



Stock Code : 2612 TT

Q3 Investor Presentation

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Company Spokesperson

27th September 2024

Summary of Presentation

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

Outlook



Capesize Market Outlook

PRC Commodities Export Rose in 2024

- Capesize 5TC averaged US\$ 23,851 between Jan-Sep; PRC iron ore imports increased by 5.2% YoY in first eight months while coal imports increased by 11.8% YoY during the same period
- Spot rates are supported so far in 2024; high PRC stockpile is a cause for concern with Singapore future iron ore price dropping below US\$ 90/tonne in September

Iron ore Prices Retreated and Q4 FFA Remains in Contango

- Iron ore prices averaged at US\$ 102/tonne in Q3 and Q4 FFA averages US\$ 28,000
- Rising ship asset values reflecting demand for tonnages in near term

Global Fleet Net Growth Remains Relatively Low

- 32 new ships joined the global fleet so far in 2024, while 5 vintage ships were scrapped in first 8 months
- Capesize net fleet growth is about 1.42%

Short-term Outlook

- PRC iron ore and coal imports increase over same period last year but iron ore stockpile has edged close to highest level. Steel demand remains sluggish but export of steel product is stronger versus 2023
- The 3rd and 4th Beihai 210k dwt bulk carriers had been delivered in 1H while the Company had ordered 2+2 210k dwt newbuildings at CSBC for delivery from 2026 onwards

Market Influencing Factors

Bullish Factors

- Low NB Delivery Numbers
- Stronger PRC Commodity Imports
- Higher Import of Bauxite to PRC
- Simandou Iron Ore Mine

Bearish Factors

- High Iron Ore Stockpile in PRC
- Weaker PRC Steel Demand
- Global Weather Pattern Change
- Vintage Tonnages Delay Scrapping

PRC Key Indicators

- PRC' s gross domestic product in first half year grew by 5.0% y-o-y, while full year guidance is around 5.0%
- PRC' s crude steel production between January and August reached about 691 million tonnes, down by about 3.3% y-o-y; the country exported about 71 million tonnes of steel products between January and August, up by about 20.6% y-o-y
- Compared to end 2023, China Steel Price Index (CSPI) decreased by 22.05% at early September to 90.85 points
- The country imported about 815 million tonnes of iron ore between January and August, up by about 5.2% y-o-y, while coal imports reached about 342 million tonnes, up by about 11.8% y-o-y

Shipping Market Outlook - Demand



Iron Ore

Clarksons Platou forecasts Chinese iron ore imports to increase by 4% in 2024 while Brazilian export volume is expected to increase by 8% and Australian export volume to remain the same level; global iron ore demand is projected to grow by 3% in 2024



Coal

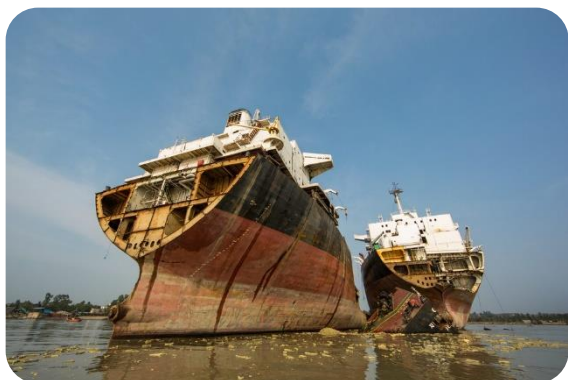
Clarksons Platou forecasts Chinese coal imports to increase by 6% in 2024 while Australian export volume is expected to increase by 2% and Indonesian export volume to increase by 2%; global coal demand remain the same level in 2024

Shipping Market Outlook - Supply



Newbuildings

According to S&P Global, total 56 capesize bulkers were delivered in 2023 with fleet net growth at 2.4%; 39 capesize bulkers are expected to be delivered in 2024



Ship Scrapping

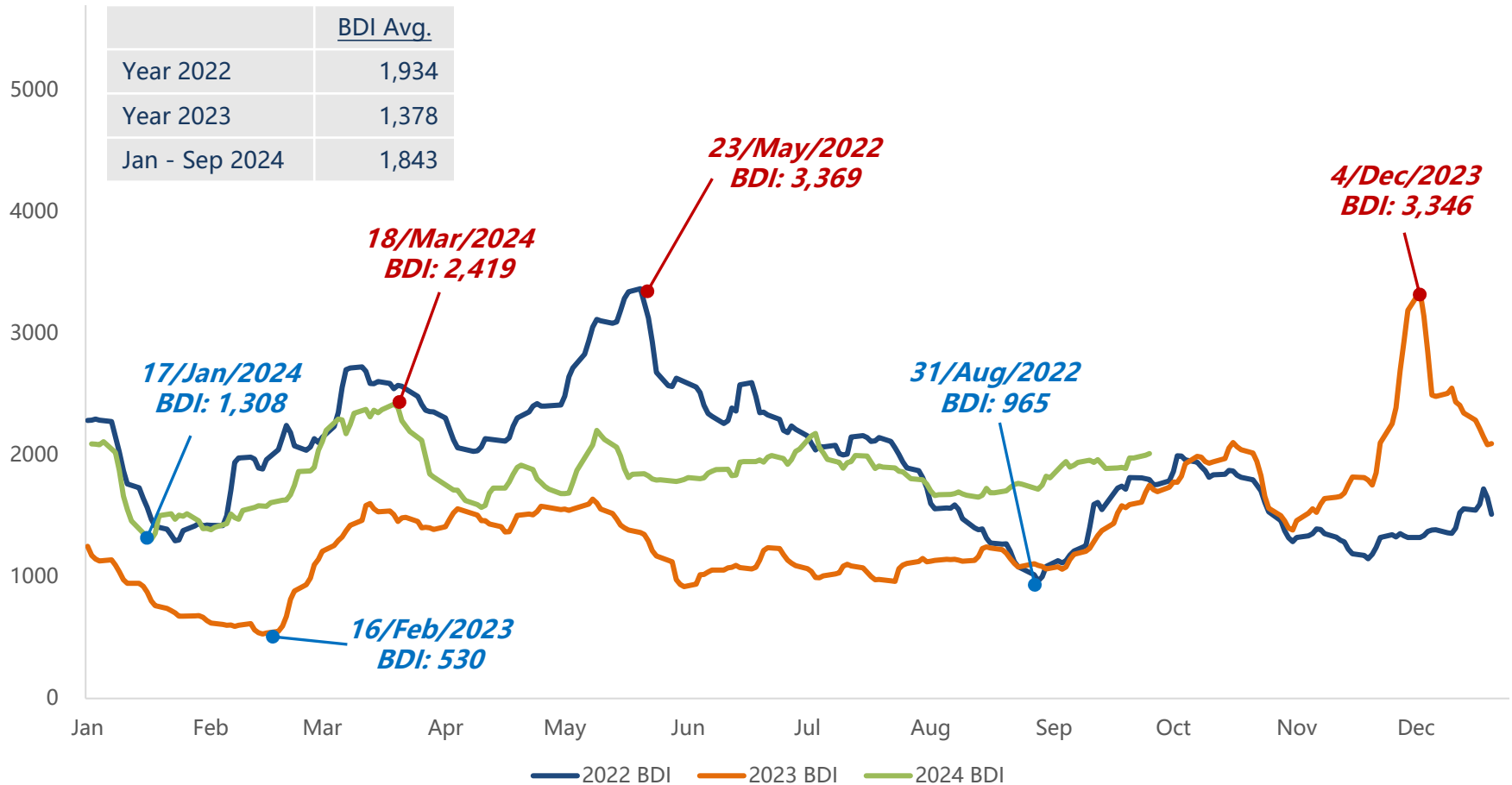
Demolition quantity of capesize bulkers reached 9 in 2023 while more vintage bulkers are to be recycled this year - 10 units are expected to be scrapped in 2024

Dry Bulk Shipping Market Trends



BDI 2022-2024

Baltic Exchange Dry Index



Source: Clarksons Platou

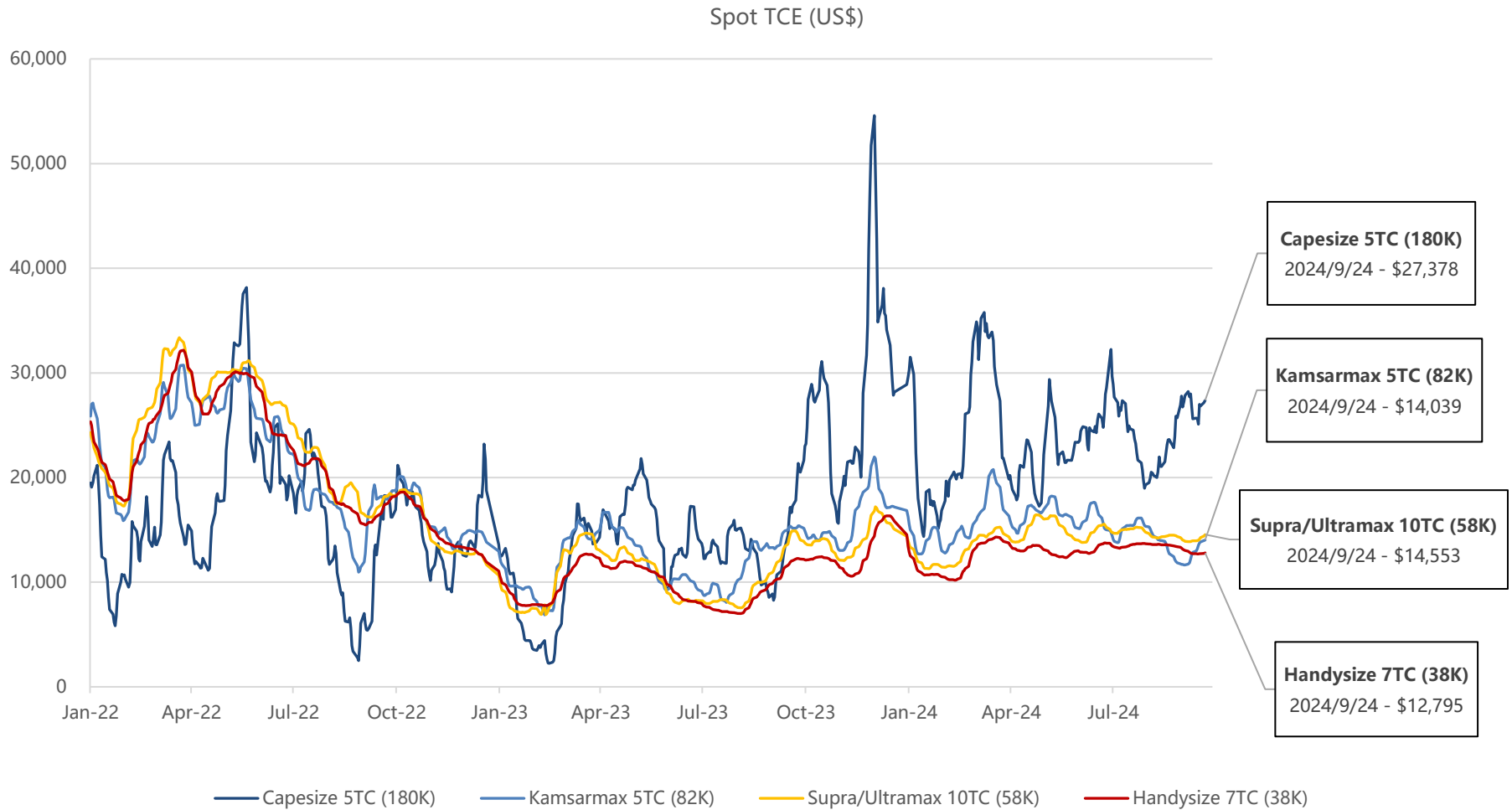
BCI 2022-2024

Baltic Exchange Capesize Index



Source: Clarksons Platou

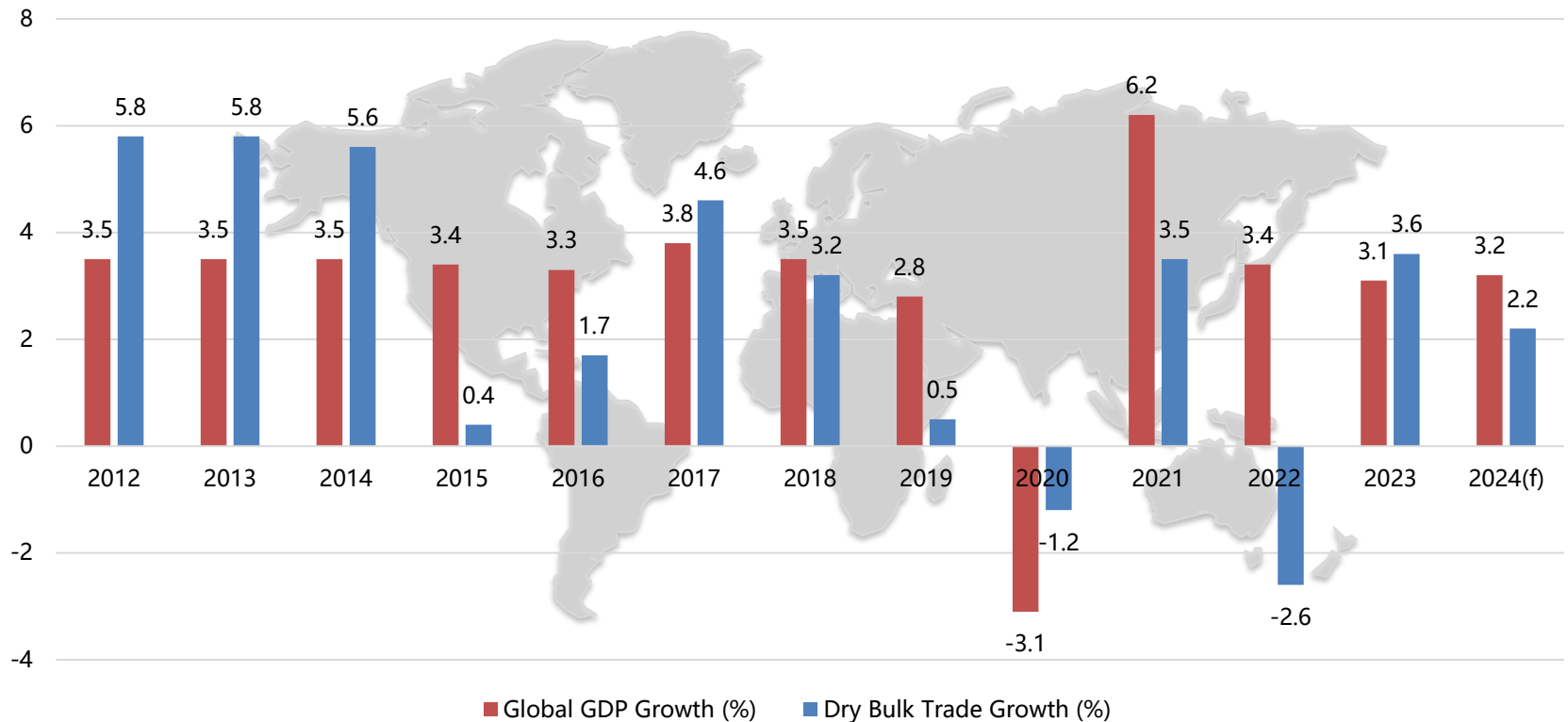
2022- 2024 BCI/BPI/BSI/BHSI Rates



Source: Clarksons Platou

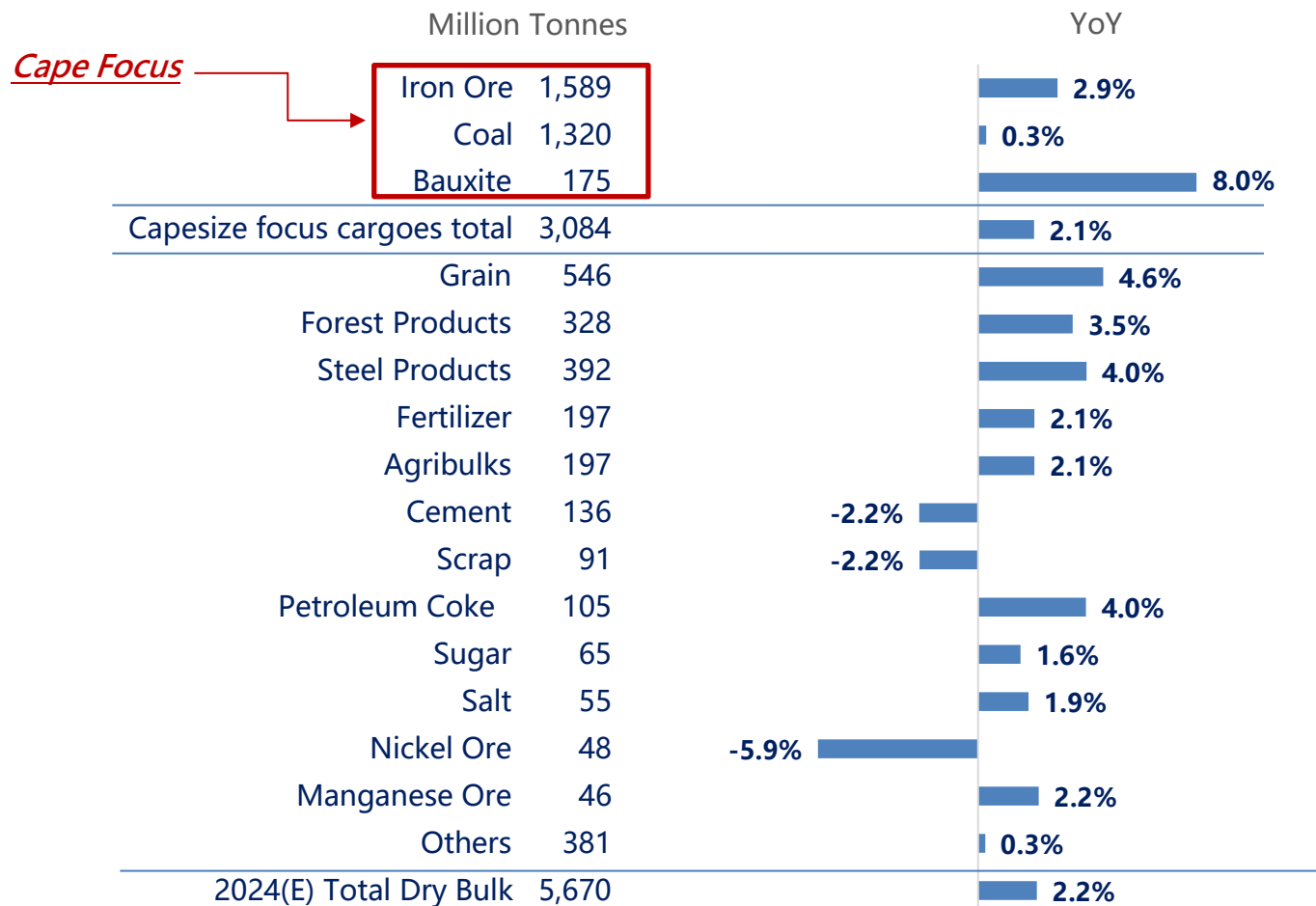
Global Economy and Dry Bulk Trade

- IMF projects global GDP to grow by 3.2% in 2024
- Clarksons Platou forecasts dry bulk seaborne trade to increase by 2.2% in 2024



Source: IMF & Clarksons Platou

Dry Bulk Seaborne Trade Forecast



Source: Clarksons Platou

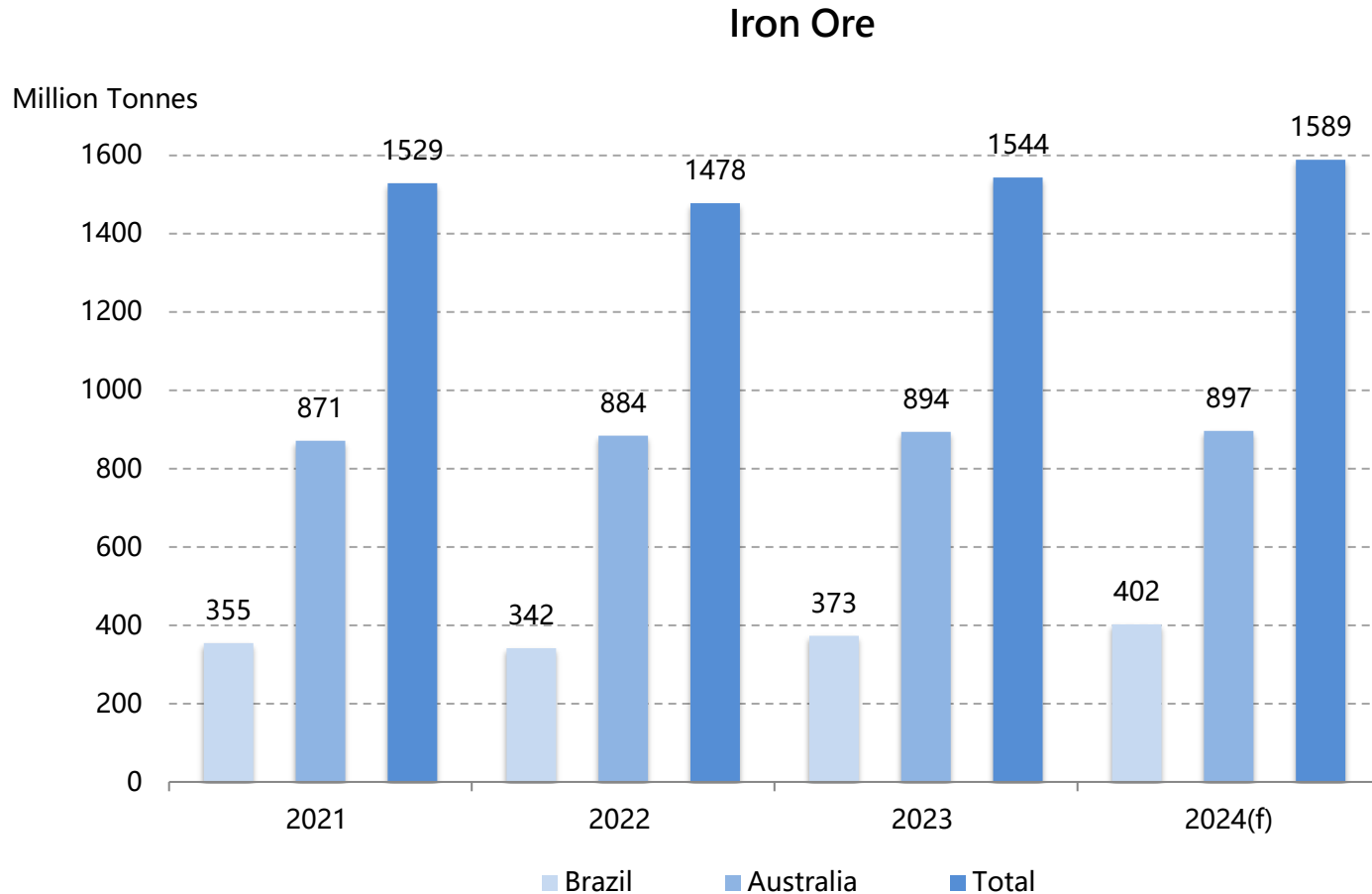
Cape 5TC vs. Fleet Utilization Rate



Source: Marsoft

Global Iron Ore Exports

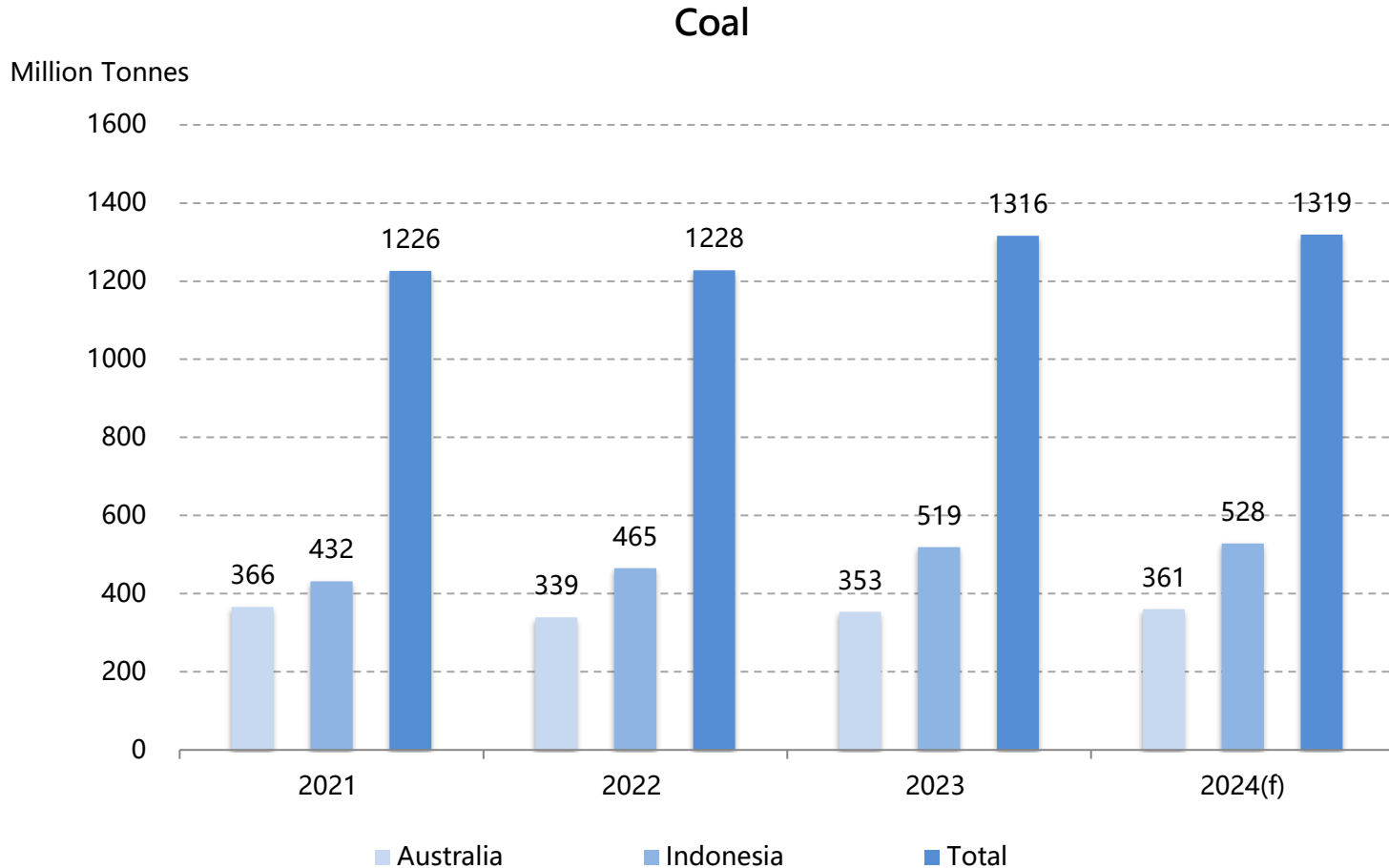
Clarksons Platou forecasts global iron ore exports increase by 3% in 2024



Source: Clarksons Platou

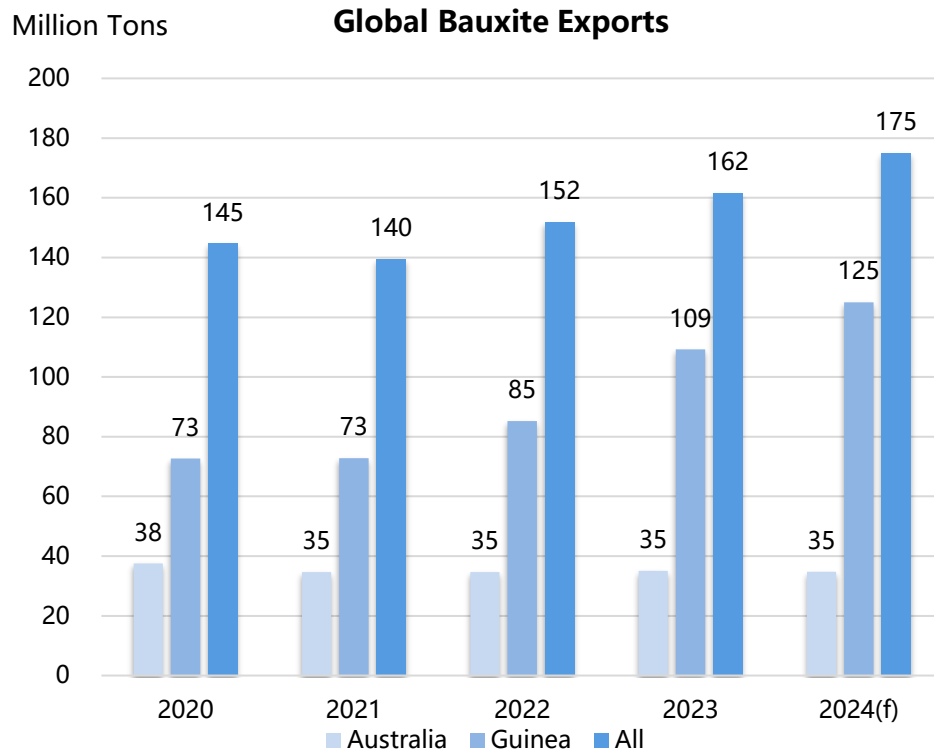
Global Coal Exports

Clarksons Platou forecasts global coal exports remain the same level in 2024

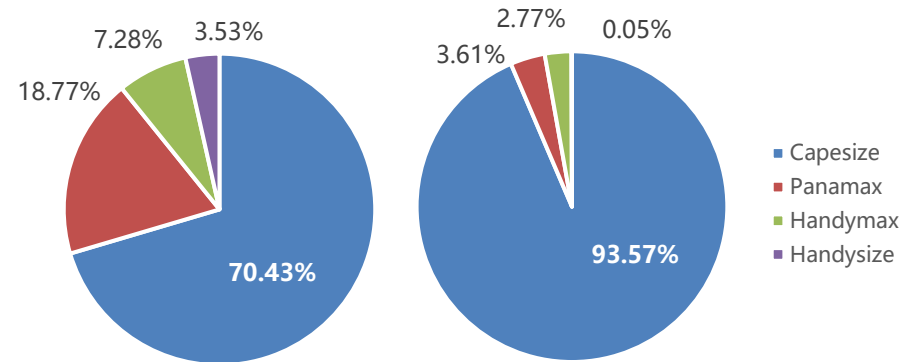


Source: Clarksons Platou

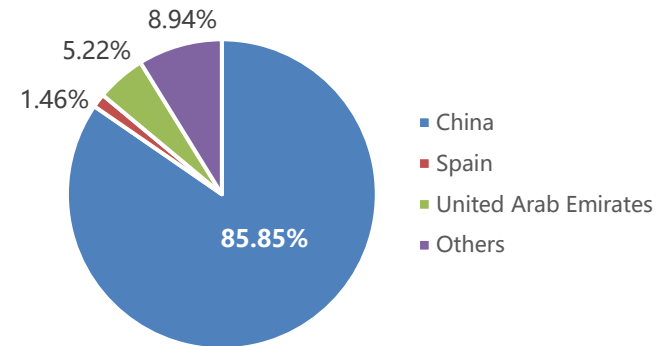
Global Bauxite Exports



2018 vs 2023 Bauxite Export Share by Vessel Type

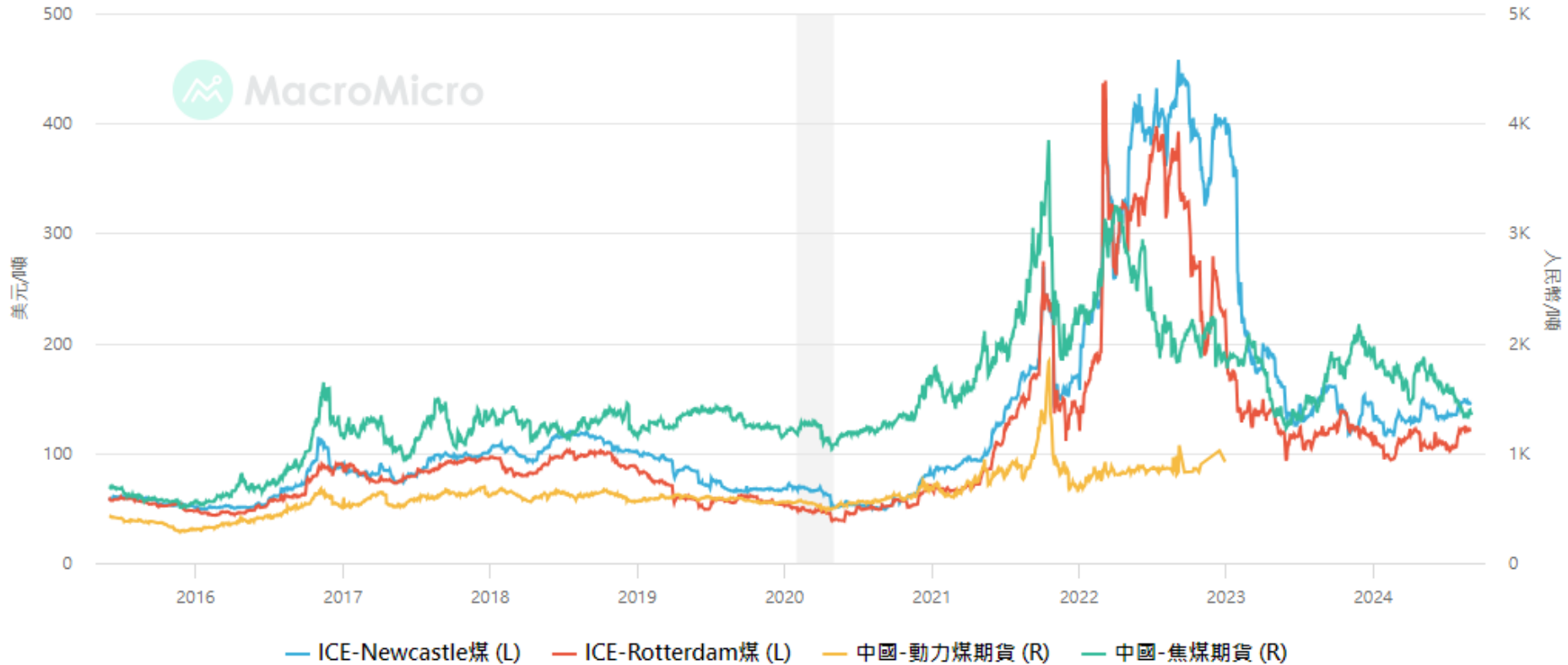


2023 Global Bauxite Imports from Guinea



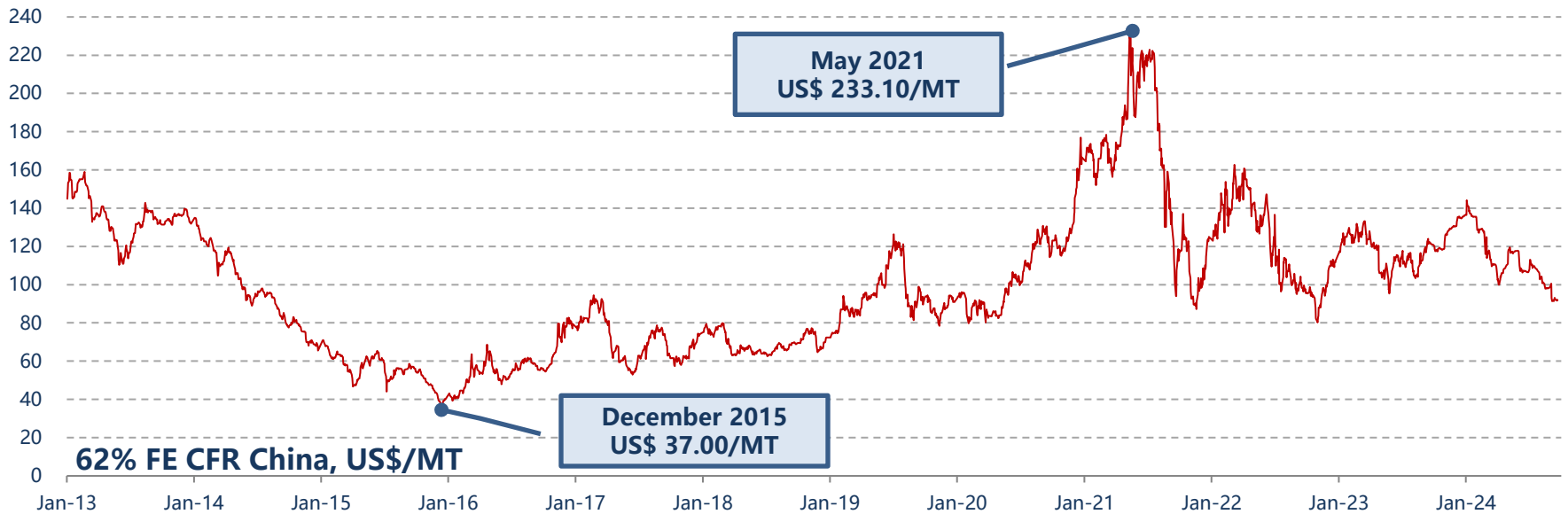
Source: Clarksons Platou & AXS Marine

Global Coal Prices



Source: MacroMicro

Iron Ore Price Trend



Source: MacroMicro

PRC Crude Steel Price



Source: MacroMicro

World Steel Production Trend

PRC' s y-o-y growth rate in 2023: +0.0%;

Full year y-o-y projection for 2024: +1.0%

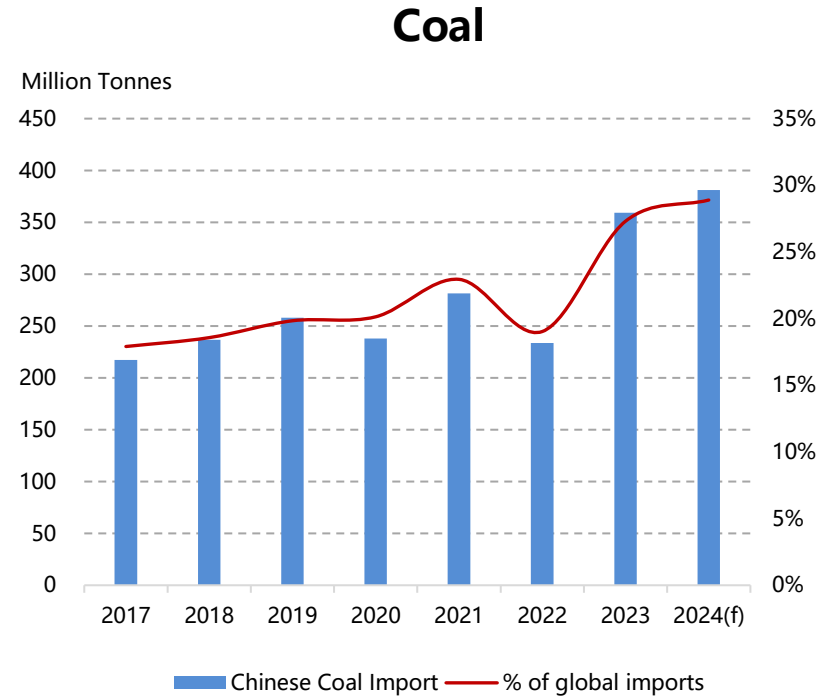
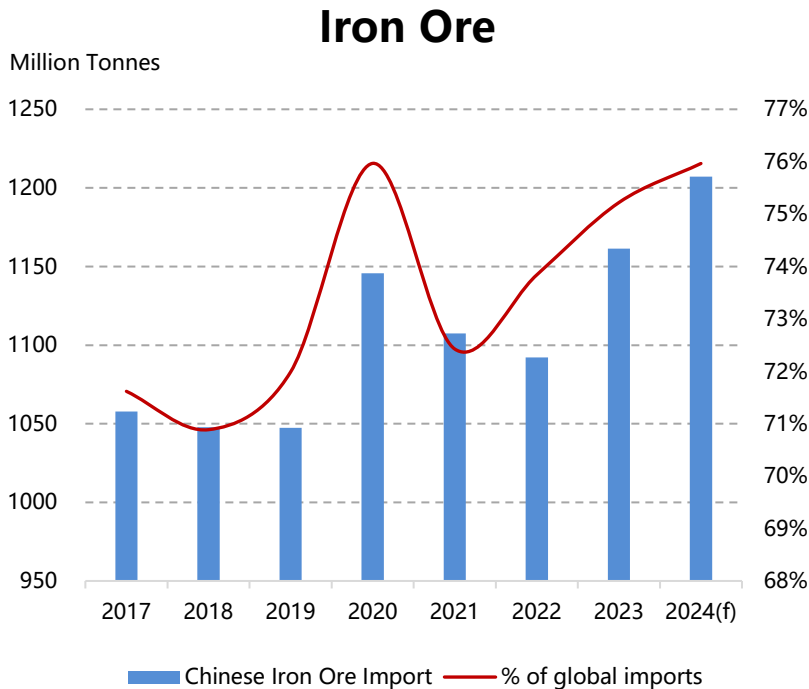
Crude steel production, annual - million tonnes

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
EU	168	157	139	159	141	132	133	137	141	146	149	151
US	87	88	73	86	83	80	84	89	92	95	97	99
Japan	104	99	83	96	90	87	87	89	92	96	99	102
South Korea	72	71	67	71	66	67	67	67	68	68	69	69
China	923	996	1,056	1,031	1,010	1,011	1,021	1,043	1,063	1,084	1,104	1,124
India	109	111	100	117	124	136	153	169	185	201	218	236
Others	327	321	318	309	374	332	341	354	367	380	393	406
Global	1,791	1,843	1,836	1,869	1,888	1,845	1,885	1,948	2,010	2,071	2,128	2,186

Source: Drewry Maritime Research

PRC Commodity Seaborne Imports

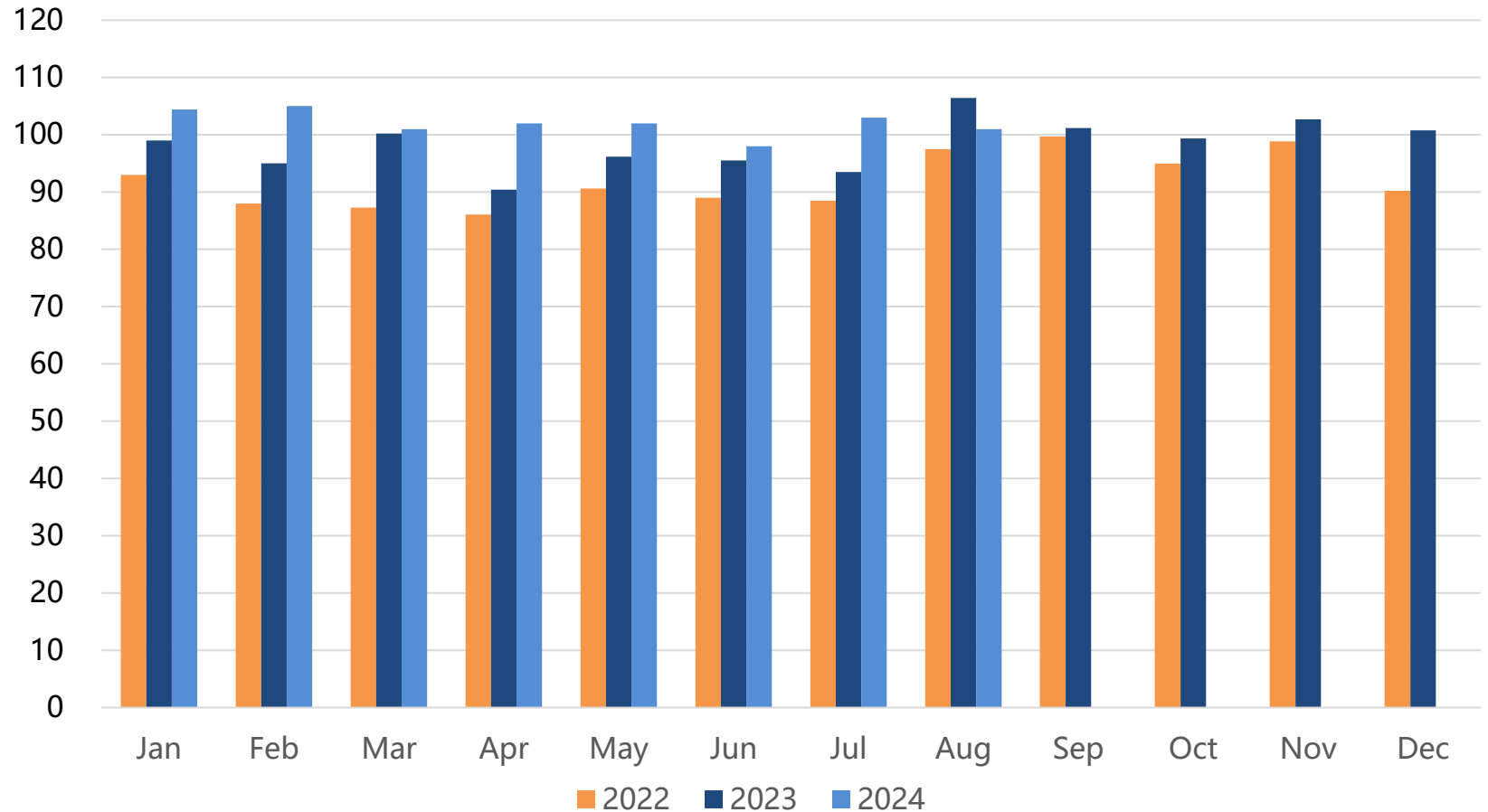
- PRC's demand for iron ore is projected to increase by 4% in 2024 to 1.270 billion tonnes
- PRC's demand for coal imports is estimated to increase by 6% in 2024 to 381 million tonnes



Source: Clarksons Platou

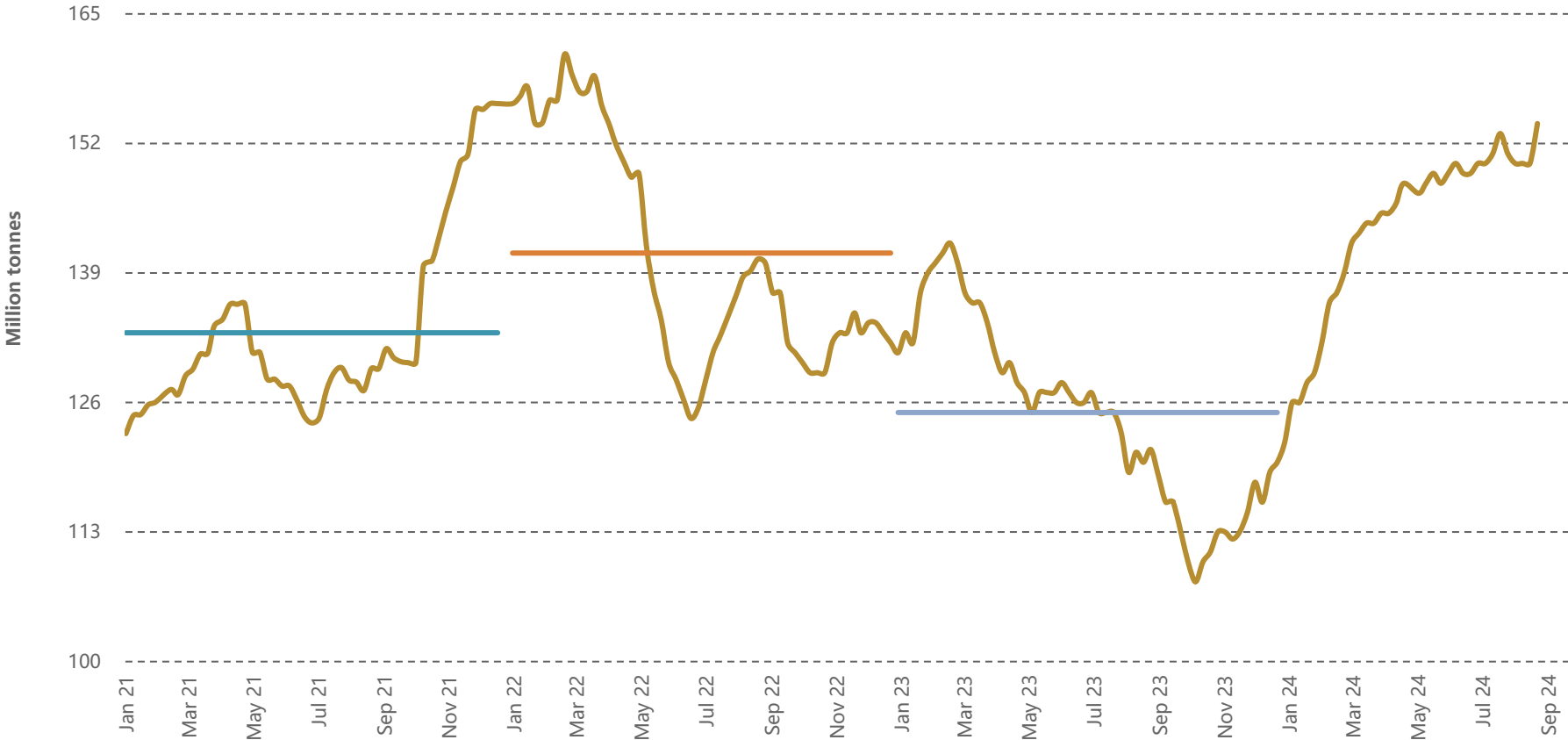
PRC Iron Ore Imports

Million Tonnes



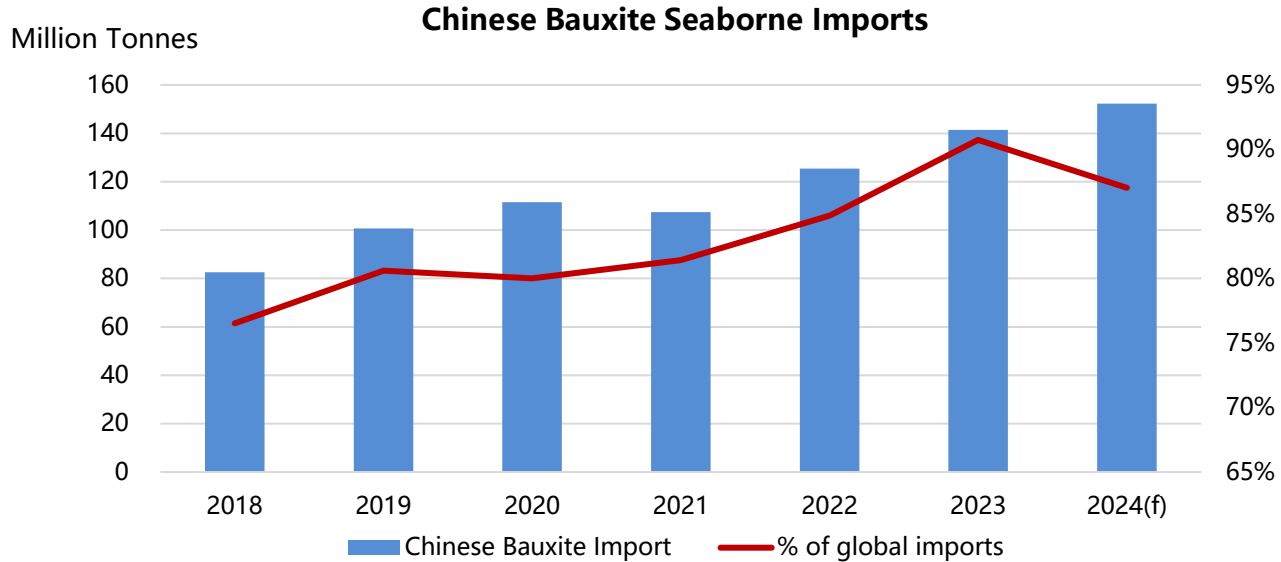
Source: Clarksons Platou

Iron Ore Stockpiles at PRC Ports

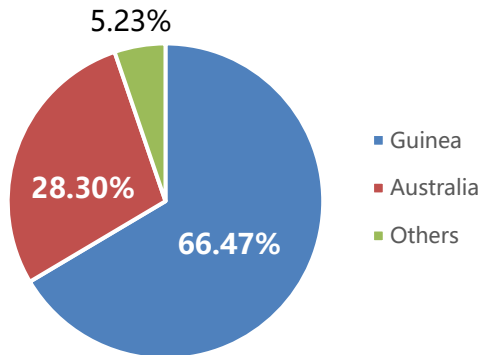


Source: MacroMicro

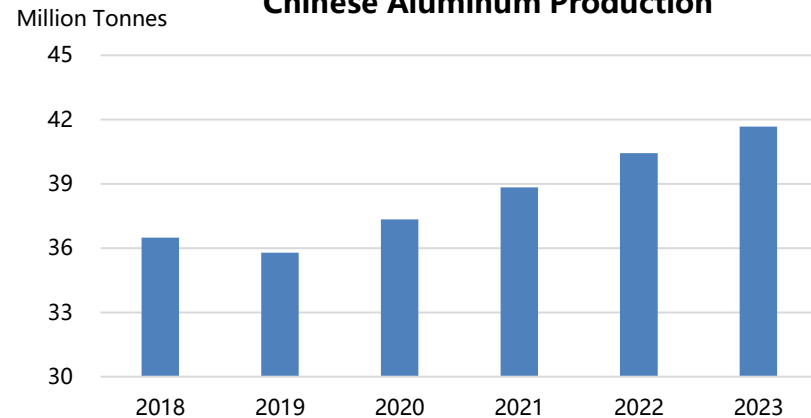
PRC Bauxite Imports



2023 Global Bauxite Imports to China



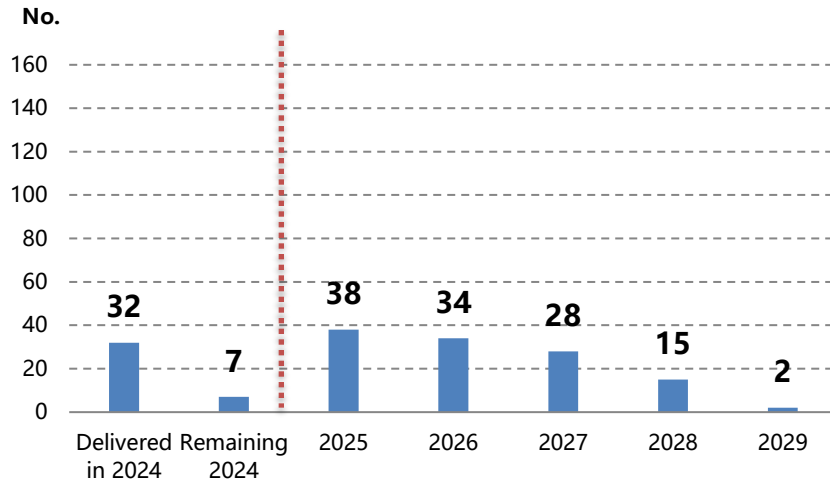
Chinese Aluminum Production



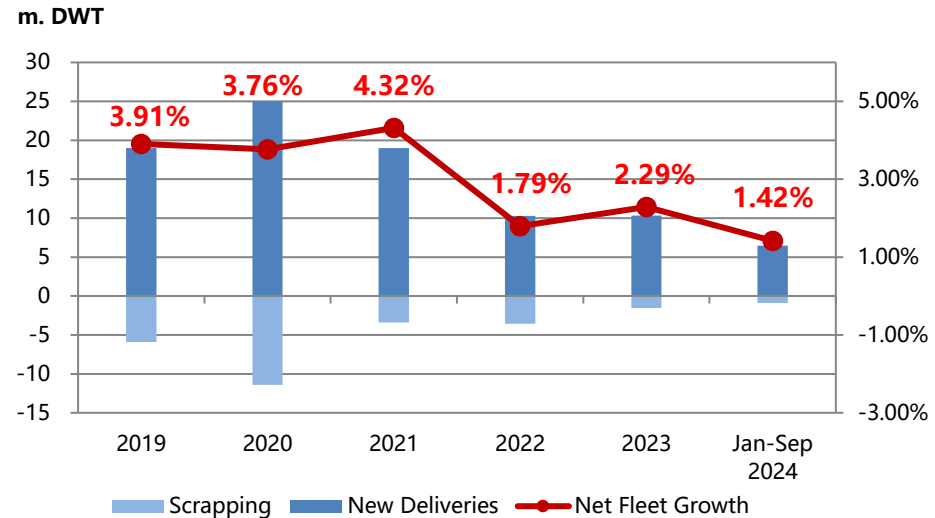
Source: Drewry Maritime Research & AXS Marine & International Aluminum Institute

Newbuilding Orders are Limited

Capesize Orderbook for delivery



Capesize Supply Development



ORDERBOOK AS % OF EXISTING FLEET AVERAGE AGE OVER 15 YEARS OLD SEP 2024 SCRAPPING AS % OF EXISTING FLEET

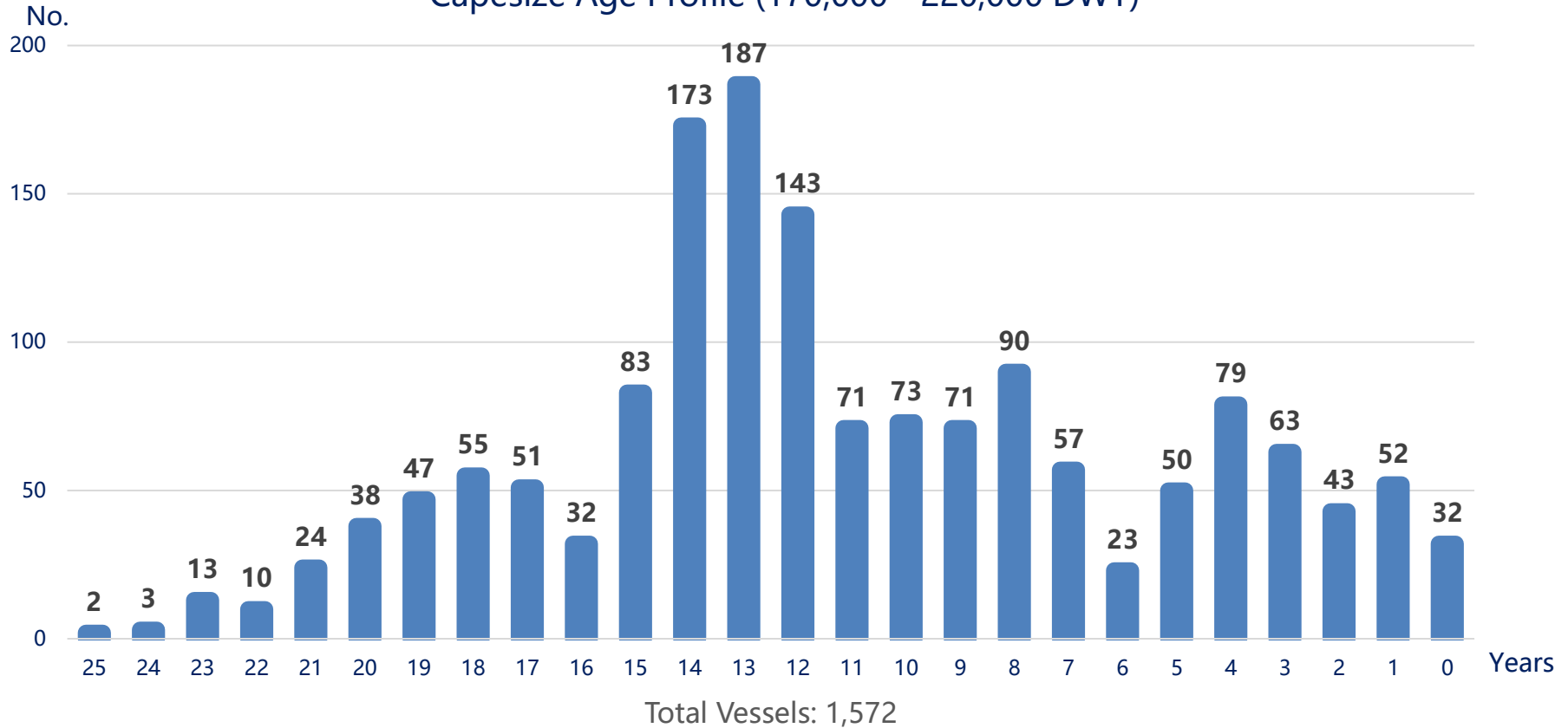
	Handysize (10,000 - 40,000 dwt)	9%	13.4	28%	0.24%
	Handymax (incl. Supramax & Ultramax) (40,000 - 65,000 dwt)	11%	12.1	23%	0.25%
	Panamax (incl. Kamsarmax) (65,000 - 100,000 dwt)	12%	12.0	26%	0.39%
	Capesize (100,000 + dwt)	7%	11.0	17%	0.13%
	Total Dry Bulk > 10,000 dwt	10%	12.3	22%	0.23%

Source: Clarksons Platou

CMT Fleet Average Age: 8.9

Capesize Age Profile

Capesize Age Profile (170,000 - 220,000 DWT)



Source: S&P Global

Newbuilding/2nd Hand Sale Prices

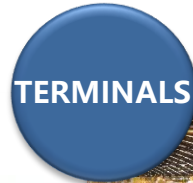
TYPE		PRICE (IN US\$ MILLION)				
YEAR		2022	2023		Sep 2024	
208,000 DWT	NB	66.6	73.7	11%	84.0	14%
180,000 DWT	NB	60.5	67.0	11%	76.5	14%
180,000 DWT (ECO)	5-YR	43.0	52.3	22%	64.0	22%
180,000 DWT	10-YR	28.0	31.0	11%	45.0	45%
176,000 DWT	15-YR	18.5	20.5	11%	28.5	39%

Source: Clarksons Platou & Internal Assessment

The Company Overview



Company Profile



Shipping :

CMT owns and manages a fleet of 14 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

Entities Revenue Ratio for 2024 1H



CMT Capesize Fleet

Vessel Name	Yard	Built	Registry	Class	DWT	Draft (M)
China Vista	Beihai	2024	Singapore	ABS	210,270	18.50
China Ace	Beihai	2024	Singapore	ABS	210,346	18.50
China Champion	Beihai	2023	Singapore	ABS	210,183	18.50
China Venture	Beihai	2023	Singapore	ABS	210,269	18.50
China Honour	Beihai	2017	Hong Kong	ABS	179,562	18.10
China Enterprise	SWS	2017	Singapore	ABS	207,986	18.50
China Harmony	Beihai	2016	Hong Kong	ABS	179,505	18.10
China Fortune	SWS	2013	Singapore	ABS	206,061	18.49
China Pioneer	SWS	2012	Hong Kong	ABS	206,079	18.49
China Prosperity	CSBC	2012	Hong Kong	ABS	203,028	18.10
China Triumph	CSBC	2011	Hong Kong	ABS	203,028	18.10
China Pride	SWS	2009	Hong Kong	ABS	177,856	18.32
China Progress	SWS	2006	Hong Kong	ABS	174,322	18.12
China Peace	SWS	2005	Hong Kong	ABS	174,413	18.12

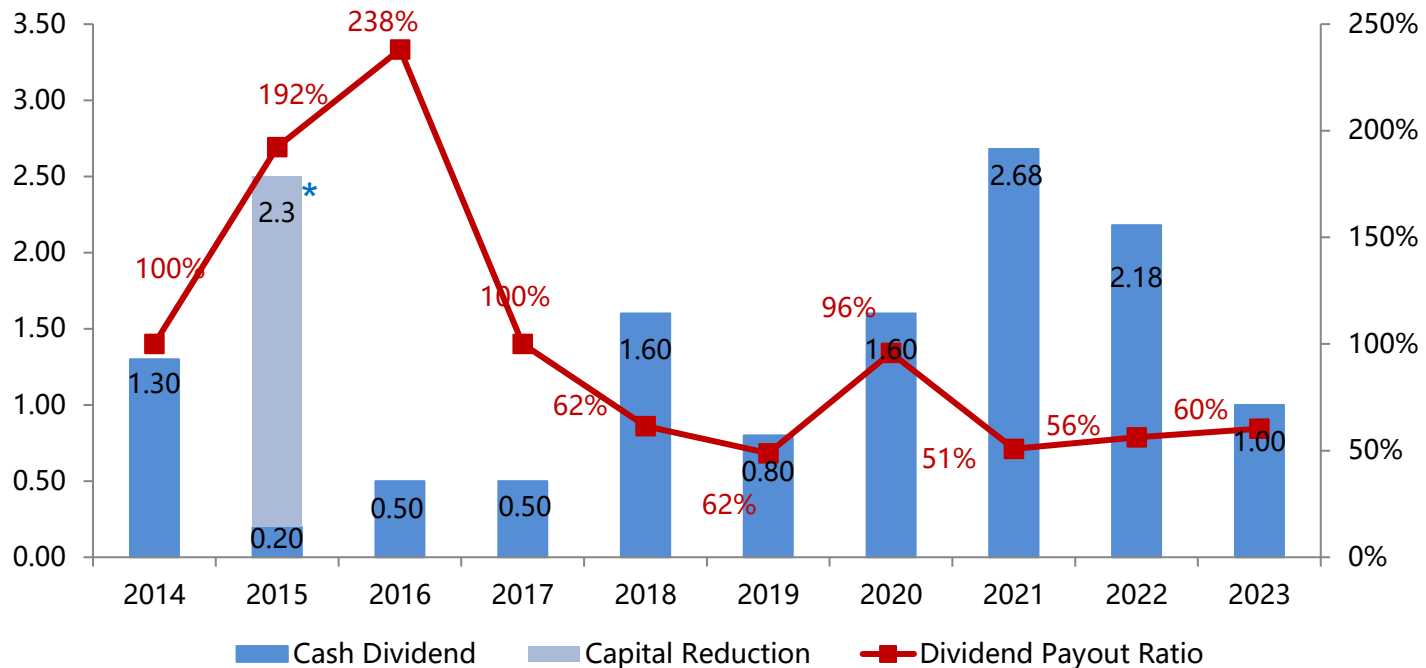
2019-2024 Financial Highlights

Expressed in millions of New Taiwan Dollars

Year	2019	2020	2021	2022	2023	For the six months ended June 30, 2024
Revenue	3,763	3,132	3,554	4,410	4,015	2,143
Net Profit/(Loss)	324	320	1,031	758	324	310
EPS	1.64	1.67	5.27	3.88	1.66	1.58
Cash and cash equivalents	3,288	3,221	3,057	3,989	3,947	4,338
Total liabilities	10,022	9,735	8,650	8,799	11,764	14,625
Total equity	9,934	9,750	10,428	11,652	11,649	13,085
ROE %	3.2%	3.3%	10.3%	6.87%	2.78%	2.51%
ROA %	2.5%	2.3%	5.8%	4.45%	2.82%	1.21%
Liability %	50%	50%	45%	43%	51%	53%

Dividends Distribution

Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Cash dividends/ Capital Reduction (NT\$)	1.30	2.50	* 0.50	0.50	1.60	0.80	1.60	2.68	2.18	1.00
EPS (NT\$)	1.30	1.30	0.21	0.50	2.60	1.64	1.67	5.27	3.88	1.66



*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	June 30, 2024	Dec 31, 2023	June 30, 2023
Current assets	5,478	5,279	5,573
Property, plant and equipment	18,822	15,963	16,236
Intangible assets	12	4	5
Other non current assets	3,398	2,167	1,895
Total assets	27,710	23,413	23,709
Liabilities and Equity			
Current liabilities	4,653	4,284	4,092
Non Current liabilities	9,972	7,480	7,941
Total liabilities	14,625	11,764	12,033
Equity attributable to owners of parent			
Common stock	1,975	1,975	1,975
Capital surplus	53	53	53
Retained earnings	9,695	9,464	9,361
Other equity interest	1,298	93	221
Non-controlling interests	64	64	66
Total equity	13,084	11,649	11,676
Total liabilities and equity	27,709	23,413	23,709

Appendix 2 : Condensed Statement of Comprehensive Income

Expressed in thousands of New Taiwan Dollars

	For the six months ended June 30, 2024	2023	For the six months ended June 30, 2023
Operating Revenues	2,143,236	4,014,892	1,910,376
Operating costs	1,643,708	3,157,517	1,489,721
Gross profit	499,528	857,375	420,655
Operating expenses	234,319	483,101	238,182
Net operating income	265,209	374,274	182,473
Non operating income and expenses	67,281	58,289	96,786
Profit before tax	332,490	432,563	279,259
Less: tax expenses	22,468	108,695	58,293
Profit	310,022	323,868	220,966
Other comprehensive income, net	1,322,813	44,381	174,596
Comprehensive income	1,632,835	368,249	395,562
Earnings per share	1.58	1.66	1.13

Appendix 3 : Corporate Bonds Issuance

Tranche	2020-the first secured -A	2020-the first secured -B	2020-the first secured -C	2020-the first secured -D
Amount (NT\$ 100M)	10	5	5	5
Tenor	5 Years	5 Years	5 Years	5 Years
Due Date	28-Aug-2025	28-Aug-2025	28-Aug-2025	28-Aug-2025
Interest Rate	0.64%	0.64%	0.66%	0.66%
Interest Payment	Annually	Annually	Annually	Annually
Guarantee Bank	Mega Bank	Shanghai Commercial Bank	Mega Bank	Shanghai Commercial Bank

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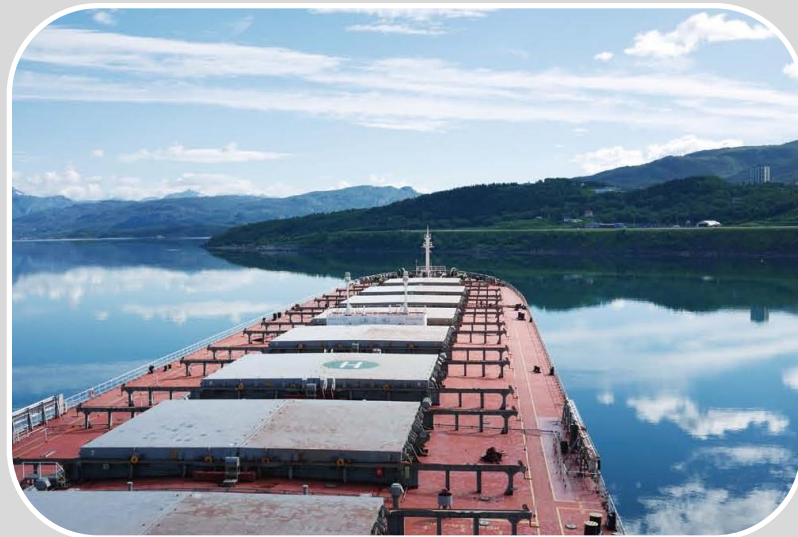
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Thank You!

