This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all of the information which may be important to you. You should read the whole document before you decide to invest in our Shares.

There are risks associated with any investment. Some of the particular risks in investing in our Shares are summarised in the section headed "Risk factors" in this document. You should read that section carefully before you decide to invest in our Shares. Various expressions used in this summary are defined in the section headed "Definitions" in this document.

Prospective investors and/or Shareholders should refer to Appendix V – "Summary of Salient Provisions of the Laws of Singapore" for details of the salient provisions of the laws of Singapore applicable to our Shareholders trading in the Hong Kong stock market. Singapore laws and regulations differ in some respects from comparable Hong Kong laws and regulations and prospective investors and/or Shareholders should consult their own legal advisers for specific legal advice concerning their legal obligations in Singapore.

OVERVIEW

We provide vessel chartering services to our charterers. We own and operate nine dry bulk vessels, including one Capesize vessel, four Panamax vessels, two Handymax vessels and two Handysize vessels with a total carrying capacity of approximately 577,000 dwt. During the Track Record Period, we mainly deployed our existing and disposed vessels in the waters around the Greater China region as well as Indonesia, Singapore, Korea, Vietnam, Cambodia, the Philippines and Russia. We generally transport dry bulk commodities including coal, sea sand and bauxite as well as iron ore and minerals during the Track Record Period.

During the Track Record Period, other than the 2007 CoA we entered into with a Singapore construction company, all other charter contracts we secured were spot charter contracts, and approximately 81.8%, 46.5% and 75.5% of our revenue was generated from spot charter contracts.

Spot charter contracts

Spot charter contracts are one-off contracts where their freight rates are agreed based on instant (i.e. current) market rate. Under spot charter contracts, we calculate freight rates based on voyage charter or time charter. See "Business – chartering process – spot charter contracts" for details.

CoAs

CoAs are longer-term charter contracts which cover a series of voyages (instead of a single voyage), where their freight rates are pre-determined and prevail throughout the agreed period under the contracts. See "Business – chartering process – CoAs" for details.

As at the Latest Practicable Date, the 2007 CoA was fully performed, and we had three CoAs in progress. See "Risk factors – The revenue from the China Coal CoA, the 2011 First CoA and the 2011 Second CoA may not be evenly distributed during the contract periods" for details of the risks in relation to the CoAs.

OUR FINANCIAL PERFORMANCE

Track Record Period

The following table is a summary of our consolidated results for each of the three years ended 31 December 2010. Our consolidated financial information has been prepared in accordance with IFRS. The summary should be read in conjunction with the accountants' report set out in Appendix I to this document.

	Year ended 31 December		
	2008	**2009**	**2010**
	US$'000	*US$'000*	*US$'000*
Revenue	75,660	27,939	46,521
Cost of services	(35,513)	(29,011)	(35,192)
Gross profit (loss)	40,147	(1,072)	11,329
Other income	1,833	2,395	399
Other gains and losses	3,215	1,863	973
Administrative expenses	(3,961)	(2,599)	(3,487)
Share of result of an associate	(542)	(223)	–
Finance costs	(198)	(257)	(119)
Profit before income tax	40,494	107	9,095
Income tax expense	(11)	(32)	(71)
Profit for the year	40,483	75	9,024
Other comprehensive income			
Exchange difference arising on translation of our Group's foreign operation	4	(49)	–
Surplus on revaluation of leasehold land and building	–	–	152
	4	(49)	152
Total comprehensive income for the year attributable to owners of our Company	40,487	26	9,176

Revenue and profit

We generate revenue mainly from providing vessel chartering services. For each of the three years ended 31 December 2010, our revenue was approximately US$75.7 million, US$27.9 million and US$46.5 million respectively; and our net profit was approximately US$40.5 million, US$75,000 and US$9 million respectively.

Reasons for the decrease in revenue in 2009

Due to the global contraction of trade finance resulted from the financial crisis in late 2008, the demand for spot charter contracts and market freight rates were adversely affected. Since our vessel chartering services heavily rely on spot charter contracts which are more prone to market fluctuation, the decrease in the demand for spot charter contracts and the decrease in freight rates had a greater impact on our revenue in 2009 than our competitors, which might have different extent of reliance on spot charter contracts. If our competitors have more CoAs, as the duration term and the freight rates of such long-term contracts are pre-determined, their performance would be less affected by poor economic condition.

In addition, the decrease in coal exports from China in 2009 resulted in a decrease in the number of spot charter contracts we secured in 2009. Notwithstanding the increase in coal imports to China in 2009, we were unable to secure more spot charter contracts in respect of coal imports to China because of (i) keen competition; and (ii) low demand from our existing customers.

Due to the abrupt change in market condition during 2009, we had less spot charter contracts, and therefore the overall utilization rate of our vessels in such year decreased from approximately 76.5% to approximately 71.2%. Together with the effect of the decrease in our freight rates, our revenue experienced a significant decrease in 2009.

Economy recovery in 2010

Following the recovery of the global economy and trade activities, given that we rely on spot charter contracts which allows flexibility in capturing the upside in the shipping market, we were able to secure more spot charter contracts in 2010 and our profitability in such year was steadily improved.

2011 First Quarter

The following table is a summary of our financial results for the three months ended 31 March 2010 and 2011. The summary should be read in conjunction with the unaudited interim financial information set out in Appendix II to this document.

	Three months ended 31 March	
	2010	**2011**
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Revenue	12,853	5,815
Cost of services	(9,275)	(8,089)
Gross profit (loss)	3,578	(2,274)
Other income	27	71
Other gains and losses	40	285
Administrative expenses	(578)	(664)
Other expenses	–	(1,087)
Finance costs	(35)	(17)
Profit (loss) before income tax	3,032	(3,686)
Income tax expense	(7)	(7)
Profit (loss) for the period	3,025	(3,693)
Other comprehensive income		
Surplus on revaluation of leasehold land and building	–	517
Total comprehensive income (expense) for the period attributable to owners of the Company	3,025	(3,176)
Earnings (loss) per share		
Basic	0.29 US cent	(0.35) US cent

Material adverse changes

As shown above, we record a net loss for the three months ended 31 March 2011. Our Directors confirm that there has been or may be a material adverse change in our financial or trading position since 31 December 2010 (being the date on which our latest combined financial statements were prepared and set out in the accountants' report in Appendix I to this document) as our revenue decreased by approximately 55.0% from US$12.9 million in the three months ended 31 March 2010 to US$5.8 million in the three months ended 31 March 2011.

Revenue

The decrease in revenue during the three months ended 31 March 2011 was mainly due to the political instability in the Middle East leading to concerns about global oil supply and substantial increase in bunker price, being one of the major variable costs, which discouraged us from taking orders negotiated with lower freight rates. The over-supply of vessels within the Asian region caused by cutting of cargo shipment to and from Japan as a result of the Japanese earthquake, tsunami and nuclear pollution breakout has led to the decrease in the demand for our services in March 2011.

The above led to a decrease in the overall utilization rate of our vessels from approximately 94.5% to approximately 44.1% for the first quarter of 2011. In line with the approximate 55% decrease in the Baltic Dry Index from the average of approximately 3,027 points for the first quarter of 2010 to the average of approximately 1,365 points for the first quarter of 2011, our revenue decreased by approximately 55% in the first quarter of 2011 compared to the same period in 2010 because of decrease in freight rates.

	For the three months ended 31 March	
	2010	**2011**
Coal	47.5%	39.0%
Sea sand	29.2%	44.9%
Bauxite	7.2%	15.4%
Iron Ore	16.1%	–
Others	–	0.7%
Total	100%	100%

Our revenue derived from transportation of sea sand increased during the first quarter of 2011 compared to the first quarter of 2010, as we transported more sea sand under the 2007 CoA during such period. We did not derive any revenue from transportation of iron ore during the first quarter of 2011, as the Directors confirm that our customers' demand for iron ore was relatively low during such period and therefore we did not secure charter contracts for transportation of iron ore during such period.

Cost of services

Our cost of services for the first quarter of 2011 had a relatively less decrease mainly due to certain fixed cost items, including crew agency fees and maintenance fees coupled with the increase in per tonne market bunker price, despite the decrease in our vessels' utilization rate during such period. In addition, we incurred approximately US$1.1 million in respect of our other expenses (attributable to the professional fees and other expenses relating to our Hong Kong listing exercises), which is non-recurring in nature, during the period.

Net loss

As a result, we record a net loss of approximately US$3.7 million during the three months ended 31 March 2011.

Directors' view

Our Directors are of the view that the above circumstantial factors, which were the main causes of the decline in our financial performance, affect not only us, but the majority of the dry bulk vessel service providers focusing on the Asian region. There is no assurance that such net loss will not recur or we will be able to generate or (where appropriate) sustain revenue growth and profitability in the future.

Maintenance work

During the period where the utilization rate of our vessels is low, we would arrange and schedule certain maintenance work to be performed during such period to reduce the idle time of our vessels and reduce the time to be spent on maintenance in the future. The Directors consider that the reschedule of such maintenance work would not affect our financial position as such maintenance work is mandatory and has to be done within a certain period of time, even if we do not perform such work during the period where the utilization rate of our vessels is low.

Agency fees for vessel crews

As some of the wages of our crew members increased during the three months ended 31 March 2011 compared to the same period of 2010, the agency fees for vessel crew incurred increased, despite the decrease in our vessel's utilization rate during such period. Such agency fees for vessel crew are determined with reference to the number of crews paid instead of the number of voyages they worked on.

Recent natural disasters in Japan

During the Track Record Period, since we seldom and rarely deployed our vessels in waters near Japan, our Directors consider that the recent natural disasters in Japan do not directly affect our operations. However, we suffer from indirect financial loss due to the worsening economic atmosphere brought by such disasters. Other than potential delay in discharging cargoes, our Directors are not aware of any potential claims as a result of the natural disasters. In the event that we encounter claims arising from the natural disasters, the relevant damages would be covered by our insurance policy. See "Risk factors – The recent natural disasters in Japan may affect our operations and financial performance" for the risk in this regard.

Our strategies

We intend to secure more CoAs to mitigate the fluctuation of our financial performance. Since the duration term and freight rates of such long-term contracts are pre-determined, we could still generate a stable income even if we are not able to secure spot charter contracts under poor economic condition. Our Directors consider that the 2011 First CoA, the 2011 Second CoA and the China Coal CoA enable us to have a more stable income in the second half of 2011, which would also improve the overall utilization rate of our vessels.

WORKING CAPITAL

The Directors are of the opinion that after taking into account (i) our existing cash flow; (ii) the cash flow to be generated from the operating activities partly contributed by the 2011 First CoA, the 2011 Second CoA and the China Coal CoA we secured in May 2011; and (iii) the standby banking facilities to be guaranteed by a pledge, the working capital available to our Group is sufficient for our requirements for at least 12 months from the date of this document.

COMPETITIVE STRENGTHS

We have the following key competitive strengths: (i) our fleet comprises vessels with different sizes and tonnage capacities; (ii) we have healthy cash flows and our administrative and finance costs are low; (iii) we have established long-term relationships with our customers and cargo brokers; and (iv) we have an extensive market presence in the Greater China region and certain territories in Asia.

For details of our competitive strengths, see “Business – Competitive strengths”.

BUSINESS STRATEGIES

Having regard to our track record, our Directors believe that we are well-positioned to further develop our business and capture new business opportunities within the dry bulk shipping industry. To achieve this, we plan to continue capitalizing on opportunities to leverage our competitive strengths and implement our business strategies: (i) expand our fleet; (ii) improve our equipment and facilities to enhance competitiveness; (iii) capitalizing on our relationships with existing customers and expanding further in coal shipment; and (iv) continue in establishing a quality customer base.

See “Business – Business strategies” for further details.

FLEET COMPOSITION & UTILIZATION RATES

As at the Latest Practicable Date, our fleet had nine dry bulk vessels, comprising one Capesize vessel, four Panamax vessels, two Handymax vessels and two Handysize vessels with a total carrying capacity of approximately 577,000 dwt. During the Track Record Period, we conducted several sales and purchases of vessels which changed the composition of our fleet. The following table sets forth the particulars of our vessels during the Track Record Period:–

Vessel name	Type	Year of purchase	Year of disposal	Year built	Age	Flag state	Classification society *(Note 1)*	Purchase cost *(US$ million)*	Remaining estimated useful life (year(s)) *(Note 3)*	Estimated residual value *(US$ million)*	Approximate carrying capacity (dwt)
Existing vessels											
Cape Warrior	Capesize	2010	N/A	1986	25	Panama	Isthmus Bureau of Shipping	9.7	5	8.2	146,000
Panamax Leader	Panamax	2010	N/A	1989	21	Panama	China Corporation Register of Shipping	12.9	9	4.7	67,000
Sea Pioneer	Panamax	2008	N/A	1984	27	Panama	International Register of Shipping	3.8	3	4.8	67,000
Valour	Panamax	2005	N/A	1985	25	Panama	China Corporation Register of Shipping	11.9	5	4.9	67,000
Courage	Panamax	2003	N/A	1984	27	Panama	China Corporation Register of Shipping	4.4	3	4.9	67,000
Zorina	Handymax	2008	N/A	1982	29	Panama	Bureau Veritas	16.0	1	4.6	48,000
Heroic	Handymax	2006	N/A	1982	29	Panama	China Corporation Register of Shipping	6.2	1	3.5	42,000
Bravery	Handysize	2005	N/A	1983	28	Panama	China Corporation Register of Shipping	7.9	2	3.3	36,000
Raffles	Handysize	2004	N/A	1984	27	Panama	China Corporation Register of Shipping	10.7	3	2.9	38,000
Disposed vessels											
Cape Ore	Capesize	2010	2010	1981	N/A	Panama	N/A *(Note 2)*	7.9	N/A *(Note 2)*	N/A *(Note 2)*	128,000
Panamax Mars	Panamax	2004	2009	1980	N/A	Panama	N/A *(Note 2)*	8.7	N/A *(Note 2)*	N/A *(Note 2)*	62,000
Ally II	Handysize	2002	2008	1977	N/A	Panama	N/A *(Note 2)*	1.2	N/A *(Note 2)*	N/A *(Note 2)*	35,000
Jeannie III	Handysize	2001	2010	1977	N/A	Panama	N/A *(Note 2)*	1.1	N/A *(Note 2)*	N/A *(Note 2)*	35,000

Notes:

1. All our vessels are, for purpose of safety classification society, inspected and classified by the Isthmus Bureau of Shipping, Bureau Veritas, International Register of Shipping and China Corporation Register of Shipping, as the case may be.

2. Since we no longer own such vessels, we do not have information on its current classification society, remaining estimated useful life and estimated residual value.

3. Estimated useful life means 30 years from the date of initial delivery from the shipyard. We determine the estimated useful lives of vessels mainly for calculating their depreciation amount. The Directors consider that the actual useful lives of our vessels could be more than 30 years because: (i) it is not mandatory to scrap a vessel if it is more than 30 years old, and the decision to scrap a vessel is a economic decision; and (ii) we owned and operated vessels that were older than 30 years during the Track Record Period. As at the year-end dates of the last five financial years, we maintained at least 8 vessels. As of the Latest Practicable Date, we had no existing plan to downsize our fleet capacity.

During the Track Record Period, our fleet taken as a whole maintained a utilization rate ranging from approximately 71.2% to approximately 85.1%. The following table sets forth the utilization rate of each type of our vessels during the Track Record Period:–

	Utilization rate *(Note)* Year ended 31 December		
Vessel type	**2008**	**2009**	**2010**
Capesize	–	–	61.9%
Panamax	62.3%	57.8%	81.3%
Handymax	90.4%	78.2%	98.5%
Handysize	83.7%	79.9%	86.9%
Overall	**76.5%**	**71.2%**	**85.1%**

Note: The utilization rate for each vessel type is calculated based on the aggregated number of days during which the underlying vessel(s) was/were owned and operated by us, less such estimated aggregated number of off-hire days due to dry-docking or other repair and maintenance and the off-hire period in between two charter periods, divided by the total number of days of the underlying vessel(s) owned and operated by us for the year (on the basis of 365 days per year).

For further details regarding the breakdown of the utilization rates of our vessels for each of the years during the Track Record Period, see "Business – Fleet composition and utilization rates".

DIVIDEND POLICY

Subject to the Bermuda Companies Act, our Company may declare dividends at general meetings in any currency but no dividend shall be declared in excess of the amount recommended by the Board. Subject to the Bermuda Companies Act, our Directors may also from time to time declare a dividend or other distribution.

The payment and the amount of dividends paid by our Company in the future will depend on, among other factors, our results, cash flows and financial condition and position, operating and capital requirements, the amount of distributable profits based on IFRS, compliance with the memorandum of association and the Bye-laws of our Company, the Bermuda Companies Act, applicable laws and regulations, other legal and contractual limitations relating to distribution and payment of dividends that we may from time to time be subject to and other factors that the Directors consider to be relevant to our Group. The declaration, payment and the amount of dividends will be subject to the Board's discretion.

We distributed dividends of approximately US$20 million, US$5 million and US$7.5 million respectively, in respect of each of the three years ended 31 December 2010.

LISTING BY WAY OF INTRODUCTION

Our Shares have been listed and traded on the SGX-ST since 2005. As at the Latest Practicable Date, the trading price of our Shares on the SGX-ST was S$0.15. Our Directors consider that it is desirable and beneficial for our Company to have dual primary listing status in both Singapore and Hong Kong so that we can have ready access to these different equity markets in Asia Pacific region when the opportunity arises. We believe the two markets attract investors with different profiles and thereby widen the investor base of our Company and increase the liquidity of the Shares. In particular, it enables us to benefit from our exposure to a wider range of private and institutional investors. Our Directors believe that a listing in Hong Kong is in line with our focus on our business in Greater China, which is important for our growth and long-term development.

Removal of Shares

Currently, all our Shares are registered on the principal register of members in Bermuda. For purposes of trading on the Stock Exchange, our Shares must be registered on the Hong Kong share register. Shares may be transferred between the principal register of members in Bermuda and the Hong Kong share register. If an investor whose Shares are traded on the SGX-ST and wishes to trade his Shares on the Stock Exchange, he must effect such transfer. See "Listings, registration, dealings and settlement" in this document for the procedures in relation to such removal of Shares.

BRIDGING ARRANGEMENTS

In connection with the Listing, the Bridging Dealer has been appointed as bridging dealer and intends to implement the bridging arrangements described in the section headed "Listings, registration, dealings and settlement – bridging arrangements" of this document. The bridging arrangements are intended to facilitate the migration of Shares to the Hong Kong share register in order for an open market in Shares to develop in Hong Kong following the Listing.

In connection with the bridging arrangements, the Bridging Dealer entered into: (i) a Sale and Repurchase Agreement with China Lion (as vendor) under which the Bridging Dealer purchased from China Lion a total of approximately 1% of our Shares in issue, and China Lion shall repurchase the equivalent number of Shares she sold at the same price as such Shares were sold, shortly after the expiry of the Bridging Period (being the 30-day period from and including the Listing Date); and (ii) a Stock Borrowing and Lending Agreement with China Lion under which China Lion will make available to the Bridging Dealer Share lending facilities up to approximately 12.4% of Shares to the Bridging Dealer, on one or more occasions, subject to the applicable laws, rules and regulations in Singapore and Hong Kong, including without limitation that the lending and the subsequent acceptance of redelivery of any Shares by China Lion, and the borrowing and the subsequent redelivery of any Shares by the Bridging Dealer, will not lead to either party being obliged to make a mandatory general offer under the Takeovers Code and/or the Singapore Takeovers Code. Such Shares will be used for settlement in connection with the arbitrage trades carried out by the Bridging Dealer in Hong Kong. The bridging arrangements are expected to contribute to the liquidity of trading in our Shares on the Hong Kong market upon the Introduction as well as to reduce potential material divergence between

Share prices on the Hong Kong and the Singapore markets. Prospective investors should refer to the section headed "listings, registration, dealings and settlement – Bridging Arrangements" of this document for further details.

RISK FACTORS

Our Directors believe that there are certain risks involved in our business and operations and in connection with the Introduction. Such risks can be categorised into (i) risks relating to our business; (ii) risks relating to the industry; (iii) risks relating to ownership of our Shares; (iv) risks relating to our dual primary listing; and (v) risks relating to statement made in this document. The following highlights some of the more important risk factors in relation to our business:

- Our profitability may not be sustainable in the future
- We rely on a few major customers during the Track Record Period and our trade receivables are mainly due from these customers
- We rely on spot charter contracts
- We currently own nine vessels only
- The revenue from the China Coal CoA, the 2011 First CoA and the 2011 Second CoA may not be evenly distributed during the contract period
- We may incur substantial maintenance and repair costs or replacement costs of vessels
- The recent natural disasters in Japan may affect our operations and financial performance

Please refer to the section headed "Risk factors" for details regarding the above risks and other risks.