

JINHUI SHIPPING AND TRANSPORTATION LIMITED

Q1 2025 Report
31 March 2025



HIGHLIGHTS

For the First Quarter of 2025

- Revenue for the quarter: US\$39 million
- EBITDA for the quarter: US\$35 million
- Net profit for the quarter: US\$17 million
- Basic earnings per share: US\$0.156
- Gearing ratio as at 31 March 2025: 16%

The Board of **Jinhui Shipping and Transportation Limited** (the “Company”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the “Group”) for the quarter ended 31 March 2025.

FIRST QUARTER 2025 RESULTS

Revenue for the first quarter of 2025 increased 41% to US\$39,304,000, comparing to US\$27,894,000 for the corresponding quarter in 2024. The Company recorded a consolidated net profit of US\$17,074,000 for the current quarter as compared to a consolidated net profit of US\$2,405,000 for the corresponding quarter in 2024. Basic earnings per share for the first quarter was US\$0.156 as compared to basic earnings per share of US\$0.022 for the same quarter in 2024. During the quarter, the Group received a settlement income of US\$20,223,000 arising from a legal dispute on the non-performance of a charterparty and an impairment loss of US\$2,432,000 on assets held for sale for a disposed vessel was recognized.

INTERIM DIVIDEND

The Board has resolved not to recommend the payment of any interim dividend for the quarter ended 31 March 2025.

REVIEW OF OPERATIONS

First Quarter of 2025. In the first quarter of 2025, the freight market exhibited typical seasonal trends, with a decline in activity preceding the Chinese Lunar New Year in late January, followed by a recovery in freight rates as market demand improved in February. This pattern aligns with historical expectations, reflecting cyclical fluctuations in logistics and trade activity. The market freight rates soon began to regain strength thereafter driven by the robust demand for dry bulk commodities and limited supply of vessels, despite the simultaneous occurrence of multiple geo-political issues. Baltic Dry Index (“BDI”) fluctuated significantly during the quarter. It opened at 997 points at the beginning of the year, then continued to decline and reached a low of 715 points at end of January, then climbed to a high of 1,669 at mid-March, eventually settling at 1,598 points by the end of March. The average BDI for the first quarter of 2025 was 1,118 points, compared to 1,824 points in the same quarter in 2024.

First Quarter 2025 Statement of Profit or Loss

Revenue for the first quarter of 2025 was US\$39,304,000, representing an increase of 41% as compared to US\$27,894,000 for the same quarter in 2024. The Company generated consolidated operating profit before depreciation and amortization amounted to US\$34,949,000 for the current quarter as compared to consolidated operating profit before depreciation and amortization amounted to US\$12,946,000 for the last corresponding quarter. Basic earnings per share for the first quarter of 2025 was US\$0.156 as compared to basic earnings per share of US\$0.022 for the same quarter in 2024.

As of 31 March 2025, the Group operated twenty-six owned vessels and eight chartered-in vessels as compared to twenty-two owned vessels and six chartered-in vessels as at 31 March 2024.

In the first quarter of 2025, the average daily time charter equivalent rate ("TCE") of our Capesize fleet and Panamax fleet were US\$22,920 and US\$12,822, while the Ultramax/Supramax fleet recorded US\$12,192. In comparison, during the corresponding quarter of 2024, the Panamax fleet recorded US\$17,081 and the Ultramax/Supramax fleet recorded US\$11,819. The average fleet utilization rate of the Group's fleet is 98% for the current quarter.

	Q1 2025	Q1 2024	2024
Average daily TCE of the Group's fleet	US\$	US\$	US\$
Capesize fleet	22,920	-	24,298
Panamax fleet	12,822	17,081	15,528
Ultramax / Supramax fleet	12,192	11,819	14,466
In average	13,229	12,218	14,741

Other operating income increased from US\$2,721,000 for the first quarter of 2024 to US\$23,852,000 for the current quarter mainly due to a receipt of settlement income of US\$20,223,000 from a legal dispute over the non-performance of a charterparty. Other operating income also included a recognition of net gain of US\$1,626,000 on financial assets at fair value through profit or loss for the first quarter of 2025 while a net gain of US\$1,716,000 on financial assets at fair value through profit or loss was recorded for the same quarter of 2024.

Shipping related expenses rose from US\$13,491,000 for the first quarter of 2024 to US\$21,647,000 for the current quarter. The increase was primarily attributable to higher hire payments, driven by an increase in number of chartered-in vessels compared to the same period as last year. The Group engaged in certain inward time charters engagements, incurring approximately US\$4.5 million in hire payments for these short-term leases during the first quarter of 2025. The rise in shipping related expenses during the first quarter of 2025 was further attributed to the expansion of the Group's fleet, which increased to twenty-six vessels, compared to twenty-two vessels in the corresponding period of the previous year. The expansion of fleet size resulted in higher shipping operational costs, contributing to the overall increase in shipping related expenses for the quarter. The daily vessel running cost of the Group's owned vessels increased to US\$5,375 for the first quarter of 2025 as compared to US\$4,830 for the first quarter of 2024 as certain initial running costs and expenses, especially spare parts and consumables stores, were incurred for newly delivered vessels. We will continue with our cost reduction effort, striving to maintain a highly competitive cost structure when stacked against other market participants.

Depreciation and amortization of the Group increased from US\$9,046,000 for the first quarter of 2024 to US\$15,283,000 for the first quarter of 2025. The increase was attributable to the recognition of US\$7,274,000 in depreciation on right-of-use assets for long-term chartered-in vessels for the current quarter, compared to US\$2,185,000 recorded in the corresponding period of the prior year. The Group's daily vessel depreciation increased to US\$3,340 for the current quarter as compared to US\$3,295 for the corresponding quarter in 2024. This increment was mainly due to higher carrying amounts of owned vessels following the recognition of a reversal of impairment loss on these vessels at the end of 2024.

Other operating expenses increased from US\$1,362,000 for the first quarter of 2024 to US\$3,780,000 for the current quarter. This increase was primarily driven by the recognition of an impairment loss on assets held for sale, specifically a disposed vessel. In March 2025, the Group entered into a memorandum of agreement for the disposal of a Supramax vessel at a consideration of US\$8,260,000. The vessel was subsequently delivered to the purchaser in May 2025. For financial reporting purposes, the vessel was reclassified to “Assets held for sale” in accordance with IFRS 5 and HKFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” at the reporting date, with an impairment loss on assets held for sale (disposed vessel) of US\$2,432,000 recognized and was included in other operating expenses for the period.

Finance costs increased from US\$1,495,000 for the first quarter of 2024 to US\$2,592,000 in the first quarter of 2025. The rise was due to an increase in loan drawdown for financing of vessel deliveries during the quarter as well as the increase in recognition of interest expenses on lease liabilities, which amounted to US\$912,000 during the quarter as compared to US\$395,000 for last corresponding period.

First Quarter 2025 Statement of Cash Flows and Statement of Financial Position as at 31 March 2025

As at 31 March 2025, the Group maintained positive working capital position and had cash and cash equivalents of US\$28,088,000 (31/12/2024: US\$23,005,000). During the first three months of 2025, net cash generated from operating activities after working capital changes was US\$29,718,000 (31/3/2024: US\$9,996,000), of which US\$5,552,000 (31/3/2024: US\$1,461,000) related to changes in working capital.

For the first quarter of 2025, the Group reported a net cash used in investing activities amounted to US\$29,147,000, compared to net cash from investing activities of US\$4,213,000 in the corresponding period of 2024. This included a balance payment of US\$25,856,000 for vessel deliveries and capitalized drydocking expenditures, as well as US\$3,400,000 in installment payment for vessels under construction, which is scheduled for delivery to the Group in 2027.

Net cash from financing activities amounted to US\$4,512,000 in the first quarter of 2025, compared to net cash used in financing activities of US\$30,836,000 in the corresponding quarter of 2024. During the quarter, the Group had drawn new secured bank loans of US\$15,000,000 (31/3/2024: US\$42,000) upon delivery of a vessel and repaid US\$2,270,000 (31/3/2024: US\$28,709,000) of bank borrowings. Furthermore, a repayment of US\$7,732,000 (31/3/2024: US\$2,506,000) on lease liabilities was incurred.

The Group's total secured bank loans increased from US\$97,994,000 as at 31 December 2024 to US\$110,724,000 as at 31 March 2025, of which 9%, 9% and 82% are repayable respectively within one year, in the second year and in the third to fifth year. The bank borrowings represented revolving loans and term loans that were denominated in Hong Kong Dollars. All bank borrowings were committed on floating rate basis.

As at 31 March 2025, the total of the Group's equity and debt securities, bank balances and cash increased to US\$48,623,000 (31/12/2024: US\$40,908,000).

The gearing ratio, as calculated on the basis of net debts (total interest-bearing debts net of equity and debt securities, bank balances and cash) over total equity, was 16% (31/12/2024: 15%) as at 31 March 2025. With cash, marketable equity and debt securities in hand as well as available credit facilities, the Group has sufficient financial resources to satisfy its commitments and working capital requirements. As at 31 March 2025, the Group is able to service its debt obligations, including principal and interest payments.

Capital Expenditures and Commitments

Capital Expenditures

In the first quarter of 2025, the Group reported capital expenditure of US\$25,856,000, primarily for the balance payment on vessel deliveries and capitalized drydocking costs. Additionally, US\$3,400,000 was paid as installment for vessels under construction, and US\$55,000 was spent on other property, plant, and equipment.

For the last corresponding quarter, capital expenditure of US\$238,000 was incurred, including US\$233,000 on improvement to motor vessels and US\$5,000 on other property, plant and equipment.

Capital Commitments

In 2024, the Group entered into two shipbuilding contracts for the construction of two Ultramax newbuildings, each at a consideration of US\$34,000,000 of deadweight 63,500 metric tonnes, to be delivered in 2026 and 2027 respectively. As at 31 March 2025, installment of US\$3,400,000 for the vessels under construction was paid, and the capital expenditure commitments contracted by the Group but not provided for, net of installment paid, was approximately US\$64,600,000 (31/12/2024: US\$68,000,000).

In 2018, the Group entered into the co-investment documents to co-invest in a property project in Tower A of One Financial Street Center, Jing'an Central Business District, Shanghai, the PRC, pursuant to which the Group is committed to acquire non-voting participating class A shares of Dual Bliss Limited of US\$10,000,000. Dual Bliss Limited is one of the investors of the Co-investment. As at the reporting date, the capital expenditure commitments contracted by the Group but not provided for was US\$372,000 (31/12/2024: US\$372,000).

As at 31 March 2025, the total amount of capital expenditure commitments contracted by the Group but not provided for, net of installment paid, was US\$64,972,000.

As of 31 December 2024, the total amount of capital expenditure commitments contracted by the Group but not provided for was US\$117,080,000. In addition to the aforementioned commitments, the amount also included right-of-use assets of approximately US\$26,640,000 for the long term charter of a Capesize, which was delivered in January 2025, as well as a capital expenditure commitment of US\$22,068,000 for the acquisition of an Ultramax, which was acquired at the end of 2024 and delivered to the Group in January 2025.

Save as disclosed above, there were no other significant capital expenditure commitments contracted by the Group but not provided for as at the reporting date.

FLEET OVERVIEW

The Group operates a balanced and diversified fleet of dry bulk carriers, comprising Capesize, Panamax, Ultramax and Supramax bulk carriers. To stay competitive in the market, the Group focused on enhancing the quality of our fleet and adjusting our fleet profile, in particularly in terms of seeking to lower the overall age profile of our fleet. As at 31 March 2025, the Group operated a fleet of thirty-four vessels, of which twenty-six are owned vessels (including the one which has been disposed of and classified under assets held for sale) and eight chartered-in vessels, with total deadweight carrying capacity of approximately 2,482,000 metric tonnes. As at 31 March 2025, the carrying amount of the motor vessels and capitalized drydocking costs was US\$403,303,000 (31/12/2024: US\$393,320,000).

	Number of vessels		Total
	Owned	Chartered-in	
Capesize fleet	2	1	3
Panamax fleet	1	3	4
Ultramax / Supramax fleet	23	4	27
Total number of vessels	26	8	34

During the quarter, the Group was optimizing its fleet through strategic acquisitions, disposals and chartering activities with a view to maintaining high financial flexibility and maximize operational competitiveness at a lower level of capital investment.

Acquisition and Disposal of Vessels

On 19 March 2025, the Group entered into an agreement for the disposal of an older Supramax of deadweight 53,350 metric tonnes at a consideration of US\$8,260,000. The vessel was delivered to the purchaser on 12 May 2025. For financial reporting purposes, the vessel was reclassified to “Assets held for sale” in accordance with IFRS 5 and HKFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” at the reporting date, and an impairment loss on assets held for sale (disposed vessel) of US\$2,432,000 was recognized and included in other operating expenses for the current quarter.

An Ultramax of deadweight 61,441 metric tonnes, built in year 2017, was acquired at the end of 2024 and delivered to the Group in January 2025.

Subsequent to the reporting date, the Group entered into an agreement for the disposal of a Supramax of deadweight 56,952 metric tonnes, built in year 2008, at a consideration of US\$10,225,000. The vessel will be delivered to the purchaser between 15 July 2025 and 15 August 2025.

Lease of Vessels

The Group endeavoured further enhance and improve our fleet profile while limiting the capital expenditure on acquisition of vessels and maximizing flexibility. As at the reporting date, the Group maintained certain number of time charter engagements, with total deadweight carrying capacity of approximately 700,000 metric tonnes. As at the reporting date, the Group operated eight chartered-in vessels, in which, two of them were long-term time charters with remaining lease term for more than twelve months. The right-of-use assets which are calculated with the present value of total minimum hire payment at the inception of the lease terms of the charterparties and corresponding lease liabilities was recognized in the consolidated statement of financial position upon their deliveries of the vessels in accordance with IFRS 16 and HKFRS 16 Leases. As at 31 March 2025, the carrying amounts of the right-of-use assets and the lease liabilities were US\$51,146,000 (31/12/2024: US\$30,022,000) and US\$53,963,000 (31/12/2024: US\$32,385,000) respectively.

In the first quarter of 2025, the Group took delivery of a long term chartered-in Capesize, with deadweight 207,672 metric tonnes, built in year 2017, for a minimum term of thirty-three months.

We will continuously monitor the market as well as our operations going forward and look out for opportunities to maintain a reasonably modern and competitive fleet, not ruling out any future disposal of smaller and older vessels and replace with newer vessels with larger carrying capacity and longer asset lives or charter-in of vessels. We will make such decisions on an ad hoc basis to maintain high financial flexibility and operational competitiveness.

SIGNIFICANT LITIGATION UPDATE

Galsworthy Limited ("Galsworthy"), a wholly owned subsidiary of the Company, was the disponent owners of the vessel "CANTON TRADER" which was later renamed "JIN KANG". On 17 June 2008, Galsworthy entered into a time charter with Parakou Shipping Pte Limited ("Parakou Shipping") for a period of approximately five years, with delivery not due until March 2009. On or about 13 March 2009, Parakou Shipping wrongfully refused to take delivery of the vessel and Galsworthy accepted their conduct as a repudiation of the charter, bringing it to an end.

The dispute was the subject of various proceedings, but principally in London arbitration. By Arbitration Awards dated 31 August 2010 and 13 May 2011, the London arbitrators upheld Galsworthy's claims and awarded damages of approximately US\$41.25 million plus interest and costs.

Parakou Shipping went into liquidation in 2011. Galsworthy has submitted a proof of debt in the liquidation in respect of its claim under the arbitration awards. Galsworthy has also been trying inter alia to enforce the arbitration awards against Parakou Shipping and its former directors and obtain compensation for its substantial losses. The outstanding amount is in excess of US\$60 million.

In one action Galsworthy has been funding Singapore proceedings commenced by the liquidator of Parakou Shipping against four of Parakou Shipping's former directors and related corporate entities (the "Defendants"), seeking to claw back assets into Parakou Shipping for distribution amongst the creditors. Judgment was obtained in February 2017 in a sum of SGD17 million against the Defendants, but the Defendants have now appealed the same. The Liquidator cross appealed to increase the judgment amount.

On 17 January 2018, the Singapore Court of Appeal substantially dismissed the Defendants' appeal and found in the Liquidator's favour. Amongst other things, the Singapore Court of Appeal upheld the Liquidator's argument that the London arbitration, and a litigation subsequently filed in the Hong Kong courts seeking indemnity against any liability in the arbitration, were commenced and pursued by the directors in breach of their fiduciary duties. The Court considered that evidence had been disregarded which showed that the directors' key concern was to avoid a statutory clawback period. The Court also agreed that certain asset sales that had taken place in late 2008 were done while Parakou Shipping was insolvent and were not part of a restructuring, as claimed by the former directors of Parakou Shipping. The Court found that a company resolution advanced as evidence of a restructuring plan by the Defendants was in fact an "an afterthought" produced later than its date under "suspicious circumstances". The Liquidator is entitled to seek either damages or an account of profits arising from the relevant breaches.

Legal actions also took place in South Africa over the arrest of the vessel "PRETTY SCENE", as well as in Hong Kong against three of the former directors of Parakou Shipping for unlawful means conspiracy. An injunction order, freezing assets belonging to the directors of Parakou Shipping, was obtained.

This multi jurisdiction legal saga dragged on for an extensive period of time. In April 2024, Galsworthy and Parakou Shipping had reached agreement to settle the Hong Kong legal action for a settlement income of US\$3.5 million, paving the way to bring the global actions to an end.

The termination of the Hong Kong legal action allowed Galsworthy to formally bring the ongoing legal dispute to an end and effect the application to the Singapore High Court for the receipt of the settlement sum of the Singapore January 2018 judgment. In January 2025, Galsworthy received a sum of SGD27.6 million, a total of approximately US\$20.2 million, which was recorded as other operating income for the current quarter.

RISK FACTORS

This report may contain forward looking statements. These statements are based upon various assumptions, many of which are based, in turn, upon further assumptions, including the Company's management's examination of historical operating trends. Although the Company believes that these assumptions were reasonable when made, because assumptions are inherently subject to significant uncertainties which are difficult or impossible to predict and are beyond its control, the Company cannot give assurance that it will achieve or accomplish these expectations, beliefs or targets.

Key risk factors that could cause actual results to differ materially from those discussed in this report will include but not limited to the way world economies, currencies and interest rate environment may evolve going forward, general market conditions including fluctuations in charter rates and vessel values, financial market conditions including fluctuations in marketable securities value, counterparty risk, changes in demand in the dry bulk market, changes in operating expenses including bunker prices, crewing costs, drydocking and insurance costs, availability of financing and refinancing, inability to obtain restructuring or rescheduling of indebtedness from lenders in liquidity trough, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents, piracy or political events, and other important factors described from time to time in the reports filed by the Company.

OUTLOOK

2025 has so far been filled with volatility from financial markets, geopolitics to global trades, and with persisting instability on all fronts, we expect the remaining months ahead will not be short of surprises.

Supply of new vessels remains to be tight, with newbuilding supply at moderate levels. We saw some disconnection between freight rates and vessels values and have sold older vessels given recent renewed interests of older tonnages as part of our strategy to maintain a young fleet.

Looking ahead, should global economic activity regain confidence with less uncertainty, our fleet will be well positioned to benefit from these supportive industry specific fundamentals. We also continue to look for fleet renewal opportunities.

We will remain alert to the increasingly frequent economic, geo-political, or other unforeseen surprises that can trigger volatility to our business performance, as well as the carrying value of our shipping assets and financial assets. We will continue to focus on taking sensible and decisive actions to achieve growth without sacrificing the maintenance of a strong financial position.

On behalf of the Board of Directors of the Company, I would like to first express our heartfelt appreciation to all our colleagues, as well as all customers and stakeholders for their ongoing support.

PUBLICATION OF FINANCIAL INFORMATION

This report is available on the website of the Company at www.jinhuiship.com and the NewsWeb of the Oslo Stock Exchange at www.newsweb.no.

By Order of the Board



Ng Siu Fai
Chairman

26 May 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		3 months ended 31/3/2025 (Unaudited) US\$'000	3 months ended 31/3/2024 (Unaudited) US\$'000	Year ended 31/12/2024 (Audited) US\$'000
	Note			
Revenue	2	39,304	27,894	158,900
Other operating income	3	23,852	2,721	16,991
Interest income	4	446	259	834
Reversal of impairment loss on owned vessels and right-of-use assets		-	-	6,533
Shipping related expenses		(21,647)	(13,491)	(84,404)
Staff costs		(3,226)	(3,075)	(14,707)
Other operating expenses		(3,780)	(1,362)	(9,861)
Operating profit before depreciation and amortization		34,949	12,946	74,286
Depreciation and amortization		(15,283)	(9,046)	(44,189)
Operating profit		19,666	3,900	30,097
Finance costs		(2,592)	(1,495)	(6,092)
Profit before taxation		17,074	2,405	24,005
Taxation	6	-	-	-
Net profit for the period / year		17,074	2,405	24,005
Other comprehensive loss				
Items that will not be reclassified to profit or loss:				
Change in fair value of financial assets at fair value through OCI (non-recycling)		-	(736)	(2,311)
Items that may be reclassified subsequently to profit or loss:				
Change in fair value of financial assets at fair value through OCI (recycling)		-	-	(14)
Total comprehensive income for the period / year attributable to shareholders of the Company		17,074	1,669	21,680
Earnings per share	7			
- Basic and diluted		US\$0.156	US\$0.022	US\$0.220

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		31/3/2025 (Unaudited) US\$'000	31/3/2024 (Unaudited) US\$'000	31/12/2024 (Audited) US\$'000
	Note			
ASSETS				
Non-current assets				
Property, plant and equipment		414,513	326,790	401,279
Right-of-use assets	9(a)	51,146	26,896	30,022
Investment properties	10	20,873	25,259	20,873
Financial assets at fair value through OCI	11	5,366	6,955	5,366
Loan receivables	12	1,577	1,577	1,577
Deposit paid for the acquisition of owned vessels		-	6,207	2,452
		493,475	393,684	461,569
Current assets				
Inventories		2,830	2,620	2,709
Trade and other receivables		16,124	14,821	15,985
Financial assets at fair value through profit or loss	13	23,281	25,250	20,605
Pledged deposits		815	22	329
Bank balances and cash		28,088	23,623	23,005
		71,138	66,336	62,633
Assets held for sale	14	8,088	-	-
		79,226	66,336	62,633
Total assets		572,701	460,020	524,202

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		31/3/2025 (Unaudited) US\$'000	31/3/2024 (Unaudited) US\$'000	31/12/2024 (Audited) US\$'000
	Note			
EQUITY AND LIABILITIES				
Capital and reserves				
Issued capital		5,463	5,463	5,463
Reserves		383,221	346,136	366,147
Total equity		388,684	351,599	371,610
Non-current liabilities				
Secured bank loans	15	100,872	50,156	89,707
Lease liabilities	9(b)	27,812	25,355	13,693
		128,684	75,511	103,400
Current liabilities				
Trade and other payables		19,154	13,777	22,030
Amount due to holding company		176	130	183
Secured bank loans	15	9,852	9,344	8,287
Lease liabilities	9(b)	26,151	9,659	18,692
		55,333	32,910	49,192
Total equity and liabilities		572,701	460,020	524,202

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued capital (Unaudited) US\$'000	Share premium (Unaudited) US\$'000	Capital redemption reserve (Unaudited) US\$'000	Contributed surplus (Unaudited) US\$'000	Revaluation reserve (Unaudited) US\$'000	Reserve for financial assets at fair value through OCI (Unaudited) US\$'000	Retained profits (Unaudited) US\$'000	Total equity (Unaudited) US\$'000
At 1 January 2024	5,463	95,585	719	16,297	843	(2,294)	233,317	349,930
Comprehensive income								
Net profit for the period	-	-	-	-	-	-	2,405	2,405
Other comprehensive loss								
Change in fair value of financial assets at fair value through OCI	-	-	-	-	-	(736)	-	(736)
Total comprehensive income (loss) for the period	-	-	-	-	-	(736)	2,405	1,669
At 31 March 2024	5,463	95,585	719	16,297	843	(3,030)	235,722	351,599
At 1 January 2025	5,463	95,585	719	16,297	843	(4,619)	257,322	371,610
Comprehensive income								
Net profit for the period	-	-	-	-	-	-	17,074	17,074
Total comprehensive income for the period	-	-	-	-	-	-	17,074	17,074
At 31 March 2025	5,463	95,585	719	16,297	843	(4,619)	274,396	388,684

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	3 months ended 31/3/2025 (Unaudited) US\$'000	3 months ended 31/3/2024 (Unaudited) US\$'000	Year ended 31/12/2024 (Audited) US\$'000
OPERATING ACTIVITIES			
Cash generated from operations before changes in working capital	36,891	12,640	68,279
Decrease (Increase) in working capital	(5,552)	(1,461)	12,303
Cash generated from operations	31,339	11,179	80,582
Interest paid	(1,621)	(1,183)	(4,870)
Hong Kong Profits Tax refunded	-	-	21
Net cash from operating activities	29,718	9,996	75,733
INVESTING ACTIVITIES			
Interest received	120	188	536
Dividend income received	44	56	1,173
Purchase of property, plant and equipment	(25,911)	(238)	(95,095)
Installment paid for vessels under construction	(3,400)	-	-
Deposit paid for the acquisition of owned vessels	-	(6,207)	(2,452)
Proceeds from disposal of assets held for sale, net	-	10,414	10,414
Proceeds from disposal of property, plant and equipment, net	-	-	15
Net cash from (used in) investing activities	(29,147)	4,213	(85,409)
FINANCING ACTIVITIES			
New secured bank loans	15,000	42	65,338
Repayment of secured bank loans	(2,270)	(28,709)	(55,511)
Decrease (Increase) in pledged deposits	(486)	337	30
Payment of lease liabilities	(6,820)	(2,111)	(16,109)
Interest paid on lease liabilities	(912)	(395)	(1,317)
Net cash from (used) in financing activities	4,512	(30,836)	(7,569)
Net increase (decrease) in cash and cash equivalents	5,083	(16,627)	(17,245)
Cash and cash equivalents at beginning of the period / year	23,005	40,250	40,250
Cash and cash equivalents at end of the period / year	28,088	23,623	23,005

NOTES:

1. Basis of preparation and accounting policies

The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” issued by the International Accounting Standards Board and Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants and have not been reviewed by our auditor, Grant Thornton Hong Kong Limited. The accounting policies and basis of preparation adopted in these interim financial statements are consistent with those adopted in the annual financial statements for the year ended 31 December 2024, except for the Group has adopted the amended International Financial Reporting Standards (“IFRS”) and Hong Kong Financial Reporting Standards (“HKFRS”), which are effective for the annual period beginning on 1 January 2025. The adoption of the amended IFRSs and HKFRSs does not have material impact on the Group’s financial performance and financial position for the current and prior periods have been prepared and presented.

2. Revenue

The Group is principally engaged in the businesses of ship chartering and ship owning which are carried out internationally. Revenue represents chartering freight and hire income arising from the Group’s owned and chartered-in vessels. Revenue recognized during the periods / year are as follows:

	3 months ended 31/3/2025 (Unaudited) US\$'000	3 months ended 31/3/2024 (Unaudited) US\$'000	Year ended 31/12/2024 (Audited) US\$'000
Chartering freight and hire income:			
Hire income under time charters ¹	39,304	27,894	158,900

Note:

1. Hire income under time charter is accounted for as operating lease and is recognized on a straight-line basis over the period of each time charter contract. During the period, hire income included a non-lease component in relation to crewing service of US\$7,875,000 (31/3/2024: US\$6,654,000).

3. Other operating income

	3 months ended 31/3/2025 (Unaudited) US\$'000	3 months ended 31/3/2024 (Unaudited) US\$'000	Year ended 31/12/2024 (Audited) US\$'000
Net gain on financial assets at fair value through profit or loss	1,626	1,716	4,867
Other shipping operating income	1,530	745	4,746
Settlement income ¹	20,223	-	3,500
Reversal of impairment loss on trade and other receivables, net	-	-	1,848
Dividend income	44	56	1,173
Gross rental income from operating leases on investment properties	113	141	556
Sundry income	316	63	301
	23,852	2,721	16,991

Note:

- The settlement income represents amounts received from legal proceedings involving the subsidiaries of the Company and Parakou Shipping Pte Limited in London and Hong Kong in relation to the non-performance of a charterparty. In 2024, Galsworthy Limited, a wholly owned subsidiary of the Company, and Parakou Shipping Pte Limited reached a settlement agreement to resolve the legal action. As a result, the Group received settlement income of US\$3.5 million in April 2024 and US\$20.2 million in January 2025, which have been recognized.

4. Interest income

	3 months ended 31/3/2025 (Unaudited) US\$'000	3 months ended 31/3/2024 (Unaudited) US\$'000	Year ended 31/12/2024 (Audited) US\$'000
Interest income in respect of:			
Deposits with banks and other financial institutions	168	170	453
Loan receivables	278	80	321
Financial assets at fair value through profit or loss	-	9	25
Others	-	-	35
	446	259	834

5. Operating profit before depreciation and amortization

This is stated after charging / (crediting):

	3 months ended 31/3/2025 (Unaudited) US\$'000	3 months ended 31/3/2024 (Unaudited) US\$'000	Year ended 31/12/2024 (Audited) US\$'000
Realized gain on financial assets at fair value through profit or loss	(16)	(495)	(2,409)
Unrealized gain on financial assets at fair value through profit or loss	(1,610)	(1,221)	(2,458)
Net gain on financial assets at fair value through profit or loss	(1,626)	(1,716)	(4,867)
Charter hire payments for time charters ¹	4,463	1,564	21,784
Impairment loss on assets held for sale	2,432	-	-
Reversal of impairment loss on owned vessels and right-of-use assets	-	-	(6,533)
Change in fair value of investment properties	-	-	4,386
Reversal of impairment loss on trade and other receivables, net	-	-	(1,848)

Note:

1. Represents short term leases with a term of twelve months or less.

6. Taxation

Taxation has not been provided as the Group has no assessable profit for all relevant periods / year.

There was no Bermuda income, corporation or profits tax, withholding tax, capital gains tax, capital transfer tax, estate duty or inheritance tax payable by the Company for the periods / year.

The Company has received from the Minister of Finance of Bermuda under The Exempted Undertakings Tax Protection Act 1966, as amended, an assurance that, in the event of there being enacted in Bermuda any legislation imposing tax computed on profits or income, or computed on any capital asset gain or appreciation or any tax in the nature of estate duty or inheritance tax, the imposition of such tax shall not until 31 March 2035 be applicable to the Company or to any of its operations, or to the shares, debentures or other obligations of the Company.

7. Earnings per share

	3 months ended 31/3/2025 (Unaudited)	3 months ended 31/3/2024 (Unaudited)	Year ended 31/12/2024 (Audited)
Weighted average number of ordinary shares in issue	109,258,943	109,258,943	109,258,943
Net profit attributable to shareholders of the Company (US\$'000)	17,074	2,405	24,005
Basic and diluted earnings per share	US\$0.156	US\$0.022	US\$0.220

Diluted earnings per share were the same as basic earnings per share as there was no potentially dilutive ordinary shares in existence for the relevant periods / year presented.

8. Dividend

	3 months ended 31/3/2025 (Unaudited) US\$'000	3 months ended 31/3/2024 (Unaudited) US\$'000	Year ended 31/12/2024 (Audited) US\$'000
2024 final dividend, proposed of US\$0.03 per share	-	-	3,278

The proposed final dividend for the year 2024 is subject to the approval of the Company's shareholders at the forthcoming annual general meeting held on 28 May 2025. Such dividend will be paid to the beneficial owners of the shares of the Company whose names are registered in the Euronext Securities Oslo, the Norwegian Central Securities Depository, at the close of business on 2 June 2025. The Company's shares listed on the Oslo Stock Exchange will be traded including dividend up until and including 28 May 2025. The ex dividend date is 30 May 2025 and the dividend will be paid on or about 25 June 2025.

The Board has resolved not to recommend the payment of any interim dividend for the quarter ended 31 March 2025.

9. Right-of-use assets and lease liabilities

(a) Right-of-use assets

	31/3/2025 (Unaudited) US\$'000	31/3/2024 (Unaudited) US\$'000	31/12/2024 (Audited) US\$'000
At 1 January	30,022	21,095	21,095
Additions	27,711	8,616	27,881
Lease remeasurement	687	(630)	(8,526)
Depreciation	(7,274)	(2,185)	(15,019)
Reversal of impairment loss	-	-	4,591
	51,146	26,896	30,022

(b) Lease liabilities

	31/3/2025 (Unaudited) US\$'000	31/3/2024 (Unaudited) US\$'000	31/12/2024 (Audited) US\$'000
At 1 January	32,385	29,139	29,139
Additions	27,711	8,616	27,881
Lease remeasurement	687	(630)	(8,526)
Interest expense (included in finance costs)	912	395	1,317
Repayments of lease liabilities	(7,732)	(2,506)	(17,426)
	53,963	35,014	32,385

The lease liabilities were repayable as follows:

	31/3/2025 (Unaudited) US\$'000	31/3/2024 (Unaudited) US\$'000	31/12/2024 (Audited) US\$'000
Within one year	26,151	9,659	18,692
After one year but within two years	14,195	8,207	5,028
After two years but within five years	13,617	17,148	8,665
After five years	-	-	-
	27,812	25,355	13,693
	53,963	35,014	32,385

During the quarter, the total cash outflow for the lease was US\$12,200,000 (31/3/2024: US\$2,506,000).

At the reporting date, the Group operated five long-term chartered-in vessels, two of them were with remaining lease term of more than twelve months. In the first quarter of 2025, the Group took delivery of a long term chartered-in Capesize, with deadweight 207,672 metric tonnes, built in year 2017, for a minimum term of thirty-three months.

In accordance with IFRS 16 and HKFRS 16 Leases, the Group recognized the right-of-use assets which is calculated with the present value of total minimum hire payment at the inception of the lease terms of the charterparties and corresponding lease liabilities was also recognized in the consolidated statement of financial position upon their deliveries of the vessels.

10. Investment properties

	31/3/2025 (Unaudited) US\$'000	31/3/2024 (Unaudited) US\$'000	31/12/2024 (Audited) US\$'000
At 1 January	20,873	25,259	25,259
Change in fair value	-	-	(4,386)
	20,873	25,259	20,873

The Group's investment properties were stated at fair value and comprised of premises and car parks held under operating leases to earn rentals or held for capital appreciation, or both. These premises and car parks are held under long term leases.

The investment properties of the Group were not revalued at 31 March 2025 by independent valuers. The management was aware of the possible change in the conditions of the property market and considered that the carrying amount of the Group's investment properties did not differ significantly from that which had been determined using fair values at 31 December 2024. Consequently, no change in fair value of investment properties has been recognized in the current period.

11. Financial assets at fair value through OCI

	31/3/2025 (Unaudited) US\$'000	31/3/2024 (Unaudited) US\$'000	31/12/2024 (Audited) US\$'000
Unlisted equity investments			
Co-investment in a property project			
At 1 January	4,948	7,259	7,259
Change in fair value ¹	-	(736)	(2,311)
	4,948	6,523	4,948
Unlisted club membership			
At 1 January	418	432	432
Change in fair value ²	-	-	(14)
	418	432	418
	5,366	6,955	5,366

Notes:

1. Items that will not be reclassified to profit or loss.
2. Items that may be reclassified subsequently to profit or loss.

Unlisted equity investments

In 2018, the Group entered into the co-investment documents to co-invest in a property project in Tower A of One Financial Street Center, Jing'an Central Business District, Shanghai, the PRC (the "Co-investment"), pursuant to which the Group is committed to acquire non-voting participating class A shares of Dual Bliss Limited of US\$10,000,000. Dual Bliss Limited is one of the investors of the Co-investment.

As at the reporting date, the carrying amount of the unlisted equity investments was US\$4,948,000 (31/12/2024: US\$4,948,000) whereas the loan receivable arise from Co-investment (note 12), together with the interest accrued thereon was US\$2,737,000 (31/12/2024: US\$2,459,000). The Group will closely monitor the performance of the Co-investment and will assess impairment allowances where appropriate.

There is no quoted market price in active market for unlisted equity investments. Transactions in such investments do not occur on a regular basis. The Group uses its net asset value (representing the fair value of the equity instruments reported by Phoenix Property Investors Limited, the Investment Manager) to determine its fair value as the Group determined that this is the fair price at which shareholders subscribe and redeem the investments or determined its fair value with generally accepted pricing models.

The fair value measurement of unlisted equity investments was categorized as Level 3 of the three-level fair value hierarchy as defined under IFRS 13 and HKFRS 13 and there was no transfer among the three levels of the fair value hierarchy during the periods / year.

Unlisted club membership

The investment in club membership is stated at fair values which is determined directly by reference to published price quotations in active markets and were categorized as Level 1 of the three-level fair value hierarchy as defined under IFRS 13 and HKFRS 13 and there was no transfer among the three levels of the fair value hierarchy during the periods / year.

12. Loan receivables

	31/3/2025 (Unaudited) US\$'000	31/3/2024 (Unaudited) US\$'000	31/12/2024 (Audited) US\$'000
At 1 January	1,577	1,577	1,577
Gross new loan originated	-	-	-
Provision of individual impairment	-	-	-
Loan receivables, net of provision	1,577	1,577	1,577

A wholly owned subsidiary of the Company (the "Co-Investor") together with other co-investors signed an unsecured subordinated shareholder loan agreement with Triple Smart Limited, a special purpose vehicle invested by Dual Bliss Limited, for the purposes of funding the operating expenditure of the Co-investment in 2021. A maximum amount of US\$1,577,000 (31/12/2024: US\$1,577,000) was agreed and provided as at the reporting date. The loan receivables are unsecured and denominated in United States Dollars and has no repayment terms.

At the reporting date, the loan receivables have been reviewed by management to assess impairment allowances which are based on the evaluation of current creditworthiness, collection statistics and the net asset value of the Co-investment, and are not considered as impaired. The carrying amount of the loan receivables is considered to be a reasonable approximation of its fair value.

13. Financial assets at fair value through profit or loss

	31/3/2025 (Unaudited) US\$'000	31/3/2024 (Unaudited) US\$'000	31/12/2024 (Audited) US\$'000
<i>Held for trading</i>			
Listed equity securities	20,535	22,560	17,903
Listed debt securities	-	593	-
Unlisted debt securities	-	298	-
	20,535	23,451	17,903
<i>Designated as such upon initial recognition</i>			
Investment funds	2,746	1,799	2,702
	23,281	25,250	20,605

At the reporting date, the fair value measurements of listed equity securities and listed debt securities were determined by reference to their quoted bid prices in active markets and were categorized as Level 1 and the fair value measurements of unlisted debt securities and investment funds represented the quoted market prices on the underlying investments provided by financial institutions and were categorized as Level 2 of the three-level fair value hierarchy as defined under IFRS 13 and HKFRS 13. There was no transfer among the three levels of the fair value hierarchy during the periods / year.

14. Assets held for sale

On 19 March 2025, the Group entered into an agreement for the disposal of a Supramax of deadweight 53,350 metric tonnes at a consideration of US\$8,260,000. The vessel was delivered to the purchaser on 12 May 2025. For financial reporting purposes, the vessel was reclassified to "Assets held for sale" in accordance with IFRS 5 and HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", with an impairment loss on assets held for sale (disposed vessel) of US\$2,432,000 was recognized in the first quarter of 2025 and was included in other operating expenses for the period.

15. Secured bank loans

The maturity of secured bank loans at the reporting date is as follows:

	31/3/2025 (Unaudited) US\$'000	31/3/2024 (Unaudited) US\$'000	31/12/2024 (Audited) US\$'000
Within one year	9,852	9,344	8,287
In the second year	10,430	50,156	8,844
In the third to fifth year	90,442	-	80,863
Total secured bank loans	110,724	59,500	97,994
Less: Amount repayable within one year	(9,852)	(9,344)	(8,287)
Amount repayable after one year	100,872	50,156	89,707

During the quarter, the Group had drawn new secured bank loans of US\$15,000,000 (31/3/2024: US\$42,000) and repaid US\$2,270,000 (31/3/2024: US\$28,709,000).

16. Capital expenditures and commitments

Capital Expenditures

In the first quarter of 2025, the Group reported capital expenditure of US\$25,856,000, primarily for the balance payment on vessel deliveries and capitalized drydocking costs. Additionally, US\$3,400,000 was paid as installment for vessels under construction, and US\$55,000 was spent on other property, plant, and equipment.

For the last corresponding quarter, capital expenditure of US\$238,000 was incurred, including US\$233,000 on improvement to motor vessels and US\$5,000 on other property, plant and equipment.

Capital Commitments

In 2024, the Group entered into two shipbuilding contracts for the construction of two Ultramax newbuildings, each at a consideration of US\$34,000,000 of deadweight 63,500 metric tonnes, to be delivered in 2026 and 2027 respectively. As at 31 March 2025, installment of US\$3,400,000 for the vessels under construction was paid, and the capital expenditure commitments contracted by the Group but not provided for, net of installment paid, was approximately US\$64,600,000 (31/12/2024: US\$68,000,000).

In 2018, the Group entered into the co-investment documents to co-invest in a property project in Tower A of One Financial Street Center, Jing'an Central Business District, Shanghai, the PRC, pursuant to which the Group is committed to acquire non-voting participating class A shares of Dual Bliss Limited of US\$10,000,000. Dual Bliss Limited is one of the investors of the Co-investment. As at the reporting date, the capital expenditure commitments contracted by the Group but not provided for was US\$372,000 (31/12/2024: US\$372,000).

As at 31 March 2025, the total amount of capital expenditure commitments contracted by the Group but not provided for, net of installment paid, was US\$64,972,000.

As of 31 December 2024, the total amount of capital expenditure commitments contracted by the Group but not provided for was US\$117,080,000. In addition to the aforementioned commitments, the amount also included right-of-use assets of approximately US\$26,640,000 for the long term charter of a Capesize, which was delivered in January 2025, as well as a capital expenditure commitment of US\$22,068,000 for the acquisition of an Ultramax, which was acquired at the end of 2024 and delivered to the Group in January 2025.

Save as disclosed above, there were no other significant capital expenditure commitments contracted by the Group but not provided for as at the reporting date.

17. Related party transactions

During the periods / year, the Group had related party transactions in relation to compensation of key management personnel as follows:

	3 months ended 31/3/2025 (Unaudited) US\$'000	3 months ended 31/3/2024 (Unaudited) US\$'000	Year ended 31/12/2024 (Audited) US\$'000
Salaries and other benefits	1,960	1,958	9,265
Contributions to retirement benefits schemes	111	111	446
	2,071	2,069	9,711

18. Events after the reporting date

Subsequent to the reporting date, the Group entered into an agreement for the disposal of a Supramax of deadweight 56,952 metric tonnes, built in year 2008, at a consideration of US\$10,225,000. The vessel will be delivered to the purchaser between 15 July 2025 and 15 August 2025.



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