



Precious Shipping Public Company Limited



The Annual General Meeting of Shareholders No.1/2023

Date: 10th April 2023

PSL fleet

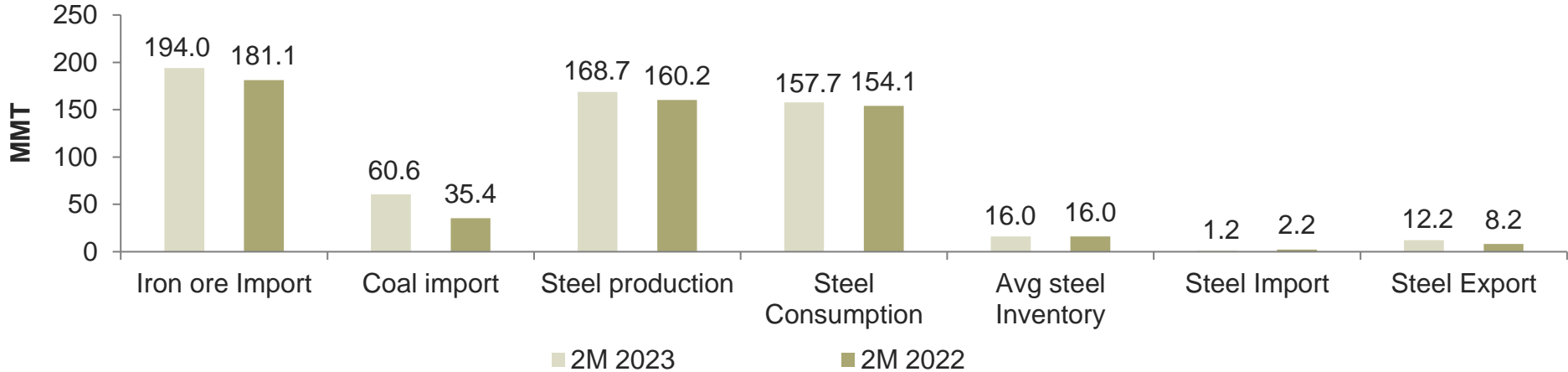
As of	31 st Dec 2018	31 st Dec 2019	31 st Dec 2020	31 st Dec 2021	31 st Dec 2022
Number of Vessels	36	36	36	36	38
Average Age (Simple Avg)	7.3 years	8.3 years	9.3 years	10.3 years	11.0 years
Insured Value (US\$ million)	700.3	650.0	650.0	747.6	765.4
Book Value (US\$ million)	689.4	664.9	634.8	605.0	635.8
Total DWT	1,585,805	1,585,805	1,585,805	1,585,805	1,657,579
Total LDT	350,989	350,989	350,989	350,989	368,532
Average DWT per Vessel	44,050	44,050	44,050	44,050	43,621

2022 was good, but look at China's performance in 2M of 2023!

Latest available Data points on China in 2M 2023 Vs 2M 2022.

- China's Iron Ore imports in 2M 2023 was 194.0 MMT Vs 181.1 MMT 2M 2022 up by 7.1%.
- China's Coal imports in 2M 2023 was 60.6 MMT Vs 35.4 MMT 2M 2022 up by 71.3%.
- China's Steel production in 2M 2023 was 168.7 MMT Vs 160.2 MMT in 2M 2022 up by 5.3%.
- Monthly average Steel inventory in 2M 2023 was 16.0 MMT Vs 16.0 MMT 2M 2022, unchanged.
- Steel imports in 2M 2023 was 1.2 MMT Vs 2.2 MMT in 2M 2022 down by 44.2%.
- Steel exports in 2M 2023 was 12.2 MMT Vs 8.2 MMT 2M 2022 up by 48.2%.
- Steel consumption in 2M 2023 was 157.7 MMT Vs 154.1 MMT in 2M 2022 up by 2.3%.

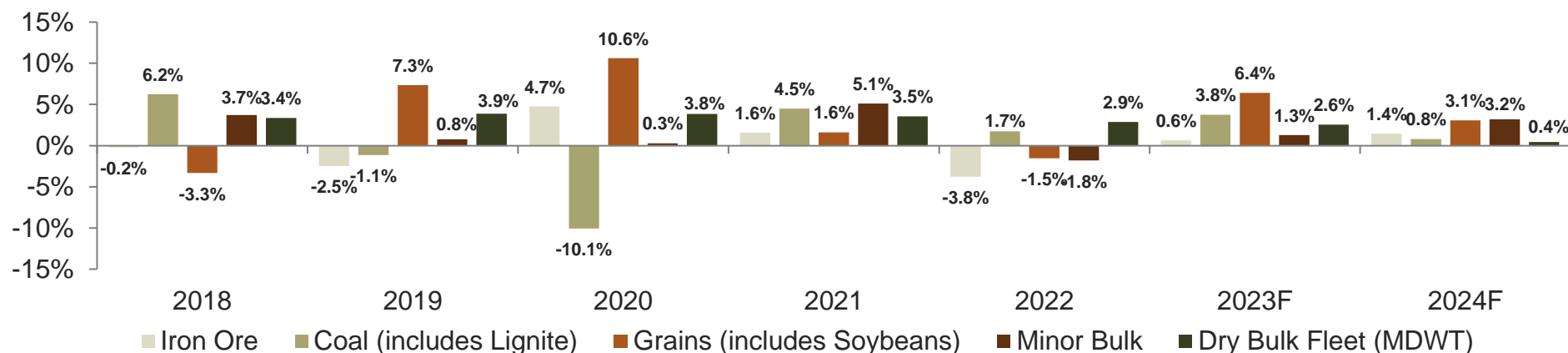
2022 vs 2021	
Iron Ore imports	-1.6%
Coal imports	-9.4%
Steel production	-1.8%
Monthly average Steel inventory	-10.1%
Steel imports	-26.3%
Steel exports	+0.9%
Steel consumption	-2.3%



Growth in seaborne dry bulk trade – billion tonne-miles

Seaborne Dry bulk Trade							
All Units In Billion Tonne-Miles	2018	2019	2020	2021	2022	2023F	2024F
Iron Ore	8,204	8,001	8,380	8,512	8,189	8,242	8,361
Coal (includes Lignite)	5,210	5,151	4,632	4,840	4,924	5,109	5,150
Grains (includes Soybeans)	3,163	3,395	3,756	3,817	3,758	3,999	4,122
Minor Bulk	11,105	11,189	11,221	11,794	11,580	11,727	12,103
Total	27,682	27,736	27,989	28,963	28,452	29,077	29,736
Total % Change In Trade	2.13%	0.20%	0.91%	3.48%	-1.76%	2.20%	2.27%
Dry Bulk Fleet (MDWT)	840.82	873.43	906.99	939.15	966.03	990.7*	995.1*
% Change in Dry Bulk Fleet (MDWT)	3.35%	3.88%	3.84%	3.55%	2.86%	2.6%	0.4%

% age increase over the previous year



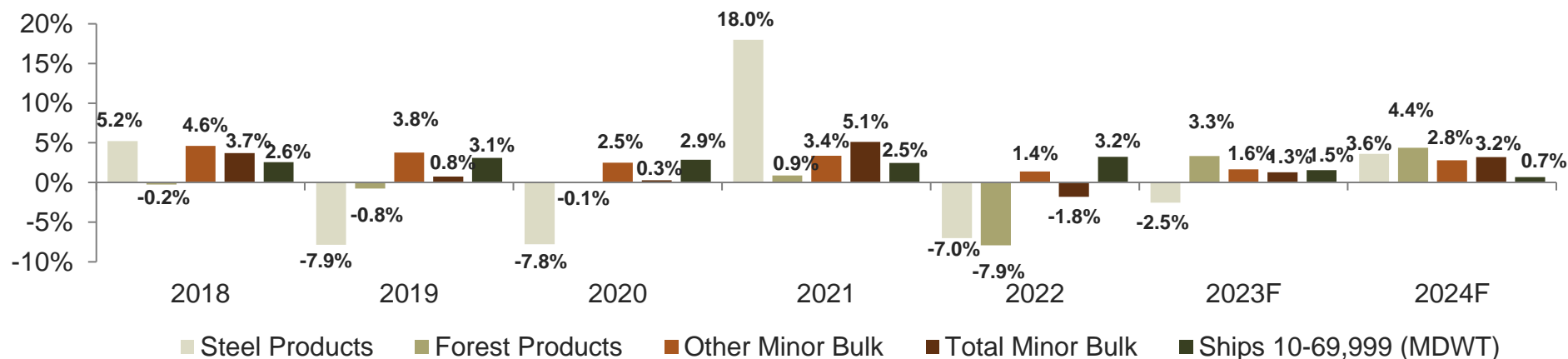
Source: Clarksons World Seaborne Trade Timeseries and Clarksons World Fleet Register as on 1 Mar 2023

*2023F and 2024F figures from Clarksons Feb 2023 DBTO

Growth in seaborne minor bulk trade – billion tonne-miles

Seaborne Minor Bulk Trade							
All Units In Billion Tonne-Miles	2018	2019	2020	2021	2022E	2023F	2024F
Steel Products	2,003	1,845	1,702	2,008	1,867	1,820	1,885
Forest Products	2,239	2,222	2,220	2,240	2,063	2,132	2,225
Other Minor Bulk	6,864	7,122	7,299	7,546	7,650	7,775	7,992
Total Minor Bulk	11,105	11,189	11,221	11,794	11,580	11,727	12,103
% Change In Minor Bulk	3.71%	0.76%	0.29%	5.10%	-1.81%	1.27%	3.20%
Ships 10-69,999 (MDWT)	303.80	313.20	322.20	330.10	340.73	346.0*	348.4*
% Change In 10-69,999 (MDWT)	2.57%	3.09%	2.87%	2.45%	3.22%	1.5%	0.7%

% age increase over the previous year

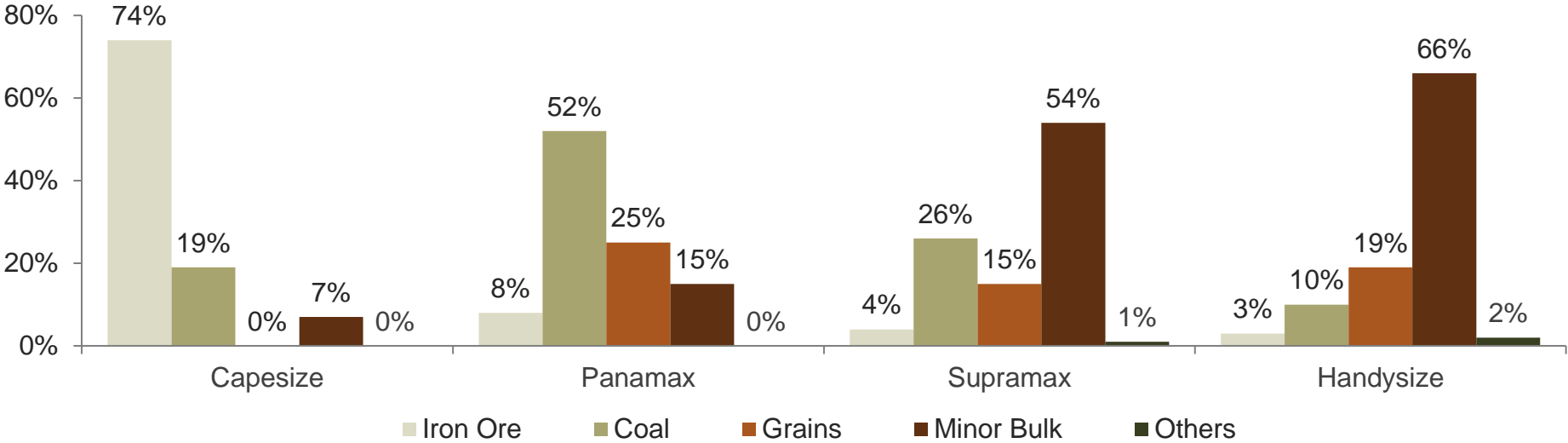


Source: Clarksons World Seaborne Trade Timeseries and Clarksons World Fleet Register as on 1 Mar 2023

*2023F and 2024F figures from Clarksons Feb 2023 DBTO

Commodities share by different dry bulk sectors

Commodities	Capesize	Panamax	Supramax	Handysize
Iron Ore	74%	8%	4%	3%
Coal	19%	52%	26%	10%
Grains	-	25%	15%	19%
Minor Bulk	7%	15%	54%	66%
Others	-	-	1%	2%



Source: Maersk Broker as of Q4 2022

Dry bulk fleet at the start of Mar 2023

Fleet Overview

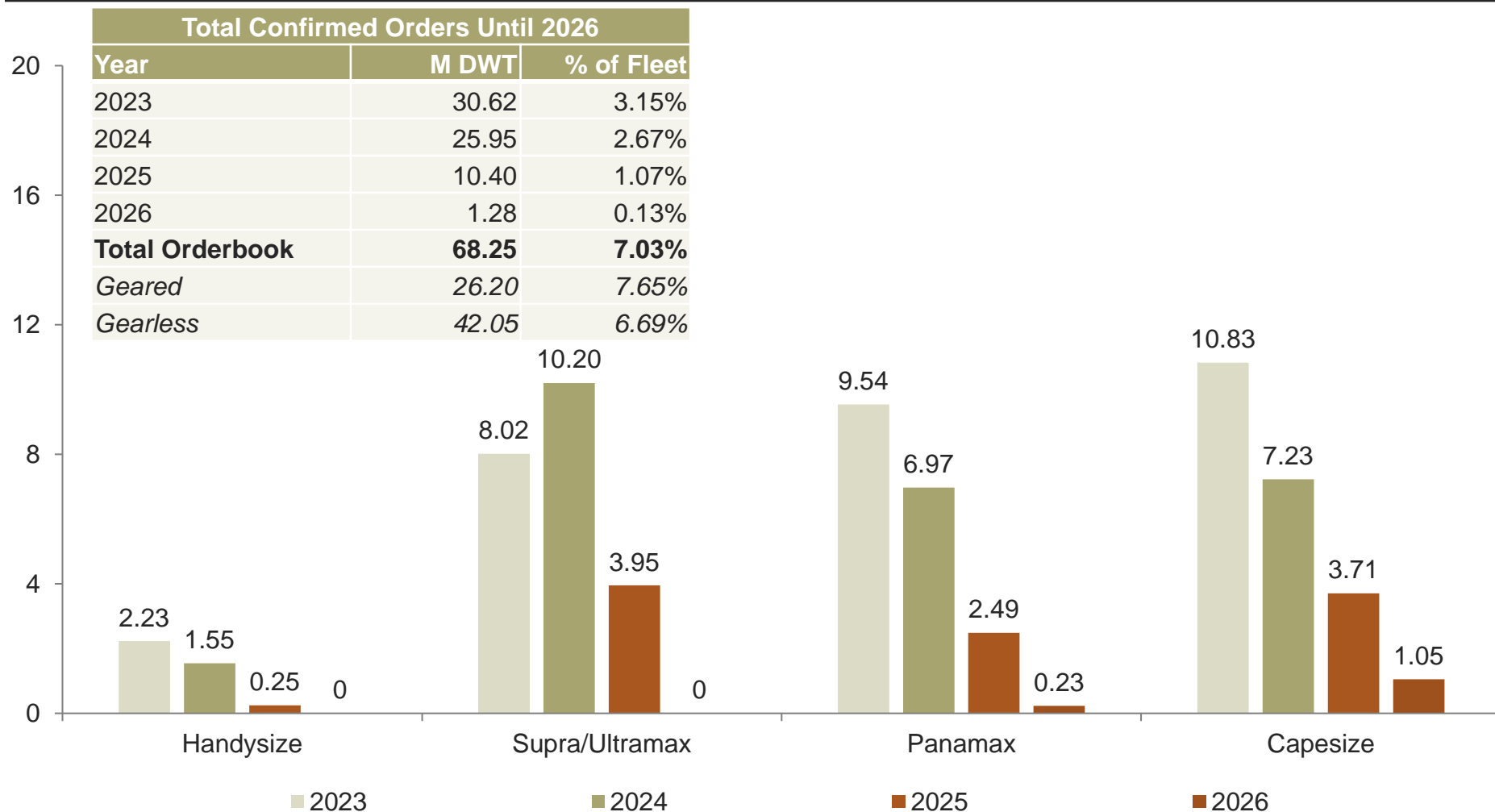
Ship Type	DWT Range (MT)	Ships	Av Age (yrs)	Total DWT (m MT)	Av DWT (MT)	% of DWT
Handysize	10,000 – 39,999	4,316	13.42	115.65	26,795	11.91%
Supra/Ultramax	40,000 – 69,999	4,030	11.44	226.79	56,277	23.35%
Panamax	70,000 – 89,999	2,665	11.33	212.28	79,657	21.86%
Capesize	90,000+	2,281	10.19	416.59	182,635	42.89%
Total / Average		13,292	11.85	971.32	73,075	100.00%

Changes in 2M 2023

Ship Type	DWT Range (MT)	Ships No (%age)	DWT m MT (%age)
Handysize	10,000 – 39,999	+24 (+0.56%)	+0.51 (+0.44%)
Supra/Ultramax	40,000 – 69,999	+21 (+0.52%)	+1.21 (+0.53%)
Panamax	70,000 – 89,999	+17 (+0.64%)	+1.43 (+0.68%)
Capesize	90,000+	+11 (+0.48%)	+2.15 (+0.52%)
Total / Average		+73 (+0.55%)	+5.29 (+0.55%)

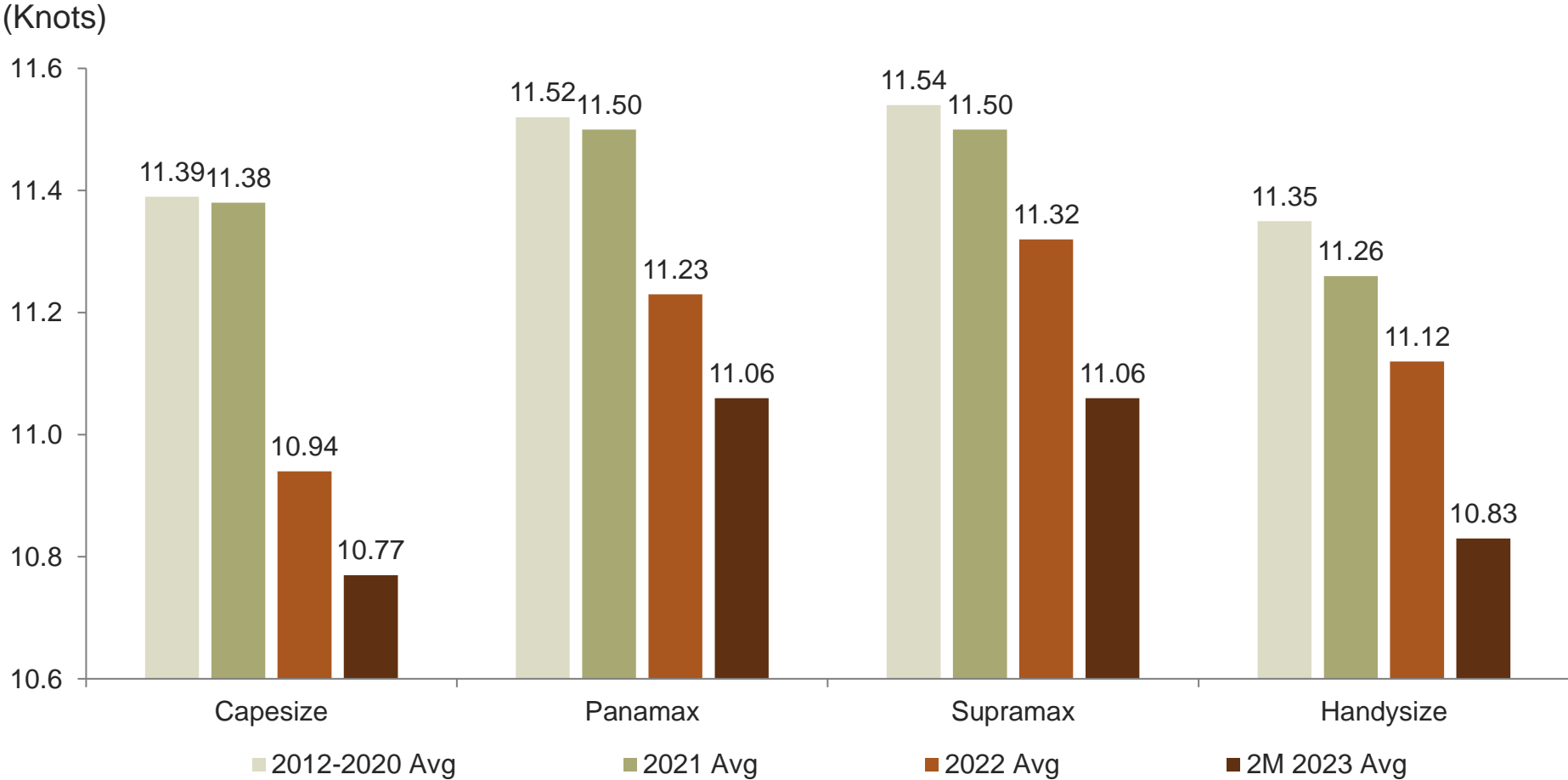
Source: Clarksons World Fleet Register as on 1 Mar 2023

Confirmed orders as of 1 Mar 2023 (MDWT) – 31 Dec 2026



Source: Clarksons World Fleet Register as on 1 Mar 2023

Average speed – till end of 2M 2023

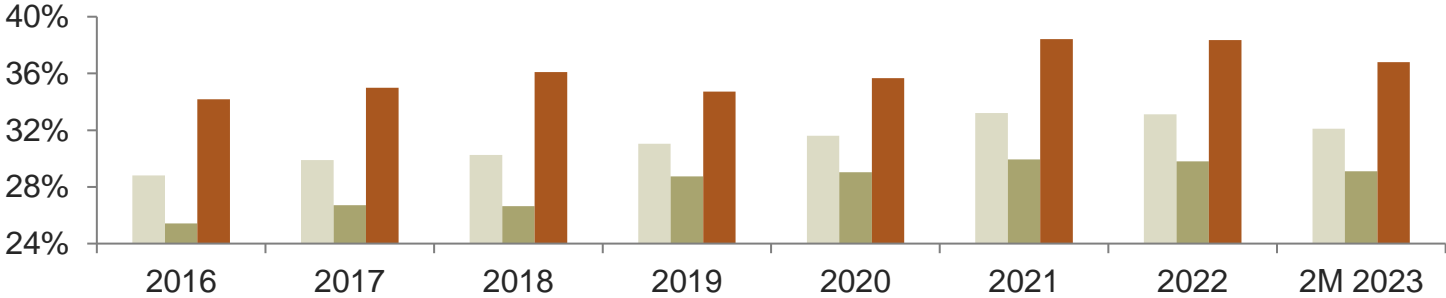
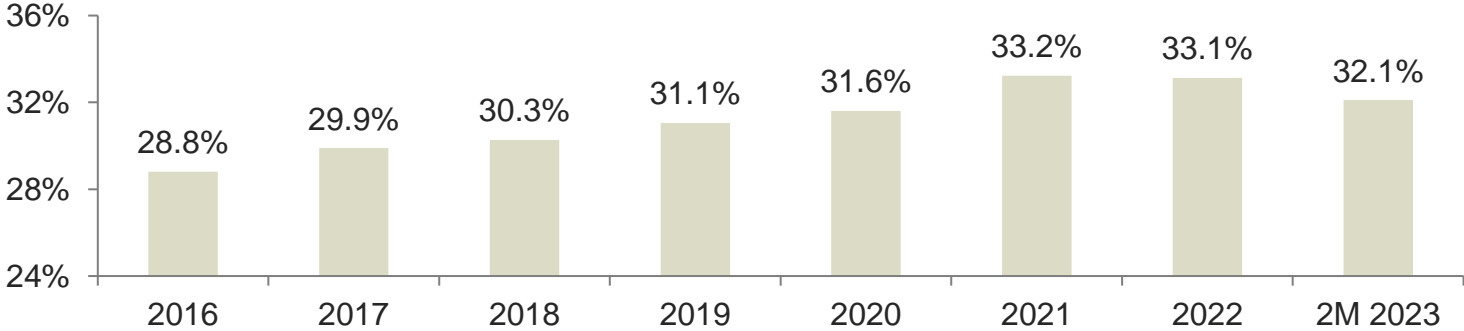


Source: Clarksons Speed Timeseries as on 1 Mar 2023



Port congestion – till end of 2M 2023

Bulkcarrier (Capesize & Panamax) Port Congestion as % of Capesize & Panamax Fleet



- Bulkcarrier (Capesize & Panamax) Port Congestion as % of Capesize & Panamax Fleet
- Capesize Port Congestion as % of Capesize Fleet
- Panamax Port Congestion as % of Panamax Fleet

- Data basis vessels in a defined port or anchorage location based on vessel’s closest to midday AIS signal.
- Capesize & Panamax port congestion stood at 33.1% of their fleet in 2022.
- In 2M 2023, this figure decreased to 32.1%

Source: Clarksons Port Congestion Timeseries as on 1 Mar 2023
 Note: Clarksons suspended a provision of Supramax port congestion data
 Port congestion data from Clarksons in previous PSL presentations were not comprehensive.

Differences in 2003-2009, 2010-2020, 2021, 2022 and the future

Daily average Time Charter rate	2003 – 2009	2010 – 2020	2021	2022	2M 2023
Capesize	67,101*	14,924***	33,333**	16,177**	6,472**
Panamax	32,793*	10,965***	26,898**	20,736**	9,463**
Supramax	28,013^^	10,765***	26,768**	22,152**	8,129**
Handysize	18,753^^	8,789***	25,702**	21,337**	8,498**
Demand Billion Ton-miles per year	+5.4%	+4.2%	+3.48%	-1.76%	2.20%
Average Speed (knots)	13.5^^	11.5^^	11.4	11.2	11.0
Chinese Stimulus	China enters WTO 2001	USD 578 bn (2009)	\$667 bn (mid year 2020) (ROW \$20 trillion+)	\$2.3 trillion^	
Orderbook/Fleet ratio per year (start of each year)	+36.02%	+26.23%	+7.03%	+6.88%	+7.16%
Annual average % of 20-year-old (start of each year)	+18.38%	+11.27%	+6.25%	+7.26%	+8.07%
Annual average net supply growth	+6.8%	+6.4%	+3.55%	+2.86%	+2.6%

2023 & The Future

At the start of 2022, for the first time this century, the 20+ year old fleet was larger than the forward order book, and at the start of Mar 2023 it was still 8.01% versus 7.03%, respectively.

Note: *BCI 172K (4TC), BPI 74K (4TC), BSI 52K (6TC), BHSI 28K (6TC).

**BCI 180K (5TC), BPI 82K (5TC), BSI 58K (10TC), BHSI 38K (7TC)

***Combine of above two classification

^Bloomberg calculates Chinese stimulus at \$ 5.3 trillion!

^^1 Yr. TC 32K, 1 Yr. TC 52K used for years where there was no BHSI (2003-2006) or no BSI (2003-2005).

^^^Average speed in 2008-2009 and average speed in 2012-2020

Source: Clarksons Index Timeseries, Clarksons World Seaborne Trade Timeseries, Clarksons Speed Timeseries and Clarksons World Fleet Register as on 1 Mar 2023, End'23 Fleet Capacity from Clarksons Feb 2023 DBTO

DWT of dry bulk ships ordered in 2M 2023 versus 2022, 2021 and 2020

Year	Avg. BDI	% Change in 2023	New Orders in MDWT	% Change in 2023
2M 2020	587	+34%	4.55	-68%
2M 2021	1,579	-50%	9.43	-85%
2M 2022	1,798	-56%	6.16	-77%
2M 2023	787	-	1.44	-

Source: Clarksons Index Timeseries and Clarksons World Fleet Register as on 1 Mar 2023

Reasons why new ship orders have not gone ballistic even though rates have skyrocketed

1. **Container, Tanker, Gas, and Car carriers have booked all available slots** at shipyards and hence **dry bulk has been ‘crowded out’** and can only **get ships in 2025** at the earliest.
2. **Shipyard capacity is still 40% below the peak, 119 active “large” yards in 2022 vs 320 in 2009.**
3. **Despite dry bulk owners having enough money to invest in new build ships, current legislation and expected regulations, will expedite the ‘death’ of IC fuel oil burning ships and the fear that such ships may become ‘stranded assets’, is constraining the orderbook.**

Key industry takeaways

- **The IMF estimates global GDP growth of 2.9% in 2023 and 3.1% in 2024.**
- **Chinese GDP will grow by 5.2% in 2023, a 0.8% increase over the IMF's previous forecast.**
- **Demand growth of 1.5-2.5% in 2023, will be driven by China's economic recovery.**
- **In 2M 2023, China's fixed asset investment is +5.5%, consumer spending has rebounded.**
- **China 2M iron ore imports 194 MMT (+7.1%), Brazil -23.2% (21.8 MMT), Aussie +7.4% (117.5 MMT)**
- **Deliveries remain limited amid a small orderbook at 7.03% of the fleet as of 1 Mar 23.**
- **The dry bulk fleet is forecast to grow by 2.6% in 2023 and by 0.4% in 2024.**
- **Supply will be reduced by 2.0-2.5% in 2023 and 2024 due to lower speeds via compliance with EEXI and CII regulations.**
- **The supply/demand balance should improve in 2023.**
- **Rates have started recovering as demand picks up in China.**
- **PSL has 15 ships fixed on index linked charters which have already started to benefit.**



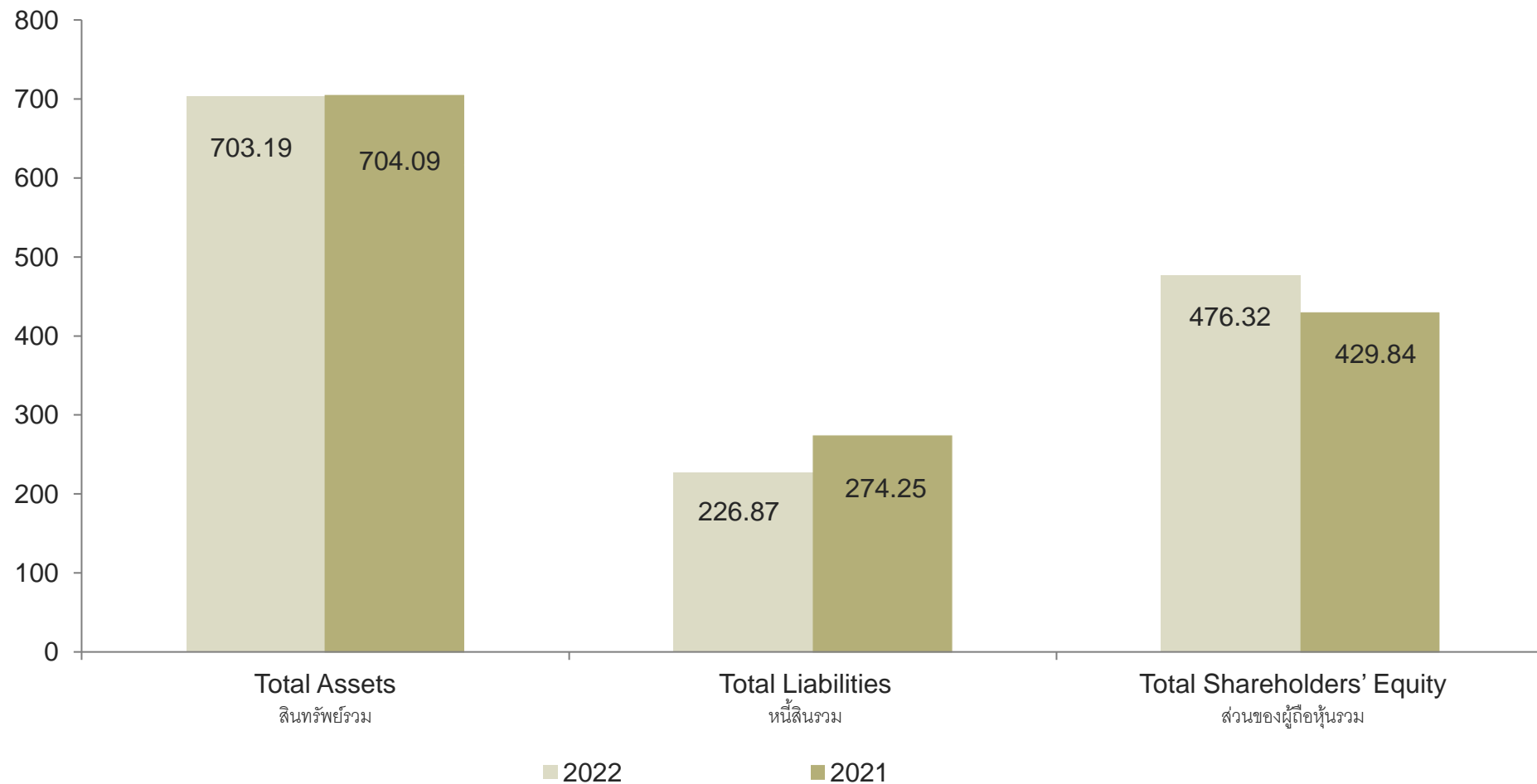
Financials

Financial highlights – income statement

Particulars	รายการ	2022	2021
(Unit : US\$ Million / หน่วย : ล้านดอลลาร์สหรัฐ)			
Total Revenues	รายได้รวม	260.45	272.09
Net Profit (Loss)	กำไร (ขาดทุน) สุทธิ	138.61	136.96
Net Profit (Loss) excluding Exchange gain (loss) and Non-recurring items	กำไร (ขาดทุน) สุทธิ ไม่รวมกำไร (ขาดทุน) จากอัตราแลกเปลี่ยนและรายการพิเศษต่างๆ	138.66	132.76
EBITDA	กำไรก่อนหักดอกเบี้ยจ่าย ภาษีเงินได้ ค่าเสื่อมราคา และรายจ่ายตัดบัญชี	180.33	175.17
(Unit : US\$ / หน่วย : เหรียญสหรัฐ)			
Average TC Income per Ship per day	รายได้เฉลี่ยต่อวันต่อลำ	19,924	20,338
Average Ship Running Cost per Ship per day (OPEX)	ค่าใช้จ่ายในการเดินเรือเฉลี่ยต่อวันต่อลำ	4,895	5,090
(Unit : Baht / หน่วย : บาท)			
Earning (Loss) per share	กำไร (ขาดทุน) ต่อหุ้น	3.11	2.87

Financial highlights - financial position

US\$ Million - ล้านบาทสหรัฐ



2022 highlights

2022 Highlights

Dividend	<ul style="list-style-type: none">• PSL declared an interim dividend (No.1) of 50 Satang which was paid on 8 June 2022.• PSL declared an interim dividend (No.2) of 50 Satang which was paid on 12 September 2022.• PSL declared an interim dividend (No.3) of 50 Satang which was paid on 9 December 2022.• Apart from dividend No.1 - No. 3, PSL declared a final dividend of 25 Satang, to be paid on 9 May 2023 (after the E-AGM approval). Total dividend for the year 2022 is Baht 1.75 per share.
Financing	<ul style="list-style-type: none">• Signed one new loan and drawdown USD 17.10 million from Bangkok Bank, Singapore Branch
Purchase of vessels	<ul style="list-style-type: none">• Took delivery of Phatra Naree on 13 June 2022.• Took delivery of Pavida Naree on 25 July 2022.
Long-term charter contracts	<ul style="list-style-type: none">• During the year 2022, 7 ships were under long-term charter contracts at fixed rates, and 15 ships were entered into long-term charter contracts at levels linked to the underlying index for vessels of that size.

Anti-corruption activities

The Company maintains high ethical standards, with a view to upholding its position against any form of bribery and corruption.

Anti-Corruption activities are as follows:

- Conducting regular bribery and corruption risk assessment to review mitigation measures;
- Training provided to executives and staff members to increase awareness and understanding of the corruption risks businesses may face;
- Implementation of a monitoring system to ensure the effectiveness of the relevant policies and procedures.

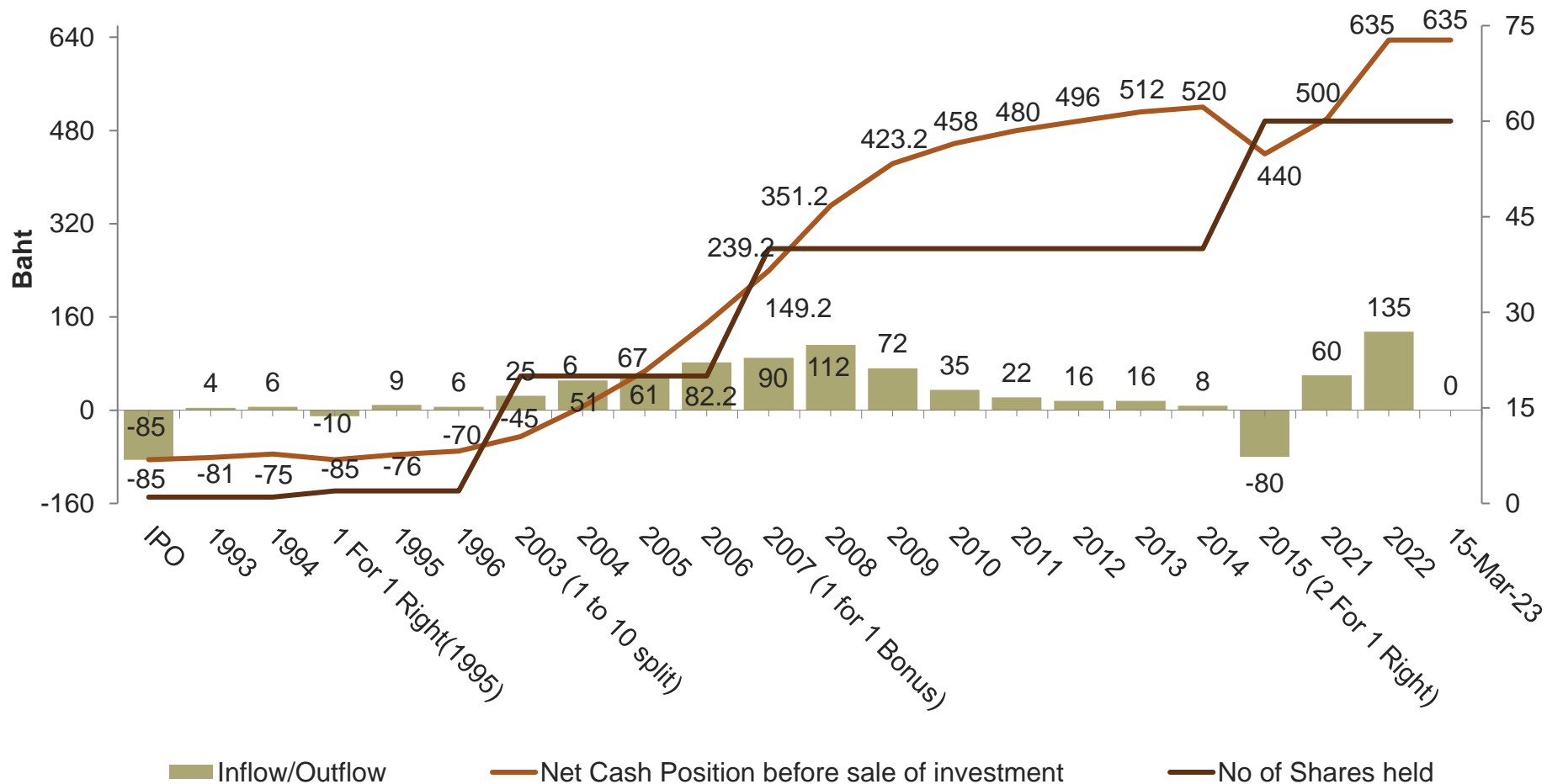
In August 2019, the Company was certified as a member of Thailand's Private Sector Collective Action Coalition against Corruption (CAC).





Shareholder's returns

Total return to shareholders: 1993 to 15 March 2023



Basis the 15.20 Baht/share price on 15 Mar 2023, stockholders have earned a 16.27% IRR since the IPO in 1993.

Final food for thought

- **Demand is expected to grow, over the next couple of years.**
- **PSL is a Thai Corporate, but we have zero business out of Thailand. The weaker the Thai Baht, the stronger our EPS in Thai Baht as all our income is in USD!**
- **P/BV is not a good measure anymore, as asset values have fluctuated significantly, up and down, since the start of the pandemic.**
- **Our debt continues to shrink. This should be good news for our shareholders.**
- **Demand growth of 1.5-2.5% in 2023**, will be driven by China's economic recovery.
- The dry bulk fleet is forecast to **grow by 2.6% in 2023 and by 0.4% in 2024.**
- Supply will be **reduced by 2.0-2.5% in 2023 and 2024** due to lower speeds via compliance with **EEXI and CII regulations.**
- The **supply/demand balance should improve in 2023.**
- **Rates have started recovering as demand picks up in China.**
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Thank You !



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