



# Precious Shipping Public Company Limited



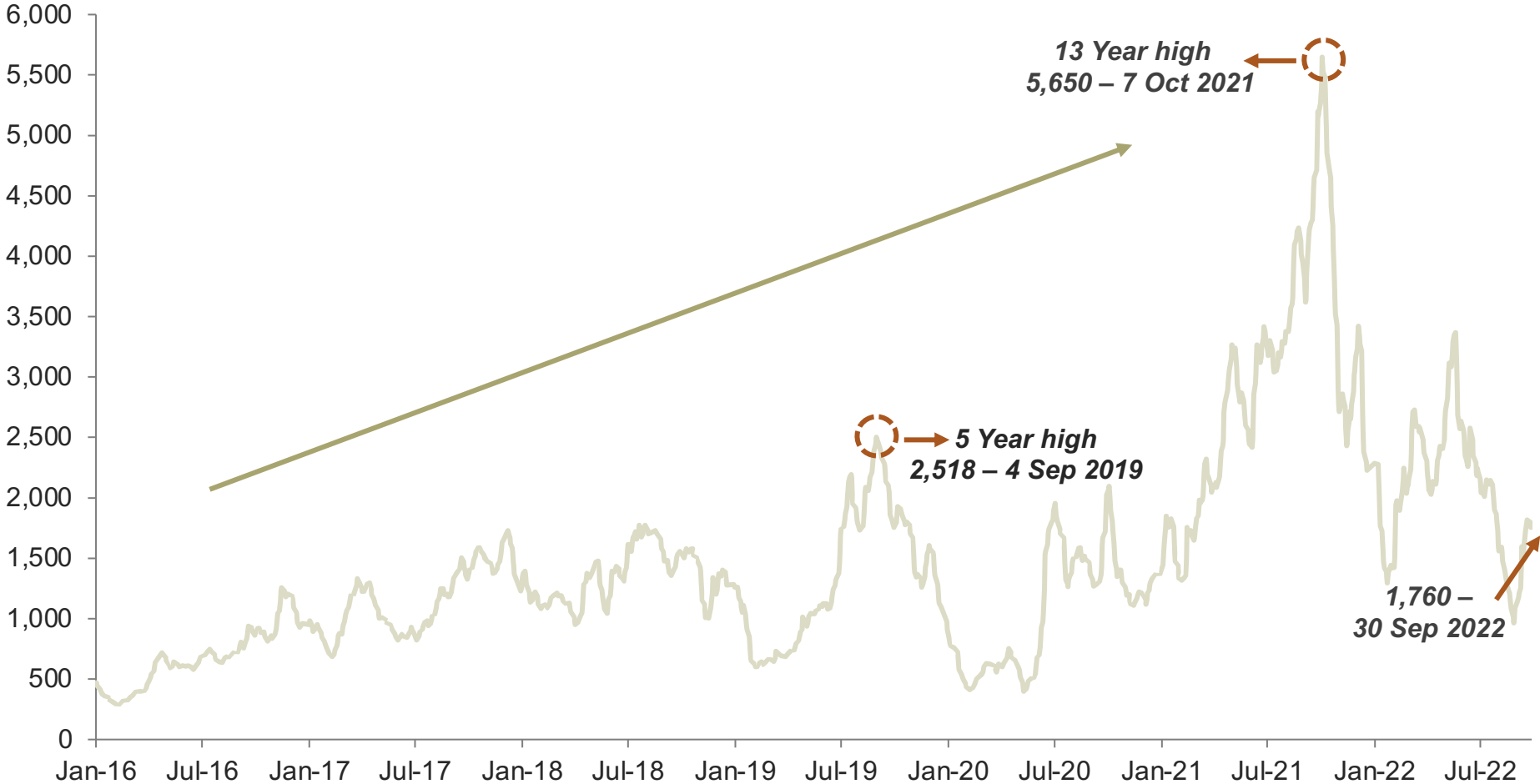
**SET Opportunity Day**

**9 Nov 2022**

# Dry Bulk Freight Markets



# The BDI since start of 2016



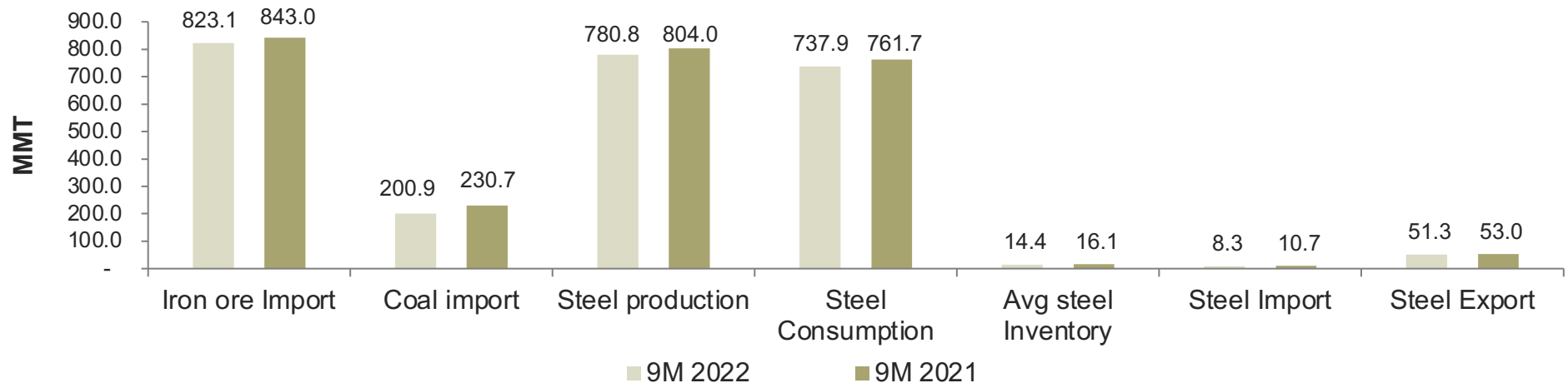
Source: Clarksons as of 30 Sep 2022



# Despite China's faltering growth 9M 2022 has been very good!

## Latest available Data points on China in 9M 2022 Vs 9M 2021.

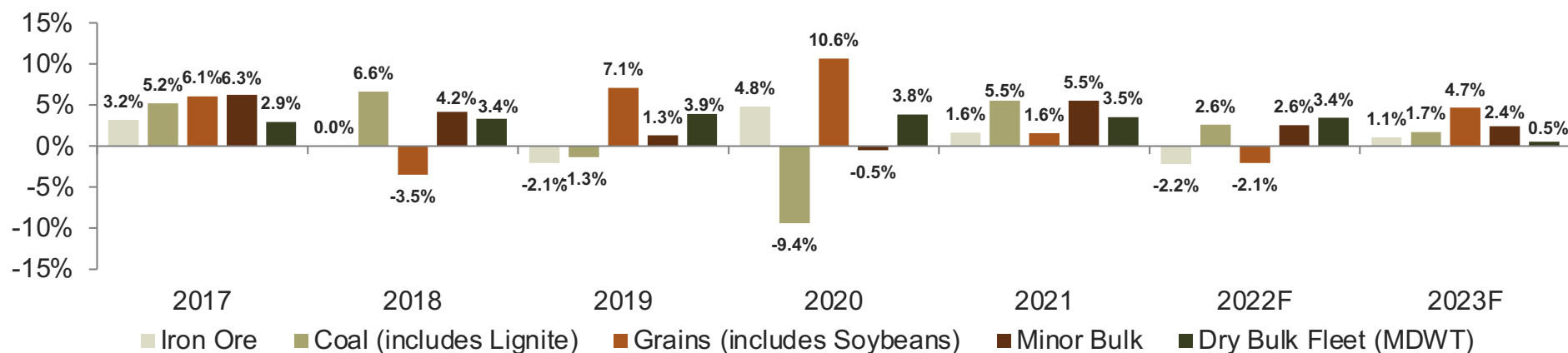
- China's Iron Ore imports in 9M 2022 was 823.1 MMT Vs 843.0 MMT 9M 2021 down by 2.4%.
- China's Coal imports in 9M 2022 was 200.9 MMT Vs 230.7 MMT 9M 2021 down by 12.9%.
- China's Steel production in 9M 2022 was 780.8 MMT Vs 804.0 MMT in 9M 2021 down by 2.9%.
- Monthly average Steel inventory in 9M 2022 was 14.4 MMT Vs 16.1 MMT 9M 2021 down by 10.3%.
- Steel imports in 9M 2022 was 8.3 MMT Vs 10.7 MMT in 9M 2021 down by 22.7% .
- Steel exports in 9M 2022 was 51.3 MMT Vs 53.0 MMT 9M 2021 down by 3.3%.
- Steel consumption in 9M 2022 was 737.9 MMT Vs 761.7 MMT in 9M 2021 down by 3.1%.



# Growth in seaborne dry bulk trade – billion tonne-miles

Seaborne Dry bulk Trade							
All Units In Billion Tonne-Miles	2017	2018	2019	2020	2021	2022F	2023F
Iron Ore	8,190	8,190	8,022	8,408	8,545	8,359	8,448
Coal (includes Lignite)	4,881	5,204	5,136	4,655	4,912	5,040	5,126
Grains (includes Soybeans)	3,272	3,158	3,383	3,743	3,801	3,723	3,897
Minor Bulk	10,514	10,951	11,092	11,039	11,650	11,948	12,238
<b>Total</b>	<b>26,856</b>	<b>27,504</b>	<b>27,633</b>	<b>27,845</b>	<b>28,910</b>	<b>29,069</b>	<b>29,708</b>
<b>Total % Change In Trade</b>	<b>5.09%</b>	<b>2.41%</b>	<b>0.47%</b>	<b>0.76%</b>	<b>3.83%</b>	<b>0.55%</b>	<b>2.20%</b>
<b>Dry Bulk Fleet (MDWT)</b>	<b>813.53</b>	<b>840.82</b>	<b>873.43</b>	<b>906.99</b>	<b>939.15</b>	<b>971.3*</b>	<b>976.6*</b>
<b>% Change in Dry Bulk Fleet (MDWT)</b>	<b>2.93%</b>	<b>3.35%</b>	<b>3.88%</b>	<b>3.84%</b>	<b>3.55%</b>	<b>3.42%</b>	<b>0.55%</b>

## % age increase over the previous year

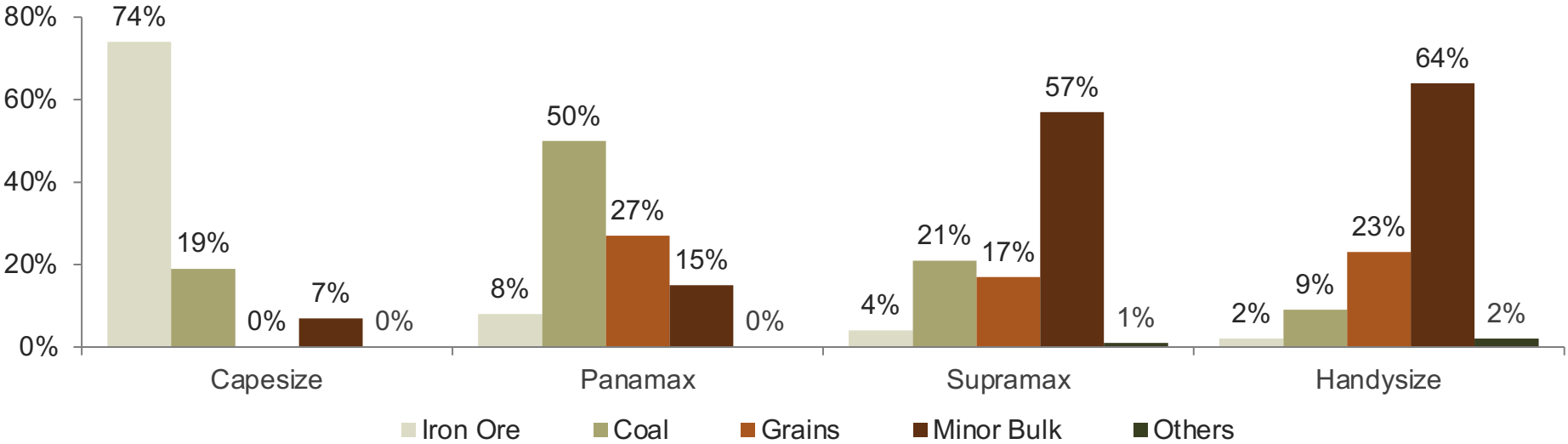


Source: Clarksons as on 30 Sep 2022

\*2022F and 2023F figures from Clarksons Oct 2022 DBTO report

# Commodities share by different dry bulk sectors

Commodities	Capesize	Panamax	Supramax	Handysize
Iron Ore	74%	8%	4%	2%
Coal	19%	50%	21%	9%
Grains	-	27%	17%	23%
Minor Bulk	7%	15%	57%	64%
Others	-	-	1%	2%

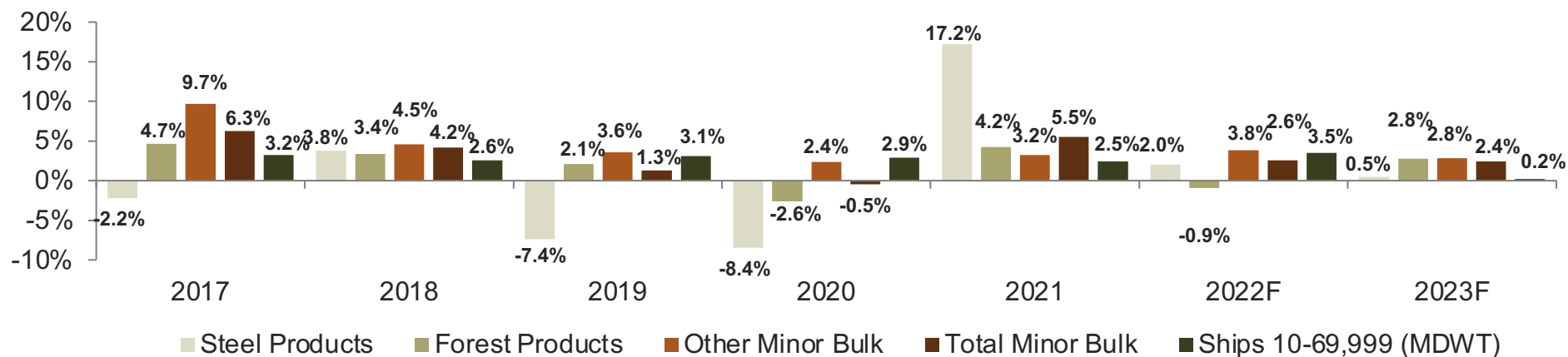


Source: Maersk Broker as of Q3 2022

# Growth in seaborne minor bulk trade – billion tonne-miles

Seaborne Minor Bulk Trade							
All Units In Billion Tonne-Miles	2017	2018	2019	2020	2021	2022F	2023F
Steel Products	1,906	1,978	1,832	1,678	1,966	2,006	2,016
Forest Products	2,223	2,298	2,347	2,285	2,381	2,359	2,424
Other Minor Bulk	6,385	6,675	6,913	7,076	7,304	7,583	7,797
<b>Total Minor Bulk</b>	<b>10,514</b>	<b>10,951</b>	<b>11,092</b>	<b>11,039</b>	<b>11,650</b>	<b>11,948</b>	<b>12,238</b>
<b>% Change In Minor Bulk</b>	<b>6.25%</b>	<b>4.16%</b>	<b>1.29%</b>	<b>-0.48%</b>	<b>5.54%</b>	<b>2.55%</b>	<b>2.43%</b>
<b>Ships 10-69,999 (MDWT)</b>	<b>296.20</b>	<b>303.80</b>	<b>313.20</b>	<b>322.20</b>	<b>330.10</b>	<b>341.7*</b>	<b>342.5*</b>
<b>% Change In 10-69,999 (MDWT)</b>	<b>3.24%</b>	<b>2.57%</b>	<b>3.09%</b>	<b>2.87%</b>	<b>2.45%</b>	<b>3.51%</b>	<b>0.23%</b>

## % age increase over the previous year



Source: Clarksons as on 30 Sep 2022

\*2022F and 2023F figures from Clarksons Oct 2022 DBTO report



# Dry bulk fleet at the start of Q4 2022

## 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	4,241	13.37	114.30	26,950	11.90%
Supra/Ultramax	40,000 – 69,999	3,981	11.36	223.98	56,262	23.32%
Panamax	70,000 – 89,999	2,621	11.21	208.61	79,592	21.72%
Capesize	90,000+	2,265	9.98	413.44	182,536	43.05%
<b>Total / Average</b>		<b>13,108</b>	<b>11.74</b>	<b>960.33</b>	<b>73,263</b>	<b>100.00%</b>

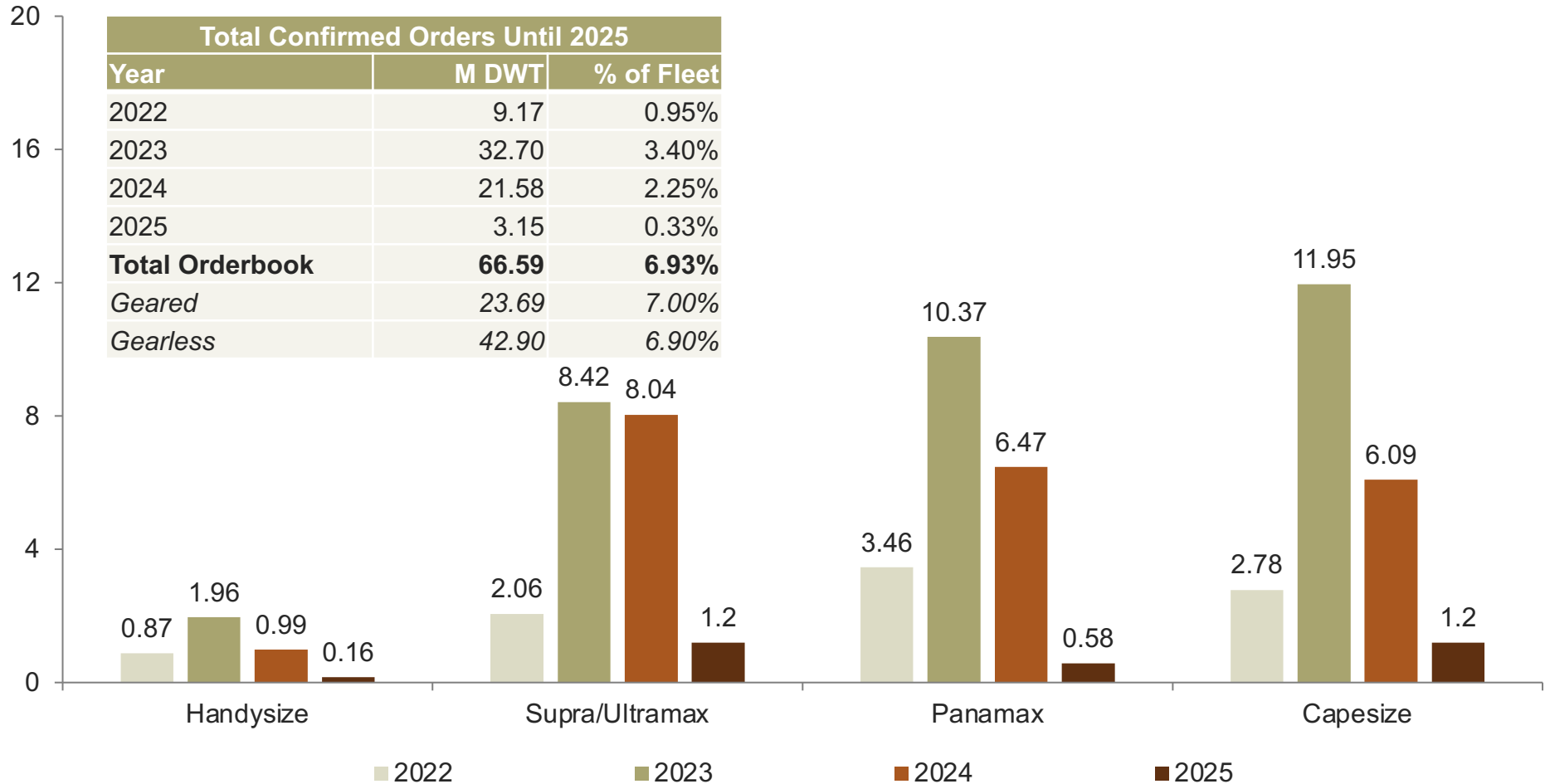
## Changes in 9M 2022

Ship Type	DWT Range (MT)	Ships No (%age)	DWT m MT (%age)
Handysize	10,000 – 39,999	+112 (+2.71%)	+2.44 (+2.18%)
Supra/Ultramax	40,000 – 69,999	+102 (+2.63%)	+5.73 (+2.63%)
Panamax	70,000 – 89,999	+81(+3.19%)	+6.69 (+3.31%)
Capesize	90,000+	+29 (+1.30%)	+6.32 (+1.55%)
<b>Total / Average</b>		<b>+324 (+2.53%)</b>	<b>+21.18 (+2.26%)</b>

Source: Clarksons as on 30 Sep 2022



# Confirmed orders as of 1 Oct 2022 (MDWT) – 31 Dec 2025

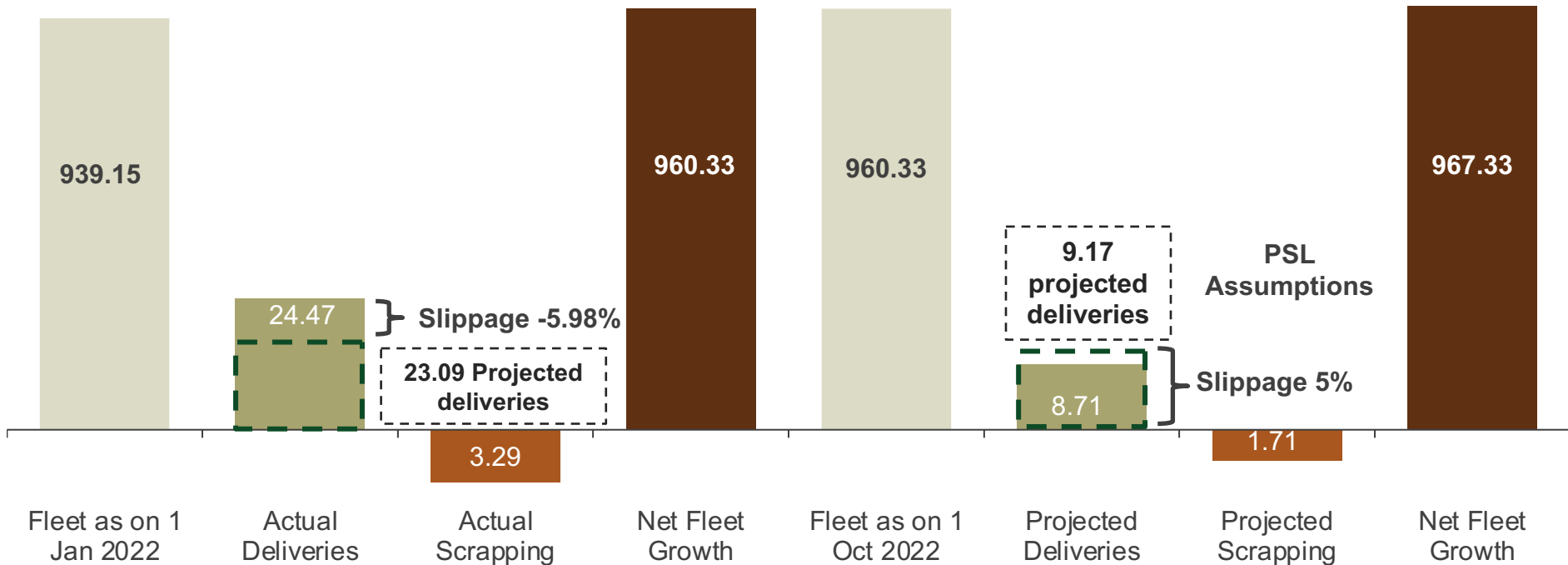


Source: Clarksons as on 30 Sep 2022

# PSL dry bulk supply side forecast

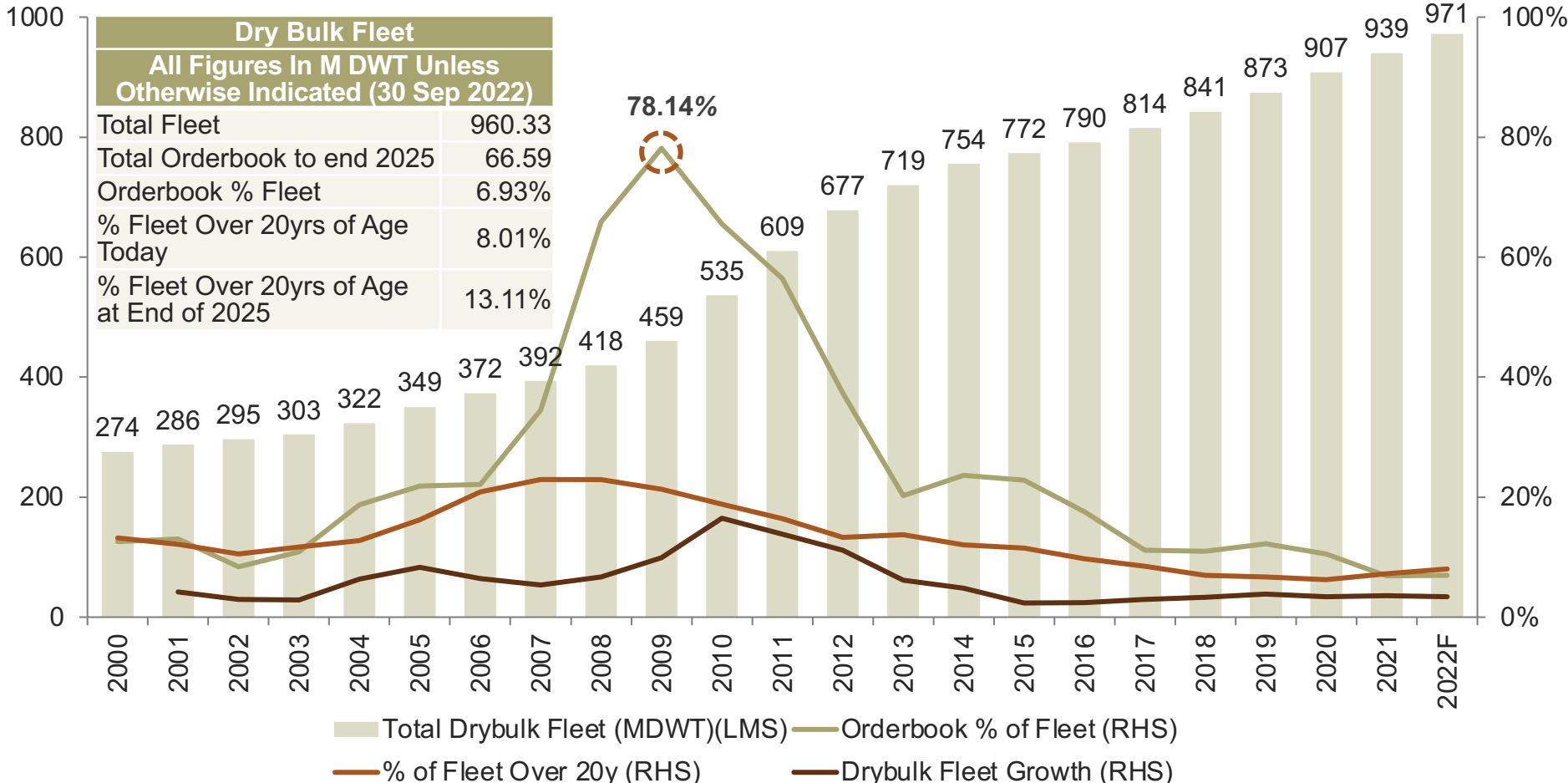
Actual data for 9M 2022. **PSL forecasts net fleet growth for 2022 at 3.00%**, assuming 5% slippage and 1.71 MDWT of scrapping in Q4 2022.

**9M 2022 Net Fleet Growth = 21.18 MDWT, +2.26%.    Q4 2022 Net Fleet Growth = 7.00 MDWT, +0.73%**



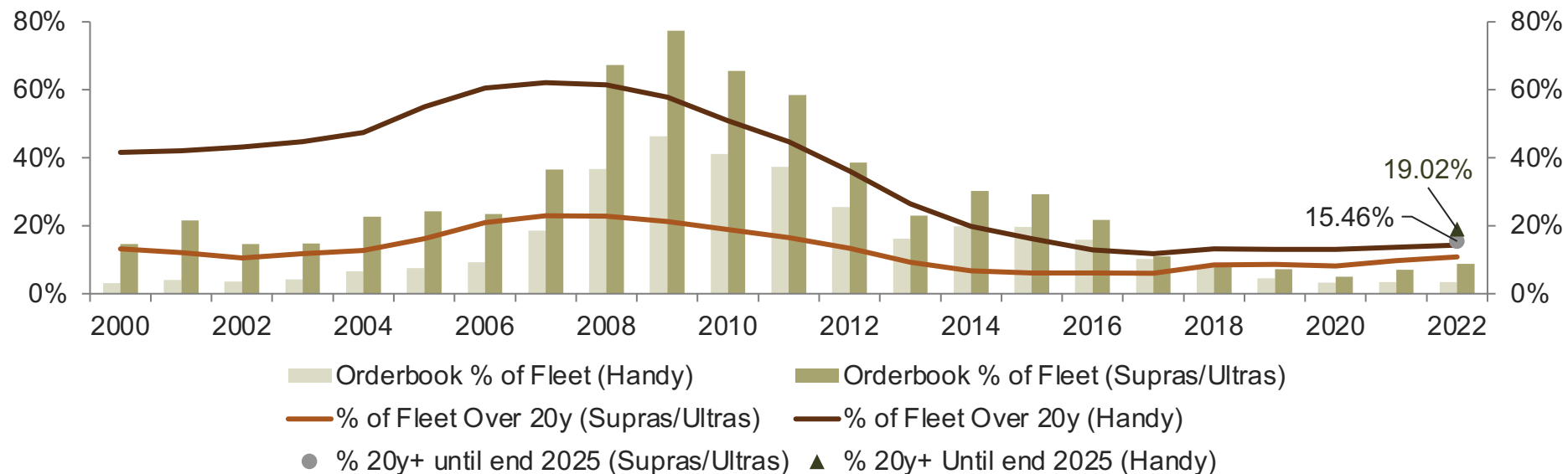
Source: Clarksons as on 30 Sep 2022 and PSL internal estimate.

# Putting orderbook figures in context – overall dry bulk fleet



Source: Clarksons as on 30 Sep 2022 and Clarksons Oct 2022 DBTO report

# Putting orderbook figures in context – geared vessels only



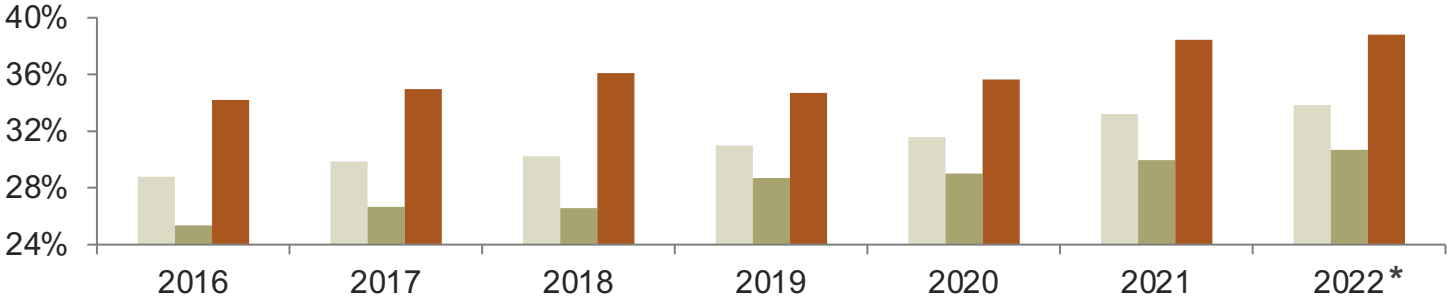
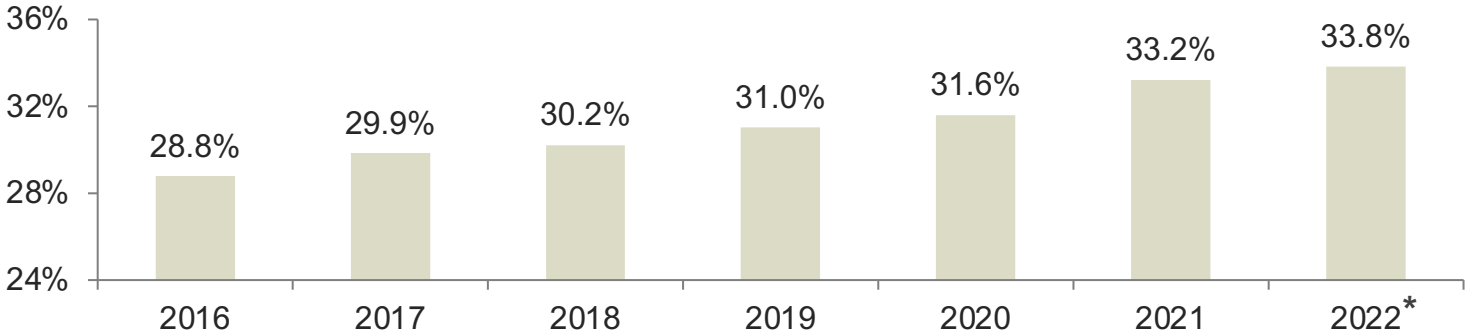
Handysize Fleet	
All Figures In MDWT Unless Otherwise Indicated (30 Sep 2022)	
Total Fleet	114.30
Total Orderbook	3.98
Orderbook % Fleet	3.48%
% Fleet Over 20yrs of Age Today	14.37%
% Fleet Over 20yrs of Age at End of 2025	19.02%

Supramax/Ultramax	
All Figures In MDWT Unless Otherwise Indicated (30 Sep 2022)	
Total Fleet	223.98
Total Orderbook	19.71
Orderbook % Fleet	8.80%
% Fleet Over 20yrs of Age Today	10.87%
% Fleet Over 20yrs of Age at End of 2025	15.46%

Source: Clarksons as on 30 Sep 2022

# Port congestion - till end of Q3 2022

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

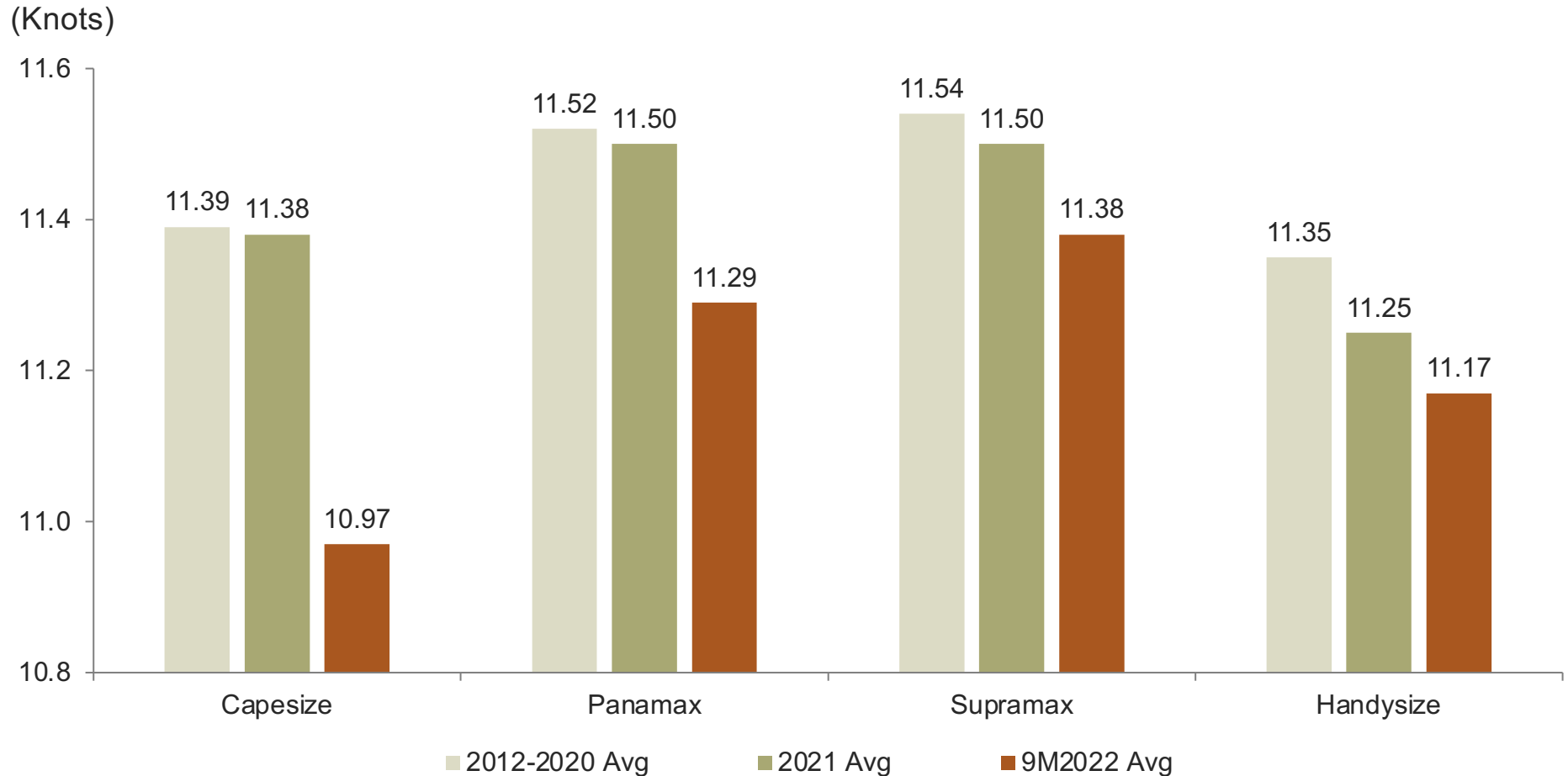


- Bulkcarrier (Capesize & Panamax) Port Congestion as % of Capesize & Panamax Fleet
- Capesize Port Congestion as % of Capesize Fleet
- Panamax Port Congestion as % of Panamax Fleet

- 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 33.2% of their fleet in 2021.
- In 9M 2022, this figure increased to 33.8% but will be dependent on China's Covid-zero policy and how strictly that is applied in the Q4 of this year.

Source: Clarksons as on 30 Sep 2022, \*9M 2022 info  
 Note: Clarksons suspended a provision of Supramax port congestion data  
 Port congestion data from Clarksons in previous PSL presentations were not comprehensive.

# Average speed – till end of Sep 2022



Source: Clarksons as on 30 Sep 2022

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

Daily average Time Charter rate	2003 – 2009	2010 – 2020	2021	9M 2022
Capesize	67,101*	14,924***	33,333**	16,585**
Panamax	32,793*	10,965***	27,898**	22,240**
Supramax	28,013^^	10,765***	26,768**	24,500**
Handysize	18,753^^	8,789***	25,702**	23,362**
Demand Billion Ton-miles per year	+5.4%	+4.2%	+3.8%	+0.6%
Average Speed (knots)	13.5^^^	11.5^^^	11.4	11.2
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%
Annual average % of 20-year-old (start of each year)	+18.38%	+11.27%	+6.25%	+7.26%
Annual average net supply growth	+6.8%	+6.4%	+3.6%	+3.4%

## 2022 & 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 Q3 it was still 8.01% versus 6.93%, 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, Clarksons Oct 2022 DBTO report and Clarksons Speed Data as on 30 Sep 2022



## DWT of dry bulk ships ordered in 9M 22 versus 9M 19, 20 and 21

Year	Avg. BDI	% Change in 2022	New Orders in MDWT	% Change in 2022
9M 2019	1,285	+61%	33.55	-27%
9M 2020	971	+113%	39.91	-39%
9M 2021	2,764	-25%	30.69	-20%
9M 2022	2,066	-	24.47	-

Source: Clarkson's, 30 Sep 2022

### **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 before they reach the end of their economic lives, is constraining the orderbook.**

# Why did the challenges in 9M of 2022 not sink the freight market?

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## Challenges in 2022:

- China's dismal import/export performance.
- Russia-Ukraine war reduced grain, coal, and other commodity shipments.
- Central banks ended Covid stimulus, ended QE, and raised interest rates, to combat inflation.
- The US economy had two quarters of negative GDP growth (-1.6%, -0.9%).
- The BDI averaged 2,066 points in 9M 2022, -25% compared to 9M 2021.
- Low growth in ton-mile demand forecast by Clarksons for 2022/2023.
- Clarksons forecast higher net supply side growth than the low ton-mile demand growth.

## Rescued by:

- The inefficiency in the dry bulk fleet.
- The very high price of bunkers slowing ships significantly.
- Very low ordering of new ships assisting the supply side growth to be constrained.
- Covid lockdowns, quarantines, and congestion buildup, helped reduce effective ship supply.
- Consumer resilience in USA and China kept demand growing.
- 10 MMT of Ukraine grain shipped between August and October.
- Consumers, corporates, governments, all wanting larger inventory, added to demand growth.

## Results of the challenges and rescue items in 9M 2022:

- The TC rates of index ships in Q3 and 9M 2022 compared to Q3 and 9M 2021 was: Capes -68% and -45%, Panamax -49% and -15%, Supramax -42% and -4%, and Handysize -42% and -2%. Rates have come down this year compared to 2021 but when compared to the last 11-year averages, they have been higher.
- China's stimulus of \$2.3 trillion, according to Bloomberg it is \$5.3 trillion, will kick in 2023.

# Key industry takeaways

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## The good news in 2021

- **Dry bulk supply-demand balance was finally reached by mid 2021.**
- **China's USD 667b steel intensive fiscal stimulus** announced on 22 May 2020 **pushed the BDI to 5,650 a 13-year high on 7<sup>th</sup> October from 1,374 points at the start of 2021!**
- **Material improvement** in dry bulk demand and **rates started from SH 2020** and likely to last **but with extreme volatility.**
- **The BDI reacted positively to the strong world GDP in 2021** as a result of the Fiscal, Monetary and Steel intensive support of USD 20 trillion.
- **Time charter rates** up to end **9M 22** are **higher** than the **average** of the **last 11-years!**
- **New ship orders** in 9M 2022 **have been very constrained.**

## The bad news in 2021

- **Rates have declined after peaking on 7 October 21** due to **negative news from China** like Evergrande; pollution control measures; slowing steel production; power shortages; slowing PMI; blue skies for the Winter Olympics; and **negative news from ROW** like persistent inflation; Federal Reserve's tapering; and interest rate hikes.

## The likely future

- **Congestion increased in 9M 22 to 33.8% from 32.7% in 21, with healthy rates** in 9M 22.
- All negative factors caused by government decree and **not by a collapse in demand** and can be reversed.
- **China's real estate crisis requires more time to resolve.**
- **China's economic stimulus of \$ 2.3 trillion, according to Bloomberg it is \$ 5.3 trillion, should get industrial production back to its trend line; Chinese GDP will be back at/above trend; and we may be surprised with the increase in rates in 2023!**

**Catalysts to watch out for**



# Catalysts to watch out for

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1. Ukraine's existing ~22 MMT of grain lying in silos at their ports gets shipped. Almost **10 MMT has already been shipped out.**
2. Ukraine's unharvested grain in the fields of ~20 MMT moves into the empty Port silos.
3. Cargoes from Russia and Ukraine, in the Black Sea, get shipped. **Not happened.**
4. China's coal consumption and power generation continues to rise. **Already happened.**
5. China's real estate sector recovers along with China's GDP growth rate. **Not yet.**
6. China does not have large-scale Covid-19 infections. **Infections continue.**
7. Congestion at ports around the world increases. **Congestion has decreased.**
8. Iron ore from Brazil moves to China, and other destinations, and makes up the shortfall in the FH of 2022. **Not happened.**
9. Increase in interest rates in ROW slows/comes to an end and recession in developed world is avoided. **Interest rate hikes are showing signs of slowing down.**

# PSL's Strategy



# Market segmentation Q3 2022

Index	Index Ship DWT	Index Speed/Con (1)	PSL Avg Ship DWT	PSL Avg Speed/Con (1)	PSL Ship Number	Q3 2022 Average Index	Market Av. TC Rate (2)	PSL Av. TC Rate	Performance vs Benchmark
<b>BHSI (Handysize)</b>	38,000	Laden: 12K/18T  Ballast: 12K/17T	31,010*	Laden: 12K/20T  Ballast: 12K/20T	17 Handysize & 4 Cement Ships	1,039	USD 18,709	USD 16,535	-11.62%
<b>BSI (Supramax)</b>	58,000	Laden: 12K/24T  Ballast: 13K/23T	59,198* (Supramax & Ultramax)	Laden: 12K/26T  Ballast: 13K/24T	9 Supramax & 8 Ultramax	1,793	USD 19,728	USD 23,871	+21.00%

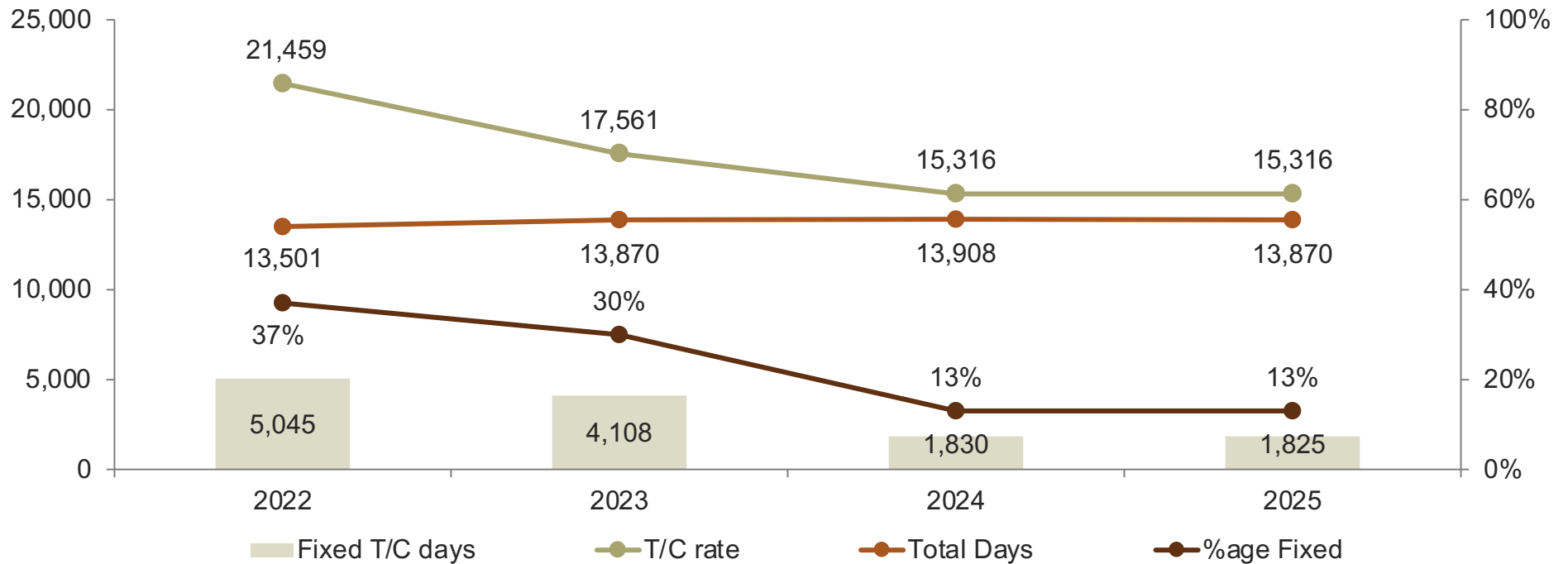
Notes:

1. Basis eco-speed.
2. \* Our Handy ships are rated at a discount to the index ship of 25% due to size and fuel consumption, Supras/Ultras combined at a 10% discount due to similar reasons.



# Current and rolling 4-year forward book until 2025

Contract value	USD 108.27 m	USD 72.14 m	USD 28.03 m	USD 27.95 m	Total USD 236.39 m
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- This comprises charters on 7 ships on fixed rate charter and 12 ships on variable rate charters.
- Average T/C Rate/Day for the variable rate charters is estimated based on actual earnings for 9M 2022 and rates prevailing in Oct 2022 for the period thereafter.
- Phatra Naree and Pavidia Naree were added in Q2 and Q3 2022

# PSL fleet

As of	31 <sup>st</sup> Dec 2018	31 <sup>st</sup> Dec 2019	31 <sup>st</sup> Dec 2020	31 <sup>st</sup> Dec 2021	30 <sup>th</sup> Sep 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	10.7 years
Insured Value (US\$ million)	700.3	650.0	650.0	747.6	799.2
Book Value (US\$ million)	689.4	664.9	634.8	605.0	637.6
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

A large cargo ship, the ANANYA NAREE, is docked at a port. The ship's hull is dark, and the name "ANANYA NAREE" is written in white on the side, along with Thai script "อนัญญา นารี". A large crane with the ADM logo is visible in the background. The sky is overcast.

# New Regulations – EEXI and CII

อนัญญา นารี  
ANANYA NAREE

# Energy Efficiency Existing Ship Index or EEXI

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1. **What is EEXI? It is a design efficiency index and requires a one-time technical adjustment for non-compliant existing vessels.** It describes the CO2 emissions per cargo ton-mile, by determining the standardized CO2 emissions related to installed engine power, transport capacity and ship speed.
2. **When does EEXI enter into force? EEXI enters into force on 1<sup>st</sup> January 2023.**
3. **How many ships in the worlds fleet would be affected by EEXI?** Total numbers are unclear, however, articles in the shipping press indicate this could vary **between 70% and 90% of all dry bulk ships.**
4. **How will it impact PSL fleet? 23 vessels in our fleet** would be outside the EEXI requirements; however, only **16 vessels** will need to reduce speed to comply with the **Engine Power Limitation** and the speed reduction would vary between **1.0 to 2.5 knots on each ship** compared to speed used in 2021.
5. **How much will it cost PSL? Total estimated costs** for the PSL fleet would be under **USD 1.0 million.** (Ships that meet EEXI requirements would cost USD 6,000/ship. Ships that do not meet EEXI requirements would cost USD 37,500/ship).
6. **What are the implications for the effective supply of ships? Every 1.0K speed reduction** in the world fleet equates to **5.5% reduction in effective supply of ships.**

# Carbon Intensity Indicator or CII

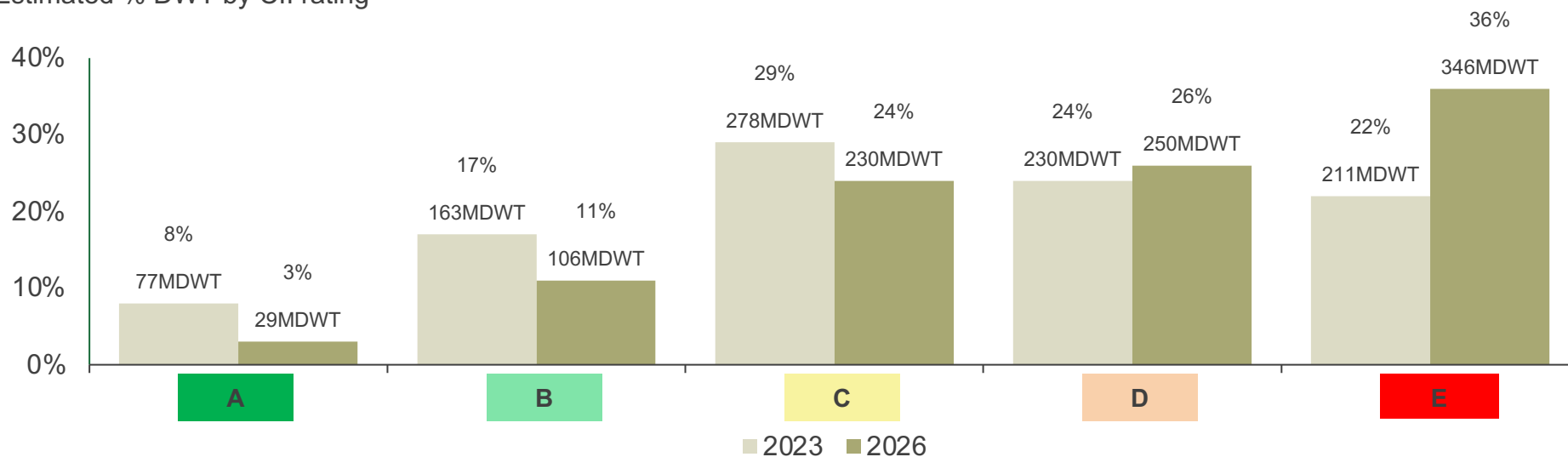
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- 1. What is CII? It is an operational efficiency index**, which aims to ensure continuous improvement in a vessel's emissions. The CII framework regulates the carbon emissions per unit of 'transport work' or the operating mileage each year. CII is expressed in grams of CO<sub>2</sub> per deadweight-nautical mile. The vessel is given an annual rating ranging from A to E, with ratings becoming increasingly stringent towards 2030.
- 2. When does CII enter into force?** The CII requirements will take effect **from 1<sup>st</sup> January 2023**.
- 3. What is the approach?** The CII **will annually reduce** a vessels carbon intensity. CII is a phased approach, with an annual successive carbon intensity reduction rate of 2% compared to the 2019 reference line from 2023 through to 2026.
- 4. How many ships in the worlds fleet would be affected by CII?** Total numbers are unclear, however, **approximately 30,000 ships** of 5,000 gross tonnage (about 20,000 DWT) and above are subject to the requirements and will have to determine their required annual operational CII.
- 5. How will PSL control the CII of its fleet?** The CII is based directly on the fuel consumption, which is influenced by how a specific vessel is operated in combination with its technical efficiency and type of fuel. **PSL will control the CII by optimizing operations and ensuring our vessels are in a good condition.**

# Impact of CII on the bulk carrier fleet

	DWT of existing ships	DWT of ships above 10 years / %	DWT of new buildings till 2025 / %
Handysize	114.30	71.83 / 63%	3.98 / 3%
Supra/Ultramax	223.98	120.13 / 54%	19.71 / 9%
Panamax	208.61	107.20 / 51%	20.88 / 10%
Capesize	413.44	221.79 / 54%	22.02 / 5%
<b>Total</b>	<b>960.33</b>	<b>520.95 / 54%</b>	<b>66.59 / 7%</b>

Estimated % DWT by CII rating



Source: Clarksons as on 30 Sep 2022 and DNV as on 19 Oct 2022



# Financials





## Q3 2022 highlights

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### Q3'2022 Highlights

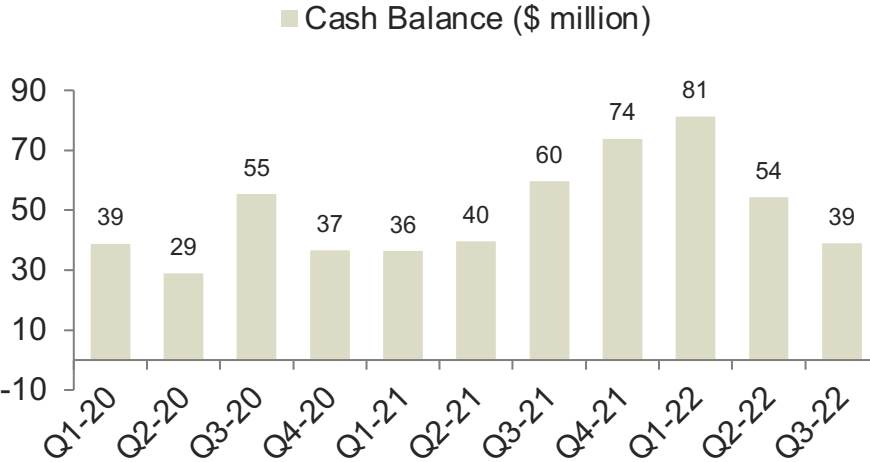
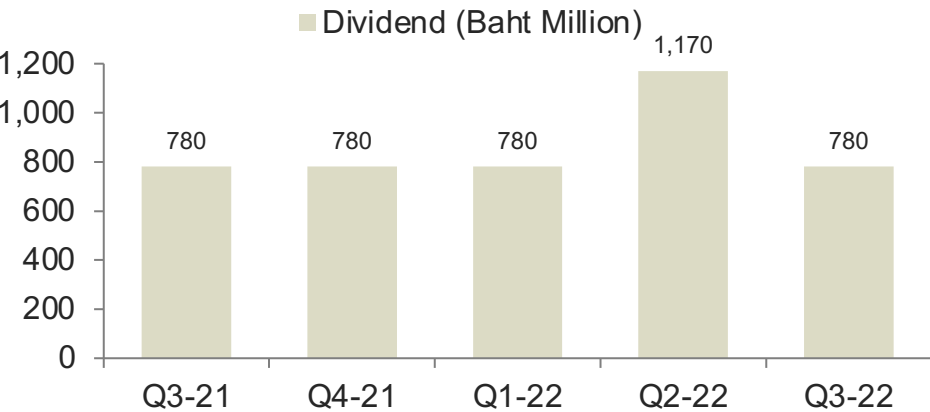
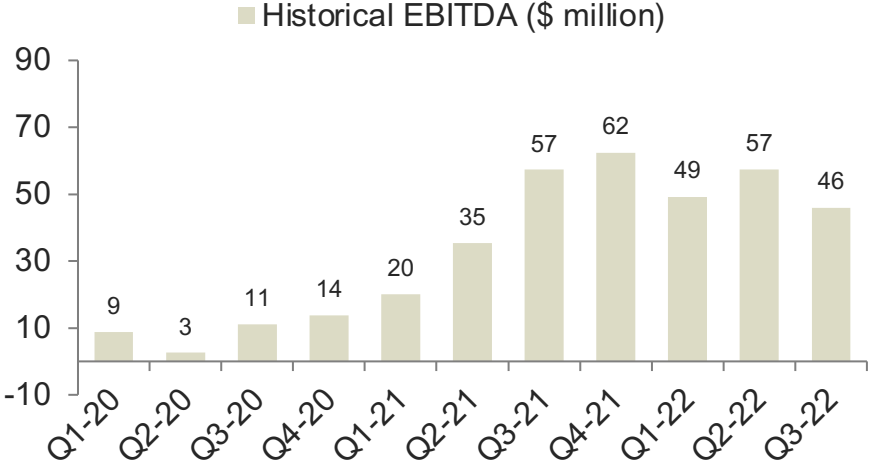
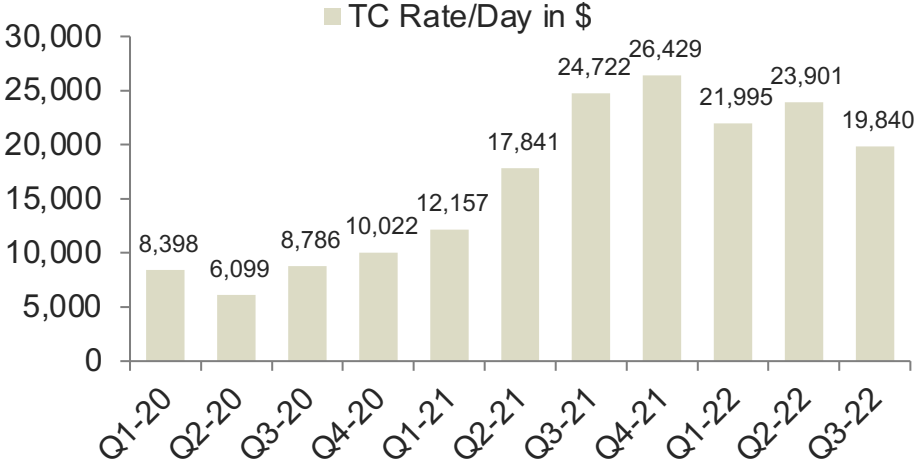
<b>Quarterly Results</b>	<ul style="list-style-type: none"><li>• Net income of Baht 1,348.04 million (USD 36.37 million), or Baht 0.86 (USD 0.0233) per share</li><li>• EBITDA of Baht 1,696.64 million (USD 45.77 million)</li></ul>
<b>Dividend</b>	<ul style="list-style-type: none"><li>• PSL declared an interim dividend (No.2) of 50 Satang which was paid on 12 September 2022.</li></ul>
<b>Purchase of vessels</b>	<ul style="list-style-type: none"><li>• Took delivery of Pavida Naree on 25 July 2022.</li></ul>
<b>Long-term charter contracts</b>	<ul style="list-style-type: none"><li>• In Oct'2022, six vessels (Baranee Naree, Issara Naree, Vipha Naree, Wariya Naree, Sunisa Naree and Chayanee Naree) entered into long-term charter contracts at levels linked to the underlying index for vessels of that size.</li></ul>

## Key figures

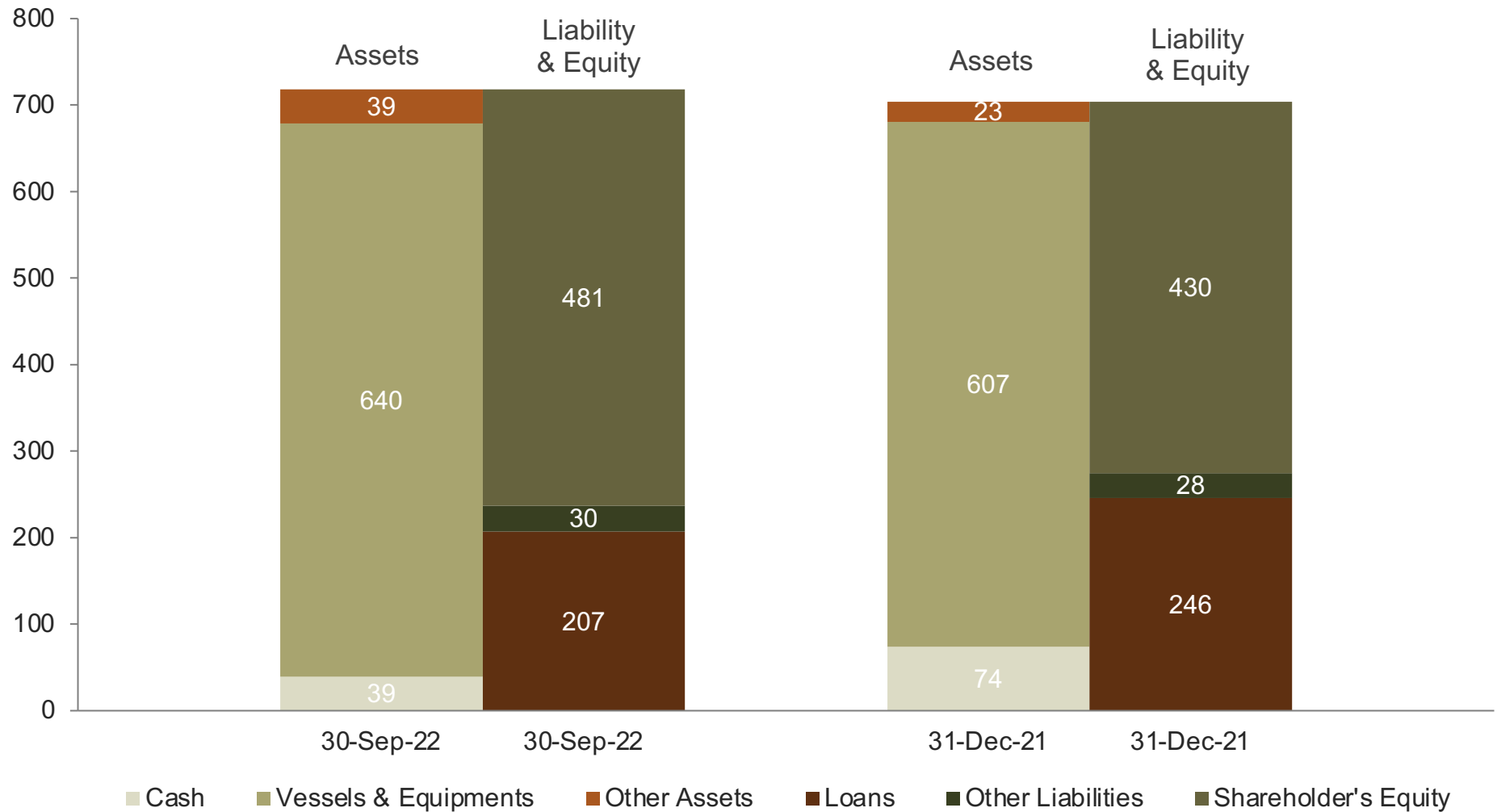
	Q3 2022	Q2 2022
Revenue (\$ million)	68.8	76.3
Net Profit (\$ million)	36.4	48.0
Earning per Share (Baht)	0.86	1.06
Return on Equity *	35.6%	38.7%
Net Debt / Equity Ratio	0.35	0.35
Number of Ships	38	37

\* Excluding exchange gain (loss) and non-recurring items

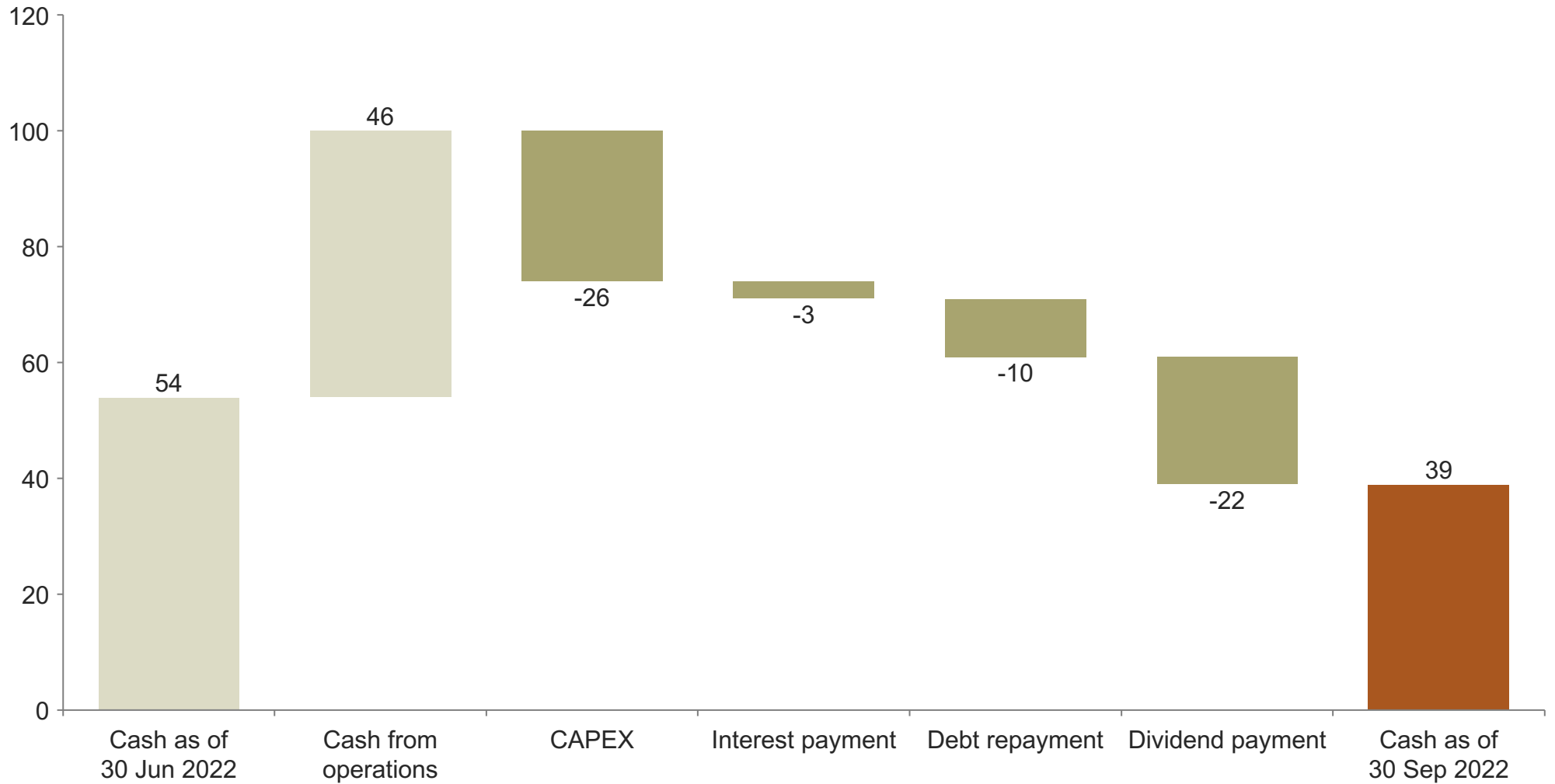
# Earnings and liquidity



# Statement of financial position (\$ million)



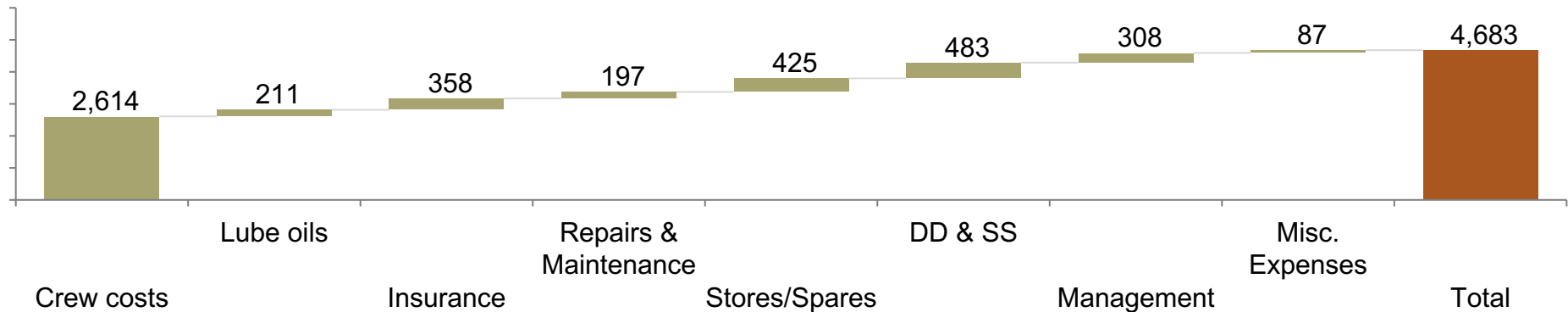
# Cash movement in Q3'2022 (\$ million)



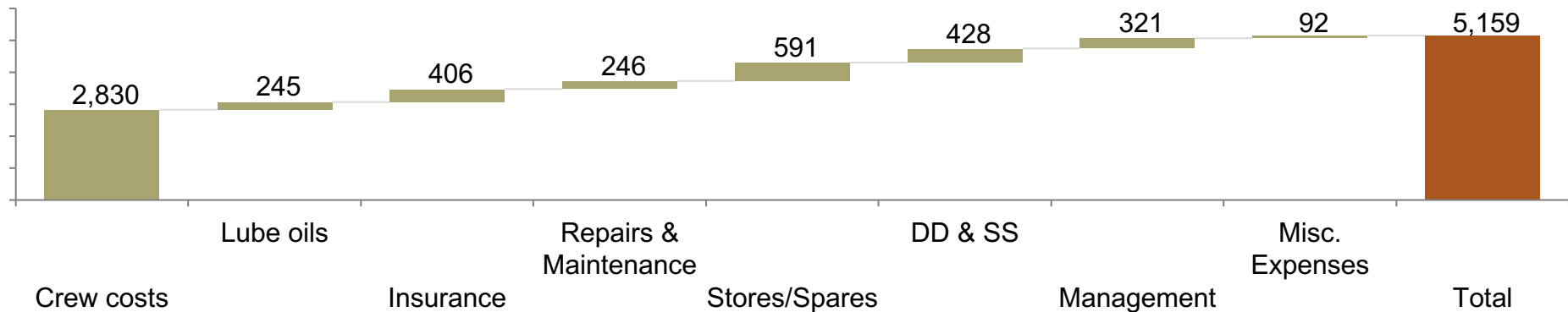
# Operating expense analysis (\$/Day)

- These are the fixed costs required to run a ship and are evenly spread over 365 days.
- Our operating costs per ship per day for Q2'2022 and Q3'2022 were USD 4,683 and 5,159 respectively.

## Q2'2022

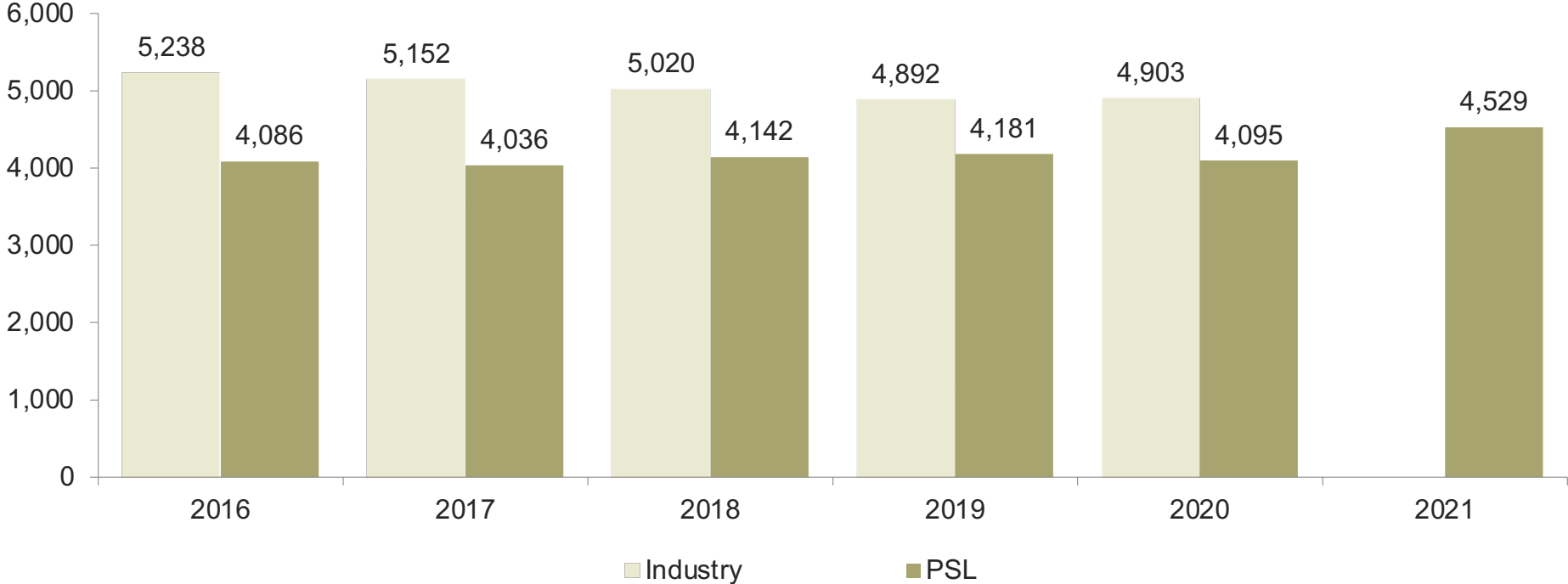


## Q3'2022



# Operating expenses industry comparison (\$/day)

- OPEX Comparison with Industry compiled by BDO LLP
- OPEX excluding dry dock and special survey cost
- Industry OPEX for 2021 will be published end of November 2022



Note: OPEX industry is calculated by simple average OPEX of handysize and handymax.

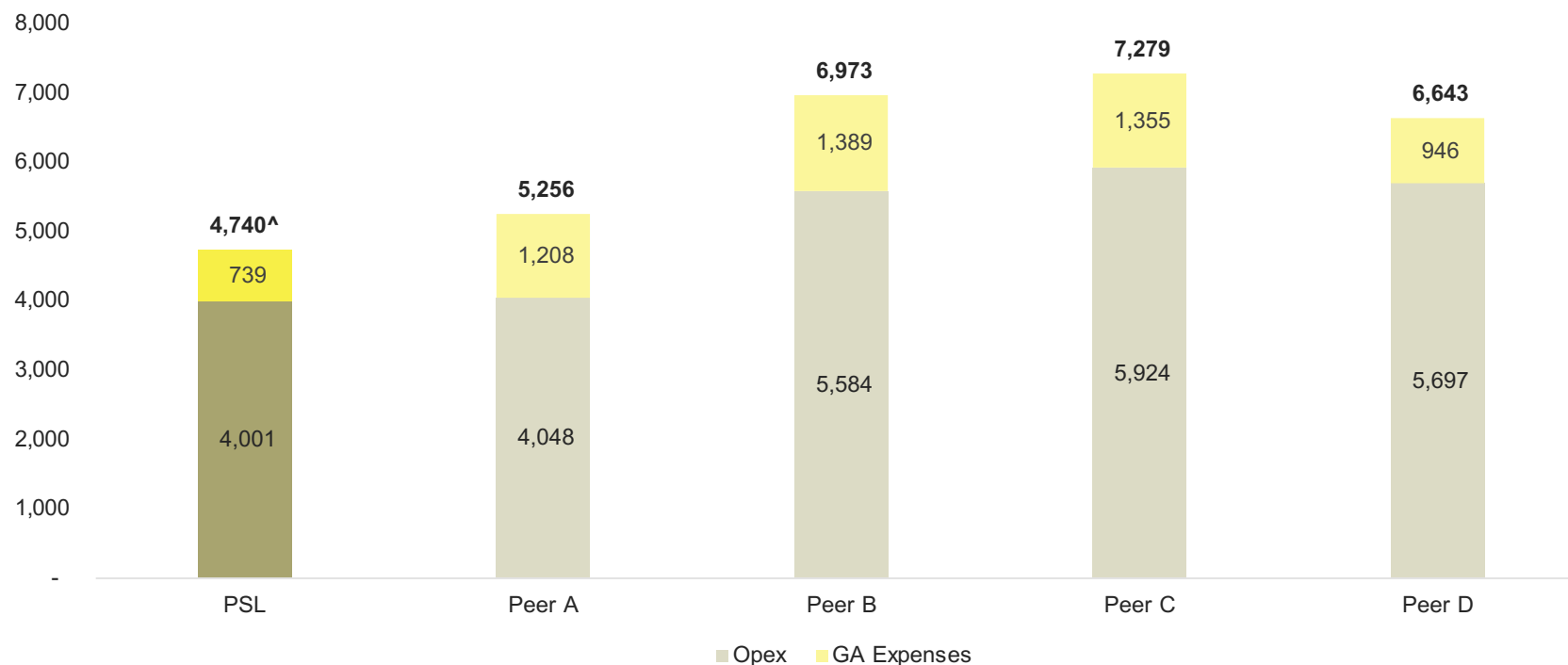




# Supramax/Ultramax sector peer analysis for Q2 2022

## We have the lowest daily OPEX\* + G&A and the highest EBITDA/Ship

- For Q2 2022: PSL's Supramax/Ultramax average daily OPEX\* + G&A came in at \$4,740 per vessel per day



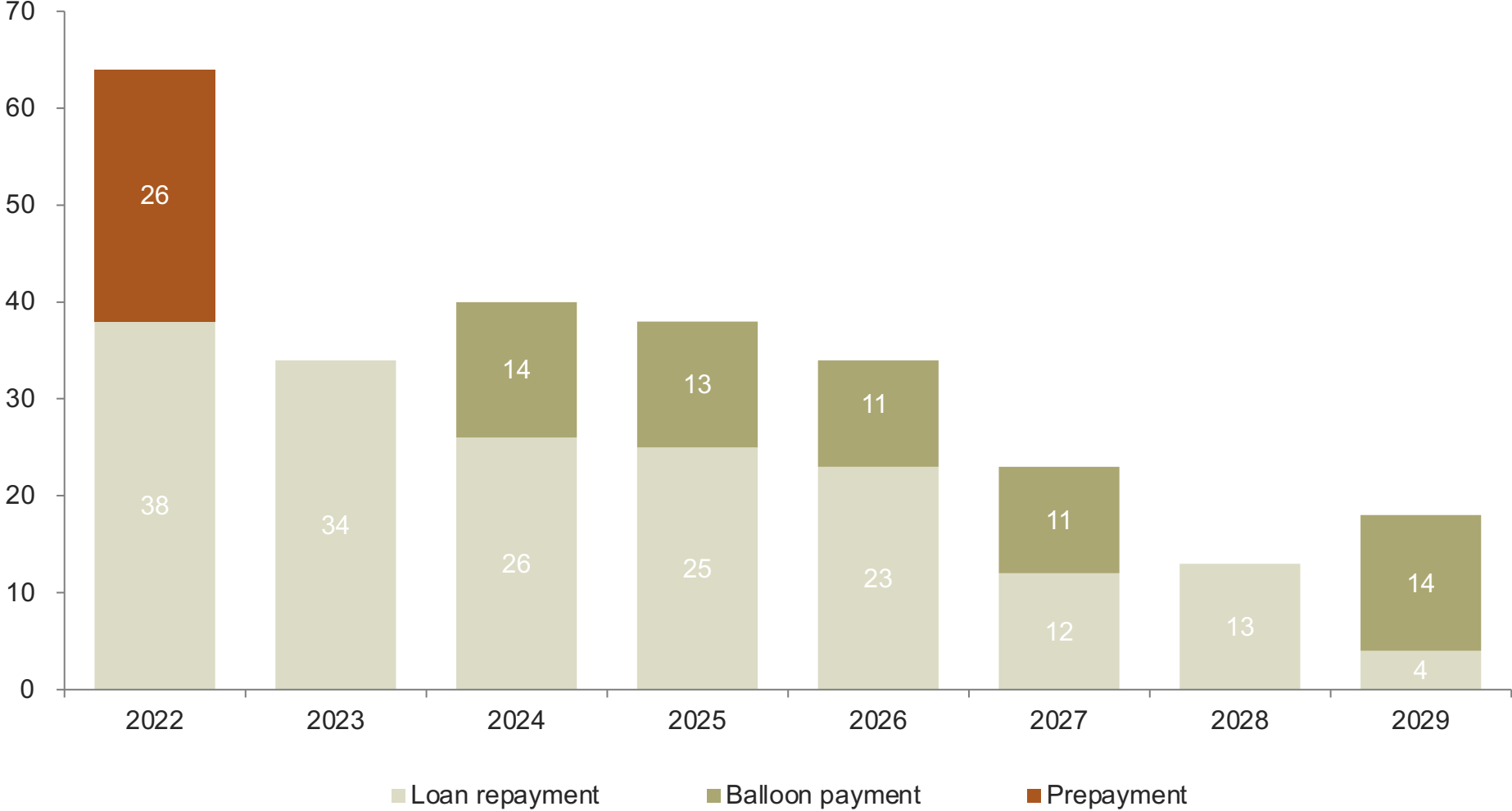
# EBITDA/Ship in Q2 2022 (\$ million)	1.95	1.62	1.53	1.25	1.33
# LTM EBITDA/Ship (\$ million)	7.46	6.16	6.55	4.09	5.90

\* Excluding DDSS expenses.

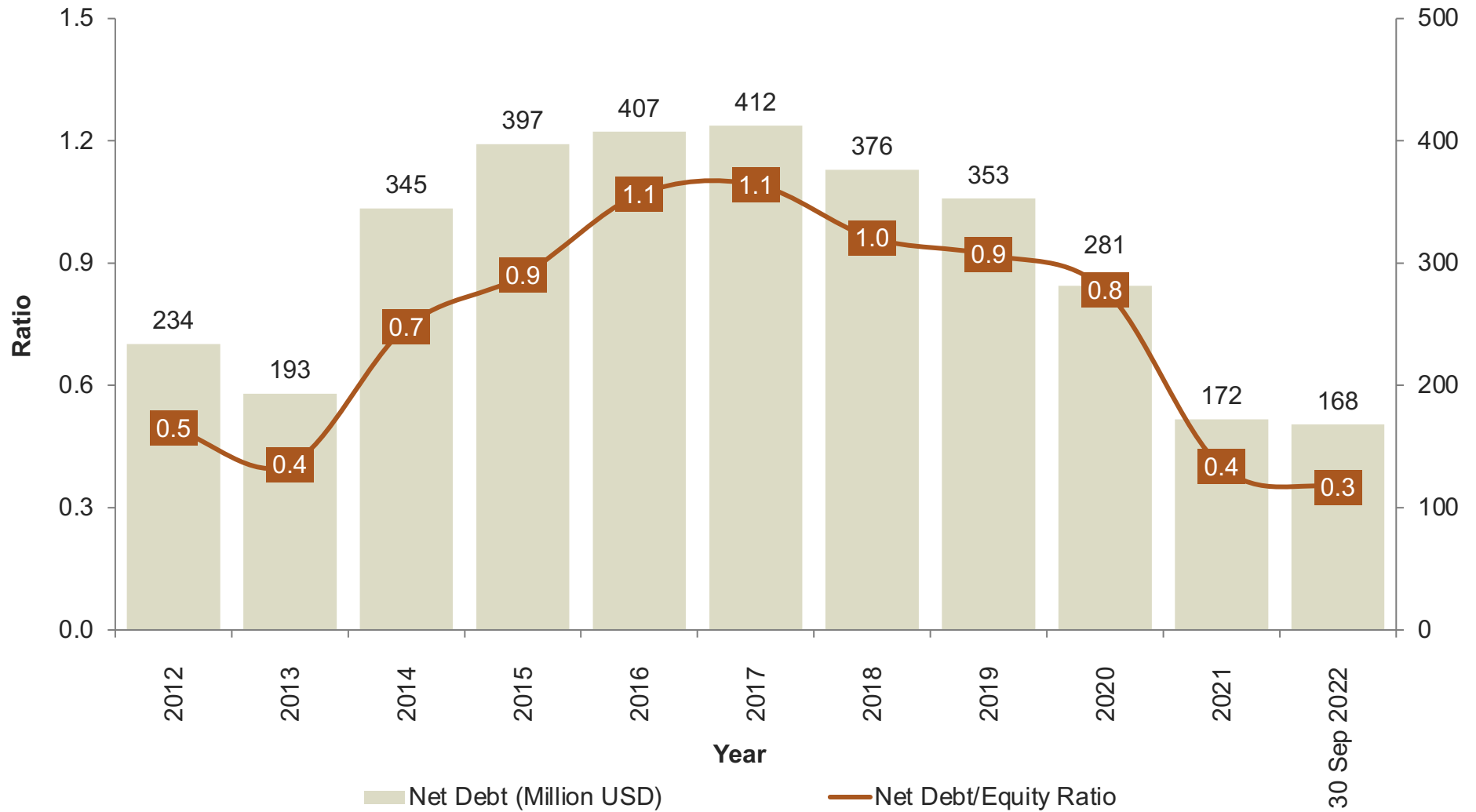
# EBITDA for owned and chartered-in vessels in the Ultramax/Supramax category.

<sup>^</sup> PSL's OPEX includes insurance receipts of \$543/Day received for the vessel Chayanee Naree.

# Debt maturity profile (\$ million)

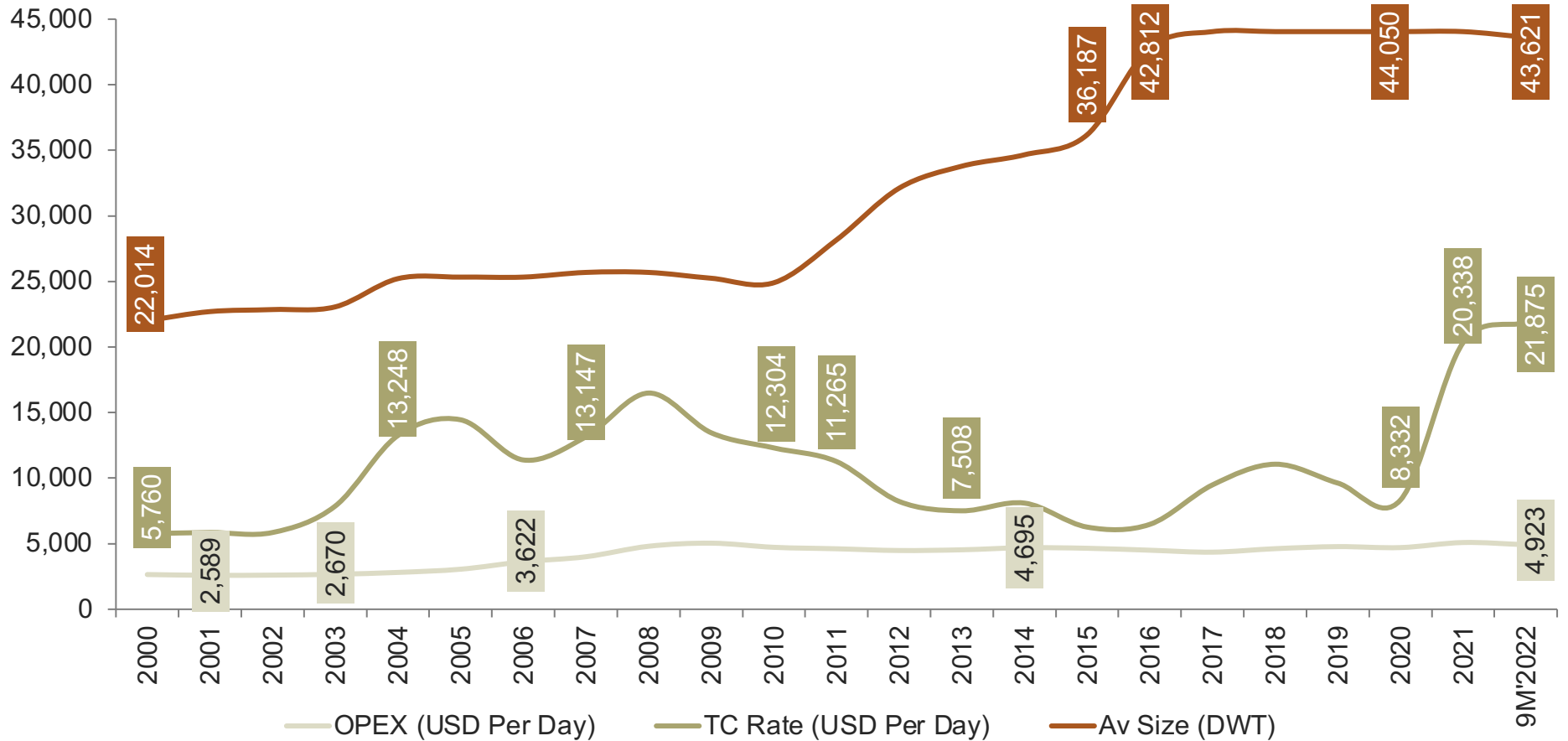


# Net debt & net debt / equity ratio

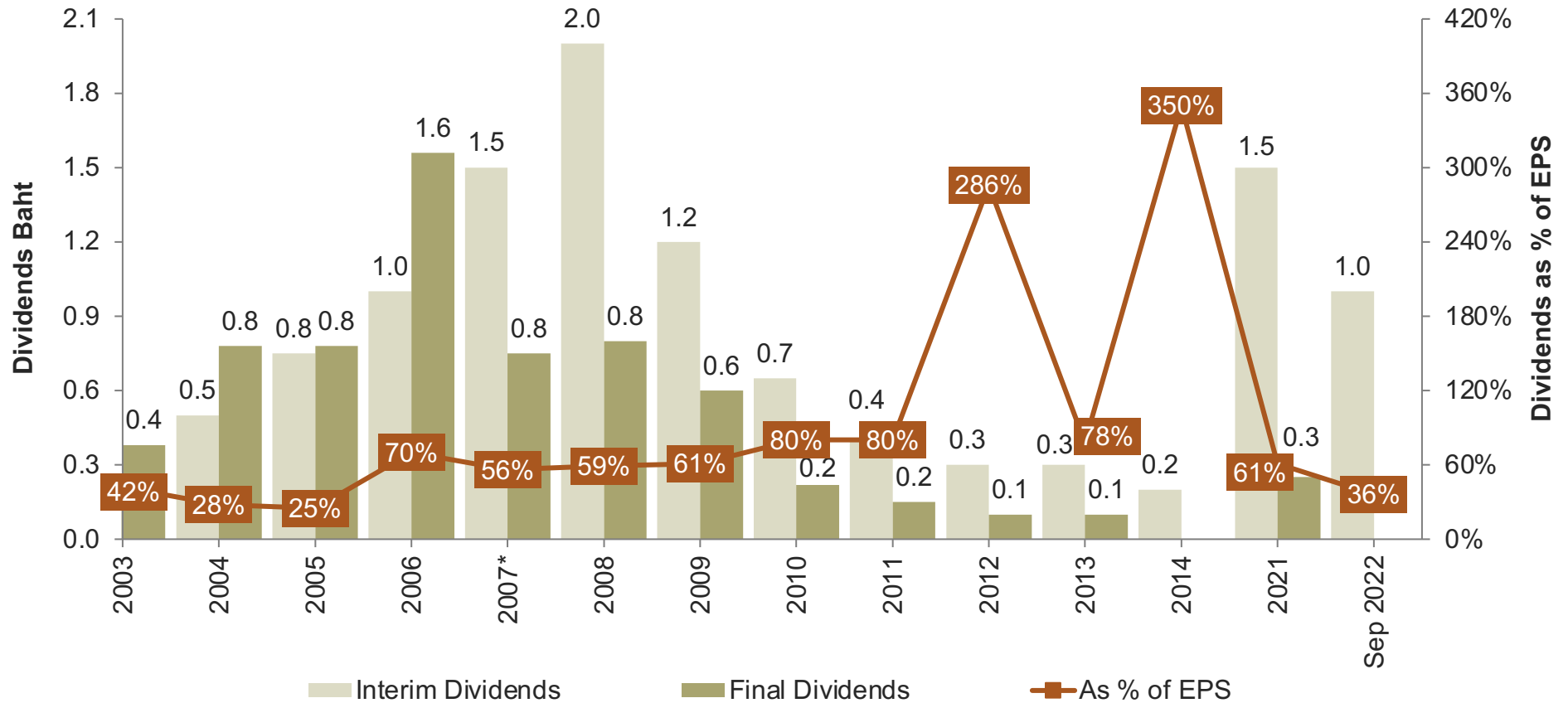


# Average OPEX / TC rates

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	9M' 2022
Avg Age	15.6	15.7	15.8	16.6	17.4	19.0	20.0	19.6	20.6	17.1	15.4	14.2	11.4	11.4	10.5	9.8	5.8	6.3	7.3	8.3	9.3	10.3	10.7



# Dividends



## Dividend Policy

Not less than 25% of net profit

*\*2007 final dividend includes 1:1 bonus share at par  
 All dividends shown adjusted for 1:1 bonus shares at par  
 No final dividends for 2014 and no dividends for 2015 - Q1'2021*

## Financial highlights – Income statement

Particulars	9M-2022	9M-2021	Q3-2022	Q2-2022	Q3-2021
Total Revenues - USD Million	213.92	187.62	68.80	76.25	80.53
Net Profit (loss) - USD Million	123.35	83.94	36.37	47.95	45.40
Gain (loss) on derivatives - USD Million	(0.04)	(2.12)	(0.02)	(0.00)	(1.86)
Exchange gain (loss) - USD Million	1.90	5.93	1.29	0.60	0.73
Net Profit (loss) excluding non-recurring items and exchange gain (loss) - USD Million	121.50	80.09	35.09	47.36	46.51
EBITDA - USD Million (Average per Ship)	152.45 (4.16)	112.75 (3.13)	45.77 (1.21)	57.46 (1.59)	57.35 (1.59)
Average TC Income per Ship per day (USD)	21,875	18,286	19,840	23,901	24,722
Average Ship Running Cost per Ship per day (USD)	4,923	5,038	5,159	4,683	5,136
Operating days (Average Number of Ships)	10,006 (36.65)	9,828 (36.00)	3,472 (37.74)	3,294 (36.20)	3,312 (36.00)
Earnings (loss) per share excluding non-recurring items and exchange gain (loss) (Baht)	2.72	1.66	0.83	1.05	0.99
Earnings (loss) per share (Baht)	2.76	1.73	0.86	1.06	0.96
Net Profit Margin (%)	57.66	44.74	52.87	62.89	56.37

# Financial profile

	Jan-Sep 2022	2021	2020	2019	2018	2017
Cash & Cash Equivalents	\$39.1m	\$73.9m	\$36.6m	\$39.2m	\$56.8m	\$56.7m
Total Assets	\$718.3m	\$704.1m	\$712.3m	\$831.1m	\$857.9m	\$882.3m
Gross Debt	\$207.0m	\$245.9m	\$318.3m	\$391.7m	\$432.8m	\$469.4m
Net Debt	\$168.0m	\$172.0m	\$281.7m	\$352.5m	\$376.0m	\$412.6m
Equity	\$481.3m	\$429.8m	\$337.4m	\$383.3m	\$391.2m	\$377.5m
Gross Debt/Equity	0.43	0.57	0.94	1.02	1.11	1.24
Net Debt/Equity	0.35	0.40	0.83	0.92	0.96	1.09
No. of Vessels	38	36	36	36	36	36
EBITDA	\$152.4m	\$175.2m	\$36.3m	\$44.5m	\$68.2m	\$53.2m
Daily Earnings	\$21,875	\$20,338	\$8,332	\$9,622	\$11,063	\$9,486
Daily Opex	\$4,923	\$5,090	\$4,705	\$4,778	\$4,621	\$4,355
Net Profit (Loss)	\$123.4m	\$137.0m	(\$40.8)m	(\$7.2)m	\$14.1m	(\$3.8)m



# PSL and ESG

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# PSL's ESG footprint

## Environment

- PSL is always reducing its environmental impact via new technologies and innovations. We replaced older and less fuel-efficient vessels between 2013 and 2017 with “**eco-vessels**” resulting in reduction of CO<sub>2</sub> emissions. The PSL fleet's average gm CO<sub>2</sub>/ton\*nm has reduced from 12.884 in 2014 to 7.42 in 2021.
- Part of our fleet is retrofitted with fuel saving devices such as Mewis Duct, Pre-Shrouded Vanes and Hub Vortex Absorbed Fins leading to **energy savings ranging between 3-5%**.
- We have a **formal environmental policy statement and guidelines since 2009 based on ISO 14001:2004 standards updated to ISO 14001:2015 standards**.
- PSL has joined the **Getting to Zero Coalition** as a founding member, an alliance of more than 150 companies within the maritime sector to explore commercially viable zero carbon emitting vessels or ZEVs

## Social

- PSL provided **60,000 free meals over 3 months for the needy in Bangkok starting 12 August 2021**.
- PSL is a signatory of the ‘**Neptune Declaration**’ covering **seafarer well-being and crew change**.
- PSL has been providing a **scholarship scheme for students** of the Merchant Marine Training Centre, Thailand as well as donations for other activities every year since 1995. PSL provides scholarship to 42 students each year.
- PSL providing a THB 1m donation to **Mechai Pattana School** in the rural Lamplaimat District of Buriram Province in 2022
- 43 PSL employees volunteered to clean up **Ban Amphur Beach** in Chonburi as part of the World Maritime Day celebration in 2022.

## Governance

- PSL has been included in the Stock Exchange of Thailand's **Thailand Sustainability Investment (THSI)** list for 2022.
- PSL classified as a company with “**Excellent**” **Corporate Governance** for 13 consecutive years from 2010 to 2022, by IOD & National CG Committee.
- PSL earned 100 full AGM assessment scores for the fourth consecutive years from 2018 to 2022, by Thai Investors Association (TIA)
- PSL has been certified as a **member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)** since August 2019.
- PSL is the **Highest-ranked global dry-bulk shipping company** in the S&P corporate sustainability assessment (CSA) rankings for 2021.



# Investor Relations

## Investor relations activities – 9M 2022

The Company has joined many events for press/analyst briefings, which are attended personally by the Managing Director, the Executive Directors and/or IR team. Some of the major events in which the Company participated in 9M 2022 are enumerated herein as under:

Year/Times	Analyst Meetings/ Communications	Investors Meetings/ Communications	Presentations Road shows	Press & TV Interview	Total
9M 2022	28	12	8	9	57

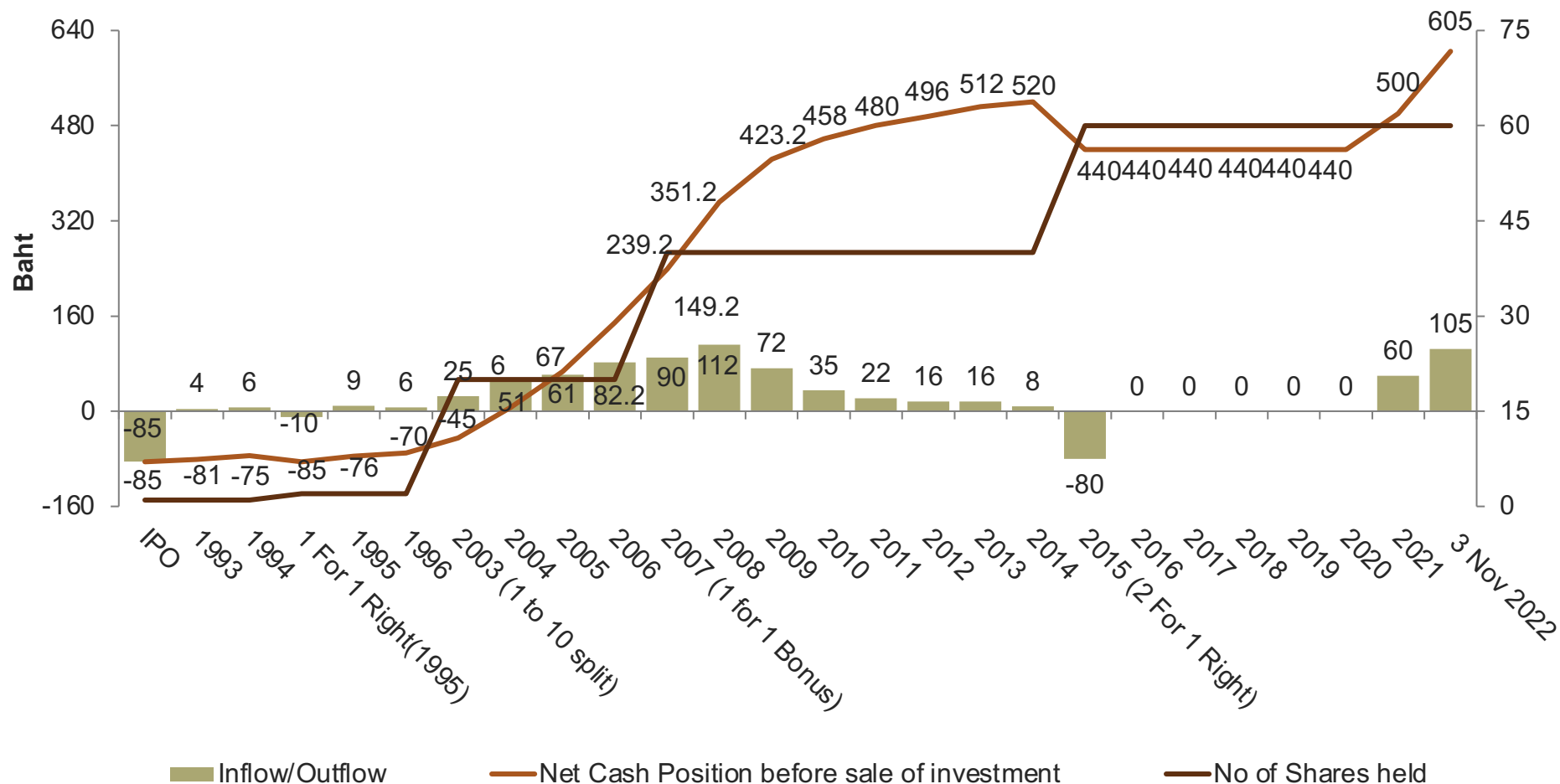
Virtual Conference / Meetings (Times)	Domestic	Hong Kong	Singapore	USA	Europe	Other countries
9M 2022	16	4	1	-	-	-

Year/Times	Analyst Meetings/ Communications	Investors Meetings/ Communications	Presentations Road shows	Press & TV Interview	Total
2021	69	19	11	14	113
2020	29	26	10	4	69
2019	15	52	13	5	85



## Shareholder's returns

# Total return to shareholders: 1993 to 3 Nov 2022



Basis the 14.00 Baht/share price on 3 Nov 2022, stockholders have earned a 16.22% IRR since the IPO in 1993.

# Final food for thought

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- **Demand is expected to grow faster than Supply, especially for Minor bulks over the next couple of years.** Cargoes that PSL carries, are **growing faster than** other cargoes and faster than **effective net supply growth** in the geared sector.
- 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!**
- We are a **Thai stock that is unconnected with the Thai economy.** Part of our **Bangkok expenses** are in Thai Baht and **would reduce with the weaker Baht.**
- **P/BV is not a good measure anymore, as asset values have gone up significantly** since the start of the pandemic.
- **Our debt continues to shrink, surplus cash continues to grow.** This should be **good news for our shareholders.**



**Thank You !**



**Precious Shipping Public Company Limited**

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## Precious Shipping Public Company Limited

SET Opportunity Day Q3/2022 held on 9<sup>th</sup> November 2022

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### Questions & Answers

1. **Could you please discuss the current situation of PSL Handysize vessels, since it seems that they have many open positions?**

**Answer:** Our clients in the Handysize sector are not willing to give long term contracts. The indexed ships for the Handysize sector are now at 38,000 DWT on an average, as against our average size of 31,000 DWT only. As such, for us to get any long-term contracts, even if they are on an index-linked basis, would be very difficult to get in the Handysize sector. That is why we have many more open positions in this sector.

2. **There is an expectation that in the second half of 2022, the Chinese stimulus plan would come into play, but that has not yet happened. If China relaxes its Zero-COVID policy, would that change?**

**Answer:** The answer is yes. If China relaxes its Zero-COVID policy and allows industries to function, it will certainly make a huge difference in terms of export demand of raw materials and/or semi-finished goods. However, that is yet to happen and we can do nothing about it until China changes its Zero-COVID policy. There currently is a major COVID-19 outbreak (by Chinese standards) in the province of Guangzhou which is one of their large industrial hubs.

3. **What are the reasons for PSL Supramax and Ultramax vessels outperforming the indexed vessels in Q3, and will this trend sustain?**

**Answer:** Yes, we think this trend will sustain because more or less our entire fleet of Supramaxes and Ultramax is on variable rate contracts linked to the index, and therefore, we should be able to continue outperforming the index.