

Precious Shipping Public Company Limited



PSL was awarded Carbon Neutral Certification by the Thailand Greenhouse Gas Management Organization (TGO) in 2022

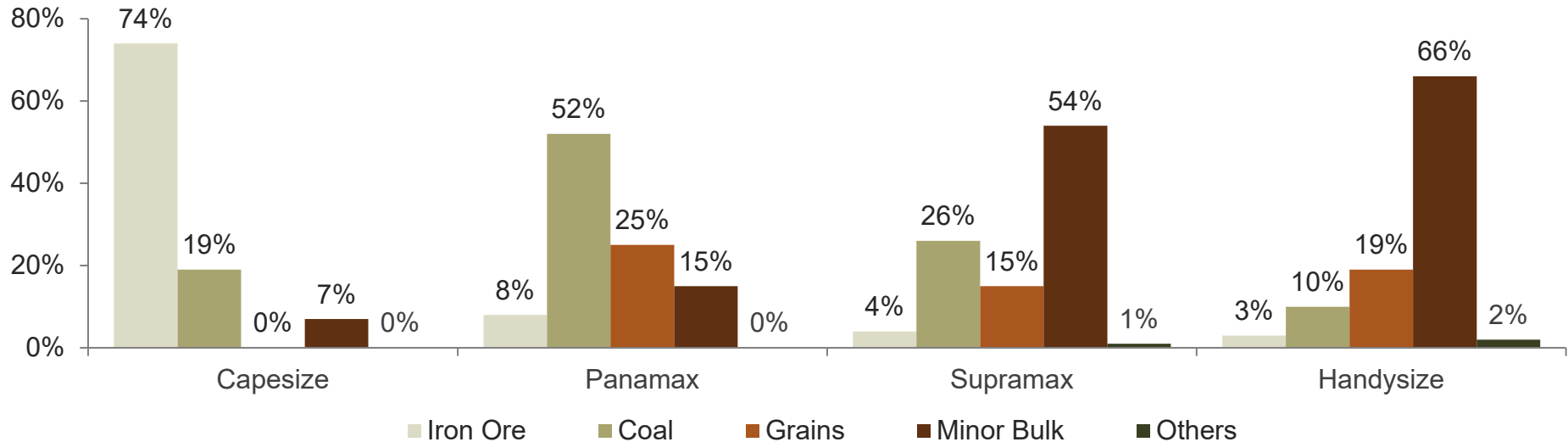
PSL Presentation
November 2023

Dry Bulk Freight Markets



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 FH 2023

2022 was good, but look at China's performance in 9M of 2023!

Latest available Data points on China in 9M 2023 Vs 9M 2022.

- China's Iron Ore imports in 9M 2023 was 877.6 MMT Vs 823.1 MMT 9M 2022 up by 6.6%.
- China's Coal imports in 9M 2023 was 347.7 MMT Vs 200.9 MMT 9M 2022 up by 73.0%.
- China's Steel production in 9M 2023 was 794.9 MMT Vs 780.8 MMT in 9M 2022 up by 1.8%.
- Monthly average Steel inventory in 9M 2023 was 13.2 MMT Vs 14.4 MMT 9M 2022, down by 8.3%.
- Steel imports in 9M 2023 was 5.7 MMT Vs 8.3 MMT in 9M 2022 down by 31.3%.
- Steel exports in 9M 2023 was 67.5 MMT Vs 51.3 MMT 9M 2022 up by 31.7%.
- Steel consumption in 9M 2023 was 733.1 MMT Vs 737.9 MMT in 9M 2022 down by 0.7%.

2022 vs 2021

-1.6%
-9.4%
-1.8%
-10.1%
-26.3%
+0.9%
-2.3%



China's slow economic recovery despite growing trade volume

- China's reopening after COVID was below expectations.
- Growth was positive in dry bulk imports/exports, and consumer spending but not as high in industrial production and real estate.
- Country Garden is the second large real estate developer that has defaulted.
- Dry-bulk imports got support from "energy and food security" policies with increasing coal and grain imports.
- Imports of iron ore and some metals (e.g., bauxite, nickel ore) were still strong despite weak real estate sector. EV manufacturers and shipyards came to the rescue and kept steel consumption high.
- Exports faced challenges from headwinds in the Western/developed economies.
- China is behaving in a fiscally responsible manner and is not over stimulating the economy on steroids.
- As 9M 2023 GDP growth was +5.2% and as 2022 GDP had a low base, Chinese government target of GDP growth of 5% in 2023 is achievable.

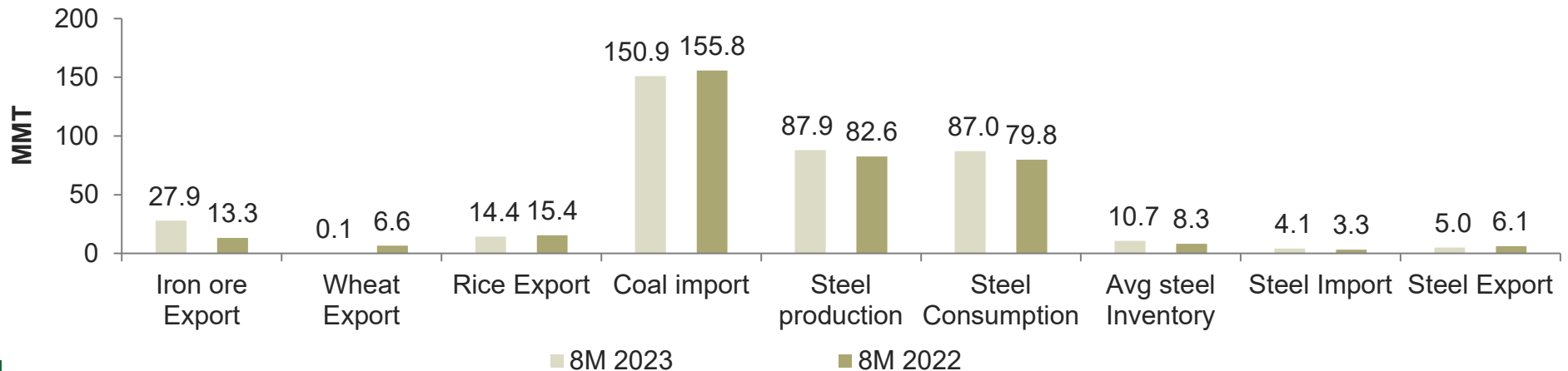
India's performance in 8M 2023

Latest available Data points on India in 8M 2023 Vs 8M 2022.

- India's Iron Ore exports in 8M 2023 was 27.9 MMT Vs 13.3 MMT 8M 2022 up by 109.2%.
- India's Wheat exports in 8M 2023 was 0.1 MMT Vs 6.6 MMT 8M 2022 down by 98.6%.
- India's Rice exports in 8M 2023 was 14.4 MMT Vs 15.4 MMT 8M 2022 down by 6.0%.
- India's Coal imports in 8M 2023 was 150.9 MMT Vs 155.8 MMT 8M 2022 down by 3.2%.
- India's Steel production in 8M 2023 was 87.9 MMT Vs 82.6 MMT in 8M 2022 up by 6.4%.
- Monthly average Steel inventory in 8M 2023 was 10.7 MMT Vs 8.3 MMT 8M 2022, up by 29.3%.
- Steel imports in 8M 2023 was 4.1 MMT Vs 3.3 MMT in 8M 2022 up by 27.1%.
- Steel exports in 8M 2023 was 5.0 MMT Vs 6.1 MMT 8M 2022 down by 18.1%.
- Steel consumption in 8M 2023 was 87.0 MMT Vs 79.8 MMT in 8M 2022 up by 9.1%.

2022 vs 2021

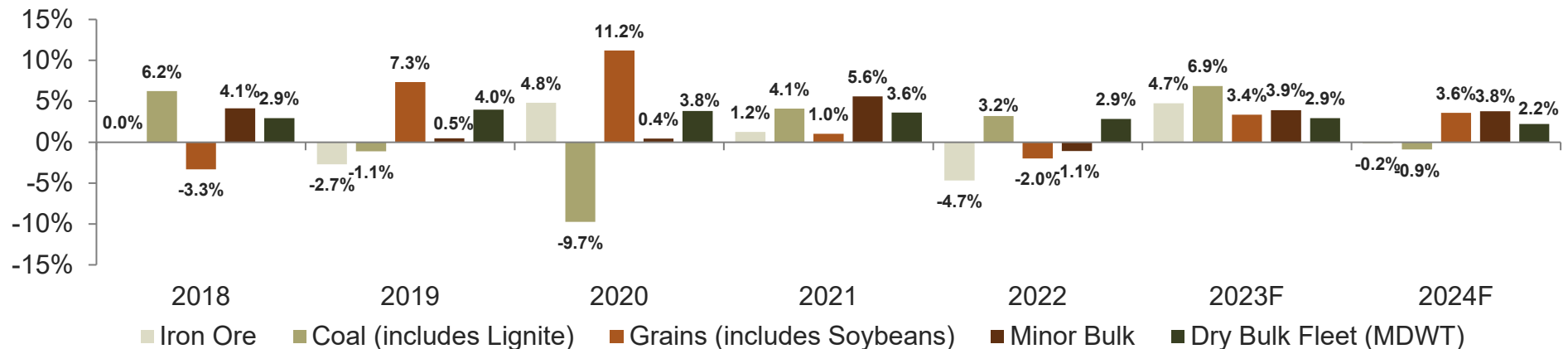
-54.6%
+10.1%
+3.6%
+12.7%
+4.8%
-4.6%
+16.9%
-40.1%
-10.6%



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	8,220	7,998	8,384	8,488	8,092	8,475	8,460
Coal (includes Lignite)	5,226	5,167	4,663	4,855	5,010	5,354	5306
Grains (includes Soybeans)	3,163	3,395	3,776	3,814	3,739	3,864	4,003
Minor Bulk	11,213	11,266	11,314	11,948	11,819	12,283	12,746
Total	27,823	27,827	28,138	29,106	28,660	29,976	30,515
Total % Change In Trade	2.36%	0.02%	1.12%	3.44%	-1.53%	4.59%	1.80%
Dry Bulk Fleet (MDWT)*	846.1	879.7	913.1	946.0	973.0	1001.6	1024.0
% Change in Dry Bulk Fleet (MDWT)*	2.9%	4.0%	3.8%	3.6%	2.9%	2.9%	2.2%

% age increase over the previous year

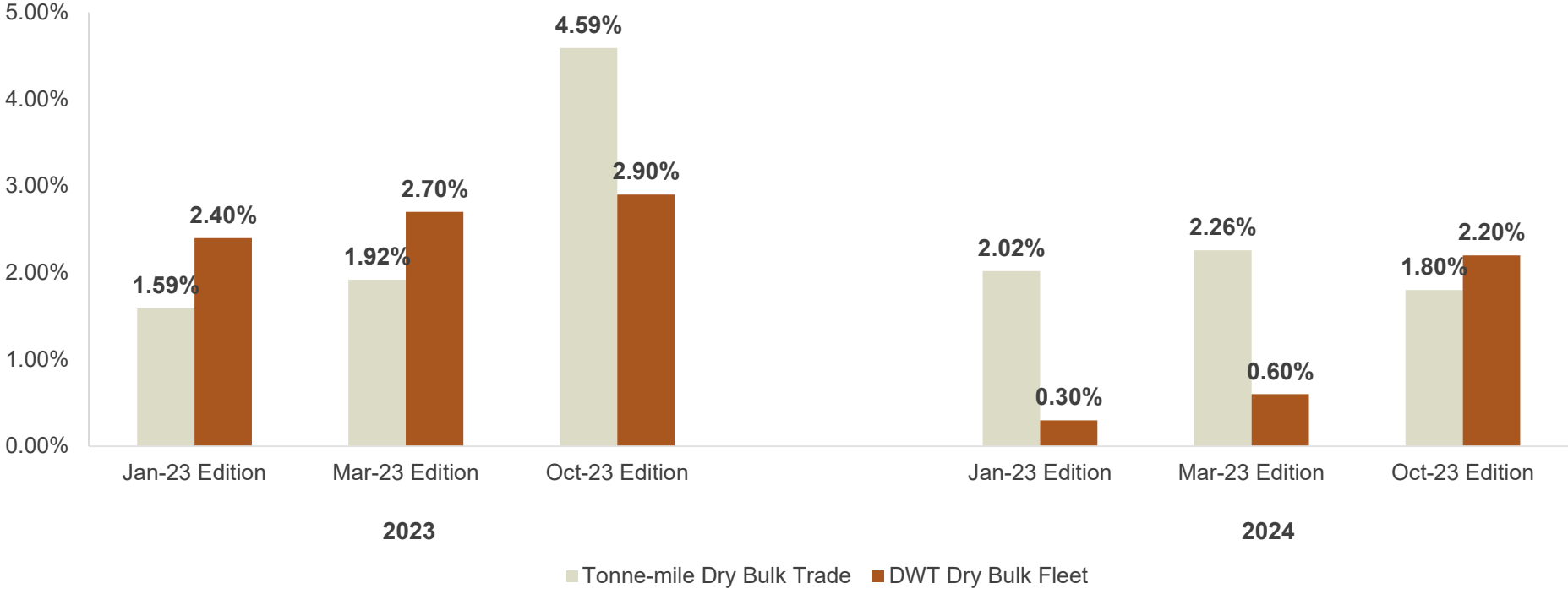


Source: Clarksons World Seaborne Trade Timeseries and Clarksons World Fleet Register as on 30 Oct 2023

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

Demand and supply forecast by Clarksons at different times

YoY Percentage Growth of Demand and Supply



Source: Clarksons World Seaborne Trade Timeseries as on 31 Dec 2022, 31 Mar 2023, and 30 Oct 2023
 Clarksons Jan 2023, Mar 2023, and Oct 2023 DBTO

Dry bulk fleet at the start of Oct 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	4,399	13.71	117.46	26,701	11.87%
Supra/Ultramax	40,000 – 69,999	4,116	11.71	231.91	56,344	23.43%
Panamax	70,000 – 89,999	2,721	11.58	217.08	79,779	21.93%
Capesize	90,000+	2,316	10.65	423.21	182,735	42.76%
Total / Average		13,552	12.15	989.66	73,027	100.00%

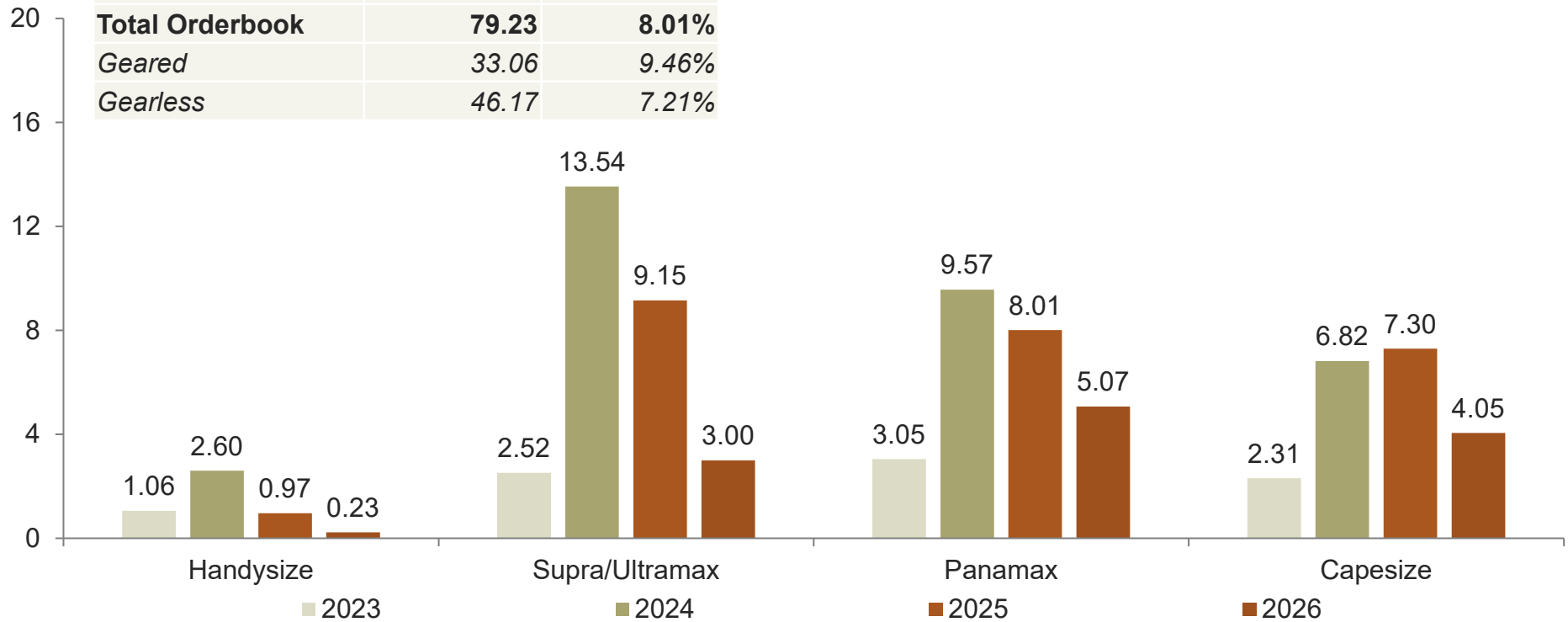
Changes in 9M 2023

Ship Type	DWT Range (MT)	Ships No (%age)	DWT m MT (%age)
Handysize	10,000 – 39,999	+107 (+2.49%)	+2.32 (+2.01%)
Supra/Ultramax	40,000 – 69,999	+107 (+2.67%)	+6.32 (+2.80%)
Panamax	70,000 – 89,999	+73 (+2.76%)	+6.22 (+2.95%)
Capesize	90,000+	+46 (+2.03%)	+8.77 (+2.12%)
Total / Average		+333 (+2.52%)	+23.63 (+2.45%)

Source: Clarksons World Fleet Register as on 30 Sep 2023

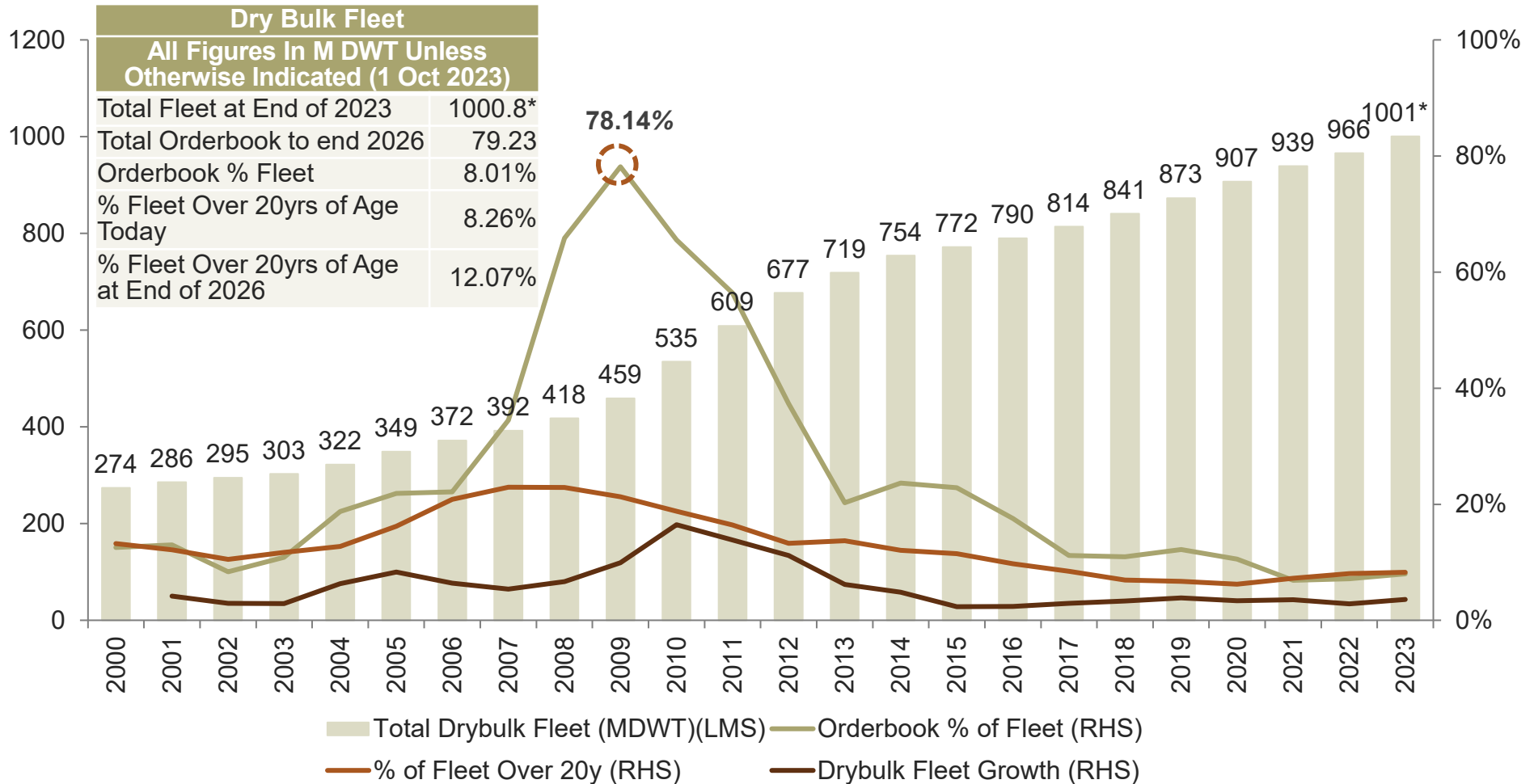
Confirmed orders as of 1 Oct 2023 (MDWT) – 31 Dec 2026

Total Confirmed Orders Until 2026		
Year	M DWT	% of Fleet
2023	8.94	0.90%
2024	32.52	3.29%
2025	25.42	2.57%
2026	12.35	1.25%
Total Orderbook	79.23	8.01%
<i>Geared</i>	33.06	9.46%
<i>Gearless</i>	46.17	7.21%



Source: Clarksons World Fleet Register as on 30 Sep 2023

Putting orderbook figures in context – overall dry bulk fleet



Source: Clarksons World Fleet Register as on 30 Sep 2023 and *End'23 Fleet Capacity from Clarksons Sep 2023 DBTO

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

Daily average Time Charter rate	2003 – 2009	2010 – 2020	2021	2022	9M 2023
Capesize	67,101*	14,924***	33,333**	16,177**	12,643**
Panamax	32,793*	10,965***	26,898**	20,736**	11,812**
Supramax	28,013^^	10,765***	26,768**	22,152**	10,311**
Handysize	18,753^^	8,789***	25,702**	21,337**	9,644**
Demand Billion Ton-miles per year	+5.4%	+4.2%	+3.68%	-1.45%	3.70%
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^	\$1.8 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%	+3.6%

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 Oct 2023 it was still 8.26% versus 8.01%, 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 calculated Chinese stimulus at \$ 5.3 trillion in 2022!, Bloomberg reported \$1.8 trillion of construction stimulus in Apr 2023

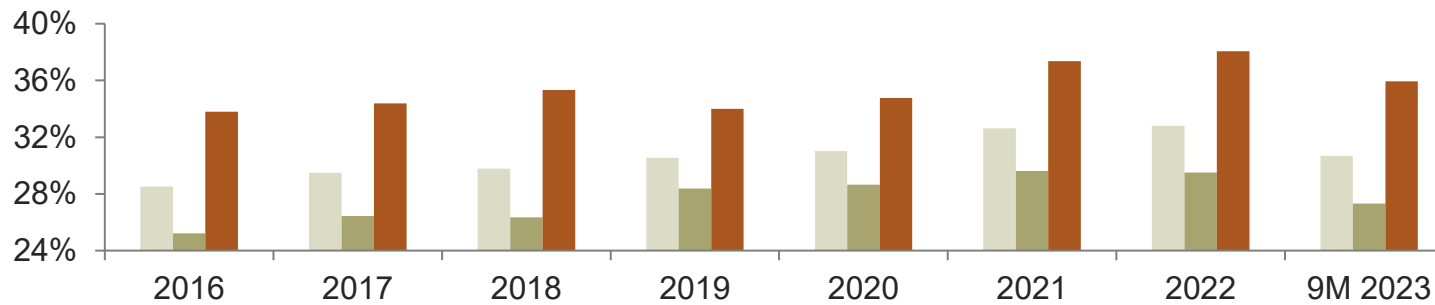
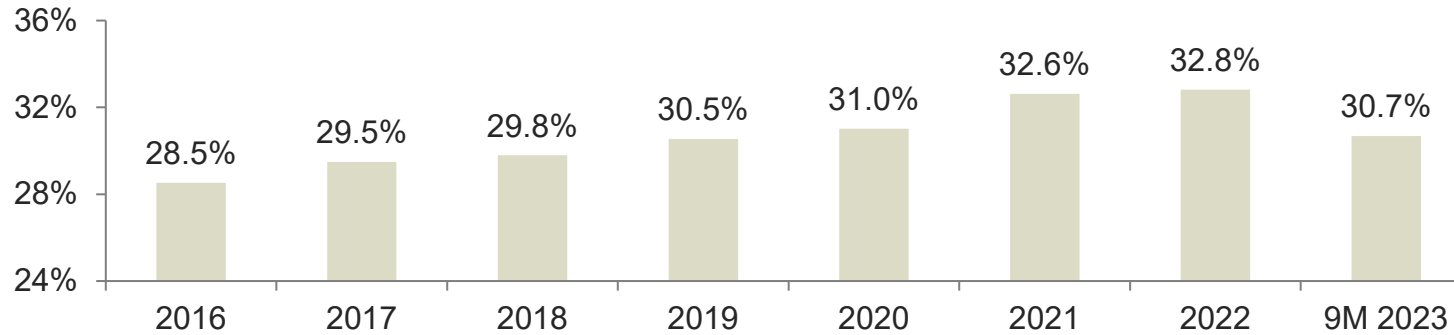
^^1 Yr. TC 32K, 1 Yr. TC 52K used for years where there was no BHSI (2003-2006) or no BSI (2003-2005).

^^^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 30 Sep 2023, End'23 Fleet Capacity from Clarksons Sep 2023 DBTO

Port congestion – till end of Sep 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 32.8% of their fleet in 2022.
- In 9M 2023, this figure decreased to 30.7%
- 5 years (2016-2020) and 7 years (2016-2022) average stood at 29.9% and 30.7%

Source: Clarksons Port Congestion Timeseries as on 30 Sep 2023

Note: Clarksons suspended a provision of Supramax port congestion data

Port congestion data from Clarksons in previous PSL presentations were not comprehensive.

DWT of dry bulk ships ordered in 9M 2023 vs 9M 2022, 2021 and 2020

Year	Avg. BDI	% Change in 2023	New Orders in MDWT	% Change in 2023
9M 2020	971	+20%	16.12	+69%
9M 2021	2,764	-58%	44.56	-39%
9M 2022	2,066	-43%	26.75	+2%
9M 2023	1,169	-	27.28	-

Source: Clarksons Index Timeseries, Clarksons World Fleet Register, and Clarksons Newbuild Contracts Timeseries as on 30 Sep 2023

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

1. **LNG, Container, Car carriers, Gas, and Tanker, have booked all available slots at shipyards and hence dry bulk has been ‘crowded out’ and can only get ships in 2027 at the earliest.**
2. **Shipyards 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.**

Final food for thought



Key industry takeaways

- **The IMF estimates global GDP growth of 3.0% in 2023 and 2.9% in 2024.**
- **Chinese GDP will grow by 5.0% in 2023**, down from 5.2% in IMF's previous forecast. **GDP growth in 9M was 5.2%.**
- **Demand growth of 4.59% in 2023, will be driven by China's economic recovery.**
- **In 9M 2023, China's fixed asset investment was +3.1%, consumer spending had rebounded.**
- **China 8M 2023 iron ore imports 776 MMT (+7.3%), Brazil 18% (142 MMT), Aussie 64% (501 MMT).**
- **Forward orderbook to fleet ratio at 8.01% as of 1 Oct 23 is lower than the existing 20 year old fleet at 8.26%.**
- **The dry bulk fleet is forecast to grow by 2.9% in 2023 (9M 2.45%) and by 2.2% in 2024. But net supply will be reduced by 1.5-2.0% in 2023 - 2025 due to lower speeds via compliance with EEXI and CII regulations.**
- **Congestion at Panama Canal, and at South American grain ports, have spiked rates up. Steel consumption in China is up with big users being shipyards and EV makers.**
- **The supply/demand balance continues to improve.**

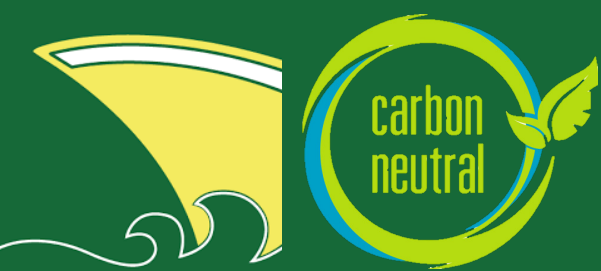
Holding Period Return since IPO – Peer comparison

In August 2023, Splash 247 published an article titled 'Why Investing in Dry Bulk Companies Is a Bad Idea.' To support their argument, they displayed the percentage drop in the value of a \$10,000 investment at the time of the IPO (column A), the number of reverse splits (column B), and the resulting ratio compared to the shares issued at the IPO (column C).

Company Name	IPO / Listing Date	% Drop Since IPO (A)	Reverse Splits (B)	Ratio (C)
Star Bulk Carriers	3 Dec 2007	-2.00%	2	75
Safe Bulkers	29 May 2008	-24.00%	0	0
Diana Shipping	18 Mar 2005	-52.36%	0	0
Golden Ocean	6 Feb 1997	-57.00%	1	5
Navios Maritime	13 Nov 2007	-87.00%	1	10
Dryships	6 Feb 2005	-90.87%	8	11 760 000
Genco Shipping	22 Jul 2005	-91.60%	1	10
Eagle Bulk Shipping	22 Jun 2005	-97.45%	4	10 080
Scorpio Bulkers	12 Dec 2013	-97.97%	2	120
Paragon Shipping	9 Aug 2007	-99.60%	2	380

Alas, the publication overlooked including PSL in their analysis. If they had, they would have known that a THB 10,000 investment in PSL's 1993 IPO would be worth THB 899,079 in Aug 23, assuming all dividends are reinvested into PSL stock!

Reference: <https://splash247.com/why-investing-in-dry-bulk-companies-is-a-bad-idea/>



Thank You !



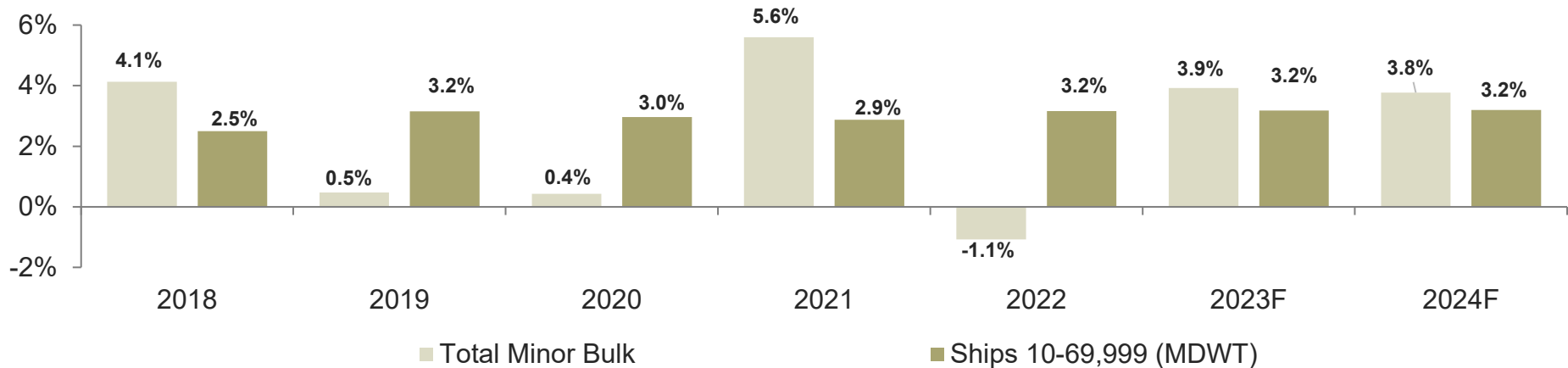
Precious Shipping Public Company Limited

Website: www.preciousshipping.com | **E-mail:** psl@preciousshipping.com, ir@preciousshipping.com

Growth in seaborne minor bulk trade – billion tonne-miles

Seaborne Minor Bulk Trade							
All Units In Billion Tonne-Miles	2018	2019	2020	2021	2022	2023F	2024F
Total Minor Bulk	11,213	11,266	11,314	11,948	11,819	12,283	12,746
% Change In Minor Bulk	4.12%	0.47%	0.43%	5.60%	-1.08%	3.92%	3.77%
Ships 10-69,999 (MDWT)*	304.4	314.0	323.3	332.6	343.1	354.0	365.3
% Change In 10-69,999 (MDWT)*	2.5%	3.2%	3.0%	2.9%	3.2%	3.2%	3.2%

% age increase over the previous year

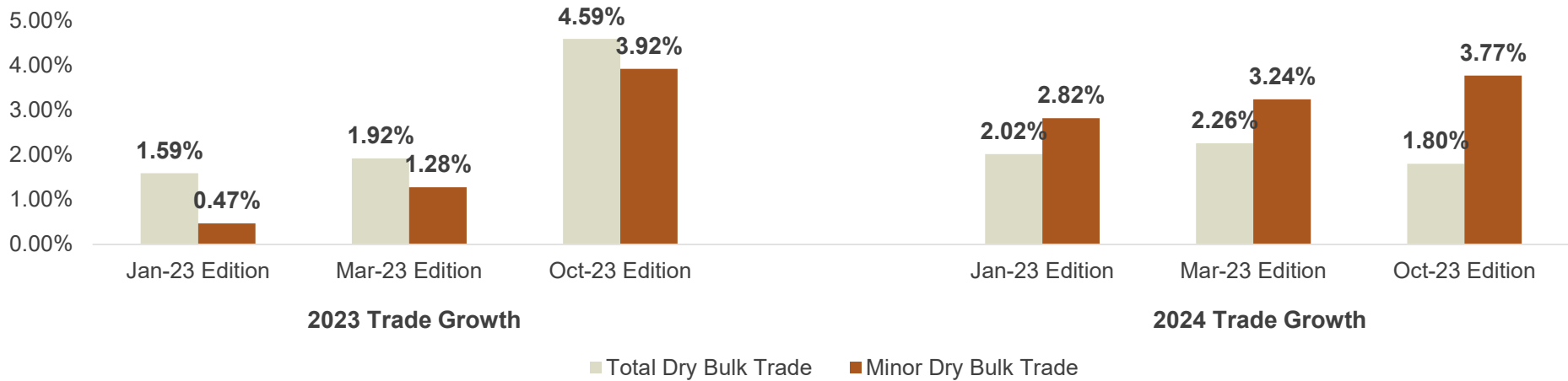


Source: Clarksons World Seaborne Trade Timeseries and Clarksons World Fleet Register as on 30 Oct 2023

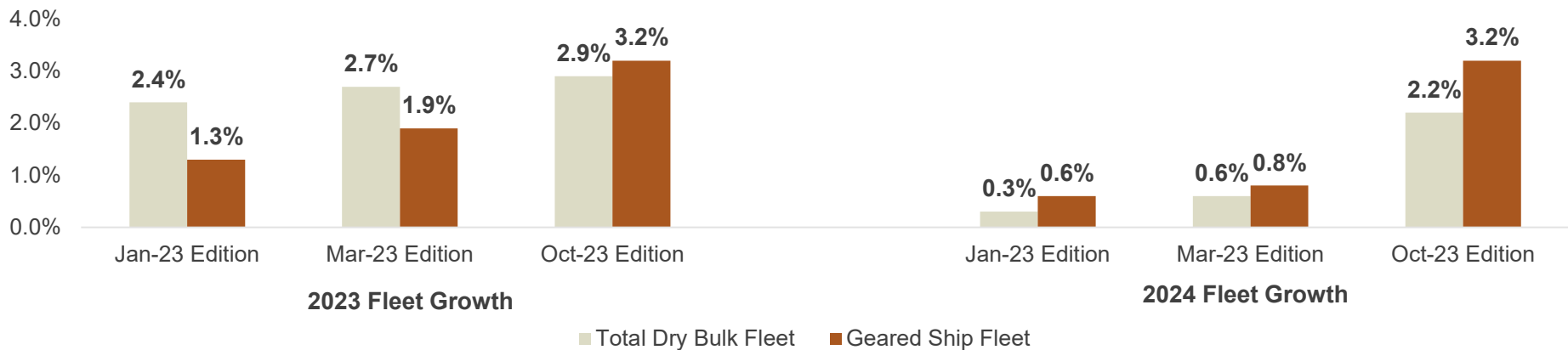
*2023F and 2024F figures from Clarksons Oct 2023 DBTO

Demand and supply forecast by Clarksons at different times

YoY Percentage growth of Tonne-mile Demand



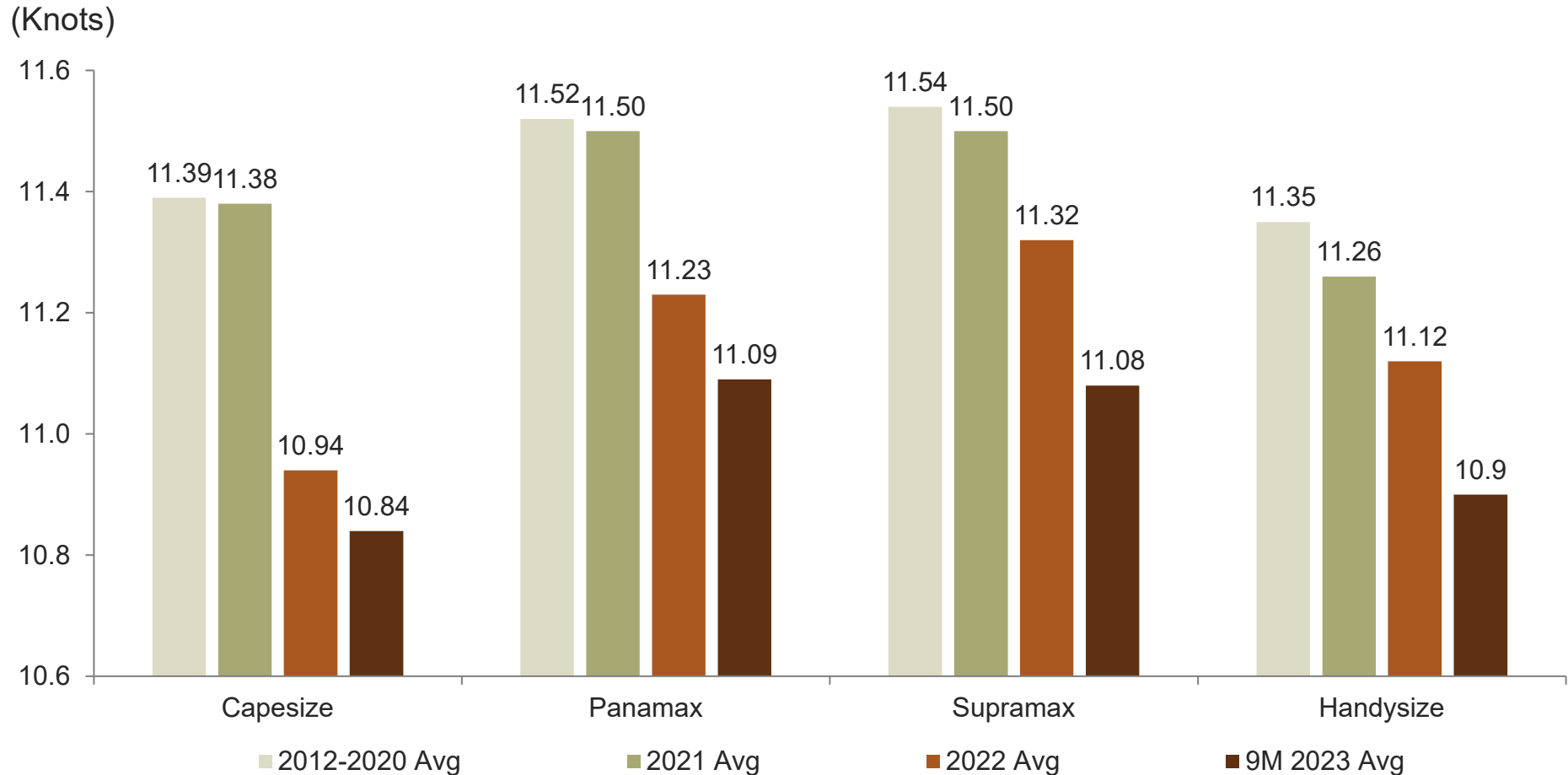
YoY Percentage growth of DWT Supply



Source: Clarksons World Seaborne Trade Timeseries as on 31 Dec 2022, 31 Mar 2023, and 30 Oct 2023

Clarksons Jan 2023, Mar 2023, and Oct 2023 DBTO

Average speed – till end of Sep 2023



Source: Clarksons Speed Timeseries as on 30 Sep 2023



PSL and ESG

อนัญญา นารี
ANANYA NAREE

PSL's ESG footprint

Environment	<ul style="list-style-type: none"> PSL was awarded Carbon Neutral Certification by the Thailand Greenhouse Gas Management Organization (TGO). This was accomplished by offsetting our scope 1 and 2 emissions for the year 2022 by supporting a renewable energy project in Thailand. PSL was awarded Carbon Footprint for Organization certification by TGO, in acknowledgment of our comprehensive carbon reporting practices. 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 a reduction of CO₂ emissions. The PSL fleet's average gm CO₂/ton*nm has reduced from 12.884 in 2014 to 7.14 in 2022. 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 160 companies within the maritime sector to explore commercially viable zero carbon emitting vessels or ZEVs
Social	<ul style="list-style-type: none"> PSL providing a THB 1m donation to Mechai Pattana School in the rural Lamplimat District of Buriram Province in 2023 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 scholarships to 42 students each year. PSL awarded academic and need-based scholarships to 21 school and college students.
Governance	<ul style="list-style-type: none"> PSL is the Highest-ranked global dry-bulk shipping company in the S&P corporate sustainability assessment (CSA) rankings for 2021 and in the top 12 percentile of global listed transportation companies for the year 2022. PSL has been included in the Stock Exchange of Thailand's Thailand Sustainability Investment (THSI) list for 2022. PSL received the Outstanding Investor Relations award from the Stock Exchange of Thailand for two consecutive years. PSL received the 2021 ASEAN Asset Class Award, for having attained a minimum CG score of 97.50 on the ASEAN CG Scorecard. PSL was 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 sixth consecutive year from 2018 to 2023, 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.