
GLOSSARY OF TECHNICAL TERMS

This glossary contains explanations of certain terms used in this document in connection with the Group and its business. The terminologies and their meanings may not correspond to standard industry meanings or usage of those terms.

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| “ash” | Incombustible impurities contained in coal which affect the burning characteristics of coal |
| “Baltic Dry Index” | An index covering dry bulk shipping rates and managed by the Baltic Exchange in London |
| “blending capacity” | Capacity for coal blending which is generally measured by tonnes of coal being blended over a particular period of time and facilitated by (i) sufficient blending area; (ii) appropriate equipment and apparatuses; (iii) well-established blending plan and (iv) management knowledge and experience |
| “CAGR” | Compound annual growth rate |
| “calorific value” | The heat of combustion of a unit quantity of coal |
| “capesize” | Cargo ships originally too large to traverse the Suez Canal which are typically above 150,000 DWT |
| “CCS” | 中國船級社 (The China Classification Society), a Chinese classification society registered with relevant decrees of the PRC. CCS started classification of ships in 1956. CCS is a member of IACS and is recognised by the Hong Kong government |
| “COA” | Contracts of affreightment, a vessel contract similar to voyage charters but which are for two or more shipments over an agreed period of time, which could be over a number of months or years |
| “coal” | A solid, brittle, more or less distinctly stratified combustible carbonaceous rock, formed by partial to complete decomposition of vegetation |
| “coal blending” | Mixing coal in predetermined and controlled quantities to adjust the chemicals or burning characteristics of the resulting coal or to produce a more uniform product |
| “coal filtering” | Identifying and selecting coal according to specifications, the process of which includes quality and quantity measures |

GLOSSARY OF TECHNICAL TERMS

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| "construction structure" | the construction structure of berth, the design of which is normally larger than the actual berth capacity of the relevant vessel, allowing the flexibility of such vessel's movement |
| "dry bulk" | Unpacked goods such as coal, metallic minerals, iron, building materials, cement, timber, salt, grains and similar materials |
| "DWT" | The deadweight of a ship expressed in tonnes. This measurement is the total weight of cargo, fuel, fresh water, stores and crew which the ship can carry |
| "EBITDA" | Earnings Before Interest, Taxes, Depreciation and Amortisation |
| "FOB" | Free on board, as defined in the Incoterm standards |
| "GDP" | Gross domestic product |
| "handling and transportation capacity" | Capacity to transport coal from a coal loading station to the designated coal port which is generally measured by tonnes transported over a particular period of time and facilitated by (i) an entity's ability to load coal onto the train; and (ii) the loading capacity of the train being the transportation vehicle between the coal loading station and the coal port |
| "handymax" | Naval architecture term for a bulk carrier, typically between 35,000 and 60,000 DWT |
| "handysize" | Dry bulk vessel with 15,000 to 35,000 DWT |
| "IACS" | The International Association of Classification Societies, a non-governmental organisation which is allowed to develop guidance for the International Maritime Organisation |
| "LIBOR" | The London Interbank Offered Rate, a daily reference rate based on the interest rates at which banks offer to lend unsecured funds to other banks in the London wholesale money market (or interbank market) |
| "total moisture" | The amount of moisture in coal, expressed as a percentage of the weight of the coal |

GLOSSARY OF TECHNICAL TERMS

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| "Panamax" | Ships of the maximum dimensions that will fit through the locks of the Panama Canal, the size of which is determined by the dimension of the lock chambers and the depth of the water in the canal |
| "storage capacity" | Capacity to store coal at a particular place which is generally measured in tonnes and with reference to the area of the relevant place |
| "sulphur" | Sulphur contained in coal which may vary from coal seam to coal seam and sometimes within a single seam |
| "thermal coal" | Coal used in combustion processes by power producers and industrial users to produce steam for power and heat |
| "thruput capacity" | The volume of freight that can be handled in a given period |
| "time charter" | A vessel contract under which the shipowner hires out a ship for a specified period of time |
| "volatile matter" | The amount of volatile matter in coal, expressed as a percentage of the weight of the coal |
| "voyage charter" | A vessel contract under which a shipowner hires out a ship for a specific voyage between the loading port and the discharging port |