



# Precious Shipping Public Company Limited



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

**The Annual General Meeting of Shareholders No.1/2024 – 5 April 2024**



## PSL fleet (end of year)

As of	31 <sup>st</sup> Dec 2019	31 <sup>st</sup> Dec 2020	31 <sup>st</sup> Dec 2021	31 <sup>st</sup> Dec 2022	31 <sup>st</sup> Dec 2023
Number of Vessels	36	36	36	38	38
Average Age (Simple Avg)	8.3 years	9.3 years	10.3 years	11.0 years	12.0 years
Insured Value (US\$ million)	650.0	650.0	747.6	765.4	675.45
Book Value (US\$ million)	664.9	634.8	605.0	635.8	606.8
Total DWT	1,585,805	1,585,805	1,585,805	1,657,579	1,657,579
Total LDT	350,989	350,989	350,989	368,532	368,532
Average DWT per Vessel	44,050	44,050	44,050	43,621	43,621

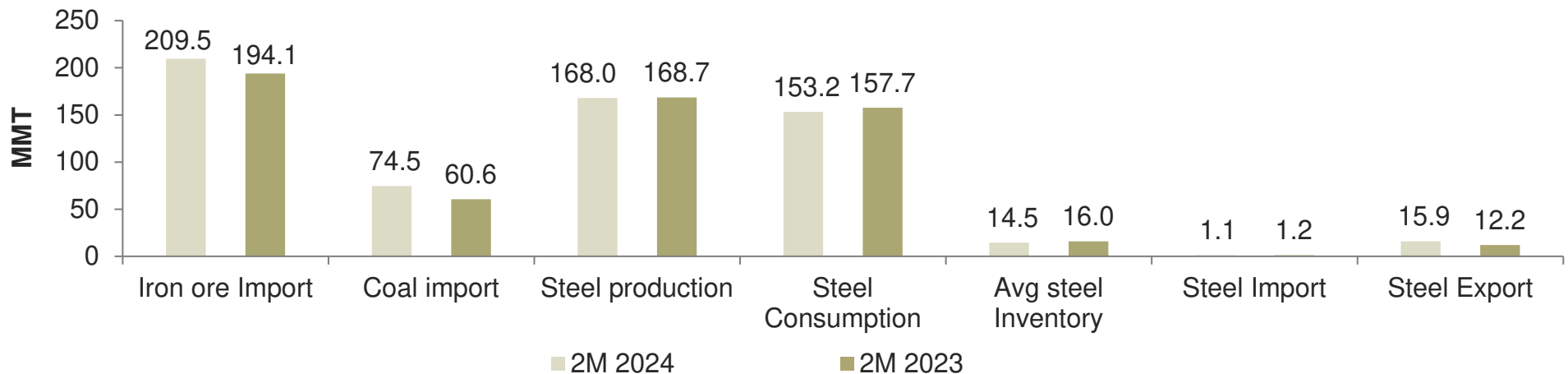


# Look at China's performance in 2M 2024!

## Latest available Data points on China in 2M 2024 Vs 2M 2023.

- China's Iron Ore imports in 2M 2024 was 209.5 MMT Vs 194.1 MMT 2M 2023 up by 7.9%.
- China's Coal imports in 2M 2024 was 74.5 MMT Vs 60.6 MMT 2M 2023 up by 22.9%.
- China's Steel production in 2M 2024 was 168.0 MMT Vs 168.7 MMT in 2M 2023 down by 0.4%.
- Monthly average Steel inventory in 2M 2024 was 14.5 MMT Vs 16.0 MMT 2M 2023 down by 9.8%.
- Steel imports in 2M 2024 was 1.1 MMT Vs 1.2 MMT in 2M 2023 down by 8.2%.
- Steel exports in 2M 2024 was 15.9 MMT Vs 12.2 MMT in 2M 2023 up by 30.5%.
- Steel consumption in 2M 2024 was 153.2 MMT Vs 157.7 MMT in 2M 2023 down by 2.9%.

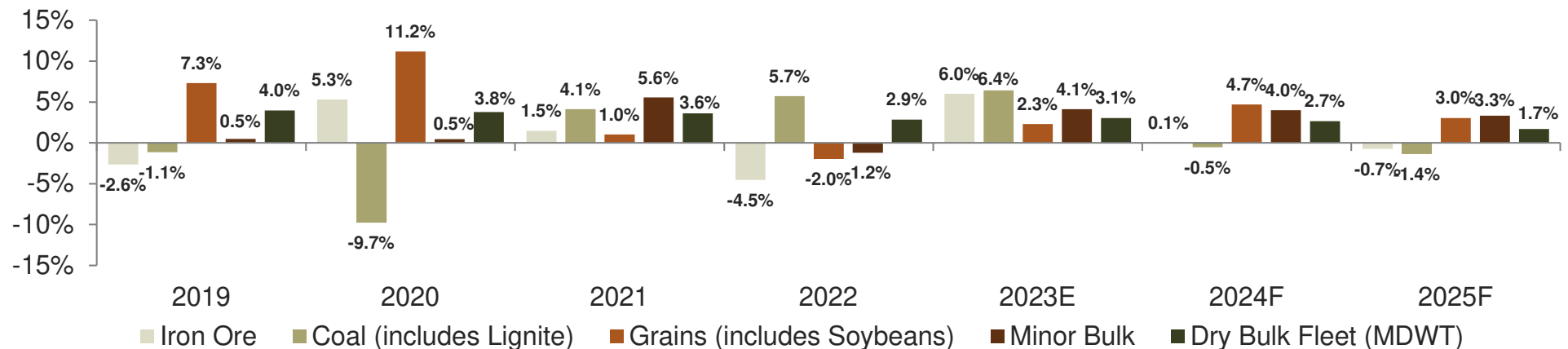
2023 vs 2022	
Iron Ore Imports	+6.6%
Coal Imports	+61.8%
Steel Production	+0.4%
Avg Steel Inventory	-6.8%
Steel Imports	-27.3%
Steel Exports	+35.1%
Steel Consumption	-2.3%



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

Seaborne Dry bulk Trade							
All Units In Billion Tonne-Miles	2019	2020	2021	2022	2023	2024F	2025F
Iron Ore	7,983	8,406	8,530	8,144	8,633	8,638	8,576
Coal (includes Lignite)	5,167	4,663	4,856	5,134	5,465	5,436	5,361
Grains (includes Soybeans)	3,395	3,776	3,814	3,739	3,826	4,006	4,128
Minor Bulk	11,283	11,337	11,967	11,823	12,311	12,803	13,228
<b>Total</b>	<b>27,829</b>	<b>28,182</b>	<b>29,168</b>	<b>28,840</b>	<b>30,234</b>	<b>30,883</b>	<b>31,293</b>
<b>Total % Change In Trade</b>	<b>0.05%</b>	<b>1.27%</b>	<b>3.50%</b>	<b>-1.12%</b>	<b>4.83%</b>	<b>2.15%</b>	<b>1.33%</b>
<b>Dry Bulk Fleet (MDWT)*</b>	<b>879.8</b>	<b>913.2</b>	<b>946.2</b>	<b>973.2</b>	<b>1003.0</b>	<b>1029.8</b>	<b>1047.4</b>
<b>% Change in Dry Bulk Fleet (MDWT)*</b>	<b>4.0%</b>	<b>3.8%</b>	<b>3.6%</b>	<b>2.9%</b>	<b>3.1%</b>	<b>2.7%</b>	<b>1.7%</b>

## % age increase over the previous year



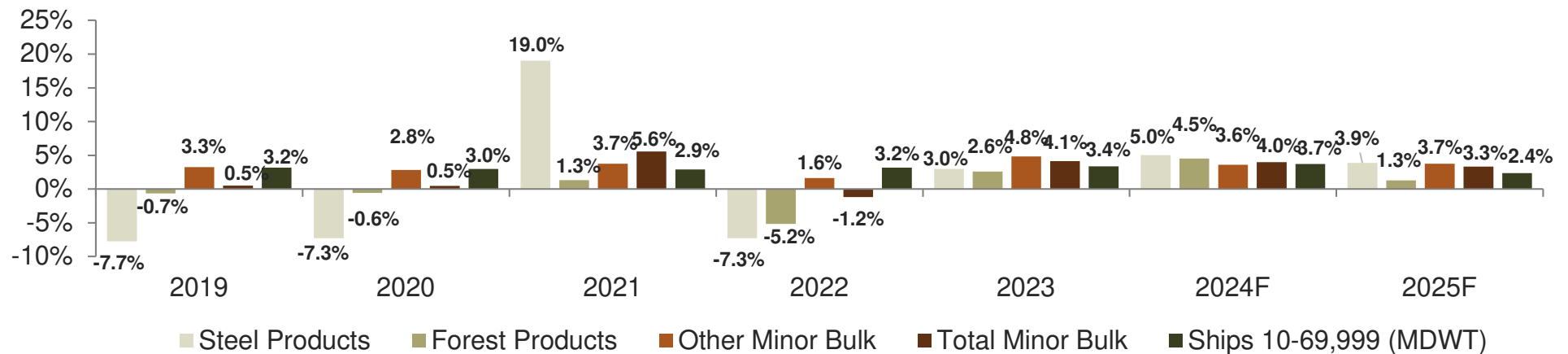
Source: Clarksons World Seaborne Trade Timeseries as on 29 Feb 2024

\*Clarksons Feb 2024 DBTO

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

Seaborne Minor Bulk Trade							
All Units In Billion Tonne-Miles	2019	2020	2021	2022	2023	2024F	2025F
Steel Products	1,846	1,712	2,038	1,889	1,946	2,043	2,122
Forest Products	2,292	2,279	2,309	2,190	2,246	2,348	2,378
Other Minor Bulk	7,145	7,346	7,620	7,744	8,119	8,412	8,727
<b>Total Minor Bulk</b>	<b>11,283</b>	<b>11,337</b>	<b>11,967</b>	<b>11,823</b>	<b>12,311</b>	<b>12,803</b>	<b>13,228</b>
<b>% Change In Minor Bulk</b>	<b>0.49%</b>	<b>0.47%</b>	<b>5.56%</b>	<b>-1.20%</b>	<b>4.13%</b>	<b>4.00%</b>	<b>3.32%</b>
<b>Ships 10-69,999 (MDWT)*</b>	<b>314.0</b>	<b>323.3</b>	<b>332.7</b>	<b>343.2</b>	<b>354.7</b>	<b>367.9</b>	<b>376.6</b>
<b>% Change In 10-69,999 (MDWT)*</b>	<b>3.2%</b>	<b>3.0%</b>	<b>2.9%</b>	<b>3.2%</b>	<b>3.4%</b>	<b>3.7%</b>	<b>2.4%</b>

## % age increase over the previous year



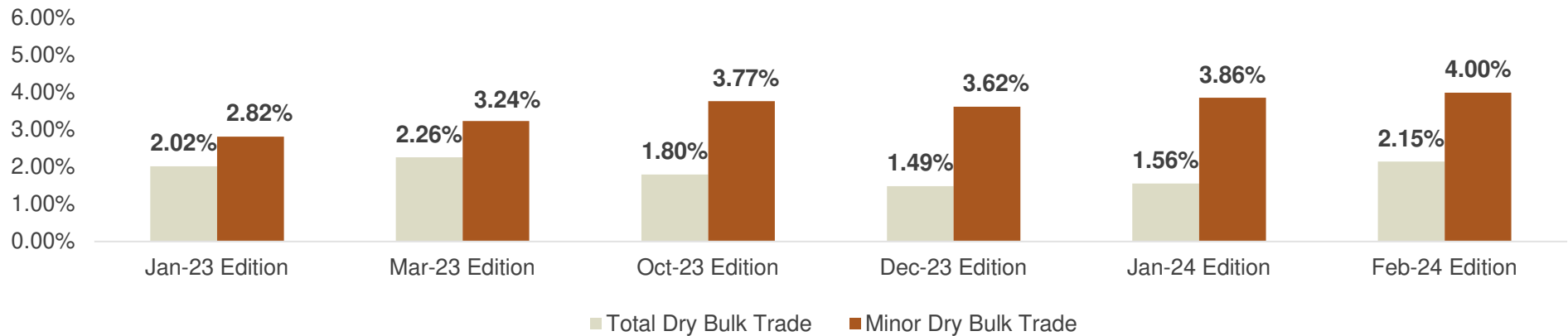
Source: Clarksons World Seaborne Trade Timeseries and Clarksons World Fleet Register as on 29 Feb 2024

\*Clarksons Feb 2024 DBTO

# Demand and supply forecast by Clarksons at different times

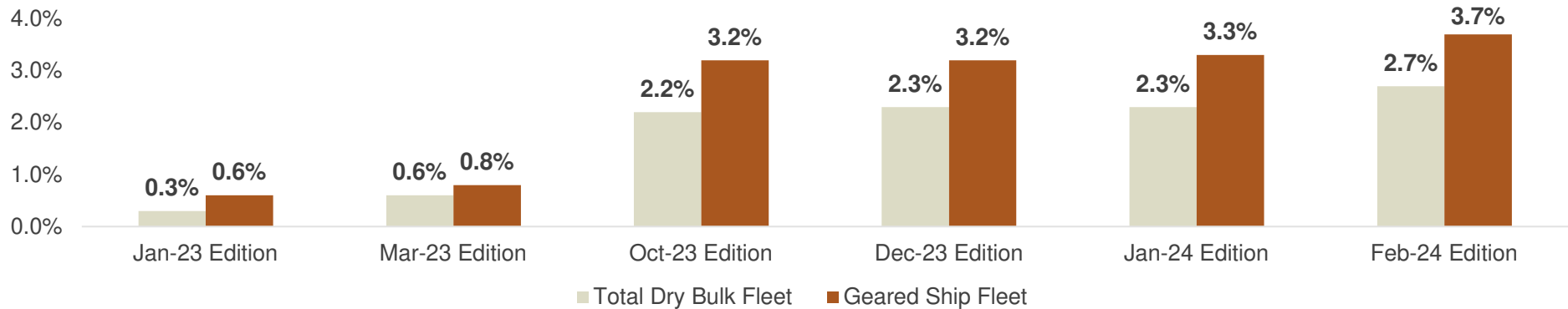
## 2024 Trade Growth

YoY Percentage Growth of Tonne-mile Demand



## 2024 Fleet Growth

YoY Percentage Growth of DWT Supply



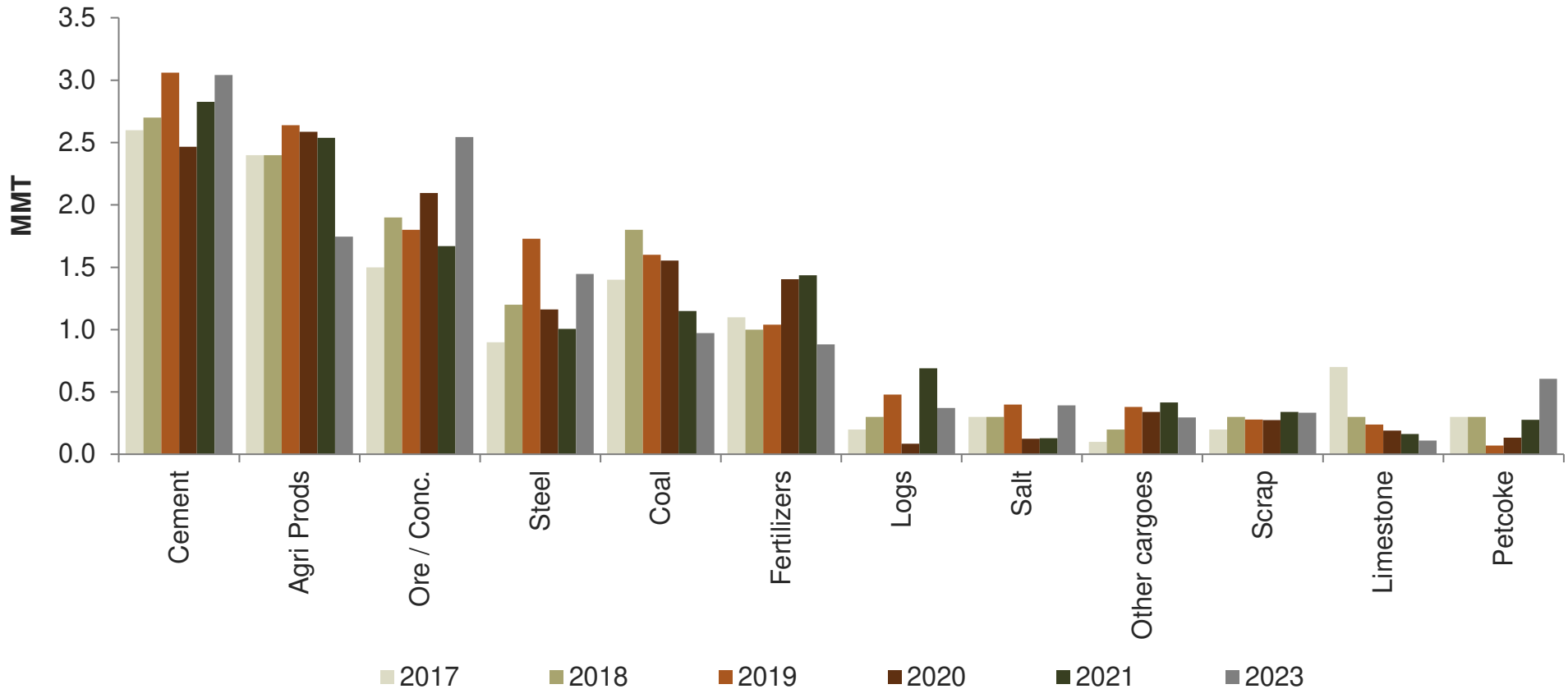
Source: Clarksons World Seaborne Trade Timeseries as on 31 Dec 2022, 31 Mar 2023, 31 Oct 2023, 31 Dec 2023, 31 Jan 2024, and 29 Feb 2024  
Clarksons Jan 2023, Mar 2023, Oct 2023, Dec 2023, Jan 2024, and Feb 2024 DBTO

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# PSL cargo exposure: 2017 – 2023

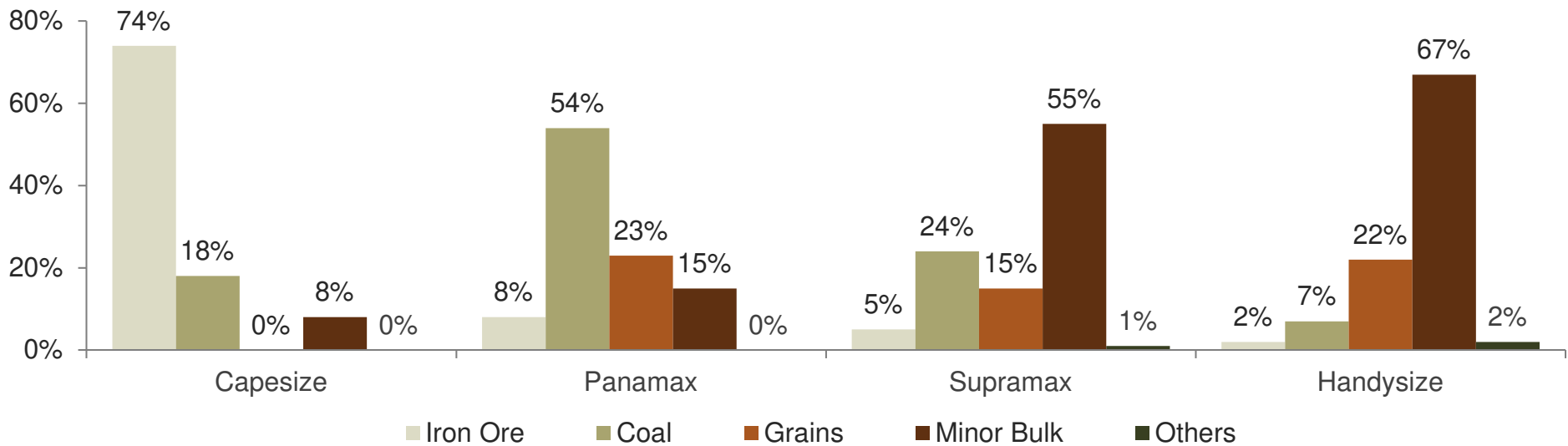
Bulk cargo in the aggregate amount of 11.7MMT, 12.7MMT, 13.7MMT, 12.4MMT, 12.6MMT, 11.6MMT, and 12.8MMT was carried on PSL ships in 2017, 2018, 2019, 2020, 2021, 2022, and 2023 respectively.



Source: PSL as of 31 Dec 2023

# Commodities share by different dry bulk sectors

Commodities	Capesize	Panamax	Supramax	Handysize
Iron Ore	74%	8%	5%	2%
Coal	18%	54%	24%	7%
Grains	-	23%	15%	22%
Minor Bulk	8%	15%	55%	67%
Others	-	-	1%	2%



Source: Maersk Broker as of Q4 2023





# Dry bulk fleet at the start of Mar 2024

## 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	4,460	13.95	118.65	26,603	11.83%
Supra/Ultramax	40,000 – 69,999	4,192	11.83	236.33	56,377	23.56%
Panamax	70,000 – 89,999	2,767	11.74	220.91	79,836	22.02%
Capesize	90,000+	2,337	10.95	427.14	182,772	42.58%
<b>Total / Average</b>		<b>13,756</b>	<b>12.35</b>	<b>1,003.03</b>	<b>72,916</b>	<b>100.00%</b>

## Changes in 2M 2024

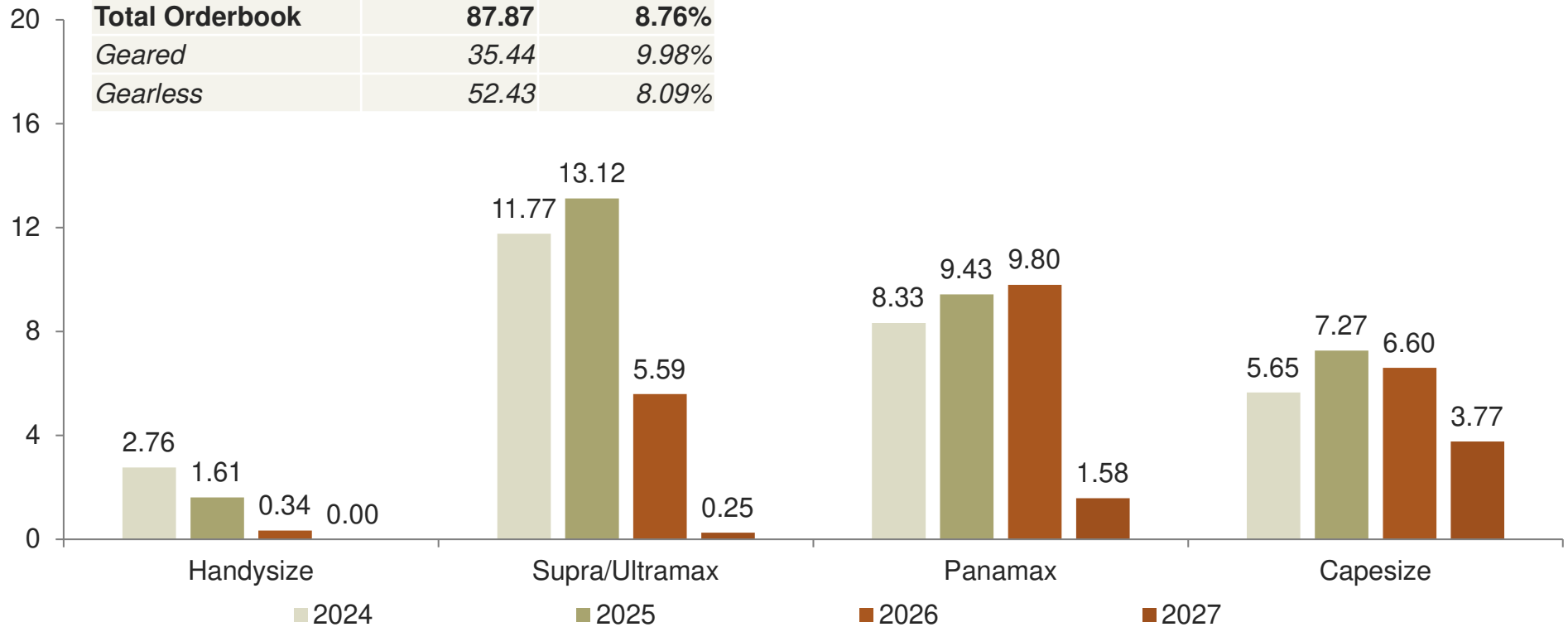
Ship Type	DWT Range (MT)	Ships No (%age)	DWT m MT (%age)
Handysize	10,000 – 39,999	+21 (+0.47%)	+0.45 (+0.38%)
Supra/Ultramax	40,000 – 69,999	+38 (+0.91%)	+2.17 (+0.93%)
Panamax	70,000 – 89,999	+21 (+0.76%)	+1.75 (+0.80%)
Capesize	90,000+	+10 (+0.43%)	+2.07 (+0.49%)
<b>Total / Average</b>		<b>+90 (+0.66%)</b>	<b>+6.45 (+0.65%)</b>

Source: Clarksons World Fleet Register as on 29 Feb 2024



# Confirmed orders as of 1 Mar 2024 (MDWT) – 31 Dec 2027

Total Confirmed Orders Until 2027		
Year	M DWT	% of Fleet
2024	28.51	2.84%
2025	31.42	3.13%
2026	22.33	2.23%
2027	5.61	0.56%
<b>Total Orderbook</b>	<b>87.87</b>	<b>8.76%</b>
<i>Geared</i>	35.44	9.98%
<i>Gearless</i>	52.43	8.09%

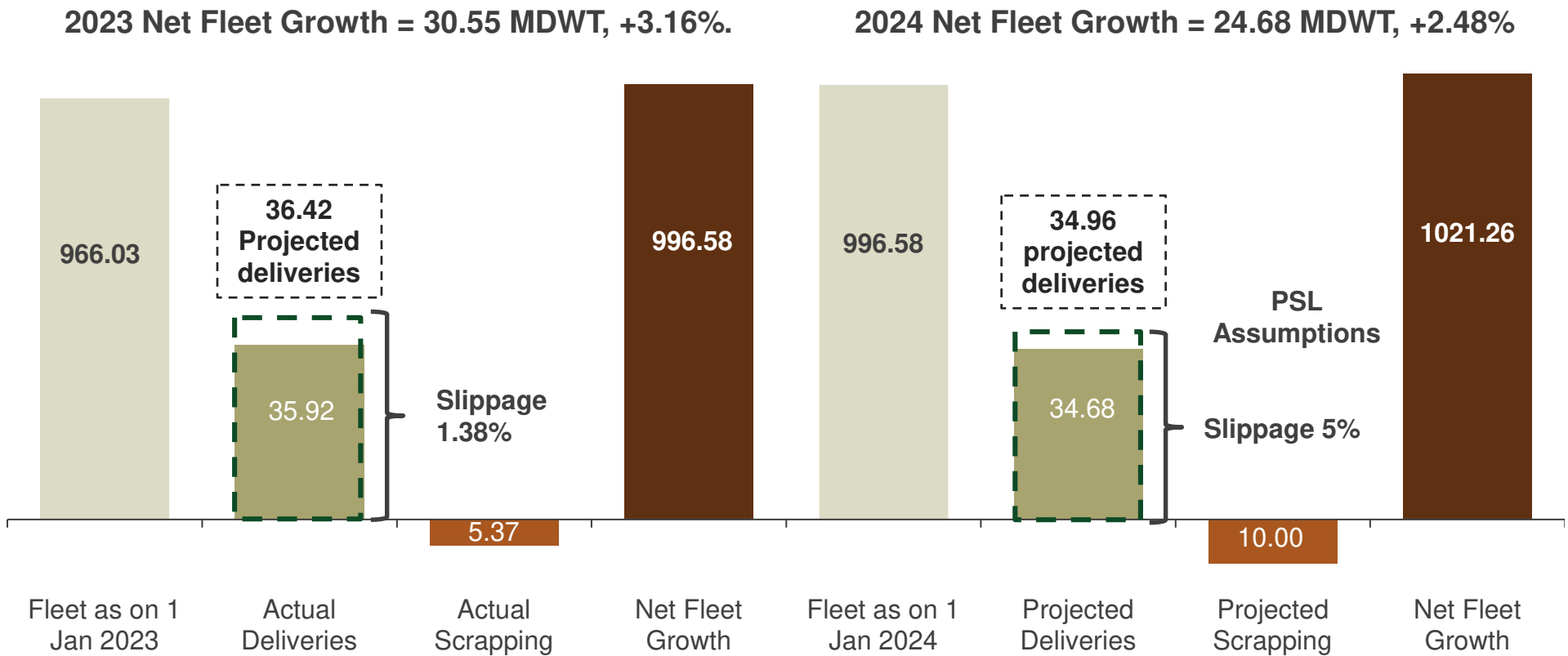


Source: Clarksons World Fleet Register as on 29 Feb 2024



# PSL dry bulk supply side forecast

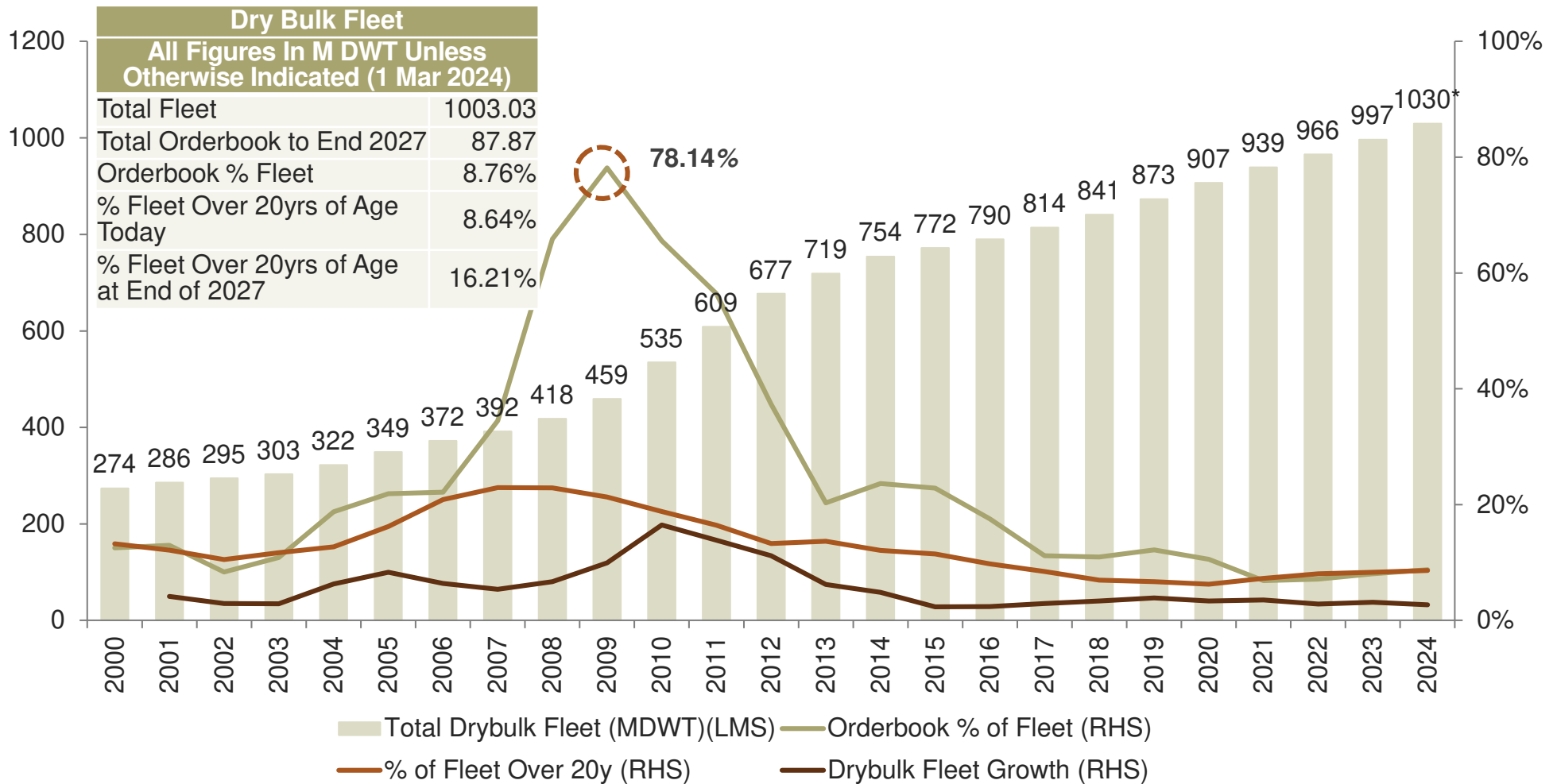
Actual data for 2023. PSL forecasts net fleet growth for 2024 at 2.48%, assuming 5% slippage and 10.00 MDWT of scrapping in 2024.



Source: Clarksons World Fleet Register as on 29 Feb 2024 and PSL internal estimate.



# Putting orderbook figures in context – overall dry bulk fleet



Source: Clarksons World Fleet Register as on 29 Feb 2024 and \*End'24 Fleet Capacity and Growth from Clarksons Feb 2024 DBTO

# Differences in 2003-2009, 2010-2020, 2021-2022, 2023 and the future

Daily average Time Charter rate	2003 – 2009	2010 – 2020	2021-2022	2023	2M 2024
Capesize	67,101*	14,924***	24,807**	16,389**	21,049**
Panamax	32,793*	10,965***	23,836**	12,854**	14,200**
Supramax	28,013^^	10,765***	24,475**	11,240**	12,179**
Handysize	18,753^^	8,789***	23,533**	10,420**	11,101**
Annual Average Demand Billion Ton-miles	+5.4%	+4.3%	+1.19%	+4.83%	+2.15%
Average Speed (knots)	13.5^^^	11.5^^^	11.3	11.0	10.9
Chinese Stimulus	China enters WTO 2001	\$ 578 bn (2009)	\$667 bn (2021) \$2.3 trillion (2022)^	\$1.8 trillion^	\$417 bn^
Orderbook/Fleet Ratio per Year (start of each year)	+25.88%	+32.21%	+6.48%	+7.16%	+8.33%
Annual Average % of 20-year-old (start of each year)	+16.84%	+12.67%	+6.76%	+8.07%	+8.48%
Annual Average Net Supply Growth	+6.8%	+6.4%	+3.3%	+3.1% (WFR +3.16%)	+2.7%

## 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. However, at the start of Mar 2024 the 20+ year old fleet was marginally below the forward order book at 8.64% versus 8.76%, 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, CNBC reported a plan of 2 trillion Yuan stimulus package

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

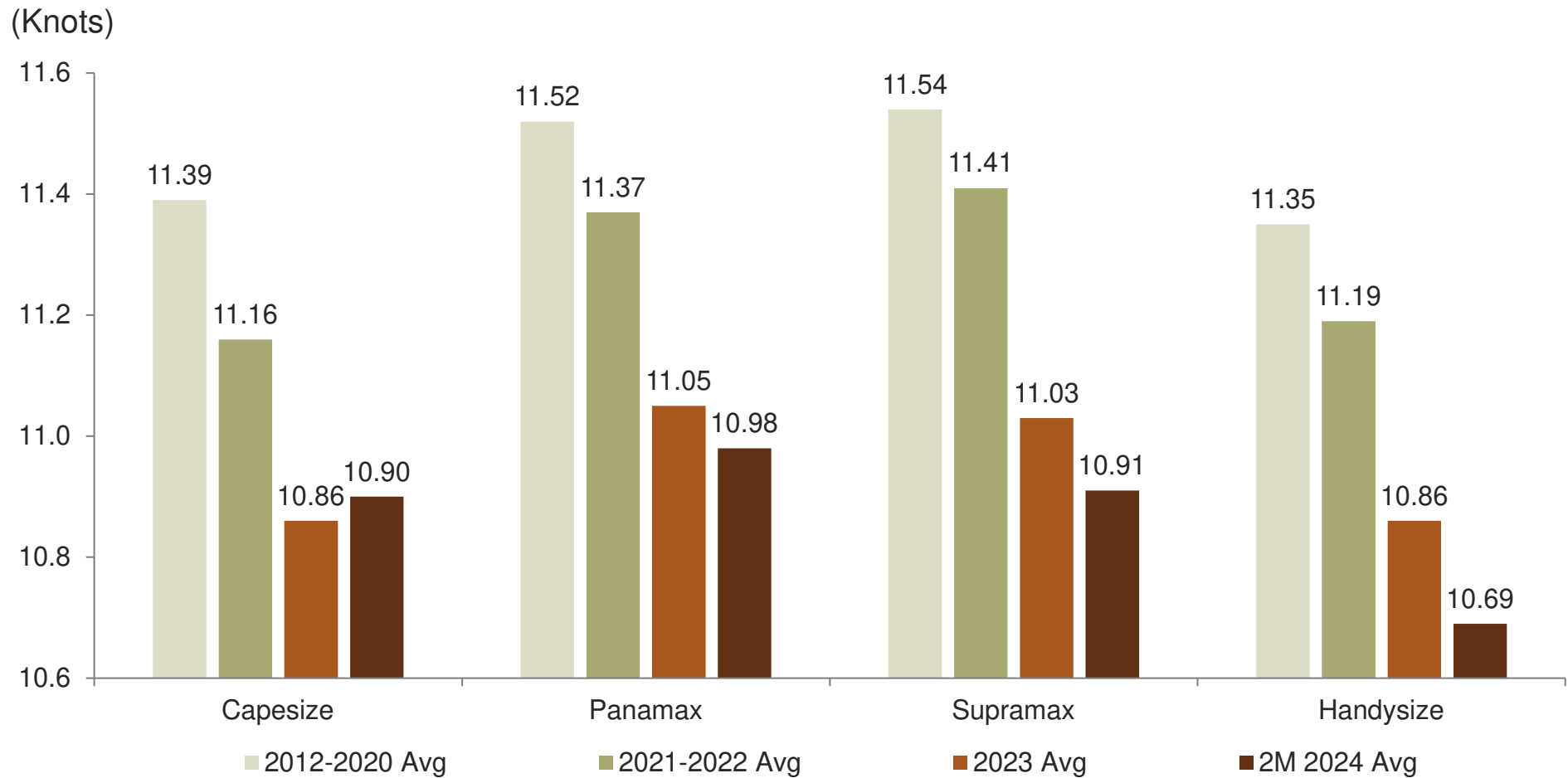
^^^Average speed in 2008-2009 and average speed in 2012-2020

Source: Clarksons Index Timeseries, Clarksons Speed Timeseries, and Clarksons World Fleet Register as on 29 Feb 2024

Supply Growth from Clarksons Feb 2024 DBTO and Demand Growth from Clarksons World Seaborne Trade Time Series as on 29 Feb 2024

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# Average speed – till end of 2M 2024

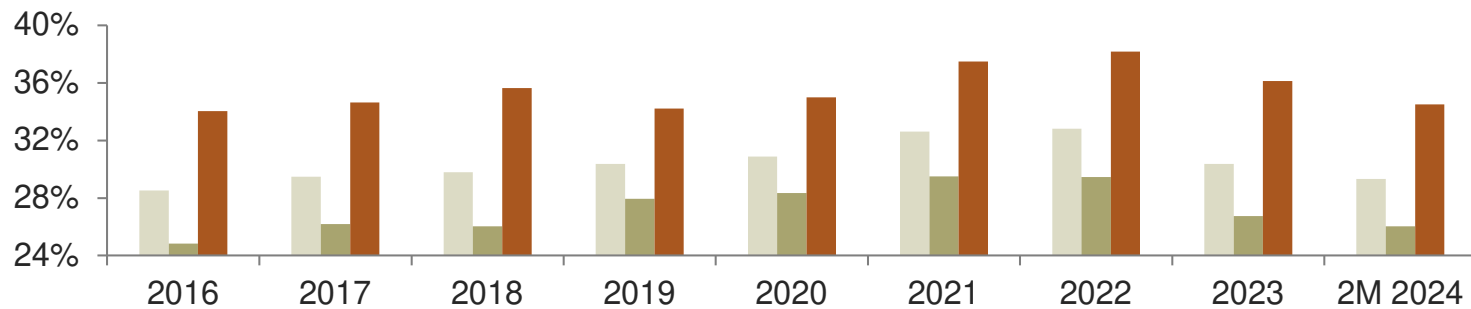
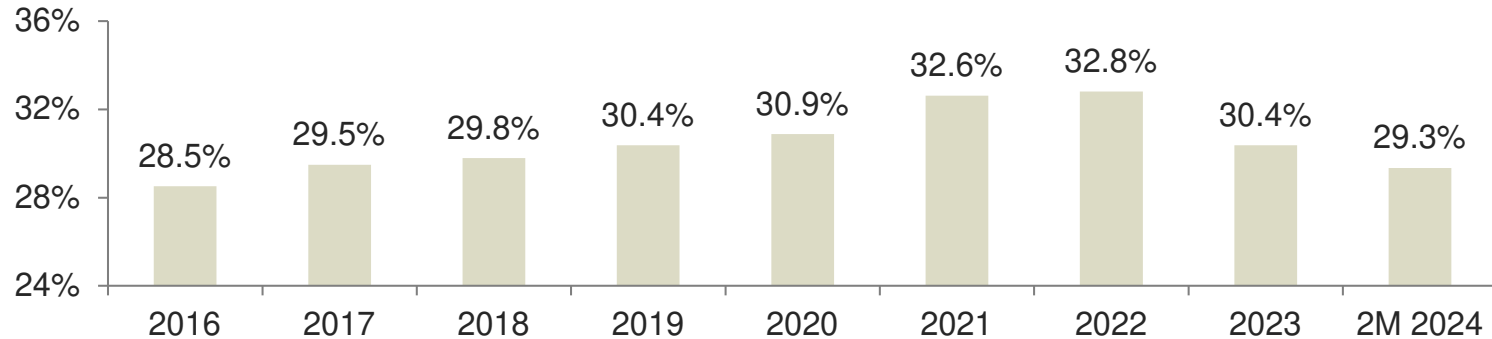


Source: Clarksons Speed Timeseries as on 29 Feb 2024



# Port congestion – till end of 2M 2024

## 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 30.4% of their fleet in 2023.
- In 2M 2024, this figure decreased to 29.3%
- 5 years (2016-2020) and 8 years (2016-2023) average stood at 29.8% and 30.6%

Source: Clarksons Port Congestion Timeseries as on 29 Feb 2024

Note: Clarksons suspended a provision of Supramax port congestion data

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



# 2024 Net Supply Growth Including Congestion

A full Supra/Ultramax congestion unwind back to pre-covid levels plus deliveries and scrapping could see the effective fleet growth by over 6%. Capes are seemingly the safest spot.

(% Fleet in DWT)

Ship Type	Deliveries	Scrapping	Congestion Unwind (Basis Pre-Covid)	Congestion Unwind (Basis 2023)	Net 2024 Fleet Growth (Pre-Covid Congestion)	Net 2024 Fleet Growth (Avg 2023 Congestion)
Handysize	4.6%	-1.0%	1.6%	1.1%	5.3%	4.7%
Supra/Ultramax	4.6%	-0.8%	2.3%	2.4%	6.1%	6.1%
Panamax	3.5%	-0.9%	1.6%	-0.4%	4.2%	2.2%
Capesize	2.3%	-0.5%	2.2%	-0.5%	4.0%	1.4%

Source: Arrow Dry Bulk Market Outlook, Mar 2024





## DWT of dry bulk ships ordered in 2M 2024 vs 2M 2023, 2022 and 2021

Year	Avg. BDI	% Change in 2023	New Orders in MDWT	% Change in 2023
2M 2021	1,579	+3%	9.17	-63%
2M 2022	1,798	-9%	8.14	-58%
2M 2023	787	+108%	3.87	-12%
2M 2024	1,633	-	3.40	-

Source: Clarksons Index Timeseries, Clarksons World Fleet Register, and Clarksons Newbuild Contracts Timeseries as on 29 Feb 2024

### 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. **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

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- **The IMF reports global GDP growth of 3.1% in 2023 and estimates growth of 3.1% in 2024.**
- **China's GDP in 2023 was 5.2%, and the Chinese government forecast for 2024 is about 5.0%.**
- **Ton-mile demand growth of 4.83% in 2023, was driven by China's economic recovery. Steel consumption in China in 2023 was marginally negative, supported by shipyards, EV makers, infrastructure, and steel exports.**
- **In 2023, China's fixed asset investment was +3.0%, consumer spending had rebounded.**
- **The dry bulk fleet has grown by 3.1% in 2023 and forecast to grow by 2.7% in 2024 (Feb 24 DBTO). But net supply will be reduced by 1.5-2.0% in 2024 - 2025 due to lower speeds via compliance with EEXI and CII regulations.**
- **Forward orderbook to fleet ratio at 8.76% as of 1 Mar 24 is marginally higher than the existing 20 year old fleet at 8.64%.**
- **Low water at Panama Canal & disruption at Suez Canal; congestion at South and North American grain ports; Climate change extreme weather events; have resulted in disruptions, increased ton-mile demand, delays at Sea & congestion, and have pushed rates up.**
- **The supply/demand balance continues to improve.**





# Financials

จันทนา นารี  
CHINTANA NAREE

# 2023 highlights



## 2023 Highlights

<b>Annual Results</b>	<ul style="list-style-type: none"><li>• Net profit of Baht 709.60 million (USD 20.35 million), or Baht 0.46 per share</li><li>• EBITDA of Baht 2,222.03 million (USD 63.81 million)</li></ul>
<b>Dividend</b>	<ul style="list-style-type: none"><li>• PSL declared an interim dividend (No.1) of 5 Satang which was paid on 14 June 2023.</li><li>• PSL declared an interim dividend (No.2) of 5 Satang which was paid on 8 September 2023.</li><li>• PSL declared an interim dividend (No.3) of 5 Satang which was paid on 8 December 2023.</li><li>• PSL declared an interim dividend (No.4) of 5 Satang which was paid on 11 March 2024.</li></ul>
<b>Long-term charter contracts</b>	<ul style="list-style-type: none"><li>• In aggregate, 2023 the Company has 5 ships were under long-term charter contracts at fixed rates, and 18 ships were entered into long-term charter contracts at levels linked to the underlying index for vessels of that size.</li></ul>



# 2023 highlights

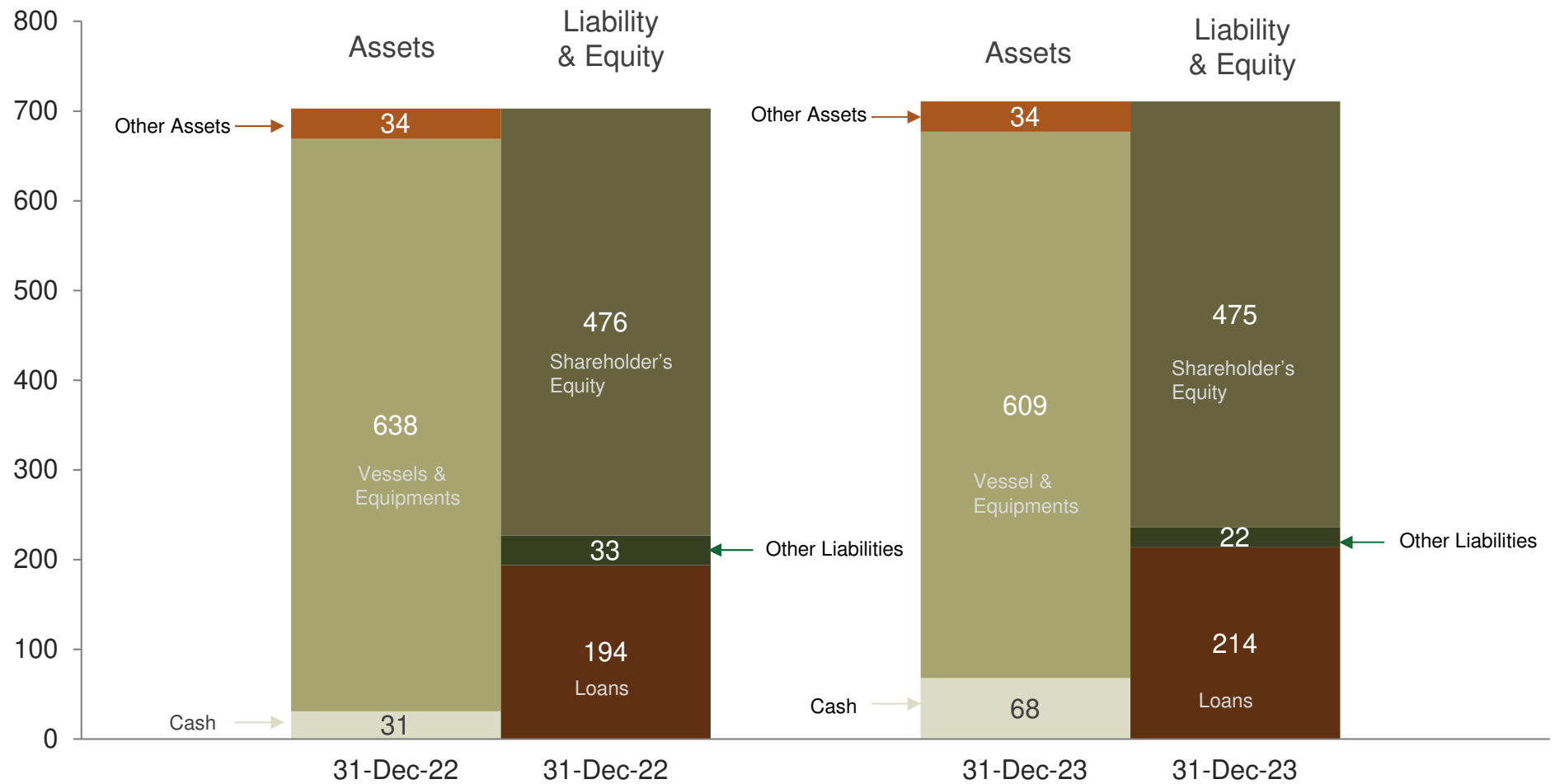


## 2023 Highlights

### Financing

- On 27 April 2023, PSL completed the drawdown of a USD 9.00 million loan from Iyo Bank and used part of the loan proceeds to prepay a USD 4.10 million loan from Sinopac.
- On 20 June 2023, PSL upsized an existing loan from Bangkok Bank by an additional loan amount of up to USD 31.80 million. The aggregate loan amount has been increased to USD 48.90 million loan from Bangkok Bank. PSL completed drawdown of USD 33.00 million in 2022-2023.
- On 11 August 2023, PSL entered into a credit facility of USD 26.25 million with the Export-Import Bank of Thailand (“EXIM”).
- On 25 October 2023, PSL entered into a credit facility of USD 105.00 million with International Finance Corporation, Export-Import Bank of Thailand and Crédit Agricole Corporate and Investment Bank to finance the acquisition of up to six dry bulk vessels with availability period of 24 months.
- On 7 November 2023, PSL entered into a credit facility of USD 37.50 million with Credit Agricole Corporate and Investment Bank (“CACIB”). PSL completed drawdown of USD 36.90 million and used part of the loan proceeds to prepay a USD 26.03 million loan from CACIB on 10 November 2023.
- On 27 December 2023, PSL entered into a credit facility of USD 18.00 million with Sinopac; availability period of 12 months.

# Statement of financial position (\$ million)



# Financial highlights – Income statement

Particulars	รายการ	2022	2023
(Unit : US\$ Million / หน่วย : ล้านดอลลาร์สหรัฐ )			
Total Revenues	รายได้รวม	260.45	149.24
Net Profit (Loss)	กำไร (ขาดทุน) สุทธิ	138.61	20.35
Net Profit (Loss) excluding Exchange gain (loss) and Non-recurring items	กำไร (ขาดทุน) สุทธิ ไม่รวมกำไร (ขาดทุน) จากอัตราแลกเปลี่ยนและรายการพิเศษต่างๆ	138.66	18.97
EBITDA	กำไรก่อนหักดอกเบี้ยจ่าย ภาษีเงินได้ ค่าเสื่อมราคา และรายจ่ายตัดบัญชี	180.33	63.81
(Unit : US\$ / หน่วย : เหรียญสหรัฐ )			
Average TC Income per Ship per day	รายได้เฉลี่ยต่อวันต่อลำ	19,924	10,907
Average Ship Running Cost per Ship per day (OPEX)	ค่าใช้จ่ายในการเดินเรือเฉลี่ยต่อวันต่อลำ	4,895	5,205
(Unit : Baht / หน่วย : บาท )			
Earning (Loss) per share	กำไร (ขาดทุน) ต่อหุ้น	3.11	0.46

## Anti-Corruption Activities

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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).**

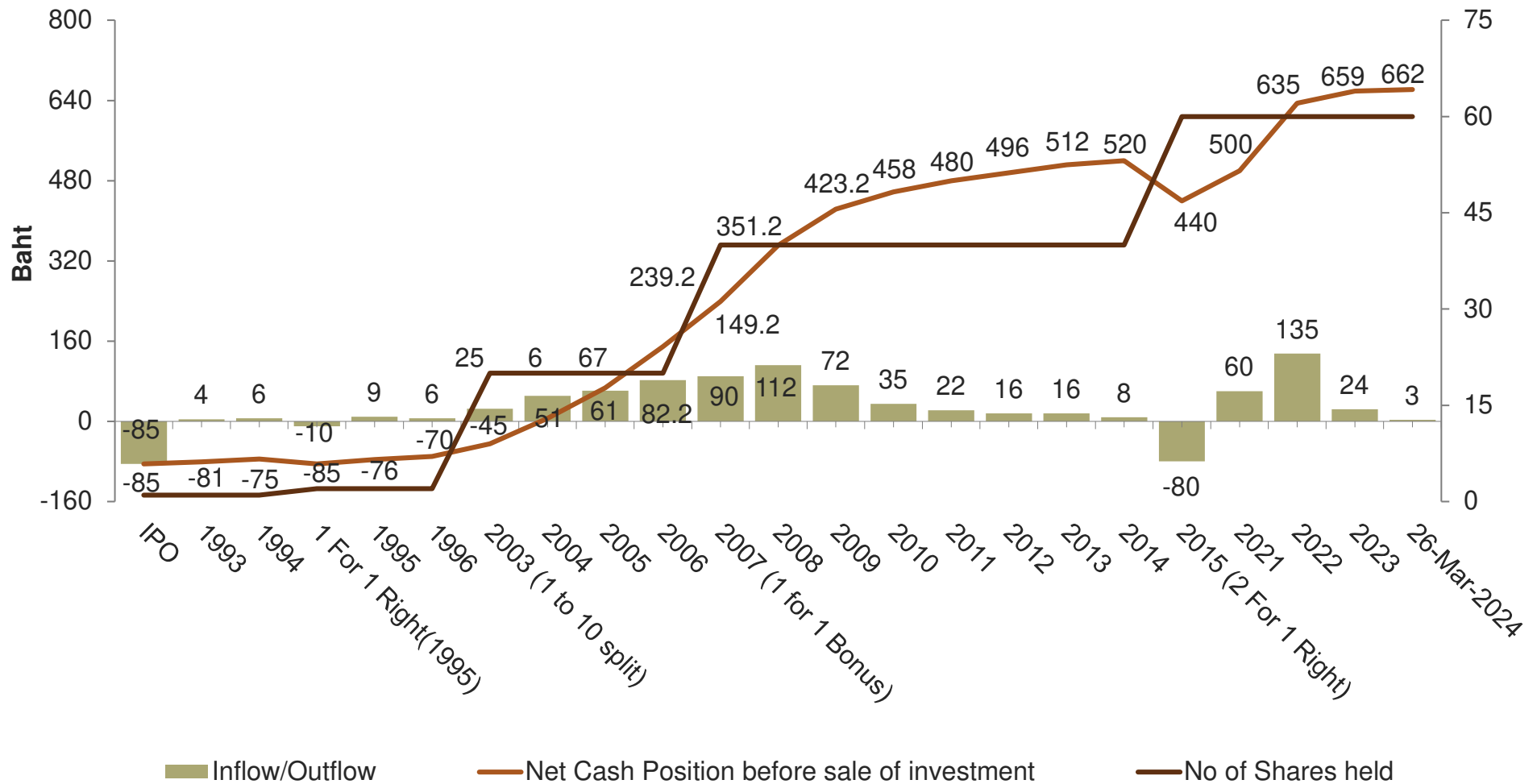






## Shareholder's returns

# Total return to shareholders: 1993 to 26 March 2024



Basis the 8.00 Baht/share price on 26 March 2024, stockholders have earned a 15.76% IRR since the IPO in 1993.

## Final food for thought

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- **Demand and Supply** are expected to be **finely balanced** 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!**
- Disruptions in the **Red Sea** have resulted in many vessels having to sail via the **Cape of Good Hope** instead of through the **Suez Canal** resulting in **increased ton-mile** demand.
- **Ton-mile demand growth of 4.83% in 2023**, was driven by China's economic recovery.
- The dry bulk fleet **grew by 3.1% in 2023 and is expected to grow by 2.7% in 2024** (Feb 24 DBTO). But net supply will be **reduced by 1.5-2.0% in 2024 - 2025** due to lower speeds via compliance with **EEXI and CII regulations**.
- **Climate change extreme weather** has resulted in **disruptions, increased ton-mile** demand, **delays at Sea & congestion, all pushing rates up**.
- **Low water in Panama Canal** has forced a significant number of vessels to choose longer alternatives and increased ton-mile demand.
- Steel consumption declines in the **Chinese property sector** have been largely offset by increased demand from **Shipyards, EV makers, infrastructure, and steel exports**.

**Thank You !**



**Precious Shipping Public Company Limited**

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