



# 新 興 航 運

# 2022

Sincere Navigation Corporation  
Company Presentation  
June 2022



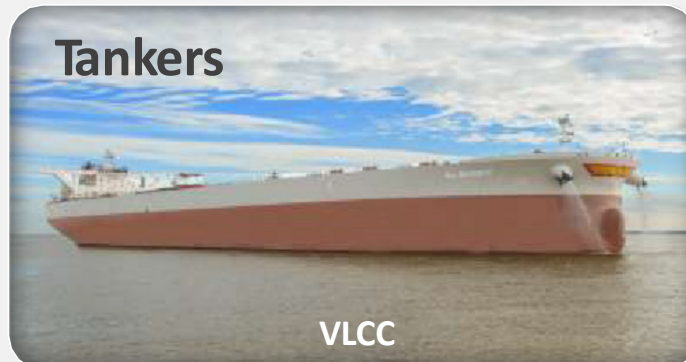
# **Company Overview**

# **2022**

# Sincere Navigation Fleet Summary

**Stable  
Diligence  
Improving**

## Tankers



VLCC

- Placed in Tankers International Pool, to achieve long-term commercial management stability.

## Dry Bulk

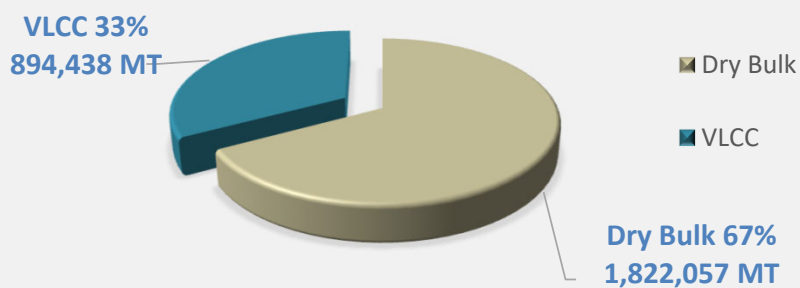


Capesize

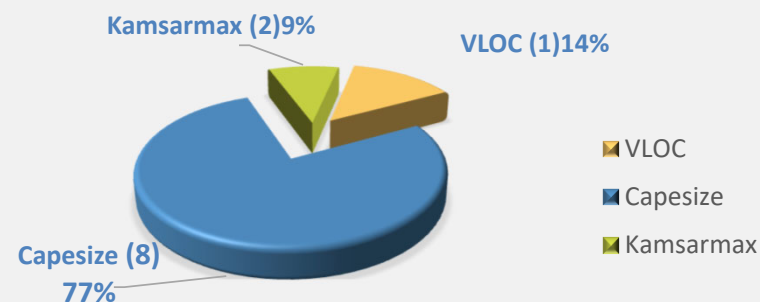
- Carries major commodities, like iron ore, coal, and grains.
- Flexible operations between spot and mid and long-term period markets.

## Total Fleet Tonnage & Mix

**Deadweight  
Tonnage**



## Dry bulk Fleet Mix (by tonnage)



# Industry Outlook

# 2022

# 2022 Tanker Market Positive / Negative Drivers

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## Positive Drivers

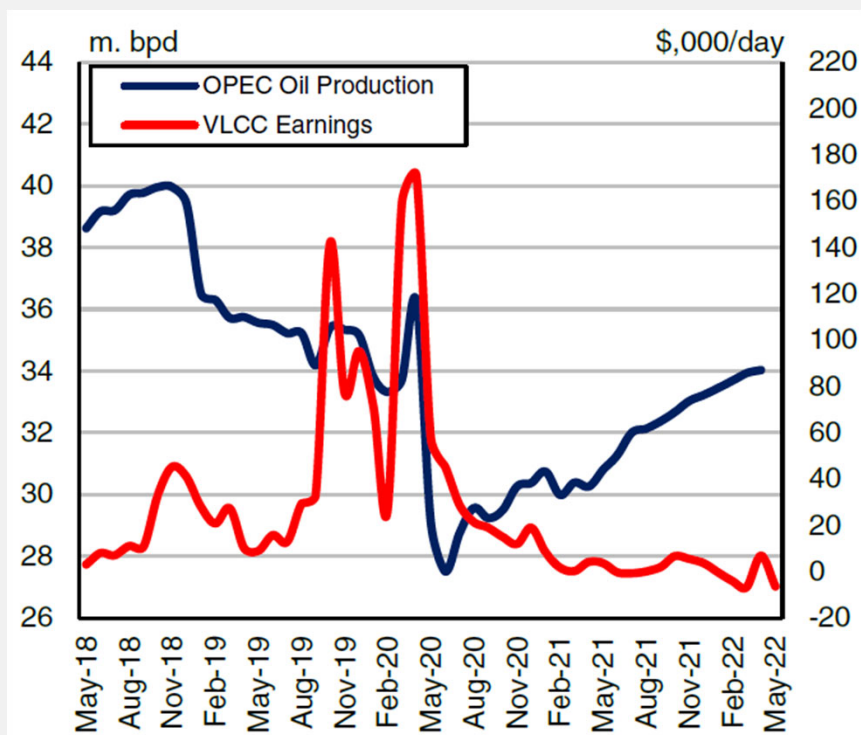
- Covid-19 vaccine successfully developed to reduce the pandemic globally, increasing airline and traveling demand.
- Gradual crude output recovery from OPEC.
- EU boycotts crude oil exports from Russia, increases imports from Middle East, transfers Russian exports to Asia, and extends its voyage.

## Negative Factors

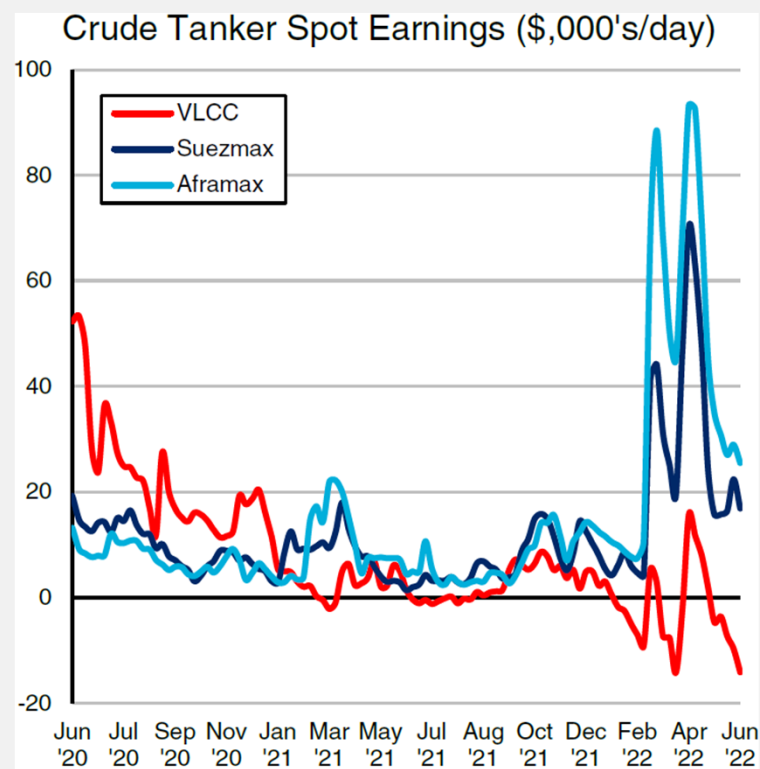
- Covid-19 Omicron and its subtype mutant influence.
- International conventions on environmental protection requirements.
- Battery/Hybrid car reduce the petroleum requirement.
- The use of alternative energy sources continues to increase.

# VLCC Market Dynamics

## OPEC Production & VLCC Earnings



## Tanker Spot Earnings



Source: Clarkson Shipping Intelligence Weekly, 1 June 2022

# VLCC Spot Earnings

VLCC Single Voyage.....			WS 2022			Average earnings \$/day				VLCC Earnings		
			May 27	Jun 01	2022	2020	2021	2022	May 27	Jun 01	This Week ....	
23	270,000t	MEG - China*	41.5	44	42	51,882	1,342	-4,650	-12,270	-15,429		
23	270,000t	MEG - S.Korea*	39.5	43	40	49,523	1,638	-5,498	-14,422	-16,523		
23	270,000t	MEG - WC India*	51.5	54	52	58,043	4,309	1,792	-2,920	-4,210		
23	260,000t	WAF - China*	45	45	44	48,294	2,761	-3,530	-12,072	-20,208		
23	260,000t	WAF - WC India*	47.5	47.5	47	58,512	5,278	658	-8,026	-16,112		
23	270,000t	USG - East^*	5.50	5.60	5.45	46,233	7,390	-1,826	-8,567	-12,498		
23	275,000t	Caribs-Singapore^	4.40	4.75	4.65	60,569	12,042	5,601	-4,512	-5,121		
23	VLCC Avg. Earnings					53,145	3,218	-2,176	-9,713	-14,163		
39	Scrubber Fitted Avg. Earnings					58,750	8,342	6,913	4,805	6,260	FIRMER!!	30%
48	Eco VLCC Avg. Earnings					58,111	10,383	8,896	3,357	411	WEAKER!!	-88%
59	Eco Scrub. Fitted Avg Earnings					62,295	13,954	15,306	13,836	15,295	FIRM....	11%

Source: Clarkson Shipping Intelligence Weekly, 1 June 2022

# VLCC New Building

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## Delivery Schedule > Crude Tanker > UL/VLCC Crude Tanker (200K+ dwt)

Created 06 June 2022 07:25

Built	Delivered Vessels	Delivered Dwt	Orderbook Vessels	Orderbook Dwt
2017	50	15,234,032		
2018	39	12,128,620		
2019	68	21,058,144		
2020	37	11,280,697		
2021	35	10,822,643		
2022	16	4,889,176	30	9,065,736
2023			20	6,083,700

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## 2022 Dry Bulk Market Positive / Negative Drivers

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### Positive Drivers

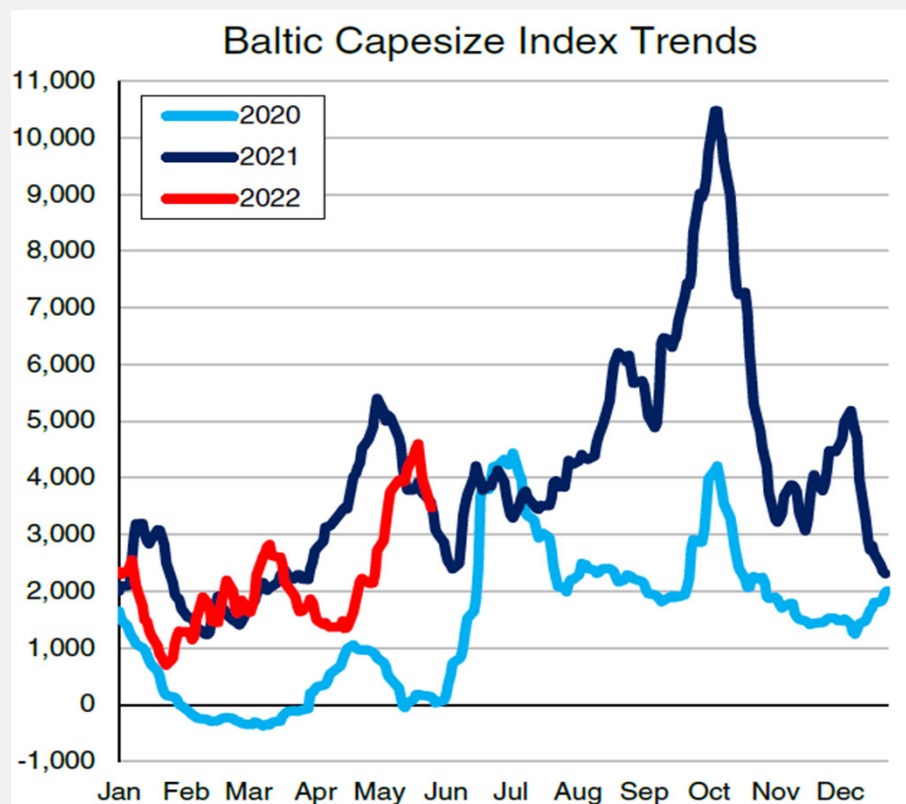
- Covid-19 vaccine successfully developed to reduce the pandemic globally and global economy is gradually recovering.
- U.S. Senate passed a bill of 1.2 trillion infrastructure spending plan.
- Congestion in Chinese and Australian ports.
- EU is gradually reducing thermal coal exports from Russia, and Russian exports are transferred to Asia, extending the voyage.

### Negative Factors

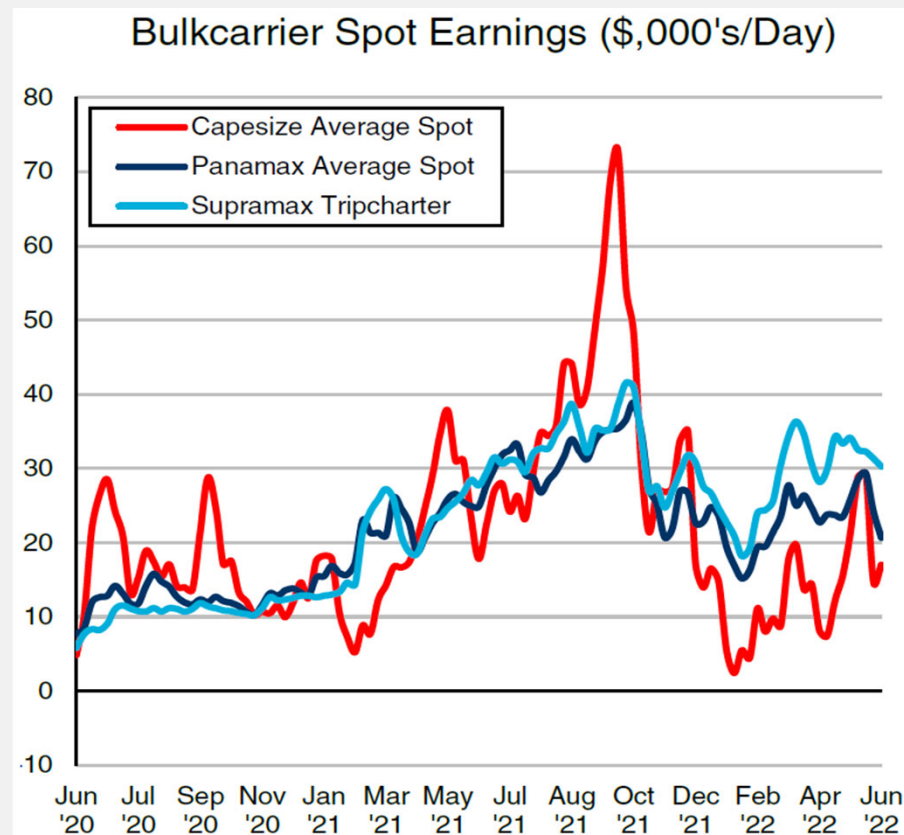
- Covid-19 Omicron and its subtype mutant influence.
- International conventions on environmental protection requirements.
- Environmental factors (shift to gas & renewables, air pollution control) driving EU and South Korea to decrease steam coal imports.
- Russia-Ukraine conflict affects Ukrainian grain exports

# Bulk Dry Market Freight Index trends and Spot Earning

## Baltic Capesize Index Trends



## Bulkcarrier Spot Earnings



# Capesize Spot Rates Earning

Capesize Tripcharter...	Average Rate \$/Day (180,000 dwt Capesize)							Capesize Market		
	2020	2021	2022	May 06	May 13	May 20	May 27	Jun 01	This Week ....	
Cont/Far East	27,606	53,047	36,955	40,000	53,000	60,000	49,000	47,000	SOFTER	-4%
Transpacific R/V	12,827	31,680	16,182	28,000	37,000	35,000	17,500	24,000	FIRMER	37%
Far East/Cont	-750	13,059	6,057	17,500	31,000	31,000	15,500	17,500	FIRMER	13%
Transatlantic R/V	13,197	35,094	16,227	20,000	22,000	30,000	22,000	22,500	STEADY	2%
Average Capesize Earnings	13,220	33,220	18,855	26,375	35,750	39,000	26,000	27,750	FIRM.....	7%

Source: Clarkson Shipping Intelligence Weekly, 1 June 2022

# Panamax Spot Earnings & Trip Charter Rates

Panamax Tripcharter...	Average Rate \$/Day (82,000 dwt Kamsarmax)							Panamax Market		
	2020	2021	2022	May 06	May 13	May 20	May 27	Jun 01	This Week ....	
Cont/Far East	18,012	38,389	33,782	38,900	40,500	40,500	37,000	35,000	SOFTER	-5%
Transpacific R/V	9,287	26,028	23,943	24,500	26,750	29,000	26,000	24,650	SOFTER	-5%
Far East/Cont	2,824	14,199	18,484	19,750	21,000	22,000	20,000	19,250	SOFTER	-4%
Transatlantic R/V	9,656	26,475	23,618	29,750	30,600	31,000	27,250	24,750	WEAKER	-9%
Average Panamax Earnings	9,945	26,273	24,957	28,225	29,713	30,625	27,563	25,913	SOFTER	-6%

Source: Clarkson Shipping Intelligence Weekly, 1 June 2022

# Capesize New Building (100,000 dwt or above )

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## Delivery Schedule > Bulker > Capesize Bulker

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Built	Delivered Vessels	Delivered Dwt	Orderbook Vessels	Orderbook Dwt
2017	75	15,314,948		
2018	51	14,259,757		
2019	80	19,040,318		
2020	112	24,997,581		
2021	88	19,010,270		
2022	26	5,572,695	30	5,950,700
2023			56	10,556,000
2024			28	5,696,200
2025			2	390,000

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# Panamax Vessel New Building ( 65,000-99,999 dwt )

Delivery Schedule > Bulker > Panamax Bulker

Created 06 June 2022 07:30

Built	Delivered Vessels	Delivered Dwt	Orderbook Vessels	Orderbook Dwt
2017	109	8,922,846		
2018	68	5,636,547		
2019	138	11,379,413		
2020	146	12,088,040		
2021	103	8,620,857		
2022	48	3,967,265	81	6,686,662
2023			128	10,527,350
2024			51	4,212,600
2025			1	82,500

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# New Building Price

Newbuilding Prices ....		Year End, \$m.			Three Month		
		2019	2020	2021	Jun	Trend ...	
<b>Tankers</b>							
VLCC	320,000 dwt	92.0	85.5	112.0	117.0	FIRM.....	1.7%
Suezmax	157,000 dwt	61.5	56.0	76.0	79.0	FIRM.....	2.6%
Aframax	115,000 dwt	48.5	46.5	59.0	61.5	FIRM.....	1.9%
'MR' Tanker	51,000 dwt	35.75	34.0	41.0	42.0	FIRM.....	2.0%
<b>Bulk Carriers</b>							
Capesize	180,000 dwt	49.5	46.5	60.5	63.0	FIRM.....	3.0%
Panamax	81,000 dwt	27.5	26.0	34.75	36.75	FIRM.....	4.5%
Handymax	62,000 dwt	25.5	24.0	32.5	34.5	FIRMER...	5.4%
Handysize	38,000 dwt	23.5	23.0	29.5	30.0	FIRM.....	1.7%
<b>Gas Vessels</b>							
LPG	91,000m <sup>3</sup> ^	71.0	71.0	81.5	85.5	FIRM.....	3.8%
LNG	174,000m <sup>3</sup>	186.0	186.0	210.0	228.0	FIRM.....	4.1%
<b>Dry Cargo</b>							
Container	23,000 teu	146.0	142.0	189.0	205.5	FIRM.....	4.3%
Container	2,750 teu	31.5	30.0	40.0	43.0	FIRM.....	3.6%
Pure Car Carrier	7,000 ceu~	65.0	67.5	76.0	89.0	FIRMER...	11.8%
Clarkson Index		130	126	154	160	FIRM.....	2.8%

Source: Clarkson Shipping Intelligence Weekly, 1 June 2022

# **Strategic Outlook**

# **2022**



## Business Model Focused on Prudent Asset Management and Cash Flow Generation

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- Average fleet age for SNC VLCC fleet is currently at 9 years, younger than 10.5 years of the total VLCC fleet average. Average fleet age for SNC dry bulk fleet is currently at 12.7 years, older than 11.3 years of the total dry bulk fleet average.
- New sectors continued to be evaluated for future investments.
- Prudent risk management is key approach to asset replacement.
- Continued commitment to a stable dividend policy and returns to our shareholders.

# Overview of Contract & Revenue Structure

## Dry Bulk (11 Vessels)

Capesize  
(8 VSLs)

Kamsarmax  
(2 VSLs)

VLOC  
(1 VSL)

One Year  
Fixed Rate  
Time Charter  
(3 VSLs)

Spot Market  
(5 VSLs)

Spot Market

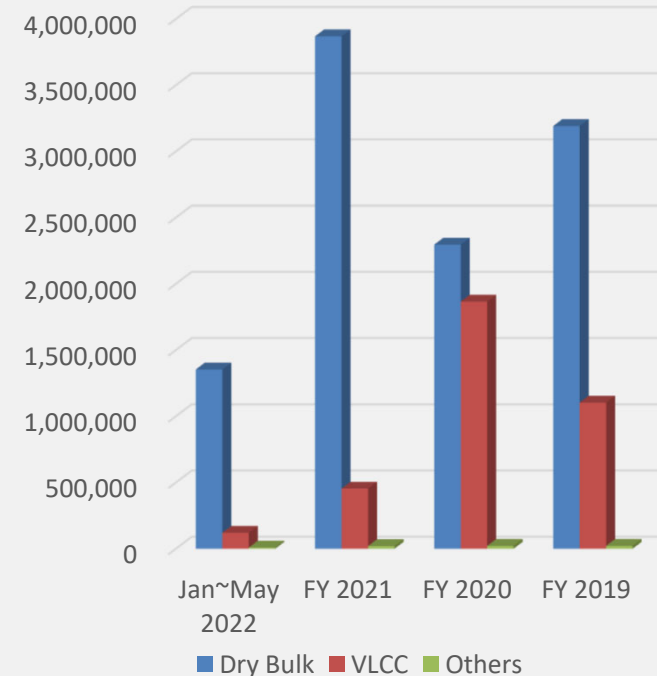
One Year  
Voyage  
Charter

## VLCC (3 VSLs)

Spot  
Market –TI  
Tanker Pool

## Revenue

In NTD'K



# Sincere Navigation Fleet

VESSEL		SHIPYARD	TYPE	DELIVERY	FLAG	SUMMER DWT MT
ELBHOFF	(海福輪)	SWS	VLCC	01/2017	Hong Kong	300,837
KONDOR	(高登輪)	SWS	VLCC	01/2012	Marshall Islands	296,714
MAXIM	(美生輪)	SWS	VLCC	06/2011	Hong Kong	296,887
TIEN SHAN	(天山輪)	BEIHAI	VLOC	03/2018	Hong Kong	250,327
BAO SHAN	(寶山輪)	CSBC	Capesize Bulker	09/2006	Panamanian	175,009
CHIN SHAN	(青山輪)	CSBC	Capesize Bulker	11/2004	Panamanian	175,569
CHOU SHAN	(舟山輪)	CSBC	Capesize Bulker	07/2005	Panamanian	175,569
HENG SHAN	(衡山輪)	SWS	Capesize Bulker	01/2007	Panamanian	174,145
HUANG SHAN	(黃山輪)	CSBC	Capesize Bulker	08/2003	Panamanian	175,980
MINERAL OAK	(明和輪)	SWS	Capesize Bulker	03/2010	Hong Kong	177,921
TAI SHAN	(泰山輪)	SWS	Capesize Bulker	08/2011	Hong Kong	176,469
YUE SHAN	(玉山輪)	SWS	Capesize Bulker	09/2009	Hong Kong	177,798
OCEANA	(合盛輪)	SWS	Kamsarmax	09/2014	Hong Kong	81,594
PALONA	(寶隆輪)	SWS	Kamsarmax	11/2014	Marshall Islands	81,676
Fleet Total: 14 Vessels			Fleet Average Age:	11.9 Years		2,716,495

# Q&A

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新興航運 

Sincere Navigation Corporation

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