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Wah Kwong

Sabrina Chao takes the chair



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Shipping in the blood

Sabrina Chao vows to continue in the same vein as her father as the new head of Wah Kwong

In her first interview since assuming the chairmanship of Wah Kwong Maritime Transport Holdings in January, Sabrina Chao warned that this year is likely to be the absolute nadir of shipping's downturn.

"2013 will be the defining year," Chao, 38, told our brand new sister publication *Maritime CEO*. "A lot of people won't make it," she added.

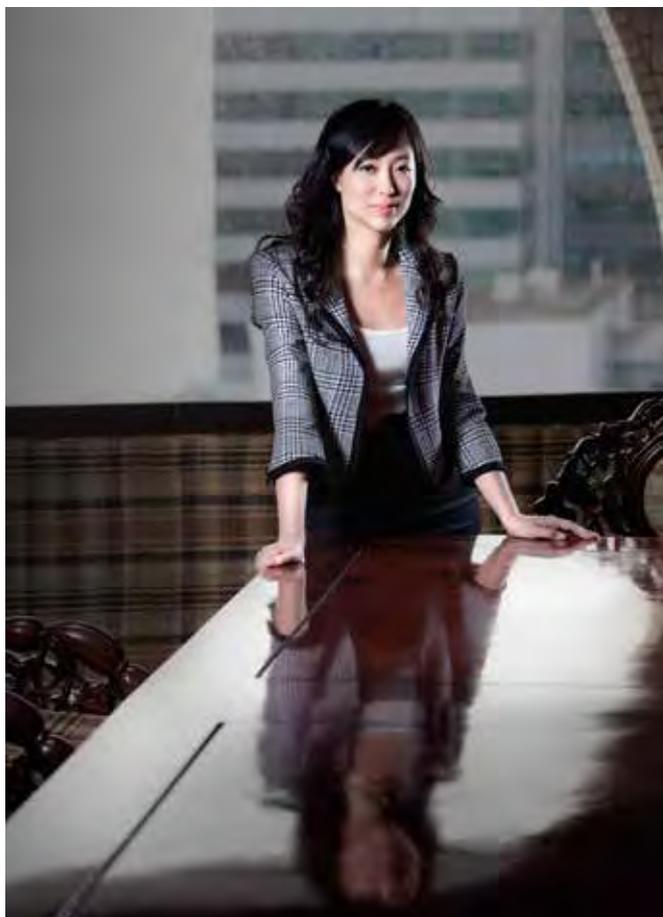
In a recent management shuffle, Sabrina took over from her father, George as chairman of the 60-year-old shipping line, which operates a 28-ship fleet. Her father has become president, although he will not be resuming any daily duties.

The step up the corporate ladder is in name only as Sabrina has actually been running the day-to-day operations of the Hong Kong firm for the past couple of years since her father was taken ill in late 2010.

She joined the family firm 11 years ago, following stints with Jardine Fleming and PricewaterhouseCoopers and completing her degree from Imperial College, London.

Do not expect too much to change at the company. Like father, like daughter, the plans are to remain conservative.

"We will stick with our long term busi-



ness plan of being a provider of first class bulk shipping services to our customers," said Chao. "We have always been cautious about counterparties and securing long term revenue streams. In the current environment, managing risk, enhancing our shipmanagement systems and positioning ourselves to take advantage of opportunities are key strategies."

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In 60 years Wah Kwong has endured

many downturns. An especially brutal experience from the 1980s has made it more cautious than ever when tides turn in the industry.

On the current ongoing difficulties that shipping is suffering, Chao says, "It's taught me that a solid foundation, a pru-

dent business model and having a good team of people can get you through most crises."

The team she talks of includes one of Hong Kong's best known — and most savvy — men in shipping, former Clarkson broker Tim Huxley, who is the CEO of Wah Kwong and a solid sounding board for any investment ideas the new chairman plans.

A founding member of the Hong Kong

Shipowners Association, Wah Kwong has always championed the Special Administrative Region as a shipping centre *par excellence*. This memorably saw George Chao three years ago chide former Hong Kong chief executive Donald Tsang for failing to take the importance of shipping seriously enough. It is also something that has rubbed off on the daughter.

"We are fortunate to have been established in Asia's maritime centre, Hong Kong, for 60 years," she says, "and you can't ask for a better place to run a shipowning company from. We want to continue to not only develop our own company, but also to contribute to the future development of Hong Kong's shipping industry."

To this end, a lavish book published late last year to commemorate the line's 60th anniversary has been sent to every school in the city.

This latest Chao clearly is aware of her roots, and the importance of continuity at a family shipping line.

NEED TO KNOW

WAH KWONG

CELEBRATING ITS 60TH anniversary last year, Wah Kwong traces its roots to Shanghai. It is a founding member of the Hong Kong Shipowners Association. Currently owns 28 ships either wholly or in partnership: four VLCCs, a panamax crude tanker, ten small LPG tankers, four capesize bulkers, four supramaxes, two post-panamax bulkers, a panamax bulker and two handysize bulkers. Orderbook currently has a single VLCC at Shanghai Waigaoqiao Shipbuilding, due for delivery in June 2013. Sabrina Chao assumed chairmanship of the company in January, becoming the third generation of the family to take the helm. Former Clarksons broker Tim Huxley is CEO.