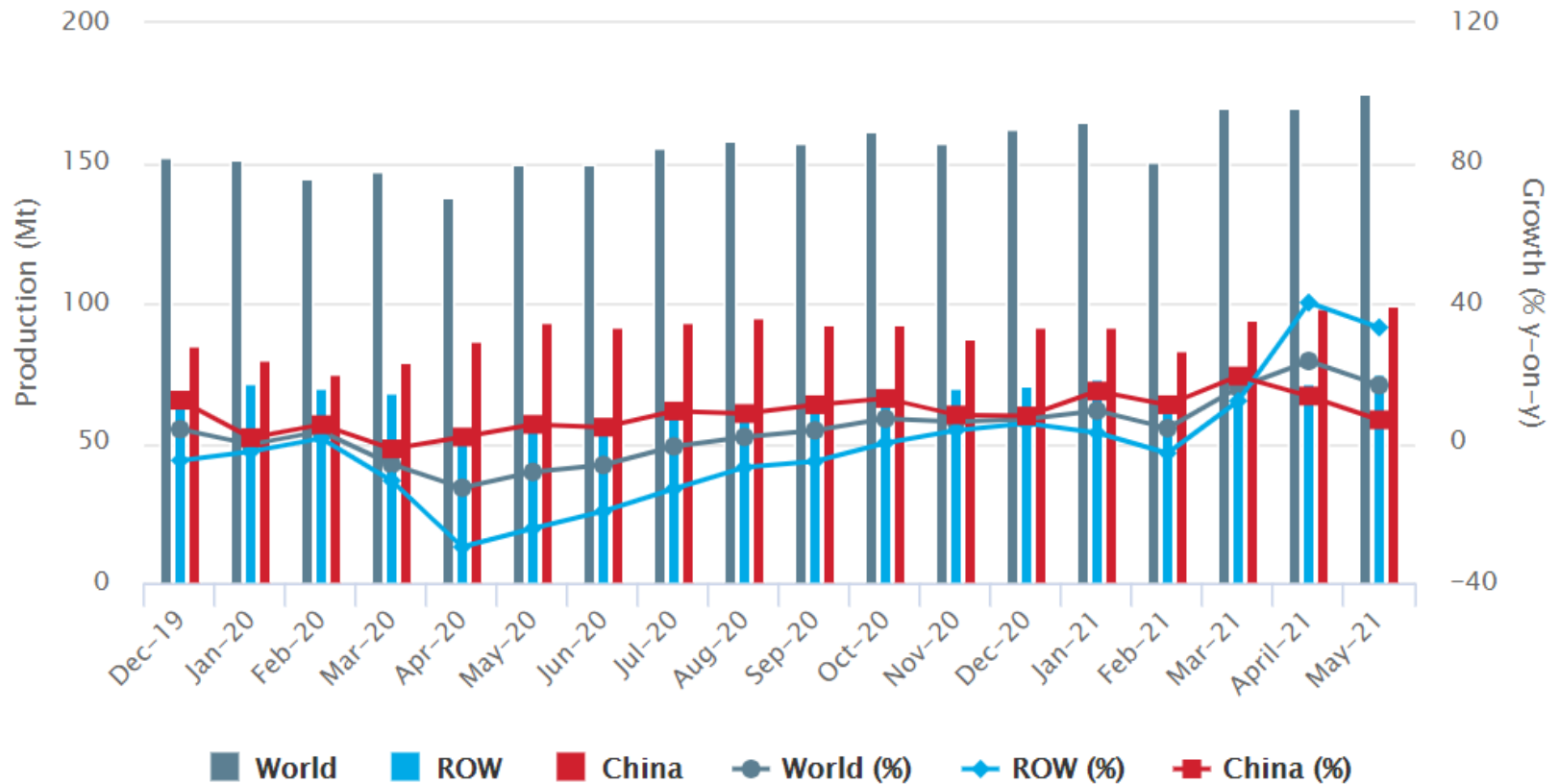
PRC Crude Steel Price Trend



Source: SSY & MarcoMicro

Global Steel Production Recovers

PRC's y-o-y growth rate in 2020 is 6.9%;
Full year y-o-y projection for 2021 is 3.0%

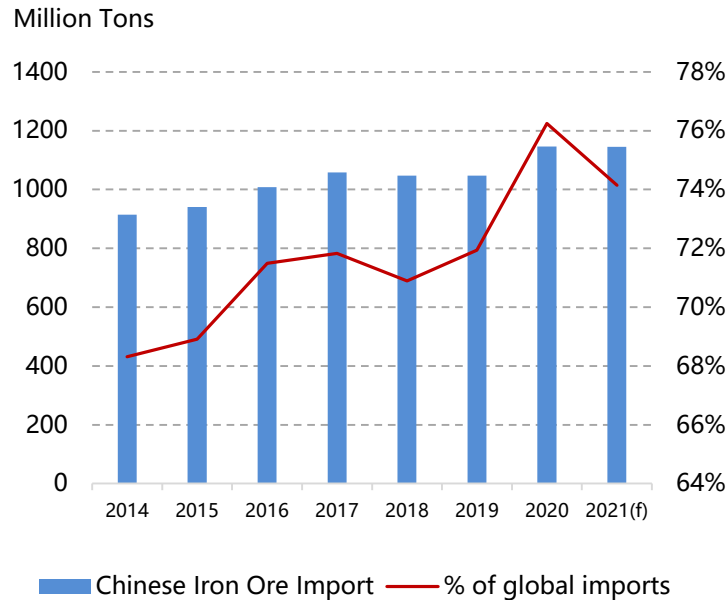


Source: World Steel Association

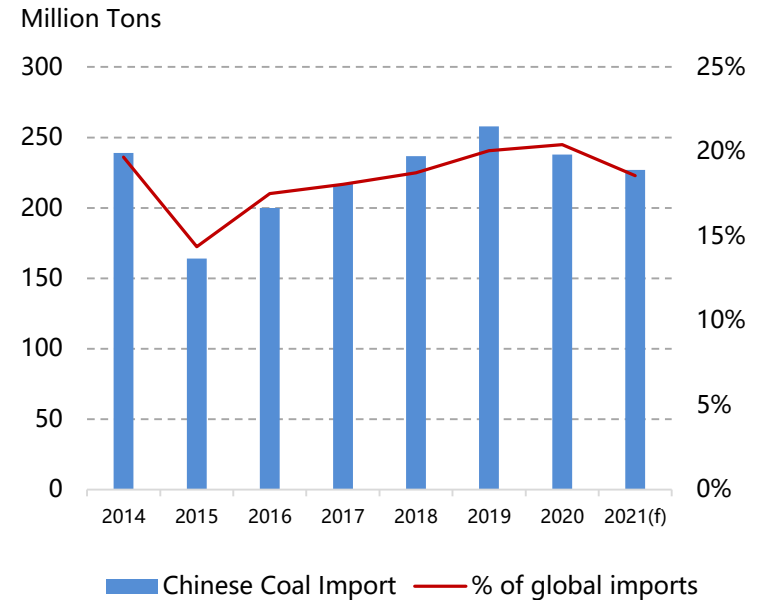
PRC Commodity Imports

- PRC' s demand for iron ore is estimated to remain 1.14 billion tons in 2021
- PRC' s demand for coal imports is projected to decrease by 5% in 2021 to 230 million tons
- PRC' s demand for bauxite imports will grow by 8% in 2021 to 130 million tons

Iron Ore



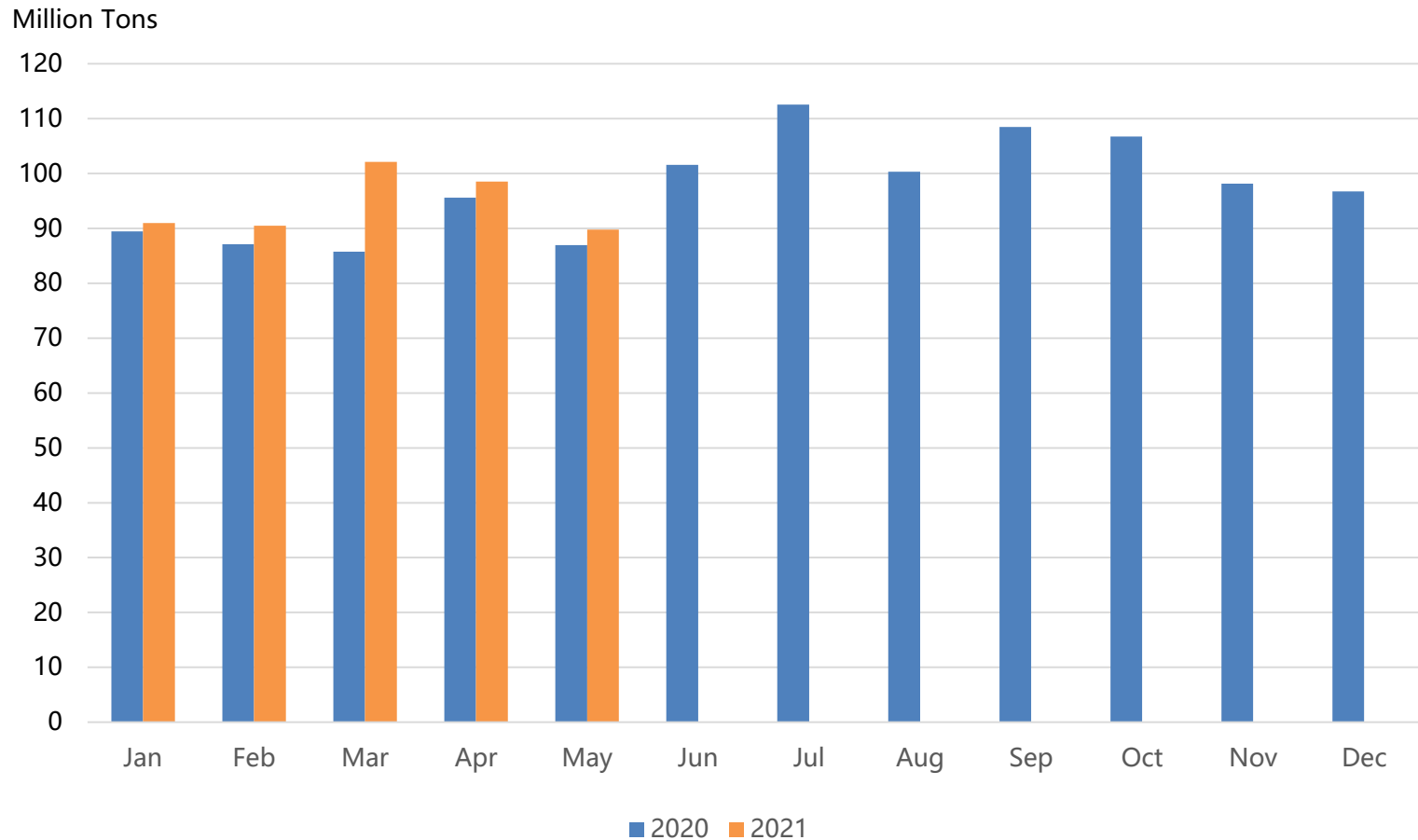
Coal



Source: Clarksons Platou

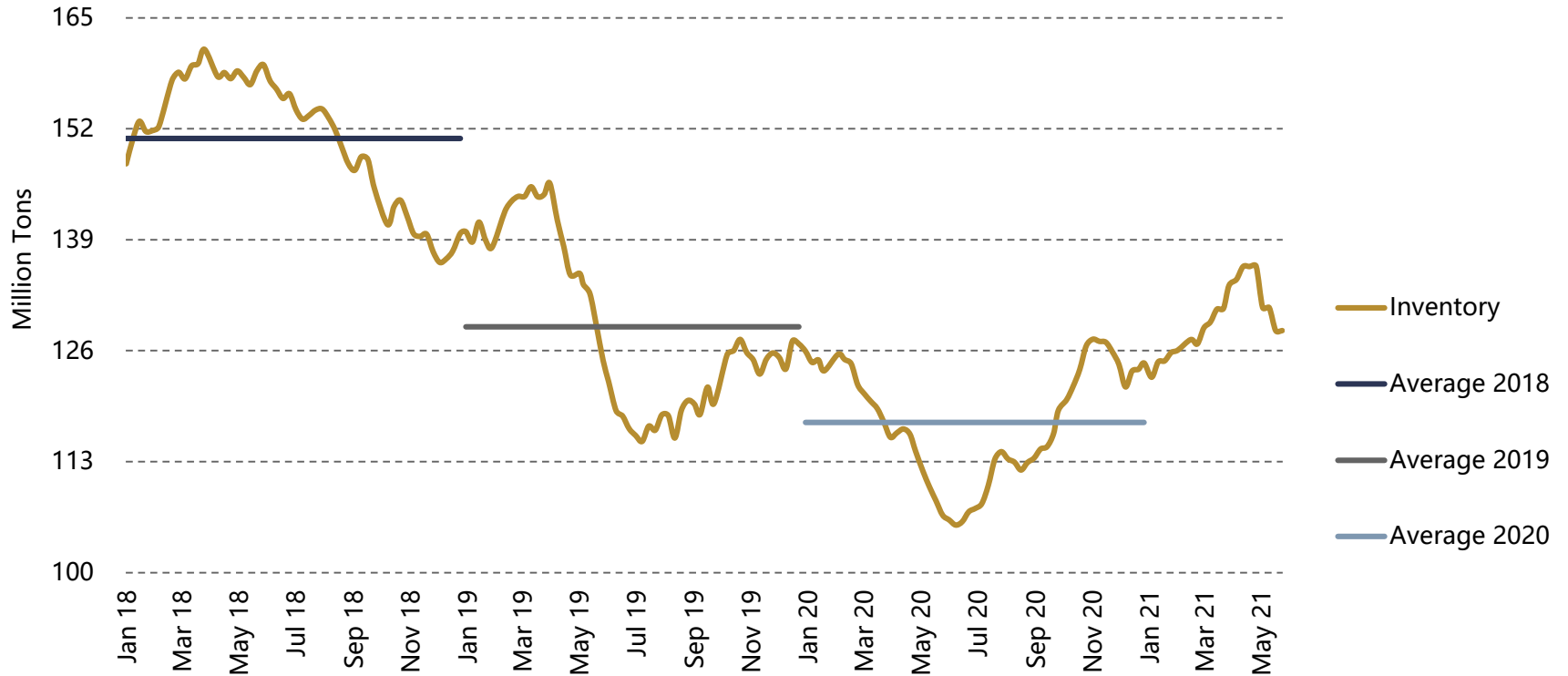
PRC Iron Ore Imports

PRC Iron Ore Monthly Imports



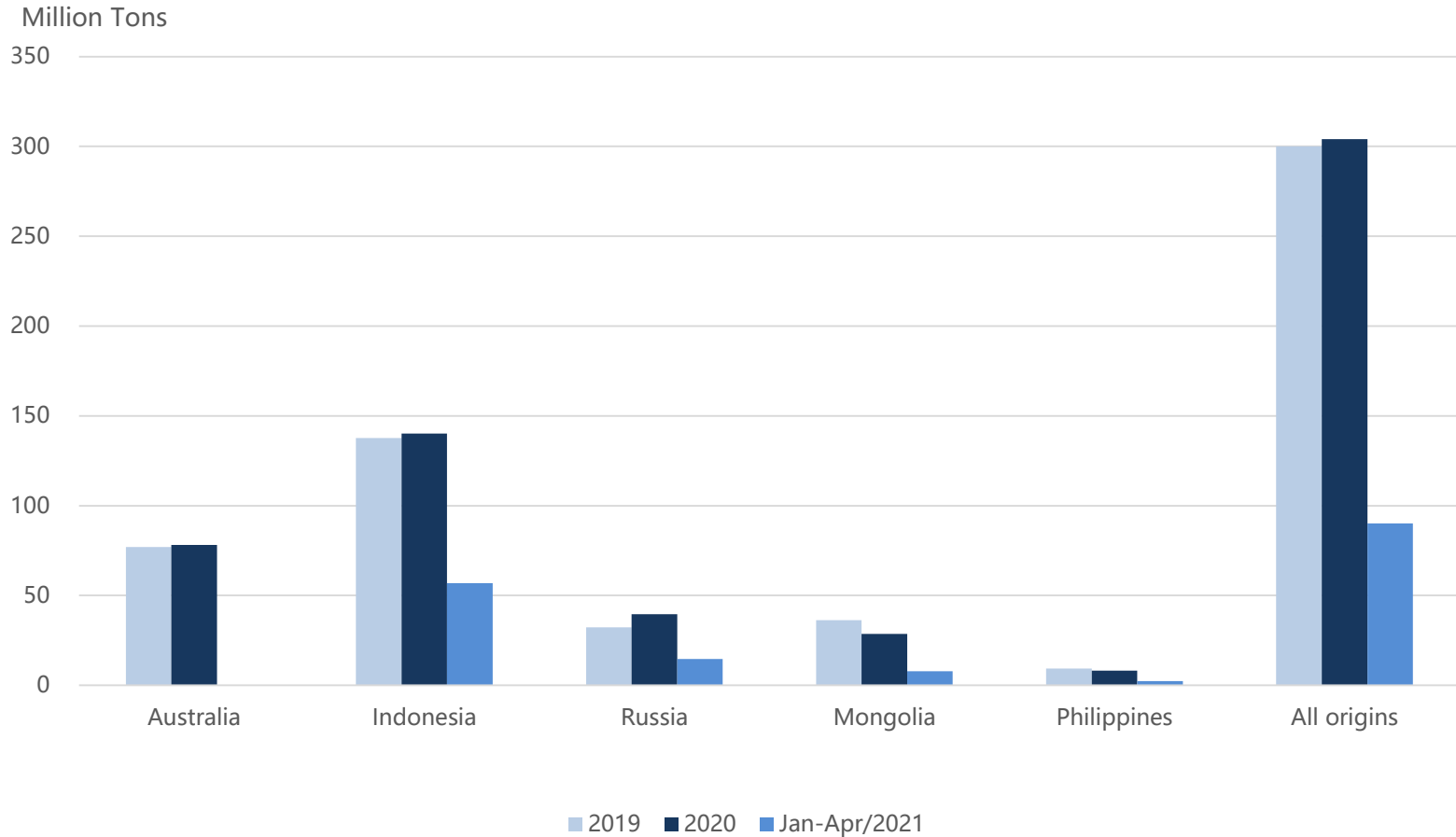
Source: Thurlstone Research

Iron Ore Stockpiles at PRC Ports



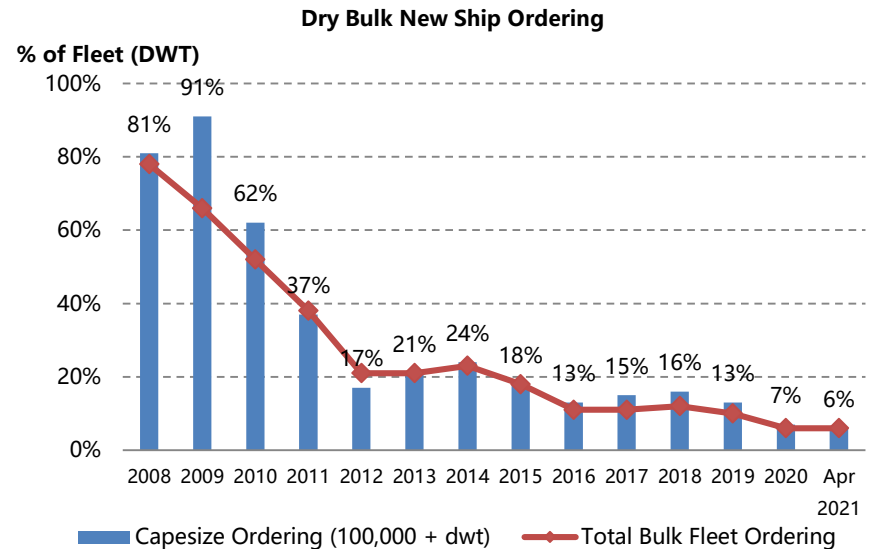
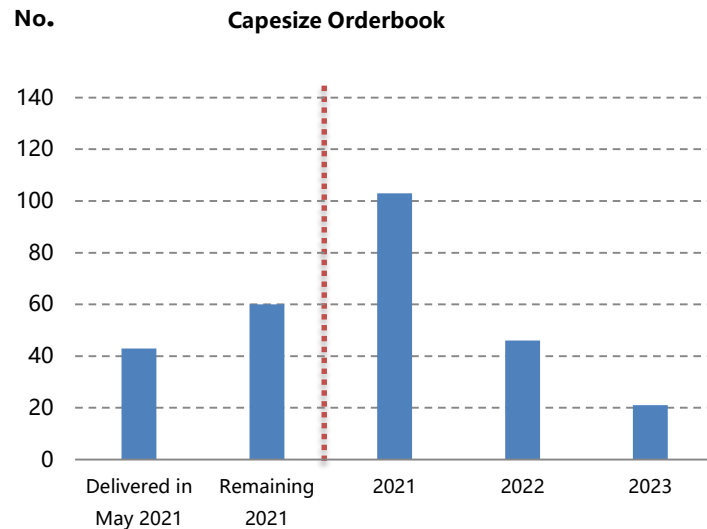
Source: Drewry Maritime Research





PRC Coal Imports



Source: PRC Customs

Bulker Newbuilding Orders are Shrinking



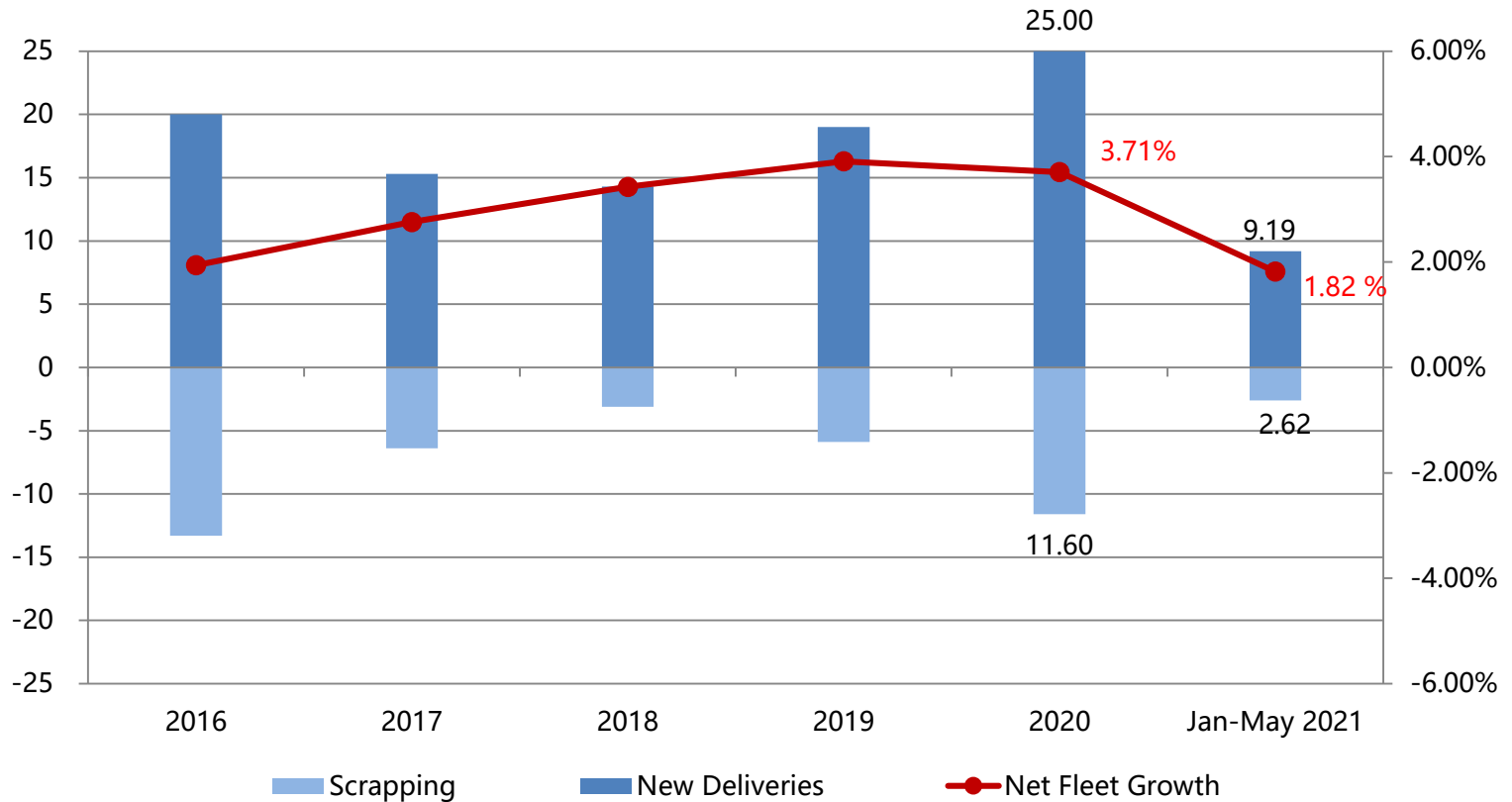
		ORDERBOOK AS % OF EXISTING FLEET	AVERAGE AGE	OVER 20 YEARS OLD	JAN-APR 2021 SCRAPPING AS % OF EXISTING FLEET
	Handysize (10,000 - 40,000 dwt)	3%	12.1	13%	0.37%
	Handymax (incl. Supramax & Ultramax) (40,000 - 65,000 dwt)	6%	10.2	7%	0.18%
	Panamax (incl. Kamsarmax) (65,000 - 100,000 dwt)	6%	10.4	10%	0.17%
	Capesize (100,000 + dwt)	6%	8.7	1%	0.76%
	Total Dry Bulk > 10,000 dwt	6%	10.6	6%	0.43%

Source: Clarksons Platou

Capesize Fleet Growth Decelerates

Capesize Supply Development

Million DWT



Source: Clarksons Platou

Newbuilding/2nd Hand Sale Prices

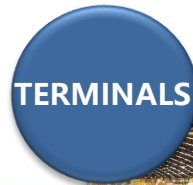
TYPE		PRICE (IN US\$ MILLION)				
YEAR		2019	2020		JUNE 2021	
208,000 DWT	NB	54.5	52.0	-5%	63.0	+21%
180,000 DWT	NB	49.5	46.5	-6%	57.5	+24%
180,000 DWT (ECO)	5-YR	37.5	35.5	-5%	43.0	+21%
180,000 DWT	10-YR	22.0	19.5	-11%	30.0	+54%
176,000 DWT	15-YR	13.5	12.8	-5%	19.0	+48%

Source: Clarksons Platou & Internal Assessment

The Company Overview



Company Profile



Shipping :

CMT owns and manages a fleet of 10 capesize bulkers to offer dedicated services to customers for transportation of dry bulk commodities around the globe

Trucking :

Associated Transport Inc. is one of Taiwan' s largest intermodal container trucking operators that provides container drayage and related services island-wide

Terminals :

CMT Logistics Co., Ltd. operates two containers terminals in northern Taiwan with great access the country' s major ports to offer import/export express services to customers

Air & Tourism :

CMT Air Cargo Department is the General Sales Agent (GSA) of Saudi Arabian Airlines in Taiwan

CMT Capesize Fleet

China Peace
中華和平輪
174,413 DWT



China Progress
中華富進輪
174,322 DWT



China Pride
中華榮耀輪
177,856 DWT



China Triumph
中華光輝輪
203,028 DWT



China Prosperity
中華鴻運輪
203,028 DWT



China Pioneer
中華先鋒輪
206,079 DWT



2005

2006

2009

2011

2012

2012

2023

2023

2017

2017

2016

2013



青島北海船舶重工有限責任公司
QINGDAO BEIHAI SHIPBUILDING HEAVY INDUSTRY CO.,LTD



青島北海船舶重工有限責任公司
QINGDAO BEIHAI SHIPBUILDING HEAVY INDUSTRY CO.,LTD



China Honour
中華名望輪
179,562 DWT



China Enterprise
中華偉業輪
207,986 DWT



China Harmony
中華和諧輪
179,505 DWT



China Fortune
中華偉運輪
206,061 DWT

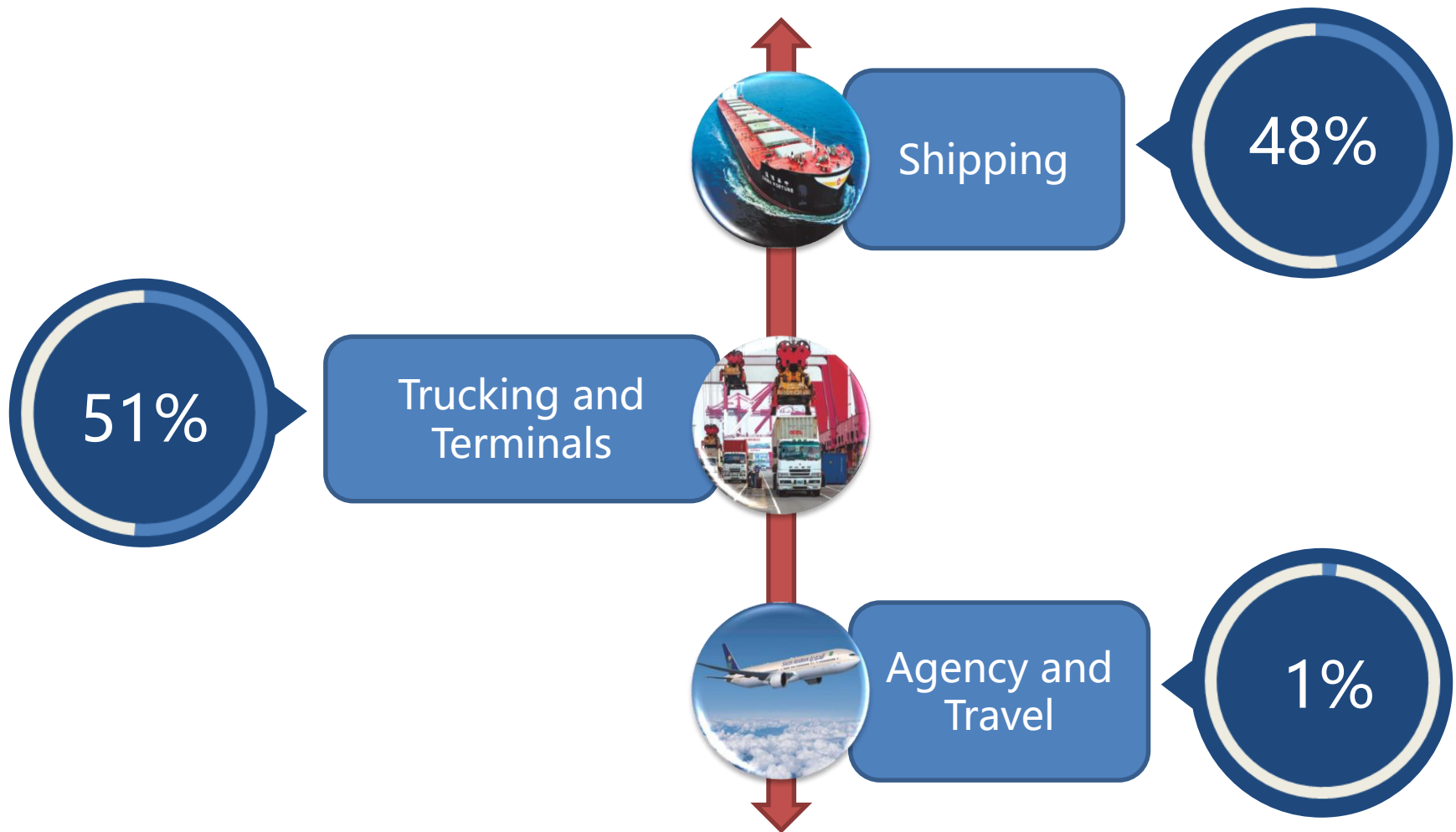
Newbuilding
210,000 DWT

Newbuilding
210,000 DWT



中國航運股份有限公司
Chinese Maritime Transport Ltd.

Entities Revenue Ratio for Q1/2021



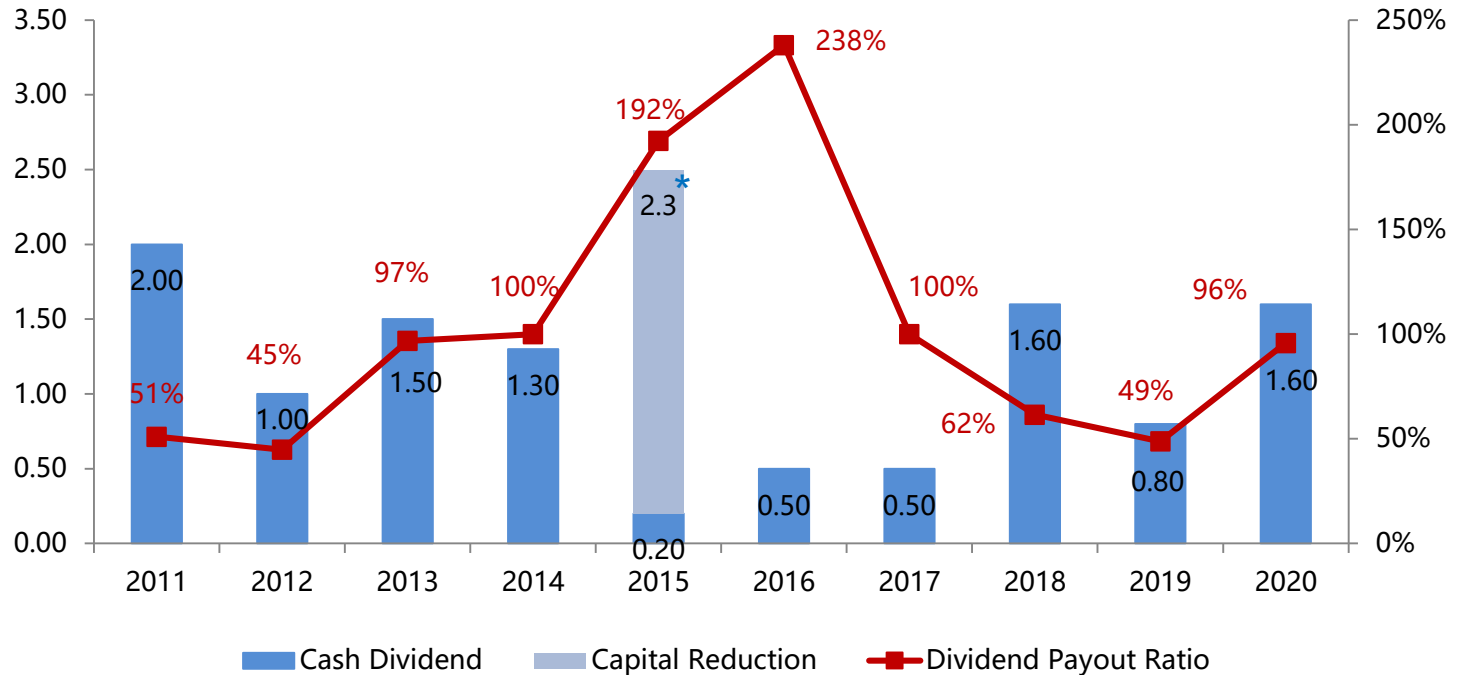
2016-2021 Financial Highlights

Expressed in millions of New Taiwan Dollars

Year	2016	2017	2018	2019	2020	2021 1Q
Revenue	3,295	3,218	3,820	3,763	3,131	792
Net Profit/(Loss)	48	98	514	324	329	221
EPS	0.21	0.50	2.60	1.64	1.67	1.12
Cash and cash equivalents	3,686	2,940	3,345	3,288	3,742	3,028
Total liabilities	11,148	10,652	10,237	10,022	9,734	8,424
Total equity	10,323	9,427	10,187	9,934	9,750	10,035
ROE %	0.5%	1.0%	5.2%	3.2%	3.3%	8.9%
ROA %	0.9%	1.3%	3.5%	2.5%	2.3%	5.2%
Liability %	52%	53%	50%	50%	50%	46%

Dividends Distribution

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Cash dividends/ Capital Reduction (NT\$)	2.00	1.00	1.50	1.30	2.50*	0.50	0.50	1.60	0.80	1.60
EPS (NT\$)	3.92	2.23	1.55	1.30	1.30	0.21	0.50	2.60	1.64	1.67



*Cash dividend NT\$ 0.20 plus capital reduction NT\$2.30 = NT\$2.50

Appendix 1 : Condensed Balance Sheet

Expressed in millions of New Taiwan Dollars

Assets	Mar 31, 2021	Dec 31, 2020	Mar 31, 2020
Current assets	4,573	5,078	3,973
Property, plant and equipment	12,065	12,101	13,411
Intangible assets	10	10	11
Other non current assets	1,811	2,295	2,356
Total assets	18,459	19,484	19,751
Liabilities and Equity			
Current liabilities	2,354	3,505	5,416
Non Current liabilities	6,070	6,229	4,399
Total liabilities	8,424	9,734	9,815
Equity attributable to owners of parent			
Common stock	1,975	1,975	1,975
Capital surplus	53	53	53
Retained earnings	8,817	8,606	8,444
Other equity interest	(810)	(884)	(536)
Total equity	10,035	9,750	9,936
Total liabilities and equity	18,459	19,484	19,751

Appendix 2 : Condensed Statement of Comprehensive Income

Expressed in thousands of New Taiwan Dollars

	2021 1Q	2020	2020 1Q
Operating Revenues	792,821	3,131,115	812,411
Operating costs	656,789	2,583,263	666,097
Gross profit	136,032	547,852	146,314
Operating expenses	98,234	376,341	92,600
Net operating income	37,798	171,511	53,714
Non operating income and expenses	187,671	180,548	(43,006)
Profit before tax	225,469	352,059	10,708
Less: tax expenses	4,784	23,020	8,016
Profit (attributable to owners of parent)	220,685	329,039	2,692
Other comprehensive income, net	64,309	(355,480)	(658)
Comprehensive income (attributable to owners of parent)	284,994	(26,441)	2,034
Earnings per share	1.12	1.67	0.01

Appendix 3 : Corporate Bonds Issuance

Tranche	2017	2020-1	2020-2
Amount (NT\$ 100M)	8	15	10
Tenor	5 Years	5 Years	5 Years
Due Date	10-Apr-2022*	28-Aug-2025	28-Aug-2025
Interest Rate	1.13%	0.64%	0.66%
Interest Payment	Annually	Annually	Annually
Guarantee Bank	Shanghai Commercial Bank	Mega Bank	Shanghai Commercial Bank

* Amount of NTD 400 million was repaid in APR 2020

Disclaimer

The information and opinions in this report were prepared by CMT. Though the information herein is believed to be reliable and has been obtained from market sources believed to be reliable, CMT makes no representation as to its accuracy or completeness.

The material and the information contained herein are provided for general information purposes, and may not be reproduced without the written permission of CMT. CMT shall not be liable to the recipient or any third party for any loss, liability or damage, cost or expense including without limitation, direct, indirect, consequential loss or damage, any loss of profit, loss of use, loss of or interruption in business, loss of goodwill, loss of data arising out of, or in connection with, the use of and the reliance on the information whether in contract, tort, negligence, bailment, breach of statutory duty or otherwise, even if foreseeable. This disclaimer shall be governed by and construed in accordance with Laws of Taiwan, R.O.C.

We undertake no obligation to publicly update or revise any forward looking statement contained in this presentation, whether as a result of new information, future events or otherwise, except as required by law. In light of the risks, uncertainties and assumptions, the forward looking events discussed in this presentation might not occur, and our actual results could differ materially from those anticipated in these forward-looking statements.

Contact Information

Web Site: www.cmt.tw

Head Office:

15 Jinan Road Sect 1 Taipei Taiwan R.O.C.

Tel:+886(0)2 2396 3282

Fax:+886(0)2 2391 6165

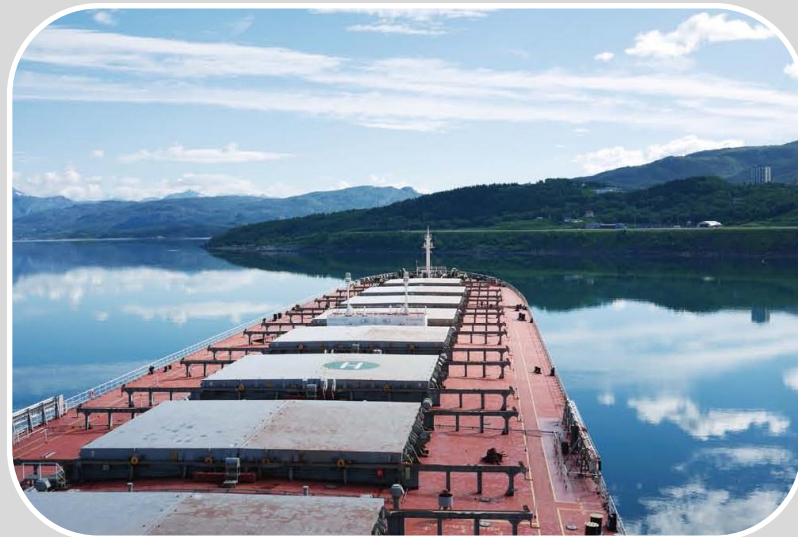
Investor Relations:

Spokesperson: BJ Tarng, Vice President

Tel: +886(0)2 2397 6670

Fax: +886(0)2 2356 8085

Email: inv.rel@agcmt.com.tw



Thank You !

